2025

SPOLCHEMIE

ANNUAL REPORT

SPOLEK PRO CHEMICKOU A HUTNÍ VÝROBU, AKCIOVÁ SPOLEČNOST

SPOLCHEMIE

LIST OF DEFINITIONS AND ABBREVIATIONS USED

The Company	Spolek pro chemickou a hutní výrobu, akciová společnost
Spolek	Spolek pro chemickou a hutní výrobu, akciová společnost
The Group	The consolidated whole of the Company and all its subsidiaries
OHS	Occupational health and safety
EBITDA	Earnings before interest, taxes, depreciation, and amortization
EPITETRA	ECH, Perchloroethylene operations
EPD	Environmental Product Declaration
EUR	Euro
LER	Liquid epoxy resin
USD	United States Dollar

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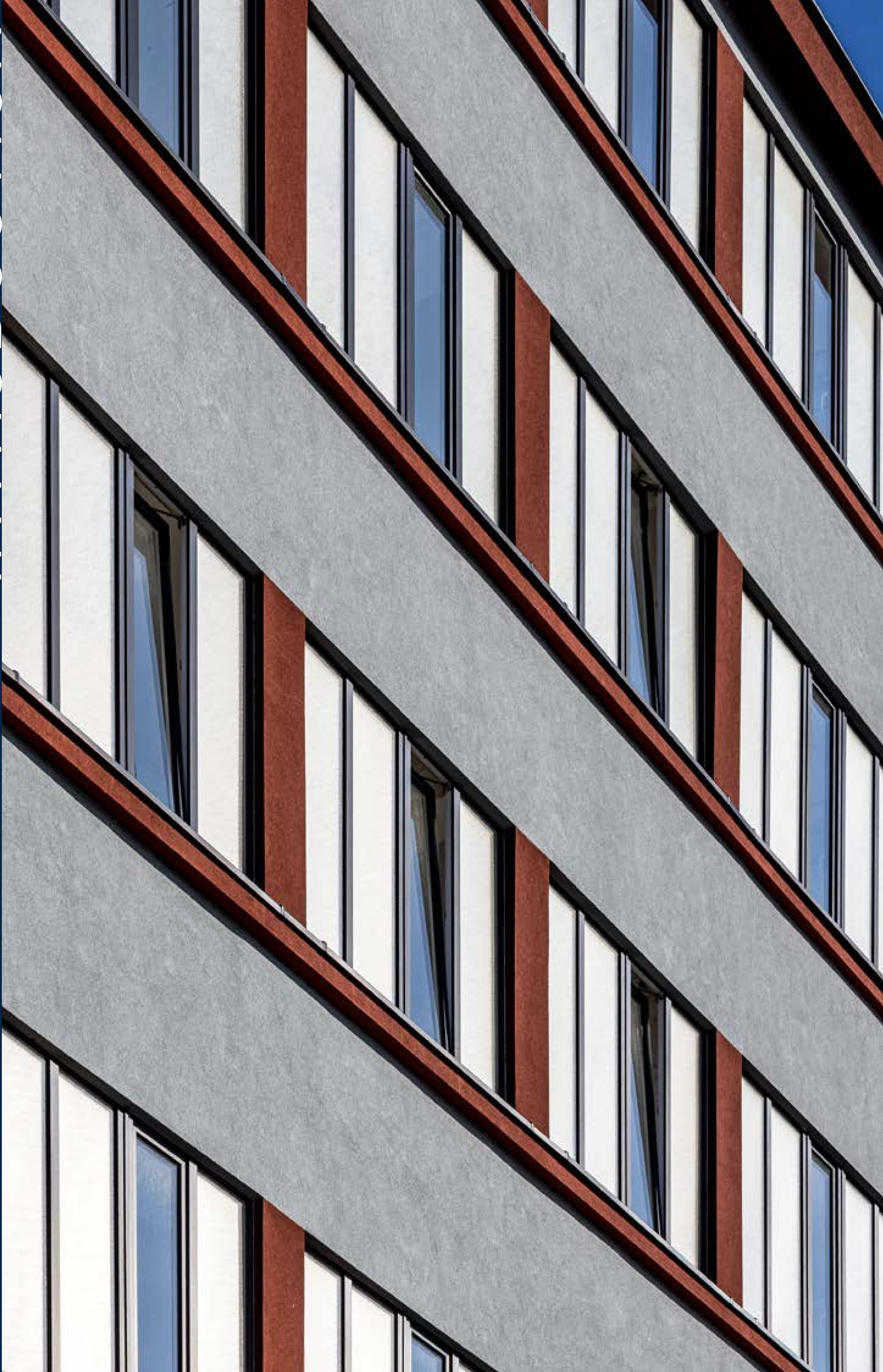
CONTENTS

SPOLCHEMIE

SPOLCHEMIE
SPOLEK PRO CHEMICKOU A HUTNÍ VÝROBU, a.s. ÚSTÍ NAD LABEM
E-MAIL: railway@spolchemie.cz
33 RIV
54 CZ-SPCH
7988 722-6
Zaes 349.3
DOM. ST.: ÚSTÍ N/L ZÁPAD - vl.vl.
52 000l
12.64m
23 750kg
19.3t
20.5kN
A B1 B2 C
S 39.4 48.2 56.2
HYDROXID SODNÝ
MAX.2.6t
80
1824

1 INTRODUCTION

SPOLCHEMIE



DEAR SHAREHOLDER, BUSINESS PARTNERS, AND EMPLOYEES,

Let me present to you the annual report of Spolek pro chemickou a hutní výrobu, a.s. for 2025, a period that brought continued demanding challenges, but also reaffirmed our resilience and ability to operate successfully in a dynamic and complex environment.

While the European industry was expected to gradually recover at the end of 2024, the reality of the subsequent twelve months proved to be more demanding. Persistently high energy prices, together with overall weaker demand in the European market, continued to affect the performance of the chemical industry as a whole. These factors, further amplified by the energy-intensive nature of our production, posed challenges to both our competitiveness and profitability.

Despite the introduction of anti-dumping duties on certain Asian epoxy importers with effect from February 2025, the market environment remained highly competitive. Unfortunately, the protective measures were not applied across the board, and weaker demand and ongoing pressure from global competition persisted. Against this backdrop, we are pleased that we were able to maintain our market positions as well as key long-standing customer relationships.

One of the defining moments of 2025 was the further development of the ZEBRA project. This unique technology for the production of fourth-generation F-gas precursors, which was successfully commissioned at the end of 2024, became an important stabilising pillar of our business during the year. Thanks to its independence from the cyclical development of the epoxy resin market, the project has clearly shown that our strategic focus on diversification is the right path forward.

The geopolitical situation in 2025, especially the trade policy of the United States and the ongoing conflict in Ukraine, continued to add uncertainty to global markets and also affected our European partners. These developments were reflected in hydroxide prices, influenced partly by higher imports into Europe.

In response to these circumstances, we focused on strengthening cost discipline and efficiency, as well as on tighter control of investments. As a result, we were able to maintain our financial stability.

I would like to take this opportunity to sincerely thank all our employees. Their professionalism, flexibility and commitment are fundamental to our ability to achieve our objectives and continue to move the Company forward, even in a challenging environment. I would also like to thank our shareholders and business partners for their trust and long-term support.

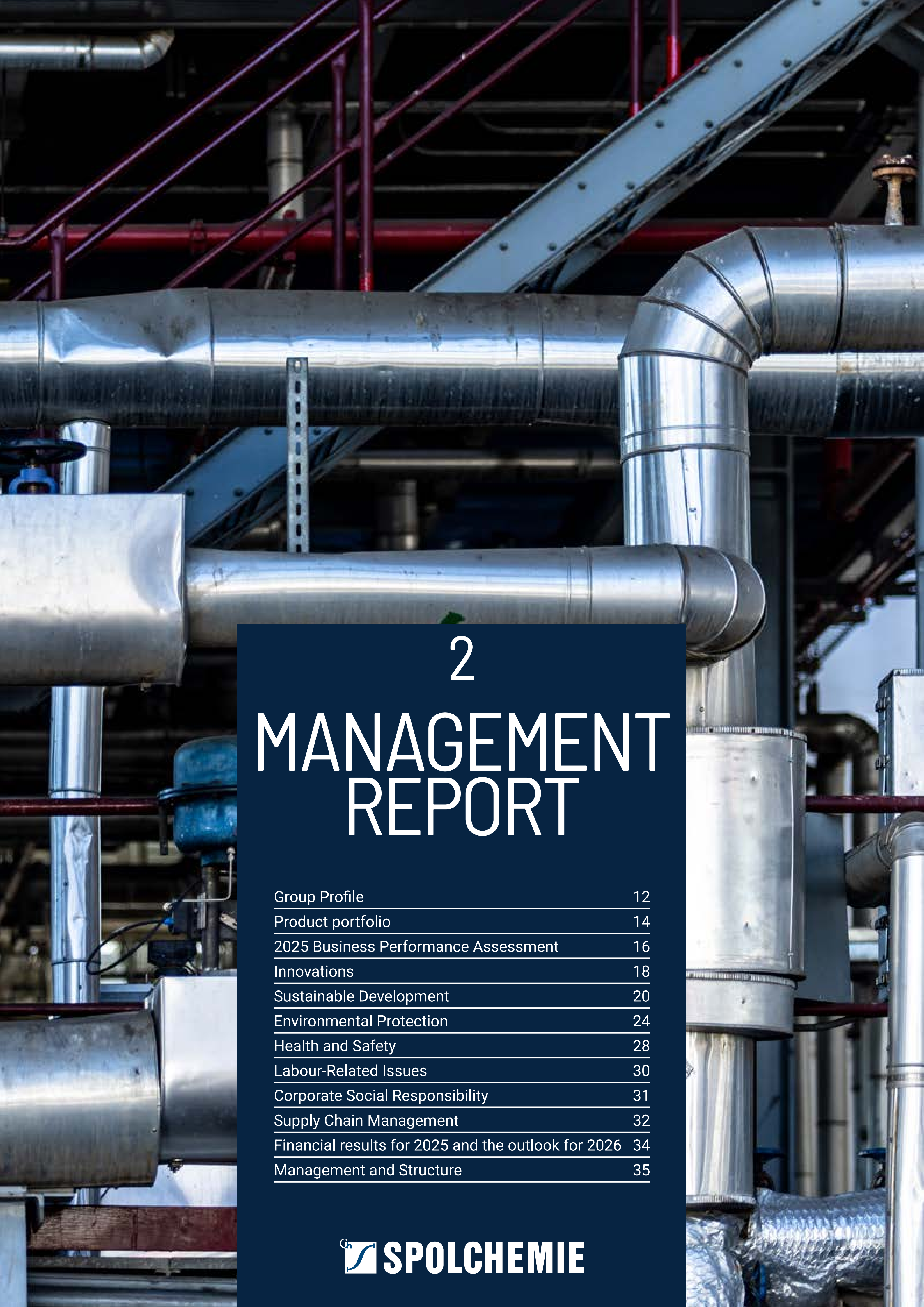
Looking ahead, we face the coming year with a realistic view of ongoing challenges, while remaining increasingly confident in our ability to manage them. We build on more than 170 years of tradition, which we will commemorate in 2026, as well as on a clear strategy centred on innovation, efficiency and long-term sustainability.

I am confident that, based on these pillars, SPOLCHEMIE will continue to strengthen its position and create value for all its stakeholders.

30 April 2026

Sincerely,

Mgr. Jan Křička
Chief Executive Officer
Spolchemie



2

MANAGEMENT REPORT

SPOLCHEMIE

GROUP PROFILE

The industrial revolution in the late 19th century introduced several breakthrough inventions, innovations, and new technologies to human society. New industries arose, factories were established and began to produce new materials and products which improved people's lives. Many successful companies were established thanks to innovative ideas, the initiative of the entrepreneurial spirit, and the potential of well-educated and forward-thinking people in research and manufacturing. One of the well-known promoters of the industrial technical revolution is also the key Group company, i.e., Spolek pro chemickou a hutní výrobu, akciová společnost. This company was established in Ústí nad Labem in 1856 to manufacture soda and calcium hypochlorite. Its formation began the tradition of chemical entrepreneurship in the Ústí region and contributed to the development of the chemical industry in Bohemia. Thanks to innovation, quality, knowledge and customer care, the Group has been a key player on the market for 170 years.

The fully integrated manufacturing of the Group has always been based on two main pillars – own research and development, and the construction of modern plants using the latest technologies. The Group continuously makes use of innovation to update its product portfolio and provides excellent technical services to its customers thanks to the Group´s own R&D centres in Ústí nad Labem and Pardubice.

Since 2004, investments on the premises have exceeded CZK 11 billion to ensure the Company's position at the top

of the European chemical industry. Currently, we produce 90% of our production through technologies launched after 2004. This explains our extensive production site, measuring 52 ha where historical buildings contrast with the latest production technologies.

Extensive expertise passed down through generations and the enthusiasm for chemistry of our employees primarily coming from the Ústí and Pardubice regions guarantee a professional approach, high-quality production, and reliable customer service. 965 employees work to fulfil customer requirements every day. The high quality of the products, flexibility towards customer requirements, and outstanding customer service have always been competitive advantages of the Group on the fiercely competitive and demanding European market.

Finally, at the end of 2021, we decided to construct a new plant intended to produce an intermediate product (precursor) for the production of F-gases of the fourth generation, which are completely safe for the ozone layer and unlike their predecessors have the least possible impact on global warming. The plant was put into operation in 2024.

Ústí nad Labem, 30 April 2026

Pavel Jiroušek
Vice-chairman
of the Board of Directors

Daniel Tamchyna
Vice-chairman
of the Board of Directors

The production programme of the Group is presently divided into two fundamental areas, i.e., inorganics and synthetic resins. Our extensive product portfolio is based on hydroxides, chlorine derivatives, precursors for the production of F-gases, epoxy resins, special epoxy systems, alkyd resins, and other chemical products. Our products are used in a variety of industries, including automotive, construction, energy, electronics, pharmaceuticals, food, and many others. Our products are also key to the production and distribution of renewable energy (wind turbine blades, insulators and other electrical components, hydropower coatings), the development of sustainable and low-emission mobility (composite parts, electronic parts, hydrogen tanks) and efficient construction practices (composite materials, durable and maintenance-free flooring).

HYDROXIDES AND CHLORINE DERIVATIVES

Sodium and potassium hydroxides together with chlorine derivatives form the cornerstones of our product portfolio in the SBU Inorganics segment. We are the largest producer of potassium hydroxide in Central and Eastern Europe and a major local producer of sodium hydroxide. A key moment for SBU Inorganics was the completion o the construction of a new membrane electrolysis plant in 2017, which represented a significant investment for our Group of CZK 2 billion. This modern and environmentally friendly technology replaced the old mercury electrolysis used for 49 years, eliminated the use of mercury, and significantly reduced the energy intensity of many production processes.

Hydrogen with its immense potential for use as an emission-free fuel for motor vehicles and railway occurs as a waste product during membrane electrolysis and the manufacturing of sodium hydroxide and potassium hydroxide.

Apart from environmental benefits, the new membrane electrolysis also allowed for increasing the production volumes of potassium hydroxide and sodium hydroxide, which we produce and offer in various forms (liquid, scale, pellets) and in a complete range of modifications from industrial quality to high quality for use in the pharmaceutical or food industries.

Our portfolio was also expanded by inorganic specialities such as perchloroethylene and allyl chloride, which are produced from chlorine obtained by electrolysis. From chlorine, we also produce epichlorohydrin from glycerine, a renewable resource. Epichlorohydrin is a key raw material for our epoxy resin production, which allows us to further expand our range of high value-added products and supports our sustainable production efforts.

At the end of 2024, we successfully completed and commissioned the strategic production of special precursors for the production of fourth-generation F-gases (the “ZEBRA” project). This unique, in-house developed technology is a prime example of a successfully managed and completed research and development process, where a new, experimentally developed chemical molecule had successfully gone all the way from laboratory tests, through a pilot test unit to large-scale industrial production, all in cooperation with a strategic foreign partner. In 2025, we proved that we were able to manufacture this innovative product at the required quality and specifications. The ZEBRA plant operation has confirmed its role as a new and important pillar supporting the sustainability of Spolchemie’s business, acting as an additional chlorine consumer that is independent of the cyclical epoxy resin business.

EPOXY RESINS

As part of our commitment to innovation and excellence, we manufacture epoxy resins at two state-of-the-art EPISPOL production machines, commissioned in 2004 and 2007, using advanced Japanese technology. The completion of the second EPISPOL production unit in

2007 enabled us to double our liquid epoxy resin (LER) production capacity, marking a significant step forward in our ability to respond to growing market demand.

With a deep understanding of the market and customer needs, we are able to respond flexibly to dynamic changes in the industry. Our extensive CHS-EPOXY® product range includes low-molecular, solid, semi-solid and solution epoxy resins.

We are committed to improving the efficiency and environmental friendliness of our production processes. This has led us to develop our own technology to produce epichlorohydrin from glycerine, a renewable resource. This innovative approach enabled our Group to be the first in Europe to market an epoxy resin made from renewable resources under the EnviPOXY® trade name. These resins have a lower carbon footprint than conventional products, as confirmed in the past by EPD global environmental certification.

In 2021, we reached another major milestone with the launch of the desalination unit at our Epispol facility, which is the result of the work of our researchers and represents a completely unique technology. This unit contributes significantly to our environmental goals and the sustainability of our production.

SPECIAL EPOXY SYSTEMS

Apart from solution and solid epoxy resins, the Group offers special epoxy systems with high added value for customers both in terms of the quality of the offered products and of the customised solutions to specific applications and market requirements. The Group is a permanent part of the fast-growing markets trading in composite materials and materials used in the electrical and building industry and other industrial segments. Products are sold under the CHS-EPODUR®, SADURIT®, EPOSTYL®, and VEROBOND® brands.

Sales activities relating to epoxy systems focus on growing highly specialised areas with high added value where demands for the development, the understanding of customer needs, and visits to customer premises for testing, sales and consultancy provide a substantial advantage over the competition. Special epoxy systems based on the EnviPOXY® brand, an epoxy resin with a high renewable content, open new opportunities in market segments more sensitive to environmental impacts (use of renewable sources, transportation, sports and hobbies, luxury items).

ALKYD RESINS

Alkyd resins complement the Group's production programme and together with epoxy resins cover a substantial portion of the paint and coating manufacturer's portfolio.

Alkyd resins have represented a traditional part of the portfolio since 1946. They are used as binders in coating materials for the protection of wood and metals, as well as many other applications such as mould production in metallurgy. The Group is the sole manufacturer of alkyd resins in the Czech Republic and a major player in Central Europe. The alkyd market continues to change together with the legislative environment and customer preferences. Due to strong R&D and technical services, the Group has been able to respond to the changes and launch innovative products on the market. The CHS-ALKYD® and CHS-HYDROSPOL® brands cover a comprehensive range of alkyd resins. In our portfolio, you will find a wide range of solvent binders as well as environmentally and user-friendly products such as high-solids, waterborne or solvent-free alkyd resins. In our portfolio, alkyd resins are among the products with the highest content of components from renewable sources (up to 92%), as they are based on vegetable oils such as soy and linseed, or tall oil.

2025 was once again a challenging period for our strategic business units (SBUs), with pressures linked to the European Green Deal and high energy prices continuing throughout the year. Despite these unfavourable conditions, we were able to maintain stable operating performance and further consolidate our position in key markets. Looking ahead to 2026, the outlook remains cautious. Ongoing geopolitical uncertainty poses a significant risk to demand and supply chains, and planning therefore focuses on flexibility and the resilience of the Group's business model.

SBU INORGANICS

In 2025, SBU Inorganics met expectations in the context of unfavourable market conditions. Despite the gradual decline in demand and the declining performance of the European industry, accompanied by persistent pressure on its competitiveness, we managed to maintain high productivity and utilisation of production capacity at 85%. In the second half of the year, we faced a drop in margins across the product portfolio yet maintained a stable market share and customer base.

Key factors affecting performance:

- persistent economic instability of the Czech and European industrial business environment
- high energy prices impacting operating costs
- market momentum that helped stabilise results in the first half of the year
- our proactive, customer-oriented approach, high responsiveness and close attention to market needs
- strong and long-standing business relationships with customers that have helped us maintain our competitiveness and market positions.

In the second half of 2026, we expect a gradual market recovery and an increase in demand for our key products – sodium hydroxide, potassium hydroxide, and chlorine derivatives.

SBU EPOXY RESINS

In 2025, SBU Epoxy Resins recorded an increase in volumes of approximately 7.5%. This growth was largely concentrated in the first half of the year, reflecting expectations related to the anticipated introduction of anti-dumping duties on epoxy resins imported from China, Thailand and Taiwan. Contrary to expectations, however, no duties were imposed on epoxy imports from Korea. At the same time, the stagnating demand in the EU was further weakened by the reciprocal tariffs imposed by the United States on the European Union. On the supply side, Westlake, the second-largest producer in the market, announced the end of its production in Europe in June. In the second half of the year, competitive pressure from both European and Korean producers intensified. The cost position of European manufacturers remains less favourable compared to the rest of the world, primarily due to higher energy costs.

Key factors affecting performance:

- application of anti-dumping duties on imports from China, Taiwan and Thailand
- weakening of the US dollar against EUR
- high energy prices in Europe lowering competitiveness
- US tariffs imposed on goods originating from the European Union
- geopolitical tensions and their impact on international trade
- weak demand in the European market.

As we look to 2026, we expect the market to remain very fragile, with further consolidation likely. Demand shows only limited positive signs, mainly linked to investment plans in individual EU countries.

SBU SPECIAL SOLUTIONS

In 2025, the Special Solutions segment demonstrated a high level of resilience and ability to perform in an exceptionally turbulent market environment. It once again confirmed its relative stability in the face of cyclical fluctuations and crisis-related factors. Nevertheless, the Special Solutions segment is not entirely immune to changes in the competitive landscape. Asian competition, so far most pronounced primarily in the commodity epoxy resins segment, has gradually begun to penetrate this area as well. At the same time, the impact of anti-dumping measures remains largely indirect in this segment and, similarly to the Epoxy Resins segment, relatively limited. The long-term added value of the Special Solutions segment thus lies in high quality and reliable deliveries and also in strong technical support provided by experts from Spolchemie and SYNPO, which plays a key role in building and maintaining long-term business relationships.

In 2025, the electrical segment once again proved to be the primary growth driver for the Special Solutions strategic business unit. Demand for components used in energy infrastructure remained strong and, according to our key partners, shows clear potential for further growth in the years ahead. The growing importance of this segment is clearly reflected in our cooperation with a strategic partner from Turkey who became one of the Group's most significant customers in terms of contribution margin in 2025.

The lengthy and technologically demanding qualification process for new products, which typically takes one to two years, is a specific characteristic of this segment. Successful completion of this process, however, generally leads to stable long-term business cooperation. For this reason, we

direct a significant share of the Group's research and development capacity to the electrical segment and align our priorities accordingly.

During 2025, we also laid the foundations for strategic cooperation in the wind turbine manufacturing segment. Wind turbine blades, which are traditionally manufactured using epoxy resins, represent one of the most significant composite applications. Following long-term preparation, we expect to launch this cooperation in the first half of 2026.

We also continue in the development of new production technologies. One of the key objectives is to master the production of special resins used, for example, in high-voltage outdoor transformers requiring a high level of UV stability. An important benefit of this project is that it can be realised using our existing manufacturing facilities, with only limited additional investments.

