



Hyundai Motor Manufacturing Czech s.r.o.

# Annual Report 2024

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Hyundai Motor Manufacturing Czech s.r.o.



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# Foreword by the President of the Company



Despite the difficult conditions that accompanied the automotive industry in Europe, we managed to implement the planned projects and continue to innovate, produce and support the region.

We produced 330,890 vehicles, thus meeting the production plan. This built on the success of previous years, when we were able to overcome the effects of the pandemic, disrupted supply chains and the semiconductor crisis to produce 322,500 cars in 2022 and 340,500 a year later. The demand for electric vehicles in Europe has not grown as expected, which is reflected in our production results. However, thanks to high production efficiency, interest in internal combustion and hybrid vehicles, and the capabilities of our employees and suppliers, we were able to cope with the difficult circumstances.

In April, production of the Hyundai Kona Electric in the N Line model was launched, giving it a more aggressive and sporty look. At the same time, two other models, the Tucson and i30, underwent facelifts, taking them to the next level in terms of design, technology and safety.

The Tucson attracted special attention in the summer months. In June, this popular SUV rolled off the production line with a serial number of 2 million. Two months later, in August, the Tucson celebrated 20 years on the European market. A special edition was designed to mark this anniversary.

We won many awards last year. We became the Employer of the Year in the Moravian-Silesian Region and ranked 2nd in the entire Czech Republic in the category of companies with up to 5,000 employees. Once again, we can be proud of the prestigious TOP Responsible Large Company 2024 title, which recognises the best companies in the Czech Republic for their approach to sustainable and responsible business - we have moved up from 23rd place last year to 9th place.

An important part of our corporate culture is the commitment to be a good neighbour in the community. That is why we supported projects in the surrounding municipalities, both financially and by actively involving our employees. We contributed to help the region affected by the devastating flood – through a public collection on the Donio portal, we donated CZK 10 million to support the affected areas, and our employees were also involved in cleaning up the damage. We also supported selected events in the region and continued partnerships focused on sport, the environment and education. We intend to continue these beneficial activities, with an emphasis on sustainable business and the development of the region's economy and quality of life.

The year 2025 will bring a number of challenges for Hyundai Motor Manufacturing Czech. The electric vehicle market and stringent emissions regulations will require careful production planning and coordination with supplier capabilities. Despite the difficult situation in the automotive industry, I firmly believe that we are ready to face all challenges successfully.

I am presenting the Annual Report for the year ended 31 December 2024.

In Nižní Lhoty on 10 March 2025

Changki Lee  
President and CEO  
Hyundai Motor Manufacturing Czech s.r.o.



# Company's Profile



Hyundai Motor Manufacturing Czech s.r.o. (hereinafter “HMMC”), with its registered office in the Industrial Zone in Nošovice, was founded on 7 July 2006 as a company owned solely by Hyundai Motor Company, with its registered office in Seoul, Korea.

The current model line-up consists of the Hyundai Tucson, i30 models in several body styles, the Kona Electric and the sporty i30 N. Since its launch in 2008, more than 4.7 million vehicles have been produced and exported to 75 countries around the world.

In light of the growing interest in automatic transmissions and electrified vehicles, HMMC ended production of manual transmissions in February after more than 15 years. Most of the employees of the Transmission Shop found employment in other positions. In spring 2025, the rebuilding of the production hall into a Mobis Automotive Czech s.r.o. facility dedicated to the assembly of battery systems for electric vehicles will be completed.

|  |                                    |
|--|------------------------------------|
| The Plant's Area                           | 200 ha                             |
| Built Up Area                              | 28,3 ha                            |
| Total Investment                           | EUR 2.05 billion                   |
| Number of Employees as of 31 December 2024 | 3,051 (including agency employees) |
| Share of Czech Citizens                    | 93,2 %                             |
| Male/ female Ratio                         | 83,6 % / 16,4 %                    |
| Production Capacity                        | 350,000 cars per year              |



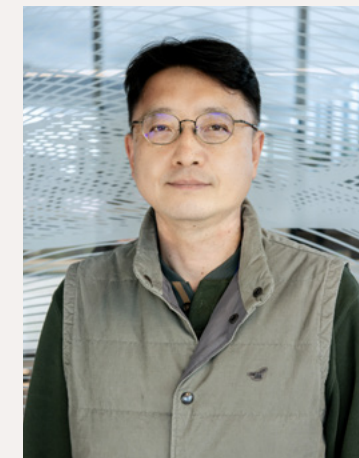


# Company Management

as of 31 December 2024



**Changki Lee**  
President



**Kyu Bok Jung**  
Head of the Finance Division



**Martin Klíčník**  
Head of the Production Division



**Sunsung Kim**  
Head of the Procurement  
and Parts Development Division



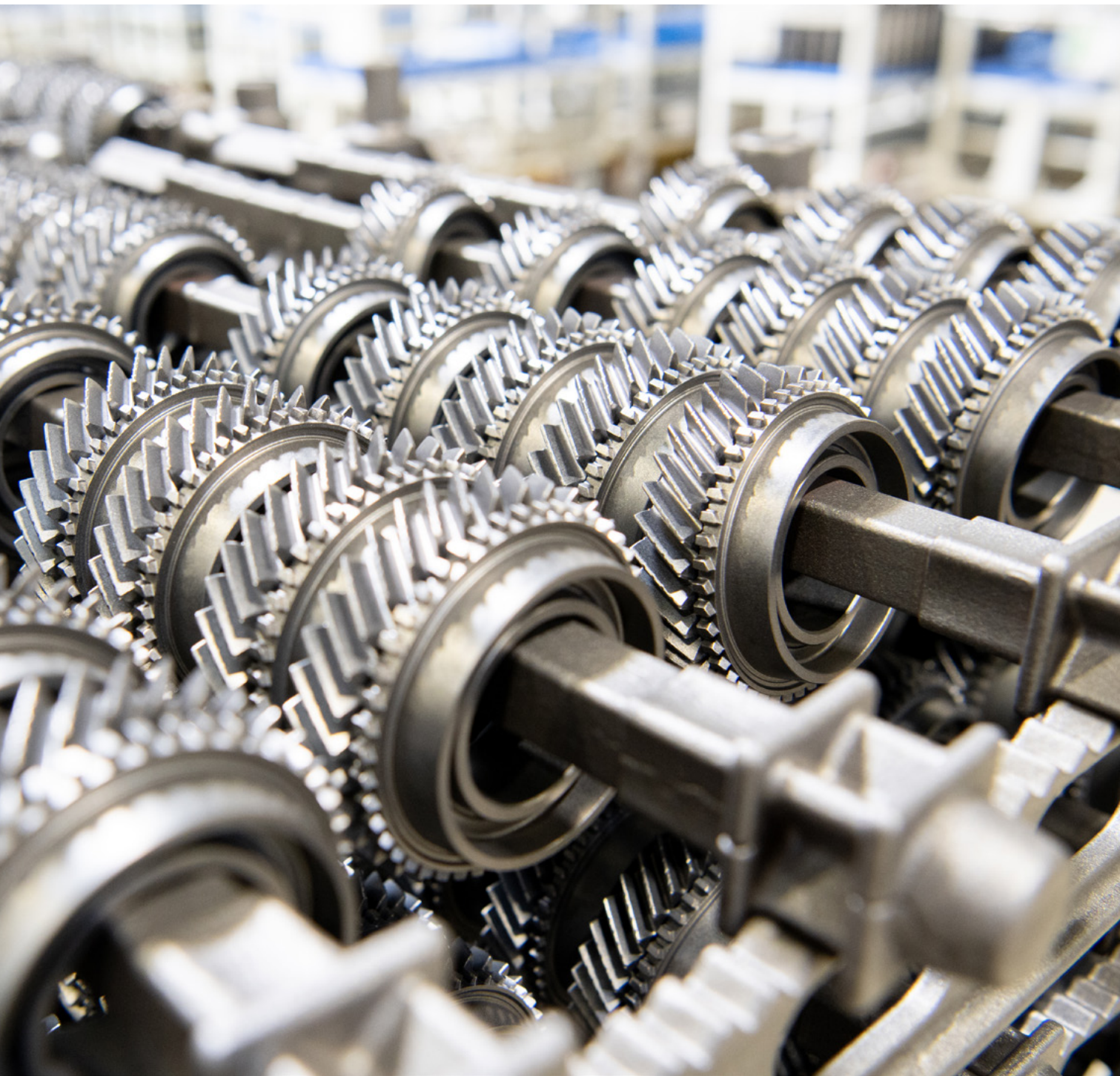
**Sangchul Lee**  
Head of the Administration  
Division



**Dong Woo Kum**  
Head of the Quality Division



# As Time Goes By



|      |           |   |
|------|-----------|---|
| 2006 | June      | Foundation of HMMC  |
| 2007 | March     | Start of construction   |
| 2008 | November  | Mass production launched in one-shift operation   |
| 2009 | September | Two-shift operations launched   |
| 2011 | September | Three-shift operations launched   |
| 2013 | May       | The 1,000,000 <sup>th</sup> car produced  |
| 2016 | June      | The 2,000,000 <sup>th</sup> car produced  |
| 2016 |           | Historic year - 358,400 cars produced   |
| 2019 | May       | The 3,000,000 <sup>th</sup> car produced  |
| 2019 | October   | The 1,000,000 <sup>th</sup> TUCSON produced   |
| 2020 | March     | Production of Kona Electric (first mass produced EV in the Czech Republic)                                  |
| 2021 | December  | Termination of the operation of Transmission Shop II;<br>launch of rebuilding to batteries production plant |
| 2022 | November  | The 4,000,000 <sup>th</sup> car produced  |
| 2022 | December  | Launch of battery production in the former Transmission Shop II   |
| 2024 | February  | Termination of the operation of Transmission Shop I;<br>launch of rebuilding to batteries production plant  |
| 2024 | June      | Production of the 2,000,000 <sup>th</sup> TUCSON car  |





# Production process (PR)





# Production

A total of 330,890 cars were produced at HMMC in 2024, and thus the production plan for 2024 was met.

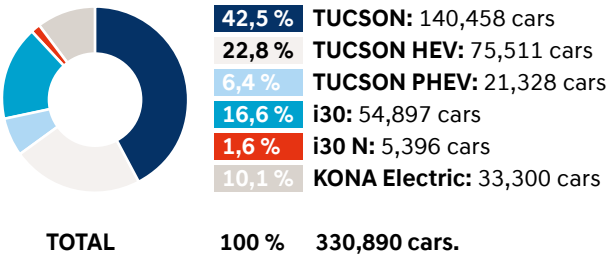
### Current model lines:

- Hyundai Tucson
- Hyundai i30 (wagon, hatchback, fastback)
- Hyundai i30 N (hatchback, fastback)
- Hyundai Kona Electric

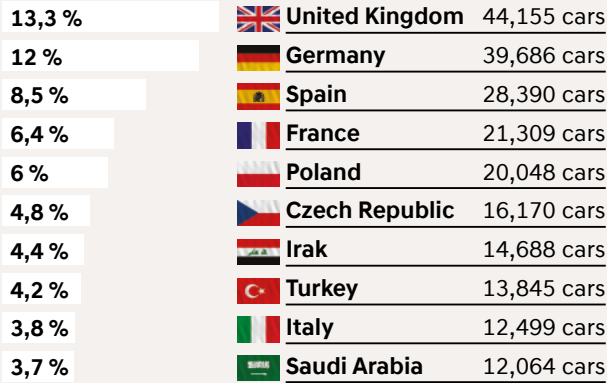
Details about individual models can be found on the official website of [Hyundai's](#) representation in the Czech Republic.

Production of the N Line version of the Hyundai Kona Electric started at the Nošovice plant in 2024. At the same time, two other models - the i30 and Tucson - underwent facelifts. In August, production of a special edition of this SUV was launched to celebrate 20 years on the European market.

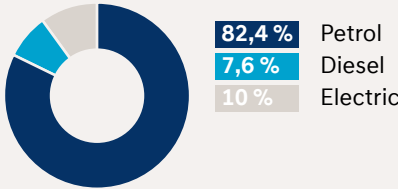
Since its launch in 2008, more than 4.7 million vehicles have been produced and exported to 75 countries around the world. In addition to Europe, cars from Nošovice also travel in large numbers to the Middle East, Mexico, as well as Morocco, Colombia and Australia. Exotic destinations with dozens of vehicles delivered include Martinique, French Guyana, Barbados or Curacao.



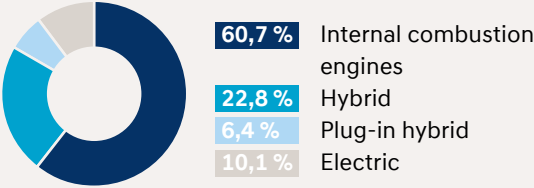
### Top customers:



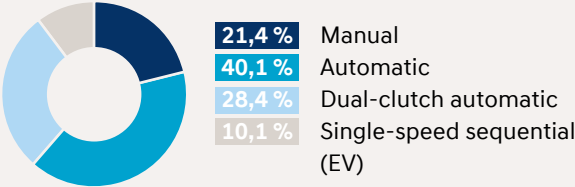
### By power unit:



### By engine:



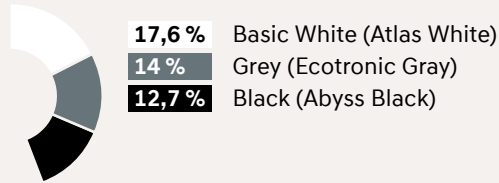
### By transmission:



### 2Tone (two-coloured) cars:

17,787 cars

### The 3 most popular body shades:



Not only have the models been modernised, but so has the production line. In the summer, a new robotic wheel assembly station was installed in the Final Assembly Shop, which increased the efficiency and quality of production. The robots assemble over 5,700 wheels daily.





