

KOLEJ
DROGI
OBIEKTY  TRAKCJA

2021 results | TRAKCJA GROUP



GENERAL INFORMATION

70 years

of experience in
innovativeness



WHO WE ARE:

Trakcja Group comprises of entities specialized in key sectors of **infrastructure and general construction** in Poland.

We operate in the Baltic Sea area, mainly in **Poland and Lithuania**, but also in Latvia, Germany and Sweden, as well as Belarus and Ukraine.

We deliver contracts in scope of construction of **railway, tram and trolleybus lines**. We specialize in the construction of **roads, bridges, engineering and cubature facilities**, as well as in the field of **environmental engineering**.

We are also active in the energy industry as a contractor of cable and overhead power lines and a producer of equipment for the railway and trams power supply systems. We also provide design services.

TRAKCJA GROUP ACTS AS A GENERAL CONTRACTOR IN THE AREA OF RAILWAY AND ROAD CONSTRUCTION



RAILWAY CONSTRUCTION



TRACK WORKS

complex construction and modernization of railway lines: earthworks, drainage works, track bed and surface works, both in traditional and ballastless technology



OVERHEAD LINE WORKS

installation of foundations, poles, installation of the overhead line, disconnectors, renovation and repairs of the existing overhead line, installation of the overhead line of a special design, e.g. in tunnels



SPECIALISTIC SERVICES

- own railway vehicle service center
- our services include P3 level inspections of wagons, locomotives, track machines and special vehicles



ROAD CONSTRUCTION



- construction of express roads, highways and local roads: laying road pavement, construction of engineering facilities, drainage, lighting, sewage systems and infrastructure for pedestrians and cyclists
- production of bituminous masses for own contracts and external customers needs



ENGINEERING FACILITIES



BRIDGES, OVERPASSES, TUNNELS

construction of engineering facilities such as overpasses, railway and road bridges, culverts, tunnels, overground and underground pedestrian crossings



ENERGY CONSTRUCTION



- construction of traction substations for the purposes of supplying railway, tram and trolleybus lines, also as sectional cabins
- installation of lighting, fire protection, lightning protection, railway traffic control and passenger infrastructure, as well as other safety systems for large-volume facilities
- construction of renewable energy sources (RES) installations and energy storage



CUBATURE CONSTRUCTION



- construction of buildings of public utility and objects related to the operation of rail vehicles, e.g. train washes and service halls connected with administrative areas
- real estate activity - incl. detached houses, apartment blocks and housing estates



OTHER ACTIVITIES



INDUSTRIAL PRODUCTION

- production of medium and low voltage switchgears in the field of direct and alternating current
- production of supporting structures for the railway overhead line



ENVIRONMENTAL ENGINEERING

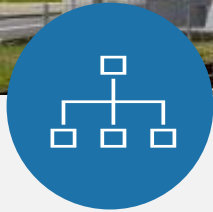
construction of modern water supply networks and collectors, sanitary sewage system, sewage treatment plants and pumping stations as well as reinforced concrete tanks, facilities related to waste management and environmental protection; construction of water supply connections



DESIGN SERVICES

program/spatial concepts, feasibility studies, construction designs, detailed designs, cost estimates and other types of tender and construction documentation

full offer in terms of
infrastructure construction



COMPANIES COMPETENCIES



railways



trams



roads



photovoltaics



production



environmental
engineering



energy



cubature



bridges



rental of personnel



design

Trakcja

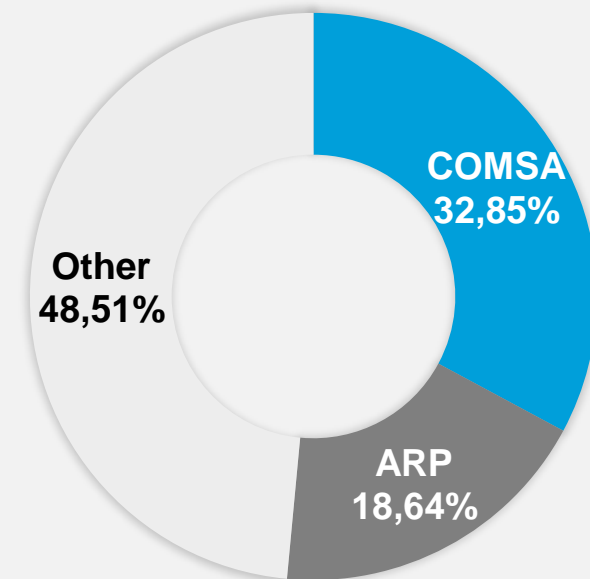
Railway, road, engineering,
energy, cubature
construction, design

- AB Kauno Tiltai (98,09%) Filie
Construction of roads, bridges, railway, energy construction
- BTW sp. z o.o. (100%)
Tracks, welding works, equipment services
- PEUIM sp. z o.o. (99,7%)
Construction of roads and bridges
- TORPROJEKT sp. z o.o. (82,35 %)
Design activity
- PRK 7 Nieruchomości sp. z o.o. (100%)
Real-estate development activity
- Dalba sp. z o.o. (100%)
Environmental engineering
- PDM S.A. (94,62%) Trakcja Ukraina (100%)
Rental of personnel and equipment Road construction

Shareholders structure of TRAKCJA S.A.

