TATRAVAGÓNKA POPRAD

ANNUAL REPORT 2025

Dear ladies and gentlemen,

In 2025, the decline in economic activity - which had begun as early as 2024 - gradually deepened. Neither stable energy prices - albeit at higher levels than we were accustomed to before 2022 - nor interest rate cuts provided the necessary impetus that would have signalled future growth. On the contrary, existing problems were compounded by increased tariffs imposed by the U.S. and its generally opaque strategy in this area. This, together with other geopolitical risks as well as competitive pressures from outside the EU, is having an increasingly negative impact on economic development and the potential for economic growth across the entire EU.

This has, of course, had a negative impact on the volume of goods transported, with this decline being particularly evident in rail transport. The logical consequence is falling demand for new railway wagons across the entire range of wagon types. However, thanks to the acquisition of new customers and the development of new types of wagons, the decline in the volume of wagons produced - both in terms of unit count and financial value - was not as significant.

In 2025, we produced 2,757 wagons and 6,010 bogies, which is almost in line with the planned production volume.

The volume of manufactured wagons and bogies, expressed in financial figures, represents the turnover of Euro 607,861 million, and profit before tax in the amount of Euro 21,660 mil .

However, just as I did a year ago, I must note that there are still no signs of positive development that would help reverse the trend from the previous period and signal a change in the direction of the economic cycle. If no positive changes occur, it is reasonable to assume that current developments will lead to a further reduction in production volume.

However, during this period, we will devote even greater effort to development activities focused on trends in rail transport and the automation and robotization of the production process, so that we are better prepared for the period of growth that will surely follow.

I would like to thank all our business partners for their trust and our employees for their dedication and hard work, and I am looking forward to our continued collaboration.

Ing. Juraj Hudáč
Company CEO

BASIC INFORMATION ABOUT THE COMPANY

Business name:
TATRAVAGÓNKA a. s.

Registered office:
Štefánikova 887/53, 058 01 Poprad

Business ID No.:
31699847

Tax ID No.:
2020514496

ID number for taxes:
SK2020514496

Founded in:
December 1st, 1994 on the basis of National property fund decision of 29th September 1994

Subject of business:

- development, production and sales of: railway vehicles for transportation of freight and passengers, railway vehicle components, special-purpose conversion vehicles, subassemblies of railway vehicles, non-standard (single-purpose) machinery and equipment for machining and welding, air-technology equipment, transport devices for metal constructions, sectional and sectional technical blocks
- maintenance and repair of railway vehicles
- automated data processing – providing of software
- manufacture of protective means and working clothes, manufacture of protective clothes
- metal production /small objects – gates, fences, grillage/
- work with crane and earth-mover, crane and binding courses, courses for drivers of motor vehicles, organisation of trainings and courses, performance of welding courses
- lease of real estate, lease of motor vehicles, lease of machines and tools, lease of movable goods
- retail of ironware and metallurgical materials
- repair and maintenance of machines and devices with mechanical drive, repair and maintenance of machines and devices with electric drive
- road freight transportation
- production of technical gasses
- heating works, gas fitting, water fitting
- repairs of lifts and lifting specified technical equipment, greasing service, repair of motor transportation carts, revision of specified electric and lifting devices
- elaboration of technological processes, proposal of technological devices
- development and production of tools for engineering production
- constructor - performance of simple constructions and sub-deliveries, masonry

- activity of account advisers, activity of organisational and economic advisers, accounting services, administrative services
- organisation and providing of cultural and public events and programs, innkeeper activity
- business activities, except goods which need special state permission, administration of market areas
- business in the area of handling with other than dangerous waste, business in the area of handling with dangerous waste
- accommodation services, accommodation services in accommodation facilities with inn keeping activities, operation of athletic facilities and facilities for regeneration and recondition
- examination of working gauges except reserved gauges, defectoscopic tests of materials (except defectoscopic test of cables, cableways), performance of weld destructive tests
- assembly, repair and maintenance of electric devices within the range of: objects without the danger of explosion – objects with the danger of explosion – devices with voltage over 1000 V with restriction of voltage up to 52 kV - devices with voltage up to 1000 V – lightning conductors – electrical devices note: electrical devices up to 10 kV in vol. class A, B,
- forwarding business
- operation of health care institution: general ambulance in the field of general medicine, operation of health care institution: ambulance of specialized ambulance health care in the field of common certified working activities – audiometry, operation of health care institution: ambulance in specialized field of internal medicine
- promotional and marketing services
- computer services, services related to computer processing of data
- repair and maintenance of tools for household, sport tools and products of fine mechanics
- operating of railway, operating of travel on the railway
- electro-energetics, scope of business: delivery of electricity, distribution of electricity.

BOARD OF DIRECTORS

Ing. Alexej Beljajev Snr.
Chairman of the Board of Directors

Ing. Peter Malec
Vice-Chairman of the Board of Directors

Ing. Alexej Beljajev Jr.
Member of the Board

Ing. Juraj Hudáč
Member of the Board

Ing. Jaroslava Ďumbalová
Member of the Board

JUDr. Ivan Ikrényi PhD., F.I.I.
Member of the Board

SUPERVISORY BOARD

Ing. Evžen Balko

Ivan Petríček

Michaela Ikrényi Lazarová, MBA

JUDr. Ľudovít Wittner

Ján Soska

Jarmila Sivčová

SHAREHOLDING STRUCTURE

The amount of the company's basic capital is represented in the amount of EURO 86,392,565.6 as of December 31st 2025. It is divided into 1,267,258 unregistered stocks in the form of booked commercial papers priced at EURO 33.2 per share, 100 unregistered stocks at the price of EURO 33,194 and 205,001 unregistered stocks at the price of Euro 200.

COMPOSITION OF UNREGISTERED STOCKS

	BASIC CAPITAL SHARE		VOTING RIGHTS
	EUR	%	%
Optifin Invest s.r.o.	43 196 283	50,00	50,00
BUDAMAR GROUP a. s.	43 196 283	50,00	50,00
TOTAL	**86 392 566**	**100,00**	**100,00**

BASIC INDICATORS OF THE COMPANY

in €	2020	2021	2022	2023	2024	2025
Revenues	413 009 385	443 192 964	549 685 004	597 994 455	557 011 140	**607 860 525**
Average numb. of employees	2 185	2 273	2 322	2 302	2 217	**2 115**
Assets	328 017 846	389 647 431	429 924 539	497 896 386	530 757 076	**556 093 747**
Fixed assets	170 651 157	224 631 325	225 699 745	239 824 225	258 196 706	**283 272 379**
Basic capital	86 357 826	86 357 826	86 357 826	86 357 826	86 357 826	**86 357 826**
Profit before tax	36 387 546	45 262 246	10 981 729	32 758 978	38 532 406	**21 659 784**
Investments	10 552 655	20 297 020	15 242 031	14 437 205	23 070 359	**18 244 075**

Other disclosures pursuant to Section 20 of the Accounting Act

1. Costs for research and development activities for the year 2025 amounted to EURO 9,912,125.
2. The Company does not own its own shares, temporary certificates, commercial shares and shares, temporary certificates and commercial shares of the parent accounting entity.
3. The Company does not have a branch abroad
4. The proposed appropriation of profits is set out on page 34, note 12 of the Account Balance

Events of particular significance that occurred after the end of the fiscal year for which the annual report is being prepared

In accordance with the provisions of Section 20 of the Accounting Act regarding the content of the annual report, during the period from December 31, 2025, to the date of preparation of the annual report, in addition to the events of special significance listed on page 62 in Note 34, there was an increase in bank guarantees totalling EUR 1,878,482, the termination of bank guarantees totalling EUR 7,603,596, and changes to bank guarantees, which resulted in an increase of EUR 1,824,935.

On July 10, 2026, the General Meeting approved a proposal to pay a dividend totalling EUR 5,000,000, representing a dividend of EUR 3.40 per share.

PRODUCTION PROGRAM

FREIGHT WAGONS

T4000

Two-segment pocket wagon of articulated design with 2 bogies of Y25 Ls(s)i1e-K type and with a standardized Y25 Ls(s)i1e(f)-K bogie. The wagon is designed for transportation of Megatrailers and other cranable semi-trailers and standardized swap bodies / containers in all European railway networks with normal track gauge of 1.338 mm and 1.435 mm. At each wagon end, there is installed a king pin saddle with Crash-elements for protection of the king pin and the semi-trailer. The wagon tare is 36.5 t and weight of loaded wagon in s/ss mode is 135/120 t.

Sgmmnss 40‘

4-axle container wagon with length of 40´ designed for transportation of 20‘ and 40‘ containers and swap bodies. The wagon is suitable for transportation of heavier materials due to its tare of 16 t, 15.5 t respectively. The maximal weight of loaded wagon is 90 t. It is equipped with foldable bridge, which enables easier unloading, and thus it is a very useful user element.

Sgns(s) 60‘

4-axle container wagon with length of 60‘ designed for transportation of ISO containers and swap bodies. The wagon is approved for operation on tracks with 1,435 mm track gauge. Based upon type of used bogie, the wagon tare ranges from 17.9 t +/- 2 %. The maximal weight of loaded wagon is 90 t.

Sggnss 80‘

4-axle freight wagon suitable for transportation of High Cube containers with height of 2,896 mm and “High Cube pallet wide” containers with height of 2,896 mm and width of 2,500 mm also in “reinforced” XL version or in a XLs version with optimized length over buffers. It is suitable for transportation of ISO containers 20´, 26´, 30´, 40´, 45‘ classified in UIC 592-2, Class I. Variability of

the containers enables minimally 30 different loading combinations. The wagon tare is 22 t and loading weight is 68 t. Weight of loaded wagon is 90 t.
This wagon is manufactured also in a version with a bogie with a disc brake. An advantage of this version is a lower noise. The tare of the wagon with the disc brake is 22.3 t and the loading weight is 67.7 t. Weight of loaded wagon is 90 t.

Sggrss 80’

6-axle freight wagon designed for transportation of ISO containers 20´, 26´, 30´, 40´classified in UIC 592-2, Class I. The wagon is designed for operation on tracks with 1.435 mm track gauge. The wagon is equipped with Y 25 Ls1-K bogie. The wagon tare is 27.5 +/- 1.5 % t. Weight of loaded wagon is 135/120 t.

Sggmrss 90’

6-axle freight wagon designed for transportation of ISO containers 20‘, 26´, 30´, 40´, 45´ classified in UIC 592-2, Class I. The wagon is designed for operation on tracks with 1.435 mm track gauge. The wagon is equipped with Y 25 Ls1-K bogie. The wagon tare is 28.5 +/- 1.5 % t. Weight of loaded wagon is 135/120 t.

Sggrss 80’ ESP

6-axle freight wagon designed for transportation of ISO containers 20´, 26´, 30´, 40´ classified in UIC 592-2, Class I. The wagon is designed for operation on tracks with 1,435 mm track gauge, but mainly on tracks with 1.668 mm track gauge. The wagon is equipped with Y 25 Lss(f)e-K bogie. The wagon tare is 28.5 +/- 2% t. Weight of loaded wagon is 90 t.

Sggmrss 90’ ESP

6-axle freight wagon designed for transportation of ISO containers 20´, 26´, 30´, 40´, and 45´ classified in UIC 592-2, Class I. The wagon is designed for operation on tracks with 1. 435 mm track gauge, but mainly on tracks with 1.668 mm track gauge. The wagon is equipped with Y 25 Lss(f)e-K bogie. The wagon tare is 29.5 +/- 2% t. Weight of loaded wagon is 90 t.

T3000e/ Sdggmrss

Two-segment recess wagon of articulated design with two bogies of type Y25 Lssi1-K and standardized bogie Y25 Ls(s)i1f. The wagon is designated for transportation of megatrailers and other saddle semi-trailers and standardized swap bodies/containers manipulated by crane in all European railway networks with normal track gauge. At each wagon end, there is installed a king pin saddle with Crash-elements for protection of the king pin and the semi-trailer. The wagon tare is 35 t and weight of loaded wagon in s/ss mode is 135/120 t.

Laaers

4-axle freight two-segment and double-deck wagon suitable for transportation of cars. The wagon tare is approximately 32 t and the wagon length is 31 m.

Tagnpps 95 m3

4-axle covered discharging wagon with 95 m^3 volume of a vessel is designed for transportation of agricultural products, mainly grain and other similar bulk products sensitive to humidity. This user-friendly wagon has significantly reduced maintenance requirements. The wagon has totally two discharging reservoirs with an inclination of max. 50° to the vertical axis, 4 discharging openings with discharging by means of vaulted segmented flaps into the rail centre. The wagon tare is 20.5 t. Weight of loaded wagon is 90 t.

Zans 98 m^3

4-axle tank wagon with volume of 98 m^3 is designed for transportation of light oil products in version with or without preparation for automatic coupling. The wagon is designed for operation without limitations on all European railway tracks with normal track gauge. The wagon complies with requirements for GE marking. The wagon tare is 21.7 t ± 2 % and max. weight of loaded wagon is 90 t.

Zans 88 m^3

4-axle tank wagon with volume of 88 m^3 is designed for transportation of light oil products in version with or without preparation for automatic coupling. The wagon is designed for operation without limitations on all European railway tracks with normal track gauge. The wagon complies with requirements for GE marking. The wagon tare is 21.4 t ± 2 % and max. weight of loaded wagon is 90 t.

Zacens 73 m^3

4-axle tank wagon with volume of 73 m^3 with heating and insulation is designed for transportation of dangerous goods of class 3.6 and 9 according to RID. The wagon is designed for climatic conditions with temperatures from -25°C to + 50°C. The wagon tare is 22.5 t ± 2 % and max. weight of loaded wagon is 90 t.

BOGIES

Y 25 Ls1-K

2-axle bogie for freight wagons with axle load of 22.5. Max. speed loaded 100km/h. Max. speed empty 120 km/h. Track gauge is 1,435 mm. Weight is 4.6 t.

Y 25 Lsi-K, Y 25 Lsif-K

2-axle bogie with integrated brake for freight wagons with axle load of 22.5 t, hand brake in version f. Max. speed loaded 100 km/h. Max. speed empty 120 km/h. Track gauge is 1,435 mm. Weight is 4.7 t.

Y 25 Ls-K

2-axle headstock-free bogie for freight wagons with axle load of 22.5. Max. speed loaded 100km/h. Max. speed empty 120 km/h. Track gauge is 1,435 mm. Weight is 4.2 t.

Y 25 Lsi-C-K

2-axle headstock-free bogie for freight wagons with axle load of 22.5 with compact CFCB brake, or IBB10. Max. speed loaded 100 km/h. Max. speed empty 120 km/h. Track gauge is 1,435 mm. Weight is 4.2 t. The Y 25 Lsi-C-K bogie is manufactured also in the version for 1.524 mm track gauge (Finland).

Y 25 Lse-K

2-axle headstock-free bogie for freight wagons with axle load of 22.5. Max. speed loaded 100km/h. Max. speed empty 120 km/h. Track gauge is 1,435 mm, as well as for the track gauge of 1,668 mm (Spain). Weight is 4.3 t.

Y 25 Lss(f)e-K

2-axle bogie for freight wagons with axle load of 22.5. Max. speed loaded 100km/h. Max. speed empty 120 km/h. Track gauge is 1,435 mm, as well as for the track gauge of 1,668 mm (Spain). Weight is 4.7 t.

SUBASSEMBLIES OF RAILWAY PASSENGER TRANSPORTATION

Subassemblies of wagons for passenger transportation

QUALITY POLICY AND OBJECTIVES

The Quality Management System in TATRAVAGÓNKA, Poprad is certified in accordance with the standard EN ISO 9001:2015 and also TS 22163:2023 (IRIS). For the first time, the System was certified according to EN ISO 9001 in 1994 and according to TS 22163 in 2019. This system is verified by regular annual periodical audits by the reputable auditor company DNV.