# Sale













Customers from the United Kingdom, Germany and Spain bought the most cars from the Nošovice plant. 16,184 cars were sold to the Czech Republic, a similar result to the previous year. The top 10 customers this year are mainly European countries, accounting for 60% of total exports.

The Hyundai brand ended 2024 with a total of 20,309 registered passenger cars in the Czech Republic, up by 1.2% compared to 2023. With a market share of 8.77%, it confirmed its stable position as the number two in the Czech market. As in 2023, the most popular model among private customers was the i30 from Nošovice, which recorded 2,752 registrations, while the Tucson was fourth in the private segment with 2,292 registrations.

The Tucson from Nošovice is Hyundai's best-selling car in Europe.

### Top 10 countries

|     |   |                     |
|-----|---|---------------------|
| 1.  |  <b>United Kingdom</b> | 44,027 cars         |
| 2.  |  <b>Germany</b>        | 39,835 cars         |
| 3.  |  <b>Spain</b>          | 28,492 cars         |
| 4.  |  <b>France</b>         | 20,546 cars         |
| 5.  |  <b>Poland</b>         | 19,983 cars         |
| 6.  |  <b>Czech Republic</b> | 16,184 cars         |
| 7.  |  <b>Turkey</b>         | 13,844 cars         |
| 8.  |  <b>Italy</b>          | 12,572 cars         |
| 9.  |  <b>Saudi Arabia</b>   | 11,565 cars         |
| 10. |  <b>Iraq</b>           | 11,392 cars         |
|     | <b>Other</b>  | 108,220 cars        |
|     | <b>TOTAL</b>  | <b>326,660 cars</b> |






# Employees



As of 31 December 2024, the total number of active\* employees on main employment (including agency employees) amounted to 3,051. It still remains true that HMMC Nošovice plant provides work opportunity for Czech citizens, who represent **93.2%** of all HMMC employees.

207 employees (6.8%) out of the total 3,051 are foreign nationals. In total, HMMC employs people from 10 different countries. Due to the location and the predominantly close proximity of national borders, Poles and Slovaks are the most numerous.

### Nationality:

|   |           |                 |
|---|-----------|-----------------|
|    | Czech     | 2,844 employees |
|   | Polish    | 122 employees   |
|  | Slovak    | 63 employees    |
|  | Korean    | 12 employees    |
|  | Ukrainian | 5 employees     |
|  | Romanian  | 1 employee      |
|  | Kazakh    | 1 employee      |
|  | German    | 1 employee      |
|  | Egyptian  | 1 employee      |
|  | British   | 1 employee      |



The average monthly wage for worker positions in 2024 reached CZK **57,064**. This is an increase of 20% over the last two years.

### Employee training

In 2024 we invested CZK 18.9 million in employee development. The Company implemented training for senior employees of production and non-production teams, professional training focused on soft and hard skills, occupational health and safety, certifications and professional development. There were also language courses and training in Korea. As part of the Company's transformation and digitalisation, we promoted digital competence and cyber security. In total, more than 3,000 employees participated in training.



\* active does not include employees on maternity/parental leave, interns and IHOLs



# Health First



Employees have access to the **Health Centre**, which offers preventive rehabilitation (during working hours), medical rehabilitation (outside working hours), fitness (organised classes), nutritional counselling, acupuncture or massage. All employees can use these services free of charge.

## Health Centre in numbers

- **3,144** visits for preventive rehabilitation during working hours.
- **219** visits to the rehabilitation doctor.
- **2,046** visits for follow-up prescribed medical rehabilitation outside of work hours.
- The nutrition counsellor performed a total of **288** consultations and **270** measurements on the InBody device.
- The fitness centre recorded a total of **2,973** visits.

**Health Days** were held in the spring and autumn, focusing on a selected topic according to employee requirements. In April, we focused on "Health in Production" (physiotherapists and orthopaedists in the halls). In October and November, the theme was "Blood secrets" (blood tests: blood sugar and cholesterol levels, blood group, blood count, thyroid, PSA and testosterone levels). As with the Health Centre's services, these events are free of charge for employees.

There is also the **Medical Centre** at hand – it offers round-the-clock care from Monday to Saturday morning, including occupational health examinations, professional examinations, flu and tick-borne encephalitis vaccinations, and the services of a company psychologist.

The Company held a workshop on "Set the Place, Save the Back" focusing on **ergonomics** and compensatory exercises for employees, as well as internal ergonomic audits aimed at improving working conditions in hazardous workplaces. As part of the ergonomic improvement campaign, employees contributed more than 60 suggestions, some of which have already been implemented.





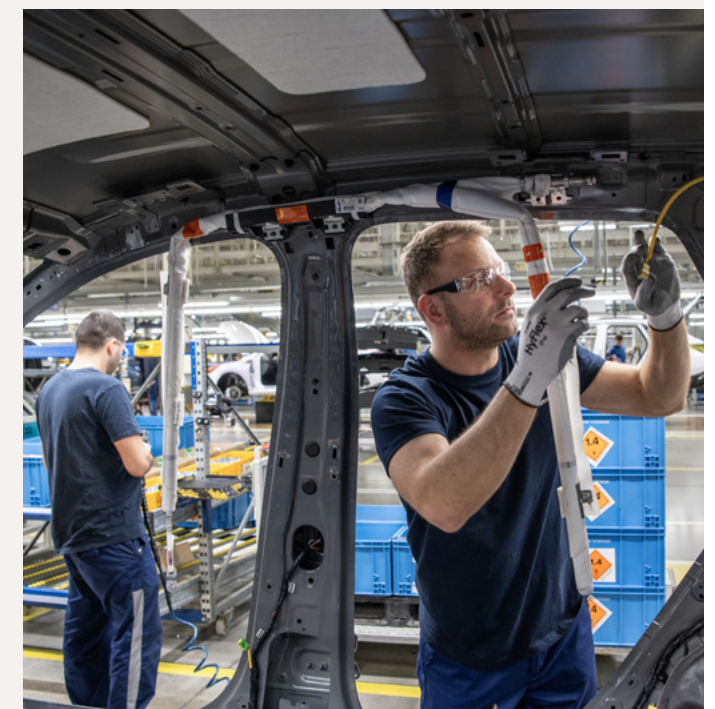
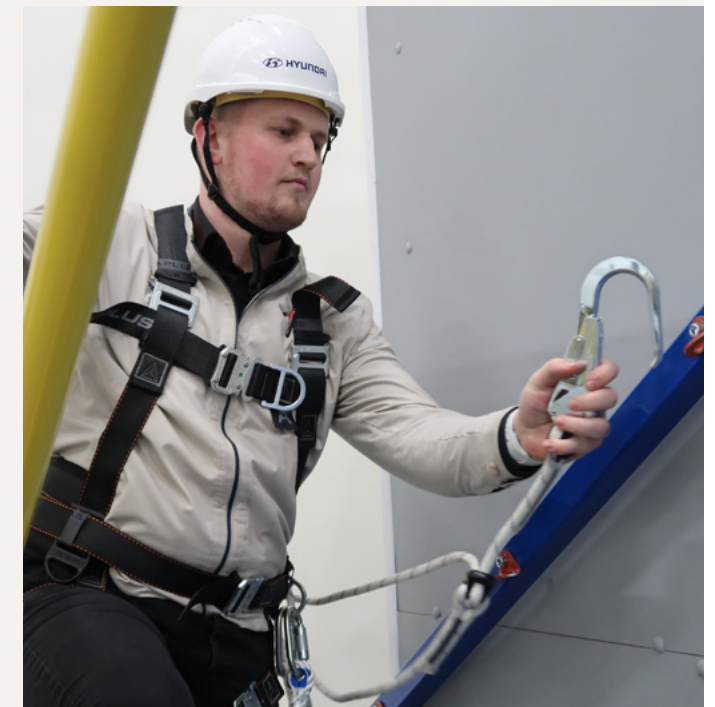
# Work Safety



During the past period, we have implemented several important measures aimed at improving safety and working conditions. A new anchoring system for work at height was introduced in the Stamping Shop, significantly reducing the risk of falls. In the Welding Shop, we installed guardrails in the lift area and modified the catch nets to prevent tools or materials from falling through. To improve safety, light barriers were installed in hazardous work areas, and projector mirrors were added to better prevent collisions. In the Paint Shop, we improved work ergonomics with a new application nozzle, installed a non-slip surface in the wastewater treatment plant and introduced measures for safe conveyor crossing. In addition, we refurbished the toilets, created a new rest area separate from the production area and modified the air conditioning on the Metal Finish line.

HMMC will continue to apply a systemic approach and the principle of continuous improvement and strengthening the level of occupational health and safety according to the established occupational health and safety management systems (Safe Enterprise programme and ISO 45 001 standard).

In 2024, the Company continued to prepare and implement sub-installations increasing the automation of production and support processes (e.g. automation of the wheel assembly process in the Final Assembly Shop I or an automated system for placing pre-cut body sheets in the Stamping Shop). This long-term trend continues the basic idea of replacing physically demanding work with new technological and work processes.

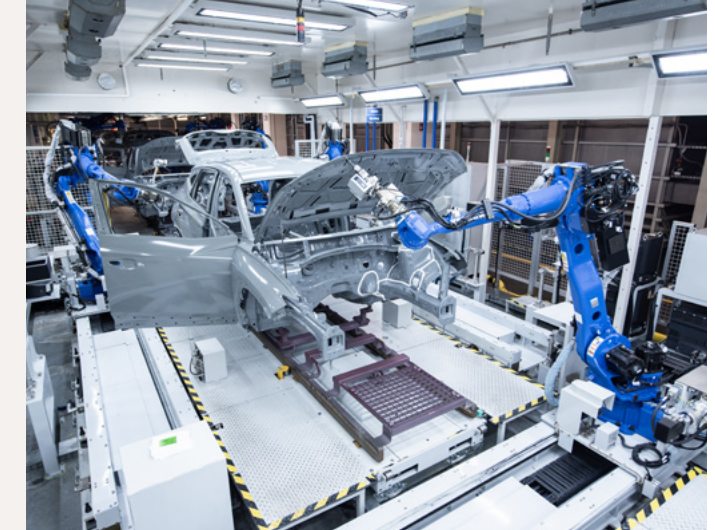




# Environment

All hygiene standards are monitored in the workplaces and green spaces are consistently protected throughout HMMC's premises in line with company values. To promote biodiversity, a study was conducted in 2024 in collaboration with ČSOP Salamandr to increase biodiversity on the HMMC premises, and measures to increase the diversity of the environment and species are gradually being implemented. A botanical survey recorded 136 plant species. Specifically, 41 mosses, 2 horsetails, 1 representative of ferns and 92 species of seed plants.

The Company focuses on continuous improvement of environmental care through an integrated policy and a certified environmental management system according to ISO 14001:2015 and EMAS according to Regulation (EC) No. 1221/2009 of the European Parliament and of the Council. It sets annual targets for improving environmental processes and regularly publishes an Environmental Statement to increase transparency to the public. In 2024, both systems were successfully recertified with no case of non-compliance identified.



It is also worth mentioning other projects and investments that led to environmental improvements in 2024:

- By modifying the water circuit in the air-handling units at the Paint Shop, an annual savings of approximately 14,000 m<sup>3</sup> of water was achieved.
- A total of 56 trees and shrubs were planted on the HMMC premises to support biodiversity.
- Six new robots were installed on the Sealer line in the Paint Shop, applying sealing material more efficiently to the moving parts of car bodies. This resulted in an annual savings of 52 tons of sealing material.
- An analysis of the four main types of waste was conducted by CYRKL to improve waste utilization

## Waste: 2024 statistics

- **51,321 tonnes** of waste generated, sorted into **51 categories** – a large amount of HMMC's waste is made up of recyclable components that we can recycle without any residue (**89,9%**) – this waste is generated from the process of moulding bodywork parts (metal waste) or from the process of unpacking parts/components of our cars (plastics, paper, wood). We can also return waste paint thinner from the Paint Shop.
- Some of the waste is used as fuel or ends up in an incinerator – for example, filters, multi-species or contaminated chemical packaging (**1.4%**).
- Biodegradation (composting plant, biogas plant) can be used to treat grass greenery or some bio-waste (**0.6 %**).
- Other wastes, such as sludges from phosphating or wastewater treatment, emulsions and waxes, are subject to other treatment methods – de-emulsification, physical-chemical treatment, stabilisation (**5.6 %**).
- The least suitable method is landfilling (**2.6%**), which mainly concerns mixed municipal waste or sealing materials.

## Tyre Collection

Our Company provides waste tyre collection in an individual system. HMMC is registered with the Ministry of the Environment in the list of tyre manufacturers under the registration number 00224/23 – PCZ in accordance with the current legislation on end-of-life products.

