

Toyoda Gosei Czech, s.r.o.

ANNUAL REPORT

FOR THE YEAR ENDED 31 MARCH 2025

Toyoda Gosei Czech, s.r.o.
ANNUAL REPORT FOR THE YEAR ENDED 31 MARCH 2025
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1. The President's Introduction

The President's Introduction for the 2024 Fiscal Year

The year 2024 was a turning point in the history of our Company. We achieved our best ever results in all key areas – economy, quality and operational performance – while making significant progress in delivering on our long-term environmental and technological commitments.

- **Stable Growth and Record Profitability:**

Thanks to a combination of favourable external conditions (especially the development of input material prices, energy and the exchange rate), customer compensation for the previous period and systematic improvement in production efficiency, we closed the year with an exceptional result. Revenues from current activities (excluding tooling) totalled CZK 4.24 billion, where: - Safety Systems (SS) achieved revenues of CZK 2.39 billion, - Weatherstrips (WS) increased turnover to CZK 1.22 billion, - Fluid Components (FC) grew to CZK 0.63 billion. This development corresponds to an overall year-on-year decline in revenues of 2.7%. However, despite this slight decline, we recorded the highest profitability ever.

- **Sustainability and Innovation:**

The year 2024 was also marked by the fulfilment of our commitment to achieve carbon neutrality. We successfully commissioned the first photovoltaic power plant with an output of 0.4 MWhp on the roof of the TG4 Hall. In parallel, we launched an internal "Do all you can" initiative aimed at reducing energy consumption and CO₂ emissions across the entire plant. These steps reflect our long-term strategy of sustainability and responsible business in accordance with the requirements of the CSRD Directive.

Key Milestones and Projects in 2024:

- **Safety Systems:**

We followed up on projects from previous years and further expanded the production of KAB, SAB and FSAB components for new and existing models of Toyota, Volkswagen and BMW vehicles. Significant investments in automation and robotics have contributed to increasing the efficiency and stability of our processes. Despite the decline in volumes in some segments, we achieved record profitability in this area thanks to higher value added.

- **Functional Components:**

The production of functional parts proceeded steadily throughout the year. We made slight progress in the area of automation, but the main focus was on strategic discussions on the future direction of this production with regard to the expected transition from conventional internal combustion engines to BEVs (Battery Electric Vehicles). This transition brings with it the need to adapt both product-wise and technologically, which is why we have started preparations for this transformation in 2024.

- Weatherstrips:

The WS division continued integrating transferred capacities from the United Kingdom, which were fully implemented into production in 2024. The production of GR and DWS components was successfully stabilised, and the quality of deliveries reached a top level. Quality indicators improved year-on-year by dozens of percentage points.

- LED Division:

This division continues to provide only service activities in the area of customer complaints, without active sales.

- Productivity and Employment:

Thanks to increasing efficiency and automation, we have been able to maintain the number of employees at a stable level despite the increase in production. Cooperation with the trade union OS KOVO continued in a constructive spirit and resulted in the successful conclusion of collective bargaining for 2025.

- Occupational Safety:

Despite the positive developments in other areas, occupational safety and fire protection remain a challenge, where we were unable to completely eliminate minor operational incidents in 2024. Increasing safety remains one of the main goals for the coming period.

- Environment:

We have kept emissions at a stable level and have continued to ensure 100% recycling or energy recovery of all waste generated. At the same time, we have expanded the system of monitoring and reporting environmental indicators in accordance with the requirements of the CSRD Directive.

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

We continued to strengthen a corporate culture built on respect, equality and integration. The integration of foreign employees and the promotion of inclusion remain an integral part of our identity and an important pillar of long-term growth.

The Company remains committed to being the most powerful production unit of the Toyoda Gosei Group in Europe – with an emphasis on quality, sustainability and technological maturity. We continue to be committed to minimising the impact of our activities on the environment. We do not have our own development department or branches outside the Czech Republic, and we have not acquired any treasury shares or business interests. As of the date of the preparation of the financial statements, the Company's management is not aware of any significant subsequent events that would affect the financial statements.

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 2025 (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.
- Support IT services 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.

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

- Services based on orders.

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 and products based on orders;

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

- Material based on orders.

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.

Toyoda Gosei (Zhangjiagang) Co., Ltd. („TGZS“)

113, Zhonghua Road, Zhang Jiangang Free Trade Zone, Jiangsu Province, Zhangjiagang 215634, China

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

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

- Goods and products 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

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 2024 to 31 March 2025. In 2024, no other business performances were made or new contracts concluded beyond the scope of this list.

