

2026

H 1

Interim Condensed Consolidated Financial Statements

of the PKP CARGO S.A.
under restructuring
Capital Group

for the period of 6 months
ended 30 June 2026
prepared in accordance with EU IFRS



Table of Contents

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	2
INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION	3
INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	4
INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS	5
1. General information	6
1.1 Key information about the Group's business	6
1.2 Basis for preparation of the Interim Condensed Consolidated Financial Statements	8
1.3 Going concern assumption, restructuring measures	8
1.4 Liquidity position of the Group and liquidity risk management	22
1.5 Sale of the subsidiary	24
1.6 Material values based on professional judgment and estimates	25
1.7 Applied International Financial Reporting Standards platform	29
2. Notes to the statement of profit or loss and other comprehensive income	30
2.1 Revenues from contracts with customers	30
2.2 Operating expenses	32
2.3 Other operating revenue (and expenses)	33
2.4 Financial revenue (and expenses)	34
3. Notes on taxation	34
3.1 Income tax	34
4. Notes on debt	36
4.1 Reconciliation of debt liabilities	36
4.2 Equity	39
4.3 Cash and cash equivalents	39
5. Notes to the statement of financial position	40
5.1 Rolling stock and other property, plant and equipment	40
5.2 Right-of-use assets	42
5.3 Non-current assets classified as held for sale	43
5.4 Investments in entities accounted for under the equity method	44
5.5 Inventories	44
5.6 Trade receivables	45
5.7 Other assets	45
5.8 Trade payables	45
5.9 Investment commitments	46
5.10 Provisions for employee benefits	46
5.11 Other provisions	47
5.12 Other liabilities	48
6. Financial instruments	48
6.1 Financial instruments	48
7. Other notes	51
7.1 Related party transactions	51
7.2 Liabilities to incur expenditures for non-financial non-current assets	52
7.3 Contingent liabilities	52
7.4 Impact of the geopolitical situation on the Group's operations	53
7.5 Events after the balance sheet date	54
7.6 Approval of the financial statements	54

INTERIM CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	6 months ended 30 June 2026	3 months ended 30 June 2026	6 months ended 30 June 2025	3 months ended 30 June 2025	
Revenues from contracts with customers	1,840.3	943.3	1,821.2	893.3	Note 2.1
Consumption of electricity and traction fuel	(300.0)	(155.1)	(263.3)	(126.7)	Note 2.2
Infrastructure access services	(210.0)	(108.9)	(179.0)	(89.2)	
Transport services	(101.4)	(49.2)	(103.3)	(52.5)	
Other services	(207.6)	(106.7)	(195.6)	(102.2)	Note 2.2
Employee benefits	(743.8)	(363.6)	(809.6)	(400.2)	Note 2.2
Other expenses	(135.7)	(66.6)	(138.2)	(64.8)	Note 2.2
Other operating revenue (and expenses)	18.0	(2.3)	8.0	7.7	Note 2.3
Operating profit before depreciation and amortization (EBITDA)	159.8	90.9	140.2	65.4	
Depreciation, amortization and impairment losses	27.7	135.8	(85.5)	9.7	Note 2.2
Profit / (loss) on operating activities (EBIT)	187.5	226.7	54.7	75.1	
Financial revenue (and expenses)	(40.2)	(21.1)	(69.3)	(33.2)	Note 2.4
Share in the profit / (loss) of entities accounted for under the equity method	4.7	1.5	(0.6)	(0.4)	Note 5.4
Profit / (loss) before tax	152.0	207.1	(15.2)	41.5	
Income tax	(34.2)	(43.5)	(2.7)	(10.8)	Note 3.1
NET PROFIT / (LOSS)	117.8	163.6	(17.9)	30.7	
OTHER COMPREHENSIVE INCOME					
Measurement of hedging instruments	(7.2)	(0.9)	3.1	(5.7)	Note 6.1
Income tax	1.4	0.2	(0.6)	1.1	Note 3.1
Exchange differences resulting from conversion of financial statements of foreign operations	9.7	9.6	6.6	14.3	
Other comprehensive income subject to reclassification to profit or loss, total	3.9	8.9	9.1	9.7	
Actuarial gains / (losses) on employee benefits	4.1	4.1	(34.1)	(34.0)	Note 5.10
Income tax	(0.8)	(0.8)	6.5	6.5	Note 3.1
Other comprehensive income not subject to reclassification to profit or loss, total	3.3	3.3	(27.6)	(27.5)	
Total other comprehensive income	7.2	12.2	(18.5)	(17.8)	
TOTAL COMPREHENSIVE INCOME	125.0	175.8	(36.4)	12.9	
Net profit / (loss) attributable:					
Net profit / (loss) attributable to shareholders of the parent company	117.8	163.6	(17.9)	30.7	
Total other comprehensive income attributable:					
Total other comprehensive income attributable to shareholders of the parent company	125.0	175.8	(36.4)	12.9	
Earnings / (losses) per share (PLN per share)					
Weighted average number of ordinary shares	44,786,917	44,786,917	44,786,917	44,786,917	
Earnings / (losses) per share	2.63	3.65	(0.40)	0.69	
Diluted earnings / (losses) per share	2.63	3.65	(0.40)	0.69	

In the periods covered by these Interim Condensed Consolidated Financial Statements, there was no non-controlling interest.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	30 June 2026	31 December 2025	
ASSETS			
Rolling stock	2,579.5	2,313.2	Note 5.1
Other property, plant and equipment	581.8	611.1	Note 5.1
Right-of-use assets	1,145.0	1,257.9	Note 5.2
Investments in entities accounted for under the equity method	10.7	21.6	Note 5.4
Trade receivables	0.2	1.9	Note 5.6
Lease receivables	-	8.7	
Other assets	47.6	49.0	Note 5.7
Deferred tax assets	626.1	648.6	Note 3.1
Total non-current assets	4,990.9	4,912.0	
Inventories	146.3	144.4	Note 5.5
Trade receivables	531.8	518.9	Note 5.6
Lease receivables	0.3	1.5	
Other assets	132.9	131.4	Note 5.7
Cash and cash equivalents	416.7	430.1	Note 4.3
Total current assets	1,228.0	1,226.3	
Non-current assets classified as held for sale	117.4	113.9	Note 5.3
TOTAL ASSETS	6,336.3	6,252.2	
EQUITY AND LIABILITIES			
Share capital	44.8	44.8	Note 4.2
Supplementary capital	683.8	633.0	
Other items of equity	(161.4)	(158.9)	
Exchange differences resulting from conversion of financial statements of foreign operations	114.3	104.6	
Retained earnings / (Accumulated losses)	220.0	153.0	
Total equity	901.5	776.5	
Debt liabilities	1,206.7	1,356.6	Note 4.1
Trade payables	1.6	1.6	Note 5.8
Investment commitments	6.2	6.9	Note 5.9
Provisions for employee benefits	467.3	484.2	Note 5.10
Other provisions	12.2	12.9	Note 5.11
Deferred tax liability	62.1	53.1	Note 3.1
Other liabilities	0.1	0.8	Note 5.12
Total non-current liabilities	1,756.2	1,916.1	
Debt liabilities	1,323.1	1,354.7	Note 4.1
Trade payables	1,351.6	1,216.6	Note 5.8
Investment commitments	138.3	142.0	Note 5.9
Provisions for employee benefits	133.7	122.7	Note 5.10
Other provisions	23.8	28.4	Note 5.11
Other liabilities	708.1	695.2	Note 5.12
Total current liabilities	3,678.6	3,559.6	
Total liabilities	5,434.8	5,475.7	
TOTAL EQUITY AND LIABILITIES	6,336.3	6,252.2	

INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Supplementary capital	Other items of equity			FX differences resulting from translation of financial statements of foreign operations	Retained earnings / (accumulated losses)	Total equity
			Measurement of equity instruments at fair value	Actuarial gains / (losses) on employee benefits	Measurement of hedging instruments			
1 January 2026	44.8	633.0	0.8	(175.7)	16.0	104.6	153.0	776.5
Net result for the period	-	-	-	-	-	-	117.8	117.8
Other comprehensive income for the period (net)	-	-	-	3.3	(5.8)	9.7	-	7.2
Total comprehensive income	-	-	-	3.3	(5.8)	9.7	117.8	125.0
Other changes for the period	-	50.8	-	-	-	-	(50.8)	-
30 June 2026	44.8	683.8	0.8	(172.4)	10.2	114.3	220.0	901.5
1 January 2025	2,239.3	874.1	(9.1)	(135.0)	12.4	86.5	(2,322.0)	746.2
Net result for the period	-	-	-	-	-	-	(17.9)	(17.9)
Other comprehensive income for the period (net)	-	-	-	(27.6)	2.5	6.6	-	(18.5)
Total comprehensive income	-	-	-	(27.6)	2.5	6.6	(17.9)	(36.4)
Other changes for the period	-	(3.4)	-	-	-	-	3.4	-
30 June 2025	2,239.3	870.7	(9.1)	(162.6)	14.9	93.1	(2,336.5)	709.8

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS

	6 months ended 30 June 2026	6 months ended 30 June 2025	
Cash flows from operating activities			
Profit / (loss) before tax	152.0	(15.2)	
Adjustments			
Depreciation, amortization and impairment losses	(27.7)	85.5	<i>Note 2.2</i>
(Profit) / loss on the sale and liquidation of non-financial non-current assets	(11.8)	(10.7)	
(Profit) / loss on investing activities	(12.3)	(0.3)	
(Profits) / losses on interest, dividends	26.6	52.8	
Interest received / (paid)	0.3	0.3	
Income tax received / (paid)	(12.7)	(0.4)	
Movement in working capital	119.7	66.7	
Other adjustments	1.8	(33.2)	
Net cash from operating activities	235.9	145.5	
Cash flows from investing activities			
Expenditures on the acquisition of non-financial non-current assets	(193.4)	(155.9)	
Proceeds from the sale of non-financial non-current assets	59.9	9.8	
Proceeds from disposal of subsidiary, net of cash disposed	25.6	-	<i>Note 1.5</i>
Proceeds from the sale of shares in a joint venture	11.5	-	
Proceeds from dividends received	2.9	4.5	
Other proceeds from investing activities	4.4	8.7	
Net cash from investing activities	(89.1)	(132.9)	
Cash flows from financing activities			
Expenditures on leases	(97.8)	(81.2)	<i>Note 4.1</i>
Receipt of funds from the Guaranteed Employee Benefits Fund	-	10.2	<i>Note 4.1</i>
Repayment of loans/ credit facilities	(14.4)	(16.2)	<i>Note 4.1</i>
Repayment of funds received from the Guaranteed Employee Benefits Fund	(9.1)	-	<i>Note 4.1</i>
Interest paid on leases and loans/borrowings	(29.1)	(34.2)	<i>Note 4.1</i>
Interest paid on funds received from the Guaranteed Employee Benefits Fund	(11.7)	-	<i>Note 4.1</i>
Subsidies received	-	1.1	
Other expenditures concerning financing activities	-	(0.2)	
Net cash from financing activities	(162.1)	(120.5)	
Net increase / (decrease) in cash and cash equivalents	(15.3)	(107.9)	
Cash and cash equivalents at the beginning of the reporting period	430.1	589.1	
Impact of FX rate movements on the cash balance in foreign currencies	1.9	1.3	
Cash and cash equivalents at the end of the reporting period including:	416.7	482.5	
<i>restricted cash</i>	<i>38.9</i>	<i>25.5</i>	

NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. General information

1.1 Key information about the Group's business

Information about the Parent Company

PKP CARGO S.A. ("Company", "Parent Company") was established pursuant to a Notary Deed of 29 June 2001 (Rep. A No. 1287/2001). Key information about the Parent Company is presented in the table below.

Key information about the Parent Company	
Name	PKP CARGO S.A. under restructuring
Registered office	Poland
Address of the Parent Company's registered office	ul. Grójecka 17, 02-021 Warsaw
KRS	0000027702 – District Court for the Capital City of Warsaw in Warsaw, XII Commercial Division of the National Court Register, Poland
REGON	277586360
NIP	954-23-81-960

On 25 July 2024 the District Court for the Capital City of Warsaw in Warsaw, XVIII Commercial Division issued a decision to open remedial proceedings towards PKP CARGO S.A. Pursuant to Article 66 sec. 2 of the Restructuring Law, after a court has issued a decision to open restructuring proceedings, a trader operates on the market under its previous business name with the addition of the words "under restructuring" (in restructuring). Therefore, as of 25 July 2024, the full name of the company is: PKP CARGO S.A. under restructuring.

In H1 2026, the Parent Company did not change its name or other identification details.

The financial year of the Parent Company and the companies from the PKP CARGO S.A. under restructuring Group (hereinafter referred to as the "Group") is a calendar year.

The composition of the Parent Company's management and supervisory bodies and the Parent Company's shareholding structure as at 30 June 2026 are presented in the Management Report on the Activity of the PKP CARGO under restructuring Group for H1 2026, in [Sections 2.1](#) and [2.3](#), respectively.

Information about the Group

The Group's core business is rail freight transport. In addition to rail freight transport services, the Group also provides additional services:

- intermodal services,
- freight forwarding (domestic and international),
- terminal services,
- siding and traction services,
- repairs and periodic inspections of rolling stock,
- land reclamation services.

As at the balance sheet date, the PKP CARGO S.A. under restructuring Group consisted of PKP CARGO S.A. under restructuring as its parent company and 19 subsidiaries. In addition, the Group held stakes in 2 associated entities.

The term of the activities of the individual Group companies is not limited, with the exception of PKP CARGOTABOR USŁUGI Sp. z o.o. under liquidation, which went into liquidation as of 25 April 2024. PKP CARGOTABOR USŁUGI Sp. z o.o. under liquidation does not carry out any significant business activities.

1.1 Key information about the Group's business (cont'd)

Detailed information on the subsidiaries comprising the Group within the meaning of IFRS, as well as associates and shares in the joint venture, in which the Group holds shares, and the method of accounting for them in the consolidated financial statements is presented in the table below:

Name	Type	Registered office	% of shares held	
			30 June 2026	31 December 2025
Centralny Terminal Multimodalny Sp. z o.o.	other subsidiary	Warsaw	100%	100%
PKP CARGO SERVICE Sp. z o.o.	subsidiary – consolidated by the full method	Katowice	100%	100%
PKP CARGO TERMINALE Sp. z o.o.	subsidiary – consolidated by the full method	Żurawica	100%	100%
PKP CARGOTABOR Sp. z o.o. under restructuring	subsidiary – consolidated by the full method	Warsaw	100%	100%
CARGOTOR Sp. z o.o. ¹⁾	subsidiary – consolidated by the full method	Warsaw	-	100%
PKP CARGOTABOR USŁUGI Sp. z o.o. under liquidation	subsidiary – consolidated by the full method	Warsaw	100%	100%
PKP Linia Chełmska Szerokotorowa Sp. z o.o.	other subsidiary	Warsaw	100%	100%
ONECARGO CONNECT Sp. z o.o.	other subsidiary	Warsaw	100%	100%
COSCO Shipping Lines (POLAND) Sp. z o.o.	associate	Gdynia	20%	20%
PKP CARGO CONNECT Sp. z o.o.	subsidiary – consolidated by the full method	Warsaw	100%	100%
Transgaz S.A.	other subsidiary	Zalesie near Małaszewicze	64%	64%
Cargosped Terminal Braniewo Sp. z o.o.	subsidiary – consolidated by the full method	Braniewo	100%	100%
PKP CARGO CONNECT GmbH	other subsidiary	Hamburg	100%	100%
Terminale Przeładunkowe Sławków-Medyka Sp. z o.o. ²⁾	interests in joint ventures	Sławków	-	50%
PKP CARGO INTERNATIONAL a.s.	subsidiary – consolidated by the full method	Ostrava	100%	100%
PKP CARGO INTERNATIONAL HU Zrt.	subsidiary – consolidated by the full method	Budapest	100%	100%
AWT ROSCO a.s.	subsidiary – consolidated by the full method	Ostrava	100%	100%
AWT CFT a.s.	subsidiary – consolidated by the full method	Ostrava	100%	100%
AWT Rekultivace a.s.	subsidiary – consolidated by the full method	Petřvald	100%	100%
DEPOS Horní Suchá a.s.	associate	Horní Suchá	20.6%	20.6%
PKP CARGO INTERNATIONAL SK s.r.o.	other subsidiary	Bratislava	100%	100%
AWT DLT s.r.o.	other subsidiary	Kladno	100%	100%
PKP CARGO INTERNATIONAL SI d.o.o.	other subsidiary	Grčarevec	80%	80%

¹⁾ On 16 January 2026 PKP CARGO S.A. under restructuring signed a sale purchase agreement with PKP Polskie Linie Kolejowe S.A. for the sale of 100% shares in CARGOTOR Sp. z o.o. for the price of PLN 28.8 million, which is described in [Note 1.5](#) of these Interim Condensed Consolidated Financial Statements.

²⁾ On 2 April 2026, PKP CARGO CONNECT Sp. z o.o. and Euroterminal Sławków Sp. z o.o. signed a share purchase agreement for 21,407 shares in Terminale Przeładunkowe Sławków-Medyka Sp. z o.o. ("TPSM") held by PKP CARGO CONNECT Sp. z o.o., representing a 50% interest in the share capital of TPSM. The sale price for the shares was PLN 11.5 million. As a result of the above, TPSM ceased to be a related party of PKP CARGO S.A. under restructuring.

Other subsidiaries are not consolidated by the full method due to the materiality criterion adopted by the Group. The companies are valued using the equity method, which is presented in [Note 5.4](#) to these Interim Condensed Consolidated Financial Statements or presented as other assets.

1.2 Basis for preparation of the Interim Condensed Consolidated Financial Statements

These Interim Condensed Consolidated Financial Statements have been prepared in accordance with International Accounting Standard no. 34 Interim Financial Reporting as endorsed by the European Union.

These Interim Condensed Consolidated Financial Statements should be read together with the audited Consolidated Financial Statements of the PKP CARGO under restructuring Group for the year ended 31 December 2025 prepared according to EU IFRS. The accounting policy used to prepare these Interim Condensed Consolidated Financial Statements is consistent with the one used to prepare the Consolidated Financial Statements for the for the financial year ended 31 December 2025.

These Interim Condensed Consolidated Financial Statements have been prepared in accordance with the historic cost principle, except investments in equity instruments measured at fair value.

Within the year, the Group's business does not show any material seasonal or cyclical trends.

These Interim Condensed Consolidated Financial Statements consist of the consolidated statement of profit or loss and other comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity, consolidated statement of cash flows and selected notes.

These Interim Condensed Consolidated Financial Statements have been drawn up in Polish zloty (PLN). The data in the financial statements are presented in millions of PLN.

Transactions in foreign currencies are translated to the functional currency at the exchange rate from the date of the transaction or measurement when the items are restated. As at the balance sheet date, cash assets and liabilities denominated in foreign currencies are restated according to the average NBP exchange rate binding on that date. Foreign exchange gains and losses obtained as a result of settlements of those transactions and balance sheet valuation of assets and liabilities denominated in foreign currencies are recorded in the result, provided they are not deferred in other comprehensive income when they are eligible for recognition as security for cash flows. Non-cash items carried at historical cost expressed in a foreign currency are translated using the exchange rate from the transaction date.

The financial data of foreign entities have been translated into the Polish currency for consolidation purposes in the following manner:

- a) assets and liabilities items at the exchange rate at the end of the reporting period,
- b) items of the statement of profit or loss and other comprehensive income and of the statement of cash flows at the average exchange rate in the reporting period calculated as the arithmetic mean of the exchange rates prevailing on the last day of each month in a given period.

FX differences from the above translations are presented in the equity as FX differences from translation of financial statements of foreign operations.

In these Interim Condensed Consolidated Financial Statements, for the needs of valuation of the financial statements of foreign operations subject to consolidation, the following exchange rates were applied by the Group:

Currency	Items of the statement of financial position		Items of the statement of profit or loss and other comprehensive income and the cash flow statement	
	30 June 2026	31 December 2025	6 months ended 30 June 2026	6 months ended 30 June 2025
EUR	4.2963	4.2267	4.2522	4.2208
CZK	0.1772	0.1746	0.1747	0.1692

The data for the 6 months ended 30 June 2026 and 30 June 2025 presented in these Interim Condensed Consolidated Financial Statements have been reviewed by an auditor. The line items of the consolidated statement of financial position as at 31 December 2025 were audited by a statutory auditor during the audit of the Consolidated Financial Statements of the PKP CARGO under restructuring Group for the year ended 31 December 2025 prepared according to EU IFRS. The data for the 3 months ended 30 June 2026 and 30 June 2025 presented in these Interim Condensed Consolidated Financial Statements have not been reviewed or audited by an auditor.

These Interim Condensed Consolidated Financial Statements were approved for publication by the Administrator of PKP CARGO S.A. under restructuring (hereinafter referred to as the "Administrator", "Parent Company's Administrator") on 30 September 2026.

1.3 Going concern assumption, restructuring measures

The financial position of the PKP CARGO S.A. under restructuring Group is closely linked to that of the Parent Company. The Parent Company individually accounts for the predominant share of revenue generation across the entire Group, as well as the predominant share of the Group's total assets. In addition, the functional connections arising from the services provided by the individual companies within the Group indicate that the Parent Company's ability to continue as a going concern is fundamentally important

for the ability of the PKP CARGO S.A. under restructuring Group to continue as a going concern. The relative differences in the scale of operations of the Parent Company and its subsidiaries, as well as the financial position of the individual Group companies, indicate that as at 30 June 2026 there are no risks affecting the Group's ability to continue as a going concern on a consolidated basis other than those directly related to the Parent Company, in particular the course and final outcome of the restructuring proceedings currently under way in respect to the Parent Company.

The Parent Company believes that, as at 30 June 2026, the standalone position of none of the subsidiaries was material to the assessment of the Group's ability to continue as a going concern as a whole, and the description of the restructuring proceedings of PKP CARGOTABOR Sp. z o.o. under restructuring and the position of other subsidiaries presented in this Note is provided for information purposes only.

Going concern risk of the Parent Company

These Interim Condensed Consolidated Financial Statements for the period of 6 months ended 30 June 2026 have been prepared based on the going concern assumption and accordingly do not include adjustments for differences in the measurement and classification of assets and liabilities that would be required if the Parent Company's going concern assumption proved to be invalid. This assessment was carried out with consideration for its current financial position, the pending restructuring process and identifiable risk factors. Further down in this Note, we presented the risk factors that may indicate material uncertainty as to the Parent Company's ability to continue as a going concern.

Restructuring proceedings of the Parent Company

In 2024, demand for the Parent Company's services decreased significantly, which affected financial position and liquidity of the Parent Company and PKP CARGO S.A. under restructuring Group and its ability to pay its current liabilities. The deterioration of its position was caused by:

- activities of the Parent Company in 2022-2023 focused on moving coal from seaports to energy industry customers, which limited its ability to compete in the most profitable freight categories and resulted in the loss of some customers;
- impacts of the ongoing war in Ukraine and the energy crisis in Europe (including increased energy prices), which had a significant impact on businesses and results in relatively low freight volumes;
- high inflation that persisted in 2023 caused an increase in prices for purchased commodities, materials and services, while putting strong upward pressure on raising employee wages;
- expansionary investment policy, mainly for rolling stock.

