

TX Rail Finance 4 Limited

Report and Audited Financial Statements
for the financial year ended
31 December 2025

Registered number: 578418

Registered office: Unit 10 & 11
Cahir Road
Cashel
Tipperary
Ireland

TX RAIL FINANCE 4 LIMITED

**REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

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TX RAIL FINANCE 4 LIMITED

DIRECTORS AND OTHER INFORMATION

DIRECTORS

Patricia O'Connor

Vincent Tournant

Ross Dunne

SECRETARY

Waystone Centralised Services (Ireland) Limited
Unit 10 & 11,
Cahir Road,
Cashel,
Co. Tipperary

REGISTERED OFFICE

Unit 10 & 11
Cahir Road,
Cashel,
Tipperary,
Ireland.

INDEPENDENT AUDITORS

Lewis & Co Chartered Accountants
8 Priory Office Park,
Stillorgan Rd,
Blackrock, Co. Dublin.

SOLICITORS

McCann Fitzgerald
Riverside One,
Sir John Rogerson's Quay,
Dublin 2.

BANKERS

Landesbank Hessen-Thüringen (Helaba)
Anstalt des öffentlichen Rechts,
MAIN TOWER,
Neue Mainzer Straße 52-58,
60311 Frankfurt am Main,
Germany.

AIB International Banking Service
Ashford House,
P.O. Box 518,
Tara Street,
Dublin 2.

KFW IPEX-Bank
Palmengartenstr. 5-9,
60325 Frankfurt am Main,
Germany.

TX RAIL FINANCE 4 LIMITED

DIRECTORS' REPORT

The Directors present their annual report together with the audited financial statements of TX Rail Finance 4 Limited (the "Company") for the financial year ended 31 December 2025.

DATE OF INCORPORATION

The Company was incorporated on 4 March 2016 and is domiciled in Ireland.

PRINCIPAL ACTIVITY

The principal activity of the Company is the procurement, sale and leasing of railcars within Europe.

COMPANY STRUCTURE

Touax Investment S.C.A SICAV-SIF holds 69.49% (2024: 69.49%) of the Company's issued share capital and Selective European Transport Equipment Fund (SETEF) holds 30.51% (2024: 30.51%) on 31 December 2025.

BUSINESS REVIEW

Balance Sheet Position

At the end of the year the Company has assets of €113,517,256 (2024: €120,216,668) and liabilities of €71,298,325 (2024: €75,863,650). The directors are satisfied with the level of retained reserves at the year end.

Fleet

At the end of 2025, the Company owned a fleet of 1736 (2024: 1,736) freight railcar wagons (platforms). This fleet of wagons and associated assets were purchased during 2017, 2018, 2020, 2021, 2022, 2023 and 2024. No railcars were purchased in 2025. Touax Rail Limited was appointed manager of the railcars.

The assets are financed through a secured debt facility with Helaba and KFW IPEX-Bank GMBH.

Turnover

The Company reported a turnover of €12,456,474 (2024: €15,008,517) representing lease revenues (net of management fees) for the financial year 2025.

The gross lease revenues are collected by Touax Rail Limited and transferred to the Company on a weekly basis.

Operating Profit

Operating profit was €1,411,079 (2024: €4,243,007) for the year. The main expense related to depreciation charges on the railcars.

Capital Commitments

There were no capital commitments at year end to report for 2025.

TX RAIL FINANCE 4 LIMITED

DIRECTORS' REPORT (CONTINUED)

FUTURE DEVELOPMENTS

The Company's future development is dependent on the activities and developments of Touax Rail Limited, who manage all of the railcars owned by the Company.

PRINCIPAL RISKS AND UNCERTAINTIES

The principal risks and uncertainties of the Company are set out below:

The Company, in the course of its business activities, is exposed to various risks including credit risk, price risk, liquidity risk, asset risk and operational risk. The Board of Directors ensures that risks are identified and managed in accordance with the objectives of the Company. These are included in note 22.

RESULTS AND DIVIDENDS

The results for the financial year are set out in the Statement of Comprehensive Income on page 10 of the financial statements.

The Company made dividend payments of €800,000 (2024: €7,800,000) to the shareholders during the financial year.

EVENTS AFTER THE REPORTING YEAR

There have been no events between the reporting date and the date on which the financial statements were approved by the Board, which would require adjustment to the financial statements or any additional disclosures.

POLITICAL DONATIONS

The Electoral Act, 1997 (as amended by the Electoral Amendment Political Funding Act, 2012) requires companies to disclose all political donations over €200 in aggregate made during a financial year. The Directors, on enquiry, have satisfied themselves that no such donations in excess of this amount have been made by the Company during the financial year.

DIRECTORS, SECRETARY AND THEIR INTERESTS

None of the Directors or secretary held any interest in the Company or in any other group companies during the financial year ended 31 December 2025. Mrs. O'Connor and Mr. Dunne are employees of the company secretary, to which the Company paid administration fees of €41,500 (2024: €44,480) during the year. There were no other transactions between the Company and the Directors or secretary during the year, except for Directors' remuneration (Note 6).

ACCOUNTING RECORDS

The Directors believe that they have complied with the requirements of Section 281 to 285 of the Companies Act, 2014 with regard to adequate accounting records by using the services of Waystone Centralised Services (IE) Limited and the maintenance of computerised accounting systems. The accounting records of the Company are maintained at Unit 10 & 11, Cahir Road, Cashel, Co. Tipperary.

TX RAIL FINANCE 4 LIMITED

DIRECTORS' REPORT (CONTINUED)

STATEMENT OF RELEVANT AUDIT INFORMATION

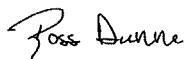
In the case of the persons who are directors at the time this report is approved in accordance with Section 332 of the Companies Act 2014:

- so far as each director is aware, there is no relevant audit information of which the Company's statutory auditors are unaware; and
- each director has taken all the steps that he or she ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Company's statutory auditors are aware of that information.