In terms of the Quality Management System, we put the emphasis on the requirements arising from the standards EN ISO 9001:2015 and ISO 22163:2023 with a stress on management and constant improvement of management, supporting but mainly principal company processes with regard to requirements and needs of the customer. The Quality Policy determines the long-term direction, from which specific quality objectives and obligations arise. The quality objectives are created according to SMART method (Specific, Measurable, Achievable, Realistic, Time-framed), whereby they are specified for the one year period with prevalent monthly, or quarterly or annual monitoring, within the corresponding company processes.

Fundamental principles of the quality management system:

- The top management, as well as each employee, is a part of quality management system and his/her work affects quality of products and services.
- All processes and operations have to be conducted according to regulations.
- The system is regularly monitored and analysed for the purpose of continuous improvement,
- By means of a feedback, we provide applicability of the company processes, whereby we monitor their development, effectiveness and influence upon satisfaction of customer requirements, which are materialized in the product. In the processes, there are introduced corrective and preventive measures for their improvement.
- Functioning of the decision making processes is based upon facts.
- System approach provides mutual interconnection and functionality of the processes based upon determination of their mutual interaction and definition of inputs and outputs.

KPI - key performance indicators are used for measurement of company processes. According to measured results, we take measures for improvement of stability and process capability. The results of the KPI assessment are then linked to motivational elements, and if they are not met, tasks that are part of the action plan are adopted.

We continue in process optimization by using the progressive quality tools such as 8D method with subsequent application of monitoring method of the corrective action Problem Solving Monitor. The company processes are managed and monitored by means of SAP information system, with using of outputs also from other supporting systems such as Windchill, M365, etc.

During the year, our quality management system is verified by internal QMS audits according to the approved schedule of internal audits for the corresponding year, as well as by wide range of external independent audits resulting mainly from TSI regulations and other legislative requirements. The external customer audits arise from the requirements of the market and they are used also for

monitoring of customer requirements fulfilment. The following certificates represent an evidence of capability of an effective functioning of the company processes and their adjustment.
CERTIFICATES

DET NORSKE VERITAS
Quality management CERTIFICATE according to EN ISO 9001:2015

DET NORSKE VERITAS
Quality management CERTIFICATE according to ISO 22163:2023

DET NORSKE VERITAS
Quality management CERTIFICATE according to EN ISO 14001:2015

DET NORSKE VERITAS
Quality management CERTIFICATE according to ISO 45001:2018

Office for railway transportation regulation, Bratislava
Authorization for welding of railway vehicles, production, repairs and reconstruction of determined technical pressure equipment and non-destruction testing of rolling stock; and the installation, repair, maintenance, and refurbishment of specified electrical equipment

SVV Praha
CERTIFICATE for quality management in welding according to the Standard ČSN EN ISO 3834-2:2022 + ČSN EN ISO 14554-1:2014
Certificate for processes of gluing at the level A2 according to the standard EN 17460:2022

DVS ZERT
Certificate of the competency in welding railway vehicles and their components according to the CL1 level of DIN EN 15085-2.

Technická inšpekcia, a. s. Bratislava
CERTIFICATE for welding of metal pressure vessels designed for transportation of dangerous substances according to RID 2023 and EN 14025:2018 + AC:2020.

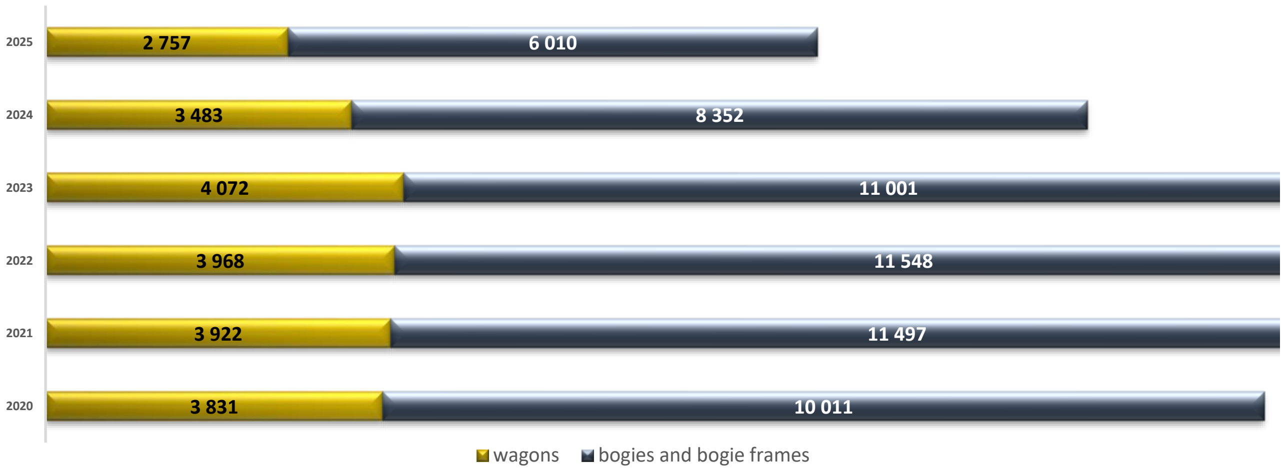
For all types of wagons and bogies, we provide product certification according to the regulations of TSI by reputable Notified Bodies.

PRODUCTION AND SALES IN 2025

The year 2025 was marked by a continuing slowdown in economic activity across several sectors of the economy, with the industrial sector also feeling a significant impact. TATRAVAGÓNKA a. s. therefore faced an increased number of challenges and risks affecting its business environment. The main factors were rising prices for raw materials and energy, which continued to be affected by the war in Ukraine, as well as the imposition of higher tariffs by the U.S., accompanied by an ambiguous trade policy. Increasing competition from countries outside the European Union also had a negative impact. At the same time, the economic slowdown led to a decline in the volume of transported goods, which resulted in lower demand for new wagons across all market segments, with intermodal transport in particular experiencing a significant decline throughout Europe. In addition to weaker economic performance, the main cause of the decline was a drop in industrial orders across most sectors, with the exception of the defence industry. The passenger and commercial vehicle transport segment maintained a stable position, supported primarily by growing imports of electric vehicles from China into the European market. In addition to economic and market factors, we must also take into account the ongoing tightening of European environmental regulations. These changes are reflected in our company's operations, as we must adapt our technologies, investment priorities, and internal processes to the new standards. Despite these adverse developments, the company managed to mitigate the impact of the decline in production by acquiring new customers, developing new types of wagons and responding flexibly to changing market demands. As a result, in 2025 we carried out a large number of production line reconfigurations and manufactured fourteen different types of wagons - three more than in the previous year. Not only the greater variety of types but also the smaller production runs, combined with numerous line adjustments, placed exceptionally high demands on all departments of our company. This has confirmed our resilience, stability, and high level of technical and organizational capabilities, while maintaining our focus on quality. Nevertheless, the outlook for the coming period does not yet indicate a significant recovery in the economic environment.

PRODUCTION

The production plan for 2025 was determined at the level of 3,147 freight wagons and 6,018 bogies. However, actual production output fell short of both planned figures and the levels recorded in previous years, due to unfavourable economic conditions and a continuing decline in performance in key sectors. A total of 2,757 wagons and 6,010 bogies were manufactured in 2025.



In 2025, the Poprad plant had nine specialized production lines, enabling it to manufacture nine types of wagons simultaneously and thereby significantly expand both its production flexibility and its ability to respond to specific requirements. Such a broad production range requires not only precise planning and coordination of processes but also ongoing investments in technology modernization, equipment maintenance, and workforce development. The most significant investment in 2025 remains the construction of an automated wagon surface treatment facility, which will improve production technology, and, at the same time, it will help to reduce the environmental impact. The new equipment will enable us to optimize production processes, reduce emissions, and increase efficiency of the entire process. The project also supports our long-term goal focused on sustainable operations and technological development.

The Poprad plant had the largest share of the company's total production, accounting for as much as 84% of output. In 2025, it produced 2,303 wagons, thereby achieving 92% of the set annual plan.

Production in Poprad was again dominated in 2025 by Tagnpps 95 m³ and 103 m³ hopper wagons, which constituted the most significant portion of this plant's output. A total of 977 units were produced, whereby the version with a loading capacity of 95 m³ prevailed. These are high-sided covered wagons, whose tightness and easy-to-operate discharge flaps ensure ideal conditions for transporting moisture-sensitive goods, such as grain or corn. We have a long tradition of manufacturing these wagons, from the first model in 2012, through the 102 m³ and 130 m³ variants, to the 95 m³ Tagnpps model, which saw the highest number of deliveries between 2022 and 2024. In total, we have manufactured nearly 6,000 of these wagons for all our key customers. However, in 2025, with the production of the last 30 Tagnpps 103 m³ units, we ceased production of hopper wagons. This step was related to the stabilization of the market following a period of increased demand, which arose primarily as a result of limited maritime transport of grain products from Ukraine. After the partial restoration of maritime routes, the market gradually became saturated, and demand for grain wagons dropped significantly. Our portfolio, however, continues along a similar product line. Next year, the Poprad plant will begin to produce the new Tanpps 65 m³ wagon for the customer VTG, which is designed for transportation of silica sand. It features a hinged roof, discharge hoppers, and shell-shaped flaps, continuing our long-standing know-how in the field of hopper wagons.

Container wagons accounted for the second-largest share of production at the Poprad plant, representing 28% of its total production volume. During 2025, 647 wagons of various types were manufactured, with the 80-foot wagon traditionally accounting for the largest share with 307 units, of which 280 were produced in its XL version. For many years, this model has been among the most successful solutions in the container transport segment, and with more than 5,000 units delivered, it ranks among the leading intermodal wagons at the European market. It stands out for its low weight and exceptional loading versatility, as it allows for the transport of five types of containers and swap bodies in up to 30 different combinations. In 2025, we manufactured them for our customers VTG and CERP. Our company carried out the wagon's development, resulting in a modern intermodal wagon that combines cost-effective operation, environmental efficiency, and high flexibility in transporting various types of loading units. Following the conversion of our production line, we began manufacturing Sgmmnss 40 wagons, designed for transporting containers, in 2025. For our customer Modalis, we manufactured 150 units of this versatile wagon, which is capable of transporting containers as well as other types of cargo requiring a reliable and robust means of transport. We have a long-standing partnership with Modalis on several projects, so we are pleased that, following their positive experience, they turned to us again and expanded their fleet with additional 40-foot wagons.
After a nearly year-long break, production of T3000 pocket wagons has resumed in Poprad. This intermodal wagon, designed for transportation of semi-trailers and containers, has long been a staple of our company's product portfolio. Thanks to our many years of experience manufacturing various types of wagons, we were able to successfully resume production even after a prolonged hiatus. Our employees' expertise, technical knowledge, and emphasis on quality form the foundation for the reliable operation and long service life of T3000 wagons, even under demanding conditions. In total, our Poprad plant produced 270 pocket wagons in 2025, including 195 of T3000 type and 75 of T4000 type for four different customers. We continue to be pleased by customer interest in pocket wagons, even though demand no longer reaches the levels we saw during the previous decade.

A significant development at the Poprad plant was the production of the wagon Laaers 560.2, designed for transportation of automobiles. It is a double-deck open wagon designed for transporting passenger cars, SUVs, small utility vehicles and vans. The wagon is based on two robust underframes, which ensure high load-bearing capacity and stability when transporting up to 14 cars on a single wagon. Its main advantages include low weight, a liftable upper deck, and optimised interior space, which ensure maximum capacity utilization when loading vehicles. Following the completion of the preparatory phase and the technological setup of the production lines, mass production was fully launched in the first half of 2025. It currently serves as the flagship product of our production. This year, we manufactured a total of 212 units for four customers. The growing emphasis on environmentally friendly modes of transportation is also increasing the importance of rail transport of automobiles throughout Europe. This type of wagon is therefore a key component of modern logistics infrastructure, as it combines high transport efficiency, safety, and modern design solutions. Despite its seemingly simple exterior design, its construction is the result of precise engineering and many years of experience. These wagons are primarily used in international rail transport, where they handle shipments mainly between automobile manufacturers and ports. Our car-carrying wagons thus regularly operate on routes from German ports up to southern Italy. In addition to the wagon Laaers 560.2, we also focused on the production of a special Laados wagon for our Polish customer, STS Logistic. Of the total 60 wagons, the first 25 left our company in 2025. It is a single-deck running gear wagon designed for the efficient transport of truck tractors, as well as light construction and agricultural machinery, such as tractors and smaller combine harvesters. Another advantage is the option to use various types of wheel stops and the wagon's readiness for the implementation of a digital automatic coupler. After completing this series, the production line will continue manufacturing additional Laados wagons for another customer.

In 2025, the Poprad plant built on the successful launch of production of the new Habbiins wagon, which began in 2024. After some initial challenges, the production process stabilized, and we continued with series production, during which a total of 112 wagons were manufactured for two customers. This wagon is primarily designed for transportation of sensitive and palletized goods, which are protected from adverse weather conditions by sliding aluminum walls. The production of wagons for transporting goods sensitive to adverse weather conditions - such as Habbilns, Hbillns, and other variants - has a long-standing tradition at our company and has been carried out for several decades. Until now, however, the aluminum sidewalls were sourced from external suppliers. Obtaining certification for the welding and production of aluminum sidewalls directly within our company was therefore a significant step, enabling us to expand our production capabilities and strengthen our technological independence.

Another production line at the Poprad plant also underwent changes; in 2025, it was used to manufacture wagons of type Snps designed to transport timber for our long-standing customer, SETG. This involved 60 wagons, which we had already manufactured in the past. When developing this wagon, our company took into account the valuable experience of our customer SETG, gained during the long-term operation of wagons for transporting timber. The Snps wagon thus enables efficient transport of timber in lengths of 3.4 and 5 meters, as well as bundles of sawn timber. It was designed with an emphasis on durability under demanding conditions during cargo handling, particularly when loading and unloading round timber. The wagon's design is adapted to an axle load of up to 25 tons. At the same time, it requires only minimal maintenance. All control elements are located under the outer longitudinal beam, which protects them from damage during cargo handling. The wagon's most significant advantage is its optimised stanchion system, which allows for easy operation, maintenance, and replacement of individual components, as well as its complete disassembly.

In 2025, the Trebišov plant produced 454 wagons, representing 16% of the company's total production. The production plan called for the manufacture of 652 wagons, and the plant managed to fulfil 70% of the planned production. For many years, the Trebišov plant was best known for manufacturing T3000 and T4000 wagons. In 2025, production initially focused on a modernized version of the T4000, of which 159 units were manufactured. However, a decline in demand for pocket wagons led to the decision to change the production program and focus on a new type of wagon - the Laaers 560.2 car-carrying wagon. After production of the T4000 ended, the Trebišov plant underwent a significant transformation. For a team with more than 12 years of experience manufacturing a single type of wagon, this represented not only a major challenge but also an opportunity for professional growth. The workers had mastered the production process for pocket wagons perfectly, and it had become a natural part of their daily work. However, introduction of the Laaers 560.2 wagon brought new technological procedures, higher demands for precision, and a different approach to production. It gradually became clear that manufacturing the new wagon type required not only technical knowledge but also meticulous attention to detail at every stage of the process. Although transition to the new production program was accompanied by several complications, the plant managed to successfully stabilize it and produced 295 wagons in 2025.