RELATED PARTY TRANSACTIONS IN 2024

Income Generated with Related Parties

(CZK '000)

Entity	Relation to the reporting entity	Goods	Products	Services	Other income	Total
TG	Parent company	5	0	0	1 707	1 712
TGHP	Ultimate parent company	55 393	0	0	9	55 402
TGT	Ultimate parent company	12 021	13 818	0	0	25 839
TGE	Ultimate parent company	0	-4	0	434	430
TGZS	Ultimate parent company	868	45	0	0	913
TTESA CR	Ultimate parent company	0	222	35	3 375	3 632
TTESA TR	Ultimate parent company	0	38 318	0	166	38 484
Total		68 287	52 399	35	5 691	126 412

Purchases Made from Related Parties

(CZK '000)

Entity	Relation to the reporting entity	Goods	Products	Services	Interest	Other income	Total
TG	Parent company	0	698 127	25 583	19 499	1 590	744 799
TGHP	Ultimate parent company	0	0	583	0	58	641
TJTG	Ultimate parent company	2 556	0	0	0	0	2 556
TGE	Ultimate parent company	0	0	33 171	0	304	33 475
TGNA	Ultimate parent company	0	16 892	2 403	0	1	19 296
TGT	Ultimate parent company	0	30 556	5	0	15	30 576
TTESA CR	Ultimate parent company	22 973	289 848	494	0	144	313 459
Total		25 529	1 035 423	62 239	19 499	2 112	1 144 802

Purchases of Tangible Fixed Assets from Related Parties

Entity	Relation to the reporting entity	Tangible and Intangible FA
TG	Parent company	1 921
Total		1 921

Dividends Paid to Controlling Entities

During 2024, the Company paid the following profit shares:

- TG: CZK 69.5 million (2023: CZK 0)
- TTC: CZK 16.4 million (2023: CZK 0)

The values shown are after deduction of withholding tax.

Interest on Loans from a Controlling Entity

During the year 2024, interest on short-term loans in the amount of CZK 19,449 thousand was paid (2023: CZK 21,070 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 27 June 2025

Toyoda Gosei Czech, s.r.o.



Akihito Tsutsumiuchi
Statutory Executive

3. Financial Statements for the Year Ended 31 March 2025

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

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

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 27 June 2025.

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

BALANCE SHEET
full version

As of
31.03.2025
(in CZK thousand)

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

Průmyslová 2
431 51 Klášterec nad Ohří
okres Chomutov

		31.03.2025			31.03.2024
		Gross	Adjustment	Net	Net
	TOTAL ASSETS	5 414 133	2 722 300	2 691 833	2 850 899
B.	Fixed assets	3 890 845	2 645 127	1 245 718	1 308 207
<i>B.I.</i>	<i>Intangible fixed assets</i>	<i>174 793</i>	<i>150 586</i>	<i>24 207</i>	<i>15 007</i>
B.I.2.	Valuable rights	167 592	150 586	17 006	13 674
B.I.2.1.	Software	90 565	73 559	17 006	13 674
B.I.2.2.	Other valuable rights	77 027	77 027		
B.I.5.	Prepayments for intangible fixed assets and intangible fixed assets under construction	7 201		7 201	1 333
B.I.5.2.	Intangible fixed assets under construction	7 201		7 201	1 333
<i>B.II.</i>	<i>Tangible fixed assets</i>	<i>3 716 051</i>	<i>2 494 541</i>	<i>1 221 510</i>	<i>1 293 199</i>
B.II.1.	Land and structures	1 293 718	657 335	636 383	668 422
B.II.1.1.	Land	27 235		27 235	27 235
B.II.1.2.	Structures	1 266 483	657 335	609 148	641 187
B.II.2.	Tangible movable assets and sets of tangible movable assets	2 183 656	1 700 810	482 846	537 123
B.II.4.	Other tangible fixed assets	148 053	136 396	11 657	13 202
B.II.4.1.	Perennial crops	7 156	3 842	3 314	3 559
B.II.4.3.	Other tangible fixed assets	140 897	132 554	8 343	9 643
B.II.5.	Prepayments for tangible fixed assets and tangible fixed assets under construction	90 624		90 624	74 452
B.II.5.1.	Prepayments for tangible fixed assets	945		945	4 950
B.II.5.2.	Tangible fixed assets under construction	89 679		89 679	69 502
<i>B.III.</i>	<i>Non-current financial assets</i>	<i>1</i>		<i>1</i>	<i>1</i>
B.III.3.	Equity investments in associates	1		1	1
C.	Current assets	1 211 016	76 624	1 134 392	1 253 404
<i>C.I.</i>	<i>Inventories</i>	<i>692 043</i>	<i>71 536</i>	<i>620 507</i>	<i>656 907</i>
C.I.1.	Material	487 279	64 949	422 330	434 044
C.I.2.	Work in progress and semifinished goods	22 424		22 424	24 084
C.I.3.	Products and goods	182 340	6 587	175 753	198 779
C.I.3.1.	Products	90 894	4 912	85 982	98 755
C.I.3.2.	Goods	91 446	1 675	89 771	100 024
<i>C.II.</i>	<i>Receivables</i>	<i>363 356</i>	<i>5 088</i>	<i>358 268</i>	<i>423 709</i>
C.II.1.	Long-term receivables	1 247		1 247	1 205
C.II.1.5.	Receivables - other	1 247		1 247	1 205
C.II.1.5.4.	Sundry receivables	1 247		1 247	1 205
C.II.2.	Short-term receivables	362 109	5 088	357 021	422 504
C.II.2.1.	Trade receivables	327 461	3 978	323 483	387 752
C.II.2.4.	Receivables - other	34 648	1 110	33 538	34 752
C.II.2.4.3.	State - tax assets	18 356		18 356	19 999
C.II.2.4.4.	Short-term prepayments made	2 029		2 029	12 395
C.II.2.4.5.	Estimated receivables	12 959		12 959	232
C.II.2.4.6.	Sundry receivables	1 304	1 110	194	2 126
<i>C.IV.</i>	<i>Cash</i>	<i>155 617</i>		<i>155 617</i>	<i>172 788</i>
C.IV.1.	Cash on hand	98		98	184
C.IV.2.	Cash at bank	155 519		155 519	172 604
D.	Other assets	312 272	549	311 723	289 288
D.1.	Deferred expenses	5 213		5 213	2 227
D.2.	Complex deferred expenses	67 148		67 148	54 663
D.3.	Accrued income	239 911	549	239 362	232 398

