

Toyoda Gosei Czech, s.r.o.

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2024

Toyoda Gosei Czech, s.r.o.
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2024
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1. The President's Introduction

“The President’s Introduction for the 2023 Fiscal Year”

The return to profitability for 2023 reflects our continued efforts to stabilise and grow the Company within the automotive sector.

Stabilisation and Return to Profit:

In 2023, our Company experienced stabilisation and a return to normality after years impacted by external factors. Through dedicated efforts, we eliminated these influences and restored the Company’s profitability.

Financial Compensation and Revenue Growth:

Throughout 2023, we successfully negotiated offsets with customers to mitigate economic losses from rising material, logistics, and energy costs. These offsets, combined with stabilised sales volumes and a favourable CZK/EUR exchange rate, led to a 19% increase in sales, reaching CZK 4.4 billion, and contributed to our return to profitability.

Sustainability and Innovation:

Committed to carbon neutrality and the CSRD standard, we continued to reduce CO2 emissions and develop sustainable, innovative solutions. Our initiatives include internal projects for energy conservation and more efficient technologies, as well as external efforts like obtaining planning permission for our first in-house photovoltaic power plant.

Key Milestones and Projects in 2023:

- **Safety systems and Functional Components:**

In 2023, we successfully launched the key Toyota C-HR project, which is being manufactured at their Turkish plant. As part of this project, we expanded the production of fuel filler pipes (FFPs) that meet the stringent EURO6 standards. In the area of safety components, we incorporated the standard Knee Airbag (KAB) to protect passengers’ knees, the Side Airbag (SAB) for side impact protection and introduced the innovative Front Side Airbag (FSAB), representing a significant advancement in our range.

Alongside this project, we initiated several smaller projects for Volkswagen and BMW vehicles. The customer compensations and the strengthening of the Euro against the Czech crown significantly contributed to our sales growth. We also invested in new technologies, including increased automation and robotisation, to further enhance our competitiveness and production efficiency.

Last year, we received several prestigious nominations from BMW and VW, enabling us to expand our product portfolio to include KAB, SAB, and FSAB for existing models. This allowed us to increase sales in safety components by 15% to CZK 2.6 billion and in functional parts by 7% to CZK 0.6 billion compared to the previous year. The impact of sales growth from new projects will become more pronounced in the next fiscal year, as most new projects were ramped up continuously throughout the year. The development of these products is taking place in Europe, underscoring our commitment to innovation and quality.

- **Weatherstrips (WS):**

In 2023, the WS Division focused on two key tasks critical to our strategic objectives. The first task was successfully completing the transfer of manufacturing capacity, inventory, and technology from our now dissolved fellow subsidiary in the UK. The second, equally important task, was starting production for the new Toyota C-HR, for which we developed and began manufacturing Glass Run (GR) and Door Weather Strips (DWS) components.

Taking over the production of GR from England allowed us sufficient time to familiarise ourselves with the product before implementing it into the new model, ensuring a smooth transition and ramp-up of production. On the other hand, DWS presented a new challenge for our division as it was an innovative product manufactured using completely new technology. This inexperience with the product and process, coupled with the high added value of human labour, presented several unexpected challenges in the early stages of the project. These difficulties led to a significant

deterioration in the quality rating from the customer's point of view. However, thanks to the joint efforts and intensive work of our team, we overcame these problems and stabilised production.

In the area of rubber seal production, we also focused on implementing new technologies and automation, particularly in the primary rubber profile production processes. These investments are aimed at further increasing our competitiveness and efficiency.

Total production volume increased by 22% compared to the previous year, reaching CZK 1.2 billion. This growth aligns with the trend observed for SS&FC products, with the completed transfer of production from England also contributing. This positive momentum reflects our continued commitment to innovation, quality, and excellence in all aspects of our business.

- **LED Division:**

The division only handles customer complaints, actual product sales have been stopped.

- **Other:**

The Company also sold production moulds to final customers in 2023 amounting to CZK 90.88 million.

Carbon neutrality:

In line with Toyoda Gosei's global targets, we have committed to reducing CO2 emissions by 30% by 2030. An important step toward achieving this goal was obtaining a building permit for our first photovoltaic power plant (PV power plant) in 2023, with construction beginning on the roof of the TG4 hall at the end of the fiscal year. Additionally, we pursued smaller projects to reduce energy consumption by replacing technology with more efficient and innovative alternatives and implementing various organisational measures.

Productivity and Employment:

At the end of the financial year, our workforce stood at 787, a decrease of 70 people as a result of increased productivity and a change in our product portfolio. Throughout 2023, we maintained positive cooperation with the OS Kovo Basic Organisation. Effective communication and mutual understanding were upheld through regular negotiations, culminating in the agreement on collective bargaining terms and conditions for 2024.

Environment:

Despite increased production, we kept pollutant emissions at the previous year's levels and achieved 100% recycling or energy recovery of our waste.

CSRD Criteria:

We proudly committed to meeting the criteria set by the CSRD standard, which includes transparent reporting on our social and environmental performance.

Diversity, Equity, and Inclusion (DE&I):

We are dedicated to fostering inclusion and diversity, reflecting modern trends and our commitment to integrating international employees so they feel at home and work happily.

Our Company remains committed to being Toyoda Gosei's most efficient manufacturing unit in Europe and to minimising the environmental impact of our operations. We do not have our own development department or subsidiaries outside the Czech Republic, and we do not own any treasury shares or business interests.

As of the date of the financial statements, management is not aware of any material subsequent events that would affect the financial statements as of 31 March 2024.

2. Report on Related Party Transactions

Report on Related Party Transactions

Toyoda Gosei Czech, s.r.o., registered at Průmyslová 2, 431 51 Klášterec nad Ohří, corporate ID: 26 43 71 71, recorded in the Register of Companies maintained at the Regional Court in Ústí and Labem, Section C, File 18630 (hereinafter the “**reporting entity**” or “**TGCZ**”), is a member of a business group, within which the relations detailed below exist between the reporting entity and the controlling entities and between the reporting entity and entities controlled by the same controlling entities (hereinafter the “**related parties**”).

This report on relations between the entities specified below was prepared pursuant to Section 82 of Act No. 90/2012 Coll., on Business Corporations, as amended, for the reporting period ended 31 March 2023 (hereinafter the “**reporting period**”).

TGCZ decided not to disclose the amounts of performances related to the listed agreements, for reasons of business secrecy.

The Company is controlled, as standard, by the owner through the General Meeting.

During the reporting period, the reporting entity and the entities listed below entered into the following agreements and adopted or implemented the following legal acts or other measures:

A. STRUCTURE OF THE RELATIONS BETWEEN THE CONTROLLING ENTITY AND THE CONTROLLED ENTITY AND BETWEEN THE CONTROLLED ENTITY AND THE PERSONS CONTROLLED BY THE SAME CONTROLLING ENTITY (manner and means of control)

The controlled entity:

Toyoda Gosei Czech, s.r.o.
Průmyslová 2, 431 51 Klášterec nad Ohří

The main scope of business activities (role) of TGCZ is the production of automotive parts and the purchase and sale of goods.

B. CONTROLLING ENTITIES

TOYODA GOSEI CO., LTD., (“TG”)

1 Haruhi Nagahata, Kiyosu, Aichi-Prefecture, Japan

Relation to the reporting entity: directly controlling entity – 80%

During the reporting period, the reporting entity sold to the related party the following:

- Products and material based on orders.

During the reporting period, the reporting entity purchased from the related party the following:

- Costs related to product testing based on orders;
- Technical support based on orders;
- Goods and material based on orders;
- Fees from sales based on the license contract;
- Management and coordinator wages based on the contract for the international hiring; and; and
- Costs related to control fixtures based on orders.

During the reporting period, the reporting entity received the following short-term loans from the related party:

- Loan agreement.

Toyota Tsusho Corporation, (“TTC”)

9-8, Meieki 4-chome, Nakamura-ku, Nagoya 450-8575, Japan

Relation to the reporting entity: directly controlling entity – 20%

C. OTHER RELATED PARTIES

Toyoda Gosei Europe N.V. (“TGE”)

Planet 2, Unit E 3.0. Leuvensesteenweg 542, 1930 Zaventem, Belgium

Relation to the reporting entity: entity controlled by TG (100%)

During the reporting period, the reporting entity sold to the related party the following:

- IT and other services.

During the reporting period, the reporting entity purchased from the related party the following:

- Technical support and sales support based on contracts; and
- Goods based on orders.

Toyoda Gosei Haiphong Co., Ltd. (“TGHP”)

Land Plot M, Nomura-Haiphong Industrial Zone, Km13, An Duong District, Haiphong City, Vietnam

Relation to the reporting entity: entity controlled by TG (95%) and TTC (5%)

During the reporting period, the reporting entity sold to the related party the following:

- Goods based on orders,
- Transport based on order.