The deterioration of the financial standing led to the violation of the covenants specified in loan agreements.

As the Parent Company's Management Board identified and analyzed the above risks, on 27 June 2024 it decided to file a petition with the court to open the remedial proceedings. On 25 July 2024, the Parent Company received from the District Court for the Capital City of Warsaw in Warsaw a notice that the Court has issued a decision to open restructuring proceedings. In the opinion of the Parent Company's Management Board, the purpose of opening the restructuring proceedings is to improve the Parent Company's financial and liquidity position. The purpose of the proceedings is to improve the economic and financial position of the Parent Company, restore its capacity to pay liabilities and create conditions for it to continue its operating activity.

On 30 June 2025, the Restructuring Administrator of PKP CARGO S.A. under restructuring presented the Parent Company's Restructuring Plan to the District Court for the Capital City of Warsaw in Warsaw. The Restructuring Plan was approved by the Judge-Commissioner on 18 March 2026.

The Restructuring Plan provides for the implementation of restructuring measures aimed at restoring the Parent Company's profitability, ensuring its long-term development and recovery of full capacity to pay its liabilities. The Plan provides in particular for:

- stabilizing the financial situation in the short term through measures aimed at optimizing cash flows, renegotiating financial liabilities, reducing costs and increasing revenues, among others through the development of cooperation with key customers,
- implementing comprehensive restructuring measures covering the period up to 2031,
- further development of core activities, that is rail transport, while reducing its presence in declining markets, including through the gradual phasing out of operations in the coal transport segment,
- focusing on the intermodal and specialized transport segments, which feature higher margins and lower sensitivity to economic fluctuations.

The Restructuring Plan has been designed to achieve savings and stabilization on the one hand, and development on the other. The restructuring measures outlined in the Plan revolve around stabilizing the liquidity, boosting operational efficiency, and creating conditions for future investment financing, which should enable the objectives of the proceedings to be achieved.

1.3 Going concern assumption, restructuring measures (cont'd)

In the medium term, the Parent Company plans to transform its business model – both the revenue and cost sides of its operations. The key assumptions include:

- withdrawing from declining business areas, in particular the gradual phasing out of the coal transport segment,
- focusing development on intermodal and specialized transport segments, which offer higher margins, more stable demand, and greater resilience to business cycles,
- expanding sales capabilities, which includes strengthening the sales team and introducing tools for active management of customer relationships,
- improving operational processes, which includes optimization of management of the transport process through more efficient planning in order to boost efficiency,

- consolidating and centralizing support functions to reduce overhead costs and increase management transparency.

In the longer time horizon, the Parent Company plans to further develop its core business, i.e. rail freight transport, as the foundation of its future operations. The strategic directions for further growth include:

- continuing the existing line of business in the rail freight transport sector, with an emphasis on increasing sales volumes and strengthening its market position,
- effective optimization of transport processes, including a restructuring of the organizational framework and the resulting adjustment of the cost structure, which will translate into improved operating profitability,
- implementation, in cooperation with creditors, of a financial restructuring program aimed at reducing the Parent Company's indebtedness and improving its liquidity position.

Key restructuring measures aimed at improving the Parent Company's economic and financial position, implemented by the date of preparation of these Interim Condensed Consolidated Financial Statements:

- reduction of employment – carrying out mass layoffs in 2024 and 2025,
- change of organizational structure, including in particular the reorganization of the transport division, reorganization of the commercial division and implementation of the single employer concept,
- continuation of actions aimed at improving quality in the management and execution of transport services,
- sale of 100% shares in CARGOTOR Sp. z o.o.,
- sale of a 50% stake held by PKP CARGO CONNECT Sp. z o.o in Terminale Przeładunkowe Sławków-Medyka Sp. z o.o.,
- optimization of real property used for current operational activities, including e.g. withdrawal from agreements generating unnecessary costs,
- optimization of rolling stock – sale of part of non-operational rolling stock and optimization actions in the area of rolling stock maintenance – including in particular: limitation of Rolling Stock Maintenance Points within the Parent Company's structures, reorganization of maintenance structures, optimization of costs related to the downtime of non-utilized rolling stock,
- reduction of capital expenditures and alignment with transportation needs.

The measures planned for subsequent periods include restructuring initiatives in the following areas:

- business processes – focused on processes with a direct impact on the profitability of services provided, in particular through the reduction of unit operating costs, optimization of employment structures, and improvement of labor productivity;
- assets – assuming the sale of surplus rolling stock and real properties not used in operating activities, in order to free up capital and improve the balance sheet structure;
- organizational structure – involving a redefinition of the allocation of powers and responsibilities between the Group companies, with an emphasis on eliminating redundancy of functions and on increasing managerial transparency;
- IT area – assuming the digitalization and automation of operational processes, the implementation of new IT systems, and the integration of IT systems within the Group;
- sales function – aimed at building a market-leading, integrated sales team responsible for developing relationships with key clients, effectively managing the contract portfolio, and increasing market share.

The key initiatives include:

- Stimulation of sales – aimed at increasing revenue and margins on transport services, including:
 - ♦ improving sales efficiency – in order to improve the effectiveness of client acquisition, the Parent Company will take steps to automate sales processes using AI tools, introduce a market-based remuneration and bonus system, and implement performance metrics for the sales force, assessing both their performance and operating efficiency;
 - ♦ increasing sales volumes – the sales stimulation efforts will focus on improving service for key clients, regaining former clients, and developing a long-term sales strategy;
 - ♦ improving client retention – the Parent Company will take steps to strengthen customer loyalty and improve relationships through customer satisfaction monitoring and the introduction of high-quality after-sales service;
 - ♦ improving contract pricing – the Parent Company will take steps to optimize commercial terms and contract profitability management. Key actions include an improvement of the pricing model and analysis of unprofitable contracts;
 - ♦ adapting the organization to market and sales needs;

1.3 Going concern assumption, restructuring measures (cont'd)

- ♦ improving organizational efficiency in supporting sales activities;
- International expansion – aimed at developing freight sales in foreign markets;
- Improvement of operational efficiency – aimed at improving operational efficiency through OPEX/CAPEX optimization;
- Information management – aimed at integrating IT systems in the Group and implementing tools that enable scalability of operations without increasing headcount in selected areas;
- Asset optimization – aimed at obtaining additional funds by reducing fixed assets, including real properties and rolling stock, to the minimum level necessary to conduct operations;
- Optimization of employment in the operating area – in order to adjust the Parent Company's headcount to the market level appropriate to the volume of freight services provided;
- Structuring of the Group – to organize business competencies within the PKP CARGO S.A. under restructuring Group.

Key events in the Parent Company's restructuring proceedings up to 31 December 2025 are detailed in [Note 1.3](#) to the Consolidated Financial Statements for the year ended 31 December 2025. The following key events transpired in the period from 1 January 2026:

- by decision of 14 January 2026, the Judge-Commissioner gave its consent to the disposal by private contract of a Parent Company's asset comprising 20,181 shares, representing 100% of the share capital of CARGOTOR sp. z o.o. with its registered office in Warsaw, to PKP Polskie Linie Kolejowe S.A. with its registered office in Warsaw;
- by decision of 20 January 2026, the Judge-Commissioner gave its consent to the Administrator to dispose of the following assets: 135 ET22 electric locomotives, 68 ET41 electric locomotives, 8 ET42 electric locomotives, 42 EU07 electric locomotives, 2 SM03 diesel locomotives, 2 SM30 diesel locomotives, 14 SM31 diesel locomotives, 38 SM42 diesel locomotives, 4 SM48 diesel locomotives, 4 ST44 diesel locomotives and 19 ST45 diesel locomotives, and 1 ST46 diesel locomotive;
- by decision of 28 January 2026, issued in proceedings arising from the objection lodged by the creditor "KOPALNIA PIASKU KOTLARNIA – LINIE KOLEJOWE" Sp. z o.o., the Judge-Commissioner accepted the objection and ordered that creditor's claim in the amount of PLN 3 thousand to be deleted from the second supplementary list of creditors' claims, thereby reducing by this amount the total composition liabilities that had become current obligations;
- on 4 February 2026, the Judge-Commissioner issued an order obliging the Administrator and the debtor to present their position, by 16 February 2026, on Resolution No. 11 adopted by the Council of Creditors on 2 February 2026 concerning the opinion on the Restructuring Plan and the Composition Proposals. On 20 February 2026, the Judge-Commissioner issued an order extending, until 9 March 2026, the deadline originally set for the Administrator and the debtor by the order of 4 February 2026 to present their position on Resolution No. 11 adopted by the Council of Creditors on 2 February 2026; in addition, the Judge-Commissioner obliged the debtor and the Administrator to cooperate with a third party previously commissioned to prepare the Restructuring Plan, in order to formulate and file in the remedial proceedings a substantively consistent position addressing the concerns of the Council of Creditors set out in the annex to the resolution of 2 February 2026. The Judge-Commissioner also instructed the Council of Creditors to review the positions submitted by the Administrator and the debtor (if filed within the above deadlines) and to present its own position in this respect – i.e. on the Restructuring Plan and any possible further amendments or clarifications – by 17 March 2026. At the same time, the Judge-Commissioner informed the participants that, following the expiry of this deadline, he would consider approving the Restructuring Plan in the wording in effect on that date. He additionally pointed out that, under Article 318 of the Restructuring Law, the Restructuring Plan may be modified and amended even after its approval and that the Council of Creditors' right to issue an opinion on the restructuring plan (Article 315(1) of the Restructuring Law) does not formally prevent the plan from being approved. He noted that, in accordance with his powers (e.g. under Article 315(2) of the Restructuring Law), the Judge-Commissioner may introduce changes to the Restructuring Plan either at the time of its approval or thereafter, and that the objectives of the remedial proceedings require that the Restructuring Plan be approved without undue further delay so that both the Administrator and the debtor can take legal and factual actions that are based on, and legally protected by, the approved restructuring plan;
- on 27 February 2026, both the Administrator and PKP CARGO S.A. under restructuring moved for an extension, until 30 April 2026, of the deadline – previously set for 27 February 2026 by the Judge-Commissioner's order of 1 December 2025, to submit the final wording of the Composition Proposals to be put to a vote;
- by decision of 18 March 2026, the Judge-Commissioner, acting pursuant to Article 315(1) of the Restructuring Law of 15 May 2015, approved the Restructuring Plan submitted by the Administrator on 30 June 2025;
- on 24 March 2026, in response to the application filed on 27 February 2026, the Judge-Commissioner issued an Order granting the Parent Company and the parties specified in Article 155(2) of the Restructuring Law of 15 May 2015 the final extension, until 30 April 2026, of the deadline to submit the final Composition Proposals to be put to a vote;

1.3 Going concern assumption, restructuring measures (cont'd)

- By decision of 25 March 2026, the Judge-Commissioner set the sale price for the perpetual usufruct right to a land property together with the ownership title to the buildings and structures located in Warsaw at ul. Przyce and ul. Gniewkowska, comprising land plots Nos. 21/13, 21/14, 21/15 and 21/35 with a total area of 1.4198 ha, in respect of which land and mortgage register No. WA4M/00421519/3 is maintained by the District Court for Warsaw-Mokotów in Warsaw, 10th Land and Mortgage Register Division, at the net amount of PLN 33.2 million, and indicated this amount as the buyback price for that asset by the State Treasury represented by the Minister of National Defence, as an asset of the debtor used for activities related to national defense and state security; On 14 April 2026, the Minister of National Defence appealed this decision, requesting that it is amended by setting the sale price for the perpetual usufruct right to the above-described land property together with the ownership title to the buildings and structures at PLN 19.6 million (and indicating that amount as the buyback price for the asset by the State Treasury represented by the Minister of National Defence); on 31 July 2026 the District Court for the Capital City of Warsaw in Warsaw, XVIII Commercial Division issued a decision in the case (file ref WA1M/GRez/12/2026) to dismiss the appeal; by letter dated 12 August 2026, the Ministry of National Defence (MON) applied for reinstatement of the time limit for appealing the court registrar's order of 27 May 2026, in the part pertaining to requesting the Complainant's counsel to remedy the formal defects in the appeal of 14 April 2026, and requested that the challenged order be set aside, filing the appeal at the same time., On the same date, MON also filed an appeal against the Court's decision of 31 July 2026 rejecting the appeal against the decision of 25 March 2026, by decision of 2 September 2026, the Court rejected the application for reinstatement of the time limit for filing a complaint against the court registrar's ruling of 27 May 2026, rejected that complaint and also rejected the appeal. On 18 September 2026, the Judge-

- Commissioner left MON's application for a further review of the valuation of the property of PKP CARGO S.A. under restructuring intended for sale unexamined and took no further action in the matter;
- by decision of 27 March 2026, the Judge-Commissioner gave its consent for the Administrator to sell the perpetual usufruct right to a land property comprising plot No. 12, with an area of 0.4497 ha, together with the ownership title to buildings, structures and installations located on the land and constituting an object of ownership separate from the land, in respect of which the District Court for Wrocław-Krzyki in Wrocław, 4th Land and Mortgage Register Division, maintains land and mortgage register No. WR1K/00258649/4, as well as the perpetual usufruct right to a land property comprising plot No. 2/19, with an area of 7.5739 ha, together with the ownership title to buildings, structures and installations located on the land and constituting an object of ownership separate from the land, in respect of which the District Court for Wrocław-Krzyki in Wrocław, 4th Land and Mortgage Register Division, maintains land and mortgage register No. WR1K/00280934/2, at a total net price of at least PLN 37.0 million;
 - by decision of 27 March 2026, the Judge-Commissioner gave its consent for the Administrator to sell a property complex comprising: (a) the perpetual usufruct right to a land property comprising plots Nos. 5/7 and 5/15, with a total area of 0.3271 ha, in respect of which the District Court Szczecin-Prawobrzeże i Zachód in Szczecin, 10th Land and Mortgage Register Division, maintains land and mortgage register No. SZ1S/00203556/7; and (b) the perpetual usufruct right to a land property comprising plots Nos. 1/1, 3/11 and 2/4, with a total area of 24.1306 ha, together with the ownership title to buildings, structures and installations located on the land and constituting an object of ownership separate from the land, in respect of which the District Court Szczecin-Prawobrzeże i Zachód in Szczecin, 10th Land and Mortgage Register Division, maintains land and mortgage register No. SZ1S/00203557/4; and (c) a 235015/255275 share in the perpetual usufruct right to plot No. 3/8, with an area of 0.2450 ha, in respect of which the District Court Szczecin-Prawobrzeże i Zachód in Szczecin, 10th Land and Mortgage Register Division, maintains land and mortgage register No. SZ1S/00203558/1, at a total net price of at least PLN 120.2 million;
 - on 23 April 2026, an application was submitted to the Judge-Commissioner to extend, until 30 June 2026, the deadline for filing the final wording of the Composition Proposals. The application stated that the Parent Company, in cooperation with the Administrator, is conducting intensive work to draw up the final wording of the Composition Proposals, taking into account both realistic and achievable funding sources and the legitimate expectations of the Creditors. This process includes the analysis of various restructuring scenarios and an assessment of solutions that could establish a credible basis for concluding and performing the composition agreement. The ongoing discussions, which focused primarily on options for raising financing, extend beyond the timeframe set by the Judge-Commissioner, and their outcome will have a material impact on the final wording of the Composition Proposals and on the feasibility of implementing the composition if it is adopted and approved. The proposed deadline also reflects the need to prepare the necessary documentation and obtain relevant corporate approvals, in particular from the Company's Supervisory Board and other governing bodies of the Parent Company. By order of 25 April 2026, the Judge-Commissioner set a deadline of 5 May 2026 for the Council of Creditors and its individual members to file any justified objections to the application submitted by the Administrator and the Parent Company. If the Creditors raise no such objections, the Judge-Commissioner will consider that they do not oppose the request to set a new deadline for filing the Composition Proposals at 30 June 2026. After the expiry of the above deadline for the Creditors, the Judge-Commissioner, taking into account any objections raised, will either order a further extension of the deadline in line with the applications mentioned above or take procedural and supervisory measures to proceed without delay to a vote on the composition agreement;

1.3 Going concern assumption, restructuring measures (cont'd)

- on 8 May 2026, the Judge-Commissioner issued an Order extending the deadline for the Parent Company to submit Composition Proposals, in which:
 - ♦ set a new final deadline for the Parent Company and the entities specified in Article 155 sec. 2 of the Restructuring Law to submit Composition Proposals to be put to a vote in the further proceedings on 30 June 2026, while simultaneously indicating that if a decision is subsequently issued to conduct a vote without convening a creditors' meeting (Article 110 sec. 7 of the Restructuring Law), the Judge-Commissioner does not intend to permit any further amendments to the Composition Proposals after that date, nor the submission of new Composition Proposals;
 - ♦ obligated the Administrator and the Parent Company to obtain the opinion of the Council of Creditors prior to submitting the final version of the Composition Proposals to the case file and to transmit the draft of the final Composition Proposals to the Council of Creditors and to its individual members no later than 22 May 2026;
 - ♦ obligated the Parent Company and the Administrator to provide explanations and to make available or provide documents of the Parent Company to the Council of Creditors or to its individual members, to the extent that such documents constitute the basis for the preparation of the submitted draft of the Composition Proposals – to the extent that this does not infringe upon trade secrets, including those of PKP CARGO S.A. under restructuring;
- on 15 May 2026, the Administrator of the Parent Company filed an application with the District Court for the capital city of Warsaw to change the Judge-Commissioner's ruling of 8 May 2026, by changing the deadline for delivering the draft of the final Composition Proposals to the Council of Creditors and to its individual members from 22 May 2026 to 29 May 2026;

- on 23 May 2026, the Judge-Commissioner issued an Order extending the deadline for the Parent Company to submit the draft of the final Composition Proposals to the Council of Creditors and its individual members, setting this deadline at 29 May 2026 and concluding that the deadline change requested by the Parent Company was reasonable and justified;
- on 29 May 2026, the Parent Company filed the Composition Proposals and their supporting rationale in the case file maintained in the National Register of Debtors (KRZ), together with an extract from Resolution No. 107/2026 of the Management Board of PKP CARGO S.A. under restructuring dated 29 May 2026 on the adoption of the Composition Proposals and their supporting rationale in the reorganisation proceedings of PKP CARGO S.A. under restructuring, with its registered office in Warsaw, conducted before the District Court for the Capital City of Warsaw in Warsaw, 18th Commercial Division for Bankruptcy and Restructuring Cases, case No. WA1M/GRs/6/2024;
- on 30 June 2026, the Parent Company filed the amended Composition Proposals and their supporting rationale in the KRZ case file, together with an extract from Resolution No. 147/2026 of the Management Board of PKP CARGO S.A. under restructuring dated 30 June 2026 on the adoption of the amended Composition Proposals and their supporting rationale in the reorganisation proceedings of PKP CARGO S.A. under restructuring;
- by order of 30 June 2026, the Judge-Commissioner granted the Council of Creditors' application and changed the deadline set in the order of 8 May 2026 for submitting the Composition Proposals to be put to a vote later in the proceedings, setting 30 September 2026 as the deadline for parties other than the Debtor and the Administrator. Granting the applications of the Parent Company and the Administrator, the Judge-Commissioner also required the Administrator and the Debtor to agree on and prepare the final version of the Debtor's Composition Proposals, provide a draft to the Council of Creditors and its individual members, and file it in the case file by 31 August 2026, and subsequently obtain the Council of Creditors' opinion on the final version of the Debtor's Composition Proposals by 30 September 2026;
- by decision of 10 July 2026, the Judge-Commissioner approved the sale of: a) the perpetual usufruct right to land comprising registered plot No. 641/12, with a total area of 0.6255 ha, developed with railway infrastructure, for which the District Court in Września, IV Land and Mortgage Register Division, maintains Land and Mortgage Register No. PO1F/00041596/7; b) the perpetual usufruct right to land comprising registered plots Nos. 293/11 and 293/13, with a total area of 1.2009 ha, developed with railway infrastructure, for which the District Court in Września, IV Land and Mortgage Register Division, maintains Land and Mortgage Register No. PO1F/00041595/0, at a total net price of at least PLN 1.5 million;
- by decision of 31 July 2026, the Judge-Commissioner agreed to the sale of the perpetual usufruct right to a land property consisting of a plot no. 750 with an area of 8.1527 ha, together with the ownership right to buildings, structures, and devices situated on the land constituting a separate object of ownership from the land, for which rights the District Court in Świdnica, V Land and Mortgage Register Division, keeps Land and Mortgage Register No. SW1S/00052963/3, at a net price of at least PLN 10.9 million;
- by decision of 24 August 2026, the Judge-Commissioner approved the sale of a specified group of items of equipment to Polskie Koleje Państwowe S.A., with its registered office in Warsaw (KRS No. 0000019193), at a total net price of PLN 308.5 thousand. The sale is to take place in connection with the planned conclusion of agreement No. KNO03.022.TA.8386.2025 on the termination of lease agreement No. D72-KN-3/12 dated 28 June 2012 concerning the property in Legnica where those movable assets are located, provided that the price is paid by setting off mutual claims arising after the opening of PKP CARGO's reorganisation proceedings; the Judge-Commissioner also approved the sale of a specified group of items of equipment to Polskie Koleje Państwowe S.A., with its registered office in Warsaw, at a total net price of PLN 236.1 thousand, where the sale is to be carried out in connection with the planned conclusion of Annex No. 1 to agreement No. KNO03.022.NN.14622.2024 dated 7 November 2024 on the partial termination of lease agreement No. D72-KN-3/12 dated 28 June 2012, which covers, among other assets, the property in Leszno where those movable assets are located, provided that the price is paid by setting off mutual claims arising after the opening of the Parent Company's reorganisation proceedings;

1.3 Going concern assumption, restructuring measures (cont'd)

- by decision of 24 August 2026, the Judge-Commissioner gave its consent to the sale of:
 - a) an SM42 series, type 6Dk locomotive No. 1601, manufacturer's serial No. 10412, at a net price of at least PLN 1.8 million,
 - b) an SM42 series, type 6Dk locomotive No. 1602, manufacturer's serial No. 10341, at a net price of at least PLN 1.8 million,
 - c) an SM42 series, type 6Dk locomotive No. 1603, manufacturer's serial No. 8587, at a net price of at least PLN 1.7 million,
 - d) an SM42 series, type 6Dk locomotive No. 1604, manufacturer's serial No. 9800, at a net price of at least PLN 1.7 million,
 - e) an SM42 series, type 6Dk locomotive No. 1605, manufacturer's serial No. 10530, at a net price of at least PLN 1.8 million,
 - f) an EU07 series, type 6Dk locomotive No. 1601, manufacturer's serial No. 435, at a net price of at least PLN 3.1 million,
- on 31 August 2026, the Parent Company applied to the Judge-Commissioner to amend item 2 of order of 30 June 2026 pertaining to the deadline for agreeing upon and preparing the final version of the Debtor's Composition Proposals and to provide the draft final Composition Proposals to the Council of Creditors and its individual members and to file it in the case file, by setting the deadline at 15 September 2026 instead of the previous deadline of 31 August 2026;
- on 4 September 2026, the Judge-Commissioner, in response to the motion submitted on 31 August 2026, issued an Order on the extension of: the deadline for submitting Composition Proposals, which will be put to a vote later in the proceedings, by entities other than PKP CARGO and the Administrator – from 30 September 2026 to 15 October 2026; the deadline for the Parent Company or the Administrator to prepare and submit the final Composition Proposals and to provide them to the Council of Creditors for opinion – from 31 August 2026 to 15 September 2026, and the deadline for obtaining an opinion from the Council of Creditors on the Composition Proposals presented by the Parent Company or the Administrator – from 30 September 2026 to 15 October 2026;

