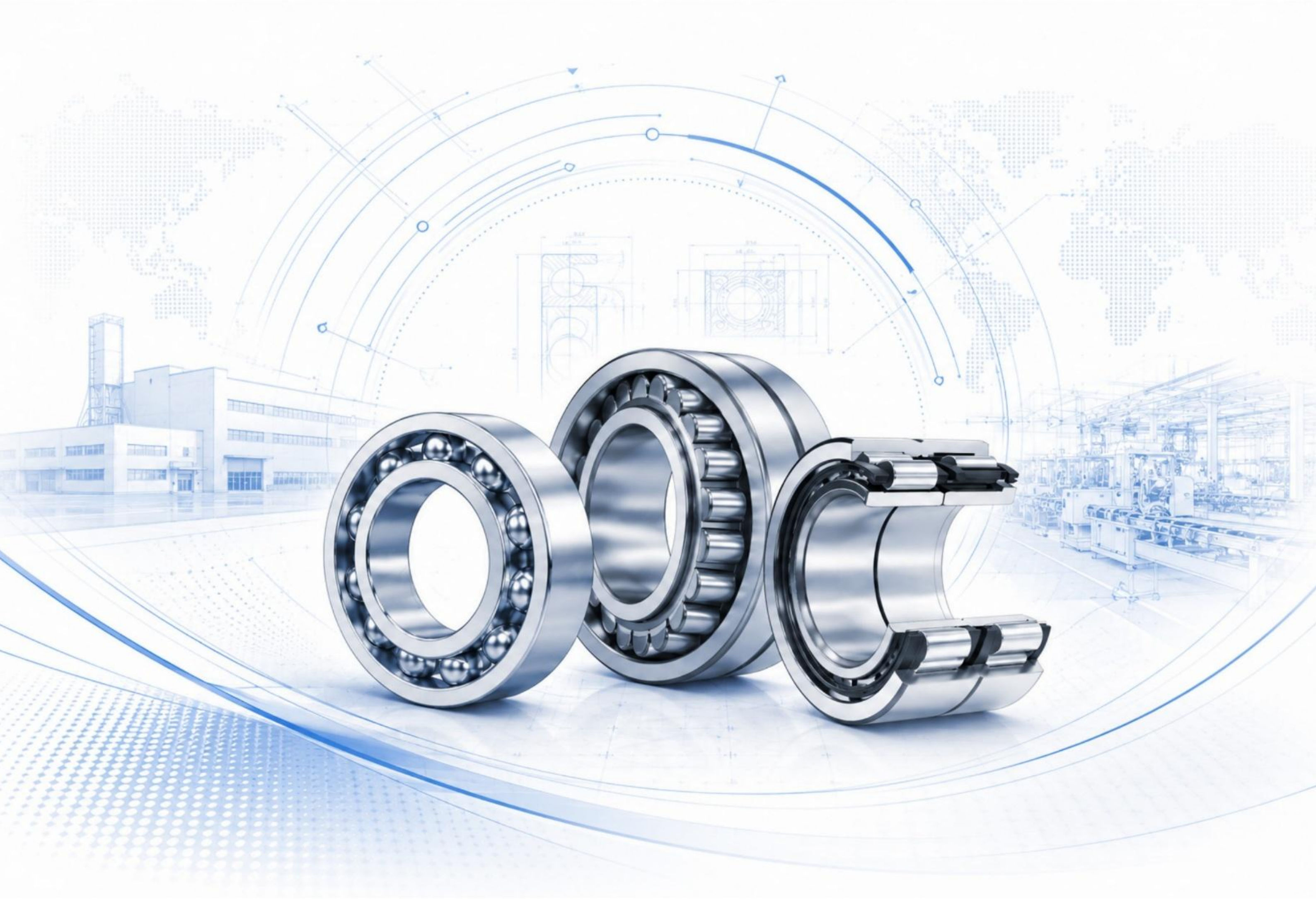


ANNUAL REPORT

2025

ZKL GROUP

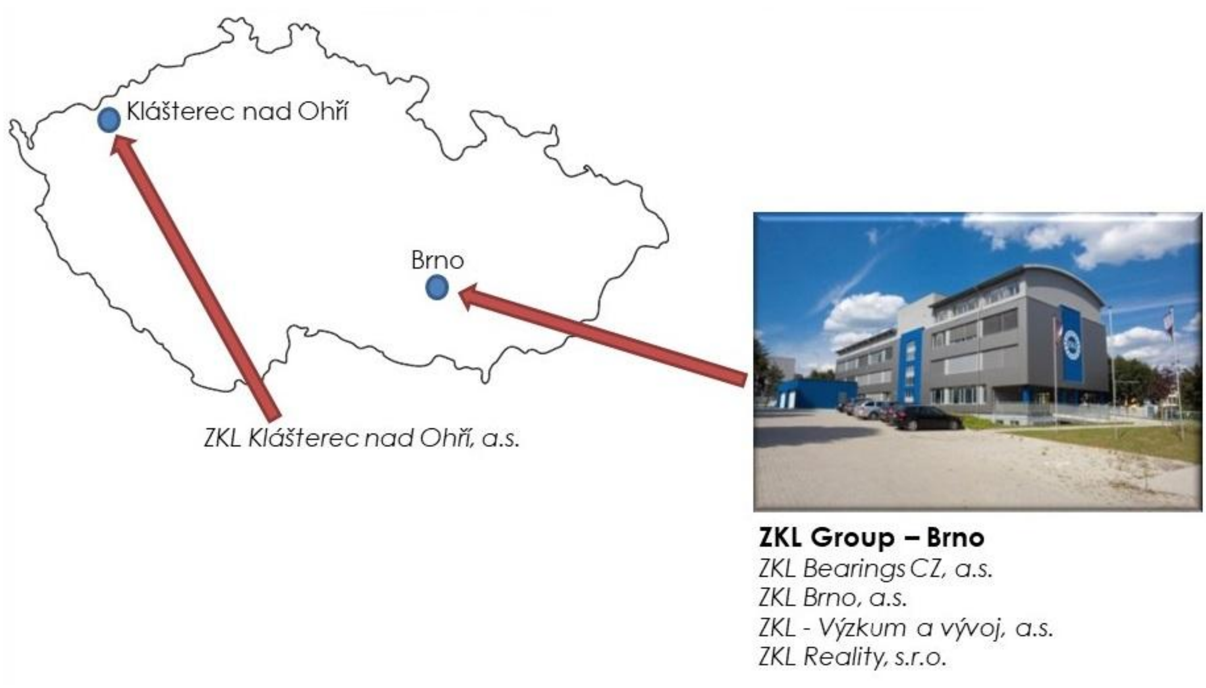
Contents

About the Company

ZKL Group is a result of the integration of the Czech bearing industry with over hundred-year-old tradition providing research, development, manufacturing and sales of ZKL bearings. The establishment of the Group dates back to 1 July 1999. Today, ZKL Group is the biggest manufacturer of large-scale spherical-roller, special and split bearings in Central Europe.

ZKL Group integrates two manufacturing plants in Brno and Klášterec nad Ohří, and also specialized joint stock companies ZKL - Výzkum a vývoj, a.s. (ZKL - Research and Development), and business company ZKL Bearings CZ, a.s. Thanks to our own research and development, ZKL is able to analyse the internal geometry of roller bearings, perform calculations of contact stress and improve the parameters of roller bearings of all types. Research and development also address the innovation process technical development projects and the extension of the product range.