Shareholders with over 5% of share capital

Shareholder	Number of shares
COMSA S.A.	28 399 145
Agencja Rozwoju Przemysłu*	16 117 647
Other shareholders	41 934 184
Total	86 450 976



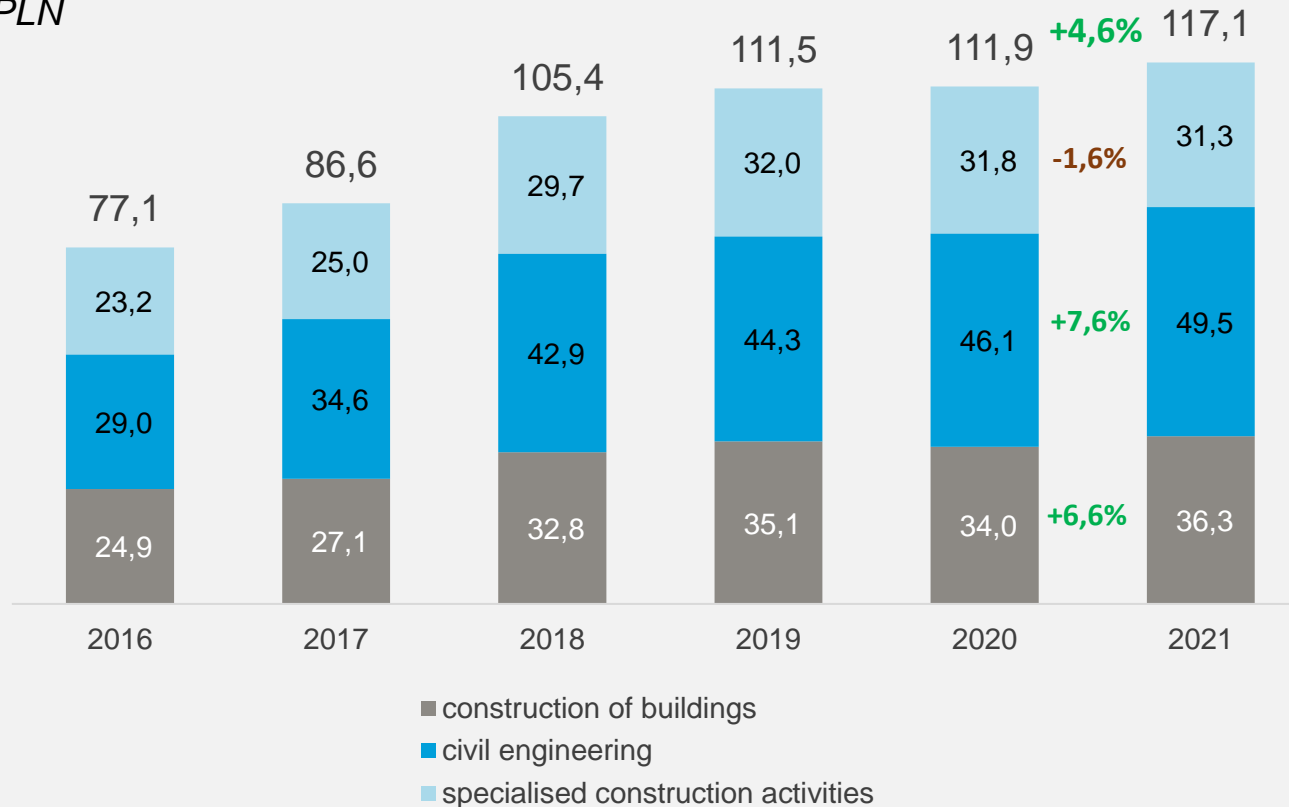
* Under an agreement concluded between Agencja Rozwoju Przemysłu (ARP) and PKP Polskie Linie Kolejowe S.A. (PKP PLK), ARP, in a way agreed with PKP PLK, executes voting right from the shares held in the share capital of Trakcja S.A. (in accordance with the information released by Trakcja S.A. in the Current Report 12/21 from May 24, 2021).



MARKET INFORMATION

Sales value of construction and assembly production by PKD divisions (current prices)

bn PLN

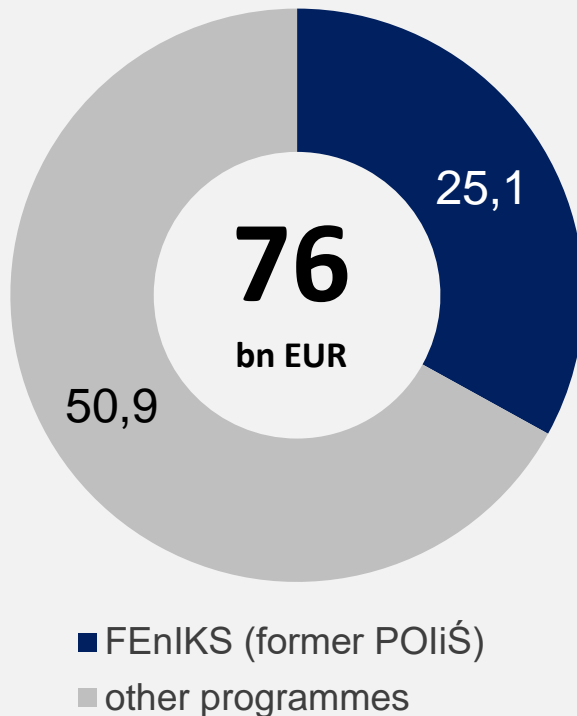


The construction and assembly production market in 2021 was 4,6% higher than in 2020.

