



Tatry mountain resorts, a.s.

An offer of up to 6,315,790 ordinary shares

Issue price: EUR 19 per Offer Share

This document is a prospectus (the **Prospectus**) prepared by Tatry mountain resorts, a.s., with its registered office at Demänovská Dolina 72, 031 01 Liptovský Mikuláš, Slovak Republic, Identification No.: 31 560 636, registered in the Commercial Register of the District Court in Žilina, section: Sa, insert No.: 62/L, LEI: 315700YHD1JR6VB1BA90 (the **Issuer**), for the purposes of a public offer (the **Offer**) of up to 6,315,790 newly issued ordinary book-entry bearer shares of the Issuer under Slovak law, each with a nominal value of EUR 7 (in words: seven euros) per share, ISIN: SK1120010287 (the **Offer Shares**). The Offer Shares will be available for subscription from 10 June 2024.

This Prospectus is a prospectus within the meaning of Article 6 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the **Prospectus Regulation**) and was prepared pursuant to Commission Delegated Regulation (EU) 2019/979 supplementing the Prospectus Regulation with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal and pursuant to Article 24 and Annexes 1, 11 and 22 of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing the Prospectus Regulation as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the **Delegated Prospectus Regulation**) in order to offer the Offer Shares to the public in the Slovak Republic, Czech Republic and Poland and admit the Offer Shares to trading on the listed parallel market of Burza cenných papierov v Bratislave, a.s. (**BCPB**), the Main Market organised by Burza cenných papírů Praha, a.s. (**BCPP**) and the Main Market organised by Warsaw Stock Exchange (*Gielda Papierów Wartościowych w Warszawie*) (**GPW**).

The National Bank of Slovakia (the NBS) has finally approved this Prospectus on 5 June 2024 as the competent authority of the Slovak Republic pursuant to Section 120(1) of the Securities Act for the purposes of the Prospectus Regulation. The NBS approved this Prospectus only as a document that satisfies the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. The approval of the Prospectus by the NBS should not be deemed to be a confirmation of the Issuer or a confirmation of the quality of the Offer Shares being the subject-matter of this Prospectus.

The Issuer will request the NBS to notify the approval of the Prospectus according to the Prospectus Regulation to the competent authorities of Poland and the Czech Republic for the purpose of the public offering of the Offer Shares in these countries and admission of the Offer Shares to trading on regulated markets in those countries. The Prospectus is subject to subsequent publication pursuant to Article 21 of the Prospectus Regulation.

After issuing the Offer Shares, the Issuer will apply for their admission to trading on the listed parallel market of BCPB, the Main Market of BCPP and the Main Market of GPW, which are regulated markets for the purposes of Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on financial markets instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (the **MiFID II**), in accordance with laws and the rules of the relevant stock exchange. However, it cannot be guaranteed that the stock exchanges will admit the Offer Shares to trading.

The Prospectus will not be registered, authorised or approved by any authority of any other country outside the European Economic Area (the **EEA**). In particular, the Offer Shares have not been and will not be registered under the United States Securities Act of 1933, as amended (the **U.S. Securities Act**). Therefore, the Offer Shares may only be offered, sold or delivered in any manner within the United States or to the account or for the benefit of U.S. persons subject to the exemption from the registration requirements under that U.S. Securities Act or as part of a deal not subject to this registration requirement. The persons who get hold of this Prospectus are responsible for compliance with the restrictions applicable in individual states to the offering, subscription or sale of the Offer Shares or the holding and dissemination of any materials relating to the Offer Shares, including this Prospectus. For more information, see Article 9 headed "Selling Restrictions".

The validity of this Prospectus expires on 5 June 2025. The obligation to supplement the Prospectus in the event of a significant new factor, material mistake or material inaccuracy shall not apply when the Prospectus is no longer valid.

The information specified in this Prospectus shall be valid as of the date of its preparation. Provision of this Prospectus after the date of its preparation does not mean that information given in it would remain current on that later date. When contemplating investment in the Offer Shares, the investors must consider all other information published by the Issuer after the date of preparation of this Prospectus (including any amendment to the Prospectus if there is an obligation to prepare and publish it) as well as other publicly available information. In respect of the Offer Shares, the Issuer did not any the representation and information other than those contained in this Prospectus.

Investing in the Offer Shares involves risks. Prospective investors should make their own assessment as to the suitability of investing in the Offer Shares. In particular, prospective investors should consider the risks described in Article 2 of the Prospectus (Risk Factors).

Prospectus dated 31 May 2024.

Lead Managers and Joint Bookrunners

J&T BANKA, a.s.

(for the offer in the Slovak Republic and the Czech Republic)

mBank S.A.

(for the offer in Poland)

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1. SUMMARY

The summary below presents key information that investors need to understand the nature and risks of the Issuer, the Group, and the Offer Shares. The summary should be read in conjunction with the other parts of the Prospectus. The summary meets the requirements of Article 7 of the Prospectus Regulation. The summary consists of mandatory information that is structured into four sections and subsections, containing all the mandatory information that must be included in a summary for this type of securities and Issuer.

1.1 Introduction and warnings

Warnings	<p>This summary should be read as an introduction to the Prospectus.</p> <p>Any decision to invest in the Offer Shares should be based on consideration of the Prospectus as a whole, including the amendments, by the investor.</p> <p>The investor could lose all or part of the invested capital.</p> <p>Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under national law, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p> <p>The Issuer is responsible for the summary, including its translations. The Issuer may be held liable for the content of the summary, but only if the summary is misleading, inaccurate, or inconsistent with other parts of the Prospectus, or if it does not provide, when read together with the other parts of the Prospectus, key information that is meant to help investors decide whether to invest in the Offer Shares.</p>
Title of Offer Shares and international securities identification number (ISIN)	<p>The Offer Shares are book-entry common shares in bearer form, each with a nominal value of 7 EUR (seven euros) per share.</p> <p>The Offer Shares have been assigned the name Tatry Mount. Resorts and ISIN SK1120010287.</p>
Identity and contact details of the Issuer, including its legal entity identifier (LEI)	<p>The issuer of the Offer Shares is Tatry mountain resorts, a.s., with the ID No. (IČO): 31 560 636. LEI: 315700YHD1JR6VB1BA90.</p> <p>The Issuer can be contacted via telephone number +421 44 56 20 562, or at the email address info@tmr.sk.</p>
Identification and contact details of the person offering the Offer Shares and the person requesting admission to trading on a regulated market	<p>The Offer Shares will be available in the territory of the Slovak Republic and the Czech Republic, offered by the Issuer through the manager, J&T BANKA, a.s., with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, ID No.: 471 15 378, registered in the Commercial Register maintained by the Municipal Court in Prague, section B, insert no. 1731, LEI: 3157001000000043842, which operates in the Slovak Republic through its branch J&T BANKA, a.s., pobočka zahraničnej banky, Dvořákovo nábrežie 8, 811 02 Bratislava, Slovak Republic, ID No.: 35 964 693, LEI: 097900BHFR0000075034, registered in the Commercial Register maintained by the Municipal Court Bratislava III, section Po, insert no. 1320/B (hereinafter referred to as J&T BANKA and in this capacity also as the Manager). The Manager can be contacted via email address tradingdesk@jtbanka.sk in the Slovak Republic and tradingdesk@jtbank.cz in the Czech Republic.</p> <p>The Offer Shares will be offered by the Issuer in the territory of Poland through the manager, mBank S.A., with its registered office at ul. Prosta 18, 00-850 Warsaw, Republic of Poland, registered in the Register of Entrepreneurs of the National Court Register kept by the District Court for the capital city of Warsaw, under the number KRS 0000025237 (hereinafter referred to as mBank and in this capacity also as a Manager and together with the company J&T BANKA, hereinafter referred to as Managers). mBank can be contacted via email address tmr@mbank.pl or via phone +48 (22) 697 49 49.</p> <p>The Issuer, after the issuance of the Offer Shares, will apply for their admission to trading on the listed parallel market of the Bratislava Stock Exchange (hereinafter referred to as BCPB), the Main Market of the Prague Stock Exchange (hereinafter referred to as BCPP) and the Main Market of the Warsaw Stock Exchange (hereinafter referred to as GPW).</p>
Identity and contact details of the relevant authority approving the Prospectus	<p>This Prospectus is approved by the National Bank of Slovakia as the competent authority for the purposes of the Prospectus Regulation pursuant to Section 120(1) of the Securities Act.</p> <p>The National Bank of Slovakia can be contacted at the telephone number +421 257 871 111 or via the email address info@nbs.sk.</p>
Date of approval of the Prospectus	<p>The Prospectus was approved by the decision of the National Bank of Slovakia no. 100-000-714-655 file no.: NBS1-000-099-023 dated 5 June 2024, which became legally effective on 5 June 2024.</p>

1.2 Key information on the Issuer

Who is the Issuer of the securities??

The registered office and legal form of the Issuer, LEI, country of registration, and the law under which the Issuer conducts its activities	<p>The issuer is a joint-stock company, established under the law of the Slovak Republic, with its registered office at Demänovská Dolina 72, 031 01 Liptovský Mikuláš, Slovak Republic, ID No.: 31 560 636, registered in the Commercial Register of the District Court in Žilina, section: Sa, insert number: 62/L, LEI: 315700YHD1JR6VB1BA90 (the Issuer).</p> <p>The Issuer conducts its activities in accordance with the law of the Slovak Republic.</p>																																
Main activities of the Issuer	<p>The Issuer is a legal entity established for the purpose of doing business. The main business activities of the Issuer are divided into seven key segments: Mountain Resorts, Amusement Parks, Golf, Restaurant Facilities, Sports Services and Shops, Hotels, and Real Estate Projects. The Group's revenues primarily come from the operation of ski resorts, water parks, amusement parks, from providing accommodation and ancillary services in restaurant facilities, and from a network of ski schools, rental shops, and sports stores in the resorts.</p>																																
Main shareholders of the Issuer	<p>The Issuer is not controlled by any person. The Issuer is aware of the following persons who hold more than a 5% share of the share capital and voting rights of the Issuer as of the date of preparation of this Prospectus:</p> <table border="1"> <thead> <tr> <th>Company Trade Name</th> <th>Number of Shares</th> <th colspan="2">Share of the share capital and voting rights of the Issuer</th> </tr> <tr> <td></td> <td></td> <th><i>in EUR</i></th> <th>%</th> </tr> </thead> <tbody> <tr> <td>C.I. CAPITAL INDUSTRIES LIMITED</td> <td>1 973 197</td> <td>13 812 379</td> <td>29,4</td> </tr> <tr> <td>Minority shareholders <5%</td> <td>1 791 636</td> <td>12 541 452</td> <td>26,7</td> </tr> <tr> <td>FOREST HILL COMPANY, s.r.o.</td> <td>1 030 919</td> <td>7 216 433</td> <td>15,4</td> </tr> <tr> <td>RMSM1 LIMITED</td> <td>992 666</td> <td>6 948 662</td> <td>14,8</td> </tr> <tr> <td>DIAMCA INVESTMENTS LIMITED</td> <td>918 780</td> <td>6 431 460</td> <td>13,7</td> </tr> <tr> <td>Total</td> <td>6 707 198</td> <td>46 950 386</td> <td>100,0</td> </tr> </tbody> </table>	Company Trade Name	Number of Shares	Share of the share capital and voting rights of the Issuer				<i>in EUR</i>	%	C.I. CAPITAL INDUSTRIES LIMITED	1 973 197	13 812 379	29,4	Minority shareholders <5%	1 791 636	12 541 452	26,7	FOREST HILL COMPANY, s.r.o.	1 030 919	7 216 433	15,4	RMSM1 LIMITED	992 666	6 948 662	14,8	DIAMCA INVESTMENTS LIMITED	918 780	6 431 460	13,7	Total	6 707 198	46 950 386	100,0
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Key management personnel of the Issuer	<p>The key management personnel of the Issuer are the chairman of the board, Ing. Igor Rattaj, the vice-chairman of the board, Ing. Zuzana Ištvániová, and the board member Čeněk Jílek, MBA.</p>																																
Statutory auditor of the Issuer	<p>The Issuer's auditor is KPMG Slovensko spol. s r.o., with its registered office at Dvořákovo nábrežie 10, 811 02 Bratislava, Slovak Republic, ID No. (IČO): 31 348 238, registered in the list of the Slovak Chamber of Auditors under no. 96.</p>																																

What is the key financial information regarding the Issuer?

<p>Selected key historical financial information about the Issuer for each fiscal year of the period for which historical financial information is presented and for each subsequent interim accounting period, supplemented by comparative data for the same period of the preceding fiscal year except in cases where the requirement for comparative balance sheet data is satisfied by presenting year-end balance sheet data.</p> <p>Key data from the audited consolidated financial statements of the Issuer for the fiscal year 2022/2023, i.e., for the period from November 1, 2022, to October 31, 2023, for the fiscal year 2021/2022, i.e., for the period from November 1, 2021, to October 31, 2022, and for the fiscal year 2020/2021, i.e., for the period from November 1, 2020, to October 31, 2021, prepared in accordance with IFRS:</p>				
Consolidated statement of financial position				
<i>In thousands of EUR</i>	31.10.2023	For the year ending		31.10.2020
	(audited)	31.10.2022	31.10.2021	(audited)
		(audited)	(audited)	
Total assets	579 634	574 667	556 761	561 927
Total equity	31 896	33 007	45 123	91 886
Total liabilities	547 738	541 660	511 638	470 041
Total equity and liabilities	579 634	574 667	556 761	561 927
Consolidated statement of profit and loss and other components of comprehensive income				
<i>In thousands of EUR</i>	31.10.2023	For the year ending		31.10.2020
	(audited)	31.10.2022	31.10.2021	(audited)
		(audited)	(audited)	
Total revenues	188 379	132 119	64 697	111 197
Profit / (loss) before interest, taxes, depreciation, and amortization (EBITDA)	59 366	33 696	7 000	35 137

Profit / (loss) before interest and taxes (EBIT)	23 357	11 630	-23 831	7 387
Profit / (loss) before taxation	2 555	-14 239	-46 516	-22 986
Profit / (loss)	-548	-11 947	-45 876	-20 513
Total comprehensive income	-1 094	-12 500	-46 763	-18 213
Profit / (loss) per share (in euros)	-0,074	-1,694	-6,816	-3,013

Consolidated cash flow statement

<i>In thousands of EUR</i>	For the year ending			
	31.10.2023	31.10.2022	31.10.2021	31.10.2020
	(audited)	(audited)	(audited)	(audited)
Cash flows from operating activities	61 429	32 971	12 577	23 140
Cash flows from financing activities	-40 219	-12 491	4 433	-18 486
Cash flows used in investing activities	-19 083	-20 433	-8 618	-9 566
Cash and cash equivalents at the end of the year	17 727	15 600	15 553	7 161

In the auditor's report on the audited consolidated financial statements of the Issuer for the fiscal year 2022/2023, that is, for the period from November 1, 2022, to October 31, 2023, for the fiscal year 2021/2022, that is, for the period from November 1, 2021, to October 31, 2022, and for the fiscal year 2020/2021, that is, for the period from November 1, 2020, to October 31, 2021, no qualifications were stated.

The Issuer declares that since the date of its last audited financial statements, i.e. since October 31, 2023, there has been no significant adverse change in its prospects nor any significant changes in its business or financial position.

What are the key risks that are specific to the Issuer?

The most significant risks that are specific to the Issuer	<ol style="list-style-type: none"> 1. Risk of weather and climate change impact – The number of visitors to the Group's winter resorts depends on a successful winter season, which in turn relies on favourable conditions in terms of the amount of natural snow and temperatures below zero degrees Celsius. Weather conditions, storms, avalanches, landslides, and other extreme weather fluctuations can generally have an adverse effect on the operational activities, financial performance, and financial prospects of the Group. 2. Risk of changing business cycle and unfavourable economic conditions in the region – The performance of the Group is predominantly dependent on the economy of the Slovak Republic, the Czech Republic, Poland, and other countries in the region. The Group is less directly affected by the military conflict in Ukraine due to the loss of visitors from Russia and Ukraine and indirectly through the economy of Slovakia and the European Union, particularly because of the high rate of inflation, the prices of materials and commodities (or their reduced availability), and the existing risks associated with the interruption of supply or increase in the price of oil or natural gas. 3. Seasonality risk – The visitation of resorts and hotels is prone to significant seasonal influences. Seasonal fluctuations can generally have an adverse effect on the operational activities, financial performance, and financial prospects of the Group. 4. Risk of refinancing – By the year 2027, a total of three bond issues by the Issuer will become due, amounting to a total of 259 million euros. The proceeds from the issue of the Offer Shares may be used to partially repay or redeem some of these existing bond issues of the Issuer. There is a risk that if the entire volume of the Offer Shares was not subscribed for, the Issuer would have to find an alternative source of financing. However, this alternative source may not be available or may only be obtainable under more difficult or disadvantageous conditions. 5. Liquidity risk – The Issuer is exposed to the risk of being unable to finance the assets within the contractual maturity period and the interest rate, to repay the obligations on time and the inability to realise the assets for an adequate price within a reasonable time. Liquidity risk is also heightened due to the regular payout of income (coupons) from the Issuer's existing bond issues totalling 259 million EUR and their final maturity in the years 2024, 2026, and 2027. 6. Interest rate risk – Changes in interest rates can have a direct impact on the value of interest-bearing assets and liabilities. The risk associated with the instability of interest rates can adversely affect the operational activities, financial performance, and financial prospects of the Group. 7. Risk of underestimated capital investments – One of the pillars of the Group's strategy is based on growth through capital investments in resorts and hotels. The implementation of this strategy requires substantial capital investments. Inappropriate or insufficient investments can adversely affect the operating activities, market position, sales, financial performance, and financial prospects of the Group.
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1.3 Key information on the securities

What are the main features of the securities?

Description of the type and class of securities offered or admitted to trading, including the ISIN	<p>The Offer Shares are book-entry common bearer shares of the Issuer.</p> <p>They are registered with Centrálny depozitár cenných papierov SR, a.s., with its registered office at ul. 29. augusta 1/A, 814 80 Bratislava, Slovak Republic, ID No.: 31 338 976, registered in Commercial Register maintained by the Municipal Court Bratislava III, section: Sa, insert No. 493/B (CDCP) in accordance with the Securities Act.</p> <p>Name of the Offer Shares: Tatry Mountain Resorts, ISIN: SK1120010287, CFI: ESVUFB, FISN: Tatmoures/BRSH VTG FPD EUR7,000000.</p>
Currency, denomination, nominal value, number of issued securities, and maturity of securities	<p>The currency of the Offer Shares is the euro (EUR).</p> <p>The total nominal value of the Offer Shares is 44,210,530 EUR.</p> <p>Each Offer Share has a nominal value of 7 EUR.</p> <p>The Offer Shares are issued for an indefinite period (without time limitation).</p>
Description of rights associated with securities	<p>Each Offer Share grants its shareholder the right, among other things, to: (i) participate in the management of the Issuer, through participation in the General Meeting and the exercise of rights associated with this participation; (ii) a share of the Issuer's profit (dividend) which the General Meeting has determined to distribute to shareholders; (iii) a portion of the share in the liquidation balance after the dissolution of the Issuer with liquidation, in proportion to the shareholder's share in the share capital; (iv) a pre-emptive right to subscribe to new shares of the Issuer; (v) a share in the share capital of the Issuer in the event of its reduction in proportion to the extent the shareholder owned a share in the share capital before the reduction of the share capital; (vi) the repurchase of their shares by the Issuer under certain conditions in the event of a change in the legal form of the Issuer, the merger of the Issuer, or the cessation of trading of the Issuer's shares on the relevant exchange; and (vii) the right to request certain information and explanations, including copies of certain documents, concerning the matters of the Issuer.</p> <p>In relation to point (i) above, the shareholder has the right to attend the General Meeting, vote at it, request information and explanations at it concerning the matters of the Issuer or matters of persons controlled by the Issuer that are related to the subject of the General Meeting's negotiations, and to exercise proposals and request the inclusion of matters determined by them on the agenda of the General Meeting in accordance with applicable regulations. A shareholder or shareholders who own shares whose nominal value reaches at least 5% of the Issuer's share capital may request, stating reasons, the convening of an extraordinary General Meeting to discuss the proposed matters.</p> <p>The rights associated with the Offer Shares are governed by the law of the Slovak Republic.</p>
Description of the order of priority of securities in the event of the Issuer's insolvency	<p>The Offer Shares have the lowest order of priority in case of bankruptcy or liquidation of the Issuer.</p> <p>Any liquidation balance will be distributed among the owners of the Offer Shares in proportion to the paid nominal value (not the Issue rate/offer price) of their respective shares of the Issuer. Such distributions among the owners of the Offer Shares will be equivalent to distributions among the owners of any other shares of the Issuer.</p>
Description of all restrictions on the free transferability of securities	<p>The Offer Shares are freely transferable subject to restrictions on sale and transfer according to the relevant legal regulations in certain jurisdictions applicable to the transferor or transferee, including the United States of America, the United Kingdom, and the EEA.</p>
Dividend policy	<p>The Issuer has not adopted any dividend distribution policy and/or any restrictions thereof. Dividends, if and when declared, will be distributed to shareholders proportionally to their shares in the Issuer's capital and in accordance with the Issuer's articles of association.</p>

Where will the securities be traded?

Admission of securities to a regulated or other market	<p>After the issuance of the Offer Shares, the Issuer will apply for their admission to trading on the listed parallel market of BCPB, the Main Market of BCPP, and the Main Market of GPW. However, it cannot be guaranteed that the exchanges will accept the Offer Shares for trading.</p>
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What are the key risks that are specific to the securities?

The most significant risk factors specific to securities	<ol style="list-style-type: none"> The Offer Shares are not a guarantee of dividend distribution – The Offer Shares do not guarantee any dividend payments. Under adverse circumstances, dividends may not be declared and paid at all.
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	<p>2. In the event of the Issuer’s insolvency, investors may recover less than their initial investment or may recover no amounts at all – In case of insolvency of the Issuer, the Offer Shares would rank below any claims against the Issuer. In the event of the Issuer’s insolvency, it is very likely that investors of the Issuer will recover less than their initial investment or no amounts at all.</p> <p>3. The rights of minority shareholders will be governed by the laws of the Slovak Republic, whose corporate governance standards differ from those of other jurisdictions – The Issuer is a joint stock company organised under the laws of the Slovak Republic. The rights of holders of the Offer Shares are governed by the Issuer’s Articles of Association and by Slovak law. These rights, including the rights of minority shareholders, may differ in some respects from the rights of shareholders in corporations organised outside of the Slovak Republic.</p> <p>4. Risk of limited offer and reduction of the orders - The offer is not open to all external investors. In the first round, the Offer Shares will be offered to all existing shareholders of the Issuer, who can exercise their pre-emptive right to subscribe for the Offer Shares. In the second round, the Offer Shares will be offered to the Issuer's shareholders who submitted valid orders for the Offer Shares in the first round, and to selected investors who show interest in subscribing to the Offer Shares. In the second round, the Issuer has the right to directly address the investors selected by him and may also, at his own discretion, reduce the orders of any investors.</p> <p>5. Risk related to the manner of placing orders - The condition for participation in the offer in each country is the existence of a contract with the relevant Manager. If the investor does not have a contract with J&T BANKA, it will be required, due to the technical and regulatory requirements of Slovak and Czech law, to submit its order for the subscription of the Offer Shares through his Slovak or of the Czech securities administrator or another person who maintains the relevant account for the investor. In Poland, it is necessary to conclude a contract with mBank as the Manager, who, however, is not obliged to onboard each investor. Investors should take into account that all these actions will take some time and the duration of the offer is strictly limited. Participation in the first round is also a condition for participation in the second round. Neither the Issuer nor the Managers have an obligation to actively seek out and contact existing shareholders.</p> <p>6. Risk of insufficient liquidity of the Offer Shares when trading on the secondary market – There is no guarantee that a sufficiently liquid secondary market for the Offer Shares will be established and maintained so that investors can trade them at any time. In an illiquid market, it may not be possible to sell the Offer Shares at an adequate price at any time, which can have a negative impact especially on investors who invested in the Offer Shares with the intention of making a profit from their trading.</p> <p>7. Volatility in the price of the Offer Shares may have an adverse effect on the holders of the Offer Shares – The price of the Offer Shares may be highly volatile and may be affected by factors affecting the Group, its competitors or the financial markets in general as well as the overall perception of emerging markets by investors, particularly the tourism and leisure industries. International securities markets have experienced significant price and volume fluctuations in recent years.</p> <p>8. Risk of purchase or sale of the Offer Shares being subject to transaction costs and charges – In addition to the purchase or sale price of the Offer Shares, several types of incidental costs are incurred (including transaction fees and commissions). The specific risk is that such additional costs may eventually lower the yield of the investment substantially. Potential investors should therefore inform themselves of all additional costs that will arise in connection with the purchase, custody, or sale of the Offer Shares before investing in them.</p>
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1.4 Key information on the public offer and admission to trading on a regulated market

Under which conditions and timetable can I invest in this security?

General terms and conditions of the public offer	<p>The Offer Shares will be issued and offered by the Issuer in the territory of the Slovak Republic and the Czech Republic through J&T BANKA, and in the territory of Poland through mBank, with whom an agreement has been made for the sale and subscription of the Offer Shares without a firm commitment.</p> <p>The Offer Shares will be available during the Offer Period First Round (as defined below) to all existing shareholders of the Issuer, who were shareholders of the Issuer as of the record date, which is 3 June 2024. During the Offer Period Second Round (as defined below) the Offer Shares will be available to existing shareholders of the Issuer who submitted valid orders for the Offer Shares in the Offer Period First Round and to selected investors who express interest in subscribing to the Offer Shares, in each case, in accordance with the Prospectus Regulation, sales restrictions, and applicable legal regulations.</p> <p>The issue price for each Offer Share is 19 EUR.</p> <p>The minimum order amount is set at 19 EUR in the Offer Period First Round (the issue price of one Offer Share). The maximum order amount is limited for each investor by the ratio of the nominal value</p>
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	<p>of given investor's existing shares to the amount of the Issuer's share capital as of the date of the Prospectus.</p> <p>The minimum order amount in the Offer Period Second Round is set at 19 EUR (the issue price of one Offer Share). The maximum order amount is limited only by the total nominal value of the Offer Shares.</p> <p>In the Offer Period Second Round, the Issuer reserves the absolute right to refuse or reduce individual orders without stating reasons. Reduction or refusal may be due particularly to over-subscription and further with regard to the requirement to maintain a sufficient volume of shares distributed among the public, assessment of the investor's ability to properly and timely pay the issue price, and any other business or strategic preferences of the Issuer, at its sole discretion.</p> <p>Investors must follow all instructions of the Managers. In any case, the condition for participation in the Offer is proof of the investor's identity with a valid identity document or, in the case of legal entities, proof of legal capacity and authority to act on behalf of a legal entity. Each investor will also be required to deliver together with the order (a) relevant statements from depositories or from another authorized person keeping the relevant account proving that the investor was a shareholder of the Issuer on the record date or (b) proof (in particular a copy of the relevant transfer agreement) that the investor obtained a pre-emptive right to the Offer Shares pursuant to § 204a par. 4 of the Commercial Code from an authorized existing shareholder of the Issuer. All such documents and evidence shall be in the form and substance satisfactory to the Issuer and relevant Manager, and shall comply with all applicable laws and regulations.</p> <p><i>Particularly for the offer in the Slovak Republic and the Czech Republic</i></p> <p>The condition for subscribing the Offer Shares through J&T BANKA is the existence of an agreement on the provision of investment services with this company and the submission of an instruction to procure the purchase of the Offer Shares in accordance with this agreement. If the investor does not have a contract with J&T BANKA, the investor will have to submit its order for the purchase of the Offer Shares together with all the documents and documents described above through the relevant custodian or other person managing the account to which the Offer Shares will be credited.</p> <p><i>Particularly for the offer in Poland</i></p> <p>The condition for subscribing the Offer Shares through mBank is the existence of a brokerage agreement and the submission of an instruction to purchase the Offer Shares in accordance with this agreement. The conclusion of such an agreement for new clients will require some time and the delivery of the required documents and information to mBank according to its rules. mBank has no obligation to onboard an investor as a client.</p>
<p>Anticipated schedule of the public offering</p>	<p>The first round of offering the Offer Shares during the Offer Period begins on 10 June 2024, and ends on 24 June 2024, 16:00 (CEST) (the Offer Period First Round).</p> <p>The second round of offering the Offer Shares during the Offer Period begins on 25 June 2024, and ends on 4 July 2024, 16:00 (CEST) (the Offer Period Second Round and together with the Offer Period First Round, the Offer Period).</p> <p>It is expected that the Offer Shares will be issued to all investors within five working days after the end of the entire Offer Period, however not later than 30 days after the end of the entire Offer Period, in any case only after all investors pay the issue price of all validly subscribed Offer Shares. It will not be possible to trade with the Offer Shares before they are issued.</p> <p>The Issuer reserves the right to suspend or terminate the entire Offer at any time during the Offer Period, always subject to applicable law, in particular the Commercial Code.</p>
<p>Information on admission to trading on a regulated market</p>	<p>After issuing the Offer Shares, the Issuer will apply for their admission to trading on the listed parallel market of BCPB, the Main Market of BCPP, and the Main Market of GPW. However, it cannot be guaranteed that the exchanges will accept the Offer Shares for trading. In the event of the acceptance of the Offer Shares, the Offer Shares will be traded in accordance with the rules of the relevant exchange.</p>
<p>Distribution plan of the Offer Shares</p>	<p>The Offer Shares will be available in the Offer Period First Round to all existing shareholders of the Issuer who have the right to preferential subscription of the Offer Shares to increase the share capital, in proportion to the nominal value of their shares to the amount of the Issuer's share capital as of the date of the Prospectus. The right to preferential subscription of the Offer Shares can be exercised by the existing shareholders only within the Offer Period First Round.</p> <p>The Offer Shares will be available in the Offer Period Second Round to the existing shareholders of the Issuer who submitted valid orders for the Offer Shares in the Offer Period First Round and to investors selected directly by the Issuer who express interest in subscribing to the Offer Shares.</p>

Estimate of the total costs associated with the issuance and/or offering	<p>Total costs of the Issuer in connection with the Offer are approximately 1,000,000 EUR at full subscription of the Offer.</p> <p>In connection with the primary subscription of the Offer Shares the Issuer and the Managers do not charge investors any fee.</p> <p>An investor may be required to pay additional fees charged by the broker of the purchase of the Offer Shares, the entity that maintains the record of the Offer Shares, the entity conducting the settlement of transactions with the Offer Shares, or another person, i.e., for example, fees for setting up and maintaining an investment account, for executing the transfer of the Offer Shares, services related to the record-keeping of the Offer Shares, etc.</p>
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Who is the offeror and/or the person requesting the admission of securities for trading?

Description of a person offering securities	<p>The Offer Shares will be offered by the Issuer in the territory of the Slovak Republic and the Czech Republic through the Manager, J&T BANKA (details stated above).</p> <p>The Offer Shares will be offered by the Issuer in the territory of Poland through the Manager, mBank (details stated above).</p>
Description of the person applying for admission to trading on a regulated market	<p>The Issuer, after the issuance of the Offer Shares, will apply through the Managers for the admission of the Offer Shares to trading on the listed parallel market of BCPB, the Main Market of BCPP, and the Main Market of GPW.</p>

Why is this Prospectus being produced?

Use of proceeds and estimated net proceeds amount	<p>The net proceeds from the Offer are approximately 119,000,000 EUR, assuming the full amount of the Offer is subscribed.</p> <p>The Issuer will use the net proceeds from the Offer to strengthen its capital structure, primarily to reduce indebtedness to a level closer to that of comparable companies operating in the sector, and to optimize existing obligations in terms of interest costs, maturity, and amortization profile, through the following steps or a combination thereof (a) the repurchase of subordinated bonds with a total outstanding nominal value of 110 000 000 EUR; (b) the early repayment of senior secured bonds with a total outstanding nominal value of 59 000 000 EUR; and/or (c) the partial or full repayment of some of the Issuer's bank loans.</p> <p>The Offer is part of a broader transaction aimed not only at optimizing existing obligations but also at simplifying and unifying the current credit documentation and expanding the circle of current creditors to include additional banks. The specific steps and the exact scope of the repurchase or early repayment of bonds or loans of the Issuer will be decided by the board of directors depending on the specific conditions and deadlines governing the repurchase or early repayment, and taking into account the market situation at the time of the use of the net proceeds from the Offer.</p>
Subscription based on a firm commitment	<p>No person has undertaken any firm commitments to subscribe the Offer Shares.</p>
Conflict of interests of persons involved in the Issue or Offer	<p>Managers can be motivated to sell the Offer Shares due to their incentive rewards (in case of a successful sale), which may create a conflict of interest. Managers are required to take measures in the event of a conflict of interest in accordance with the requirements of generally binding legal regulations.</p> <p>J&T BANKA, acting as the Manager for the Offer for the Slovak Republic and the Czech Republic and also as the listing agent for the admission of the Offer Shares to trading on the regulated markets of BCPB and BCPP, has been involved, and may in the future be involved, in transactions with the Issuer in the field of investment and/or commercial banking, and may provide services to the Issuer in the future within the normal course of business, including credit financing. J&T BANKA is also a member of the J&T Finance Group, whose various entities may participate as existing or new shareholders in the Offer.</p> <p>Similarly, mBank, acting as the Manager for the Offer in Poland and also as the listing agent for the admission of the Offer Shares to trading on the Main Market of GPW, has been involved, and may in the future be involved, in transactions with the Issuer in the field of investment services and may provide services to the Issuer in the future within the normal course of business.</p> <p>Mr. Igor Rattaj, chairman of the board of directors, Mr. Jozef Hodek, chairman of the supervisory board, and Mr. František Hodorovský, member of the supervisory board, are existing shareholders of the Issuer and therefore have an interest in the success of the Offer to secure further financing for the Issuer. The aforementioned persons, as current shareholders, also have the right to preferential subscription of the Offer Shares.</p> <p>As of the date of this Prospectus, no other interest of any natural or legal person involved in the issue that would be substantial for the Offer is known.</p>

2. RISK FACTORS

*As part of its activities, the Issuer faces several risks typical of the areas in which it operates. The key risks that the Issuer believes could significantly affect its business, financial condition and/or results of its operations are detailed below. Most of the macroeconomic, operational, market and commercial risks listed below apply not only to the Issuer but to all the subsidiaries of the Issuer (the **Group**).*

The risk factors described below are ranked according to their importance, probability of their occurrence and the expected extent of their negative impact on the Issuer's and Group's activities. The risk factors are presented in a limited number of categories, depending on their nature. In each category the most material risk factors are mentioned first.

2.1 Risk factors related to the Issuer and its Group

Risk factors related to the Issuer and its Group are divided into the following categories:

- (i) Risk factors related to the financial condition of the Issuer and the Group;
- (ii) Risk factors related to business and operation of the Issuer and the Group; and
- (iii) Legal, regulatory and macroeconomic risk factors.

Risk factors related to the financial condition of the Issuer and the Group

Risk of refinancing

In October 2024, the final maturity of the bond issue named TMR III 4.40/2024 with a total nominal amount of EUR 90,000,000 will take place, in February 2026, the final maturity of the bond issue named TMR V 6.00/2026 with a total outstanding nominal amount of EUR 110,000,000 will take place (the **Subordinated Bonds**) and in October 2027, the final maturity of the bond issue named TMR VI 5.40/2027 with a total outstanding nominal amount of EUR 59,000,000 (issued and not repaid) will take place. The proceeds from the issue of the Offer Shares may also be used to partially repay or redeem some of these existing issues of the Issuer's bonds, and there is a risk that if the entire volume of the Offer Shares was not subscribed for, the Issuer would have to find an alternative source of financing, which, however, might not be available or might be available only under difficult or disadvantageous conditions.

The ability to refinance its obligations is determined, among other things, by the situation in the financial markets and the financial condition of the Group at the time when the refinancing is required; however, it is impossible to forecast these circumstances accurately. There is a risk that the Group is not able to obtain external sources necessary for the refinancing, or is able, but only under less favourable conditions. This situation could adversely affect the financial performance and financial prospects of the Group.

Liquidity risk

The liquidity risk arises during the general financing of the Group's activities and management of its financial position. It includes the risk of inability to finance the assets within the contractual maturity period and the interest rate, to repay the obligations on time and the inability to realise the assets for an adequate price within a reasonable time. Liquidity risk is increased also due to the regular payment of income (coupons) from existing issues of the Issuer's bonds in the total outstanding nominal amount of EUR 259 million and their final maturity in 2024, 2026 and 2027. The Group uses various methods to manage liquidity risk, by shifting its financial year from the calendar year to the year ended 31 October. Hence, the first half of the financial year falls on the winter season during which the Group generates 60% of its income. Rising operating profit has historically covered debt service despite a high level of indebtedness, but liquidity risk may adversely affect the Group's operating activities, financial performance and financial prospects in the future, despite all measures. The risk of insufficient liquidity of the Issuer is currently potentially elevated due to the rising interbank reference rate EURIBOR (*Euro Interbank Offered Rate*), the growth of which increases the Issuer's debt service from external bank credit facilities (see the risk factor "Interest rate risk" below).