- on 15 June 2026, the Parent Company submitted to the KRZ case file the Composition Proposals (an amendment to the Composition Proposals of 30 June 2026) and their supporting rationale;
- by decision of 18 September 2026, the Judge-Commissioner gave its consent to the sale of the perpetual usufruct right to a land property comprising plot No. 12, with an area of 0.4497 ha, together with the ownership title to buildings, structures and installations located on the land and constituting an object of ownership separate from the land, in respect of which the District Court for Wrocław-Krzyki in Wrocław, 4th Land and Mortgage Register Division, maintains land and mortgage register No. WR1K/00258649/4, as well as the perpetual usufruct right to a land property comprising plot No. 2/19, with an area of 7.5739 ha, together with the ownership title to buildings, structures and installations located on the land and constituting an object of ownership separate from the land, in respect of which the District Court for Wrocław-Krzyki in Wrocław, 4th Land and Mortgage Register Division, maintains land and mortgage register No. WR1K/00280934/2, at a total price of at least PLN 32.5 million;
- by decision of 18 September 2026, the Judge-Commissioner gave its consent to the disposal by private contract of 229 electric and diesel locomotives at a price no lower than the starting price set for the individual locomotives in an attachment to the Administrator's relevant request;
- by decision of 18 August 2026, the Judge-Commissioner gave its consent to the sale of: 1) the perpetual usufruct right to land properties and an ownership title to buildings and structures located in Nowy Sącz at ul. Wyspiańskiego, consisting of: a land plot no. 1/22 with an area of 0.3412 ha, for which land and mortgage register no. NS1S/00133738/6 is maintained, a land plot no. 1/25 with an area of 0.7483 ha, for which land and mortgage register no. NS1S/00135524/7 is maintained, at a net price of at least PLN 10.6 million; 2) the perpetual usufruct right to land properties and an ownership title to buildings and structures located in Nowy Sącz at ul. Nawojowska 46, consisting of: a land plot no. 1/20 with an area of 2.3151 ha, for which land and mortgage register no. NS1S/00133737/9 is maintained, at a net price of at least PLN 16.4 million; 3) the perpetual usufruct right to land properties and an ownership title to buildings and structures located in Opole at ul. Torowa, consisting of: a land plot no. 191 with an area of 5.3741 ha, for which land and mortgage register no. OP1O/00142731/5 is maintained, at a net price of at least PLN 13.5 million; 4) the perpetual usufruct right to land properties and an ownership title to buildings and structures located in Stróże, consisting of: a land plot no. 218/17 with an area of 0.0143 ha, for which land and mortgage register no. NS1G/00086176/2 is maintained, land plots nos. 218/18 and 218/19 with a total area of 1.2948 ha, for which land and mortgage register no. NS1G/00086217/2 is maintained, as well as ownership title to a land plot no. 1093 with an area of 0.0793 ha, for which land and mortgage register no. NS1G/00046057/0 is maintained, at a total net price of at least PLN 10.1 million; 5) the perpetual usufruct right to an undeveloped land property located in Medyka, consisting of: a land plot no. 1456 with an area of 0.0500 ha, for which land and mortgage register no. PR1P/00033615/4 is maintained, and an ownership title to plot no. 527 with an area of 0.4200 ha, for which land and mortgage register no. PR1P/00093673/6 is maintained, at a total net price of at least PLN 0.2 million; 6) the ownership title to a developed land property located in Mielec, consisting of: land plots nos. 1228/1 and 1228/2 with a total area of 2.7959 ha, for which land and mortgage register no. TB1M/00065353/7 is maintained, at a net price of at least PLN 11.4 million; 7) the perpetual usufruct right to land properties and an ownership title to structures located in Ostaszewo, consisting of: a land plot no. 25/4 with an area of 0.6623 ha, for which land and mortgage register no. TO1T/00104465/6 is maintained, and a land plot no. 25/3 with an area of 0.2235 ha, for which land and mortgage register no. TO1T/00104464/9 is maintained, at a total net price of at least PLN 1.2 million; 8) the perpetual usufruct right to a land property and an ownership title to structures, located in Zduńska Wola at ul. Dworcowa, consisting of a land plot no. 88/28 with an area of 0.9975 ha, for which land and mortgage register no. SR1Z/00036564/1 is maintained, at a net price of at least PLN 2.8 million;

1.3 Going concern assumption, restructuring measures (cont'd)

- 9) the perpetual usufruct right to land properties and an ownership title to buildings and structures located in Braniewo, Rusy Siedlisko 3, consisting of a land plot no. 310/1 with an area of 2.8004 ha, for which land and mortgage register no. EL1B/00030226/9 is maintained, at a net price of at least PLN 3.5 million; 10) the perpetual usufruct right to a land property and an ownership title to structures, located in Zgierz at ul. Kolejowa 13, consisting of a land plot no. 236/57 with an area of 0.5448 ha, for which land and mortgage register no. LD1G/00095539/7 is maintained, at a net price of at least PLN 1.8 million; 11) the perpetual usufruct right to land properties and an ownership title to buildings and structures located in Świnoujście at ul. Norberta Barlickiego 8, consisting of: a land plot no. 19/18 with an area of 1.3678 ha, for which land and mortgage register no. SZ1W/00049675/2 is maintained, a land plot no. 19/19 with an area of 0.0276 ha, for which land and mortgage register no. SZ1W/00049676/9 is maintained, at a net price of at least PLN 4.0 million; 12) the perpetual usufruct right to land properties and an ownership title to buildings and structures located in Szczecinek at ul. Piłska 3 / Waryńskiego 29, consisting of: a land plot no. 14/74 with an area of 3.1851 ha, for which land and mortgage register no. KO1I/00052296/2 is maintained, a land plot no. 14/75 with an area of 0.0553 ha, for which land and mortgage register no. KO1I/00052297/9, and a 5885/10000 share in the perpetual usufruct right to a plot no. 14/71 with an area of 0.1275 ha, for which land and mortgage register no. KO1I/00052133/2 is maintained, at a total net price of at least PLN 10.8 million;
- by decision of 18 September 2026, the Judge-Commissioner gave its consent to the termination of the lease agreement no. 5700035495 entered into by the tenant, PKP CARGO S.A., and the landlord, Unikoff sp. z o.o., for the lease of office space, archival space and parking places in the building at ul. Górecka 1 in Poznań, with effect on the date when the landlord (Unikoff sp. z o.o.) receives the administrator's termination notice in regards to this agreement; the administrator will be able to submit this notice after this decision comes becomes final and non-appealable.

The preparation of the Restructuring Plan made it possible to develop preliminary Composition Proposals, which were submitted to the District Court for the Capital City of Warsaw on 30 June 2025. Detailed information on this matter is presented in [Note 1.3](#) to the Consolidated Financial Statements for the year ended 31 December 2025.

On 29 May 2026, the Parent Company's Management Board approved and submitted to the competent court the new wording of the Composition Proposals, which defined the manner of restructuring of the Parent Company's liabilities that were subject to the composition agreement by operation of law, including the manner and conditions for satisfying the Creditors of PKP CARGO S.A. under restructuring. On 30 June 2026, the Parent Company submitted the amended Composition Proposals to the Court. As at 30 June 2026, the aggregate amount of claims covered by the composition agreement, according to the main and supplementary lists of creditors' claims, is PLN 2,963.1 million.

On 15 September 2026, the Parent Company submitted the additional amended Composition Proposals to the case file. A significant change from the preliminary Composition Proposals is the planned payment in cash to some financial creditors, where the cash component of the composition is to be funded through a recapitalization of the Parent Company through a share issue. The principal change in the Composition Proposals dated 15 September 2026, compared with those dated 30 June 2026, is that regardless of the main method of satisfying claims specified for each interest group, every creditor whose principal claim is not satisfied at 100% under the basic terms of the composition, except creditors in Group VI, is entitled to additional recovery from potential proceeds of the Parent Company's claim against the State Treasury for damages of PLN 1,522.4 million, together with applicable interest, for losses incurred in implementing Prime Minister's Decision No. BPRM.5020.19.2.2022(1) of 25 July 2022, as amended by the decision of 6 October 2022 (hereinafter referred to as the "Additional Recovery"). The above decision was issued to implement the Prime Minister's decision of 13 July 2022 instructing the Parent Company to transport coal purchased by PGE Paliwa sp. z o.o. and Węglokoks S.A., while the Minister of State Assets did not sign an agreement compensating the Company for the costs and loss of profit associated with implementing those decisions. This claim (hereinafter referred to as the "Coal Decision") is being pursued by PKP CARGO S.A. under restructuring before the Regional Court in Warsaw. The Additional Recovery mechanism is based on funds actually and irrevocably received by the Parent Company in relation to the Coal Decision and will be implemented from the day following the publication date of the notice that the decision approving the composition agreement has become final, until 31 December 2036, or until a settlement is performed or the proceedings concerning the Coal Decision are finally concluded. 50% of these funds, less taxes, mandatory public-law levies and the direct costs of pursuing the claim or obtaining payment, will be allocated to Additional Recovery. The amount payable to each creditor will be calculated in proportion to that creditor's "Eligible Amount". The Eligible Amount equals the portion of the principal claim covered by the composition that is not intended to be satisfied under the basic terms of the composition and has not been satisfied otherwise. Any portion of the Eligible Amount not satisfied through Additional Recovery will be written off.

The Composition Proposal provide for the classification of creditors into 6 groups encompassing respective categories of interests in accordance with Article 161 of the Restructuring Law Act of 15 May 2015.

Group I – "Tax claims" – claims of the State Treasury arising from taxes that constitute state budget revenue within the meaning of Article 6 of the Tax Code Act of 29 August 1997 excluding other statutory and government claims that fall outside the definition of tax.

1.3 Going concern assumption, restructuring measures (cont'd)

Group II – "Category I commercial claims and claims under lease agreements" – which includes creditors with claims under lease agreements and commercial creditors with claims under any commercial contracts and transactions, irrespective of the legal or factual basis of such contracts or transactions, in particular arising from the supply of goods and services and investment contracts, where the aggregate amount of the principal claims is less than or equal to PLN 50,000.00, not classified in other groups.

Group III – "Claims due to banks, credit institutions, financial institutions and other entities arising from financing granted to the Debtor and Category II commercial claims", which includes financial creditors with claims arising from loans and borrowings and other financial obligations of such nature (Banks and Financial Institutions), and commercial creditors with claims under any commercial contracts and transactions, irrespective of the legal or factual basis of such contracts or transactions, in particular arising from the supply of goods and services and investment contracts, where the aggregate amount of the principal claims is greater than PLN 50,000.00, not classified in other groups.

Group IV – "Claims of entities from the railway industry controlled by the State Treasury, irrespective of the amount of such claims" – which includes creditors with claims under any commercial contracts and transactions, irrespective of the legal or factual basis of such contracts or transactions, in particular claims arising from the supply of goods and services and investment contracts, irrespective of the amount of such claims, that are entities from the railway industry controlled by the State Treasury (with a majority stake held by the State Treasury, for which the State Treasury is the ultimate parent), namely: Polskie Koleje Państwowe S.A. (KRS no.: 0000019193), PKP Polskie Linie Kolejowe S.A. (KRS no.: 0000037568), PGE Energetyka Kolejowa S.A. (KRS no.: 0000322634), as well as companies that are subsidiaries of Polskie Koleje Państwowe S.A. (KRS no. 0000019193) or related to that company, namely: PKP INTERCITY Spółka Akcyjna (KRS no.: 0000296032), PKP INFORMATYKA Spółka z ograniczoną odpowiedzialnością (KRS no.: 0000042646), CS NATURA TOUR Spółka z ograniczoną odpowiedzialnością (KRS no.: 0000155205), PKP LINIA HUTNICZA SZEROKOTOROWA Spółka z ograniczoną odpowiedzialnością (KRS no.: 0000062888) and PKP TELKOL Spółka z ograniczoną odpowiedzialnością (KRS: no. 0000504917).

Group V – Social Insurance Institution (ZUS).

Group VI – “Claims of entities belonging to the PKP CARGO Group and other claims not classified in Groups I-V” – which includes creditors that as at 25 July 2024 belong to the PKP CARGO S.A. under restructuring Group (understood as a group of entities related to PKP CARGO S.A. under restructuring) with any claims held, irrespective of the basis of their origin or the amount of such claims, and other creditors with claims not classified into any of the remaining groups.

The proposals specify the methods of repayment to creditors that are the same for the respective groups of interests.

Group I

1. Repayment of 75% of the principal claims.
2. The remaining portion of the principal claims, i.e. 25% of those claims, constitutes the Eligible Amount and is considered in the calculation of Additional Recovery. Any portion not satisfied through Additional Recovery by the end of the Additional Recovery Period will be written off permanently.
3. All ancillary claims will be written off in full, including interest payable up to the date of opening of the remedial proceedings and after that date, regardless of its legal nature, as well as costs, commissions, compensation, fees and other ancillary amounts; these claims will not increase the Eligible Amount.
4. The payment of 75% of the principal claims will be made in a single instalment, however for the value added tax (VAT) claim relating to the 2019 tax liability, payment will be made within 5 months of the publication date of the notice that the decision approving the composition agreement has become final; for the remaining claim, payment will be made by the last day of the 12th month following the month in which it is announced that the decision approving the composition agreement has become final.

Group II

1. Repayment of 100% of the principal claims.
2. Full cancellation of claims arising from interest, both due as at the opening date of the remedial proceedings and due for the period after the opening date of the remedial proceedings; this reduction applies to all types of interest, irrespective of their legal nature; full cancellation of all ancillary claims, such as claims arising from costs and other ancillary claims (including commissions, compensation for debt recovery costs, enforcement costs, reminders, fees or other ancillary claims), as well as costs of pursuing claims, incurred up to the day preceding the opening date of the Debtor's remedial proceedings.
3. The payment will be made in a single installment by the last day of the 12th month following the month in which it is announced that the decision approving the composition agreement has become final.

Group III

1. Repayment of 50% of the principal claims.
2. The remaining portion of the principal claims, i.e. 50% of those claims, constitutes the Eligible Amount and is considered in the calculation of Additional Recovery. Any portion not satisfied through Additional Recovery by the end of the Additional Recovery Period will be written off permanently.

1.3 Going concern assumption, restructuring measures (cont'd)

3. All ancillary claims will be written off in full, including interest payable up to the date of opening of the remedial proceedings and after that date, regardless of its legal nature, as well as costs, commissions, compensation, fees and other ancillary amounts; these claims will not increase the Eligible Amount.
4. The payment of 50% of the principal claims will be made in a single installment by the last day of the 12th month following the month in which it is announced that the decision approving the composition agreement has become final.

Group IV

1. Satisfaction of 50% of the principal claims.
2. The remaining portion of the principal claims, i.e. 50% of those claims, constitutes the Eligible Amount and is considered in the calculation of Additional Recovery. Any portion not satisfied through Additional Recovery by the end of the Additional Recovery Period will be written off permanently.
3. All ancillary claims will be written off in full, including interest payable up to the date of opening of the remedial proceedings and after that date, regardless of its legal nature, as well as costs, commissions, compensation, fees and other ancillary amounts; these claims will not increase the Eligible Amount.
4. Satisfaction of 50% of the principal claims referred to in item 1 above (hereinafter: “principal claims”) will be effected through subscription for a new issue of shares in PKP CARGO S.A. under restructuring, that is through conversion of 50% of the principal amount into shares in the increased share capital of the Parent Company, as referred to in Article 156(1)(4) of the Restructuring Law on the terms and conditions specified below.
5. The conversion of claims into shares in the increased share capital of the Parent Company, as referred to in Article 156(1)(4) of the Restructuring Law, is effected on the following terms and conditions:
- 5.1 The conversion is into the Debtor's shares with a par value of PLN 1.00 each, which will be subscribed for at an issue price of PLN 12.00 (twelve) per share, provided that, if the claim amount must be rounded to align it with an appropriate multiple of the per share value, the rounding will be made down to the nearest multiple of the per share value, and the difference arising between the amount of the claim and the value of shares in the share capital will be cancelled.

- 5.2 The number of shares allocated to Group IV creditors will be equal to the quotient of: (i) the amount of the converted claim held by the respective creditor, and (ii) the issue price. The portion of the converted claim not allocated to cover shares due to rounding will be cancelled by the power of the composition agreement.
- 5.3 The newly created shares will be subscribed for in exchange for a contribution in the form of a portion of the monetary claim equal to the product of the number of shares being subscribed for in the conversion and the issue price per share. The contribution will be made by setting off the claim being converted against PKP CARGO S.A.'s claim for the contribution in an amount equal to the product of the issue price per share (PLN 12.00) and the number of shares being subscribed for. The set off will be of an executory nature. The set off will take effect when the ruling approving the composition agreement comes into effect; at that moment the subscribed shares will be deemed to have been paid up in full.
- 5.4 The subscription for shares will constitute performance of this part of the composition agreement.
- 5.5 Since the composition agreement for Group IV and Group V claims provides for conversion of claims into shares in the Debtor's increased share capital, pursuant to Article 169 sec. 3 of the Restructuring Law; by virtue of the composition agreement, the share capital will be increased by PLN 29.4 million, i.e. from PLN 44.8 million to PLN 74.2 million, by creating – through conversion of claims classified in Group IV under the composition agreement – 29,401,338 new Series D shares with a par value of PLN 1.00 each ("Series D Shares").
- 5.6 All Series D Shares will be dematerialized ordinary bearer shares.
- 5.7 The par value of each newly created and issued share in connection with the conversion of claims classified in Group IV will be PLN 1.00. The total par value of all newly issued shares in connection with the conversion of claims classified in Group IV will be PLN 29.4 million.
- 5.8 The issue price of each newly created share in connection with the conversion of claims classified in Group IV will be PLN 12.00. The total issue price of all newly issued shares will be PLN 352.8 million.
- 5.9 The newly created Series D Shares will be subscribed for while excluding the pre-emptive rights and subscription rights of the Debtor's existing shareholders;
- 5.10 Series D Shares will participate in dividends starting from 1 January of the calendar year following the year in which the ruling to register the share capital increase in the Register of Commercial Undertakings of the National Court Register becomes final and in which these shares are registered in the Central Securities Depository of Poland with its registered office in Warsaw ("KDPW").
- 5.11 The composition agreement replaces all actions required for increasing the share capital of a joint-stock company (including the Shareholder Meeting resolution), joining the company, subscribing for shares, and making the contribution.
- 5.12 A detailed list of creditors and the allocation of shares constitutes an auxiliary attachment.
- 5.13 Subject to item 17 below, the Debtor is authorized to take all necessary steps to:
 - a. disclose the increase of the Debtor's share capital in the National Court Register;
 - b. take any action that would lead to the admission and introduction of Series D Shares into trading on the regulated market operated by the Warsaw Stock Exchange ("WSE");
 - c. undertake all necessary legal and factual acts, including the filing of appropriate applications and notifications, in accordance with the requirements specified in the provisions of law and regulations, resolutions or guidelines of the WSE, the National Depository for Securities ("KDPW"), and the Polish Financial Supervision Authority, related to applying for admission and introduction of securities to trading on the regulated market operated by the WSE.

1.3 Going concern assumption, restructuring measures (cont'd)

- 5.14 A creditor whose claims are classified in Group IV and who acquires newly created shares as a result of the conversion undertakes not to dispose of the newly created shares it has acquired without the Parent Company's consent for a period of up to 2 years from the date of subscription for the shares ("Lock-Up"). Details of the Lock-Up will be defined in each instance in an agreement concluded between the Creditor and the Debtor.
- 5.15 The "non-disposal" of shares will be understood, in particular, as a restriction on the following: sale of Shares, gift of Shares, and encumbrance of Shares with any third-party rights, including the establishment of security interests or other limited real rights on the Shares.
- 5.16 The aforementioned prohibition will not apply in the case of:
 - a. disposal of Shares resulting from compliance by the respective creditor with a final court judgment or final administrative decision ordering disposal of the Shares;
 - b. transfer or disposal of Shares as a result of ongoing bankruptcy, restructuring, or liquidation proceedings or enforcement;
 - c. transfer or disposal of Shares to a subsidiary, affiliate, or parent company with the Parent Company's consent.
- 5.17 During the Lock-Up period, the Debtor is entitled not to take measures aimed at introducing Series D Shares to trading on the regulated market operated by the WSE. The Debtor will submit applications for the admission and introduction to trading of Series D Shares in two tranches, respectively after 21 and 24 months have elapsed from the date of publication of the notice that the decision approving the composition has become final. The proportion determined by the Debtor for dividing the Series D Shares between the first and second tranches will be applied equally to the number of Series D Shares allocated to each creditor. The number of each creditor's Series D Shares included in the first tranche will be rounded down to the nearest whole share, and all remaining Series D Shares allocated to that creditor will be included in the second tranche.
- 5.18 Pursuant to Article 7(1) of the Financial Instruments Trading Act of 29 July 2005 (Journal of Laws of 2005, No. 183, item 1538; consolidated text: Journal of Laws of 2024, item 722), the rights attached to Series D Shares will arise when those shares are first credited to a securities account.

- 5.19 The rights attached to shares are defined as all corporate and economic rights, including, in particular, the right to attend the General Meeting of Shareholders, vote at the General Meeting of Shareholders, challenge resolutions of the General Meeting of Shareholders, exercise pre-emptive rights to subscribe for new shares and receive dividends.
- 5.20 Series D Shares, regardless of when they are subscribed for, will not be registered in the securities depository operated by the National Depository for Securities (hereinafter referred to as "KDPW") and, consequently, in the securities accounts of creditors participating in the conversion of claims into Series D Shares before 1 January 2027 or before the record date for pre-emptive rights to subscribe for Series N Shares. The Debtor is authorised to refrain from taking any steps to register Series D Shares with KDPW before 1 January 2027 or before the record date for pre-emptive rights to subscribe for Series N Shares, even if the conversion of claims into shares takes place before that date.
- 5.21 Series D Shares will not entitle their holders to subscribe for Series N Shares, whose issue is provided for in the resolution of the Extraordinary Shareholder Meeting of 26 June 2026. Creditors participating in the conversion of claims into Series D Shares are aware that, since Series D Shares will be registered after the record date for pre-emptive rights to subscribe for Series N Shares, they will not be entitled to receive pre-emptive rights to subscribe for Series N Shares.

Group V

1. Repayment of 100% of the principal claims and ancillary claims, in particular interest – accrued both before and after the opening date of the remedial proceedings.
2. The payment will be made in a single installment by the last day of the 12th month following the month in which it is announced that the decision approving the composition agreement has become final.

Group VI

1. Repayment of 5% of the principal claims.
2. Upon payment of 5% of the principal amount referred to in item 1 to a creditor, the remaining 95% of that creditor's principal amount will be written off. Creditors in Group VI will not participate in Additional Recovery.
3. Ancillary claims will be written off in full, including interest payable up to the date of opening of the remedial proceedings and for the period thereafter, regardless of its legal nature, together with costs, commissions, compensation, fees and other ancillary amounts.
4. The payment of 5% of the principal claims will be made in a single installment by the last day of the 12th month following the month in which it is announced that the decision approving the composition agreement has become final.