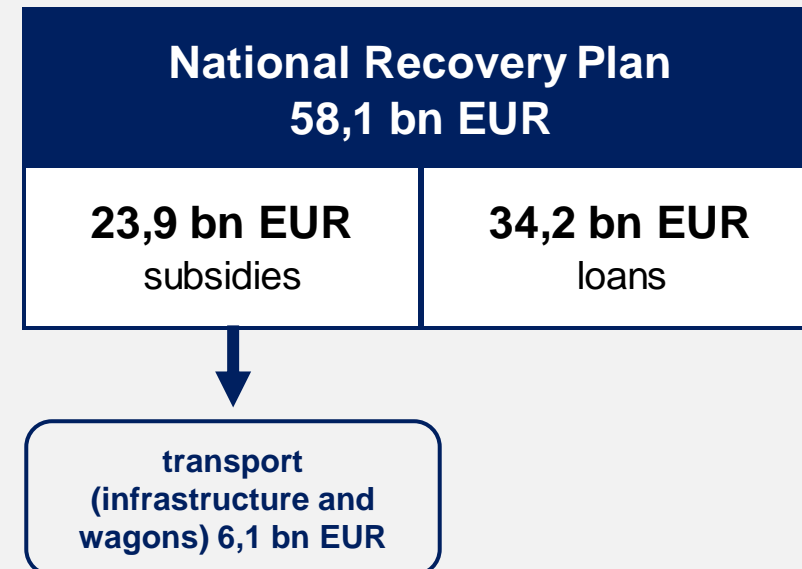
The highest increase was recorded in the sector of works related to the civil engineering construction (+3,4 bnPLN, i.e. 7,6% y / y).

Financing from the EU funds for the years 2021-2027

Funds for Poland within the EU budget for years 2021-2027 (bn EUR)

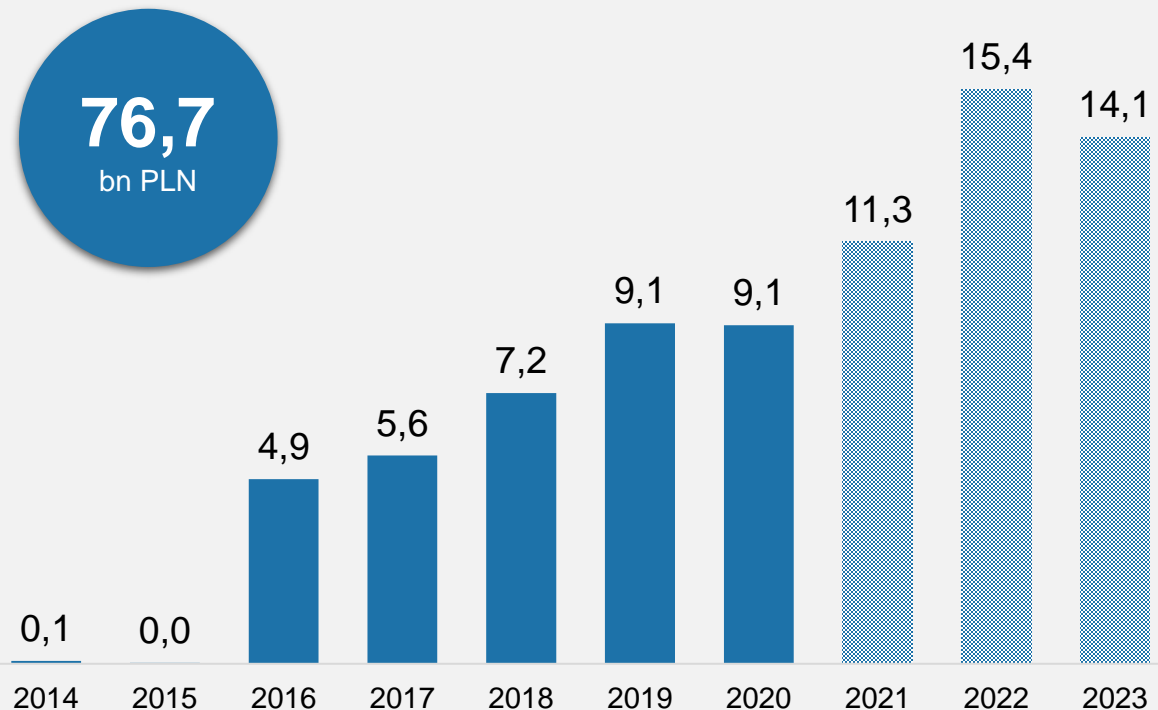


Planned allocation of funds for Poland under UE Recovery and Resilience Facility for years 2021-2027 (bn EUR)



Actual and planned expenditures for the National Railway Programme

(bn PLN)



source: KPK Programme update from November 26, 2021

The National Railway Program until 2023 (KPK) is a long-term government program implementing national development strategies for the construction and modernization of railway infrastructure. Current value of the programme amounts to **76,7 bn PLN**. For Q2 2022, there is a **planned update of the Programme, which will extend it to year 2030, adjusting it to new EU financial perspective for the years 2021-2027.**