Risk related to the development of exchange rates

Volatility of exchange rates in relation to EUR is an external risk factor that affects the Group's income because majority of the Group's foreign clients come from non-Eurozone countries – especially the Czech Republic, Poland and Romania. Therefore, their decision to travel abroad may also be influenced by the development of their domestic currency against the EUR. Historically, investments in resorts into technology, equipment, renovation, procurement and new businesses have been made mainly in EUR. Following the acquisitions in Poland, investments were also made in PLN. Investments in PLN are therefore exposed to currency risk. The value of the investment in MELIDA, a.s., which operates the Špindlerův Mlýn resort, is also converted from CZK to EUR. Development of the exchange rates against EUR can adversely affect the operating activities, market position, sale, financial performance and financial prospects of the Group.

Interest rate risk

Changes in interest rates may have a direct impact on the value of interest-bearing assets and interest-bearing liabilities. The extent of this risk is equal to the amount of interest-bearing assets and interest-bearing liabilities for which the interest rate at the time of maturity or at the time of the change is different from the current interest rate. The period of a fixed rate of a financial instrument therefore reflects the risk of interest rate volatility. The Group's credit facility portfolio for the financial year 2022/2023 consisted mostly of short-term and long-term bank loans with a fixed or variable rate linked to a 3-month and 12-month EURIBOR. The Issuer considers the variable interest rate to be an automatic management of the interest rate risk. During economic expansion, EURIBOR increases, but at the same time the economic performance of the population should grow and the Group should be more profitable. In the case of an economic recession, it is exactly the opposite. The risk related to the instability of interest rates may adversely affect the operating activities, financial performance and financial prospects of the Group.

Credit risk

The Group is exposed to credit risk primarily in connection with trade and lease receivables, other receivables, advances and credit facilities granted. The extent of this risk is expressed in terms of the book value of the asset in the statement of financial position. The book value of receivables, loans and borrowings represents the greatest possible risk of accounting loss that would have to be recognised in the event of a counterparty's default – the counterparty would fail to fully fulfil its contractual obligations and all guarantees and warranties would be zero. For this reason, this value significantly exceeds the expected losses in the provision for bad debts. The risk related to the failure by third parties to fulfil their obligations may adversely affect the operating activities, financial performance and financial prospects of the Group.

Risk of underestimated capital investments

One of the pillars of the Group's strategy rests on the growth through capital investments into resorts and hotels. To implement this strategy, substantial capital investments are necessary. Over the last 16 years, the Group has invested more than EUR 443 million in the development of mountain resorts (such as Szczyrk, Ještěd, Mölltaler Gletscher and Ankogel). Every investment is preceded by a detailed analysis using assessment of different scenarios. Despite this, there is a risk that some of the ongoing or contemplated investments may be less profitable than planned or even unprofitable. Inappropriate or insufficient investments may adversely affect the operating activities, market position, sale, financial performance and financial prospects of the Group.

Risk factors related to business and operation of the Issuer and the Group

Risk of weather and climate change

The number of visitors to the Group's winter resorts depends on the successful winter season, i.e. on favourable conditions in terms of the amount of natural snow and temperatures below zero degrees Celsius. The risk of weather and related climate change is considered a factor that may affect the skiing sector in the future. Since the beginning of its existence, the Group has been adapting its ski resorts to trends requiring artificial snow. Therefore, historical investments in resorts also included a significant share in snowmaking (snowmaking

technology, retention lakes as water reservoirs, pumps, etc.). In Jasná Nízke Tatry (Low Tatras), the average snow cover during the winter season is 73 cm, and in the High Tatras it is 75 cm of snow. Drier winters as well as higher temperatures during the winter months increase the costs of generation of technical snow and may also limit the skiable area. In the future, the company will deal with the topic of climate risks and their impact on business with increased emphasis. At the same time, trends and innovations in the field of snowmaking are followed. The company also defines its strategies in the field of ESG, which includes the sustainability of business in relation to the location and the impact of climate risks. This area is becoming a priority and addressing risks and finding sustainable solutions is part of it. Nevertheless, weather conditions, gales, avalanches, landslides and other extreme weather fluctuations may in general adversely affect the Group's operations, financial performance and financial prospects.

Seasonality risk

Even though the strategy of the Group includes construction and promotion of year-round vacation destinations, the visit rate of the Group's resorts and hotels is prone to significant seasonality. The period with the highest number of visitors interested in winter sports is January to March. Aquaparks Tatralandia and Bešeňová, the resort of Vysoké Tatry and Polish Legendia record the highest visit rate in July and August. Even though the Group makes every effort to attract visitors also during the off-season (e.g. by operating snowmaking guns, providing an intensive marketing support, offering accommodation packages for reduced prices and organising various events in its resorts and hotels during the year), the revenues generated by the Group during the off-season are nevertheless lower than those generated during the main season. In general, seasonality may adversely affect the operating activities, financial performance and financial prospects of the Group.

Competition risk

The Group's results depend on its ability to face competition. In the main Mountains & Amusement Parks segment, specifically in Mountain Resorts, the Group faces competition from local ski resort operators in the oligopolistic market in Slovakia, Poland and the Czech Republic, where it is a leader in terms of the size and range of services. In the European context, the Group operates in a competitive market with a large number of competitors that can provide their visitors with an extensive offering. However, if the Group's status as an oligopoly or monopoly were to change and/or competition would fundamentally increase, it could adversely affect the operational activity, market position, sales, financial performance and financial prospects of the Group.

Risk of low occupancy of hotels

The profitability of the Group is also driven by the occupancy rate of its hotels and the utilisation rate of accommodation capacities in its resorts. The risk of lower utilisation rate of accommodation capacities is directly determined by macroeconomic factors, it is also subject to the effect of weather, the threat of competition and the seasonal cycle in general. The problem with a lower utilisation rate is most severe between seasons when the tourism activities in mountain resorts are limited. Even though the Group actively cooperates with local accommodation providers on presenting the resorts as attractive destinations to increase the occupancy rate of hotels as well as the overall number of visitors to the resorts, lower occupancy rate in the hotel segment caused by generally unfavourable situation in hotel markets is directly affecting the economic results of the Group. Lower occupancy rate may adversely affect the operating activities, market position, sale, financial performance and financial prospects of the Group.

The risk of unstable prices, especially for electricity and natural gas

One of the factors affecting the costs of the Group is the consumption of energy, natural gas, fuels and water. These costs directly affect the operating costs of resorts and hotels, e.g. consumption of electricity when operating cableways and snowmaking guns. As of the date of the Prospectus, the prices of electricity and natural gas within the European Union are stabilised and there are no significant fluctuations. Currently, energy prices do not significantly limit the Group's ability to operate its facilities. If the prices of electricity (as well as natural gas, fuels, water and other input resources) were to increase significantly in the future, this could significantly negatively affect the Group's operations, market position, sales, financial performance and financial prospects.

Safety and health risks

The Group is obliged to mitigate safety risks and protect its clients and employees, especially during the development, maintenance and operation phases of cableways, ski lifts, slopes and other resort equipment; in connection with health risks when providing boarding services in restaurants and hotels; in connection with the operation of lodging facilities; in the case of any accidents and injuries in its resorts; and when providing ready-made products and services to its customers.

Risk of unfavourable situation in real estate market

One of the three operational segments of the Group is focused on real estate. The income generated by this segment is determined by sale and/or lease of land, flats and commercial premises in real estate projects. The Group expects that this segment will have a higher share in the Group's overall performance in the future. Any deterioration of the real estate market situation may adversely affect the operating activities, market position, sale, financial performance and financial prospects of the Group.

Business strategy risk and acquisition risk

The Group's business strategy is based on achieving and maintaining a leading position in both winter and summer tourism in the Central and Eastern European region. One of the pillars of the strategy is the improvement of quality through investments, mainly in maintenance and infrastructure, improvements in the hotel segment and automation of customer service processes. Investments will also be required for the Austrian resorts acquired most recently, which the Group intends to make in few years. New ski slopes, cableways and the strengthening of lodging infrastructure in almost every resort are also being prepared. Another pillar is strategic acquisitions in the Central and Eastern Europe region. These acquisitions are part of the Group's strategy but in certain cases they may adversely affect the future income and results of the Group, e.g. due to an inappropriate selection of the target, an unfavourable contractual arrangement, inability to procure the required consents of public administration authorities (especially an unsuccessful effort to obtain consent of an antimonopoly office or administrative difficulties associated with acquisitions). There is also an increased risk in connection with the expansion of the Jasná resort by the new hotel complex Centrum Jasná. This is a real estate project involving the sale of apartments, which is exposed to specific risks of the real estate market, such as cyclicity, fluctuations in the macroeconomic environment as well as purchasing power. During a recession, there may be a reduction in demand, which may in turn have an adverse effect on prices and, consequently, may affect the Group's financial results. Any failure to achieve strategic goals and failure to meet business strategy or acquisition goals may have a material impact on the Group's financial condition and results.

Risk of changing customer preferences

The future operating performance of the Group may, to a certain degree, be affected by changing preferences of the customers and visitors to the Group's resorts and hotels. To minimise this risk, the Group's management is systematically monitoring new competitors and trends in the industry in local and regional markets and via major investments and improvement of the quality of its services strives to keep its clients. In spite all of this, an unfavourable change of customer preferences may adversely affect the operating activities, market position, sales, financial performance and financial prospects of the Group.

Information systems security risk

The business activities of the Group are extensively dependent on information systems, on ticket points of sale (that are interconnected in ski resorts due to universal ski passes), on lift turnstiles, when outfitting the cableways, in stores, restaurants and hotels. In order to eliminate the risks associated with information systems, various and advanced measures are being adopted to mitigate the risk of system failure by purchasing high-quality software and hardware components and providing strong technical support so that they may operate within standby regimes. However, if these systems failed or were abused, it might adversely affect the operating activities, market position, sales, reputation, financial performance and financial prospects of the Group.

Macroeconomic and regulatory risk factors

Risk of changing business cycle and unfavourable economic conditions in the region

The current operation of the Group focuses on the Slovak, Czech, Polish and Austrian markets, although most clients are from the region of Central and Eastern Europe; the Group's performance is largely dependent on the economy of the Slovak Republic, the Czech Republic, Poland and other countries of the region. Most of the income depends on the number of visitors to resorts and hotels. The choice of vacation also depends on the business cycle of the economy, the economic growth of each country and the level of their disposable income, the last two factors being highly correlated. Developments in these macroeconomic factors constitute an external risk factor for the Group. Since a rather substantial part of visitors to the Group's resorts and hotels arrives from various countries with their unique macroeconomic profiles, operation of the Group may be significantly affected by any deterioration of the economic situation in these markets. The risk of a declining business cycle is partly managed through pricing policy and effective marketing campaigns targeting relevant target markets. Change of business cycle generally may adversely affect the operating activities, financial performance and financial prospects of the Group.

In addition, a significant risk within the Central and Eastern Europe region is the military conflict in Ukraine, which may affect the attendance of the Group's resorts and hotels because the countries in which the Group has resorts and hotels are near the borders of the military conflict, i.e. Ukraine. The Group is affected by the conflict directly due to the loss of visitors from Russia and Ukraine. However, even before the acts of war and the introduction of sanctions, the Group did not consider the Russian or Ukrainian market to be essential. The loss of visitors from these regions may have a negative impact but it is a significantly smaller group of visitors.

The Group is also affected by the conflict indirectly, through Slovakia's economy (which is strongly export-oriented) as well as the impact on the European Union, mainly due to the high rate of inflation, the prices of materials and commodities (or their reduced availability) or existing risks related to the interruption of supply of oil or natural gas from Russia and/or material increase in the price of oil or natural gas. The Issuer's income from tourism could decrease, especially if it could not reflect the inflation or the increased prices of entrances into prices for accommodation or tickets to its resorts. There is also a risk that the conflict could negatively affect the risk appetite of investors, whose interest in buying the Offer Shares would decrease, which could ultimately complicate the Issuer's goal of refinancing existing obligations.

Lease agreement risk

Majority of the Group's assets and business activities takes place on lands leased by the Group. These include lands under ski slopes, as well as ski lifts and cableways. The owners of the lands leased by the Group include, in particular, Slovenský pozemkový fond (*Slovak Land Fund*), Lesy Slovenskej republiky (*Forests of the Slovak Republic*), Štátne lesy TANAPu (*State Forests of TANAP*), a landowners association (*Pozemkové spoločenstvo urbárikov*) and several natural persons. Even though the majority of lease agreements provide for an indefinite term of lease or a term of lease of at least 10 years, an early termination or non-renewal of these tenancies cannot be ruled out in certain cases. The resulting situation could adversely affect the operating activities, market position, sales, financial performance and financial prospects of the Group.

Legal environment risk

The primary country of operation of the Group is the Slovak Republic, Poland and partly also in the Czech Republic and Austria; therefore, the Group is exposed to the risk of changes in the legal and regulatory environments of these countries. The Group also considers acquisitions in other EU countries (the Central and Eastern Europe region). The legal and regulatory environment in these countries is subject to frequent changes, and courts and public authorities not always apply the laws in a uniform manner. Any changes of laws or changes of their interpretation in the future may adversely affect the operating activities, market position, sales, financial performance and financial prospects of the Group.

Environmental risks and risks associated with public administration consents

Because the Group perform its business activities primarily in mountain regions that are partially covered by national parks of other protected areas, some of its investment projects may be subject to increased regulation by public administration authorities. In general, each new investment project providing for an increase of areas covered by snowmaking, construction of a new cableway, etc., must undergo the Environmental Impact Assessment (the **EIA**), one of the main instruments of environmental policy of sustainable development, and be approved by the competent environmental protection authorities. A stricter regulation of environmental protection, an expansion of protected areas or a breach of the regulations in this area may adversely affect the operating activities, reputation, financial performance and financial prospects of the Group.

2.2 Risk factors relating to the Offer Shares and the Offer

Risk factors relating to the Offer Shares and the Offer are divided into the following categories:

- (i) Risk factors associated with the nature of the Offer Shares;
- (ii) Legal and regulatory risk factors associated with the Offer Shares; and
- (iii) Risk factors associated with the Offer and trading in the Offer Shares.

Risk factors relating to the nature of the Offer Shares

The Offer Shares are not a guarantee of dividend distribution

The Offer Shares are ordinary shares to which the right to pay dividends is attached, should the Issuer decide on them. However, there is a risk that the Issuer will not generate any distributable profits, and even if it generated profit, there is a risk that the distribution of the dividend might not be decided on and might not be paid. The Issuer has not adopted a dividend policy and has not paid any dividends for the financial years 2022/2023, 2021/2022 and 2020/2021. In those years, the Issuer did not make a profit, and at the same time profit generated and distributed in the past is no guarantee of its generation in the future. The Offer Shares do not guarantee any dividend payments and, under adverse circumstances, dividends may not be declared and paid at all.

In the event of the Issuer's insolvency, investors may recover less than their initial investment or may recover no amounts at all

In case of insolvency, failure and bankruptcy of the Issuer, the Offer Shares would rank below any claims against the Issuer. In connection with the Offer Shares, no distribution would be made in the Issuer's bankruptcy or similar proceedings until the claims of all the Issuer's creditors (including the subordinated ones) have been satisfied. Therefore, in the event of the Issuer's insolvency, failure or bankruptcy, investors of the Issuer may very likely recover less than their initial investment or may recover no amounts at all.

If the Issuer raises additional funds by issuing further shares in the future, then-existing shareholders may experience decrease in the value

As long as the Issuer does not generate income, it is likely that it will be necessary to finance its activities through another offering of shares or debt. Therefore, the Issuer may seek additional financing in the future by issuing new shares, which may cause dilution to existing shareholders and investors in this Offer. To the extent to which the Issuer raises additional capital through the sale of equity securities (shares or similar equity instruments), ownership interest of the investors in this Offer will be diluted, unless they use their pre-emption rights under the Slovak Commercial Code.

Exchange rate fluctuations may impact the price and value of the Offer Shares, as well as any dividends or other income paid on the Offer Shares for an investor whose principal currency is not euro

The Shares are denominated in euro. Investment in the Offer Shares by investors whose official currency is not euro exposes such investors to the exchange rate risk. Any depreciation of euro in relation to such foreign currency will reduce the value of an investment in the Offer Shares or any foreign currency dividends. Further, the Issuer may declare and distribute dividends or other income, if any, in euro. Exchange rate movements of euro will therefore affect the value of such dividends or other income for investors whose principal currency is not euro. This could affect the value of the Offer Shares and of any dividends or other income paid on the Offer Shares for an investor whose principal currency is not euro.

Legal and regulatory risk factors relating to the Offer Shares

The rights of minority shareholders will be governed by the laws of the Slovak Republic, whose corporate governance standards differ from those of other jurisdictions

The Issuer is a joint stock company organised under the laws of the Slovak Republic. The rights of holders of the Offer Shares are governed by the Issuer's Articles of Association and by Slovak law. These rights, including the rights of minority shareholders, may differ in some respects from the rights of shareholders in corporations organised outside of the Slovak Republic. Thus, it may be difficult for investors to prevail in a claim against the

Issuer under, or to enforce liabilities predicated upon, the securities laws of jurisdictions outside of the Slovak Republic.

Capital gains from the sale of the Offer Shares may be subject to income tax

The disposal of the Offer Shares generally results in the recognition of capital gains or losses equal to the difference between the sale price and the acquisition costs. Capital gains realised upon disposal of the Offer Shares by a Slovak tax resident or a Slovak permanent establishment of a Slovak tax non-resident should be subject to Slovak income tax. In addition, capital gains arising on a sale of the Offer Shares by a Slovak tax non-resident may be subject to tax in the Slovak Republic, depending on the tax residency status of the buyer of the Offer Shares and other relevant criteria, unless relief is provided pursuant to an applicable double tax treaty. See Article 10 (Taxes and foreign exchange regulation).

The risk of legality of the purchase of the Offer Shares

Potential investors in the Offer Shares (mainly foreign persons) should be aware of the fact that the purchase of the Offer Shares may be subject to legal restrictions affecting the validity of their acquisition. The Issuer has or assumes no responsibility for the legality of the acquisition of the Offer Shares by a prospective investor, whether under the jurisdiction of its incorporation or jurisdictions where it operates (if different). The prospective investor may not rely on the Issuer when deciding on the legality of the acquisition of the Offer Shares.

Risk of a purchase or sale of the Offer Shares being subject to transaction costs and charges

When the Offer Shares are purchased or sold, several types of incidental costs (including transaction fees and commissions) are incurred in addition to the purchase or sale price of the Offer Shares. These incidental costs may reduce profit from holding the Offer Shares. To the extent that additional domestic or foreign parties are involved in the execution of an order, including, but not limited to, domestic or foreign brokers, potential investors may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs). The specific risk is that such additional costs may eventually lower the yield of the investment substantially. Therefore, potential investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Offer Shares before investing in the Offer Shares.

Risk factors associated with the Offer and trading in the Offer Shares

Risk of limited offer, reduction of the orders and termination or suspension of the offer

The offer is not open to all external investors. As part of the Offer Period First Round, the Offer Shares will be offered to all existing shareholders of the Issuer who may exercise their pre-emptive right to subscribe for the Offer Shares.

As part of the Offer Period Second Round, the Offer Shares will be offered to existing shareholders of the Issuer who submitted valid orders for the Offer Shares within the Offer Period First Round, and to selected investors who express their interest in subscribing for the Offer Shares. As part of the Offer Period Second Round, the Issuer may directly address the investors selected by it.

Potential investors in the Offer Shares should take into account that, within the Offer Period Second Round, the Issuer may reduce the volume of the Offer Shares stated in the orders/instructions of investors at its sole discretion, while an overpayment (if any) will be returned to the investor's account without undue delay. If the order is reduced, the potential investor will not be able to make an investment in the Offer Shares in the amount originally intended.

The Issuer may also suspend or terminate the Offer at its decision, and further orders will not be accepted after such suspension or termination of the Offer.

Risk associated with the manner of placing orders in the Slovak Republic and Czech Republic

If an investor does not have a contract for the provision of investment services with the Manager J&T BANKA for the Offer in the Slovak Republic and the Czech Republic, the investor may be required due to the technical and regulatory requirements of the Slovak and Czech laws, to submit its order for the subscription of the Offer Shares through its Slovak or Czech securities custodian or another person who maintains the relevant account for the investor (in each case a licensed securities broker) acting for or on behalf of the investor. Without such cooperation with their securities custodian, the investor who does not have a contract with J&T BANKA will

not be able to participate in the Offer. Investors should consider that the preparation and processing of an order by their securities broker may take some time and the duration of the Offer is strictly limited from 10 June 2024 to 24 June 2024 (first round) and from 25 June 2024 to 4 July 2024 (second round). Participation in the first round is also a condition for participation in the second round. Neither the Issuer nor J&T BANKA have an obligation to actively seek out and contact existing shareholders.

Risk of investors in Poland associated with a different legal regime and the manner of placing orders

Investors in Poland should note that they will not obtain the rights to preferential subscription of the Offer Shares in the form of securities in their investment accounts as may be customary for other public companies in Poland. Such securities will not be created by CDCP or KDPW, as this is not envisaged by Slovak law. The preferential subscription right exists under the Slovak Commercial Code and can be transferred on a contractual basis only. As a result, the preferential subscription rights will not be listed or traded on any regulated market.

In order to subscribe the Offer Shares, a Polish investor must have an active agreement for the provision of brokerage services with mBank. If the investor does not have such a contract, it can require its entering into, however, mBank is not obliged to onboard every investor. Investors who wish to sign an agreement for the provision of brokerage services with mBank should also contact mBank well in advance by the end of the offer period, because the process of onboarding a client may take some time. The duration of the offer is strictly limited from 10 June 2024 to 24 June 2024 (first round) and from 25 June 2024 to 4 July 2024 (second round). Participation in the first round is also a condition for participation in the second round. Neither the Issuer nor mBank have an obligation to actively seek out and contact existing shareholders.

Risk of insufficient liquidity of the Offer Shares when trading on the secondary market

The Issuer will apply for admission of the Offer Shares to the listed parallel market of BCPB as well as the regulated markets of BCPP and GPW, but it cannot be guaranteed that the Offer Shares will indeed be admitted. Even if the Offer Shares were admitted to trading on a regulated market, there is no guarantee that a sufficiently liquid secondary market for the Offer Shares will be established and maintained so that investors can trade them at any time.

In an illiquid market, it may not be possible to sell the Offer Shares at an adequate price at any time, which may have a negative impact especially on investors who invested in the Offer Shares in order to generate profit from their trading.

Volatility in the price of the Offer Shares may have an adverse effect on the holders of the Offer Shares

The price of the Offer Shares may be highly volatile and may be affected by factors affecting the Group, its competitors or the financial markets in general as well as the overall perception of emerging markets by investors, particularly the tourism and leisure industries. The price of the Offer Shares may be largely influenced by factors such as fluctuations in the operating results of the Group or its competitors in individual periods; announcements by the Group or its competitors about the launch of new products, offers or technologies; announcements by competitors, companies with similar business activities or those that otherwise affect the travel and leisure sector (including those related to the operational or financial results of those companies or those related to technological changes); announcements regarding changes in management or key personnel of the Group; announcements regarding changes to the Group's shareholder structure; changes in financial estimates from securities analysts; changes in the regulatory environment or in disputes concerning the Group and announcements concerning the Group's assets (e.g. acquisitions, sales, etc.). In addition, international securities markets have experienced significant price and volume fluctuations in recent years. In the future, such fluctuations could have an adverse effect on the market price of the Offer Shares, regardless of the operating results or financial position of the Issuer.

The law of the Slovak Republic stipulates restrictions and fines for misuse of information and price manipulation, and the Slovak market is subject to regulation and supervision by the NBS. However, the Slovak securities market and its regulation and supervision are still only evolving towards the standards prevailing on established securities markets. Liquidity and trading volumes at BCPB are very low compared to stock exchanges in established stock markets. Relatively low liquidity also prevails on BCPP and GPW stock markets. These factors may have an impact on fluctuations in the price of the Offer Shares.

Trading in the Offer Shares may be interrupted or stopped

BCPB, but also the BCPP and GPW, may interrupt or end trading in the Offer Shares in several cases, for example, if the Issuer does not fulfil certain reporting obligations and in case of market manipulation. No interruption should exceed three months. If the Offer Shares cease to be traded on BCPB and will not be traded on any other regulated market, the Issuer will be obliged to submit a mandatory offer for the purchase of the remaining Offer Shares.

3. RESPONSIBLE PERSONS AND REPRESENTATIONS OF THE RESPONSIBLE PERSONS

The person responsible for the information provided throughout the Prospectus is the Issuer, represented by Ing. Igor Rattaj, Chairman of the Board of Directors, and Ing. Zuzana Ištvanfiová, Vice-president of the Board of Directors.

The Issuer represents to the best of its knowledge and based on all its due diligence that the information provided throughout the Prospectus is true and that no facts affecting or changing its meaning were omitted.

In Bratislava, on 31 May 2024.

4. STATUTORY AUDITORS

(a) **The auditors of the Issuer for the period covered by historical financial information**

Consolidated financial statements of the Issuer for the financial year 2022/2023, i.e. for the period from 1 November 2022 to 31 October 2023 (the **2022/2023 Financial Statements**), for the financial year 2021/2022, i.e. for the period from 1 November 2021 to 31 October 2022 (the **2021/2022 Financial Statements**), and for the financial year 2020/2021, i.e. for the period from 1 November 2020 to 31 October 2021 (the **2020/2021 Financial Statements**, and jointly with the 2021/2022 Financial Statements and the 2022/2023 Financial Statements also the **Audited Annual Financial Statements**), all prepared according to international accounting standards IFRS, audited by KPMG Slovensko spol. s r.o., Identification No.: 31 348 238, registered in the Commercial Register of the Municipal Court Bratislava I, section: Sro, insert No.: 4864/B, registered in the register of the Slovak Chamber of Auditors (SKAU) under no. 96.

The auditor responsible for the audit of the 2022/2023 Financial Statements was Ing. Miroslav Kožlej, license of the Audit Supervision Office (UDVA) No. 1212. The auditor responsible for the audit of the 2020/2021 Financial Statements and the 2021/2022 Financial Statements was Ing. Martin Kršjak, license of the Audit Supervision Office (UDVA) No. 990. The auditor issued an unmodified opinion (without qualifications) regarding the Audited Annual Financial Statements.

(b) **Replacements of auditors during the period covered by historical financial information**

During the accounting periods covered by the historical financial information in the Audited Annual Financial Statements, the auditor responsible for the audit of the relevant financial statements had not been replaced.

5. INFORMATION ABOUT THE ISSUER

5.1 Information about the Issuer

Business name:	Tatry mountain resorts, a.s.
Registered in:	the Slovak Republic in the Commercial Register of the District Court Žilina, section: Sa, insert No.: 62/L
Identification No.:	31 560 636
LEI:	315700YHD1JR6VB1BA90
Issuer incorporated on:	The Issuer was incorporated on 30 March 1992 when it was registered in the Commercial Register of the District Court Žilina, section: Sa, insert No.: 62/L.
Term:	The Issuer was established for an indefinite term.
Established as:	The Issuer was established as a joint-stock company by the foundation deed dated 20 March 1992.
Legal form and laws:	A joint-stock company organised and existing under the laws of the Slovak Republic
Registered office:	Demänovská Dolina 72, Liptovský Mikuláš 31 01, Slovak Republic
Phone number:	+421 911 126 108
Website:	https://www.tmr.sk/ The information provided on the Issuer's website does not form part of the Prospectus, unless such information is incorporated by reference in the Prospectus. Information on this website has not been reviewed or approved by the NBS.
Credit ratings:	The Issuer has no credit rating.
Principal laws governing the Issuer's activities:	The Issuer operates as a business company under the laws of the Slovak Republic, in particular under the Commercial Code, Act No. 40/1964 Coll., the Civil Code, and Act No. 455/1991 Coll. on Trades (in each instance as amended).

5.2 Business overview

(a) Object according to the articles of association

According to Article II of the Issuer's articles of association, its object is:

- (i) operation of cableways,
- (ii) operation of transport on a cableway,
- (iii) operation of ski lifts,

as well as rental of advertising space, operation of a ski school, operation of a snowboard school, construction works and changes, construction of simple structures, small structures and their changes, mediation of sale, lease and purchase of real estate (real estate activities), organisation of children's leisure time activities other than travel agency activities, operation of ski slopes, grooming of ski slopes, landscaping works, transport of sports equipment and luggage, left-luggage office, organisation of trainings, seminars, educational and cultural social events, organisation of exhibits, operation of car parks, provision of data services - Internet reading room, operation of no-win slot machines and jukeboxes, reprography services, operation of a tour operator, operation of a travel agency, activities of a travel guide, leasing and rental of movable items, consumables, computing equipment and technology, personal road transport using vehicles for up to 9 passengers including the driver other than taxi service, mediation and sale of own outdoor sports services, microwave broadcasting of TV signal

in hotels and lodging facilities, broadcasting of advertisements and advertising spots as part of the microwave broadcasting of TV signal, creation of internet and web sites, attendance of preschool children, repairs and maintenance of sports tools and equipment, factoring and forfeiting, working with the results of creative activities subject to the consent of their author, publishing activities within unregulated trades, bookkeeping, business advisory in marketing and market research, cooking and selling for direct consumption of quickly heat-treated meat products and usual side-dishes as well as non-meat meals, sale of food cooked and delivered from an authorised producer at catering facilities, in a confectionery store and in delicatessen store, preparation and selling of for direct consumption of non-alcoholic and industrially-prepared milk drinks, cocktails, beer, wine and spirits, renting of sports equipment, activities of entertainment parks, operation of sports parks, organisation of sporting events, renting of small boats, activities of management of constructions for individual recreation, single-floor structures and building site breaking structure if their built-up area not exceed 300 sq. metres and their height 15 metres, of small structures and their changes, drawing-up of documentation and the construction part project for simple structures, small structures and changes of these structures, engineering activities, procurement of services associated with management of residential and non-residential premises, provision of services of driving another person's motor vehicle, activities of an engineer - building structures, purchase of goods for resale to end consumers (retail) or other traders (wholesale), preparatory work for structure construction, mediation of trade, mediation of services, IT services, services related to computer data processing, lease of real estate accompanied by the provision of other than basic lease-related services, lease of movable items, administrative services, activities of business, organisational and economic advisers, operation of cultural, social and entertainment facilities, operation of sports facilities, advertising and marketing services, market and public opinion surveys, hairdresser, cosmetic services, catering services, winter road maintenance, operation facilities used for a regeneration and recondition, lodging activities in lodging facilities accompanies by catering services provided in these facilities and in a 3rd category cottage parks and 3rd and 4th category camping sites, washing and ironing of clothes, massage services, performance of extracurricular educational activities, operation of personal road transportation, operation of freight road transportation, chartered construction engineer in the category: engineer for the construction of earthworks, sports activity according to Section 3(a) of Act No. 440/2015 Coll. on Sports, Amending and Supplementing Certain Acts, as amended, manufacturing of confectionery products, provision of services of a personal nature and mountain guiding activities, including guiding and accompanying people along hiking trails and routes.

(b) **Principal activities**

The principal activity of the Group is the provision of tourist services in the Slovak Republic, with developing activities in neighbouring countries, especially in the Czech Republic, Poland and Austria.

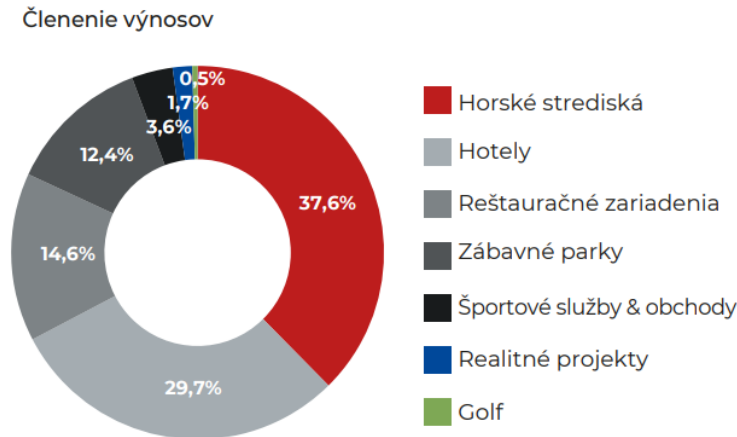
The Group's activities are concentrated in seven key segments: Mountain Resorts, Amusement Parks, Golf, Restaurants, Sports Services and Stores, Hotels and Real Estate. The Group's income come primarily from the operation of ski resorts, aqua parks, an amusement park, and the provision of lodging and ancillary services in restaurants and a network of ski schools, rentals and sports stores in the resorts.

From the point of view of the distribution of revenues for the financial year 2022/23, the largest part, i.e. 37.6%, came from the sale of ski passes and cableway tickets in ski resorts (for the financial year 2021/22: 39.2%, and for the financial year 2020/2021: 29.2%) and from lodging services in hotels that the Group owns and/or operates, i.e. 29.7% (for the financial year 2021/22: 28.4%, and for the financial year 2020/2021: 24.4%).

Other revenues came from the sale of admissions in amusement parks (12.4%) (for the financial year 2021/22: 12.4%, and the financial year 2020/2021: 11.5%) and from ancillary services provided in the network of restaurant facilities on the slopes and in amusement parks (14.6%) (for the financial year 2021/22: 14.7%, and the financial year 2020/2021: 14%), in sports and souvenir shops, rental shops and ski schools (3.6%) (for the financial year 2021/22: 4.0%, and the financial year 2020/2021: 4.4%) and in golf resorts (0.5%) (for financial year 2021/22: 0.6%, and the financial year 2020/2021: 1%). In addition to the above activities, the Group is active in real estate projects where income was generated mainly by lease of lodging facilities and sale of apartments (1.7%) (for financial year 2021/22: 0.8%, and the financial year 2020/2021: 15.5%).

The Group performs its business activities in the regions High Tatras and Low Tatras in the Slovak Republic, in Polish Beskid Mountains, in Silesia, in the Krkonoše region in the Czech Republic, in Moravia and in the Austrian Mölltaler Gletscher, Ankogel and Innsbruck Muttereralm.

The chart below shows the breakdown of the Issuer's income for the financial year 2022/2023.



