

TESMEC RAIL AND ŠKODA GROUP, TWO INTERNATIONAL EXCELLENCES SIGNED A COLLABORATION AGREEMENT OFFERING AN INNOVATIVE AND GREEN SOLUTION FOR THE RAIL MARKETS

- **Tesmec Rail vehicles with Škoda Group electrically-powered traction solutions: innovative and sustainable offer with high efficiency to respond to an important request generated by the huge investments according to the National Recovery and Resilience Plan to encourage the development of sustainable railway infrastructures.**
- **Integrated green product that is competitive both on the diagnostic rail vehicle market and catenary construction and maintenance vehicles markets.**
- **An excellence from the environmental sustainability and technology point of view: solutions for the railway markets in line with the Group' strategy promoting the development of sustainable technologies for electrification projects and the diagnostic of the railway network.**
- **The cooperation will also enhance safety on the rail as the solution will have the modern technologies**

Grassobbio (Bergamo), May 29, 2023 – Tesmec Group, a leading company in the market of technologies dedicated to infrastructure (overhead, underground and railway networks) for transport of electricity, data and materials (oil and derivatives, gas and water), as well as technologies for quarrying and surface mining, with its subsidiary Tesmec Rail and Škoda Group, a leading European manufacturer of components like electric drive systems and electric motors and vehicles for public transport, announce the signing of a collaboration agreement aimed at the technological cooperation in the sector of railway working and diagnostic vehicles to develop a worldwide state of art performing and environmentally friendly products.

A new strategic collaboration between two worldwide excellences in the rail market. The railway sector is in front line for the energy and ecological transition. Indeed, every cargo or passenger that passes from the road to the rail contributes to reducing carbon dioxide emissions. Railway infrastructures are an important factor for the sustainable development and Tesmec Rail confirms itself as a leading player on the international market and from now with zero emissions solutions.

Tesmec's development strategy is increasingly pushed by sustainable innovation with particular attention to the electrification working railway vehicles to minimize the environmental impact and to the diagnostics & digitization to increase the predictive maintenance and the safety and of the railway networks.

The goal of Tesmec Group and Škoda Group is the sustainable mobility. This collaboration expresses the strong interest of both companies to expand their business through a regulated business partnership to create and support a new model of business based on technological development and promotion Tesmec rail vehicles equipped with Škoda electrically-powered traction solutions suitable for full electric and hybrid propulsion systems including transmission those based on an energy storage integration not only to minimize the environmental impact and for energy recovery too.

Tesmec Rail and Škoda Group customized their standard products to create **an integrated green product that is competitive** both on the diagnostic rail vehicle market and catenary construction and maintenance vehicles markets. The new integrated products working vehicles combined with commercial synergies and cooperation will allow both companies to strengthen their business and expand their market share in the target markets.

The Czech Group has been able to recognize in Tesmec a qualified and renowned partner able to satisfy the market requests on time and efficiently thanks to the great knowledge of the markets, the experience of their dynamics, the great skill born from the comparison with ever-changing needs.

Tesmec Rail identified Škoda Group as key Player on the market, whose customization capability, competitiveness, and strong power of the brand enrich the value of cutting-edge railway solutions.

The first collaboration started in 2020 when Tesmec Rail awarded the RFI tender -Rete Ferroviaria Italiana - for the supply of n° 4 electrified railway vehicles for the diagnostic of the Italian network.

In 2022, RFI awarded Tesmec Rail for the supply of n° 44 railway vehicles with electric transmission equipped with a bimodal propulsion system; this means that the vehicles can be powered both from the contact line at 3 kV DC (Lot 1) or at 25 kV AC (Lot 2) and from a diesel engine-generator.

These first two important milestones were reached also thanks to the technological contribution of Škoda Group.

The President and CEO Ambrogio Caccia Dominioni commented as follow: *"When we talk about the future, sustainability and innovation are the two pillars, a winning combination between technological development and compliance with environmental policies. The challenge of green and sustainable technologies represents a great opportunity for an international company like Tesmec Group. There are many changes to face. Therefore, we require an accurate planning, "technological curiosity" and strategic collaborations such as the one with Škoda. It's a path that we will continue to follow with ever greater conviction".*

The President Components & Bus Mobility at Škoda Group, Mr. Petr Novotný, commented as follow: *"It is with great pleasure that we, together with Tesmec, a major player in infrastructure technology, embark on a journey to change the transport industry. At Škoda Group, we have always been driven by innovation. We are committed to pushing the boundaries. By equipping Tesmec's vehicles with our advanced traction equipment, we aim to redefine safety, reliability, and comfort in railway transport. This partnership is an important step in our joint efforts to provide seamless transportation solutions that have a minimal impact on environment. We also want to enhance safety on the rail and with those targets we are on the same board with Tesmec."*

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<http://investor.tesmec.com/it/Investors/PressReleases>.

The Tesmec Group

Tesmec Group Tesmec Group is active in the design, production and marketing of systems and integrated solutions for the construction, maintenance and diagnostics of infrastructures (overhead, underground and railway networks) for the transport of energy, data and materials (oil and derivatives, gas and water), as well as technologies for quarries and surface mining. The Group operates in the following sectors: - **Energy**. Tesmec Group designs, manufactures and markets machines and integrated systems for the construction and maintenance of overhead and underground power lines, fibre optic networks (Stringing segment), as well as advanced equipment and systems for the automation, efficiency, management and monitoring of high, medium and low voltage electrical networks and substations (Energy Automation Segment); - **Trencher**. Tesmec Group carries out the design, production, sale and rental of trencher machines functional to four types of activities (excavation and mines, excavations for the installation of pipelines, for the construction of telecommunication and optical fibre infrastructures, excavations for the construction of underground power networks), as well as the provision of specialized excavation services. The trencher machines are rented by the Group both with the operator (hot rental or wet rental) and without the operator (cold rental or dry rental); - **Railway**. The Group designs, manufactures and markets machines and integrated systems for the installation and maintenance of the railway catenary, devices for the diagnostics of the railway catenary and track, as well as customized machines for special operations on the line.

Born in Italy in 1951 and led by the Chairman and CEO Ambrogio Caccia Dominioni, the Group counts on more than 900 employees and has its production sites in Grassobbio (Bergamo), Endine Gaiano (Bergamo), Sirone (Lecco), Monopoli (Bari) and Bitetto (Bari) in Italy, Alvarado (Texas) in the USA and Durtal in France. It relies on three research and development units in Fidenza (Parma), Padua and Patrica (Frosinone). Listed on the EURONEXT STAR MILAN of the Euronext Milan market of the Italian Stock Exchange, the Group boasts a global commercial presence through foreign subsidiaries and sales offices in the USA, in South Africa, West Africa, Australia, New Zealand, Russia, Qatar and China.

In its development strategy, the Group intends to consolidate its position as a solution provider in the three abovementioned business areas, by exploiting the trends of energy transition, digitalization, and sustainability.

Škoda Group

Škoda Group products include mainly low-floor trams, electric locomotives, suburban train units, metro sets, electric buses and trolleybuses, as well as control and drive systems for transport systems. Škoda Group has several production sites in the Czech Republic and one in Finland. The Group also has business units in Germany, Italy, Austria, Hungary and other countries. It employs 8,000 people in its companies. It is only thanks to high investments in research and development that Škoda Group can regularly come up with new and modern products that are successfully finding their place on foreign markets. It invested € 81.1 million in research and development in 2021.