Other Railway Development Programs:

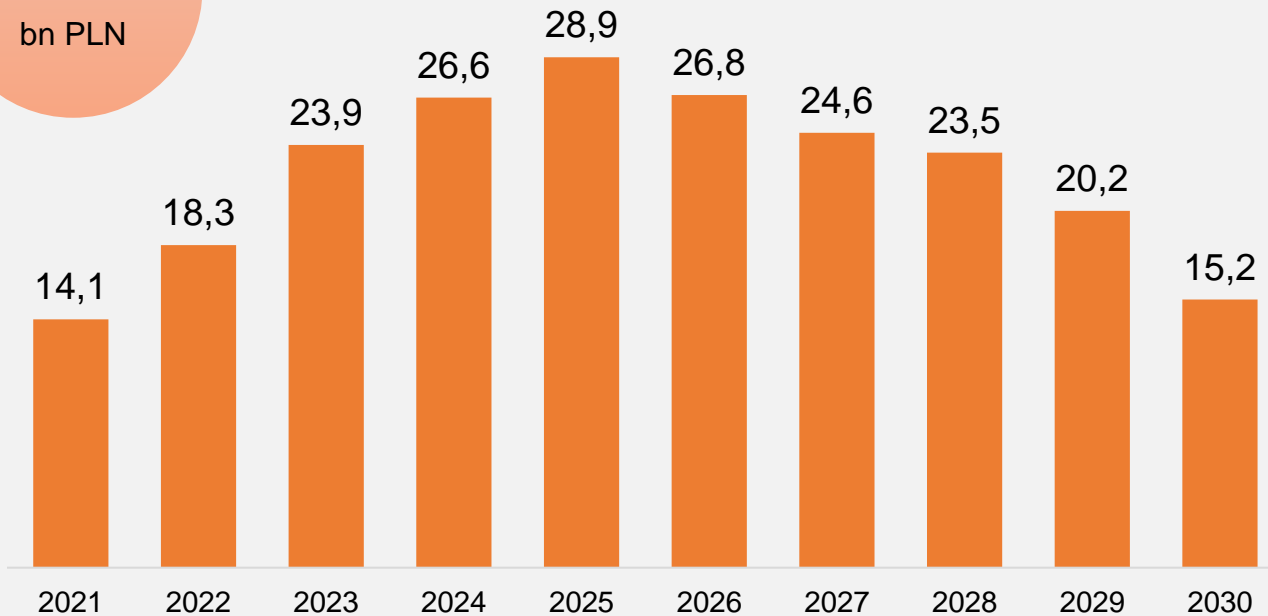
1. Aid in financing the costs of managing railway infrastructure, including maintenance and repairs until 2023 - **23.8 bnPLN**
2. Railway Stations Investments Program for 2016 - 2023 - **1.6 bnPLN**
3. Program for Supplementing the Local and Regional Railway Infrastructure „Railway +0” until 2028 - **6.6 bnPLN**
4. The government program for the construction or modernization of railway stops for the years 2021–2025 - **1 bnPLN**

The railway component within the CPK project – it assumes the **construction of 1,800 km of new lines by 2034**. As part of the project, 12 new railway routes will be built, including 10 so-called „spokes” leading to the new ‚Solidarity Airport’ and Warsaw. The cost of the railway component is estimated at **8-9 bn PLN**. The first construction works are to start in 2023.

source: gov.pl, CPK.pl

Planned expenditures for national roads in the period 2021-2030 and after 2030

292
bn PLN



+ 69,7 bn PLN

after 2030

source: RPBDK

On August 9, 2021, the government announced the project of the **"Government Program for the Construction of National Roads until 2030 (with a perspective until 2033)"**. It is a continuation of the National Road Construction Program for 2014-2023 (with a perspective until 2025) from September 8, 2015.

The approximate total value of the program amounts to **292 billion PLN**. Currently the project is under public consultations.



FINANCIAL DATA

SUMMARY OF 2021



Contracts signed in 2021

1 371
mPLN

Order backlog as of
31.12.2021

2 171
mPLN

Consolidated sales revenues

1 425
mPLN

Consolidated gross
profit (loss) on sales

58
mPLN

Consolidated EBITDA

59
mPLN

Consolidated net
profit (loss)

-12
mPLN

Consolidated Profit & Loss for the 12 months of 2021 (mPLN)

	01.01.2021 - 31.12.2021	01.01.2020 - 31.12.2020 <i>Modified*</i>
Sales revenues	1 425	1 339
Gross profit (loss) on sales	58	7
<i>Gross profit margin on sales</i>	<i>4,0%</i>	<i>0,5%</i>
SG&A	-67	-63
Other operating activity (balance)	31	4
Operating profit (loss)	22	-90
<i>Operating profit margin</i>	<i>1,6%</i>	<i>-6,7%</i>
Financial activity (balance)	-24	-30
Gross profit (loss)	-2	-120
Net profit (loss)	-12	-110
<i>Net profit margin</i>	<i>-0,8%</i>	<i>-8,2%</i>
EBITDA	59	-14
<i>EBITDA margin</i>	<i>4,2%</i>	<i>-1,0%</i>

In year 2021, Trakcja Group generated revenues of 1 425 mPLN, which increased by 6,4% compared to the corresponding period of the previous year. The Group ended the year 2021 with a gross profit on sales of 58 mPLN, which increased by 50,4 mPLN compared to the period ended December 31, 2020.