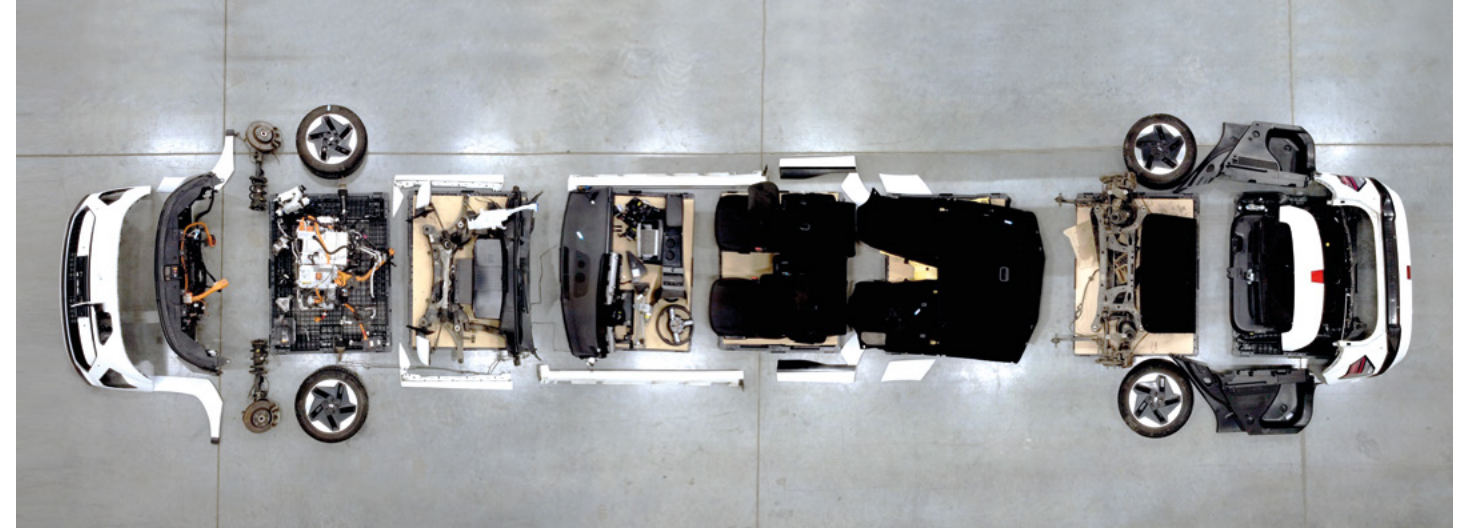
As part of the tyre collection obligations:

- We cooperate with GREEN Logistics CZ s.r.o., which also operates a total of 1061 tyre take-back points throughout the Czech Republic for HMMC as of 31 December 2024. The list of public take-back points can be downloaded [here](#).
- In 2024, we placed 647,09 tonnes of tyres on the Czech market, of which 540.2 tonnes were taken back, representing 83,48%.
- HMMC's costs for tyre collection in 2024 amounted to CZK 2,455,426.5.
- We have set up a special escrow account with a deposit of CZK 500,200 for waste tyre management, which represents 20.4% of the total cost of tyre take-back.
- On separate tax documents, we show HMMC's costs for the collection, treatment and recovery of tyres in the form of a price per kilogram. In 2024, these costs amounted to CZK 4.56/kg.

**The collection of batteries and accumulators** is carried out by the Company through a collective system operated by **ECOBAT s.r.o.**



# Quality



The Tucson and i30 underwent facelifts last year. The former saw the application of a new communications platform to the existing model. The latter has up to 59 control units and, in the interests of the highest customer quality, it is necessary to verify that these units communicate flawlessly with each other and with the production facilities on the line.

As part of the verification, our vehicles covered a total of 1,265,949 km in various driving modes last year to simulate as closely as possible the real-life operation of the vehicles of mainly European customers. From autumn 2023 to October this year, long-term tests of the Kona Electric were conducted. The tests showed that even after 160,000 kilometres, the battery retains a capacity of between 94 and 98 per cent. The brake discs and pads showed minimal wear, as did the shock absorbers or silent blocks.

In order to improve the quality of the parts, in 2024 we newly participated in process audits with so-called tier 2 suppliers. Particularly for parts with recurring quality problems or parts where we cannot afford the slightest problems. Until now, these audits have only been carried out by tier 1 suppliers. Our participation helps direct suppliers to raise the standards of their subcontractors and thus improve the overall quality of the parts. In 2025, we plan to extend the process audits to selected Asian suppliers.

## The International ISO 9001, ISO 14 001, ISO 45 001 and EMAS Standard

Since 2009, HMMC has held ISO 9001 quality management system certification and ISO 14001 environmental management certification. In 2010, certification of the Occupational Safety Management System in accordance with the ISO 18001 standard was added (since 2018, in accordance with the ISO 45 001 standard). The compliance of these management systems with the criteria of the ISO standards is regularly confirmed through certification audits, which are held every three years, with the 1st and 2nd supervisory audits taking place in between.

In 2021, the first integrated audit of all three systems together was carried out by the auditing company TÜV

Nord. In 2024, we passed the sixth re-certification audit, which ensured the validity of our management systems for another 3 years.

HMMC continuously improves its management techniques and effectively integrates them into its management system to comply with EFQM (European Foundation for Quality Management) principles. Since 2011, our Company has been actively participating in the National Quality Award evaluation every three years, which is based on the EFQM model. Our ability to win this award repeatedly in 2011, 2014, 2017, 2020 and most recently in 2023 demonstrates the maturity of our organisation.

## Vehicle Homologation and Production Conformity

All our products have to meet stringent international legal requirements on vehicles – so called type approvals (homologations). The conformity of our production process with the approved type (homologation), i.e. the Conformity of Production (COP), is regularly audited by independent testing organisations.

One of the most important production conformity tests is the measurement of emissions of the vehicles produced. In the Emissions Laboratory, we regularly measure the emissions of all our production models and their engine versions, including hybrids, plug-in hybrids and pure electric cars.

The year 2024 was devoted to the preparation of the modernisation of our emissions laboratory to enable all necessary measurements to be carried out even after the application of the upcoming EURO7 emissions standard. This upgrade will take place in 2025.

## Research and development

The Company does not have its own research and development, these activities are provided for the Company's needs by the Group.



# Social Responsibility



- **166** projects supported in six grant programmes. The total support amounted to almost **CZK 2.75 million.**
- **517** volunteer hours worked during corporate volunteering days.
- **CZK 10,100,100** in help to our region after floods.
- Over **22,000** planted trees in the Beskydy mountains.

## Significant 2024 Projects

### New grant programmes

In 2024, we added two new programmes to our existing successful grant programmes that focus on key areas of our corporate responsibility strategy. The first program, Together Safely, was created to promote traffic safety in surrounding communities. The sponsorship programme then supports sport, cultural and community events in our region.

### Strong Partnerships in the Region

We are proud partners of important institutions in the Moravian-Silesian Region. Together we develop our region and increase its attractiveness. Our long-term partners include the Academy of FC Baník Ostrava, Dolní oblast Vítkovice, Horizon Hydrogen Grand Prix, Technotrasy, Moravian-Silesian League of Young Firefighters and the Ostrava ZOO.

### Floods in the Moravian-Silesian Region

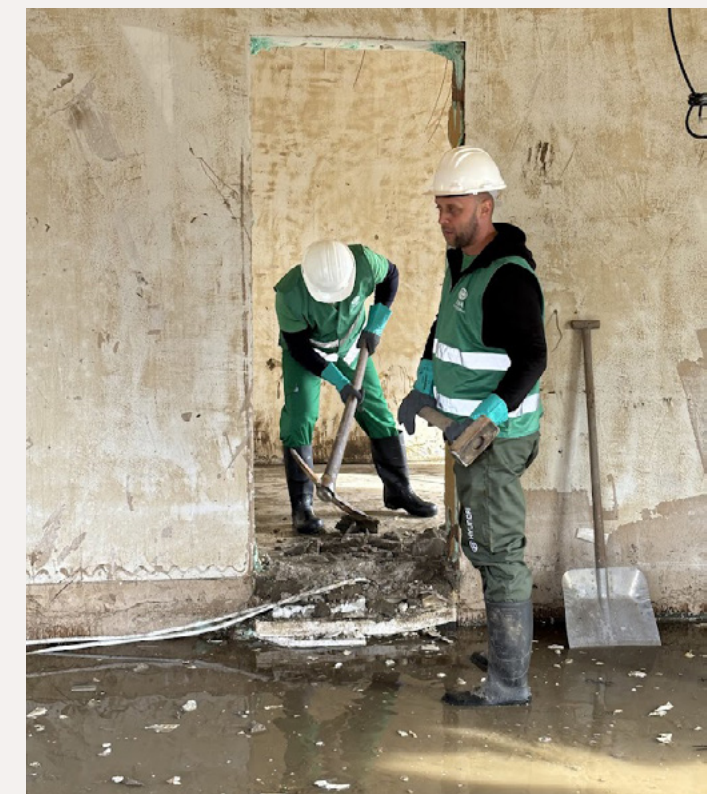
In the autumn of 2024, the Moravian-Silesian Region was hit by widespread and devastating floods. In cooperation with People in Need, we provided financial support of CZK 10.1 million to the affected areas. We also provided financial assistance to our employees who were affected by the floods in the amount of more than half a million. We also organised a volunteer day and helped with damage clearance in Bohumín and Nová Ves in Ostrava.

## Together responsibly and sustainably

Inspiring each other and sharing good practice is important in all sectors, including CSR. That is why we organised a meeting of responsible institutions from our region. We focused on issues related to sustainability, innovation and cooperation within the region.

## Responsibly towards nature

We take care of the environment not only inside our premises, but the nature around us is equally important to us. We are partners with ČSOP Salamandr, a nature conservation organisation that takes care of the restoration of the valuable Beskydy meadows. Within the premises, we carried out a study to promote biodiversity in cooperation with ČSOP Salamandr. Our employees are also involved in selected environmental activities as part of corporate volunteering.





# Awards Received



The Business for the Society (Byznys pro společnost) platform included HMMC in **10 TOP responsible large companies in the Czech Republic** – we ranked 9th (2023: 23th place)

1st place in the **Sodexo Employer of the Year** in the Moravian-Silesian Region and 2nd place in the whole Czech Republic in the category of companies with up to 5,000 employees.

Winners in the **Automotive Business of the Year competition** in the category of over 250 employees.

**CZECH TOP 100:** 5th place

**Tourism Awards** under the auspices of the Moravian-Silesian Region – award for contribution to the Technotrasa project by Destination North Moravia.





# Goals and Forecasts

for 2025



This year, we expect to produce 294,535 vehicles. The actual results will depend on the economic situation in the main markets in Europe and the development of demand for electric vehicles. It will also be crucial to see how customer demand can be reconciled with stricter emission limits and whether or when legislation on these limits and penalties for non-compliance will be amended.

We have a multitude of plans and new projects ahead of us in the areas of automation, employee care and energy savings, for example, while at the same time responding to the challenges posed by new European regulations. The aim is to continuously strengthen HMMC's position as an employer of excellence, while improving our competitiveness and the positive impact of the company on our surroundings.

We will continue to develop sustainable technologies. A photovoltaic power plant will be installed on the roofs of the production shop to cover approximately 4% of the plant's energy consumption. Since 2022, HMMC has been the first manufacturing plant in the Hyundai Motor Group to source electricity exclusively from 100% renewable sources, underscoring its commitment to environmentally friendly production.

In 2025, battery production capacity will be significantly expanded, supporting not only our own production but also other Group plants. In the spring, the conversion of the former Transmission Shop I into a modern battery shop will be completed. This will be used for the production and assembly of batteries for purely electric models. This expansion builds on the existing Battery System Assembly Shop, where Hyundai Mobis has been assembling batteries for the Kona Electric and other electrified Hyundai and Kia vehicles since the end of 2022.

No significant events occurred at HMMC subsequent to the balance sheet date which would have an impact on meeting the purpose of the Annual Report. Other events are described in the Notes to the Financial Statements.



## Treasury shares and treasury holdings

The Company has not acquired any treasury shares or treasury holdings.

## Branch or other part of a business establishment abroad

The Company does not have any branch or other part of a business establishment abroad.





# Financial statements

for the year ended 31 December 2024



**Name of the Company:**

Hyundai Motor Manufacturing Czech s.r.o.

**Registered Office:**

Hyundai 700/1,  
739 51 Nižní Lhoty,  
Průmyslová zóna Nošovice

**Legal Status:**

Limited Liability Company

**Corporate ID:**

277 73 035

**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**

10 March 2025.

Statutory executive of the reporting entity

Changki Lee  
Statutory Executive



# Balance sheet

full version as of 31.12.2024 (in CZK thousand)