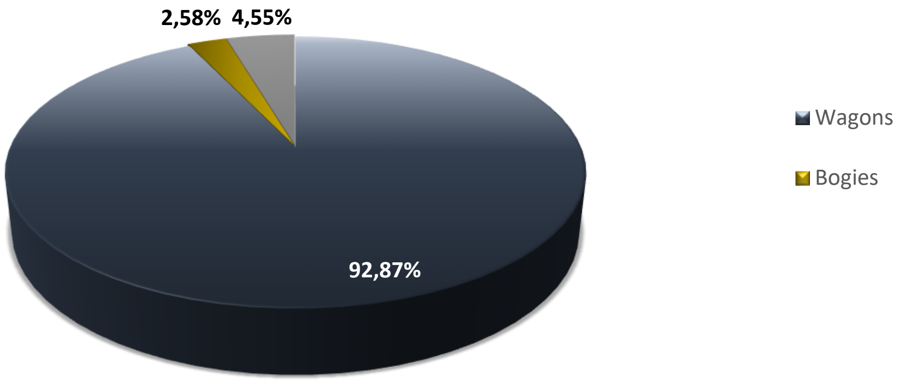
In 2025, production of bogies and bogie frames focused primarily on several variants of the proven Y25 bogie type. Total production reached 6,010 bogies, thereby achieving 99% of the planned 6,018 units. Of this total, 989 bogies were delivered to external customers.

The production program also includes manufacture of various components and parts for wagons, which form part of our manufacturing activities. Production of wagon frames for Laaers wagons for the subsidiary Tatravagónka Tlmače continued in 2025 as well, with a total of 608 frames manufactured during the year.

In 2025, the Research and Development Department focused on advancing key projects in the field of freight wagons and modern technologies. Our designers continued working on the Laados wagon project, as well as intermodal and specialized wagons, including concepts designed for higher operating speeds. At the same time, development proceeded on Coilbox container solutions for steel coils and the specialized GrainBox and ScrapBox swap bodies. Furthermore, the department intensively developed the areas of digitalization and telematics in collaboration with external partners, with the aim of monitoring technical condition of wagons, collecting data for predictive maintenance, and preparing solutions for smart freight trains, all of which were supported by the EUREKA grant program. A significant portion of the department's resources was also dedicated to the development of the new-generation NG2 bogies, designed for speeds up to 140 km/h with improved running characteristics, as well as the ASB UK 840 project as an alternative solution aimed at achieving better dynamic parameters. These development activities confirm our company's systematic efforts toward technological progress and strengthening our position among the leading innovators in the field of rail freight transport.

PRODUCTION	**in €**	**in %**
Wagons	398 712 194	*92,87%*
Bogies	11 067 485	*2,58%*
Other production	19 542 515	*4,55%*
TOTAL	**429 322 194**	***100%***

PRODUCT STRUCTURE IN 2025

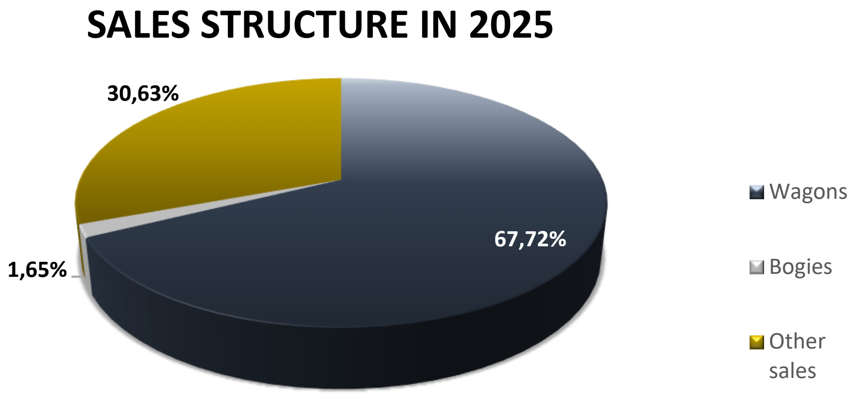


SALES

Tatravagónka a.s. achieved total sales of EUR 608 million in 2025. Compared to defined annual plan, they are lower by EUR 30 million. However, compared to the previous year, they represent an increase of EUR 50.85 million. The most significant component of sales is sales of wagons, which make up almost 68% of the total volume.

The result of the company economy as of December 31, 2025 was a profit before taxation in the amount of EUR 21.659.784.

SALES	in €	in %
Wagons	411 624 268	*67,72%*
Bogies	10 046 135	*1,65%*
Other sales	186 190 122	*30,63%*
TOTAL	**607 860 525**	***100%***

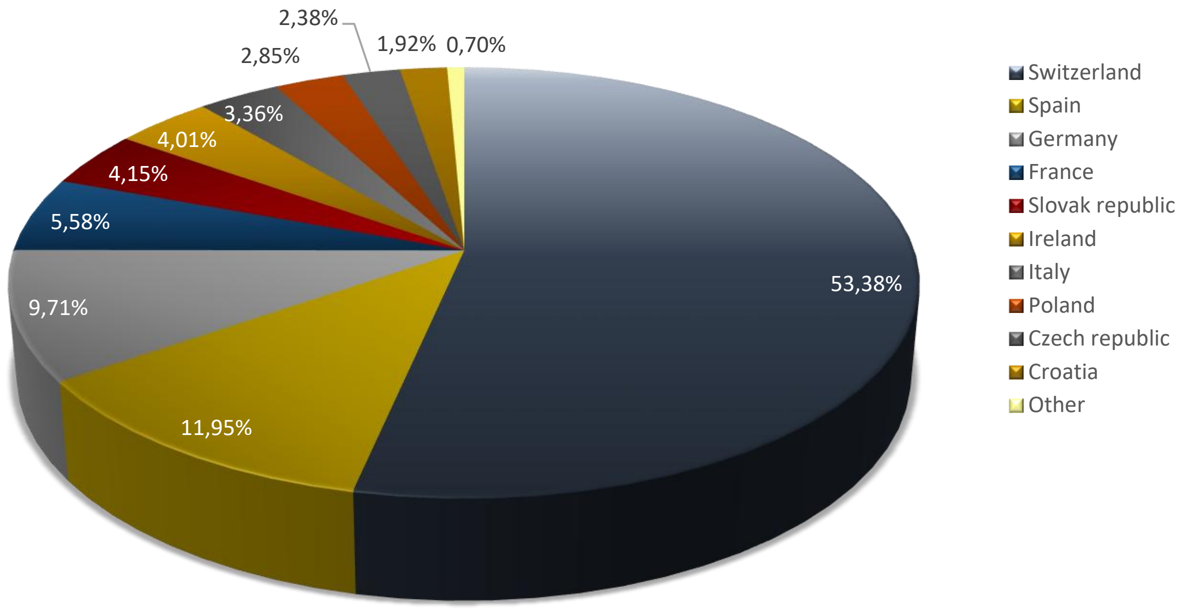


EXPORT

In 2025, most of TATRAVAGÓNKA's production was intended for export, accounting for 95.9% of the total volume. Switzerland continues to hold its position as the most significant customer, with its share of total exports reaching 53.4%, representing an increase of 2.69% compared to 2024. At the same time, sales to domestic customers declined, falling by more than EUR 22 million year-over-year, causing their share of total production to drop to 4.15%.

TERRITORIAL SALES	in €	in %
Switzerland	324 504 405	*53,38%*
Spain	72 635 229	*11,95%*
Germany	58 995 184	*9,71%*
France	33 944 072	*5,58%*
Slovak republic	25 246 741	*4,15%*
Ireland	24 396 975	*4,01%*
Italy	20 436 530	*3,36%*
Poland	17 296 468	*2,85%*
Czech republic	14 466 017	*2,38%*
Croatia	11 685 677	*1,92%*
Other	4 253 227	*0,70%*
TOTAL	**607 860 525**	***100%***

TERRITORIAL STRUCTURE OF SALES IN 2025



PRESENTATION OF THE COMPANY IN THE WORLD

In June 2025, Munich, Germany, hosted another edition of the prestigious Transport & Logistic event, which regularly brings together major players in the transportation and logistics sectors - including TATRAVAGÓNKA a. s. This year's event was dominated by wagons designed for railway track maintenance, various specialized solutions for transporting oversized and heavy materials, and wagons designed for transporting military equipment. We brought an extensive collection of exhibits to Munich, including several products from the aforementioned transport solutions. In the automotive transport segment, we once again presented the Laados wagon in collaboration with our partners. Following its prototype debut at last year's event, this wagon found a customer in the Polish company STS Logistic. This wagon, fully loaded with truck tractors, was accompanied by a standard double-deck Laaers wagon, in this case designed primarily for the transport of electric vehicles. Another previously introduced wagon was the Sdggmrss basket wagon, whose presentation this time included the loading and unloading of a semi-trailer using special handling equipment. The greatest advantage of this wagon over other pocket wagons is its integrated basket, which allows for easy loading of semi-trailers that cannot be loaded by crane. A similar loading demonstration - this time of a container - was performed using the 4-bogie Sggrrs wagon designed for transportation of special types of swap bodies. In the future, it will undoubtedly be of particular interest to customers who need to transport scrap metal, wood chips, lumber, or other high-volume materials. A completely new addition was the wagon Zans 56 m³, designed to transport water and subsequently discharge it onto the railway infrastructure, the maintenance of which will be provided by the Swiss national operator SBB. The wagon is equipped with an electronic discharge system, which significantly simplifies its operation and maintenance. Among the wagons that are part of our long-term production line-up is the wagon Sggnss 80' XLs, which in this case was equipped with bogies enabling transport at speeds of up to 160 km/h. This category also includes the high-sided wagon Habbiins with sliding aluminum walls, designed for transporting goods sensitive to weather conditions. From among the older wagon types, we showcased two proven models at the exhibition. The first was the hopper wagon Tadns, designed for transporting bulk fertilizers and the container wagon Sgmmns 41', intended primarily for transporting steel coils on special swap bodies. Among the exhibits representing our company's older product portfolio were the standard T3000e pocket wagon and the Rillns tarpaulin wagon designed for palletized goods. In total, as many as thirteen wagons from both our current and older product lines were showcased during the four-day event. No other manufacturer has come close to this number. This is clear proof that even in challenging times, we continue to engage in intensive development and, together with our customers and business partners, we are constantly bringing new solutions to the market that push the boundaries of rail freight transport.

After a two-year hiatus, TATRAVAGÓNKA once again participated in the TRAKO exhibition, which has been held regularly in Gdańsk, Poland, since 2001. Over the years, the event has established itself as the second-largest and most prestigious exhibition of railway technology, second only to Germany's InnoTrans. Exhibits from our production were also showcased on the exhibition grounds' railway tracks. The first of these was the modular TVP BOX CARRIER wagon, which enables transport of all types of special swap bodies. This wagon had already made its debut at the logistics exhibition in Munich, where it generated significant interest and sparked numerous discussions about its design. The second exhibit on display was the proven Tagnpps 95 m³ grain wagon, designed for transporting bulk food commodities. In the railway sector, this is a well-known model that was once a market leader. It was presented at the exhibition by our parent company, BUDAMAR. Recent editions of the exhibition have clearly shown that without innovation, high quality, and a customer-oriented approach, it is impossible to keep pace with the market. If we continue to incorporate these principles into our production, we can already look forward to future events - once again featuring wagons that will take our portfolio a step further.

EMPLOYEES

As of 31.12.2025, Tatravagónka company employed 2,107 employees. Our employees are key to the success of our company, which is why we focus on developing their professional skills and increasing their motivation. We systematically support the qualification of our employees through a wide range of training and education opportunities. Our main goal is to ensure satisfaction and a stable environment for our employees and their families.

We consider the following to be the main problems in filling vacancies:

- a shortage of applicants in certain areas (e.g. technology, design),
- increased competition from other companies,
- changes in employee requirements (greater flexibility, home office).

The current times also affect the career choice of each individual, our education and recruitment department is aware of the seriousness of the situation and actively tries to take an active role in this process of student selection for future work in our sector. We are actively working with universities as well as vocational secondary schools. During 2025, we actively focused on recruiting new employees and raising awareness of Tatravagónka a. s. among young people and future graduates of technical programs. Our goal was to reach out to potential job candidates while they were still in school and introduce them to career opportunities at the company. We participated in several workshops, job fairs, and career events organized for students at both universities and high schools. Through presentations and one-on-one meetings, we provided interested students with information about internship opportunities, thesis projects, and job positions in technical and manufacturing fields. The company maintains significant partnerships with the University of Žilina in Žilina and the Technical Universities of Košice and Prešov. We also continued to organize field trips for elementary, secondary, and university students from the surrounding area, as well as from Košice, Banská Bystrica, and Ružomberok. We were also visited by students from the Dominik Tatarka Grammar School - the bilingual section - along with students from Germany as part of their exchange program in Slovakia.
Our goal is to build long-term relationships with students while they are still in school, support their professional growth, and motivate them to pursue future careers with our company. By actively participating in recruitment and educational activities, we also gain the opportunity to reach out to promising graduates and secure qualified employees to meet the company’s needs. We make professional preparation of our production employees more qualitative by means of trainings in the Company Welding school. A great support in provision of engineering workers is Secondary Technical School (SOŠT) on Kukučinova street, with which we cooperate in the form of dual education, and during the study, we prepare the graduates for practice.

Over the past year, we have faced a number of challenges, but we have also achieved significant successes. We believe that by implementing our planned strategies for the future, we will be able to respond even more effectively to dynamic changes in the labour market and attract the best talents.

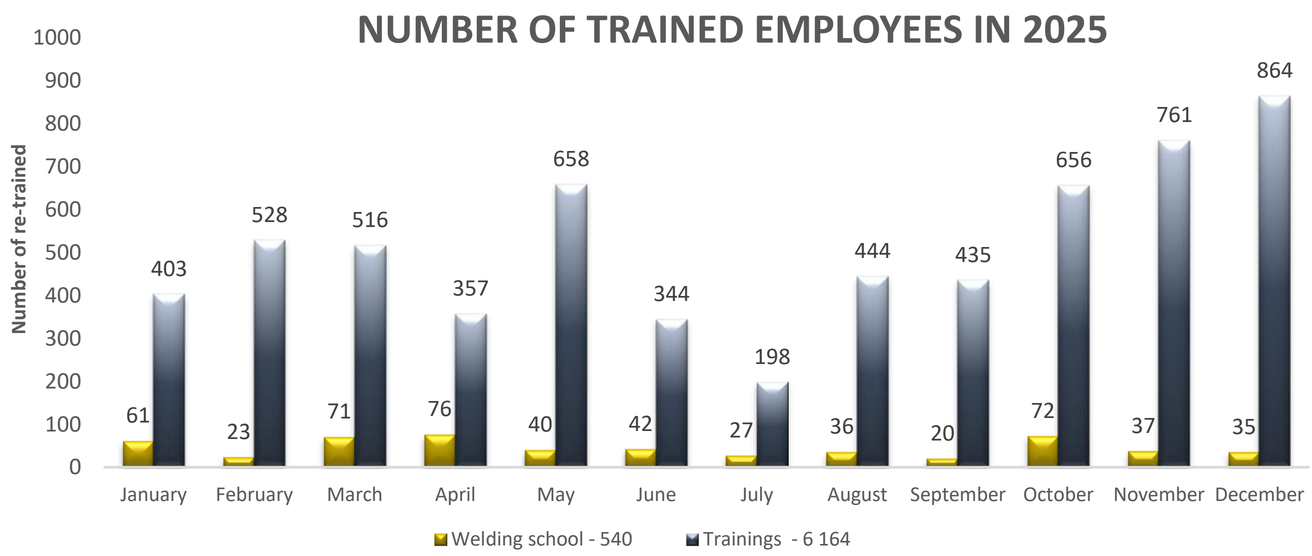
DEVELOPMENT OF EMPLOYMENT SINCE 2020

AVERAGE NUMBER OF EMPLOYEES	2020	2021	2022	2023	2024	2025 men	2025 women	% share of men + women
production workers	1 223	1 243	1 249	1 212	1 103	1 021,00	3,00	99,71% + 0,29%
auxiliary workers	402	440	461	474	479	349,00	112,00	75,73% + 24,27%
administrative workers	560	590	612	616	635	416,00	214,00	65,79% + 34,21%
TOTAL	**2185**	**2273**	**2322**	**2302**	**2 217**	**1 786,00**	**329,00**	**84,39% + 15,61%**
						Total 2025	**2 115**	

EDUCATION IN THE COMPANY

Education and training of employees form an integral part of the strategy of Tatravagónka Poprad. The main goal is to provide qualified, educated and competent employees, who are the main prerequisite for the company's competitiveness and who are its driving engine. With the growing demands of the company's customers, the demands on the professional level of employees increase. Trainings, schoolings and professional conferences help to achieve this trend.