The gross profit margin on sales in the discussed period was 4,0% and was by 3.5 pp. higher than in the corresponding period of 2020.

The Group ended the year 2021 with operating profit of 22 mPLN, which is an improvement of 112,3 mPLN compared to year 2020.

The Group ended the year 2021 with a net loss of 12 mPLN, which is an improvement of 98,4 mPLN compared to the period ended December 31, 2020.

EBITDA at the end of 2021 amounted to 59 mPLN and was 73 mPLN higher than in 2020. The EBITDA profit margin increased by 5,2 p.p., reaching the level of 4,2%.

Consolidated Balance Sheet as of 31.12.2021

(mPLN)

ASSETS	31.12.2021	31.12.2020	EQUITY AND LIABILITIES	31.12.2021	31.12.2020
Non-current assets	561	581	Equity	320	337
Tangible non-current assets	266	285	Long-term liabilities	356	341
Intangible assets	4	4	Interest-bearing loans and borrowings	302	281
Goodwill	182	187	Bonds	28	28
Investment properties	35	27	Other	26	32
Other	74	79	Short-term liabilities	702	800
Current assets	818	896	Interest-bearing loans and borrowings	92	86
Inventory	107	113	Provisions	37	54
Trade and other receivables	331	420	Trade and other liabilities	370	437
Assets under contracts with customers	197	203	Liabilities under contracts with customers	181	201
Cash	127	136	Other	21	23
Other	55	24			
Total Assets	1 379	1 478	Total Equity & Liabilities	1 379	1 478

As of December 31, 2021, the balance sheet total of Trakcja Group amounted to 1 379 mPLN and decreased by 99 mPLN, i.e. 6,7% compared to the end of 2020.

Non-current assets as of December 31, 2021 amounted to 561 mPLN and was lower by 20,5 PLN than in December 31, 2020. Current assets as of the end of 2021 amounted to 818 mPLN and decreased by 78,7 mPLN compared to the end of 2020.

At the end of 2021, the value of total equity decreased by 17 mPLN compared to the level on December 31, 2020 and reached the level of 320 mPLN.

As of December 31, 2021, long-term liabilities amounted to 356 mPLN, which means an increase by 4,6%. Short-term liabilities as of December 31, 2021 amounted to 702 mPLN and decreased by 97,6 mPLN compared to the end of the previous year.

Stand-alone Profit & Loss for the 12 months of 2021 (mPLN)

	01.01.2021 - 31.12.2021	01.01.2020 - 31.12.2020 Modified*
Sales revenues	793	653
Gross profit (loss) on sales	15	-25
<i>Gross profit margin on sales</i>	<i>1,9%</i>	<i>-3,8%</i>
SG&A	-33	-30
Other operating activity (balance)	20	0
Operating profit (loss)	2	-55
<i>Operating profit margin</i>	<i>0,3%</i>	<i>-8,4%</i>
Financial activity (balance)	7	-25
Gross profit (loss)	10	-79
Net profit (loss)	4	-70
<i>Net profit margin</i>	<i>0,5%</i>	<i>-10,8%</i>
EBITDA	22	-34
<i>EBITDA margin</i>	<i>2,8%</i>	<i>-5,3%</i>

In 2021, Trakcja S.A. achieved sales revenues in the amount of 793 mPLN, which increased by 21% compared to the same period of the previous year.

The gross profit margin on sales in 2021 was 1,9% and increased by 5,7 pp. compared to the margin in 2020.

In the period of 12 months of 2021, the Company generated operating profit in the amount of 2 mPLN, compared to the 55 mPLN of operating loss for the period of 12 months of 2020.

The company ended 2021 with a net profit of 4 mPLN, which is an improvement of 74,3 mPLN compared to the result achieved in 2020.

EBITDA in the period of 12 months of 2021 amounted to 22 mPLN and was 56,4 mPLN higher than in the corresponding period of 2020. The EBITDA margin increased by 8,0 pp, reaching 2,8%.

Stand-alone Balance Sheet as of 31.12.2021 (mPLN)

ASSETS	31.12.2021	31.12.2020	EQUITY AND LIABILITIES	31.12.2021	31.12.2020
Non-current assets	586	614	Equity	284	280
Tangible non-current assets	144	159	Long-term liabilities	335	294
Intangible assets	51	51	Interest-bearing loans and borrowings	304	264
Investments in subsidiaries	289	307	Bonds	28	28
Investment properties	25	24	Other	3	3
Other	77	72	Short-term liabilities	435	560
Current assets	467	521	Interest-bearing loans and borrowings	78	95
Inventory	52	46	Provisions	24	42
Trade and other receivables	231	308	Trade and other liabilities	245	302
Assets under contracts with customers	153	137	Liabilities under contracts with customers	77	111
Cash	17	7	Other	11	11
Other	15	22			
Total Assets	1 054	1 135	Total Equity & Liabilities	1 054	1 135

The balance sheet total as of December 31, 2021 amounted to 1 054 mPLN and was lower by 80,7 mPLN than at the end of 2020.