[*Translation of the legend: Title: Breakdown of the income; Red: Mountain resorts, Light grey: Hotels, Grey: Restaurants, Dark grey: Amusement Parks, Black: Sports Services and Stores, Blue: Real Estate, Green: Golf*]

Mountain Resort VYSOKÉ TATRY (The High Tatras)

- All-season resort offering complex services for all the types of clients in the summer and winter season
- Three locations – Tatranská Lomnica, Štrbské Pleso and Starý Smokovec
- Situated in the oldest national park in the Slovak Republic TANAP (Tatra National Park)
- 5 months of snow guaranteed
- 24 km of ski slopes, 17 km with snowmaking
- 20 cableways and ski lifts
- Maximum transport capacity of more than 23,000 persons/hour
- **Hotels:** Grandhotel Praha, Grandhotel Starý Smokovec, Hotel FIS, Night on Lomnický Peak, Apartments Horec

Mountain Resort JASNÁ NÍZKE TATRY (Jasná Low Tatras)

- The biggest winter sports resort in Central Europe
- **Locations:** Chopok Sever and Chopok Juh
- Host of FIS Ski World Cup Ladies 2015, Junior Alpine FIS World Cup 2014
- 50 km of ski slopes, 36.75 km with snowmaking
- 25 cableways and ski lifts
- Maximum transport capacity of 32,859 persons/hour
- **Hotels:** Hotel Tri Studničky, Hotel Grand Jasná, Chalets Jasná Collection, Hotel Srdiečko, Night on Chopok, Hotel Pošta, Hotel SKI, Hotel Liptov
- **Real Estate:** lease out of Kosodrevina Lodge, sale of Chalets Jasná Collection, sale of apartments in Hotel Pošta

Mountain Resort Szczyrk

- 40 km of ski slopes, 22 km with snowmaking, 5 km of lit-up trails
- 12 cableways and ski lifts
- Maximum transport capacity: 22,000 persons/hour
- Hotel Gronie Ski&Bike
- Location: Silesia Voivodship, the Beskids, Poland

Mountain Resort MÖLLTALER GLETSCHER

- An Alpine resort located on a glacier with 17.4 km of ski slopes and almost 7 km of freeride terrain
- 9 cableways and ski lifts
- Maximum transport capacity: 15,610 persons/hour
- 90% of ski slopes covered with snow made by 45 snow guns

- Glacier Snow Park on the Schareck trail – with terrain waves, banked curves and jumps
- Location: Carinthia, Austria

Mountain Resort ANKOGEL MALLNITZ (Ankogel)

- A mountain resort with 12.8 km of ski slopes and 5 km of freeride terrain
- 5 cableways and ski lifts
- Maximum transport capacity of 4,880 persons/hour
- 50% of ski slopes covered with snow made by 40 snow guns
- A big complex for skiing beginners at the valley cableway station
- Location: Hohe Tauern, Austria

Mountain resort INNSBRUCK MUTTERERALM

- A suburban resort 10 km from the centre of Innsbruck
- 15 km of ski slopes
- 17 km of bike trails
- 4 cableways/ski lifts and 2 conveyor belts for children
- Maximum transport capacity of more than 21,385 persons/hour
- Location: Innsbruck, Austria

SKI RESORT JEŠTED

- A ski resort in a close proximity of the city of Liberec, within a short driving distance from Prague
- More than 10 km of ski slopes
- 10 cableways and ski lifts
- Location: Liberec, Czech Republic

AQUAPARK TATRALANDIA

- The biggest aquapark with accommodation in Central Europe operating year round
- Unique indoor complex Tropical Paradise, also with seawater and authentic corals
- A Hawaii complex with two artificial surf wave lanes
- 14 swimming pools (10 year-round) with thermal, sea and pure water
- a compound of 21 steam, water and jet spas, saunas and procedures with a wellness centre
- 28 toboggans and waterslides (6 year-round) and 300 different attractions
- Liptov Arena: a multipurpose cultural-entertainment sports arena within the Aquapark Tatralandia
- **Lodging:** Holiday Village Tatralandia, 502 beds in 99 bungalows and apartments in 11 theme villages
- A congress center, 5D cinema, Hurricane Factory wind tunnel, Zookontakt
- **Real Estate:** sale of apartments in the Holiday Village Tatralandia
- Location: Liptov region, Slovakia

Aquapark BEŠEŇOVÁ

- The extensive compound has a rich history thanks to the abundant resources of geothermal springs
- 23 pools and hot tubs (13 operating during winter) with clear geothermal water
- Harmony wellness centre
- A 30-meter-high toboggan tower with 6 slides that are more than 1 km long
- **Lodging:** Hotel Bešeňová, Galeria Thermal Bešeňová, Hotel Akvamarín Bešeňová
- Location: Liptov region, Slovakia

LEGENDIA – SILESIAN AMUSEMENT PARK (Legendia, ŚLĄSKIE WESOŁE MIASTECZKO)

- The largest and oldest amusement park in Poland
- A 40-metre high roller coaster – Lech Coaster – with 4 inversion curves
- Area: 26 hectares
- 50 attractions
- Location – Park Śląski (Silesian Park) near Chorzów, Poland

GOLF & SKI RESORT OSTRAVICE

- An 18-hole par 72 master golf course designed by Chris Johnson
- A lit cross-country skiing resort
- Green Inn Hotel – 36 rooms
- A restaurant, wellness centre, congress centre
- Location – Beskydy, Czech Republic

GOLF RESORT KASKÁDA

- A 27-hole master golf course designed by a British architect, Jonathan Gaunt
- A 6-hole academy, a 300 m lit driving range
- 4* hotel – 50 rooms, 100 beds
- A restaurant with a deck and a view of the golf course, a congress centre, a wellness centre
- Location – Moravia, Czech Republic

MOUNTAIN RESORTS

The Mountain Resorts segment includes the sale of ski passes and tickets for cable cars in seven mountain resorts: Jasná Low Tatras – Chopok North and South, the High Tatras – Tatranská Lomnica, Starý Smokovec and Štrbské Pleso, the Polish Szczyrk Mountain Resort, the Austrian Alpine resorts of Mölltaler Gletscher, Ankogel Mallnitz and Innsbruck Mitteralpe, and the leased Ještěd Ski Resort in the Czech Republic. The resorts taken together offer 171 km of ski slopes with the transport capacity exceeding 103,000 persons per hour. Since the winter season 2012/13, TMR has also been cooperating on a sales and marketing basis with the ski resort Špindlerův Mlýn in the Czech Republic that has been leased by MELIDA a.s., in which the Issuer holds a 25% share as of the date of this Prospectus.

HIGH TATRAS

The High Tatras as the greatest mountain range in Slovakia are also the oldest national park in our country (Tatra National Park – TANAP). Therefore, the Issuer performs all of the tourism activities in such a way as to protect the nature and preserve rare biotopes. In the High Tatras resort, the Issuer owns and operates cable cars in Tatranská Lomnica, Starý Smokovec. At the same time, the Issuer owns and rents the Štrbské pleso resort.

Tatranská Lomnica

The longest, and is also the highest, ski slope in Central Europe in Slovakia is located in Tatranská Lomnica. This ski slope has the highest altitude difference with possibility to ski down from 2,196 metres above sea level on a 5.5 km long ski slope from Lomnické sedlo to Tatranská Lomnica. Ski slopes in Tatranská Lomnica are attractive for all skiers, from experts to intermediate skiers and beginners who can use easy blue trails in the bottom part of the resort. There is one difficult, five intermediate, and six beginner trails available for skiers. In September 2015 the ski portal Skiresort.info ranked the ski resort Tatranská Lomnica among the world's top 14 resorts with up to 20 km of trails; and in the category "Beginners" it was ranked among the world's top resorts with infrastructure and services suitable for ski beginners. Besides skiing, visitors can enjoy different adrenaline attractions like snowbike, skifox and snowcoot. The resort in Tatranská Lomnica offers up to 45.9 hectare of ski slopes with total length of 12 km, while almost 32 ha of ski slopes have technical snowmaking coverage thanks to 227 snow guns. Tatranská Lomnica together with Starý Smokovec also offers fun and entertainment after skiing. Every day there is an interesting après ski program available for skiers. Parking is provided by a new free terraced ski in – ski out parking lot for 350 cars and 10 buses. In the summer Tatranská Lomnica turns into a sought-after tourist destination for relaxation and fun for the whole family. Besides cableway trips up to the top of Lomnický peak, attractions such as cart rides from Štart, there is the original children's project – Tatra's Wilderness. It presents educational-entertainment trails in Tatranská Lomnica, Lomnické sedlo and around Skalnaté pleso, accompanied by games and a mini ecopark Marmot Land at Skalnaté pleso for children under 12. The children's indoor park Kamzíkov is open all year round at Skalnaté pleso.

Starý Smokovec

Unlike Tatranská Lomnica, the location Starý Smokovec is more about alternative leisure activities, such as snowtubing, sledging on a 2.5 km long sledging track, and funtools – skifox, snowbike, snowcoot. In the summer season there are attractions like summer tubing. Hrebienok, the end station of a comfortable panorama funicular

from Starý Smokovec, is the favourite start point for hikes throughout the year. In winter months there are ski slopes named Jakubkova lúka I and II available for skiers.

Štrbské Pleso

The Štrbské Pleso ski resort is sought after by fans of quality wide red trails with best views. The best experience at this location comes on a cableway ride to Solisko at 1,840 metres above sea level when one can view beautiful peaks of the High Tatras and the whole mountain ridge of the Low Tatras from Kráľova hoľa to Chopok. In the location Štrbské Pleso, there are up to 26 kilometres of cross-country tracks and more than 9 kilometres of ski slopes with beginner or medium difficulty. There is also, of course, a wide range of ski and snowboard rentals, ski services, and ski school for kids and beginners. The cable car to Solisko is open to tourists even in summer, and bikers can rent a mountain bike at Tatry Motion – a sports store underneath ski jump boards – with an option of its return in Starý Smokovec or Tatranská Lomnica. After years of monitoring the condition of Štrbské pleso, reintroduction of boating on the mountain lake with more than 130-years of history was permitted in 2008. Tourist can use 11 wooden flat-bottomed boats and one sports flat-bottomed boat berthed at the newly built pier with a view of the High Tatras peaks.

JASNÁ LOW TATRAS

The Jasná Low Tatras resort is located in the mountain range of the Low Tatras, which stretches more than 80 km across the heart of Slovakia. The second highest peak and also one of the most visited places in the Low Tatras is Mt. Chopok, both sides of which are interconnected with cableways.

Jasná Low Tatras is currently the biggest ski resort in Slovakia. Skiers have an option to try all types of trails from blue to black – suitable for beginners, families with children, as well as for advanced skiers. A modern snowmaking system with 527 snow points covers 34 km of trails and provides snow guarantee for at least five months a year. Fans of wild rides can enjoy 12 free ride zones, a great snow park, and Fun Zone. You get to the top of Mt. Chopok by ultra-modern cableways – the 24-person Funitel or 15-person cabins. At night you can enjoy night skiing on a 990-metre long lit up ski slope in Jasná. There are 25 cableways and ski lifts at Mt. Chopok with the transportation capacity of more than 32,000 persons per hour. The winter season typically lasts from the beginning of December to the end of April.

In the resort of Jasná Nízke Tatry, the Issuer also operates several dining facilities. Happy End Disco & Restaurant is well known by its great disco parties and live concerts at night. Furthermore, one can try Bernardino burger restaurant beneath Mt. Chopok, the stylish Restaurant Von Roll at Luková, Snack Bar Rovná Hoľa, a panoramic restaurant Rotunda at 2,004 metres above sea level with a large sundeck and multiple après-ski bars at the valley cableway stations. The highest located ski-in ski-out Hotel Not on Mt. Chopok also serves as a boarding and disembarking station of cableways that connect the southern and northern slope of the second highest peak of the Low Tatras.

In addition to the dining facilities the resort also offers our visitors multiple sport services – individual or group lessons with licensed instructors at the ski school and kindergarten Maxiland. The stores offering sports wear and accessories and sports equipment rentals are run under the Tatry Motion brand. The Ski service offers ski and snowboard service with a technologically perfect machine on the spot.

Thanks to the cableways operating year round, the Jasná resort offers also in the summer a wide spectrum of sports activities – rides on mountain carts, scooters, or in the bike park on both sides of Mt. Chopok, Nordic walking, a bungee trampoline, or lake boat rides. On the north and south side of Mt. Chopok there is a family outdoor game prepared with new tasks and attractions of the Dragon Demian at Drakopark Chopok.

SZCZYRK MOUNTAIN RESORT (SZCZYRK)

Szczyrk Mountain Resort is located in the Polish Beskid Mountains near the town of Szczyrk and offers skiing on 65 hectares of well laid-out long ski slopes. The longest ski slope is 5.3 km long. Thanks to cooperation with neighbouring ski areas clients can use a joint ski pass on 40 km of ski slopes. The resort has a gondola for 10 people and three 6-seater chairlifts operating. The slopes and trails have been widened and profiled, are covered by the state-of-the-art snowmaking system with a water reservoir and a new multifunctional building – SZCZYRK-GONDOLA – has been added, providing full service for visitors. At the beginning of 2020, a new Kuflonka restaurant with a capacity of 450 people was put into operation in the centre at an altitude of 1000 metres above sea level.

MÖLLTALER GLETSCHER

The Mölltaler Gletscher ski resort located in the only glacial area in Carinthia offers ski slopes of all difficulty levels, including the most popular almost 7 km long FIS downhill course where professional skiers love to train. The season at the Mölltaler Gletscher begins in mid-June and ends in mid-May of the following year and the snow cover reaches as high as 450 centimetres in high season. There are trails for beginners but also terrain for experienced freeriders in this ski resort. Resort attractions include the Mölltaler Gletscher Express funicular, which transports 220 passengers to the altitude of 2,234 metres above sea level within 8 minutes and surmounts a vertical drop of 1,012 metres on a more than 4.7 km long route. Non-skiers have at their disposal the panoramic Ice Palace restaurant at an altitude of 2,800 metres above sea level with a view of the surrounding Alpine peaks. The resort features restaurants, car parks, ski rentals, a snow park and much more. The interchange station (located by the upper funicular station) offers a ski service, a ski depot, a big complex for skiing beginners in the winter. Ski lessons for kids from the age of 4 years including lunch care are available in the children's club.

ANKOGEL MALLNITZ (ANKOGEL)

The Ankogel Mallnitz ski resort (20 km from the Mölltaler Gletscher resort) is located in the Hohe Tauern National Park between Carinthia and Salzburg and is ideal for enjoying some extra skiing adventures in the region on perfect terrain above the tree line. Ankogel Mallnitz offers medium-difficult ski slopes. A children's club for small skiers from the age of 3 can be found at the valley cableway station. The club has its own ski area with a magic carpet (conveyor belt) and provides kids with lunch, and there is a final race after lessons. Clients can use a combined ski pass in both resorts – Ankogel and Mölltaler Gletscher.

INNSBRUCK MUTTERERALM (MUTTERERALM)

The Muttereralm in the Tyrolean Alps is the most recent acquisition in the TMR portfolio. The resort offers hiking trails, cycling activities and mountain biking during the summer and skiing or sledding in the winter. Modern infrastructure and experiential restaurants throughout the ski area make the Muttereralm a popular destination for the entire family. Snow is guaranteed by the snowmaking system covering all 15 km of slopes.

SKIAREÁL JEŠTĚD (Ještěd)

The Ještěd ski resort has a long history related to sports and the tradition of a town centre with a unique catchment area. Its all-year operation is even more popular for its easy access from the northern Czech region. The area itself has 10 km of slopes, led by the new Nová Skalka slope, which is a key project for the future of the entire area. In the summer season, the bike park and the summer operation of the Skalka cable car for hikers and cyclists were popular attractions. TMR has been renting the resort and operating it since 22 December 2017. TMR signed a lease agreement for Ještěd for 10 years with an option of another 10 years.

AMUSEMENT PARKS

AQUAPARK TATRALANDIA

Aquapark Tatralandia with the lodging complex Holiday Village Tatralandia is one of the biggest year-round aqua parks in Central Europe. Its visitors can use 14 pools and 26 toboggans, of which 10 are year-round and 4 summer pools, as well as a sauna world and Wellness Paradise. Fun Park Tatralandia is also located within the aquapark. The covered year-round complex Tropical Paradise in the shape of a shell uses salty sea water and sports a special roof membrane that makes it possible for visitors to get tanned, and a snorkel pool with real coral reefs and marine fauna. The indoor simulator, Surf Waves Tatralandia, utilises the technology of an artificial river creating waves similar to ocean ones. The unique Hawaii complex includes four lanes of 68 square metres. This attraction guided by experienced instructors is suitable for all age groups 6 and over. In 2017, the Tatrapolis metal miniatures park with the world's most important buildings was added to the Tatralandia aquapark area, and it is also possible to get to know the life of animals from a close distance in ZOOKONTAKT Tatralandia.

AQUAPARK BEŠEŇOVÁ

Aquapark Bešeňová is an aquapark operating year-round. The thermal swimming pool is built on the basis of hot springs of healing waters that spring from a depth of 1,987 metres. The geothermal water has a beneficial effect on the respiratory and locomotor systems. There are 23 pools and hot tubs with geothermal and clear water (13 during the winter) in the area, which helps the water park to be the best in Slovakia. It offers visitors 13 toboggans, slides and a wave pool in the entertainment tent. One of the biggest jewels is the unique wellness & spa. Holistic wellness with an emphasis on body, soul and mind care is a source of new energy for everyone.

The new wellness & spa offers an interconnection of 4 elements of life and Liptov nature through birch trees, the Bešeňová Cave with endless waterfalls and a spectacular Sauna dome and a new quiet zone.

LEGENDIA – SILESIA AMUSEMENT PARK (Legandia, Śląskie Wesołe Miasteczko)

Legandia near the Polish town of Chorzów is the largest and oldest theme park in Poland. It was put into operation in 1959 and covers 26 hectares. It is located in the upper Silesian industrial district with its unique “green oasis” of Silesian Park (Park Śląski). The guests will find over 40 popular attractions, such as the Ferris wheel (Legandia Flower), large aircrafts (Dream Flight Airlines) and Tea Cups as well as new rides, including Diamond River – a water slide from the height of 8 and 12 metres, or Lech Coaster – awarded the Best Coaster 2017 in the prestigious industry competition for the best European rollercoaster 2017. The hit of the season is Bazyliszek – the only Interactive Dark Ride family attraction in Poland and at the same time one of the most modern in the world. The Issuer owns a 100% share of the park and has been operating it since May 2015.

GOLF

The golf segment is the newest segment, in line with our strategy to expand the Group’s business operations.

GOLF & SKI RESORT OSTRAVICE

Golf & Ski Resort Ostravice opened its doors to the public for the first time in 2008. In Golf Digest’s survey in 2009, 2010, and 2011, the resort was awarded the prestigious award The Best Czech Golf Course. Along with the golf course, a lit cross-country skiing resort was created for professional and recreational cross-country skiers. The 18-hole golf course is located between two highest peaks of the Beskid Mountains – Lysá Mountain and Smrk at the foot of Mt. Žár in the village of Ostravice at the altitude of 400 metres above sea level. GREEN INN Hotel located at the heart of the resort features 36 spacious rooms with high standard amenities, a restaurant with high-quality regional cuisine, wellness services and variable conference rooms. The Issuer has been renting the resort and operating it since November 2018. The lease and management agreement of the resort was signed for 20 years.

GOLF RESORT KASKÁDA

The luxury resort, situated 9 km outside the city of Brno, provides a 27-hole master golf course, a 6-hole academy, and a 300-metre lit driving range with a covered tee. The full-service resort is complemented by a 4* hotel with 50 rooms and apartments and 120 beds, a restaurant with a deck and a view of the golf course, a congress centre, and a wellness centre. The Issuer has been managing the resort since January 2019, whilst it rents the hotel and the restaurant. The lease agreement was signed for 20 years.

DINING

The dining facilities include tens of restaurants, bars, après ski bars, and fast-food joints on and off the slopes of the mountain resorts, in the amusements parks, and in the golf resorts of the Issuer’s portfolio.

SPORT SERVICES AND STORES

Sport Services and Stores under the Tatry Motion, Szczyrk Motion, and Ještěd Motion brands include specialised stores with top brand ski and snowboard goods, ski schools, and sports equipment rentals. Tatry Motion, Szczyrk Motion and Ještěd Motion stores are located at base levels of mountain resorts of TMR. In the amusement parks, stores sell souvenirs and specialised summer and sports merchandise.

HOTELS

The Issuer in its hotel segment currently owns or rents and operates a portfolio of renowned hotels and lodging facilities in the High and Low Tatras, in Polish Beskid Mountains and in the leased golf resorts, in categories ranging from to up to four stars. The hotels operated by the Issuer can therefore offer more than 3,000 beds. Its hotels are capable to satisfying the needs of a wide spectrum of customers, from individuals and families to corporate clients. Its hotels can also offer suitable premises for conferences and company meetings, efficiently using their spare capacity during the time between the main seasons.

HIGH TATRAS

Grandhotel Praha, Tatranská Lomnica

Number of rooms: 123, number of fixed beds: 239

Grandhotel Praha is located in the centre of Tatranská Lomnica at the foot of Lomnický štít (Lomnický Peak), in the heart of the High Tatras. Its history dates back more than 110 years, since its grand opening in 1905. The wellness centre Grand Mountain Spa combines local spa tradition with healing effects of the Tatra's nature. During the financial year 2016/17, the hotel's rooms underwent a renovation in the "Classic" style.

Grandhotel Starý Smokovec

Number of rooms: 84, number of fixed beds: 161

From the point of view of history, location, or architecture this Grandhotel is justly considered one of the most prestigious hotels not only in the High Tatras, but also in Slovakia. Its unique vintage ambiance is attractive for its traditional Austrian-Hungarian cuisine and views from its spacious Art Nouveau rooms.

Hotel FIS, Štrbské Pleso

Number of rooms: 84, number of fixed beds: 157

Mountain ski-in ski-out Hotel FIS is located right below the FIS slope, in the centre of a sport area at Štrbské pleso. The location is its main competitive advantage. It offers newly renovated rooms and is the first dog-friendly hotel in Slovakia. It is located at an altitude of 1,346 metres above sea level. The hotel with its own sports arena and a pro fitness centre also offers a natural wellness & spa designed in a mountain-meadow style.

A night on Mt. Lomnický štít

Number of rooms: 2, number of fixed beds: 4

A night at the top of Lomnický štít is an experience that is not enough to hear about, it is necessary to experience it. Discover the most beautiful place in Slovakia where the summits of the Tatras are touching the sky. Enjoy countless breath-taking views of every piece of the Slovak high mountains, captivating silence and a magical atmosphere in the highest located hotel room in Central Europe.

Apartments Horec

Number of rooms: 33, number of fixed beds: 66

The Horec apartment house is located right in the centre of Tatranská Lomnica and is built in an atypical architecture that looks luxurious in the exterior and interior, yet fits perfectly into the Tatra environment. Thanks to the combination of modern interiors with high-quality traditional materials, apartments Horec have a unique mountain atmosphere and at the same time offer guests maximum comfort.

LOW TATRAS

Hotel Tri Studničky, Demänovská Dolina

Number of rooms: 42, number of fixed beds: 98

Its architecture and layout of exteriors and interiors complements the surrounding mountain environment and the panorama of local mountains. It is located in a beautiful forest area near a mountain stream. In 2010, new conference rooms with attractive views of a mountain stream were added, as well as a renovated wellness centre with the first mountain beach in the Tatra Mountains. These services complete the gap in the offer of this authentic boutique hotel.

Hotel Grand, Jasná

Number of rooms: 142, number of fixed beds: 305

This mountain hotel is situated in the centre of Jasná at an altitude of 1,100 metres above sea level, next to the valley station of the modern 8-seat cable car Grand Jet. Its ski-in ski-out location is exceptional, as well as the renovated wellness centre or a multipurpose conference hall with a 350-person capacity. This kids-friendly hotel is well-suited for families with children.

Hotel Pošta

Number of rooms: 32, number of fixed beds: 72

The new Hotel Pošta located in the heart of Jasná offering 24 design deluxe rooms, 7 spacious apartments, a cosy boutique wellness centre, culinary restaurant Angus, own cosmetics brand Tatry Wellness Elixír, baby and dog sitting, daily newspapers, shoes cleaning, concierge services, and much more.

Chalets Jasná Collection

Number of rooms: 68, number of fixed beds: 264

Luxury apartments in the style of French Alpine lodges provide a 4-star hotel quality. Their strategic advantage is their ski-in ski-out location directly on the slope at Záhradky (18 apartments) and at Otupné in the centre of Jasná (23 apartments) and their provision of premium services. Each chalet has several apartments of various sizes, each with one up to four separate bedrooms. Guests can enjoy the 4* hotel chalet service and visit a private spa in the basement of some chalets.

Hotel Srdiečko

Number of rooms: 43, number of fixed beds: 84

A ski-in ski-out hotel with an unbeatable ski-in ski-out location, directly below the slopes in the resort of Jasná Nízke Tatry – Chopok South. A friendly ambiance and a homey feel surrounded by nature in a less busy area of Jasná, equipped with a new wellness centre, saunas, and an open-air jacuzzi.

A night on Chopok

Number of rooms: 3, number of fixed beds: 12

It is located at the top of the Chopok Mountain in the Low Tatras at an altitude of 2,004 metres above sea level. Hotel Rotunda is a part of the renovated facility Rotunda, which interconnects the north and south sides of the Chopok Mountain with new cableways. The ski-in ski-out hotel with the highest elevation offers lodging for the most demanding clients who want to enjoy a top experience in comfort and seek out an absolute escape. The hotel includes a panoramic restaurant Rotunda with Slovak and world cuisine, Energy Bar with quick snacks, and Rum Bar with a selection of specialty world rums.

Holiday Village Tatralandia

Number of rooms: 101, number of fixed beds: 391

The stylish bungalows of Holiday Village Tatralandia are a combination of relaxation and experiences in one place. In addition to accommodation in 99 bungalows, the thematic settlements offer a unique atmosphere of Liptov with the possibility of hiking and cycling in the vicinity. The accommodation complex is located next to Aquapark Tatralandia and offers a wide range of leisure activities. A novelty of the summer of 2019 are the newly built DELUXE bungalows, the equipment of which meets the requirements of even the most demanding guests.

Hotel Bešeňová

Number of rooms: 123, number of fixed beds: 246

The Issuer owns a hotel located directly in the aquapark Bešeňová compound. The hotel offers a total of 123 rooms and suites, and guests have all-day access to the aquapark Bešeňová.

Galeria Thermal Bešeňová

Number of rooms: 52, number of fixed beds: 104

Hotel Galeria Thermal brings to Bešeňová a unique combination of beneficial geothermal water and high-quality services of a 4-star hotel. In the Hotel Galeria Thermal Bešeňová, visitors can enjoy maximum relaxation during the event, but also a gallery of the most beautiful views of Chopok, Choč Mountains or the aquapark area. As guests of the hotel, they have private access to pools with beneficial thermal water directly from some rooms.

Hotel Akvamarín Bešeňová

Number of rooms: 143, number of fixed beds: 286

TMR rents and operates Hotel Akvamarín Bešeňová, which brings a new, modern accommodation complex right in the water park and can be reached comfortably through covered areas. A private outdoor pool is available for hotel guests and for greater comfort a balcony or terrace, a kitchenette and air conditioning in each room, which are suitable for large families due to their spaciousness.

CZECH REPUBLIC

Green Inn Hotel, Golf & Ski Resort Ostravice

Number of rooms: 36, number of fixed beds: 78

The Issuer rents and operates Green Inn Hotel situated at the heart of Golf & Ski Resort Ostravice in the Czech Beskid Mountains. It offers fascinating views of Challenge Golf Course Ostravice and of Beskid peaks and valleys. The luxury resort that meets requirements of low-energy buildings consists of the main building – the club house with a reception desk, a restaurant, congress space and a luxury wellness centre, and seven separate hotel houses.

Hotel Kaskáda, Golf Resort Kaskáda

Number of rooms: 50, number of fixed beds: 100

The Issuer rents and manages the golf hotel Kaskáda, situated in Golf Resort Kaskáda near the city of Brno. The hotel with a restaurant, wellness centre, bowling, and congress space offers ideal comfort and privacy in cozy barrier free apartments with a view of the golf course.

POLAND

Hotel Gronie Ski&Bike, Szczyrk Mountain Resort

Number of rooms: 36, number of fixed beds: 110

The Issuer owns a recently renovated ski-in ski-out hotel in the vicinity of the ski area of the Szczyrk Mountain Resort. The hotel provides accommodation in 2 – 4-bed rooms and family apartments. There is a wellness spa, fitness centre, relaxation area and conference room.

REAL ESTATE

The goal of this segment is to develop lodging infrastructure and buildings in the mountain as well as summer areas of the Issuer's business. During their implementation, the Issuer intends to use the unique location of the region of High and Low Tatras and Tatralandia. The strategy in this segment is centred mainly on the construction and sale of apartment premises for short-term and long-term accommodation. In the past financial year, chalets in Záhradky continued to be sold. Currently, the Issuer is preparing a new real estate project, Jasná Resort Central Hotel, as well as new cabins in the Tatralandia area. In addition to these projects, the real estate project team participated in the development of the infrastructure necessary for the natural development of tourism in the following areas – cableways, utility networks, tracks, information boards, etc. The Issuer plans its real estate projects mostly in traditional, urban areas, where sport and tourism have been part of history for decades. The Issuer owns Chata Kosodrevina within the Real Estate segment. Revenues from the Real Estate segment come mainly from the hotel leases, from the sale of bungalows Holiday Village Tatralandia and sale of apartments Chalets Jasná Collection.

(c) Significant new products and/or services

The Issuer keeps expanding the spectrum of offered attractions and improves the quality of ski resorts, aquaparks, hotels and restaurants using a resort-centric approach to connect these services and products to the resort-wide offer. The resort-wide offer constitutes a comprehensive customer service in the Group's centres using product synergy and an individualised offer for customers through the Gopass system. A new feature is the creation of a resort-wide "All inclusive" offer for accommodated guests. This offering involves an offer of ski passes and aqua passes included in the price of accommodation for each day. This offer creates a comprehensive product

for the customer and increases the synergistic effect between the hotel and the resort or several resorts of the Group (such as mountain resorts and aquapark resorts).

(d) **Principal markets**

The target segment of the Group are tourists from the countries of Central and Eastern Europe, especially from Slovakia, Czech Republic, Poland and Austria. The visit rate of the Group's resorts is, to a certain degree, determined by developments in the economic situation in the world as well as on the markets of the countries from which the tourists arrive and in which the Group operates.

The world economy continues to slowly recover from the effects of the pandemic, the Russian invasion of Ukraine and the rising costs of living. Global growth was at 3.5% in 2022. The year 2023 brought a slight decrease to 3%, and the prediction for next year is a decrease of 0.1 percentage point. While inflation is gradually coming under control, headline inflation continues to slow from 9.2% in 2022 on an annual comparison basis to 5.9% this year and to 4.8% in 2024. Core inflation, which excludes food and energy prices, is also projected to decline, albeit more slowly than headline inflation, to 4.5% in 2024.¹

According to the European Bank for Reconstruction and Development (the **EBRD**), growth in the regions is expected to have slowed from 3.3% in 2022 to an estimated 1.7% year-on-year in the first half of 2023, because high inflation weighed on household purchasing power. Oil and gas prices have fallen back to comparable pre-war levels. In 2023, average growth in Central Europe and the Baltic states is expected to be 0.5%, and in 2024 it is expected to increase to 2.5%. In the southeastern part of Europe, growth of 2% is expected in 2023 and will further increase to 2.8% in 2024.²

Slovak Republic

GDP growth in Slovakia slowed to 1.2% in 2023. The economy is supported by the drawing of remaining EU funds and the work of foreigners. However, the labour market remains tight, with demographic changes pushing down the labour supply. The outlook in the eurozone for 2024 is more favourable and the dynamics of the eurozone economy will accelerate. Household consumption will begin to recover in Slovakia next year because the government measures will fix energy prices and thus reduce inflation to 3.2%. The drawing of EU funds will be replaced by the Recovery Plan and the Slovak GDP will strengthen by 2.7%. The Recovery Plan will also drive the economy into 2025, which will mark the peak of the economic cycle. In 2026 and 2027, economic growth will slow to the levels of its potential.³

Czech Republic

According to the CNB, Czech GDP growth declined slightly in 2023 and the economy will grow by 1.2% in 2024; its recovery will be dampened by the fiscal consolidation package. In 2025, GDP should accelerate to 2.8%. Monetary conditions in the Czech economy continue to be significantly restrictive. Interest rates are at a level that slows down the growth of Czech Crown bank loans for households and corporates, which inhibits the growth of the money supply in the economy. Since the autumn of 2022, there has been a significant decrease in inflation. Headline inflation fell from 18% to 6.9% in September 2023 and core inflation fell from 14.7% to 5%.⁴

Poland

According to the EBRD, economic activity remained strong in 2022, supported by growth of 5.1%, but fell sharply by 0.8% in the first half of 2023. Limited foreign demand has negatively affected exports, but recently stabilised prices have provided some relief. Inflation peaked at 17.2% in February 2023 and 10.3% in June, which is one of the highest in the European Union. However, in June 2023, the development of real wages turned positive for the first time at the level of the entire economy since the end of 2021. Given the overall limited

¹ International Monetary Fund (IMF): World Economic Outlook, October 2023: Navigating global divergences, published in October 2023, available at: <https://www.imf.org/en/Publications/WEO/Issues/2023/10/10/world-economic-outlook-october-2023>.

² European Bank for Reconstruction and Development (EBRD): Regional Economic Prospects in EBRD Countries of Operations: September 2023. Published in September 2023. Available at: <https://www.ebrd.com/what-we-do/economic-research-and-data/rep.html>.

³ The Institute of Financial Policy of the Ministry of Finance of the Slovak Republic: IFP macroeconomic forecast. 66th meeting of the Committee for Macroeconomic Forecasts, December 2023. Published in December 2023. Available at: <https://www.mfsr.sk/sk/financie/institut-financnej-politiky/ekonomicke-prognozy/makroekonomicke-prognozy/66-zasadnutie-vyboru-makroekonomicke-prognozy-december-2023.html> (in Slovak)

⁴ Czech National Bank (ČNB): Zpráva o měnové politice – podzim 2023, október 2023. Published in November 2023. Available at: https://www.cnb.cz/export/sites/cnb/cs/menova-politika/galleries/zpravy_o_menove_politice/2023/podzim_2023/download/zomp_2023_podzim.pdf (in Czech).

economic activity in 2023, GDP is expected to grow by only 0.6%. A return to positive real wage growth, low unemployment and improved consumer sentiment is expected to boost GDP growth to 2.7% in 2024.⁵

Austria

According to the Organisation for Economic Co-operation and Development (the **OECD**), Austria's GDP growth notably slowed down and reached 0.4% in 2023. The OECD predicts the growth of the Austrian economy at the level of 0.6% in 2024 and 1.5% in 2025. Higher real household wages will support consumption in 2024. Investments will be subdued due to higher interest and personnel costs, and export demand will be limited by the global macroeconomic downturn. Higher interest costs and high public debt will require the consolidation of public finances through spending cuts.⁶

Regional tourism

The number of international tourist arrivals measured by the methodology of the World Tourism Organization (the **UNWTO**) reached the level of 87% before the pandemic year. It is estimated that 975 million people travelled abroad between January and September, tourists, which represents an increase of 38% compared to the number of arrivals recorded in the same period in 2022, even though this represents a decrease of 13% compared to 2019. Income from international travel tourism could reach USD 1.4 billion by the end of 2023. These results reflect a strong recovery in demand in 2023. With Europe as one of the largest destinations, the number of international tourist arrivals reached 94% of the pre-pandemic year level, which was supported by strong demand. International tourist arrivals are expected to reach 1.3 billion in 2023, an increase of 33% from 2022 and almost 90% of pre-pandemic levels, in line with scenarios published by the UNWTO in January. In this context, international tourism is on track to fully recover in 2024, despite economic challenges and uncertainty arising from certain geopolitical tensions and conflicts.⁷

Slovak tourism

Apart from the majority of domestic tourists, Slovakia is mostly visited by tourists from neighbouring countries, with the majority of tourists historically, but also in 2022, came from the Czech Republic (2022: 35% or 563,000) and Poland (2022: 12% or 190,000). In 2022, the number of foreign tourists increased by 177% to 1.6 million. The number of domestic tourists in 2022 also increased by 51% to 3.2 million. However, compared to 2019, a quarter of visitors were still missing. The ratio of domestic to foreign tourists is currently at 70/30.⁸ In summary, from January to November 2023, 5.4 million visitors were accommodated in tourism establishments in Slovakia. In a year-on-year comparison, this is an increase by almost a fifth, and the values of 2019 were missed by about a tenth of the total visit rate. During 11 months, there were 32% more foreign guests accommodated in Slovakia than last year, and the number of domestic tourists increased by 13%.⁹

European mountain tourism

For the business activities of the Issuer focused on operation of ski resorts is the relevant market Europe as such, in particular the region of Central and Eastern Europe. In Europe, the biggest skiing destinations are the Alpine countries: Austria, France, Switzerland, Germany, and Italy. On the global scale, the Alps hold the biggest market share representing 40% of the total number of skier visits (so-called person days).¹⁰ The second most important is North America with 23%. The Central and Eastern Europe is attractive to only 10% of skiers even though this area produces 12% of all skiers worldwide. Since the beginning of the new millennium, world ski destinations have experienced a declining trend in the number of person days, especially Western European traditional ski destinations, despite global population growth as well as the growth of person days in the world. One of the reasons is the aging population as well as the difficulty in promoting skiing among young people. This represents an opportunity for the Central and Eastern Europe region to increase the supply of ski resorts at

⁵ European Bank for Reconstruction and Development (EBRD): Regional Economic Prospects in EBRD Countries of Operations: September 2023. Published in September 2023. Available at: <https://www.ebrd.com/what-we-do/economic-research-and-data/rep.html>.

⁶ OECD Economic Outlook: Economic Outlook Note - Austria: November 2023. Published in November 2023. Available at: <https://www.oecd.org/economy/austria-economic-snapshot/>.

⁷ World Tourism Organization (UNWTO): World Tourism Barometer and Statistical Annex, November 2023. Published in November 2023. Available at: <https://www.e-unwto.org/doi/abs/10.18111/wtobarometereng.2023.21.1.4>.

⁸ Ministry of Transport and Construction of the Slovak Republic. Accommodation statistics on tourism in Slovakia 2022. Published in February 2023. Available at: <https://www.mindop.sk/ministerstvo-1/cestovny-ruch-7/statistika/ubytovacia-statistika/ubytovacia-statistika-cr-na-slovensku-za-rok-2022> (in Slovak).

⁹ Statistical Office of the Slovak Republic: Development of tourism in accommodation facilities of the Slovak Republic in November 2023. Published in January 2024. Available at: <https://bit.ly/4bmfTdb>.