		31.03.2025	31.03.2024
	TOTAL LIABILITIES & EQUITY	2 691 833	2 850 899
A.	Equity	1 644 382	1 409 360
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	291 151
A.IV.1.	Accumulated profits or losses brought forward (+/-)	291 151	291 151
A.V.	Profit or loss for the current period (+/-)	331 537	96 515
B.+C.	Liabilities	960 685	1 344 032
B.	Reserves	82 365	54 054
B.II.	Income tax reserve	28 791	4 030
B.IV.	Other reserves	53 574	50 024
C.	Payables	878 320	1 289 978
C.I.	Long-term payables	21 741	16 760
C.I.4.	Trade payables	7 990	
C.I.8.	Deferred tax liability	13 751	16 760
C.II.	Short-term payables	856 579	1 273 218
C.II.4.	Trade payables	189 726	271 970
C.II.6.	Payables - controlled or controlling entity	312 269	671 702
C.II.8.	Other payables	354 584	329 546
C.II.8.3.	Payables to employees	29 808	28 478
C.II.8.4.	Social security and health insurance payables	15 534	14 841
C.II.8.5.	State - tax liabilities and subsidies	443	135
C.II.8.6.	Estimated payables	305 941	286 047
C.II.8.7.	Sundry payables	2 858	45
D.	Other liabilities	86 766	97 507
D.2.	Deferred income	86 766	97 507

PROFIT AND LOSS ACCOUNT
structured by the nature of expense method

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

Year ended
31.03.2025
(in CZK thousand)