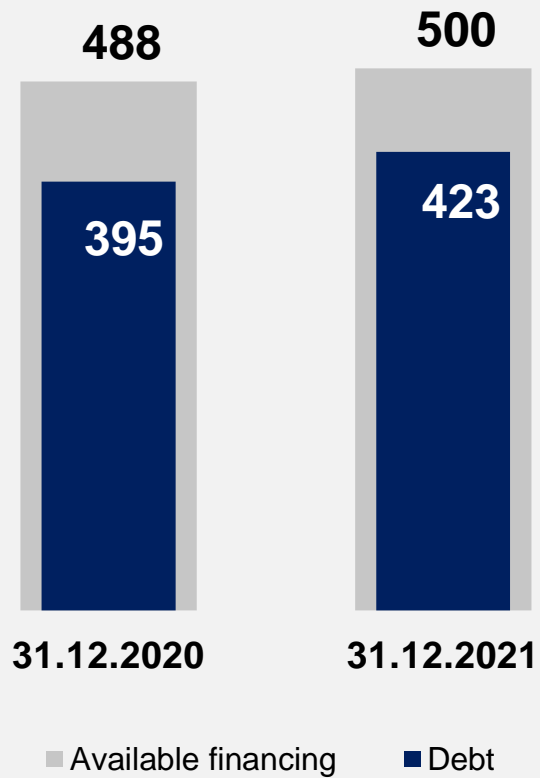
The value of non-current assets as of December 31, 2021 was 586 mPLN and decreased by 4,5% compared to December 31, 2020. Current assets at the end of 2021 amounted to 467 mPLN compared to 521 mPLN as of December 31, 2020.

The Equity as of December 31, 2021 amounted to 284 mPLN and increased by 4,1 mPLN compared to December 31, 2020.

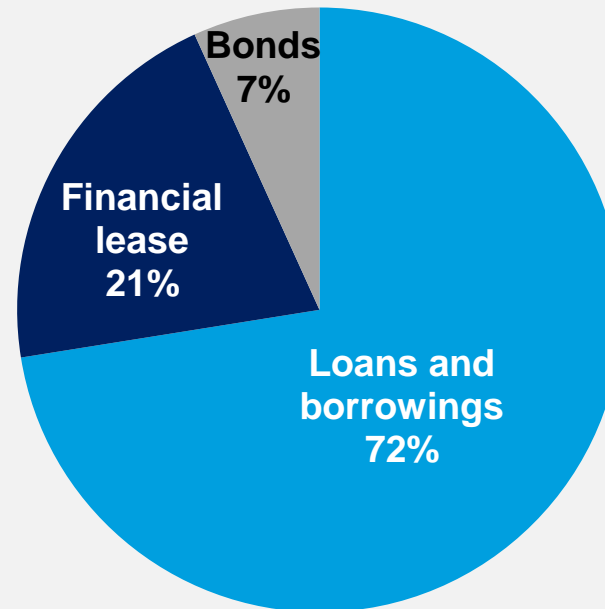
Long-term liabilities at the end of 2021 amounted to 335 mPLN and increased by 13,8% compared to the value as of December 31, 2020. Short-term liabilities amounted to 435 mPLN and decreased by 125,6 mPLN, ie 22,4% compared to the end of the previous year.