ZKL has been a well-proven and reliable supplier holding certifications for a number of industrial enterprises. The manufactured range of both standard and special bearings of the ZKL brand fulfils the most demanding customer requirements in a wide field of individual industries, such as metallurgy, power engineering, heavy engineering, mining and processing of raw materials, automotive, transport, agriculture and many others.



Introductory Word of Chairman of the Board

Dear Business Partners,

I am pleased to present the ZKL Group's results for 2025, as shown in the comparison:

Parameters	year 2023	year 2024	year 2025	Index
Sales (in thousand CZK)	1 294 215	1 296 851	1 240 055	96,60 %
EBITDA (in thousand CZK)	233 051	251 071	155 248	66,20 %
No. of employees	511	495	451	109,70 %

Although we did not achieve the planned performance growth of approximately 10% compared with 2024, our 2025 results reflect the challenging conditions currently facing European industry as a consequence of geopolitical developments around the world.

The most significant factors include:

- Decline in coal mining as an energy source: –8%
- Decline in steel production: –2.6%
  note: Germany: –8.6%
- Decline in rail freight transport volumes: –5.3%

It is also important to mention the restrictions affecting ZKL bearing exports to Asia, particularly to China. These factors resulted in a 3.4% decrease in sales in 2025 compared with 2024, followed by a decline in profitability, with EBITDA decreasing by approximately 34% year-on-year.

We view these changes and the ongoing transformation of European industry as both a challenge and an opportunity for the future development of ZKL bearing production. The future of ZKL rolling bearing manufacturing is based on the continuous development and innovation of bearings designed specifically to meet our customers' requirements, as well as on strengthening manufacturing integration and cooperation with leading European bearing manufacturers. At the same time, we are implementing a number of measures to improve efficiency, particularly through the modernization of energy-intensive operations and their gradual optimization.

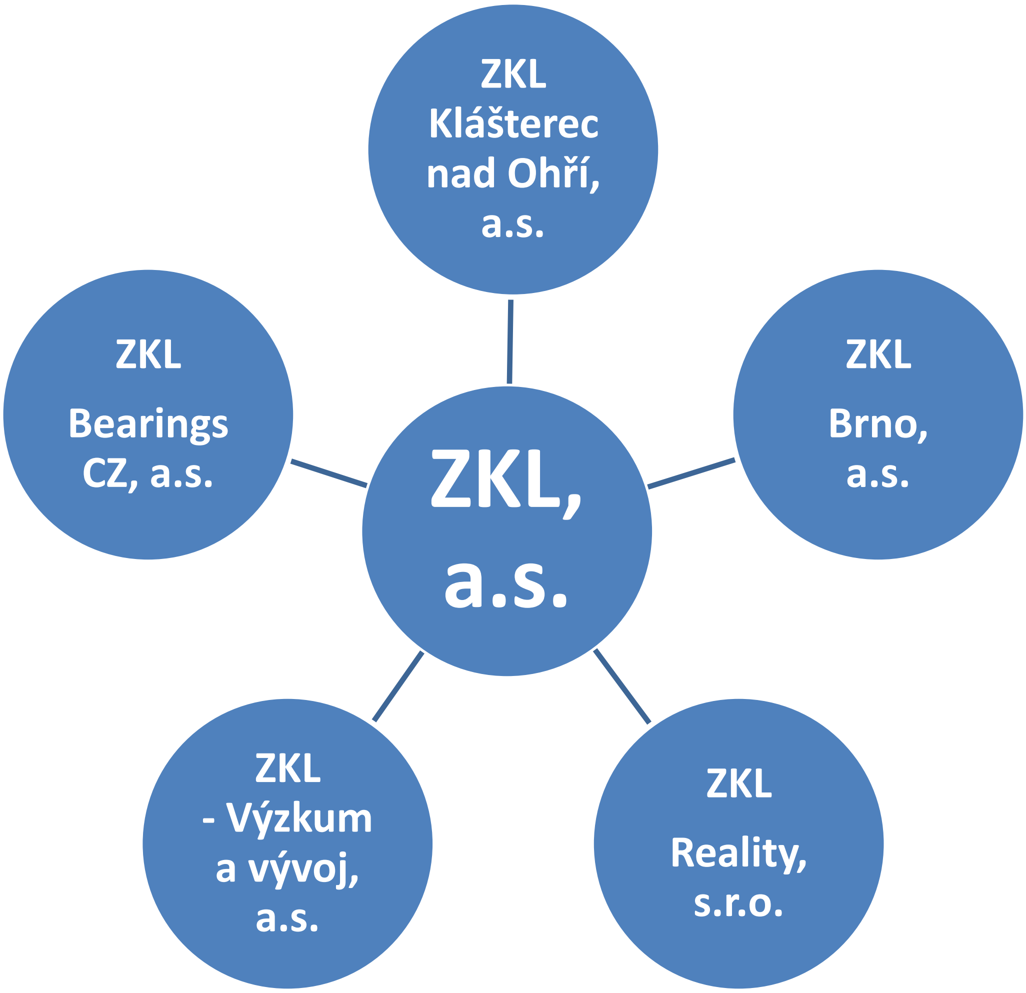
I remain confident that the rolling bearing industry offers strong long-term prospects. I believe that new logistics requirements, especially in the railway sector, together with the modernization of steel production across Europe, will create new business opportunities.

In conclusion, I would like to thank you for your cooperation throughout 2025. I look forward to working together to achieve our shared goals in 2026.

Ing. Jiří Prášil, CSc.

Chairman of the Board of ZKL, a.s.

Current Organisational Scheme



BOARD OF DIRECTORS

Chairman:	Ing. Jiří Prášil, CSc.
Board of members:	Ing. Jiří Prášil
	Ing. Alena Antonova

ZKL, a.s.
Jedovnická 8, Brno
IČ: 25568353

Book value: CZK 1 543 613 thousand
Annual turnover: CZK 39 799 thousand

ZKL Brno, a.s.
Trnkova 2969/123, Brno
IČ: 25507851

Principal activity:
Manufacture of spherical roller, cylindrical roller, tapered and special bearings.
Book value: CZK 873 127 thousand
Annual turnover: CZK 437 848 thousand

ZKL Klášterec nad Ohří, a.s.
Nádražní 214, Klášterec nad Ohří
IČ: 00152552

Principal activity:
Manufacture of ball, tapered and cylindrical roller bearings up to 400 mm diameter.
Book value: CZK 543 532 thousand
Annual turnover: CZK 557 689 thousand

ZKL-Výzkum a vývoj, a.s.
Jedovnická 8, Brno
IČ: 25558480

Principal activity:
Development of rolling bearings and special rotary mountings of machines
Book value: CZK 32 180 thousand
Annual turnover: CZK 30 093 thousand

ZKL Bearings CZ, a.s.
Líšeňská 2828/45, Brno
IČ: 25088637

Principal activity:
Purchase and sale of rolling bearings.
Book value: CZK 622 743 thousand
Annual turnover: 1 113 025 thousand

ZKL Reality, s.r.o.
Jedovnická 8, Brno
IČ: 25507729

Principal activity:
Rentals and administrative of own or rented estate.
Book value: CZK 858 903 thousand
Annual turnover: CZK 126 442 thousand

Sales and Marketing

The Company's financial performance in 2025 remained broadly in line with the previous year. Revenue reached CZK 1.13 billion, representing a year-on-year decrease of CZK 10 million. We are satisfied with this result, particularly in view of the current demand trends across European industry and the challenging market conditions.