|             |  | 31. 12. 2024 |            |            | 31. 12. 2023 |
|-------------|--|--------------|------------|------------|--------------|
|             |  | Gross        | Adjustment | Net        | Net          |
|             | TOTAL ASSETS   | 107 382 229  | 33 526 592 | 73 855 637 | 85 268 692   |
| B.          | Fixed assets   | 44 268 163   | 33 180 230 | 11 087 933 | 12 392 504   |
| B.I.        | Intangible fixed assets  | 629 213      | 480 332    | 148 881    | 138 390      |
| B.I.2.      | Valuable rights  | 578 797      | 480 315    | 98 482     | 62 660       |
| B.I.2.1.    | Software   | 578 797      | 480 315    | 98 482     | 62 660       |
| B.I.4.      | Other intangible fixed assets  | 39 365       | 17         | 39 348     | 41 883       |
| B.I.5.      | "Prepayments for intangible fixed assets and intangible fixed assets under construction" | 11 051       |            | 11 051     | 33 847       |
| B.I.5.2.    | Intangible fixed assets under construction   | 11 051       |            | 11 051     | 33 847       |
| B.II.       | Tangible fixed assets  | 43 638 950   | 32 699 898 | 10 939 052 | 12 254 114   |
| B.II.1.     | Land and structures  | 9 652 781    | 4 513 284  | 5 139 497  | 5 215 885    |
| B.II.1.1.   | Land   | 165 653      |            | 165 653    | 165 653      |
| B.II.1.2.   | Structures   | 9 487 128    | 4 513 284  | 4 973 844  | 5 050 232    |
| B.II.2.     | "Tangible movable assets and sets of tangible movable assets"                            | 33 497 651   | 28 186 614 | 5 311 037  | 6 042 265    |
| B.II.5.     | "Prepayments for tangible fixed assets and tangible fixed assets under construction"     | 488 518      |            | 488 518    | 995 964      |
| B.II.5.1.   | Prepayments for tangible fixed assets  | 827          |            | 827        | 234 781      |
| B.II.5.2.   | Tangible fixed assets under construction   | 487 691      |            | 487 691    | 761 183      |
| C.          | Current assets   | 63 114 066   | 346 362    | 62 767 704 | 72 876 188   |
| C.I.        | Inventories  | 8 912 227    | 344 373    | 8 567 854  | 7 823 176    |
| C.I.1.      | Material   | 4 742 463    | 271 276    | 4 471 187  | 4 599 512    |
| C.I.2.      | Work in progress and semifinished goods  | 99 163       | 1 951      | 97 212     | 818 412      |
| C.I.3.      | Products and goods   | 3 616 922    | 71 146     | 3 545 776  | 1 569 354    |
| C.I.3.1.    | Products   | 3 616 922    | 71 146     | 3 545 776  | 1 569 354    |
| C.I.5.      | Prepayments for inventories  | 453 679      |            | 453 679    | 835 898      |
| C.II.       | Receivables  | 22 952 952   | 1 989      | 22 950 963 | 29 115 640   |
| C.II.1.     | Long-term receivables  | 1 839 125    |            | 1 839 125  | 1 705 359    |
| C.II.1.4.   | Deferred tax asset   | 1 839 125    |            | 1 839 125  | 1 705 359    |
| C.II.2.     | Short-term receivables   | 20 948 868   | 1 989      | 20 946 879 | 27 276 176   |
| C.II.2.1.   | Trade receivables  | 14 565 743   | 1 989      | 14 563 754 | 20 621 814   |
| C.II.2.2.   | Receivables - controlled or controlling entity   | 3 062 496    |            | 3 062 496  | 3 006 560    |
| C.II.2.4.   | Receivables - other  | 3 320 629    |            | 3 320 629  | 3 647 802    |
| C.II.2.4.3. | State - tax receivables  | 3 189 107    |            | 3 189 107  | 3 390 810    |
| C.II.2.4.4. | Short-term prepayments made  | 100 314      |            | 100 314    | 77 843       |
| C.II.2.4.6. | Sundry receivables   | 31 208       |            | 31 208     | 179 149      |
| C.II.3.     | Other assets   | 164 959      |            | 164 959    | 134 105      |
| C.II.3.1.   | Deferred expenses  | 23 393       |            | 23 393     | 27 354       |
| C.II.3.2.   | Complex deferred expenses  | 111 648      |            | 111 648    | 70 138       |
| C.II.3.3.   | Accrued income   | 29 918       |            | 29 918     | 36 613       |

|         |              |            |  |            |            |
|---------|--------------|------------|--|------------|------------|
| C.IV.   | Cash         | 31 248 887 |  | 31 248 887 | 35 937 372 |
| C.IV.1. | Cash on hand | 11         |  | 11         | 11         |
| C.IV.2. | Cash at bank | 31 248 876 |  | 31 248 876 | 35 937 361 |

|           |   | 31. 12. 2024 | 31. 12. 2023 |
|-----------|---|--------------|--------------|
|           | TOTAL LIABILITIES & EQUITY                          | 73 855 637   | 85 268 692   |
| A.        | Equity  | 47 297 227   | 53 138 547   |
| A.I.      | Share capital                                       | 13 901 000   | 13 901 000   |
| A.I.1.    | Share capital                                       | 13 901 000   | 13 901 000   |
| A.IV.     | Retained earnings (+/-)                             | 22 652 107   | 25 362 708   |
| A.IV.1.   | Accumulated profits or losses brought forward (+/-) | 22 652 107   | 25 362 708   |
| A.V.      | Profit or loss for the current period (+/-)         | 10 744 120   | 13 874 839   |
| B.+C.     | Liabilities   | 26 558 410   | 32 130 145   |
| B.        | Reserves  | 10 130 113   | 9 883 854    |
| B.IV.     | Other reserves                                      | 10 130 113   | 9 883 854    |
| C.        | Payables  | 16 428 297   | 22 246 291   |
| C.II.     | Short-term payables                                 | 16 372 510   | 22 130 284   |
| C.II.2.   | Payables to credit institutions                     | 324 511      | 3 334 348    |
| C.II.3.   | Short-term prepayments received                     | 196 005      | 768 948      |
| C.II.4.   | Trade payables                                      | 14 414 526   | 14 620 321   |
| C.II.8.   | Other payables                                      | 1 437 468    | 3 406 667    |
| C.II.8.3. | Payables to employees                               | 166 952      | 174 702      |
| C.II.8.4. | Social security and health insurance payables       | 101 910      | 101 924      |
| C.II.8.5. | State - tax payables and subsidies                  | 137 361      | 1 171 854    |
| C.II.8.6. | Estimated payables                                  | 1 025 518    | 1 951 627    |
| C.II.8.7. | Sundry payables                                     | 5 727        | 6 560        |
| C.III.    | Other liabilities                                   | 55 787       | 116 007      |
| C.III.1.  | Accrued expenses                                    | 2 636        | 9 766        |
| C.III.2.  | Deferred income                                     | 53 151       | 106 241      |



# Profit and loss account

structured by the nature of expense method, year ended 31. 12. 2024 (in CZK thousand)

|        |   | Year ended<br>31. 12. 2024 | Year ended<br>31. 12. 2023 |
|--------|---|----------------------------|----------------------------|
| I.     | Sales of products and services  | 187 789 718                | 188 987 460                |
| A.     | Purchased consumables and services  | 169 402 318                | 164 825 896                |
| A.2.   | Consumed material and energy  | 148 303 854                | 148 299 948                |
| A.3.   | Services  | 21 098 464                 | 16 525 948                 |
| B.     | Change in internally produced inventory (+/-)                             | -1 309 747                 | 292 892                    |
| D.     | Staff costs   | 3 135 350                  | 3 082 415                  |
| D.1.   | Payroll costs   | 2 239 155                  | 2 182 600                  |
| D.2.   | Social security and health insurance costs and other charges              | 896 195                    | 899 815                    |
| D.2.1. | Social security and health insurance costs                                | 746 218                    | 730 777                    |
| D.2.2. | Other charges   | 149 977                    | 169 038                    |
| E.     | Adjustments to values in operating activities                             | 2 613 371                  | 2 931 739                  |
| E.1.   | Adjustments to values of intangible and tangible fixed assets             | 2 588 535                  | 2 933 700                  |
| E.1.1. | Adjustments to values of intangible and tangible fixed assets - permanent | 2 688 707                  | 2 844 375                  |
| E.1.2. | Adjustments to values of intangible and tangible fixed assets - temporary | -100 172                   | 89 325                     |
| E.2.   | Adjustments to values of inventories                                      | 24 871                     | 11 453                     |
| E.3.   | Adjustments to values of receivables                                      | -35                        | -13 414                    |
| III.   | Other operating income  | 15 746 028                 | 15 066 403                 |
| III.1. | Sales of fixed assets   | 131 888                    | 11 949                     |
| III.2. | Sales of material   | 14 606 188                 | 14 343 267                 |
| III.3. | Sundry operating income   | 1 007 952                  | 711 187                    |
| F.     | Other operating expenses  | 18 979 668                 | 18 426 384                 |
| F.1.   | Net book value of sold fixed assets                                       | 175 479                    | 16 157                     |
| F.2.   | Material sold   | 15 028 337                 | 14 544 007                 |
| F.3.   | Taxes and charges   | 35 785                     | 22 031                     |
| F.4.   | Reserves relating to operating activities and complex deferred expenses   | 204 748                    | 832 153                    |
| F.5.   | Sundry operating expenses   | 3 535 319                  | 3 012 036                  |
| *      | Operating profit or loss (+/-)  | 10 714 786                 | 14 494 537                 |
| VI.    | Interest income and similar income  | 2 097 414                  | 2 058 356                  |
| VI.1.  | Interest income and similar income - controlled or controlling entity     | 1 041 976                  | 1 044 385                  |
| VI.2.  | Other interest income and similar income                                  | 1 055 438                  | 1 013 971                  |
| J.     | Interest expenses and similar expenses                                    | 98 119                     | 189 919                    |
| J.2.   | Other interest expenses and similar expenses                              | 98 119                     | 189 919                    |
| VII.   | Other financial income  | 4 042 464                  | 4 021 521                  |
| K.     | Other financial expenses  | 3 102 842                  | 3 428 442                  |
| *      | Financial profit or loss (+/-)  | 2 938 917                  | 2 461 516                  |
| **     | Profit or loss before tax (+/-)   | 13 653 703                 | 16 956 053                 |
| L.     | Income tax  | 2 909 583                  | 3 081 214                  |
| L.1.   | Due income tax  | 3 043 349                  | 3 485 657                  |
| L.2.   | Deferred income tax (+/-)   | -133 766                   | -404 443                   |
| **     | Profit or loss net of tax (+/-)   | 10 744 120                 | 13 874 839                 |
| ***    | Profit or loss for the current period (+/-)                               | 10 744 120                 | 13 874 839                 |
| *      | Net turnover for the current period                                       | 187 789 718                |                            |

# Statement of changes in equity

year ended 31. 12. 2024 (in CZK thousand)

|                                       | Share<br>capital | Accumulated<br>profits or losses<br>brought forward | Profit or loss<br>for the current<br>period | TOTAL<br>EQUITY |
|---------------------------------------|------------------|---|---|-----------------|
| Balance at 31 December 2022           | 13 901 000       | 26 171 636  | 10 959 562                                  | 51 032 198      |
| Profit shares/dividends declared      |                  | -808 928  | -10 959 562                                 | -11 768 490     |
| Profit or loss for the current period |                  |   | 13 874 839                                  | 13 874 839      |
| Balance at 31 December 2023           | 13 901 000       | 25 362 708  | 13 874 839                                  | 53 138 547      |
| Profit shares/dividends declared      |                  | -2 710 601  | -13 874 839                                 | -16 585 440     |
| Profit or loss for the current period |                  |   | 10 744 120                                  | 10 744 120      |
| Balance at 31 December 2024           | 13 901 000       | 22 652 107  | 10 744 120                                  | 47 297 227      |

# Cash flow statement

year ended 31. 12. 2024 (in CZK thousand)

|        |  | Year ended<br>31. 12. 2024 | Year ended<br>31. 12. 2023 |
|--------|--|----------------------------|----------------------------|
| P.     | Opening balance of cash and cash equivalents               | 35 937 372                 | 28 362 085                 |
|        | Cash flows from ordinary activities (operating activities) |                            |                            |
| Z.     | Profit or loss before tax                                  | 13 653 703                 | 16 956 053                 |
| A.1.   | Adjustments for non-cash transactions                      | 836 748                    | 1 796 065                  |
| A.1.1. | Depreciation of fixed assets                               | 2 688 707                  | 2 844 375                  |
| A.1.2. | Change in provisions and reserves                          | 129 413                    | 919 517                    |
| A.1.3. | Profit/(loss) on the sale of fixed assets                  | 43 591                     | 4 208                      |
| A.1.5. | Interest expense and interest income                       | -1 999 295                 | -1 868 437                 |
| A.1.6. | Adjustments for other non-cash transactions                | -25 668                    | -103 598                   |
| A.*    | Net operating cash flow before changes in working capital  | 14 490 451                 | 18 752 118                 |
| A.2.   | Change in working capital                                  | 3 694 449                  | 7 492 005                  |
| A.2.1. | Change in operating receivables and other assets           | 6 219 416                  | 4 711 504                  |
| A.2.2. | Change in operating payables and other liabilities         | -1 754 378                 | 3 335 593                  |
| A.2.3. | Change in inventories                                      | -770 589                   | -555 092                   |
| A.**   | Net cash flow from operations before tax                   | 18 184 900                 | 26 244 123                 |
| A.3.   | Interest paid  | -105 249                   | -180 153                   |
| A.4.   | Interest received  | 2 192 529                  | 2 012 488                  |
| A.5.   | Income tax paid from ordinary operations                   | -4 046 018                 | -3 339 493                 |
| A.***  | Net operating cash flows                                   | 16 226 162                 | 24 736 965                 |
|        | Cash flows from investing activities                       |                            |                            |
| B.1.   | Fixed assets expenditures                                  | -1 453 944                 | -2 946 427                 |
| B.2.   | Proceeds from fixed assets sold                            | 131 888                    | 11 949                     |
| B.***  | Net investment cash flows                                  | -1 322 056                 | -2 934 478                 |
|        | Cash flow from financial activities                        |                            |                            |
| C.1.   | Change in payables from financing                          | -3 007 151                 | -2 458 710                 |
| C.2.   | Impact of changes in equity                                | -16 585 440                | -11 768 490                |
| C.2.6. | Profit shares/dividends paid                               | -16 585 440                | -11 768 490                |
| C.***  | Net financial cash flows                                   | -19 592 591                | -14 227 200                |
| F.     | Net increase or decrease in cash and cash equivalents      | -4 688 485                 | 7 575 287                  |
| R.     | Closing balance of cash and cash equivalents               | 31 248 887                 | 35 937 372                 |



# Notes to the Financial Statements

Hyundai Motor Manufacturing Czech s.r.o.  
for the year ended 31 December 2024 (in CZK thousand)



### 1. General Information and Principal Activities

#### Owners of the Company

|   |       |
|---|-------|
| Ownership percentage as of 31 December 2024 | 100 % |
| Ownership percentage as of 31 December 2023 | 100 % |

#### Registered Office

Hyundai Motor Manufacturing Czech s.r.o.  
Průmyslová zóna Nošovice  
Hyundai 700/1  
739 51 Nižní Lhoty  
Czech Republic

#### Corporate ID

277 73 035

#### Statutory executive and proxy as of 31 December 2024

|                     |                            |
|---------------------|----------------------------|
| Statutory executive | Changki Lee                |
| Proxy               | Kyu Bok Jung, Petr Michník |

The Company has not established a Supervisory Board.