Toyoda Gosei North America Corporation (“TGNA”)

1400 Stepheson Highway Troy, Michigan 48083, USA

Relation to the reporting entity: entity controlled by TG (100%)

During the reporting period, the reporting entity purchased from the related party the following:

- Material based on orders; and
- Technical support for an information system.

Toyoda Gosei Asia Co., Ltd. (“TGAS”)

700/489 Moo 4 Amata Nakorn Industrial Estate, Bangna-trad Highway KM.57, Tambon Bankhao, Amphur Pantong Chonburi 20160, Thailand

Relation to the reporting entity: entity controlled by TG (100%)

Toyoda Gosei (Thailand) Co., Ltd. (“TGT”)

700/489 Moo 4 Amata Nakorn Industrial Estate, Bangna Trad Highway KM. 57, Tambon Bankhao, Amphur Pantong, Chonburi 20160, Thailand

Relation to the reporting entity: entity controlled by TGAS (78.5%) and TTC (21.5%)

During the reporting period, the reporting entity sold to the related party the following:

- Goods based on orders.

Toyoda Gosei UK Ltd. (“TGUK”)

Bessemer Way Centurion Business Park, Templeborough Rotherham South Yorkshire, S60 1FB UK

Relation to the reporting entity: entity controlled by TG (91.1%) and TTC (8.9%)

During the reporting period, the reporting entity sold to the related party the following:

- Support IT services based on orders.

During the reporting period, the reporting entity purchased from the related party the following:

- Support services in the area of quality assurance based on orders;
- Products and material based on orders;
- Production machines and equipment based on orders; and
- Production transfer agreement.

TGUK was dissolved during the reporting period.

Toyoda Gosei Star Light (Tianjin) Auto Parts Co., Ltd. (“TJTG”)

No.4 Libei Street Sanjing Road Dongli Development Area Tianjin, 300300, China

Relation to the reporting entity: entity controlled by TG (100%)

During the reporting period, the reporting entity purchased from the related party the following:

- Material based on orders.

Toyota Tsusho Europe S.A., organizační složka v České republice (“TTESA CR”)

Plzeňská 3185//5b, 150 00 Prague 5, Smíchov, Czech Republic

Relation to the reporting entity: entity controlled by TTESA (100%)

During the reporting period, the reporting entity sold to the related party the following:

- Products and services based on orders.

During the reporting period, the reporting entity purchased from the related party the following:

- Material and goods based on a framework agreement;
- Services and other low value performances based on orders; and
- Production machinery and equipment based on orders.

Toyota Tsusho Europe S.A., France branch (“TTESA FR”)

Parc d' Activité de la Vallée de l'Escaut BP.10 – ZI No. 9 Ouest 59264 Onnaing, France

Relation to the reporting entity: entity controlled by TTESA (100%)

Toyota Tsusho Europe S.A. Poland (“TTESA PL”)

Poland branch, ul. M. Jachimowicza 6, Walbrzych, 58-306 Poland

Relation to the reporting entity: entity controlled by TTESA (100%)

Toyota Tsusho Europe NV (“TTESA”)

Belgicastraat 13, 1930 Zaventam, Belgium

Relation to the reporting entity: entity controlled by TTC (100%)

Toyota Tsusho Europe S.A. TÜRKIYE GEBZE SUBESİ (“TTESA TR”)

Bölgesi 5. cadde, 41400 Gebze/Kocaeli

Turkey

Relation to the reporting entity: entity controlled by TTESA (100%)

During the reporting period, the reporting entity purchased from the related party the following:

- Products based on orders

The above-mentioned contracts represent the entire list of valid contracts for the period from 1 April 2023 to 31 March 2024. In 2023, no other business performances were made or new contracts concluded beyond the scope of this list.

RELATED PARTY TRANSACTIONS IN 2023

Income Generated with Related Parties

(CZK '000)						
Entity	Relation to the reporting entity	Goods	Products	Services	Other income	Total
TG	Parent company	0	43	0	235	278
TGHP	Ultimate parent company	73 626	0	0	0	73 626
TGT	Ultimate parent company	14 384	6 029	0	46	20 459
TGUK	Ultimate parent company	0	0	0	512	512
TGE	Ultimate parent company	0	4	0	2 604	2 608
TGNA	Ultimate parent company	0	0	0	130	130
TTESA CR	Ultimate parent company	0	16 172	32	1 969	18 173
TTESA TR	Ultimate parent company	6 087	53 564	225	3 552	63 428
Total		94 097	75 812	257	9 048	179 214

Purchases Made from Related Parties

(CZK '000)							
Entity	Relation to the reporting entity	Goods	Products	Services	Interest	Other income	Total
TG	Parent company	0	635 039	189 493	21 070	1 224	846 826
TGHP	Ultimate parent company	0	0	5	0	14	19
TJTG	Ultimate parent company	2 579	0	0	0	0	2 579
TGUK	Ultimate parent company	24 754	1 230	1 194	0	0	27 178
TGE	Ultimate parent company	0	0	26 849	0	0	26 849
TGNA	Ultimate parent company	0	8 874	2 254	0	0	11 128
TGT	Ultimate parent company	0	16 634	0	0	83	16 717
TTESA CR	Ultimate parent company	28 012	341 074	40	0	723	369 849
TTESA TR	Ultimate parent company	409	0	240	0	-149	500
Total		55 754	1 002 851	220 075	21 070	1 895	1 301 645

Purchases of Tangible Fixed Assets from Related Parties

(CZK '000)		
Entity	Relation to the reporting entity	Intangible and tangible fixed assets
TGT	Ultimate parent company	8 054
TGUK	Ultimate parent company	1 237
TG	Parent company	0
Total		9 291

Dividends Paid to Controlling Entities

During 2023, the Company paid no profit shares.

Interest on Loans from a Controlling Entity

During the year 2023, interest on short-term loans in the amount of CZK 21,070 thousand was paid.

Compensation from a Dissolved Fellow Subsidiary

During 2023, projects were transferred from TGUK to TGCZ and compensation of EUR 4 million was received. This amount is gradually being dissolved into income based on a calculation of the costs incurred (loss of production, storage, warranty, etc.). In 2023, this amounts to CZK 32,504 thousand.

CONCLUSION

While exercising due care and diligence, the reporting entity is not aware of any related parties other than those disclosed herein. During the reporting period, the reporting entity took or executed no legal acts in the interest of or at the initiative of the related parties other than those described herein. Our review of the legal relations between the reporting entity and the related parties indicates that the reporting entity incurred no detriment in connection with contractual arrangements or legal acts or other measures that the reporting entity adopted or implemented during the reporting period in the interest of or at the initiative of individual related parties. It can also be stated that no disadvantages ensued to the reporting entity arising from these relations. Benefits included the strong economic background of the Group and benefits arising from trading within the group.

In Klášterec nad Ohří on 21 June 2024

Toyoda Gosei Czech, s.r.o.



Akihito Tsutsumiuchi
Statutory Executive

3. Financial Statements for the Year Ended 31 March 2024


FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2024

Name of the Company: Toyoda Gosei Czech, s.r.o.
Registered Office: Průmyslová 2, 431 51 Klášterec nad Ohří –
District of Chomutov
Legal Status: Limited Liability Company
Corporate ID: 264 37 171

Components of the Financial Statements:

Balance Sheet
Profit and Loss Account
Statement of Changes in Equity
Cash Flow Statement
Notes to the Financial Statements

These financial statements were prepared on 21 June 2024.

Statutory body of the reporting entity:	Signature
Akihito Tsutsumiuchi Statutory Executive	

BALANCE SHEET
full version

As of
31.03.2024
(in CZK thousand)

