ELTEP

ANNUAL REPORT
2024

Contents

1.1 A Word from the Founder

Dear colleagues, partners and friends,

let me look back with you at the past year, which was again full of challenges for our company, as well as significant shifts and opportunities.

At sixty years old, I am humbled by how far we have come together over the years – and above all with whom we have walked the path.

I am extremely grateful for the people I have around me. Each of you has contributed in your own way to the fact that we succeeded in difficult times and that we are firmly on our feet today. I am pleased not only with the results we have achieved, but also with the culture and team strength we have built together.

> “I am pleased not only with the results we have achieved, but also with the culture and team strength we have built together.”

The year we had was not always easy. We had to face new market demands, changes in the supply chain and technological shifts. Yet we took every step as an opportunity to grow – and in many areas we came out stronger than ever.

I trust that the most interesting things are yet to come. I see the new opportunities that are opening up in front of us as an opportunity to build on our values, but also to step boldly forward. And I look forward to creating this next stage together again.

Libor Novotný, founder and owner

1.2 General Information

ELECTRICAL ENGINEERING TECHNOLOGICAL PROCESSES

COMPANY NAME

ELTEP s.r.o.

COMMERCIAL REGISTER

Regional Court
in Hradec Králové,
section C, entry 23102

REGISTERED OFFICE

Nerudova 1034
Chrudim IV
537 01 Chrudim

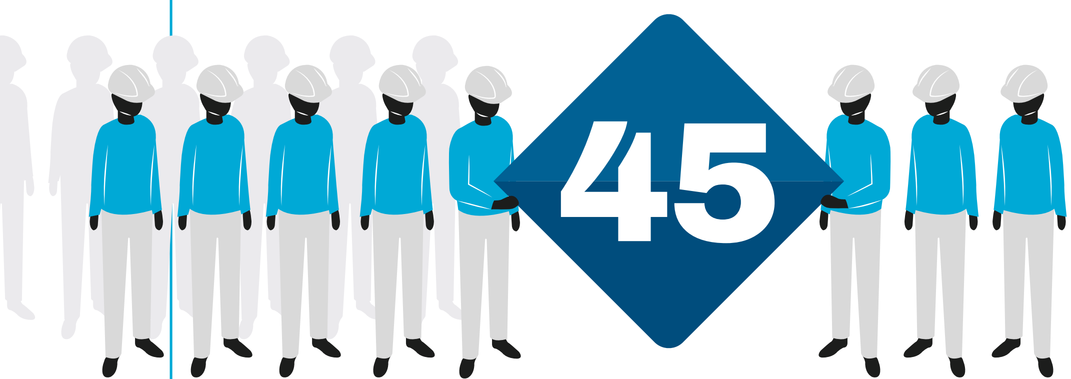
BUSINESS ID NUMBER

27507301

WEBSITE

www.eltep.cz

TEAM MEMBERS



ESTABLISHED

December 18, 2006

1.3 History and Development

2025
Branch in Prague opened

2024
> 100 robots integrated

2023
Projects in 15 countries implemented

2021
> 60 robots integrated

2020
45 employees

2018
Turnover > CZK 125 million

2017
35 employees

2016
Expansion of the centre for development and construction of single-purpose machines

2014
Development and construction of single-purpose machines, robotic workplaces

2011
First single-purpose machines

2008
17 employees

2007
Turnover of CZK 20 million

2006
Establishment of ELTEP s.r.o.

2005
First automation

2004
New company registered office

1996
Electrical installations company

We are from Chrudim

“The driving force behind our company’s success is our people – and it is thanks to your dedication and commitment that we have been able to grow, overcome challenges, and continue advancing over the past year.”

1.4 Introduction of Top Management

Matěj Novotný

Chief Sales Officer

Matěj Novotný joined the company in 2011 as an electrical mechanic.

He has worked as a programmer, project manager and sales manager, which gave him a thorough understanding of the company's technical and organisational aspects. His ability to build relationships became evident during his career and he has formed many mutually beneficial business relationships and made many friends during his work.

After proving his aptitude for leading a team, he became the obvious choice as chief sales officer, a choice that has proven to be a good one time and again.

On the subject of sales, he says:

> **“We don't have customers, we have equal partners, and their satisfaction is our satisfaction. Simply a WIN-WIN approach.”**

Ing. Michal Pitra

Deputy Chief Executive Officer, Chief Technical Officer

In 2008, when Michal Pitra successfully completed his master's degree at Brno University of Technology, he decided to continue his student internship and joined our company as a programmer. Thanks to his reliability and good organisation, he quickly worked his way up to the head of the programming department, where he continued to attract attention for his precision and systems talent. Given his qualities and professional achievements, he naturally took on the role of chief technical officer, which he supplemented with the position of deputy CEO, where he continues to demonstrate his strong organisational skills.