Key factors affecting performance:

- emergence of new competition from Asian countries in the Special Solutions segments
- relocation of traditional applications outside the EU (Turkey, North Africa), accompanied by efforts of established producers to access these markets
- systematic development of customised customer solutions and their gradual implementation
- contract manufacturing of hardeners and blends
- successful qualification of new products and growth in the electrical segment.

As has traditionally been the case, interdisciplinary collaboration across departments – from production in Spolek, development and testing at SYNPO, procurement and sales to logistics and customer service – remains a key success factor.

SBU ALKYDS

Within SBU Alkyds, we built on the exceptionally strong performance achieved in the previous year and further improved our results in 2025. Production volumes surpassed the 8.5-kiloton mark, representing another clear record level over the past decade. At the same time, we met and exceeded the approved plan in terms of both production volumes and contribution margin. This performance was not driven solely by domestic markets — the Group also successfully strengthened its position in North Africa and, despite turbulence in customs policy, maintained overseas exports, including the United States.

Throughout the year, in addition to our standard business activities, we devoted significant effort to discussions with customers regarding the transfer of their production into our manufacturing capacities. This involves a contract manufacturing (tolling) model, under which the Group provides production services to partners that previously carried out these activities in-house. This approach creates an opportunity to establish a new form of long-term business relationship characterised by greater stability and improved volume predictability. Accordingly, we enter the coming periods with the objective of maintaining stable growth in production, ensuring highly reliable and efficient operational management, and at the same time securing the continuity of raw material supplies, even under the conditions of increased market volatility.

Key factors affecting performance:

- stabilisation of the business team
- retention of volumes with key customers
- stable demand for long alkyds and the maintenance of positions in the anti-corrosion coating segment
- successful expansion into North Africa and the retention of overseas export volumes
- effective management of raw material procurement and active pricing policy helping to achieve consistently high contribution margins.

Our business performance confirmed the long-term growing strength and stability of SBU Alkyds both in terms of volumes and sustainable profitability.

The main driving force of the Company's development is innovation resulting from research and development. Research in the Group is based on long-standing traditions, human expertise, knowledge and skills. The Group systematically and continuously monitors the latest and state-of-the-art trends on the market and in science and implements them to sustain its competitiveness. An integral part of this is monitoring the latest trends in renewable sources, sustainability, environmental protection, occupational health and safety, and general health protection.

RESEARCH AND DEVELOPMENT

- research and development of new materials and technologies
- applied development and technical service
- innovation and optimisation of processes and technologies
- circular and non-waste technologies.

The Group carries out research and development in synthetic resins and inorganic chemistry, which it considers to be its primary business. This comprises the development of special epoxy systems, and special epoxy or alkyd resins. Here, the Group develops fields with higher added value that meet the most demanding environmental, quality or application requirements. It focuses on areas where it has its own long-standing development tradition, as well as on rapidly developing market segments with demands on the development of materials with high quality and added value, while enabling sustainable solutions with a low carbon footprint. In the development of special synthetic resins, these include primarily materials for electrical engineering, composites, adhesives, paints and coatings, transportation, and construction. The main fields in the inorganic part of the research are process innovations for chemical production technologies, the development of next-generation chlorinated derivatives and monomers, as well as advanced technologies for the removal of emissions from water and the atmosphere, and for waste reduction.

STRATEGIC FOCUS OF RESEARCH

- focus on products with the maximum content of renewable resources, with the lowest impact on the environment while meeting the latest legislative and quality requirements
- focus on safe, sustainable, and economical technologies
- focus on special products with leading properties and quality that can handle the most challenging applications
- focus on customer-oriented research.

Our research and development activities focus on the use of renewable resources, recycled or waste materials, and development of innovative solutions for final product recycling to ensure safer and more environment-friendly use with minimal impact on the environment, to protect the health of Group employees and the wider environment, as well as the end users of end products.

A newly conducted and validated LCA study of the Group's main production units will contribute significantly to further strengthening the position of EnviPOXY green epoxy resins and products from renewable resources and will enable the Group to specifically and systematically strengthen sustainable development through measurable objectives such as reducing carbon footprint, waste production, and wastewater pollution, and strengthening the reliability of production and safety at work.

DEVELOPMENT IN TWO CORE SEGMENTS AND THREE RESEARCH & DEVELOPMENT CENTRES

- research in inorganic and chlorine chemicals in Ústí nad Labem
- research and development and application development in synthetic resins also in Ústí nad Labem
- research and development and application development in synthetic resins and paints and coatings in SYNPO, akciová společnost in Pardubice with a focus on customer-oriented development and semi-operational manufacturing of experimental materials.

In Ústí nad Labem, more than 40 employees work in research and development. Our research teams are highly focused on customers and technology, working on more than fifty development initiatives while remaining flexible enough to respond quickly to specific customer needs. Employees in the Application Development and Technical Service departments work with customers or industrial partners to develop the latest innovative solutions in terms of systems, applications and technologies in key segments such as electrical and electronics, advanced composite materials, adhesives, building materials and coatings. Part of the Group´s research is the leading-edge Synpo Pardubice research centre with more than 120 employees focused on research in the chemistry of synthetic resins, paints and coatings, adhesives, and casting compounds. On top of that, Synpo features accredited laboratories where independent certifications and analytical measurements are provided to customers. Moreover, Synpo provides independent research and testing services to third parties. In addition to the research activities, Synpo also provides start-up, low-tonnage and specialised production services as part of its experimental development activities for the Group.

INNOVATION IN THE CENTRE OF EVENTS

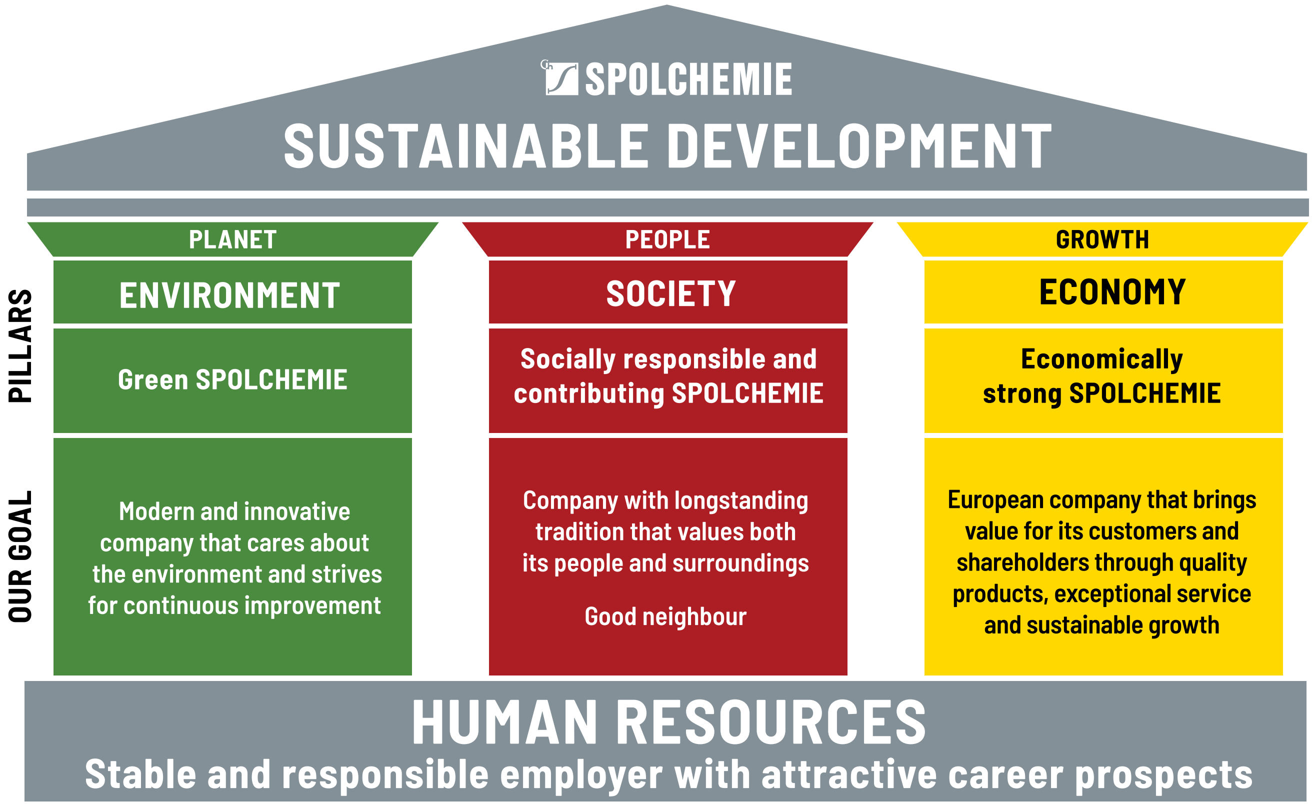
The Group's key research and development activities focus on **increasing sustainability and competitiveness, and decreasing energy intensity, carbon footprint** and environmental burden of production processes and products. It also focuses on the development of products and technologies with the maximum use of environmentally friendly and renewable resources and the lowest impact on the environment. Legislative requirements relating to labour relations and environmental protection are also monitored, as well as market requirements. In intellectual property protection, the Group (SPOLCHEMIE) was granted six patents in 2025. The Group thus boasts 131 valid patents, five registered utility models, and 11 active patent applications.

> KEY RESEARCH AND DEVELOPMENT ACTIVITIES FOCUS ON INCREASING SUSTAINABILITY AND REDUCING THE CARBON FOOTPRINT AND ENVIRONMENTAL BURDEN OF PRODUCTION PROCESSES AND PRODUCTS.

An important milestone in innovations was the completion of construction and the commencement of production of the new chlorine derivatives production, which represent one of the strategic pillars of the Group's direction in the years to come.

The implementation of the desalination technology for the treatment of wastewater from the epoxy resin production, including its further optimisation, has significantly advanced the Group in circular economy area. On its basis and with the use of innovative techniques, an in-house advanced technology was developed, and "SPOLCHEMIE WaterTreat" was registered as a Czech national trademark on 18 December 2024. The technology also offers a solution for other production plants within the Group, significantly contributing to the achievement of the set objectives in the circular economy and environmental protection areas. The follow-up development and optimisation also allow us to offer research services and solutions in the form of a SPOLCHEMIE WaterTreat licence to other commercial entities for the treatment of various types of wastewater.

The innovations implemented in 2025 resulting from the resin R&D activities include the expansion of the portfolio with new environmentally friendly systems under the EnviPOXY brand, the extension of the portfolio with new unique systems meeting the strictest legislative parameters for outdoor electrical applications, high temperature resistance systems for composites, special unfilled or filled systems for the protection of concrete and/or metal substrates for building chemistry. In high bio-based alkyd resins, products from special thixotropic cold-pumpable alkyd systems and unique products from medium and short alkyd resins containing odourless solvents are starting to be implemented on the market.



As a modern chemical company, we recognise the importance of a responsible approach to environmental protection and human health, while at the same time ensuring the stability of our industrial sector.

The chemical industry forms the material foundation of most industries as well as of everyday life. Without reliable and safe supplies of chemical products, key production chains would not be possible, whether in energy, renewable resources, transportation, healthcare or digitalisation.

We therefore view our role in today's turbulent environment from two complementary perspectives: we seek to reduce our impacts on nature, the climate and human health, and also contribute to maintaining a competitive European manufacturing capacity that supports Europe's self-sufficiency and provides employment as well as safety for end users. We monitor and proactively respond to evolving market and customer requirements and work continuously to improve our processes and products so as to comply with stringent regulatory requirements, meet ESG expectations and remain competitive. An integral part of our activities is the prudent use of resources and the development of modern, efficient, safe and environmentally responsible technologies.

To cover and better coordinate our activities in environmental protection, social responsibility, and economic growth, we have formulated the concept of the sustainable development of SPOLCHEMIE. The concept is based on human resources, meaning our employees, and three fundamental pillars: Environment, Community, Economy.

We continue to participate in Responsible Care, an international initiative for responsible business in chemistry, and also in the globally recognised EcoVadis sustainability assessment. We cooperate with customers, suppliers and other business partners in promoting and adhering to sustainability principles throughout supply and value chains. The promotion of high standards is also supported through employee training and awareness-raising activities.

ENVIRONMENT –THE PLANET

The **Environment** pillar includes the **Green SPOLCHEMIE** programme and all our activities that reduce our environmental impact and help us use resources efficiently. This is about modernising technology, reducing energy consumption, developing products with a lower carbon footprint, and using renewable resources in a circular economy. At the same time, it also includes close cooperation with entities in the surrounding area, the region, and the international environment.

The new production units where large volumes of investment are directed meet the strictest safety and environmental standards and have been designed using the BAT (Best Available Technology) principle. The new membrane electrolysis (launched in 2017) enables mercury-free production and at the same time produces hydrogen as a by-product, which can be further used as emission-free fuel.

The market trend continues toward sustainable solutions, and our customers are demanding and promoting sustainable, safe and environmentally friendly solutions, which the Group actively integrates into its business practices.

In 2024, we completed the Life Cycle Analysis (LCA) project, which includes data for the entire company and for its most important products. An update of the data and the preparation of the new LCA for 2025 are planned for 2026. We use the collected data in our business activity to identify the largest sources of greenhouse gas emissions and determine effective measures to minimise our carbon footprint.

Over the long term, we have been engaged in projects focused on reducing energy consumption and increasing the efficiency of resource utilisation. One of the major projects includes the desalination of wastewater through our unique SPOLCHEMIE WaterTreat® technology. This technology, which we continue to develop and optimise, reduces wastewater pollution, consumes four times less energy than conventional technologies, saves raw materials in production, and, in its final effect, reduces greenhouse gas emissions associated with salt extraction and transport. The recovered salt is reused in the production process, representing a tangible circular economy element that also provides economic benefits.

With the aim of reducing our energy consumption and carbon footprint, i.e., primarily electricity and heat consumption, we are working on several projects to optimise, streamline, and monitor the energy distribution system, thereby consequently protecting the climate. These are projects relating to electricity, lighting, heat, and steam and their systems, where we want to monitor and make them more efficient, and promote modern and less energy-intensive solutions.

COMMUNITY – PEOPLE

The **Community** pillar refers to our close surroundings, the city of Ústí nad Labem, and the public and society as a whole. Our goal is to make sure that SPOLCHEMIE is perceived as a beneficial, credible, and safe neighbour, with its manufacturing activities being accepted positively despite the proximity of our industrial site to the city centre.

We support public benefit projects and civic activities in the Ústí region as part of the successful mini-grants programme, which focuses on three areas of activities: Healthy Body (children and amateur sports, rehabilitation stays, senior activities, tourism, etc.), Bright Mind (education, cultural activities), Pure Nature (protection of the environment).

We continue to work closely with the public sphere (e.g., with the city of Ústí nad Labem) and we are a partner of several sports, cultural, and information-educational events (Ústí Half marathon, Ústí Christmas, Ústí Easter, etc.).

ECONOMY – GROWTH

The **Economy** pillar focuses on maintaining SPOLCHEMIE's position as an important employer and investor within the region and as a stable player in European markets. At a time when the European chemical industry is facing pressure from low-cost imports, rising costs and an increasing regulatory burden, the economic performance of the industry is also a matter of Europe's security. Without competitive chemical manufacturing capacities, Europe risks becoming vulnerable and increasingly dependent on imports.

The fulfilment of long-term objectives in revenue and profitability growth, supported by our core strengths, namely product quality and a high standard of customer service across all major business areas, are key to maintaining this position.

HUMAN RESOURCES

In human resources, the protection of the safety and health of our employees is an absolute priority. In 2025, the "***... because health matters***" health and safety programme entered its sixth year, aiming to enhance the culture of safety and promote the involvement of employees.

In addition to safety, we place strong emphasis on the regular and targeted training of our employees, their personal and professional development and the continuous enhancement of qualifications, as the transformation of the chemical industry is driven primarily by people, their know-how and their willingness to embrace and implement changes, new technologies and processes.

SUSTAINABILITY OBJECTIVES

The objectives that we want to achieve (compared to 2020) have been set for each pillar. In the Environment pillar, the reduction of greenhouse gas emissions is central – we want to reduce our carbon footprint by 40% by 2030 (in scope 1 and 2). We also want to reduce pollution – specific waste production by 20% and specific wastewater pollution by 15% by 2030.

In social responsibility and safety, our main goals are to reduce incidents (major accidents and dangerous conditions) in production by 50% by 2030, and, in human resources to reduce the accident rate (with absences of more than 3 days) by 60%.

> TO COVER AND BETTER COORDINATE OUR ACTIVITIES IN ENVIRONMENTAL PROTECTION, SOCIAL RESPONSIBILITY, AND ECONOMIC GROWTH, WE HAVE FORMULATED THE CONCEPT OF THE SUSTAINABLE DEVELOPMENT OF SPOLCHEMIE.

SUMMARY OF 2025

Compared with the previous year, 2025 differed primarily due to the increased production at the new F-gas precursor plant (placed into permanent operation in autumn 2025) and a slight increase in overall production volumes. Certain products, however, recorded a year-on-year decline. These changes had varying effects on the individual indicators of the Group's environmental performance.

Despite adverse market circumstances, and other adverse external factors (in particular energy price developments in the EU), in 2025, the Group continued the established trend of reducing any negative effects on the environment through the modernisation of its production facilities and the introduction of new technologies.

In 2025, the Group invested more than CZK 35 million in environmental protection, including climate protection and energy-savings, representing almost 17% of total investment costs for the year. Overall, 17 projects were implemented, initiated or continued during the year. Major investment projects in 2025 included the continuing third and final stage of the modernisation of the wastewater treatment plant for resin production (over CZK 117 million has already been invested in this demanding project, which is carried out while the production plant is in full operation), as well as the modernisation of the waste gas incinerator serving the UP I and EPISPOL II production units. In climate protection, the Group implemented or worked on 8 projects and invested approximately CZK 9 million. In water management, which is key in terms of environmental impact, the Group built on the activities from previous years, continuing work on the further optimisation and potential intensification of the desalination technology for the treatment of wastewater from the epoxy resin production (a technology developed within the Group), with investment costs of approximately CZK 3.5 million.

2025 was the fourth complete year when the Group used solely emission-free electric energy in its production. By purchasing emission-free electricity, the Group significantly reduced its carbon footprint, effectively contributing to the EU's goal of achieving carbon neutrality. Thus, in 2025, the Group reduced its indirect emissions by more than 85 000 tonnes of carbon dioxide (compared to the emission factor of the Czech electricity fuel mix for 2024 as published by the Ministry of Industry and Trade of the Czech Republic).

ENVIRONMENTAL PROFILE OF THE GROUP – DEVELOPMENT

The Group has long been monitoring its environmental performance through several indicators most relevant for its production in terms of both direct and indirect environmental impact. For this monitoring, specific values were chosen, relative to the volume of production of key products in the integrated production chain. This allows us to quantify the burden of production or its volume for the environment, which is more meaningful in terms of sustainability than absolute figures. Year-on-year changes and long-term trends can also be monitored. The information and charts below show that the Group continues to improve in most aspects.

Wastewater: In 2025, specific pollution increased, reaching the similar value as in 2022, or 2023. The increase in wastewater pollution corresponds to the changes in the production volumes of individual products with different production and pollution levels. The Group has been able to maintain this indicator, which is considered one of the most significant environmental indicators for the Group, at a broadly stable level since 2022, when a technology developed within the Group for the recycling of salts from wastewater generated in epoxy resin production was put into operation.

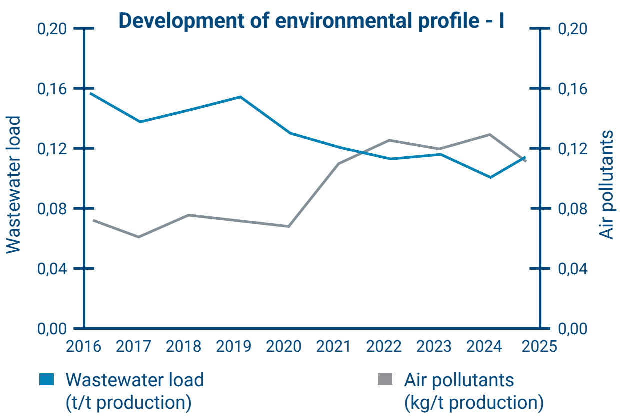
<u>Wastewater pollution</u>
2025 113.7 kg/t of production (+10%)
2024 103.5 kg/t of production

Utility water consumption (consumption from the Elbe River): This indicator monitors the demand for a resource which the chemical industry cannot do without, and which is essential for long-term sustainability and relevant to the protection of natural resources and landscape. Changes in this indicator mainly result from changes in the production volumes of individual products (with varying water consumption), but also reflect the ongoing efforts to manage water efficiently, i.e. modernisation and loss prevention measures. Since 2018, the Group has been continuously reducing the level of this indicator thanks to the introduction of new technologies and the optimisation of production or consumption. In 2025, similarly to 2024, this indicator reached its lowest level since monitoring began in 2015.

<u>Specific utility water consumption</u>
2025 9.96 m^3/t of production (-0.8%)
2024 10.04 m3/t of production

Air: Compared to 2024, the Group's specific air emissions decreased by approximately 15%, with an absolute decrease of 13%, i.e., 5 tonnes. This development was primarily driven by changes in the operating intensity of combustion sources and by changes in the production volumes of certain products (mainly for solvent-based production). In 2025, the Group achieved lower emission levels than in each of the preceding three years and operated at a level comparable to that recorded in 2021.

<u>Total emissions to air</u>
2025 34.3 t (–13 %)
2024 39.3 t
<u>Specific emissions to air</u>
2025 110 g/t of production (-15%)
2024 129 g/t of production



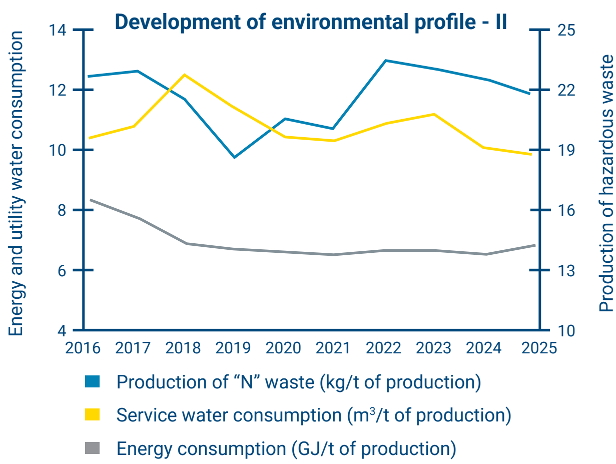
Hazardous waste generation: Despite a slight increase in the total generation of hazardous waste (by 0.5%), corresponding to higher production volumes, the specific hazardous waste generation decreased by 1.6% in 2025. The Group thus continued the trend observed over the previous two years, and also returned to levels seen prior to 2022 when the modernisation of both wastewater treatment plants resulted in a step increase in this indicator (as higher wastewater treatment efficiency also leads to increased waste generation from this process). By introducing new production and optimising operations, the Group has therefore been gradually reducing this indicator, which is linked mainly to indirect environmental impacts. From the Group's waste management perspective, it is significant that a substantial portion of the hazardous waste generated (almost 50% in 2025) is disposed at the Group's own incineration plant. This reduces the transfer of indirect environmental impacts while enabling both energy and material recovery of the waste.