Toyota Gosei Czech, s.r.o.
Corporate ID 264 37 171

Průmyslová 2
431 51 Klášterec nad Ohří
okres Chomutov

		31.03.2024			31.03.2023
		Gross	Adjustment	Net	Net
	TOTAL ASSETS	5 448 314	2 597 415	2 850 899	3 034 514
B.	Fixed assets	3 867 027	2 558 820	1 308 207	1 352 994
<i>B.I.</i>	<i>Intangible fixed assets</i>	<i>160 167</i>	<i>145 160</i>	<i>15 007</i>	<i>10 382</i>
<i>B.I.2.</i>	<i>Valuable rights</i>	<i>158 834</i>	<i>145 160</i>	<i>13 674</i>	<i>9 860</i>
<i>B.I.2.1.</i>	Software	81 807	68 133	13 674	9 860
<i>B.I.2.2.</i>	Other valuable rights	77 027	77 027		
<i>B.I.5.</i>	<i>Prepayments for intangible fixed assets and intangible fixed assets under construction</i>	<i>1 333</i>		<i>1 333</i>	<i>522</i>
<i>B.I.5.2.</i>	Intangible fixed assets under construction	1 333		1 333	522
<i>B.II.</i>	<i>Tangible fixed assets</i>	<i>3 706 859</i>	<i>2 413 660</i>	<i>1 293 199</i>	<i>1 342 611</i>
<i>B.II.1.</i>	<i>Land and structures</i>	<i>1 277 735</i>	<i>609 313</i>	<i>668 422</i>	<i>707 823</i>
<i>B.II.1.1.</i>	Land	27 235		27 235	27 235
<i>B.II.1.2.</i>	Structures	1 250 500	609 313	641 187	680 588
<i>B.II.2.</i>	Tangible movable assets and sets of tangible movable assets	2 214 299	1 677 176	537 123	482 605
<i>B.II.4.</i>	<i>Other tangible fixed assets</i>	<i>140 373</i>	<i>127 171</i>	<i>13 202</i>	<i>5 762</i>
<i>B.II.4.1.</i>	Perennial crops	7 157	3 598	3 559	3 803
<i>B.II.4.3.</i>	Other tangible fixed assets	133 216	123 573	9 643	1 959
<i>B.II.5.</i>	<i>Prepayments for tangible fixed assets and tangible fixed assets under construction</i>	<i>74 452</i>		<i>74 452</i>	<i>146 421</i>
<i>B.II.5.1.</i>	Prepayments for tangible fixed assets	4 950		4 950	15 174
<i>B.II.5.2.</i>	Tangible fixed assets under construction	69 502		69 502	131 247
<i>B.III.</i>	<i>Non-current financial assets</i>	<i>1</i>		<i>1</i>	<i>1</i>
<i>B.III.3.</i>	Equity investments in associates	1		1	1
C.	Current assets	1 291 676	38 272	1 253 404	1 456 631
<i>C.I.</i>	<i>Inventories</i>	<i>692 636</i>	<i>35 729</i>	<i>656 907</i>	<i>862 378</i>
<i>C.I.1.</i>	Material	460 673	26 629	434 044	572 164
<i>C.I.2.</i>	Work in progress and semifinished goods	24 084		24 084	27 406
<i>C.I.3.</i>	<i>Products and goods</i>	<i>207 879</i>	<i>9 100</i>	<i>198 779</i>	<i>262 808</i>
<i>C.I.3.1.</i>	Products	105 492	6 737	98 755	99 624
<i>C.I.3.2.</i>	Goods	102 387	2 363	100 024	163 184
<i>C.II.</i>	<i>Receivables</i>	<i>426 252</i>	<i>2 543</i>	<i>423 709</i>	<i>505 695</i>
<i>C.II.1.</i>	<i>Long-term receivables</i>	<i>1 205</i>		<i>1 205</i>	<i>16 213</i>
<i>C.II.1.4.</i>	Deferred tax asset				14 716
<i>C.II.1.5.</i>	<i>Receivables - other</i>	<i>1 205</i>		<i>1 205</i>	<i>1 497</i>
<i>C.II.1.5.4.</i>	Sundry receivables	1 205		1 205	1 497
<i>C.II.2.</i>	<i>Short-term receivables</i>	<i>425 047</i>	<i>2 543</i>	<i>422 504</i>	<i>489 482</i>
<i>C.II.2.1.</i>	Trade receivables	389 169	1 417	387 752	426 051
<i>C.II.2.4.</i>	<i>Receivables - other</i>	<i>35 878</i>	<i>1 126</i>	<i>34 752</i>	<i>63 431</i>
<i>C.II.2.4.3.</i>	State - tax receivables	19 999		19 999	46 853
<i>C.II.2.4.4.</i>	Short-term prepayments made	12 395		12 395	15 220
<i>C.II.2.4.5.</i>	Estimated receivables	232		232	396
<i>C.II.2.4.6.</i>	Sundry receivables	3 252	1 126	2 126	962
<i>C.IV.</i>	<i>Cash</i>	<i>172 788</i>		<i>172 788</i>	<i>88 558</i>
<i>C.IV.1.</i>	Cash on hand	184		184	108
<i>C.IV.2.</i>	Cash at bank	172 604		172 604	88 450
D.	Other assets	289 611	323	289 288	224 889
<i>D.1.</i>	Deferred expenses	2 227		2 227	2 521
<i>D.2.</i>	Complex deferred expenses	54 663		54 663	30 323
<i>D.3.</i>	Accrued income	232 721	323	232 398	192 045

		31.03.2024	31.03.2023
	TOTAL LIABILITIES & EQUITY	2 850 899	3 034 514
A.	Equity	1 409 360	1 312 845
A.I.	Share capital	970 000	970 000
A.I.1.	Share capital	970 000	970 000
A.II.	Share premium and capital funds	256	256
A.II.2.	Capital funds	256	256
A.II.2.1.	Other capital funds	256	256
A.III.	Funds from profit	51 438	51 438
A.III.1.	Other reserve funds	51 438	51 438
A.IV.	Retained earnings (+/-)	291 151	390 621
A.IV.1.	Accumulated profits or losses brought forward (+/-)	291 151	390 621
A.V.	Profit or loss for the current period (+/-)	96 515	-99 470
B.+C.	Liabilities	1 344 032	1 685 161
B.	Reserves	54 054	72 573
B.II.	Income tax reserve	4 030	
B.IV.	Other reserves	50 024	72 573
C.	Payables	1 289 978	1 612 588
C.I.	Long-term payables	16 760	778
C.I.4.	Trade payables		778
C.I.8.	Deferred tax liability	16 760	
C.II.	Short-term payables	1 273 218	1 611 810
C.II.2.	Payables to credit institutions		469 800
C.II.4.	Trade payables	271 970	296 850
C.II.6.	Payables - controlled or controlling entity	671 702	505 035
C.II.8.	Other payables	329 546	340 125
C.II.8.3.	Payables to employees	28 478	28 978
C.II.8.4.	Social security and health insurance payables	14 841	14 207
C.II.8.5.	State - tax payables and subsidies	135	
C.II.8.6.	Estimated payables	286 047	291 980
C.II.8.7.	Sundry payables	45	4 960
D.	Other liabilities	97 507	36 508
D.2.	Deferred income	97 507	36 508

PROFIT AND LOSS ACCOUNT
structured by the nature of expense method

Toyota Gosei Czech, s.r.o.
Corporate ID 264 37 171

Year ended
31.03.2024
(in CZK thousand)

Průmyslová 2
431 51 Klášterec nad Ohří
okres Chomutov

		Year ended 31.03.2024	Year ended 31.03.2023
I.	Sales of products and services	4 187 925	3 548 243
II.	Sales of goods	266 955	191 318
A.	Purchased consumables and services	3 491 516	3 136 379
A.1.	Costs of goods sold	210 507	140 180
A.2.	Consumed material and energy	2 749 610	2 487 775
A.3.	Services	531 399	508 424
B.	Change in internally produced inventory (+/-)	-6 539	12 794
D.	Staff costs	603 340	563 729
D.1.	Payroll costs	436 109	403 517
D.2.	Social security and health insurance costs and other charges	167 231	160 212
D.2.1.	Social security and health insurance costs	144 218	139 662
D.2.2.	Other charges	23 013	20 550
E.	Adjustments to values in operating activities	183 885	144 855
E.1.	Adjustments to values of intangible and tangible fixed assets	174 178	163 562
E.1.1.	Adjustments to values of intangible and tangible fixed assets - permanent	175 111	179 088
E.1.2.	Adjustments to values of intangible and tangible fixed assets - temporary	-933	-15 526
E.2.	Adjustments to values of inventories	12 367	-16 488
E.3.	Adjustments to values of receivables	-2 660	-2 219
III.	Other operating income	60 710	74 857
III.1.	Sales of fixed assets	251	1 554
III.2.	Sales of material	2 303	1 998
III.3.	Sundry operating income	58 156	71 305
F.	Other operating expenses	40 891	93 486
F.1.	Net book value of sold fixed assets		2 876
F.2.	Material sold	8 623	7 547
F.3.	Taxes and charges	2 116	5 208
F.4.	Reserves relating to operating activities and complex deferred expenses	-13 564	30 081
F.5.	Sundry operating expenses	43 716	47 774
*	Operating profit or loss (+/-)	202 497	-136 825
VI.	Interest income and similar income	2 986	81
VI.2.	Other interest income and similar income	2 986	81
J.	Interest expenses and similar expenses	38 605	12 253
J.1.	Interest expenses and similar expenses - controlled or controlling entity	21 070	
J.2.	Other interest expenses and similar expenses	17 535	12 253
VII.	Other financial income	71 575	96 516
K.	Other financial expenses	112 339	70 249
*	Financial profit or loss (+/-)	-76 383	14 095
**	Profit or loss before tax (+/-)	126 114	-122 730
L.	Income tax	29 599	-23 260
L.1.	Due income tax	-1 876	-5 808
L.2.	Deferred income tax (+/-)	31 475	-17 452
**	Profit or loss net of tax (+/-)	96 515	-99 470
***	Profit or loss for the current period (+/-)	96 515	-99 470
*	Net turnover for the current period	4 590 151	3 911 015