When asked about his position, he says:

> **“Doing things right starts with doing them the right way.”**

Ing. František Kučera

Chief Financial Officer

During his studies at university, Ing. František Kučera focused on finance in the banking sector. After successfully completing his Master's degree, he went on to the world of finance as a credit analyst. From this position he was soon promoted to financial specialist, acting as the right-hand man to treasury director. During this period, he also started to work with Libor Novotný, who was looking for a trustworthy person to fill the position of financial analyst.

For the next nine months, they also explored synergies with other members of the top management. After getting to know both the people and the company thoroughly, they decided to elevate the collaboration in the third quarter of 2024, when František Kučera became chief financial officer under the mentorship of Libor Novotný, as his successor in the field of finance.

He comments on his position:

> **"People shape the company. The company delivers the numbers. I make sure those numbers make sense – for people too."**

Ing. Vojtěch Novotný

Chief Growth Officer

He joined ELTEP in September 2024 with the aim of further developing it and opening it up to new opportunities. In his role as chief growth officer, he focuses on international expansion, building strategic partnerships, marketing and internal development.

He graduated from the University of Economics in Prague, mastering in Business and Law. During his studies, he gained experience in international companies and later became a consultant for IT projects – especially the implementation of the CRM system Salesforce.

He comes to the company with respect for the work done by the entire team and the founder, his father. He sees the opportunity to be part of a family business as a special opportunity that makes sense to him not only professionally, but also personally. His ambition is to open up new horizons for the company – to develop it in a modern and innovative direction, but at the same time to build firmly on the values that have shaped the company from the very beginning.

His motto is:

> **"In order to grow, we need to be receptive, willing to learn and unafraid of new challenges"**

1.5 Acknowledgements to Employees

“The driving force behind our company’s success is our people – and it is thanks to your dedication and commitment that we have been able to grow, overcome challenges, and continue advancing over the past year.”

We greatly appreciate your work, loyalty and daily commitment. Thank you for being part of our team, for trusting us and for seeing the company not just as a place to work, but as something that matters to you.

Together we form a strong unit.
We are pleased you are with us.

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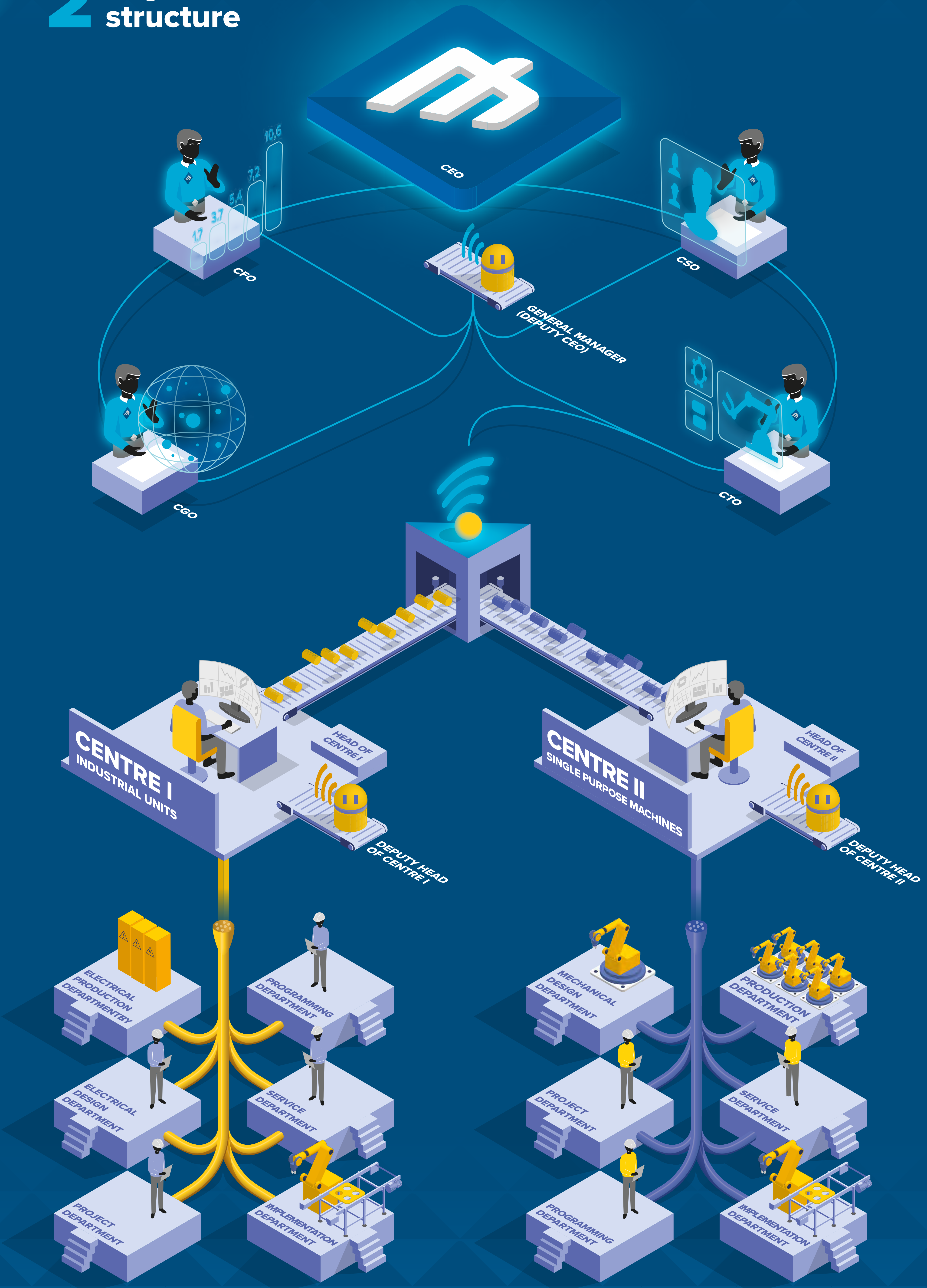
2 Organisational structure