Průmyslová 2
431 51 Klášterec nad Ohří
okres Chomutov

		Year ended 31.03.2025	Year ended 31.03.2024
I.	Sales of products and services	4 111 513	4 187 925
II.	Sales of goods	184 366	266 955
A.	Purchased consumables and services	3 100 086	3 491 516
A.1.	Costs of goods sold	140 982	210 507
A.2.	Consumed material and energy	2 411 729	2 749 610
A.3.	Services	547 375	531 399
B.	Change in internally produced inventory (+/-)	21 537	-6 539
D.	Staff costs	597 867	603 340
D.1.	Payroll costs	426 702	436 109
D.2.	Social security and health insurance costs and other charges	171 165	167 231
D.2.1.	Social security and health insurance costs	148 956	144 218
D.2.2.	Other charges	22 209	23 013
E.	Adjustments to values in operating activities	217 780	183 885
E.1.	Adjustments to values of intangible and tangible fixed assets	179 202	174 178
E.1.1.	Adjustments to values of intangible and tangible fixed assets - permanent	181 301	175 111
E.1.2.	Adjustments to values of intangible and tangible fixed assets - temporary	-2 099	-933
E.2.	Adjustments to values of inventories	35 806	12 367
E.3.	Adjustments to values of receivables	2 772	-2 660
III.	Other operating income	80 018	60 710
III.1.	Sales of fixed assets	2	251
III.2.	Sales of material	3 480	2 303
III.3.	Sundry operating income	76 536	58 156
F.	Other operating expenses	61 048	40 891
F.2.	Material sold	5 700	8 623
F.3.	Taxes and charges	3 792	2 116
F.4.	Reserves relating to operating activities and complex deferred expenses	12 113	-13 564
F.5.	Sundry operating expenses	39 443	43 716
*	Operating profit or loss (+/-)	377 579	202 497
VI.	Interest income and similar income	4 710	2 986
VI.2.	Other interest income and similar income	4 710	2 986
J.	Interest expenses and similar expenses	19 499	38 605
J.1.	Interest expenses and similar expenses - controlled or controlling entity	19 499	21 070
J.2.	Other interest expenses and similar expenses		17 535
VII.	Other financial income	43 979	71 575
K.	Other financial expenses	43 360	112 339
*	Financial profit or loss (+/-)	-14 170	-76 383
**	Profit or loss before tax (+/-)	363 409	126 114
L.	Income tax	31 872	29 599
L.1.	Due income tax	34 881	-1 876
L.2.	Deferred income tax (+/-)	-3 009	31 475
**	Profit or loss net of tax (+/-)	331 537	96 515
***	Profit or loss for the current period (+/-)	331 537	96 515
*	Net turnover for the current period	4 295 879	

**STATEMENT OF
CHANGES IN EQUITY**Toyoda Gosei Czech, s.r.o.
Corporate ID 264 37 171Year ended
31.03.2025
(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 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
Profit shares/dividends declared					-96 515	-96 515
Profit or loss for the current period					331 537	331 537
Balance at 31 March 2025	970 000	256	51 438	291 151	331 537	1 644 382

**CASH FLOW
STATEMENT**

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

Year ended
31.03.2025
(in CZK thousand)

Průmyslová 2
431 51 Klášterec nad Ohří
okres Chomutov

		Year ended 31.03.2025	Year ended 31.03.2024
P.	Opening balance of cash and cash equivalents	172 788	88 558
	<i>Cash flows from ordinary activities (operating activities)</i>		
Z.	Profit or loss before tax	363 409	126 114
A.1.	Adjustments for non-cash transactions	237 867	287 903
A.1.1.	Depreciation of fixed assets	181 301	175 111
A.1.2.	Change in provisions and reserves	39 822	-13 775
A.1.3.	Profit/(loss) on the sale of fixed assets	-2	-251
A.1.5.	Interest expense and interest income	14 789	35 619
A.1.6.	Adjustments for other non-cash transactions	1 957	91 199
A.*	Net operating cash flow before changes in working capital	601 276	414 017
A.2.	Change in working capital	-27 999	202 839
A.2.1.	Change in operating receivables and other assets	38 095	-23 249
A.2.2.	Change in operating payables and other liabilities	-66 688	32 984
A.2.3.	Change in inventories	594	193 104
A.**	Net cash flow from operations before tax	573 277	616 856
A.3.	Interest paid	-20 513	-38 805
A.4.	Interest received	4 743	2 986
A.5.	Income tax paid from ordinary operations	-9 913	12 558
A.***	Net operating cash flows	547 594	593 595
	<i>Cash flows from investing activities</i>		
B.1.	Fixed assets expenditures	-116 958	-136 841
B.2.	Proceeds from fixed assets sold	2	251
B.***	Net investment cash flows	-116 956	-136 590
	<i>Cash flow from financial activities</i>		
C.1.	Change in payables from financing	-351 294	-372 775
C.2.	Impact of changes in equity	-96 515	
C.2.6.	Profit shares/dividends paid	-96 515	
C.***	Net financial cash flows	-447 809	-372 775
F.	Net increase or decrease in cash and cash equivalents	-17 171	84 230
R.	Closing balance of cash and cash equivalents	155 617	172 788

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025**

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 2025 for the period of 12 months (hereinafter referred to as “2024”). The prior year’s financial statements of the Company were prepared as of 31 March 2024 for the period of 12 months (hereinafter referred to as “2023”).

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 2024 reporting period, no changes were made to the Register of Companies.

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	Since 1 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. In calculating deferred tax, the income tax rate applicable in the period in which the tax liability or tax asset will be realised is utilised. If this tax rate is not known, the rate applicable in the following reporting period is used.

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.

3.11.4. Top-Up Tax

The Company falls under the scope of the Top-up Tax Act (global minimum tax). The Company decided not to account for the top-up tax due to immateriality. The Company applies a temporary exemption to the accounting and disclosure of deferred tax information; therefore, the impact of top-up tax was not taken into account when calculating deferred tax.