**STATEMENT OF
CHANGES IN EQUITY**Toyota Gosei Czech, s.r.o.
Corporate ID 264 37 171Year ended
31.03.2024
(in CZK thousand)Průmyslová 2
431 51 Klášterec nad Ohří
okres Chomutov

	Share capital	Capital funds	Funds from profit, reserve fund	Accumulated profits or losses brought forward	Profit or loss for the current period	TOTAL EQUITY
Balance at 31 March 2022	970 000	256	51 438	460 819	-70 198	1 412 315
Distribution of profit or loss				-70 198	70 198	
Profit or loss for the current period					-99 470	-99 470
Balance at 31 March 2023	970 000	256	51 438	390 621	-99 470	1 312 845
Distribution of profit or loss				-99 470	99 470	
Profit or loss for the current period					96 515	96 515
Balance at 31 March 2024	970 000	256	51 438	291 151	96 515	1 409 360

CASH FLOW STATEMENT

Year ended
31.03.2024
(in CZK thousand)

Toyota Gosei Czech, s.r.o.
Corporate ID 264 37 171

Průmyslová 2
431 51 Klášterec nad Ohří
okres Chomutov

		Year ended 31.03.2024	Year ended 31.03.2023
P.	Opening balance of cash and cash equivalents	88 558	149 729
	<i>Cash flows from ordinary activities (operating activities)</i>		
Z.	Profit or loss before tax	126 114	-122 730
A.1.	Adjustments for non-cash transactions	287 903	212 048
A.1.1.	Depreciation of fixed assets	175 111	179 088
A.1.2.	Change in provisions and reserves	-13 775	-10 553
A.1.3.	Profit/(loss) on the sale of fixed assets	-251	1 322
A.1.5.	Interest expense and interest income	35 619	12 172
A.1.6.	Adjustments for other non-cash transactions	91 199	30 019
A.*	Net operating cash flow before changes in working capital	414 017	89 318
A.2.	Change in working capital	202 839	-159 553
A.2.1.	Change in operating receivables and other assets	-23 249	-89 819
A.2.2.	Change in operating payables and other liabilities	32 984	94 760
A.2.3.	Change in inventories	193 104	-164 494
A.**	Net cash flow from operations before tax	616 856	-70 235
A.3.	Interest paid	-38 805	-10 839
A.4.	Interest received	2 986	81
A.5.	Income tax paid from ordinary operations	12 558	14 024
A.***	Net operating cash flows	593 595	-66 969
	<i>Cash flows from investing activities</i>		
B.1.	Fixed assets expenditures	-136 841	-182 065
B.2.	Proceeds from fixed assets sold	251	30 513
B.***	Net investment cash flows	-136 590	-151 552
	<i>Cash flow from financial activities</i>		
C.1.	Change in payables from financing	-372 775	157 350
C.***	Net financial cash flows	-372 775	157 350
F.	Net increase or decrease in cash and cash equivalents	84 230	-61 171
R.	Closing balance of cash and cash equivalents	172 788	88 558

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2024**

Name of the Company: Toyota Gosei Czech, s.r.o.

Registered Office: Průmyslová 2, 431 51 Klášterec nad Ohří,
District of Chomutov

Legal Status: Limited Liability Company

Corporate ID: 264 37 171

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1. GENERAL INFORMATION

1.1. Incorporation and Description of the Company

Toyoda Gosei Czech, s.r.o. (hereinafter referred to as the “Company”) was established by a Deed of Association as a limited liability company on 21 December 2000 and was incorporated following its registration in the Register of Companies held at the Regional Court in Ústí nad Labem, Section C, File 18630, on 1 March 2001.

The Company is primarily engaged in:

- Foundry work, modelling;
- Production, trade and services not listed in appendices 1 to 3 to the Trade Licensing Act; and
- Production, installation, repairs of electrical machines and appliances, electronic and telecommunication equipment.

The Company’s registered office is located at Průmyslová 2, 431 51 Klášterec nad Ohří, Chomutov region.

The Company’s share capital is CZK 970,000 thousand.

The financial statements of the Company were prepared as of 31 March 2024 for the period of 12 months (hereinafter referred to as “2023”). The prior year’s financial statements of the Company were prepared as of 31 March 2023 for the period of 12 months (hereinafter referred to as “2022”).

The following table shows individuals and corporate entities with an equity interest greater than 20% and the amount of their equity interest:

Owner	Ownership percentage
TOYODA GOSEI CO., LTD., 1, Haruhinagahata, Kiyosu Aichi-Prefecture, 452-8564, Japan	80%
TOYOTA TSUSHO CORPORATION, Toyota Bldg., 9-8, Meieki 4-chrome, Nakamura-ku, Nagoya, 450-8575, Japan	20%
Total	100%

The Company’s primary activities include the manufacture of automotive parts and the purchase and sale of goods.

1.2. Year-on-Year Changes and Amendments to the Register of Companies

During the 2023 reporting period, there was a change in the position of the statutory executive.

Company's organisational structure

- President of the Company
 - HR and public affairs department
 - Finance
 - IT
 - HR and general affairs department
 - Procurement
 - Quality and project management
 - Quality and project management in Hall 1
 - Quality and project management in Hall 2
 - Quality and project management in Halls 3 and 4
 - Quality assurance
 - Production Hall 1
 - Production administration in Hall 1
 - Technical department in Hall 1
 - Production department in Hall 1
 - Production Hall 2
 - Production administration in Hall 2
 - Technical department in Hall 2
 - Production department in Hall 2
 - Production Hall 3
 - Production department in Hall 3 – primary process
 - Production department in Hall 3 – secondary process
 - Production Hall 4
 - Production department in Hall 4 – secondary process
 - Technical department in Hall 3 and Hall 4
 - Technical department for Hall 3 and Hall 4
 - Primary-process technical department
 - Secondary-process technical department
 - Production-technical department

1.3. Group Identification

The Company is included in the Japanese Toyoda Gosei Corporation Limited Group.

The consolidated financial statements of the Group are available at www.toyoda-gosei.com.

1.4. Statutory Body

	Position	Period	Name
Statutory body	Statutory executive	Until 31 January 2024	Shoji Okajima
Statutory body	Statutory executive	Since 31 January 2024	Akihito Tsutsumiuchi

2. BASIS OF ACCOUNTING AND GENERAL ACCOUNTING PRINCIPLES

The Company's accounting books and records are maintained, and the financial statements were prepared in accordance with Accounting Act 563/1991 Coll., as amended; Regulation 500/2002 Coll. which provides implementation guidance on certain provisions of the Accounting Act for reporting entities that are businesses maintaining double-entry accounting records, as amended; and Czech Accounting Standards for Businesses, as amended.

The accounting records are maintained in compliance with general accounting principles, specifically the historical cost valuation basis, the accruals principle, the prudence concept and the going concern assumption.

These financial statements are presented in thousands of Czech crowns ("CZK").

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Tangible Fixed Assets

Tangible fixed assets include assets with an estimated useful life greater than one year and an acquisition cost greater than CZK 5 thousand on an individual basis.

Purchased tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment losses.

Tangible fixed assets developed internally are valued at direct costs, incidental costs directly attributable to the internal production of assets (production overheads), or alternatively incidental costs of an administrative character if the production period of the assets exceeds one accounting period.

The following tangible fixed assets are stated at replacement cost: tangible fixed assets acquired through donation, tangible fixed assets acquired without consideration on the basis of a contract to purchase a leased asset (accounted for by a corresponding entry in the relevant accumulated depreciation account), fixed assets recently entered in the accounting records (accounted for by a corresponding entry in the relevant accumulated depreciation account), and an investment of tangible fixed assets. The replacement cost is determined based on an expert valuation report prepared by a certified appraiser.

The cost of fixed asset improvements exceeding CZK 80 thousand for the period increases the acquisition cost of the related tangible fixed asset.

Depreciation is charged so as to write off the cost of tangible fixed assets, other than land and assets under construction, over their estimated useful lives, using the straight line method, on the following basis:

	Number of years
Administrative buildings	50
Industrial buildings and halls	30
Infrastructure networks	20
Air-conditioning, EPS, conveyors, etc.	12
Machinery for the production of weatherstrips	10
Machinery for the production of security systems and functional components	8
Other machines and equipment	6
Other furniture and fixtures	6
Servers, computers and peripheral devices	4
Transportation containers	4
Measurement and inspection devices, various instruments and tools	4
Moulds	2
Assets between CZK 5 thousand and CZK 80 thousand	2

Assets held under finance leases are depreciated by the lessor.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the net book value of the asset at the sale date and is recognised through the profit and loss account.

Provisioning

Provisions against tangible fixed assets are created based on the results of inventory taking or, if relevant, supporting documents from technical segments. The Company regularly assesses all indicators that might cause asset impairment and require relevant adjustments in the financial statements.