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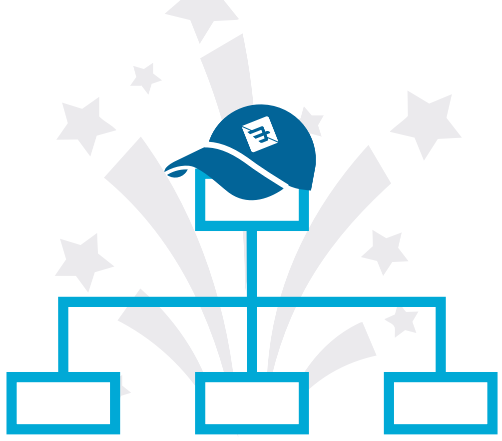
3.1 Annual Review 2024



One of the most significant events of the year was the **change to the ownership structure**, which united **the company under a single ultimate owner.** This step brought greater continuity in management and allowed a clearer definition of the long-term strategy for further development.

The year 2024 was a period of significant growth and strategic changes for our company.

Another important milestone was the **opening of a new office in Prague,** which strengthened our presence in a key region and enabled us to be closer to our customers and business partners.

During the year, we **actively presented** ourselves at a number of professional and industry events, further increasing awareness of our brand, making **new business contacts** and strengthening our market position.

In the past year, we managed to successfully complete a number of interesting projects and, at the same time, **establish cooperation** on other jobs – including international projects in **Slovakia, Spain, Sweden, England, Morocco** and other countries. We greatly appreciate the trust that our partners at home and abroad show us and we are happy to be able to contribute quality solutions in the long term.

We welcomed **new senior colleagues** to the team, bringing valuable experience, expertise, and fresh perspectives on project management and internal processes.

With this positive development, we enter the next period with determination and a clear vision. The year 2025 is already presenting many new challenges and visions that we are not only preparing for intensively, but also looking forward to.

3.2 Balance Sheet

Abbreviated, in CZK thousands for the period January 1, 2024 – DECEMBER 31, 2024

Designation	ASSETS		Current financial year		Previous financial year
		Gross	Adjustment	Net	Net (Year 2023)
	ASSETS	70 440	15 082	55 358	47 708
B.	Fixed assets	27 632	13 737	13 895	12 732
B.I.	Intangible fixed assets	6 797	5 238	1 559	2 109
B.II.	Tangible fixed assets	20 835	8 449	12 336	10 623
C.	Current assets	42 579	1 345	41 234	34 745
C.I.	Inventories	19 715		19 715	21 834
C.II.	Receivables	19 562	1 345	18 217	9 273
C.II.1.	Long-term receivables	1 062		1 062	890
C.II.2.	Short-term receivables	18 500	1 345	17 155	8 383
C.IV.	Cash and cash equivalents	3 302		3 302	3 638
D.	Accrued asset	229		229	231