¹⁰ The number of ski visitors is measured in terms of person days, i.e. one person who has visited the ski resort any part of the day or night for the purpose of skiing, snowboarding or other type of downhill. For example, a 4-day ticket means four visitors.

least to meet regional demand and even attract more foreign skiers. From among the Alpine countries, the majority of bigger ski resorts (with more than 1 million skier visits) is in France and Austria: 13 and 16 respectively, and France is also the most popular destination among skiers: 43 million (average for five years)¹¹, whereas Switzerland has the highest share of domestic skiers: 35%, and Germany has the highest number of domestic skiers: 14.6 million.¹² Mountain tourism in general requires extensive capital because lifts and other equipment used in resorts require big investments that constitute a big barrier to entry. Another critical criterion is the resort's location since skiing requires mountain areas with moderate/cooler climate.

In terms of the attributes of mountain resorts, they differ in size, ownership and level of infrastructure. In some Alpine countries, they are usually operated by a number of small private operators who cooperate with local governments and promote the resort or the mountain region as a whole. This is true for Italy, Switzerland or Austria. On the other hand, in France, operation of most big ski resorts is concentrated in the hands of a single big operator. German resorts are also fragmented, but to a lesser degree than resorts in other Alpine countries.¹³ Big Alpine resorts usually offer top-class infrastructure and facilities, more than 100 km of ski slopes, transport capacity of more than 50,000 persons an hour and more than 30 ski lifts. They also reinvest large sums of money in improving the resorts. Resorts of the Issuer can be compared with medium-sized Alpine ski resorts.

Mountain tourism in the Central and Eastern Europe region

In the Central and Eastern Europe region, Austria has the most ski locations – 354, although only about 67 have more than 5 ski lifts and most areas have limited infrastructure. It is followed by Poland with 264, the Czech Republic with 191 locations and Slovakia with about 107 resorts. Polish ski areas are mostly small, suitable for beginners, and the Czech ones are mostly located at an altitude of 1300 metres above sea level. On average over the last 5 years, Austria recorded the highest number of skier visits during the winter season: 9.5 million, followed by Poland: 5.5 million, the Czech Republic with 5 million and Slovakia with 3.7 million. As far as domestic skiers are concerned, winter sports in Poland are getting popular, as Poland has the highest absolute number of skiers: 5 million, which represents 13% of its population. This share has more than doubled year-on-year since 2013, which represents a huge growth potential in this market. Slovakia and Czech Republic has substantially higher percentage of skiers: 18% and 22% respectively, even though in absolute numbers, much more skiers live in the Czech Republic: 2.2 million. Slovakia has a competitive advantage because 80% of its territory is located above 750 metres above sea level and includes the highest mountain range, the Tatras region, with the highest peak, Gerlachovský, at 2,655 metres.¹⁴

Regional mountain tourism still offers room for growth compared to the saturating alpine resorts. Besides investments in the resorts' infrastructure and facilities, the visible trends include a broadening of the scale of services in mountain resorts such as skiing schools, ski services and stores as well as non-skiing activities such as après ski bars, night life, restaurants, wellness, family activities and events. For summer activities, emphasis is put on adrenaline sports, summer events for families, bicycle riding, which emphasis is evidenced by increased construction activity in resorts, cycling tourism and increased marketing activities. Mountain resorts tend to spread technical snow. Visitors to mountain resorts were also attracted by offers of accommodation packages and ski passes; this trend is therefore expected to continue. Another trend in mountain resorts is consolidation of marketing activities of an high-alpine destination or region and mutual cooperation between operators of mountain resorts. Regional tourism organisations in Slovakia, for example, are associated in destination management. These trends can also be seen in all locations operated by the Issuer. The Issuer also cooperates with other operators of mountain resorts in the area in marketing.

The graph below shows the distribution of skiers by country for the financial year 2022/2023.

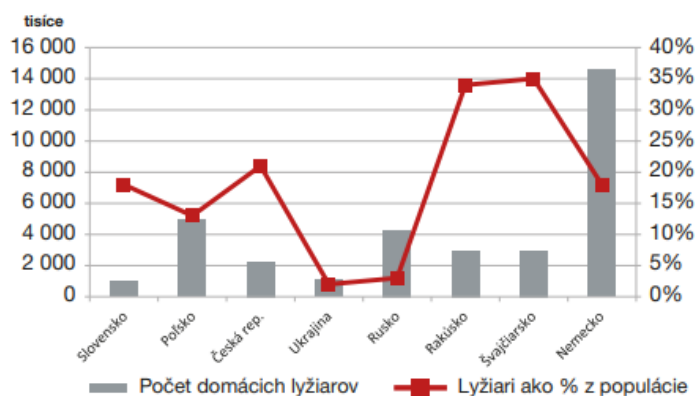
¹¹ Laurent Vanat: 2022 International Report on Snow & Mountain Tourism. 14th edition published in April 2022. Available at: <https://www.vanat.ch/RM-world-report-2022.pdf>.

¹² Laurent Vanat: 2022 International Report on Snow & Mountain Tourism. 14th edition published in April 2022. Available at: <https://www.vanat.ch/RM-world-report-2022.pdf>.

¹³ Ibidem.

¹⁴ Laurent Vanat: 2022 International Report on Snow & Mountain Tourism. 14th edition published in April 2022. Available at: <https://www.vanat.ch/RM-world-report-2022.pdf>.

Lyžiari podľa krajín



[*Translation of the legend:* Title: Skiers according to the country, Grey column: number of domestic skiers, Red line: skiers as % of the population, Countries from left to right: Slovakia, Poland, Czech Republic, Ukraine, Russia, Austria, Switzerland and Germany.]

Mountain tourism – a comparison¹⁵

Krajina	Počet lyžiarskych oblastí	Počet väčších stredísk (>1 mil lyžiarskych návštevníkov)	Počet lyžiarskych návštevníkov	Podiel domácich lyžiarov (v % populácie)	Počet domácich lyžiarov	% zahraničných lyžiarov
Alpské krajiny			135 543 000			
Rakúsko	254	15	43 580 000	34,0%	2 960 000	66%
Francúzsko	325	13	40 656 000	13,0%	8 574 000	27%
Taliansko	349	7	22 320 000	12,0%	7 266 000	35%
Švajčiarsko	181	6	21 967 000	35,0%	2 959 000	35%
Nemecko	498	0	7 020 000	18,0%	14 607 000	10%
Spojené štáty			55 492 000			
	470	6		8,0%	25 017 000	6%
Východná Európa			26 244 000			
Česká rep.	191	0	4 960 000	21,0%	2 236 000	30%
Slovinsko	44	0	1 190 000	14,0%	299 000	17%
Ukrajina	54	0	1 400 000	2,0%	1 114 000	5%
Poľsko	264	0	5 531 000	13,0%	4 937 000	15%
Rusko	354	0	9 467 000	3,0%	4 275 000	5%
Slovenská rep.	107	0	3 696 000	18,0%	979 000	25%

[*Translation of the legend:* Heading row from left to right: Country, Number of ski resorts, Number of bigger ski resorts (>1 Mn ski visitors), Number of ski visitors, Share of domestic skiers (% of population), Number of domestic skiers, % of foreign skiers); Country column from top to bottom: **Alpine countries**, Austria, France, Italy, Switzerland, Germany, **United States**, **Eastern Europe**, Czech Republic, Slovenia, Ukraine, Poland, Russia, Slovakia]

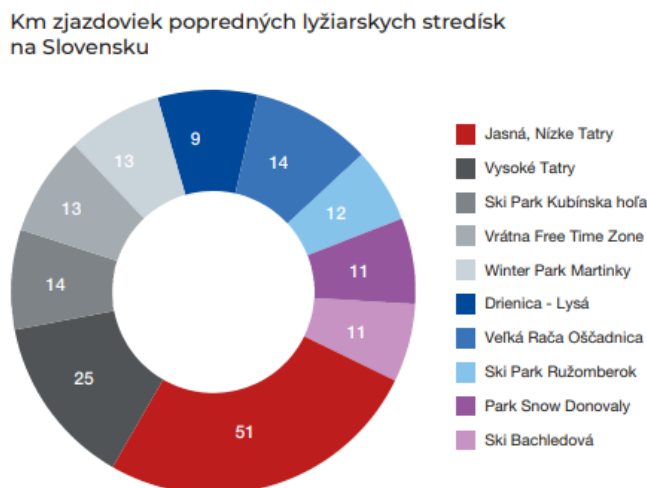
Mountain tourism in Slovakia

The Group is the undisputed leader in the Slovak mountain tourism market in terms of the number of its resorts, ski lifts, transport capacity, length of ski slopes and ski lifts. Mountain resorts in Slovakia are mostly run by small private entrepreneurs in cooperation with local governments and national parks. Overall, there are some 107 ski locations in Slovakia and some 47 major ski resorts (three-, four-, and five-star). When comparing the individual resorts and the length of their ski slopes, TMR with its resorts Jasná Nízke Tatry (51 km) and Vysoké Tatry – Tatranská Lomnica, Starý Smokovec and Štrbské pleso (24 km) is the biggest in Slovakia, followed by

¹⁵

Laurent Vanat: 2022 International Report on Snow & Mountain Tourism. 14th edition published in April 2022. Available at: <https://www.vanat.ch/RM-world-report-2022.pdf>.

Veľká Rača Oščadnica (14 km) Skipark Kubínska Hoľa (14 km), and Winter Park Martinky (13 km) and Vrátna Free Time Zone (14 km).¹⁶ The graph below represents the length of slopes (in km) of leading ski resorts as of 31 December 2023.



[Translation of the legend: Heading: Kilometres of ski slopes in the leading ski resorts in Slovakia]

Mountain tourism in Austria

Austria is one of the European alpine countries with the largest number of ski resorts with more than a million ski visitors a year, also thanks to the ski lifts connecting its resorts. It operates the most ski lifts in the world, about 3,000, at the level of France and the United States. It also has one of the highest shares of domestic skiers of the total population, 34%, one of the highest visit rate by skiers in the world – 51.8 million (5-year average), of which 66% are foreigners, the largest share in the world. The visit rate is constantly rising despite problems in other Western markets. Austrian ski resort operators have been investing heavily in the development of ski infrastructure over the last 15 years. Some resorts have joint marketing campaigns that allow them to ask for higher prices, and the number of interconnected resorts has been increasing in recent years.¹⁷

Hotel market in the region

Hotels of the Issuer are located in their mountain resorts, golf resorts, in aquaparks Tatralandia and Bešeňová. The majority of clients is using the Issuer's hotel services when visiting these resorts. Therefore, the Issuer's hotels are competing for clients with lodging providers in the given resort and its surroundings. Especially during the winter season, the performance of hotels is significantly determined by the performance of mountain resorts. In Aquapark Tatralandia, there is a single lodging facility, so the Issuer has a monopoly position there. In the Aquapark Bešeňová, there are hotels owned by the Issuer or the Issuer rents and operates a hotel, so similar to the Aquapark Tatralandia, the Issuer also holds a monopoly. In mountain resorts, there are other, mostly private, operators of resort hotels, boarding houses, apartments and chalets. Two rented golf hotels in Czech golf resorts are the only ones in the given resorts, therefore their location represents a great competitive advantage in individual locations and visitors to the resorts usually choose these hotels. The rating of the Issuer's hotels is two to four stars. In the resort, majority of hotels of its competitors is in lower categories. A trend in hotel business in resorts is a close cooperation with operators of mountain resorts whose aim is to attract clients using special offer packages. The hotel market in the Issuer's resorts is not yet saturated, due to the significant investments made by the Issuer over the recent years, so these resorts are still attractive to new investors.

Aquapark trends in the region

There are some 30 aquaparks and thermal spas in Slovakia. Aquaparks Tatralandia and Bešeňová rank among the top three parks in terms of size, visit rate and range of offered services. The number of visitors of aquaparks

¹⁶ The Issuer's own analysis based on information from the websites of individual resorts and information available at the hyperlink as of 31 December 2023: <https://www.skiresort.info/>.

¹⁷ Laurent Vanat: 2022 International Report on Snow & Mountain Tourism. 14th edition published in April 2022. Available at: <https://www.vanat.ch/RM-world-report-2022.pdf>.

is determined primarily by the scope and quality of offered services. As for the target group of aquaparks, aquaparks have a growing number of visitors and a growing share of solvent visitors who are willing to pay more when visiting aquaparks and demand ever higher quality and an offer of constantly new, tailor-made services. The Gopass loyalty system helps TMR in this. Another observable trend is the return of the predominant Slovak clientele, in contrast to the past until 2009, when clients from Poland predominated. Aquaparks also record an increasing number of families with children, who are looking for a wide range of activities, even outside the water attractions. The demand for quality requires high-quality staff, which increases the personnel costs for operators, as aquaparks are mainly a seasonal and weekend business. Solutions are sought in automation and at the TMR's transfer of employees from mountain resorts in the winter to amusement parks in the summer. The trend is also a gradual investment in the development of parks, especially in year-round attractions. The advantage of the competition is the year-round aquaparks, not dependent on the weather.^{18,19} Competition in neighbouring countries is of particular relevance near the border of Slovakia – there are five aquaparks near Slovakia in Poland, nine in the Czech Republic, and seven in Hungary.

Regional trends in amusement parks

The CEE region is characterised by a lack of amusement parks at the level of Western Europe, where most of the 300 parks are located, with annual revenues of around EUR 4.5 billion. There are about 30 parks in Europe with an average annual attendance of 1-2 million. In Poland, there are about 45 amusement parks of various sizes built around different themes. They can be divided into several groups based on their main concept – funfairs, western parks, fairytale parks, dinosaur adventure parks and miniature parks. Most of them are dinosaur parks (19) and miniature parks (13). These should be considered as a substitute rather than as direct competitors of the TMR's Legendia – Silesian Amusement Park. There is only one amusement park of comparable size and with a comparable number of attractions as the Silesian Amusement Park and it is also located in Silesia.

Regional trends in golf resorts

There are about 100 golf courses in the Czech Republic, where TMR operates two golf resorts. Golf & Ski Resort Ostravice and Golf Resort Kaskáda are among the top 10 golf resorts in the Czech Republic.²⁰ There are more than 20 golf courses in neighbouring Slovakia and 55 in Austria. Trends in the regional golf industry include a focus on technology, as online presence, functional reservation systems or rating websites are essential for golf resort operators. The promotion of the resorts is important, so the operators of the resorts organise professional tournaments and provide additional services. Visitors emphasise the quality of accommodation and catering services in the resorts. Another decisive factor for golfers is access to “tee time”. The demand of golfers for golf travel is also constantly growing. Half of European golfers travel to golf individually and half use the services of travel agencies, mostly older players.²¹

Regional trends in the real estate market

Performance of regional real estate markets is driven by demand stability affected by macroeconomic developments, labour market events, income growth and access to bank financing. The real estate market cooled down in 2022 due to higher interest rates, but also due to a few percent drop in people's real wages due to record high inflation.²² A similar situation was also recorded in 2023 when the European Central Bank increased the base interest rate several times during the year. In recent years, the real estate market in recreational properties in the Jasná resort has flourished with new projects such as the completed project of a 5-star hotel complex, which will also be the biggest hotel in Central Europe.²³ Moreover, the Central Jasná Resort is under construction

¹⁸ Trend: Guests are becoming more demanding. However, the big three are doing well. The article was published on 3 August 2019 and is available at the hyperlink: <https://www.etrend.sk/trend-archiv/rok-2019/cislo-29/velkej-trojke-sa-dari-a-nielen-jej.html> (in Slovak).

¹⁹ Zoznam.sk: The best aquaparks in Slovakia: Toboggans, wellness and luxury accommodation – where will you go? The article was published on 27 June 2024 and is available at the hyperlink: <https://plnielanu.zoznam.sk/najlepsie-vodne-parky-na-slovensku-prehľad/>. (in Slovak)

²⁰ According to the rankings or ratings published on the websites <https://www.nagolf.eu/> and <https://forbes.cz/> (both in Czech).

²¹ Golfextra: 10 trends in golf travel, what's in in 2018? The article was published on 8 March 2018 and is available at the hyperlink: www.golfextra.cz/detail/3477/10-trendu-cestovani-za-golfem-co-frci-v-roce-2018 (in Czech).

²² Trend: What changes do you expect in the real estate market? What is the most important driver for its cooling? Available at: <https://www.trend.sk/trend-archiv/ponuk-pribuda-zaujemocovia-miznu-trh-nehnutelnostami-ochladzuje> (in Slovak).

²³ SME: One of the biggest hotels in Central Europe is opening in Jasná. Available at: <https://index.sme.sk/c/23198906/jasna-damian-bude-jeden-z-najvacsich-hotelov-v-strednej-europe.html> (in Slovak).

in Jasná under the banner of TMR, with the anticipated completion date of 2027.²⁴ In the High Tatras, specifically in Tatranská Lomnica, the Sasanka Apartment House project is being planned.²⁵

(e) **Important events in the development of the Issuer's business**

Milestones in the development of the Issuer and the Group

In 1992, the National Property Fund of the Slovak Republic established SKI Jasná, a.s., the legal predecessor to the Issuer. In 2003, SKI Jasná, a.s. changed its name to JASNÁ Nízke Tatry, a.s.

In 2009, the shareholders of Jasná Nízke Tatry, a.s. decided to increase its capital to EUR 250 million and rename the company to Tatry mountain resorts, a.s. Subsequently, a new issue of shares was listed at BCPB. The Issuer purchased Tatranské lanové dráhy, a.s. (the **TLD**) that was dissolved without liquidation and merged with the Issuer as of 1 May 2010. The Issuer as successor company also continues carrying out the business activities of TLD, especially the operation of ski resorts Vysoké Tatry – Tatranská Lomnica and Starý Smokovec. On 28 December 2009, the Issuer acquired a 100% interest in Grandhotel Praha, a.s. (Grandhotel Praha) and a 50% interest in Interhouse Tatry, s.r.o., the owner of Grandhotel Starý Smokovec.

In October 2010, the Issuer purchased all shares of Tatry mountain resorts services, a.s., whereby it became its sole owner. In December 2010, the Issuer began to co-operate the resort Štrbské Pleso.

In April 2011, Tatralandia Holiday Resort was acquired. This brand represents the Aquapark Tatralandia, the lodging complex Holiday Village Tatralandia, the entertainment park Fun Park, and the Tropical Paradise. The acquisition of Tatralandia was a significant step for the Issuer in the implementation of its strategy of building a year-round tourist destination.

In October 2012, a dual listing of the Issuer's shares on the Warsaw Stock Exchange and the Prague Stock Exchange took place.

Since the winter season of 2012/13, the Issuer has been participating in the operation of the Špindlerův Mlýn resort in the Czech Republic through MELIDA, a.s. in which Issuer as of the date of this Prospectus holds shares in the amount of 25% of its share capital (in Czech: *základní kapitál*).

On 16 February 2013, the Issuer purchased the remaining 50% interest in Interhouse Tatry, s.r.o., the owner of Grandhotel Starý Smokovec, whereby the Issuer became the sole owner and operator of the hotel.

In March 2013, the board of directors of the Issuer decided to merge the subsidiaries of the Issuer – Tatry mountain resorts services, a.s., GRANDHOTEL PRAHA a.s. and Interhouse Tatry, s.r.o. – with the Issuer as successor company, the effective date being 1 May 2013. The main reason was the streamlining the operating relationships among companies in the Group, better use of mutual synergies and reduction of administrative steps and costs.

In March 2014, the Issuer acquired a 97% interest in the Polish mountain resort of Szczyrkowski Ośrodek Narciarski SA (**Szczyrk**).

In April 2015, the Issuer agreed to take over a 75% interest in a Polish company that has owned and has been operating the Silesian Amusement Park (Śląskie Wesołe Miasteczko) since May 2015.

Since December 2017, the Issuer has been renting and operating the ski resort Ještěd in the Czech Republic. The Issuer rented the Ještěd resort for 10 years, with an option for another 10 years.

In November 2018, the Issuer entered the golf segment and has been renting and operating the Golf & Ski Resort Ostravice in the Czech Republic. The lease and management agreement of the resort was signed for 20 years. In January 2019, the Group rented Golf Resort Kaskáda near the city of Brno in the Czech Republic; it also operates a hotel with a congress centre and restaurant.

In June 2019, the Issuer bought a 100% interest in an Austrian company that owns and operates the Mölltaler Gletscher glacier ski resort and its sister resort Ankogel - Mallnitz in Austria.

²⁴ Jasná Central Resort Hotel. The article is available at: <https://centraljasna.sk/o-projekte/> (in Slovak)..

²⁵ Hospodárske Noviny Online: The mountain giant is planning a 20-million investment in the Tatras, to build luxury apartments. The article was published on 16 January 2024 and is available at the hyperlink: <https://hnonline.sk/finweb/ekonomika/96125973-horsky-gigant-planuje-20-milionovu-investiciu-v-tatrach-postavi-luxusne-apartmany-galeria> (in Slovak).

On 29 May 2020, the Group signed agreements on the transfer of shares in 1. Tatranská, akciová spoločnosť, making the Group the owner of the 100% interest in this company. 1. Tatranská, akciová spoločnosť operated the ski resort Štrbské Pleso in the High Tatras.

On 31 March 2022, the Group acquired the 100% participation interest and control in WORLD EXCO s.r.o., which operates the congress centre in Bešeňová, and in the company EUROCOM Investment, s.r.o., which operates the Aquapark Bešeňová, Hotel Galeria Thermal and Hotel Bešeňová.

On 1 May 2021, the Issuer acquired the 100% participation interest in Muttereralp Bergbahnen Errichtungs GmbH for a purchase price of EUR 4,127,000. The acquired company operates a ski resort in Austria.

On 4 June 2021, the company GOPASS, a.s. was established with the share capital of EUR 25,000, the sole shareholder of which is the Issuer.

On 22 June 2022, the Issuer established the Czech company International TMR services s.r.o. for the purpose of providing services within the Group.

On 1 July 2022, the Issuer acquired the 100% participation interest in GOPASS SE for the total of CZK 2,924,000; it serves the purpose of expanding on the European market.

On 1 November 2022, the companies EUROCOM Investment and WORLD EXCO merged, with the legal successor being the company EUROCOM Investment, and at the same time there was a cross-border merger of GOPASS SE and GOPASS, a.s., the legal successor being the company GOPASS SE, headquartered in the Czech Republic.

On 3 November 2022, TMR VI bonds worth EUR 57,448,000 were traded.

On 7 November 2022, the Issuer's subsidiary paid the principal and coupon from the TMR F CR 4.5% / 2022 bond in the amount of CZK 1.534 billion.

On 8 November 2022, GOPASS SE, organizačná zložka was established in Slovakia. It is a business of a foreign company of the European company GOPASS SE.

On 28 June 2023, TMR Real Estate, s.r.o. was established, to be used to implement real estate projects focused on the construction of investment properties in the High and Low Tatras and in amusement parks.

Current condition of the Issuer and the Group

The Issuer is the biggest entity operating in tourism in the Slovak Republic, with developing projects in neighbouring countries, especially in the Czech Republic. The Issuer generates its income through ski resorts, aquapark, provision of lodging and related services in restaurants and in a network of sports stores located in the resorts. Regarding the distribution of income, the majority is generated by selling ski passes and tickets to lifts in ski resorts and admission tickets to the aquaparks. Other income is generated by lodging services in the hotels owned and/or operated by the Issuer and by other services provided in restaurants located on slopes and in sports stores. In addition to the above activities, the Issuer is active in real estate projects where income is expected to be generated by sale, lease and operation of premises and hotels. The Issuer has been performing all its current business activities in the regions of High Tatras and Low Tatras in the Slovak Republic, in the Polish Beskid Mountains, Silesia, in Austrian Alps and in the region Krkonoše in the Czech Republic.

Key assets of the Issuer include: in the Low Tatras the mountain resort Jasná Nízke Tatry, Hotel Grand Jasná, Hotel Tri Studničky, Hotel Srdiečko, Chalets Jasná Collection, Night on Chopok, Hotel Pošta, Hotel SKI and Hotel Liptov. In the vicinity of Jasná, there is also the Aquapark Tatralandia with the Holiday Village Tatralandia bungalows as well as the Aquapark Bešeňová with the hotels Bešeňová and Galéria Thermal Bešeňová; Hotel Akvamarín is leased and operated. The Issuer also owns and rents hotel Chata Kosodrevina.

In the High Tatras, the Issuer also owns and operates the resort Vysoké Tatry with mountain locations Tatranská Lomnica and Starý Smokovec and the location Štrbské Pleso together with Hotel FIS that are owned and rented by the Issuer. In the High Tatras, the Issuer also owns and operates Grandhotel Praha, Grandhotel Starý Smokovec, Night on Lomnický Peak and Apartmány Horec.

The Issuer also holds a 25% participation interest in MELIDA, a.s., which has been renting and operating the Špindlerův Mlýn resort in the Czech Republic since the winter season 2012/12. In Poland, the Issuer holds a 97.6% participation interest in the mountain resort Szczyrk, a 100% participation interest in Legendia - Silesian Amusement Park (Śląskie Wesołe Miasteczko) and a 73,6% participation interest in the entertainment and education project through the Polish company Korona Ziemi Sp. z o.o.

(f) **Strategy and objectives**

Vision

Thanks to the unique position of the Tatras and strategic acquisitions in the region, to become a top international renowned provider of tourism services, whose goal is the revival of mountain resorts, aquaparks, theme and amusement parks in the region of Central and Eastern Europe from investment, sports, cultural and social points of view.

Mission

The Issuer's mission is to provide tourism services in Central and Eastern Europe at an ever-increasing level, namely through business activities divided into seven key segments – Mountain Resorts, Amusement Parks, Golf, Restaurants, Sports Services and Stores, Hotels and Real Estate. The Group wants to fulfil this mission by using synergies and expansion that will lead to the comprehensive satisfaction of its clients and shareholders.

Competitive advantage

Compared to operators of mountain resorts and tourism services in the region of Central and Eastern Europe, the Issuer's resorts have a unique geographical location in the highest mountain range in the region – the Tatras, as well as in the form of a long history and significant regional resort brands in Poland, the Czech Republic and Austria. This advantage makes them the top tourist destinations in Central and Eastern Europe. In addition to the attractive alpine environment and history of the resorts, the following facts represent the Issuer's competitive advantage:

- (i) Through the GOPASS loyalty program, the Group is able to build and maintain a wide client base in Slovakia, Poland, the Czech Republic and Austria during the winter as well as the summer seasons.
- (ii) A total of 64 million inhabitants live in the main target countries of the Issuer in the Central and Eastern European region whose economic strength and average spending on tourism are growing year by year. Poprad Airport can ensure easy accessibility by air transport from major European cities located outside the mountain range: e.g. London, Warsaw, Riga, Tel Aviv.
- (iii) East of the Tatras, there are ski resorts presenting only a small offer of similar services.
- (iv) The high altitude of the resorts and the investments in the infrastructure provides TMR with a competitive advantage over other resorts in the region as they significantly reduce the risk of adverse weather due to global warming.
- (v) The Group is able to use intra-segment and inter-company synergies within the Group's sales, purchasing, operations and support functions.
- (vi) The Issuer has many years of experience and know-how in operating mountain resorts, amusement parks and additional tourist services as well as in developing capital-intensive infrastructure.
- (vii) The Issuer's business model is well diversified with revenues generated by mountain resorts, theme parks, hotels and ancillary services.
- (viii) The size of the Group and its many years of success and experience allow it easier access to capital.
- (ix) The Issuer minimises the risk of seasonality because its summer season is comparatively strong relative to the winter season thanks to the summer operation of cable cars and numerous summer activities, the popularity of hotels in mountain resorts, the summer operation of the Silesian Amusement Park, the year-round operation of the Aquaparks Tatrlandia and Bešeňová.

Business strategy

The long-term strategic objective of the Group for the following 10 years is to become the leader in both winter and summer tourism industries in the region of Central and Eastern Europe and to keep that distinction. Leadership in the tourism industry allows the Group to set trends and standards in this industry. At the same time, the leadership leads the Group to the differentiation strategy. As a result, the Group strives to provide premium services that it is able to sell for reasonable prices across Europe. The width and quality of its offering are key to the Group's direction. This objective is based on the following three mutually interconnected pillars:

1st pillar: Ever higher quality through investments

By the end of financial year 2023, over the period of 17 years, the Issuer has invested EUR 466 million in its resorts and hotels. These investments helped to significantly increase the quality of the services provided in High and Low Tatras, as well as in Szczyrk a Legendia and the Czech Ještěd. Thanks to these investments, the mountain resorts in the Issuer's portfolio have already achieved the level of Alpine resorts and have strengthened their leading position in the region. Investments in 2022/23 in a total amount of almost EUR 23 million include, for example, the completion of the construction of the Biela Púť cable car in Jasná and the continuation of the construction of the Centrum Jasná complex. Other investments include the reconstruction of the wellness area at the Grandhotel Starý Smokovec, the reconstruction of the apartments in the Aquapark Bešeňová, the improvement of the IT infrastructure, but also the reconstruction of the toboggan tower in Tatrallandia. In the Republic of Poland, in the Szczyrk resort, the Group invested in the development of a bike park, equipping machines for the preparation of slopes, reconstruction of the cable car structure, and in the Legendia resort, it implemented operational investments. In the Czech Republic, in the Ještěd resort, the Group invested in the "Nová Skalka" project, and in the Kaskáda and Ostravice golf resorts, the Group focused its efforts on various operational investments. In the Austrian resorts of Mölltaler and Ankogel, the Group invested in a cable car and the expansion of slopes, and in the Muttereralp resort in a new access system.

Going forward, the Group plans to grow organically and benefit from completed investments in its resorts. Future capital investments in the resorts will mainly cover investments in maintenance and infrastructure, improvements in the hotel segment and automation of customer service processes. The Group also plans to continue with planned real estate projects in its Slovak resorts.

Investments will also be required for the Austrian resorts acquired most recently, which the Group intends to carry out in few years. New ski slopes, cableways and the strengthening of lodging infrastructure in almost every resort are also being prepared, but many of them are hampered by lengthy processes in granting permissions or exemptions. The Group also focuses on investments in digitisation and automation of customer processes through its GOPASS program. The objective is to continually develop and improve the GOPASS program, which has the customer as its focal point. By investing in digital processes in the field of e-commerce, online marketing and communication, digital application for customers, automation of customer service processes, the Group strives to improve the quality and service of its customers and by creating a loyalty system environment.

The Group focuses on the work and monetisation of the customer, by creating a quality product and offering dynamic pricing. The Group has developed its competence to manage the prices of its key products (ski passes, hotel stays) and thus created a system of dynamic prices, responding to demand and creditworthiness according to seasonality. This competency creates opportunities to increase efficiency and profitability by leveraging pricing potential.

2nd pillar: Strategic acquisitions and expansion

After three Austrian centres have been added to the Group's portfolio in recent years, in the medium term the Group will prioritise the completion and strengthening of the current centres where it has enough opportunities for growth, improving the quality of services and improving the Group's results. The strategic expansion of business activities into the Czech market has long been implemented through a minority stake in Melida a.s., which operates the Špindlerův Mlýn resort, where the Group helps manage the sales and marketing strategy for further development. The resort is also a member of the Group's loyalty program, Gopass. In November 2017 in the Czech Republic, the Issuer also agreed with the city of Liberec on the rent and operation of the Ještěd ski

resort. In the coming years, the Group plans to develop the potential of this unique city ski resort through investments. The Group also wants to expand its business in the golf segment in the Czech Republic. On 1 November 2018, it has begun to rent the Golf & Ski resort Ostravice for 20 years, and in January 2019, the management agreed to rent the Kaskáda Golf Resort Brno where it covers the operation of the hotel, restaurant and congress centre. The agreement was signed for 20 years. Furthermore, the Group plans to expand its business activity in the utilisation of lodging capacities for third parties, specifically the new hotel and boarding house in Bešeňová and the new Hotel Centrum Jasná.

3rd pillar: Continuous improvement of quality of operations and services

During the period before the outbreak of the COVID-19 pandemics, the Group achieved the considerable increase of the number of visitors primarily by a concentrated focus on the customer. The strategic steps to achieve this objective include increasing the complexity and quality of provided services. The Group expands the spectrum of offered attractions and improves the quality of ski resorts, aquaparks, hotels and restaurants using a resort-centric approach to connect these services and products to the resort-wide offer. The resort-wide offer constitutes a comprehensive customer service in the Group's centres using product synergy and an individualised offer for customers through the Gopass system. The Group also continuously improves the offer of après-ski options, strives to optimise the transport options into the resorts, and cooperates with local business and public administration entities within regional associations and clusters. Instead of competing with them, the Group wishes to build on their success and allow their visitors easy access to its adjacent mountain resorts and amusement parks and offer a wide range of attractions such as activities for children, adrenaline sports for young people (e.g. bike parks) or relaxation areas, etc. In terms of accommodation, the Group focuses on four-star hotels and improving their wellness and catering services. Other strategic steps include: increased focus on wealthier clients, necessary quality of management and operating staff and a sophisticated marketing strategy. A new feature is the creation of a resort-wide "All inclusive" offer for accommodated guests. This offering involves an offer of ski passes and aqua passes included in the price of accommodation for each day. This offering creates a comprehensive product for the customer, increases the synergistic effect between the hotel and the resort within, but also between, mountain resorts and aquapark resorts. This offer brings about a unique client proposition and also constitutes a competitive advantage on the market. At the same time, it increases the complexity of pricing for hotels and ski passes/aqua passes and thus represents an opportunity to improve profitability. In this area, the Group gained experience in dynamic price management within the Gopass program. By introducing this new business strategy, the Group achieved an increase in average prices, an increase in hotel occupancy and an improvement in the perception of the value of its products by customers.

Another key to the Group's growth is innovation. In this respect, the Group pioneers trends in tourism. The Gopass loyalty program allows clients to shop online through the application and collect points in the Issuer's shops when using the services of the Group, while receiving discounts. In addition, GOPASS serves the Group as a tool for customer relationship management and direct marketing. In 2015, this loyalty program also won an international award at The Loyalty Awards in London, where it won in the following categories: The Best Loyalty Program of The Year In The Tourism Sector (airlines, hotels, destinations), the Best Loyalty Program In Central And Eastern Europe and the Best Customer Relationship Management (CRM) in the loyalty program for work in Direct Marketing. Dynamic price management is one of the fundamental parts of the GOPASS program, which, in combination with the remaining functions and the creation of new products, contributes to increasing sales.

Under this pillar, the Group makes full use of synergies between its segments, thus being able to constantly streamline the services offered as well as expand its range of products and services, such as the ability to use the services of several mountain resorts and aquaparks when buying only one ticket. A revolutionary pricing policy of dynamic ski pass prices enabling the resorts to regulate attendance and plan capacity also contributes to quality management in the resorts. In periods of attenuated interest, the Group offers skiing at much more attractive prices than in the past, and at the same time, in periods of excessive interests in the resorts, it can generate better sales with a higher price and maintain attendance at a level that can offer high-quality skiing. Linking this strategy with hotels contributed to the creation of the above-mentioned "All inclusive" offer for hotels.

CAPEX	ACQUISITIONS	QUALITY
<ul style="list-style-type: none"> ▪ More than 466 million EUR over the last 17 years ▪ New modern cableways and infrastructure ▪ Renovated hotels ▪ Larger, more modern resorts ▪ Investment apartments 	<ul style="list-style-type: none"> ▪ Aquapark Tatrallandia ▪ Špindlerův Mlýn, Czech Republic (25%) ▪ Szczyrk Mountain Resort, Poland ▪ Legandia – Silesian amusement park, Poland ▪ Mölltaler Gletscher, Austria ▪ Muttereralm, Innsbruck, Austria ▪ Rental of the Jěštěd Ski Resort, Czech Republic ▪ Water park Bešeňová ▪ Commercial-marketing cooperation and resort management for third parties 	<ul style="list-style-type: none"> ▪ Enhanced experience for visitors thanks to synergies ▪ Trendsetter in the tourism industry ▪ GOPASS loyalty program ▪ Innovative technologies ▪ Flexi pricing

(g) **Investments**

From the end of the 2022/2023 financial year to the date of the Prospectus, the Group made the following significant investments:

- (a) hotel Centrum Jasná worth EUR 2 million;
- (b) procurement of a snowcat in Jasná worth EUR 0.5 million; and
- (c) upgrade of rooms in the hotel Kaskáda worth EUR 0.2 million.

Within the financial year 2022/2023, the Group made investments in the total amount of EUR 21,859,000. Of this amount, the Group invested EUR 18,442,000 in Slovakia. The Group invested EUR 7,408,000 in the continuation of the development of the Centrum Jasná complex (using its own resources), EUR 5,636,000 in the completion of the Biela Pút' – Priehyba cable car (part of the costs financed by a bank credit), EUR 933,000 in the renovation of the wellness centre in Grandhotel Starý Smokovec (using its own resources), EUR 449,000 in the reconstruction of apartments in Bešeňová (using its own resources), EUR 409,000 in IT infrastructure (using its own resources) and EUR 275,000 for the reconstruction of the toboggan tower in Aquapark Tatrallandia (using its own resources). In addition, the Group made other smaller operating investments.