3.2. Intangible Fixed Assets

Intangible fixed assets include assets with an estimated useful life greater than one year and an acquisition cost greater than CZK 60 thousand on an individual basis.

Intangible fixed assets also comprise software or valuable rights. Software and valuable rights generated internally for the Company's internal needs are not capitalised. Internally generated intangible assets are stated at the lower of internal production costs and replacement cost.

Purchased intangible fixed assets are stated at cost less accumulated amortisation.

The cost of fixed asset improvements exceeding CZK 60 thousand for the period increases the acquisition cost of the related intangible fixed asset.

Amortisation of intangible fixed assets is recorded on a straight line basis over their estimated useful lives as follows:

	Number of years
Software	6
Valuable rights	5

Provisioning

The Company creates provisions against intangible fixed assets based on the results of inventory taking.

3.3. Inventory

The Company measures the inventory using standard prices determined for the particular period.

Internally developed inventory – internally developed semi-finished goods and finished products – are valued at the calculated costs, which primarily consist of the direct costs of production (direct material, direct wages, other direct costs) and the portion of indirect costs relating to production. Financial expenses relating to the use of external funding can be reported as part of the cost of producing the inventory solely if they relate to the period of their production.

Provisioning

Inventories are provisioned as follows:

- The balance of final products or goods in stock from finished projects for which no other use is anticipated (in the amount of 100% according to the underlying documents of the production administrative),
- The balance of final products or goods in stock from finished projects for which other use is anticipated (six years after the termination of the project in the amount of 30%, nine years after 60% and twelve years after 90%);
- The amount of final products or goods in stock for items, the standard cost of which is higher than the selling price, in the amount of the difference increased by the estimate of expenses relating to their sales;
- The amount of moulds intended for sale, the acquisition cost of which is higher than the selling price, in the amount of the difference; and
- Inventories older than six months or one year which will, however, be used to produce spare parts when the project is completed are not provided for.

3.4. Receivables

Upon origination, receivables are stated at their nominal value as subsequently reduced by appropriate provisions for bad amounts. Provisions are also created against unbilled supplies based on a self-billing contract with the customer, ie against items that were not included by the customer in its billing. Provisions against receivables are recognised if doubts exist as to their recoverability.

Provisioning

Based on an analysis of the maturity of receivables, the Company creates a 50 % provision against receivables past due between 180 to 365 days, while receivables past due for more than 365 days are provisioned in full. Provisions against intercompany receivables are only created in exceptional situations. In determining the provisioning charges, the Company also refers to the status of court proceedings, the financial health of the debtor, opinions from legal counsel, etc.

3.5. Trade Payables

Trade payables are stated at their nominal value.

3.6. Loans

Loans are stated at their nominal value.

The portion of long-term loans maturing within one year from the balance sheet date is included in short-term loans.

Interest is included in the profit or loss for the period.

All borrowing costs are recorded to the profit and loss account in the period in which they are incurred.

3.7. Reserves

Reserves are intended to cover future risks or expenditure, the nature of which is clearly defined, and which are likely to be incurred, but which are uncertain as to the amount or the date on which they will be utilised.

The Company recognises reserves for warranties, where it undertakes to participate in covering the costs incurred on delivering faulty components or addressing complaints made during the warranty period. The calculation is based on the monitoring of the development of defects reported by customers which is conducted by the Quality Control Department and the aggregate production of the reporting period. The maximum warranty repair period is five years after the relevant component is delivered to a customer. For that period, the Company maintains the reserves. After five years, the previously maintained and undrawn reserve is released.

The Company also recognises a non-tax deductible reserve for outstanding vacation days on a monthly basis by reference to the proportional part of the total entitlement to the number of vacation days and the average assessment bases. Furthermore, the Company accounts for reserves for repairs of tangible fixed assets, for contingent liabilities arising from legal disputes or for employee benefits.

In 2012, the Company started creating accounting reserves for employee benefits as a result of the current employment policy and the number and structure of the Company's employees.

3.8. Foreign Currency Translations

Transactions denominated in foreign currencies during the year are translated using the daily exchange rate of the Czech National Bank.

At the balance sheet date, financial assets, short-term receivables and payables denominated in a foreign currency are translated using the effective exchange rate promulgated by the Czech National Bank as of that date. Any resulting foreign exchange rate gains and losses are recorded as the current year's financial expenses or revenues as appropriate.

3.9. Finance Leases

A finance lease is the acquisition of a tangible fixed asset such that, over or after the contractual lease term, ownership title to the asset transfers from the lessor to the lessee; pending the transfer of title, the lessee makes lease payments to the lessor for the asset that are charged to expenses.

If a finance lease contains an initial lump-sum payment, the lump-sum payment is accrued as an asset and released as an expense over the life of the lease.

Leasehold improvements are depreciated over the lease term. Following the transfer of ownership title of the leased asset to the lessee, the cost of improvements is added to the value of acquired assets and the depreciation of this increased amount continues.

3.10. Operating Leases

Operating leases represent a short-term or long-term lease when the lessee returns the leased asset to the lessor once the lease expires. No contractual claim exists regarding the potential transfer of the leased asset to the lessee's possession.

TGCZ holds assets under operating leases. Related costs are charged to operating expenses under 'Services' based on invoices received from the individual lessors. Payables are recorded as trade payables and divided into short-term and long-term payables.

3.11. Taxation

3.11.1. Depreciation of Fixed Assets for Tax Purposes

Depreciation of fixed assets is calculated using the straight line method for tax purposes.

3.11.2. Current Tax Payable

The tax currently payable is based on taxable profit for the reporting period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using the tax rates that have been enacted by the balance sheet date.

3.11.3. Deferred Tax

Deferred tax is accounted for using the balance sheet liability method.

Under the liability method, deferred tax is calculated at the income tax rate that is expected to apply in the period when the tax liability is settled, or the asset realised.

The balance sheet liability method focuses on temporary differences which are differences between the tax base of an asset or liability and its carrying amount in the balance sheet. The tax base of an asset or liability is the amount that will be deductible for tax purposes in the future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is charged or credited to the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset and reported on an aggregate net basis in the balance sheet, except when partial tax assets cannot be offset against partial tax liabilities.

3.12. Government Grants

Grants received to offset costs are recognised as other operating and financial income over the period necessary to match them with the related costs. Grants received to acquire tangible and intangible fixed assets and technical improvements and grants towards interest expenses added to the cost are deducted in reporting their cost or internal cost. Grants received for the creation of jobs are posted to income when the Company reaches the required number of employees.

3.13. Revenue Recognition

Revenues are recognised in line with the delivery terms concluded with the customer, i.e. when goods are delivered and accepted by the customer, and when goods are shipped out of stock and title has passed to the customer. Revenues are reported net of discounts and VAT.

Revenues from services are recognised when services are rendered and are reported net of discounts and VAT.

3.14. Use of Estimates

The presentation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Management of the Company believes that the estimates and assumptions used will not significantly differ from the actual results and outcomes in the following reporting periods.

3.15. Year-on-Year Changes in Valuation, Depreciation or Accounting Policies

No year-on-year change in the accounting policy was determined.

3.16. Cash Flow Statement

The cash flow statement is prepared using the indirect method. Cash equivalents include current liquid assets easily convertible into cash in an amount agreed in advance. Cash and cash equivalents can be analysed as follows:

	(CZK '000)	
	31 March 2024	31 March 2023
Cash on hand and cash in transit	184	108
Cash at bank	172 604	88 450
Total cash and cash equivalents	172 788	88 558

Cash flows from operating, investment and financial activities presented in the cash flow statement are not offset. The change in the balance of received loans is reported in line C.1. 'Change in payables from financing' of the cash flow statement.

3.17. Summary of Used Abbreviations with Related Parties

Abbreviation	Entity	Country
TJTG	Toyoda Gosei Star Light (Tianjin) Auto Parts Co., Ltd.	China
MTG	Minda TG Rubber Pvt Ltd.	India
TG	TOYODA GOSEI Co. Ltd.	Japan
TGE	Toyoda Gosei Europe N.V.	Belgium
TGEJ	TG Higashi Nihon Co., Ltd.	Japan
TGHP	Toyoda Gosei Haiphong Co., Ltd.	Vietnam
TGNA	Toyoda Gosei North America Corporation	USA
TGRT	Toyoda Gosei Rubber (Thailand) Co.,Ltd.	Thailand
TGT	Toyoda Gosei Thailand Co., Ltd.	Thailand
TGUK	Toyoda Gosei UK Ltd.	United Kingdom
TGZS	Toyoda Gosei (Zhangjiagang) Co., Ltd.	China
TT Praha	Toyota Tsusho Praha, s.r.o.	Czech Republic
TTESA CR	Toyota Tsusho Europe S.A., organisational branch in the Czech Republic	Czech Republic
TTESA FR	Toyota Tsusho Europe S.A., Onnaing	France
TTESA PL	Toyota Tsusho Europe S.A. Oddział w Polsce	Poland
TTESA TR	Toyota Tsusho Europe S.A., Gebze	Turkey
WTG	Waterville TG Inc.	Canada

4. ADDITIONAL INFORMATION ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

4.1. Fixed Assets

4.1.1. Intangible Fixed Assets

Overview of principal balances:

Major items include software used for communicating with customers and the ERP system which is subject to regular assessment. Non-capitalised intangible assets predominantly include technical improvements of software, which will be capitalised in 2024.