Designation	LIABILITIES AND EQUITY	Current period	Previous period
		Net	Net (Year 2023)
	TOTAL LIABILITIES AND EQUITY	55 358	47 708
A.	Equity	15 575	15 759
A.I.	Registered capital	201	201
A.III.	Share capital	0	100
A.IV.	Profit (loss) from previous years	12 559	11 628
A.V.	Profit (loss) for current financial year	2 815	3 830
B.+C.	External resources	39 202	31 342
C.	Liabilities	39 202	31 342
C.I.	Long-term liabilities	10 563	9 662
C.II.	Short-term liabilities	28 639	21 680
D.	Accrued liabilities and equity	581	607

Compiled on June 23, 2025

3.3 Profit and Loss Statement

Abbreviated, in CZK thousands for the period January 1, 2024 – DECEMBER 31, 2024

Designation	PROFIT AND LOSS STATEMENT	Amount for the financial year	
		Reporting Period	Net (Year 2023)
I.	Revenues on sales of products and services	91 988	92 111
A.	Operating consumption	53 414	51 562
B.	Change in inventories produced in-house	1 717	5 351
D.	Personnel Expenses	29 524	26 160
E.	Adjustment of operational values	2 063	1 592
III.	Other operating revenues	1 948	419
F.	Other operating expenses	2 344	703
*	Operating profit (loss)	4 874	7 162
VI.	Interest income and similar income	5	0
J.	Interest expense and similar costs	1 365	2 056
VII.	Other financial revenues	824	374
K.	Other financial expenses	745	789
*	Financial profit (loss)	-1 281	-2 471
**	Profit (loss) before tax	3 593	4 691
L.	Income tax	778	861
**	Profit (loss) after tax	2 815	3 830
***	Profit (loss) for the financial year	2 815	3 830
*	Net turnover for the financial year	91 988	

Compiled on June 23, 2025

3.4 Notes to the Financial Statements

Business company:	ELTEP s.r.o.
Registered office:	Nerudova 1034, Chrudim IV, 537 01 Chrudim
Business ID number:	275 07 301
Entry in public register:	the Commercial Register maintained by the Regional Court in Hradec Králové, C 23102
Legal forma:	limited liability company
Objective:	• Manufacture of machinery and equipment • Manufacture of metal structures and metal products • Provision of software, information technology consulting, data processing, hosting and related activities and web portals • Design of electrical equipment
Statutory body:	Libor Novotný – executive officer Ing. Michal Pitra – executive officer Matěj Novotný – executive officer Ing. Vojtěch Novotný – executive officer
Balance sheet day:	December 31, 2024

AMOUNT OF ACCUMULATED DEPRECIATION/AMORTISATION:

Software:
- opening balance CZK 4,688 thousand
- closing balance CZK 5,238 thousand
- increase of CZK 550 thousand

Buildings:
- opening balance CZK 1,139 thousand
- closing balance CZK 1,353 thousand
- increase of CZK 214 thousand

Movables and their groups:
- opening balance CZK 7,692 thousand
- closing balance of CZK 7,147 thousand
- decrease of CZK 3,270 thousand
- increase of CZK 2,275 thousand

Net turnover:

It includes income from the sale of services in the amount of CZK 91,988 thousand.

Method used to convert data in foreign currencies into CZK:

For accounting during the year, the daily exchange rate announced by the Czech National Bank as at the date of an accounting transaction is used. As at the balance sheet date, assets and debts denominated in foreign currencies are translated at the CNB exchange rate applicable as at that date.

Method of determining the fair value of assets and liabilities:

Fair value measurement was not used in the previous financial year.

LIABILITIES:

The entity has no liabilities with a maturity of more than 5 years.

The entity does not have liabilities, contingent liabilities and guarantees in kind that are not recognised on the balance sheet.

TIME OF PREPARATION OF THE FINANCIAL STATEMENTS:

The financial statements are drawn up in accordance with Act No. 563/1991 Coll., on accounting, and Decree No. 500/2002 Coll., implementing certain provisions of the Accounting Act, for accounting units that are entrepreneurs maintaining accounts in the double-entry bookkeeping system.

ELTEP s.r.o. is a small accounting entity whose financial indicators exceeded the financial thresholds in financial year 2024 and became a small accounting entity with a mandatory audit.

The cost of the statutory auditor's fees amounted to approx. CZK 60 thousand.

INFORMATION ON THE GENERAL ACCOUNTING PRINCIPLES AND ACCOUNTING POLICIES USED

Method of valuation of assets and liabilities:

The entity measures individual components of assets and liabilities in accordance with Section 25 of the Accounting Act and Section 47 et seq. of Decree No. 500/2002 Coll., i.e. purchased tangible and intangible assets and inventories at cost, cash, valuables, receivables and debts at nominal value. Tangible movables with a useful life of more than one year and an acquisition cost of up to CZK 80 thousand are considered as small tangible assets and accounted for as inventories.