Demand in Europe has declined significantly, especially in our key market segments, including rail freight transportation, mining, and the steel industry. At present, stronger demand is being recorded primarily in light industry, particularly for products used in logistics facilities, small gearboxes, and electric motors.

From an operational perspective, we successfully reduced costs by 11% through lower internal operating costs and the optimization of costs across our affiliated companies. Profit before tax increased by CZK 3.5 million compared with 2024, while the Company achieved a net profit after tax of CZK 23 million. This represents an improvement of CZK 8 million over the previous year.

Looking ahead, we are closely monitoring several key factors that will influence our future performance. One of the most significant is the growing pressure on profit margins, driven primarily by the appreciation of the Czech koruna against both the euro and the US dollar. Exchange rate movements have a substantial impact on our profitability, as exports account for more than 90% of the Company's total revenue.

Another challenge is the continuing influx of low-priced bearings imported from China into the European Union. The current 8% import duty on finished bearings provides only limited protection for the European market. As a result, bearing production continues to shift to lower-cost regions, while manufacturing capacity in Europe is gradually declining. As one of the few remaining traditional bearing manufacturers in Europe, we are experiencing this trend particularly strongly. At the same time, the market is seeing a growing number of brands presenting themselves as manufacturers, while in reality they simply market products sourced from various Chinese producers.

For the first time, we are planning a decline in both production and revenue in 2026. It is already clear that the coming year will be challenging. The continuing slowdown in industrial production across the European Union, particularly in heavy engineering, is placing increasing pressure on the entire supply chain. Our priority therefore remains the consistent control and optimization of costs, both in terms of personnel and manufacturing operations.

At present, we see the greatest growth potential in the markets of the Middle East, Central Asia, and China. Industrial activity within the European Union, with the exception of sectors generating higher added value, continues to stagnate or decline. Manufacturing is increasingly relocating to lower-cost regions of the world, while the limited availability of certain raw materials further weakens the competitiveness of European manufacturers. We believe this trend can eventually be reversed and that manufacturing will gradually return to Europe rather than continue to move elsewhere.

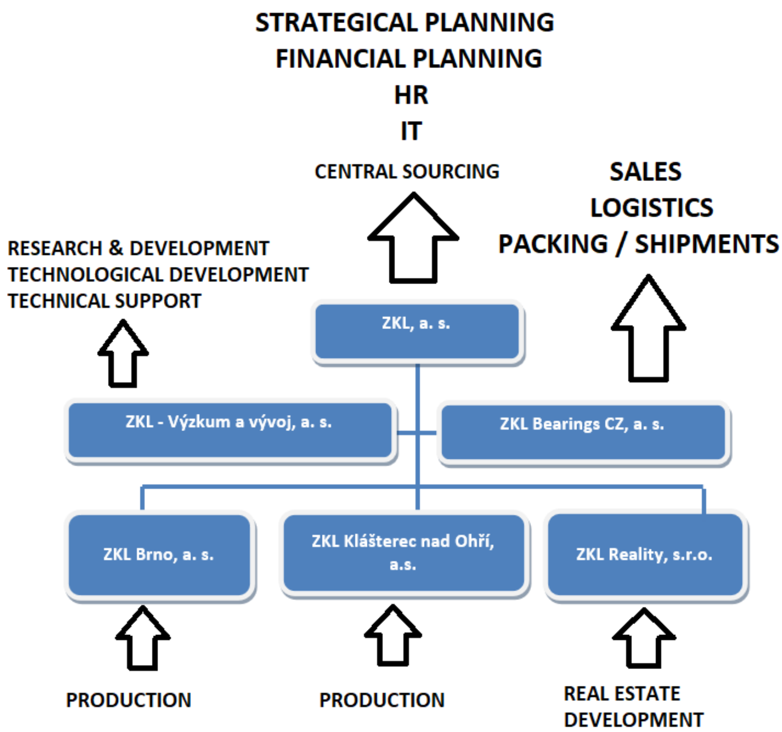
Processes

In 2025, we initiated the centralization of technical production preparation under ZKL – Výzkum a vývoj, a.s., which is also responsible for the selection and procurement of manufacturing technologies.

Our investments were focused primarily on improving quality and expanding production capacity in Klášterec. New production lines for manufacturing rings for axial ball bearings were acquired, along with an automated visual inspection system serving as the final quality control operation for rolling elements produced at ZKL Brno, a.s.

These activities are carried out by the following companies within the Group:

- **ZKL, a.s.** (HR, finance, IT, central procurement, strategic management)
- **ZKL Brno, a.s.** (bearing production in Brno, management of production orders and technological procedures)
- **ZKL Klášterec nad Ohří, a.s.** (bearing production in Klášterec nad Ohří, management of production orders and technological procedures)
- **ZKL Bearings CZ, a.s.** (trade organisation, owner of finished product inventories, owner of sales branches)
- **ZKL – Výzkum a vývoj, a.s.** (Group technology centre, CAD and CAE data management)
- **ZKL Reality, s.r.o.** (real estate development)



Marketing activities in 2025

Through the regular publication of news and articles on our website and social media channels, we continued to develop our communication activities towards the professional public. Our employees were kept better informed about company news and current developments within ZKL Group companies through the corporate intranet.

In 2025, one issue of our corporate magazine ZKL News was published and distributed among employees and business partners. Articles about our company also appeared in selected printed publications, and through our advertising activities we supported important business partners as well.

We continued updating our printed marketing materials in line with market requirements, target regions, and industrial sectors. On the occasion of the Canadian Mining Expo, we published a new specialized brochure focused on bearings for the mining industry. We also prepared a set of product sheets for traction motor bearings, which were presented to the professional public at the TRAKO railway exhibition.

In September, we participated with our own exhibition stand at the TRAKO railway fair in Gdańsk, Poland. Through our distributors, the ZKL brand was also visible at trade fairs in Canada (Canadian Mining Expo), India (ISME), Peru (Expo-Mant), and Indonesia (Palmex Expo).

Our sales managers and technical specialists made numerous visits to distributors and end customers and delivered presentations at professional seminars (for example, in Sri Lanka). Technical specialists also participated in smaller industry conferences, such as DIAGO and METAL.

Ing. Jiří Prášil
CEO – ZKL Group and CEO – ZKL Bearings CZ, a.s.