<u>Production of hazardous waste</u>
2025 6 810 t (+0,5 %)
2024 6 774 t

<u>Specific production of hazardous waste</u>
2025 21.87 kg/t of production (-1.6%)
2024 22.23 kg/t of production

Energy consumption: This indicator is indirectly related to air protection as well as to long-term sustainability (climate protection). For the Group, it is mainly the consumption of electricity and heat. As with water consumption, changes in energy consumption are driven by changes in the production volumes of individual products with different energy intensity, while there is also an important positive impact of the ongoing implementation of energy-saving measures. In 2025, this indicator primarily increased as a result of higher production volumes at the new F-gas precursor plant and, to a lesser extent, due to decline in the production volumes of certain less energy-intensive products. Nevertheless, in terms of specific energy consumption, the Group has remained at a broadly stable level over the long term (since 2018) with relatively limited year-on-year fluctuations (within a few percentage points), thanks to the introduction of new technologies and the ongoing implementation of energy-saving measures.

<u>Specific energy consumption</u>
2025 6 772 MJ/t of production (+4.5%)
2024 6 480 MJ/t of production (-2%)



"IN 2025, THE GROUP CONTINUED TO INVEST IN ENVIRONMENTAL AND CLIMATE PROTECTION, THE MOST SIGNIFICANT INVESTMENT BEING THE ONGOING MODERNISATION OF THE WASTEWATER TREATMENT PLANT.

OVER THE LONG TERM, THE GROUP HAS BEEN REDUCING ITS SIGNIFICANT ENVIRONMENTAL IMPACTS AND HAS MANAGED TO KEEP UP THE ESTABLISHED TRENDS, MAINLY THROUGH THE INTRODUCTION OF NEW TECHNOLOGIES AND THE IMPLEMENTATION OF OPTIMISATION MEASURES. IN 2025, THIS WAS CLEARLY REFLECTED IN SPECIFIC UTILITY WATER CONSUMPTION, WHICH FELL TO ITS LOWEST LEVEL SINCE 2015.

LOOKING AT BOTH DIRECT AND INDIRECT ENVIRONMENTAL IMPACTS, 2025 ALSO BROUGHT MEASURABLE IMPROVEMENTS IN AIR PROTECTION AND WASTE MANAGEMENT COMPARED TO PREVIOUS YEARS."

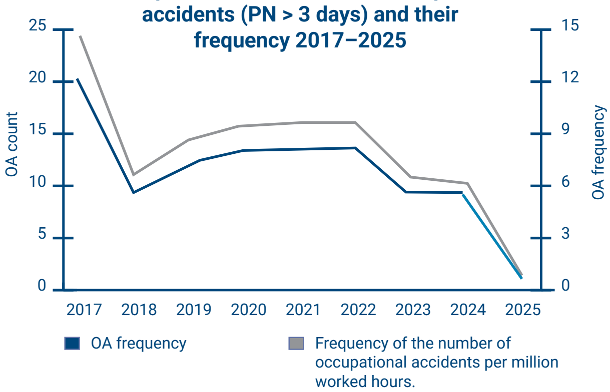
SAFETY AT WORK

In 2025, the Group recorded a significant improvement compared to previous years and continued the downward trend in the number of work-related injuries (WRIs) with sick leave (SL) of more than three days, which has been evident since 2022. Only one WRI (with SL of more than three days) was recorded, representing a decrease of 89% compared to 2024 and a reduction of 92% compared to the period from 2020 to 2022. A notable decrease was also observed in the total number of WRIs (including minor injuries), which declined from 26 to 14 cases, corresponding to a reduction of 46%.

Compared to 2024, the total number of sick leave days due to WRIs decreased from 317 to 108 days, which is a reduction of 66%.

With an approximately unchanged number of employees, the Group significantly improved the number of WRIs per million hours worked by 89% compared to 2024.

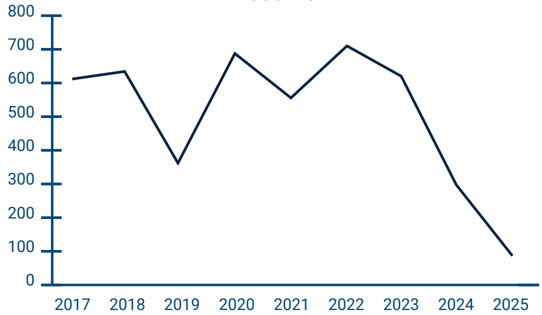
Development of the number of occupational accidents (PN > 3 days) and their frequency 2017–2025



For occupational injuries, 2025 was a key year for the Group, as it once again recorded the historically longest period without a work-related injury requiring sick leave longer than three days, namely 274 days, compared to the previous record of 160 days.

Regarding safety, which the Group's management considers its top priority, improvements can be linked to the introduction of the long-term "...because health matters" programme launched in 2021. This programme is being continuously developed and has become an integral part of the occupational health and safety management system. Its objective is to motivate employees to actively participate in creating a safe working environment, both in-house and in the cooperation with external contractors. The Group has been placing strong emphasis on this area since 2024 and will continue to do so in the periods ahead.

Development of the number of emergencies 2005-2024



ACCIDENT PREVENTION

In autumn 2025, the Regional Authority of the Ústí nad Labem Region (KÚÚK) approved the updated Safety Report in accordance with Act No. 224/2015 Coll., on the prevention of major accidents. As part of the approval process, the use of results from the 'CFD modelling' (using ANSYS Fluent software) was accepted as a tool for assessing the severity and acceptability of major accident risks within the Group's premises and their potential impacts on the surrounding area. It involves a more advanced risk assessment methodology, allowing to determine the potential extent of a major accident more realistically. The assessment confirmed that, provided the historically defined and applied preventive measures are complied with, no source of unacceptable risk exists within the Group's premises.

In this context, it is worth noting that the on-line monitoring system for hazardous substances has been significantly expanded in recent years, particularly in connection with the construction of the new F-gas precursor plant, enabling timely identification and recording of even minor leaks of hazardous substances. These leaks are evaluated in terms of frequency, cause, type of the leaked substance, source, and extent of leakage and, where appropriate, potential for a major accident. Based on this assessment, appropriate technical and organisational measures are subsequently implemented, including investment planning and the determination of priority investment projects. Their objective is to enhance operational safety both within the Group's premises and in relation to the residents of the city of Ústí nad Labem.

Major investment projects in operational safety and accident prevention implemented or initiated in 2025 included the continued modernisation of the energy and water infrastructure (increasing production stability and strengthening fire protection) and the extensive refurbishment of electricity distribution and regulation systems on one of the key pipeline bridges, which was nearly completed in 2025. The Group also continued in the modernisation of control systems and measures to enhance fire protection and safety. In 2025, the Group incurred almost CZK 36 million on investment projects related to accident prevention, representing approximately 17% of total investment costs for the year.

As part of the long-term deepening of cooperation with the Integrated Rescue Service, in particular the Fire Rescue Service of the Czech Republic, the traditional cooperation exercises of the Group's fire brigade with external units took place in the autumn of 2025. This time, the topic of the exercise was an acetone fire and the rescue of persons at the Ionex Dian plant. The exercise fully met its defined objectives, verified the preparedness of the responding firefighters as well as the Group fire brigade reinforcements drawn from among employees, and was positively evaluated by all participating units.

IN TERMS OF WORK-RELATED INJURIES, THE GROUP ACHIEVED THE BEST OCCUPATIONAL SAFETY RESULTS IN ITS MODERN HISTORY. ONLY ONE WORK-RELATED INJURY REQUIRING SICK LEAVE LONGER THAN THREE DAYS WAS RECORDED, AND AT THE SAME TIME THE LONGEST PERIOD WITHOUT THIS TYPE OF WORK-RELATED INJURY WAS ACHIEVED, LASTING 274 DAYS.

IN 2025, THE REGIONAL AUTHORITY APPROVED THE UPDATED SAFETY REPORT IN ACCORDANCE WITH THE ACT ON PREVENTION OF MAJOR ACCIDENTS. THE REPORT CONCLUDES THAT NO SOURCE OF UNACCEPTABLE RISK HAS BEEN IDENTIFIED WITHIN THE GROUP'S PREMISES.

IN 2025, THE GROUP CONTINUED TO IMPLEMENT INVESTMENT PROJECTS AIMED AT ACCIDENT PREVENTION AND PREPAREDNESS AND ON STRENGTHENING OPERATIONAL SAFETY."

EXTERNAL INSPECTIONS

During inspections carried out in 2025, including the annual integrated inspection under the Act on Prevention of Major Accidents (inspectors: Czech Environmental Inspectorate, Regional Authority, Labour Inspectorate, Fire Rescue Service of Ústí nad Labem Region, and Regional Hygiene Station), no serious violations of the applicable legislation in occupational safety and accident prevention were indicated by the administrative authorities. To rectify the identified minor deficiencies, appropriate measures have been implemented within the established occupational health and safety management and major accident prevention system. The inspection authorities were informed about the fulfilment of these measures.

At the end of 2025, the surveillance audit for ISO management systems, including the sub-system for the management of occupational health and safety, accident prevention and fire protection according to the ČSN ISO 45001 standard, was successfully completed. The Group thus confirmed the validity of the certificate, and the auditors' recommendations will be addressed during 2026.

LABOUR-RELATED ISSUES

Our employees, their skills, competences, and initiative as well as their positive relationship to the Company are the most valuable asset for the Group.

It is important for the Group to create an attractive environment (in terms of prospects, career growth, professional development, internal equality, and competitiveness), not only for existing co-workers, but also for potential new talents, be they university graduates or erudite experts with an interesting professional history.

Sustainable development here in SPOLCHEMIE stands, among other things, on human resources, our employees. That is why, in 2025, we invested time, energy and money to ensure that we are a transparent, stable, attractive and prospective employer for both our employees and qualified job seekers.

The average number of Group employees in 2025 was 965.

The increase in the number of employees during the year is the result of efforts to strengthen the professional teams, especially in technology, energy, and research and development. As in 2024, we conducted an HR audit in the second half of 2025, which identified ten redundant positions. We eliminated the positions before the end of the year, and the employment of the affected persons was terminated in accordance with applicable legislation and the collective bargaining agreement.

In human resource management, in 2025 the Group focused on the following:

- The average wage in the Group grew by 4.1% in 2025 compared to 2024. In the last two years, average wages in the Company grew by 10.5%.
- We designed and introduced the Flexibility internal programme aimed at motivating operational employees to acquire skills for both lower- and higher-qualified work at other non-core production units, thereby increasing workforce flexibility to support production during campaign operations or periods of increased sickness absence.
- To enhance employee benefits, we also decided to change the provider of in-house catering, with the objective of upgrading the company canteen to the standard of a corporate restaurant.
- To permanently improve our corporate culture, we again organised our employee opinion survey in 2025, which provided answers to important questions about job satisfaction, development opportunities, relationship with superiors, corporate culture, teamwork and communication. A total of 184 respondents, or approximately 21% of employees, participated in the survey. The survey results provided us with important information about improvement opportunities, especially in communication towards the blue-collar professions or greater focus on the needs of the incoming Generation Z.

Our role in the Ústí nad Labem Region extends beyond its economic activities; since 2017, we have also been a well-established part of the region as a partner to public-benefit initiatives and civic associations through our **SPOLCHEMIE MINI-GRANTS** programme. Our support is directed to areas where it delivers the greatest benefit, focusing on three fundamental pillars:

- **Healthy Body** – supporting the development of sports activities for children and amateur adults, health/spa stays, and an active lifestyle for seniors, as well as regional tourism
- **Bright Mind** – allocating resources to a wide range of educational initiatives and supporting the development of cultural and community life in the region
- **Pure Nature** – supporting projects that actively contribute to the protection of natural values and improvement of the aesthetic quality of the environment in the region.

In 2025, we supported a total of **43** projects. Although the number of supported initiatives may vary from year to year, diversity and the tangible contribution of these activities to life in the region remain our key priorities.

Selected projects implemented in 2025

Healthy Body

- **Strudel-baking event in Doubravka (Social and Health Services – Sociální a zdravotní služby Tpc, z.s.)** – a pre-Christmas community event and presentation of products created by clients with autism spectrum disorder.
- **Evening for Quiet Paws VIII. (Society for Support of People with Intellectual Disability in the Czech Republic – SPMP ČR)** – support for a specialised therapeutic programme focused on animal-assisted therapy.
- **Telnický rohlík (SKI klub Telnice)** – support of a traditional public giant slalom race for athletes of all age categories.
-

Bright Mind

- **Looking for the best young chemist – regional round (Technical and Horticultural Secondary Vocational School – SOŠ technická a zahradnická, Lovosice, p.o.)** – support for young talents in the field of chemistry.
- **Festival Nádhera 2025 (Michaela Valášková)** – a regional cultural festival.
- **12th Traditional Czech Carnival in Červený Újezdec (Veselý venkov, z.s.)** – preservation of folk traditions and support for community life in rural areas.

Pure Nature

- **Terrace Full of Earthworms (Žížala na Terase, z.s.)** – project focused on biodiversity and insect protection.
- **Spring under the Bell Tower in Malé Březno (Spolek NAPLNO z.s.)** – community-based landscape care and aesthetic enhancement of public spaces in the municipality.

Partnership with the Public and the City of Ústí nad Labem

Our engagement is not limited to the mini-grants programme; we are long-standing partners of key events that shape community and social life in Ústí nad Labem.

Ústí nad Labem Running Festival

We have been involved in this major sporting event since its inception. The festival, renowned for its high standards, attracts thousands of runners to the regional capital, including our employees and their families. In 2025, we once again ensured the smooth organisation and safety of a unique section of the route that runs right through our chemical complex.

We also continue, with great pride, in our role as the general partner of the **Czech Para-Cycling Cup**. This support for athletes with disabilities is an integral and inspiring part of the festival as a whole.

Christmas in Ústí nad Labem

Towards the end of 2025, we once again confirmed our role as the main partner of the **St. Nicholas with SPOLCHEMIE** and **Ústí nad Labem Christmas** events. In cooperation with the Ústí nad Labem City Council, we thus contribute to the preservation of Christmas traditions and creation of opportunities for families to come together in a festive atmosphere.

SUPPLY CHAIN MANAGEMENT

The procurement department of the Group is structured into two main areas: the purchase of raw materials and direct materials for the vertical production chain, and non-chemical purchases, which include energy, packaging, maintenance, spare parts, transportation, investments, auxiliary materials and overhead services essential for the smooth operation of the Group.

The long-term objective of the procurement department is to secure the most favourable conditions for the acquisition of materials, goods and services, while preserving and strengthening the competitiveness of the Group's products. In this regard, long-term and fair relationships with major suppliers, rigorous cost management and the high credibility of the Group play a key role.

In 2025, this credibility was once again confirmed through the successful renewal of the prestigious AAA rating – the Highest Creditworthiness Rating awarded by Dun & Bradstreet Czech Republic. For our suppliers, this rating serves as an important indicator of the Group's stability, creditworthiness and reliability, even in a challenging market environment.

As in 2024, the Group faced significant pressure on selling prices throughout 2025, particularly in the second half of the year. The procurement department thus primarily focused on mitigating this pressure on inputs and services and supporting the competitiveness of our products, especially in relation to Asian competitors. Owing to strong relationships with key suppliers, this objective was achieved in the majority of cases.

IN 2025, THE GROUP ONCE AGAIN DEFENDED AND CONFIRMED ITS STRONG BUSINESS REPUTATION WITH DUN & BRADSTREET CZECH REPUBLIC BY ACHIEVING, FOR SEVERAL CONSECUTIVE YEARS, THE HIGHEST POSSIBLE AAA RATING – THE HIGHEST CREDITWORTHINESS RATING.

Negotiations with suppliers focused mainly on mitigating input cost increases and, where possible, phasing such increases over time. At the same time, we were able to negotiate more favourable payment terms, reflecting the benefits of long-standing relationships and the Group's stable payment discipline.

Energy remains one of the key areas of procurement. With respect to electricity supply, we continued to secure the purchase of emission-free electricity generated exclusively from nuclear sources for a substantial portion of our annual consumption. In non-chemical purchases, we also focused on the review and renewal of framework agreements, primarily for maintenance and related services.

Moreover, in 2025, we finalised framework agreements with suppliers for the new plant to produce the fourth-generation F-gas precursors. This ensured a smooth start up and subsequent operation, both from an investment and from an operational and maintenance perspective.

Sustainability and supply chain management also remain an important part of the procurement department's activities. In this context, we continued to strengthen the application of the Supplier Code of Conduct, supported it through procurement employee training, and further advanced the implementation of a new supplier evaluation methodology. Alongside performance, this methodology increasingly emphasises ethical, human rights, environmental and safety aspects of cooperation.

In 2025, the operating performance of the Spolchemie Group expressed by the consolidated **EBITDA** reached **CZK 531 million*** (2024: CZK 602 million). Information on bank financing and its development is provided in the notes to the financial statements in Note 17 Bank loans and Note 38 Subsequent events.

* EBITDA = operating results
+ amortisation and depreciation of fixed assets

CONSOLIDATED EBITDA FOR 2025 REACHED CZK 531 MILLION

OUTLOOK FOR 2026

The main priority of the Group in 2026 will be to maximise the utilisation of its production capacities to satisfy the high demand from European epoxy resin and hydroxide customers. Ensuring the smooth operation of the ZEBRA plant with stable production volumes and required qualitative specifications is also a key challenge.

2026 will be again characterised by significant geopolitical uncertainties. For all SBUs, the following will be key:

- intensive customer collaboration and qualification of new projects
- monitoring the development of demand in response to the imposition of provisional anti-dumping duties
- rapid response to market requirements in the context of changing chemicals legislation and customs policy
- emphasis on innovation, development and qualification of new customer solutions
- efficient and responsible management
- synergistic collaboration of teams across the Company.

In terms of the economic results and the approved consolidated plan for 2026, the Group expects lower margins across its core product portfolio. **The consolidated plan for 2026** therefore assumes the consolidated **EBITDA of CZK 385 million**.

MANAGEMENT AND STRUCTURE

SPOLEK PRO CHEMICKOU A HUTNÍ VÝROBU, AKCIOVÁ SPOLEČNOST – KEY COMPANY OF THE GROUP

General Meeting

Board of Directors

Chief Executive Officer

- Finance Director
- Operations Director
- Technical Director
- HR Director

- SBU Director (Inorganics)
- SBU Director (Epoxy Resins)
- SBU Director (Special Solutions)
- SBU Director (Alkyds)

- SBU Senior Manager (Energy)


Jan Kadaník


Daniel Tamchyna


Pavel Jiroušek


Jan Křička

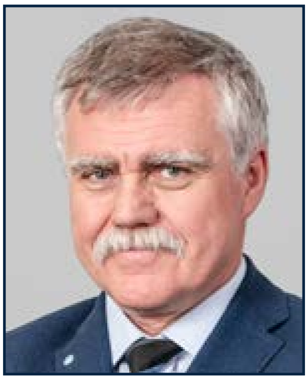

Michal Adamovský

MEMBERS OF THE BOARD OF DIRECTORS AS AT 31 DECEMBER 2025

Name	Date of birth	Position
Jan Kadaník	2 November 1965	Chairman of the Board of Directors
Daniel Tamchyna	9 December 1970	Vice-chairman of the Board of Directors
Pavel Jiroušek	10 August 1970	Vice-chairman of the Board of Directors
Jan Křička	26 May 1963	Member of the Board of Directors
Michal Adamovský	15 June 1978	Member of the Board of Directors

Jan Křička

Jaromír Florián



Jan Dlouhý, CSc.

Jan Chudoba

Josef Hamáček

Lukáš Bartek, Ph.D.

Zdeněk Moravec

Pavel Žák

Andrej Kučma

COMPANY MANAGEMENT AS AT 31 DECEMBER 2025

Name	Date of birth	Position
Jan Křička	26 May 1963	Chief Executive Officer
Jaromír Florián	16 June 1975	Finance Director
Jan Dlouhý	17 March 1965	Operations Director
Jan Chudoba	6 December 1968	Human Resources Director
Josef Hamáček	20 October 1972	Director of SBU Inorganics
Lukáš Bartek	4 October 1977	Director of SBU Special Solutions
Zdeněk Moravec	17 March 1976	Director of SBU Epoxy Resins
Pavel Žák	29 November 1976	Technical Director
Lukáš Bartek	4 October 1977	Director of SBU Alkyds – by mandate
Andrej Kučma	18 March 1987	Senior Manager – Energy

The Company does not have an organisational unit abroad. In 2025, the Group did not acquire any treasury shares or interests and, as at the balance sheet date, did not hold any such shares or interests.

3

AUDITOR'S REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

SPOLCHEMIE

KPMG Česká republika Audit, s.r.o.
Pobřežní 1a
186 00 Prague 8
Czech Republic
+420 222 123 111
www.kpmg.cz

This document is a signed English translation of the Czech auditor's report.
Only the Czech version of the report is legally binding.

Independent Auditor's Report

to the Shareholder of Spolek pro chemickou a hutní výrobu, akciová společnost

Opinion

We have audited the accompanying consolidated financial statements of Spolek pro chemickou a hutní výrobu, akciová společnost ("the Company") and its subsidiaries (together "the Group"), prepared in accordance with IFRS Accounting Standards as adopted by the European Union, which comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, comprising material accounting policies and other explanatory information. Information about the Group is set out in Note 1 to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

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, consisting of International Standards on Auditing (ISAs), which may be supplemented and amended by relevant application guidelines. Our responsibilities under those regulations are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic that are relevant to audits of the financial statements in 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 accordance with Section 2(b) of the Act on Auditors, other information is defined as information included in the consolidated annual report other than the consolidated financial statements and our auditor's report. The statutory body is responsible for the other information.

KPMG Česká republika Audit, s.r.o., a Czech limited liability company and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee.
Recorded in the Commercial Register kept by the Municipal Court in Prague, Section C, Insert No. 24185
Identification No. 49619187
VAT No. CZ699001996
ID data box: 8h3gtra

Our opinion on the consolidated financial statements does not cover the other information. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated 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 laws and regulations, in particular, whether the other information complies with laws and regulations in terms of formal requirements and the procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with those 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 matters that are also presented in the consolidated financial statements is, in all material respects, consistent with the consolidated financial statements; and
- the other information has been prepared in accordance with applicable laws and regulations.

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

Responsibilities of the Statutory Body for the Consolidated Financial Statements

The statutory body is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the statutory body determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the statutory body is responsible for assessing the Group'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 body either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 the above regulations 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 consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated 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 Group's internal control.

KPMG

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the statutory body.
- Conclude on the appropriateness of the statutory body'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 Group'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 consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

Statutory Auditor Responsible for the Engagement

Karel Charvát is the statutory auditor responsible for the audit of the consolidated financial statements of Spolek pro chemickou a hutní výrobu, akciová společnost as at 31 December 2025, based on which this independent auditor's report has been prepared.