In 2025, the company provided 6,704 re-trained employees with development and growth through managerial, professional, computer, development and language courses provided internally or by an external company. In the given year, the trend in the implementation of basic and preparatory courses in the company's Welding School continued.



COOPERATION WITH SCHOOLS

Long-term planning in the field of human resources prevents negative phenomena in production caused by labour shortages, retirement and natural staff turnover. One of the sources of potential employees are secondary school and university students. Within the cooperation with secondary schools and universities, the company Tatravagónka a.s. organises professional practice, internships, excursions or it provides consultations for bachelor's and master's theses. In 2025, the company continued in the system of dual education in cooperation with the Secondary Vocational Technical School in Poprad and with the Secondary Vocational Electro-engineering School in Matejovce. The following students are currently involved in the dual education system: 28 students in the program Programmer of CNS machines and devices, 3 students in the field of Mechanic of PC networks, 2 students in the program Electrical Engineering and 2 students in the field of the Mechanic-Electrician.

The Trebišov plant cooperates in the system of dual education with the Church Secondary Vocational School of St. Josaphat in Trebišov and from 2023 also with the Private Vocational Secondary School DSA in Trebišov. Currently, 5 students are being trained at the Trebišov plant in the field of Mechanical Engineering and 7 students in Mechanic adjuster.

OBJECTIVES AND TARGETS FOR 2025

The year 2025 brought another significant decline in rail freight transport, with the majority of state-owned transport companies reporting negative financial results. Freight volumes declined across all sectors. The situation was further complicated by large-scale infrastructure projects requiring detours and temporary operational restrictions. This development led to an overall deterioration in the financial results of nearly all rail freight carriers. The persistent decline in transport volumes also led to a significant increase in the proportion of idle and unused freight wagons, which directly affected our key customer groups - leasing companies.

The decline in freight wagon utilisation directly affects financial results, leading to a reduction in the funds available for purchasing new wagons and an overall decline in demand. Almost all leasing companies have felt the impact of this trend. For Tatravagónka a.s., this is a particularly challenging situation, as these companies are, under normal circumstances, the buyers of approximately 80% of the wagons manufactured within the Tatravagónka Group.

The overall economic slowdown in Europe is also resulting in a significant reduction in demand for newly manufactured freight wagons in 2025 to below 10,000 units, while the production capacity of European manufacturers remains above 16,000 units. This mismatch is creating enormous pressure not only on supply flexibility but also on market prices.

We are entering 2026 with the expectation that the market situation will continue to deteriorate. Lower order volumes have shifted the estimated demand threshold for freight wagons for 2026 to 8,000 units. As a result, several wagon manufacturing facilities have closed, while other manufacturers are being forced to switch to limited production.

Our main production program for 2025, based primarily on the production of car-carrying wagons, is experiencing the same decline in 2026. As a result, it will not be possible to maintain the planned production schedules. This situation is closely linked to the overall decline in automotive production in Europe.

The uncertainty stemming from current geopolitical conflicts and economic crises is significantly influencing the decisions of both investors and manufacturing companies regarding the future direction of their activities. As a result of this situation, several projects are being postponed, which presents an exceptionally challenging period for our company. Replacing these postponed projects is also significantly complicated by the overall shortage of potential contracts at the market. For these reasons, we are therefore striving to expand our operations into the passenger rail transport and defence industry segments. The year 2026 will be exceptionally challenging for us and will require implementation of cost-saving measures, increased process efficiency, and a high degree of flexibility in responding to changing market conditions. Our priority remains to maintain the smoothest possible utilization of production capacity and to minimize negative impacts of the external environment on the company’s operations.

Research and development activities in 2025 were aligned with the company's long-term R&D strategy for 2026–2030 and with the European Union's strategic direction in the field of rail transport. The focus of development was on innovations in freight wagons and bogies, with an emphasis on:

- increasing efficiency and loading capacity while reducing weight,
- preparing products for digitalization, automation, and DAC,
- reducing noise and improving running characteristics,
- interoperability and streamlined approval processes at the ERA,
- sustainability, long service life, and lower LCC.

The year 2025 was marked by the continuation and completion of several development projects initiated in the previous period, as well as the launch of new projects directly linked to future business opportunities.

In the wagon sector, the following projects were particularly important in 2025:

- **Laados** – a low-floor wagon for transporting truck tractors, with some development and approval activities carried over to 2026.
- **Intermodal wagons** (Sggnss 80', Sggmrss, Sdggmrss) - optimization of design for higher speeds, lower weight, and preparation for sensors and DAC.
- **Specialized wagons** (Rlnps, Fans-u, Rens, Zacens, Zans) – development of solutions tailored to infrastructure, bulk, and liquid cargo, including preparation for multiple ERA approvals.
- **High-speed concepts** – development and validation of solutions for speeds of 140–160 km/h as the basis for future products for express rail logistics.

Several projects were in the testing, ERA approval, or prototype production phases in 2025, with completion scheduled for 2026–2027.

A significant portion of R&D capacity has been and remains focused on the development of next-generation bogies:

- **TVP NG2** – a bogie for speeds up to 140 km/h with improved running characteristics.
- **ASB UK 840 (20,5 t / 25,4 t)** – an alternative to existing solutions aimed at achieving better running characteristics and classification as a "track-friendly" solution.
- **Y25 optimisation (Eco, CLASP, SS mode)** – reduction of weight, noise, and LCC; solutions for compact and integrated brakes.
- **Lightweight TVP axle boxes** – development completed and ready for commercial deployment.

These activities form the technical foundation for expanding the portfolio of in-house bogies and reducing dependence on external suppliers.

In 2025, development continued on the in-house **TVP Telematics** solution, focused on:

- monitoring the operational condition of wagons (bearing temperature, vibrations, load),
- data collection for predictive maintenance,
- preparing wagons for the smart freight train concept.

The project is being implemented in collaboration with external partners and is supported by grant funding (Eureka). The pilot deployment of the basic version is scheduled to start in 2025/2026.

The development of containers has been and remains an important addition to the wagon portfolio:

- **GrainBox / GrainBox Plus** – prototype development completed and preparation for certification underway.
- **ScrapBox / ScrapBox Plus / Plus Max** – finalizing development, testing, and preparation for approval.
- **CoilBox** – development of a container for steel coils.

These products support the strategy of modularity and intermodal transport.

R&D activities carried out in 2025 directly support the business plan for 2026 in the following areas:

- **New products and business cases** – several projects are moving from the development phase to the prototype, approval, and commercial release phase.
- **Expansion of the high-value-added portfolio** - high-speed wagons, specialized wagons, own bogies, and telematics.
- **Increased competitiveness** - lower weight, better running characteristics, lower noise, and readiness for DAC.
- **Support for long-term markets** - the EU market (TSI, ERA) as well as prospective non-European projects.

The year 2025 was a transition year for research and development, marked by completion of ongoing projects and preparation of new products for the coming period. The results of R&D create a solid technical foundation for fulfilling the business plan in 2026 through innovative, competitive, and sustainable solutions in the areas of freight wagons, bogies, containers and digitalization.

RESULTS OF COMPANY'S OPERATIONS AS OF DECEMBER 31, 2025

SHORT FORM OF THE BALANCE SHEET ACCORDING TO IFRS (in thousands of EURO)

ASSETS	as of 31.12.2025	as of 31.12.2024
Intangible assets	7 116	8 089
Lands, buildings and equipment	152 617	144 187
Investment property	1 217	1 214
Financial Assets	122 323	104 707
Total non-current assets	**283 272**	**258 197**
Inventory	45 868	77 228
Trade and other receivables	198 175	171 641
Tax receivables	12 764	5 438
Cash and cash equivalents	16 014	18 254
Total current assets	**272 821**	**272 560**
TOTAL ASSETS	**556 094**	**530 757**

EQUITY AND LIABILITIES	as of 31.12.2025	as of 31.12.2024
Subscribed equity	86 358	86 358
Funds	17 681	17 494
Retained earnings	119 815	117 287
Equity in total	**223 854**	**221 139**
Long-term finance liabilities	83 027	90 830
Other non-current liabilities	177	403
Deferred tax liability	1 121	1 267
Non-current reserves	7 902	7 050
Non-current liabilities - total	**92 226**	**99 550**
Trade and other liabilities	107 462	85 925
Tax liabilities	1 208	5 269
Short-term financial liabilities	131 344	118 875
Current liabilities - total	**240 013**	**210 069**
Total Liabilities	**332 239**	**309 619**
TOTAL EQUITY AND LIABILITIES	**556 094**	**530 757**

SHORT FORM OF THE INCOME AND EXPENSE STATEMENT (in thousands of EURO)

	as of 31.12.2025	as of 31.12.2024
Revenues from the main activity	595 228	583 506
Revenue from the sale of merchandise	*158 655*	*75 443*
Revenue from the sale of own products and services	*436 573*	*508 063*
Capitalization	*650*	*1 374*
Changes in inventories of finished goods and own production	*-2 272*	*134*
Cost of main activity	566 614	533 348
Other operating income	5 234	4 172
Other operating expenses	7 968	5 122
Interest	-7 915	-9 706
Other financial expenses - net	1 020	7 437
Other financial income - net	6 336	4 960
Profit before taxation	**21 660**	**38 532**
Tax expenses	4 131	9 083
Profit for the period of continuing operations	**17 529**	**29 449**
Profit for the period of completed operations	**0**	**0**
PROFIT AFTER TAXES FOR ACCOUNTING PERIOD	17 529	29 449
Other components of comprehensive income in total	187	215
Total comprehensive income for accounting period	**17 716**	**29 665**

CASH FLOW (in thousands of EURO)

	as of 31.12.2025	as of 31.12.2024
Profit before tax	**21 660**	**38 532**
Items modifying profit before tax to cash flows from operating activities:	*22 563*	*18 286*
Operating profit before changes of working capital	**44 223**	**56 818**
Changes in assets and obligations:	*9 703*	*-30 017*
Net operating cash flow	**53 926**	**26 801**
Interest received	0	0
Interest paid	-46	0
Income tax paid	-13 436	-10 122
Net cash flow form operations	**40 444**	**16 680**
Expenses for acquisition of subsidiary and associated enterprises	-14 283	-9 093
Expenses for purchase of long-term tangible property	-17 478	-23 488
Expenses for purchase of long-term intangible property	-522	-333
Income from sale of long-term assets	51	445
Income from sale of shares of subsidiary companies	0	0
Expenses for long-term loans provided by accounting unit to subsidiary and associated company	0	-2 897
Income from repayment of loans	2 860	0
Income from dividends and other profit shares	177	227
Príjmy z prijatých úrokov	4 447	4 960
Net cash flow from investment activities	**-24 748**	**-30 178**
Income from changes of loans and long-term obligations	65 250	188 500
Expenses for settlement of loans (-)	-59 592	-144 425
Expenses for paid dividends and other shares of profits	-15 000	-15 000
Lease payments	-502	-1 600
Interest expense	-8 092	-9 891
Net cash flow from financial activities	**-17 936**	**17 584**
Net increase or net decrease of financial resources and equivalents	**-2 240**	**4 085**
Financial resources and equivalents at the beginning of account period	**18 254**	**14 169**
Exchange rate differences enumerated for financial resources and equivalents	**0**	**0**
FINANCIAL RESOURCES AND EQUIVALENTS AT THE END OF THE ACC. PERIOD	**16 014**	**18 254**

REPORT ON SUSTAINABILITY

The issue of sustainability and corporate social responsibility has been resonating in our company for several years. Today, however, these concepts are not just a phrase, but rather an urgent call to move from words to real actions. Over the past decades, companies have increasingly changed their view of business practices. This view has shifted from maximum profitability and consumerism to one that places greater emphasis on equality, ethical practices and the pursuit of a range of activities for social benefit.
The company TATRAVAGÓNKA Si has built its name and position as the largest manufacturer of railway freight wagons and bogies in Europe for more than 100 years, and with its responsible approach to the product, to society, to the environment and to business partners tries to represent the legacy of the generations that built this company before us and to be its bearers for the generations that will come after us.

TATRAVAGÓNKA a.s. strives to draw attention of the entire society to the environmental benefits of rail transport and, through its product portfolio, wants to make the sustainable choice the first and also an easy choice of the company. We have decided to follow the path of the freight rail industry's commitment to increase sustainability and environmental responsibility. Our efforts include developing new, more sustainable products, creating new design solutions that increase efficiency and enhance sustainability. By implementing sophisticated manufacturing processes and procedures that work in harmony with a goal of monitoring and reducing our impact not only on the environment, but on society as a whole, we strive to raise awareness of sustainability of entire rail freight industry and thereby contribute to make this mode of transport more efficient for all its customers.

Reduced greenhouse gas emissions

According to available research and statistics from analyses conducted by shipping agencies, industry associations, and international organizations, rail freight transport accounts for only 1.9% of greenhouse gas emissions, while shifting freight from road to rail can reduce emissions by up to 75%. That is one of the reasons why we strive to make our products the first choice for customers seeking efficient and sustainable solutions.

Increased freight transport efficiency

Compared to road transport, a single freight wagon, with a fraction of the fuel, can replace a load of three to four semi-trailers. Numerically speaking, rail transport can carry 1 tonne of freight, over a distance of more than 700 km, using one gallon of diesel fuel. This level of fuel consumption is unmatched by other modes of transport.

Increased use of recycled materials

Through reprocessing of scrap iron, freight rail wagons achieve a high level of recyclability. This, combined with a longer product lifetime, reduces both consumption of raw materials and frequency of new production, again reducing overall emissions.

Extended equipment lifetime

Railway wagons are more durable, fail less frequently and are easier to keep in service throughout their entire life cycle, compared to other modes of transport. For all these reasons, rail freight transport is more sustainable in terms of the lifetime of each rail car. While trucks used in road transport have an average lifetime of 12-15 years, a freight rail wagon can last 35-50 years with proper maintenance, while continuing to be recycled and reused.

All of these statistics draw attention to how much of an impact rail freight has on sustainability efforts.

"TO BE THE FIRST CHOICE"

The vision of TATRAVAGÓNKA stands on **four basic pillars:**

To achieve a **dominant position** in the production of freight wagons and bogies through **quality and flexibility** of deliveries using traditional values, experience and modern technology.

To be a stable and attractive employer through an open corporate culture focused on **teamwork**, connecting employees through management and an individual approach.

To develop and produce innovative products that satisfy all customer requirements through **satisfied** and **qualified employees**.