TRAKCJA GROUP DEBT

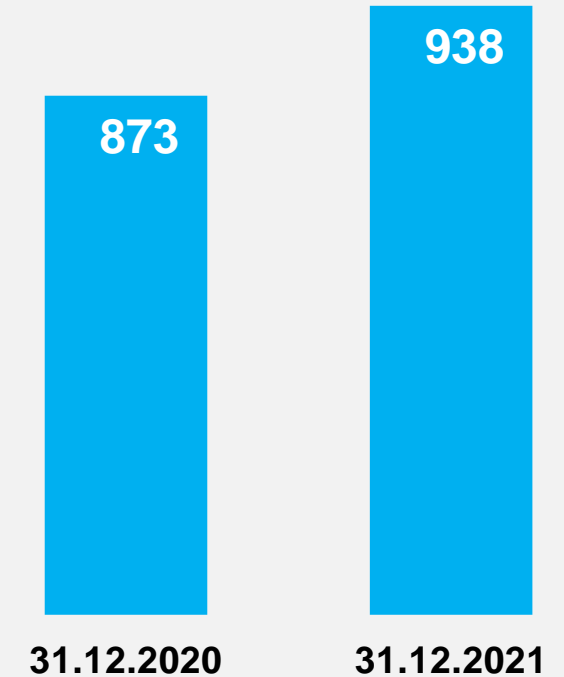
Available financing



Financing sources in Trakcja Group as of 31.12.2021



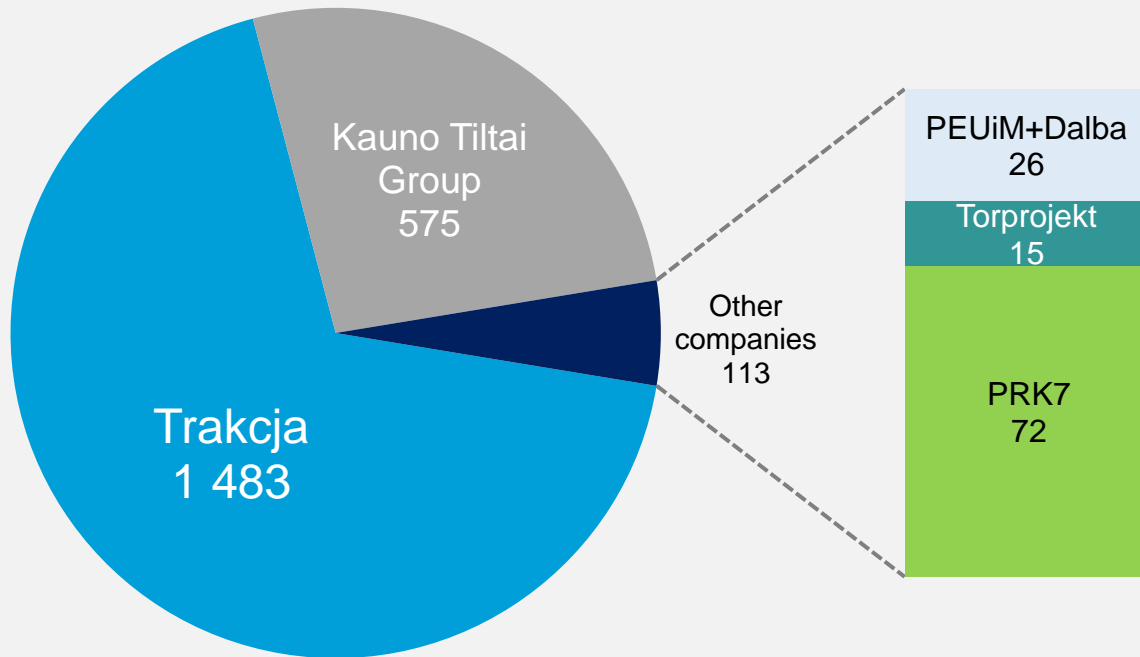
Use of guarantee lines



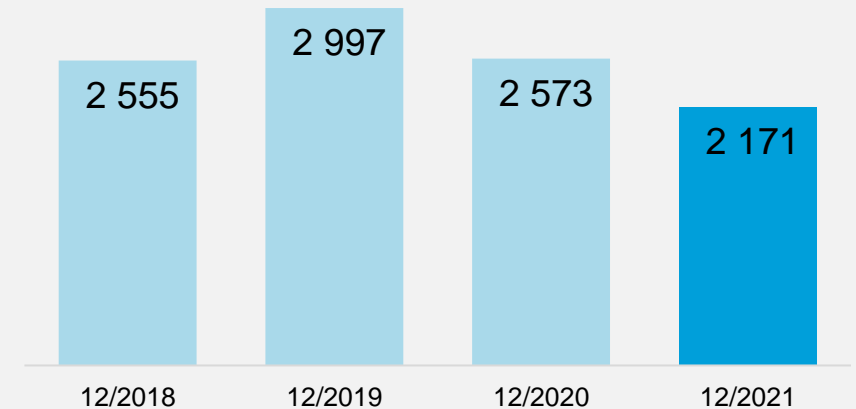


PROJECTS

Order backlog of Trakcja Group as of 31.12.2021



Trakcja Group Order Backlog as of 31st December in 2018-2021 (mPLN)