Prague
30 April 2026

KPMG Česká republika Audit, s.r.o.
Registration number 71

Karel Charvát
Partner
Registration number 2032

4

CONSOLIDATED FINANCIAL STATEMENTS

Consolidated financial statements prepared in accordance with IFRS accounting standards as adopted by the EU

as at 31 December 2025 and for the year ended 31 December 2025
by the business corporation

Spolek pro chemickou a hutní výrobu, akciová společnost

(translated from the Czech original)

Ústí nad Labem, 30 April 2026

Pavel Jiroušek
Vice-chairman of the Board of Directors

Daniel Tamchyna
Vice-chairman of the Board of Directors

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	31 December 2025	31 December 2024
		TCZK	TCZK
ASSETS			
Property, plant and equipment	5	5 729 130	5 987 652
Investment property	6	24 867	28 516
Intangible assets	7	32 159	35 907
Rights of use	8	183 522	235 505
Shares in associates	9	454	805
Provided loans and other receivables	10	26 000	26 000
Deferred tax asset	30	69 625	62 370
Total non-current assets		**6 065 757**	**6 376 755**
Inventories	12	1 007 654	1 244 672
Trade receivables	13	829 934	904 384
Other current receivables	13	99 181	95 474
Income tax receivables	14	19 543	40 879
Loans granted	10	75 823	182 639
Advances paid		16 203	20 957
Cash and deposits	15	405 801	409 800
Total current assets		**2 454 139**	**2 898 805**
TOTAL ASSETS		**8 519 896**	**9 275 560**

	Note	31 December 2025	31 December 2024
		TCZK	TCZK
EQUITY			
Share capital	16	717 581	717 581
Reserve fund		1 524	1 524
Retained earnings		2 073 659	2 098 242
TOTAL EQUITY		**2 792 764**	**2 817 347**
LIABILITIES			
Non-bank loans	18	982 213	41 729
Bank loans	17	1 963 666	0
Lease liabilities	8	56 650	89 672
Deferred tax liability	30	220 351	220 818
Provisions	23	262 550	329 518
Long-term contractual liabilities	11	303 830	301 414
Investment suspensions	19	3 229	82 263
Total non-current liabilities		**3 792 489**	**1 065 414**
Non-bank loans	18	6 955	16 218
Bank loans	17	798 945	3 896 482
Trade and other payables	20	901 020	1 202 663
Lease liabilities	8	34 730	39 854
Liabilities from the auction of own shares		18 648	18 761
Income tax liabilities	14	1 616	18 121
Received trade and factoring advances	22	16 375	95 146
Provisions	23	143 998	99 354
Investment suspensions	19	12 356	6 200
Total current liabilities		**1 934 643**	**5 392 799**
Total liabilities		**5 727 132**	**6 458 213**
TOTAL EQUITY AND LIABILITIES		**8 519 896**	**9 275 560**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31 December 2025 TCZK	Year ended 31 December 2024 TCZK
Revenues from products, goods and services	24	7 337 977	8 400 526
Change in inventories		-61 863	200 962
Capitalisation of own production		4 068	4 725
Consumption of material and energy	25	-5 259 212	-6 640 643
Logistics, leases and other services	26	-952 295	-890 655
Personnel expenses	27	-751 602	-732 587
Depreciation and loss allowances for non-current assets	5, 6, 7, 8	-513 596	-399 424
Other operating income	28	339 287	378 390
Other operating expenses	28	-125 058	-118 852
Operating profit		**17 706**	**202 442**
Financial income	29	128 115	35 069
Income from financial derivatives	29	25 846	3 300
Financial expenses	29	-175 545	-190 653
Financial result		**-21 584**	**-152 284**
Shares in losses of associates		-351	-195
Profit before income tax		**-4 229**	**49 963**
Income tax	30	-20 354	-9 526
NET PROFIT/LOSS		**-24 583**	**40 437**

	Note	Year ended 31 December 2025 TCZK	Year ended 31 December 2024 TCZK
NET PROFIT/LOSS		**-24 583**	**40 437**
Items that are subsequently reclassified to profit or loss			
Foreign exchange diff. on foreign subsidiary companies		0	-52
Total other comprehensive income		**0**	**-52**
TOTAL COMPREHENSIVE INCOME		**-24 583**	**40 385**
Net profit attributable to shareholders		-24 583	40 437
Net profit attributable to non-controlling interests		0	0
Total net profit		**-24 583**	**40 437**
Comprehensive income attributable to shareholders		-24 583	40 385
Comprehensive income attributable to non-controlling interests		0	0
Total comprehensive income		**-24 583**	**40 385**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Reserve fund	Accumulated other comprehensive income	Retained earnings	Total equity
	TCZK	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2024	717 581	1 524	-3 793	2 057 805	2 773 117
Profit for the year	0	0	3 844	40 437	44 281
Other comprehensive income	0	0	-52	0	-52
Balance as at 31 December 2024	717 581	1 524	0	2 098 242	2 817 347
Profit/loss for the year	0	0	0	-24 583	-24 583
Other comprehensive income	0	0	0	0	0
Balance as at 31 December 2025	717 581	1 524	0	2 073 659	2 792 764

CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Year ended 31 December 2025	Year ended 31 December 2024
		TCZK	TCZK
Net profit/loss		**-24 583**	**40 437**
Adjustment for non-cash transactions:		**709 239**	**522 532**
Income tax	30	20 354	-9 526
Depreciation and amortisation of non-current assets	5,6,7,8	513 473	399 226
Change in loss allowances and provisions	5,7,13,25,31	-7 142	6 195
Gain/loss on disposal of non-current assets	28	-580	-370
Proceeds from sale of financial investments		0	-4 938
Net interest income and expenses accounted for	29	151 104	104 027
Other non-cash transactions		32 030	27 918
Changes in non-cash components of working capital:		**173 395**	**-572 531**
Change in trade and other receivables	13,14	198 798	-266 121
Change in trade and other payables	20,22	-242 103	65 369
Change in inventories	12	216 700	-371 779
Cash flows from operating activities before interest and taxes		**858 051**	**-9 562**
Interest paid	29	-152 508	-111 377
Interest received	29	3 717	24 569
Payment of income tax/adjustment to the income tax payable for ordinary activities	30	-23 244	49 930
Net cash flows from operating activities		**686 016**	**-46 440**
Cash flows from investing activities			
Expenses connected with acquisition of non-current assets	5,7	-448 075	-598 625
Proceeds from sale of non-current assets	28	1 090	1 045
Proceeds from sale of financial investments		0	21 841
Expenses connected with acquisition of financial investments	9	351	195
Net cash flows from investing activities		**-446 634**	**-575 544**
Cash flows from financing activities			
Proceeds from non-current liabilities and loans	17,18	992 260	2 440 207
Expenses from non-current liabilities and loans	17,18	-1 192 494	- 18 406
Payments of leases		-38 147	-39 355
Payment of dividends	21	0	- 2 350 000
Net cash flows from financing activities		**-238 381**	**32 446**
Net increase/decrease in cash and cash equivalents		**1 001**	**-589 538**
Cash and cash equivalents at the beginning of the year		**409 800**	**996 561**
Effect of exchange rate fluctuations		-5 000	2 777
Cash and cash equivalents at the end of the year		**405 801**	**409 800**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Spolek pro chemickou a hutní výrobu, akciová společnost (the “Company”) was incorporated on 31 December 1990. The address of its registered office is Ústí nad Labem, Revoluční 1930/86, postal code: 400 32, Czech Republic, ID number: 000 11 789. The Company is registered in the Commercial Register maintained by the Regional Court in Ústí nad Labem, under file number 47, section B.

The principal activity of the consolidated group (the “Group”) is the manufacturing and processing of chemicals and chemical products and the related research and development.

As at 31 December 2025, KAPRAIN CHEMICAL LIMITED is the sole shareholder of the Company.

The controlling entity of KAPRAIN CHEMICAL LIMITED is Karel Pražák.

2. ADOPTION OF NEW OR AMENDED IFRS STANDARDS AND INTERPRETATIONS

a) New and amended IFRS accounting standards adopted by the Group

For the financial statements prepared for the year ended 31 December 2025, the Group has adopted the new or amended standards and interpretations listed below:

- Amendments to IAS 21 – Lack of exchangeability

The adoption of this amendment has no material impact on the Group.

b) New and amended IFRS accounting standards issued but not yet effective and applied by the Group

As at the date of preparation of these financial statements, the following standards have been issued that are relevant to the Group and whose adoption was not mandatory at that date. The Group will adopt these standards on their effective date.

Standard and changes		Effective date
Amendments to IFRS 9 and IFRS 7	Classification and measurement of financial instruments; Contracts referencing nature-dependent electricity	1 January 2026
Volume 11 of Annual Improvements to IFRS Standards	Amendments to standards to correct inconsistencies and ambiguities in IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	1 January 2026
IFRS 18	Presentation and disclosure in financial statements	1 January 2027
IFRS 19	Subsidiaries without public accountability: Disclosures	1 January 2027
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	Deferred indefinitely

The Group is currently assessing the impact of adopting the above new standards, interpretations and amendments.

c) New and amended IFRS accounting standards issued by the IASB, but not yet adopted by the EU

As at 31 December 2025, the following standards and amendments issued by the IASB have not yet been endorsed by the European Commission for application in the European Union.

- IFRS 18: Presentation and disclosure in financial statements. This standard is effective for annual periods beginning on 1 January 2027 but has not been endorsed by the EU at that date.
- IFRS 19: Subsidiaries without Public Accountability: Disclosures. This standard is effective for annual periods beginning on 1 January 2027 but has not been endorsed by the EU at that date.
- Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture. The effective date of these amendments has been deferred indefinitely and they have not been endorsed by the EU at that date.
- Amendments to IAS 21: Translation to a Hyperinflationary. These amendments are effective for annual periods beginning on 1 January 2027 but have not been endorsed by the EU at that date.

The Group estimates that the adoption of these new standards and amendments will not have a material impact on its financial statements in the period in which they are initially applied, with the exception of IFRS 18. IFRS 18 will change the presentation of the financial statements, in particular the statement of comprehensive income and the statement of cash flows.

3. BASIS OF PREPARATION

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") approved for use in the European Union (EU).

b) Basis of preparation of financial statements

The consolidated financial statements have been prepared on the going concern basis, the historical cost basis, except for derivatives and financial instruments valued at fair value, as specified further in the accounting policies. Employee benefits are accounted for at the present value of the liability.

These consolidated financial statements are presented in Czech crowns (CZK), which is the Group's functional currency. Every subsidiary that is part of the Group has its own functional currency, i.e., the currency of its primary economic region. In the event of a variation between the functional and reporting currency, the Group reevaluates all the balances and results from the functional to the reporting currency. The closing rate, i.e., the spot rate at the year-end, is used for the revaluation for all assets and liabilities, the historical rate for equity and the average rate for income and expenses. All financial information presented in CZK has been rounded to the nearest thousand (TCZK) (unless stated otherwise).

The financial statements, with the exception of the statement of cash flows, are prepared on an accrual basis.

c) Conversion of foreign currency transactions and balances

Transactions denominated in foreign currencies are translated into the functional currencies of each company included in the Group at the exchange rate ruling at the date of the transaction.

At the end of the accounting period:

- cash items (i.e. cash denominated in foreign currencies as well as receivables and payables payable in foreign currencies) are translated at the closing rate, i.e. the spot rate at the end of the accounting period,
- non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rates as at the dates of the transactions and
- non-monetary items that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Gains and losses arising from the settlement of such transactions and from transactions in monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss in the statement of comprehensive income.

d) Use of estimates

The preparation of the consolidated financial statements requires the Group's management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expenses as at the reporting date. These estimates and assumptions are described in Note 4.

e) Group consolidation

The Group consists of the Company and subsidiaries in which the Company has controlling influence, i.e., either directly or indirectly holding a share of more than half the voting rights or otherwise exercising control over their operation. Control means that the Company may, directly or indirectly, govern the financial and operating policies so that it benefits from the activities of the consolidated companies.

Subsidiaries are consolidated by the full consolidation method from the date of acquisition of control by the Company until losing control. It includes shares on the achievements resulting from the ownership interest of the Company as well as the overall results of companies in which the control is applied, including the overall view of the structure of their assets and liabilities. The inclusion of each of the assets and income in the full amount, regardless of the amount of ownership in terms of this ratio, is separated from the non-controlling interests expressing the share of the other owners in the equity in the consolidated financial statements.

Upon consolidation, all mutual transactions within the consolidated entities, intercompany balances and unrealised gains and losses on transactions between group companies are eliminated. Unrealised losses are also eliminated in the event of transferred asset impairment, but only to the extent so as not to exceed the recoverable value of assets. Where necessary to ensure consistency with the policies adopted by the Group, the accounting procedures used by consolidated companies have been changed.

f) Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance. Intangible assets are identifiable when they are separable, i.e., they can be separated from the group of the Group's assets and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, by an identifiable asset or liability regardless of whether the Group intends to do so or it arises from contractual or other legal rights regardless of whether those rights are transferable or separable from the Group or from other rights and obligations.

Intangible assets are measured at acquisition cost less accumulated amortisation and any accumulated impairment losses. Internally-generated intangible assets are measured at direct costs and overheads or replacement costs, if lower.

Intangible assets are amortised on a straight-line basis over their estimated useful lives, usually for up to five years (intellectual property rights twelve years). Amortisation begins when the intangible asset is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the manner intended by management, over its estimated useful life.

The amortisation method and useful life are verified once a year at the end of the accounting period and if a change is identified, the amortisation for the upcoming period is adjusted.

g) Property, plant and equipment

Property, plant and equipment are initially measured at acquisition cost after the deduction of related grants and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

The cost of these assets includes all expenditures that are directly attributable to bringing the assets to a working condition for their intended use. Self-constructed assets are measured at internal production costs. The acquisition costs of these assets include the estimated cost of dismantling and removing the items and restoring the original condition of the place where the assets are located, if such an obligation is associated with the acquisition and construction of these assets.

The Group capitalises borrowing costs that are directly attributable to the construction or production of a qualifying asset as part of the acquisition cost of the asset. Borrowing costs are those borrowing costs that would not arise if expenses on a qualifying asset were not incurred. The Group begins to capitalise borrowing costs as part of the acquisition cost of the qualifying asset on the commencement date and terminates the capitalisation of borrowing costs when all essential activities necessary to prepare a qualifying asset for its intended use or sale are completed.

The depreciation of plant and equipment items begins when they are available for use, i.e., from the month that they are in the location and condition necessary for them to be capable of operating in the manner intended by the Group management. Depreciation is recognised in order to depreciate the cost of assets, except for land, to their residual value on a straight- line basis over their estimated useful lives:

Buildings	10-50 years
Machinery and equipment	4-20 years
Fixtures and fittings	2-25 years
Vehicles	3-25 years

The depreciation method, useful life and residual value are verified once a year and if a change is identified, the depreciation for the upcoming period is adjusted. Property, plant and equipment (components) that are significant with regard to the overall assets are depreciated separately in accordance with their useful lives.

The costs of technical improvements of non-current assets are recognised as property, plant and equipment and are depreciated in accordance with their useful lives. The costs of the day-to-day servicing and repairs of the property, plant and equipment are recognised as incurred in the profit or loss.

The gain or loss arising on the sale or disposal of an asset is determined as the difference between the net selling price of the property and the carrying amount of the asset. The difference is recognised in the profit or loss.

h) Investment property

Investment property is land or buildings held either to earn rental income or for capital appreciation or for both, not for the Group's own use.

Investment property is measured at cost less accumulated depreciation and any accumulated impairment losses. The purchase costs of real estate investments include the purchase price and all directly attributable costs, i.e., professional fees for legal services, property transfer taxes and other transaction costs. The cost of the investment property by the Group is its cost at the date when the construction is completed and ready for rent.

Investment property is depreciated on a straight-line basis over its estimated useful life, i.e., 10-50 years, from the date of acquisition. Every year there is a revision of the estimates used in the depreciation.

The income from investment property is recognised when the rental service is rendered, and is classified as revenues from services.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected.

The Group leases part of the manufacturing and office space on the Company's premises in Ústí nad Labem to third parties. Items of property, plant and equipment are reviewed annually to see whether they fulfil the conditions of recognition as an investment property. Annual transfers between these classifications are presented separately under "Transfer of/to property, plant and equipment". The investment property is measured at acquisition cost, therefore the transfers between "Property, plant and equipment" and "Investment property" have no impact on the valuation. The only thing that differs is the presentation of the reported item.

i) Impairment of non-financial assets

At each reporting date, the Group reviews each asset individually to determine whether there is any indication of impairment, i.e. the carrying amount of the asset exceeding its recoverable amount. Whether there is any impairment of property, plant and equipment and other assets is reviewed at the level of the identified cash-generating units. An impairment loss is recognised to the extent that the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of its value in use and its fair value less selling costs.

j) Leases

The Group uses a unified accounting approach to leases. As a result of this application, the Group, as a lessee, recognised the right to use its underlying (identified) assets and lease liabilities representing an obligation to meet lease payments. The right of use and the lease liability are recognised on the date of commencement of the lease.

The Group distinguishes between lease and service contracts based on whether the contract transfers the right to control the use of the identified asset. The Group must assess whether the customer (lessee) has both of the following rights during the period of use:

- - the right to obtain substantially all economic benefits from the use of the identified asset and
- - the right to manage the use of the identified asset.

At the commencement date, the lessee will measure the asset from the right to use it at cost. The subsequent measurement uses the cost model less accumulated depreciation, impairment losses and any revaluation of the lease liability. The lessee depreciates the asset from the right of use on a straight-line basis from the date of commencement of the lease, either until the end of the useful life of the asset from the right of use or until the end of the lease term, whichever occurs first.

A lease liability is initially measured at the present value of the lease payments outstanding at the date of commencement of the payment. Lease payments must be discounted using the implicit lease interest rate if this rate can be readily determined. If this rate cannot be easily determined, the Group uses the lessee's incremental borrowing rate. After the date of commencement of the lease, the Group measures the lease liabilities by increasing the carrying amount by interest on the lease liabilities and decreasing the carrying amount by the lease payments made. Furthermore, the carrying amount of the lease liability is remeasured by any revaluation or modification of the lease. These changes may occur when the value of future lease payments changes due to a change in the implicit interest rate, a change in an estimate over the expected lease term, or when there is a change in expectations of using a lease extension option or an option to purchase the underlying asset.

The Group has decided to use the exceptions from the aforementioned rules for short-term leases, i.e., leases with a non-cancellable duration of at most 12 months and for leases of low-value assets.

The Group has also decided to take advantage of a practical expedient where it will not separate non-lease components from lease components and will instead account for each lease component and any related non-lease components as a single lease component.

k) Inventories

Inventories are assets held for sale in the ordinary business, in the process of production for sale or as material including raw materials for consumption or supplies that are consumed in the production process or in the provisioning of services.

The cost of materials and goods for resale includes expenditures associated with acquiring the inventories and bringing them to their present location and condition, e.g., freight costs, custom duties, insurance costs, etc. Finished products, semi-finished goods and work-in-progress are initially measured at the cost of production. The costs of finished products and semi-finished goods include raw materials, direct wages, other direct costs and related production overheads. The cost is determined using the first-in first-out method.

Inventories are measured at the end of the financial year in production costs or net realisable value, if lower. The net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

l) Receivables

Trade receivables are non-derivative financial assets with fixed or pre-determined payments that are not quoted in an active market and which the Group holds for the purpose of obtaining contractual cash flows. Receivables are initially recognised at fair value, which is usually equal to the nominal value in the case of current receivables and subsequently carried at the initial measurement value, net of impairment loss.

Loans and non-current receivables are financial assets that are measured at fair value, adjusted for transaction costs. Fair value corresponds to the present value of future cash flows using the internal interest rate at the time of the borrowing taking into account the credit risk of the borrower. For the period of time until maturity, non-current receivables (loans) are measured and carried at amortised cost using the effective interest method.

Loans granted are classified as current receivables if they are due within 12 months of the balance sheet date.

At each reporting date, the Group reviews any impairment loss according to the model of expected credit loss (ECL). For trade receivables the assessment is on the basis of life-long losses using a receivables ageing matrix, while for non-current payable loans the estimate of the expected credit losses is set with the consideration of 12 month losses and is based on a ratio of the credit exposure, the size of the potential loss and the probability of default.

The Group recognises the following groups of receivables:

- Receivables from related parties
- Receivables arising on assignment
- Insured receivables
- All other trade receivables.

m) Financial assets

Financial assets representing a share in other companies, such as shares and investments, are valued at fair value with revaluation to the profit or loss.

Financial assets for which the SPPI conditions are met, such as provided loans, trade receivables, purchased bonds, etc., are valued at amortised cost using the effective interest method.

n) Cash and cash equivalents/consolidated statement of cash flows

Cash and cash equivalents comprise cash and bank deposits with no disposition restriction. Cash equivalents comprise current risk-free money market investments with their original maturity less than three months.

The consolidated cash flow statement is processed using the indirect method in cash flow from operating activities.

Received dividends are reported in cash flows from investing activities. Paid dividends are reported in cash flows from financing activities. Interest paid on bank loans and interest paid on leases are reported in cash flows from operating activities. Received interest is part of the cash flow from operating activities.

o) Financial liabilities

Financial liabilities are financial instruments that are initially measured at fair value adjusted for transaction costs. Subsequently they are carried at amortised cost using the effective interest method. The Group reports received bank loans and other loans, trade payables, and liabilities from retentions as financial liabilities.

Financial liabilities are classified as current liabilities if they are due within 12 months from the balance sheet date. Other financial liabilities are classified as non-current in the consolidated statement of financial position.

p) Derivatives

Derivatives are initially and subsequently as at the balance sheet date valued at fair value and in the statement of financial position are recognised as part of other current receivables or liabilities, as the case may be. Derivatives are classified as trading derivatives and hedging derivatives.

Hedging derivatives are contracted for the hedging of fair value or the hedging of cash flow. For a derivative to be classified as hedging, changes in fair value or changes in cash flows arising from hedging derivatives must fully or partially offset changes in the fair value of the hedged item or changes in cash flows from the hedged item, and the Group must document and demonstrate the existence of the hedging relationship and hedge effectiveness. In other cases, they are derivatives held for trading.

Changes in the fair value of derivatives held for trading are included in the financial expenses or revenues, as the case may be.

q) Income tax

The income tax expense comprises current and deferred taxes. Current and deferred taxes are recognised in the profit and loss statement, except amounts related to items charged to other comprehensive income (e.g., cash flow hedges).

The current tax is the expected liability or receivable from the taxable base calculated using tax rates enacted as at the balance sheet date. The tax base is derived from the profit adjustments on non-deductible income and expenses. If the amount of the income tax that was paid by advances during the period exceeds the amount due, the difference is recognised as a receivable.

Deferred tax is calculated using the liability method of the balance sheet, i.e., on all temporary differences between the tax bases of assets and liabilities and their carrying amounts. The deferred tax is calculated using the tax rates and legal provisions that are expected to be enacted or substantively enacted when the asset is realised or liability settled. Top-up tax is not reflected in calculating deferred tax.

A deferred tax asset is only recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised. Deferred tax assets and liabilities are recognised and presented as non-current assets or non-current liabilities.

r) Revenue

Revenue is measured based on the consideration to which the Group expects to be entitled under the contract with the customer and excludes amounts collected on behalf of third parties (including VAT). The Group recognises revenue when it transfers control of the product or service to the customer.

The Group recognises revenue from the following principal sources:
- sales of chemical products, mainly epoxy and alkyd resins and hydroxides – revenue is recognised when delivered and accepted by the customer
- the rendering of services, in particular the rental of real estate and related services – revenue is recognised at the time the service is rendered; for services of a continuous delivery nature, such as in particular rental and related services, at the end of the contractually defined period
- the sale of goods, which are mainly chemical products similar or identical to those manufactured by the Group – revenue is recognised at the time of delivery and acceptance by the customer.