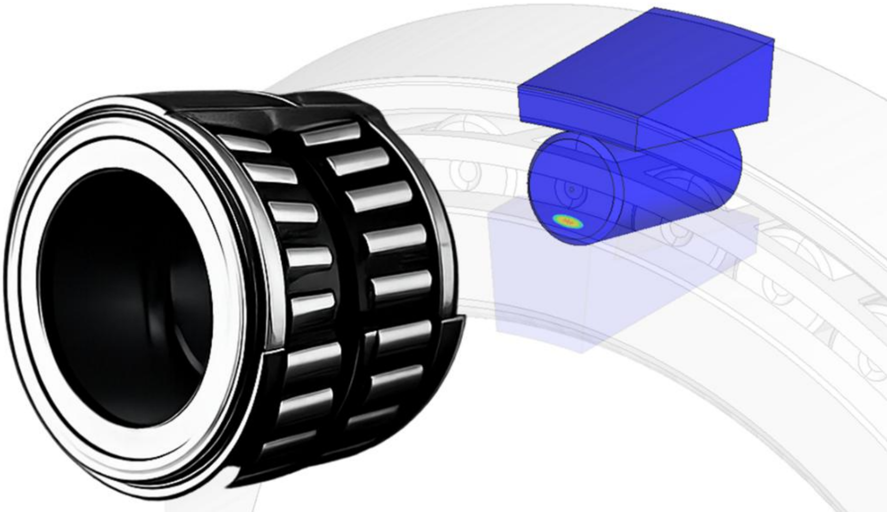
Technological Development, Innovation, Research & Development

The year 2025 was marked by a continuing deep recession in Europe and a highly competitive environment in Asia. For ZKL GROUP, it represented a continuation of our strategic technical development, further strengthening our competitiveness in global markets. We built on the intensive innovation activities of previous years while operating in a rapidly changing industrial environment.

As in previous years, key investments in research and development in 2025 focused on improving manufacturing technologies for new generations of bearings. The main priorities remained process optimization and the implementation of automation and robotics, which will continue in 2026.

Innovation management continues to be carried out through the Technical and Production Development Plan (TVR), which is integrated into the Group's financial management system. Total investments in technical development in 2025 remained at a stable level, with emphasis placed on the efficient use of resources and the return on investment through specific technological and product innovations.

	2017	2018	2019	2020	2021	2022	2023	2024	2025
ZKL Brno	28 612	54 555	44 486	37 361	30 066	40 048	22 816	25 101	13 134
ZKL Klášterec nad Ohří	12 576	11 517	11 159	6 816	7 616	8 344	13 403	11 965	11 496
ZKL – Výzkum a vývoj	20 583	21 481	21 601	22 410	23 472	32 863	35 896	34 137	33 596
TOTAL	**69 101**	**95 378**	**82 751**	**69 961**	**66 889**	**81 255**	**72 115**	**71 203**	**58 226**



We continued to focus our research and development activities on expanding our expertise in bearings for demanding applications. These include electrically insulated bearings, hybrid bearings, bearings with functional coatings, and bearings for railway vehicles. Preparatory development work was also initiated on bearings for the aerospace industry and high-speed rail applications. At the same time, we continued to enhance our standard industrial bearing portfolio in accordance with specific customer requirements.

A major milestone in 2025 was the further development and gradual centralization of know-how within the Group's Technology Centre. This approach strengthens our readiness for future expansion of manufacturing capacity, including potential projects outside the European Union, while ensuring that our core expertise remains in the Czech Republic.

In the development of new products, we continued to combine decades of engineering experience with advanced simulation and design tools. Development processes were managed through digital platforms, enabling efficient data management and accelerating the innovation cycle. Close cooperation with research institutions and participation in national and international research projects also remained a key part of our innovation strategy.

In addition to customer-driven bearing innovations, the ZKL Group's research and development activities in 2025 were also focused on long-term projects involving the development of new bearing designs and advanced bearing manufacturing technologies. Many of these projects are carried out with the support of national research and development funding programmes, building on initiatives launched in previous years.

Cooperation within the **National Centre of Competence for Mechatronics and Smart Technologies for Mechanical Engineering** **NCC MESTEC 2** also continued.

<u>Examples of R&D projects carried out in the field of new bearing design included:</u>

- Mechatronic systems and bearings for railway vehicle drive systems.
- Bearings for electric mobility and traction drive applications.
- Development of bearings for thermally loaded high-speed applications.

<u>In the area of manufacturing technology and digitalization, the following research and development projects were carried out, among others:</u>

- Research and development of manufacturing processes for rolling elements with modified rolling surface geometry.
- Research and development of the design and manufacturing technology of forming tools for the precision forging of rolling elements.
- Development of new technologies for the automated visual inspection of components.

Ing. Libor Nohál, Ph.D.
CTO and CEO of ZKL – Výzkum a vývoj, a.s.

Quality Management System & Environmental Protection

ZKL Group, positioning itself as a reliable supplier for the most demanding customers, including those in the energy and railway industries, continuously improves and develops its quality management system certified according to EN ISO 9001.

The Group management pays great attention to the quality management system and the related learning processes. The implementation of new projects, which aim to increase the level of the working environment and health and safety, increase the quality of workplaces and their high degree of cleanliness, as well as the installation of state-of-the-art production and measuring equipment, also increasing EMS, significantly shifts ZKL's capabilities and product quality. The system has been constantly improved on the basis of the principles formulated in the quality policy and verified by internal, certification and customer audits.

An important part of the management system is the consistent application of process management principles, risk management, and continuous improvement in accordance with the requirements of the EN ISO 9001 standard. The ZKL Group places strong emphasis on the systematic evaluation of quality indicators, prevention of non-conformities, support for innovation, and active employee involvement in improvement activities.

Another key element is the focus on customer satisfaction, process stability, and the long-term sustainability of manufacturing and supporting activities. These principles contribute to strengthening the trust of business partners and enhancing the Company's competitiveness in international markets.

Policy of quality, product safety, environment and work safety of the ZKL Group

In accordance with the ZKL Group's strategy and the requirements of ISO 9001, ISO 14001, ISO 45001, and ISO 22163 standards, the top management has adopted a policy for quality, product safety, environmental protection, and occupational health and safety.

To fulfil this policy, the ZKL Group companies have committed to implementing the following rules and principles:

1. Focus on the customer and other interested parties

- To plan, provide for and use resources to meet the requirements, needs and expectations of customers and other interested parties in the areas of quality, product safety, environment and occupational safety.
- To achieve stable quality, functional safety, operational reliability and environmental friendliness of products.

- To monitor and evaluate the level of customer satisfaction with products and services provided.
- To fulfil legislative obligations and customer requirements.
- To inform customers and relevant interested parties about the system of environmental management and health and safety management in the ZKL Group.
- In cooperation with suppliers, to develop and constantly improve the delivered products and services.
- To involve key suppliers in the process of continuous improvement.
- To initiate the application of environmental management principles by suppliers.

2. Leadership and employee involvement

- To develop the professional competence of employees and motivate them to use their knowledge, abilities and skills to ensure the quality, safety and reliability of produced products and services and to continuously improve the established processes.
- To improve the work and social environment, to reduce environmental impacts and health and safety risks, and to prevent injuries and damage to health.
- To fulfil the policy, to set SMART goals and to meet target values at all levels of the company.
- Through managers and their personal examples, to lead all employees to common goals, teamwork, to increase their awareness, ability and knowledge, and to support their ideas for improvement.
- To work responsibly and flawlessly with consistent self-control of the results of one's own work.

3. Process approach to management

- To implement and apply an effective and efficient system of quality, environment and occupational safety through process management with consideration and risk minimization.
- To determine the policy and goals of all systems in accordance with the strategic intentions of the ZKL Group
- To apply the policy at all levels of the ZKL Group, to specify and evaluate it annually on the basis of setting SMART goals.
- To support the introduction of the best possible technologies that will lead to improved process performance, increased customer satisfaction and reduced risks of environmental and occupational safety impacts.