In accordance with the procedure, after the Parent Company presents the final Composition Proposals, the creditors will vote on the Composition Agreement. A majority of at least two-thirds of the total claims and a majority of the Creditors (half plus one vote) is required. The court will then determine whether the Composition Agreement is enforceable and whether it would be unfair to any of the parties. The Parent Company believes that the composition agreement may be accepted by the Creditors by the end of 2026.

Conditional increase of share capital and share issue

On 26 June 2026, the Extraordinary Shareholder Meeting of PKP CARGO S.A. under restructuring adopted resolutions regarding planned restructuring measures, which included an increase in the Parent Company's share capital, the issue of new shares, the issue of subscription warrants, and amendments to the Parent Company's Articles of Association.

1.3 Going concern assumption, restructuring measures (cont'd)

Series M Shares

The conditional increase in the share capital involves an increase by an amount not exceeding PLN 13.0 million through the issue of up to 13,000,000 Series M ordinary bearer shares ("Series M Shares") with a par value of PLN 1.00 per share. The purpose of the conditional share capital increase is to grant the right to subscribe for Series M Shares to the holders of Series X subscription warrants, which are to be issued with the full exclusion of pre-emptive rights of the Parent Company's existing shareholders (each a "Warrant"). The deadline for exercising the right to subscribe for Series M Shares expires on 31 December 2031. The issue price of Series M Shares, which holders of series X subscription warrants will be entitled to subscribe for, will be PLN 12.00 per share.

Each individual series X subscription warrant will entitle the holder to subscribe for 1 series M bearer share with a par value of PLN 1.00, excluding pre-emptive rights. Series X subscription warrants will be issued free of charge. After the conditional share capital increase is registered, the strategic shareholder, Polskie Koleje Państwowe S.A. (hereinafter "PKP S.A."), will be entitled to subscribe for the Warrants and exercise the right to subscribe for shares attached to them. PKP S.A. will be entitled to exercise the right to subscribe for shares vested in the Warrants only to the extent necessary for PKP S.A. to maintain the current exposure to the Parent Company's share capital in connection with the ongoing restructuring process and the planned share issues. As a result of exercising the Warrants, PKP S.A.'s shareholding level in the Parent Company's share capital may not exceed 33.34% or drop below 25%.

Series N Shares

The share capital increase will take place through the issue of between 75,000,000 and 89,573,834 Series N ordinary bearer shares ("Series N Shares") with a par value of PLN 1.00. The issue price of each Series N Share under pre-emptive rights will be the higher of: PLN 12.00 (in words: twelve Polish zloty) or 80% of the volume-weighted average share price in the period of 50 consecutive trading days on the regulated market of the Warsaw Stock Exchange, with the last trading day falling on 16 December 2026. In the event that shares are subscribed for outside of pre-emptive rights, the price will be determined via a book-building mechanism, where the price specified in the preceding sentence is the minimum price.

The issue of Series N Shares will be conducted via a subscription aimed primarily at existing shareholders. If the existing shareholders do not subscribe for shares in an amount corresponding to the maximum share capital increase amount then – pursuant to Article 436 § 4 of the Commercial Company Code – the remaining Series N Shares may be allocated by the Parent Company's Management

Board to third parties who have expressed an intention to subscribe for shares in the event that not all shares are subscribed for by the existing shareholders. The issue of Series N shares will be carried out by way of a public offering of securities after the Polish Financial Supervision Authority approves the prospectus.

To implement the above resolutions, on 25 August 2026 the Parent Company entered into an agreement with Powszechna Kasa Oszczędności Bank Polski S.A., the Brokerage House Branch in Warsaw (hereinafter referred to as the “PKO BP Brokerage House”), to provide global coordinator services in connection with the preparation and execution of a public offering and the admission of shares to trading on a regulated market.

The Parent Company appointed the PKO BP Brokerage House to provide services involving the offering of financial instruments within the meaning of Article 69(2)(6), read in conjunction with Article 72, of the Financial Instruments Trading Act, in connection with the public offering of the Parent Company’s shares. The PKO BP Brokerage Office will act as global coordinator and bookrunner within the scope permitted by its authorisations and applicable law, and in accordance with the agreed distribution model. The planned share issue is subject to a number of conditions, including obtaining the required corporate and regulatory approvals, approval of the prospectus, appointing an appropriate team of advisers and obtaining the required approvals within the restructuring proceedings.

The planned share issues are an element of the Parent Company’s restructuring process and are intended, in particular, to raise capital to finance operations of PKP CARGO S.A. under restructuring, support implementation of the composition with Creditors, improve liquidity, reduce debt and stabilize the Parent Company’s shareholder structure.

Cash flow forecasts

In preparing the Interim Condensed Consolidated Financial Statements for the period of 6 months ended 30 June 2026, the Parent Company, in order to assess its ability to continue as a going concern over the next 12 months, prepared a forecast of its future cash flows for the period from July 2026 to August 2027.

The Parent Company used a liquidity model developed by an external advisor for this purpose. The data used to prepare the model include, among others:

- the current cash balance,
- the current base of sales and purchase invoices,
- monthly revenue, cost and capital expenditure plans,
- projected remuneration amounts together with related charges, such as social security contributions (ZUS) and personal income tax (PIT),
- leasing and loan payment schedules,
- information on planned inflows from the sale of non-operational assets,
- information on other one-off events,
- Analysis of fulfillment of past forecasts and their individual components.

The sales invoice base included in the model covers approximately 5% of the planned inflows over the forecast period.

1.3 Going concern assumption, restructuring measures (cont’d)

Key assumptions adopted in the financial projections for the period of 12 months from the balance sheet date include:

- proceeds from the sale of non-operational assets in the approximate amount of PLN 399 million, however, the achievement of the assumed sales level is conditional on market factors and approvals issued by institutions and authorities that are independent of the Parent Company,
- average monthly capital expenditures at approximately PLN 54 million,
- average monthly expenditures on employee benefits (including charges) at approximately PLN 72 million,
- payment of trade payables and investment payables, and repayment of other overdue liabilities relating to the period after the opening date of the remedial proceedings, with these payments dependent on generating the projected cash proceeds from operating activities and sales of non-operating assets,
- repayment of the loan from the Guaranteed Employee Benefits Fund (FGŚP) in accordance with the repayment schedule, amounting to approximately PLN 31 million,
- payment of liabilities to the Company Social Benefits Fund (ZFŚS) in accordance with the schedule being agreed upon with the trade unions – approximately PLN 5 million,
- no payment of liabilities subject to composition proceedings,
- no cash flows related to the planned share issue.

The key sources of liquidity over the next 12 months are cash proceeds from operating activities and proceeds from divestments.

When the above assumptions are taken into account, current cash flow projections indicate that the Parent Company will generate sufficient cash to cover current liabilities falling due within the next 12 months (without the liabilities included in the composition proceedings).

The financial forecasts are subject to uncertainty risk arising from the Parent Company's operations in the volatile and difficult-to-predict market for rail freight transport in Poland. The ability to achieve the adopted assumptions is influenced in particular by macroeconomic factors, volatility in demand for transport services, fluctuations in bulk cargo volumes, levels of energy and traction fuel cost, as well as cost pressures related to inflation. Additional important factors include regulatory conditions, the state of the railway network infrastructure, competition from road transport, and external factors, including the geopolitical situation.

Consequently, the presented forecasts are based on currently available data and assumptions, which may change with the development of the Parent Company's market and operational situation.

In connection with the uncertainty described above regarding the realization of future cash flows, the Parent Company conducted a scenario analysis for its main cash flow components, i.e.:

- operational inflows in connection with a possible decline in freight volume or freight fees,
- operational expenditures resulting from a decline in variable costs linked to a lower freight volume,
- capital expenditures in connection with a lower level of periodic repairs of the rolling stock as a consequence of reduced demand for operational rolling stock,
- proceeds from property sales, given possible delays in completing divestments.

The scenario analyses did not identify a liquidity gap (defined as a lack of liquid funds and cash equivalents available to the Parent Company) during the forecast period.

At the same time, if negative deviations from the current cash flow projections occur, the Parent Company will implement additional controls on operating expenses and will reduce or defer capital expenditures to later accounting periods, mainly in respect to periodic rolling stock repairs.

Risk factors

The Parent Company considers a threat to the going concern assumption to arise from any circumstances that might prevent the implementation of the Restructuring Plan. The key risks related to the going concern assumption include:

- the risk of non-approval of the composition proceedings – the lack of a final agreement with creditors on repayment terms may result in the future in a refusal by creditors to accept the proposed solutions and, consequently, non-approval of the composition agreement by the court; as at 30 June 2026, the Parent Company assesses the above risks as low. By decision of 18 March 2026, the Judge-Commissioner approved the Restructuring Plan submitted by the Administrator on 30 June 2025, and therefore the risk of non-approval of the Plan did not materialize. Liabilities to business partners providing services and materials necessary for the operation of rail transport are paid on an ongoing basis (taking into account the temporary payment delays as described in [Note 1.4](#)), employees receive current remuneration on time; public institutions also receive due benefits on a timely basis.

In the Parent Company's opinion, based on an assessment of its current financial and asset position, creditor satisfaction under the remedial proceedings on the terms and conditions defined in Composition Proposals should be higher than in the enforcement scenario (due to the Parent Company's lack of insolvency capacity) in which the formal initiation of mass enforcement actions should be assumed. Therefore, it believes that the assumption that the composition agreement will be adopted on terms consistent with the Parent Company's current financial projections is reasonable;

1.3 Going concern assumption, restructuring measures (cont'd)

- risks related to the implementation of restructuring and development initiatives, in particular:
 - ♦ constraints in available financial resources and the need to incur significant capital expenditures;
 - ♦ dependence of implementation effectiveness on market conditions and the level of demand for transport services;
 - ♦ risk of failure to achieve the assumed operational and sales effects;
 - ♦ delays in the implementation of key solutions, including IT systems and organizational changes;
 - ♦ organizational resistance and risk of lack of full engagement from Group units, as well as tensions with the trade unions;
 - ♦ difficulties in coordinating actions between Group entities and risks related to integration processes, including dispersion of authority and misalignment of systems;
 - ♦ risk of incomplete implementation of optimization actions, including in terms of operational efficiency, assets and employment;
 - ♦ limited availability of qualified resources and difficulties in obtaining reliable data for monitoring the progress of implementation work;
- Operational risks inherent in the conducted business activity, including:
 - ♦ increasing competition in the rail freight market and strong pressure from road transport, which may limit the ability to achieve projected profitability;
 - ♦ infrastructure limitations, including reduced capacity of rail lines and extended transit times, adversely affecting competitiveness and operational efficiency;
 - ♦ high cost pressure, particularly regarding energy costs, coupled with the necessity to incur capital expenditures for periodic rolling stock repairs and to ensure compliance of operations with regulatory requirements;
 - ♦ structural changes in the economy, including the gradual decline in the significance of sectors such as coal-based power generation and metallurgy, which are an important customer base for the Parent Company.

Risk factors associated with the implementation of restructuring and growth initiatives, as well as risks related to ongoing operations, are both short-term and long-term in nature, and their accumulation may adversely affect the Parent Company's revenue levels, profitability, and financial liquidity.

The Parent Company believes that the actions it has taken will allow it to maintain liquidity at a level sufficient to pay its liabilities for at least the next 12 months from the balance sheet date, thereby minimizing the risk to its going concern status. The events that occurred from the balance sheet date to the approval date of these Interim Condensed Consolidated Financial Statements for publication did not affect the assessment of its capacity to continue as a going concern.

Going concern risk of the subsidiary PKP CARGOTABOR Sp. z o.o. under restructuring

The deterioration of the financial and liquidity position of the Parent Company has had a significant impact on the operations of its subsidiary, PKP CARGOTABOR Sp. z o.o. (hereinafter referred to as "PKP CARGOTABOR"). Due to the strong business ties between the Parent Company and PKP CARGOTABOR, the significant reduction in capital expenditures by the Parent Company since Q2 2024 surpassed PKP CARGOTABOR's ability to adapt the scale of its operations to the Parent Company's current needs, which caused a deterioration of PKP CARGOTABOR's liquidity position. On 26 July 2024, the Management Board of PKP CARGOTABOR filed a petition with the court to open remedial proceedings and a petition to open bankruptcy proceedings.

In a letter to the court dated 28 August 2024, the Management Board of PKP CARGOTABOR upheld its petition to open remedial proceedings. On 2 September 2024, the subsidiary received the decision to open restructuring proceedings from the District Court for the Capital City of Warsaw in Warsaw.

In connection with the restructuring measures, the company's production activity was reduced from 16 to 12 Unit locations. As the field units were liquidated, mass layoffs were carried out before the end of 2024, and the subsidiary's organizational structure was changed as of 1 January 2025.

Key events in PKP CARGOTABOR's restructuring proceedings up to 31 December 2025 are detailed in [Note 1.3](#) to the Consolidated Financial Statements for the year ended 31 December 2025.

On 24 March 2026 the Company submitted Composition Proposals for Creditors. Under the Composition Proposals, which set out the manner of restructuring liabilities and cover all of the Company's creditors, creditors were divided into six Groups, reflecting the relevant categories of interest. The total amount of claims included in the list of claims of PKP CARGOTABOR filed with the court amounted to PLN 243.0 million.

On 22 April 2026, the PKP CARGOTABOR Council of Creditors submitted to the case file its own Composition Proposals.

On 31 August 2026, the Restructuring Administrator of PKP CARGOTABOR submitted reports to the Judge-Commissioner on the voting on the Composition Proposals for PKP CARGOTABOR's creditors. The creditors approved the Composition Proposals put forward by the PKP CARGOTABOR's Council of Creditors. Of the 271 Creditors who cast valid votes, 250 voted in favour of the composition (i.e. 92.25% Creditors for the Composition) – these creditors held claims totalling more than PLN 154 million (i.e. 97.32% of the principal amount for the Composition). This is the first formal step confirming the successful completion of voting on PKP CARGOTABOR's Composition Proposals as part of the restructuring proceedings.

According to the Composition Proposals adopted by the Council of Creditors, the creditor Groups and their repayment plans are as follows:

1.3 Going concern assumption, restructuring measures (cont'd)

Group I – Social Insurance Institution – repayment of 100% of the principal claim, together with ancillary claims due, including interest, both for the period before and after the opening of the restructuring proceedings, in 40 equal regular quarterly installments, calculated based on the amount of the claim covered by the composition agreement, and an additional payment as the initial installment;

Group II – creditors whose claims arise from lease agreements – repayment of 100% of the principal claim, payable in a single payment as part the initial installment; full cancellation of ancillary claims;

Group III – creditors whose claims are equal to or less than PLN 10,000.00 and who do not qualify for any other Group – repayment of 100% of the principal claim, payable in a single payment as part of the initial installment; full cancellation of ancillary claims;

Group IV – creditors whose claims are equal to PLN 10,000.01 or more but not greater than PLN 70,000.00 and who do not qualify for any other group – repayment of 75.8% of the principal amount in a single payment as part of the initial installment; cancellation of the remaining principal amount and all ancillary claims;

Group V – creditors whose claims are equal to PLN 70,000.01 or more and who do not qualify for any other group – repayment of at least 75.8% of the principal amount in 40 equal regular installments, plus a payment as part of the initial installment; cancellation, at the end of the composition implementation period, of any principal amount remaining unpaid after all payments under these Composition Proposals, together with all ancillary claims.

Creditors in this Group will receive additional satisfaction under the cash sweep mechanism and an additional independent mechanism, which entails the allocation to them of funds obtained by PKP CARGOTABOR in performance of the composition agreement concluded by PKP CARGO S.A. under restructuring. The cash sweep mechanism covering the financial years 2027–2036 is conditional upon PKP CARGOTABOR generating net profit in excess of PLN 12.3 million. The excess of net profit beyond this amount will be allocated to additional recovery, at 75% of this surplus, subject to a maximum amount of PLN 8.0 million in any given financial year; The funds used for additional recovery under the cash sweep mechanism are allocated to each Group V creditor in proportion to their principal claim covered by the composition relative to the total principal claims covered by the composition held by all Group V creditors. The payments will be made by 30 September of the year following the financial year to which the additional recovery relates;

Group VI – creditors having close relationships with the Company within the meaning of Article 116 of the Restructuring Law: repayment of 5% of the principal claim, payable in a single installment by the last day of the full calendar quarter following the payment of cash sweep funds to Group V, and not earlier than after repayment of creditors in all other Groups; cancellation of the remaining principal amount and full cancellation of ancillary claims.

The total amount of the first payment (initial installment) for creditors from Groups I–V will amount to PLN 30.0 million and will be allocated as follows:

- a) creditors from Group II, Group III and Group IV will receive the portion allocated for one-off repayment,
- b) the remaining portion will be allocated to creditors from Group I and Group V and distributed proportionately to the amount of claims covered by the composition agreement attributable to individual creditors in those Groups relative to the total amount of claims of those Groups,
- c) for Creditors from Group I and Group V, further performance of the composition will be made in equal composition installments (regular composition installments) numbered from 1 to 40.

In order to secure the claims of Creditors from Group I and Group V, the Proposals include:

a) establishment of a joint contractual mortgage on the perpetual usufruct right to three properties:

- ♦ located at ul. Kolejowa 6 in Zduńska Wola,
- ♦ located at ul. Kolejowa 1 in Kluczbork,
- ♦ located at ul. Dworcowa 17 in Gorzów Wielkopolski,

for the period up to the date the composition agreement is carried out, up to the highest collateral amount of PLN 243.0 million.

b) registered pledge on the final collection of movable assets and rights owned by PKP CARGOTABOR, i.e. movable equipment, in particular machinery, equipment, means of transport and other technical equipment used by the company to conduct its business, as at the date on which the decision approving the composition becomes final, up to the highest collateral amount of PLN 243.0 million.

On 10 September 2026, the Judge-Commissioner issued a decision stating that the Composition in the remedial proceedings of PKP CARGOTABOR sp. z o.o. under restructuring had been accepted. The next important stage of the restructuring proceedings will be approval of the Composition by the Restructuring Court. After the possible decision to approve the Composition becomes final, PKP CARGOTABOR will be able to commence the implementation of the Composition, on the terms and conditions and within the deadlines specified in the Composition document, which includes repayments to the Creditors covered by the Composition.

Risk to going concern of other subsidiaries

The opening of restructuring proceedings of the Parent Company, together with the prolonged duration of the war in Ukraine, has also adversely affected the financial position of the subsidiaries PKP CARGO TERMINALE Sp. z o.o. and Cargosped Terminal Braniewo Sp. z o.o. However, in the opinion of the Parent Company's Administrator, the individual position of these companies is not material to the assessment of the ability of the PKP CARGO S.A. under restructuring Group to continue as a going concern.

1.4 Liquidity position of the Group and liquidity risk management

The opening of the restructuring proceedings has protected the Parent Company from the possibility of terminating major contracts with customers, suppliers and financial institutions, and all liabilities incurred before the opening date of the restructuring proceedings on the terms and conditions set forth in the restructuring law, will be covered by the composition agreement. The Parent Company expects these liabilities to be repaid in future periods under a composition agreement with creditors in accordance with the principles of the Restructuring Law.

Some supplier liabilities arising after the opening of the restructuring proceedings are being paid after their due dates (mainly amounts owed to entities within the PKP Group and groups controlled by the State Treasury). The delays reflect the Company's active management of working capital during a temporary shortfall. The restructuring measures are intended to improve the Parent Company's profitability to ensure that it has sufficient working capital to pay all its liabilities on a timely basis. PKP CARGO S.A. under restructuring currently has no access to external financing, such as a working capital loan. This leads to temporary payment delays, which the Company monitors on an ongoing basis while taking steps to eliminate them where possible.

Other overdue liabilities not covered by the restructuring proceedings include primarily the Parent Company's liabilities to the Company Social Benefits Fund (ZFŚS) amounting to PLN 109.6 million. The Parent Company is holding talks with trade unions to set a repayment schedule.

Below we present the liabilities of the Parent Company and PKP CARGOTABOR that arose before the opening dates of the relevant restructuring proceedings under the initial lists of creditors' claims of both companies presented to the Court, also including the creditors' claims against the companies covered by the Consolidated Financial Statements, which are eliminated as part of consolidation adjustments. During the remedial proceedings, the amount of claims included in the list of creditors' claims may be subject to change, in particular as a result of the recognition of objections raised by creditors, the removal of claims pursuant to Article 99 of the Restructuring Law, or the disclosure of new claims that will be included in supplementary lists of claims.

Creditors' claims against the Parent Company and PKP CARGOTABOR included in the composition agreement

	Parent Company	PKP CARGOTABOR	Total before consolidation adjustments	Consolidation adjustments	Total after consolidation adjustments
Debt liabilities	1,344.7	42.9	1,387.6	-	1,387.6
Trade payables and investment commitments	1,142.7	102.3	1,245.0	(197.5)	1,047.5
Other financial liabilities	111.0	-	111.0	(96.7)	14.3
Other liabilities	303.1	47.6	350.7	(0.2)	350.5
Bank guarantees and sureties	24.6	50.0	74.6	(50.0)	24.6
Total	2,926.1	242.8	3,168.9	(344.4)	2,824.5

The maturities of the Group's financial liabilities are presented below. The presented data do not include liabilities incurred before the commencement of the restructuring proceedings, as these are subject to the composition and cannot be repaid until the court approves the composition with creditors pursuant to Article 252 of the Restructuring Law.

The financial liabilities presented below as at 31 December 2025 also did not include liabilities arising from funds received by the Parent Company from the Guaranteed Employee Benefits Fund (FGŚP), as the Parent Company was still determining the arrangements for settling those amounts on 31 December 2025. The parties agreed on the repayment terms in H1 2026.

Maturity of the Group's financial liabilities as at the balance sheet date by maturity date based on contractual undiscounted payments (together with interest payable in the future):

30 June 2026	Contractual maturities from the end of the reporting period				Total (no discount)	Carrying amount
	Below 3 months	From 3 to 12 months	From 1 year to 5 years	Over 5 years		
Debt liabilities, including:	116.8	224.6	850.4	182.5	1,374.3	1,166.2
<i>Bank loans and borrowings</i>	7.7	17.9	31.3	-	56.9	52.9
<i>Leases</i>	98.7	185.1	771.5	182.5	1,237.8	1,043.7
<i>Liabilities under funds received from FGŚP</i>	10.4	21.6	47.6	-	79.6	69.6
Trade payables	389.0	0.5	1.4	0.2	391.1	391.1
Investment commitments	10.0	1.0	5.5	0.7	17.2	17.2
Total	515.8	226.1	857.3	183.4	1,782.6	1,574.5

1.4 Liquidity position of the Group and liquidity risk management (cont'd)

31 December 2025	Contractual maturities from the end of the reporting period				Total (no discount)	Carrying amount
	Below 3 months	From 3 to 12 months	From 1 year to 5 years	Over 5 years		
Debt liabilities, including:	135.3	208.1	913.9	250.1	1,507.4	1,275.6
<i>Bank loans and borrowings</i>	8.2	22.4	42.3	-	72.9	67.3
<i>Leases</i>	124.3	180.8	871.6	250.1	1,426.8	1,200.6
<i>Liabilities under funds received from FGŚP</i>	2.8	4.9	-	-	7.7	7.7
Trade payables	272.2	2.8	1.4	0.2	276.6	276.6
Investment commitments	13.6	1.0	5.5	1.4	21.5	21.5
Total	421.1	211.9	920.8	251.7	1,805.5	1,573.7

The table below presents the age structure of trade payables, investment commitments and lease liabilities, as well as trade receivables. The age structure of liabilities does not include liabilities incurred before the commencement of the restructuring proceedings of the Parent Company and PKP CARGOTABOR, as these cannot be currently paid.