In the Republic of Poland, the Group invested EUR 1,496,000 (using its own resources), of which in the Szczyrk resort, the Group capitalised costs related to tree felling fees associated with the investment to renew the ski resort in the amount of EUR 672,000, invested EUR 172,000 in the development of the existing bike park, EUR 170,000 for equipping machines for slope preparation, EUR 103,000 for the reconstruction of the cable car structure, and carried out other smaller investments. In the Legandia centre in Chorzow, the Group implemented various operational investments worth EUR 116,000.

In the Czech Republic, the Group has invested a total of EUR 862,000 (using its own resources). In the Jěštěd resort, the Group has invested EUR 367,000 in the completion of the "Nová Skalka" investment project and financed various small operational investments worth EUR 142,000. Within the golf segment in the Ostravice and Kaskáda resorts, the Group has invested EUR 170,000 in small investment projects.

In Austria, the Group has invested a total of EUR 1,059,000 (using its own resources), of which EUR 306,000 in the Muttereralm resort and EUR 753,000 in the Mölltaler and Ankogel resorts. In the Muttereralm resort, the Group invested EUR 116,000 in the access system and also made other smaller investments. In the Mölltaler and Ankogel resorts, the Group has invested EUR 448,000 in the cable car and the extension of ski slopes, and also made other smaller investments.

Within the financial year 2021/2022, the Group made investments of EUR 23,179,000 in total. Of this amount, the Group invested EUR 20,286,000 in Slovakia. The Group invested EUR 10,446,000 in the construction of the Biela Púť – Priehyba cable car (financed by a bank credit), EUR 3,689,000 in the continuation of the construction of the Centrum Jasná complex (using its own resources) and comprehensively strengthened snowmaking for EUR 1,903,000 (using its own resources). The Group also procured the Humno gastro operation in Tatranská Lomnica worth EUR 780,000 (using its own resources), invested EUR 402,000 in the completion of the Zadné vody reservoir (using its own resources), EUR 317,000 in the reconstruction of the water slide tower in Tatralandia Aquapark (using its own resources), EUR 195,000 in expanding the capacity of the Bistro Bešeňová gastro operation (using its own resources), and carried out other smaller investments.

In the Republic of Poland, the Group invested EUR 637,000 in the period from 1 November 2021 to 31 October 2022 (using its own resources), of which, in the Szczyrk centre, the Group invested EUR 153,000 in gastro operations and bike park safety improvements, invested EUR 113,000 in the purchase of plots of land and also carried out other smaller investments. In the Legendia centre in Chorzow, the Group implemented various operational investments worth EUR 116,000.

In the Czech Republic, the Group has invested EUR 1,343,000 in total (using its own resources). In the Ještěd resort, the Group has invested EUR 773,000 in the completion of the “Nová Skalka” investment project and financed various small operational investments worth EUR 388,000. Within the golf segment in the Ostravice and Kaskáda resorts, the Group has invested EUR 182,000 in small investment projects.

In Austria, the Group has invested a total of EUR 913,000 (using its own resources), of which EUR 561,000 in the Muttereralm resort and EUR 352,000 in the Mölltaler and Ankogel resorts. In the Muttereralm resort, the Group invested EUR 323,000 in the development of the existing bike park. In the Mölltaler and Ankogel resort, the Group invested EUR 119,000 in a new access system.

Joint ventures and enterprises in which the Issuer holds a significant capital share

The Issuer does not hold any capital share in joint ventures or enterprises that would likely have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.

Environmental issues that may affect the Issuer’s utilisation of the tangible fixed assets

The Group’s capital investments in protected landscape areas may fall under the regulation of several governmental organisations and local environmental protection organisations. Because the Issuer perform its business activities primarily in mountain regions that are partially covered by national parks, some of its investment projects may be subject to regulation by public administration authorities. Every new investment project related to the expansion of snow-covered areas, the construction of a new cable car, etc., must undergo evaluation through the so-called Environmental Impact Assessment or EIA, which is one of the main tools of international environmental policy for the implementation of sustainable development, as well as approval by the competent environmental protection authorities. The Issuer’s centres in Slovakia are currently all located in urbanised areas and satisfy all requirements of environmental legislation, although, for example, the planned development of the SON centre in Poland as well as planned projects in Slovakia and the Czech Republic will still have to go through the EIA process.

5.3 Organisational structure

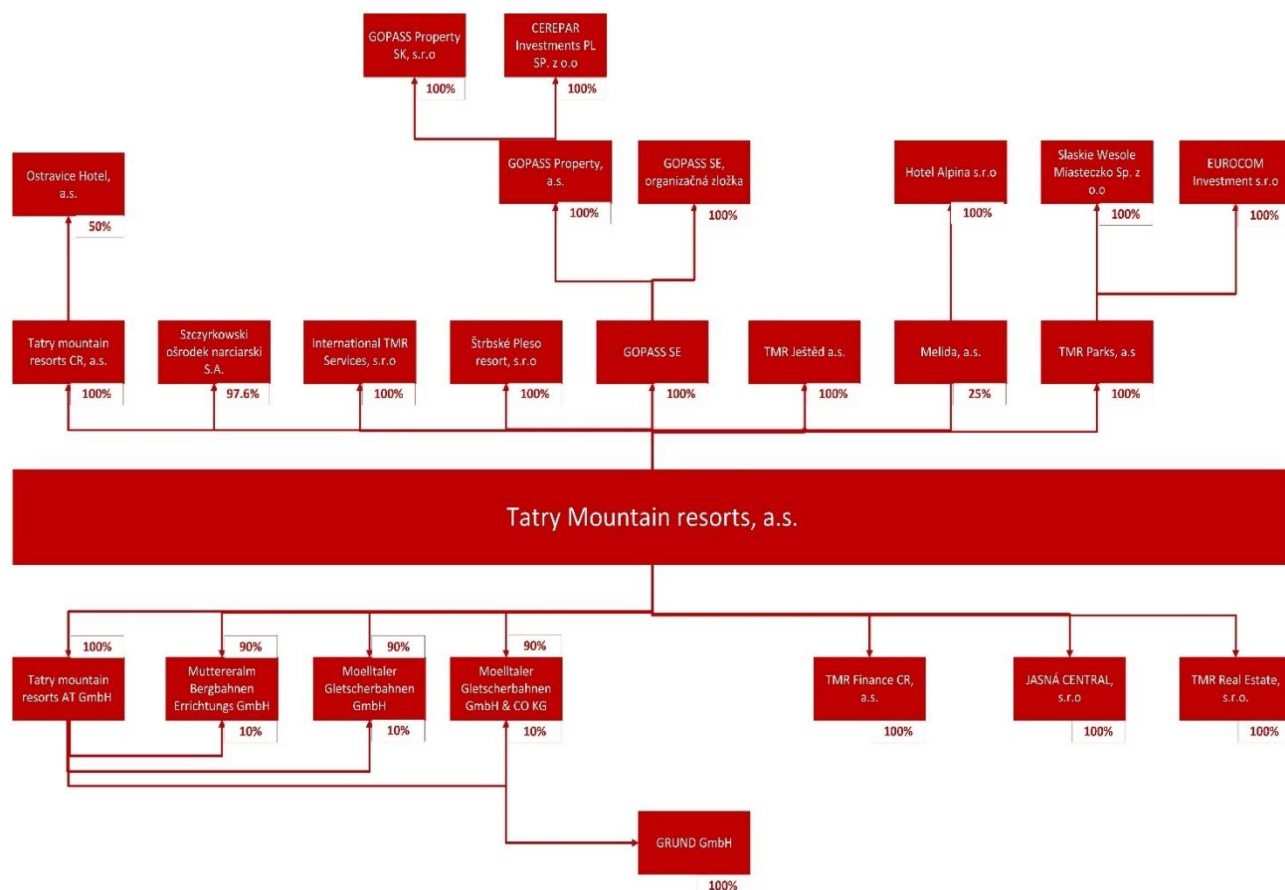
(a) Issuer’s position within the Group

The Issuer is not controlled by any other person. All shareholders of the Issuer who hold an interest in the share capital of the Issuer exceeding 5% are set out in paragraph 5.10(a) of the Prospectus (Control over the Issuer).

The Issuer owns interests in several companies as set out below.

(b) **Organisational structure of the Group**

The Issuer controls the Group and is not controlled by any person. The structure of the Group as of the date of the Prospectus is as follows, with the stated percentages corresponding to the percentages of shares in the registered share capital as well as in the voting rights:



(c) **List of material subsidiaries:**

Name	Country of incorporation	Share in the registered capital and voting rights (in %)
Szczyrkowski Ośrodek Narciarski, S.A.	Republic of Poland	97
Ślaskie Wesole Miasteczko Sp. z o. o.	Republic of Poland	100
TMR Parks, a.s.	Slovak Republic	100
TMR Ještěd, a.s.	Czech Republic	100
Tatry mountain resorts ČR, a.s.	Czech Republic	100
TMR Finance ČR, a.s.	Czech Republic	100
Tatty Mountain Resorts AT GmbH	Austria	100
Mölltaler Gletscherbahnen GmbH & Co KG	Austria	100
Mölltaler Gletscherbahnen GmbH	Austria	100
Grundstücksverwertungs-GmbH Flattach	Austria	100
Muttereralm Bergbahnen Errichtungs GmbH	Austria	100

EUROCOM Investment, s.r.o.	Slovak Republic	100
International TMR services, s.r.o.	Czech Republic	100
GOPASS SE	Czech Republic	100
TMR Real Estate, s.r.o.	Slovak Republic	100
Štrbské Pleso resort, s. r. o.	Slovak Republic	100
JASNÁ CENTRAL, s.r.o.	Slovak Republic	100

5.4 Trend information

(a) The most significant recent trends in production, sales and inventory and costs and selling prices

The Issuer is not aware of any significant recent trends in production, sales and inventory, costs and selling prices since the date of its last 2022/2023 Financial Statements to the date of the Prospectus.

(b) Significant changes in the Issuer's financial performance

The Issuer represents that from the compilation of the 2022/2023 Financial Statements to the date of the Prospectus, there has been no significant change in its financial performance.

(c) Information on any trends, uncertainties, demands, commitments or events that will have a material effect on the Issuer's prospects

The Issuer's prospects will be affected by the tourism trends in the region of Central and Eastern Europe, the trends in the Slovak tourism and in particular the trends in the Slovak hotel market, the trends in the aquapark market, amusement parks, golf resorts as well as the trends in the real estate market described in paragraph 5.2(d) of the Prospectus (Main markets), and if these represent a significant risk, also in the applicable paragraphs of subclause 2.1 of the Prospectus (Risk factors related to the Issuer and its Group).

The Issuer is not aware of any other trends, uncertainties, demands, commitments or events that could reasonably likely have a material effect on the Issuer's prospects for at least the current financial year.

5.5 Profit forecasts and estimates

For the financial year 2023/2024 beginning on 1 November 2023, the Issuer did not publish any profit forecast or estimate and is neither publishing one in this Prospectus.

5.6 Administrative, management, and supervisory bodies and senior management

(a) General information

The Issuer is a public joint-stock company organised and existing under the laws of the Slovak Republic. The management body of the Issuer is its board of directors and the supervisory body of the Issuer is its supervisory board. Ing. Igor Rattaj, the chairman of the Issuer's board of directors, is the Issuer's Chief Executive Officer.

No member of the administrative, management or supervisory bodies of the Issuer has been, for the previous five years:

- (i) convicted in relation to fraudulent offences;
- (ii) involved in any bankruptcies, receiverships, liquidations or companies put into administration;
- (iii) publicly incriminated or sanctioned by statutory or regulatory authorities (including designated professional bodies); or
- (iv) disqualified by a court from acting as a member of the administrative, management or supervisory bodies of any issuer or from acting in the management or conduct of the affairs of any issuer.

(b) **Members of the administrative, management, and supervisory bodies**

Board of directors of the Issuer

The board of directors is the statutory body of the Issuer. The board of directors is managing the activities of the Issuer and decides on all matters of the Issuer, unless a matter is reserved for the general meeting or the supervisory board by law or the Issuer's articles of association. Among other documents, the board of directors submits to the supervisory board for approval a draft investment and financial plan and is responsible for its implementation. The board of directors submits to the general meeting for approval the articles of association of the Issuer. The board of directors convenes the general meeting at least once a year.

In all matters, it's always two members of the board of directors acting jointly who are authorised to act on behalf of the Issuer. The board of directors has no statute and no committees.

The board of directors has three members elected and removed by the Issuer's general meeting. Only a natural person may become a member of the board of directors. The term of office of a member of the board of directors is five years. Members of the board of directors are elected and removed by the supervisory board. Members may be re-elected. The supervisory board will also determine which member of the board of directors shall be its chairman and vice chairman.

The board of directors meets as and when necessary, in any case at least once in two months. The board of directors has a quorum if a simple majority of all its members is present at its meeting. A decision of the board of directors shall be adopted if the simple majority of all its members voted for it.

Ing. Igor Rattaj is the chairman of the Issuer's board of directors. Members of the Issuer's board of directors are Ing. Zuzana Ištvániová and Čeněk Jílek, MBA. The working contact address of the chairman of the board of directors and all members of the board of directors is the registered office of the Issuer. An overview of the relevant information about members of the Issuer's board of directors is given below.

Ing. Igor Rattaj	
Title, and since:	Chairman of the board of directors, since 28 May 2020
Date of the current term of office expiration:	28 May 2025
Education, practice and other relevant information:	<p>Ing. Rattaj was first elected chairman of the board of directors in May 2020. Until September 2019, he had served on the Issuer's supervisory board from 29 June 2009, when he was elected by the general meeting as a member of the supervisory board and re-elected as a member of the supervisory board by the general meeting held on 12 April 2014. He has extensive experience in finance. He serves as the chairman of the board of directors of GARFIN HOLDING, a.s.. He worked as the Securities Trading Director in J&T Securities. Before that, he served as vice-chairman of the board of directors and the Director of Private Banking in Podnikatel'ská banka in Prague. He graduated from the Slovak Technical University, Faculty of Electrical Engineering, in Bratislava.</p> <p>In addition to serving as chairman of the board of directors of the Issuer, Ing. Rattaj serves as chairman of the board of directors of GARFIN HOLDING, a.s., a member of the board of directors in Algo Financial Technologies, a.s., in Park Orbis Pictus a.s., Czech Republic, in MELIDA, a.s., Czech Republic, in NARCIUS, a.s. and in TMR Parks, a.s.</p> <p>Ing. Rattaj is also a statutory director and a member of the board of directors of HOBACOR, a.s., Czech Republic, and at the same time also a member of the supervisory board of RIVERSAND a. s., a member of the board of directors of Profimedia.CZ a.s., Czech Republic, SOLIVARY akciová spoločnosť Prešov in bankruptcy, chairman of the board of directors of TMR Ještěd a.s., Czech Republic (until 31 January 2018 Tatry mountain resorts CR, a.s.).</p>

He is a member of the board of directors of Nadace J&T, since 29 May 2018 he has been a member of the supervisory board of isifa a.s., Czech Republic, since 4 September 2018 he has been the executive of HURRICANE FACTORY PRAHA s.r.o., Czech Republic, since 16 February 2018 he has been a member of the board of directors of Tatry mountain resorts CR, a.s., since 8 October 2018 he has been the executive in CARMEN INVEST s.r.o., since 20 December 2017 he has been a member of the supervisory board of CryptoData a.s.

Ing. Rattaj is also a participant in EU GEN s.r.o., since 10 December 2018 he has been a member of the supervisory board of RENTAL LIVE a.s. Since 30 November 2018 he has been the executive of Muchalogy s.r.o. and since 21 June 2019 he has been the statutory director and a member of the board of directors of DEVEREAL a.s.

As of 16 November 2023, he also serves as the executive in the companies KPRHT 5, s. r. o., Thalia s.r.o., C4U, s.r.o., MONTIR, s.r.o. and RCBT, s. r. o, budkova, s. r. o., CryptoData, s.r.o., DCBA s.r.o., TMR Real Estate, s.r.o., ORBIS NATURA, s.r.o., Czech Republic, MORAVA SPORT, s.r.o., Aerodrome Promotion s.r.o., Czech Republic and is also a member of the supervisory board of RIVERSAND a. s., Snowparadise a.s., Huricane Factory a.s., a 100% participant in In Vestito, s.r.o., Czech Republic, and a participant in BEB, s.r.o., Czech Republic.

Ing. Zuzana Ištvánfiová

Title, and since:	Member of the board of directors, since 1 June 2023
Date of the current term of office expiration:	1 June 2028
Education, practice and other relevant information:	<p>She has been working at Tatry mountains resorts, a.s. since January 2021 as Business and Marketing Director of the Slovak operations of TMR. On 25 April 2023, she was elected by the Supervisory Board as a member of the company's board of directors effective 1 June 2023 and, at the same time, she was designated by the Supervisory Board as the vice-chairman of the company's board of directors effective 1 June 2023. Ing. Zuzana Ištvánfiová has experience in management and managerial positions in several companies in Slovakia and the Czech Republic that have been cooperating with TMR on a long-time basis.</p> <p>In addition to the position of a member of the board of directors of the Issuer, Ing. Zuzana Ištvánfiová acts as a member of the board of directors in the following companies:</p> <ul style="list-style-type: none"> • TMR Parks, a.s.; • Hotel Sliezsky dom, a.s.; • GARFIN HOLDING, a.s.; • EUROCOM Investment, s.r.o.; • X-BIONIC® SPHERE a.s.; a • NARCIUS, a. s.

Čeněk Jílek, MBA

Title, and since:	Member of the board of directors, since 4 June 2020
Date of the current term of office expiration:	4 June 2025
Education, practice and other relevant information:	<p>Čeněk Jílek has been a member of the Issuer's board of directors since June 2020. Prior to that, he served as manager of Tatry Motion brand stores, which belong to the Issuer, and also served as director of the Špindlerův Mlýn resort. He also gained experience in tourism during seven years as a</p>

sales manager in the luxury hotel industry in the Canary Islands. He received his MBA from Bircham International University.

Mr. Jílek is a member of the board of directors of the following companies:

- MELIDA, a.s., Czech Republic;
- OSTRAVICE HOTEL a.s., Czech Republic;
- Tatry mountain resorts CR, a.s., Czech Republic;
- GOPASS SE, Czech Republic; and
- SKOL MAX Ski School, a. s. v likvidaci, Czech Republic.

Mr. Jílek is also the chairman of the board of directors in TMR Finance CR, a.s., Czech Republic, and TMR Ještěd, a.s., Czech Republic, an executive in International TMR Services, s.r.o., Czech Republic, and a participant in Refugio s.r.o. Among other things, he also holds the position of chairman of the association committee in the association MOTION TEAM, z.s.

Supervisory board of the Issuer

The supervisory board is the supreme supervisory body of the Issuer. The supervisory board supervises the board of directors and the performance of the Issuer's business activities. In the cases specified in Section 196a of the Commercial Code, the board of directors may enter relevant agreements only with the prior consent of the supervisory board. Additionally, the supervisory board approves the financial plans submitted by the board of directors, significant investments and other significant financial and business transactions for the relevant financial year, the rules of remuneration of members of the board of directors and provides the general meeting with the results of its audit activities.

As of the date of this Prospectus, the supervisory board has nine members; two members must be elected in place of two employees' representatives whose term of office has expired. The term of office of members of the supervisory board is five years. Members of the supervisory board are elected and removed by the general meeting. If, at the time of election, the Issuer has more than 50 full-time employees, two thirds of members of the supervisory board are elected and removed by the general meeting and one third by employees of the Issuer. The supervisory board elects the chairman and vice-chairman of the supervisory board from among its members.

The supervisory board consists of the following persons:

- (a) Ing. Jozef Hodek, Member of the Supervisory Board; ¹⁾
- (b) Ing. Andrej Devečka, Member of the Supervisory Board;
- (c) Ing. František Hodorovský, Member of the Supervisory Board;
- (d) Roman Kudláček, Member of the Supervisory Board;
- (e) Adam Tomis, Member of the Supervisory Board;
- (f) Ing. Miroslav Roth, Member of the Supervisory Board;
- (g) Ing. Pavol Mikušiak, Member of the Supervisory Board;
- (h) Mgr. Marek Schwarz, Member of the Supervisory Board; and
- (i) Ivan Oško, Member of the Supervisory Board.

¹⁾ *In addition to the information provided above, we note that as of June 1, 2024, Nad'a Ondrušiková has been elected as a member of the supervisory board, and therefore we are also attaching her relevant details.*

The contact address of all Members of the Supervisory Board is the address of the registered office of the Issuer. An overview of the relevant information about members of the Issuer's supervisory board is given below.

Ing. Jozef Hodek

Title, and since:	Member of the supervisory board, since 1 July 2023
Date of the current term of office expiration:	31 May 2024
Education, practice and other relevant information:	<p>Ing. Jozef Hodek was elected by the Issuer's general meeting as a member of the supervisory board on 31 May 2023 effective 1 July 2023 and, at the same time, he was elected as the chairman of the supervisory board on 3 July 2023. Ing. Hodek had been the Chief Financial Officer of the Issuer for many years and also a member of the board of directors. He worked on making the Issuer's processes more efficient, on the issues of new shares and their listing at BCPB. Before that, between 2006 and 2007, he worked in audit at PricewaterhouseCoopers Slovakia. He graduated from the University of Economics, Faculty of Economic Informatics, in Bratislava.</p> <p>In addition to the Issuer's supervisory board, Ing. Hodek is a participant and executive in HODRENT, s.r.o. and is also a member of the supervisory board of GARFIN HOLDING, a.s.</p>
Ing. Andrej Devečka	
Title, and since:	Member of the supervisory board, since 28 May 2020
Date of the current term of office expiration:	28 May 2025
Education, practice and other relevant information:	<p>Ing. Devečka was elected a member of the supervisory board in May 2020. Prior to that, he had served on the Issuer's board of directors since December 2011. Since 1991, he has been an owner, entrepreneur, co-owner, executive and member of supervisory boards of numerous companies. Before that, he acted as the Senior Manager in the technology engineering company Tesla Liptovský Hrádok. He graduated from the Technical University in Liptovský Mikuláš as an MSc. specialising in microelectronics and laser technology.</p> <p>In addition to serving on the board of directors of the Issuer, Ing. Devečka is an executive in HOLLYWOOD CES, s.r.o. and C4U, s.r.o., E.R.W. Trading s. r. o., HOLLYWOOD C.E. SK, s.r.o., Solidteam s. r. o., and since 1 October 2022, he has been a member of the supervisory board at TMR Parks, a.s.</p>
Ing. František Hodorovský	
Title, and since:	Member of the supervisory board, since 8 September 2021
Date of the current term of office expiration:	8 September 2026
Education, practice and other relevant information:	<p>In January 2011, Ing. Hodorovský was first elected a member of the supervisory board by the general meeting, and re-elected in April 2016. Since 1996, he worked as general counsel, partner and shareholder of several companies doing business in tourism. Hodorovský graduated from the University of Economics in Bratislava, Faculty of Business Management.</p> <p>Besides serving as a member of the supervisory board of the Company, Ing. Hodorovský serves as executive in DITERGO, s.r.o., FOREST HILL COMPANY, s. r. o., MINERVASIS, s.r.o., SLOVKARPATIA DANUBE, s. r. o., SLOVKARPATIA, s.r.o., ENNEL, s.r.o. a TLD, s.r.o., E-is-W, s.r.o.</p>
Roman Kudláček	
Title, and since:	Member of the supervisory board, since 22 June 2022
Date of the current term of office expiration:	22 June 2027

Education, practice and other relevant information:

Mr. Kudláček was elected a member of the supervisory board in April 2012 by the general meeting, and re-elected in 2022. He has extensive experience in mechanical engineering. In the past, he served as chairman of the board of directors of K&M, a.s. and from 2001 to 2008, he was an executive of Liptosol, s.r.o. in Liptovský Mikuláš. Before that, he served as chairman of the board of directors of a machine engineering company LIPTOVSKÉ STROJÁRNE plus, a.s. (1997 – 1999). From 1993 to 1999, he acted as an executive of RBL, s.r.o. Previous years, he had been doing business in retail. Since September 2023, he has been acting on the supervisory board of Štrbské Pleso resort, s.r.o.

Adam Tomis**Title, and since:**

Member of the supervisory board, since 19 June 2019

Date of the current term of office expiration:

19 June 2024

Education, practice and other relevant information:

Mr. Tomis was elected a member of the supervisory board in April 2014 by the general meeting, and re-elected in 2019. He currently works as a project manager responsible for non-bank investments of the J&T group. In 2012-2013 he worked in the consulting company McKinsey & Company on projects in banking and telecommunications. Prior to that, he had worked for eight years at the investment company Benson Oak Capital and for a year at the independent airline Travel Service. Mr. Tomis completed a master's degree program at Charles University in Prague, Institute of Economic Studies, Department of Finance, Financial Markets and Banking.

In addition to his position as a member of the Issuer's supervisory board, Adam Tomis is a member of the boards of directors in the following companies:

- Equity Holding, a.s., (Czech Republic);
- J&T CAPITAL PARTNERS, a.s., (Czech Republic);
- J&T ENERGY HOLDING, a.s., (Czech Republic); and
- J&T EQUITY PARTNERS, a.s. (Czech Republic).

Adam Tomis also acts as a member of the supervisory boards in the following companies:

- Westminster JV a.s. (Czech Republic);
- EP Global Commerce a.s., (Czech Republic);
- E-Commerce and Media Investments, a.s. (Czech Republic);
- CZECH MEDIA INVEST a.s. (Czech Republic);
- J&T ENERGY FINANCING CZK V, a.s. (Czech Republic); and
- J&T ENERGY FINANCING CZK VI, a.s. (Czech Republic).

At the same time, Adam Tomis has been working since 27 April as the chairman of the supervisory board in the company J&T INVESTIČNÍ SPOLEČNOST, a.s. (Czech Republic).

Ing. Miroslav Roth**Title, and since:**

Member of the supervisory board, since 8 September 2021

Date of the current term of office expiration:

8 September 2026

Education, practice and other relevant information:

Ing. Roth was elected a member of the supervisory board in June 2012 by the Issuer's employees, and re-elected in 2017. In the company, he has been working as an electric networks technician, a position he had held since 1985 in Tatranské lanové dráhy.

Ing. Pavol Mikušiak**Title, and since:**

Member of the supervisory board, since 30 June 2023

Date of the current term of office expiration: 30 June 2028

Education, practice and other relevant information: Ing. Mikušiak was elected a member of the supervisory board in April 2013 by the general meeting, and re-elected in 2023. He is a member of the statutory bodies of several Slovak companies. Since 1996, he has acted as the Business Director of CBA Verex, a.s. Before that, he worked as the Foreign Trade Director of Verex, s.r.o. (1992 – 1996) and as a member of the scientific research staff in the Research Institute in Liptovský Mikuláš (1987 – 1992). He graduated from the Technical University in Košice, Faculty of Information Technologies and Programming.

In addition to serving on the Supervisory Board of the Company, he is also on the boards of directors of CBA SK, a.s., CBA VEREX, a.s., VEREX HOLDING, a.s., NARCIUS, a. s., on the supervisory board of VEREX-ELTO, a.s., VEREX ŽILINA, a.s., VEREX REALITY s.r.o., OSKO, a.s., LEVEL, a.s., is an executive in ELTO REALITY, s. r. o., Invest Liptov, s.r.o., MPL Invest, s.r.o.

Mgr. Marek Schwarz

Title, and since: Member of the supervisory board, since 30 June 2021

Date of the current term of office expiration: 30 June 2026

Education, practice and other relevant information: Member of the supervisory board for the Issuer's employees. He works as the director of the human resources department. In addition to the supervisory board of the Issuer, Mr. Schwarz acts as a member of the supervisory board in TMR Parks, a.s. and Region Tatry Travel, s.r.o.

Ivan Oško

Title, and since: Member of the supervisory board, since 30 June 2021

Date of the current term of office expiration: 30 June 2026

Education, practice and other relevant information: Member of the supervisory board for the Issuer's employees. He works as the head of cableway operations (Záhradky centre) in the Jasná mountain resort. In addition, he is also the chairman of OZO (a trade union for trade and tourism workers).

Nad'a Ondrušíková

Title, and since:	Member of the supervisory board, since 1 June 2024
Date of the current term of office expiration:	30 June 2026
Education, practice and other relevant information:	Nad'a Ondrušíková was elected as a member of the supervisory board by the general meeting in May 2024. She serves as the CEO of O.C & O.C PRODUCTION & O.C AGENCY, one of the most well-known Austrian PR agencies in the lifestyle and event organization sector. Previously, she served as the CEO of VOGUISH.TV & STARFASHVISION.TV (2008 – 2016) focusing on international television productions, including the world-famous Cannes film festival, as well as in New York, London, Milan, and Paris, with a focus on lifestyle and fashion. From 2004-2008, she acted as the interim CEO of RATH AVIATION CANNES /FRANCE, a company that operates private aircraft, including the operational management of the entire flight management. Among other qualifications, she graduated from the International Business College Vienna.

(b) **Senior management**

In addition to the members of its bodies, the following persons in the specified positions perform the functions of the Issuer's senior management:

<i>Name of the employee</i>	<i>Function - Name</i>
Ištvánfiiová Zuzana, Ing.	Director of Sales and Marketing
Kačkovič Branislav, Ing.	Chief Operating Director
Klas Marián	Chief Financial Director
Král' Matúš, Ing.	Information Technology Director
Schwarz Marek, Mgr. MBA	HR Director and Central Procurement Director
Slavkovský Dušan, Ing.	Director of the VT Mountain Resort
Šmitala Róbert, Ing.	Aquaparks Director
Trumpeš Jiří, Ing. Mgr.	Director of Mountain Resort Jasná

(c) **Administrative, management and supervisory bodies and senior management conflicts of interests**

The Issuer represents that members of the board of directors and the supervisory board are subject to statutory restrictions imposed by Section 196 of the Commercial Code providing for the ban on competition. Members of the board of directors and the supervisory board may not: (a) in their own name or on their own account enter into any transactions related to the business activities of the Issuer, (b) mediate the business of the Issuer to other persons, (c) participate in the business of any other company as an unlimited shareholder, and (d) serve as a statutory body or a member of a statutory or other body of another legal person having a similar object unless the company whose statutory body they are members participate in the business of that company.

The Issuer is not aware of any potential conflict of interests between the duties of members of the board of directors, the supervisory board and the senior management to the Issuer and their private interests or other duties.

Members of the board of directors, the supervisory board and the senior management are not restricted in terms of disposing of their shares held in the Issuer's securities.

5.7 Remuneration and benefits

For the financial year 2022/2023, members of the board of directors and the supervisory board of the Issuer, as well as the senior management, were granted and paid the following remunerations and salaries in total:

Name and surname	Remuneration and salary in total (in EUR)	Note
Ing. Igor Rattaj	826,393	
Ing. Jozef Hodek	655,597	Member of the board of directors, from 30 June 2009 to 30 June 2023 Chairman of the supervisory board, since 1 July 2023
Čeněk Jílek	632,582	
Ing. Zuzana Ištvánfiiová	328,252	Vice-chairman of the board of directors, since 1 June 2023
Ing. Bohuš Hlavatý	32,000	Chairman of the supervisory board from 30 April 2020 to 30 June 2023
Ing. František Hodorovský	6,000	
Roman Kudláček	3,600	
Ing. Pavol Mikušiak	3,280	
Adam Tomis	3,600	
Ing. Andrej Devečka	29,145	
Miroslav Roth	30,521	
Mgr. Marek Schwarz	93,495	
Ivan Oško	32,982	

The above-mentioned remunerations and wages are set out in the Issuer's Remuneration Report, which is part of the Issuer's Annual Report for 2022/2023. The Issuer's Annual Report for 2022/2023 is not included in the Prospectus by reference, with the exception of the 2022/2023 Financial Statements.

The Issuer has not set side or accrued any amounts to provide for pension, retirement or similar benefits. The Issuer has no obligations to do so in the future.

5.8 Board practices

(a) Termination benefits

The members of the board of directors and the supervisory board do not have employment contracts entered into with the Issuer that would stipulate benefits upon termination of employment.

(b) Audit Committee and Remuneration Committee

The activities of the Audit Committee, i.e. the supervision of the internal and external audit and the recommendation of the external auditor, are performed by the supervisory board pursuant to Act No. 423/2015 Coll. on Statutory Audit, Amending and Supplementing Act No. 431/2002 Coll. on Accounting, as amended.

The Issuer does not have a Remuneration Committee established as of the date of the Prospectus. The variable board of directors remuneration component is determined by the board of directors remuneration policy by reference to the results of the company. The board of directors remuneration policy is approved by the supervisory board.

(c) **Corporate governance regime – Corporate Governance Code**

As of the date of the Prospectus, the Issuer complies with all corporate governance requirements prescribed by the laws of the Slovak Republic, in particular Act No. 513/1991 Coll., the Commercial Code, as amended (the **Commercial Code**). At the same time, being a company traded on three central European stock exchanges (BCPB, BCPP and GPW), the Issuer is fully aware of the importance of its compliance with the Corporate Governance principles pursuant to the relevant corporate governance codices. Still, they currently constitute a recommendation only and are not generally binding rules binding on the Issuer.

The Issuer's board of directors declared its compliance with the Slovak corporate governance code and also with principles of the Corporate Governance Code for companies listed on the Warsaw Stock Exchange as of 31 October 2019. The compliance with the individual codes and any deviations from them are published at the Issuer's web site: <https://tmr.sk/en/investor-relations/corporate-governance>.

(d) **Potentially significant impacts on the Issuer's governance, including future changes in the composition of managing bodies and committees**

Not applicable. As of the date of the Prospectus, the Issuer is not aware of any potential significant impacts on the Issuer's governance, including future changes in the composition of managing bodies and committees.

5.9 Employees

(a) **Number of employees**

The average number of employees of the Issuer for the financial year 2022/2023 reached 1,456 (1,359 in the financial year 2021/2022 and 1,193 in the financial year 2020/2021). During the past financial year, the Issuer used the services of placement agencies, with an average of 746 employees being used in this way (707 in the financial year 2021/2022 and 72 in the financial year 2020/2021).

(b) **Shareholdings and stock options**

The following table shows data on the Issuer's shares owned by members of the board of directors, members of the supervisory board and senior managers as of the date of the Prospectus:

Name and surname	Title	Number of shares	Note
Ing. Igor Rattaj	Chairman of the Board of Directors	1,973,197	The shares are held through C.I. CAPITAL INDUSTRIES LIMITED
Ing. Jozef Hodek	Chairman of the Supervisory Board	431	
Ing. František Hodorovský	Member of the Supervisory Board	1,030,919	The shares are held through FOREST HILL COMPANY, s.r.o.

The above persons, as existing shareholders, also have the right, pursuant to Section 204a of the Commercial Code, to preferential subscription of the Offer Shares, in proportion to the nominal value of their existing shares to the amount of the existing share capital.

Apart from the above statutory right, as of the date of the Prospectus, no member of the board of directors, no member of the supervisory board and no senior manager of the Issuer holds any options for the Issuer's shares (including options for the Offer Shares).

(c) **Description of arrangements involving the employees in the capital of the Issuer**

As to the date of the Prospectus, there are no arrangements involving the employees in the capital of the Issuer.

5.10 Major shareholders

(a) Control over the Issuer

The Issuer is a publicly traded company. The Issuer's shares are traded on the BCPB, BCPP and GPW regulated markets. Therefore, the shareholder structure of the Issuer is constantly changing. According to information available to the Issuer, as of the date of the Prospectus, the Issuer had the following shareholders whose share in the share capital and voting rights exceeded 5%:

Name of the company	Number of shares	Share in the share capital and voting rights of the Issuer	
		in EUR	%
C.I. CAPITAL INDUSTRIES LIMITED	1,973,197	13,812,379	29.4
Minority shareholders <5%	1,791,636	12,541,452	26.7
FOREST HILL COMPANY, s.r.o.	1,030,919	7,216,433	15.4
RMSM1 LIMITED	992,666	6,948,662	14.8
DIAMCA INVESTMENTS LIMITED	918,780	6,431,460	13.7
Total	6,707,198	46,950,386	100.0

The above distribution of shareholdings implies that the Issuer is not controlled by any person. None of the Issuer's shareholders enjoys different voting rights.

The measures in place to ensure that such control over the Issuer is not abused result from the laws of the Slovak Republic. The Issuer did not adopt any measures in excess of the laws of the Slovak Republic.

(b) Agreements that may result in a change in control of the Issuer

The Issuer is not aware of any agreements that could result in a change in control of the Issuer.