Revenues are recognised net of VAT, at the values already deducted for any discounts.

Invoices are payable on average around 45 days and are issued at the time of delivery or based on contractual arrangements. Sales contracts do not contain a significant financing component.

s) Other operating income and expenses

Other operating income and expenses particularly include the net result from the liquidation and disposal of non-financial assets, surplus of assets, court fees or their return, property acquired/granted, the receipt of compensation and gain or loss on sales of investment properties and amortisation of construction in progress which have not produced the desired economic effect.

t) Financial income and financial expenses

Financial income includes income from the sale of shares and other securities, dividends received, interest earned from cash in bank accounts, term deposits and loans, increasing the value of financial assets and net foreign exchange gains. Dividend income from investments is recognised when the shareholders are entitled to receive payment.

Financial expenses include losses from sales of securities and investments and costs associated with this sale, impairment losses relating to financial assets such as stocks, bonds and interest receivables, net foreign exchange losses, interest on own bonds and other securities issued, interest on leases, fees for bank credit, loans, guarantees.

u) Provisions

A provision is recognised when, as a result of a past event, the Group has a legal or contractual obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. At the same time, there must be a reasonable estimate of the amount to which the liability may amount.

If the Group expects a reimbursement of some or all of the cost of creation of provisions by another party, the reimbursement is recognised as a separate asset, but only when it is virtually certain that the Group will fulfil its obligation. The reimbursement amount shall not exceed the amount of the provision. In the comprehensive income statement, the expense relating to the provisions is recognised together with revenue from reimbursements.

If the effect of the time value of money is significant, the amount of the provision is recognised at the present value of the estimated cost of meeting the obligation.

v) Employee benefits

The Group recognises and observes the following categories of employee benefits:

Short-term employee benefits
The short-term employee benefits include monthly wages and salaries, health and social insurance (adjusted for the amount of pension contributions) paid by the Group for employees, annual incentive bonuses, contributions towards in-house catering, preferential phone and internet packages and recreational packages for employees. A provision is established for incentive bonuses based on the probability of their payment. Most short-term employee benefits are governed by a collective agreement.

Employee benefits after termination of employment (defined contribution pension plans)
The Group pays monthly pension contributions to the state pension plan on behalf of employees, with the Czech government being responsible for providing pensions. The Group pays monthly contributions for its employees in the pension fund plans. In both cases, the scheme is a defined contribution pension plan and these contributions are charged to the profit and loss in the period when the employee is entitled to these benefits.

Other long-term employee benefits
A provision discounted to present value is established for retirement benefits. The provision is calculated using reasonable statistical estimates.

Employee benefits – early termination of employment
These benefits are governed by a collective agreement. Statutory severance pay is due to employees who terminate their employment for organisational reasons during the year. Severance pay increases depending on the length of employment. The cost associated with the provision of such employee benefits is recognised in the profit or loss at the time of the decision to terminate the employment prematurely.

w) Grants

Government grants are support from the state, state agencies and similar local, national or international institutions in the form of the transfers of funds in favour of companies in exchange for the past or future compliance of certain conditions relating to the operating activities of the entity.

Grants related to expenses are recognised as compensation of the expenses in the period in which they are incurred. A surplus of the received grants over the expenses recognised in the same period is presented in “Other operating income”.

A grant related to the acquisition of an asset is recognised by subtracting the amount of the grant from the cost of the asset and ultimately leads to the lower depreciation of related assets.

x) Research and development

Expenditures on research and development are recognised in the profit or loss, except for expenditures on development projects accounted for as intangible assets where future measurable benefits are expected and the related costs are measurable. Development expenditures previously recognised in the profit or loss shall not be considered non-current assets in any subsequent period.

Development expenditures that are recognised as intangible assets are amortised from the start of production of the product to which they relate on a straight-line basis over the estimated useful life of the intangible asset, which shall not exceed five years.

4. CRITICAL JUDGEMENTS FOR THE APPLICATION OF ACCOUNTING RULES AND KEY SOURCES OF UNCERTAINTY IN ESTIMATES

Critical judgements when applying accounting policies

In applying the accounting policies set out in the previous section, management is required to make judgements, assess the content of economic transactions and events, and decide to apply accounting policies in such a way that the consolidated financial statements provide users with useful information for their decision-making.

In 2025, no specific considerations or decisions regarding the use of appropriate IFRS accounting policies were made in connection with the preparation of these consolidated financial statements.

Key sources of uncertainty in estimates

The Group makes some estimates and assumptions about the future. Estimates are continuously reassessed based on historical developments and experience. In the future, the reality may differ from the currently made and recognised estimates and judgements.

Estimates are reviewed on an ongoing basis and any change (if no error is detected) is recognised in the period in which the estimates are revised and in any affected future periods.

Estimates and assumptions that are associated with a significant risk that the Group will be forced to accrue significant changes in the carrying amounts of the presented assets and liabilities in the next financial year are as follows:

a) Depreciation period of non-current assets

Non-current assets in the property, plant and equipment category and intangible assets are measured over their useful life using the cost model, i.e., the acquisition cost less depreciation and any impairment. The Group makes relevant estimates of the useful life of the assets used and the depreciation is calculated on a straight-line basis over its useful life. In the following years, a reassessment of the useful life may occur, which may result in adjustments in the calculation of future depreciation, as well as the premature disposal of the asset, resulting in a loss in the amount of the unrecognised carrying amount of the asset. The Group annually performs a revision of the accounting estimates associated with the depreciation of assets.

b) Rights of use of assets and lease liabilities

The valuations of rights of use assets and related lease liabilities are based on the estimated lease term, which for many leases (particularly those for an indefinite period) represents estimates that may be subject to future correction (lengthening, shortening). The valuation of the lease liability and the rights to use the assets is based on the present value of the expected lease payments and the borrowing interest rate is used for the calculation. In the event of any modification to the lease, the conversion will be subject to revision using the current borrowing rate.

c) Expected credit loss to receivables

Before the customer is offered standard payment and delivery terms, the customer goes through an individual credit rating. This rating takes into account external ratings and other referrals from specialised companies.

Trade receivables are reviewed on an ongoing basis for any impairment loss using the expected loss model (ECL). The loss ratio is calculated using the roll rate method based on the probability that the receivable goes through successive stages of default until it is written off. Roll rates are calculated separately for exposures in different sectors based on the following common credit risk characteristics – geographic region, age of the customer relationship, and type of product purchased.

d) Income taxes

The Company and most of its subsidiaries are subject to the same tax legislation, and according to the applicable regulations, they calculate the tax impact. Under the applicable Czech legislation, the balance of accumulated tax losses can be used in the coming years as a reduction in taxable profits. If the companies from the Group demonstrated the ability to use the loss in the past, the deferred tax asset is recognised and recorded in the consolidated financial statements that offsets and partially reduces the total deferred tax liability resulting from a comparison of the accounting and tax values of the balance sheet items. However, if future business developments do not meet expected plans and the Group will suffer tax losses in the future, there may be a situation where a deferred tax asset cannot be accounted for and will have to be derecognised, which may have a negative impact on profit or loss in the future.

Deferred tax is measured using tax rates that arise from the applicable tax legislation, which may be amended in the future without the Group's influence and may result in a change in the amount of deferred tax. The actual tax impact may in the future be different from current estimates caused either by a change in the tax law or by a change in the Group's business conduct.

e) Litigation and other legal disputes

The Group, in the context of its business activities, is part of court and other legal disputes for which it evaluates their recognition and/or disclosure in the consolidated financial statements. In most cases, it acts as a plaintiff, and in the successful conclusion of the dispute, the Group may incur cash payments. In these cases, the Group only charges the dispute when the dispute is terminated.

If the Group is in the position of the defendant, it recognises a provision if there is a present obligation arising from a past event, its settlement is probable and the amount of the settlement is reliably measurable. If these conditions are not met, the Group considers disclosure of a contingent liability in the notes to the consolidated financial statements if its potential impact on the Group would be material. Liabilities that result from published contingent liabilities or even those not recognised and disclosed in the consolidated financial statements may have a material impact on the Group's financial position, therefore the Group continuously evaluates on-going and unresolved court and other legal disputes. The Group´s management cooperates with legal counsel and this results in a decision to record a provision or to disclose a contingent liability or contingent asset, if the Group is a party to the claimant's claim.

f) Provisions

Provisions are recognised when, as a result of a past event, the Group has a legal or contractual obligation and it is probable that an outflow of economic benefits will be required to settle the obligation. At the same time, there must be a reasonable estimate of the amount to which the liability may amount.

If the Group expects a reimbursement of some or all of the cost of creation of provisions by another party, the reimbursement is recognised as a separate asset, but only when it is virtually certain that the Group will fulfil its obligation. The reimbursement amount shall not exceed the amount of the provision.

5. PROPERTY, PLANT AND EQUIPMENT

Acquisition cost

	Property, plant and structures	Machinery, equipment and motor vehicles	Other tangible assets	Under construction and advances	Total
Balance as at 1 January 2025	3 913 874	7 497 497	1 028	482 679	11 895 078
Additions	1 554	60 792	0	153 275	215 620
Disposals	-717	-22 867	0	-16 223	-39 807
Transfers	154 551	119 224	0	-273 774	0
Transfers from/to investment property	4 970	0	0	0	4 970
As at 31 December 2025	4 073 232	7 654 646	1 028	345 956	12 075 862

Accumulated depreciation

	Property, plant and structures	Machinery, equipment and motor vehicles	Other tangible assets	Under construction and advances	Total
Balance as at 1 January 2025	-1 751 118	-4 112 388	-832	-115	-5 864 453
Depreciation expense	-84 346	-381 003	0	0	-465 349
Disposals	482	26 070	0	0	26 552
Transfers from/to investment property	-2 244	0	0	0	-2 244
As at 31 December 2025	-1 837 226	-4 467 321	-832	-115	-6 305 494

Loss allowances

	Property, plant and structures	Machinery, equipment and motor vehicles	Other tangible assets	Under construction and advances	Total
Balance as at 1 January 2025	-34 316	-8 657	0	0	-42 974
Additions to loss allowances	0	0	0	0	0
Utilisation of loss allowances	28	1 707	0	0	1 735
As at 31 December 2025	-34 288	-6 950	0	0	-41 238

Net book value

	Property, plant and structures	Machinery, equipment and motor vehicles	Other tangible assets	Under construction and advances	Total
As at 1 January 2025	2 128 440	3 376 452	196	482 564	5 987 652
As at 31 December 2025	2 202 718	3 180 375	196	345 842	5 729 130

Pledged non-current assets are described in Note 17 in the part Pledged assets.
In 2025, no interest was capitalised in the value of the acquired non-current assets.

Comparative period information:

Acquisition cost

	Property, plant and structures	Machinery, equipment and motor vehicles	Other tangible assets	Under construction and advances	Total
Balance as at 1 January 2024	3 315 629	5 375 069	1 028	2 626 621	11 318 347
Additions	64 348	324 179	0	198 401	586 928
Disposals	-3 236	-28 405	0	-4 889	-36 530
Transfers	510 800	1 826 654	0	-2 337 454	0
Transfers from/to investment property	26 333	0	0	0	26 333
As at 31 December 2024	3 913 874	7 497 497	1 028	482 679	11 895 078

Accumulated depreciation

	Property, plant and structures	Machinery, equipment and motor vehicles	Other tangible assets	Under construction and advances	Total
Balance as at 1 January 2024	-1 669 739	-3 869 734	-832	0	-5 540 305
Depreciation expense	-71 727	-269 265	0	-115	-341 107
Disposals	3 239	26 611	0	0	29 850
Transfers from/to investment property	-12 891	0	0	0	-12 891
As at 31 December 2024	-1 751 118	-4 112 388	-832	-115	-5 864 453

Loss allowances

	Property, plant and structures	Machinery, equipment and motor vehicles	Other tangible assets	Under construction and advances	Total
Balance as at 1 January 2024	-34 316	-8 858	0	0	-43 176
Additions to loss allowances	0	0	0	0	0
Utilisation of loss allowances	0	201	0	0	201
As at 31 December 2024	-34 316	-8 657	0	0	-42 974

Net book value

As at 1 January 2024	1 611 573	1 496 477	196	2 626 620	5 734 867
As at 31 December 2024	2 128 440	3 376 452	196	482 564	5 987 652

In 2024, interest on an investment loan of TCZK 96 810 was capitalised in the value of the acquired non-current assets.

6. INVESTMENT PROPERTY

Leased assets primarily comprise land, which is separated from freely accessible areas as it is located inside guarded premises. The land is developed with strictly purpose-built chemical technologies and is part of, or adjacent to, areas that are affected by chemical production. Investment property is therefore stated at cost or amortised cost.

The Group leases real estate to other companies, especially for specific properties within the production complex in Ústí nad Labem. Due to the nature and especially the location inside the production site, alternative market use is limited.

At the time of the adoption of IAS 40, the Group concluded that the fair value of its investment property cannot be reliably determined. This is due to there being no comparable market transactions.

	Acquisition cost	Accumulated depreciation	Carrying amount
Balance as at 1 January 2025	96 171	-67 656	28 516
Depreciation	0	-922	-922
Transfer to Property, plant and equipment	-4 970	2 244	-2 726
As at 31 December 2025	91 201	-66 334	24 867

Comparative period information:

	Acquisition cost	Accumulated depreciation	Carrying amount
Balance as at 1 January 2024	122 504	-78 914	43 591
Depreciation	0	-1 632	-1 632
Transfer to Property, plant and equipment	-26 333	12 890	-13 443
As at 31 December 2024	96 171	-67 656	28 516

Attributable items to the statement of comprehensive income

	31 December 2025 TCZK	31 December 2024 TCZK
Rental income	5 783	6 060
Depreciation	-922	-1 632
Direct operating costs (maintenance)	-844	-924
Operating profit associated with investment property	4 017	3 504

7. INTANGIBLE ASSETS

Acquisition cost	Licenses and patents	Software	Other	Under construction	Total
Balance as at 1 January 2025	182 610	25 028	5 456	10 380	223 474
Transfers	2 297	0	0	-2 297	0
Additions	208	0	0	325	533
Disposals	-5 254	0	0	-91	-5 345
Balance as at 31 December 2025	179 861	25 028	5 456	8 317	218 662

Accumulated amortisation	Licenses and patents	Software	Other	Under construction	Total
Balance as at 1 January 2025	-157 216	-24 895	0	0	-182 111
Amortisation expense	-4 057	-133	0	0	-4 190
Disposals	5 254	0	0	0	5 254
Balance as at 31 December 2025	-156 019	-25 028	0	0	-181 047

Loss allowances	Licenses and patents	Software	Other	Under construction	Total
Balance as at 1 January 2025	0	0	-5 456	0	-5 456
Additions/disposals	0	0	0	0	0
Balance as at 31 December 2025	0	0	-5 456	0	-5 456

Net book value					
As at 1 January 2025	25 394	133	0	10 380	35 907
As at 31 December 2025	23 842	0	0	8 317	32 159

Comparative period information:

Acquisition cost

	Licenses and patents	Software	Other	Under construction	Total
Balance as at 1 January 2024	187 016	25 028	5 456	9 192	226 692
Transfers	218	0	0	-218	0
Additions	784	0	0	1 493	2 277
Disposals	-5 408	0	0	-87	-5 495
Balance as at 31 December 2024	182 610	25 028	5 456	10 380	223 474

Accumulated amortisation

	Licenses and patents	Software	Other	Under construction	Total
Balance as at 1 January 2024	-158 814	-24 274	0	0	-183 088
Amortisation expense	-3 810	-621	0	0	-4 431
Disposals	5 408	0	0	0	5 408
Balance as at 31 December 2024	-157 216	-24 895	0	0	-182 111

Loss allowances

	Licenses and patents	Software	Other	Under construction	Total
Balance as at 1 January 2024	0	0	-5 456	0	-5 456
Additions/disposals	0	0	0	0	0
Balance as at 31 December 2024	0	0	-5 456	0	-5 456

Net book value

	Licenses and patents	Software	Other	Under construction	Total
As at 1 January 2024	28 202	754	0	9 192	38 148
As at 31 December 2024	25 394	133	0	10 380	35 907

8. RIGHTS OF USE OF ASSETS

Net book value

	Buildings and structures	Railway cars	Other	Total
Balance as at 1 January 2025	201 764	9 259	24 482	235 505
Depreciation of the right of use	-39 627	-5 635	-6 721	-51 983
Additions	0	0	0	0
Balance as at 31 December 2025	162 137	3 624	17 761	183 522

Comparative period

Net book value

	Buildings and structures	Railway cars	Other	Total
Balance as at 1 January 2024	191 399	14 894	0	206 293
Depreciation of the right of use	-39 499	-5 635	-7 244	-52 378
Additions	49 864	0	31 726	81 590
Balance as at 31 December 2024	201 764	9 259	24 482	235 505

Attributable items to the statement of comprehensive income:

	31 December 2025	31 December 2024
	TCZK	TCZK
Depreciation of the right of use	-51 989	-52 378
Interest on the lease liability	-5 996	-5 889
Short-term lease costs	-24 700	-23 220
Total	-82 685	- 81 487

As at 31 December 2024, the Group records the following related lease liabilities:

	31 December 2025	31 December 2024
	TCZK	TCZK
Lease liabilities	96 504	129 526
of which:		
Current portion of lease liability	34 730	39 854
Non-current portion of lease liability	56 650	89 672

9. INVESTMENTS IN ASSOCIATES

The Group reports a share of 49% in Usti Truck Wash, a.s., which the Group intends to hold onto for an unspecified period. The investment is measured at TCZK 454, which represents an estimate of its real value on the basis of the original acquisition price, since there were no significant changes that would have changed the valuation for the duration held.

10. PROVIDED LOANS AND OTHER RECEIVABLES

As at 31 December 2025, the Group recognised other non-current receivables of TCZK 26 000 (as at 31 December 2024: TCZK 26 000). The largest item is the principal deposited for the guarantee for a loan from the State Environmental Fund of TCZK 20 000 (as at 31 December 2024: TCZK 20 000).

In 2021, the Group provided two loans totalling EUR 6 million to SPOLCHEMIE SK, s. r. o. In 2025, a portion of the receivable of EUR 3 million was repaid and one of the two contracts was terminated. As at 31 December 2025, the Group reported a balance of this receivable of TCZK 75 823 as current (as at 31 December 2024: TCZK 182 639); the due date of the loans, including accessories, is agreed for 31 December 2026. In the event of the risk that the debtor would not pay its liabilities in a due and timely manner, KAPRAIN CHEMICALS LIMITED is prepared to purchase the receivables from these loans for consideration equal to their nominal value.

The Group does not record receivables with a maturity of more than five years.

11. LONG-TERM CONTRACTUAL LIABILITIES

In this line, the Group primarily records a balance of non-current advances received of TCZK 303 830 as at 31 December 2025 (as at 31 December 2024: TCZK 259 009), comprising advance payments from a strategic partner as part of the project to build an operating unit for the production of precursors to manufacture next generation chemicals. These advance payments will be gradually paid off by future supplies of these precursors.

The balance as at 31 December 2024 also included an amount of TCZK 42 405, representing a non-current portion of the price settlement with a supplier of main raw materials.

12. INVENTORIES

	31 December 2025	31 December 2024
	TCZK	TCZK
	544 647	707 298
Raw materials	566	853
Work-in-progress	461 758	536 017
Finished products	683	504
Goods for resale		
	1 007 654	1 244 672
Carrying amount		

The gross amount of inventories as at 31 December 2025 amounted to TCZK 1 056 244 (2024: TCZK 1 272 945) and the recoverable amount of inventories less cost to sell is TCZK 1 007 654 (2024: TCZK 1 244 672).

The amount of inventories (including the change) charged to cost in 2025 is TCZK 5 321 075 (2024: TCZK 6 439 681).

13. TRADE RECEIVABLES AND OTHER CURRENT RECEIVABLES

Trade receivables

	31 December 2025	31 December 2024
	TCZK	TCZK
Gross value of current trade receivables	875 430	952 286
Expected credit loss	-45 496	-47 902
Total	829 934	904 384

Other current receivables

	31 December 2025	31 December 2024
	TCZK	TCZK
VAT	92 576	96 315
Other current receivables	34 331	26 885
Expected credit loss	-27 726	-27 726
Total	99 181	95 474

The credit risk analysis is described in the section on financial risk management.

14. TAX RECEIVABLES AND LIABILITIES

The balance of tax receivables as at 31 December 2025 of TCZK 19 543 (as at 31 December 2024: TCZK 40 879) relates to overpaid corporate income tax.

The balance of tax liabilities as at 31 December 2025 of TCZK 1 616 (as at 31 December 2024: TCZK 18 121) comprises corporate income tax liabilities.

15. CASH AND CASH EQUIVALENTS

	31 December 2025	31 December 2024
	TCZK	TCZK
Bank accounts	403 548	407 405
Cash in hand	2 253	2 395
Total	405 801	409 800

16. SHARE CAPITAL AND RESERVES

Authorised and issued shares:

	Number of units	31 December 2025 TCZK	Number of units	31 December 2024 TCZK
Ordinary shares with a nominal value of CZK 185, fully paid up	3 878 816	717 581	3 878 816	717 581

As at 31 December 2025, the total amount of the Company's share capital was TCZK 717 581.

The share capital comprised 3 878 816 certificated registered shares at a nominal value of CZK 185 per share.

The Company recorded no receivables as at 31 December 2025 or 31 December 2024 for the subscribed share capital; the share issue was fully paid. None of the entities controlled by the Company or companies in which the Company has ownership interests own any shares of the Company.

Shareholders
As at 31 December 2025 and 31 December 2024, the sole shareholder of the Company was KAPRAIN CHEMICAL LIMITED.

17. BANK LOANS

The Group had previously fully drawn down a bank loan provided by Česká spořitelna to finance capital expenditures related to the construction of an operating unit for the production of precursors to manufacture next generation chemicals (the Zebra Project), and by the end of 2025, a total of TCZK 1 600 170 was drawn down (as at 31 December 2024: the balance was TCZK 1 662 100 – the year-on-year difference relates solely to the exchange rate differences). In accordance with the repayment schedule the first instalment is set for 27 March 2026 and the final due date is on 27 December 2033. Accordingly, as at the reporting date, a portion of this liability of TCZK 1 400 149 is classified as non-current, while the portion of TCZK 200 021 is classified as current, representing instalments due in 2026.

At the beginning of 2024, the Company entered into a loan agreement with a syndicate of banks, where Česká spořitelna, a.s. is the main financing bank with a 40% share and the other bank lenders are Československá obchodní banka, a.s. and Raiffeisenbank, a.s. with 30% shares each.

Under this agreement, an instalment loan of TEUR 69 228 was drawn in 2024. In 2025, in addition to two regular quarterly instalments, an extraordinary repayment was also made. As a result of this repayment, instalments due up to 30 April 2026 were repaid early and the amounts of subsequent instalments were significantly reduced. As at 31 December 2025, the outstanding balance amounted to TCZK 602 963 (as at 31 December 2024: TCZK 1 653 103), of which the non-current portion amounted to TCZK 563 517.

In addition, a revolving bank loan of TEUR 23 076 was drawn under this agreement with monthly renewal against a pledge on receivables and inventories; the balance as at 31 December 2025 was TCZK 559 478 (as at 31 December 2024: TCZK 581 169).