INDEPENDENT AUDITORS

The auditors, Lewis and Co Chartered Accountants Limited, have signified their willingness to continue in office in accordance with Section 383(2) of the Companies Act 2014.

Signed on behalf of the Board:



Ross Dunne
Director



Patricia O Connor
Director

Date: 20 March 2026

TX RAIL FINANCE 4 LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The Directors are responsible for preparing the Directors' report and the financial statements in accordance with the Companies Act 2014.

Irish company law requires the directors to prepare financial statements for each financial year. Under the law, the Directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union. Under company law, the Directors are responsible for approving the financial statements if they are satisfied that they give a true and fair view of the assets, liabilities and financial position of the Company as at the financial year end date and of the profit or loss of the Company for the financial year and otherwise comply with the Companies Act 2014.

In preparing these financial statements, the Directors are required to:

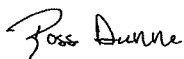
- select suitable accounting policies for the Company financial statements and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for ensuring that the Company keeps or causes to be kept adequate accounting records which correctly explain and record the transactions of the Company, enable at any time the assets, liabilities, financial position and profit or loss of the Company to be determined with reasonable accuracy, enable them to ensure that the financial statements and Directors' report comply with the Companies Act 2014 and enable the financial statements to be audited.

They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

In so far as the Directors are aware there is no relevant audit information of which the Company's statutory auditors are unaware and the Directors have taken all the steps necessary to make themselves aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

Signed on behalf of the Board:



Ross Dunne
Director



Patricia O Connor
Director

Date: 20 March 2026

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF TX RAIL FINANCE 4 LIMITED

Report on the audit of the financial statements

Opinion

We have audited the financial statements of TX Rail Finance 4 Limited ('the Company') for the year ended 31 December 2025, which comprise the Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows and notes to the financial statements, including the summary of significant accounting policies set out in note 1. The financial reporting framework that has been applied in their preparation is Irish Law and International Financial Reporting Standards (IFRS) as adopted by the European Union.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union; and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are described below in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard for Auditors (Ireland) issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Company's ability to continue as a going concern for a period of at least twelve months from the date when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2014

In our opinion, based on the work undertaken in the course of the audit, we report that:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which, to the best of our knowledge and belief, are necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited, and financial statements are in agreement with the accounting records.

Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified any material misstatements in the directors' report.

The Companies Act 2014 requires us to report to you if, in our opinion, the requirements of any of sections 305 to 312 of the Act, which relate to disclosures of directors' remuneration and transactions are not complied with by the Company. We have nothing to report in this regard.

Respective responsibilities

Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement on page 6, the directors are responsible for the preparation of the financial statements in accordance with the applicable financial reporting framework that give a true and fair view, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, if applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or have no realistic alternative but to do so.


Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the Company's financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Irish Auditing and Accounting Supervisory Authority's website at: http://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf. This description forms part of our auditor's report.

The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the company's members as a body in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters that we are required to state to them in the audit report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company or the company's members as a body for our audit work, for this report, or for the opinions we have formed.



Keith Talbot

for and on behalf of

Lewis & Co Chartered Accountants and Statutory Auditors
8 Priory Office Park
Stillorgan Road Black Rock
Dublin
A94 EE95

Date: 20 March 2026

TX RAIL FINANCE 4 LIMITED

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

	<i>Notes</i>	2025 €	2024 €
Revenue			
Turnover	2	<u>12,456,474</u>	<u>15,008,517</u>
GROSS PROFIT		12,456,474	15,008,517
Operating expenses	3	<u>(11,045,395)</u>	<u>(10,765,510)</u>
OPERATING PROFIT		1,411,079	4,243,007
Interest payable and similar charges	4	<u>(2,140,587)</u>	<u>(2,916,826)</u>
PROFIT ON ORDINARY ACTIVITIES BEFORE TAXATION		(729,508)	1,326,181
Tax on profit on ordinary activities	7	<u>91,189</u>	<u>(210,366)</u>
Profit for the financial year		<u>(638,319)</u>	<u>1,115,815</u>
Other Comprehensive Income			
<i>Items that will not be reclassified to profit or loss</i>			
Debt Hedge	8	(795,323)	(1,262,288)
Tax relating to Debt Hedge	8	<u>99,555</u>	<u>157,786</u>
Other Comprehensive (loss) for the year, net of tax		<u>(695,768)</u>	<u>(1,104,502)</u>
Total comprehensive income/(loss) for the year		<u>(1,334,087)</u>	<u>11,313</u>

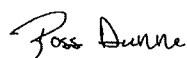
The accompanying notes form an integral part of the financial statements.

TX RAIL FINANCE 4 LIMITED

**STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2025**

		2025	2024
		€	
ASSETS:	<i>Notes</i>		
NON-CURRENT ASSETS			
Plant and equipment	9	105,641,829	110,276,443
Derivative financial instruments	19	<u>1,001,535</u>	<u>1,867,310</u>
TOTAL NON-CURRENT ASSETS		106,643,364	112,143,753
CURRENT ASSETS			
Trade and other receivables	10	2,085,224	2,220,205
Cash and cash equivalents	17	<u>4,788,668</u>	<u>5,852,710</u>
TOTAL CURRENT ASSETS		<u>6,873,892</u>	<u>8,072,915</u>
TOTAL ASSETS		<u><u>113,517,256</u></u>	<u><u>120,216,668</u></u>
EQUITY AND LIABILITIES:			
CAPITAL AND RESERVES			
Called-up share capital presented as equity	14	10,037,104	10,037,104
Share premium		3,956,303	3,956,303
Other Reserves		19,846,488	19,846,488
Reserves - retained earnings	15	7,534,364	8,972,683
Reserves - other comprehensive income	15	<u>844,672</u>	<u>1,540,440</u>
TOTAL EQUITY		42,218,931	44,353,018
CURRENT LIABILITIES			
Trade and other payables	11	2,457,584	2,666,852
Borrowings	12	<u>4,352,220</u>	<u>4,330,355</u>
TOTAL CURRENT LIABILITIES		6,809,804	6,997,207
NON-CURRENT LIABILITIES			
Borrowings	12	62,340,861	66,458,702
Derivative financial instruments	19	39,448	108,785
Deferred tax	13	<u>2,108,212</u>	<u>2,298,956</u>
TOTAL NON-CURRENT LIABILITIES		<u>64,488,521</u>	<u>68,866,443</u>
TOTAL LIABILITIES		<u>71,298,325</u>	<u>75,863,650</u>
TOTAL EQUITY AND LIABILITIES		<u><u>113,517,256</u></u>	<u><u>120,216,668</u></u>

