

## **Signing of a letter of intent with MW Rail S.A.**

Current Report No 88/2024 of 3 October 2024

*Legal basis (selected in ESPI):*

*Article 17(1) of MAR – inside information.*

The Management Board of PKP CARGO S.A. in restructuring („Company”) hereby reports that together with PKP CARGOTABOR sp. z o.o. in restructuring („PKP CARGOTABOR”) signed with MW Rail S.A. with its registered office in Wrocław („MWR) a trilateral letter of intent (“Letter of Intent”).

The subject of the Letter of Intent is the commencement of negotiations by its parties in order to lease or rent to MWR real estates located in Olsztyn, currently leased by the companies within PKP CARGO group and equipment owned by PKP CARGOTABOR, included in the composition of Olsztyńska Sekcja Północnego Zakładu Napraw Taboru Kolejowego, with a possible purchase option („Negotiations”).

According to the content of the Letter of Intent, Negotiations should include particularly: development of the terms of the agreement or agreements between the parties, including scope, duration, compensation and other detailed terms of cooperation and additionally the possible employment by MWR some of current staff of Olsztyńska Sekcja Północnego Zakładu Napraw Taboru Kolejowego. At the same time parties agreed to make efforts for Polskie Koleje Państwowe S.A. (the owner of the real estate covered by this Letter of Intent) to accept lease or rental above-mentioned real estates by MWR.

The Letter of Intent is binding on its parties from the date of signature until the end of the Negotiations (regardless of their outcome). If parties decide to implement the subject of the Letter of Intent, it will be the base for further effort and arrangements aimed at agreeing on the final terms of the transaction which is the subject of the Letter of Intent.

The decision to lease or rent above-mentioned real estates with equipment to MWR is part of the recovery plan for PKP CARGOTABOR which assumes restructuring activities in order to adjust the scale of the company's operations, in particular the number of rolling stock maintenance points where the business is conducted, as well as the level of employment in order to balance costs and revenues, and thus maintain the possibility of continuing the business.

*Legal basis:*

*Article 17(1) of Regulation (EU) No. 596/2014 of the European Parliament and of the Council on Market Abuse.*