Bank loans

	31 December 2025 TCZK	31 December 2024 TCZK
Non-current	1 963 667	0
Current	798 945	3 896 482
Total	2 762 612	3 896 482

The loan agreement specifies financial covenant levels and compliance is assessed on a quarterly basis. Prior to the end of 2025, the banks were informed of a breach of a financial covenant. In view of the shareholder's commitment to provide funds for an extraordinary reduction of the bank loan so that, following this extraordinary repayment, the covenants would again be met, the Company did not breach the terms and conditions of the loan agreement as at 31 December 2025.

The analysis of currency and interest rate risks is presented in the Financial instruments section.

Pledged assets

The Group has a bank investment loan for the ZEBRA project, which is secured by the shares of SPOLCHEMIE Zebra, a.s., its movable assets and its set of patents. The bank creditor has established a first priority pledge up to the amount of the financing provided, including future accessories. A second pledge was created on the same assets in favour of a strategic unrelated partner under the ZEBRA project. This partner provided the Company with a non-current advance on future deliveries.

The Group, or the Company, has secured these liabilities to bank creditors by pledging movable and immovable property, trade receivables, receivables from insurance contracts and shares of subsidiaries (CSS, a.s., CHS EPI, a.s. and SPOLCHEMIE Electrolysis, a.s.) as part of the provided syndicated financing.
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18. NON-BANK LOANS

	31 December 2025 TCZK	31 December 2024 TCZK
State Environmental Fund loan – non-current portion	34 774	41 729
		6 955
State Environmental Fund loan – current portion	6 955	
Shareholder loan – non-current	947 439	0
Non-bank loan 2 – current	0	9 263
	989 168	57 947
Total	982 213	41 729
of which non-current	6 955	16 218
of which current		

State Environmental Fund loan: In 2021, the Group (EPISPOL, a.s.) drew down a favourable loan (concurrently with grants) from the State Environment Fund of the Czech Republic as part of the investment project "Desalination of EPISPOL waste water." The quarterly instalments are set in accordance with the repayment schedule, and the final maturity of the loan is on 31 December 2031. In view of this, as at 31 December 2025, the loan is split into a current portion (repayments due in 2026) and a non-current portion.

Loan from a related party: In May 2025, loan agreements were entered into with Kaprain Industrial Holding Ltd., under which funds amounting to TEUR 38 974 were provided to the Company (the outstanding balance as at 31 December 2025 amounted to TCZK 947 439). These funds were used to make an extraordinary repayment of the syndicated loan to ensure compliance with the agreed loan covenants. The liability to Kaprain Industrial Holding Ltd. is subordinated to the receivables of the syndicate of banks for the duration of the syndicated loan. Full repayment of the bank financing is expected by the end of 2026, with the termination of the subordination of this liability expected to take effect from the beginning of 2027.

The analysis of currency and interest rate risk is presented in the Financial instruments section.

Non-bank loan 2: In 2016, the Group (SPOLCHEMIE Electrolysis a.s.) concluded a EUR 2.8 million instalment plan with one of the technology suppliers for the Membrane Electrolysis investment project. As at 30 June 2025, this liability was duly repaid.

19. INVESTMENT SUSPENSIONS

In connection with the implemented investment projects, the Company recognises suspensions of TCZK 15 585 (as at 31 December 2024: TCZK 88 463). The retention is not subject to interest.

Suspension of investments by maturity

Maturity date	31 December 2025 TCZK	31 December 2024 TCZK
2025	0	6 200
2026	12 356	65 533
2027	1 334	919
2028	1 474	1 878
2029	421	13 180
2030	0	753
Total	15 585	88 463
of which non-current	3 229	82 263
of which current	12 356	6 200

In 2025, an early repayment of approximately TCZK 44 292 was made against the establishment of bank guarantees by the supplier.

20. CURRENT TRADE AND OTHER PAYABLES

	31 December 2025 TCZK	31 December 2024 TCZK
Trade payables	633 137	884 013
Accruals (accrued expenses)	5 383	16 164
Estimated payables	188 526	226 283
Total trade payables	*827 046*	*1 126 460*
Liabilities to employees	37 668	36 687
Social security liabilities	13 030	12 926
Health insurance liabilities	7 145	7 088
Tax liabilities	6 136	5 747
Other liabilities	9 994	13 755
Total other payables	*73 974*	*76 203*
Total	901 020	1 202 663

Trade payables according to maturity

	31 December 2025	31 December 2024
	TCZK	TCZK
Within due date	632 861	873 826
0-90 days overdue	204	10 182
90-180 days overdue	17	5
180-360 days overdue	0	0
More than 360 days overdue	55	0
Total	633 137	884 013

21. LIABILITIES FROM PAYMENT OF DIVIDENDS

As at 31 December 2025 and 31 December 2024, the Company has no outstanding dividend liabilities.

22. RECEIVED TRADE ADVANCES

As at 31 December 2025, the Group records a balance of current liabilities from received trade advances of TCZK 16 375 (as at 31 December 2024: TCZK 95 146).

23. PROVISIONS

	Environmental burdens	Litigations	Other	Employee benefits	Total
	TCZK	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2025	277 553	67 475	20 000	64 024	429 052
Additions	0	0	850	47 640	48 490
Utilisation	0	0	0	-24 635	-24 635
Release	0	0	-20 000	-30 644	-50 644
Interest	1 878	2 407	0	0	4 285
Balance as at 31 December 2025	279 431	69 882	850	56 385	406 548
of which non-current provisions	254 431	0	0	8 119	262 550
of which current provisions	25 000	69 882	850	48 266	143 998

Provision for the removal of historical environmental burdens

The Group has a contract with the National Property Fund (since 2006 the Ministry of Finance of the Czech Republic, referred to as the "MF"), in which the MF has undertaken to cover the cost of removing old environmental burdens identified as at the date of privatisation of up to TCZK 2 900 000. So far, a total of TCZK 2 811 849 (as at 31 December 2024: TCZK 2 811 811) was spent for these purposes. Soil remediation of the Company's manufacturing facility is currently being carried out.

In the event that the expenditure on the remediation of old environmental burdens exceeds the level of the state guarantee, the Group would be obliged to cover such an expense from its own resources. The quantification of such a potential liability is very complex in the current situation as it depends on a large number of variable factors (the outcome of the litigation initiated by the Group, the method and extent of the remediation of the remaining environmental burdens, the timing of the commencement and implementation of the remediation work). Based on new developments, the Company is seeking ways to carry out the remaining remediation works with the lowest possible financial impact and to spread the related costs over the coming years.

As a matter of prudence, the Group works with regularly updated estimates of the cost of such construction works, which it compares to the remaining amount of the environmental guarantee as deemed by the MF. The Group now estimates this difference to be approximately CZK 279.4 million (2024: CZK 277.5 million).

Remediation works should be done from 2026 to 2031.

Litigations

Part of the non-current provisions comprises the provision for the payment estimated from the legal dispute over the payment of the submitted promissory note in the amount of the bill of exchange increased by interest and estimated costs of court proceedings totalling TCZK 69 882 (as at 31 December 2024: TCZK 67 475). In 2017, the Group was informed of the issuance of a judicial order to pay the promissory note issued by the Group for TCZK 40 116.

In its judgements of 2021 and 2023, the Regional Court in Ústí nad Labem sided with the Group's argumentation that the promissory note in question was a secured promissory note and that the secured obligation had lapsed many years ago. The plaintiff lodged appeals against the decisions on each occasion and the court of appeal set aside the judgements of the court of first instance repeatedly and remitted the case back to the court of first instance for further proceedings, due to gross formal errors of the court of first instance. In its latest decision, the court of appeal also ordered that the case be decided by a different judge in the future. The Regional Court in Ústí nad Labem, sitting with a different composition of the court, again dismissed the action in its entirety. The plaintiff lodged an appeal against the decision of the Regional Court in Ústí nad Labem; however, as at the end of 2025, the High Court in Prague had not yet ruled on the appeal.

Back in 2017, the Group created a provision for potential risk arising from the legal dispute over the payment of the submitted promissory note, in full, including accessories.

As it is probable that the dispute will be concluded in 2026, the Group recognised the provision as current.

The Group's management is not aware of any other significant contingent liabilities of the Group as at 31 December 2025.

Employee benefits

Current provisions primarily relate to employee bonuses for bonuses for 2025, which are expected to be paid during the course of 2026. These mainly include annual bonuses and employee benefits in accordance with internal remuneration policies and collective agreements. At the end of 2025, the provision totalled TCZK 48 266 (2024: TCZK 54 534).

Non-current provisions for employee benefits, to which the Group has committed itself in a collective agreement comprise one-off bonuses paid to employees on retirement. At the end of 2025, the provision totalled TCZK 8 899 (2024: TCZK 9 878). The portion of the one-off bonus that is expected to be paid during the course of 2026 is reported as a current provision amounting to TCZK 780 (2024: TCZK 388).

24. REVENUES FROM PRODUCTS, GOODS AND SERVICES

	31 December 2025	31 December 2024
Revenues from goods	32 984	45 243
Revenues from services	115 524	200 432
Revenues from products	7 189 470	8 154 851
Total revenues	7 337 977	8 400 526

Revenues from products

2025	Domestic TCZK	Export TCZK	Total TCZK
Inorganics	670 553	1 889 513	2 560 066
Epoxy resins	155 385	3 423 710	3 579 095
Special epoxy resins	172 550	480 070	652 620
Alkyds	66 461	307 067	373 528
Other products	20 135	4 026	24 161
Total revenues from products	1 085 084	6 104 386	7 189 470

2024	Domestic TCZK	Export TCZK	Total TCZK
Inorganics	865 722	3 173 239	4 038 961
Epoxy resins	149 296	2 870 288	3 019 584
Special epoxy resins	169 674	388 041	557 715
Alkyds	69 559	307 203	376 762
Other products	89 366	72 463	161 829
Total revenues from products	1 343 617	6 811 234	8 154 851

Revenues from products – export in 2025

Country	Percentage of revenues – export	Revenues – export TCZK
Germany	30,2	1 842 694
Sweden	7,6	461 672
Austria	5,3	324 997
Spain	5,2	315 739
Switzerland	4,7	287 727
Italy	4,1	252 662
Poland	4,1	249 591
Belgium	3,8	230 932
Slovakia	3,8	231 573
France	3,5	216 340
Other	27,7	1 690 460
Total	**100,0**	**6 104 386**

Revenues from products – export in 2024

Country	Percentage of revenues – export	Revenues – export TCZK
Germany	27,5	1 869 689
Slovakia	18,9	1 284 989
Italy	5,9	403 423
Poland	5,6	379 057
Switzerland	5,4	366 018
Austria	4,8	329 457
Spain	3,7	252 601
Belgium	3,4	232 984
France	3,3	222 831
Sweden	3,1	212 829
Other	18,4	1 257 356
Total	**100**	**6 811 234**

As a result of the deconsolidation of Spolchemie SK in 2024, which accounted for the core volume of business activities in Slovakia, the Group experienced a significant year-on-year decrease in revenues, and the information for this geographical area is therefore not year-on-year comparable.

25. CONSUMPTION OF MATERIAL AND ENERGY

	2025 TCZK	2024 TCZK
Material consumption	3 616 815	5 037 911
Costs of processing raw materials	199 759	231 594
Energy consumption	1 442 638	1 371 138
Total	5 259 212	6 640 643
Change in stocks of finished products and work-in-progress	-61 863	200 962

26. LOGISTICS, LEASES AND OTHER SERVICES

	31 December 2025 TCZK	31 December 2024 TCZK
Logistics services	310 153	306 795
Maintenance services	217 486	182 379
Waste disposal	194 234	162 851
Costs of short-term leases	68 397	67 478
Other services	162 025	171 152
Total	952 295	890 655

Other services comprise a broad range of different types of services, the most significant of which include research expenses, consulting services, advertising, IT services, security services and cleaning services.

Costs of short-term leases mainly relate to railway wagons. These are short-term leases for which the Company used the exemption from the capitalisation of the right-of-use leased asset.

27. PERSONNEL EXPENSES

Personnel expenses

	31 December 2025	31 December 2024
	TCZK	TCZK
Short-term employee benefits		
Wages and salaries	538 229	519 875
Bonuses to members of statutory and supervisory bodies	14 748	14 695
Social security and health insurance expenses	49 981	43 864
Other social expenses	4 045	7 408
Pension plans	141 993	145 452
Employee benefits for early termination of employment		
Severance pay	2 606	1 293
Total personnel expenses	751 602	732 587

Employee benefits are accounted for at the present value of the liability.

Average number of employees, personnel expenses

	2025	2024
Total average number of employees	965	969
Total personnel expenses	751 602	732 587

The structure of personnel expenses of managers

	31 December 2025	31 December 2024
	TCZK	TCZK
Wages and salaries	26 834	28 003
Health insurance premiums	4 249	5 106
Pension plans	4 568	4 719
Total	35 651	37 828

The Group only provides benefits to the members of the bodies in accordance with the concluded contracts of office.

Supplementary pension scheme

Since 2000, the Group has made contributions to the employees' supplementary pension plans with state insurance contributions. Since January 2014, the monthly individual contribution is TCZK 1. In 2025, these contributions amounted to TCZK 8 057 (2024: TCZK 8 011).

The Group does not record any incurred or contracted pension liabilities to former members of statutory and supervisory bodies.

28. OTHER OPERATING EXPENSES AND INCOME

Other operating income	2025	2024
	TCZK	TCZK
Operating grants and compensation received	285 612	244 347
Contractual penalties received	0	122 522
Profit from the sale of non-current assets	579	370
Release of provisions and loss allowances	24 729	267
Profit from the sale of purchased inventories	10 473	2 625
Damages	738	663
Received indemnity	7 484	370
Other operating income	9 671	7 204
Total other operating income	339 287	378 368

The amounts of grants received primarily comprise received compensation expenses for electric energy, with a smaller portion relating to operating grants for expenses in research into chemicals.

In 2024, the amounts of contractual penalties received comprise contractual penalties received in connection with delays in the performance of contractor obligations, particularly in the execution of construction projects.

Other operating expenses	2025	2024
	TCZK	TCZK
Insurance premiums	80 448	62 592
Creation of provisions and loss allowances	20 260	36 323
Taxes and fees	12 666	12 508
Contributions and gifts	4 064	3 387
Shortages and damage	50	39
Write-off of receivables	1 162	0
Other operating expenses	6 408	3 981
Total other operating expenses	125 058	118 830

29. FINANCIAL INCOME AND EXPENSES

Financial income

	2025	2024
	TCZK	TCZK
Interest income from bank accounts	1 497	3 916
Other interest income	7 463	1 663
Use of provisions	0	22 000
Net foreign exchange gain	119 155	0
Other financial income	1	7 490
Total financial income	**128 115**	**35 069**

From the amount of the net foreign exchange gain reported in 2025, the unrealised foreign exchange gain from the translation of foreign currency loans and borrowings amounts to TCZK 120 841.

Financial expenses

	2025	2024
	TCZK	TCZK
Interest expense		
- on loans and borrowings	150 827	102 180
- interest expense from lease liabilities	5 996	5 889
- other interest	1 619	1 536
- non-interest expense on loans	1 620	2 424
Net foreign exchange loss	0	13 346
Factoring expenses	0	1 730
Other financial expenses	15 482	63 548
Total financial expenses	**175 545**	**190 653**

From the net foreign exchange loss reported in 2024, the unrealised foreign exchange loss from the translation of foreign currency loans and borrowings amounts to TCZK 20 392.

Other financial expenses in 2024 comprised the settlement of a disputed receivable (in the amount of the provision made), which had been released in the corresponding amount (see financial income), as well as fees associated with the new financing by the syndicate of banks.

Income from financial derivatives

As the Group is a majority exporter, it has regular surpluses of euros which it has to convert to Czech crowns. With respect to euro developments, it regularly concludes term forward transactions to hedge these conversions against exchange rate depreciations.

Apart from the impact of the differences between the current exchange rate and the exchange rate of the conversions on gains, which is recorded in current foreign exchange differences, the Group translates the closed tranches to fair value. The total impact on profit or loss from financial derivatives in 2025 was TCZK 25 846 (2024: TCZK 3 300).

As at 31 December 2025, the Group had thus hedged the future conversion in 2026 of EUR 21 million at exchange rates ranging from 24.424 CZK/1 EUR to 25.405 CZK/1 EUR.

30. INCOME TAX

	2025	2024
	TCZK	TCZK
Current tax		
Current tax – previous periods	-642	4 899
Current tax – current year	-27 435	-37 889
Total current tax	-28 077	-32 990
Deferred tax		
Impact of changes in temporary differences	7 723	23 464
Total income tax	-20 354	-9 526

Reconciliation of effective tax rate	2025	2024
	TCZK	TCZK
Profit/loss before tax	-4 229	49 963
Income tax rate	21%	21%
Income tax calculated	888	-10 492
Deferred tax	-642	4 899
Impact of tax non-deductible expenses	-30 260	-34 922
Impact of tax-exempt income	9 660	30 989
Total calculated income tax	**-20 354**	**-9 526**
Effective income tax rate	-481,29%	19,07%

Deferred tax

	Assets		Liabilities		
	2025	2024	2025	2024	Changes
Difference between the book and tax value of non-current assets	12 558	14 041	-367 699	-404 135	34 953
Inventories	11 425	5 937	0	0	5 488
Receivables	6 473	6 262	0	0	211
Provisions	85 375	89 470	0	0	-4 095
Tax losses	101 142	129 978	0	0	-28 836
Gross deferred tax assets/liabilities	216 973	245 688	-367 699	-404 135	7 721
Deferred tax liability/asset	69 625	62 370	-220 351	-220 818	x

In accordance with the accounting policy, a tax rate of 21% was used to calculate deferred tax.

The Group is part of a multinational group that falls within the scope of the global minimum tax (the Pillar Two top-up tax), which is effective for accounting periods beginning in 2025. Based on a preliminary assessment of the expected financial results, Group's management expects that no top-up tax liability will arise for the 2025 accounting period.

31. RELATED PARTY TRANSACTIONS

The Group is involved in the following transactions with related parties:

	Receivables as at 31 December		Payables as at 31 December	
	2025	2024	2025	2024
Shareholders				
KAPRAIN CHEMICAL LIMITED (100% ownership interest)	0	0	0	0
Other related parties				
AB – CREDIT a.s.	20 000	20 000	0	0
FORTISCHEM, a.s.	0	791	0	6 991
Kaprain Industrial Holding Ltd	2 409	2 502	948 410	0
Kaprain, a.s.	0	0	142	142
SPOLCHEMIE SK, s.r.o.	75 823	182 639	0	0
Total	98 232	205 932	948 552	7 133

	Purchases		Sales	
	2025	2024	2025	2024
Other related parties				
FORTISCHEM, a.s.	123	1 429 757	6 394	1 131 965
Kaprain, a.s.	1 930	661	0	0
Kaprain Industrial Holding Ltd	10 609	3 850	0	0
KAPRAIN CHEMICAL LIMITED *	0	0	0	19 657
Kaprain Chemical Slovakia **	0	0	0	2 184
Total	12 662	1 434 268	6 394	1 153 806

As a result of the deconsolidation of Spolchemie SK in 2024, which accounted for the core volume of business activities, the Group experienced a significant year-on-year decrease in revenues, and the information is therefore not year-on-year comparable.

* purchase price of a 90% ownership interest in SPOLCHEMIE SK, s.r.o.
** purchase price of a 10% ownership interest in SPOLCHEMIE SK, s.r.o.

Members of statutory and supervisory bodies, and members of management

In addition to bonuses, the Group also covers the liability insurance of members of statutory and supervisory bodies and management. In 2025, the Group paid TCZK 899 in liability insurance (2024: TCZK 926). In 2025 and 2024, members of the Group´s statutory and supervisory bodies and management did not receive any non-monetary benefits. For more information, see the comments in Note 27 PERSONNEL EXPENSES.

32. CONSOLIDATED COMPANIES

Name and share	Registered office	Note
SYNPO, akciová společnost (100 %)	Czech Republic	Share acquired between 1994 and 2009
EPISPOL, a.s. (100 %)	Czech Republic	Founded in 2002
CSS, a.s. (100 %)	Czech Republic	Share acquired in 2020
SPOLCHEMIE Electrolysis, a.s. (100%)	Czech Republic	Founded in 2011
SPOLCHEMIE N.V. (100%)	Kingdom of the Netherlands	Share acquired in 2011
CHS Epi, a.s. (100%)	Czech Republic	a subsidiary of the Company from 2021, previously a subsidiary of SPOLCHEMIE N.V.
SPOLCHEMIE Distribution, a.s. (100%)	Czech Republic	Subsidiary of SPOLCHEMIE N.V.
SPOLCHEMIE Green Energy, a.s. (100%)	Czech Republic	Founded in 2020
SPOLCHEMIE Hydrogen, a.s. (100%)	Czech Republic	Founded in 2019
SPOLCHEMIE Zebra, a.s. (100%)	Czech Republic	A subsidiary of EPISPOL, a.s. from 2021
SPOLCHEMIE, a.s. (100%)	Czech Republic	A subsidiary of SPOLCHEMIE Distribution, a.s.
Rubio Monocat CZ/SR	Czech Republic	A subsidiary of SYNPO, a.s. from 2024

The functional currency of companies based in the Czech Republic is CZK, in the Kingdom of the Netherlands it is EUR.

SPOLCHEMIE SK, s.r.o., which was included in the consolidation unit until October 2024, was excluded from the consolidation in 2024 due to the sale.

33. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT

Financial risk factors

The overall risk management strategy seeks to minimise potential adverse effects on the Group's financial performance. In its activities, the Group faces the following financial and other risks:

- **a)** Market risk
  - a. Currency risk
  - b. Commodity risk
- **b)** Interest rate risk
- **c)** Credit risk
- **d)** Liquidity risk
- **e)** Operating risk

(a) Market risk

The market risk for the Group is derived primarily from changes in market prices, foreign exchange rates, share prices or commodity prices and their impact on the Group's profits. The total exposure to market risk depends on the structure of profit and loss and the sensitivity of individual assets and liabilities to any changes in market prices.

a. Currency risk

Currency risk is the type of risk generated by the changing value of one currency against another currency. Because the Group exports and imports most of its production and material, it is exposed to currency risk, primarily with respect to the euro. The currency risk is significantly eliminated by natural hedging due to the Group´s sales and purchases of raw material and energy denominated in the same currency.

The Group (the Company) has financial market trading framework agreements with banks, under which the Company enters into partial forward transactions to hedge against negative fluctuations in the EUR/CZK exchange rate. In 2025, the conversions undertaken totalled EUR 34.8 million at exchange rates ranging from CZK 25.401 to 25.470/EUR.

As at 31 December 2025, transactions totalling EUR 21 million at exchange rates ranging from CZK 24.424 to 25.405/EUR were entered into for 2026.

The Group seeks to maximise the natural form of currency hedging as the most effective form of currency risk elimination. Purchases of raw materials, as well as energy and services are made in euros, which increases the natural coverage of the risk of exchange rate changes resulting from movements in the EUR/CZK exchange rate. The Group further eliminates the effect of currency risk by arranging part of the loan financing in EUR.