To create a social and work environment for employees, in which they behave responsibly towards their health and the health of their colleagues, through strict **adherence to safety standards** and norms.

OUR VALUES

The employees of TATRAVAGÓNKA a.s. proudly share these values:

RESPONSIBILITY

We behave professionally and we want to constantly learn new things and improve both humanly and professionally. We approach the living, social and cultural environment responsibly.

COOPERATION

It is based upon two pillars. Self-confidence and humility. Each of us believes in ourselves and remembers that we can do it together. We work together to achieve our common goal We are all members of one team and work together for integrity, responsibility, quality, excellence and expertise. An important element of our cooperation is open communication across the entire company. We share not only the same values, but also the same information.

TRUST

It is our common moral value, by which we express our unequivocal attitude towards the TATRAVAGÓNKA company. It unites us and manifests itself in our loyalty to the company. We trust each other, and at the same time we are trustworthy. We also show trust to our colleagues, whether it is a superior or a subordinate. We also treat our partners openly, transparently and ethically, building our credibility and respect in business relationships.

INNOVATION

We are appropriately curious and with an open mind we create, implement and look at innovative solutions in the rail freight market The personal development and education of all our employees brings us creative solutions, approaches and perspectives from little things to big projects. We push the boundaries and look for new challenges that materialize in real products thanks to our creativity.

SAFETY

It is paramount for all of us. We value human life the most. Our highest priority is to create a safe work environment. We do not compromise on security, nor is it affected by the achievement of the company’s goals, quality, costs and deadlines. We are aware of our responsibility for our own safety. At the same time, we assume collective responsibility for the safety and health of each one of us.

ESG ENVIROMENT

WE PROTECT THE ENVIRONMENT

As the company, we are committed to protect the environment, taking into account the rights of future generations.
We consider protection of the environment to be a core value of the company. We ensure that our products, activities and services comply with applicable environmental legislation and regulations. We conduct our activities in a manner that aims to continuously improve environmental sustainability through recycling, conservation of resources and the promotion of environmental responsibility among our employees. By regular review of the environmental management system in place, we ensure continuous improvement of its effectiveness. All innovations, research and development must respect environmental protection and take into account an impact of the effect of products on the environment throughout their entire life cycle. We maintain and continually improve our environmental management systems to comply with more stringent requirements required by specific market and local regulations. We regularly monitor and evaluate our environmental performance and environmental targets in order to continuously improve our environmental behaviour. We support economic development while being committed to protecting the environment. We conduct our business in accordance with applicable environmental regulations, the requirements of EN ISO 14001:2015 and other requirements that we are committed to meet. We prevent air, water and soil pollution and excessive waste generation, and we assess potential environmental impacts and risks when introducing new technologies. We continuously improve energy management by promoting purchase of energy-efficient products and services and streamlining operational activities. We responsibly manage the use of hazardous materials in connection with our activities, products and services.

We respect observance of generally binding legal and other regulations, and we try to make the goals set annually known not only to our employees, but also to business partners and other interested parties. The employees of the Health and Safety Department develop valid legislation in the field of environmental protection into internal company management acts, operational and safety regulations, work procedures, guidelines, etc.; they guide methodically and professionally executives and individual employees at all levels of management in the field of protection of the environment, working environment and occupational hygiene, they process reports, concepts in the environmental field, ensure the necessary measurements, analyses, contracts with disposal facilities, etc.

2020

MANAGEMENT SYSTEM CERTIFICATION

DNV

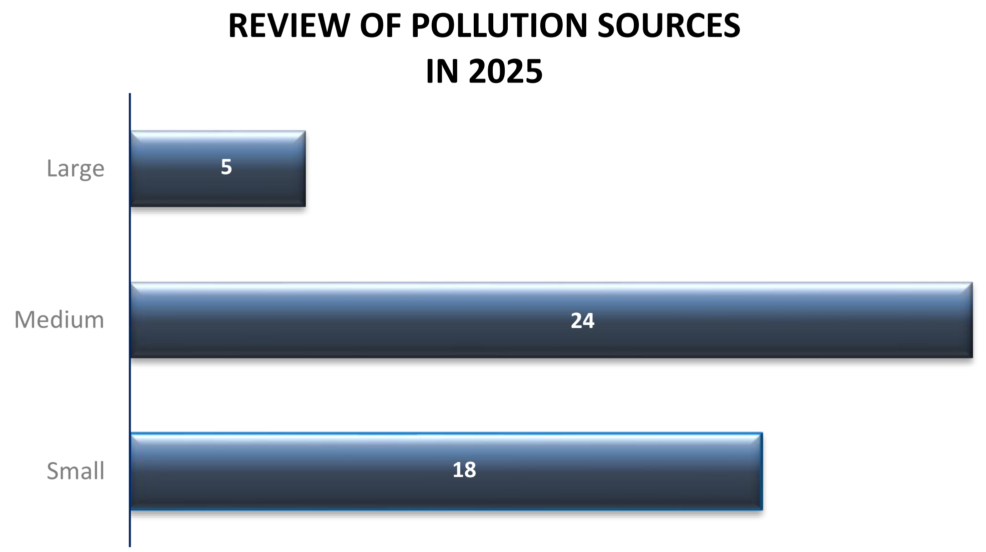
ISO 9001 - ISO 14001
ISO 45001

ISO 14001 a ISO 45001

Certificates covering environmental and safety related aspects of the management system.

WE PREVENT AIR POLLUTION

A total of 47 sources of air pollution were recorded at the company's premises in 2025.



Air pollution is generated by the operation of air pollution sources, which are technological and energy equipment necessary to ensure he production and operational activities of the company.
Among the technological equipment, these are specifically surface treatment workplaces (shot-blasting facilities and paint shops), and among the energy equipment, these are facilities used to heat production areas and social extensions. Legally, these are large, medium and small sources of air pollution.
Each technological installation includes a filtration unit that reduces quantities of pollutants emitted to the permitted limits. The company uses air separation devices on shot-blasting lines to protect air from particulate emissions, filter cartridges on spraying and drying booths to reduce emissions leakage, catalytic combustion of waste gases containing organic volatiles has been built in two technologies. For power equipment (due to the exclusive combustion of natural gas), this involves regular adjustment of combustion and combustion parameters of the natural gas.

Monitoring of pollutant concentrations is carried out by discontinuous measurements over a period of
1 per year, 1 x 3 years or 1 x 6 years, depending on the category of air pollution source.. TATRAVAGÓNKA, a.s. plant Poprad, has an integrated permit issued for the surface treatment workplaces, which was issued and is monitored by the Slovak Environmental Inspectorate in Košice. An integrated permit was issued to the company in 2019, and a total of eight amendments were recorded by the beginning of 2026. For operated sources of pollution, the company pays annually amounts corresponding with the volume of emissions according to demonstrated calculations. Control of the correctness of fee calculations is carried out by the District Office, Department of Environmental Care, which issues decisions confirming the value of the fee obligation.

The total amount of pollution by solid substances is successfully reduced thanks to thorough maintenance of machines and devices, regular cleaning and replacement of filters of mainly shot-blasting machines and thanks to their gradual modernisation.

For the new business period of 2021-2030, TATRAVAGÓNKA a.s. is not a member of the business scheme. The company was removed from the trading scheme of mandatory participants due to reduction of heat rate of the facilities that burn the natural gas.

WE MINIMISE WASTE AND WE RECYCLE

We record and control the amount of produced waste on a monthly basis. There is elaborated a detailed overview of quantities and types of waste produced at each collection point on the company premises. The company strives as much as possible to separate the individual waste components with the aim of generating as little waste as possible for landfill. By adjusting technological processes and monitoring consumption of used materials, generation of waste is minimised, while maximising recycling in the form of reuse of such wastes.

The company as a whole produces both non-hazardous and hazardous waste. The amounts of generated waste are variable and depend on the specific period and the volume of production carried out. However, as a percentage of total waste production, 95.23% is other and only 4.7% is hazardous waste of the total waste generated in 2025. Of the total amount of other waste, about 94% is recyclable. it is mainly a metal waste, which is exported for reprocessing.

We dispose of all types of waste in an ecologically clean way through an external company. The production sites have a well-defined method of waste management, i.e. sorting, storage in designated containers and export from the sites for disposal or transfer as secondary raw materials. There are defined mechanisms for management of scrap metal, for collection of paper and wood, for handling of oil products, etc. Method of waste disposal is precisely defined by an internal company directive. Employees are also guided to separate waste through visuals and instructions at individual collection points.

WE PREVENT WATER POLLUTION

Water pollution is monitored at the outlets to the industrial or rain-water sewers operated by TATRAVAGÓNKA a.s. These outlets are monitored by regular sampling of discharged water. Pollution must always be within the limits set by the operator of the public sewerage network or in accordance with decisions issued by the state administration authorities in the field of water protection. The individual measurement protocols are archived and are always subject to inspection by the supervising state administration (District authorities, Slovak Environmental Inspectorate...). Monitoring of discharged wastewater is carried out in accordance with issued permits, the monitoring periods are set at an interval of 1 x 3 months.

TATRAVAGÓNKA a.s. also uses two of its own wells, which are used for fire-fighting purposes. There is established an individual greasing and tribotechnic service in the company, which provides manipulation with oil substances (oils, cooling emulsions, machine greasing). Regarding technical devices, there is built a demulsification and neutralizing station for neutralizing of sewage and waste water and cutting emulsions, which is a device for disposal of dangerous waste. The plant has its own industrial water supply, washing ramps for washing cars and motor transport trolleys with oil traps, gravity oil separator from the rain-water sewer drained into the stream called Hozelecký potok, diesel dispenser with paved area and oil trap, safe storage of paints and oils, paved areas with a holding tank for handling metal chips from machine tools contaminated with pollutants.

WE REDUCE ENERGY CONSUMPTION

In the area of energy consumption, the dominant consumption in TATRAVAGÓNKA a.s. is represented by consumption of natural gas with a share of more than 53%, followed by electricity with a share of more than 43%. Fuel consumption is at the level of 2-3% and technically usable gases (LPG, ethylene, oxygen) 2.5%. In terms of costs incurred, electricity costs are dominant due to its high price. Costs for technical gases are also significant, accounting for about 14% of total energy costs.

Our company makes considerable efforts to reduce energy consumption. We are successful in doing this primarily through the following activities:

- Replacement of old lighting with new LED floodlights; replacement of old fluorescent tubes with LED tubes in the production halls
- Utilizing waste heat from compressors to heat the ÚMV hall and expanding the use of waste heat year-round to heat the new robotic wagon spraying line in combination with a heat pump.

However, our efforts to reduce the energy intensity of the company's operations are far from over. We are continuing at the set pace and shifting our attention to insulation of halls and office buildings, expanding the use of waste heat in technological processes, modernising the compressor cooling system as well as modernising compressed air distribution systems.

In 2025, the reconstruction of the water main continued in several phases; since 2023, this project has already resulted in savings of nearly 45,000 cubic meters of drinking water. Despite this excellent result, our colleagues in the energy department continue to search for other potential leaks and are working with the investment department to eliminate them. As part of our efforts to reduce our environmental impact, we have also replaced bottled water with water served in pitchers, since our drinking water meets high quality standards. Although this may seem like a small step, we consider it an important contribution to the overall reduction of plastic waste and support for the company's sustainable operations.

Optimisation of energy consumption, which is one of the basic production inputs, is seen by the company's management as an important aspect in the evaluation of the investment, its return on investment, possible long-term effects and also as an important element in meeting our environmental objectives. Monitoring and reducing the energy intensity of our technologies is a matter of course, and these optimizations have been developed and implemented over a long period of time. However, changing technology is only one side of the coin. Interesting savings can also be achieved by changing our mindset. Of course, each of us has means to act responsibly in our workplace - after finishing work, I close the valve on the welding machine's gas supply, report any leaks to maintenance, turn off the lights, and use the supplies under my care responsibly. Elementary patterns of behaviour, consideration and courtesy towards your workplace and colleagues are prerequisites for improving the comfort of your surroundings.

WE BUILD ENVIRONMENTAL AWARENESS

By providing continuous training and education to our employees, we increase and deepen their environmental awareness and the quality of their work activities, thereby ensuring continuous improvement at the level of sustainability and social responsibility. Separate waste collection bins are located in all production and administrative departments and they are clearly marked and equipped with instructions on how to separate different types of waste. Energy saving guidelines are also developed and installed throughout the company's premises. Employees are motivated to participate in reducing greenhouse gases and we encourage them to use environmentally friendly transport to work
and in volunteer activities such as tree planting and neighbourhood clean-ups. By selecting local suppliers of raw materials, we shorten transportation routes and thereby help reduce greenhouse gas emissions.

Within the company, we support electronic processing, storage and sharing of any documents and invoices Information is shared exclusively in electronic form so that the need to circulate paper documents - not only within the company but also externally - aligns with the global trend of declining paper consumption.

In response to the growing volume of information in production and the need to update it quickly, we began digitizing traditional notice boards in 2025. In collaboration with the IT department and an external partner, we created a solution based on the Office 365 and Power BI platforms, which allows us to display clear, up-to-date, and consistent information in one place. We have implemented interactive touchscreens in selected business units, through which employees have access to important data such as production plans, performance metrics, quality, workplace safety, and maintenance. The information is automatically updated and displayed without the need for manual intervention. The solution also provides direct access to internal documents, guidelines, and applications, thereby increasing the availability of information right at the workplace. For management, Power BI is a key tool for clear and interactive data management. Digitalization of notice boards contributes to greater efficiency, transparency, and reduction in administrative burdens, thereby supporting modern and sustainable production management.

CARBON FOOTPRINT

In 2025, the company calculated its carbon footprint for the first time, marking a significant step toward the systematic management of environmental impacts and transparency in the area of sustainability. The calculation was performed at the consolidated group level, providing a comprehensive view of the emissions footprint across the entire Tatravagónka Group.

The company’s carbon footprint was calculated in accordance with internationally recognized standards, specifically the GHG Protocol methodology and ISO 14064. Greenhouse gas emissions were categorized into three main areas—Scope 1, Scope 2, and Scope 3. An operational control

approach was selected for the calculation, which defines the organization's boundaries and determines which emissions are considered direct and which are indirect.
The year 2021 was designated as the reference (base) year, serving as a starting point for future comparisons and the setting of emissions targets. At the same time, the carbon footprint was also assessed for the year 2024 as the most recent completed year, thereby establishing a basis for tracking emissions trends over time. The results indicate a positive trend in emissions management—carbon intensity relative to both the company's performance and the number of employees is decreasing year-over-year, reflecting the gradual streamlining of processes and the sustainability measures being implemented. The calculation of the carbon footprint for 2025 will be carried out in the second half of 2026.
This initiative also included the calculation of the carbon footprint of products, specifically selected types of freight wagons. The assessment was conducted in accordance with ISO 14067:2018 using the "cradle-to-gate" system boundary, which allows for the evaluation of emissions generated from the procurement of input materials through the completion of the manufacturing process.
By conducting this first carbon footprint calculation, we have gained an important tool for identifying the main sources of emissions and laid the groundwork for implementing measures aimed at gradually reducing them. Based on the data obtained, specific corporate decarbonisation targets will be set between 2026 and 2027, which will form the basis for further systematic reduction of the carbon footprint and support for long-term sustainability.