The accompanying notes form an integral part of the financial statements. The financial statements were approved by the Board of Directors on 20 March 2026 and signed on its behalf by:



Ross Dunne
Director



Patricia O Connor
Director

TX RAIL FINANCE 4 LIMITED

**STATEMENT OF CHANGES IN EQUITY
AS AT 31 DECEMBER 2025**

	Called-up share capital presented as equity €	Share premium €	Other reserves €	Capital Contribution €	Retained earnings €	Other comprehensive income €	Total €
Balance as at 1 January 2025	10,037,104	3,956,303	19,846,488		8,972,683	1,540,440	44,353,018
Dividends paid to shareholders	-	-	-	-	(800,000)	-	(800,000)
Debt Hedge	-	-	-	-	-	(795,323)	(795,323)
Tax relating to Debt Hedge	-	-	-	-	-	99,555	99,555
Profit / (Loss) for the financial year	-	-	-	-	(638,319)	-	(638,319)
Balance as at 31 December 2025	10,037,104	3,956,303	19,846,488	-	7,534,364	844,672	42,218,931

	Called-up share capital presented as equity €	Share premium €	Other reserves €	Capital Contribution €	Retained earnings €	Other comprehensive income €	Total €
Balance as at 1 January 2024	10,037,104	17,956,303	19,846,488		1,656,868	2,630,471	52,127,234
Additions	-	-	-	-	-	-	-
Share issuance	178,761	16,270,021	-	-	-	-	16,448,782
Share cancellation	(178,761)	-	-	-	-	-	(178,761)
Share Buy Back	-	(16,270,021)	-	-	-	-	(16,270,021)
Release to Distributable reserves	-	(14,000,000)	-	-	14,000,000	-	-
Dividends paid to shareholders	-	-	-	-	(7,800,000)	-	(7,800,000)
Debt Hedge	-	-	-	-	-	(1,247,817)	(1,247,817)
Tax relating to Debt Hedge	-	-	-	-	-	157,786	157,786
Profit for the financial year	-	-	-	-	1,115,815	-	1,115,815
Balance as at 31 December 2024	10,037,104	3,956,303	19,846,488	-	8,972,683	1,540,440	44,353,018

The accompanying notes form an integral part of the financial statements.

TX RAIL FINANCE 4 LIMITED

**STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

	<i>Notes</i>	2025 €	2024 €
Cash flows from operating activities			
Profit / (loss) before taxation		(729,508)	1,326,181
Interest payable and similar charges	4	2,140,587	2,916,826
Fair value movement on swaps in the period		795,323	(1,262,288)
Depreciation non-current assets	9	<u>7,695,179</u>	<u>4,890,361</u>
		9,901,581	7,871,080
Movements in working capital:			
(Increase)/Decrease in trade and other receivables	10	134,981	2,153,324
Increase/(Decrease) in deferred tax position		(190,744)	(52,580)
Increase/(Decrease) in trade and other payables	11	<u>(21,981)</u>	<u>137,794</u>
Cash generated from operations		<u>(77,744)</u>	2,238,538
Interest paid		<u>(2,092,380)</u>	<u>(2,600,214)</u>
Net cash used by operating activities		7,731,457	7,509,404
Cash flows from investing activities			
Proceeds of disposal of plant and equipment	9	-	10,888,374
Payments for plant and equipment	9	<u>(3,165,144)</u>	<u>(3,292,916)</u>
Net cash used in investing activities		(3,165,144)	7,595,458
Cash flows from financing activities			
Advances during the year	12	-	6,400,859
Movement in Capitalised Costs	12	-	-
Principal payment made during the year	12	(4,330,355)	(13,765,435)
Dividend paid	15	(1,300,000)	(7,300,000)
Share capital issued		-	-
Share premium		-	-
Capital Contribution		-	-
Net cash generated by financing activities		<u>(5,630,355)</u>	<u>(14,664,576)</u>
Net increase /(decrease) in cash and cash equivalents		(1,064,042)	440,286
Cash and cash equivalents 1 January 2025	17	<u>5,852,710</u>	<u>5,412,424</u>
Cash and cash equivalents 31 December 2025	17	<u><u>4,788,668</u></u>	<u><u>5,852,710</u></u>

The accompanying notes form an integral part of the financial statements.

1. ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the European Union and interpretations issued by the International Financial Reporting Interpretations Committee of the IASB.

The financial statements are prepared in accordance with the Irish statute comprising the Companies Act 2014.

The Company is incorporated with the registered office address of Unit 10 & 11, Cahir Road, Cashel, Co. Tipperary and company number 578418.

The financial statements are prepared on the going concern basis and are stated in Euro which is the functional currency of the Company.

The following accounting policies adopted are mandatorily effective for the 2025 financial year:

1.2 GOING CONCERN

The directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

1.3 REVENUE RECOGNITION

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances.

The Company policy for recognition of revenue from operating leases is described below.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

1.4 INCOME AND EXPENDITURE

Income and expenditure are included on an accruals basis. Interest expense on borrowings is recognised on an effective interest rate basis.