Age structure of trade payables, investment commitments and lease liabilities

30 June 2026	Liabilities			Total
	trade payables	investment commitments	lease liabilities	
Not past due	291.2	15.1	1,006.0	1,312.3
Past due				
up to 30 days	59.9	0.3	6.8	67.0
31 - 90 days	35.4	1.8	13.9	51.1
91 - 180 days	0.9	-	13.4	14.3
181 - 365 days	2.1	-	2.9	5.0
over 365 days	1.6	-	0.7	2.3
Total	391.1	17.2	1,043.7	1,452.0

31 December 2025	Liabilities			Total
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	trade payables	investment commitments	lease liabilities	
Not past due	254.5	16.6	1,153.0	1,424.1
Past due				
up to 30 days	12.4	4.9	8.5	25.8
31 - 90 days	2.2	-	19.8	22.0
91 - 180 days	1.6	-	17.4	19.0
181 - 365 days	3.2	-	1.9	5.1
over 365 days	2.7	-	-	2.7
Total	276.6	21.5	1,200.6	1,498.7

Age analysis of trade receivables

	30 June 2026			31 December 2025		
	Gross	Expected credit losses	Net	Gross	Expected credit losses	Net
Not past due	475.7	(0.5)	475.2	444.3	-	444.3
Past due						
up to 30 days	21.7	(0.4)	21.3	45.5	(0.7)	44.8
31 - 90 days	9.8	(1.1)	8.7	12.6	(1.0)	11.6
91 - 180 days	7.9	(0.9)	7.0	2.9	(1.1)	1.8
181 - 365 days	2.9	(1.1)	1.8	4.4	(1.9)	2.5
over 365 days	152.3	(134.3)	18.0	151.0	(135.2)	15.8
Total	670.3	(138.3)	532.0	660.7	(139.9)	520.8

1.5 Sale of the subsidiary

On 16 January 2026, the Parent Company signed the share purchase agreement with PKP Polskie Linie Kolejowe S.A. for the sale of 100% shares in CARGOTOR Sp. z o.o. for the price of PLN 28.8 million. As a result of the transaction, the Group lost control over CARGOTOR Sp. z o.o. in accordance with IFRS 10.

Below we present the impact of the disposal of and loss of control over CARGOTOR Sp. z o.o. on the individual items of the Interim Condensed Consolidated Financial Statements of the PKP CARGO Group for the period of 6 months ended 30 June 2026.

Purchase price allocation for CARGOTOR Sp. z o.o. assets and liabilities.

Below we present the reconciliation of the sale transaction of CARGOTOR Sp. z o.o. for the purposes of the consolidated statement of comprehensive income:

Line item	
Sale price – remuneration received	28.8
Carrying amount of assets and liabilities subject to the sale transaction	(16.5)
Gain on the sale transaction	12.3

Below we present the reconciliation of the sale transaction of CARGOTOR Sp. z o.o. for the purposes of the consolidated statement of cash flows:

Cash flows from operating activities	
Proceeds from the sale	28.8
Cash held by the subsidiary as at the date of loss of control	(3.2)
Proceeds from disposal of subsidiary, net of cash disposed	25.6

The value of assets sold and related liabilities of CARGOTOR Sp. z o.o. was presented together with continuing operations in the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows, and explanatory notes to those statements, because they do not constitute a separate major line of business or geographical area of operations, nor are part of a broader plan to dispose of a major portion of operations under IFRS 5.32(a) and (b).

The value of assets and liabilities of CARGOTOR Sp. z o.o. over which control has been lost

Items of the statement of financial position	Data as at the date of loss of control
ASSETS	
Other property, plant and equipment	15.6
Right-of-use assets	66.8
Trade receivables	1.8
Lease receivables	8.7

Other assets	0.1
Deferred tax assets	5.1
Total non-current assets	98.1
Inventories	0.1
Trade receivables	17.8
Lease receivables	1.0
Other assets	0.3
Cash and cash equivalents	3.2
Total current assets	22.4
TOTAL ASSETS	120.5
LIABILITIES	
Debt liabilities	66.3
Provisions for employee benefits	4.4
Other liabilities	0.7
Total non-current liabilities	71.4
Debt liabilities	18.9
Trade payables	5.5
Provisions for employee benefits	1.5
Other provisions	2.7
Other liabilities	4.0
Total current liabilities	32.6
TOTAL LIABILITIES	104.0

1.6 Material values based on professional judgment and estimates

In the period of 6 months ended 30 June 2026, changes to material values based on professional judgment and estimation related to:

1) impairment of the Group's assets

In accordance with IAS 36, the Group assesses at the end of each reporting period whether there is any objective evidence of impairment of non-current assets. If such grounds exist then the Group is required to determine the recoverable amount of the assets showing signs of impairment.

As at 30 June 2026, the Group analyzed the indications and identified the factors that could have materially contributed to a change in the value of its non-current assets; accordingly, as at 30 June 2026, the Group carried out impairment tests for cash-generating units defined at the level of assets of the Parent Company, PKP CARGOTABOR Sp. z o.o. under restructuring, PKP CARGO TERMINALE Sp. z o.o., the PKP CARGO INTERNATIONAL Group, PKP CARGO CONNECT Sp. z o.o., PKP CARGO SERVICE Sp. z o.o. and Cargosped Terminal Braniewo Sp. z o.o. The recoverable amount of the analyzed assets was determined on the basis of their estimated value in use, using the discounted cash flow method.

The key indications pointing to the necessity of conducting impairment tests for the Group's assets as at 30 June 2026 included:

- ongoing remedial proceedings against the Parent Company and the lack of approval of the final Composition Proposals,
- an update of long-term financial forecasts of the tested companies,
- an update of the weighted average cost of capital (WACC) reflecting changes in internal and external factors,
- lower than expected financial performance achieved in H1 2026 by the Parent Company and selected companies.

Since the previous impairment test, the Parent Company's financial forecasts have been updated with input from an external financial adviser. The main reason for the update was negative deviations from forecast operating results in the first half of 2026. The new forecasts used to estimate value in use take into consideration the conclusions from assessing actual performance against previous forecasts, current operating assumptions and the amended Composition Proposals. The update follows the direction set out in the Restructuring Strategy and does not change its strategic assumptions. It addresses only the identified operating factors affecting the forecast period. The financial forecasts updated for the purposes of impairment tests also formed the basis for assessing whether the going concern assumption adopted by the Parent Company remained justified.

The tests were prepared by an independent financial adviser using the Parent Company's updated financial assumptions, the amended Composition Proposals for its creditors and the updated Business Plans (PDGs) of selected subsidiaries (PKP CARGOTABOR, the PKP CARGO INTERNATIONAL Group oraz CARGOSPED TERMINAL Braniewo Sp. z o.o.). For PKP CARGO TERMINALE Sp. z o.o., PKP CARGO CONNECT Sp. z o.o. and PKP CARGO SERVICE Sp. z o.o., the tests used forecasts from the existing Business Plans (PDGs), which also formed grounds for the impairment test as at 31 December 2025.

Weighted average cost of capital

For the purpose of the impairment testing, the PKP CARGO S.A. under restructuring Group has applied the WACC path that takes into account current market parameters and characteristics (including higher market interest rates), based on the full business cycle and fundamental economic relationships.

In the process of estimating value in use the relevant key risks were identified (including, among others, risks related to: the restructuring and remedial process; achievement of the assumed financial forecasts; the macroeconomic situation; and market risks); they were then taken into account to calculate the WACC discount rate, through the adoption of company-specific risk premiums.

The WACC discount rate used to measure assets owned by PKP CARGO S.A. under restructuring was 13.2% in nominal terms. For PKP CARGOTABOR Sp. z o.o. under restructuring, WACC discount rate of 14.6% in nominal terms were set to reflect the increased company-specific risk in connection with the pending restructuring proceedings. For the companies that are not being restructured, the WACC discount rate in nominal terms was set at 14.5% for PKP CARGO Terminale Sp. z o.o., at 14.8% for PKP CARGO CONNECT Sp. z o.o., at 10.5% for PKP CARGO SERVICE Sp. z o.o., at 9.1% for the PKP CARGO INTERNATIONAL Group, and at 21.6% for Cargosped Terminal Braniewo Sp. z o.o.

Climate issues

The future of the Polish market for the transportation of materials such as coal is determined by the EU climate policy and will be influenced by the European Green Deal ("EGD"), which aims to achieve climate neutrality in the EU by 2050.

The environment in which the Group operates is volatile and dependent on macroeconomic, market and regulatory conditions, and any change in this area can have a material impact on the financial standing and performance of the PKP CARGO S.A. under restructuring Group. Therefore, the above assumptions and other assumptions used to estimate the value in use of assets are subject to periodic analysis and review.

1.5 Material values based on professional judgment and estimates (cont'd)

PKP CARGO S.A. under restructuring

Presented below are the key assumptions affecting the estimate of the value in use of the tested cash-generating units:

- discounted cash flows were calculated on the basis of a detailed financial projection for the period from 1 July 2026 to 31 December 2031; the plan contains financial forecasts until 2031, which reflect the effect of planned restructuring measures. In the impairment test, the time horizon of the detailed forecast was assumed to be consistent with the Restructuring Plan;
- a WACC rate with a higher company-specific risk premium was applied compared with the previous period, reflecting among others historical deviations in the delivery of financial forecasts;
- in the detailed projection period of 2026-2031, the compound annual growth rate (CAGR) of operating revenue will be at 6.1% in nominal terms;
- in the whole period covered by the detailed projection, CAPEX will reach the level of 19.1% of annual operating revenue in nominal terms;
- after the detailed projection period, the growth of future cash flows was assumed at 2.5% in nominal terms.

As at 30 June 2026, following an impairment test, the Group reversed an impairment loss for assets owned by the Parent Company in the amount of PLN 229.4 million. The main reason for reversing the impairment loss was the reduction in the cost of capital (WACC) from 13.6% to 13.2% following a change in the target debt financing structure (an increase in the D/E parameter), which was partially reduced by the impact of the increase in the company-specific risk premium, which drove up the recoverable amount of assets.

Below we present the impact of changes in key assumptions, with "all other things being equal", on the impairment loss of assets as at 30 June 2026:

Parameter	Effect on impairment losses (PLN million)	
	-0.3 p.p.	+0.3 p.p.
Change in WACC	(127.6)	120.4
Change in unit price ¹⁾	82.8	(82.8)

¹⁾ For the purposes of the sensitivity analysis presented in this Note, the term unit price is understood as an analytical parameter reflecting the average level of prices achieved in a given reporting period, expressed per unit of mass or unit of service rendered. This parameter relates to aggregate sales revenue, without distinction between individual products or services.

PKP CARGOTABOR Sp. z o.o. under restructuring

Presented below are the key assumptions affecting the estimate of the value in use of the tested cash-generating units:

- discounted cash flows were developed on the basis of detailed financial projections for the period from 1 July 2026 to 31 December 2031,
- in the detailed projection period of 2026-2031, the compound annual growth rate (CAGR) of operating revenue will be at 5.6% in nominal terms;
- in the whole period covered by the detailed projection, CAPEX will reach the level of 4.2% of annual net revenue in nominal terms;
- after the detailed projection period, the growth of future cash flows was assumed at 2.5% in nominal terms.

Since the recoverable amount determined as a result of the test was lower than the carrying amount of the tested assets owned by PKP CARGOTABOR, as at 30 June 2026 the Group recognized an impairment loss for assets owned by PKP CARGOTABOR Sp. z o.o. under restructuring in the amount of PLN 17.5 million (out of which PLN 13.9 million pertains to the Right-of-use asset item).

The sensitivity analysis was conducted for key assumptions of the impairment test model such as WACC and unit price. A WACC change by +/- 0.3 p.p. and a unit price change by +/- 0.3 p.p. does not result in the need to increase or reduce an impairment loss for assets owned by PKP CARGOTABOR.

1.5 Material values based on professional judgment and estimates (cont'd)

PKP CARGO INTERNATIONAL GROUP

Presented below are the key assumptions affecting the estimate of the value in use of the tested cash-generating units:

- a) the cash-generating unit was considered to be all owned by the PKP CARGO INTERNATIONAL Group, used mainly to service customers on the Czech rail market;
- b) discounted cash flows were developed on the basis of a detailed financial projection for the period from 1 July 2026 to 31 December 2035. in the opinion of the subsidiary's Management Board, it is reasonable to adopt financial projections for more than five years because the property, plant and equipment used by PKP CARGO INTERNATIONAL a.s. have considerably longer useful lives;
- c) in the detailed projection period of 2026-2035, the compound annual growth rate (CAGR) of net revenue will be at 4.7% in nominal terms;
- d) in the whole period covered by the detailed projection, CAPEX will reach the level of 5.9% of annual operating revenue in nominal terms,
- e) after the detailed projection period, the growth of future cash flows was assumed at 2.0% in nominal terms.

As a result of the test carried out as at 30 December 2026, the determined recoverable amount was lower than the carrying amount of the tested assets owned by PKP CARGO INTERNATIONAL Group, and therefore, as at 30 December 2026 the Group recognized an impairment loss on the assets of PKP CARGO INTERNATIONAL Group in the amount of PLN 47.0 million.

The main reason for reversing the impairment loss was the reduction in the cost of capital (WACC) from 9.5% to 9.1% following a change in the target financing structure (an increase in the D/E parameter), which was partially reduced by the impact of the increase in the company-specific risk premium, which drove up the recoverable amount of assets.

Below we present the impact of changes in key assumptions, with "all other things being equal", on the impairment loss of assets as at 30 June 2026:

Parameter	Effect on impairment losses (PLN million)	
	-0.3 p.p.	+0.3 p.p.
Change in WACC	(26.0)	23.9
Change in unit price	29.0	(29.0)

PKP CARGO CONNECT Sp. z o.o.

Presented below are the key assumptions affecting the estimate of the value in use of the tested cash-generating units:

- a) discounted cash flows were developed on the basis of a detailed financial projection for the period from 1 July 2026 to 31 December 2031;
- b) in the detailed projection period of 2026-2031, the compound annual growth rate (CAGR) of net revenue will be at 5.6% in nominal terms;
- c) in the whole period covered by the detailed projection, CAPEX will reach the level of 3.5% of annual net revenue in nominal terms;
- d) after the detailed projection period, the growth of future cash flows was assumed at 2.5% in nominal terms.

Since the recoverable amount determined as a result of the test exceeded the carrying amount of the tested assets owned by PKP CARGO CONNECT Sp. z o.o., as at 30 June 2026 the Group recognized no impairment charge for assets owned by PKP CARGO CONNECT Sp. z o.o.

The sensitivity analysis was conducted for key assumptions of the impairment test model such as WACC and unit price. A WACC change by +/- 0.3 p.p. and a unit price change by +/- 0.3 p.p. does not cause the need to recognize an impairment loss allowance for assets owned by PKP CARGO CONNECT Sp. z o.o.

PKP CARGO SERVICE Sp. z o.o.

Presented below are the key assumptions affecting the estimate of the value in use of the tested cash-generating units:

- a) discounted cash flows were developed on the basis of a detailed financial projection for the period from 1 July 2026 to 31 December 2031;
- b) in the detailed projection period of 2026-2031, the compound annual growth rate (CAGR) of net revenue will be negative at (0.4)% in nominal terms; the key drivers affecting the downward trend of revenues is the decarbonization process driving the gradual reduction of work on sidings in coal mines, and the expected decrease in coal transports between coal mines and power plants and co-generation plants, and a limitation of contracts;

1.5 Material values based on professional judgment and estimates (cont'd)

- c) in the whole period covered by the detailed projection, CAPEX will reach the level of 8.7% of annual net revenue in nominal terms;
- d) after the detailed projection period, the growth of future cash flows was assumed at 1.9% in nominal terms.

Since the recoverable amount determined as a result of the test exceeded the carrying amount of the tested assets owned by PKP CARGO SERVICE Sp. z o.o., as at 30 June 2026 the Group recognized no impairment charge for assets owned by PKP CARGO SERVICE Sp. z o.o.

The sensitivity analysis was conducted for key assumptions of the impairment test model such as WACC and unit price. A WACC change by +/- 0.3 p.p. and a unit price change by +/- 0.3 p.p. does not cause the need to recognize an impairment loss allowance for assets owned by PKP CARGO SERVICE Sp. z o.o.

PKP CARGO TERMINALE Sp. z o.o.

Presented below are the key assumptions affecting the estimate of the value in use of the tested cash-generating units:

- a) discounted cash flows were developed on the basis of detailed financial projections for the period from 1 July 2026 to 31 December 2035, with a 9.5-year forecast horizon adopted due to the long-term nature of the investment carried out by PKP CARGO TERMINALE Sp. z o.o. and the resulting need to reflect the process of the terminal reaching its target operational scale.
- b) in the detailed projection period of 2026-2035, the compound annual growth rate (CAGR) of net revenue will be at 9.9% in nominal terms,
- c) a WACC rate with a higher company-specific risk premium was applied compared with the previous period, reflecting among others historical deviations in the delivery of financial forecasts;
- d) in the whole period covered by the detailed projection, CAPEX will reach the level of 9.5% of annual operating revenue in nominal terms,
- e) after the detailed projection period, the growth of future cash flows was assumed at 2.5% in nominal terms.

As a result of the test carried out as at 30 June 2026, the determined recoverable amount was lower than the carrying amount of the tested assets owned by PKP CARGO TERMINALE Sp. z o.o., and therefore, as at 30 June 2026 the Group recognized an impairment loss on the assets of PKP CARGO TERMINALE Sp. z o.o. in the amount of PLN 12.9 million (of which PLN 7.9 million was captured as Right-of-use assets). The impairment loss on assets owned by PKP CARGO TERMINALE Sp. z o.o. was driven by an increase in the WACC discount rate resulting from a higher company-specific risk premium, while the long-term financial forecasts remained unchanged.

Below we present the impact of changes in key assumptions, with "all other things being equal", on the impairment loss of assets as at 30 June 2026:

Parameter	Effect on impairment losses (PLN million)	
	-0.3 p.p.	+0.3 p.p.
Change in WACC	(2.9)	2.7
Change in unit price	2.0	(2.0)

Cargosped Terminal Braniewo Sp. z o.o.

Presented below are the key assumptions affecting the estimate of the value in use of the tested cash-generating units:

- a) discounted cash flows were developed on the basis of detailed financial projections for the period from 1 July 2026 to 31 December 2031;
- b) in the detailed projection period of 2026-2031, the compound annual growth rate (CAGR) of operating revenue will be at 12.6% in nominal terms;
- c) due to its liquidity problems, the company does not anticipate to incur any capital expenditures in the projection period beyond 2026, 2027 and 2028;
- d) after the detailed projection period, the growth of future cash flows was assumed at 2.5% in nominal terms.

As a result of the impairment test carried out as at 30 June 2026, there was no need to update the carrying amount of tested assets owned by Cargosped Terminal Braniewo Sp. z o.o.

1.5 Material values based on professional judgment and estimates (cont'd)

Below we present the impact of changes in key assumptions, with "all other things being equal", on the impairment loss of assets as at 30 June 2026:

Parameter	Effect on impairment losses (PLN million)	
	-0.3 p.p.	+0.3 p.p.
Change in WACC	no impairment losses	no impairment losses
Change in unit price	no impairment losses	(0.1)

2) provisions for employee benefits

On 11 June 2026, the 24-month notice period for the Collective Bargaining Agreement for Employees of PKP CARGO Spółka Akcyjna ("ZUZP", "Agreement") will elapse. The unilateral termination of the ZUZP resulted from a decision of the Parent Company's Management Board dated 11 June 2024. Analysis regarding the development of new terms of the collective labour agreement are currently ongoing. Although the existing agreement formally ceased to be in force on 11 June 2026, its terms and conditions of employment and pay did not automatically cease to apply on that date. These terms have become part of employees' individual employment contracts. Under the Act on Collective Bargaining Agreements and Collective Arrangements, these terms must continue to apply until the relevant provisions in individual employment contracts are amended, either by giving notice of changes to the terms of employment or by entering into an amendment agreement with each employee. No such amendments had been made as at the reporting date. Accordingly, as at 30 June 2026, provisions for employee benefits were calculated based on the ZUZP. Any change in the terms of the collective labour agreement applicable to employees of the Parent Company will result in a remeasurement of the present value of the defined benefit obligation and will be recognized as past service cost in accordance with IAS 19, paragraphs 102-104.

At the same time, as at 30 June 2026, the Parent Company and selected subsidiaries performed an actuarial valuation of its provisions for employee benefits. In the case of other subsidiaries, the lack of an update of the assumptions as at 30 June 2026 had no material impact on the financial data presented in these financial statements. Detailed information on the assumptions adopted as at 30 June 2026 is presented in [Note 5.10](#) to these Interim Condensed Consolidated Financial Statements.

1.7 Applied International Financial Reporting Standards platform

Standards and interpretations adopted by the IASB and EU which have entered into effect

When approving these Interim Condensed Consolidated Financial Statements, the Group applied the following amendments to the standards and interpretations issued by the International Accounting Standards Board for application by the EU:

Standard / Interpretation	Effective date
Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" - Amendments to the Classification and Measurement of Financial Instruments	1 January 2026
Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" - Contracts Referencing Nature-dependent Electricity	1 January 2026
Annual Improvements to IFRSs – vol. 11	1 January 2026

The Parent Company believes that the above standards and interpretations had no material impact on the Group's financial statements.

Standards and Interpretations adopted by the IASB and EU which have not yet entered into effect

In approving these Interim Condensed Consolidated Financial Statements, the Group did not elect the early adoption of the standard listed below, which has been published and endorsed for use in the European Union but has not yet come into effect. The Parent Company believes that IFRS 18 will have an impact on the Group's consolidated financial statements; however, as at the date of approval of these Interim Condensed Consolidated Financial Statements, the Group has not yet completed its detailed assessment in this respect.

Standard / Interpretation	Effective date
IFRS 18 "Presentation and Disclosure in Financial Statements"	1 January 2027

Standards and interpretations adopted by the IASB and not endorsed by the EU

IFRS as approved by the EU do not currently differ materially from the regulations adopted by the International Accounting Standards Board (IASB), with the exception of the following standards, their amendments and interpretations, which have not yet been approved by the EU and have not entered into effect. The Parent Company believes that the approval of the standards mentioned below by the EU will not result in any major changes to the Group's financial statements in the successive reporting periods:

1.7 Applied International Financial Reporting Standards platform (cont'd)

Standard / Interpretation	Effective date
IFRS 19 "Subsidiaries without Public Accountability": Disclosure	1 January 2027
Amendments to IFRS 19 "Subsidiaries without Public Accountability": Disclosure	1 January 2027
Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" – Translation to a Hyperinflationary Presentation Currency	1 January 2027
Amendments to the fair value option in IAS 28 "Investments in Associates and Joint Ventures"	1 January 2027
IFRS 20 "Regulatory Assets and Regulatory Liabilities"	1 January 2029

2. Notes to the statement of profit or loss and other comprehensive income

2.1 Revenues from contracts with customers

Structure of revenues from contracts with customers

The Group conducts its business within one segment only, i.e. domestic and international cargo freight and provision of comprehensive logistics services related to rail freight.

