

Opinion of the Management Board of Trakcja S.A. justifying the reasons for depriving the shareholders of Trakcja S.A. of the right to subscribe to series E shares and the method of determining issue price of series E Shares

This opinion of the Management Board of Trakcja S.A. (the "Company") constitutes justification for depriving the Company's shareholders of the pre-emptive right to new issue series E shares and the method of determining issue price of series E Shares. The opinion has been prepared pursuant to Article 433 § 2 of the Code of Commercial Companies.

The issue of ordinary bearer shares series E ("**Series E Shares**") is to be conducted on the terms set out in draft Resolution No. 3 of the Extraordinary General Meeting of the Company convened for 10 September 2021, in the private placement procedure referred to in Article 431 § 2 item 1) of the Commercial Companies Code.

According to the draft Resolution No. 3 of the Extraordinary General Meeting of the Company convened on 10 September 2021, the Management Board of the Company will offer Series E Shares to one investor who will decide to subscribe the whole Series E Shares on conditions defined in the resolution, at the issue price which will be set by the Extraordinary General Meeting of the Company in the said resolution. Series E Shares can be covered in full only by cash contributions before the registration of the increase of share capital made by issuing Series E Shares. The Management Board of the Company has made decision to convene the Extraordinary General Meeting of the Company due to ongoing discussions with financing institutions as well as in order to obtain additional financing to the Company for the intermediary period till receiving funds from issue of Series E Shares.

Due to the character and structure of shareholders of the Company, as well as capital needs of the Company, taking into account the time and degree of formalization and costs of conducting subscription of shares in various methods, the most beneficial for the Company is to conduct private subscription with exclusion of pre-emptive right of so far shareholders in total and directing the offer of taking up Series E Shares to one investor who will purchase all Series E Shares. Currently there are ongoing efforts with the aim to obtain a commitment from a potential investor to subscribe for Series E Shares subject to fulfilment of certain conditions. The Management Board of the Company intends to present main terms and conditions of the Series E Shares issue such as its value, number of shares to be issued and their issue price, prior to the date of the Extraordinary General Meeting of the Company.

The application of private subscription with exclusion of pre-emptive right of the previous shareholders of the Company as a method of conducting the issue of Series E Shares should provide for efficient acquisition of capital by the Company, with simultaneous limitation of costs of conducting the subscription owing to the possibility of directing the offer of their purchase to a single investor.

The issue of Series E Shares will enable the Company to obtain capital that will be allocated for the current financial needs of the Company. Recapitalisation of the Company is necessary in order to acquire and implement projects carried out by the Company as part of operating segments in which the Company operates. Moreover, in the opinion of the Management Board, the capital acquired through the issue of Series E Shares will make it possible to support further functioning of the Company. The above actions will allow for further financial restructuring of the Company initiated in 2019 and improving its market position.

Taking into consideration the arguments presented above, in the Management Board's opinion, divesting of the Company's current shareholders of pre-emptive rights and conducting the share capital increase by way of private subscription, consisting in directing the offer for taking up Series E Shares to an individually designated investor, is the most economically efficient method for conducting the procedure of share capital increase, making it possible to efficiently obtain funds for implementation of the indicated goals, with low costs of servicing this process and its significant simplification, which remains in the interest of both the Company and its shareholders.



In view of the above, the Company's Management Board recommends that the General Meeting votes in favour of adopting the increase of the Company's share capital, excluding subscription rights of the existing shareholders entirely.