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 2025	31 March 2024
Cash on hand and cash in transit	98	184
Cash at bank	155 519	172 604
Total cash and cash equivalents	155 617	172 788

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

3.18. Net Turnover for the Reporting Period

Net turnover for the reporting period presented in the profit and loss account (determined for the categorisation of reporting entities and groups of reporting entities) was determined differently for 2024 and 2023 due to the change in accounting legislation:

- For 2023, the indicator was determined as the sum of all revenues recorded on the respective lines of the profit and loss account.
- For 2024, it was determined as the sum of revenues from the sale of products and goods and the provision of services. These are only selected revenues on which the entity's business model is based, determined by taking into account the industry and market in which the entity operates and the nature of the activity carried out for customers.

If the net turnover indicator for 2023 was determined according to the methodology for 2024, it would amount to CZK 4,454,880 thousand.

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 2025 and investments into a new ERP system in 2026.

4.2. Tangible Fixed Assets

Cost

	(CZK '000)						
	Balance at 31 March 2023	Additions	Disposals	Balance at 31 March 2024	Additions	Disposals	Balance at 31 March 2025
Land	27 235	0	0	27 235	0	0	27 235
Structures	1 241 445	9 055	0	1 250 500	15 983	0	1 266 483
Tangible movable assets							
- <i>Machines and equipment</i>	2 027 741	162 483	65 322	2 124 902	58 812	87 435	2 096 279
- <i>Vehicles</i>	625	0	0	625	0	0	625
- <i>Furniture and fixtures</i>	22 325	1 430	322	23 433	330	1 233	22 530
- <i>Sundry tangible fixed assets</i>	59 841	7 835	2 337	65 339	3 220	4 337	64 222
Other tangible fixed assets and perennial crops	128 066	12 655	348	140 373	7 794	114	148 053
Tangible fixed assets under construction	131 247	162 362	224 107	69 502	121 111	100 934	89 679
Prepayments for tangible fixed assets	15 174	0	10 224	4 950	25 111	29 116	945
Total	3 653 699	355 820	302 660	3 706 859	232 361	223 169	3 716 051

Accumulated Depreciation

	(CZK '000)						
	Balance at 31 March 2023	Additions	Disposals	Balance at 31 March 2024	Additions	Disposals	Balance at 31 March 2025
Land	0	0	0	0	0	0	0
Structures	560 857	48 456	0	609 313	48 022	0	657 335
Tangible movable assets							
- <i>Machines and equipment</i>	1 560 760	77 071	34 284	1 603 547	109 546	88 900	1 624 193
- <i>Vehicles</i>	625	0	0	625	0	0	625
- <i>Furniture and fixtures</i>	12 441	2 190	0	14 631	2 311	1 143	15 799
- <i>Sundry tangible fixed assets</i>	54 101	4 946	674	58 373	6 176	4 356	60 193
Other tangible fixed assets and perennial crops	122 304	4 867	0	127 171	9 687	462	136 396
Total	2 311 088	137 530	34 958	2 413 660	175 742	94 861	2 494 541

Net Book Value

	(CZK '000)	
	Balance at 31 March 2024	Balance at 31 March 2025
Land	27 235	27 235
Structures	641 187	609 148
Individual movable tangible assets		
- <i>Machines and equipment</i>	521 355	472 086
- <i>Vehicles</i>	0	0
- <i>Furniture and fixtures</i>	8 802	6 731
- <i>Sundry tangible fixed assets</i>	6 966	4 029
Other tangible fixed assets and perennial crops	13 202	11 657
Tangible fixed assets under construction	69 502	89 679
Prepayments for tangible fixed assets	4 950	945
Total	1 293 199	1 221 510

In 2024, the Company released a provision against tangible movable assets in the amount of CZK 2,099 thousand. In 2023, a provision of CZK 933 thousand was released.

The balance sheet value of the provision against tangible movable assets decreased to CZK 5,178 thousand as of 31 March 2025 (compared to CZK 7,277 thousand as of 31 March 2024).

In 2024, major additions to assets primarily include additional equipment for new production technologies acquired in previous years. In addition, the Company invested in automation and robotics.