5.11 Related party transactions

The Group is in a related party relationship with its shareholders who exert significant influence within the Group and other parties as of 31 October 2023, 31 October 2022 and 31 October 2021 or during the period from 1 November 2022 to 31 October 2023, 1 November 2021 to 31 October 2022 or 1 November 2020 to 31 October 2021:

- Companies that jointly control or have significant influence over the accounting unit and its subsidiaries and affiliates;
- joint ventures of which the Group is a participant;
- affiliated companies; and
- members of the company's senior management or shareholders of the Group and companies in which the senior management exerts control or significant influence.

All related party transactions, including transactions with the senior management, were made on the basis of terms that are common in the market in such transactions made between unrelated parties, or which are expected in such transactions. None of the related parties were favoured in any way in their mutual transactions.

As of 31 October 2021, the Group had receivables owed to it by the senior management of EUR 31,000 (2020: EUR 947,000), payables of EUR 111,000 (2020: EUR 341).

In the period from 1 November 2020 to 31 October 2021, the Group reported revenues of EUR 242,000 (2020: EUR 595) and expenses of EUR 3,492,000 (2020: EUR 1,251) in respect of the members of the senior management.

As of 31 October 2023, the Group had receivables owed to it by the senior management of EUR 0 (2022: EUR 0) and payables of EUR 1,688,000 (2020: EUR 941,000).

In the period from 1 November 2022 to 31 October 2023, the Group reported revenues of EUR 0 (2022: EUR 0) and expenses of EUR 2,505,000 (2020: EUR 1,925,000) in respect of the members of the senior management.

As of 31 October 2023, the Group had receivables owed to it by the companies related through members of the senior management of EUR 7,000 (2022: EUR 25,000), payables of EUR 344,000 (2022: EUR 62,000).

In the period from 1 November 2022 to 31 October 2023, the Group reported revenues of EUR 145,000 (2022: EUR 43,000) and expenses of EUR 5,900,000 (2020: EUR 4,081,000) in respect of the companies related through members of the senior management.

5.12 Financial information concerning the assets and liabilities, financial situation and profits and losses of the Issuer

(a) Historical and preliminary financial information

The Issuer has been operating on the market under the name Tatry mountain resorts, a.s. and publishing audited consolidated financial statements prepared in accordance with the IFRS since 2009. Since 1 November 2010, the Issuer's financial year ends on 31 October of the following year.

Historical financial information, audit information

At the end of February each year, the Issuer publishes annual financial reports as of 31 October, which include audited consolidated financial statements prepared in accordance with the IFRS.

The Audited Annual Financial Statements have been verified by the auditor and the auditor's reports are part of them. The auditor issued an unmodified opinion (without qualifications) regarding the audited annual financial statements. Apart from the Audited Annual Financial Statements, no information in this Prospectus has been audited.

Preliminary financial information

In addition to that, every year usually at the end of July, the Issuer publishes semi-annual financial reports as of 30 April that include unaudited consolidated financial statements prepared in accordance with the IFRS. No interim financial data of the Issuer are included in the Prospectus by reference.

Inclusion and presentation of financial information

The Audited Annual Financial Statements are incorporated into the Prospectus by reference in Article 13 of the Prospectus (Documents incorporated by reference).

(b) Dividend policy

For the time being, the Issuer has not set up any policy on dividend distributions and/or any restrictions thereon.

The Issuer did not pay any dividends for the financial years 2022/2023, 2021/2022 and 2020/2021.

(c) Legal, administrative and arbitration proceedings

The Issuer registers passive disputes with the total estimated value of around EUR 0.5 million. According to the information available to the Issuer as of the date of this Prospectus, the Issuer is not and has not been a party to any litigation, administrative proceedings or arbitration proceedings during the previous 12 months that could or would have a material effect on its financial position.

(d) **Significant change in the Issuer's financial position**

On 1 November 2023, the Issuer entered into an agreement on the lease of a part of the business with its subsidiary Štrbské Pleso resort, s.r.o., under which it leased part of movable and immovable assets in Štrbské Pleso, High Tatras.

On 1 November 2023, a cooperation agreement was entered into with the Beskid Sport Arena ski resort in Szczyrk, Poland.

On 15 December 2023, GOPASS Property a.s. based in the Czech Republic was established to operate a real estate fund.

On 2 February 2024, the Issuer paid the coupon on the Subordinated Bonds of EUR 6,600,000.

On 7 March 2024, the company Gopass Property SK s.r.o. with its registered office in the Slovak Republic was founded.

On 28 March 2024, a contract was entered into on the sale of shares in Korona Ziemi Sp. z o. o.

On 10 April 2024, GOPASS Property a.s. bought the shares of CEREPAR Investments PL Sp. z o. o.

On 27 April 2024, JASNÁ CENTRAL, s.r.o. with its registered office in the Slovak Republic was founded.

In addition to the above, there have been no changes in the financial or business situation of the Issuer that could be classified as significant from the date of preparation of the 2022/2023 Financial Statements to the date of this Prospectus.

(e) **Operating results**

In the monitored period from the financial year 2020/21 to 2022/23, the Issuer increased total consolidated revenues by EUR 123.7 million, which represents a compound annual growth rate (CAGR) of 70.64%. Higher attendance compared to the financial years 2021/22 and 2020/21 had a positive impact on revenues. Both financial years were affected by anti-pandemic measures that limited full-scale operation in the Issuer's centres, which resulted in lower attendance and related lower revenues. The growth of the average price through the effective management of ski pass prices also had a significant impact on revenue growth in the financial year 2022/23. Resort visitors spent more at on-slope and off-slope restaurants and theme parks, as well as at sports services and shops.

The most important component of costs are personal and operating costs, while the largest item of operating costs is energy consumption. Another important item is the consumption of materials and goods, with the majority of costs being material in hotel centres and restaurant facilities.

Another key financial performance indicator is EBITDA – it reached EUR 59.4 million, which represents an annual increase of 76.2% compared to the previous financial year. In total, EBITDA increased by EUR 52.4 million between 2020/21 and 2022/23, which represents a CAGR of 191.22%.

Selected consolidated results, audited (IFRS)			
<i>in thousands of EUR</i>	Financial year 2022/23	Financial year 2021/22	Financial year 2020/21
Sales	188,379	132,119	64,697
Total revenue	188,379	132,119	64,697
Consumed materials and goods	-24,687	-19,070	-18,263

Personal and operating expenses	-107,933	-84,681	-39,459
Other profit / loss	3,607	5,328	25
EBITDA	59,366	33,696	7,000
<i>EBITDA margin</i>	<i>31.5%</i>	<i>25.5%</i>	<i>10.8%</i>
Depreciation and amortisation	-25,637	-23,388	-21,525
Depreciation of right-of-use assets	-5,844	-5,863	-5,238
Gain on bargain purchase	0	13,162	756
Value adjustment to fixed assets	-4,528	-5,977	-4,824
EBIT	23,357	11,630	-23,831
Interest income calculated using the effective interest rate	238	47	153
Financial expenses	-27,574	-22,915	-21,708
Profit / loss from financial operations, net	6,889	-2,356	-130
Share of profit / loss from the sale of subsidiaries	0	-482	
Share of profit / loss from investments to entities accounted for using the equity method	-355	-163	-1,000
Profit / loss before tax	2,555	-14,239	-46,516
Current income tax	-1,919	-776	-70
Deferred income tax	-1,184	3,068	710
Net loss	-548	-11,947	-45,876
<i>Net profit margin</i>	<i>-0.3%</i>	<i>-9.0%</i>	<i>-70.9%</i>
Aggregate profit or loss in total	-1,094	-12,500	-46,763
Loss per share (in EUR)	-0.074	-1.694	-6.816

Non-operating assets

The Issuer also records in its books certain assets that it does not currently use directly for its business, the so-called “non-operating assets”. These assets constitute part of the value of fixed tangible assets and investments in real estate reported on the Group’s balance sheet. These assets are items such as land in the area of Liptovský Mikuláš, land in the High Tatras National Park, land in the Austrian resort of Molltaler Gletscher in the villages of Mallnitz and Flattach, buildings of hotels and cottages Kosodrevina, Solisko and Vila Zámocěk. On its books, the Issuer also records the Jasná Centrál hotel project under construction, which includes land and a building under construction with a total value of EUR 15,342,000 as of 31 October 2023, and the value is reported in the consolidated financial statements in clause 15 Land, Buildings and Equipment and in clause 19 Inventory.

Land				
Location	Size of the land	Book residual value	Management’s	Reported on the balance sheet
		in thousands of EUR as of 31 October 2023	internal estimate in thousands of EUR as of 31 March 2024	
Molltaler Gletscher	126,627 sq. metres	2,674	13,500	15. Land, buildings and equipment
Liptovský Mikuláš	203,440 sq. metres	6,167	6,200	15. Land, buildings and equipment
Jasná - Demänovská Dolina	12 301 sq. metres	441	1,400	15. Land, buildings and equipment
Vysoké Tatry - Lomnické korzo	36 848 sq. metres	2,876	3,800	15. Land, buildings and equipment
Vysoké Tatry – Starý Smokovec	6 784 423 sq. metres	5,622	1,700	17. Investments in real estate

Buildings			
Location	Book residual value in thousands of EUR as of 31 October 2023	Management's internal estimate in thousands of EUR as of 31 March 2024	Reported on the balance sheet
Jasná - Hotel Kosodrevina	2,674	1,200	17. Investments in real estate
Vysoké Tatry - Chata Solisko	6,167	700	17. Investments in real estate
Vysoké Tatry - Vila Zámoček	441	500	17. Investments in real estate

Management's internal estimate of non-operating assets is a subjective assessment based on information available at the time it is compiled and may differ from other assessments that may be made by other persons or entities. The values of the management's internal estimate do not constitute binding information.

5.13 Capital resources

(a) Short-term and long-term capital resources

The main source of the Issuer's own funds (equity) is the share capital, share premium, retained earnings, other funds, currency revaluation reserve and non-controlling interest. The structure and book value of the Group's equity from the consolidated financial statements:

	31 October	31 October	31 October
Equity in thousands of EUR (audited)	2022/23	2021/22	2020/21
Share capital	46,950	46,950	46,950
Share premium	30,430	30,430	30,430
Profit or loss for the period	-497	-11,361	-45,717
Retained earnings and other funds	-42,841	-34,065	12,755
Currency revaluation reserve	-1,446	1,699	1,147
Non-controlling interest	-700	-646	-442
Total net assets	31,896	33,007	45,123

In addition to equity, the Issuer uses external funding in the form of issued bonds:

- TMR III 4.40%/2024, in the outstanding nominal amount of EUR 90 000 000 payable in 2024, ISIN: SK4120014598;
- Subordinated Bonds; and
- TMR VI 5.40/2027, in the outstanding nominal amount of EUR 59 000 000 payable in 2027, ISIN: SK4000021713.

All these bond issues have been admitted to trading on the regulated open market of BCPB.

Another significant source of funding for the Issuer is a syndicated credit facility provided by J&T Banka, a.s. and 365.bank a.s. in the amount of EUR 177,662,000. The following table shows an overview of total liabilities (borrowed resources):

	31 October	31 October	31 October
Liabilities in thousands of EUR (audited)	2022/23	2021/22	2020/21
Credits and loans	117,882	122,830	107,626
Lease liabilities	72,278	67,098	66,154
Trade payables and other liabilities	26,078	18,504	14,764
Reserves	589	2,001	2,324
Liabilities from contracts with customers	19,810	0	0
Tax liabilities	31,113	26,730	27,363
Bonds issued	261,264	266,186	260,805
Other liabilities	18,724	38,311	32,602
Total liabilities	547,738	541,660	511,638

(b) **An explanation of the sources and amounts of and a narrative description of cash flows**

Currently, the Issuer uses operating cash-flow for investments in fixed assets, which will ensure the competitive advantage of its resorts and increase the value of the Group as well as the creation of cash surpluses covering the repayment of obligations to bond creditors and banking institutions.

Consolidated cash flow statement			
<i>in thousands of EUR</i>	FY 2022/23	FY 2021/22	FY2020/21
OPERATING ACTIVITIES			
Profit / loss	-548	-11,947	-45,876
Adjustments related to:			
Profit / loss from sale of land, buildings and equipment, and intangible assets	-2,002	-3,341	-2,397
Depreciation and amortisation	25,637	23,388	21,525
Depreciation of right-of-use assets	5,844	5,863	5,238
Creation / (dissolution) of value adjustments to financial assets	-160	-1,391	2,372
Decrease in asset value	4,528	5,977	4,824
(Profit) / loss from financial instruments, net (non-monetary part)	-6,889	2,356	130
Share of profit or (loss) from investments to entities accounted for using the equity method	355	163	1,000
Loss on sale of subsidiaries	0	482	0
(Profit)/ loss from revaluation of real estate investments	0	906	0
Interest (income)/ expenses, net	27,336	22,869	21,555
Profit from bargain purchase	0	-13,162	-756
Changes in reserves	-23	-366	291
Income tax	3,103	-2,292	-640
Changes in trade receivables, other receivables and other assets	3,858	-2,703	-2,195
Change in inventory	-4,964	-397	4,816
Change in trade payables and other payables	6,176	5,809	1,201
Income tax paid	-822	757	1,489
Cash flows from operating activities	61,429	32,971	12,577
INVESTING ACTIVITIES			
Acquisition of land, buildings and equipment, and intangible assets	-22,654	-23,535	-10,555
Proceeds of sale of land, buildings and equipment, and intangible assets	4,090	7,495	4,957

Net cash outlay from purchase of subsidiaries	0	-6,833	-2,848
Income from the sale of shares in subsidiaries	0	2,346	0
Loans made	-920	-246	-263
Repayments of loans made	389	331	51
Proceeds of sale of financial investments	3	0	0
Interest received	9	9	40
Cash flows from investing activities	-19,083	-20,433	-8,618
FINANCING ACTIVITIES			
Repayments of lease liabilities	-6,589	-7,596	-7,047
Repayments of loans and borrowings received	-8,691	-22,552	-1,830
Loans and borrowings received	2,928	34,112	29,046
Bonds issued	56,457	1,518	109,635
Bonds repaid	-61,127	0	-110,000
Interest paid	-23,197	-17,973	-15,371
Cash flows from financing activities	-40,219	-12,491	4,433
Net increase in cash and cash equivalents	2,127	47	8,392
Cash and cash equivalents at the beginning of the year	15,600	15,553	7,161
Cash and cash equivalents at end of year	17,727	15,600	15,553

(c) **Information on the borrowing requirements and funding structure of the Issuer**

Information on the borrowing requirements and funding structure of the Issuer is described in paragraphs 5.13(a) and (b)

(d) **Information regarding all restrictions on the use of capital resources with a significant impact on the Issuer**

No restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the Issuer's operations apply to the Issuer.

(e) **Information regarding the anticipated resources of funds necessary for planned investments**

The Issuer assumes that it will secure the planned future investments from funds obtained from operating cash flows. At the same time, the resources obtained from the subscription of the issue of the Offer Shares will be used to reduce the Issuer's debt service and thereby free up new sources of financing for planned investments.

5.14 Regulatory environment

The Issuer is a public joint stock company incorporated and domiciled in the Slovak Republic. It is carrying out its activities in accordance with the laws of the Slovak Republic, in particular the Commercial Code and the Trades Act. In addition, it is subject to the relevant laws in the Czech Republic, Austria and Poland, where it also carries out its business activities.

The Commercial Code regulates the Offer Shares and relations between the Issuer and its shareholders, including investors in the Offer Shares. The Commercial Code also regulates relations between the Issuer and its subsidiaries.

The Issuer is subject to complex tax regulations that in some cases have only been in effect for a short period of time, are frequently amended and inconsistently enforced. Furthermore, the inefficient collection of taxes may

result in new taxes being continuously introduced in an attempt to increase tax revenues. Therefore, there is a risk that the Issuer may be subject to arbitrary and onerous taxation.

Apart from the above, the Issuer is not aware of any particular governmental, economic, fiscal, monetary or political policies or factors that would or could materially affect, directly or indirectly, its operations.

5.15 Material contracts

Other than those specified below, the Issuer registers no material agreements entered into outside the ordinary course of the Issuer's business that could result in the creation of obligations or claims that would be material for the Issuer or the Group.

Material agreements related to the external financing of the Issuer

- (a) From 2018 to 2022, the Group issued one subordinated and two secured bond issues with the total nominal value of almost EUR 259 million. In October 2024, the final maturity of the Issuer's secured bonds named TMR III 4.40/2024, in the amount of EUR 90,000,000, occurs. The Subordinated Bonds issue matures in 2026 and the secured TMR VI 5.40%/2027 bond issue matures in 2027.
- (b) The Issuer guarantees the loan provided by J&T BANKA, a.s. to Szczyrkowski Ośrodek Narciarski S.A. in the amount of 33.4 million EUR; the loan is due in 2033.
- (c) The Group entered into several dozens of leasing agreements with Tatra-leasing, ČSOB leasing, VÚB leasing for personal cars of various manufacturers, snowcats and their accessories.
- (d) J&T BANKA, a.s. provided the Issuer with credits of 97.3 million EUR in total, with maturities between 2026 and 2029. These credits are secured by a pledge over the movable and immovable assets of the Group. The credit serves to refinance existing credits from J&T BANKA, a.s. and 365.bank, a.s., to finance the acquisition of the Aquapark Bešeňová and to finance the construction of the Biela púť – Priehyba cable car.

Lease agreement for SKIAREÁL Špindlerův mlýn, a.s.

On 6 November 2012, the affiliate MELIDA, a.s. entered as tenant into the business lease agreement with SKIAREÁL Špindlerův mlýn, a.s. as owner for the lease of Skiareál Špindlerův mlýn in the Czech Republic. As of the date of this Prospectus, the Issuer held a 25% interest in MELIDA, a.s. Under the lease agreement, MELIDA a.s. is the operator of the ski resort Špindlerův mlýn in Krkonoše for 40 years for the annual rent of CZK 60 million. Liabilities from the lease agreement are additionally guaranteed by the Issuer up to CZK 250 million. This guarantee is a contingent liability.

In addition to operating Špindlerův mlýn, MELIDA, a.s. also agreed to provide for the further development of the resort by expanding its ski slopes, renovating its technological facilities and otherwise improving the conditions for skiers by investments of at least CZK 1.925 billion during the entire term of the lease.

Lease agreement for Sportovní areál Ještěd a.s.

On 21 December 2017, the Group, acting through its Czech subsidiary TMR Ještěd a.s., signed a business lease agreement with Sportovní areál Ještěd a.s., by which it undertook to operate the Ještěd sports complex near the city of Liberec.

Lease agreements

The Issuer entered into lease agreements with several owners of land used by it for its activities. These are mostly lands under the ski lifts and ski slopes of the Issuer and certain other facilities of the Issuer. The landlords include Slovenský pozemkový fond (*Slovak Land Fund*), Lesy Slovenskej republiky (*Forests of the Slovak Republic*), Štátne lesy TANAPu (*State Forests of TANAP*), a landowners association (*Pozemkové spoločenstvo urbárikov*) and others, including individual natural persons. During the financial year 2022/2023, the total rent paid under all lease agreements for lands was approximately EUR 7,8 million. In most of the cases, the agreements were signed for an indefinite period of time or are usually valid for 10 and more years.

5.16 Share capital

As of the date of the Prospectus, the Issuer's registered share capital is EUR 46,950,386.

The Issuer's share capital is divided into 6,707,198 ordinary book-entry bearer shares, each in the nominal value of EUR 7. These shares have been approved, issued and paid-up in full and thus the share capital has been paid-up in full.

As part of the Offer, the Issuer will issue up to 6,315,790 new ordinary shares, each of which will have a nominal value of EUR 7 (seven euros). If all Offer Shares are subscribed, they will together represent approximately 48.5% of the Issuer's increased share capital.

The Issuer has not issued any preferred shares, preferential rights, convertible bonds or any other equity participations or securities linked to the underlying assets. The same rights are attached to all shares. The Issuer has no authorised capital that would not yet be issued. There are no redemption or transfer rights attached to the Issuer's shares.

History of the share capital

Share capital amount	Period
EUR 46,950,386	from 22 October 2013 until the date of the Prospectus
EUR 221,337,534	from 25 March 2010 to 21 October 2013
EUR 221,534,128.694362	from 24 July 2009 to 24 March 2010
EUR 33,651,928.694362	from 17 February 2009 to 23 July 2009
SKK 1,013,798,000 (EUR 33 651 928.57)	From 15 June 2006 to 16 February 2009
SKK 953,798,000 (EUR 31,660,293.43)	from 5 August 2005 to 14 June 2006
SKK 758,798,000 (EUR 25,187,479.25)	From 18 April 2002 to 4 August 2005
SKK 628,798,000 (EUR 20,872,269.80)	from 28 December 2001 to 17 April 2002
SKK 508,798,000 (EUR 16,888,999.54)	from 23 November 1993 to 27 December 2001
SKK 249,311,000 (EUR 8,275, 609.11)	from 30 March 1992 to 15 June 1993

5.17 Constitutional document and articles of association

The Issuer was established by the foundation deed dated 20 March 1992, and by the founder's decision under the Commercial Code, the Issuer then adopted the articles of association providing for the fundamental relationships within the Company. The most recent version of the Issuer's articles of association was adopted on 17 May 2024.

The company is a Slovak business company whose the general objective is to carry out for-profit activities. There are no specific business goals or objectives set out in the foundation deed or in the Issuer's articles of association. The object of the Issuer is stated in Article II of the Issuer's articles of association (the list of individual objects under the articles of association is detailed in paragraph 5.2(a) of the Prospectus (Object according to the articles of association) and the main activities are set out in paragraph 5.2(b) of the Prospectus (Main activities).

Share ownership restrictions

The articles of association of the Issuer contain no provisions that would have the effect of delaying, postponing or preventing a change of control of the Issuer.

6. INFORMATION CONCERNING THE OFFER SHARES

6.1 Basic information

(a) Working capital

In the opinion of the Issuer, the working capital is sufficient for the current requirements of the Issuer.

(b) Capitalisation and indebtedness

The Group's total indebtedness as of 31 March 2024 amounted to EUR 367,899,773. The total amount of bonds issued and outstanding was EUR 257,964,415. Secured bonds comprised EUR 147,662,999 out of that amount. The Issuer is a debtor under loans granted by J&T BANKA totalling EUR 109,684,976 and loans granted by company Raiffeisen - Leasing, s.r.o. totalling EUR 60,382. The total debt ratio, thus the ratio of total debt to capital, reached 92.02% as of 31 March 2024. The total debt-to-EBITDA ratio was 6.0 as of 31 March 2024. Total indebtedness is properly documented and monitored and the Group is committed to effectively managing this indebtedness in order to achieve a stable financial position and sustainable growth.

In the future, the Issuer may seek to refinance its existing liabilities and finance the business through debt financing or other debt instruments.

(c) Interest of natural and legal persons involved in the issue/offer

Managers may be incentivized to sell the Offer Shares offered with respect to their incentive rewards (in case of a successful sale), which may create a conflict of interest. Managers are obliged to take measures in case of conflict of interest as required by generally binding legal regulations.

J&T BANKA, acting as the Manager of the Offer in the Slovak Republic and Czech Republic and as the listing agent for the admission of the Offer Shares to regulated markets of BCPB and BCPP has engaged, and may continue to engage in future transactions, with the Issuer in the field of investment and/or commercial banking and may continue to provide services to the Issuer in the ordinary course of business, including commercial lending. J&T BANKA is also a member of the J&T Finance Group, whose various entities may participate as existing or new shareholders in the Offer.

Similarly mBank, acting as the Manager of the Offer in Poland and as the listing agent for the admission of the Offer Shares to regulated market of GPW, has engaged, and may continue to engage in future transactions, with the Issuer in the field of investment services and may continue to provide services to the Issuer in the ordinary course of business.

Mr. Igor Rattaj, Chairman of the Board of Directors, Mr. Jozef Hodek, Chairman of the Supervisory Board and Mr. František Hodorovský, Member of the Supervisory Board, are existing shareholders of the Issuer and are therefore interested in the Offer being successful in securing further financing of the Issuer. These persons, as existing shareholders, also have the right, pursuant to Section 204a of the Commercial Code, to preferential subscription of the Offer Shares, in the ratio of the nominal value of their existing shares to the amount of the existing share capital.

As of the date of issue of this Prospectus, no other interest of any natural or legal person involved in the issue is known which would be material to the Offer.

(d) Reasons for the offer and use of proceeds

The Issuer shall use the net proceeds from the Offer to strengthen its capital structure, mainly to reduce its indebtedness to the level closer to the indebtedness of comparable companies active in the industry, and

optimization of existing liabilities in terms of its interest costs, maturity and amortization profile, through the following steps or their combination:

- buyback of the Subordinated Bonds;
- early redemption of TMR VI 5.40%/2027 bonds; and/or
- partial or full redemption of some bank loans of the Issuer.

The Subordinated Bonds mature in 2026. Due to their subordinated nature, the bonds cannot be repaid early, but the Issuer plans to repurchase the Subordinated Bonds. The buyback is conditioned by a change of the terms and conditions, for which a meeting of the bondholders must be convened, which has to approve such change. Depending on the willingness of the holders of the Subordinated Bonds, the buybacks would be realised after an agreement with individual holders of the Subordinated Bonds during the course of the year 2024. The nominal value of the Subordinated Bonds without accumulated interest is EUR 110 million.

The Issuer also considers early redemption of the TMR VI 5.40% bonds which mature in 2027. These bonds can be repaid early at the Issuer's discretion always as of the last day of each month, while the early redemption has to be announced 60 days in advance. There is a fee associated with the early redemption, the amount of which depends on the remaining time to the maturity.

The Offer is part of a broader transaction aimed at optimizing existing liabilities as well as simplifying and unifying the current credit documentation and expanding the circle of current creditors to include additional banks. The specific steps and the exact scope of the buyback or early redemption of the Issuer's bonds or loans will be decided by the board of directors depending on the specific conditions and deadlines governing the buyback or early redemption, and taking into account the market situation at the moment of the net proceeds from the Offer being utilized.

6.2 Information concerning securities to be offered/admitted to trading

(a) Type, class and ISIN

The Offer Shares are ordinary shares to be issued in the number of 6,315,790 of individual shares, the nominal value of each share being EUR 7 (seven euros). The total nominal value of the Offer Shares is EUR 44,210,530.

The Offer Shares will be created by increasing the existing issue of ordinary shares of the Issuer.

The Offer Shares have the following assigned codes :

ISIN: SK1120010287

CFI: ESVUFB

FISN: Tatmoures/BRSH VTG FPD EUR7,000000

(b) Applicable law regarding the creation of Offered Promotions

The Offer Shares are issued according to the legislation of the Slovak Republic, in particular under Act No. 566/2001 Coll. on Securities and Investment Services, as amended (the **Securities Act**) and the Commercial Code.

(c) Form

The Offer Shares are book-entry bearer securities that will be registered with CDCP under the Securities Act.

(d) **Currency**

The currency of the Offer Shares is the Euro (EUR).

(e) **Rights associated with the Offer Shares**

General information

All Offer Shares have the same nominal value and grant the same rights to their holders.

Each Offer Share gives its holder the right, among other things, to:

- (i) managing the Issuer, through participation in the General Meeting and exercising the rights associated with such participation;
- (ii) share of the Issuer's profits (dividend) designated by the General Meeting for distribution to shareholders;
- (iii) part of the share in the liquidation balance after the dissolution of the Issuer with liquidation, in proportion to the shareholder's share in the share capital;
- (iv) pre-emptive right to subscribe for new shares of the Issuer;
- (v) a share in the share capital of the Issuer in the event of a reduction in proportion to the shareholding of the share capital before the reduction in the share capital;
- (vi) redemption of their shares by the Issuer upon fulfilment of certain conditions in the event of a change in the legal form of the Issuer, a merger of the Issuer or termination of trading of the Issuer's shares on the relevant exchange; and
- (vii) requesting certain information and explanations, including copies of certain documents, relating to the Issuer's affairs.

In relation to paragraph (i) above, the shareholder has the right to participate, vote at the General Meeting, request information and explanations regarding the affairs of the Issuer or the affairs of persons controlled by the Issuer in connection with the subject matter of the General Meeting and make proposals therein and request that matters designated by him be placed on the agenda of the General Meeting in accordance with the applicable regulations. The shareholder or shareholders who are holders of shares the nominal value of which amounts to at least 5% of the Issuer's share capital may, with stating their reasons, request that an extraordinary General Meeting be convened to discuss the matters proposed.

There are no fixed dates when dividend entitlement arises. Each holder of the Offer Shares shall be entitled to dividends on the day of the decision of the General Meeting of the Issuer on the distribution of dividends.

The right to request a dividend expires after a general four-year limitation period under Slovak law, which begins on the day of adoption of the decision of the General Meeting of the Issuer on the distribution of dividends.

There are no restrictions on dividends, however, any dividend-eligible holder of the Offer Shares will be required to send payment instructions and details to the Issuer in accordance with the instructions set out in the decision of the Issuer's General Meeting.

There are no redemption, buyback or conversion provisions associated with the Offer Shares.

Voting rights of owners of the Offer Shares

The holders of the Offer Shares are entitled to vote at the General Meeting. The number of votes of the owner of the Offer Shares is determined by the ratio of the nominal value of his shares to the amount of the share capital

of the Issuer, whereby for every EUR 7 (in words seven euros) of the nominal value of his shares, one vote is cast.

Pre-emptive rights in the case of offers for subscription of securities of the same class

In the case of subscription of new shares when increasing the share capital by cash contributions, the holders of the Offer Shares will have the right to preferential subscription of shares to increase the share capital, in the ratio of the nominal value of their shares to the amount of the existing share capital. This right may be limited or excluded only by a decision of the General Meeting on an increase in the share capital, if the important interests of the Issuer so require. The right to preferential subscription of shares pursuant to the previous sentence may be the subject of a separate transfer from the date of the decision of the General Meeting on the increase in the share capital.

Right to share in any surplus in the event of liquidation

Upon dissolution of the Issuer with liquidation, the holder of the Offer Shares is entitled to a part of the share in the liquidation balance after fulfilling the Issuer's obligations in relation to its creditors, in proportion to its share in the share capital. The right to a share in the liquidation balance may be the subject of a separate transfer from the date on which the proposal for distribution of the liquidation balance was approved.

(f) **Resolutions, permits and approvals on the basis of which the Offer Shares were created and issued**

On 17 May 2024, the General Meeting, acting on a proposal from the Board of Directors of the Issuer, decided, in accordance with the applicable legislation and the Bylaws of the Issuer, by a resolution authorizing the Board of Directors to increase the share capital in the current amount of EUR 46,950,386 by a maximum amount of EUR 44,210,530, i.e. up to a maximal share capital of 91,160,916 EUR, for a period of one year (the **General Meeting Resolution**). At the same time, the General Meeting authorized the Board of Directors of the Issuer to determine, at its own discretion, further conditions for the issue, offer and subscription of the Offer Shares, which are not specified in the Resolution of the General Meeting, in accordance with the provisions of the Commercial Code and the Articles of Association of the Issuer.

The approved amount of the share capital was registered in the commercial register on 27 May 2024.

Following the authorisation granted in the General Meeting Resolution, on 29 May 2024 the Board of Directors decided, in accordance with the mandate, to increase the share capital in the current amount of EUR 46,950,386 by EUR 44,210,530, i.e. to the total amount of share capital EUR 91,160,916 (the **Board of Directors Resolution**). The Board of Directors Resolution had also determined other terms of the capital increase and the offering of the Offer Shares, as are further specified in this Prospectus.

(g) **Expected issue date of the Offer Shares**

It is expected that the Offer Shares will be issued to all investors within five working days after the end of the entire Offer Period, however not later than 30 days after the end of the entire Offer Period, in any case only after all investors pay the Issue Price of all validly subscribed Offer Shares. It will not be possible to trade with the Offer Shares before they are issued.

(h) **Transferability**

The Offer Shares are freely transferable subject to sale and transfer restrictions under applicable laws in certain jurisdictions applicable to the transferor or transferee, including the United States of America, United Kingdom and the EEA.

(i) **Laws governing takeover bids and/or squeeze-out rules and sell-out rules**

The regulations in the Slovak Republic regarding takeover bids are in accordance with Directive 2004/25/EC on takeover bids, as amended (the **Takeover Directive**). The Takeover Directive was transposed into the Slovak

legal system by amending the Securities Act in 2006, while as of the date of the Prospectus the rules concerning takeover bids are laid down in Section 114 et seq. of the Securities Act.

The Securities Act requires a person who has acquired a controlling interest in a company listed on a regulated market (either alone or jointly with other persons acting in concert) (the **Offeror**) to make a mandatory takeover bid for all shares of that company. For the purposes of Slovak takeover rules, a controlling interest (the **Controlling Interest**) means a holding equal to or higher than 33% of voting rights in a company listed on a regulated market (the **Offeree Company**). If a controlling share is acquired by several persons acting in concert, at least one of them must make a mandatory takeover bid.

Any mandatory takeover bid must be approved by the NBS before publication. In particular, the offer must contain information on (i) the consideration offered for the shares, together with the procedure used to calculate it, (ii) the manner in which the offer may be accepted, (iii) the method of financing the offer, (iv) the validity of the offer, which may not be less than 30 days or more than 70 days from the date of publication, (v) the intentions of the Offeror in relation to the Offeree Company (continuation of business, surrender of company assets, etc.), (vi) the governing law and jurisdiction of the share purchase agreement, and (vii) other information or facts that may play a role in the decision of the shareholders of the Offeree Company in connection with the mandatory takeover bid.

The consideration for shares may be offered in cash, securities or as a combination thereof. Where part of the consideration is offered in securities, a cash consideration shall also be offered as an alternative. The consideration for the shares must be reasonable.

The Securities Act lays down the conditions for determining whether consideration can be considered appropriate. First of all, the Offeror must provide an expert opinion on the value of the shares, and the consideration must not be less than the amount stated in the opinion. Secondly, it may not be less than the highest consideration provided by the Offeror or a person acting in concert with him for shares during the 12 months prior to the obligation to make a takeover bid. Thirdly, it must not be less than the value of the Offeree Company's share capital, including the value of intangible assets, calculated per share according to the latest audited financial statements before the obligation to make a takeover bid arose. Finally, for listed shares, the consideration may not be less than the average price for those shares over the 12 months preceding the obligation to make a takeover bid. Before approving a bid, the NBS verifies the adequacy of the remuneration.

The Offeror is obliged to inform the NBS, the Offeree Company and the public of its obligation to make a takeover bid as soon as this obligation arises. The Offeror then has 10 days during which to prepare a proposal and submit the proposed takeover bid to NBS for approval. The takeover bid shall enter into force upon publication. Before publishing a mandatory takeover bid, the Offeror may not exercise any voting rights in the Offeree Company that exceed the Controlling Interest.

Termination of trading

The general meeting of a Slovak joint-stock company whose shares are traded on a regulated market may decide to terminate the trading of shares if at least a two-thirds majority of shareholders present at the meeting vote in favour of such a decision. If the general meeting decides to close trading, the company is required to make a takeover bid for all its shares held by shareholders who voted against the close of trading or who did not attend the meeting of the general meeting at which the close of trading was approved. BCPB can only terminate the trading of shares after notification from the company that it has fulfilled its obligation to make a takeover bid.

Squeeze-out

The forced transfer of shares or the right to *squeeze-out* is governed by Section 118i et seq. of the Securities Act. A majority shareholder who is the holder of shares whose aggregate nominal value represents at least 95% of the share capital of the offeree company (for which voting shares have been issued) and which carry a minimum of 95% of the voting rights in the offeree company may request the board of directors of the offeree company to convene a general meeting to take a decision on the transfer of shares of all remaining shareholders to the majority shareholder. The majority shareholder must attach to the request for convening the general meeting the decision of the NBS granting prior consent to the forced transfer of shares, propose the amount of the consideration and attach a confirmation of the deposit of funds intended for the provision of consideration to the remaining shareholders. The consideration, the amount of which shall be determined by the Majority Shareholder, shall be provided in money, in the form of securities or a combination of these two forms, and its adequacy to the value of the shares of the Target Company shall be demonstrated by an expert opinion.

Sell-out

The right to *sell-out* is regulated by Section 118j of the Securities Act. Shareholders to whom the majority shareholder has applied a *squeeze-out procedure* may request that their shares be repurchased by the majority shareholder for adequate consideration. The shareholder must exercise this right no later than three months after the expiry of the takeover bid, otherwise this right shall lapse. The remaining shareholder exercises this right by sending a draft share purchase agreement.

(j) **Public takeover bids**

During the last financial year and the current financial year of the Issuer, there were no public bids (offers) from third parties to take over the share capital of the Issuer.

7. TERMS OF THE PUBLIC OFFER

7.1 Conditions, offer statistics, expected schedule and measures required for requests for offer

(a) Volume of the Offer Shares

Total nominal value of 6,315,790 pieces of the Offer Shares is EUR 44,210,530.

(b) Offer period and timetable of the Offer

First round of the Offer Period

The first bidding round starts on 10 June 2024 and ends at 16:00 (CEST) on 24 June 2024 (the **Offer Period First Round**).

