

Current Report No. 34/2022 of 14 September 2022

Subject: Signing of a letter of intent

Legal basis (selected in ESPI):

Article 17(1) of MAR – inside information.

The Management Board of PKP CARGO S.A. (“PKP CARGO”, “Company”) hereby reports that earlier today it signed a letter of intent with Agencja Rozwoju Przemysłu S.A. (“ARP”, Industrial Development Agency) and Polski Tabor Szynowy Sp. z o.o. (“PTS”) (hereinafter: “Parties”) on cooperation in the field of rolling stock (“LOI”).

In recognition of the great potential and the possibility of generating synergies by taking concerted actions, the intention of the Parties to the LOI is to cooperate in projects involving broadly construed rail freight transport.

The Parties to the LOI declare their willingness to take all reasonable steps aimed at identifying opportunities for and areas of future cooperation with the use of their respective resources. Under the cooperation model to be developed, the Parties will take the following aspects into consideration:

- (I) consolidation of the rolling stock potential within the ARP Group through the financing by ARP of the acquisition, by PTS from PKP CARGO S.A., of certain assets, including real properties and movable assets, located on the premises of a former plant in Gniewczyna Łańcucka and the reconstruction of its potential in the field of repair and manufacture of rolling stock,
- (II) the Company’s cooperation with members of the ARP Group in the field of outsourcing maintenance services for its rolling stock and the acquisition of new rolling stock.

Moreover, in the Parties’ opinion, the said steps will be in line with the pursuit of the climate goal and the objectives of the “Green Deal”, and will serve the purpose of increasing the share of rail transport in supply chains.

The Letter of Intent comes into effect when signed by the Parties and remains in effect until the earlier of the date falling 6 months after its execution or the signing of a notice of termination of the LOI.

The purpose of the Letter of Intent is to express the Parties’ interest in establishing cooperation and to form a starting point for subsequent work and negotiations. Accordingly, it does not constitute a legally binding contract.