1. ACCOUNTING POLICIES (CONTINUED)

1.5 FINANCIAL INSTRUMENTS

IFRS 9: Financial instruments defines a financial instrument as a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments include trade receivables and payables, financial receivables and liabilities and derivative financial instruments, which are used to hedge against interest-rate and currency risks. Financial instruments are entered in the Statement of Financial Position where an obligation has been undertaken (trading date) to buy or sell an asset.

When assets from financial instruments are acquired, they are reviewed to determine the classification under the business model and the solely payments of principal and interest ('SPPI') test. This classification influences whether the assets are recognised as non-current or current assets and therefore determines whether measurement is at amortised cost or fair value. Financial assets are derecognised where the rights to payments from the financial asset have expired or the Company has essentially transferred all risks and opportunities associated with the asset. At each reporting date, a review is undertaken as to whether there are any objective indications in respect of impairment of a financial asset or of a group of financial assets.

a. Financial assets measured at fair value through profit or loss / Financial liabilities at amortised cost

There are no assets or liabilities in the Company that come under this category.

Liabilities for financial instruments can be measured either at amortised cost or at fair value through profit or loss. As a rule, the Company measures financial liabilities at amortised cost. Financial liabilities are stated at their fair value on initial recognition, net of transaction costs. In subsequent periods they are measured at amortised costs.

Any difference between the disbursement amount (after transaction costs) and repayment amount is charged to income over the term of the borrowing, applying the effective interest method. Loan liabilities are classified as current if the Company does not have an unconditional right to repay the liability at a time later than twelve months after the reporting date. In the Statement of Financial Position current account overdrafts and credits used are shown as current financial liabilities.

The Company uses interest rate swaps to hedge its interest rate risks. These derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. The Company has elected to continue to apply IAS 39 for hedge accounting of derivative financial instruments.

The fair values of derivative financial instruments traded in active markets (such as exchange-traded and over the counter derivatives) are based on quoted market prices at the balance sheet date. The quoted market prices used for financial assets held by the Company are the current bid prices; the appropriate quoted market prices for financial liabilities are the current ask price.

The fair values of interest-rate swaps are calculated as the present value of the estimated future cash flows, discounted at actively quoted interest rates.

The fair values of financial instruments that are not traded in an active market are determined by using valuation techniques.

The best evidence of the fair value of a derivative at initial recognition is the transaction price (i.e., the fair value of the consideration given or received) unless the fair value of that instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e., without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets.

1. ACCOUNTING POLICIES (CONTINUED)

1.6 DERIVATIVE FINANCIAL INSTRUMENTS

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the Statement of Comprehensive Income in other operating income or other operating expenses.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment.
- Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of the hedging instrument, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated. The Company applies cash flow hedge accounting that is accounted for as described below:

- Current versus non-current classification

Derivative instruments that are not designated as effective hedging instruments are classified as current or non-current or separated into a current and non-current portion based on an assessment of the facts and circumstances (i.e., the underlying contracted cash flows):

When the Company will hold a derivative as an economic hedge (and does not apply hedge accounting) for a period beyond 12 months after the reporting date, the derivative is classified as non-current (or separated into current and non-current portions) consistent with the classification of the underlying it.

Embedded derivatives that are not closely related to the host contract are classified consistent with the cash flows of the host contract. Derivative instruments that are designated as, and are effective hedging instruments, are classified consistently with the classification of the underlying hedged item. The derivative instrument is separated into a current portion and a non-current portion only if a reliable allocation can be made.

1. ACCOUNTING POLICIES (CONTINUED)

1.7 PLANT & EQUIPMENT

Railcars held for use in the business are recorded at cost, inclusive of applicable technical and legal costs, less accumulated depreciation. Additional depreciation is charged to reduce the carrying value of specific assets to the recoverable amount where an impairment determined in accordance with IAS 36 "Impairment of Assets", is considered to have occurred. Where the recoverable amount is greater than the carrying value, no adjustment is made. Revisions to railcars are capitalized at cost, and amortised over the life of the revision.

The recoverable amount is determined as the higher of the fair value less cost to sell and value in use. Fair value less cost to sell is the amount at which an asset could be disposed of less any direct selling costs, and value in use is the present value of future cash flows obtainable as a result of an asset's continued use, including those resulting from its ultimate disposal.

Depreciation is calculated to write off the cost of each railcar, less its estimated residual value, on a straight-line basis over their expected useful lives:

- New railcars 36 financial years
- Second hand railcars Number of financial years of remaining useful life
- Revisions to railcars 3, 6, 9 or 12 financial years (depending on the type of revision)
- Revision to axles 6 financial years
- Spare parts 6 financial years
- GPS Units 6 financial years

1.8 TAXATION

Current tax, including Irish corporation tax and foreign tax, is provided on the Company's taxable profits at current rates.

Deferred tax is accounted for in full for all timing differences that have originated but not reversed at the reporting date. Timing differences are differences between the carrying amount of an asset or liability for accounting purposes and its carrying value for tax purposes.

A deferred tax liability should be recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences to the extent that it is probable that the taxable profit will be available against which the deductible temporary difference can be utilised.

1. ACCOUNTING POLICIES (CONTINUED)

1.9 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The reported results of the Company are sensitive to the accounting policies, assumptions and estimates that underlie the preparation of its financial statements. Irish company law and IFRSs require the Directors, in preparing the Company's financial statements, to select suitable accounting policies, apply them consistently and make judgments and estimates that are reasonable and prudent. Where accounting standards are not specific and management have to choose a policy, IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" requires them to adopt policies that will result in relevant and reliable information considering the requirements and guidance in IFRS dealing with similar and related issues and the IASB's Framework for the Preparation and Presentation of Financial Statements.

The amount of expected credit losses should be updated at each reporting date to reflect changes in credit risk since initial recognition.

The statements and information subject to significant estimates especially relate to the appraisal of potential losses in value of the Company's tangible assets, financial assets, inventories and work in progress, provisions for risks and charges and deferred taxes.