Method of determining adjustments to asset values:

- depreciation and amortisation: to calculate accounting depreciation/amortisation, the useful life of each asset is determined; the monthly accounting depreciation/amortisation is determined as the ratio of the input price and the determined depreciation/amortisation period in months
- adjustments: the entity recognises adjustments to receivables that are more than 12 months past due where there is a reasonable possibility that they will not be paid in full by the debtor

FIXED ASSETS

Intangible assets:
- Software – opening balance = closing balance, i.e. CZK 6,797 thousand

Tangible assets:
- Buildings – opening balance = closing balance , i.e. CZK 6,447 thousand
- Land – opening balance = closing balance, i.e. CZK 2,123 thousand
- Movables and their groups:
  - – opening balance of CZK 10,184 thousand
  - – closing balance of CZK 12,266 thousand
  - – increase of CZK 5,352 thousand
  - – decrease of CZK 3,270 thousand

In 2018, the entity was provided with an overdraft by Československá obchodní banka, a.s., with the option of drawing up to CZK 8 million, and a special-purpose loan of CZK 5 million. Both loans are secured by a property lien agreement and a receivables lien agreement. In 2019, a loan was taken out for the ČSOB Credit Card for Entrepreneurs up to a credit sub-limit of CZK 250 thousand. In 2023, the company was provided with an additional loan of CZK 4 million to finance inventories, secured by a blank promissory note and an M-guarantee issued by NRB, and an overdraft on a euro account was also provided in the amount of EUR 400 thousand by ČSOB.

In the past financial year, the entity paid a total of 13 non-bank loans granted in previous years for the acquisition of cars, three of which were repaid in full in 2024, and seven new loans were provided with maturities between 2025 and 2029. A security transfer of title was used to secure all these loans, agreed when the loan agreement was concluded.

AVERAGE WEIGHTED NUMBER OF EMPLOYEES: 35,60

There were no significant events subsequent to the date of the financial statements that materially affected the Company's business.

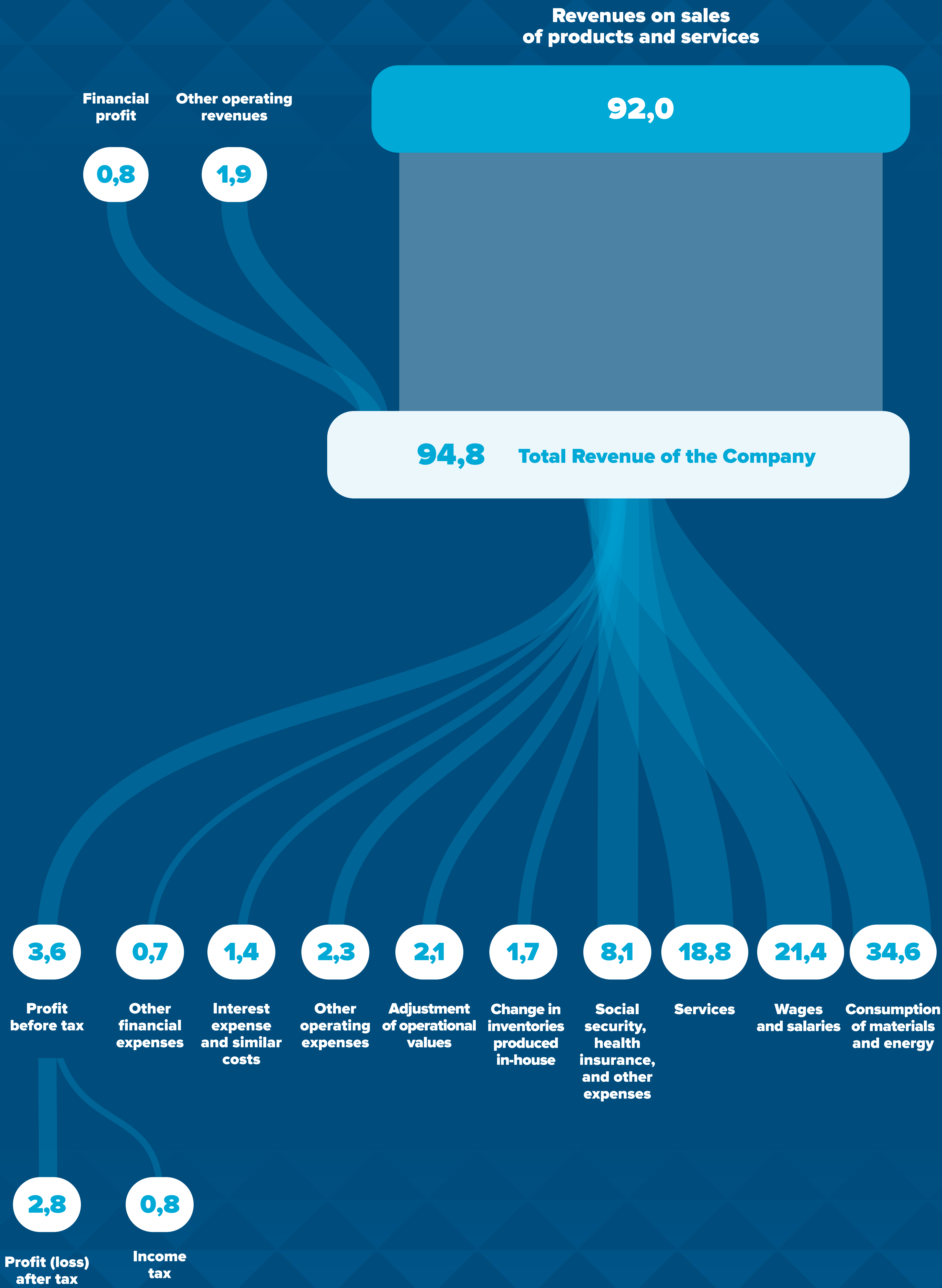
The entity did not enter into any transactions that were not arm's length transactions with related parties during the reporting period.