In 2024 and 2023, the Company acquired tangible assets which were directly expensed in the amounts of CZK 1,010 thousand and CZK 882 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 2024, 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

Description	Total lease value	(CZK '000)	
		Payments made in the year ended 31 March 2025	Due in following years
Total cars and machinery	4 716	14	4 702

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 2025	(CZK '000)
					Payments due in the following years
Handling technology	11/2016 - 03/2024	05/2023 - 02/2028	46 046	25 877	20 169
Cars	07/2016 - 04/2024	04/2023 - 04/2029	27 784	17 225	10 559
Machinery	04/2018 - 04/2022	08/2023 - 05/2026	34 116	17 151	16 965

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

4.3. Inventory

	(CZK '000)	
	Balance at 31 March 2025	Balance at 31 March 2024
Material	487 279	460 673
Work in progress	22 424	24 084
Products	90 894	105 492
Goods	43 306	63 449
Goods – moulds and tools intended for sale	48 140	38 938
Prepayments made for inventory	0	0
Provisions	-71 536	-35 729
Total	620 507	656 907

In 2024 and 2023, a provision against inventory of products was created in the balance sheet amount of CZK 4,912 thousand and CZK 6,737 thousand, respectively; a provision against inventory of goods amounted to CZK 1,675 thousand and CZK 2,363 thousand, respectively; a provision against material was recognised in the amount of CZK 64,949 thousand and CZK 26,629 thousand, respectively. The reason for the increase was the management's decision to regulate the inventory level of maintenance parts and material needed to produce maintenance parts for finished projects. Another factor influencing the provision amount was the amount of inventory taken over from 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).

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

Since 2006, the Company has provided loans to its employees. As of 31 March 2025, the long-term portion of these loans is not reported (CZK 0 thousand as of 31 March 2024).

The Company paid recoverable deposits related to the lease of residential and non-residential (storage) premises. As of 31 March 2025, the value of the deposits amounts to CZK 1,247 thousand (31 March 2024: CZK 1,205 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			
2024	Gross	253 108	56 694	5 849	10 871	939	74 353	327 461	
	Provisions	0	0	0	3 158	820	3 978	3 978	
	Net	253 108	56 694	5 849	7 713	119	70 375	323 483	
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	

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

Intercompany Receivables

		(CZK '000)	
Entity		Balance at 31 March 2025	Balance at 31 March 2024
Short-term receivables			
<u>Trade</u>			
<i>In the Toyoda Gosei group</i>			
TGUK		0	0
TGE		74	1 957
TGHP		14 219	11 909
TGNA		0	2
TGT		1 434	346
TGZS		10	0
<i>In the Toyota Tsusho group</i>			
TTESA CR		651	0
TTESA TR		1 131	3 407
<i>From companies with controlling influence</i>			
TG		213	1 966
Total short-term intercompany trade receivables and accrued income		17 732	19 587
Other than intercompany receivables		549 640	602 303
Total short-term trade receivables and accrued income		567 372	621 890

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

		(CZK '000)	
		Balance at 31 March 2025	Balance at 31 March 2024
Deferred expenses – lease		77	77
Deferred expenses – insurance premium		0	0
Accrued income		239 911	232 721
Provision against accrued income		-549	-323
Complex deferred expenses		67 148	54 663
Deferred expenses – other		5 136	2 150
Total temporary assets		311 723	289 288

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 2025.

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 2025	Balance at 31 March 2024
Estimated payables – inventory	47 952	68 528
Estimated payables – other	257 989	217 519
Deferred income	86 766	97 507
Total temporary liabilities	392 707	383 554

The estimated payable for inventory includes amounts of received material and goods for which the Company had not received invoices as of 31 March 2025.

4.6. Equity

4.6.1. Changes in Equity

Share Capital

In 2024, there were no changes in the share capital. The share capital amounts to CZK 970,000 thousand as of 31 March 2025.

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 2025.

Retained Earnings and Accumulated Losses

The profit for 2023 of CZK 96,515 thousand was approved by the General Meeting in 2024. According to the resolution of the General Meeting, the profit was paid out in full in the form of dividends.

The profit generated in 2024 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 2024	8 889	8 585	0	32 550	50 024
Charge for reserves	9 079	0	0	3 865	12 944
Use of reserves	8 889	505	0	0	9 394
Balance at 31 March 2025	9 079	8 080	0	36 415	53 574

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			
2024	Short-term	188 737	638	17	297	37	0	989	189 726
2023	Short-term	265 937	4 885	744	419	-15	0	6 033	271 970

(CZK '000)

Payables typically mature within one or two months. The balance of payables as of 31 March 2025 is on normal performance level.

As of 31 March 2025, 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 2025. 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 long-term payables of CZK 7,990 thousand (of which CZK 5,992 thousand are payables with maturities exceeding five years).