The Parent Company's Administrator does not evaluate the Group's performance and does not make decisions concerning allocation of resources to groups of services provided account being taken of the structure of revenues from contracts with customers, as presented below. Therefore, the specific service groups may not be treated as the Group's operating segments.

6 months ended 30 June 2026	PKP Group related parties	Other State Treasury related parties	Others	Total
Revenue from rail transportation services and freight forwarding services	0.6	391.8	1,051.7	1,444.1
Revenue from other transportation activity	-	-	52.1	52.1
Revenue from siding and traction services	17.9	88.8	77.6	184.3
Revenue from transshipment services	-	0.3	52.7	53.0
Revenue from reclamation services	0.3	-	19.1	19.4
Revenue from sales of goods and materials	-	0.3	20.4	20.7
Other revenues	5.7	6.5	54.5	66.7
Total	24.5	487.7	1,328.1	1,840.3
Revenue recognition date				
At a specific time	0.6	0.3	22.0	22.9
Over a period	23.9	487.4	1,306.1	1,817.4
Total	24.5	487.7	1,328.1	1,840.3

3 months ended 30 June 2026	PKP Group related parties	Other State Treasury related parties	Others	Total
Revenue from rail transportation services and freight forwarding services	-	186.4	562.7	749.1
Revenue from other transportation activity	-	-	26.7	26.7
Revenue from siding and traction services	7.6	45.5	36.6	89.7
Revenue from transshipment services	-	0.1	24.7	24.8
Revenue from reclamation services	0.1	-	11.2	11.3
Revenue from sales of goods and materials	-	-	10.3	10.3
Other revenues	1.1	3.3	27.0	31.4
Total	8.8	235.3	699.2	943.3
Revenue recognition date				
At a specific time	0.3	-	10.6	10.9
Over a period	8.5	235.3	688.6	932.4
Total	8.8	235.3	699.2	943.3

2.1 Revenues from contracts with customers (cont'd)

6 months ended 30 June 2025	PKP Group related parties	Other State Treasury related parties	Others	Total
Revenue from rail transportation services and freight forwarding services	1.0	420.5	994.8	1,416.3
Revenue from other transportation activity	-	-	51.1	51.1
Revenue from siding and traction services	6.0	89.0	76.3	171.3
Revenue from transshipment services	-	1.9	51.8	53.7
Revenue from reclamation services	4.6	-	36.4	41.0
Revenue from sales of goods and materials	-	0.2	14.4	14.6
Other revenues	4.9	6.5	61.8	73.2
Total	16.5	518.1	1,286.6	1,821.2
Revenue recognition date				
At a specific time	1.0	0.2	15.1	16.3
Over a period	15.5	517.9	1,271.5	1,804.9
Total	16.5	518.1	1,286.6	1,821.2

3 months ended 30 June 2025	PKP Group related parties	Other State Treasury related parties	Others	Total
Revenue from rail transportation services and freight forwarding services	0.8	181.7	504.8	687.3
Revenue from other transportation activity	-	-	24.2	24.2
Revenue from siding and traction services	3.5	42.7	38.2	84.4
Revenue from transshipment services	-	1.0	27.4	28.4
Revenue from reclamation services	2.9	-	22.6	25.5
Revenue from sales of goods and materials	-	0.2	7.1	7.3
Other revenues	2.2	3.4	30.6	36.2
Total	9.4	229.0	654.9	893.3
Revenue recognition date				
At a specific time	0.5	0.2	7.6	8.3
Over a period	8.9	228.8	647.3	885.0
Total	9.4	229.0	654.9	893.3

Geography

The Group defines the geographical territory of business as the location of the registered office of the service recipient, and not as the country of the service provision. Poland is the key geographic area of the Group's activity. Revenues from contracts with customers of the Group broken down by their country of incorporation are presented below:

	6 months ended 30 June 2026	3 months ended 30 June 2026	6 months ended 30 June 2025	3 months ended 30 June 2025
Poland	1,313.8	669.7	1,325.5	639.5
Czech Republic	234.1	119.0	240.8	126.2
Germany	102.4	57.8	93.7	45.5
Italy	31.9	16.3	28.4	14.2
Slovakia	24.3	13.1	16.9	7.4
Denmark	22.6	11.3	11.9	6.8
Other countries	111.2	56.1	104.0	53.7
Total	1,840.3	943.3	1,821.2	893.3

2.1 Revenues from contracts with customers (cont'd)

Non-current assets net of financial instruments and deferred tax assets, by location

	30 June 2025	31 December 2025
Poland	3,854.4	3,779.4
Czech Republic	482.1	444.4
Other countries	8.7	9.6
Total	4,345.2	4,233.4

Information on key customers

In the period of 6 months ended 30 June 2026 and 30 June 2025, revenues from any single customer of the Group did not exceed 10% of the total revenues from contracts with customers.

2.2 Operating expenses

Consumption of electricity and traction fuel

	6 months ended 30 June 2026	3 months ended 30 June 2026	6 months ended 30 June 2025	3 months ended 30 June 2025
Consumption of traction fuel	(56.7)	(31.8)	(42.7)	(20.1)
Consumption of traction energy	(243.3)	(123.3)	(220.6)	(106.6)
Total	(300.0)	(155.1)	(263.3)	(126.7)

Other services

	6 months ended 30 June 2026	3 months ended 30 June 2026	6 months ended 30 June 2025	3 months ended 30 June 2025
Renovation and maintenance services for non-current assets	(34.4)	(17.5)	(42.9)	(24.0)
Rent and fees for the use of property and rolling stock	(39.4)	(19.7)	(34.8)	(15.8)
Telecommunications services	(2.8)	(1.4)	(2.9)	(1.4)
Legal, consulting and similar services	(7.6)	(4.3)	(7.6)	(4.5)
IT services	(33.8)	(17.2)	(30.5)	(15.6)
Transshipment services	(6.3)	(3.0)	(9.7)	(5.0)
Land reclamation services	(13.2)	(7.7)	(22.8)	(13.8)
Shunting, traction and inspection services	(35.5)	(17.8)	(19.2)	(9.2)
Other services	(34.6)	(18.1)	(25.2)	(12.9)
Total	(207.6)	(106.7)	(195.6)	(102.2)

Employee benefits

	6 months ended 30 June 2026	3 months ended 30 June 2026	6 months ended 30 June 2025	3 months ended 30 June 2025
Salary	(557.3)	(276.3)	(613.6)	(307.3)
Social security costs	(118.7)	(59.1)	(129.4)	(65.1)
Expenses for contributions to the Company Social Benefits Fund	(16.4)	(8.2)	(17.9)	(9.0)
Other employee benefits during employment	(17.2)	(8.3)	(17.6)	(8.3)
Post-employment benefits	(5.2)	(1.9)	(3.9)	(1.8)
Movement in provisions for employee benefits	(29.0)	(9.8)	(27.2)	(8.7)
Total	(743.8)	(363.6)	(809.6)	(400.2)

2.2 Operating expenses (cont'd)

Other expenses

	6 months ended 30 June 2026	3 months ended 30 June 2026	6 months ended 30 June 2025	3 months ended 30 June 2025
Consumption of non-traction fuel	(11.7)	(6.4)	(10.7)	(5.2)
Consumption of electricity, gas and water	(27.3)	(9.5)	(27.3)	(9.1)
Consumption of materials	(33.7)	(18.1)	(41.0)	(20.3)
Taxes and charges	(20.3)	(11.0)	(20.2)	(10.9)
Cost of goods and materials sold	(15.4)	(7.6)	(10.0)	(4.5)
Business trips	(12.8)	(6.5)	(14.3)	(7.2)
Other	(14.5)	(7.5)	(14.7)	(7.6)
Total	(135.7)	(66.6)	(138.2)	(64.8)

Depreciation, amortization and impairment losses

	6 months ended 30 June 2026	3 months ended 30 June 2026	6 months ended 30 June 2025	3 months ended 30 June 2025
Depreciation of rolling stock	(129.3)	(64.4)	(100.5)	(52.2)
Depreciation of other property, plant and equipment	(22.4)	(11.8)	(24.0)	(11.8)
Depreciation of right-of-use assets	(61.4)	(30.6)	(62.9)	(30.1)
Amortization of intangible assets	(3.3)	(1.5)	(3.7)	(1.8)
(Recognized) / reversed impairment losses:				
Rolling stock	271.8	271.8	109.1	109.1
Other property, plant and equipment	(3.2)	(3.2)	-	-
Right-of-use assets	(21.8)	(21.8)	(3.5)	(3.5)
Intangible and other assets	(2.7)	(2.7)	-	-
Total	27.7	135.8	(85.5)	9.7

2.3 Other operating revenue (and expenses)

Other operating revenue (and expenses)

	6 months ended 30 June 2026	3 months ended 30 June 2026	6 months ended 30 June 2025	3 months ended 30 June 2025
Gain on disposal of subsidiary ¹⁾	12.3	-	-	-
Profit on sales of non-financial non-current assets	12.1	5.2	9.5	8.9
Reversed impairment losses for trade receivables	3.3	1.6	1.6	0.4
Penalties and compensations	5.0	2.6	6.2	1.9
Reversal of other provisions	2.0	0.5	5.7	2.1
Interest on trade and other receivables	2.4	0.9	1.7	0.8
Subsidies	1.3	0.3	1.0	0.2
Other	0.9	0.5	3.6	3.3
Total other operating revenue	39.3	11.6	29.3	17.6
Recognized impairment losses for trade receivables	(1.0)	(0.5)	(5.5)	(3.4)
Penalties and compensations	(4.9)	(2.4)	(3.7)	(1.5)
Costs of liquidation of non-current and current assets	(0.5)	(0.4)	(0.4)	(0.3)
Other provisions established	(3.2)	(2.8)	(1.7)	(0.6)
Interest on trade and other payables	(8.8)	(5.9)	(7.2)	(3.3)
Net result on foreign exchange differences on trade receivables and trade payables	(0.7)	(0.7)	(0.6)	-
Other	(2.2)	(1.2)	(2.2)	(0.8)
Total other operating expenses	(21.3)	(13.9)	(21.3)	(9.9)
Other operating revenue (and expenses)	18.0	(2.3)	8.0	7.7

¹⁾ This item includes gain on the disposal of CARGOTOR Sp. z o.o., which is described in [Note 1.5](#) to these Interim Condensed Consolidated Financial Statements.

2.4 Financial revenue (and expenses)

Financial revenue (and expenses)

	6 months ended 30 June 2026	3 months ended 30 June 2026	6 months ended 30 June 2025	3 months ended 30 June 2025
Interest income	4.1	2.0	8.2	4.0
Net result on foreign exchange differences	-	(1.0)	-	-
Other	0.1	0.1	0.1	0.1
Total financial revenue	4.2	1.1	8.3	4.1
Interest expenses	(30.6)	(14.8)	(61.1)	(29.2)
Settlement of the discount on provisions for employee benefits	(13.3)	(7.0)	(15.1)	(8.1)
Net result on foreign exchange differences	(0.2)	(0.2)	(1.1)	0.2
Other	(0.3)	(0.2)	(0.3)	(0.2)
Total financial expenses	(44.4)	(22.2)	(77.6)	(37.3)
Financial revenue (and expenses)	(40.2)	(21.1)	(69.3)	(33.2)

3. Notes on taxation

3.1 Income tax

Income tax recognized in profit / loss

	6 months ended 30 June 2026	3 months ended 30 June 2026	6 months ended 30 June 2025	3 months ended 30 June 2025
Current income tax				
Current tax liability	(7.6)	(1.5)	(9.7)	(5.7)
Adjustments posted in the current year relating to tax from previous years	(0.3)	-	(0.4)	-
Deferred tax				
Deferred income tax of the reporting period	(26.3)	(42.0)	7.4	(5.1)
Income tax recognized in profit / loss	(34.2)	(43.5)	(2.7)	(10.8)

The corporate income tax rates in effect in the PKP CARGO S.A. under restructuring Group in the years 2026-2025 were: 19% in Poland, 21% in the Czech Republic and 9% in Hungary.

According to the legal provisions in effect, no differentiation of rates is expected in the future periods. Frequent differences of opinions as to legal interpretation of the tax regulations, both within the State bodies, and between the State bodies and enterprises, entail lack of certainty and give rise to conflicts. Therefore, the tax risk in Poland is much higher than usually observed in the countries with better developed tax systems. Tax returns may be subject to an inspection for a period of five years, starting from the end of the year of the tax payment. As a result of future inspections, the Group's tax settlements may be increased by additional tax liabilities.

Deferred income tax captured in other comprehensive income

	6 months ended 30 June 2026	3 months ended 30 June 2026	6 months ended 30 June 2025	3 months ended 30 June 2025
Deferred tax on the measurement of hedging instruments	1.4	0.2	(0.6)	1.1
Deferred tax on actuarial gains / (losses) on employee benefits	(0.8)	(0.8)	6.5	6.5
FX differences from translation of deferred tax balance recognized in other comprehensive income ¹⁾	(0.7)	(0.9)	(0.9)	(1.9)
Deferred income tax captured in other comprehensive income	(0.1)	(1.5)	5.0	5.7

¹⁾ This item is presented in equity as FX differences from translation of financial statements of foreign operations.

3.1 Income tax (cont'd)

Balance of deferred tax assets and liabilities

Deferred tax assets and liabilities are offset at the level of the financial statements of each Group company. Accordingly, the following values are presented in these Interim Condensed Consolidated Financial Statements:

	30 June 2026	31 December 2025
Deferred tax assets	626.1	648.6
Deferred tax liabilities	(62.1)	(53.1)
Total	564.0	595.5

Table of movements in deferred tax before the set-off

6 months ended 30 June 2026	1 January 2026	Recognized in profit or loss	Recognized in other comprehensive income	FX differences from translation of deferred tax balance	Disposal of a subsidiary	30 June 2026
Temporary differences relating to deferred tax (liabilities) / assets:						
Non-financial non-current assets	265.5	(66.5)	-	(0.7)	(0.1)	198.2
Right-of-use assets and lease liabilities	(19.3)	(0.5)	-	-	(1.4)	(21.2)
Other provisions and liabilities	57.7	(1.1)	-	-	(0.7)	55.9
Inventories	(3.7)	0.5	-	-	-	(3.2)
Lease receivables	(2.3)	1.3	-	-	1.9	0.9
Trade receivables	0.9	(5.3)	-	-	-	(4.4)
Provisions for employee benefits	115.5	0.4	(0.8)	-	(1.1)	114.0
Other	36.8	5.2	1.4	-	-	43.4
Unused tax losses	144.4	39.7	-	-	(3.7)	180.4
Total	595.5	(26.3)	0.6	(0.7)	(5.1)	564.0

6 months ended 30 June 2025	1 January 2025	Recognized in profit or loss	Recognized in other comprehensive income	FX differences from translation of deferred tax balance	30 June 2025
Temporary differences relating to deferred tax (liabilities) / assets:					
Non-financial non-current assets	329.2	(48.3)	-	(0.9)	280.0
Right-of-use assets and lease liabilities	(5.1)	(6.7)	-	-	(11.8)
Other provisions and liabilities	66.7	(0.1)	-	-	66.6
Inventories	(5.2)	(0.1)	-	-	(5.3)
Lease receivables	(2.3)	-	-	-	(2.3)
Trade receivables	3.1	(1.3)	-	-	1.8
Provisions for employee benefits	114.2	1.0	6.5	-	121.7
Other	30.2	7.2	(0.6)	-	36.8
Unused tax losses	63.8	55.7	-	-	119.5
Total	594.6	7.4	5.9	(0.9)	607.0

Maturity analysis of deferred tax assets from tax losses and borrowing costs

Expiration dates of the tax losses and borrowing costs, to which deferred tax assets were applied as at 30 June 2026

Year	2028	2029	2030	2031	Total
Unused tax losses	128.5	363.3	335.1	122.2	949.1
Borrowing costs	33.8	89.1	-	7.0	129.9
Total	162.3	452.4	335.1	129.2	1,079.0

3.1 Income tax (cont'd)

Expiration dates of the tax losses and borrowing costs, to which deferred tax assets were applied as at 31 December 2025

Year	2027	2028	2029	2030	Total
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Unused tax losses	5.7	159.9	372.1	222.2	759.9
Borrowing costs	-	33.8	89.1	-	122.9
Total	5.7	193.7	461.2	222.2	882.8

Tax loss and borrowing costs not captured in calculation of deferred tax assets

The amount of tax losses not included in the calculation of deferred tax asset results from tax losses generated by the following companies:

	30 June 2026	31 December 2025
PKP CARGO S.A. under restructuring	46.3	115.5
PKP CARGO TERMINALE Sp. z o.o.	26.9	26.9
PKP CARGO CONNECT Sp. z o.o.	9.9	-
PKP CARGOTABOR USŁUGI Sp. z o.o. under liquidation	3.7	3.7
AWT ROSCO a.s.	3.0	-
Cargosped Terminal Braniewo Sp. z o.o.	1.5	1.5
PKP CARGO INTERNATIONAL HU Zrt.	0.1	0.1
AWT CFT a.s.	-	3.7
Total	91.4	151.4

Expiration dates of the tax losses and borrowing costs, to which deferred tax assets were not applied as at 30 June 2026

Year	2026	2027	2028	2029	2030	2031	Total
Unused tax losses	46.3	1.6	2.5	21.6	11.4	8.0	91.4
Borrowing costs	10.5	-	-	-	-	-	10.5
Total	56.8	1.6	2.5	21.6	11.4	8.0	101.9

Expiration dates of the tax losses and borrowing costs, to which deferred tax assets were not applied as at 31 December 2025

Year	2025	2026	2027	2028	2029	2030	Total
Unused tax losses	72.7	46.5	1.6	2.6	21.6	6.4	151.4
Borrowing costs	-	10.5	-	-	-	-	10.5
Total	72.7	57.0	1.6	2.6	21.6	6.4	161.9



4. Notes on debt

4.1 Reconciliation of debt liabilities

The Group's debt liabilities consist of the following two main categories: bank loans and leases. Loan agreements were signed mainly to finance current activity, finance and refinance the investment plan and acquisitions. Liabilities contracted under the signed loan agreements are repaid in PLN and EUR.

Lease agreements are signed in PLN, CZK and EUR and pertain mainly to property and rolling stock.

In its debt liabilities line item, the Group also presents the funds received from the Guaranteed Employee Benefits Fund ("FGŚP") designated for the payment of severance pays and other benefits for employees affected by mass layoffs. The Parent Company has a registered pledge on wagons securing the repayment of liabilities under a bank loan with an outstanding liabilities of PLN 49.9 million as at 30 June 2026. Liabilities under this loan are repaid on a regular basis. Liabilities under the remaining bank loans concluded by the Parent Company and PKP CARGOTABOR are not secured on assets and cannot be currently repaid by the Company, as they are included in the composition. Liabilities under bank loans concluded by other Group companies are repaid on an ongoing basis. The total carrying amount of the Group's liabilities on account of bank loans subject to repayment was PLN 52.9 million as at 30 June 2026.

In addition to liabilities incurred before the commencement of the restructuring proceedings, as these are subject to the composition and cannot be repaid pursuant to Article 252 of the Restructuring Law, the Group does not have any other material liabilities under loans, for which it failed to make payments as at 30 June 2026 and 31 December 2025.

Items in foreign currencies

30 June 2026	In functional currency PLN	In foreign currency			Total
		EUR	CZK	HUF	
Bank loans and borrowings	912.8	443.1	-	-	1,355.9
Liabilities under funds received from the Guaranteed Employee Benefits Fund	69.6	-	-	-	69.6
Leases	1,072.8	12.8	18.4	0.3	1,104.3
Total	2,055.2	455.9	18.4	0.3	2,529.8

31 December 2025	In functional currency PLN	In foreign currency			Total
		EUR	CZK	HUF	
Bank loans and borrowings	923.6	439.5	-	-	1,363.1
Liabilities under funds received from the Guaranteed Employee Benefits Fund	87.0	-	-	-	87.0
Leases	1,227.6	16.7	16.7	0.2	1,261.2
Total	2,238.2	456.2	16.7	0.2	2,711.3

Reconciliation of debt liabilities

6 months ended 30 June 2026	Bank loans and borrowings	Liabilities under funds received from the Guaranteed Employee Benefits Fund	Leases	Total
1 January 2026	1,363.1	87.0	1,261.2	2,711.3
New liabilities contracted	-	-	12.8	12.8
Modifications of existing agreements	-	-	13.6	13.6
Sale and leaseback	-	-	6.9	6.9
Accrual of interest	1.8	3.3	25.5	30.6
Payments under debt, including:				
Repayments of the principal	(14.4)	(9.0)	(97.8)	(121.2)
Interest paid	(1.5)	(11.7)	(27.6)	(40.8)
Set off	-	-	(3.4)	(3.4)
Other	-	-	(2.4)	(2.4)
FX differences recognized in profit or loss and other comprehensive income	6.9	-	0.3	7.2
FX translation differences	-	-	0.4	0.4
Disposal of a subsidiary	-	-	(85.2)	(85.2)
30 June 2026	1,355.9	69.6	1,104.3	2,529.8
Non-current	358.5	43.7	804.5	1,206.7
Current	997.4	25.9	299.8	1,323.1
Total	1,355.9	69.6	1,104.3	2,529.8

4.1 Reconciliation of debt liabilities (cont'd)

6 months ended 30 June 2025	Bank loans and borrowings	Liabilities under funds received from the Guaranteed Employee Benefits Fund	Leases	Total
1 January 2025	1,380.6	71.8	1,380.2	2,832.6
New liabilities contracted	-	10.2	2.7	12.9
Modifications of existing agreements	-	-	25.6	25.6
Accrual of interest	21.8	4.0	35.3	61.1
Payments under debt, including:				
Repayments of the principal	(16.4)	-	(81.2)	(97.6)
Interest paid	(3.4)	-	(30.8)	(34.2)
Set off	-	-	(1.2)	(1.2)
Other	-	-	(22.0)	(22.0)
FX differences recognized in profit or loss and other comprehensive income	(3.1)	-	(0.6)	(3.7)
FX translation differences	(0.1)	-	0.6	0.5
30 June 2025	1,379.4	86.0	1,308.6	2,774.0
Non-current	581.5	-	1,024.9	1,606.4
Current	797.9	86.0	283.7	1,167.6
Total	1,379.4	86.0	1,308.6	2,774.0

Other amounts under leases recognized in the statement of profit or loss and other comprehensive income:

	Presentation in the statement of profit or loss and other comprehensive income	30 June 2026	30 June 2025
Revenues from operating leases	Revenues from contracts with customers	22.7	22.5
Costs of short-term leases	Other services	(30.3)	(26.1)

Terms and conditions of loan agreements

Contracts signed with banks impose legal and financial obligations on the Group that are standard in such transactions. The key ratios measured in such obligations set forth in loan agreements signed by the Group include: the Net Debt/EBITDA ratio and the total debt ratio. The above ratios are calculated on the basis of data contained in both the Consolidated Financial Statements of the PKP CARGO S.A. under restructuring Group and the PKP CARGO INTERNATIONAL Group.