The year 2024 was a period of significant investment in strategic change and transformation for the company. During the year, the ownership structure changed, resulting in the company becoming wholly owned by a single ultimate owner. At the same time, there was a change to the company's top management. The new management brought new experience and dynamism. The move helped to streamline decision-making processes and strengthen strategic management, giving the company a clear vision for the years ahead. The results of this decision can already be seen in the large-scale projects won abroad and the ambitious plans for the coming years.

Compiled on:	June 23, 2025
Place:	Chrudim
Responsible person:	Libor Novotný

3.5 Sankey Diagram

Abbreviated, in millions of CZK.



3.6 First Audit, First Annual Report

The year 2024 was a pivotal one for our company – it marked both our first external financial audit and the preparation of our first annual report.

We see this step as an important milestone on the road to greater transparency and open communication with our partners, employees and the wider environment. For us, the audit process was not just a formal review, but also an opportunity to reflect on our internal procedures and ensure that our operations meet the highest standards.

> The preparation of the annual report was a company-wide effort, and I am proud that together we have produced a document that goes beyond the numbers to also highlight our values, vision, and the dedication of the people who drive our results.

CFO – Ing. František Kučera

3.7 Independent auditor's report

Independent Auditor's Report on the Audit
of the Financial Statementscompiled as at 31 December 2024
in ELTEP s.r.o., business ID number: 275 07 301
with its registered office at Nerudova 1034, Chrudim IV, 537 01 Chrudim
intended for the company's members

AUDITOR'S REPORT

We have audited the accompanying financial statements of ELTEP s.r.o. (hereinafter the "Company") prepared based on Czech accounting regulations, consisting of the balance sheet as at 31 December 2024, the profit and loss statement for the year ended 31 December 2024 and the notes to the financial statements, including material information on the accounting policies used. Details of the Company are set out in the notes to the financial statements.

In our opinion, the financial statements give a true and fair view of the assets and liabilities of ELTEP s.r.o. as at 31 December 2024, and of its costs, revenues and profit (loss) for the year that ended in accordance with Czech accounting regulations.

BASIS FOR THE STATEMENT

We conducted the audit in accordance with the Act on Auditors and the standards of the Chamber of Auditors of the Czech Republic for auditing, which are the International Standards on Auditing (ISA), supplemented and modified by related application clauses, where appropriate. Our responsibilities under these regulations are described in more detail in the section Auditor's Responsibility for the audit of the financial statements. In accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic, we are independent of the Company and have fulfilled other ethical obligations arising from these regulations. We believe that the evidence we have gathered provides a sufficient and appropriate basis for our opinion.

OTHER FACTS

Comparable data were not audited, because the entity was not required to have its financial statements audited.

OTHER INFORMATION FOR THE ANNUAL REPORT

In accordance with section 2(b) of the Auditors Act, other information is information contained in the annual report other than the financial statements and our auditor's report. The Company's statutory body is responsible for the other information.