4.2. Tangible Fixed Assets

Cost

	(CZK '000)						
	Balance at 31 March 2022	Additions	Disposals	Balance at 31 March 2023	Additions	Disposals	Balance at 31 March 2024
Land	27 235	0	0	27 235	0	0	27 235
Structures	1 218 706	24 418	1 679	1 241 445	9 055	0	1 250 500
Tangible movable assets							
- <i>Machines and equipment</i>	2 084 958	65 102	122 319	2 027 741	162 483	65 322	2 124 902
- <i>Vehicles</i>	625	0	0	625	0	0	625
- <i>Furniture and fixtures</i>	23 610	2 693	3 978	22 325	1 430	322	23 433
- <i>Sundry tangible fixed assets</i>	59 077	5 794	5 030	59 841	7 835	2 337	65 339
Other tangible fixed assets and perennial crops	130 460	60	2 454	128 066	12 655	348	140 373
Tangible fixed assets under construction	27 809	218 889	115 451	131 247	162 362	224 107	69 502
Prepayments for tangible fixed assets	33 540	24 309	42 675	15 174	0	10 224	4 950
Total	3 606 020	341 265	293 586	3 653 699	355 820	302 660	3 706 859

Accumulated Depreciation

	(CZK '000)						
	Balance at 31 March 2022	Additions	Disposals	Balance at 31 March 2023	Additions	Disposals	Balance at 31 March 2024
Land	0	0	0	0	0	0	0
Structures	515 457	48 137	2 737	560 857	48 456	0	609 313
Tangible movable assets							
- <i>Machines and equipment</i>	1 574 414	105 309	118 963	1 560 760	77 071	34 284	1 603 547
- <i>Vehicles</i>	625	0	0	625	0	0	625
- <i>Furniture and fixtures</i>	13 954	2 411	3 924	12 441	2 190	0	14 631
- <i>Sundry tangible fixed assets</i>	53 797	5 284	4 980	54 101	4 946	674	58 373
Other tangible fixed assets and perennial crops	122 178	2 581	2 455	122 304	4 867	0	127 171
Total	2 280 425	163 722	133 059	2 311 088	137 530	34 958	2 413 660

Net Book Value

	(CZK '000)	
	Balance at 31 March 2023	Balance at 31 March 2024
Land	27 235	27 235
Structures	680 588	641 187
Individual movable tangible assets		
- <i>Machines and equipment</i>	466 981	521 355
- <i>Vehicles</i>	0	0
- <i>Furniture and fixtures</i>	9 884	8 802
- <i>Sundry tangible fixed assets</i>	5 740	6 966
Other tangible fixed assets and perennial crops	5 762	13 202
Tangible fixed assets under construction	131 247	69 502
Prepayments for tangible fixed assets	15 174	4 950
Total	1 342 611	1 293 199

In 2023, the Company released a provision against tangible movable assets in the amount of CZK 933 thousand. In 2022, a provision of CZK 15,526 thousand was released.

The balance sheet value of the provision against tangible movable assets decreased to CZK 7,277 thousand as of 31 March 2024 (compared to CZK 8,210 thousand as of 31 March 2023).

In 2023, major additions to assets primarily include additional equipment for new production technologies acquired in previous years. In addition, there were investments in automation and robotics.

In 2023 and 2022, the Company acquired tangible assets which were directly expensed in the amounts of CZK 882 thousand and CZK 1,304 thousand, respectively. These assets comprise low value tangible assets consisting of other movable assets and sets of movable assets with an estimated useful life exceeding one year. These assets are excluded from fixed assets and are expensed on one-off basis.

In 2023, the main disposal of tangible assets includes the disposal of machinery and equipment due to the termination of production within projects.

Interest was not capitalised as part of the cost of tangible fixed assets.

4.2.1. Assets Held under Finance and Operating Lease Agreements

Finance Leases with Subsequent Purchase

	(CZK '000)		
Description	Total lease value	Payments made in the year ended 31 March 2024	Due in following years
Total cars and machinery	0	0	0

The above figures are net of VAT if input VAT recovery is possible.

Operating Leases

Description	Date of inception	Date of expiration	Total lease value	Payments made in the year ended 31 March 2024	(CZK '000)
					Payments due in the following years
Handling technology	11/2016 - 03/2024	05/2023 - 02/2028	45 083	25 645	19 438
Cars	07/2016 - 04/2024	04/2023 - 04/2029	29 800	19 547	10 253
Machinery	04/2018 - 04/2022	08/2023 - 05/2026	29 511	28 023	1 488

The above figures are net of VAT if input VAT recovery is possible.

4.3. Inventory

	(CZK '000)	
	Balance at 31 March 2024	Balance at 31 March 2023
Material	460 673	587 492
Work in progress	24 084	27 406
Products	105 492	105 305
Goods	63 449	51 629
Goods – moulds and tools intended for sale	38 938	113 908
Prepayments made for inventory	0	0
Provisions	-35 729	-23 362
Total	656 907	862 378

In 2023 and 2022, a provision against inventory of products was created in the balance sheet amount of CZK 6,737 thousand and CZK 5,681 thousand, respectively; a provision against inventory of goods amounted to CZK 2,363 thousand and CZK 2,353 thousand, respectively; a provision against material was recognised in the amount of CZK 26,629 thousand and CZK 15,328 thousand, respectively. The reason for the increase is the takeover of the service parts warehouse of the defunct fellow subsidiary TGUK, for which a provision is made according to the standard procedure (see paragraph 3.3). By management decision, a provision was also made for inventories of materials and products for suspended projects related to deliveries to Russia.

4.4. Receivables**4.4.1. Long-Term Receivables**

Since 2006, the Company has provided loans to its employees. As of 31 March 2024, the long-term portion of these loans is not reported (CZK 0 thousand as of 31 March 2023).

The Company paid recoverable deposits related to the lease of residential and non-residential (storage) premises. As of 31 March 2024, the value of the deposits amounts to CZK 1,205 thousand (31 March 2023: CZK 1,497 thousand).

4.4.2. Short-Term ReceivablesAging of Trade Receivables

								(CZK '000)	
Year ended 31 March	Category	Before due	Past due				Total past due	Total	
			1 – 90 days	91 – 180 days	181 days – 2 years	2 years and more			
2023	Gross	229 916	39 752	5 047	103 904	10 550	159 253	389 169	
	Provisions	0	0	0	1 182	235	1 417	1 417	
	Net	229 916	39 752	5 047	102 722	10 315	157 836	387 752	
2022	Gross	238 262	39 232	7 687	143 332	1 340	191 591	429 853	
	Provisions	0	0	0	2 854	948	3 802	3 802	
	Net	238 262	39 232	7 687	140 478	392	187 789	426 051	

Receivables typically mature within one to three months, depending on the customer.

Intercompany Receivables

		(CZK '000)	
Entity		Balance at 31 March 2024	Balance at 31 March 2023
Short-term receivables			
<u>Trade</u>			
<i>In the Toyoda Gosei group</i>			
TGUK		0	147
TGE		1 957	0
TGHP		11 909	3 361
TGNA		2	9
TGT		346	0
<i>In the Toyota Tsusho group</i>			
TTESA CR		0	5 342
TTESA TR		3 407	22 006
<i>From companies with controlling influence</i>			
TG		1 966	346
Total short-term intercompany trade receivables and accrued income		19 587	31 211
Other than intercompany receivables		602 303	591 357
Total short-term trade receivables and accrued income		621 890	622 568

4.5. Deferrals and Accruals**4.5.1. Temporary Assets**

		(CZK '000)	
		Balance at 31 March 2024	Balance at 31 March 2023
Deferred expenses – lease		77	77
Deferred expenses – insurance premium		0	52
Accrued income		232 721	192 715
Provision against accrued income		-323	-670
Complex deferred expenses		54 663	30 323
Deferred expenses – other		2 150	2 392
Total temporary assets		289 288	224 889

Accrued income consists of products and goods purchased by entities with which the Company has a self-billing agreement in place. The balance includes items of sale orders that were not invoiced by the customer based on this agreement as of 31 March 2024.

The provision against accrued income represents a provision that was created against unbilled supplies as disclosed in Note 3.4.

4.5.2. Temporary Liabilities and Estimated Payables

	(CZK '000)	
	Balance at 31 March 2024	Balance at 31 March 2023
Estimated payables – inventory	68 528	101 690
Estimated payables – other	217 519	190 290
Deferred income	97 507	36 508
Total temporary liabilities	383 554	328 488

The estimated payable for inventory includes amounts of received material and goods for which the Company had not received invoices as of 31 March 2024.