The Company is part of the Hyundai Motor Company consolidation group with its registered office in Seoul, Seocho-Gu, Heolleung-ro 12, the Republic of Korea.

The consolidated financial statements can be obtained from [Quarterly Earnings | Financial Information - Hyundai Worldwide](#).

The following changes were made to the Register of Companies in the year ended 31 December 2024:

- Removal of Hyun Ha Shin as a proxy – deleted on 7 March  
- Kyu Bok Jung became a proxy of the Company – entered on 7 March 2024
- Removal of Sangchul Lee as a proxy – deleted on 20 December 2024  
- Petr Michník became a proxy of the Company – entered on 20 December 2024.

#### Organisational Structure

The Company is organised into the following divisions:

- Finance Division – departments of Cost Control, Treasury, Accounting and Tax
- Administrative Division – department of Human Resources, Employee Relations, Legal, Public Relations, General Affairs, Facilities and Environment, Health, Safety, Security and Information Technology
- Sales Planning Department
- Production Division – departments of Stamping, Welding, Paint, Assembly, Maintenance, Production Control,
- Quality Division – Quality Control and Quality Assurance Departments
- Procurement Division – departments of Parts Procurement, Procurement Management and Purchasing



2. Principal Accounting Policies Used by the Company

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 business-es maintaining double-entry accounting records, and Czech Accounting Standards for Businesses, as amended. The financial statements are general purpose financial statements and have not been prepared for any special purpose, transaction or user. Users should not rely exclusively on these financial statements in making decisions and should undertake other appropriate inquiries before making decisions.

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.

The company also considered the impact of the ongoing Russian aggression in Ukraine. Although the Company’s management is currently not able to make a reliable estimate of the future impacts, they are not significant as of the financial statements date and do not compromise the Company’s going concern assumption.

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

a) Tangible and Intangible Fixed Assets

Tangible fixed assets include assets with an estimated useful life greater than one year. Tangible and intangible fixed assets are carried at cost. The limit for the inclusion in the tangible and intangible depreciated assets changed to CZK 20 thousand with effect from 1 January 2022. This does not apply to assets that the Company started to acquire before 1 January 2022 (the limit was CZK 10 thousand for these assets). This change will allow a more accurate presentation of assets in compliance with the



Accounting Act. Tangible fixed assets at the acquisition cost of less than CZK 20 thousand and intangible fixed assets at the acquisition cost of less than CZK 20 thousand are not reported in the balance sheet and are expensed in the year of acquisition.

The valuation of internally produced fixed assets includes direct material, direct wages and other costs directly relating to the production until their capitalisation.

The following table shows the depreciation methods and periods by asset groups:

| Assets                    | Method        | Depreciation period |
|---------------------------|---------------|---------------------|
| Residential buildings     | Straight line | 50 years            |
| Industrial buildings      | Straight line | 30 years            |
| Machinery and equipment   | Straight line | 15 years            |
| Vehicles                  | Straight line | 6 years             |
| Moulds                    | Straight line | 2-6 years           |
| Moulds for Hyundai i30    | Straight line | 4-6 years           |
| Moulds for Hyundai Kona   | Straight line | 4-6 years           |
| Moulds for Hyundai Tucson | Straight line | 5 years             |
| Tools                     | Straight line | 3-6 years           |
| IT equipment              | Straight line | 6 years             |
| Furniture                 | Straight line | 6 years             |
| Software                  | Straight line | 5 years             |
| Other intangible assets   | Straight line | 5 years             |

Emission allowances

Emission allowances are recorded as intangible non-amortisable fixed assets measured at cost or replacement cost when acquired free of charge. 'Consumption of allowances' is recorded at least at the date of the financial statements, depending on the entity’s emissions in the calendar year. When a first acquisition is made without consideration, it is accounted for as a subsidy that does not reduce the valuation of the intangible fixed asset. This ‘subsidy’ is dissolved in income at the same time and in the same amount as the allowances are consumed and expensed.

b) Inventory

Purchased inventory is stated at costs. The cost includes the purchase cost, customs duties, storage fees during transportation, transportation costs of delivery to the production area.

Internally developed inventory is valued at the cost of producing the inventory, which primarily consists of the direct costs of production or any other activity, and/or attributable indirect costs relating to production or any other activity. The direct costs include the cost of material and other consumables and other costs incurred in direct connection with the production or any other activity.

Inventory is issued out of stock using the costs determined by the weighted arithmetic average method.

Provisions against products are calculated as the sum of positive differences from the comparison of valuations of individual cars at the balance sheet date and the valid selling price of these cars. Provisions against work in progress and semi-finished goods are determined using the extrapolation of the proportion of the provision against products and the aggregate value of products at the balance sheet date. The provision against production material with the movement rate exceeding one year is recognised in the amount of 100% of the value of this material. The provision against idle spare parts in the last two years is recognised as equal to 100% of the value of the inventory and 20% for the spare parts that have been idle for no less than one year.

c) Trade Receivables

Upon origination, receivables are stated at their nominal value as subsequently reduced by appropriate provisions for doubtful and bad amounts. Provisions for receivables past their due dates are assessed for the relevant receivables on an individual basis.

Short-term receivables are ceded before their due dates. Under recourse factoring of receivables, ceded receivables are recorded on special analytical accounts and are subsequently settled against the received short-term loan. The costs of the recourse factoring of receivables are deferred until the maturity date of these receivables. Under non-recourse factoring, receivables are reversed through other operating expenses and at the same time a receivable from the factor is recognised with a corresponding entry for the income from the cession of these receivables (other operating income).

The Company charges its customers interest on business loans. These receivables are recorded on an accruals basis together with the interest income and deferred income.

d) Trade Payables

Trade payables are stated at their nominal value.

e) Recognition of Reserves

The Company creates a reserve for outstanding vacation days and a reserve for warranty repairs.

The reserve for outstanding vacation days as of the balance sheet date is recognised on the basis of an analysis of outstanding vacation days per year and the average payroll costs including social security and health insurance by individual employees.

The reserve for warranty repairs is recognised by setting aside a lump-sum charge per each sold car. The amount of the lump sum reserve is determined on the basis of the best available estimate of the costs for warranty repairs in accordance with the Company’s historical experience. This reserve does not include the costs of repairs of sold cars that are initiated by the manufacturer due to the one-off nature of these costs and the impossibility to reliably predict them.

f) Estimated Payables

The Company recognises estimated payables for unbilled supplies upon the acquisition of tangible and intangible fixed assets, material, energy and services.

g) 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.

h) Foreign Currency Translation

The Company uses the Czech National Bank’s ruling for foreign exchange rate for the previous business day in the translation of foreign currencies. During the year, the Company recognises realised foreign exchange rate gains or losses.

Assets and liabilities denominated in foreign currencies are translated using the foreign exchange rate promulgated by the Czech National Bank as of the balance sheet date. Unrealised foreign currency translation gains and losses are reported in the results of operations.

i) Finance Lease

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.

j) Income Tax

Income tax for the period is composed of the tax payable and movements in deferred tax.



Current Tax

The tax payable includes the estimate of the tax calculated from the tax base using the tax rate applicable on the last day of the reporting period and all tax arrears and refunds for prior periods.

Deferred Tax

Deferred tax is based on all temporary differences between the carrying and tax values of assets and liabilities using the anticipated tax rate applicable for the following periods. In calculating deferred tax, the income tax rate applicable in the period in which the tax liability or asset is incurred is used. If this tax rate is not known, the rate applicable in the next reporting period is used. The top-up tax is not considered in the calculation of deferred tax. Deferred tax assets and liabilities are offset against each other and recognised in the balance sheet at their total net amount, except to the extent that certain partial tax assets cannot be offset against partial tax liabilities. The straight-line method is used to calculate tax depreciation of fixed assets.

A deferred tax asset is recognised only if it is likely that it will be realised in the following reporting periods.

Top-up tax

The Company is liable for the top-up tax. The calculation of the top-up tax expense is based on information available as of the date of the financial statements. As the calculation of this tax liability includes a number of items based on the accounts of other companies within the Group, it is an estimate.

k) Revenue Recognition

Revenues are recognised when goods are shipped out of stock and significant risks and rewards have passed to the customer or when services are rendered and are reported net of discounts and VAT.

In the case of invoicing without physical unloading (“Bill and Hold sales”), revenues are recognised if the customer requires this form of delivery and under the condition that the customer accepts the invoicing and the transfer of ownership and risks. In order to recognise revenues in the case of invoicing without physical unloading, the following conditions must be fulfilled:

- 1) It is likely that a physical delivery will take place;
- 2) At the moment of recognition of the revenue, the goods are physically available, they are specifically intended for a particular customer and are prepared for delivery;
- 3) The customer confirms the terms and conditions of the invoicing transaction without physical delivery; and

- 4) The customary payment conditions of the Company are valid for the transaction.

l) Subsidies

Subsidies received from the state budget in support of the creation of new jobs and support of retraining and training of employees are recognised in other operating income. Received subsidies for the support of investments are recognised as acquisition of fixed assets as a decrease in the cost of assets.

m) 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 has made these estimates and assumptions on the basis of all the relevant information available to it. Nevertheless, pursuant to the nature of estimates, the actual results and outcomes in the future may differ from these estimates.

n) Impairment

At each balance sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the greater of the net selling price and the value in use. In assessing the value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount.

o) Cash Flow Statement

The cash flow statement was prepared using the indirect method. Cash equivalents represent current liquid assets that can be easily and readily converted into a predefined amount in cash.

Cash and cash equivalents may be analysed as follows:

|                                  | 31 Dec 2024 | 31 Dec 2023 |
|----------------------------------|-------------|-------------|
| Cash on hand and cash in transit | 11          | 11          |
| Cash at bank                     | 31 248 876  | 35 937 361  |
| Total cash and cash equivalents  | 31 248 887  | 35 937 372  |

Cash flows from operating, investment and financial activities presented in the cash flow statement are not offset.

p) Net Turnover for the Current Period

In the current reporting period, due to a change in accounting legislation, the method of calculating the net turnover figure for the reporting period was changed. The net turnover figure presented in the financial statements for the prior reporting period is not comparable with the figure for the current reporting period and therefore, in accordance with the provisions of Section 4(7) of Decree 500/2002 Coll., as amended, is not presented in the figures for the prior reporting period.

Method of calculating the net turnover ratio:

- For the 2023 period, it was determined as the sum of all revenue recognised on the relevant lines of the profit and loss account.
- For the 2024 period, it was determined as the sum of revenue from the sale of products. This is only the selected revenue on which the entity’s business model is based, determined by considering the industry and market in which the entity operates and the nature of the customer business.

If the net turnover indicator for the 2023 period were determined according to the 2024 methodology, its value would amount to **CZK 188,987,460 thousand**.





### q) Subsequent Events

The impact of events that occurred between the balance sheet date and the date of the financial statements is recognised in the financial statements if those events provided additional information about the facts that existed at the balance sheet date.

Where significant events occurred between the balance sheet date and the date of the financial statements representing events that occurred subsequent to the balance sheet date, the consequences of those events are described and their effects quantified in the notes to the financial statements but are not recognised in the financial statements.

## 3. Fixed Assets

### a) Intangible Fixed Assets

(CZK '000)

|                                       | Software      | Other intangible fixed assets | Intangible FA under construction | Total          |
|---------------------------------------|---------------|-------------------------------|----------------------------------|----------------|
| <b>Cost</b>                           |               |                               |                                  |                |
| Balance at 1 Jan 2024                 | 518 222       | 41 892                        | 33 847                           | 593 961        |
| Additions                             | 65 838        | 43 073                        | 41 855                           | 150 766        |
| Disposals                             | 5 263         | 45 600                        | 64 651                           | 115 514        |
| Balance at 31 Dec 2024                | 578 797       | 39 365                        | 11 051                           | 629 213        |
| <b>Accumulated amortisation</b>       |               |                               |                                  |                |
| Balance at 1 Jan 2024                 | 455 562       | 9                             | --                               | 455 571        |
| Amortisation                          | 29 879        | 8                             | --                               | 29 887         |
| Accumulated amortisation to disposals | 5 126         | --                            | --                               | 5 126          |
| Balance at 31 Dec 2024                | 480 315       | 17                            | --                               | 480 332        |
| <b>Net book value at 1 Jan 2024</b>   | <b>62 660</b> | <b>41 883</b>                 | <b>33 847</b>                    | <b>138 390</b> |
| <b>Net book value at 31 Dec 2024</b>  | <b>98 482</b> | <b>39 348</b>                 | <b>11 051</b>                    | <b>148 881</b> |

(CZK '000)

|                                       | Software      | Other intangible fixed assets | Intangible FA under construction | Total          |
|---------------------------------------|---------------|-------------------------------|----------------------------------|----------------|
| <b>Cost</b>                           |               |                               |                                  |                |
| Balance at 1 Jan 2023                 | 488 444       | 36 709                        | 9 546                            | 534 699        |
| Additions                             | 31 542        | 19 256                        | 55 843                           | 106 641        |
| Disposals                             | 1 764         | 14 073                        | 31 542                           | 47 379         |
| Balance at 31 Dec 2023                | 518 222       | 41 892                        | 33 847                           | 593 961        |
| <b>Accumulated amortisation</b>       |               |                               |                                  |                |
| Balance at 1 Jan 2023                 | 430 937       | 1                             | --                               | 430 938        |
| Amortisation                          | 26 389        | 8                             | --                               | 26 397         |
| Accumulated amortisation to disposals | 1 764         | --                            | --                               | 1 764          |
| Balance at 31 Dec 2023                | 455 562       | 9                             | --                               | 455 571        |
| <b>Net book value at 1 Jan 2023</b>   | <b>57 507</b> | <b>36 708</b>                 | <b>9 546</b>                     | <b>103 761</b> |
| <b>Net book value at 31 Dec 2023</b>  | <b>62 660</b> | <b>41 883</b>                 | <b>33 847</b>                    | <b>138 390</b> |

In respect of software, the Company continued to modernise its information systems, primarily in assurance of production quality, during the years ended 31 December 2024 and 2023. In 2024, we submitted emission allowances (EAs) for 2023 with a total value of CZK 45,600 thousand, purchased EAs with a total value of CZK 29,564 thousand. We were also allocated EAs worth CZK 13,509 thousand.