Receivable and payable classification by currency

As at 31 December 2025	CZK	EUR	USD	Other	Total
	TCZK	TCZK	TCZK	TCZK	TCZK
Receivables	264 268	859 388	12 461	192	1 136 309
Liabilities	-820 697	-4 491 932	-7 955	0	-5 320 584

As at 31 December 2024	CZK	EUR	USD	Other	Total
	TCZK	TCZK	TCZK	TCZK	TCZK
Receivables	292 550	1 011 044	19 958	9 151	1 332 703
Liabilities	- 1 134 150	- 4 891 026	- 514	- 3 651	- 6 029 341

Sensitivity analysis of financial instruments in foreign currency to changes in foreign exchange rates

The appreciation (depreciation) of the Czech crown by CZK 0.25 against EUR and USD, as described below, would result in an increase/decrease of the profit/loss as follows:

TCZK	31 December 2025	31 December 2024
	TCZK	TCZK
Appreciation of EUR – impact on income statement	-35 273	-38 455
Appreciation of USD	55	201
Depreciation of EUR – impact on income statement	50 141	55 975
Depreciation of USD	-55	-201

The Group has entered into derivative contracts to hedge the EUR exchange rate against the CZK. The effects of any changes in the fair values of these derivatives are reflected in the above sensitivity analysis of financial instruments.

b. Commodity risk

The Group is exposed to commodity risk arising from changes in the prices of raw materials and energy. The Group manages the commodity risk in a way that includes contractual agreements with customers to adjust the selling price if a change in the purchase price of raw materials and energy occurs.

(b) Interest rate risk

The interest rate risk arises from movements in market interest rates. The Group is exposed to changes in interest rates, particularly in the credit area, depending on the development of the announced interest rates.

The Group reports the following interest-bearing financial instruments as at the reporting date:

Financial instruments with fixed interest rate	31 December 2025	31 December 2024
	TCZK	TCZK
Non-bank loans	987 382	57 947

Financial instruments with a variable interest rate	31 December 2025	31 December 2024
	TCZK	TCZK
Bank loans received	2 762 611	3 896 482
Loans granted	75 823	0

Sensitivity analysis of financial instruments with variable interest rates

A change of 100 basis points in the interest rate would increase or decrease profit as follows:

Financial instruments with a variable interest rate	31 December 2025	31 December 2024
	TCZK	TCZK
Sensitivity to cash flow – increase of interest rate	- 26 868	-38 965
Sensitivity to cash flow – decrease of interest rate	26 868	38 965

Effective interest rate

The table shows the effective interest rates of interest-bearing financial assets and financial liabilities as at the balance sheet date and the periods in which they are revalued.

31 December 2025	Effective interest rate	Receivable/ liability amount	Future change in interest rate	Due date
	%	TCZK		
Loans granted	5,58	75 823	*	Do 2026
Total non-bank loans CZK	0,45	41 729		Do 2031
Total non-bank loans EUR	0,50	903 924	*	Do 2031
Total bank loans EUR	4,13	2 762 611	*	Do 2033
Total financial liabilities		**3 708 264**		

* The current rate depends on changes in the rates announced by central banks according to individual bank loan agreements. In the case of a bank loan, it is also possible to change the margin set by the bank depending on the assessment of the given covenant.

31 December 2024	Effective interest rate	Receivable/ liability amount	Future change in interest rate	Due date
	%	TCZK		
Total interest-bearing receivables		0		
Total non-bank loans CZK	0,45	48 684	*	Do 2031
Total non-bank loans EUR	5,50	9 263	*	Do 2025
Total bank loans EUR	5,02	3 896 482	*	Do 2033
Total financial liabilities		**3 954 429**		

Carrying amounts and fair values

	Carrying value 2025 TCZK	Fair value 2025 TCZK	Carrying value 2024 TCZK	Fair value 2024 TCZK
Non-current receivables	26 000	25 921	26 000	25 921
Non-bank loans and bank loans	-3 751 779	-3 649 965	-3 954 428	-3 812 232
Unpaid interest on loans	-5 041	-5 041	-13 825	-13 328
Trade and other payables, provisions, tax prepayments and liabilities	-1 761 553	-1 756 185	-2 282 966	-2 276 010

The carrying amount of receivables and cash is reasonably approximate to their fair value, mainly due to their current nature.

(c) Credit risk

Credit risk is the risk arising from the inability or unwillingness of counterparties to honour their commitments. Counterparty (customer) solvency is the most important criterion that must be reviewed and evaluated periodically.

The Group has, within its internal credit policy, a defined strategy (internal rules and regulations) which ensures that products and services are sold to customers under appropriate terms and conditions. Before the customer is offered standard payment and delivery terms, the customer goes through an individual credit rating. This rating takes into account external ratings and other referrals from specialised companies. The Group also uses the services of a credit insurance firm, and insures the major part of its receivables. This insurance also minimises the negative impact of any expected credit risk. The evaluation and implementation of customer credit limits is carried out by the Finance Department (Credit Manager). The credit policy also includes rules against exceeding the credit limit or the deterioration of payment discipline

The maximum exposure to credit risk as at the balance sheet date was as follows:

Net book value	31 December 2025	31 December 2024
	TCZK	TCZK
Non-current receivables	26 000	26 000
Trade receivables	829 934	904 384
Other receivables and advances	191 206	299 070
Cash	405 801	409 800
Total	1 452 941	1 639 254

The Group does not have any customer having more than a 10% share in the value of the trade receivables.

Analysis of maturity of trade receivables (net)

	31 December 2025	Expected credit loss	31 December 2024	Expected credit loss
	TCZK	TCZK	TCZK	TCZK
Within due date	782 870	-3 436	843 076	-3 482
1-90 days overdue	51 464	-964	65 054	-264
91-180 days overdue	1 076	-1 076	0	0
181-360 days overdue	0	0	1	-1
More than 360 days overdue	40 020	-40 020	44 156	-44 155
Total	875 431	-45 496	952 286	-47 902
Net book value		829 934		904 384

Changes in impairment losses related to trade receivables

	2025	2024
	TCZK	TCZK
Balance as at 1 January	-47 902	-46 684
Creation of loss allowance	-2 521	-2 744
Utilisation of loss allowance – receivables write-off	1 151	0
Release of loss allowance	3 776	1 526
Balance as at 31 December	-45 496	-47 902

(d) Liquidity risk

Liquidity is the ability to meet due financial obligations at any time. Liquidity risk is the risk that the Group will not be able to meet its financial obligations at their maturity dates. Prudent liquidity management requires maintaining sufficient cash on hand and cash equivalents and the availability of funding through an adequate number of committed credit facilities.

To control the cost of their own products and services, the Group uses a method of cost allocation by activity, which allows the monitoring of cash flow requirements and optimises the return on investment.

In order to ensure sufficient liquidity to cover operating costs, the Group has a standardised working capital management system, in particular receivables management and inventory optimisation.

The payment of the Group's liabilities according to their maturity including estimated interest payments is stated below:

As at 31 December 2025	Contractual cash flows						
	Due up to 2 months TCZK	2–6 months TCZK	6–12 months TCZK	1–2 years TCZK	2–5 years TCZK	Over 5 years TCZK	Total TCZK
	TCZK	TCZK	TCZK	TCZK	TCZK	TCZK	TCZK
Non-bank loans	0	-3 477	-3 477	-954 394	-20 864	-6 955	-989 168
Bank loans	-11 328	-146 890	-754 624	-362 940	-999 298	-887 231	-3 162 311
Lease liabilities	-5 788	-11 577	-17 365	-46 505	-10 145	0	-91 380
Other liabilities	-838 888	-76 719	-41 829	-93 130	-257 200	-169 659	-1 477 425
Total	-856 004	-238 663	-817 295	-1 456 969	-1 287 508	-1 063 845	-5 720 284

As at 31 December 2024	Contractual cash flows						
	Due up to 2 months TCZK	2–6 months TCZK	6–12 months TCZK	1–2 years TCZK	2–5 years TCZK	Over 5 years TCZK	Total TCZK
	TCZK	TCZK	TCZK	TCZK	TCZK	TCZK	TCZK
Non-bank loans	0	13 297	3 577	7 131	21 205	13 980	59 189
Bank loans	70 718	109 374	3 893 301	165 797	364 271	293 871	4 897 353
Lease liabilities	6 701	13 326	19 827	38 795	50 877	0	129 526
Other liabilities	1 001 399	225 522	120 970	201 335	256 589	139 571	1 945 386
Total	1 078 818	361 519	4 037 676	413 058	692 942	447 442	7 031 454

(e) Operational risk

Operational risk is generally defined as the possibility of loss due to operational deficiencies and errors. In the narrower definition, operational risk is a risk arising from operating business activities. In a broader sense, operational risk includes all the risks that are not attributed to credit risk, market risk or liquidity risk.

The Group manages its operational and production risks to avoid financial losses and damage. These risks primarily relate to gradual depreciation (wear and tear) of the Group's machinery and equipment, potential shutdowns and insurance.

The effects of everyday use of equipment and machinery continually increase over time. Every year, the Group prepares plans to carry out preventive maintenance and shutdowns to eliminate the risk of unplanned shutdowns. At the same time, regular maintenance is carried out according to pre-approved schedules during the operation of individual devices, which further reduces the risk of shutting down the technology due to a fault.

The Group has insurance coverage for most of its important assets (e.g., insurance for property and equipment and liability insurance) to cover most of the risks and major claims.

34. RESEARCH AND DEVELOPMENT

In 2025, the Group spent TCZK 59 368 (2024: TCZK 56 843) on research and development.

35. AUDIT COSTS AND TAX CONSULTING

The Group uses the services of audit companies and companies providing tax advice. We present an overview of expenditures for these purposes recorded in the monitored periods.

	Accounting audit		Tax consulting		Other auditing services	
	2025	2024	2025	2024	2025	2024
	TCZK	TCZK	TCZK	TCZK	TCZK	TCZK
Group total	5 536	5 281	1 302	1 355	1 682	995

36. CONTINGENT LIABILITIES

Provided guarantees

At the end of 2021, the Group entered into contracts with a strategic foreign partner relating to the construction of a new production unit for the production of a newly developed precursor and a long-term agreement on supplying this precursor to the foreign partner. The Group, as the originator of the patented technology, assumed full responsibility for the successful completion of the construction of this unit and its subsequent operation. The trial operation was launched in March 2024 and the final product has been supplied to foreign partner since summer 2024.

As part of the long-term supply agreement, the Group has assumed the liability for the implementation of the deliveries and any payment obligations associated with the failure to meet the minimum committed delivery quantity, up to an amount of EUR 16 million per year. In addition, the Group’s total potential liability is contractually limited to EUR 30 million. The Group is meeting these contractual minimum delivery volumes on an ongoing basis.

The Group management is not aware of any other significant contingent liabilities as at 31 December 2025.
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37. INVESTMENT INCENTIVES

The Group was not the recipient of investment incentives in 2025 or 2024..

38. SUBSEQUENT EVENTS

On 23 January 2026, the Group, or the Company, entered into a loan agreement with the Company's sole shareholder, under which a loan of TCZK 480 000 was provided to the Company. The proceeds from the loan were subsequently used by the Company to partially repay liabilities under the syndicated loan dated 20 March 2024, thereby remedying the breach of a financial covenant under the relevant syndicated loan. The receivable of the sole shareholder arising from the loan agreement is subordinated to the receivables of the banks under the syndicated loan.

The current geopolitical situation has an impact on the Group's performance, particularly with respect to purchase and selling prices. Based on the information currently available, no negative impact on the Group is expected.

After the balance sheet date there were no other events that were not specified in the previous points of these notes to the financial statements and that would have a significant impact on the financial statements as at 31 December 2025.

39. APPROVAL OF FINANCIAL STATEMENTS

These consolidated financial statements were approved for disclosure on 30 April 2026.


V-720 A
GLYCERIN
112 m³
V-720 B
GLYCERIN
112 m³

5

AUDITOR'S REPORT ON THE NON-CONSOLIDATED FINANCIAL STATEMENTS

SPOLCHEMIE

KPMG Česká republika Audit, s.r.o.
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This document is a signed English translation of the Czech auditor's report.
Only the Czech version of the report is legally binding.

Independent Auditor's Report

to the Shareholder of Spolek pro chemickou a hutní výrobu, akciová společnost

Opinion

We have audited the accompanying non-consolidated financial statements of Spolek pro chemickou a hutní výrobu, akciová společnost ("the Company"), prepared in accordance with IFRS Accounting Standards as adopted by the European Union, which comprise the non-consolidated statement of financial position as at 31 December 2025, and the non-consolidated statement of comprehensive income, the non-consolidated statement of changes in equity and the non-consolidated statement of cash flows for the year then ended, and notes to the non-consolidated financial statements, comprising material accounting policies and other explanatory information. Information about the Company is set out in Note 1 to the non-consolidated financial statements.

In our opinion, the accompanying non-consolidated financial statements give a true and fair view of the unconsolidated financial position of the Company as at 31 December 2025, and of its unconsolidated financial performance and its unconsolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

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, consisting of International Standards on Auditing (ISAs), which may be supplemented and amended by relevant application guidelines. Our responsibilities under those regulations 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 that are relevant to audits of the financial statements in 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 accordance with Section 2(b) of the Act on Auditors, other information is defined as information included in the annual report other than the financial statements and our auditor's report. The statutory body is responsible for the other information.

As stated in Note 3 to the financial statements, Spolek pro chemickou a hutní výrobu, akciová společnost does not prepare an annual report as of 31 December 2025, as the relevant information is intended to be included in the consolidated annual report. Therefore, our opinion on other information is not included in this auditor's report.

Responsibilities of the Statutory Body for the Financial Statements

The statutory body is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the statutory body 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 body 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 body 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 the above regulations 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 regulations, 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 body.
- Conclude on the appropriateness of the statutory body'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.

KPMG

We communicate with those charged with governance 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.

Statutory Auditor Responsible for the Engagement

Karel Charvát is the statutory auditor responsible for the audit of the financial statements of Spolek pro chemickou a hutní výrobu, akciová společnost as at 31 December 2025, based on which this independent auditor's report has been prepared.

Prague
30 April 2026

KPMG Česká republika Audit, s.r.o.
Registration number 71

Karel Charvát
Partner
Registration number 2032

6

NON-CONSOLIDATED FINANCIAL STATEMENTS

SPOLCHEMIE

Non-consolidated financial statements prepared in accordance with IFRS accounting standards as adopted by the EU

as at 31 December 2025 and for the year ended 31 December 2025

by the business corporation

Spolek pro chemickou a hutní výrobu, akciová společnost

(translated from the Czech original)

Ústí nad Labem, 30 April 2026

Pavel Jiroušek
Vice-chairman of the Board of Directors

Daniel Tamchyna
Vice-chairman of the Board of Directors

NON-CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	31 December 2025	31 December 2024
		TCZK	TCZK
ASSETS			
Property, plant and equipment	5	1 910 392	1 914 319
Investment property	6	184 280	192 508
Intangible assets	7	16 083	18 129
Rights of use	8	29 298	45 611
Investments in subsidiaries	9	847 781	844 757
Shares in associates	9	1 981	1 981
Provided loans and other non-current receivables	10	531 205	524 703
Deferred tax asset	28	68 411	60 834
Total non-current assets		**3 589 431**	**3 602 842**
Inventories	11	904 168	1 148 376
Trade receivables	12	998 205	1 222 763
Loans granted	10	75 823	206 292
Income tax receivables	13	16 906	39 405
Other current receivables	12	91 971	79 163
Advances paid		15 947	20 250
Cash and cash equivalents	14	296 090	293 352
Total current assets		**2 399 110**	**3 009 601**
Total assets		**5 988 541**	**6 612 443**

	Note	31 December 2025	31 December 2024
		TCZK	TCZK
EQUITY			
Share capital	15	717 581	717 581
Reserve fund	15	1 524	1 524
Retained earnings/accumulated losses		1 540 645	1 393 207
Total equity		**2 259 750**	**2 112 312**
LIABILITIES			
Non-current liabilities			
Bank loans	18	733 232	0
Other non-current loans	19	947 439	0
Provisions	16	260 512	326 996
Non-current trade payables		0	42 405
Lease liabilities	8	20 198	30 638
Investment suspensions		1 668	2 944
Total non-current liabilities		**1 963 049**	**402 983**
Current liabilities			
Bank loans	18	623 169	2 435 752
Trade and other payables	17	975 511	1 517 686
Received trade and factoring advances	21	5 020	26 371
Lease liabilities	8	10 814	16 393
Liabilities from the auction of own shares	20	18 648	18 761
Provisions	16	132 580	82 185
Total current liabilities		**1 765 742**	**4 097 148**
Total liabilities		**3 728 791**	**4 500 131**
Total equity and liabilities		**5 988 541**	**6 612 443**

NON-CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	Year ended 31 December 2025 TCZK	Year ended 31 December 2024 TCZK
Revenues from products, goods and services	22	7 820 570	7 398 212
Change in inventories		-76 908	170 343
Capitalisation of own production		3 892	4 545
Consumption of material and energy	23	-6 599 005	-6 388 447
Logistics, leases and other services	24	-612 764	-601 968
Personnel expenses	25	-455 721	-444 529
Depreciation and amortisation of non-current assets	5,6,7,8	-151 541	-126 505
Other operating income	26	44 995	16 296
Other operating expenses	26	-78 528	-94 742
Operating profit/loss		**-105 010**	**-66 795**
Dividends received	27	253 012	0
Other financial income	27	76 852	96 757
Income from financial derivatives	27	25 846	3 300
Financial expenses	27	-110 838	-156 985
Financial result		**244 872**	**-56 928**
Profit before income tax		139 862	-123 723
Income tax	28	7 577	26 411
NET PROFIT/LOSS		**147 439**	**-97 312**
OTHER COMPREHENSIVE INCOME		0	0
TOTAL COMPREHENSIVE INCOME		**147 439**	**-97 312**

SPOLCHEMIE

NON-CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Reserve fund	Retained earnings	Total
	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2024	**717 581**	**1 524**	**1 490 520**	**2 209 625**
Loss for the year	0	0	-97 312	-97 312
Rounding	0	0	-1	-1
Balance as at 31 December 2024	**717 581**	**1 524**	**1 393 207**	**2 112 312**
Profit for the year	0	0	147 439	147 439
Rounding	0	0	-1	-1
Balance as at 31 December 2025	**717 581**	**1 524**	**1 540 645**	**2 259 750**

NON-CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	Year ended 31 December 2025 TCZK	Year ended 31 December 2024 TCZK
Cash flows from operating activities			
Profit/loss for the year		**147 439**	**-97 312**
Adjustment for non-cash transactions:		**-20 103**	**138 547**
Income tax	28	- 7 577	-26 411
Depreciation and amortisation of non-current assets	5,6,7,8	151 541	126 399
Dividend income	27	-253 012	0
Change in expected credit losses and provisions	5,7,11,12, 13,16	-649	5 107
Gain/loss on disposal of non-current assets	26	-570	-186
Net interest income and expenses accounted for	27	65 015	60 106
Other non-cash transactions		25 149	-26 468
Changes in non-cash components of working capital:		**232 865**	**-20 859**
Change in trade and other receivables	10,12	407 036	-100 762
Change in trade and other payables	17	-391 476	487 458
Change in inventories	11	217 305	-407 555
Cash flow from operating activities before interest and taxes		**360 201**	**20 376**
Interest paid	27	-87 618	-94 779
Interest received	27	12 271	8 459
Income tax paid	28	-16 905	-110 731
Net cash flows from operating activities		**267 949**	**-176 675**

	Note	Year ended 31 December 2025 TCZK	Year ended 31 December 2024 TCZK
Cash flows from investing activities			
Expenses connected with acquisition of non-current assets	5,7	-266 989	-215 760
Proceeds from sale of non-current assets	26	1 691	15 081
Expenses connected with acquisition of financial investments	9	0	0
Income from dividends	27	194 114	0
Cash flows from investing activities		**-71 184**	**-200 679**
Cash flows from financing activities			
Dividends paid	18	0	-2 350 000
Income from loans, borrowings and non-current liabilities	20	947 439	2 297 630
Payment of loans, borrowings and non-current liabilities	20	-1 123 032	-2 527
Payments of leases	8	-16 019	0
Cash flows from financing activities		**-191 612**	**-54 897**
Net increase/decrease in cash and cash equivalents		**5 153**	**-432 251**
Cash and cash equivalents at the beginning of the year		**293 352**	**724 199**
Effect of exchange rate fluctuations		-2 415	1 404
Cash and cash equivalents at the end of the year		**296 090**	**293 352**

NOTES TO THE NON-CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Spolek pro chemickou a hutní výrobu, akciová společnost (the “**Company**”) was incorporated on 31 December 1990. The address of its registered office is Ústí nad Labem, Revoluční 1930/86, ID number: 000 11 789. The Company is registered in the Commercial Register maintained by the Regional Court in Ústí nad Labem, under file number 47, section B.

The Company’s principal activity is the research, development, production and processing of chemical substances and chemical preparations.

As at 31 December 2025, KAPRAIN CHEMICAL LIMITED is the sole shareholder of the Company.

The controlling entity of KAPRAIN CHEMICAL LIMITED is Karel Pražák.

Changes in the Company‘s bodies

No changes were made in the Company’s bodies in 2025.

Composition of the Board of Directors as at 31 December 2025

Name	Position
Jan Kadaník	Chairman
Pavel Jiroušek	Vice-chairman
Daniel Tamchyna	Vice-chairman
Michal Adamovský	Member
Jan Křička	Member

Declaration of the Company‘s Board of Directors

The Board of Directors of Spolek pro chemickou a hutní výrobu, akciová společnost hereby declares that in its opinion, the following non-consolidated (also “separate”) financial statements and comparative information were prepared in accordance with valid accounting principles applied in the Company (described in Note 3) and present a true and fair view of the Company’s financial position and financial result, including the basic risks and exposures.

2. ADOPTION OF NEW OR AMENDED IFRS STANDARDS AND INTERPRETATIONS

a) New and amended IFRS accounting standards adopted by the Company

For the financial statements prepared for the year ended 31 December 2025, the Company has adopted the new or amended standards and interpretations listed below:

- Amendments to IAS 21 – Lack of exchangeability

The adoption of this amendment has no material impact on the Company.

b) New and amended IFRS accounting standards issued but not yet effective and applied by the Company

As at the date of preparation of these financial statements, the following standards have been issued that are relevant to the Company and whose adoption was not mandatory at that date. The Company will adopt these standards on their effective date.

Standard and changes		Effective date
Amendments to IFRS 9 and IFRS 7	Classification and measurement of financial instruments; Contracts referencing nature-dependent electricity	1 January 2026
Volume 11 of Annual Improvements to IFRS Standards	Amendments to standards to correct inconsistencies and ambiguities in IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	1 January 2026

The Company is currently assessing the impact of adopting the above new standards, interpretations and amendments.

c) New and amended IFRS accounting standards issued by the IASB, but not yet adopted by the EU

As at 31 December 2025, the following standards and amendments issued by the IASB have not yet been endorsed by the European Commission for application in the European Union.

- IFRS 18: Presentation and disclosure in financial statements. This standard is effective for annual periods beginning on 1 January 2027 but has not been endorsed by the EU at that date.
- IFRS 19: Subsidiaries without Public Accountability: Disclosures. This standard is effective for annual periods beginning on 1 January 2027 but has not been endorsed by the EU at that date.
- Amendments to IFRS 10 and IAS 28: Sale or contribution of assets between an investor and its associate or joint venture. The effective date of these amendments has been deferred indefinitely and their endorsement is not expected as at that date.
- Amendments to IAS 21: Translation to a Hyperinflationary. These amendments are effective for annual periods beginning on 1 January 2027 but have not been endorsed by the EU at that date.