4.6. Equity

4.6.1. Changes in Equity

Share Capital

In 2023, there were no changes in the share capital. The share capital amounts to CZK 970,000 thousand as of 31 March 2024.

Reserve Fund

In 2023, the Company recognised no reserve fund based on the decision of the General Meeting.

The aggregate amount of the reserve fund was CZK 51,438 thousand as of 31 March 2024.

Retained Earnings and Accumulated Losses

The loss for 2022 of CZK (99,470) thousand was approved by the General Meeting in 2023. According to the resolution of the General Meeting, the loss was allocated to accumulated losses brought forward.

The profit generated in 2023 will be fully paid out in the form of dividends.

4.7. Reserves

	(CZK '000)				
	Reserve for outstanding vacation days	Reserve for warranty repairs	Reserve for repairs of tangible fixed assets	Other reserves	Total reserves
Balance at 31 March 2023	6 992	9 296	0	56 285	72 573
Charge for reserves	8 889	0	0	0	8 889
Use of reserves	6 992	711		0	23 735
Balance at 31 March 2024	8 889	8 585	0	32 550	50 024

In 2023, a lawsuit was settled with Meteor GmbH for payment of existing claims, liabilities and any damage incurred.

4.8. Payables

4.8.1. Aging of Short-Term Trade Payables

Year	Category	Before due	Past due				Total past due	Total	
			1 – 90 days	91 – 180 days	181 – 360 days	1 – 2 years and more			
2023	Short-term	265 937	4 885	744	419	-15	0	6 033	271 970
2022	Short-term	272 551	6 855	904	1 402	15 138	0	24 299	296 850

(CZK '000)

Payables typically mature within one or two months. The balance of payables as of 31 March 2024 is on normal performance level.

As of 31 March 2024, the Company carried due amounts arising from social security, contribution to the governmental employment policy and due amounts arising from the public health insurance which are due in April 2024. Due amounts arising from social security and health insurance and tax payables are before their due dates.

As of the balance sheet date, the Company records no payables with maturities exceeding five years.

4.8.2. Intercompany Payables

Entity	(CZK '000)	
	Balance at 31 March 2024	Balance at 31 March 2023
Short-term payables		
<u>Trade</u>		
<i>In the Toyoda Gosei group</i>		
TGNA	0	851
TJTG	858	0
<i>In the Toyota Tsusho group</i>		
TTESA CR	20 733	29 145
<i>In associates</i>		
TG	147 968	124 924
<u>From estimated payables</u>		
<i>In the Toyoda Gosei group</i>		
TGUK	0	225
TGE	2 362	391
TGRT	42	39
<i>In the Toyota Tsusho group</i>		
TTESA CR	1 547	1 846
<i>In associates</i>		
TG	78 302	43 629
Total short-term intercompany trade payables and estimated payables		
	251 812	201 050
Other than intercompany payables		
	306 205	387 780
Total short-term trade payables		
	558 017	588 830

4.9. Bank Loans

4.9.1. Short-Term Bank Loans and Financial Borrowings

As of 31 March 2024, the Company reports no bank loans (2022: CZK 469,800 thousand), and records two short-term loans from the parent company of CZK 671,702 thousand (2022: CZK 505,035 thousand).

Short-term loans from TG's parent company were agreed under arm's length rates and mature on 15 May 2024 and 13 September 2024.

4.10. Income Taxation

The Company recognises a reserve for the current tax payable in the amount of CZK 4,030 as of 31 March 2023 (as of 31 March 2022: CZK 0 thousand).

4.10.1. Deferred Tax

The deferred tax liability is analysed as follows:

Deferred Tax Arising from

	(CZK '000)	
	Balance at 31 March 2024	Balance at 31 March 2023
Deferred tax arising from differences in net book values of fixed assets	-41 794	-36 020
Deferred tax arising from reserves for warranties	1 803	1 766
Deferred tax arising from the provision against inventory	7 503	4 439
Deferred tax arising from the provision against receivables	467	940
Deferred tax arising from the reserve for repairs of tangible fixed assets	0	0
Deferred tax arising from the reserve for outstanding vacation days	1 867	1 329
Deferred tax arising from the reserve for employee benefits	6 835	5 188
Deferred tax arising from loss	0	29 488
Deferred tax arising from other reserves	6 559	7 586
Total	-16 760	14 716

As of 31 March 2024, the Company assessed the individual temporary differences which served as a basis for calculating deferred tax and based on the sum of deferred taxes for the individual differences, the Company recognised a tax liability of CZK 16,760 thousand (2023: deferred tax asset of CZK 14,716 thousand).

A tax rate of 21% (2022: 19%) was used to calculate the deferred tax in accordance with the accounting policies set out in Note 3.11.3.

4.11. Details of Income by Principal Activity

(CZK '000)

	Year ended 31 March 2024			Year ended 31 March 2023		
	In-country	Cross-border	Total	In-country	Cross-border	Total
Goods – safety components	34 826	92 450	127 276	34 960	65 298	100 258
Goods – moulds and tools	89 146	1 731	90 877	23 811	7 290	31 101
Goods – functional parts	23 213	16 298	39 511	22 119	35 876	57 995
Goods – weatherstrips	6 553	2 738	9 291	0	1 964	1 964
Sales of goods	153 738	113 217	266 955	80 890	110 428	191 318
Sale of products – safety components	875 836	1 590 046	2 465 882	581 180	1 557 367	2 138 547
Sale of products – functional parts	131 692	397 879	529 571	60 461	409 222	469 683
Sale of products – weatherstrips	520 649	671 414	1 192 063	376 022	555 642	931 664
Other services	329	80	409	475	7 874	8 349
Total sales of products and services	1 528 506	2 659 419	4 187 925	1 018 138	2 530 105	3 548 243

4.12. Related Party Transactions**4.12.1. Income Generated with Related Parties****2023**

(CZK '000)

Entity	Relation to the Company	Goods	Products	Services	Other income	Total
TG	Parent company	0	43	0	235	278
TGHP	Ultimate parent company	73 626	0	0	0	73 626
TGT	Ultimate parent company	14 384	6 029	0	46	20 459
TGUK	Ultimate parent company	0	0	0	512	512
TGE	Ultimate parent company	0	4	0	2 604	2 608
TGNA	Ultimate parent company	0	0	0	130	130
TTESA CR	Ultimate parent company	0	16 172	32	1 969	18 173
TTESA TR	Ultimate parent company	6 087	53 564	225	3 552	63 428
Total		94 097	75 812	257	9 048	179 214

2022

(CZK '000)

Entity	Relation to the Company	Goods	Products	Services	Other income	Total
TG	Parent company	0	211	0	1 231	1 442
TGHP	Ultimate parent company	47 109	0	0	0	47 109
TGT	Ultimate parent company	16 837	56	0	49	16 942
TGUK	Ultimate parent company	0	0	0	619	619
TGE	Ultimate parent company	0	0	0	289	289
TGNA	Ultimate parent company	0	0	0	5	5
TTESA CR	Ultimate parent company	0	66 417	117	1 285	67 819
TTESA PL	Ultimate parent company	0	65 245	0	885	66 130
Total		63 946	131 929	117	4 363	200 355

4.12.2. Purchases from Related Parties2023

							(CZK '000)
Entity	Relation to the Company	Goods	Products	Services	Interest	Other expenses	Total
TG	Parent company	0	635 039	189 493	21 070	1 224	846 826
TGHP	Ultimate parent company	0	0	5	0	14	19
TJTG	Ultimate parent company	2 579	0	0	0	0	2 579
TGUK	Ultimate parent company	24 754	1 230	1 194	0	0	27 178
TGE	Ultimate parent company	0	0	26 849	0	0	26 849
TGNA	Ultimate parent company	0	8 874	2 254	0	0	11 128
TGZS	Ultimate parent company	0	16 634	0	0	83	16 717
TTESA CR	Ultimate parent company	28 012	341 074	40	0	723	369 849
TTESA TR	Ultimate parent company	409	0	240	0	-149	500
Total		55 754	1 002 851	220 075	21 070	1 895	1 301 645

2022

							(CZK '000)
Entity	Relation to the Company	Goods	Products	Services	Other expenses	Total	
TG	Parent company	1 043	365 712	184 168	5 850	556 773	
TGHP	Ultimate parent company	0	0	0	0	0	
TJTG	Ultimate parent company	0	7 940	0	0	7 940	
TGUK	Ultimate parent company	10 322	2 549	2 626	64	15 561	
TGE	Ultimate parent company	0	0	29 129	22	29 151	
TGNA	Ultimate parent company	0	10 669	2 319	0	12 988	
TGZS	Ultimate parent company	0	0	0	0	0	
TTESA CR	Ultimate parent company	31 494	452 569	5 972	842	490 877	
TTESA FR	Ultimate parent company	0	0	174	2 080	2 254	
Total		42 859	839 439	224 388	8 858	1 115 544	

4.12.3. Purchases and Sales of Fixed Assets and Financial Assets with Related PartiesSales

In 2023, the Company sold no assets to related parties.