### b) Tangible Fixed Assets

(CZK '000)

|                                       | Land           | Buildings        | Individual movable assets | Tangible FA under construction | Prepay-ments   | Total             |
|---------------------------------------|----------------|------------------|---------------------------|--------------------------------|----------------|-------------------|
| <b>Cost</b>                           |                |                  |                           |                                |                |                   |
| Balance at 1 Jan 2024                 | 165 653        | 9 298 323        | 34 593 190                | 761 183                        | 234 781        | 45 053 130        |
| Additions                             | --             | 232 637          | 1 697 636                 | 2 157 141                      | 36 011         | 4 123 425         |
| Disposals                             | --             | 43 832           | 2 793 175                 | 2 430 633                      | 269 965        | 5 537 605         |
| Balance at 31 Dec 2024                | 165 653        | 9 487 128        | 33 497 651                | 487 691                        | 827            | 43 638 950        |
| <b>Accumulated depreciation</b>       |                |                  |                           |                                |                |                   |
| Balance at 1 Jan 2024                 | --             | 4 248 091        | 28 550 925                | --                             | --             | 32 799 016        |
| Depreciation                          | --             | 309 025          | 2 349 796                 | --                             | --             | 2 658 821         |
| Provision                             | --             | -21 522          | -78 650                   | --                             | --             | -100 172          |
| Accumulated depreciation to disposals | --             | 22 310           | 2 635 457                 | --                             | --             | 2 657 767         |
| Balance at 31 Dec 2024                | --             | 4 513 284        | 28 186 614                | --                             | --             | 32 699 898        |
| <b>Net book value at 1 Jan 2024</b>   | <b>165 653</b> | <b>5 050 232</b> | <b>6 042 265</b>          | <b>761 183</b>                 | <b>234 781</b> | <b>12 254 114</b> |
| <b>Net book value at 31 Dec 2024</b>  | <b>165 653</b> | <b>4 973 844</b> | <b>5 311 037</b>          | <b>487 691</b>                 | <b>827</b>     | <b>10 939 052</b> |

(CZK '000)

|                                       | Land           | Buildings        | Individual movable assets | Tangible FA under construction | Prepay-ments   | Total             |
|---------------------------------------|----------------|------------------|---------------------------|--------------------------------|----------------|-------------------|
| <b>Cost</b>                           |                |                  |                           |                                |                |                   |
| Balance at 1 Jan 2023                 | 165 653        | 9 121 232        | 32 455 539                | 300 377                        | 952 530        | 42 995 331        |
| Additions                             | --             | 177 091          | 2 751 934                 | 3 389 831                      | 322 879        | 6 641 735         |
| Disposals                             | --             | --               | 614 283                   | 2 929 025                      | 1 040 628      | 4 583 936         |
| Balance at 31 Dec 2023                | 165 653        | 9 298 323        | 34 593 190                | 761 183                        | 234 781        | 45 053 130        |
| <b>Accumulated depreciation</b>       |                |                  |                           |                                |                |                   |
| Balance at 1 Jan 2023                 | --             | 3 919 940        | 26 569 790                | --                             | --             | 30 489 730        |
| Depreciation                          | --             | 306 629          | 2 511 349                 | --                             | --             | 2 817 978         |
| Provision                             | --             | 21 522           | 67 803                    | --                             | --             | 89 325            |
| Accumulated depreciation to disposals | --             | --               | 598 017                   | --                             | --             | 598 017           |
| Balance at 31 Dec 2023                | --             | 4 248 091        | 28 550 925                | --                             | --             | 32 799 016        |
| <b>Net book value at 1 Jan 2023</b>   | <b>165 653</b> | <b>5 201 292</b> | <b>5 885 749</b>          | <b>300 377</b>                 | <b>952 530</b> | <b>12 505 601</b> |
| <b>Net book value at 31 Dec 2023</b>  | <b>165 653</b> | <b>5 050 232</b> | <b>6 042 265</b>          | <b>761 183</b>                 | <b>234 781</b> | <b>12 254 114</b> |

In 2024, the additions to movable fixed assets primarily related to the modernisation of production equipment in the Paint Shop, Final Assembly, Welding Shop, and Stamping Shop, in the amount of CZK 311,920 thousand. Additionally, there were upgrades for the Tucson (facelift) and i30 (product enhancement 2) models, as well as the launch of production for the N-Line version of the Kona Electric model, which involved moulds and tools in the amount of CZK 7,511 thousand. Furthermore, moulds for producing parts located at suppliers of these parts amounted to CZK 1,337,448 thousand. Last but not least, the renewal of the Company's vehicle fleet amounted to CZK 114,436 thousand. In 2024, machinery in the amount of CZK 2,521,479 thousand and tools in the amount of CZK 151,163 thousand were disposed of, primarily due to the cessation of transmission production at Transmission Shop I and the sale of the transmission production line. Additionally, moulds for producing parts located at suppliers of these parts in the amount of CZK 31,217 thousand were written off, mainly due



to the modernisation of the Tucson model. The Company also cancelled a total provision in the amount of CZK 100,172 thousand against machinery and buildings that were written off in connection with the termination of transmission production.

In the year ended 31 December 2023, additions to movable fixed assets primarily related to the launch of the next generation Hyundai Kona Electric. This involved machinery in the amount of CZK 292,795 thousand, sheet metal moulds in the amount of CZK 276,853 thousand as well as moulds for the production of parts placed with suppliers of these parts in the amount of CZK 1,779,701 thousand. Machinery in the amount of CZK 238,375 thousand and moulds for sheet metal parts in the amount of CZK 242,515 thousand were disposed of in 2023. These disposals were mainly related to the discontinuation of the production of the 1st generation Hyundai Kona Electric.

The Moravian-Silesian region carries the pre-emption right to acquire all land in the area of the Company's production plant of CZK 153,435 thousand. This land is located at the cadastral area of Nošovice and Nižní Lhoty.

4. Inventory

Internally developed inventory includes completed cars and semi-finished products manufactured during the



production of cars. The Company holds finished products in the amount of CZK 3,616,922 thousand as of the balance sheet date (2023: CZK 1,581,136 thousand). The provision against finished products amounts to CZK 71,146 thousand as of the balance sheet date (2023: CZK 11,782 thousand).

As of the balance sheet date, the Company holds inventory of material necessary for the production of cars of CZK 4,341,385 thousand (2023: CZK 4,473,915 thousand) and inventory of spare parts for production equipment of CZK 401,078 thousand (2023: CZK 426,528 thousand). The provision against production material amounts to CZK 9,104 thousand (2023: CZK 9,330 thousand) and against spare parts to CZK 262,172 thousand (2023: CZK 291,601 thousand) as of the balance sheet date.

5. Trade Receivables and Payables

Overdue short-term trade receivables amount to CZK 1,454,240 thousand (2023: CZK 429,633 thousand). As of 20 January 2025, CZK 1,286,019 thousand was paid.

As of 31 December 2024, the Company does not record any long-term trade receivables with a maturity of more than 5 years.

Overdue short-term trade payables amount to CZK 9,029 thousand (2023: CZK 8,787 thousand).

As of 31 December 2024, the Company does not record any long-term trade payables with a maturity of more than 5 years

6. State - Tax Receivables

The receivable from the state includes a receivable arising from the VAT refund based on the filed tax return of CZK 1,579,061 thousand (2023: CZK 1,485,047 thousand), the sum of VAT not yet sought to be refunded of CZK 1,609,898 thousand (2023: CZK 1,905,760 thousand), an overpayment on real estate tax in the amount of CZK 141 thousand, and a prepayment for excise tax in the amount of CZK 7 thousand (2023: CZK 3 thousand).

7. Sundry Receivables

Sundry receivables predominantly include receivables arising from VAT paid in other EU member states. The filed applications for the refund of VAT amount to CZK 7,150 thousand (2023: CZK 76,935 thousand) and the sum of VAT not yet sought to be refunded amounts to CZK 24,374 thousand (2023: CZK 101,306 thousand).

8. Share Capital

As of 31 December 2024, the share capital consisted of the investment of the sole owner. The share capital was fully paid as of 31 December 2024.

9. Statement of Changes in Equity

(CZK '000)

| 2024   | Share capital | Other profit or loss from prior years | Accumulated profit | Profit for the period | Total       |
|--|---------------|---------------------------------------|--------------------|-----------------------|-------------|
| Balance at 1 Jan 2024                          | 13 901 000    | --                                    | 25 362 708         | 13 874 839            | 53 138 547  |
| Allocation to funds, allocation of profit/loss | --            | --                                    | --                 | --                    | --          |
| Transfer of other profit or loss               | --            | --                                    | --                 | --                    | --          |
| Payment of profit shares                       | --            | --                                    | -2 710 601         | -13 874 839           | -16 585 440 |
| Profit for 2024                                | --            | --                                    | --                 | 10 744 120            | 10 744 120  |
| Balance at 31 Dec 2024                         | 13 901 000    | --                                    | 22 652 107         | 10 744 120            | 47 297 227  |

(CZK '000)

| 2023   | Share capital | Other profit or loss from prior years | Accumulated profit | Profit for the period | Total       |
|--|---------------|---------------------------------------|--------------------|-----------------------|-------------|
| Balance at 1 Jan 2023                          | 13 901 000    | --                                    | 26 171 636         | 10 959 562            | 51 032 198  |
| Allocation to funds, allocation of profit/loss | --            | --                                    | --                 | --                    | --          |
| Transfer of other profit or loss               | --            | --                                    | --                 | --                    | --          |
| Payment of profit shares                       | --            | --                                    | -808 928           | -10 959 562           | -11 768 490 |
| Profit for 2023                                | --            | --                                    | --                 | 13 874 839            | 13 874 839  |
| Balance at 31 Dec 2023                         | 13 901 000    | --                                    | 25 362 708         | 13 874 839            | 53 138 547  |

10. Reserves

(CZK '000)

| Reserves                           | Balance at 31 Dec 2024 | Balance at 31 Dec 2023 |
|------------------------------------|------------------------|------------------------|
| For outstanding vacation days      | 29 003                 | 28 491                 |
| For warranty repairs and campaigns | 10 101 110             | 9 855 363              |
| Total                              | 10 130 113             | 9 883 854              |

11. Estimated Payables

Estimated payables recognised in the balance sheet include unbilled supplies of material of CZK 599,081 thousand (2023: CZK 1,413,194 thousand), unbilled supplies of consumed energy and other costs of CZK 422,815 thousand (2023: CZK 525,793 thousand), unbilled supplies for the acquisition of tangible fixed assets in the amount of CZK 2,790 thousand (2023: CZK 12,640 thousand), and unbilled credit card expenditures in the amount of CZK 832 thousand (2023: CZK 0 thousand).





12. Bank Loans

Short-Term Loans

(CZK '000)

|        | Currency | Balance at<br>31 Dec 2024 | Balance at<br>31 Dec 2023 | Form of<br>collateral in<br>2024 |
|--------|----------|---------------------------|---------------------------|----------------------------------|
| Loan A | EUR      | --                        | 2 472 500                 | --                               |
| Loan B | MXN,USD  | 324 511                   | 861 848                   | --                               |
| Total  |          | 324 511                   | 3 334 348                 |                                  |

Repayment Schedule

(CZK '000)

|        | 2025    | 2026 | Following<br>periods |
|--------|---------|------|----------------------|
| Loan A | --      | --   | --                   |
| Loan B | 324 511 | --   | --                   |
| Total  | 324 511 | --   | --                   |

The Company does not record any long-term borrowings as of 31 December 2024 or 31 December 2023.

13. Sales of Own Products and Services

(CZK '000)

| Market                                   | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|--|---------------------------|---------------------------|
| Czech Republic                           | 7 052 049                 | 7 247 622                 |
| EU                                       | 102 650 532               | 114 811 509               |
| Other than EU countries - Europe         | 37 049 510                | 35 293 294                |
| Other than EU countries - other          | 41 037 627                | 31 635 035                |
| Total sales of own products and services | 187 789 718               | 188 987 460               |

In 2024, 99.8% of the sales of products related to sold cars (2023: 99.1%). The remaining 0.2% (2023: 0.9%) related to the sale of transmissions and other semi-finished goods, which the Company supplies to other production companies within the Group in Europe.