Second round of the Offer Period

The second bidding round starts on 25 June 2024 and ends at 16:00 (CEST) on 4 July 2024 (the **Offer Period Second Round**).

(whole period together as the **Offer Period**)

Notification of the results

It is expected that preliminary results of the Offer after the Offer Period First Round will be published on 25 June 2024 (or without undue delay after this date), and the final results of the Offer after the Offer Period Second Round will be published on 8 July 2024 (or without undue delay after this date), including the total nominal value of all issued Offer Shares constituting the issuance. The results will always be published in a dedicated section of the Issuer's website www.tmr.sk, section *Investor Relations*.

The Issuer reserves the absolute right to change all dates and times related to the Offer, subject to compliance with the applicable legislation of the Slovak Republic and transparent provision of information to investors in a dedicated section of the Issuer's website www.tmr.sk, section *Investor Relations*.

(c) Subscription process through the Managers

Conditions of the Offer in the Slovak Republic and the Czech Republic

The Offer Shares will be issued and offered by the Issuer in the territory of the Slovak Republic and the Czech Republic as part of a subscription through the company J&T BANKA, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, ID No.: 471 15 378, which operates in the Slovak Republic through its branch J&T BANKA, a.s., pobočka zahraničnej banky, Dvořákovo nábrežie 8, 811 02 Bratislava, Slovak Republic, ID No.: 35 964 693, with which the distribution of the Offer Shares without a firm commitment is agreed on the basis of a contract on coordination of the offer of the Offer Shares, which will be concluded no later than on the day of commencement of the Offer. The anticipated remuneration of J&T BANKA as the Manager will be approximately EUR 120,000.

Investors in the Slovak Republic can contact J&T BANKA via the email address tradingdesk@jtbank.sk.

Investors in the Czech Republic can contact J&T BANKA via the email address tradingdesk@jtbank.cz.

In order to be able to subscribe for the Offer Shares, the investors in the Slovak Republic and the Czech Republic will be required to comply with all instructions of J&T BANKA as the Manager. In each case, a condition for participation in the Offer is a proof of the identity of the investor by means of a valid identity document or a

proof of corporate identity and authority, in case of legal persons. Each investor will be also required to deliver, together with the order, (a) relevant records from CDCP or relevant custodian or another authorized person who maintains the relevant account for the investor evidencing that the investor was shareholder of the Issuer as of the Record Date or (b) evidence (in particular a copy of relevant transfer agreement) that the investor has acquired the preferential right to subscribe the Offer Shares under Section 204a(4) of the Commercial Code from an eligible existing shareholder of the Issuer. In each case, all such documents and evidence must be in the form and substance satisfactory to the Issuer and J&T BANKA as the Manager, and otherwise in compliance with all applicable laws and regulations.

The condition for the acquisition of the Offer Shares through J&T BANKA as the Manager is existence of an agreement for the provision of investment services between the investor and J&T BANKA and the submission of an order to subscribe the Offer Shares under this agreement. If the investor has no agreement with J&T BANKA, the investor will be required to submit its order to subscribe the Offer Shares together with all documents and evidence described above through a Slovak or Czech custodian or another authorized person who maintains the relevant account for the investor (in each case licensed securities broker) acting for or on the account of the investor and maintaining the relevant securities account for delivery of the Offer Shares. For the avoidance of any doubts, orders delivered through other securities brokers must also include the identification of individual shareholders, the number of shares they hold as of the Record Date, the number of Offer Shares they are subscribing to, the relevant account statements, and all other particulars and information that are required according to the Commercial Code and other legal regulations for the subscription of the Offer Shares.

Conditions for the Offer in Poland

The Offer Shares will be issued and offered by the Issuer in Poland as part of the subscription through mBank S.A., with its registered office at ul. Prosta 18, 00-850 Warsaw, with which the coordination of the Offer in Poland is agreed a contract on coordination of the offer of the Offer Shares, which will be concluded no later than the opening date of the Offer. The anticipated remuneration of mBank as the Manager will be approximately EUR 125,000. mBank will act as an investment firm which is an intermediary of a public offering (*firma inwestycyjna posredniczaca w ofercie publicznej*) in accordance with Article 19 of the Polish Act on Trading.

Investors seeking additional information regarding the Offer in Poland may contact mBank via e-mail at tmr@mbank.pl or phone +48 (22) 697 49 49.

Investors holding their shares in Poland should note that they will not receive the rights for the preferential subscription of the Offer Shares in the form of securities on their investment accounts. Such securities will not be created by CDCP or KDPW, as this is not envisaged by Slovak law. The preferential subscription right exists under the Slovak Commercial Code and can be transferred on a contractual basis only. Consequently, the preferential subscription rights will not be listed or traded on any regulated market.

In order to be able to subscribe for the Offer Shares, the investors in Poland will have to comply with all instructions of mBank as the Manager. Each investor willing to subscribe for the Offer Shares is required to:

- (i) have an active agreement for the provision of brokerage services with mBank at the moment of placing subscription order for the Offer Shares;
- (ii) present a proof of identity by means of a valid identity document or proof of corporate identity and authority, in case of legal persons;
- (iii) deliver, together with the subscription order, (A) relevant records from the investment firm holding its securities account or a custodian evidencing that the investor was a shareholder of the Issuer as of the Record Date or (B) evidence (in particular a copy of relevant transfer agreement) that the investor has acquired the preferential right to subscribe the Offer Shares under Section 204a(4) of the Commercial Code from an eligible existing shareholder of the Issuer;

- (iv) pay the Issue Price for the subscribed number of Offer Shares to the dedicated euro denominated account held by mBank (the investors should contact mBank to receive payment instructions including the account number) so that the payment is credited to the account not later than by the lapse of the Offer Period First Round or the Offer Period Second Round, as the case may be.

In each case, all such documents and evidence must be in the form and substance satisfactory to the Issuer and mBank as the Manager, and otherwise in compliance with all applicable laws and regulations. mBank will not be obliged to accept any subscriptions for the Offer Shares from shareholders of the Issuer, who do not comply with the Manager's regulations.

If the investor has no agreement for the provision of brokerage services with mBank, mBank has no obligation to onboard the investor. Also, investors willing to sign an agreement on the provision of brokerage services with mBank, should contact mBank well in advance before the lapse of the subscription period for the Offer Shares, as the onboarding process may take time.

General conditions of the Offer in all countries

The Issuer and the Managers are not obliged to actively seek out and contact existing shareholders.

After subscribing and allotment of the Offer Shares, a confirmation of subscription of the Offer Shares will be sent to the investors in line with the regulations of each Manager.

Investors have no right to withdraw their subscription orders.

Investors must pay the Issue Price of their subscribed Offer Shares to the accounts specified by relevant Manager and in accordance with the instructions of relevant Manager.

Within the scope and for the purposes of the Offer, personal data of investors will be processed by the Issuer as well as the relevant Manager. Any notifications about the conditions of personal data processing, if required by legal regulations or contractually, will be published by the Issuer in the reserved section of the Issuer's website www.tmr.sk, under the section *Investor Relations*, but are not incorporated into this Prospectus by reference.

(d) **Withdrawal and/or suspension of the Offer**

The Issuer also reserves the right to suspend or terminate the entire Offer at any time during the Offer Period, always subject to applicable law, in particular the Commercial Code.

In case of termination of the Offer or rejection or reduction of the order prior to delivery of the Offer Shares, the relevant Manager shall refund the full amount to the investor after deduction of any transaction and foreign exchange costs, if any. In all such refunds, any such refund shall be returned to the account from which the payment was made to the Manager (and the Manager shall not be obliged to verify that this account belongs to the investor or to carry out any other verifications).

(e) **Minimum and maximum amount of subscription of the Offer Shares**

Offer Period First Round

The minimum order amount for which the investor (i.e. the relevant existing shareholder) will be entitled to subscribe for the Offer Shares within the Offer Period First Round is set at EUR 19 (i.e. the minimum amount of the investor's order is set as the Issue Price of one Offer Share). The maximum order amount (i.e. the maximum nominal value of the Offer Shares required by an individual investor) is limited for each investor by the ratio of the nominal value of the shares of given investor to the amount of share capital as of the date of the Prospectus.

Offer Period Second Round

The minimum order amount for which the investor (i.e. the relevant existing shareholder who subscribed the Offer Shares also in the Offer Period First Round as well as selected new investors) will be entitled to subscribe for the Offer Shares within the Offer Period Second Round is set at EUR 19 (i.e. the minimum amount of the investor's order is set as the Issue Price of one Offer Share). The maximum order amount (i.e. the maximum nominal value of the Offer Shares required by an individual investor) is limited only to the total nominal value of the Offer Shares, however the Issuer may decide to reduce individual orders.

(f) **Issuance of the Offer Shares**

It is expected that the Offer Shares will be issued in accordance with Section 210 (5) of the Commercial Code at once to all investors within five working days after the end of the entire Offer Period, however not later than 30 days after the end of the entire Offer Period, in any case only after all investors pay the Issue Price of all validly subscribed Offer Shares. It will not be possible to trade with the Offer Shares before they are issued.

The Offer Shares shall, upon instruction of the Issuer, be credited to investor's accounts kept in the records of the relevant securities depository (or the relevant custodian or another person who maintains the relevant account).

For the avoidance of any doubts, if a valid and effective subscription of all the Offer Shares will not be achieved, the Issuer's share capital will be increased proportionally in accordance with the Board of Directors Resolution to the extent that the Offer Shares were validly and effectively subscribed, referring to Section 203 (3) of the Commercial Code. The Offer will be successful in this case as well.

7.2 Distribution and allocation plan

Offer Period First Round

The Offer Shares will be offered within the Offer Period First Round to all existing shareholders of the Issuer under the right to preferential subscription of shares, always in accordance with the Prospectus Regulation and relevant legal regulations, in particular Section 204a of the Commercial Code.

In accordance with Section 204a(3) of the Commercial Code, the relevant record date for determining the person entitled to preferential subscription of shares in the Offer Period First Round is set at 3 June 2024 (the **Record Date**).

Considering the ratio of the amount of the Issuer's share capital as of the date of the Prospectus to the planned amount of the share capital after the Offer, a subscription ratio within the Offer Period First Round of 0.94 for one existing share was determined (the **Subscription Ratio**). Therefore, the ownership of one existing share of the Issuer entitles the existing shareholder to subscribe for 0.94 of an Offer Share during the Offer Period First Round. It is stipulated that a shareholder has the right to preferentially subscribe for a whole number of Offer Shares even if their total Subscription Ratio (the sum of Subscription Ratios applicable to each existing share they own) entitles them to a preferential subscription of less than a whole number of Offer Shares, provided that after the allocation of all orders in the Offer Period First Round, it is possible to satisfy all orders of existing shareholders. If this condition is not met, the orders of existing shareholders will be reduced by individual shares according to the actual total Subscription Ratio of individual shareholders in a non-discriminatory manner.

Offer Period Second Round

The Offer Shares will be offered within the Offer Period Second Round to existing shareholders of the Issuer who submitted valid orders for the Offer Shares within the Offer Period First Round, as well as directly to selected investors who express interest in subscribing the Offer Shares, always in accordance with the Prospectus Regulation and relevant legislation. The Offer Shares will be offered subject to the selling restrictions set forth in Article 9 of the Prospectus (*Selling Restrictions*).

The Issuer reserves the right to directly approach selected investors in the Offer Period Second Round.

The Issuer reserves the absolute right to refuse or reduce individual subscriptions (orders) without stating a reason. The reduction or refusal can be caused mainly by oversubscription and also with regard to the requirement to maintain sufficient volume of shares distributed among the public, assessment of investor's abilities to properly and timely pay the Issue Price and any other commercial or strategic preferences of the Issuer, solely according to its discretion.

Other information

Some existing shareholders and members of the Board of Directors and Supervisory Board of the Issuer may be motivated to subscribe for the Offer Shares, given that they are existing shareholders of the Issuer. More information about such persons is given in paragraph 5.9(b) of Prospectus (*Shares and share options*).

No person is known to the Issuer with the intention of subscribing more than 5% of the Offer Shares.

In relation to the Offer Shares, no distribution or tranche allocation plans are reserved for particular type of investors, whether retail investors or employees or other types of investors.

There are no target minima for individual allocations.

There is no predetermined preferential treatment for any group of investors, with the exception of the right to preferential subscription of the Offer Shares by existing shareholders in the Offer Period First Round up to the ratio of the nominal value of their shares to the amount of share capital as of the date of the Prospectus.

The treatment of subscriptions or offers shall not be determined by the entity through which such subscription or offer is made.

Orders and subscriptions will be reviewed and received based on the time they are received, however in case of reduction of the orders in the Offer Period Second Round, the Issuer does not have to take into account the time of their receipt.

The Offer closes either at 16:00 (CEST) on 4 July 2024 or when the total received subscription approved by Issuer reaches the total Issue Price of all Offer Shares, whichever is earlier. However, the Issuer may terminate the Offer at any time.

Multiple subscriptions are not allowed, all subscription requests (orders) above the Offer volume will be rejected.

All accepted orders, in respect of which the Issue Price will not be paid in accordance with the instructions of the Manager and in any case by the end of the Offer Period First Round and Offer Period Second Round, will be rejected.

Investors will be informed of allotments without undue delay after the end of the Offer Period Second Round in accordance with the regulations of the relevant Manager.

7.3 Consent of the Issuer to use of the Prospectus

The Issuer consents to the use of the Prospectus by the Managers exclusively for the purposes of the offer and the final placement of the Offer Shares according to this Prospectus. The Issuer does not grant consent for the use of the Prospectus by any other financial intermediaries for the purposes of a public offer or the final placement of the Offer Shares.

The Issuer grants this consent for the use of the prospectus (i) to J&T BANKA for the purposes of the final placement of the Offer Shares in the Slovak Republic and the Czech Republic, and (ii) mBank for the purposes

of the final placement of the Offer Shares in Poland. In both cases, the consent is granted for the duration of the Offer Period under this Prospectus.

NOTICE TO INVESTORS:

Investors are informed that if the offer is made by a financial intermediary, this financial intermediary will provide investors with information about the terms of the offer at the time the offer is made.

7.4 Pricing

The Issue Price and the price of the offer for each Offer Share is EUR 19 (nineteen euro) for each Offer Share with a nominal value of EUR 7 (seven Euros).

The Issue Price is fixed during the Offer Period and there is no other way to publish it.

According to Section 204a of the Commercial Code, existing shareholders have the right to preferential subscription of the Offer Shares in the increase of the share capital as described above. The right to preferential subscription of the Offer Shares may only be exercised by existing shareholders within the Offer Period First Round.

There is no significant difference between the Issue Price and the actual cash costs for members of administrative, governing or supervisory bodies or senior management members or affiliates for securities they have acquired during the last year or are entitled to acquire in transactions.

7.5 Placing and subscription

Except for the Managers, the Issuer has not appointed any coordinator of the global offer or entered into any agreement with any entity about the subscription of the Offer Shares on a firm commitment basis.

Except for the Managers, no payment or depository agents have been appointed.

7.6 Admission to trading and dealing arrangements

(a) Intermediaries in secondary trading and stabilisation

During secondary trading, no person has committed to act as a liquidity provider or market maker. No entity performs the function of a Stabilisation Manager in relation to the Offer Shares.

Managers or persons acting on their behalf are not authorized to carry out stabilisation of the Offer Shares.

(b) Possibility of overallocation and option to increase (*green shoe options*)

As of the date of the Prospectus, there are no possibilities of over-allotment or options to increase in relation to the Offer Shares.

7.7 Sales by holders of securities

No person or entity other than the Issuer offers the Offer Shares for sale.

There are no lock-up agreements regarding the Offer Shares.

7.8 Expenses related to the Offer

The total costs and expenses payable by the Issuer in connection with the Offer (including legal, marketing and auditing costs and manager's remuneration) are expected to be approximately EUR 1,000,000 based on the assumption of subscription of the full amount of the Offer.

In connection with the primary subscription of the Offer Shares the Issuer and the Managers do not charge investors any fee.

Investor may be obliged to pay additional fees charged by the intermediary for the purchase of the Offer Shares, the person who keeps records of the Offer Shares, the person executing the settlement of transactions with the Offer Shares or another person, e.g. fees for opening and maintaining an investment account, for carrying out the transfer of the Offer Shares, services related to the recording of the Offer Shares, etc.

7.9 Dilution

Before the Offer, the share capital of the Issuer is EUR 46,950,386, which amounts to 6,707,198 ordinary shares with a nominal value of EUR 7 per share owned by the existing shareholders. As part of the Offer, the Issuer intends to issue 6,315,790 new ordinary shares with a nominal value of EUR 7 per share, representing 48,5% of the increased share capital of the Issuer (provided the Offer Shares will be subscribed to and issued in the full amount).

The reduction in value (dilution) will affect existing shareholders who do not participate in the Offer and do not subscribe the Offer Shares.

For example, for an existing shareholder who owns 100,000 shares of the existing shares on the date of the Prospectus, these shares represent a 1.49% share of the share capital and voting rights of the Issuer. After the realization of the Offer and assuming that the Offer Shares will be subscribed and issued in the full amount and the existing shareholder does not participate in the Offer, their 100,000 existing shares will then represent only a 0.77% share of the share capital and voting rights of the Issuer. The total reduction in value (dilution) will therefore be 51.5%.

According to the Financial Statements 2022/2023, the net asset value per share was approximately EUR 4.76 as of 31 October 2023. The Issue Price within the Offer is EUR 19.²⁶

²⁶ Calculated as the ratio of the "Total Equity" item according to the Financial Statements 2022 / 2023 and the total number of shares before the Offer.

8. ADMISSION TO TRADING AND TRADING AGREEMENTS

8.1 Admission to trading

(a) Application for admission to trading

An application will be submitted for the admission of the Offer Shares to trading on:

- (i) BCPB for the admission of the Offer Shares to trading on the listed parallel market of BCPB under the ticker "ITMR001E"
- (ii) BCPP for the admission of the Offer Shares to trading on the Main Market of BCPP under the ticker "TMR"; and
- (iii) GPW for the admission of the Offer Shares to trading on the Main Market of GPW under the ticker "TATRY".

It cannot be guaranteed that the applications for admission to trading will be approved.

Trading in the Offer Shares will commence only after they have been accepted for trading on the market of the relevant exchange.

As of the date of the Prospectus, the Issuer's costs associated with the admission of the Offer Shares to trading in first year, in accordance with the relevant exchange fee schedules, are estimated in total at EUR 32,000.

(b) All markets where securities of the same class as the Offer Shares are already admitted to trading

The existing book-entry bearer shares of the Issuer in the amount of 6,707,198 pieces, ISIN SK1120010287, are admitted to trading on:

- (i) listed parallel market of BCPB under the ticker "ITMR001E";
- (ii) Main market of BCPP under ticker "TMR"; and
- (iii) Main market of GPW under ticker "TATRY".

The Offer Shares will be created by increasing this existing traded issue.

8.2 Dealing arrangements

The Offer Shares were not traded on any public market before the Offer.

In connection with the Offer, there is no intention to concurrently or nearly concurrently with the sale of the Offer Shares, subscribe for securities of the same class or to place securities of the same class on a private basis, nor is there an intention for a public or private placement of securities of other classes of the Issuer. However, the Issuer may directly approach selected investors within the Offer Period Second Round.

No persons have been appointed with a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and ask price offers.

8.3 BCPB and securities regulations in the Slovak Republic

(a) Introduction

BCPB was established and is governed by the Act No. 429/2002 Coll. on the Stock Exchange as amended by later regulations (hereinafter referred to as the **Stock Exchange Act**). According to the Stock Exchange Act,

every stock exchange in the Slovak Republic must be established as a joint-stock company and must obtain a license from the NBS. BCPB is the only stock exchange in the Slovak Republic.

The organization, operation, conditions for listing securities, and the rules of trading on the BCPB are governed by the statutes and stock exchange rules (hereinafter referred to as **Stock Exchange Rules**), approved by the NBS and published by the BCPB.

Only its members and the NBS can trade on the BCPB. Membership can only be granted to financial institutions, including domestic and foreign securities dealers, banks, and management companies, provided they meet the conditions set out in the Stock Exchange Act and Stock Exchange Rules. The Exchange Rules distinguish between temporary membership limited to a period of one year and regular membership with no time limit. As of 31 December 2023, BCPB had 9 regular members (excluding the NBS).

The trading on the BCPB is supervised by the BCPB and the NBS, monitoring compliance with rules and regulations regarding the misuse of confidential information in trading, trading integrity, and other market-related matters.

(b) **Trading and settlement**

Only members of the BCPB can trade on it, with trading taking place during working days from 8:30 a.m. to 15:30 p.m.. Members carry out exchange transactions in their own name and can conclude them on their own account or on the account of their clients. Entities that are not members of the BCPB can only trade through its members. When trading on the BCPB, each member is obliged to comply with the Exchange Rules, the Act on the Securities Exchange, and the Securities Act, as well as other relevant regulations of the Slovak Republic. Trading can only be carried out by authorized persons acting on behalf of the members, i.e., exchange brokers with the appropriate authorization. All members have the same rights and obligations.

(c) **Notification obligations**

Every issuer of securities admitted to trading on a regulated market of the BCPB has certain reporting obligations to investors, the BCPB and the NBS. These obligations primarily arise from the Securities Act and the Stock Exchange Act, which implement Directive 2004/109/EC as amended (the **Transparency Directive**) and Regulation (EU) No. 596/2014 as amended (the **Market Abuse Regulation**). Additional obligations are defined in Act No. 431/2002 Coll. on accounting as amended (the **Accounting Act**), the Commercial Code, and the Stock Exchange Rules. The NBS and BCPB oversee compliance with these obligations.

The disclosure obligation primarily concerns:

- (i) the mandatory disclosure of regulated information, (information that the issuer is required to disclose under the Securities Exchange Act and the Securities Act (the **Regulated Information**); and
- (ii) additional disclosure obligations arising from the Stock Exchange Rules.

The content and scope of notification obligations depend on the market to which the issuer's securities are admitted, the nature of the issuer, as well as the type of securities. Each issuer is required to apply the rules of equal treatment to all holders of securities admitted to trading on any regulated market.

Regulated information is published either on a regular basis or on an ad hoc basis, depending on its nature. Unless otherwise specified in the Securities Exchange Act, the issuer of shares listed on one of the regulated quoted markets (listed main market or listed parallel market) is required to publish regularly:

- (i) annual financial reports, including financial statements;
- (ii) semi-annual financial reports, including concise interim financial statements; which may not be audited or reviewed by auditors; a

- (iii) interim statements providing details on the most significant events and transactions that have occurred during the relevant period, including a general description of the financial position and economic results of the issuer, as well as of the subjects it controls (as an alternative to interim statements, the issuer may publish quarterly financial reports).

The Accounting Act requires the issuer of listed securities to prepare financial statements in accordance with IFRS.

In accordance with the Transparency Directive as implemented by the Securities Exchange Act, every issuer of shares listed on a regulated market is required to disclose ad hoc information concerning:

- (i) changes in the rights associated with individual classes of shares;
- (ii) on loans received and their security;
- (iii) distribution and payment of dividends;
- (iv) the issuance of new shares, including information regarding the allocation, subscription, lapse, or exchange of new shares;
- (v) qualified changes in voting rights;
- (vi) qualified trading of own shares (acquisition/trading);
- (vii) total number of voting rights and amount of share capital;
- (viii) the chosen home state according to the Transparency Directive (if applicable); and
- (ix) inside (price-sensitive) information pursuant to Market Abuse Regulation.

Regulated information shall be published by the issuer on its website and submitted to the Central Register of Regulated Information, which is operated by the NBS as well as the BCPB and is accessible electronically.

BCPB may require the issuer to disclose certain information if it deems such disclosure necessary for providing information to investors. Should the issuer fail to meet this requirement, BCPB may publish the information itself, after consulting with the issuer.

(d) **Most important notifications regarding interests**

According to the Transparency Directive as implemented in Slovakia, if a shareholder acquires or transfers shares (or certain other instruments that allow the shareholder to exercise voting rights, including depository receipts), they are required to notify the issuer and the NBS of their interest in the voting rights of the issuer in the event that this interest reaches, exceeds, or falls below the thresholds of 5%, 10%, 15%, 20%, 25%, 30%, 50%, and 75%. The issuer is obliged to publish this information within three days of its receipt.

(e) **Suspension or termination of trading in shares**

If an issuer fails to fulfil its obligations arising from the Securities Exchange Act (including the duty to provide information), the Bratislava Stock Exchange (BCPB) must immediately suspend trading of its securities and call upon the issuer to rectify the situation within a set deadline. The BCPB will also suspend trading in the event of market manipulation or in the case of an unusually large change in the price of a security. Such suspension must not last longer than three months. The BCPB has the right not to suspend trading if it could unduly jeopardize the interests of investors or the operation of the market. If the issuer does not eliminate the violation of the law within the specified period, the BCPB is obliged to exclude its securities from trading on the BCPB. An issuer whose shares have been traded on a regulated stock market but have been excluded from trading must make a

mandatory offer (details below) for all shares that can no longer be traded on the BCPB or any other foreign regulated market due to the exclusion.

(f) **Termination of trading**

The general meeting of a Slovak joint-stock company, whose shares are traded on a regulated market, may decide to terminate the trading of its shares if at least a two-thirds majority of the shareholders present at the meeting vote in favour of such a decision. If the general meeting decides to terminate trading, the company is required to make a takeover offer for all its shares owned by shareholders who voted against the termination of trading or who did not attend the meeting at which the termination of trading was approved. BCPB may only terminate the trading of shares after notification from the company that it has fulfilled its obligation to make a takeover offer.

(g) **Repurchase and Buyback.**

The offeror, who makes a takeover offer and consequently owns shares representing 95% of the share capital and at least 95% of the voting rights in a listed company, is entitled to demand that the remaining shareholders sell their shares for adequate consideration, provided that this is approved by the NBS (the **Squeeze-out Right**). The Squeeze-out Right must be exercised no later than three months after the expiration of the validity of the takeover offer, otherwise, it expires. The corresponding right of the other shareholders to the Squeeze-out Right is to demand from the proposer owning at least 95% of the share capital and at least 95% of the voting rights to buy their shares for adequate consideration (hereinafter referred to as the Sell-out Right). The Sell-out Right must be exercised no later than three months after the expiration of the validity of the takeover offer, otherwise, it ceases to exist.

9. SELLING RESTRICTIONS

General provisions

The distribution of the Prospectus and the offering, sale and purchase of the Offer Shares in certain jurisdictions is restricted by law. The Offer Shares have not been and will not be registered, permitted or approved by any administrative or other authority of any jurisdiction other than the approval of the Prospectus by the NBS. At any time after the approval of the Prospectus, the Issuer may request the NBS to notify the approval of the Prospectus in accordance with the Prospectus Regulation to the competent authorities of Poland and the Czech Republic for the purpose of offering the Offer Shares to the public in those countries (Poland, the Czech Republic and the Slovak Republic the **Permitted Jurisdictions**).

Therefore, the Offer Shares may only be offered in a jurisdiction other than the Permitted Jurisdictions if the legal regulations of this other jurisdiction do not require the approval or notification of the Prospectus and also any and all requirements pursuant to the legal regulations of such other jurisdiction must be fulfilled.

Persons who obtain possession of the Prospectus are required to become acquainted with and observe any restrictions that may be relevant to them.

The Prospectus itself does not constitute an offer to sell, or the solicitation of an offer to buy the Offer Shares in any jurisdiction. Each person acquiring the Offer Shares shall be deemed to have declared and agree that (i) such person has understood any and all relevant restrictions related to the offer and sale of the Offer Shares which apply to him/her/it and to the relevant form of offer or sale, in particular such specific selling restrictions as set out below; (ii) that such person will neither offer for sale nor further sell the Offer Shares without complying with any and all applicable restrictions which apply to such person and the relevant form of offer and sale; and (iii) prior to further offering or selling the Offer Shares, such person will inform the buyers of the fact that further offers or sales of the Offer Shares may be subject to statutory restrictions in different jurisdictions which must be observed.

In addition to above, all acquirers of the Offer Shares are required by the Issuer to comply with the provisions of all applicable legal regulations (including Slovak legal regulations), where they will distribute, make available or otherwise circulate the Prospectus, including any of its supplements, or other offering or promotional materials or information related to the Offer Shares, always at their own expense and regardless of whether the Prospectus or any of its supplements, or other offering or promotional materials or information related to the Offer Shares are in written, electronic or any other form.

European Economic Area

As far as each Member State of the EEA (each a **Relevant State**) is concerned, except for the Permitted Jurisdictions, the Issuer does not intend and will not conduct a public offer of the Offer Shares in such Relevant State (and each financial intermediary agrees to that limitation), except that it is possible to submit an offer of the Offer Shares in the Relevant State:

- (a) to qualified investors: at any time to any legal entity which is a qualified investor as defined in the Prospectus Regulation;
- (b) to less than 150 offer recipients: at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive); or
- (c) in other exempted offers: at any time in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Offer Shares mentioned above requires the Issuer to publish the prospectus pursuant to Article 3 of the Prospectus Regulation.

United Kingdom

The Issuer further advises that the Offer Shares may not be offered or sold in the United Kingdom of Great Britain and Northern Ireland (the **United Kingdom**) by means of the dissemination of any material or announcements, except for an offer to sell to persons authorised to deal in securities in the United Kingdom on their own or some else's account, or in circumstances that do not constitute a public offer of securities pursuant to the Companies Act 1985, as amended. All legal acts relating to an offer of securities carried out in the United Kingdom, from the United Kingdom or in any way associated with the United Kingdom must then also be carried out in accordance with the Financial Services and Markets Act 2000 (the **FSMA 2000**), as amended, the Financial Promotion Order 2005, as amended, and the Prospectus Regulation, as amended, supplemented and amended by legislation adopted in connection with the United Kingdom's withdrawal from the European Union, effective from 1 January 2021, in particular the Official Listing of Securities (EU Exit) Regulations 2019, the Prospectus (EU Exit) Regulations 2019 and the Financial Services (Miscellaneous Amendments) (EU Exit) Regulations 2020.

United States of America

The Offer Shares have not been and will not be registered under the U.S. Securities Act and may not be offered or sold within the United States of America or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the U.S. Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the U.S. Securities Act.

Poland

The Offer Shares cannot be offered or sold in the Republic of Poland (**Poland**) by way of a Public Offer (as defined below) and/or be admitted to a regulated market in Poland (the **Polish Admission**), unless the Prospectus is passported to Poland and duly published in line with the Prospectus Regulation. Offer Shares cannot be offered or sold in Poland or be subject to the Polish Admission unless it is done in compliance with the Prospectus Regulation, the Act on Public Offering and on the Conditions Governing the Introduction of Financial Instruments to an Organised Trading System and Public Companies dated 29 July 2005 (as amended) and any other applicable laws and regulations enacted under these acts or in substitution thereof from time to time.

For the purpose of this provision, the term **Public Offer** means an "offer of securities to the public" as defined in the Prospectus Regulation, ie a communication to persons in any form and by any means, presenting sufficient information on the terms of the offer and the securities to be offered, so as to enable an investor to decide to purchase or subscribe for those securities.

The conduct of a Public Offer in Poland as well as subscription or sale relating to such Public Offer requires an intermediation of a licenced investment firm, except for certain Public Offers exempted from the prospectus obligation. Each dealer acknowledges that the sale to or acquisition and holding of the Offer Shares by residents of Poland may be subject to additional requirements and restrictions imposed by Polish law, beyond the restrictions and requirements provided by generally applicable provisions of European Union law, including under foreign exchange regulations.

10. TAXES AND FOREIGN EXCHANGE REGULATION

The tax legislation of the Member State of registration of the investor and of the Member State of registration of the Issuer may affect the income from the Offer Shares.

The holders of the Offer Shares are recommended to consult the provisions of the applicable legal regulations with their own advisers, in particular as regards tax and foreign exchange regulations and regulations regarding social and health insurance applicable in the Slovak Republic and in the countries of their residence, as well as in the countries in which the income on the holding and sale of the Offer Shares may be subject to tax, and the consequences of their applicability. This applies in particular to investors in the public offering of the Offer Shares in such countries, where applicable double taxation treaties are also particularly relevant.

The Issuer will not provide the holders of the Offer Shares with any compensation or gross-up in connection with any tax withholding.

10.1 Taxation in the Slovak Republic

The following summary includes general information regarding the current tax and payment matters of the Slovak legal regulations relating to the subscription, ownership and disposal of the Offer Shares applicable in the Slovak Republic as of the date of this Prospectus and does not purport to be a comprehensive description of all of its aspects. The information provided is subject to change in the applicable legal regulations that may become effective after the date of this Prospectus. This summary does not describe tax and payment matters under the laws of any other country than the Slovak Republic.

This summary is based on laws effective as of the date of preparation of this Prospectus and may be subject to subsequent change with possible retroactive effects. Investors interested in purchasing the Offer Shares are recommended to seek advice of their legal and tax advisers regarding the tax, levy and foreign exchange law consequences of subscription, sale and holding of the Offer Shares under the tax and foreign exchange laws and social and medical insurance laws valid in the Slovak Republic and in the countries of their residence as well as in the countries where the yield from the holding and sale of the Offer Shares may be taxed.

The description below does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as securities and commodities traders and certain investment funds) may be subject to special tax regime.

The description below assumes that the person who receives any dividends arising from the ownership of the Offer Shares or any proceeds from the sale of the Offer Shares is the ultimate owner of such proceeds, i.e. that person is not an agent or intermediary receiving such payments on behalf of another person; and in the case of Slovak tax non-residents – natural persons and legal persons receiving these proceeds, it is assumed in the following description that the recipient of the proceeds is a tax resident in the relevant state and that tax residency can be proven by a valid certificate of tax residence issued by the relevant tax authority.

According to the Slovak Income Tax Act, the income of legal persons is taxed at 21%. A tax rate of 15% is applied if the legal person has achieved income (revenues) not exceeding EUR 100,000. Income of natural persons is taxed at 19%, except for income exceeding in a given year 176.8 times the subsistence minimum, which is taxed at 25%. A tax rate of 15% is applied if the natural person has achieved income from business activities not exceeding EUR 100,000.

Withholding tax has a rate of 19%; if such income is paid, remitted or credited to a non-contracting state taxpayer, a withholding tax rate of 35% shall apply. A list of contracting states is published on the website of the Ministry of Finance of the Slovak Republic as of 1 January of the calendar year. In general, contracting states are those states with which the Slovak Republic has entered into a double taxation treaty or a convention on mutual administrative assistance in tax matters, and the state is also not on the list of non-cooperating jurisdictions published at the EU level.

Income tax on yield

According to the applicable provisions of the Slovak Income Tax Act:

- (a) dividends on the Offer Shares received by a Slovak tax resident who is a natural person will be taxed at a withholding tax rate of 10% (until 31 December 2023 at 7%);
- (b) dividends on the Offer Shares received by a Slovak non-tax resident who is a natural person will be taxed at a withholding tax rate of 10% (until 31 December 2023 at 7%) and may be further reduced under a double taxation treaty. In the case of a tax resident in a non-cooperating country, a withholding tax rate of 35% is applied; and
- (c) dividends on the Offer Shares received by a Slovak tax resident or a non-tax resident who is a legal entity are generally not taxed in Slovakia. In the case of a tax resident in a non-cooperating country, a withholding tax rate of 35% is applied.

Because the income tax law may change during the life of the Offer Shares, the dividend on the Offer Shares will be taxed pursuant to the law applicable at the time of its payment.

The Issuer will not provide the holders of the Offer Shares with any compensation or gross-up in connection with any tax withholding.

Income tax on sale

The profit from sale of the Offer Shares generated by a legal person who is a Slovak tax resident or a permanent establishment of a non-tax resident – a legal person with its registered office outside the territory of the Slovak Republic are included in the general tax base taxed by the applicable corporate income tax rate. Losses from sale of the Offer Shares calculated on a cumulative basis for all Offer Shares sold during a single tax period are generally not tax deductible, except for specific cases provided by law.

Income (proceeds) from the sale of the Offer Shares by a legal person who is a Slovak tax resident or a permanent establishment of a Slovak non-tax resident is exempt from taxes in the Slovak Republic if it has been achieved (i) after 24 or more consecutive calendar months from the acquisition of a direct interest of at least 10% of the share capital, and (ii) the legal person performs significant tasks in the territory of the Slovak Republic in connection with the Offer Shares, manages and bears the risk associated with the ownership of the Offer Shares, and has at its disposal the necessary personal and material equipment necessary to perform these tasks.

Income from the sale of the Offer Shares received by a natural person who is a Slovak tax resident is generally included in the normal personal income tax base. As a rule, it is possible to deduct the expenses associated with the acquisition of the Offer Shares as well as any costs associated with the acquisition of the Offer Shares (e.g. brokerage fees). In certain cases, it is possible to apply an exemption from income tax on the sale of shares up to the amount of profit of 500 EUR. The profit from the sale of shares is subject to health insurance contributions at the rate of 15% (7.5% in the case of persons with severe health disabilities). The loss from the sale of the Offer Shares can only be set off against the profits from the sale of other shares.