WE INVEST WITH THE ENVIRONMENT IN MIND

Investment activities in 2025 focused on modernizing production technologies, increasing process efficiency, and reducing our environmental impact. We also placed an emphasis on improving working conditions and workplace safety, as well as optimizing energy efficiency of our facilities and infrastructure. The most significant investment of 2025 was construction of a wagon surface treatment facility, which represents a major step toward modernizing production capacities and improving quality of final processes. In addition to this strategic investment, our investment activities also focused on several smaller but important projects. For example, technological upgrades were implemented, including installation of a new welding robot, modifications to production facilities, improvements to the thermal insulation properties of buildings, and modernization of facilities for employees. Another important area was promotion of sustainable mobility, including expansion and modernization of infrastructure for bicycles and other alternative forms of transportation.

In the area of machinery and equipment, we implemented technological innovations that contributed to greater production precision, more efficient use of materials, and reduced energy consumption. By introducing new equipment, we streamlined machining, cleaning, finishing, and quality control processes. Investments in material-handling equipment and positioning systems also supported safer and smoother material handling.
Investments in machinery and equipment accounted for approximately 87% of total investment costs, confirming our strategic focus on technological development, production efficiency, and reducing environmental impacts. In addition to technological investments, we also continued to modernize our infrastructure. Investments in the renovation of production halls, employee facilities and technical infrastructure accounted for approximately 13% of total investment costs. These activities were primarily aimed at improving energy efficiency of buildings, reducing heat loss and optimizing the work environment.

As a company, we view environmental protection as an integral part of our business. Our investments focus not only on growth and innovation but also on preventing environmental risks and supporting sustainable solutions that contribute to a high-quality environment for future generations.

ESG SOCIAL

WE CREATE OUR WORKING ENVIRONMENT

Our employees create our working environment, culture and common values. We believe that satisfaction of our colleagues is important for achieving the defined goals and for creating an overall company image regardless of the fact whether the employees are in the direct contact with our customers and suppliers or they are part of the production process, or they provide other supporting activities necessary for problem-free running of the company.

In compliance with the principles of social responsibility in the field of human rights and labour policy, TATRAVAGÓNKA a.s. respects the basic principles set out in the Universal Declaration of Human Rights. The company's core values and culture reflect the company's commitment to ethical business practices and creation of suitable work environment. To support these principles, the company has developed a Code of Ethics and a Code of Business Conduct, which define the guidelines for employee conduct in day-to-day operations, as well as a Code of Ethics for Business Partners of TATRAVAGÓNKA a. s., which sets forth the expected standards of conduct in mutual business relationships.

Our procedures and practices require the conduct of our business activities with uncompromising integrity and the promotion of human rights within the sphere of company influence:

- **Voluntary choice of employment** - we support the elimination of all forms of forced labour or involuntary work of prisoners.

- **Prohibition of child labour** – the company is against any form of child labour abuse, and does not employ child labour and supports the elimination of child labour abuse.

- **Minimum wages** - our employees receive wages and bonuses that meet or exceed the statutory minimum. The average wage in the company in 2025 exceeded the average wage in the Slovak economy by 16.11%.

- **Working hours** - we do not require our employees to work more than the maximum number of hours worked required by local law. The weekly work pool in the company is 37.5 hours; our employees are adequately compensated for possible overtime work, night shifts, work during weekends and holidays, respecting all statutory allowances, breaks between shifts and other legal limits.

- **No discrimination** - we support and approve the elimination of discriminatory employment practices and promote diversity in all areas of our business activities. Our practices prohibit discrimination based on race, skin colour, age, gender, sexual orientation, gender identity and expression, nationality, religion, physical imperfections, nationality or any preferred group.

- **Prohibition of inappropriate or inhuman treatment** - physical abuse, maltreatment or any threats are prohibited. We provide a safe and healthy work environment for all our employees.

- **Freedom of association** - we exercise the rights of employees associated in trade unions in accordance with local laws and established procedures.

- **Business Code of Conduct and Code of Ethics for Business Partners** – the company's suppliers are required to support and promote fundamental human rights.

TATRAVAGÓNKA a.s. respects the personal integrity and diversity of opinions of its employees and it requires the highest level of personal morality and compliance with the principles of the Code of conduct at workplace We take a negative attitude towards any form of harassment, bullying, mobbing or bossing. We believe that everyone has the right to be treated fairly and courteously, whether by superiors or colleagues.

WE SUPPORT EQUAL OPPORTUNITIES

Tatravagónka a.s. provides equal opportunities regardless of race, gender, skin colour, age, religion, disability, or social origin. We strive for an even distribution of workforce and we make decisions solely on the basis of the qualification and professional prerequisites of the employees.

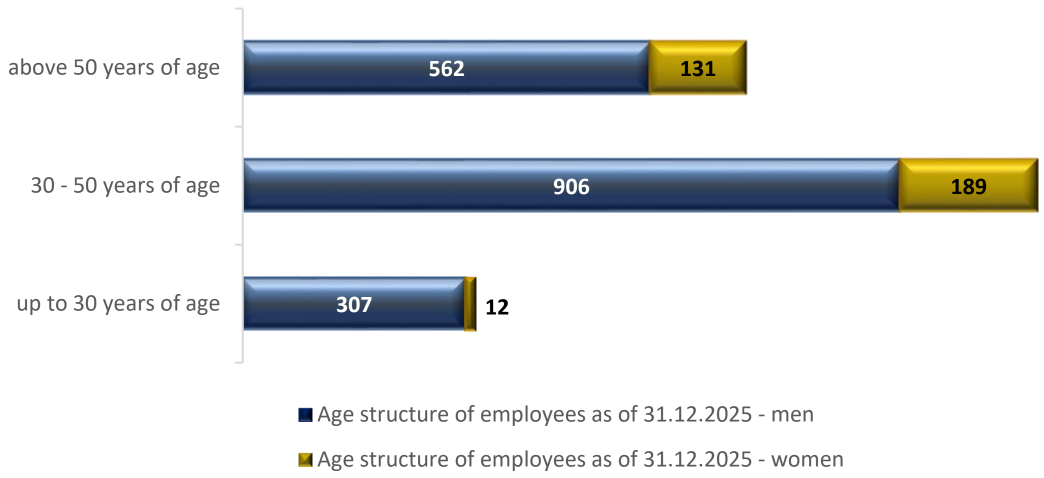
We regularly invest to the personal development and education of our employees with an aim of development of their capabilities, knowledge and skills. There are free language courses held directly in the company by the company's own lecturers, which employees can attend during working hours, professional trainings, whether compulsory or optional, and last but not least, training development programs intended for managers and prospective employees included in the "talent pool" or "key people" list with the aim of preparing management reserves. We actively look for talents and give them space to develop their skills for the benefit of our company. We have opened doors for decent expression of ones opinions freely and without fear of any consequences

DEVELOPMENT OF AVERAGE NUMBER OF ROOT EMPLOYEES IN 2020-2025

Year	men	women	total
2020	1 906	279	2 185
2021	1 972	301	2 273
2022	1 995	327	2 322
2023	1 969	333	2 302
2024	1 883	334	2 217
2025	1 786	329	2 115

The ratio of men and women working in our company copies the trend of labour force distribution in the engineering industry in the Slovak economy. As a percentage, the most men work in the category of production employee - up to 99.71% (from the total number of 1,024 production employees in the company, 3 are women). In the auxiliary employee categories, the ratio of men to women is 76:24, while for administrative employees, the ratio is 66:34.

AGE STRUCTURE OF EMPLOYEES AS OF 31.12.2025



As of 31.12.2025, 98 employees with a medical handicap worked in the company (11 employees with disability of more than 70% and 87 employees with disability over 40%).

WE CARE ABOUT THE SAFETY OF EACH OF US

Safety is paramount for us. Given the nature of our manufacturing activity, we place great emphasis on compliance and support of rules and principles ensuring workplace safety. However, with HSE we are not only concerned with compliance with legal regulations, for us it is more than just an administrative obligation. Through good HSE, we reduce the likelihood of a serious work accident, several weeks of incapacity for work, or the occurrence of occupational diseases. On a long-term basis, we manage to maintain the number of occupational accidents at an acceptable level with zero or minimum number of serious work accidents.

	2020	2021	2022	2023	2024	2025
Average number of employees with health insurance	2 186	2 275	2 321	2 302	2 218	2 116
Number of registered accidents at work	**30**	**56**	**63**	**39**	**44**	**36**
Of which serious accidents at work	**1**	**0**	**0**	**0**	**0**	**0**
Frequency rate - i.e. number of accidents per 100 employees	**1,4**	**2,5**	**2,7**	**1,7**	**2,0**	**1,7**

We are aware that everyone across the company has a share of responsibility in creating safe working conditions. We are constantly trying to improve. In order to achieve this goal, the company uses various tools to increase awareness ion the field of occupational safety and also education with a form of positive motivation. The company invites employees to actively participate in the creation of the “Health and Safety Policy”, the aim of which is to create a safe and balanced working environment. Through open communication with employees who notice common deficiencies and problems during their day-to-day work, the company manages to detect them in time and free up resources for their effective elimination. With timely intervention, we prevent the occurrence of production losses, production shutdowns, occupational accidents and, ultimately, damage to the overall corporate image. We constantly monitor and assess our effort and responsibility in this field. The company regularly rewards workplaces with the lowest or zero accident rate.

WE CARE ABOUT OUR EMPLOYEES

Care about our employees does not end at the workplace. With regard to our motto “To be the first choice”, we try to be a reliable partner not only for our customers, but also for our employees, who help to strengthen our position on the market and to build a good company name in the world through their daily efforts. An interesting package of financial and non-financial benefits is available for employees. In addition to the benefits that we provide as part of the work process, there are also benefits by means of which we try to diversify and to make free time more enjoyable.

BENEFITS

Non-financial

- Healthcare within company's premises
- Vouchers for workforce regeneration twice a year, according to the collective agreement
- Flexible working hours for administrative employees
- Fuel cards for purchasing fuels for better prices for private purposes
- Mobile phone and calling cards for private purposes also for family members
- Language courses, qualification improvement, company library
- Allowance for PASSES to the GOLEM CLUB fitness centre
- Company events for employees and their family members - Children's Day, St. St. Nicholas Day, Doors Open Day, Tatravagonka Summer Fest, Tatravagonka Winter Games
- High standard of work clothes provided by the employer, their maintenance, safety and quality of protective work equipment are a matter of course.

Financial / linked to the Collective Agreement /

- Rewards for work and life anniversaries
- Age automat
- Attendance bonus
- Holiday reward
- Christmas reward
- Remuneration for instructors providing training for new and redeployed production employees
- Wage benefit when working in 3- and 4-shift operation
- Wage benefits for work on Saturdays and Sundays

- Reward for a team leader
- Reward for working more standard hours
- Childbirth and marriage allowance
- Financial donation to women for the International women´s day
- Reward for blood donors
- Insurance against damage caused to the employer
- Contribution to joint children's recreation
- Allowance of the employer to the 3rdpillar of pension savings
- Allowance to an employee if he/she is in a particularly difficult social situation or in case of death of the employee or a member of his/her family

VOLUNTEER ACTIVITIES

- Active cooperation and communication with organisations and associations within the region results in regular volunteer activities.
- Regular participation in national and international volunteer and environmental challenges.
- Active participation of the sports team "Tatravagónka in motion" in charity sports events.
- Charity collections

PROGRAMMES TO SUPPORT EMPLOYEES

- Sponsorship and Philanthropy Committee - employees decide on financial and material support of other colleagues' projects through the sponsorship and philanthropy committee.
- Regional discount system – mutual support for the region through a system of discounts for employees and their families.
- "Tatravagónka in motion" - project to support sports activities of individuals and teams of employees.
- "Young Designer" - a children's club in the company premises run by a team of technically proficient experts who try to show children the magic of technology.

MEMBERSHIPS IN ORGANISATIONS IN SLOVAKIA

- Slovak Accreditation Agency for University Education
- Association of Industrial Federations and Transport of the Slovak Republic
- Association of Engineering Industry of the Slovak Republic
- Association of Automotive Industry of the Slovak Republic
- Office for Standardization, Metrology and Testing of the Slovak Republic
- Slovak-German Chamber of Commerce and Industry
- Slovak-Hungarian Chamber of Commerce and Industry
- ESG Club
- Slovak Exporters Council

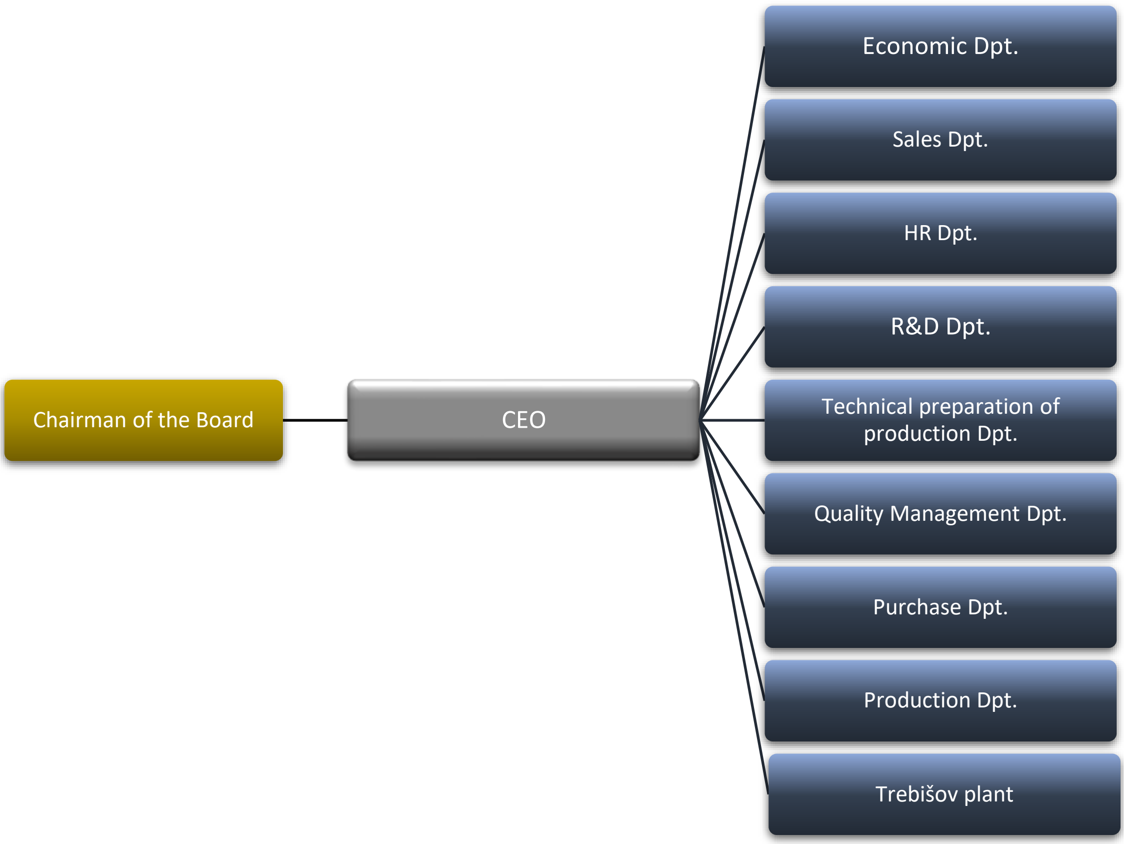
ESG GOVERNANCE

RELIABLE MANAGEMENT

Our organizational structure and the elements of the management act system form the basis of the company's daily operations. By means of effective management of the company, we try to fulfil our vision and to balance interests of all involved parties, such as shareholders, top management, customers, suppliers, government, and the community.

The company applies a line-staff organisational structure in combination with a matrix organisational structure based on project management, which runs transversally through the company's various departments. These, as well as the Trebišov plant, are subordinate to the company's CEO.