14. Consumed Material and Energy

(CZK '000)

|                                    | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|------------------------------------|---------------------------|---------------------------|
| Consumed material                  | 147 368 750               | 147 327 857               |
| Consumed energy                    | 935 104                   | 972 091                   |
| Total consumed material and energy | 148 303 854               | 148 299 948               |

15. Services

(CZK '000)

|  | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|--|---------------------------|---------------------------|
| Travel expenses                                    | 20 343                    | 28 247                    |
| Building security, cleaning and operation          | 354 692                   | 335 163                   |
| Production support services                        | 1 248 312                 | 1 344 539                 |
| Service and licence fees                           | 16 333 116                | 11 984 142                |
| Hiring and support of staff                        | 455 458                   | 510 344                   |
| IT services and software                           | 136 814                   | 106 841                   |
| Transportation services                            | 2 262 402                 | 1 956 132                 |
| Advisory and audit services                        | 18 059                    | 14 132                    |
| Repairs and maintenance of buildings and equipment | 171 458                   | 151 075                   |
| Rental   | 24 680                    | 32 397                    |
| Training   | 9 633                     | 8 270                     |
| Other services                                     | 63 497                    | 54 666                    |
| Total  | 21 098 464                | 16 525 948                |

16. Sales of Material, Sold Material

(CZK '000)

|                                    | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|------------------------------------|---------------------------|---------------------------|
| Sales of material to sub-suppliers | 14 255 024                | 13 992 521                |
| Sales of secondary raw material    | 351 164                   | 350 746                   |
| Total sales of material            | 14 606 188                | 14 343 267                |

(CZK '000)

|                                | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|--------------------------------|---------------------------|---------------------------|
| Material sold to sub-suppliers | 14 677 173                | 14 193 261                |
| Sold secondary raw material    | 351 164                   | 350 746                   |
| Total sold material            | 15 028 337                | 14 544 007                |



## 17. Sundry Operating Income

(CZK '000)

|  | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|--|---------------------------|---------------------------|
| Rebiling of complaint costs to suppliers | 807 847                   | 477 239                   |
| Employment support contribution          | --                        | --                        |
| Inventory count differences              | 1 395                     | 831                       |
| Other operating income                   | 198 710                   | 233 117                   |
| <b>Total</b>                             | <b>1 007 952</b>          | <b>711 187</b>            |

## 18. Sundry Operating Expenses

(CZK '000)

|   | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|---|---------------------------|---------------------------|
| Insurance                               | 51 916                    | 51 795                    |
| Costs of warranty repairs and campaigns | 3 282 038                 | 2 740 643                 |
| Inventory count differences             | 2 435                     | 1 830                     |
| Other operating expenses                | 198 930                   | 217 768                   |
| <b>Total</b>                            | <b>3 535 319</b>          | <b>3 012 036</b>          |

## 19. Interest Income

(CZK '000)

|                                       | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|---------------------------------------|---------------------------|---------------------------|
| Interest on provided loans            | 106 151                   | 68 407                    |
| Interest on provided business loans   | 935 825                   | 975 978                   |
| Interest on deposits at bank accounts | 1 055 438                 | 1 013 971                 |
| <b>Total</b>                          | <b>2 097 414</b>          | <b>2 058 356</b>          |

## 20. Interest Expense

(CZK '000)

|  | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|--|---------------------------|---------------------------|
| Interest on received bank loans and overdrafts | 98 119                    | 189 919                   |
| Fees on bank account balances                  | --                        | --                        |
| <b>Total</b>                                   | <b>98 119</b>             | <b>189 919</b>            |

## 21. Other Financial Income

(CZK '000)

|                                       | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|---------------------------------------|---------------------------|---------------------------|
| Foreign exchange rate gains           | 4 042 464                 | 4 021 521                 |
| Gains from revaluation of derivatives | --                        | --                        |
| <b>Total</b>                          | <b>4 042 464</b>          | <b>4 021 521</b>          |

## 22. Other Financial Expenses

(CZK '000)

|  | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|--|---------------------------|---------------------------|
| Foreign exchange rate losses           | 3 096 009                 | 3 400 957                 |
| Losses from revaluation of derivatives | --                        | 17 652                    |
| Other financial expenses               | 6 833                     | 9 833                     |
| <b>Total</b>                           | <b>3 102 842</b>          | <b>3 428 442</b>          |

## 23. Income Tax

(CZK '000)

|              | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|--------------|---------------------------|---------------------------|
| Tax payable  | 3 043 349                 | 3 485 657                 |
| Deferred tax | -133 766                  | -404 443                  |
| <b>Total</b> | <b>2 909 583</b>          | <b>3 081 214</b>          |

Profit before tax and calculation of tax payable:

(CZK '000)

|                                 | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|---------------------------------|---------------------------|---------------------------|
| Profit before tax               | 13 653 703                | 16 956 053                |
| Anticipated tax costs (21%/19%) | 2 867 277                 | 3 221 650                 |
| Non-tax expenses and income     | 238 203                   | 290 374                   |
| Tax for prior periods           | -62 131                   | -26 367                   |
| <b>Tax payable</b>              | <b>3 043 349</b>          | <b>3 485 657</b>          |

The total deferred tax asset/liability can be analysed as follows:

(CZK '000)

|   | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|---|---------------------------|---------------------------|
| Accumulated depreciation and amortisation of fixed assets | -360 517                  | -437 346                  |
| Provision against inventory                               | 72 318                    | 67 096                    |
| Reserves  | 2 127 324                 | 2 075 609                 |
| <b>Total (+ asset/ - liability)</b>                       | <b>1 839 125</b>          | <b>1 705 359</b>          |





24. Related Parties

a) Trade Receivables and Payables

Trade receivables and payables include the following balances with related parties:

(CZK '000)

|  | Receivables as of<br>31 December |            | Payables as of<br>31 December |            |
|--|----------------------------------|------------|-------------------------------|------------|
|  | 2024                             | 2023       | 2024                          | 2023       |
| Hyundai Motor Company                          | 18 313                           | 41 605     | 4 143 401                     | 3 638 874  |
| Hyundai Motor Europe GmbH                      | 6 022 879                        | 13 590 062 | --                            | --         |
| Hyundai Engineering Czech s.r.o.               | 15                               | --         | 11                            | 33 120     |
| Hyundai AutoEver Corporation                   | --                               | --         | 13 126                        | 18 613     |
| Hyundai AutoEver Europe GmbH                   | --                               | --         | 91 909                        | 10 852     |
| G.I.T Co., Ltd                                 | --                               | --         | 113                           | 4 735      |
| Hyundai Glovis Co. Ltd.                        | 11 205                           | 13 097     | 2 364 667                     | 136 238    |
| Hyundai Glovis Czech Republic s.r.o.           | 669                              | 1 329      | 7 130                         | 24 171     |
| Glovis Europe GmbH                             | 108                              | 56         | 127 621                       | 258 023    |
| Glovis Slovakia, s.r.o.                        | --                               | --         | --                            | 1 304      |
| Hyundai Steel Czech s.r.o.                     | 844                              | 766        | 296 052                       | 441 978    |
| Hyundai Motor Company Italy s.r.l.             | --                               | --         | 3 811                         | 2 814      |
| Hyundai Motor CIS LLC                          | --                               | --         | 1 796                         |            |
| Hyundai Motor Czech s.r.o.                     | 1 474 673                        | 1 725 868  | 2 033                         | 1          |
| Hyundai Motor Deutschland GmbH                 | --                               | --         | 23 902                        | -40        |
| Hyundai Motor UK Ltd.                          | --                               | --         | 11 996                        | 4 768      |
| Hyundai Motor España S.L.U.                    | --                               | --         | 9 218                         | 2 913      |
| Hyundai Motor France                           | --                               | --         | 38 895                        | --         |
| Hyundai Motor Mfg. Rus LLC                     | --                               | --         | --                            | 7          |
| Hyundai Assan Otomotive SVT A.S.               | 1 166 602                        | --         | 7 023                         | --         |
| Hyundai Motor Company Australia Pty Ltd.       | 330 095                          | 212 471    | 158                           | 70         |
| Hyundai Motor de Mexico, S de RL de CV         | 771 626                          | 861 848    | 258                           | 91         |
| Hyundai Motor Netherlands B.V.                 | --                               | --         | 7 226                         | --         |
| Hyundai Motor Europe Technical Center GmbH     | --                               | 20         | --                            | --         |
| Hyundai Motor Poland Sp. z o.o.                | --                               | --         | 2 320                         | --         |
| Shandong Hyundai WIA Automotive Engine Co.     | --                               | --         | 35 094                        | 27 507     |
| Hyundai Motor Sweden AB                        | --                               | --         | 886                           | --         |
| HM Czech, s.r.o.                               | 9                                | --         | --                            | --         |
| Hyundai Mobis Co. Ltd.                         | 2 706                            | 1 981      | --                            | --         |
| Mobis Slovakia s.r.o.                          | 5 138                            | 9 947      | --                            | 41 655     |
| Mobis Automotive Czech s.r.o.                  | 544 017                          | 1 006 784  | 4 110 856                     | 4 647 517  |
| Jiangsu Mobis Automotive Parts Co., Ltd.       | 16                               | 1          | 16 569                        | 12 522     |
| Hyundai Transys Czech, s.r.o.                  | 30 924                           | 43 205     | 511 588                       | 742 214    |
| Beijing Hyundai Transys Transmission Co., Ltd. | 30                               | 33 611     | 149 374                       | 43 350     |
| Hyundai Transys (Shandong) Co., Ltd.           | --                               | --         | --                            | 31 774     |
| Kia Slovakia s. r. o.                          | 21 152                           | 94 948     | 1 021 251                     | 876 903    |
| Total  | 10 401 021                       | 17 637 599 | 12 998 284                    | 11 001 974 |



As of the balance sheet date, the Company reported prepayments made for the assets of Hyundai Engineering Czech s.r.o. in the amount of CZK 827 thousand (2023: CZK 3,080 thousand) and prepayments made for the material of Hyundai Glovis Co. Ltd. in the amount of CZK 453,679 thousand (2023: CZK 835,898 thousand).

In 2023, prepayments were provided for the assets of Hyundai AutoEver Europe GmbH in the amount of CZK 19,913 thousand.

As of the balance sheet date, estimated payables to Mobis Slovakia s.r.o. amount to CZK 51,500 thousand (2023: CZK 42,949 thousand).

In 2023, estimated payables to Mobis Automotive Czech s.r.o. amounted to CZK 8,850 thousand.

b) Sales and Purchases

The Company's sales and purchases with the Group companies were as follows:

(CZK '000)

|  | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|--|---------------------------|---------------------------|
| Sales of products                          | 159 902 329               | 163 548 968               |
| Sales of fixed assets                      | 332                       | 2 998                     |
| Sales of material                          | 8 895 304                 | 7 979 392                 |
| Other operating income                     | 867 139                   | 613 211                   |
| Interest income and other financial income | 1 041 976                 | 1 044 385                 |
| Total sales                                | 170 707 080               | 173 188 954               |

(CZK '000)

|                          | Year ended<br>31 Dec 2024 | Year ended<br>31 Dec 2023 |
|--------------------------|---------------------------|---------------------------|
| Purchase of fixed assets | 179 260                   | 1 084 537                 |
| Purchase of material     | 108 849 971               | 108 435 694               |
| Purchase of services     | 20 165 334                | 16 016 005                |
| Other operating expenses | 2 383 436                 | 2 053 086                 |
| Total purchases          | 131 578 001               | 127 589 322               |



c) *Provided loans*

Short-term receivables – controlled or controlling entity within short-term receivables comprise the following balances relating to the Group companies:

(CZK '000)

|                                       | Currency | Balance at<br>31 Dec 2024 | Balance at<br>31 Dec 2023 | Interest<br>rate as at<br>31 Dec 2024 | Form<br>of collateral<br>2024 |
|---------------------------------------|----------|---------------------------|---------------------------|---------------------------------------|-------------------------------|
| Hyundai Truck and Bus Rus LLC         | EUR      | 342 516                   | 336 260                   | 3,47%                                 | --                            |
| Hyundai Truck & Bus (China) Co., Ltd. | EUR      | 2 719 980                 | 2 670 300                 | 3,47%                                 | --                            |
| Total                                 |          | 3 062 496                 | 3 006 560                 |                                       |                               |

Repayment schedule

(CZK '000)

|                                       | 2025      | 2026 | Following<br>periods |
|---------------------------------------|-----------|------|----------------------|
| Hyundai Truck and Bus Rus LLC         | 342 516   | --   | --                   |
| Hyundai Truck & Bus (China) Co., Ltd. | 2 719 980 | --   | --                   |
| Total                                 | 3 062 496 | --   | --                   |

d) *Other transactions*

In the year ended 31 December 2024, the Company paid profit share to its owner, Hyundai Motor Company, in the amount of CZK 16,585,440 thousand (2023: CZK 11,768,490 thousand).

25. Employees and Managers

a) *The average recalculated number of employees and managers and staff costs for the years ended 31 December 2024 and 2023:*

(CZK '000)

| 2024            | Number of<br>employees | Payroll<br>costs | Social securi-<br>ty and health<br>insurance | Social<br>costs |
|-----------------|------------------------|------------------|--|-----------------|
| Employees       | 2 796                  | 2 153 169        | 723 308                                      | --              |
| Managers        | 27                     | 85 986           | 22 910                                       | --              |
| Total           | 2 823                  | 2 239 155        | 746 218                                      | 149 977         |
| Managers (IHOL) | 5                      | 29 515           | 3 228  | --              |

(CZK '000)

| 2023            | Number of<br>employees | Payroll<br>costs | Social securi-<br>ty and health<br>insurance | Social<br>costs |
|-----------------|------------------------|------------------|--|-----------------|
| Employees       | 2 852                  | 2 102 072        | 709 691                                      | --              |
| Managers        | 26                     | 80 528           | 21 086                                       | --              |
| Total           | 2 878                  | 2 182 600        | 730 777                                      | 169 038         |
| Managers (IHOL) | 6                      | 26 243           | 2 811  | --              |

The Company employed 34 Korean workers from the parent company (2023: 40) on average based on the International Hiring of Labour (IHOL) contract. The aggregate payroll costs amounted to CZK 160,827 thousand (2023: CZK 154,324 thousand) and are reported in profit and loss account line A.3 'Services' (refer to Note 15).

The social costs incurred by the Company in 2024 and 2023 principally include payments made under the International Hiring-Out of Labour Force Agreement, the costs of providing meals to all employees and the employer's contribution towards settling the costs of transportation to work. The Company is unable to analyse these costs into the part attributable to management and other employees.

b) *Bonuses and Loans to the Members of Statutory and Supervisory Bodies*

Members of senior management use Company cars for both business and private purposes.