Depending on the agreements signed by Group companies, compliance with the terms and conditions of loan agreements is reviewed on a quarterly basis, on a semi-annual basis, or at the end of each financial year. As at 30 June 2026, the reviews applied to loan agreements signed by the Parent Company and PKP CARGO INTERNATIONAL.

The Net Debt/EBITDA is the level of financial debt less cash to the generated EBITDA and is calculated excluding the impact of IFRS 16. The maximum permitted level of the Net Debt/EBITDA ratio, depending on the contract, is set within the range of 2.25–4.5. For selected agreements, there is also an obligation to satisfy the Net Debt/EBITDA ratio and total debt ratio calculated on the basis of forecast figures.

The total debt ratio is defined in loan agreements as the ratio of total liabilities (excluding the impact of IFRS 16) to total balance sheet amount (excluding the impact of IFRS 16) and its level cannot exceed 60%.

As at 30 June 2026, the covenants in the Parent Company's loan agreements were not satisfied. As a result of the opening of remedial proceedings against PKP CARGO S.A. under restructuring on 25 July 2024, the failure to meet these financial covenants does not result in the termination of the relevant loan agreements. As at 30 June 2026, the covenants specified in the PKP CARGO INTERNATIONAL's loan agreements were satisfied.

Unused credit and lease facilities

Type of loan	Bank Name	Period of availability	Currency of the contract	30 June 2026	31 December 2025
Overdraft	ING Bank N.V.	22/11/2028	EUR	12.9	12.7
Total				12.9	12.7

4.2 Equity

Share capital

	30 June 2026	31 December 2025
The share capital consists of:		
Ordinary shares – fully paid up and registered	44.8	44.8

As at 30 June 2026 and 31 December 2025, the share capital consisted of ordinary shares with a par value of PLN 1.00 each. Fully paid up ordinary shares are equivalent to one vote at the shareholder meeting and carry the right to a dividend.

PKP S.A. is the parent company of PKP CARGO S.A. under restructuring. Pursuant to Articles of Association of the Parent Company, PKP S.A. holds special personal rights to appoint and dismiss Supervisory Board Members of the Parent Company in a number equal to half the composition of the Supervisory Board plus one. PKP S.A. has a personal right to appoint the Supervisory Board Chairperson and to determine the number of Supervisory Board Members. In addition, in the event that PKP S.A.'s share in the Parent Company's share capital is 50% or less, PKP S.A. will have the personal rights to exclusively select the candidates for the President of the Management Board of PKP CARGO S.A. under restructuring. The personal rights of PKP S.A. will be vested always when PKP S.A. holds at least 25% of the Parent Company's share capital.

In the period of 6 months ended 30 June 2026 and 30 June 2025, there were no movements in the Parent Company's share capital.

Movement in supplementary capital and retained earnings

In the period of 6 months ended 30 June 2026, changes in the Group's supplementary capital resulted from a resolution adopted by the Ordinary Shareholder Meeting of PKP CARGO S.A. under restructuring on 19 June 2026 to allocate to the supplementary the net profit of PLN 73.7 presented in the Standalone Financial Statements for the financial year ended 31 December 2025, and a resolution adopted by the Ordinary Shareholder Meeting of PKP CARGO SERVICE Sp. z o.o. on 29 June 2026 to pay a dividend of PLN 22.9 million from its supplementary capital.

4.3 Cash and cash equivalents

Structure of cash and cash equivalents

	30 June 2026	31 December 2025
Cash on hand and on bank accounts	130.8	147.6
Bank deposits up to 3 months	285.7	282.5
Other cash	0.2	-
Total	416.7	430.1
<i>including restricted cash</i>	<i>38.9</i>	<i>30.3</i>

Restricted cash included mostly cash accumulated on VAT accounts and bank accounts kept for tender deposits and guarantees.

5. Notes to the statement of financial position

5.1 Rolling stock and other property, plant and equipment

Movement in rolling stock and other property, plant and equipment

6 months ended 30 June 2026	Rolling stock	Other property, plant and equipment					Total
		Property	Technical machinery and equipment	Means of transport	Other fixed assets	Fixed assets under construction	
Gross value							
1 January 2026	7,626.9	970.5	497.1	124.2	47.7	62.1	1,701.6
<i>Increases / (decreases):</i>							
Periodic repairs of rolling stock	-	-	-	-	-	163.2	163.2
Other acquisitions	-	-	-	-	-	13.6	13.6
Purchase of leased items	-	-	1.4	1.5	-	-	2.9
Reclassified from APS	-	29.3	-	-	-	-	29.3
Settlement of fixed assets under construction	179.8	0.3	3.3	1.9	0.2	(185.5)	(179.8)
Sales (including finance lease)	(7.6)	(3.2)	(11.0)	(4.7)	(0.4)	-	(19.3)
Liquidation	(116.5)	(9.5)	(5.2)	(0.1)	(0.2)	-	(15.0)
Reclassified to assets held for sale	(355.5)	(12.8)	-	-	-	-	(12.8)
FX translation differences	12.6	2.6	0.7	0.8	-	0.3	4.4
Other	-	-	(0.2)	-	(0.1)	-	(0.3)
Disposal of a subsidiary	-	(20.0)	(3.3)	(0.7)	(1.1)	(3.0)	(28.1)
30 June 2026	7,339.7	957.2	482.8	122.9	46.1	50.7	1,659.7
Accumulated depreciation							
1 January 2026	(3,322.9)	(419.1)	(412.5)	(103.2)	(42.1)	-	(976.9)
<i>(Increases) / decreases:</i>							
Depreciation expenses	(129.3)	(13.3)	(6.4)	(2.5)	(0.2)	-	(22.4)
Purchase of leased items	-	-	(0.9)	(0.8)	-	-	(1.7)
Reclassified from APS	-	(7.2)	-	-	-	-	(7.2)
Sales (including finance lease)	0.5	1.3	9.2	4.5	0.4	-	15.4
Liquidation	104.3	6.8	5.1	0.1	0.2	-	12.2
Reclassified to assets held for sale	238.6	4.9	-	-	-	-	4.9
FX translation differences	(6.2)	(1.0)	(0.5)	(0.6)	-	-	(2.1)
Other	(24.8)	0.4	0.2	0.1	0.1	-	0.8
Disposal of a subsidiary	-	8.8	2.7	0.6	0.4	-	12.5
30 June 2026	(3,139.8)	(418.4)	(403.1)	(101.8)	(41.2)	-	(964.5)
Accumulated impairment							
1 January 2026	(1,990.8)	(61.2)	(42.3)	(4.2)	(3.6)	(2.3)	(113.6)
<i>(Increases) / decreases:</i>							
Impairment loss allowance recognized	(2.7)	(2.3)	(0.9)	-	-	-	(3.2)
Impairment loss allowance reversed	274.5	-	-	-	-	-	-
Sales	-	0.7	0.4	-	-	-	1.1
Impairment loss utilized	9.7	2.7	-	-	-	-	2.7
Reclassified to assets held for sale	67.1	-	-	-	-	-	-
FX translation differences	(3.1)	-	-	-	-	-	-
Other	24.9	(0.4)	-	-	-	-	(0.4)
30 June 2026	(1,620.4)	(60.5)	(42.8)	(4.2)	(3.6)	(2.3)	(113.4)
Net value							
1 January 2026	2,313.2	490.2	42.3	16.8	2.0	59.8	611.1
30 June 2026	2,579.5	478.3	36.9	16.9	1.3	48.4	581.8

5.1 Rolling stock and other property, plant and equipment (cont'd)

6 months ended 30 June 2025	Rolling stock	Other property, plant and equipment					Total
		Property	Technical machinery and equipment	Means of transport	Other fixed assets	Fixed assets under construction	
Gross value							
1 January 2025	7,929.0	1,044.1	499.3	122.4	47.1	92.0	1,804.9
<i>Increases / (decreases):</i>							
Periodic repairs of rolling stock	-	-	-	-	-	123.1	123.1
Other acquisitions	-	-	-	-	-	18.9	18.9
Settlement of fixed assets under construction	146.8	0.2	0.8	0.4	0.2	(148.4)	(146.8)
Sales	(1.0)	-	(0.2)	(1.1)	-	-	(1.3)
Liquidation	(90.2)	(0.9)	(8.8)	-	(0.4)	-	(10.1)
Reclassified to assets held for sale	-	(30.4)	-	-	-	-	(30.4)
FX translation differences	7.5	1.4	0.5	0.5	-	0.4	2.8
30 June 2025	7,992.1	1,014.4	491.6	122.2	46.9	86.0	1,761.1
Accumulated depreciation							
1 January 2025	(3,608.1)	(412.5)	(407.3)	(100.1)	(41.8)	-	(961.7)
<i>(Increases) / decreases:</i>							
Depreciation expenses	(100.5)	(13.8)	(7.3)	(2.6)	(0.3)	-	(24.0)
Sales	1.0	-	0.1	1.1	-	-	1.2
Liquidation	89.2	0.4	8.7	-	0.4	-	9.5
Reclassified to assets held for sale	-	7.0	-	-	-	-	7.0
FX translation differences	(3.9)	(0.5)	(0.3)	(0.4)	-	-	(1.2)
Other	-	0.5	1.1	0.1	0.1	-	1.8
30 June 2025	(3,622.3)	(418.9)	(405.0)	(101.9)	(41.6)	-	(967.4)
Accumulated impairment							
1 January 2025	(2,182.1)	(58.5)	(41.6)	(3.7)	(3.6)	(2.3)	(109.7)
<i>(Increases) / decreases:</i>							
Impairment loss allowance recognized	(47.5)	-	-	-	-	-	-
Impairment loss allowance reversed	156.6	-	-	-	-	-	-
Impairment loss utilized	0.8	0.3	-	-	-	-	0.3
FX translation differences	0.4	-	-	-	-	-	-
Other	-	9.5	0.1	(0.1)	-	(4.7)	4.8
30 June 2025	(2,071.8)	(48.7)	(41.5)	(3.8)	(3.6)	(7.0)	(104.6)
Net value							
1 January 2025	2,138.8	573.1	50.4	18.6	1.7	89.7	733.5
30 June 2025	2,298.0	546.8	45.1	16.5	1.7	79.0	689.1

5.2 Right-of-use assets

Movement in right-of-use assets

6 months ended 30 June 2026	Rolling stock	Property	Technical machinery and equipment	Means of transport	Other fixed assets	Total
Gross value						
1 January 2026	818.9	909.1	69.4	23.8	1.9	1,823.1
<i>Increases / (decreases):</i>						
New leases	1.0	11.8	-	-	-	12.8
Modifications of agreements	-	13.4	-	0.3	-	13.7
Sale and leaseback	6.9	-	-	-	-	6.9
Periodic repairs of rolling stock	11.9	-	-	-	-	11.9
Reclassified from APS	-	0.6	-	-	-	0.6
Return of leased items	(1.6)	(7.8)	-	(0.2)	-	(9.6)
Purchase of leased items	-	-	(1.4)	(1.5)	-	(2.9)
Liquidation	(1.3)	-	-	-	-	(1.3)
Reclassified to assets held for sale	-	(8.4)	-	-	-	(8.4)
FX translation differences	0.3	0.6	0.2	0.2	-	1.3
Disposal of a subsidiary	-	(109.7)	-	(1.0)	-	(110.7)
30 June 2026	836.1	809.6	68.2	21.6	1.9	1,737.4
Accumulated depreciation						
1 January 2026	(128.9)	(370.2)	(28.1)	(12.5)	(1.3)	(541.0)
<i>(Increases) / decreases:</i>						
Depreciation expenses	(22.6)	(33.0)	(4.0)	(1.7)	(0.1)	(61.4)
Return of leased items	1.2	7.3	-	0.1	-	8.6
Purchase of leased items	-	-	0.9	0.8	-	1.7
Liquidation	1.3	-	-	-	-	1.3
Reclassified to assets held for sale	-	0.8	-	-	-	0.8
Other	-	(0.1)	-	-	-	(0.1)
FX translation differences	(0.2)	(0.3)	-	-	-	(0.5)
Disposal of a subsidiary	-	42.9	-	1.0	-	43.9
30 June 2026	(149.2)	(352.6)	(31.2)	(12.3)	(1.4)	(546.7)
Accumulated impairment						
1 January 2026	-	(18.1)	(6.1)	-	-	(24.2)
<i>(Increases) / decreases:</i>						
Impairment loss allowance recognized	-	(21.8)	-	-	-	(21.8)
Return of leased items	-	0.3	-	-	-	0.3
30 June 2026	-	(39.6)	(6.1)	-	-	(45.7)
Net value						
1 January 2026	690.0	520.8	35.2	11.3	0.6	1,257.9
30 June 2026	686.9	417.4	30.9	9.3	0.5	1,145.0

5.2 Right-of-use assets (cont'd)

6 months ended 30 June 2025	Rolling stock	Property	Technical machinery and equipment	Means of transport	Other fixed assets	Total
Gross value						
1 January 2025	814.3	909.3	67.9	24.1	2.3	1,817.9
<i>Increases / (decreases):</i>						
New leases	-	0.3	2.4	-	-	2.7
Modifications of agreements	-	25.4	0.3	(0.1)	-	25.6
Periodic repairs of rolling stock	0.5	-	-	-	-	0.5
Return of leased items	-	(30.2)	(0.1)	(0.3)	-	(30.6)
Other	-	-	0.7	(0.7)	-	-
FX translation differences	0.2	0.3	0.2	0.1	-	0.8
30 June 2025	815.0	905.1	71.4	23.1	2.3	1,816.9
Accumulated depreciation						
1 January 2025	(84.5)	(319.5)	(20.1)	(9.5)	(1.9)	(435.5)
<i>(Increases) / decreases:</i>						
Depreciation expenses	(22.2)	(34.1)	(4.7)	(1.7)	(0.2)	(62.9)
Return of leased items	-	13.1	-	0.2	-	13.3
Other	-	(3.2)	(0.2)	0.2	-	(3.2)
FX translation differences	-	(0.2)	(0.1)	-	-	(0.3)
30 June 2025	(106.7)	(343.9)	(25.1)	(10.8)	(2.1)	(488.6)
Accumulated impairment						
1 January 2025	-	(11.1)	-	-	-	(11.1)
<i>(Increases) / decreases:</i>						
Impairment loss allowance recognized	-	-	(3.5)	-	-	(3.5)
Other	-	(4.6)	(0.1)	-	-	(4.7)
30 June 2025	-	(15.7)	(3.6)	-	-	(19.3)
Net value						
1 January 2025	729.8	578.7	47.8	14.6	0.4	1,371.3
30 June 2025	708.3	545.5	42.7	12.3	0.2	1,309.0

5.3 Non-current assets classified as held for sale

Movement in non-current assets classified as held for sale (APS)

6 months ended 30 June 2025	Rolling stock	Property	Total
Gross value			
1 January 2026	39.3	74.6	113.9
<i>Increases / (decreases):</i>			
Assets reclassified to the "assets held for sale" group	50.1	15.4	65.5
Sales	(39.3)	-	(39.3)
Reclassification to property, plant and equipment	-	(22.7)	(22.7)
30 June 2026	50.1	67.3	117.4

6 months ended 30 June 2025	Rolling stock	Property	Total
Gross value			
1 January 2025	-	0.3	0.3
<i>Increases / (decreases):</i>			
Assets reclassified to the "assets held for sale" group	-	23.4	23.4
Sales	-	(0.3)	(0.3)
30 June 2025	-	23.4	23.4

In the period of 6 months ended 30 June 2026, the Parent Company sold 2,829 rail cars classified as held for sale as at 31 December 2025, with a total carrying amount of PLN 39.3 million, for a total net price of PLN 49.5 million.

5.3 Non-current assets classified as held for sale (cont'd)

Additionally, in the period of 6 months ended 30 June 2026, other changes in non-current assets held for sale included:

- reclassification by the Parent Company of 337 locomotives with a carrying amount of PLN 50.1 million to non-current assets held for sale;
- reclassification by the Parent Company of the perpetual usufruct right to a land property located in Warsaw, along with ownership right to buildings and structures, with a net value of PLN 15.4 million, to non-current assets held for sale;
- reclassification by the Parent Company of the perpetual usufruct right to a land property and ownership of buildings, structures and equipment developed on the property, located in Szczecin, worth PLN 22.7 million, from non-current assets held for sale to appropriate items of non-current assets after the disposal process was suspended and measures were taken to use these properties in a different manner.

After the balance sheet date, the Parent Company signed with its business partners sales agreements for 97 locomotives with a carrying amount of PLN 10.5 million, for the net price of PLN 24.6 million.

5.4 Investments in entities accounted for under the equity method

Investments in entities accounted for under the equity method

	Carrying amount	
	30 June 2026	31 December 2025
COSCO Shipping Lines (POLAND) Sp. z o.o.	1.3	1.4
Terminale Przeladunkowe Slawkow-Medyka Sp. z o.o.	-	9.2
Transgaz S.A.	2.1	2.1
PKP CARGO CONNECT GmbH	2.5	2.5
PKP CARGO INTERNATIONAL SK s.r.o.	2.2	2.2
PKP CARGO INTERNATIONAL SI d.o.o.	2.6	4.2
Centralny Terminal Multimodalny Sp. z o.o.	-	-
Total	10.7	21.6

Investments in entities accounted for under the equity method

	6 months ended 30 June 2026	6 months ended 30 June 2025
As at the beginning of the reporting period	21.6	18.5
Sale of shares ¹⁾	(11.5)	-
Share in the profit / (loss) of entities accounted for under the equity method	2.4	(0.6)
Movement in equity on account of dividends	(4.2)	(3.8)
Reversal of the impairment loss on an investment accounted for using the equity method	2.3	-
FX differences from translation of financial statements of foreign operations	0.1	(0.1)
As at the end of the reporting period	10.7	14.0

¹⁾ This item includes the sale of shares in Terminale Przeladunkowe Slawkow-Medyka sp. z o.o.,

5.5 Inventories

Structure of inventories

	30 June 2026	31 December 2025
Strategic inventories	37.1	36.4
Rolling stock designated for spare parts	1.0	2.2
Other inventories	114.7	112.3
Impairment losses	(6.5)	(6.5)
Net inventories	146.3	144.4

5.6 Trade receivables

Structure of trade receivables

	30 June 2026	31 December 2025
Trade receivables ¹⁾	670.3	660.7
Impairment losses for receivables	(138.3)	(139.9)
Total	532.0	520.8
Non-current assets	0.2	1.9
Current assets	531.8	518.9
Total	532.0	520.8

¹⁾ This item includes assets from contract with customers in the amount of PLN 44.7 million as at 30 June 2026 and PLN 24.0 million as at 31 December 2025.

5.7 Other assets

Structure of other assets

	30 June 2026	31 December 2025
Financial assets		
Shares in unlisted companies	19.4	19.4
Non-financial assets		
Costs settled over time		
Prepayments for purchase of electricity	26.7	23.1
Insurance	5.6	8.9
IT services	4.9	5.4
Purchase of transportation benefits	5.8	7.7
Other costs settled over time	5.7	3.1
Investment property	4.5	4.7
Prepayments for purchase of non-financial non-current assets	0.2	3.7
Other	2.5	4.3
Other receivables		
VAT settlements	50.1	51.1
Collateral settlements (security deposits, bid deposits, guarantees)	22.9	20.3
Income tax receivables	1.5	1.1
Other	8.9	5.3
Intangible assets		
Licenses	12.1	14.4
Other intangible assets	0.6	0.7
Intangible assets during adjustment	9.1	7.2
Total	180.5	180.4
Non-current assets	47.6	49.0
Current assets	132.9	131.4
Total	180.5	180.4

5.8 Trade payables

Structure of trade payables

	30 June 2026	31 December 2025
Trade payables	1,218.1	1,086.9
Interest payable	92.8	86.9
Prepayments and accruals	42.3	44.4
Total	1,353.2	1,218.2
Non-current liabilities	1.6	1.6
Current liabilities	1,351.6	1,216.6
Total	1,353.2	1,218.2

5.9 Investment commitments

Structure of investment commitments

	30 June 2026	31 December 2025
Investment commitments related to rolling stock	124.7	126.1
Investment commitments related to property	8.3	12.2
Other	11.5	10.6
Total	144.5	148.9
Non-current liabilities	6.2	6.9
Current liabilities	138.3	142.0
Total	144.5	148.9

5.10 Provisions for employee benefits

As at 30 June 2026 and 31 December 2025, the actuarial valuation of provisions for employee benefits for the Parent Company was based on the following main assumptions:

	Valuation as at [%]	
	30 June 2026	31 December 2025
Discount rate	5.25	5.1
Assumed average annual growth of the base for calculation of provisions for retirement and disability severance pays and jubilee awards:		
2026	5.0	5.0
2027	2.7	2.7
from 2028	2.8	2.8
Assumed growth of the price of transportation benefits		
from 2027	2,7-2,8	2,7-2,8
Assumed average annual growth of the base for calculation of provisions on account of charge for the Company Social Benefits Fund	7.4	7.4
Weighted average employee mobility ratio	up to 5.0	up to 4.9

The Parent Company's share in the value of the Group's provisions for employee benefits, as measured using actuarial methods, was approx. 85%.

The value of provisions for employee benefits is materially impacted by the assumptions in respect to the discount rate, the assumed salary growth and the expected decrease in average headcount. The sensitivity analysis for changes in the foregoing assumptions may be found below. The analysis was conducted by changing only one variable while leaving the remaining assumptions unchanged.