In preparing the financial statements, the Company's statutory body is required to assess whether the Company is capable of continuing as a going concern and, if relevant, to describe in the notes to the financial statements the matters relating to going concern and the application of the going concern assumption in the preparation of the financial statements, except where the Company's statutory body plans to wind the Company up or to cease trading, or has no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITY

Our objective is to obtain reasonable assurance about whether the financial statements, taken 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 degree of assurance, but it is not a guarantee that an audit performed in accordance with the aforementioned regulations will, in all cases, detect any material misstatement that may exist in the financial statements. Misstatements may arise due to fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence economic decisions that users of the financial statements make based on the financial statements.

In conducting an audit in accordance with the aforementioned regulations, it is our responsibility to exercise professional judgement and maintain professional scepticism throughout the audit. Furthermore, it is our duty to:

- identify and evaluate the risks of material misstatement in the financial statements, whether due to fraud or error, design and perform audit procedures to address these risks, and obtain sufficient appropriate audit evidence to provide a basis for our opinion. The risk of not detecting a material misstatement due to fraud is greater than the risk of not detecting a material misstatement due to error, because fraud may involve collusion, forgery, deliberate omissions, misrepresentations or circumvention of internal controls.
- familiarise ourselves with the Company's internal control system relevant to the audit to the extent necessary to enable us 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 system.
- assess the appropriateness of the accounting policies used, the reasonableness of the accounting estimates made and the information provided by the Company's statutory body in this regard in the notes to the financial statements.
- assess the appropriateness of the use of the going concern basis of accounting in the preparation of the financial statements by the Company's statutory body and whether, in the light of the evidence gathered, there is any material uncertainty

Our opinion on the financial statements is not applicable to the other information. Nevertheless, part of our responsibilities in connection with an audit of financial statements is to read the other information and assess whether the other information is materially inconsistent with the financial statements or our knowledge of the entity obtained in the course of performing the audit, or otherwise appears to be materially misstated. We also assess whether the other information has been prepared in all material respects in accordance with the relevant legal regulations. This assessment means whether the other information complies with the requirements of legal regulations on the formal requisites and preparation of the other information in the context of materiality, i.e. whether any failure to comply with these requirements would be likely to influence a judgement made based on the other information

Based on the procedures carried out, to the extent that we can judge, we state that

- the other information that describes facts that are also presented in the financial statements is consistent in all material respects with the financial statements; and
- the other information has been prepared in accordance with legal regulations.

We are also required to state whether, based on our knowledge and understanding of the Company obtained in the course of our audit, the other information is free from material misstatement. As part of these procedures, we did not identify any material misstatements in the other information received.

RESPONSIBILITY OF THE ENTITY'S STATUTORY BODY FOR THE FINANCIAL STATEMENTS

The executive officer, as the statutory body of ELTEP s.r.o., is responsible for the preparation of financial statements that give a true and fair view in accordance with Czech accounting regulations and for such internal control system as he/she deems necessary for the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

arising from events or conditions that may cast material doubt about the Company's ability to continue as a going concern. If we conclude that such material uncertainty exists, it is our responsibility to draw attention in our report to the information provided in the notes to the financial statements in this regard and, if that information is not sufficient, to express a modified opinion. Our conclusions regarding the Company's ability to continue as a going concern are based on the evidence we have obtained up to the date of our report. However, future events or conditions may cause the Company to lose its ability to continue as a going concern.

- evaluate the overall presentation, breakdown and content of the financial statements, including the notes, and whether the financial statements present the underlying transactions and events in a manner that results in fair presentation.

Our responsibility is to inform the Company's statutory body of, inter alia, the planned scope and timing of the audit and the material findings we make during the audit, including any identified material weaknesses in the internal control system.

Verifikace SUED, a. s.
Sukova třída 1556
530 02 Pardubice
Authorisation number 571

In Pardubice, on 23 June 2025

Ing. Ivana Hubáčková
statutární auditor
číslo oprávnění 2099

3.8 Activities in 2024

River Rafting Teambuilding

A traditional summer team event, where our colleagues meet outside the work environment and go rafting on selected Czech rivers. Informal atmosphere and lots of experiences are guaranteed.

Friendly match: ELTEP – Galatek

An annual sports match between our team and representatives of our long-term partner Galatek. A friendly game of floorball strengthens not only physical fitness, but also mutual relations between companies.

3.8 Activities in 2024

Christmas Party

A festive end of the year celebration in the company for all colleagues, where we look back on the past year, share our successes and, at the same time, present our plans and visions for the year ahead.

Promoting Technical Education in Schools

Throughout the year, we organise several trips to schools to promote awareness of current technology developments and the skills required by the robotics and automation sector today. At the same time, students have the chance to try out working with robots.

Out of Office Open

A newly established tradition is our team's participation in a floorball cup for companies – the Out of Office Open. This event is not only a sporting challenge, but also an opportunity for informal meetings between teams from different fields.