The General Assembly acts as the main decision-making body of the company and it enables the shareholders to make decisions on essential matters related to day-to-day operations. The company is managed by the Board of directors, which meets on a regular basis. The activity of the Board of directors is supervised by the Supervisory Board. The general manager is directly subordinate to the Board of directors. The chairman of the Board of directors is responsible for the Marketing and public relations department, which coordinates transparent and consistent sharing of information about the company.



The aim of the management activities of TATRAVAGÓNKA a.s. is to ensure that all organizational, commercial, technical, control and production activities in the company are planned, managed, checked and meet the requirements of interested parties and applicable standards. The company creates its own set of governing acts for its management activities, which divide the company's activities among the company's departments,
they define level of responsibility and authority in performance of these activities, establish interrelationships between performers of individual activities and ensure the overall consistency of the company. In the company’s management structure, there are nine separate departments with their own management, which report to the general manager and are divided into other separate specialized divisions.

The CEO Department includes the Security and Services Division, in which the division manager coordinates the operation, implementation and fulfilment of statutory regulations in the field of health and safety and fire protection, covers scrap management and proper waste management, and he also supervises our own general health care clinic. The Investment and Capital Projects Department, the Process Engineering Department and the ESG Manager also report directly to the CEO. In the framework of all ongoing and planned investment actions, we take into account the principles of sustainability and the “green strategy” of the European Union.

The company TATRAVAGÓNKA a.s. is established and managed in accordance with the applicable legislation governing commercial companies in the Slovak Republic as well as with the EU legislation. Furthermore, we follow internal directives, work procedures and other documents, and we ensure that each of our employees is timely and sufficiently informed and knows all work procedures and documents necessary not only for the performance of their work, but also general regulations and instructions that apply across the whole company.

Basic regulations issued by the company include:

- The **Organizational order** is our basic organizational standard of the company, which has a complex nature; it regulates the principles and rules of the internal organization and relations between the company’s departments in the management system.

- The **QUALITY POLICY** is a document by which the company’s executive management formulates our overall intentions and directions of the company’s activities in the field of quality for a period of 5 to 10 years. This document
also sets out our goals, commitments and efforts to continuously improve environmental protection and occupational health and safety.

- The **Quality manual** is the main document of the quality management system, which provides us with its detailed description and helps us to implement and maintain it.

- The **INTEGRATED MANAGEMENT SYSTEM MANUAL** is an extension to the technical-organizational procedures, and it describes the IMS model according to the ISO 14001 and ISO 45001 standards.

WE BUILD UPON THE CORRECT PARTNERSHIP

The company TATRAVAGÓNKA a.s. is aware of its duties and obligations arising not only from business relationships, but also moral and ethical obligations. Our working environment, in which we spend a significant part of our lives influences and shapes us to a certain extent. Each employee participates in the way we communicate within the company, how we behave, how tolerant and considerate we are to each other. What kind of atmosphere will prevail in the workplace depends on each one of us. The management of the company undertakes to set an example in this area and to consistently apply accepted moral and ethical principles.

What applies within the company, it also applies in relations with external companies. As a company, we build on a correct partnership, which means for us not only the fulfilment of legal obligations, but mainly corporate and business culture.
We build on correct and transparent relations with all interested parties. By our behaviour towards partners and institutions, we represent the company, its values, attitudes and principles, not our personality. We care about the professional reputation of our company. We refrain from any action that could affect our impartial judgment and objective action in the interest of the company.

When it comes to receiving gifts and hospitality, the company trusts its employees. Employees may accept such form of commercial attention, but it cannot represents a form of illegal enrichment that will affect their objective judgment and decision-making.

WE PROTECT PROPERTY AND INTERESTS OF ALL OF US

The interest of the company's shareholders represents the interest of all of us. Together, we are building an efficient, profitable and competitive company that represents a supportive and stable pillar for its employees. We protect property, interests, know-how of the company and handle them economically.
As a company, we oblige ourselves to protect our and others' intellectual property in all its forms - patents, copyrights, licenses, software, trademarks and brands, web and print content, various forms of design and other forms of intellectual property.

TRANSPARENCY IS THE SHORTEST WAY TO THE GOAL

We provide all required information on time with an emphasis on their completeness, propriety and correctness of their flow. We respect legitimate demands of others, and, at the same time, we insist on fulfilling our own demands so that continuity of the information chain is maintained and the information and data we provide lead to the fulfilment of set goals.

We always provide accurate and true values and information, correct data and outputs, and thus we enable fact-based decision-making. To ensure consistency of statements, only individual members of the board of directors and the PR and marketing department may speak on behalf of the company. Employees maintain confidentiality and do not take videos or photographs on company premises. The area of the company's external communication is the task of the PR and marketing department.

WE ARE NOT POLITICALLY ENGAGED

We do not use the good name and reputation, nor the assets of the company to support a certain political party or movement, belief, direction. At the same time, we exclude such support on company grounds in any way.
Like the company, its management takes an apolitical attitude too. We expect that an employee's political sympathies or membership in a political party or movement will not have a negative impact on the proper and honest performance and quality of his/her work.

ETHICAL CODE and code of conduct in practice

In cases where a situation arises in practice in which the observed behaviour is outside of our values and good manners defined in the valid code of ethics and it is not possible to solve it by agreement of the affected entities, an ethics commission is established. The application of principles of issued Code falls under the responsibility of the company's General Director, who convenes the Ethics Committee every time a complaint or suspicion is received and is responsible for checking and preventing possible retaliatory measures against the whistleblower. In addition to assessing notices, the Committee meets once a year (at the end of the calendar year) to updates the Code for the next calendar year.

RELATIONS WITH PUBLIC INSTITUTIONS

Relations with public institutions are based on correct, legal and maximally ethical approach that does not compromise the good reputation of our company. This condition also applies to direct or indirect contributions, expenses, gifts or entertainment provided by employees or other representatives of the company for the benefit of public institutions.

We all ensure maximum protection of processed personal and other data against their possible misuse in accordance with applicable legislation. When dealing with this data, we maintain confidentiality in accordance with the company's internal regulations as well as the generally applicable GDPR legislation. Employees who work with such data are retrained on a regular basis and proper compliance with these regulations is checked as part of internal audits of individual departments.

CYBER SECURITY

In the area of cybersecurity, we pay close attention to protecting our systems and data, particularly in light of the requirements of the NIS2 Directive and the Cybersecurity Act, which has been in effect since 2018 and was updated in accordance with the NIS2 requirements effective in 2025. In line with these regulatory frameworks, we are gradually implementing comprehensive security measures to strengthen our resilience against cyber threats. Part of these measures involves conducting regular penetration tests in both external and internal environments, which enable us to systematically identify and eliminate potential vulnerabilities in our IT infrastructure. At the same time, we are gradually building a multi-layered approach to cybersecurity that includes network protection, endpoint protection, access rights management, security event monitoring, and the protection of critical information assets. Security measures are designed and developed comprehensively, with an emphasis on protecting information assets, ensuring the availability of key services, and maintaining business continuity. Their effectiveness is continuously evaluated in light of risk analysis and evolving cyber threats. This approach enables us to continuously improve our level of cyber resilience and support the organization's sustainable development.

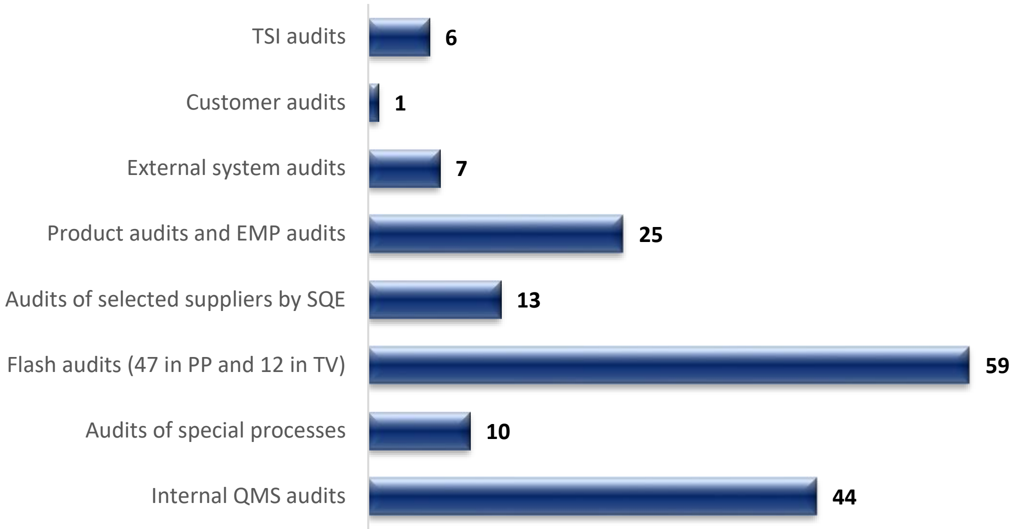
In the areas of IT and digitalization, we are also enhancing employee support through modern technologies. We have made an AI assistant available to all employees with computer access; it helps them with everyday work tasks such as word processing, searching for information, and creating documents. By implementing this solution, we are promoting increased productivity, the development of digital skills, and an innovative approach to work throughout the entire organization. These activities are a natural part of our broader approach to IT, which includes not only an emphasis on security and compliance with regulatory requirements, but also support for innovation, digitalization, and social responsibility.

CERTIFICATION AND AUDITING

The current era places high demands on the quality of products and processes, so that companies can satisfy the growing demands of customers. One of the basic tools for achieving and permanent ensuring of quality is considered to be building of an effective quality management system, which can be certified according to international ISO standards with respect to the industry. Currently, we are certified in accordance with the latest applicable standards ISO 22 163, ISO 9001, ISO 45001 a ISO 14001, and our goal is to continue in maintaining and increasing the level of certification of the company's products and systems. Since the beginning of the certification of our system according to ISO standards, we have noticed a positive trend of continuous improvement of our quality management system. In 2025, our company successfully completed its second periodic audit according to ISO/TS 22163:2017 with a rating of 84%, which represented a slight improvement compared to the 2024 recertification audit. With this result, we have maintained our "SILVER" performance level. The performance levels are introduced by UNIFE - the Association of the European Railway Industry with the aim of increasing the overall quality in the railway industry, focusing on the performance of companies in this sector. Maintaining the level of performance does not reflect only the effective implementation of the quality management system, but also the measurable results for the stakeholders. In 2025, our company also underwent seven additional external system audits in accordance with the relevant standards. All certifications were successful and the certificates or attestations for TVP were issued or confirmed. In addition to regular external audits, the company also conducts internal audits, purpose of which is to monitor the implementation and compliance with company regulations, guidelines and compliance with work procedures. Audits are carried out by selected employees of the company - internal auditors, who have undergone the necessary training and their task is to determine the percentage of compliance with system requirements and, in case of non-compliance, to agree on corrective measures and to evaluate their fulfilment at the subsequent audit.

The year-round efforts of all our employees to constantly improve quality of products and business processes bring visible results. An effective quality management system brings added value to the products we manufacture, which is ultimately perceived not only by the end customers in the form of meeting, or even exceeding, their expectations and requirements and product reliability, but also by employees, owners, or our other partners.

TYPE AND NUMBER OF AUDITS CARRIED OUT IN 2025



TAXONOMY EÚ – CALCULATION KPI

The entire world, including Europe, is currently facing enormous challenges, which include not only geopolitical tensions, security risks, and economic uncertainty, but also long-term environmental and climate change. Despite the changing geopolitical environment, the transition to a low-carbon and sustainable economy remains one of the European Union's key strategic goals. Climate protection, efficient use of natural resources and promotion of sustainable development continue to be an important part of European policies and regulatory frameworks.

In line with these objectives, the European Commission presented the European Green Deal in 2019, which establishes a framework for transforming the European economy toward climate neutrality, greater resilience to the effects of climate change and more efficient use of resources. The ambition of this initiative is to promote sustainable economic growth while reducing the environmental impacts of economic activities. This agreement is a tool for facing environmental and climate challenges and turning them into opportunities.

The aim of the Green Deal is to change the way we consume so that Europe becomes cleaner, healthier and climate neutral. It supports the transformation of the EU into a fair and prosperous society with a modern and competitive economy. It emphasizes that all policy areas must contribute to achieving the goals and supports measures across the entire economic spectrum.

The European Green Deal's vision is to reduce greenhouse gas emissions by 55% by 2030 and make the EU the world's first carbon-neutral region by 2050, reduce pollution levels and restore a healthy balance in nature and ecosystems.

In June 2020, the European Union adopted Regulation (EU) 2020/852 of the European Parliament and of the Council establishing a framework to facilitate sustainable investment, which has become one of the cornerstones of the European plan for financing sustainable growth. The goal of the EU taxonomy is to establish a uniform classification system for environmentally sustainable economic activities, increase the transparency of sustainability reporting, and enable financial institutions to direct capital toward projects and activities that contribute most to the European Union's environmental goals.

To this end, the Regulation creates a classification of economic activities according to their potential contribution to the six EU environmental objectives, namely:

- Climate change mitigation
- Adaptation to climate change
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

In accordance with Regulation (EU) 2020/852, Commission Delegated Regulation (EU) 2021/2139, which establishes technical screening criteria for the first two environmental objectives - climate change mitigation and climate change adaptation - and Commission Delegated Regulation (EU)

2023/2486, which amends Regulation 2021/2139, the company conducted an assessment of its economic activities and their compliance with the requirements of the EU taxonomy.

The assessment included an evaluation of eligibility and alignment of the identified economic activities in relation to all six environmental objectives of the EU Taxonomy. Based on this assessment, the company identified as relevant only those economic activities related to the first two environmental objectives - climate change mitigation and climate change adaptation - as set forth in Commission Delegated Regulation (EU) 2021/2139. Economic activities related to the remaining four environmental objectives, as supplemented by Commission Delegated Regulation (EU) 2023/2486, were not assessed as relevant to the company.

For a Company's activities to be considered in line with the EU taxonomy, three conditions must be met simultaneously:

- the activity must make a significant contribution to at least one of the six EU environmental objectives mentioned above,
- in accordance with the DNSH principle - “do no significant harm” - the activity must not significantly contribute to the deterioration of the remaining five EU environmental objectives in the sense of the 'do not significantly harm' principle,
- and at the same time, the activity must comply with the so-called 'minimum safeguards', i.e. the activity under consideration must respect fundamental human rights, standards for working conditions contained in international conventions or internationally recognised principles and guidelines for responsible business conduct.

According to the SK NACE statistical classification of economic activities, the company’s main business activity is classified under code 30.20 – Manufacture of railway locomotives and rolling stock. In accordance with Commission Delegated Regulation (EU) 2021/2139, this activity has been identified as taxonomically eligible and classified under activity 3.3 – Manufacture of low-carbon technologies for transport. This category primarily includes manufacture, repair, maintenance, modernization, retrofitting, and repurposing of vehicles and rolling stock.

The company is also engaged in production of components and subassemblies for rolling stock. Based on Commission Delegated Regulation (EU) 2023/2486, these activities were classified under economic activity 3.19 – Manufacture of components for railway rolling stock. This category includes manufacture, installation, technical consulting, modernization, retrofitting, repair, maintenance, and repurposing of products, equipment, systems, and software solutions related to railway components.

In assessing eligibility and alignment with the EU taxonomy, the company focused primarily on economic activities classified under codes 3.3 and 3.19, which constitute the majority of its business activities. The company also carries out other supporting and complementary activities, whose share of total revenue, capital expenditures (CAPEX), and operating expenses (OPEX) was assessed as insignificant. Given their immaterial nature, these activities were not subject to detailed analysis for the purposes of reporting under the EU taxonomy.