4. Decision-making based on facts and continuous improvement

- To monitor, measure and analyse qualitative parameters and features of products and performance parameters of the ZKL Group processes. To use the results to set specific goals and measures to ensure continuous improvement of the established quality, environmental and occupational safety systems.

- The quality of the products is based on the awareness of the importance of quality work performed by each employee in the sense of the principle of - “Zero defects”.
- To prevent the possibility of emergencies or accidents, the consequences of which could have a negative impact on the environment and the health of employees, by preventing and using relevant opportunities.
- To prioritize the use of materials and processes that contribute to minimizing, eliminating or mitigating the negative impacts on the environment and the work environment.

The state of the ZKL Group’s quality management system in 2025

Company	Certificate
ZKL, a.s.	EN ISO 9001:2015
ZKL – Výzkum a vývoj, a.s.	EN ISO 9001:2015
	CTLA
ZKL Bearings CZ, a.s.	EN ISO 9001:2015
ZKL Brno, a.s.	EN ISO 9001:2015
ZKL Klášterec nad Ohří, a.s.	EN ISO 9001:2015
	EN ISO 14001:2015

Environmental protection

Environmental protection receives significant attention within the ZKL Group, with the main criteria being the requirements of the international ISO 14001 standard and applicable legislative requirements. ZKL Klášterec nad Ohří is certified according to the ISO 14001:2015 international standard. The other companies within the Group are not certified; however, they comply with all requirements of the ISO 14001:2015 standard. The principles of environmental management have already become a natural part of all activities aimed at improving the environmental performance of the companies.

Strict compliance with legislative requirements to ensure environmental protection is a matter of course for us. Our environmental performance management covers all impacts arising from the business activities of the companies that affect the environment. These impacts include not only pollution, but also the consumption of resources such as materials, energy, and water. All energy consumption, waste generation, and packaging materials are carefully monitored and evaluated. The objective of improving EMS processes within ZKL companies is to conserve environmental resources and reduce overall financial costs while considering the economic performance of the companies.

When developing new products and acquiring new technologies, emphasis is placed on efficient energy use, environmental protection, and the conservation of natural resources.

An important part of environmental management is also the systematic management of environmental aspects and risks throughout the entire life cycle of products and processes, as required by the ISO 14001:2015 standard. The ZKL Group focuses on preventing environmental impacts, reducing the energy intensity of production, responsible waste management, and supporting sustainable development principles. Emphasis is also placed on increasing environmental awareness among employees, developing environmentally friendly technologies, and identifying opportunities to reduce emissions and material consumption.

The implemented measures contribute not only to environmental protection but also to the long-term stability and responsible development of the ZKL Group, in line with the expectations of customers, business partners, and the wider public.

Safety at work

The ZKL Group provides a safe and healthy working environment for its employees and contractual partners by implementing and enforcing a risk prevention system across all its activities. By complying with internal regulations and procedures, as well as all applicable legislation, ZKL creates and maintains a safe workplace environment.

The ZKL Group provides the necessary resources for education, training, and inspections to ensure the health and safety of employees at work. We plan, monitor, and evaluate occupational health and safety performance through internal OHS audits. Non-conformities identified during audits are actively addressed, root causes are analysed, and corrective measures are established with the aim of eliminating potential risks and preventing hazardous situations.

Everyone working for ZKL is responsible for their own safety as well as the safety of others by acting responsibly and reporting potential risks and near misses. Managers are responsible for ensuring compliance with occupational health and safety requirements by clearly defining responsibilities and duties, providing appropriate resources, and continuously improving OHS performance throughout ZKL.

The occupational health and safety management system within the ZKL Group is developed in accordance with the requirements of the ISO 45001 standard, with an emphasis on accident prevention, proactive risk identification, and promoting a safety culture across all levels of the organization. An important element of the system is employee involvement in continuous improvement processes, open communication in the area of OHS, and the consistent evaluation of preventive measures.

At the same time, the ZKL Group focuses on workplace ergonomics, modernization of manufacturing technologies, and the promotion of a healthy working environment. Through these activities, the Group continuously strengthens employee health protection, the stability of work processes, and its responsible approach towards employees and business partners.

Tomáš Popek
Quality and EMS Manager of the ZKL Group

Employee Care: Stability, Development and Knowledge Sharing

Employees are one of the key pillars of the ZKL Group's long-term success. For this reason, we are committed to creating a working environment that promotes stability, professional development, and collaboration. Our goal is to provide conditions that enable employees to fully realize their potential while contributing to the continued growth and success of the Company.

An important part of our corporate culture is the transfer of knowledge and expertise between generations of employees. Combining many years of experience with fresh perspectives and new skills helps preserve our key know-how while strengthening the Company's ability to respond to changing market demands. At the same time, we place great emphasis on the professional development of our employees, the continuous enhancement of their competencies, and the promotion of teamwork across the organization.

Enhancing efficiency and workforce stability

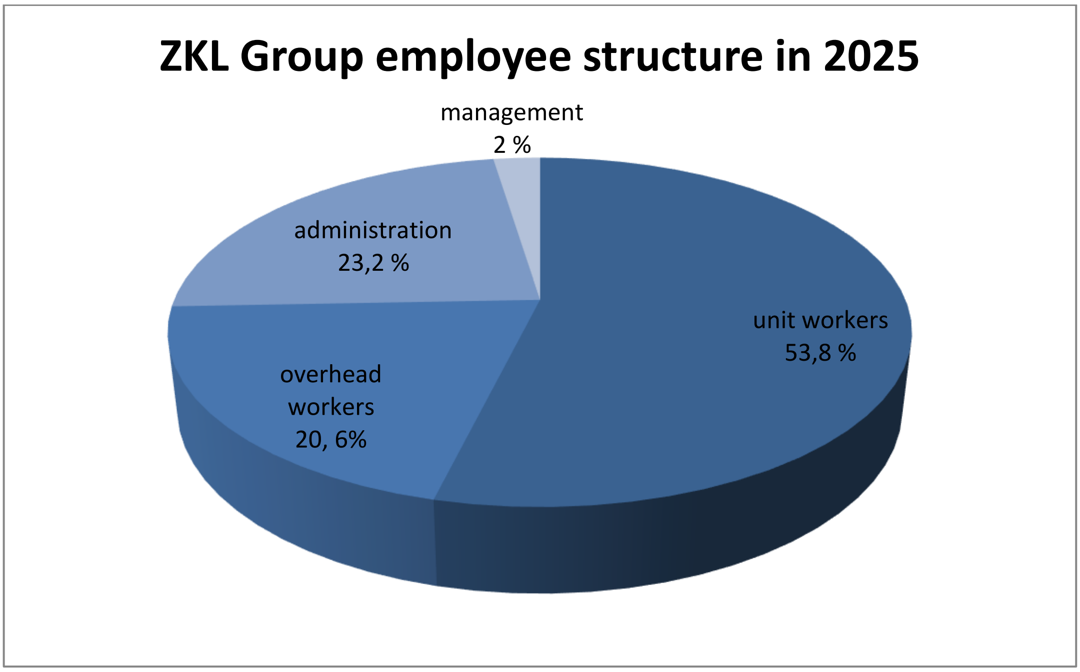
In 2025, we continued our activities focused on increasing the efficiency of both manufacturing and supporting processes. Through the ongoing modernization of technologies, optimization of work organization, and more effective utilization of available resources, we have been able to maintain a high level of productivity and competitiveness across the ZKL Group.