Key assumptions concerning the future and other key sources of estimated uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of plant and equipment within the next financial year are as stated below:

Useful Life of Plant and Equipment

The Company estimates the useful life of plant and equipment as being limited to 36 years, the period over which the assets are expected to be available for use. The estimated useful life of plant and equipment is reviewed annually and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful life is based on internal technical evaluation and experience with similar assets.

The Company has experience that wagons can exceed their useful life of 36 years, with some of its assets exceeding 40 years. However, the Company have prudently not increased the useful life in the Value in Use calculation. Therefore, any asset held that is greater than 36 years does not have any Value in Use. If the Company were to increase this estimate above 36 years the Impairment Test would be less likely to identify assets for impairment.

Utilization rate

A utilisation rate of 70% has been applied across all wagon types in the calculation of the present value of the future cash flows, on the basis that this was considered a reasonable rate to apply to the fleet as a whole.

1.10 FOREIGN CURRENCIES

Transactions denominated in currencies other than Euro are recorded at the exchange rates ruling at the dates of the transactions.

Resulting monetary assets and liabilities denominated in other currencies are translated using the exchange rates prevailing at the reporting date.

Non-monetary items denominated in foreign currencies that are stated at fair value are translated into Euro at foreign exchange rates ruling at the dates the values were determined.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

1. ACCOUNTING POLICIES (CONTINUED)

1.11 NEW AND REVISED IFRS ACCOUNTING STANDARDS IN ISSUE BUT NOT EFFECTIVE IN THE PERIOD

The directors have reviewed the following new standards and amendments applicable for the reporting period commencing 1 January 2025:

- Amendments to IAS 21 Lack of Exchangeability.

The amendments listed above did not have any material impact on the amounts recognised in prior periods and is not expected to significantly affect the current or future periods.

The directors have reviewed the following forthcoming standards for annual periods beginning on or after 1 January 2026 and do not expect them to affect the company. For IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures the directors are assessing the impact to the company and its reporting requirements.

Standard	Scope of change	Effective Date
Amendments to IFRS 9 and IFRS 7	Classification and Measurement of Financial Instruments	January 1 2026
IFRS 19	IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1 2027
IFRS 18	IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1 2027

1.12 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash on hand and deposits repayable on demand. Restricted cash amounts of €2,860,106 (2024: €3,491,871) relating to reserves are included in the cash balance of €4,788,668 (2024: €5,852,710).

1.13 SEGMENTATION

The Company operates as one business segment, therefore no internal or external reporting on segments is applicable.

1.14 SHARE CAPITAL

The ordinary share capital of the Company is presented as equity.

1.15 CAPITAL CONTRIBUTION

Capital contributions represent amounts provided by the shareholder to the Company for no consideration and for which no obligation to repay the capital contribution exists. These amounts are not being made in return for any share capital (share premium or otherwise) nor for any rights such as voting rights, a share in the profits, or a share in any surplus assets of the Company upon liquidation, accordingly these funds are recognised at the carrying value on the date on which they have been agreed to be provided.

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

1.16 SHARE PREMIUM

The share premium of the Company is presented as equity.

1.17 OTHER RESERVES

Other reserves of the Company are presented as equity.

2 TURNOVER	2025	2024
	€	€
Lease rental income	12,456,474	14,081,484
Profit on disposal of Railcars	<u>-</u>	<u>927,033</u>
	<u>12,456,474</u>	<u>15,008,517</u>

Turnover arises from the sale and leasing of railcars under operating leases and related revenue in Europe.

Lease rental income relates to revenues provided by Touax Rail Limited which has operating leases with the customers of the railcars. The lease revenues are subject to a management commission fee deducted by Touax Rail Limited, all expenses related to the railcars owned by the Company are also deducted.

At 31 December 2025	<1 year	2 – 5 years	>5 years	Total
	EUR	EUR	EUR	EUR
Future minimum lease payments receivable	10,710,733	8,961,705	-	19,672,438
	<u>10,710,733</u>	<u>8,961,705</u>	<u>-</u>	<u>19,672,438</u>
At 31 December 2024	<1 year	2 – 5 years	>5 years	Total
	EUR	EUR	EUR	EUR
Future minimum lease payments receivable	12,123,804	12,886,030	-	25,009,834
	<u>12,123,804</u>	<u>12,886,030</u>	<u>-</u>	<u>25,009,834</u>

TX RAIL FINANCE 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

3 OPERATING EXPENSES	2025	2024
	€	€
Depreciation	7,695,179	7,588,935
Professional fees	113,949	154,867
Repairs & other railcar direct costs	3,235,128	2,927,402
Administration costs	1,139	94,306
Total operating expenses	11,045,395	10,765,510
4 INTEREST PAYABLE AND SIMILAR CHARGES	2025	2024
	€	€
Loan facility interest	2,856,687	4,353,514
Swap Interest	(973,152)	(1,715,686)
Commitment and other bank financing fees	20,433	45,761
Amortisation of debt financing costs	235,494	233,237
Interest/penalties	1,125	-
	<u>2,140,587</u>	<u>2,916,826</u>
5 PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION	2025	2024
	€	€
The profit/(loss) on ordinary activities before taxation is stated after charging:		
Profit on disposal of Railcars	-	927,033
Aggregate emoluments receivable by Directors	2,000	3,230
Depreciation	7,695,179	7,588,935
Auditors' remuneration (excluding VAT):		
Audit of Company accounts	13,000	13,000
Tax advisory services	2,500	2,500
6 DIRECTORS REMUNERATION	2025	2024
	€	€
Aggregate emoluments paid to Directors in respect of qualifying services	<u>2,000</u>	<u>3,230</u>
7 TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES	2025	2024
	€	€
Deferred tax (charge)/credit (Note 13)	<u>91,189</u>	<u>(210,366)</u>
	<u>91,189</u>	<u>(210,366)</u>

TX RAIL FINANCE 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

The current tax charge is lower than the tax charge based on the standard rate of tax in Ireland. The differences are explained as follows:

	2025	2024
	€	€
(Loss)/Profit on ordinary activities before taxation	(729,508)	1,326,181
Current tax at 12.5%	(91,189)	165,773
Capital allowances in excess of depreciation	(514,417)	(949,368)
Charges on disposal of assets	-	993,961
Origination and reversal of temporary differences	605,606	(210,366)
Deferred tax charge	<u>91,189</u>	<u>(210,366)</u>
Total tax (charge)/credit	<u><u>91,189</u></u>	<u><u>(210,366)</u></u>
8 DEBT HEDGE	2025	2024
	€	€
Current year (loss)/gain	(796,438)	(1,262,288)
Tax effect	<u>99,555</u>	<u>157,786</u>
	<u><u>(696,883)</u></u>	<u><u>(1,104,502)</u></u>
9 PLANT AND EQUIPMENT	2025	2024
	€	€
Railcars:		
Cost:		
Opening Balance	150,481,679	157,281,199
Railcars added the year	-	3,292,916
Revisions capitalised during the year	923,352	625,131
Capitalisation of spare parts	1,777,024	1,541,856
Axle Revisions	303,796	348,369
GPS Units	56,393	52,124
Disposal	<u>-</u>	<u>(12,659,916)</u>
At end of financial year	<u><u>153,542,244</u></u>	<u><u>150,481,679</u></u>
Accumulated depreciation:		
Opening Balance	(40,205,236)	(35,314,875)
Charge for financial year	(7,695,179)	(7,588,935)
Released on disposal	<u>-</u>	<u>2,698,574</u>
At end of financial year	<u><u>(47,900,415)</u></u>	<u><u>(40,205,236)</u></u>
Net book value:	<u><u>105,641,829</u></u>	<u><u>110,276,443</u></u>

The estimated useful life of plant and equipment is reviewed annually and updated if expectations differ from previous estimates due to physical wear and tear, technical or commercial obsolescence and legal or other limits on the use of the relevant assets. In addition, the estimation of the useful life is based on internal technical evaluation and experience with similar assets.

IFRS 16 requires disclosure of IAS assets subject to operating leases versus not. The Company had no non-leased-out assets at the date of the Statement of Financial Position.

TX RAIL FINANCE 4 LIMITED

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

10 TRADE AND OTHER RECEIVABLES	2025	2024
	€	€
Trade Debtors	1,795,728	1,930,709
Prepayments	7,871	7,871
Amount unpaid on Issue of Share Capital	<u>281,625</u>	<u>281,625</u>
	<u>2,085,224</u>	<u>2,220,205</u>
11 TRADE AND OTHER PAYABLES	2025	2024
	€	€
Trade Creditors	17,454	36,523
Accruals	1,819,730	1,713,705
Accrued interest payable	419,959	607,246
VAT Liability	<u>200,441</u>	<u>309,378</u>
	<u>2,457,584</u>	<u>2,666,852</u>
12 BORROWINGS	2025	2024
	€	€
Bank term loans	<u>66,889,075</u>	<u>71,220,545</u>
	2025	2024
	€	€
Bank loans	66,889,075	71,220,545
Less: capitalised costs	<u>(195,994)</u>	<u>(431,488)</u>
	66,693,081	70,789,057
The bank term loans are secured over the assets of the Company.		
<u>Current liabilities:</u>		
Within one financial year	4,352,220	4,330,355
<u>Non-current liabilities:</u>		
Between one and two financial year	4,354,448	4,354,448
Between two and three financial year	4,354,448	4,354,448
Between three and four financial year	4,354,448	4,354,448
Between four and five financial year	<u>49,473,511</u>	<u>53,826,845</u>
	62,536,855	66,890,190
Capitalised costs	<u>(195,994)</u>	<u>(431,488)</u>
	62,340,861	66,458,702
Total non-current liabilities	<u>62,340,861</u>	<u>66,458,702</u>
	<u>66,693,081</u>	<u>70,789,057</u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**
12 BORROWINGS (CONTINUED)

Repayment dates are set at quarterly intervals being 1.37% of the aggregate of the drawdown amount for all outstanding facility A loans with a bullet repayment of the balance on 8 January 2027. Interest is also payable quarterly, the percentage rate per annum being the aggregate of the margin and EURIBOR in the case of both loans. Euribor is determined to be zero if it is negative.

There were no drawdowns on loan facility A in 2025.

The facility required the Company to enter into asset charges in respect of the railcars, account charges in respect of its bank accounts and a security assignment in respect of its rights under the Management Agreement and Deeds of Indemnity.

	2025	2024
	€	€
Movement in borrowings		
Opening Balance as at 1 Jan 2025	71,220,545	78,585,122
Advances during the year	-	6,400,858
Principal payment made during the year	<u>(4,330,355)</u>	<u>(13,765,435)</u>
	66,890,190	71,220,545
Movement in Capitalised Costs		
Opening Balance as at 1 Jan 2025	431,488	650,962
Incurred during the year	-	14,254
Amortised during the year	<u>(235,494)</u>	<u>(233,728)</u>
At end of financial year	(195,994)	(431,488)
Net Borrowings	<u><u>66,694,196</u></u>	<u><u>70,789,057</u></u>
13 DEFERRED TAX	2025	2024
	€	€
Asset/(Liability) at beginning of financial year	<u>(2,298,956)</u>	<u>(2,245,026)</u>
Deferred tax (charge)/benefit for the year	91,189	(210,366)
Tax relating to debt hedge (Note 19)	<u>99,555</u>	<u>156,436</u>
Asset/(liability) at end of financial year	<u><u>(2,108,212)</u></u>	<u><u>(2,298,956)</u></u>