The company operates in the rail transport sector, which plays a significant role in promoting low-carbon mobility and transportation. Compared to several alternative modes of transportation, rail transport is characterized by lower emissions per unit of transport capacity, high energy efficiency, and the ability to transport large volumes of passengers or freight with relatively low energy consumption. The company's products are designed for use in a sector that promotes the shift of transport from higher-emission modes to rail transport, thereby contributing to the long-term reduction of greenhouse gas emissions in the transportation sector.

For these reasons, development of rail transport is considered one of the key prerequisites for achieving the European Union's climate and environmental goals.

Following the identification of taxonomically eligible economic activities, the company conducted an assessment of their alignment with the requirements of the EU taxonomy in accordance with Commission Delegated Regulations (EU) 2021/2139 and (EU) 2023/2486. The assessment included verifying a significant contribution to the environmental objective of climate change mitigation, as well as evaluating compliance with the "do no significant harm" (DNSH) principle in relation to other environmental objectives.

Based on the assessment conducted, the company concluded that its economic activities contribute significantly to the environmental objective of climate change mitigation, while at the same time not hindering the achievement of other environmental objectives of the European Union.

Based on the assessment of our economic activities - 3.3 and 3.19 - in the context of the DNSH principle, it was found that:

- **OBJECTIVE: Adaptation to climate change** - the activity meets the criteria set out in Appendix A of Annex 1 of Regulation 2121/2139 which requires an assessment of climate risks, their severity and an assessment of adaptation solutions that can mitigate both physical and climate risk while taking into account the lifetime of the activity.

  Given the nature of the activities carried out, no significant negative impact on the ability to adapt to climate change has been identified. The company is continuously taking measures to increase resilience of its operations, ensure the continuity of production processes, and protect its assets from potential climate impacts. At the same time, it monitors development of relevant climate risks and takes their potential future impact into account when making investment decisions.

- **OBJECTIVE: Sustainable use and protection of water and marine resources**

  The company's production processes are not characterized by high water consumption or significant impacts on water resources. In its use of water, the company adheres to the principles of efficient management and takes measures to reduce consumption and prevent water pollution.

  Wastewater management is carried out in accordance with the requirements of applicable legislation and is subject to regular monitoring. The company does not engage in activities that could lead to deterioration in the ecological or chemical status of surface and groundwater, nor to negative impacts on aquatic and marine ecosystems.

- **OBJECTIVE: Transition to a circular economy**

  In the design, manufacture, and modernization of rolling stock, the company takes into account the principles of efficient use of materials and extending the life cycle of products. The nature of the products manufactured allows for their long-term use, repair, refurbishment, modernization, and replacement of individual components without the need for premature decommissioning of the entire vehicle.

  The company supports recycling of materials and use of secondary raw materials wherever technically and economically feasible. As part of its waste management system, waste is sorted by type and handed over to authorized organizations for further recovery or recycling. The company's goal is to minimize the amount of waste sent for disposal and to promote the circular flow of materials.

- **OBJECTIVE: Pollution prevention and control**

  The company manages its environmental aspects with an emphasis on preventing pollution and continuously reducing negative impacts on the environment. In its production, it uses technological processes and equipment that meet current technical requirements and ensures compliance with all relevant emission limits.

  Part of its environmental management involves regular monitoring of emissions, handling of chemicals, and verification of compliance with legal requirements. Investments in modernizing technologies and improving energy efficiency also contribute to reducing the environmental impact of production processes.

- **OBJECTIVE: Protection and restoration of biodiversity and ecosystems**

  The company conducts its operations on existing industrial sites and does not operate in protected areas or areas of high natural value. Based on an assessment, no significant negative impact on the condition of habitats, protected species, or the ecological stability of the affected area was identified.

  When implementing investment projects, the company takes into account the requirements of environmental regulations, including environmental impact assessment processes, where applicable. At the same time, it takes measures to prevent environmental accidents and minimize potential negative impacts on surrounding ecosystems.

Based on the assessment conducted, the company concludes that its economic activities meet the requirements of the "Do No Significant Harm" principle in relation to other environmental objectives of the EU taxonomy and are in accordance with the relevant technical screening criteria.

In assessing the economic activities against the criteria set out in the delegated act, account has been taken of the environmental impacts of the economic activity itself as well as of the environmental impacts of the products during their life cycle, in particular in terms of production, use and end-of-life of those products.

In evaluating economic activities in accordance with the requirements of the Commission's Delegated Regulations, direct environmental impacts of the company's production and operational activities were taken into account, as well as indirect impacts associated with the entire life cycle of products, particularly during production, use, and end-of-life phases.

The company applies the principles of responsible business conduct in accordance with the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, as well as the requirements arising from the core conventions of the International Labour Organization (ILO) and the International Bill of Human Rights. No cases of human rights violations, including labour or consumer rights violations, were identified during the reporting period or in the company's previous operations.

The company has implemented a Code of Ethics that sets out rules regarding ethical conduct, prevention of corruption and bribery, and protection of human rights. To ensure compliance with the Code and to address any complaints, an Ethics Committee has been established as part of the internal management system.

Based on the above, the company meets the requirements for minimum social safeguards under Article 18 of Regulation (EU) 2020/852.

Based on an assessment of the technical screening criteria, the company's economic activities are classified under codes 3.3 and 3.19 of Delegated Regulations (EU) 2021/2139 and 2023/2486. These activities have been assessed as taxonomically eligible and, provided all relevant conditions are met, as aligned with the EU taxonomy.

The company prepares its financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

KPI CALCULATION

TURNOVER

Financial year (N)		2025		Significant contribution criterion						DNSH criterion (doesn not cause significant damage)									
Economic activities (1)	Code (a) (2)	Turnover (3)	Share of turnover Year N (4)	Mitigation of climate change (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Mitigation of climate changey (11)	Adaptation to climate change (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimal warranties (17)	Turnover share harmonized with taxonomy (A.1.) or authorised within authonomy (A.2.) turnover, year N-1 (18)	Category (supporting activity) (19)	Category (temporal activity) (20)
		EUR	%	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A/N	A/N	A/N	A/N	A/N	A/N	A/N	%	supporting	temporal
A. TAXONOMY - ELIGIBLE ACTIVITIES																			
A.1 Environmnetally sustainable activity (harmonized with taxonomy)																			
Production of low-carbon devices for transport	3.3	553 289 039	92,95%	A	N	N	N	N	N	A	A	A	A	A	A	A	94,87%	SUPPORTING	
Production of rolling stock components	3.19	34 523 667	5,80%	A	N	N	N	N	N	A	A	A	A	A	A	A	3,71%	SUPPORTING	
Turnover from environmnetally sustainable activity (harmonized with taxonomy) (A.1)		587 812 706	98,75%	A	N	N	N	N	N	A	A	A	A	A	A	A	98,58%		
From this - supporting		587 812 706	**98,75%**	**A**	**N**	**N**	**N**	**N**	**N**	A	A	A	A	A	A	A	98,58%	supporting	
From this - temporal		0	**%**	**%**													**%**		temporal
A.2 Activities eligible within taxonomy, but environmnetally unsustainable (activities not harmonised with taxonomy) [g]																			
				Eligible/Ineligible	Eligible/Ineligible	Eligible/Ineligible	Eligible/Ineligible	Eligible/Ineligible	%										
Turnover from activities eligible within taxonomy, but environmnetally unsustainable (activities not harmonised with taxonomy) (A.2)		0	**%**	**%**	**%**	**%**	**%**	**%**	**%**								**%**		
A. Turnover from taxonomy eligible activities (A.1+A.2)		587 812 706	98,75%	**%**	**%**	**%**	**%**	**%**	**%**								**98,58%**		
B. TAXONOMY - INELIGIBLE ACTIVITIES																			
Turnover from taxonomy Ineligible activities (B)		7 415 485	**1,25%**																
TOTAL (A + B)		595 228 191	**100%**																

KPI - TURNOVER consists of revenue from sales of own products, revenue from sales of goods and revenue from services rendered (the attached financial statements - section 20) - the turnover represents total revenue after deducting unbilled revenue from contracts with customers). 98,75% of revenue has been assessed as aligned with the EU taxonomy. Total revenue was adjusted for turnover from activities not related to the company's core business (IT support services, rental of land and non-residential premises, maintenance services, etc., energy distribution). Their values are individually insignificant and have been assessed as intangible. All these unclassified revenues are recorded in summary as turnover from non-eligible activities for taxonomy purposes.Compared to the previous period, we have recorded a 0.17% increase in the KPI value for activities aligned with the taxonomy. There were no changes in the method of calculating the KPI.

CAPEX

Financial year (N)	2025			Significant contribution criterion						DNSH criterion (does not cause significant damage)									
Economic activities (1)	Code (a) (2)	CAPEX (3)	Share of CAPEX Year N (4)	Mitigation of climate change (5)	Adaptation to climate change (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity (10)	Mitigation of climate changey (11)	Adaptation to climate change (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimal warranties (17)	CAPEX share harmonized with taxonomy (A.1.) or authorised within authonomy (A.2.) turnover, year N-1 (18)	Category (supporting activity) (19)	Category (temporal activity) (20)
Text		Currency	%	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A/N	A/N	A/N	A/N	A/N	A/N	A/N	%	supporting	temporal
A. TAXONOMY - ELIGIBLE ACTIVITIES																			
A.1 Environmnetally sustainable activity (harmonized with taxonomy)																			
Production of low-carbon devices for transport	3.3	15 527 810	85,11%	A	N	N	N	N	N	A	A	A	A	A	A	A	69,30%	supporting	
Production of rolling stock components	3.19	968 891	5,31%	A	N	N	N	N	N	A	A	A	A	A	A	A	2,85%	supporting	
CAPEX from environmnetally sustainable activity (harmonized with taxonomy) (A.1)		**16 496 701**	**90,42%**	**A**	**N**	**N**	**N**	**N**	**N**	**A**	**A**	**A**	**A**	**A**	**A**	**A**	**72,15%**		
From this - supporting		16 496 701	90,42%	A	N	N	N	N	N	A	A	A	A	A	A	A	72,15%	supporting	
From this - temporal			**%**	**%**													%		temporal
A.2 Activities eligible within taxonomy, but environmnetally unsustainable (activities not harmonised with taxonomy) [g]																			
							Eligible/Ineligible	Eligible/Ineligible			Eligible/Ineligible		Eligible/Ineligible				Eligible/Ineligible		
CAPEX from activities eligible within taxonomy, but environmnetally unsustainable (activities not harmonised with taxonomy) (A.2)		0	0,00%	**%**	**%**	**%**		**%**	**%**	**%**							**0**		
A. CAPEX from taxonomy eligible activities (A.1+A.2)		16 496 701	90,42%	**A**	**N**	**N**		**N**	**N**	**N**							**72,15%**		
B. TAXONOMY - INELIGIBLE ACTIVITIES																			
CAPEX from taxonomy Ineligible activities (B)		1 747 374	**9,58%**																
TOTAL (A + B)		18 244 075	**100%**																

CAPEX consists of additions to tangible and intangible assets, including their technical development, and the capitalization of the 25% share of direct costs incurred for research and development (financial statements part 4 and 5, additions from 1.1.2025 to 31.12.2025). All ongoing investment projects were assessed. 90.42% of the total CAPEX is aligned with the EU taxonomy, as a detailed assessment has shown that it was spent on securing or supporting the company's core activities.

Given that production under codes 3.19 and 3.3 takes place in shared production facilities and using shared machinery, it is not possible to clearly divide and allocate CAPEX. For the purposes of KPI evaluation, capital expenditure incurred in 2025 was allocated to individual business activities of the company according to the percentage share of the activity's turnover in the total harmonized turnover for the reporting period. Compared to the previous year, we have recorded a 18.27% increase in the KPI value for activities aligned with the taxonomy. This increase is due solely to the structure of capital expenditures - compared to 2024, investments were directed primarily toward equipment used to support the company’s core business and were therefore assessed as aligned with the taxonomy. There were no changes in the method of calculation on a year-on-year basis.

OPEX

Financial year (N)	2025			Significant contribution criterion						DNSH criterion (does not cause significant damage)									
Economic activities (1)	**Code (a) (2)**	**OPEX (3)**	**Share of OPEX Year N (4)**	**Mitigation of climate change (5)**	**Adaptation to climate change (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**	**Biodiversity (10)**	**Mitigation of climate changey (11)**	**Adaptation to climate change (12)**	**Water (13)**	**Pollution (14)**	**Circular economy (15)**	**Biodiversity (16)**	**Minimal warranties (17)**	**OPEX share harmonized with taxonomy (A.1.) or authorised within authonomy (A.2.) turnover, year N-1 (18)**	**Category (supporting activity) (19)**	**Category (temporal activity) (20)**
Text		Currency	%	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A; N; Ineligible (b)(c)	A/N	A/N	A/N	A/N	A/N	A/N	A/N	%	supporting	temporal
A. TAXONOMY - ELIGIBLE ACTIVITIES																			
A.1 Environmnetally sustainable activity (harmonized with taxonomy)																			
Production of low-carbon devices for transport	3.3	6 865 717	88,35%	Á	N	N	N	N	N	A	A	A	A	A	A	A	91,64%	supporting	
Production of rolling stock components	3.19	428 401	5,51%	Á	N	N	N	N	N	A	A	A	A	A	A	A	3,77%	supporting	
OPEX from environmnetally sustainable activity (harmonized with taxonomy) (A.1)		7 294 118	93,87%	Á	N	N	N	N	N	A	A	A	A	A	A	A	95,41%		
From this - supporting		7 294 118	93,87%	Á	N	N	N	N	N	A	A	A	A	A	A	A	95,41%	supporting	
From this - temporal		0	**%**	**%**													%		temporal
A.2 Activities eligible within taxonomy, but environmnetally unsustainable (activities not harmonised with taxonomy) (g)																			
				Eligible/Ineligible	Eligible/Ineligible	Eligible/Ineligible	Eligible/Ineligible	Eligible/Ineligible	%										
OPEX from activities eligible within taxonomy, but environmnetally unsustainable (activities not harmonised with taxonomy) (A.2)		0	**%**	**%**	**%**	**%**	**%**	**%**	**%**								**%**		
A. OPEX from taxonomy eligible activities (A.1+A.2)		7 294 118	93,87%	**%**	**%**	**%**	**%**	**%**	**%**								**95,41%**		
B. TAXONOMY - INELIGIBLE ACTIVITIES																			
OPEX from taxonomy Ineligible activities (B)		476 515	**6,13%**																
TOTAL (A + B)		7 770 633	**100%**																

OPEX includes non-capitalized costs related to building renovation, maintenance, and repairs—we include costs for routine repairs, servicing, and preventive maintenance of machinery and equipment necessary to ensure the smooth and efficient operation of production. In addition, short-term leases of machinery and equipment and the non-capitalized portion of direct costs incurred for research and development in 2025 were assessed for the purposes of the EU taxonomy. Eligible expenses also included the personnel costs of internal mechanical and construction maintenance staff. 93.87% of the total OPEX has been assessed as aligned with the EU taxonomy as these costs were necessarily incurred to support the company's core business.

Given that production under codes 3.19 and 3.3 takes place in shared production facilities and using shared machinery, it is not possible to clearly divide and allocate OPEX. For the purposes of evaluating KPIs, operating expenses were allocated to individual activities according to the percentage share of the activity's turnover in the total harmonized turnover for the reporting period.

Operating expenses were assessed at the level of individual items, not by overall allocation to the company's main activity.

In a year-on-year comparison, we recorded a decline in aligned OPEX from 95.41% to 93.87%, a change caused mainly by the structure of expenses for short-term leases. There were no changes in the method of calculating KPIs compared to the previous period.