In 2022, the Company sold no assets to related parties.

Purchases2023

			(CZK '000)
Entity	Relation to the Company	Intangible and tangible FA	
TTESA CR	Ultimate parent company	8 054	
TGUK	Ultimate parent company	1 237	
TG	Parent company	0	
Total		9 291	

2022

			(CZK '000)
Entity	Relation to the Company	Intangible and tangible FA	
TTESA CR	Ultimate parent company	27 899	
TGUK	Ultimate parent company	6 246	
TG	Parent company	6 911	
Total		41 056	

4.13. Consumed Purchases

	(CZK '000)	
	Year ended 31 March 2024	Year ended 31 March 2023
Consumed material	2 609 174	2 394 116
Consumed energy	140 436	93 659
Costs of goods sold	210 507	140 180
Total consumed purchases	2 960 117	2 627 955

In 2022 and 2023, the Company received a subsidy from the Support Programme for increased costs of natural gas and electricity as a result of the exceptionally abrupt increases in their prices in accordance with Government Decree No. 298/2022 Coll. Of 5 October 2022, reducing its costs by this amount. In 2023, this amounted to CZK 37,963 thousand (2022: CZK 17,916 thousand).

4.14. Services

	(CZK '000)	
	Year ended 31 March 2024	Year ended 31 March 2023
Repairs and maintenance	6 917	20 072
Travel expenses	4 267	5 681
Representation costs	1 329	1 054
Telephone, Internet	1 624	1 594
Low value intangible assets put into use	52	57
Rental	20 463	21 730
Leasing	4 734	3 709
Storage fees	10 528	10 587
Marketing support	26 851	27 935
Freight costs except for inventory	29 624	28 608
Royalties (licence fees)	156 687	133 027
International hiring of foreign labour	25 098	22 388
Audit services, legal and tax advisory	5 892	19 224
Training of employees	2 128	1 956
Waste disposal	4 293	3 880
Technical support from TG	4 023	1 281
Warranty repairs	1 218	1 821
Mediation of workers via agencies	112 122	78 208
IT Support	15 619	13 854
Other services	97 930	111 758
Total	531 399	508 424

Other services primarily include customer services, engineering services, cleaning, security services, translation services, company health care, advertising and others.

4.15. Fee to the Statutory Auditor

	(CZK '000)	
	Year ended 31 March 2024	Year ended 31 March 2023
Costs of the statutory financial statements audit	1 697	1 168
Total	1 697	1 168

4.16. Change in Reserves and Provisions Relating to Operating Activities and Complex Deferred Expenses

	(CZK '000)	
	Year ended 31 March 2024	Year ended 31 March 2023
Change in other reserves	-22 548	23 680
Change in provisions	8 774	-34 234
Complex deferred expenses	8 984	6 401
Total	-4 790	-4 153

4.17. Other Operating Income

	(CZK '000)	
	Year ended 31 March 2024	Year ended 31 March 2023
Grants received to offset costs	43	4 935
Sundry operating income	58 113	66 370
Total operating income	58 156	71 305

Sundry operating income includes contractual fines. It also includes the sale of waste disposal, compensation from employees and insurance companies, IT support, compensations from customers for customers for transportation, packaging repairs, development and testing and a preliminary project termination.

4.18. GrantsOverview of Subsidies Drawn

	(CZK '000)	
Purpose	Drawn in the year ended 31 March 2024	Drawn as of 31 March 2023
State financial support	43	0
Antigen tests	0	11
Energy subsidy	0	4 924
Support programme for increased costs of natural gas and electricity	37 963	17 916
Total	38 006	22 851

The drawing of the grants is reflected in "Other operating income" and purchases consumed.

State financial support is compensation for the call-up of an active reserve soldier who has been called up for military exercises.

4.19. Sundry Operating Expenses

	(CZK '000)	
	Year ended 31 March 2024	Year ended 31 March 2023
Gifts	74	30
Other penalties and fines	1	581
Insurance	5 945	6 971
Liquidation of old inventory	6 067	32 769
Other	31 629	7 423
Total other operating expenses	43 716	47 774

4.20. Other Financial Income

	(CZK '000)	
	Year ended 31 March 2024	Year ended 31 March 2023
Foreign exchange rate gains	71 575	96 516
Interest	2 986	81
Total	74 561	96 597

4.21. Other Financial Expenses

	(CZK '000)	
	Year ended 31 March 2024	Year ended 31 March 2023
Foreign exchange rate losses	112 128	69 975
Interest	38 605	12 253
Sundry financial expenses	211	274
Total	150 944	82 502

5. EMPLOYEES, MANAGEMENT AND STATUTORY BODIES**5.1. Staff Costs and Number of Employees**

In 2023 and 2022, the following tables summarise the average number of the Company's employees and managers:

2023

	Number of staff	Payroll costs	Social security and health insurance	Other costs	Total staff costs
Staff	801	406 536	135 623	22 859	565 018
Management	16	29 573	8 595	154	38 322
Total	817	436 109	144 218	23 013	603 340

(CZK '000)

2022

	Number of staff	Payroll costs	Social security and health insurance	Other costs	Total staff costs
Staff	836	371 913	130 509	20 519	522 941
Management	21	31 604	9 153	31	40 788
Total	857	403 517	139 662	20 550	563 729

(CZK '000)

The number of employees is based on the average headcount as of the last day of the reporting period.

The current Company's statutory executives work for the Company under the programme for international hiring of labour. The members of the management bodies received no deposits, advance payments, borrowings or loans.

6. OFF BALANCE SHEET COMMITMENTS

Guarantees Received and Provided

As of 31 March 2024, the Company records a due payment bank guarantee in the aggregate amount of CZK 10,000 thousand at UniCredit Bank, Czech Republic. Based on a letter of guarantee, the Company is liable for the payment of all debt incurred during customs transactions.

Environmental Liabilities

An environmental audit of the Company on the basis of the ISO 14001 certificate was completed as of 31 March 2024. Pursuant to the outcome of the audit, the Company's management believes that the Company is not exposed to any contingent liabilities pertaining to damage caused by prior activities or liabilities related to the prevention of potential future damage.

7. OTHER SIGNIFICANT EVENTS

The ongoing military conflict in Ukraine and the related sanctions targeted against the Russian Federation may have an impact on the European and global economy. The entity does not have any significant direct exposure to Ukraine, Russia or Belarus. However, the impact on the general economic situation may require revisions of certain assumptions and estimates. Based on available information and current developments, the Company continuously analyses the situation and assesses its direct impact on the Company. Management has assessed the potential impact of this situation on the Company's operations and business activities and has concluded that it does not currently have a material impact on these financial statements or the going concern assumption. However, further adverse developments in this situation cannot be ruled out, which could subsequently have a negative impact on the Company, its business, financial condition, results of operations, cash flows and overall prospects. Nevertheless, at the date of these financial statements, the Company continues to meet its obligations as they fall due and therefore continues to apply the going concern basis of preparation.

8. POST BALANCE SHEET EVENTS

As of the balance sheet date, the Company is not aware of any subsequent events that would have an impact on the financial statements as of 31 March 2024.

4. Audit Report

INDEPENDENT AUDITOR'S REPORT

To the Partners of Toyota Gosei Czech, s.r.o.

Having its registered office at: Průmyslová 2, District of Chomutov, 431 51 Klášterec nad Ohří

Opinion

We have audited the accompanying financial statements of Toyota Gosei Czech, s.r.o. (hereinafter also the "Company") prepared on the basis of accounting regulations applicable in the Czech Republic, which comprise the balance sheet as at 31 March 2024, and the profit and loss account, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Toyota Gosei Czech, s.r.o. as at 31 March 2024, and of its financial performance and its cash flows for the year then ended in accordance with accounting regulations applicable in the Czech Republic.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application guidelines. Our responsibilities under this law and regulation are further described 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 the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic 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.

Other Information in the Annual Report

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. The Statutory Executive is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, 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 audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Responsibilities of the Company's Statutory Executive for the Financial Statements

The Statutory Executive is responsible for the preparation and fair presentation of the financial statements in accordance with accounting regulations applicable in the Czech Republic and for such internal control as the Statutory Executive determines 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 Statutory Executive is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Statutory Executive either intends to liquidate the Company or to cease operations, or has 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 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 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.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Statutory Executive.
- Conclude on the appropriateness of the Statutory Executive's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Statutory Executive regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

In Prague on 21 June 2024

Audit firm:

Deloitte Audit s.r.o.
registration no. 079



Statutory Auditor:

Ladislav Šauer
registration no. 2261