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

14 CALLED-UP SHARE CAPITAL PRESENTED AS EQUITY

	Allotted, called up and fully paid	Allotted, called up and fully paid	Allotted, called up and unpaid	Presented as follows:
	9,265,000 Deferred shares of €0.99 each	58,594,536 Ordinary shares of €0.01 each	281,625 Deferred shares of €1.00 each	Called up share capital presented as equity
Opening balance as at 1 January 2025	9,265,000	58,594,536	281,625	68,141,161
Shares redeemed	-	-	-	-
Share Reorganisation	-	-	-	-
Shares issued	-	-	-	-
Closing balance as at 31 December 2025	9,265,000	58,594,536	281,625	68,141,161
Carrying Value	9,169,534	585,945	281,625	10,037,104

	Allotted, called up and fully paid	Allotted, called up and fully paid	Allotted, called up and unpaid	Presented as follows:
	9,265,000 Deferred shares of €0.99 each	58,594,536 Ordinary shares of €0.01 each	281,625 Deferred shares of €1.00 each	Called up share capital presented as equity
Opening balance as at 1 January 2024	9,265,000	58,594,536	281,625	68,141,161
Shares redeemed	-	(17,876,119)	-	-
Share Reorganisation	-	-	-	-
Shares issued	-	17,876,119	-	-
Closing balance as at 31 December 2024	9,265,000	58,594,536	281,625	68,141,161
Carrying Value	9,169,534	585,945	281,625	10,037,104

At 31 December 2025 the share capital of the Company is held by Touax Investment S.C.A., SICAV-SIF 69.49% (2024: 69.49%) and Selective European Transport Equipment Fund (SETEF) 30.51% (2024: 30.51%).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**

15 RESERVES	2025	2024
	€	€
Profit and loss account:		
Opening Balance as at 1 Jan 2025	8,238,361	1,256,868
Profit / (Loss) for the financial year	(638,319)	1,115,815
Deductions	-	(334,322)
	<u>7,600,042</u>	<u>2,038,361</u>
Profit and loss	7,600,042	2,038,361
Transfer to distributable reserves	-	14,000,000
Dividends paid:		
Paid through capital contributions	-	-
Paid through reserves	(800,000)	(7,300,000)
	<u>(800,000)</u>	<u>(7,300,000)</u>
Dividends paid	(800,000)	(7,300,000)
Dividends declared but unpaid	-	(500,000)
Closing Balance as at 31 Dec 2025	<u><u>6,800,042</u></u>	<u><u>8,238,361</u></u>
Non Distributable reserves:		
Opening Balance as at 1 Jan 2025	<u>734,322</u>	<u>400,000</u>
True-up Payment (PAS-TX)	-	334,322
Closing Balance as at 31 Dec 2025	<u><u>734,322</u></u>	<u><u>734,322</u></u>
Analysed as:		
Reserves – retained earnings	7,534,365	8,972,683
Reserves – other comprehensive income	<u>844,672</u>	<u>1,540,440</u>
Closing shareholders' equity reserve	<u><u>8,379,037</u></u>	<u><u>10,513,123</u></u>
16 Dividends		
	2025	2024
	€	€
Touax Investment S.C.A SICAV-SIF	555,935	5,420,363
Selective European Transport Equipment Fund (SETEF)	<u>244,065</u>	<u>2,379,637</u>
	<u>800,000</u>	<u>7,800,000</u>

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

17 ANALYSIS OF CHANGES IN NET DEBT DURING THE FINANCIAL YEAR

	As at 31/12/2024	Cash flow	As at 31/12/2025
	€	€	€
Cash and cash equivalents	5,852,710	(1,064,042)	4,788,668
Borrowings – current	(4,330,355)	(21,865)	(4,352,220)
Borrowings – non-current	(66,458,702)	4,117,841	(62,340,861)
Net Debt	<u>(64,936,347)</u>	<u>3,031,934</u>	<u>(61,904,413)</u>

	As at 31/12/2023	Cash flow	As at 31/12/2024
	€	€	€
Cash and cash equivalents	5,412,424	440,286	5,852,710
Borrowings – current	(4,285,380)	(44,975)	(4,330,355)
Borrowings – non-current	(73,648,780)	7,190,078	(66,458,702)
Net Debt	<u>(72,521,736)</u>	<u>7,585,389</u>	<u>(64,936,347)</u>

18 RELATED PARTY TRANSACTIONS

	2025	2024
	€	€
<u>Transactions with Touax Rail Limited</u>		
Lease Revenues receivable from Touax Rail Limited	13,840,526	15,628,232
Operating Expenses billed by Touax Rail Limited	3,235,128	2,927,402
Railcars and parts acquired from Touax Rail Limited	3,060,564	5,860,396
Proceeds received from disposal of railcars	-	10,888,374
Net Receivable	10,605,400	23,589,204
Management Fee	1,384,053	1,546,748
Net payable for recharged costs	<u>6,160,782</u>	<u>16,182,060</u>

During the financial year ended 31 December 2025, the Company paid fees of €41,500 (2024: €44,480) to Waystone Centralised Services (IE) Limited for the provision of corporate and bookkeeping services.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**
19 DERIVATIVE FINANCIAL INSTRUMENTS

The Company is exposed to variability in future interest cash flows on its loans which bear interest at variable rates. The Company enters into interest rate swaps to hedge its interest rate cash flow exposure. The Company undertakes all of its transactions in interest rate contracts with other financial institutions. Derivatives held for hedging at 31 December 2025 are all accounted for using fair value accounting. The cash flow hedges resulted in a net unrealised gain of €962,087 (2024: €1,758,525) and a deferred tax liability of €99,555 (2024: €157,786) relating to the hedging instruments.

The table below summarises the Company's derivatives as at 31 December 2025:

Derivatives	Notional Amount	Assets	Liabilities
	€	€	€
Interest rate swaps	40,690,708	1,001,535	-
Interest rate collar	12,916,260	-	39,448
Total Derivatives	53,606,968	1,001,535	39,448

The table below summarises the Company's derivatives as at 31 December 2024:

Derivatives	Notional Amount	Assets	Liabilities
	€	€	€
Interest rate swaps	43,414,427	1,867,310	-
Interest rate collar	13,725,706	-	108,785
Total Derivatives	57,140,133	1,867,310	108,785

On 23rd December 2021 the Company entered into two new fixed interest rate swaps, commencing on 8th January 2023, for a notional amount of €48,180,934 (fixed on December 2021). The Company pays a fixed rate of 0.003% and receives a floating rate of the applicable EURIBOR. The agreement matures on the 8th January 2027.