These changes are also reflected in the development of employee numbers, which over the long term reflects increasing process efficiency while maintaining the required quality of production and services provided.

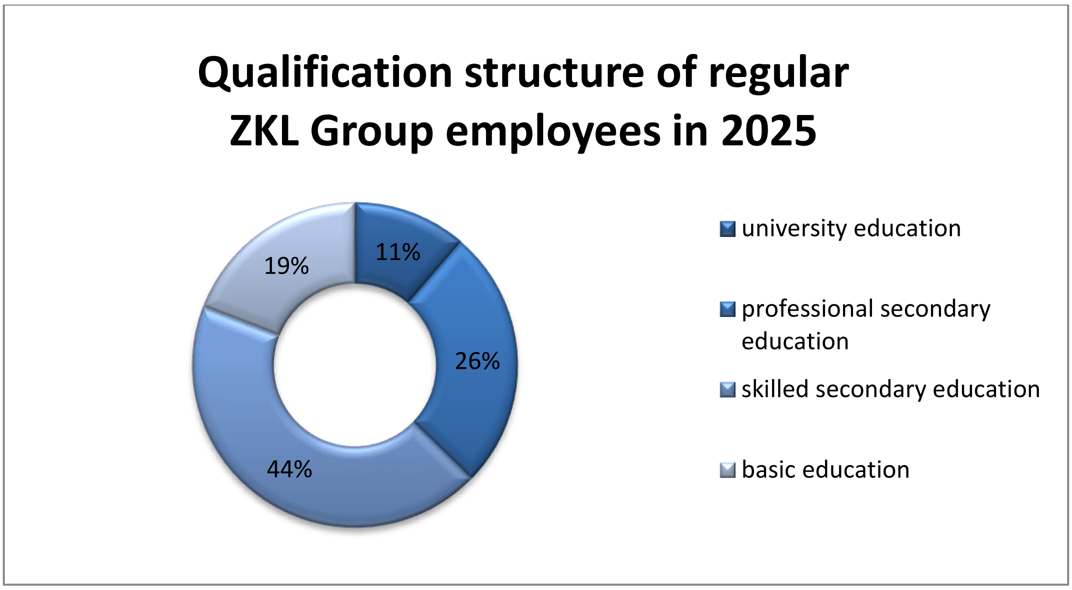
Employee development in the ZKL Group

Recalculated number of employees in the given year						
Year	2020	2021	2022	2023	2024	2025
Total ZKL Group	553	535	528	521	495	467

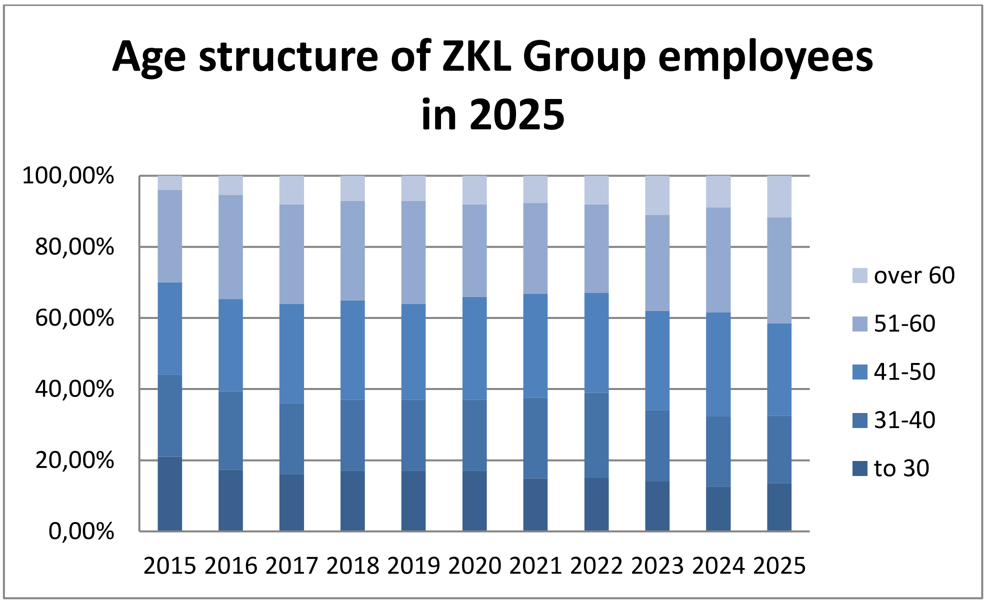
The workforce structure remains stable, with approximately three quarters of employees working directly in manufacturing.



The age and qualification structure of ZKL Group employees has remained stable over the long term. An important part of our HR strategy is supporting generational renewal and preserving expert know-how through cooperation between experienced employees and younger colleagues.



The qualification and age structure of ZKL Group employees has remained stable over the long term. We continue to focus on attracting new talent and supporting their professional development in order to ensure generational continuity and long-term workforce stability across the ZKL Group.



Employee benefits

The companies within the ZKL Group offer employees a wide range of benefits that support job satisfaction, a healthy lifestyle, and a better work-life balance. The most widely used benefits continue to include subsidized company meals, contributions towards supplementary pension schemes, the MULTISPORT programme, and language training.

Employees can also benefit from contributions towards leisure activities and children's recreational programmes. Five weeks of annual leave, flexible working hours for selected positions, and the option of occasional home office work are standard benefits. The system also includes an employee referral programme that supports the recruitment of qualified professionals.

We continuously develop our benefits system to reflect the needs of employees in different life situations and to contribute to the long-term attractiveness of ZKL Group companies as an employer.

Health Week 2025: Promoting a healthy lifestyle among employees

In June 2025, the Brno-based companies of the ZKL Group organized the first edition of Health Week, aimed at supporting prevention, a healthy lifestyle, and overall employee health care. Throughout the week, employees had the opportunity to participate in a range of activities focused on nutrition, physical activity, and health prevention.

The programme included, for example, first aid training led by a professional paramedic, an expert lecture on healthy nutrition and prevention, body fitness and health indicator measurements, as well as a sports afternoon focused on active leisure activities. The event also promoted healthy eating habits through the distribution of fresh fruit at workplaces.

Health Week received very positive feedback from employees and achieved high participation across the ZKL Group companies. It confirmed the importance of initiatives focused on supporting health, prevention, and creating a healthy working environment.

Family Day 2025: Bringing employees and their families together at ZKL Brno

On Saturday, 21 June 2025, the ZKL Brno site opened its doors to employees' families and became a place filled with joy, laughter, and shared experiences. The traditional Family Day once again provided an opportunity for an informal gathering of employees and their loved ones in the environment of the manufacturing facility.

A varied programme was prepared for children, including bouncy castles, competitions, face painting, cotton candy, and the popular electronic bull ride. The entire morning was filled with entertainment and a positive atmosphere, further enhanced by the friendly spirit among visitors of all generations.