If an individual holds shares for more than one year and at the same time the shares have been admitted to trading on a regulated market for more than one year, the income from the sale of shares is exempt from income tax and health insurance contributions.

10.2 Foreign exchange regulation in the Slovak Republic

The issuance and subscription of the Offer Shares is not subject to foreign exchange regulation in the Slovak Republic. Foreign holders of the Offer Shares may, subject to satisfaction of certain conditions, purchase funds in foreign currency for Slovak currency (euro) without any foreign exchange restrictions and thus transfer amounts paid by the Issuer from the Offer Shares from the Slovak Republic in foreign currency.

10.3 Some aspects of Czech income taxation for Czech holders of the Offer Shares

*The information below is a general description of certain material Czech tax aspects relating to the purchase, holding and disposal of the Offer Shares that may be relevant to holders who are Czech tax residents (the **Czech Holders** or individually a **Czech Holder**). The above description assumes that the Czech Holders do not hold the Offer Shares through a permanent establishment outside the Czech Republic, are the ultimate owners of any income from the Offer Shares and, if they are natural persons, purchased the Offer Shares as their private investment and not as part of their business assets.*

The purpose of this description is not a complete analysis of all Czech tax aspects related to the Offer Shares that may be relevant to the decision of a specific Czech Holder to purchase the Offer Shares. Individual circumstances vary and this description does not deal with special tax rules that apply to certain Czech Holders, such as financial institutions or pension schemes.

It is limited exclusively to the tax laws of the Czech Republic as amended as of the date of this Prospectus and to their prevailing interpretations available on or before that date. All the facts mentioned are subject to changes that could be applied retroactively and could affect the further validity of this description.

Each prospective Czech Holder of the Offer Shares should consult his/her/its own tax advisors regarding the consequences under the tax laws of the Czech Republic and the tax laws of any jurisdiction where income from the Offer Shares may be subject to taxation in connection with the purchase, holding and disposition of the Offer Shares. Such advice should consider the relevance of the tax aspects discussed here to their individual circumstances.

This description also assumes that the Issuer is a Slovak tax resident and has no Czech permanent establishment through which any payments related to the Offer Shares would be made.

Czech income tax aspects

Dividend withholding tax

All dividend payments in connection with the Offer Shares may be made by the Issuer without any reductions or withholdings due to or on account of any taxes imposed or levied in the Czech Republic.

Czech Holders – natural persons

Dividends paid to the Czech Holders of the Offer Shares who are natural persons are subject to taxation in the Czech Republic upon their payment. These dividends are classified as capital income and the gross amount of such dividends – i.e. not reduced by any expenses and including Slovak tax that may have been withheld – will be included in the general tax base. This general tax base is subject to a progressive personal income tax rate, which is either 15% or 23%, depending on the income group of the Czech Holder (the higher rate of 23% applies to the tax base that exceeds CZK 1,582,812 in 2024). Alternatively, the Czech Holders may decide to include the gross amount of dividends in a separate tax base that is intended for taxation of specific types of passive income from abroad. If the Czech Holders decide for this alternative, dividends are subject to a flat personal income tax rate of 15%.

Capital gains made by the Czech Holders on the sale of the Offer Shares are classified as other income. As part of the general tax base, these profits are subject to the same progressive personal income tax rates that apply to dividends, unless an exemption applies. Any loss is generally not deductible. However, there are exceptions where such losses may be set off against taxable gains from the sale of other securities in the same tax period, provided that the proceeds from the sale of the Offer Shares are not exempt from tax. Capital gains made by the Czech Holder from the sale of the Offer Shares are exempt from Czech personal income tax if:

- (a) the natural person held the shares continuously for a period longer than three years before selling them; or
- (b) total gross income (i.e. not profit) from the sale of securities, including the Offer Shares, does not exceed CZK 100,000 in a given calendar year.

In cases where the income from the sale of the Offer Shares is exempt from tax and the income exceeds CZK 5,000,000, the Czech Holder is obliged to report this income to the tax authority.

Czech Holders – legal persons (holders other than natural persons)

The Czech Holders are generally required to report dividend income in their profit and loss statement on an accrual basis rather than on a cash basis. This means that income is recognised when it has been earned, regardless of when payment is received. Dividends on the Offer Shares, except where they are exempt from tax, are included in the gross amount in a special tax basis specifically intended for the taxation of distributed profits from abroad, liquidation surpluses and other similar income from shares. This tax base is subject to corporate income tax at a flat rate of 15%. Dividends may be exempt from tax if the conditions laid down by the implementing provisions of the EU directive on the common system of taxation applied to parent companies and subsidiaries in different member states are met. In order to meet the conditions of this exception, the Czech Holders, in addition to meeting certain formal conditions, must have been holding at least 10% of the Issuer's share capital for a continuous period of at least 12 months.

Capital gains made from the sale of the Offer Shares, unless they are exempt from tax, are included in the general tax base and are subject to standard corporate income tax at a flat rate of 21%. Conversely, losses are generally deductible for tax purposes. Capital gains may also be exempt from tax if the conditions for the participation exemption are met. These conditions are similar to those required for exemption from tax on dividends, as they are based on the implementing provisions of the EU directive on the common system of taxation applied to parent companies and subsidiaries in different Member States.

Withholding obligation for Czech Holders

The Czech Holders, which include natural persons and legal persons, may be subject to the obligation to withhold tax security when purchasing the Offer Shares from sellers whose tax residence is outside the European Union or the European Economic Area. This withholding is calculated in the amount of 1% of the gross purchase price of the Offer Shares and serves as an advance on the Czech tax liability of such non-resident sellers resulting from the sale. This situation may be subject to changes based on the tax treaty (if any) between the Czech Republic and the country of tax residence of those sellers.

Avoidance of double taxation

According to Czech tax law, there are generally no unilateral tax reliefs or similar mechanisms to mitigate the effects of double taxation. Czech taxpayers must therefore primarily request relief from double taxation through the provisions of applicable tax treaties. As far as dividends from the Offer Shares are concerned, the Czech-Slovak tax treaty provides relief in the form of a simple credit that is applied to the Slovak tax that has already been paid from these dividends. According to that treaty, the profits of the Czech Holders from the sale of the Offer Shares should not be taxable in the Slovak Republic.

Stamp duties, transfer taxes and other similar taxes

No Czech stamp duties, registration, transfer or other similar taxes are payable in connection with the acquisition, ownership, sale or disposal of securities by the Czech Holders.

10.4 Some aspects of Polish income taxation for Polish holders of the Offer Shares.

The information provided below is a general description of certain substantial Polish tax aspects related to the purchase, holding, and disposal of the Offered Shares that may be relevant to holders who are Polish tax residents. This description should not be deemed to be tax advice. It is based on Polish tax laws in force as of the date of the Prospectus, and may therefore be subject to change including a change with retroactive effect. Any change may negatively affect the tax treatment. This description does not purport to be complete with respect to all tax information that may be relevant to investors due to their personal circumstances. Prospective purchasers of the Offer Shares are advised to consult their professional tax advisor regarding the tax consequences of the purchase, ownership, disposal, redemption or transfer without consideration of any Offer Shares. The information provided below does not cover tax consequences concerning income tax exemptions applicable to specific taxable items or specific taxpayers (eg domestic or foreign investment funds).

This description also assumes that the Issuer is a Slovak tax resident and does not have any Polish permanent establishment through which any payments related to the Offered Shares would be conducted.

Polish holders-- natural persons

Under the Polish Personal Income Tax Act dated 26 July 1991, as amended, natural persons, who have a residence in Poland, are liable for tax on their total income (revenue) irrespective of the location of the sources of revenue (unlimited obligation to pay tax).

A natural person who is Polish tax resident is a person who (i) has their centre of personal or business interests located in Poland or (ii) stays in Poland for longer than 183 days in a year, unless any relevant tax treaty dictates otherwise.

Disposal of Offer Shares

Income derived by a Polish tax resident individual from financial instruments held as non-business assets, including income from transfer of the Offer Shares against a consideration, qualifies as capital gains according to the PIT Act. This income does not cumulate with the general income subject to the progressive tax scale but is subject to a 19 % flat rate tax. Since the legal regulation of income tax may change, the income from the Offer Shares will be taxed in accordance with the legal regulations at the time of payout.

If the price expressed in the contract without a valid reason significantly deviates from the market value, the amount of income is determined by the tax authority or fiscal control authority in the amount of the market value.

In principle, this income should be disclosed to the tax authorities and settled by the taxpayer by 30 April of the year following the year in which the income was earned. No tax or tax advances are withheld by the person/entity making the payments.

Furthermore, capital gains are subject to 4 % solidarity levy calculated on the surplus of various incomes above PLN 1 million in total. The levy must be calculated and settled by the individuals themselves.

If an individual holds the Offer Shares as business assets, the income should be taxed in the same way as other business income. This will either be tax, at 19 % rate or the 12 % to 32 % progressive tax rate depending upon the choice and the meeting of certain conditions, should be disclosed to the tax authorities and settled by the individuals themselves.

Dividends and other revenues from participation in profits of legal persons

Income (revenue) earned by individuals from dividends and other revenues from participation in profits of legal persons is subject to taxation at a flat rate of 19 %

The payer of payments made in cash or pecuniary values placed at a taxpayer's disposal (such as dividends and other revenues from participation in profits of legal persons), is obliged to collect flat-rate income tax on payments made (benefits) or on the money or money equivalents made available to the taxpayer.

The entities operating securities accounts for the individuals, acting as tax remitters, should withhold tax on dividends and income received as a result of a redemption of shares, the value of property gained as a result of the liquidation of a legal person or a company and, in the case of a merger or division of companies – additional payments received in cash by shareholders of the target company, or the merged or divided companies if such income has been earned in the territory of Poland and is connected with securities registered in the said accounts, and the dividend payment to the individual (the taxpayer) is made through said entities. These rules should also apply to non-residents, to the extent they conduct their business activity through a foreign establishment located within the territory of Poland, if the account on which given securities are recorded is connected with the activity of that establishment. Consequently, foreign entities that do not operate through a Polish permanent establishment, e.g. foreign investment firms, not acting through Polish permanent establishments, should not be obliged to withhold the tax.

Separate, specific rules apply to income on the Offer Shares held on Polish omnibus accounts (within the meaning of the provisions of the Polish Act on Trading in Financial Instruments). The entities operating omnibus accounts through which the amounts due are paid are in general liable to withhold the income tax on income (revenue) from dividends and other revenues from participation in profits of legal persons. The tax is charged on the day of placing the amounts due at the disposal of the given account.

It can be expected that the Issuer itself or a non-Polish entity operating the securities account for the individual will not withhold the tax. If the Polish tax is not withheld, the individual is obliged to settle the tax themselves in their annual tax return. The annual tax return should be submitted by 30 April of the following year.

Any withholding tax incurred outside Poland (including countries which have not concluded any tax treaty with Poland), up to an amount equal to the tax paid abroad, but not higher than the tax calculated in accordance with the applicable domestic tax rate, can be deducted from the Polish tax liability. Double tax treaties can provide other methods of withholding tax settlements.

Polish holders – legal persons (holders other than natural persons)

Under the Polish Corporate Income Tax Act dated 15 February 1992 the entire income of taxpayers who have their registered office or management in Poland is subject to tax obligation in Poland, irrespective of where the income is earned.

The appropriate tax rate will be the same as the tax rate applicable to business activity, i.e. 19 % for a regular corporate income taxpayer or 9 % for small and new taxpayers i.e. taxpayers with revenues in the tax year not exceeding EUR 2 million (with certain exceptions), taking into consideration the appropriate source of income.

In respect of capital gains, the cost of acquiring the Offer Shares will be recognised at the time the revenue from the disposal of Offer Shares for remuneration is achieved. Revenue from a transfer of the Offer Shares against a consideration is in principle their value expressed in the price specified in the contract. If the price expressed in the contract, without a valid reason, significantly deviates from the market value, the revenue amount is determined by the tax authority in the amount of the market value. In the case of income from the transfer of Shares against a consideration, tax deductible costs are generally recognized when the corresponding revenue has been achieved. The taxpayer itself (without the involvement of the tax remitter) settles tax on dividends and other revenues from participation in profits of legal persons, which is aggregated with other income derived from business operations conducted by the taxpayer within the same source of income.

Dividends and other revenues tax from participation in profits of legal persons

Dividends and other revenues from participation in profits of legal persons is subject to taxation at a flat rate of 19 % of the income earned. However, this rule may be modified by the provisions of the relevant double tax treaty.

Exemption may be available under the Polish Corporate Income Tax, for example in case of taxpayers holding no less than 10% of shares in the equity of the Issuer, and also in case the dividend income was already taxed abroad, in each case however subject to a number of complex conditions.

Although Polish taxpayers should not be subject to Polish withholding tax, such tax may be withheld, under specific rules applying to dividends and other revenues from participation in profits of legal persons on securities held in omnibus accounts. Dividend income and other revenues from participation in profits of legal persons transferred to taxpayers holding rights attached to securities registered in omnibus accounts whose identity has not been revealed to the tax remitter, a 20 % flat tax is withheld by the tax remitter from the aggregate income (revenue) released for the benefit of all such taxpayers through these account holders. If such tax is withheld for a Polish tax resident corporate income taxpayer, to receive a refund of such tax, the entity should contact its tax advisor.

Any withholding tax paid outside Poland (including countries which have not concluded any tax treaty with Poland), up to an amount equal to the tax paid abroad, but not higher than the tax calculated in accordance with the applicable domestic tax rate, can be deducted from the Polish tax liability. Double tax treaties can provide other methods of withholding tax settlements.

Tax on civil law transactions

Under the Polish Tax on Civil Law Transactions Act dated 9 September 2000, as amended, agreements for sale or exchange of assets or proprietary rights are subject to tax on civil law transactions. The securities, such as the Offer Shares, are considered as representing proprietary rights. Transactions are taxable if they concern transfer of (a) assets located in Poland or proprietary rights exercisable in Poland and (b) assets located abroad or proprietary rights exercisable abroad if the acquirer's place of residence or registered office is located in Poland and the civil law transaction was carried out in Poland.

The Offer Shares probably will not be considered as rights exercisable in Poland, consequently, the tax would apply only if the purchaser was Polish resident and the transaction was concluded in Poland.

If the sale or exchange of the Offer Shares is subject to the Polish Tax on Civil Law Transactions Act, then the tax at 1 % of their market value should be payable within 14 days after the sale or exchange agreement has been entered into. Tax on the sale of the Offer Shares is payable by the entity acquiring the Offer Shares. Various exemptions are available, including in the case of sale of the Offer Shares to or via investment companies or as part of organised trading.

11. ENFORCEMENT OF PRIVATE CLAIMS AGAINST THE ISSUER

This clause is only a summary of certain provisions of Slovak law regarding the enforcement of private law claims associated with the Offer Shares against the Issuer. This summary is not describing enforcement of claims vis-à-vis the Issuer under the laws of any other county. This summary is based on laws effective as of the date of this Prospectus and may be subject to subsequent change (including possible retroactive effects). Any information provided in this clause is provided as general information only that describe the legal situation and were obtained from laws. Investors should not rely on this information and are recommended to assess the issues regarding the enforcement of private claims against the Issuer with their legal advisors.

Slovak courts have jurisdiction for the purposes of the enforcement of any private claims against the Issuer related to the purchase of the Offer Shares. All rights and obligations of the Issuer vis-à-vis the holders of the Offer Shares are governed by Slovak law. As a result, there is only a limited possibility of claiming rights against the Issuer in proceedings before foreign courts or pursuant to a foreign law.

The Brussels I Regulation (recast) is directly applicable in the Slovak Republic. Pursuant to the Brussels I Regulation (recast), save for certain exceptions stated therein, judicial decisions issued by judicial bodies in the EU Member States in civil and commercial matters are enforceable in the Slovak Republic, and vice versa, the judicial decisions issued by judicial bodies in the Slovak Republic in civil and commercial matters are enforceable in the EU Member States.

If, for the purposes of the recognition and enforcement of a foreign decision the application of the Brussels I Regulation (recast) is excluded, but the Slovak Republic entered into an international treaty on the recognition and enforcement of court decisions with a certain country, the enforcement of a judicial decision of such country is ensured in accordance with the provisions of the given treaty. In the absence of such a treaty, decision of foreign courts may be recognised and enforced in the Slovak Republic on the terms specified in Act No. 97/1963 Coll. on International Private and Procedural Law, as amended (the **IPPLA**). According to that Act, decisions of judicial authorities of foreign counties in matters specified in Section 1 of the IPPLA, foreign settlements and foreign notarial deeds (the **Foreign Decisions**) may not be recognised and enforced if (i) the decided matter falls within the exclusive jurisdiction of the authorities of the Slovak Republic or the authority of the foreign state had no jurisdiction to decide on the matter if the provisions of Slovak law were applied to the assessment of its jurisdiction, or (ii) are not final and enforceable in the country of their issuance, or (iii) do not constitute a decision on the merits, or (iv) by the procedure of the foreign authority, the party to the proceedings against whom should the decision be recognised was deprived of the option to act before this authority, especially if the party was not delivered the summons or the application initiating proceedings; the court does not examine the satisfaction of this term if the Foreign Decision has been properly delivered to that party and the party did not appeal it or if that party declared not to insist on the examination of this term, or (v) a Slovak court has already validly decided on the matter, or there is an earlier Foreign Decision on the same matter that was recognised or satisfies the terms of its recognition, or (vi) their recognition would be inconsistent with the Slovak public order.

12. ADDITIONAL INFORMATION AND WARNINGS

12.1 Advisors in connection with the issue of the securities

In connection with the setting up of financing and the Offer, the Issuer was advised by the Financial Advisor.

During the preparation of this Prospectus and the preparation of the Offer, legal advice was provided by the law firm Allen Overy Shearman Sterling s.r.o. in the capacity of transactional legal advisor.

12.2 Audit of information

Save for the information taken from the Audited Annual Financial Statements of the Issuer, no other information on the Issuer contained in this Prospectus has been audited by an auditor.

The auditor has not audited the Prospectus as a whole.

12.3 Information by experts and third party information

In Article 2.2 of the Prospectus entitled “Risk factors relating to the Offer Shares and the Offer” and paragraph 5.2(d) of the Prospectus entitled “Principal markets”, the Issuer used publicly available information published on the following websites:

- (a) Statistical Office of the Slovak Republic, at <https://slovak.statistics.sk>;
- (b) Financial Compass, at <https://www.financnykompas.sk>;
- (c) International Monetary Fund (IMF), at <https://www.imf.org>;
- (d) European Bank for Reconstruction and Development (EBRD), at <https://www.ebrd.com>;
- (e) Institute of Financial Policy of the Ministry of Finance of the Slovak Republic, at <https://www.mfsr.sk>;
- (f) Czech National Bank, at <https://www.cnb.cz>;
- (g) OECD, at <https://www.oecd.org>;
- (h) UNWTO, at <https://www.e-unwto.org/>;
- (i) Laurent Vanat, at <https://www.vanat.ch>;
- (j) Trend magazine, at <https://www.etrend.sk>;
- (k) Na golf portal, at <https://www.nagolf.eu>;
- (l) Forbes magazine, at <https://forbes.cz/>;
- (m) Golfextra portal, at **Error! Hyperlink reference not valid.z**;
- (n) SME newspaper, at <https://myliptov.sme.sk>;
- (o) Ministry of Finance of the Slovak Republic at <https://www.mindop.sk/>;
- (p) Skiresort.info, at <https://www.skiresort.info/>;
- (q) Zoznam portal, at <https://www.zoznam.sk/>;
- (r) Jasná Central Resort Hotel, at <https://centraljasna.sk/o-projekte/>; and
- (s) Hospodárske noviny newspaper, at <https://hnonline.sk>.

The Issuer confirms that information provided by third parties was reproduced accurately, and so far as the Issuer is aware, no facts were omitted whose omission would make the reproduced information inaccurate or misleading. However, the Issuer may not warrant the accuracy and correctness of information so reproduced.

No statements attributed to a person acting in its capacity as expert were used in the Prospectus.

12.4 Assessment of the investment

Each potential investor should on his/her/its own (or with his/her/its advisors) responsibly consider any investment in the Offer Shares. It is particularly necessary for the investor to:

- (a) have enough knowledge and experience in order to reasonably evaluate the advantages and risks of investment to the Offer Shares and information contained in the Prospectus, information referred to in the Prospectus, and any supplement thereto;
- (b) have enough information concerning the investment as well as the ability to assess the information in context of their own financial situation and impact of that investment on their own existing portfolio;
- (c) have enough funds to withstand an eventual negative development of risk factors concerning the Issuer or the Offer Shares;
- (d) be aware that if a loan or credit is used to finance the purchase of the Offer Shares, it may happen that the cost of such a loan or credit may exceed the yield earned from Offer Shares; potential investor should not presume that they will be able to repay loan or credit and relevant interest from the earnings from investment in the Offer Shares;
- (e) fully understand the conditions of the Offer Shares, know the relevant financial indicators and their possible development together with the development of financial markets; and
- (f) be able to assess (on his/her/its own or together with his/her/its advisors) the possible scenarios of economic development, development of interest rates and other factors which may have an impact on his/her/its investment and ability to bear the associated risks.

12.5 Language of the Prospectus

This Prospectus has been prepared and approved by the NBS in the Slovak language. For the purposes of the public offer and admission to trading on regulated markets in the Czech Republic and Poland, the Prospectus has been translated into English language and the summary has also been prepared in Czech and Polish language.

In case of any interpretation discrepancy between the wording of the Prospectus in the Slovak language and the wording of the Prospectus translated into another language, the Slovak language version of the Prospectus shall prevail.

12.6 Forward-looking statements

Some statements in this Prospectus may be deemed to be “forward-looking statements”. Forward-looking statements include statements concerning the Issuer’s plans, objectives, goals, strategies and future operations and performance and the assumptions underlying these forward-looking statements. The Issuer uses the words “anticipates”, “estimates”, “expects”, “believes”, “intends”, “plans”, “may”, “are expected to”, “could”, “would”, “seeks”, “approximately”, “estimates”, “projects” or “aims” and other similar expressions to identify forward-looking statements. This applies mainly to statements containing information on future financial results, plans, or expectations regarding the Issuer’s business and management, the Issuer’s future growth or profitability and general economic and regulatory conditions and other matters affecting the Issuer.

Forward-looking statements reflect the Issuer’s current views of future events. They are based on the Issuer’s assumptions and involve known and unknown risks, uncertainties and other important factors that could cause circumstances or the Issuer’s results, performance or achievements to be materially different from any future circumstances, results, performance or achievements expressed or implied by such statements. The existence or non-existence of an assumption could cause the Issuer’s actual financial condition and results to differ materially from, or fail to meet expectations expressed or implied by, such forward-looking statements. The Issuer’s business is subject to a number of risks and uncertainties that could also cause a forward-looking statement, estimate or prediction to become inaccurate.

Forward-looking statements are current only as of the date of this Prospectus. Accordingly, except as required by the Prospectus Regulation and other applicable regulations, the Issuer is not obliged to, and does not intend to, update or revise any forward-looking statements made in this Prospectus whether as a result of new information, future events or otherwise. All subsequent written or oral forward-looking statements attributable to the Issuer, or persons acting on the Issuer’s behalf, are expressly qualified in their entirety by the cautionary

statements contained throughout this Prospectus. As a result of these risks, uncertainties and assumptions, a prospective purchaser of the Offer Shares should not place undue reliance on these forward-looking statements.

12.7 Alternative performance measures

This Prospectus lists indicators such as EBITDA, EBIT, and EBITDA margin, which may be considered alternative performance measures pursuant to Guidelines of the European Securities and Markets Authority ESMA/2015/1415 (the **APM Guidelines**). However, in the case of the Group, the EBITDA indicator is stated in the Audited Annual Financial Statements of the Group; therefore, in the Issuer's opinion, the APM Guidelines are not applicable in this regard, it is fully applicable. In addition, the Issuer includes in the Audited Annual Financial Statements the EBIT indicator, which represents the item *Profit / (Loss) before interest, tax*. The Issuer also presents the EBITDA margin indicator, which is equal to the profit before interest, taxes, depreciation, and amortization (EBITDA), which is divided by the operating revenues of the Group. Given that the EBITDA indicator does not include depreciation, the EBITDA margin can provide an investor with a clearer picture of operational efficiency. The Issuer uses all these indicators because it believes that they are useful for assessing the Group's financial situation and they are commonly used by creditors, investors and analysts. Notwithstanding the fact that the APM Guidelines are not fully applicable, the Issuer notes that the EBITDA indicator should not be understood as an alternative to the pre-tax profit value under the IFRS or an alternative to net cash flows from operating activities (or any other IFRS indicator). In particular, EBITDA should not be understood as an expression of free cash available for investments in the growth of the Group's business. In any case, EBITDA is calculated from IFRS items as pre-tax profit adjusted for depreciation and amortisation, net interest expenses and profit or loss from financial instruments.

12.8 Approval of the Prospectus

Unless provided otherwise, all the information contained in the Prospectus is provided as of the date of this Prospectus. The Prospectus may be updated pursuant to Article 23 of the Prospectus Regulation in the form of a supplement to the Prospectus. Pursuant to applicable legal regulations, the supplement to the Prospectus is subject to the NBS approval and subsequent publication, just like the Prospectus itself.

The NBS approved this Prospectus only as a prospectus that satisfies the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Issuer or an endorsement of the quality of the Offer Shares that are the subject of this Prospectus. This Prospectus does not describe all of the risks of an investment in the Offer Shares, even though the Issuer believes that all material risks relating to an investment in the Offer Shares have been described.

12.9 Rounding

Some values set out in this Prospectus were rounded. This also means that values given for the same information item may slightly differ at different places and that values given as a sum of certain values do not necessarily have to be an arithmetic sum of the values on which they are based.

12.10 Notices

No person is entitled to provide any information or make any statement in relation to the Issuer, the Offering or sale of the Offer Shares that is not contained in this Prospectus or other publicly available document.

When giving information from internal estimates and analyses, the Issuer used all its reasonable care; however, the Issuer may not guarantee the accuracy of this information. Any assumptions and prospects regarding the future development of the Issuer, its financial situation, scope of its business activities or its market position may not be deemed representations or binding promises given by the Issuer regarding the future events or results because these future events and results are determined by circumstances and events that the Issuer may not, fully or partially, influence. Investors who are interested in subscribing the Offer Shares should carry out their own analyses of any development trends or prospects given in this Prospectus and base their investment decision on the results of these separate analyses.

Potential investors should make their own assessment (or consult with their advisers) as to the appropriateness of investing in the Offer Shares. For a discussion of certain risks and other factors that you should consider in connection with an investment in the Offer Shares, see Article 2 of the Prospectus (Risk factors).

13. DOCUMENTS INCORPORATED BY REFERENCE

Information from the following documents is incorporated by reference into this Prospectus and the Prospectus should be read and construed in conjunction with information from the following documents:

Document name	Pages	Exact hyperlink
2022/2023 Consolidated Financial Statements, including the audit report, which is part of the Issuer's annual report for 2022/2023	96 – 185	https://tmr.sk/wp-content/uploads/2024/02/VS-TMR-2022-23-EN.pdf
2021/2022 Consolidated Financial Statements, including the audit report, which is part of the Issuer's annual report for 2021/2022	86 – 177	https://tmr.sk/wp-content/uploads/2023/03/VS-TMR-2021-22-EN.pdf
2020/2021 Consolidated Financial Statements, including the audit report, which is part of the Issuer's annual report for 2020/2021	86 – 173	https://www.tmr.sk/data/modules/document.manager/documents/vyrocne_spravy/2022/vs-tmr-2020-21-en-low-res.pdf

Other than in relation to the documents that are deemed to be incorporated by reference listed in this clause of the Prospectus, the information on the websites to which this Prospectus refers does not form part of this Prospectus and has not been scrutinised or approved by the NBS.

14. DOCUMENTS AVAILABLE

The following documents are available free of charge in electronic form in the reserved part of the Issuer's website www.tmr.sk, section *Investor Relations*:

- (a) The Prospectus and updates thereto in the form of amendments to the Prospectus (if any);
- (b) Issuer's foundation deed;
- (c) the current consolidated version of the Issuer's articles of association;
- (d) Resolutions of the General Meeting;
- (e) the Board of Directors Resolution;
- (f) 2022/2023 Financial Statements, including the audit report, which is part of the Issuer's annual report for 2022/2023;
- (g) 2021/2022 Financial Statements, including the audit report, which is part of the Issuer's annual report for 2021/2022;
- (h) 2020/2021 Financial Statements, including the audit report, which is part of the Issuer's annual report for 2020/2021; and
- (i) for the term of validity of the Prospectus, all documents from which information is incorporated in the Prospectus by reference.

The information provided on the Issuer's website does not form part of the Prospectus, unless such information is incorporated in the Prospectus by reference. **The information on this website has not been reviewed or approved by the NBS.**

15. LIST OF DEFINED TERMS AND ABBREVIATIONS

In this Prospectus:

2020/2021 Financial Statements have the meaning given in paragraph 4(a) of the Prospectus.

2021/2022 Financial Statements have the meaning given in paragraph 4(a) of the Prospectus.

2022/2023 Financial Statements have the meaning given in paragraph 4(a) of the Prospectus.

Accounting Act has the meaning given in paragraph 8.3(c) of the Prospectus.

APM Guidelines has the meaning given in Article 12.7 of the Prospectus.

Arranger means J&T IB and Capital Markets, a.s., with its registered office at Pobřežní 14, Praha 8, 180 00, Czech Republic, Identification No.: 24766259, registered in the Commercial Register of the Municipal Court in Prague, section: B, insert No.: 16661.

Bankruptcy Act means Act No. 7/2005 Coll. on Bankruptcy and Restructuring, as amended.

BCPB means Bratislava Stock Exchange, Burza cenných papierov v Bratislave, a.s., with its registered office at Vysoká 17, 811 06 Bratislava, Slovak Republic, Identification No.: 00 604 054, registered in the Commercial Register of the District Court Bratislava III, section: Sa, insert No.: 117/B.

BCPP means Prague Stock Exchange, Burza cenných papírů Praha, a. s., with its registered office at Rybná 14, Prague 1, Czech Republic, Identification No.: 47115629, registered in the Commercial Register kept by the Municipal Court in Prague, file No. B 1773.

Board of Directors Resolution has the meaning given in paragraph 6.2(f) of the Prospectus.

Brussels I Regulation (recast) means Council Regulation (EC) No 1215/2012/ES of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters (recast).

Business Day means any calendar day other than Saturday, Sunday and holiday.

CAGR means Compound Annual Growth Rate.

CDCP means Slovak central depository of securities, company Centrálny depozitár cenných papierov SR, a.s., with its registered office at ul. 29. augusta 1/A, 814 80 Bratislava, Slovak Republic, Identification No.: 31 338 976, registered in the Commercial Register of the Municipal Court Bratislava III, section: Sa, insert No.: 493/B.

CERI means the Central Register of Regulated Information (*Centrálna evidencia regulovaných informácií*).

Civil Code means Act No. 40/1964 Coll. the Civil Code, as amended.

CNB means the Czech National Bank.

Commercial Code means Act No. 513/1991 Coll., the Commercial Code, as amended.

Controlling Interest has the meaning given in paragraph 6.2(i) of the Prospectus.

CZK means Czech crown, the legal tender of the Czech Republic.

Delegated Prospectus Regulation means Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004.

EBITDA means earnings before interest, tax, depreciation and amortisation.

EBRD means the European Bank for Reconstruction and Development.

EEA means the European Economic Area.

EIA has the meaning given in Article 2.1 of the Prospectus.

EU means the European Union.

EUR or euro means the legal currency of the Slovak Republic and at the same time the single currency of the European Union.

EURIBOR means the interbank reference rate within the Economic and Monetary Union, which was introduced in 1999 (*Euro Interbank Offered Rate*).

Foreign Decisions has the meaning given in Article 11 of the Prospectus.

General Meeting means the General Meeting of the Issuer's shareholders.

General Meeting Resolution has the meaning given in paragraph 6.2(f) of the Prospectus.

GPW means Warsaw Stock Exchange (*Gielda Papierów Wartościowych w Warszawie*).

Group has the meaning given in Article 2 of the Prospectus.

IFRS or **International Accounting Standards** means the International Financial Reporting Standards designed in accordance with the standards and interpellations approved by the International Accounting Standards Board, formerly known as International Accounting Standards (IAS).

IMF means International Monetary Fund.

Income Tax Act means Act No. 595/2003 Coll. on Income Tax, as amended.

Insolvency Proceedings Regulation means Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings.

IPPLA means Act No. 97/1963 Coll. on International Private and Procedural Law, as amended.

Issue Price means the issue price for each Offer Share of EUR 19 (nineteen euros) for each Offer Share with a nominal value of EUR 7 (seven euros).

Issuer means Tatry mountain resorts, a.s., with its registered office at Demänovská Dolina 72, Liptovský Mikuláš 031 01, Slovak Republic, Identification No.: 31 560 636, registered in the Commercial Register of the District Court Žilina, section: Sa, insert No.: 62/L.

J&T BANKA means J&T BANKA, a.s., with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, Czech Republic, Identification No.: 471 15 378, registered in the Commercial Register of the Municipal Court in Prague, section: B, insert No.: 1731, operating in the Slovak Republic through its branch, J&T BANKA, a.s., pobočka zahraničnej banky, with its registered office at Dvořákovo nábřeží 8, 811 02 Bratislava, Slovak Republic, Identification No.: 35 964 693, registered in the Commercial Register of the Municipal Court Bratislava III, section: Po, insert No.: 1320/B.

KDPW means Polish company *Krajowy Depozyt Papierów Wartościowych S.A.*, the central securities depository in Poland.

Manager or **Managers** means J&T BANKA, a.s. and the company mBank S.A. in the capacity of managers of the Offer.

Market Abuse Regulation has the meaning given in paragraph 8.3(c) of the Prospectus.

MiFID II means Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments, as amended, including all its statutory instruments and implementations into the relevant national law.

NBS or **National Bank of Slovakia** means the legal entity established by Act No. 566/1992 Coll. on the National Bank of Slovakia or any of its legal successors in accordance with the laws of the Slovak Republic, which is the competent authority of the Slovak Republic pursuant to Section 120(1) of the Securities Act for the purposes of the Prospectus Regulation.

OECD has the meaning given in paragraph 5.2(d) of the Prospectus.

Offer means the public offer of up to 6,315,790 newly issued ordinary book-entry bearer shares of the Issuer, each share with a nominal value of EUR 7 (seven euros) per share.

Offer Period means the period commencing on 10 June 2024 and ending at 16:00 p.m. (CEST) on 4 July 2024 during which the Offer Shares will be subject to a public offer.

Offer Period First Round has the meaning given in paragraph 7.1(b) of the Prospectus.

Offer Period Second Round has the meaning given in paragraph 7.1(b) of the Prospectus.

Offer Shares means 6,315,790 newly issued ordinary book-entry bearer shares of the Issuer, each share with a nominal value of EUR 7 (seven euros) per share.

Offeror has the meaning given in paragraph 6.2(i) of the Prospectus.

Permitted Jurisdictions has the meaning given in Article 9 of the Prospectus.

Prospectus means this prospectus dated 31 May 2024.

Prospectus Regulation means Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

Regulated Information has the meaning given in paragraph 8.3(c)(i) of the Prospectus.

Relevant State has the meaning given in Article 9 of the Prospectus.

Securities Act means Act No. 566/2001 Coll. on Securities and Investment Services, as amended.

Sell-out Right has the meaning given in paragraph 8.3(g) of the Prospectus.

Slovak Corporate Governance Code means the Slovak Corporate Governance Code prepared by the Slovak Association of Corporate Governance (original name of the association: Central European Corporate Governance Association) in 2016.

Squeeze-out Right has the meaning given in paragraph 8.3(g) of the Prospectus.

SR means the Slovak Republic.

Stock Exchange Act has the meaning given in paragraph 8.3(a) of the Prospectus.

Stock Exchange Rules means the stock exchange rules of BCPB.

Subordinated Bonds has the meaning given in Article 2.2 of the Prospectus.

Szczyrk has the meaning given in paragraph 5.2(e) of the Prospectus.

Takeover Directive has the meaning given in paragraph 6.2(i) of the Prospectus.

Target has the meaning given in paragraph 6.2(i) of the Prospectus.

TLD has the meaning given in paragraph 5.2(e) of the Prospectus.

Transparency Directive has the meaning given in paragraph 8.3(c) of the Prospectus.

UNWTO has the meaning given in paragraph 5.2(d) of the Prospectus.

U.S. Securities Act means the U.S. Securities Act of 1933, as amended.

NAMES AND ADDRESSES

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