On 9th January 2023 the Company entered a new interest rate collar, for a notional amount is fully The Company pays a fixed rate to a Cap-Rate and Floor-Rate of 3.5%p.a. and 1.75%p.a. and receives a floating rate of the applicable EURIBOR. The agreement matures on the 8th April 2027.

20 COMMITMENTS

There were no capital commitments at year end to report for 2025.

21 ULTIMATE PARENT COMPANY

Touax Investment S.C.A SICAV-SIF is the ultimate parent company and holds 69.49% (2024: 69.49%) of the Company's issued share capital. The company's registered office address is 19, rue de Bitbourg L-1273 Luxembourg where consolidated accounts can be obtained from if applicable.

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**
22 RISK MANAGEMENT

The Board reviews and agrees policies for the prudent management of each of these risks as documented below.

Credit risk

Credit risk for each counterparty is assessed prior to entering into any transaction. The risk related to the creditworthiness of specific counterparties is also monitored.

The Company has no external debtors and the amounts due relate to Touax Rail Limited which is 100% owned by Touax S.C.A.

The Company has exposure to credit risk on the cash balance it holds. The Company holds cash balances with AIB. The credit rating of AIB is A3 (2024: Baa2) as determined by Moody's Corporation.

Liquidity risk

Whenever the terms of assets and liabilities do not match, a liquidity risk is generated. In other words, when assets are more long-term than liabilities there is in theory a risk of insufficient liquidity if assets cannot be sold to meet maturing liabilities or repayment of lines of credit as expected.

To analyse this risk, the Company's gross indebtedness must be compared with its net fixed assets and its cash flow position; then the due dates for its gross repayments must be compared with its net fixed assets and cash flow; and then those due dates must be analysed by comparison with its self-financing resources.

The Company's debt, which is presented in Note 12 may be summarized as follows:

Medium and long-term loans:	2025 €	2024 €
Carrying amount	66,889,075	71,220,545
Carrying amount plus interest owing over life	70,302,675	79,718,047
Within 1 year	4,352,220	4,330,355
1 to 5 years	65,950,455	75,387,692
Greater than 5 years		-
Statement of Financial Position Figure	66,889,075	71,220,545
Breakdown		100%
Mean rate		1.50%
Portion with variable rate		100%

22 RISK MANAGEMENT (CONTINUED)**Market risk**

Market risk includes interest rate risk, currency risk and other price risk.

Interest rate risk

The Company has no open positions on derivative markets and no speculative financial instruments giving significant potential exposure to financial risks. The Company's financial cashflow is accordingly exposed only to interest rate fluctuations to the extent that it has loans from banks and other financial establishments.

Interest rates are monitored by the Board of Directors who consider the risks involved in borrowing funds through loans where the interest rate is equal to Euribor rates and income receivable is fixed by contract and cannot be increased to cover any increase in interest charged.

At the reporting date the interest rate profile of the Company's interest-bearing borrowings was:

	2025	2024
	€	€
Variable Rate Instruments	66,889,075	71,220,545

Cash flow sensitivity analysis for variable rate instruments:

An increase or decrease by 50 basis points will reduce or increase equity and profit and loss by €334,451 (2024: €356,103).

Cash Flow risk

The degree of vulnerability of a Company's future payables and receivables to the potential variations in the markets.

The Company has the risk of having sufficient cash to settle its debts as they fall due. The Company manages this risk through its capital structure and through the preparation of annual cash flow budgets and monitoring actual performance to budget.

Fair values and risk management

Under IFRS 13 Fair Value Measurement, the fair value of a financial asset and liability is the amount at which it could be exchanged in an arm's length transaction between informed and willing parties, other than in a forced sale or liquidation.

The carrying value of cash and cash equivalents, restricted cash balances, trade receivables, trade payables and borrowings are assumed to approximate their fair values.

The Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:-

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025**
22 RISK MANAGEMENT (CONTINUED)

31 December 2025	Level 1 EUR	Level 2 EUR	Level 3 EUR	Fair value EUR
Financial assets				
Trade and other receivables	-	2,085,224	-	2,085,224
Derivative financial instruments	-	-	1,001,535	1,001,535
Cash and cash equivalents	4,788,668	-	-	4,788,668
Total	4,788,668	2,085,224	1,001,535	7,875,427
Financial liabilities				
Borrowings	-	66,693,081	-	66,693,081
Derivative financial instruments	-	-	39,448	39,448
Trade payables	-	2,457,584	-	2,457,584
Total	-	69,150,665	39,448	69,190,113
31 December 2024	Level 1 EUR	Level 2 EUR	Level 3 EUR	Fair value EUR
Financial assets				
Trade and other receivables	-	2,220,205	-	2,220,205
Derivative financial instruments	-	-	1,867,310	1,867,310
Cash and cash equivalents	5,852,710	-	-	5,852,710
Total	5,852,710	2,220,205	1,867,310	9,940,225
Financial liabilities				
Borrowings	-	70,789,057	-	70,789,057
Derivative financial instruments	-	-	108,785	108,785
Trade payables	-	2,666,852	-	2,666,852
Total	-	73,455,909	108,785	73,564,694

Currency risk

The Company has no exposure to currency risk.

Other Price risk

The Company has no exposure to price risk.

23 EVENTS AFTER THE REPORTING YEAR

There have been no events between the reporting date and the date on which the financial statements were approved by the Board, which would require adjustment to the financial statements or any additional disclosures.

24 APPROVAL OF THE FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors on 20 March 2026.