Sensitivity analysis of provisions for employee benefits

	30 June 2026	Discount rate		Salary growth rate		Employee mobility ratio	
		+0.30 pp.	-0.30 pp.	+0.25 pp.	-0.25 pp.	+0.25 pp.	-0.25 pp.
Jubilee awards	180.3	(2.5)	2.6	1.9	(1.8)	(2.0)	2.0
Retirement and disability severance pays	140.9	(1.9)	2.0	1.4	(1.4)	(1.2)	1.2
Post-mortem benefits	4.1	(0.1)	0.1	0.1	(0.1)	-	0.1
Company Social Benefits Fund	195.4	(7.6)	8.1	6.6	(6.2)	(0.6)	0.7
Transportation benefits	22.5	(0.7)	0.7	0.6	(0.6)	(0.1)	0.1
Total	543.2	(12.8)	13.5	10.6	(10.1)	(3.9)	4.1

	31 December 2025	Discount rate		Salary growth rate		Employee mobility ratio	
		+0.30 pp.	-0.30 pp.	+0.25 pp.	-0.25 pp.	+0.25 pp.	-0.25 pp.
Jubilee awards	179.4	(2.6)	2.6	2.1	(2.1)	(2.0)	2.1
Retirement and disability severance pays	149.5	(2.0)	2.1	1.7	(1.7)	(1.2)	1.2
Post-mortem benefits	4.3	(0.1)	0.1	0.1	(0.1)	(0.1)	0.1
Company Social Benefits Fund	203.8	(8.0)	8.6	7.1	(6.7)	(0.7)	0.7
Transportation benefits	22.9	(0.7)	0.8	0.6	(0.6)	(0.1)	0.1
Total	559.9	(13.4)	14.2	11.6	(11.2)	(4.1)	4.2

5.10 Provisions for employee benefits (cont'd)

Movement in provisions for employee benefits

	Retirement and disability severance pays	Charges to ZFŚS for old-age and disability pensioners	Transportation benefits	Post-mortem benefits	Jubilee awards	Other employee benefits	Total provisions
1 January 2026	149.5	203.8	22.9	4.3	179.4	47.0	606.9
Current employment cost	2.7	1.5	0.2	0.1	4.5	-	9.0
Interest expense	3.3	5.0	0.6	0.1	4.3	-	13.3
Actuarial (gains) and losses recognized in comprehensive income	5.1	(8.9)	(0.3)	-	-	-	(4.1)
Actuarial (gains) and losses recognized in profit or loss	-	-	-	-	6.0	-	6.0
Provisions created	-	-	-	-	-	16.8	16.8
Provisions reversed	-	-	-	-	-	(2.8)	(2.8)
Benefits paid out or due	(18.3)	(4.5)	(0.7)	(0.3)	(12.1)	(2.2)	(38.1)
Disposal of a subsidiary	(1.4)	(1.5)	(0.2)	(0.1)	(1.8)	(1.0)	(6.0)
30 June 2026	140.9	195.4	22.5	4.1	180.3	57.8	601.0
Long-term provisions	111.4	186.6	21.2	3.4	144.2	0.5	467.3
Short-term provisions	29.5	8.8	1.3	0.7	36.1	57.3	133.7
Total	140.9	195.4	22.5	4.1	180.3	57.8	601.0

	Retirement and disability severance pays	Charges to ZFŚS for old-age and disability pensioners	Transportation benefits	Post-mortem benefits	Jubilee awards	Other employee benefits	Total provisions
1 January 2025	158.5	178.7	23.2	4.5	193.2	42.0	600.1
Current employment cost	2.9	1.3	0.1	0.2	4.8	-	9.3
Interest expense	4.0	5.0	0.7	0.1	5.3	-	15.1
Actuarial (gains) and losses recognized in comprehensive income	12.5	21.5	(0.3)	0.4	-	-	34.1
Actuarial (gains) and losses recognized in profit or loss	-	-	-	-	3.8	-	3.8
Provisions created	-	-	-	-	-	15.6	15.6
Provisions reversed	-	-	-	-	-	(1.5)	(1.5)
Benefits paid out or due	(17.2)	(4.6)	(0.6)	(0.6)	(11.4)	(1.4)	(35.8)
30 June 2025	160.7	201.9	23.1	4.6	195.7	54.7	640.7
Long-term provisions	124.0	193.1	21.7	3.8	159.2	-	501.8
Short-term provisions	36.7	8.8	1.4	0.8	36.5	54.7	138.9
Total	160.7	201.9	23.1	4.6	195.7	54.7	640.7

5.11 Other provisions

Structure of other provisions

	30 June 2026	31 December 2025
Provision for land reclamation	3.5	3.4
Restructuring provision	19.1	20.5
Other provisions	13.4	17.4
Total	36.0	41.3
Long-term provisions	12.2	12.9
Short-term provisions	23.8	28.4
Total	36.0	41.3

5.12 Other liabilities

Structure of other liabilities

	30 June 2026	31 December 2025
Financial liabilities		
Cash pool	14.3	14.3
Other liabilities		
Liabilities arising out of collateral (security deposits, bid deposits, guarantees)	53.3	41.5
Public law liabilities	201.4	203.1
Settlements with employees	90.4	96.8
VAT settlements	228.6	230.8
Current tax liabilities	1.6	6.3
Liabilities of the Company Social Benefits Fund	105.8	87.9
Other settlements	12.8	15.3
Total	708.2	696.0
Non-current liabilities	0.1	0.8
Current liabilities	708.1	695.2
Total	708.2	696.0

6. Financial instruments

6.1 Financial instruments

Categories and classes of financial instruments

Financial assets by categories and classes	Note	30 June 2026	31 December 2025
Financial assets at fair value through other comprehensive income			
Investments in equity instruments	Note 5.7	19.4	19.4
Financial assets carried at amortized cost			
Trade receivables	Note 5.6	532.0	520.8
Receivables from the sale of shares		-	0.1
Cash and cash equivalents	Note 4.3	416.7	430.1
Financial assets excluded from the scope of IFRS 9		0.3	10.2
Total		968.4	980.6

Financial liabilities by categories and classes	Note	30 June 2026	31 December 2025
Hedging financial instruments			
Bank loans and borrowings	Note 4.1	426.0	422.7
Financial liabilities carried at amortized cost			
Bank loans and borrowings	Note 4.1	929.9	940.4
Liabilities under funds received from the Guaranteed Employee Benefits Fund	Note 4.1	69.6	87.0
Trade payables	Note 5.8	1,353.2	1,218.2
Investment commitments	Note 5.9	144.5	148.9
Cash pool	Note 5.12	14.3	14.3
Financial liabilities excluded from the scope of IFRS 9	Note 4.1	1,104.3	1,261.2
Total		4,041.8	4,092.7

Impairment losses on trade receivables are presented in [Note 1.4](#) to these Interim Condensed Consolidated Financial Statements.

Hedge accounting

In the period from 1 January 2026 to 30 June 2026, the Group applied cash flow hedging accounting. The purpose of the hedging activity was to mitigate the impact of the FX risk within the EUR/PLN currency pair on future cash flows. The hedged item is a highly likely cash flow denominated in EUR.

As at 30 June 2026, the Group had established the following hedging instruments:

- investment loans denominated in EUR. The hedged cash flows will be realized until January 2035. As at 30 June 2026, the nominal amount of the hedging instrument was EUR 99.2 million, which is an equivalent of PLN 426.0 million.

6.1 Financial instruments (cont'd)

Fair value hierarchy

As at 30 June 2026 and 31 December 2025, financial instruments measured at fair value were investments in equity instruments.

	30 June 2026		31 December 2025	
	Level 2	Level 3	Level 2	Level 3
Assets				
Investments in equity instruments – shares in unlisted companies	-	19.4	-	19.4

Measurement methods for financial instruments carried at fair value

a) Investments in financial instruments

This line item includes predominantly an equity stake in Euroterminal Sławków Sp. z o.o. worth PLN 18.6 million, the value of which was measured by an independent adviser using the modified Swiss method. The Swiss method is a mixed measurement method as it combines the asset value aspect with the ability to generate future cash flows. According to the Swiss method, the value of the enterprise is calculated as the weighted average of the values determined by the asset-based approach and the income-based approach. This method attaches a greater weight to the value determined by the income-based approach (according to an independent consultant – 1.5 times as large). The adoption of the Swiss method is justified on the grounds that Euroterminal Sławków Sp. z o.o. has a moderate ability to generate profits in the future but owns material assets in the form of land plots and property.

b) Other financial instruments

For the category of financial instruments that are not carried at fair value as at the balance sheet date, the Group does not disclose their fair value. In the Group's assessment, for financial assets and those financial liabilities that are subject to the restructuring proceedings of the Parent Company and PKP CARGOTABOR, fair value did not deviate significantly from the values presented in the statement of financial position. For liabilities subject to the restructuring proceedings, the Group has refrained from disclosing their fair value because it is currently unable to determine it reliably. This inability to reliably estimate fair value is attributable, in particular, to:

- the absence of an active market for such liabilities and the lack of observable inputs required to apply valuation techniques in accordance with IFRS 13;
- the fact that final Composition Proposals have not yet been presented to the Parent Company's creditors or the court; and
- prevailing uncertainty regarding the final terms of the debt restructuring, including the level of potential debt reductions (haircuts), repayment schedules, and other key parameters of the composition agreement.

Due to the above, the Group concluded that any attempt to estimate fair value would require it to adopt a number of highly subjective and unverifiable assumptions, which would make such a valuation unreliable.

As at 30 June 2026 and 31 December 2025, the carrying amount of financial liabilities subject to the restructuring proceedings of the Parent Company and PKP CARGOTABOR represented the best available approximation of their economic value at this time.

In the period of 6 months ended 30 June 2026 and 30 June 2025, there were no transfers between level 2 and level 3 of the fair value hierarchy.



6.1 Financial instruments (cont'd)

Revenues, costs, profits and losses in the consolidated statement of profit or loss and other comprehensive income by categories of financial instruments

6 months ended 30 June 2026	Hedging financial instruments	Financial assets carried at amortized cost	Financial assets excluded from the scope of IFRS 9	Financial liabilities carried at amortized cost	Total financial liabilities excluded from the scope of IFRS 9	Total
Interest income / (expense)	(0.3)	5.9	-	(10.3)	(25.5)	(30.2)
FX differences	-	0.6	0.1	(1.6)	-	(0.9)
Impairment losses / remeasurement	-	2.3	-	-	-	2.3
Effect of settlement of cash flow hedge accounting	(0.3)	-	-	-	-	(0.3)
Pre-tax profit / (loss)	(0.6)	8.8	0.1	(11.9)	(25.5)	(29.1)
Revaluation	(7.2)	-	-	-	-	(7.2)
Other comprehensive income	(7.2)	-	-	-	-	(7.2)

In the period of 6 months ended 30 June 2026, the effect of settling cash flow hedge accounting adjusted the value of revenues from contracts with customers in the amount of PLN (0.3) million. In the period of 6 months ended 30 June 2026, the change in the measurement of hedging financial instruments recognized in other comprehensive income included a change in the measurement of bank loans in the amount of PLN (7.2) million that are designated for hedge accounting applied by the Group.

6 months ended 30 June 2025	Hedging financial instruments	Financial assets carried at amortized cost	Financial assets excluded from the scope of IFRS 9	Financial liabilities carried at amortized cost	Total financial liabilities excluded from the scope of IFRS 9	Total
Interest income / (expense)	(5.6)	9.5	0.3	(20.1)	(35.3)	(51.2)
FX differences	-	(2.5)	0.4	0.3	0.1	(1.7)
Impairment losses / remeasurement	-	(3.9)	-	-	-	(3.9)
Effect of settlement of cash flow hedge accounting	(0.2)	-	-	-	-	(0.2)
Pre-tax profit / (loss)	(5.8)	3.1	0.7	(19.8)	(35.2)	(57.0)
Revaluation	3.1	-	-	-	-	3.1
Other comprehensive income	3.1	-	-	-	-	3.1

In the period of 6 months ended 30 June 2025, the effect of settling cash flow hedge accounting adjusted the value of revenues from contracts with customers in the amount of PLN (0.2) million. In the period of 6 months ended 30 June 2025, the change in the measurement of hedging financial instruments recognized in other comprehensive income included a change in the measurement of bank loans in the amount of PLN 3.1 million that are designated for hedge accounting applied by the Group.

7. Other notes

7.1 Related party transactions

Transactions with the State Treasury and other parties related to the State Treasury

In the period of 6 months ended 30 June 2026 and 30 June 2025, the State Treasury was a higher-level parent entity of the PKP CARGO under restructuring Group. Accordingly, all companies owned by the State Treasury (directly or indirectly) are the Group's related parties and are presented separately as PKP Group related parties and other State Treasury related parties. In these Interim Condensed Consolidated Financial Statements, the Parent Company's Administrator has disclosed transactions with material related parties identified as such according to the best knowledge of the Management Board.

In the period of 6 months ended 30 June 2026 and 30 June 2025, there were no transactions effected between the PKP CARGO under restructuring Group and the State Treasury or other entities related to the State Treasury which would be significant due to a non-standard scope and amount. In the periods covered by these Interim Condensed Consolidated Financial Statements, the Group's most important clients among other parties related to the State Treasury were members of the following groups: PGE, JSW, Polska Grupa Górnicza, and Orlen. In the period of 6 months ended 30 June 2026, the Group's most important suppliers related to the State Treasury were PGE Group entities.

Transactions with PKP Group related parties

In the periods covered by these Interim Condensed Consolidated Financial Statements, the Group entered into the following commercial transactions with PKP Group related parties:

	6 months ended 30 June 2026		30 June 2026	
	Sales to related parties	Purchases from related parties	Receivables from related parties	Liabilities to related parties
Parent Company	0.6	41.2	0.2	519.9
Subsidiaries/co-subsiidiaries – unconsolidated	0.3	6.9	0.1	1.4
Associates	0.3	2.0	0.1	0.5
Other PKP Group related parties	23.3	218.8	10.0	533.2

	6 months ended 30 June 2025		31 December 2025	
	Sales to related parties	Purchases from related parties	Receivables from related parties	Liabilities to related parties
Parent Company	0.3	40.8	1.1	634.7
Subsidiaries/co-subsiidiaries – unconsolidated	1.7	9.8	0.2	0.9
Associates	5.0	1.9	0.4	0.3
Other PKP Group related parties	9.5	178.0	8.8	433.5

Purchase transactions with the Parent Company (PKP S.A.) pertained in particular to lease and rental agreements treated as leasing contracts, the supply of utilities, costs of fees for membership in international railway organizations and occupational medicine services.

Sales transactions with other PKP Group related parties comprised, among others, train traction services, lease and operation of locomotives, services related to financial settlements with foreign rail freight companies, rolling stock maintenance services and sub-lease of property. Purchase transactions comprised, among others, access to rail infrastructure, lease of property, supply of utilities, maintenance of rail traffic facilities, purchase of network maintenance services, operation of IT systems.

In addition to commercial transactions, the Group had dividend receivables and cash pooling settlements disclosed in [Note 5.12](#) of these Interim Condensed Consolidated Financial Statements.

7.1 Related party transactions (cont'd)

Compensation of key management personnel

Compensation of key management personnel presented in this note include the amounts of benefits disbursed in the relevant period.

Compensation of Management Board Members	Parent Company		Subsidiaries	
	6 months ended	6 months ended	6 months ended	6 months ended
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
Short-term benefits	1.0	1.3	2.8	3.0
Post-employment benefits	0.5	-	0.1	0.4
Termination benefits	0.3	0.1	-	0.1
Total	1.8	1.4	2.9	3.5

Compensation of Supervisory Board Members	Parent Company		Subsidiaries	
	6 months ended	6 months ended	6 months ended	6 months ended
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
Short-term benefits	0.6	0.5	0.5	0.6
Total	0.6	0.5	0.5	0.6

Compensation of other members of key management personnel	Parent Company		Subsidiaries	
	6 months ended	6 months ended	6 months ended	6 months ended
	30 June 2026	30 June 2025	30 June 2026	30 June 2025
Short-term benefits	3.3	3.6	10.6	11.0
Post-employment benefits	-	-	0.1	-
Total	3.3	3.6	10.7	11.0

In the period of 6 months ended 30 June 2026 and 30 June 2025, members of the key management personnel of the Parent Company and the PKP CARGO under restructuring Group subsidiaries did not enter into any loan or guarantee transactions with the Group.

All related party transactions were effected on an arm's length basis.

7.2 Liabilities to incur expenditures for non-financial non-current assets

Structure of liabilities to incur expenditures for non-financial non-current assets

	30 June 2026	31 December 2025
Contractual liabilities relating to the purchase and repairs of rolling stock and other property, plant and equipment	54.2	38.4
Total	54.2	38.4

The values of contractual liabilities presented represent the maximum levels possible under the concluded agreements.

7.3 Contingent liabilities

Structure of contingent liabilities

	30 June 2026	31 December 2025
Guarantees issued on the Group's order	82.5	109.3
Interest on liabilities covered by the remedial proceedings	331.5	262.2
Other contingent liabilities	130.7	101.8
Total	544.7	473.3

Guarantees issued on the Group's order

As at 30 June 2026, the Group included in contingent liabilities guarantees issued by banks and insurance companies at the request of companies belonging to the PKP CARGO under restructuring Group. This line item comprises mainly commercial contract performance bonds, customs guarantees and payment guarantees.

7.3 Contingent liabilities (cont'd)

Interest on liabilities covered by the remedial proceedings

As at 30 June 2026 and 31 December 2025, the Group recognized, under contingent liabilities, the amount of interest accrued on liabilities covered by the composition agreement, for the period from the opening date of the remedial proceedings of the Parent Company and PKP CARGOTABOR to 30 June 2026. The Group believes that, in connection with the opening of the restructuring proceedings, the likelihood of a cash outflow due to the need to pay these interest amounts is lower than the likelihood that no payment will be required.

Other contingent liabilities

This line item includes claims made against the Group in legal proceedings (under civil law, labor law and administrative law) and other claims for which the probability of an outflow of cash is considered remote and for which the Group is unable to make a reliable estimate of the future cash outflow. The amounts presented in this note correspond to the value of the full claims reported by external entities. The assessment of estimates may change in subsequent periods as a result of future events.

In 2026, the Parent Company received decisions and requests to provide collateral from customs and tax authorities for the aggregated amount of approx. PLN 35 million, in which it is held jointly and severally liable together with other entities for customs and tax liabilities for 2021. The Parent Company's liability results from the nature of joint and several liability for customs and tax liabilities of the entities participating in the supply chain. This liability is based on a guarantee and, as a rule, is not contingent on fault or the exercise of due diligence by the Parent Company. The Parent Company's role in the supply chain was consistent with the practices and solutions applied on the rail freight market in the European Union.

In the transactions in question, the Parent Company was not the importer of the goods, did not own them, and was not the party filing the customs declaration or deciding on the customs procedure. In this type of freight, the customs declaration is made by the importer/exporter or a customs agency acting on their behalf, and this was also the case in the above-mentioned matters. The only customs-related activity performed by the Parent Company in these cases was the submission of appropriate declarations based on commercial documents provided by the freight forwarder. The Parent Company's involvement consisted solely in the technical input into the system of data received from a professional customs service provider.

As at the date of this report, the Parent Company is analyzing the validity and correctness of the decisions received and taking appropriate legal steps in this respect by appealing the decisions of the customs office. The Parent Company believes that, given the early stage of the proceedings and the large number of jointly and severally liable entities, for which decisions are issued, there are no sufficient grounds at this stage to reliably estimate either the probability or the amount of a potential outflow of cash. Accordingly, based on IAS 37 paragraph 26, the Parent Company has disclosed the potential obligations arising from the decisions as contingent liabilities.

Moreover, as at the date of preparation of these financial statements, other customs and tax proceedings relating to similar events are pending against the Parent Company, in which decisions have not yet been issued and, at this stage, the Parent Company cannot reliably estimate the potential obligations that may arise from them.

At the same time, the Parent Company notes that the potential obligations subject to the above proceedings pertain to periods before the opening of restructuring proceedings and, therefore, if the Parent Company is ultimately declared to be a debtor, such obligations will be included in the composition agreement with creditors in accordance with the relevant provisions of restructuring law.

The Parent Company notes that the final outcome and impact on its financial position cannot be determined at this time.

7.4 Impact of the geopolitical situation on the Group's operations

The Group is continuously monitoring and analyzing the impact of the political and economic situation on the operations of the Group, as well as on its performance and outlook for the future. Many of the current difficulties stem directly from the ongoing conflict in Ukraine and instability in the Middle East, which disrupt global supply chains and slow economic growth. These developments affect particularly sensitive areas of international trade, including energy supplies. They increase operating costs and uncertainty and reduce trade volumes, with a particularly significant impact on transport, especially rail freight.

The war in Ukraine affects the Parent Company and other companies in the PKP CARGO S.A. under restructuring Group through a marked reduction in eastbound trade, resulting from Russia's actions and the sanctions imposed on it. At the same time, Russia and Belarus are conducting hybrid operations targeting Poland, among other countries. The conflict has significantly reduced the importance of the New Silk Road, and the construction of alternative rail routes has begun and may, in the coming years, further diminish the role of the northern route from Asia and reduce freight volumes passing through Poland. Significant differences between Poland's and Ukraine's economic interests, including in supplies of steel products, cement and grain, are also slowing the growth of trade that previously expanded rapidly. Ukraine's post-war reconstruction may provide an opportunity for renewed growth. The conflict has also brought structural changes in Poland: seaports and transport routes to and from southern Poland have gained importance at the expense of East-West connections. These changes, together with the decline in rail freight volumes over the past three years, particularly on eastern routes, have reduced demand for rail freight services.

7.4 Impact of the geopolitical situation on the Group's operations (cont'd)

The conflict in the Middle East has caused periodic increases in energy commodity and goods prices, longer delivery times and, at times, interruptions to supply chains. These developments have disrupted numerous sectors with links to the region (including energy, agriculture, steel and chemicals). The latest phase of the conflict has triggered another energy crisis in Europe (which effectively slowed down the economic recovery and reduced demand for transport services), but also disrupted global supply chains, temporarily increasing transport costs and, consequently, prices in the entire economy. However, this situation also creates an opportunity for the European Union to reduce its dependence on the region and strengthen certain capabilities within the EU. Still, any further significant escalation may lead to a sharp slow-down of the global economy and effectively block critical supply chains.

In both these cases, wartime activities have caused increased market uncertainty (including price volatility) changed supply chains and reduced demand in Europe. All these factors, together with the decline in freight volumes in recent years, have adversely affected the rail market and reduced demand for services. This has prevented a more substantial recovery in freight volumes and financial performance at the Parent Company and the PKP CARGO S.A. under restructuring Group. As providers of services to the regional economy, PKP CARGO Group companies are sensitive to reduced production levels and changes in supply chains resulting from the conflicts, which generated, among other things, increased operating costs.

The Parent Company believes that, at this moment, the situation currently unfolding in the Middle East and geopolitical changes in the world do not currently create material uncertainty regarding the Company's ability to continue as a going concern, the scale of its operations or the outcomes of the conducted impairment tests.

7.5 Events after the balance sheet date

On 9 September 2026, the Parent Company applied to the Regional Court in Warsaw to resume the suspended proceedings concerning its compensation claim relating to the "Coal Decision", as described in more detail in [Note 7.4](#) to the Consolidated Financial Statements of PKP CARGO S.A. under restructuring Group for the year ended 31 December 2025. The application was submitted on 9 September 2026 for procedural reasons: the period for which the Court could suspend the proceedings at the parties' joint request had expired, as provided for in Article 182 § 1 item 2 of the Code of Civil Procedure. On 15 September 2026, the Regional Court in Warsaw, 4th Civil Division, issued a decision resuming the suspended proceedings and at the same time suspending them again under Article 178 of the Code of Civil Procedure. During the suspension, the parties will continue their efforts to settle the dispute amicably.

Other events after the balance sheet date are presented in [Note 1.3](#) and [Note 5.3](#) to these Interim Condensed Consolidated Financial Statements and in the Management Report on the Activity of the PKP CARGO S.A. under restructuring Group for H1 2026.

On 29 September 2026, the District Court for the Capital City of Warsaw in Warsaw, 18th Commercial Division, issued a decision in case No. WA1M/GRs/6/2024 revoking the permission granted to the Debtor, PKP CARGO S.A. under restructuring, to manage its entire business within the scope of ordinary management. The decision was issued under Article 288 sec. 3, second sentence, of the Restructuring Law. As a result of this decision, the existing Restructuring Administrator, Paweł Głodek, will be managing the Company's business, including matters falling within ordinary management. In matters concerning the restructuring estate, the Administrator acts in his own name on behalf of the Company. The Company's Management Board no longer performs the management activities covered by the previous permission. The decision came into force and became enforceable upon issuance.

The events that occurred after the balance sheet date do not require adjustments to these Interim Condensed Consolidated Financial Statements.

7.6 Approval of the financial statements

These Interim Condensed Consolidated Financial Statements were approved for publication by the Administrator of PKP CARGO S.A. under restructuring on 30 September 2026.

Administrator of PKP CARGO S.A. under restructuring

Paweł Głodek
Administrator of PKP CARGO S.A. under restructuring
(license no. 657)

Warsaw, 30 September 2026