26. State – Tax Payables and Subsidies

Tax payables are represented by a payable arising from the due income tax in the amount of CZK 98,548 thousand (2023: CZK 1,101,217 thousand), the employees' income tax payments withheld by the Company of CZK 29,073 thousand (2023: CZK 28,936 thousand), and subsidies of CZK 9,741 thousand (2023: CZK 41,701 thousand).

In 2019 to 2023, the Company received a cash grant for capital investment of CZK 21,995 thousand from the Operational Programme Enterprise and Innovation for Competitiveness based on the decision of the Ministry of Industry and Trade.

In 2023, the Company received a subsidy to mitigate the effects of the increase in natural gas and electricity prices from the Programme of support for increased costs of natural gas and electricity due to an exceptionally sharp increase in their prices in the amount of CZK 7,951 thousand.

In 2024, the Company received no subsidy.

27. Other Matters

On 18 May 2006, Hyundai Motor Company, the Republic of Korea, the Czech Republic acting through and represented by the Czech Ministry of Industry and Trade, the Czech Ministry of Finance, the Czech Ministry of Labour and Social Affairs, the Czech Ministry of Transportation and the Czech Ministry of the Interior, the Moravian Silesian Region and CzechInvest entered into the Investment Agreement based on which the Company has received an investment incentive as follows:

- Transfer of land for a discounted price;
- Cash grant for capital investment;
- Subsidy for the creation of jobs;
- Subsidy for the training and retraining of employees; and
- Tax relief.

The Company formed the HYUNDAI Foundation with its registered office at Ostrava on 7 February 2007. The aim of the Foundation is to support civil society and community programmes on the territory impacted by the operations of the car production plant in Nošovice, predominantly projects contributing to the protection and improvement of the environment, projects leading to increased awareness about the environment and its protection, and projects promoting the environment with the objective of attracting the general public's attention. The equity investment in the Foundation includes the investment of the Company of CZK 5,000 thousand.

28. Contingent Liabilities

*Legal Disputes*

As of 31 December 2024, the Company was involved in no legal dispute, the outcome of which would significantly affect the Company.

*Environmental Liabilities*

Management of the Company is not aware of the existence of contingent liabilities arising from environmental damage.

The Company carries no other contingent liabilities.

29. Post Balance Sheet Date Events

No other material events occurred subsequent to the balance sheet date.





# Report on Relations

of Hyundai Motor Manufacturing Czech s.r.o.,  
for the Year Ended 31 December 2024  
prepared in line with Section 82 et seq.  
of Act No. 90/2012 Coll.,  
on Business Corporations, as amended



**Controlled Entity:**  
**Hyundai Motor Manufacturing Czech s.r.o.**  
With its registered office at Průmyslová zóna Nošovice,  
Hyundai 700/1, Nižní Lhoty, 739 51  
Corporate ID: 277 73 035  
Held by the Regional Court in Ostrava under file  
no. C 41484

**Controlling Entity:**  
**Hyundai Motor Company**  
With its registered office at Seoul, Seocho-Gu,  
Heolleung-ro 12  
Republic of Korea  
Corporate ID: 1018109147

**Other entities controlled by the controlling entity  
(hereinafter also referred to as “related parties”),  
which the controlled entity recorded economic  
activity with:**

- Hyundai Motor Europe GmbH
- Hyundai Motor Czech s.r.o.
- Hyundai Motor UK Ltd.
- Hyundai Motor Company Italy s.r.l.
- Hyundai Motor Netherlands B.V.
- Hyundai Motor Poland Sp. z o. o.
- Hyundai Motor CIS LLC
- Hyundai Motor España, S. L. U.
- Hyundai Motor Deutschland GmbH
- Hyundai Motor France
- Hyundai Motor Sweden AB
- Hyundai Motor Europe Technical Center GmbH
- Hyundai Motorsport GmbH
- Hyundai Truck and Bus Rus LLC
- Hyundai Assan Otomotive Sannayi Ve Ticaret A.S.
- Hyundai Motor Company Australia Pty Ltd.
- Hyundai Motor de Mexico, S de RL de CV
- Hyundai Truck and Bus (China) Co., Ltd
- Kia Europe GmbH
- Kia Slovakia s. r. o.
- Hyundai Rotem Company
- Hyundai AutoEver Europe GmbH, organizační složka
- Hyundai AutoEver Corporation

- G.I.T Co., Ltd
- HM Czech, s.r.o.
- Max People s.r.o.
- Hyundai Engineering Czech s.r.o.
- Hyundai Steel Czech s.r.o.
- Hyundai Glovis Co., Ltd.
- Hyundai Glovis Czech Republic s.r.o.
- Glovis Europe GmbH
- Glovis Slovakia, s.r.o.
- Adampol Czech s.r.o.
- Adampol S.A.
- Hyundai Mobis Co., Ltd.
- Mobis Automotive Czech s.r.o.
- Mobis Automotive System Czech s.r.o.
- Mobis Slovakia s.r.o.
- Mobis Parts Europe N.V.
- Jiangsu Mobis Automotive Parts Co., Ltd.
- Hyundai Transys Czech, s.r.o.
- Beijing Hyundai Transys Transmission Co., Ltd.
- Hyundai Transys (Shandong) Co., Ltd.
- Shandong Hyundai WIA Automotive Engine Company
- Haevichi Hotel & Resort Co., Ltd



I.

**Structure of relations between the controlled entity, controlling entity and other controlled entities, the role of the controlled entity in this structure and the manner and means of control of the controlled entity:**

Hyundai Motor Group connects the production of cars and car components, steel industry, construction industry, logistic, financial, IT and other services into one chain with the aim of providing top-quality products and services. The corporation is controlled by Hyundai Motor Company and as of 31 December 2024, it comprised 517 companies which are divided into the groups as follows (listed are the major ones):

**Cars**

- Hyundai Motor Company
- Kia Corporation
- Genesis Motor Company

**Car components**

- Hyundai Mobis
- Hyundai WIA
- Hyundai Mseat
- Hyundai Transys
- Hyundai Kefico
- Hyundai IHL
- Hyundai Partecs

**Finance**

- Hyundai Capital
- Hyundai Card
- Hyundai Commercial
- Hyundai Motor Securities
- Hyundai Motor Group Smile Microcredit Bank

**Steel industry**

- Hyundai Steel
- Hyundai BNG Steel
- Hyundai Special Steel

**Construction industry**

- Hyundai Engineering & Construction
- Hyundai Engineering
- Hyundai Engineering & Steel Industries
- Hyundai City Corporation

**Other**

- Hyundai Glovis
- Hyundai AutoEver
- Hyundai Rotem
- Hyundai NGV
- Innocean Worldwide
- Haevichi Hotel & Resort
- Hyundai Farm Land & Development Company
- GIT
- G-Marine Service
- Hyundai Motor Chung Mong-Koo foundation

Hyundai Motor Manufacturing Czech s.r.o. is part of the Hyundai Motor Group and its principal objective relates to facilitating the expansion of the corporation in Europe. Hyundai Motor Manufacturing Czech s.r.o. is directly controlled by Hyundai Motor Company. The control was performed by the General Meeting and by way of hiring managers from Hyundai Motor Company. The control results from the dominating position of the controlling entity given that it is the sole shareholder of Hyundai Motor Manufacturing Czech s.r.o.



II.

**List of acts performed in the latest reporting period, ie in the year ended 31 December 2024, made at the instigation or in the interest of the controlling entity or entities controlled by the controlling entity, which solely related to assets exceeding 10% of equity of the controlled entity in line with the financial statements for the year ended 31 December 2023:**

**1. Realised Income**

(in CZK '000)

|   | Sales gener-<br>ated by own<br>products | Sales of<br>material | Other<br>operating<br>income | Interest<br>income |
|---|---|----------------------|------------------------------|--------------------|
| Hyundai Motor Company                           | 39 376                                  | 356                  | 495 604                      | --                 |
| Hyundai Motor Europe GmbH                       | 135 218 949                             | 11                   | --                           | 715 358            |
| Hyundai Motor Czech s.r.o.                      | 9 417 170                               | --                   | 6 303                        | 103 389            |
| Hyundai Assan Otomotive Sannayi Ve Ticaret A.S. | 7 390 790                               | --                   | 1 926                        | --                 |
| Hyundai Glovis CO. Ltd.                         | --                                      | --                   | 89 860                       | --                 |
| Mobis Automotive Czech s.r.o.                   | 102                                     | 7 994 970            | 172 238                      | --                 |
| Hyundai Transys Czech, s.r.o.                   | --                                      | 529 291              | 9 951                        | --                 |
| Kia Slovakia s. r. o.                           | 258 826                                 | 1 206                | 48 504                       | --                 |

The controlled entity reported sales of fixed assets to Mobis Automotive Czech s.r.o. in the amount of CZK 332 thousand.

**2. Realised Purchases**

(in CZK '000)

|   | Purchase<br>of fixed<br>assets | Purchase<br>of material | Purchase<br>of services | Other<br>operating<br>costs |
|---|--------------------------------|-------------------------|-------------------------|-----------------------------|
| Hyundai Motor Company                           | 4 841                          | 194 008                 | 16 340 672              | --                          |
| Hyundai Motor Europe GmbH                       | --                             | --                      | 3 989                   | --                          |
| Hyundai Motor Czech s.r.o.                      | 47 685                         | 1 012                   | 73                      | 131 176                     |
| Hyundai Assan Otomotive Sannayi Ve Ticaret A.S. | --                             | 457                     | --                      | 102 779                     |
| Hyundai Glovis CO. Ltd.                         | 193                            | 20 069 883              | 920 192                 | --                          |
| Mobis Automotive Czech s.r.o.                   | --                             | 55 066 911              | 4 646                   | 5 458                       |
| Hyundai Transys Czech, s.r.o.                   | 13 455                         | 8 855 935               | --                      | --                          |
| Kia Slovakia s. r. o.                           | --                             | 13 915 857              | 3                       | 3 515                       |



III.  
List of agreements valid between the controlling entity and the controlled entity in the latest reporting period, ie in the year ended on 31 December 2024:

The following agreements were valid between the controlling and controlled entities in the year ended 31 December 2024:

- International Hiring-out of Labour Force Agreement, of 18 December 2006;
- Agreement on Cooperation between HMMC and HMC, of 1 January 2015;
- Agreement/order No P240625413, NX4e welding mould, 17 June 2024
- Agreement/order No P240725108, NX4e SX2e measuring and testing equipment, 12 July 2024
- Agreement/order No P240749520, Motion Systems - Shafts, 25 July 2024
- Agreement/order No P240749521, Handling Equipment, 1. August 2024.



IV.  
List of agreements valid between the controlled entity and other controlled entities in the latest reporting period, ie in the year ended on 31 December 2024:

1. *Agreements for the sale of manufactured cars were concluded with the following related parties:*

- Hyundai Motor Europe GmbH
- Hyundai Motor Czech s.r.o.
- Hyundai Motor Company Australia Pty Ltd.
- Hyundai Assan Otomotive Sannayi Ve Ticaret A.S.
- Hyundai Motor de Mexico, S de RL de CV

2. *Agreements on the purchase of goods and services were concluded with the following related parties (this predominantly related to the purchase of moulds, material, computers and programmes):*

- Hyundai Glovis Czech Republic s.r.o.
- Hyundai Glovis Co., Ltd.
- Hyundai Rotem Company
- Mobis Automotive Czech s.r.o.
- Mobis Slovakia s.r.o.
- Jiangsu Mobis Automotive Parts Co., Ltd.
- Hyundai Transys Czech, s.r.o.
- Beijing Hyundai Transys Transmission Co., Ltd.
- Hyundai Transys (Shandong) Co., Ltd.
- Hyundai Steel Czech s.r.o.
- Hyundai AutoEver Corporation
- Hyundai AutoEver Europe GmbH, organizační složka
- Hyundai AutoEver Europe GmbH

3. *Other agreements:*

- Hyundai Truck and Bus Rus LLC, Loan Agreement
- Hyundai Truck and Bus (China) Co., Ltd, Loan Agreement
- Hyundai Glovis Czech Republic s.r.o., Contract on Right to Build
- Hyundai Mobis Automotive Czech s.r.o., Rent Agreement



V.  
Assessment of advantages and disadvantages arising from the relations between the controlled and controlling entities and from the relations between the controlled entity and other controlled entities:

Hyundai Motor Group has expanded its activities at the global level. As a result, Hyundai Motor Manufacturing Czech s.r.o. enjoys a number of advantages arising from related party transactions, which predominantly involve utilising the results of constant improvements of products and production processes in development centres as well as savings resulting from the strong centralised procurement position of the corporation. Other advantages include access to the global sales network. The Company is not aware of any disadvantages or risks arising from the participation in Hyundai Motor Group.

VI.  
I, the undersigned, Changki Lee, statutory executive of Hyundai Motor Manufacturing Czech s.r.o., which is the controlled entity, hereby declare that the data included in this report are accurate and complete.

In Nižní Lhoty on 10 March 2025

Changki Lee  
Statutory executive  
Hyundai Motor Manufacturing Czech s.r.o.



# Independent Auditor's Report



**Deloitte.**

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in Prague, Section C, File 24349  
ID. No.: 49620592  
Tax ID. No.: CZ49620592

## INDEPENDENT AUDITOR'S REPORT To the Partner of Hyundai Motor Manufacturing Czech s.r.o.

Having its registered office at: Hyundai 700/1, 739 51 Nižní Lhoty, Průmyslová zóna Nošovice

### Opinion

We have audited the accompanying financial statements of Hyundai Motor Manufacturing 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 December 2024, and the profit and loss account, statement of changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including material accounting policy information.

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

### Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application guidelines. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Other Information in the Annual Report

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

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

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

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

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

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

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#### 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 10 March 2025

Audit firm:

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



Statutory auditor:

Michal Černý  
registration no. 2483

  
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