The programme also included guided tours of the manufacturing facilities, allowing visitors to explore the behind-the-scenes processes of bearing production. Particular interest was attracted by the opportunity to take photographs inside the large-size bearing at Hall 5, which became one of the most popular attractions of the day. Both children and adults were also impressed by bearing assembly demonstrations, which provided an engaging insight into the technical aspects of production.

Family Day 2025 at ZKL Klášterec: A gathering of employees, their families, and former colleagues

On the last Saturday of August 2025, the ZKL Klášterec nad Ohří manufacturing plant once again hosted the traditional Family Day for employees and their families. For the second time, the event was combined with an Open Day for former employees, giving them the opportunity to reminisce about their years with the Company while also learning about current developments at the plant.

A rich programme full of entertainment and attractions was prepared for children. The most popular activities traditionally included the firefighters' foam show, face painting, and a bouncy castle. A new attraction this year was an electric surf simulator, which gained great attention, especially among younger visitors.

The guided tours of the manufacturing plant were also very popular. They were particularly appreciated by former employees, who had the opportunity to see first-hand the modernization of manufacturing technologies and other changes the Company has undergone in recent years.

Events at both manufacturing plants attracted a high number of participants and were held in a very pleasant atmosphere. The gathering of employees, their families, and former colleagues confirmed that Family Days are one of the popular traditional events that strengthen relationships across generations of Company employees.

Cycling Trip 2025: Active leisure and colleague gathering in the České středohoří region

The traditional cycling trip for employees of ZKL Group companies took place in 2025 in the picturesque surroundings of the České středohoří region. Participants could choose between cycling and hiking routes and together visited many interesting locations in the area, including the historic Říp Mountain, Hazmburk Castle, the water castle in Budyně nad Ohří, and the château in Libochovice.

The sporting part of the programme offered participants the opportunity for active recreation in beautiful countryside, while the evening social gathering provided a space for informal meetings among employees from different ZKL Group companies. The event once again received very positive feedback and confirmed its importance as a popular tradition supporting team spirit and strengthening relationships among employees.

The year 2025 confirmed that the long-term development of ZKL companies is inseparably linked to the development and stability of our employees. Alongside improving process efficiency, we continued activities focused on supporting professional growth, creating a healthy working environment, and strengthening our corporate culture. Educational and development programmes, as well as social and sporting events, played an important role in this area by contributing to the development of strong relationships and teamwork across the ZKL Group.

We continue to successfully create an environment based on mutual respect, knowledge sharing, and a responsible approach towards our employees. We highly value the work of all our colleagues, their expertise, commitment, and ability to adapt to changing conditions. Their everyday efforts form the foundation of the stability, quality, and further development of the ZKL Group. Looking ahead, we remain convinced that investing in our people continues to be one of the most important prerequisites for long-term success.

JUDr. Lenka Povolná
Head of HR Department of ZKL, a.s.

Consolidated Financial Data

CONSOLIDATED BALANCE SHEET

(Figures in CZK thousand)

as of: 31.12.2025

Year	Month	ID No.	Company name and seat
2025	12	25568353	ZKL,a. s., Jedovnická 2346/8 62800 Brno (CZ)

Item a	ASSETS b	Line No. c	Current period Brutto 3	Current period Adjustment	Current period Netto	Previous period Netto 4
	TOTAL ASSETS (02+03+40+7	01	4 536 912	1 971 839	2 565 073	2 663 297
B.	Fixed assets (04+14+27+37+38+39	03	3 436 747	1 926 653	1 510 094	1 534 386
B. I.	Intangible fixed assets (05+06+09+10+11	04	94 681	92 349	2 332	1 122
2.	Valuable rights (07+0	06	97 863	94 653	3 210	2 644
2.1.	Software	07	73 918	70 708	3 210	2 644
2.2.	Other valuable rights	08	23 945	23 945	0	0
3.	Goodwill	09	-6 217	-4 974	-1 243	-2 487
4.	Other intangible fixed assets	10	2 670	2 670	0	0
5.	Advances for intangible fixed assets and unfinished intangible assets under construction	11	365	0	365	965
5.2.	Intangible assets under construction	13	365	0	365	965
B. II.	Tangible fixed assets (15+18+19+20+24	14	3 215 068	1 709 934	1 505 134	1 517 869
B. II.	Lands and Constructions (16+1	15	1 534 652	596 544	938 108	926 077
1.1.	Lands	16	117 264	0	117 264	110 850
1.2.	Constructions	17	1 417 388	596 544	820 844	815 227
2.	Individual movables and groups of movables	18	1 579 386	1 087 583	491 803	536 475
4.	Other tangible fixed assets (21+22+2	20	36 431	25 807	10 624	13 122
4.3.	Other tangible fixed assets	23	36 431	25 807	10 624	13 122
5.	Advances for tangible fixed asset and tangible fixed assets under construction	24	64 599	0	64 599	42 195
5.1.	Advances for tangible fixed assets	25	791	0	791	18 989
5.2.	Tangible fixed assets under construction	26	63 808	0	63 808	23 206
B. III.	Long-term financial assets (28+29+30+31+32+33+34)	27	126 998	124 370	2 628	15 395
B. III.	Shares in controlled entities	28	126 031	124 370	1 661	14 565
5.	Other long-term securities and shares	32	967	0	967	830
C.	Current assets (41+49+71+7	40	1 085 158	45 186	1 039 972	1 121 084
C. I.	Inventories (42+43+44+47+4	41	626 659	27 567	599 092	680 655
C. I.	Raw material	42	141 490	10 642	130 848	168 614
2.	Work-in-progress and semi-finished products	43	182 640	12 492	170 148	155 614
3.	Finished products and goods (45+46	44	302 149	4 433	297 716	356 172
3.1.	Finished products	45	299 026	1 924	297 102	352 353
3.2.	Goods	46	3 123	2 509	614	3 819
5.	Prepayment on inventories	48	380	0	380	255
C. II.	Receivables (50+	49	390 797	17 619	373 178	408 386
C. II.	Long-term receivables (51+52+53+54+55	50	9 981	0	9 981	14 128
1.1.	Trade receivables	51	3 698	0	3 698	0
1.5.	Other receivables (56+57+58+5	55	6 283	0	6 283	14 128
1.5.2.	Long-term advances	57	6 283	0	6 283	7 105
1.5.4.	Other receivables	59	0	0	0	7 023
2.	Short-term receivables (61+62+63+64	60	380 816	17 619	363 197	394 258
2.1.	Trade receivables	61	258 025	5 933	252 092	281 632
2.2.	Receivables - controlled or controlling party	62	7 053	7 053	0	0
2.4.	Other receivables (65+66+67+68+69+70)	64	115 738	4 633	111 105	112 626
2.4.3.	Government - tax receivables	67	26 286	0	26 286	27 478
2.4.4.	Short-term advances	68	32 778	4 633	28 145	29 604
2.4.5.	Estimated accrued revenues	69	13 021	0	13 021	11 512
2.4.6.	Other receivables	70	43 653	0	43 653	44 032
C. IV.	Cash and bank accounts (75+76	74	67 702	0	67 702	32 043
C. IV.	Cash	75	459	0	459	246
2.	Bank accounts	76	67 243	0	67 243	31 797
D.	Prepayments and accured income (78+79+80	77	15 007	0	15 007	7 827
D.	Prepaid expenses	78	6 522	0	6 522	6 404
2.	Comprehensive accrued expenses	79	166	0	166	309
3.	Accrued income	80	8 319	0	8 319	1 114