4.8.2. Intercompany Payables

Entity	(CZK '000)	
	Balance at 31 March 2025	Balance at 31 March 2024
Short-term payables		
<u>Trade</u>		
<i>In the Toyoda Gosei group</i>		
TJTG	0	858
TGHP	582	0
<i>In the Toyota Tsusho group</i>		
TTESA CR	21 154	20 733
<i>In associates</i>		
TG	33 605	147 968
<u>From estimated payables</u>		
<i>In the Toyoda Gosei group</i>		
TGE	0	2 362
TGRT	0	42
TJTG	645	0
TGNA	1 049	0
TGT	6 147	0
TGHP	59	0
<i>In the Toyota Tsusho group</i>		
TTESA CR	92	1 547
<i>In associates</i>		
TG	137 752	78 302
Total short-term intercompany trade payables and estimated payables	201 085	251 812
Other than intercompany payables	294 582	306 205
Total short-term trade payables	495 667	558 017

4.9. Bank Loans

4.9.1. Short-Term Bank Loans and Financial Borrowings

As of 31 March 2025, the Company reports no bank loans (2023: CZK 0 thousand), and records a short-term loan from the parent company of CZK 312,269 thousand (2023: CZK 671,702 thousand).

The short-term loan from TG's parent company was agreed under arm's length rates and matures on 15 September 2025.

4.10. Income Taxation

The Company recognises a reserve for the current tax payable in the amount of CZK 28,791 as of 31 March 2025 (as of 31 March 2024: CZK 4,030 thousand).

4.10.1. Deferred Tax

The deferred tax liability is analysed as follows:

Deferred Tax Arising from

	(CZK '000)	
	Balance at 31 March 2025	Balance at 31 March 2024
Deferred tax arising from differences in net book values of fixed assets	-46 236	-41 794
Deferred tax arising from reserves for warranties	1 697	1 803
Deferred tax arising from the provision against inventory	15 022	7 503
Deferred tax arising from the provision against receivables	1 015	467
Deferred tax arising from the reserve for repairs of tangible fixed assets	0	0
Deferred tax arising from the reserve for outstanding vacation days	1 907	1 867
Deferred tax arising from the reserve for employee benefits	7 647	6 835
Deferred tax arising from loss	0	0
Deferred tax arising from other reserves	5 197	6 559
Total	-13 751	-16 760

As of 31 March 2025, 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 13,751 thousand (2023: CZK 16,760 thousand).

A tax rate of 21% (2023: 21%) 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 2025			Year ended 31 March 2024		
	In-country	Cross-border	Total	In-country	Cross-border	Total
Goods – safety components	34 201	72 006	106 207	34 826	92 450	127 276
Goods – moulds and tools	49 091	515	49 606	89 146	1 731	90 877
Goods – functional parts	20 142	2 542	22 684	23 213	16 298	39 511
Goods – weatherstrips	757	5 112	5 869	6 553	2 738	9 291
Sales of goods	104 191	80 175	184 366	153 738	113 217	266 955
Sale of products – safety components	872 135	1 413 484	2 285 619	875 836	1 590 046	2 465 882
Sale of products – functional parts	142 407	469 259	611 666	131 692	397 879	529 571
Sale of products – weatherstrips	472 573	741 328	1 213 901	520 649	671 414	1 192 063
Other services	302	25	327	329	80	409
Total sales of products and services	1 487 417	2 624 096	4 111 513	1 528 506	2 659 419	4 187 925

4.12. Related Party Transactions

4.12.1. Income Generated with Related Parties

2024

(CZK '000)

Entity	Relation to the Company	Goods	Products	Services	Other income	Total
TG	Parent company	5	0	0	1 707	1 712
TGHP	Ultimate parent company	55 393	0	0	9	55 402
TGT	Ultimate parent company	12 021	13 818	0	0	25 839
TGUK	Ultimate parent company	0	0	0	0	0
TGE	Ultimate parent company	0	-4	0	434	430
TGZS	Ultimate parent company	868	45	0	0	913
TGNA	Ultimate parent company	0	0	0	0	0
TTESA CR	Ultimate parent company	0	222	35	3 375	3 632
TTESA TR	Ultimate parent company	0	38 318	0	166	38 484
Total		68 287	52 399	35	5 691	126 412

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

4.12.2. Purchases from Related Parties

2024

							(CZK '000)
Entity	Relation to the Company	Goods	Products	Services	Interest	Other expenses	Total
TG	Parent company	0	698 127	25 583	19 499	1 590	744 799
TGHP	Ultimate parent company	0	0	583	0	58	641
TJTG	Ultimate parent company	2 556	0	0	0	0	2 556
TGUK	Ultimate parent company	0	0	0	0	0	0
TGE	Ultimate parent company	0	0	33 171	0	304	33 475
TGNA	Ultimate parent company	0	16 892	2 403	0	1	19 296
TGT	Ultimate parent company	0	30 556	5	0	15	30 576
TTESA CR	Ultimate parent company	22 973	289 848	494	0	144	313 459
TTESA TR	Ultimate parent company	0	0	0	0	0	0
Total		25 529	1 035 423	62 239	19 499	2 112	1 144 802

2023

							(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

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

Sales

In 2024, the Company sold no assets to related parties.