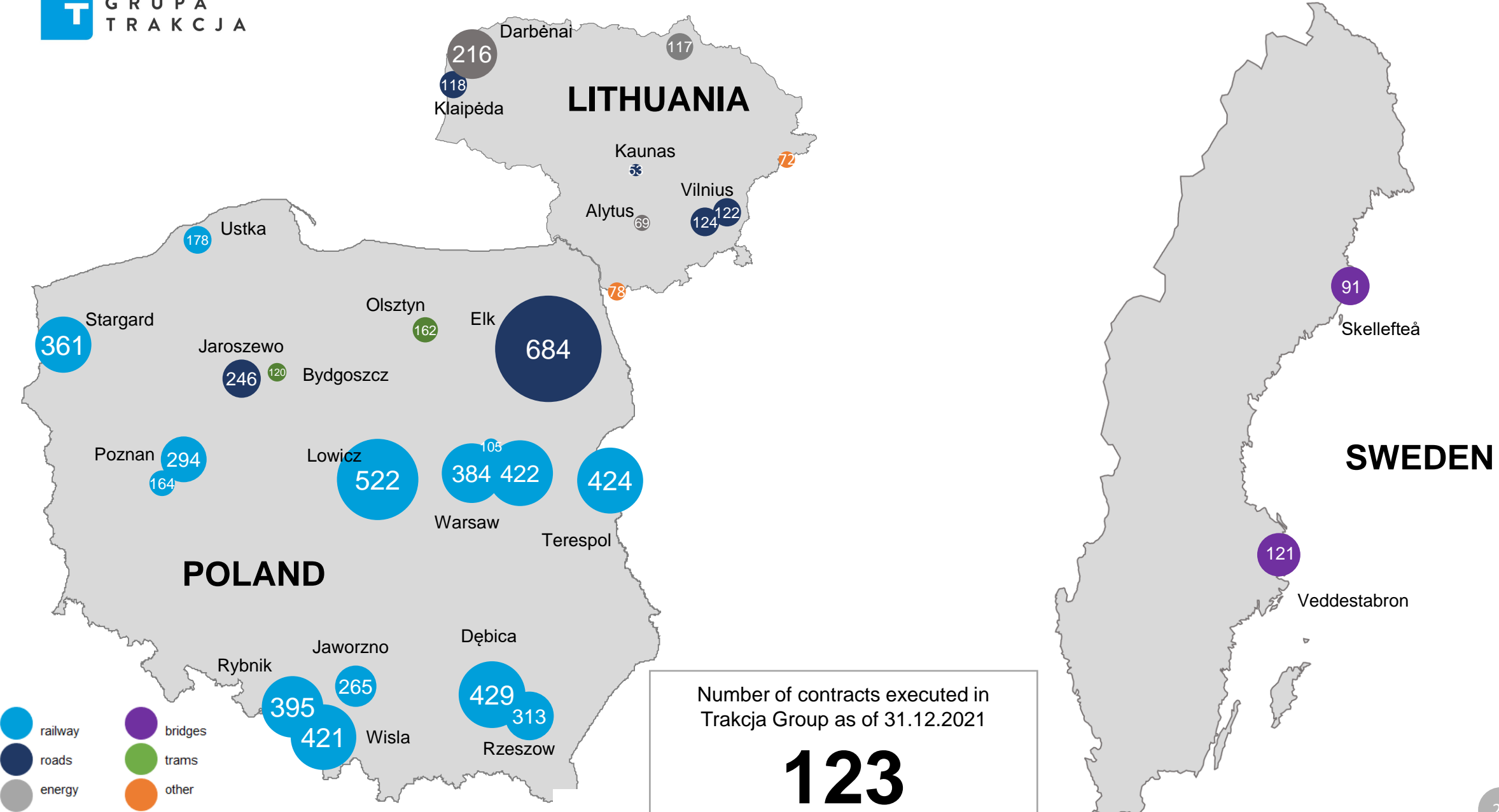


Trakcja Group Order Backlog
as of 31.12.2021

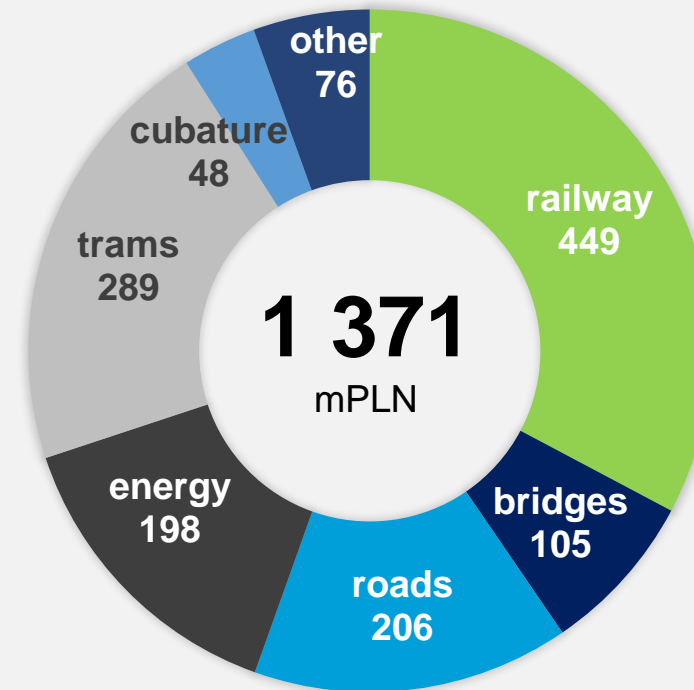
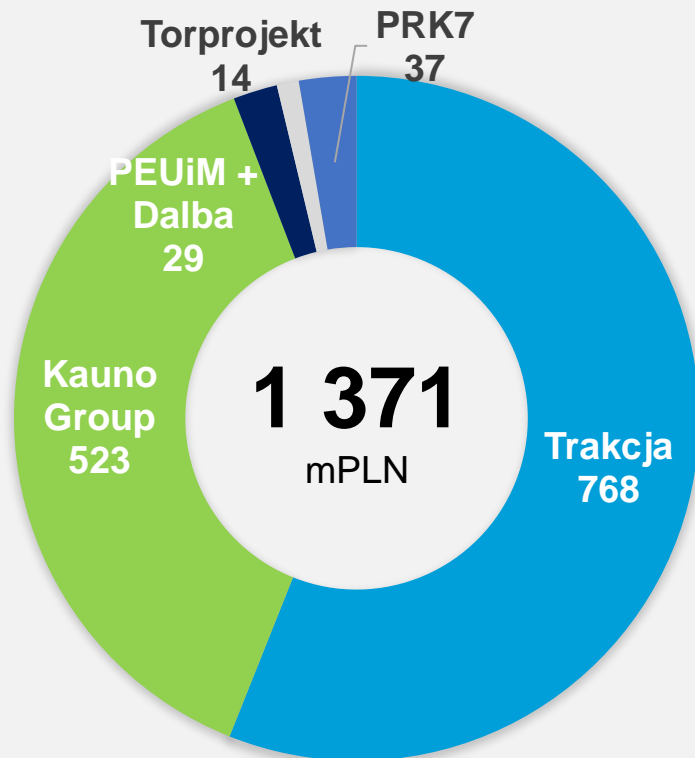
2 171 mPLN

excluding consortium partners

Key contracts executed in Trakcja Group as of 31.12.2021



Value of contracts signed in Trakcja Group in 2021 (mPLN)





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