Item a	LIABILITIES b	Line No. c	Current period 5	Previous period 6
	TOTAL LIABILITIES (82+107+147+150)	81	2 565 073	2 663 297
A.	Equity (83+87+95+98+102+105+106)	82	1 333 528	
A. I.	Subscribed capital (84+85+86)	83	734 530	734 530
A. I.	Subscribed capital	84	734 530	734 530
A. II.	Share premium and capital reserves (88+89)	87	-33 299	-15 483
A. II. 1.	Share premium	88	1 237	1 237
2.	Capital reserves (90+91+92+93+94)	89	-34 536	-16 720
2.1.	Other capital reserves	90	491	491
2.2.	Valuation differences from revaluation of assets and liabilities (+/-)	91	-35 027	-17 211
A. III.	Revenue reserves (96+97)	95	5 455	5 455
A. III.	Other reserve funds	96	5 455	5 455
A. IV.	Retained earnings (+/-) (99+100+101)	98	606 996	576 511
A. IV.	Retained earnings from previous years	99	607 611	579 827
2.	Unreimbursed loss of previous years	100	0	0
3.	Other retained earnings (+/-)	101	-615	-3 316
A. V.	Profit/loss of current accounting period without minority shares (+/-)	102	19 846	30 492
	Profit/loss of current accounting period	103	19 846	30 492
B. + C.	Liabilities (108+113)	107	1 220 765	1 327 276
B.	Provisions (109+110+111+112)	108	15 626	17 247
2.	Provision for income tax	110	354	1 156
4.	Other provisions	112	15 272	16 091
C.	Payables (114+129)	113	1 205 139	1 310 029
C. I.	Long-term payables (115+118+119+120+121+122+123+124+125)	114	349 263	329 596
2.	Payables to banks	118	333 158	304 669
4.	Trade payables	120	3 698	0
8.	Deferred tax liabilities	124	11 942	23 968
9.	Other payables (126+127+128)	125	465	959
9.3.	Other payables	128	465	959
C. II.	Short-term payables (130+133+134+135+136+137+138+139)	129	855 876	980 433
2.	Payables to banks	133	504 343	534 973
3.	Short-term advances received	134	29 004	27 729
¨4.	Trade payables	135	263 314	318 362
6.	Payables - controlling or controlled entity	137	0	7 000
8.	Other payables (140+141+142+143+144+145+146)	139	59 215	92 369
8.1.	Payables to partners	140	1 176	1 176
8.3.	Payables to employees	142	16 985	16 428
8.4.	Payables to social security and health insurance	143	10 978	8 919
8.5.	Government - tax payables and subsidies	144	15 626	19 760
8.6.	Estimated accrued expenses	145	7 905	9 135
8.7.	Other payables	146	6 545	36 951
D.	Accruals and deferred incom (148+149)	147	10 780	4 515
D. 1.	Accrued expenses	148	10 780	4 477
2.	Deferred income	149	0	38

Issued on:	30.06.2026
Entity's legal form:	joint-stock company
Name and signature of the person responsible for the preparation of the financial statements:	Vladimíra Skřivánková
Name and signature of the statutory body:	Ing. Jiří Prášil, CSc.
	Chairman of the Board

PROFIT AND LOSS STATEMENT

(Figures in CZK thousand)

as of: 31.12.2025

Year	Month	ID No.	Company name and seat
2025	12	25568353	**ZKL,a. s.**, Jedovnická 2346/8 62800 Brno (CZ)

Item a		TEXT b		Line No. c	Current period 1	Previous period 2
I.		Sales of goods and services		01	1 226 857	1 285 909
II.		Sales of goods		02	13 198	10 942
A.		Consumption from production	(04+05+06)	03	795 497	842 091
A.	1.	Costs of goods sold		04	6 666	6 753
	2.	Consumption of material and energy		05	635 293	697 221
	3.	Services		06	153 538	138 117
B.		Increase/decrease in finished goods and in work-in-progress (+/-)		07	-33 192	-31 251
C.		Own work capitalized (-)		08	-204	-170
D.		Staff costs	(10+11)	09	345 673	345 522
D.	1.	Wages and salaries		10	250 562	249 892
	2.	Social security and health insurance costs and other costs	(12+13)	11	95 111	95 630
	2.1.	Social security and health insurance costs		12	83 397	83 329
	2.2.	Other costs		13	11 714	12 301
E.		Adjustment of values in operating activities	(15+18+19)	14	133 340	131 944
E.	1.	Adjustment of values of intangible and tangible assets	(16+17)	15	128 365	134 194
	1.1.	Adjustment of values of intangible and tangible assets - permanent		16	128 365	134 194
	2.	Adjustment of values of inventories		18	5 061	-2 892
	3.	Adjustment of values of receivables		19	-86	642
III.		Other operating income	(21+22+23)	20	32 173	208 938
III.	1.	Proceeds on sale of fixed assets		21	1 356	999
	2.	Proceeds on sale of material		22	2 360	5 486
	3.	Other operating income		23	28 457	202 453
F.		Other operating expenses	(25+26+27+28+29)	24	22 627	118 939
F.	1.	Net book value of fixed assets sold		25	497	0
	2.	Net book value of material sold		26	2 527	4 896
	3.	Taxes and fees relating to operating activities		27	6 410	7 104
	4.	Provisions and adjustments relating to operating activities and complex deferred expenses		28	-779	1 381
	5.	Other operating expenses		29	13 972	105 558
*		Profit/loss from operating activities (+/-) (01+02+20-03-07-08-09-14-24+30-31)		32	8 487	98 714
VI.		Interest income and similar income	(42+43)	41	983	1 830
	2.	Other interest income and similar income		43	983	1 830
I.		Adjustment relating to finantial activities		44	-54	28
J.		Interest expense and similar expenses	(46+47)	45	40 675	54 131
	2.	Other interest expense and similar expenses		47	40 675	54 131
VII.		Other financial revenues		48	106 916	82 205
K.		Other financial expenses		49	44 935	85 290
*		Profit/loss from financial activities (+/-)	(33+37+41+48-36-40--44-45-49)	50	22 343	-55 414
**		Profit/loss from financial activities before tax (+/-) (32+50)		51	30 830	43 300
L.		Income tax	(53+54)	52	10 984	12 808
L.	1.	Income tax due		53	18 351	19 448
	2.	Income tax deferred (+/-)		54	-7 367	-6 640
		Profit/loss for the period without Equivalence		57	19 846	30 492
		of it: .- Economic result of current accounting period without minority shares		58	19 846	30 492
****		Profit/loss for the period (+/-)	(57-56)	61	19 846	30 492
*		Net turnover for the periodí = I. + II. + III. + IV. + V. + VI. + VII.		62	1 240 055	1 296 851

Issued on:	30.06.2026
Entity's legal form:	joint-stock company
Name and signature of the person responsible for the preparation of the financial statements:	Vladimíra Skřivánková
Name and signature of the statutory body:	Ing. Jiří Prášil, CSc. Chairman of the Board