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

Purchases

2024

		(CZK '000)
Entity	Relation to the Company	Intangible and tangible FA
TGT	Ultimate parent company	0
TGUK	Ultimate parent company	0
TG	Parent company	1 921
Total		1 921

2023

		(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

4.13. Consumed Purchases

	(CZK '000)	
	Year ended 31 March 2025	Year ended 31 March 2024
Consumed material	2 312 654	2 609 174
Consumed energy	99 075	140 436
Costs of goods sold	140 982	210 507
Total consumed purchases	2 552 711	2 960 117

In 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 2024, the Company did not receive any such subsidy (2023: CZK 37,963 thousand).

4.14. Services

	(CZK '000)	
	Year ended 31 March 2025	Year ended 31 March 2024
Repairs and maintenance	7 937	6 917
Travel expenses	5 520	4 267
Representation costs	1 332	1 329
Telephone, Internet	2 200	1 624
Low value intangible assets put into use	211	52
Rental	20 354	20 463
Finance and operating leasing of movable assets	3 533	4 734
Storage fees	10 199	10 528
Marketing support	33 171	26 851
Freight costs except for inventory	25 197	29 624
Royalties (licence fees)	167 570	156 687
International hiring of foreign labour	27 298	25 098
Audit services, legal and tax advisory	4 456	5 892
Training of employees	3 450	2 128
Waste disposal	5 113	4 293
Technical support from TG	1 368	4 023
Warranty repairs	1 645	1 218
Mediation of workers via agencies	129 280	112 122
IT Support	18 585	15 619
Other services	78 956	97 930
Total	547 375	531 399

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 2025	Year ended 31 March 2024
Costs of the statutory financial statements audit	1 467	1 697
Total	1 467	1 697

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

	(CZK '000)	
	Year ended 31 March 2025	Year ended 31 March 2024
Change in other reserves	3 550	-22 548
Change in provisions	36 479	8 774
Complex deferred expenses	8 563	8 984
Total	48 592	-4 790

4.17. Sundry Operating Income

	(CZK '000)	
	Year ended 31 March 2025	Year ended 31 March 2024
Grants received to offset costs	31	43
Sundry operating income	76 505	58 113
Total sundry operating income	76 536	58 156

Other operating income 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, preliminary project termination and contractual penalties.

4.18. Grants

Overview of Subsidies Drawn

	(CZK '000)	
Purpose	Drawn as of 31 March 2025	Drawn as of 31 March 2024
State financial support	31	43
Antigen tests	0	0
Energy subsidy	0	0
Support programme for increased costs of natural gas and electricity	0	37 963
Total	31	38 006

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 2025	Year ended 31 March 2024
Gifts	194	74
Other penalties and fines	5	1
Insurance	7 769	5 945
Liquidation of old inventory	29 929	6 067
Other	1 546	31 629
Total sundry operating expenses	39 443	43 716

4.20. Other Financial Income and Other Interest Income and Similar Income

	(CZK '000)	
	Year ended 31 March 2025	Year ended 31 March 2024
Foreign exchange rate gains	43 979	71 575
Interest	4 710	2 986
Total	48 689	74 561

4.21. Other Financial Expenses

	(CZK '000)	
	Year ended 31 March 2025	Year ended 31 March 2024
Foreign exchange rate losses	43 136	112 128
Interest	0	38 605
Sundry financial expenses	224	211
Total	43 360	150 944

5. EMPLOYEES, MANAGEMENT AND STATUTORY BODIES

5.1. Staff Costs and Number of Employees

In 2024 and 2023, the following tables summarise the average number of the Company's employees and managers:

2024

					(CZK '000)
	Number of staff	Payroll costs	Social security and health insurance	Other costs	Total staff costs
Staff	767	394 550	139 958	22 036	556 544
Management	18	32 152	8 998	173	41 323
Total	785	426 702	148 956	22 209	597 867

2023

					(CZK '000)
	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

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 2025, 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 2025. 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 2025.

4. Audit Report

INDEPENDENT AUDITOR'S REPORT

To the Partners of Toyoda 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 Toyoda 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 2025, 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 material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of Toyoda Gosei Czech, s.r.o. as at 31 March 2025, 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 27 June 2025

Audit firm:

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



Statutory Auditor:

Ladislav Šauer
registration no. 2261