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4 Acknowledgements to partners

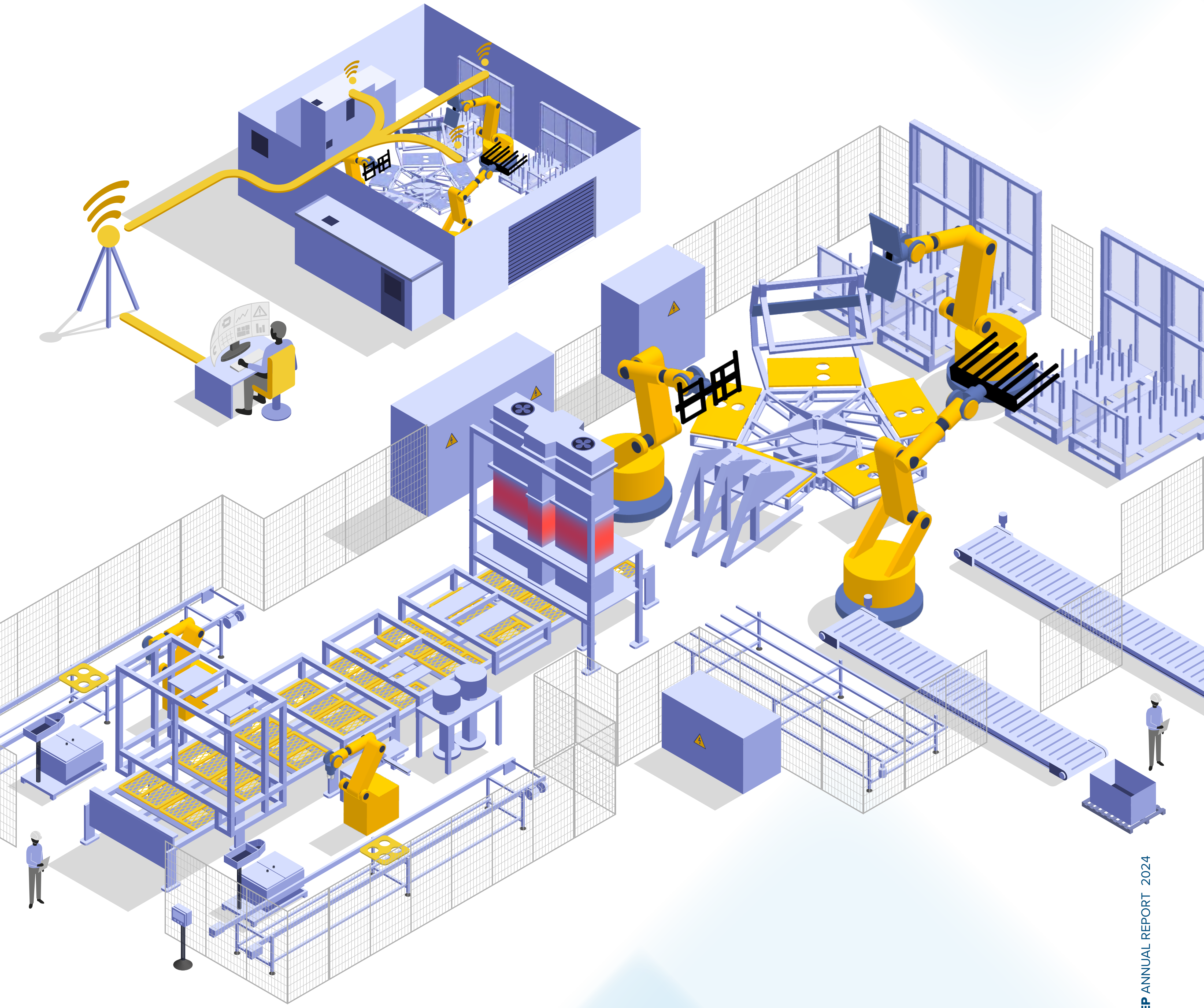
We are not alone on the road to daily results. It is our partners – suppliers, customers, consultants, experts, friends of the company – who help us turn our plans into reality.

Working with you is not just a business relationship for us. It is a dialogue, mutual understanding and an attempt to find the best possible solutions together. We believe that the quality of the relationships determines the quality of the work – and in this aspect we are really lucky.

Thank you for placing your trust in us, and for sharing your time and expertise. Your partnership enables us to create broader impact and to push the boundaries of what is possible.

We are excited about the opportunities that lie ahead and what we can continue to build together.

"Thank you for placing your trust in us, and for sharing your time and expertise. Your partnership enables us to create broader impact and to push the boundaries of what is possible."



We act as

ONE TEAM