The Company estimates that the adoption of these new standards and amendments will not have a material impact on its financial statements in the period in which they are initially applied, with the exception of IFRS 18. IFRS 18 will change the presentation of the financial statements, in particular the statement of comprehensive income and the statement of cash flows.

3. BASIS OF PREPARATION

a) Statement of compliance

These non-consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") approved for use in the European Union (EU).

The non-consolidated financial statements were prepared to meet the requirements of Czech accounting regulations. The Company does not prepare a non-consolidated annual report because the relevant information is included in the consolidated annual report, which contains the Company's consolidated financial statements, also prepared in accordance with IFRS and approved for use in the European Union (EU) and it is available at the Company's registered office.

b) Policies for the preparation of the financial statements

The financial statements, providing a true and fair view of the Company's financial position as at 31 December 2025, its profit or loss, and cash flows for the year ended 31 December 2025, are prepared on the historical cost basis, with the exception of financial instruments, which are stated at fair value. Employee benefits are accounted for at the present value of the liability.

The amounts specified in these financial statements are reported in Czech crowns, which is also the Company's functional currency. All financial information presented in CZK has been rounded to the nearest thousand (TCZK) (unless stated otherwise).

The financial statements, with the exception of the statement of cash flows, are prepared on an accrual basis.

c) Foreign currency translation

Transactions denominated in foreign currencies are translated into Czech crowns, which is the Company's functional currency, on the basis of the exchange rate valid on the date of the transaction.
At the end of the accounting period:

- cash items (i.e. cash denominated in foreign currencies held by the Company as well as receivables and payables payable in foreign currencies) are translated at the closing rate, i.e. the spot rate at the end of the accounting period
- non-monetary items that are measured in terms of historical costs in a foreign currency are translated using the exchange rates as at the dates of the transactions and
- non-monetary items that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Gains and losses arising from the settlement of such transactions and from transactions in monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

d) Use of estimates

The preparation of the financial statements requires the Company's management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amount of assets and liabilities, income and expenses as at the reporting date. These estimates and assumptions are described in Note 4.

e) Intangible assets

Intangible assets are identifiable non-monetary assets without physical substance. Intangible assets are identifiable when they are separable, i.e., they can be separated from the group of the Company's assets and sold, transferred, licensed, rented or exchanged, either individually or together with a related contract, by an identifiable asset or liability regardless of whether the Company intends to do so or it arises from contractual or other legal rights regardless of whether those rights are transferable or separable from the Company or from other rights and obligations.

Intangible assets are measured at acquisition cost less accumulated amortisation and any accumulated impairment losses. Internally generated intangible assets are measured at direct costs and overheads or replacement costs, if lower.

Intangible assets are amortised on a straight-line basis over their estimated useful lives, usually for up to five years. Amortisation begins when the intangible asset is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner, over its estimated useful life.

The amortisation method and useful life are verified once a year at the end of the accounting period and if a change is identified, the amortisation for the upcoming period is adjusted.

f) Property, plant and equipment

Property, plant and equipment are initially measured at acquisition cost after the deduction of related grants and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

The cost of these assets includes all expenditures that are directly attributable to bringing the assets to a working condition for their intended use. Self-constructed assets are measured at internal production costs. The acquisition costs of these assets include the estimated cost of dismantling and removing the items and restoring the original condition of the place where the assets are located, if such an obligation is associated with the acquisition and construction of these assets.

The Company capitalises borrowing costs that are directly attributable to the construction or production of a qualifying asset as part of the acquisition cost of the asset. Borrowing costs are those borrowing costs that would not arise if expenses on a qualifying asset were not incurred. The Company begins to capitalise borrowing costs as part of the acquisition cost of the qualifying asset on the commencement date and terminates the capitalisation of borrowing costs when all essential activities necessary to prepare a qualifying asset for its intended use or sale are completed.

The depreciation of plant and equipment items begins when they are available for use, i.e., from the month that they are in the location and condition necessary for them to be capable of operating in the manner intended by the Company management.

Depreciation is recognised in order to depreciate the cost of assets, except for land, to their residual value on a straight-line basis over their estimated useful lives:

Buildings	10-50 years
Machinery and equipment	4-20 years
Fixtures and fittings	4-25 years
Vehicles	4-25 years

The depreciation method, useful life and residual value are verified once a year and if a change is identified, the depreciations for the upcoming period are adjusted. Property, plant and equipment (components) that are significant with regard to the overall assets are depreciated separately in accordance with their useful lives.

The costs of technical improvements of non-current assets are recognised as property, plant and equipment and are depreciated in accordance with their useful lives. The costs of the day-to-day servicing and repairs of the property, plant and equipment are recognised as incurred in the profit or loss.

The gain or loss arising on the sale or disposal of an asset is determined as the difference between the net selling price of the property and the carrying amount of the asset. The difference is recognised in the profit or loss.

g) Investment property

Investment property is land or buildings held either to earn rental income or for capital appreciation or for both, not for the Company's own use.

Investment property is measured at cost less accumulated depreciation and any accumulated impairment losses. The purchase costs of real estate investments include the purchase price and all directly attributable costs, i.e., professional fees for legal services, property transfer taxes and other transaction costs. The cost of the investment property by the Company is its cost at the date when the construction is completed and ready for rent.

Investment property is depreciated on a straight-line basis over its estimated useful life, i.e., 10-50 years, from the date of acquisition. Every year there is a revision of the estimates used in the depreciation.

The income from investment property is recognised when the rental service is rendered, and is classified as revenues from services.

Investment property is derecognised on disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected.

The Company leases part of the manufacturing and office space on the Company's premises in Ústí nad Labem to third parties. Items of property, plant and equipment are reviewed annually to see whether they fulfil the conditions of recognition as an investment property. Annual transfers between these classifications are presented separately under "Transfer of property, plant and equipment". In light of the valuation model used in the acquisition expenses for investments in real estate, i.e. the same valuation as for property, plant and equipment, there is no change to the valuation due to a transfer. The only thing that differs is the presentation of the reported item.

h) Impairment of non-financial assets

At each reporting date, the Company reviews each asset individually to determine whether there is any indication of impairment, i.e. the carrying amount of the asset exceeding its recoverable amount. Whether there is any impairment of property, plant and equipment and other assets is reviewed at the level of the identified cash-generating units (depending on production segments). An impairment loss is recognised to the extent that the carrying amount of an asset exceeds its recoverable amount. The recoverable amount of an asset is the greater of its value in use and its fair value less selling costs.

i) Leases

The Company uses a unified accounting approach to leases. As a result of this application, the Company, as a lessee, recognised the right to use its underlying (identified) assets and lease liabilities representing an obligation to meet lease payments. The right of use and the lease liability are recognised on the date of commencement of the lease.

The Company distinguishes between lease and service contracts based on whether the contract transfers the right to control the use of the identified asset. The Company must assess whether the customer (lessee) has both of the following rights during the period of use:

- the right to obtain substantially all economic benefits from the use of the identified asset and
- the right to manage the use of the identified asset.

At the commencement date, the lessee will measure the asset from the right to use it at cost. The subsequent measurement uses the cost model less accumulated depreciation, impairment losses and any revaluation of the lease liability. The lessee depreciates the asset from the right of use on a straight-line basis from the date of commencement of the lease, either until the end of the useful life of the asset from the right of use or until the end of the lease term, whichever occurs first.

A lease liability is initially measured at the present value of the lease payments outstanding at the date of commencement of the payment. Lease payments must be discounted using the implicit lease interest rate if this rate can be readily determined. If this rate cannot be easily determined, the Company uses the lessee's incremental borrowing rate. After the date of commencement of the lease, the Company measures the lease liabilities by increasing the carrying amount by interest on the lease liabilities and decreasing the carrying amount by the lease payments made. Furthermore, the carrying amount of the lease liability is remeasured by any revaluation or modification of the lease. These changes may occur when the value of future lease payments changes due to a change in the implicit interest rate, a change in an estimate over the expected lease term, or when there is a change in expectations of using a lease extension option or an option to purchase the underlying asset.

The Company has decided to use the exceptions from the aforementioned rules for short-term leases, i.e., leases with a non-cancellable duration of at most 12 months and for leases of low-value assets.

The Company has also decided to take advantage of a practical expedient where it will not separate non-lease components from lease components and will instead account for each lease component and any related non-lease components as a single lease component.

j) Investments in subsidiaries and investments in associated companies

A company with a decisive influence (subsidiary) is an enterprise controlled by the Company, whose financial and operating processes can be controlled by the Company with the goal of acquiring benefits from its activities.

Investments in subsidiaries are stated in these non-consolidated financial statements at acquisition costs decreased by any loss from the decrease in the value of the asset.

k) Inventories

Inventories are assets held for sale in the ordinary business, in the process of production for sale or as material including raw materials for consumption or supplies that are consumed in the production process or in the provisioning of services.

The cost of materials and goods for resale includes expenditures associated with acquiring the inventories and bringing them to their present location and condition, e.g., freight costs, custom duties, insurance costs, etc. Finished products, semi-finished goods and work-in-progress are initially measured at the cost of production. The costs of finished products and semi-finished goods include raw materials, direct wages, other direct costs and related production overheads. The cost is determined using the first-in first-out method.

Inventories are measured at the end of the financial year in production costs or net realisable value, if lower. The net realisable value is the estimated selling price in the ordinary course of business, less the costs of completion and selling expenses.

l) Financial assets

Financial assets representing a share in other companies, such as shares and investments, are valued at fair value with revaluation to the profit or loss.

Financial assets for which the SPPI conditions, such as provided loans, trade receivables, purchased bonds, etc., are fulfilled (i.e. the future contractual cash flows exclusively represent payments of the principal and payments of interest) are valued at amortised cost using the effective interest method.

m) Receivables

Trade receivables are non-derivative financial assets with fixed or pre-determined payments that are not quoted in an active market. Receivables are initially recognised at fair value, which is usually equal to the nominal value in the case of current receivables and subsequently carried at the initial measurement value, net of impairment loss.

Loans and non-current receivables are financial assets that are measured at fair value, adjusted for transaction costs. Fair value corresponds to the present value of future cash flows using the internal interest rate at the time of the borrowing taking into account the credit risk of the borrower. For the period of time until maturity, non-current receivables (loans) are measured and carried at amortised cost using the effective interest method.

Loans granted are classified as current receivables if they are due within 12 months of the balance sheet date.

At each reporting date, the Company reviews any impairment loss according to the model of expected credit loss (ECL). For trade receivables the assessment is on the basis of life-long losses using a receivables ageing matrix, while for non-current payable loans the estimate of the expected credit losses is set with the consideration of 12 month losses and is based on a ratio of the credit exposure, the size of the potential loss and the probability of default.

The Company recognises the following groups of receivables:

- Receivables from related parties
- Receivables arising on assignment
- Insured receivables
- All other trade receivables.

n) Cash and cash equivalents/statement of cash flows

Cash and cash equivalents comprise cash, bank deposits, and investments into monetary market instruments with the original maturity shorter than three months.

The cash flow statement is processed using the indirect method in cash flow from operating activities.

Received dividends are reported in cash flows from investing activities. Paid dividends are reported in cash flows from financing activities. Interest paid on bank loans, cash pools, issued debt securities and interest paid on leases are reported in cash flows from operating activities. Received interest is part of the cash flow from operating activities.

o) Financial liabilities

Financial liabilities are financial instruments that are initially measured at fair value adjusted for transaction costs. Subsequently they are carried at amortised cost using the effective interest method. The Company reports received bank loans and other loans, trade payables, and liabilities from retentions as financial liabilities.

Financial liabilities are classified as current liabilities if they are due within 12 months from the balance sheet date. Other financial liabilities are classified as non-current in the statement of financial position.

p) Derivatives

Derivatives are initially measured at fair value and in the statement of financial position, any derivatives are recognised as part of other current receivables or liabilities, as the case may be.

Derivatives are classified as trading derivatives and hedging derivatives. Hedging derivatives are contracted for the hedging of fair value or the hedging of cash flow. For a derivative to be classified as hedging, changes in fair value or changes in cash flows arising from hedging derivatives must fully or partially offset changes in the fair value of the hedged item or changes in cash flows from the hedged item, and the Company must document and demonstrate the existence of the hedging relationship and hedge effectiveness. In other cases, they are derivatives held for trading.

Derivatives are remeasured at fair value at the balance sheet date. Changes in the fair values of derivatives held for trading are recognised in the profit or loss as part of financial expenses or income.

q) Provisions

A provision is recognised when, as a result of a past event, the Company has a legal or contractual obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. At the same time, there must be a reasonable estimate of the amount to which the liability may amount.

If the Company expects a reimbursement of some or all of the cost of creation of provisions by another party, the reimbursement is recognised as a separate asset, but only when it is virtually certain that the Company will fulfil its obligation. The reimbursement amount shall not exceed the amount of the provision. In the comprehensive income statement, the expense relating to the provisions is recognised together with revenue from reimbursements.

If the effect of the time value of money is significant, the amount of the provision is recognised at the present value of the estimated cost of meeting the obligation.

r) Income tax

The income tax expense comprises current and deferred taxes. Current and deferred taxes are recognised in the profit and loss statement, except amounts related to items charged to other comprehensive income (e.g., cash flow hedges).

The current tax is the expected liability or receivable from the taxable base calculated using tax rates enacted as at the balance sheet date. The tax base is derived from the profit adjustments on non-deductible income and expenses. If the amount of the income tax that was paid by advances during the period exceeds the amount due, the difference is recognised as a receivable.

Deferred tax is calculated using the liability method of the balance sheet, i.e., on all temporary differences between the tax bases of assets and liabilities and their carrying amounts. The deferred tax is calculated using the tax rates and legal provisions that are expected to be enacted or substantively enacted when the asset is realised or liability settled. Top-up tax is not reflected in calculating deferred tax.

A deferred tax asset is only recognised to the extent that it is probable that future taxable profits will be available against which the deductible temporary difference can be utilised.

Deferred tax assets and liabilities are recognised and presented as non-current assets or non-current liabilities.

s) Revenue

Revenue is measured based on the consideration to which the Company expects to be entitled under the contract with the customer and excludes amounts collected on behalf of third parties (including VAT). The Company recognises revenue when it transfers control of the product or service to the customer.

The Company recognises revenue from the following principal sources:

- sales of chemical products, mainly epoxy and alkyd resins and hydroxides – revenue is recognised when delivered and accepted by the customer
- the rendering of services, in particular the rental of real estate and related services – revenue is recognised at the time the service is rendered; for services of a continuous delivery nature, such as in particular rental and related services, at the end of the contractually defined period
- the sale of goods, which are mainly chemical products similar or identical to those manufactured by the Company – revenue is recognised at the time of delivery and acceptance by the customer.

Revenues are recognised net of VAT, at the values already deducted for any discounts.

Invoices are payable on average around 45 days and are issued at the time of delivery or based on contractual arrangements. Sales contracts do not contain a significant financing component.

t) Other operating income and expenses

Other operating income and expenses particularly include the net result from the liquidation and disposal of non-financial assets, surplus of assets, court fees or their return, property acquired/granted free of charge, the receipt of compensation and gain or loss on sales of investment properties and amortisation of construction in progress which have not produced the desired economic effect.

u) Financial income and financial expenses

Financial income includes income from the sale of shares and other securities, dividends received, interest earned from cash in bank accounts, term deposits and loans, increasing the value of financial assets and net foreign exchange gains. Dividend income from investments is recognised when the shareholders are entitled to receive payment.

Financial expenses include losses from sales of securities and investments and costs associated with this sale, impairment losses relating to financial assets such as stocks, bonds and interest receivables, net foreign exchange losses, interest on own bonds and other securities issued, interest on leases, fees for bank credit, loans, guarantees.

v) Employee benefits

The Company recognises and observes the following categories of employee benefits: :

Short-term employee benefits
The short-term employee benefits include monthly wages and salaries, health and social insurance (adjusted for the amount of pension contributions) paid by the Company for employees, annual incentive bonuses, contributions towards in-house catering, preferential phone and internet packages and recreational packages for employees. A provision is established for incentive bonuses based on the probability of their payment. Most short-term employee benefits are governed by a collective agreement.

Employee benefits after termination of employment (defined contribution pension plans)
The Company pays monthly pension contributions to the state pension plan on behalf of employees, with the Czech government being responsible for providing pensions. The Company pays monthly contributions for its employees in the pension fund plans. In both cases, the scheme is a defined contribution pension plan and these contributions are charged to the profit and loss in the period when the employee is entitled to these benefits.

Other long-term employee benefits
A provision discounted to present value is established for retirement benefits. The provision is calculated using reasonable statistical estimates.

Employee benefits – early termination of employment
These benefits are governed by a collective agreement. Statutory severance pay is due to employees who terminate their employment for organisational reasons during the year. Severance pay increases depending on the length of employment. The cost associated with the provision of such employee benefits is recognised in the profit or loss at the time of the decision to terminate the employment prematurely.

w) Grants

Government grants are support from the state, state agencies and similar local, national or international institutions in the form of the transfers of funds in favour of the Company in exchange for the past or future compliance of certain conditions relating to the operating activities of the entity.

Grants related to expenses are recognised as compensation of the expenses in the period in which they are incurred. A surplus of the received grants over the expenses recognised in the same period is presented in "Other operating income".

A grant related to the acquisition of an asset is recognised by subtracting the amount of the grant from the cost of the asset and ultimately leads to the lower depreciation of related assets.

x) Research and development

Expenditures on research and development are recognised in the profit or loss, except for expenditures on development projects accounted for as intangible assets where future measurable benefits are expected and the related costs are measurable. Development expenditures previously recognised in the profit or loss shall not be considered non-current assets in any subsequent period.

Development expenditures that are recognised as intangible assets are amortised from the start of production of the product to which they relate on a straight-line basis over the estimated useful life of the intangible asset, which shall not exceed five years.

4. CRITICAL JUDGEMENTS FOR THE APPLICATION OF ACCOUNTING RULES AND KEY SOURCES OF UNCERTAINTY IN ESTIMATES

Critical judgements when applying accounting policies

In applying the accounting policies set out in the previous section, management is required to make judgements, assess the content of economic transactions and events, and decide to apply accounting policies in such a way that the financial statements provide users with useful information for their decision-making.

In 2025, no specific considerations or decisions regarding the use of appropriate IFRS accounting policies were made in connection with the preparation of these non-consolidated financial statements.

Key sources of uncertainty in estimates

The Company makes some estimates and assumptions about the future. Estimates are continuously reassessed based on historical developments and experience. In the future, the reality may differ from the currently made and recognised estimates and judgements.

Estimates are reviewed on an ongoing basis and any change (if no error is detected) is recognised in the period in which the estimates are revised and in any affected future periods.

Estimates and assumptions that are associated with a significant risk that the Company will be forced to accrue significant changes in the carrying amounts of the presented assets and liabilities in the next financial year are as follows:

a) Depreciation period of plant and equipment and intangible assets

Non-current assets in the property, plant and equipment category and intangible assets are measured over their useful life using the cost model, i.e., the acquisition cost less depreciation and any impairment. The Company makes relevant estimates of the useful life of the assets used and the depreciation is calculated on a straight-line basis over its useful life. In the following years, a reassessment of the useful life may occur, which may result in adjustments in the calculation of future depreciation, as well as the premature disposal of the asset, resulting in a loss in the amount of the unrecognised carrying amount of the asset. The Company annually performs a revision of the accounting estimates associated with the depreciation of assets..

b) Rights of use and lease liabilities

The valuations of rights of use assets and related lease liabilities are based on the estimated lease term, which for many leases (particularly those for an indefinite period) represents estimates that may be subject to future correction (lengthening, shortening). The valuation of the lease liability and the rights to use the assets is based on the present value of the expected lease payments and the borrowing interest rate is used for the calculation. In the event of any modification to the lease, the conversion will be subject to revision using the current borrowing rate.

c) Expected credit loss to receivables

Before the customer is offered standard payment and delivery terms, the customer goes through an individual credit rating. This rating takes into account external ratings and other referrals from specialised companies. Trade receivables are reviewed on an ongoing basis for any impairment loss using the expected loss model (ECL). The loss ratio is calculated using the roll rate method based on the probability that the receivable goes through successive stages of default until it is written off. Roll rates are calculated separately for exposures in different sectors based on the following common credit risk characteristics – geographic region, age of the customer relationship, and type of product purchased.

d) Income taxes

Deferred tax is measured using tax rates that arise from the applicable tax legislation, which may be amended in the future without the Company's influence and may result in a change in the amount of deferred tax. The actual tax impact may in the future be different from current estimates caused either by a change in the tax law or by a change in the Company's business conduct.

e) Litigation and other legal disputes

The Company, in the context of its business activities, is part of court and other legal disputes for which it evaluates their recognition and/or disclosure in the financial statements. In most cases, it acts as a plaintiff, and in the successful conclusion of the dispute, the Company may incur cash payments. In these cases, the Company only charges the dispute when the dispute is terminated.

If the Company is in the position of the defendant, it recognises a provision if there is a present obligation arising from a past event, its settlement is probable and the amount of the settlement is reliably measurable. If these conditions are not met, the Company considers disclosure of a contingent liability in the notes to the financial statements if its potential impact on the Company would be material. Liabilities that result from published contingent liabilities or even those not recognised and disclosed in the financial statements may have a material impact on the Company's financial position, therefore the Company continuously evaluates on-going and unresolved court and other legal disputes. The Company´s management cooperates with legal counsel and this results in a decision to record a provision or to disclose a contingent liability or conditional asset, if the Company is a party to the claimant's claim.

f) Provisions

Provisions are recognised when, as a result of a past event, the Company has a legal or contractual obligation and it is probable that an outflow of economic benefits will be required to settle the obligation. At the same time, there must be a reasonable estimate of the amount to which the liability may amount.

If the Company expects a reimbursement of some or all of the cost of creation of provisions by another party, the reimbursement is recognised as a separate asset, but only when it is virtually certain that the Company will fulfil its obligation. The reimbursement amount shall not exceed the amount of the provision.

5. PROPERTY, PLANT AND EQUIPMENT

Acquisition cost	Property, plant and structures	Machinery, equipment and motor vehicles	Other tangible assets	Under construction and advances	Total
	TCZK	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2025	2 176 608	2 821 762	196	357 283	5 355 849
Additions	39	18 817	0	118 100	136 956
Disposals	-720	-16 908	0	-10 058	-27 687
Transfers from/to investment property	4 970	0	0	0	4 970
Transfers	125 379	60 074	0	-185 453	0
As at 31 December 2025	2 306 276	2 883 745	196	279 872	5 470 088

Accumulated depreciation	Property, plant and structures	Machinery, equipment and motor vehicles	Other tangible assets	Under construction and advances	Total
	TCZK	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2025	-1 121 945	-2 278 406	0	0	-3 400 351
Depreciation expense	-36 526	-93 291	0	0	-129 817
Disposals	482	16 112	0	0	16 594
Transfers from/to investment property	-4 970	0	0	0	-4 970
As at 31 December 2025	-1 162 960	-2 355 585	0	0	-3 518 545

Loss allowances	Property, plant and structures	Machinery, equipment and motor vehicles	Other tangible assets	Under construction and advances	Total
	TCZK	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2025	-34 316	-6 863	0	0	-41 179
Additions to loss allowances	0	0	0	0	0
Utilisation of loss allowances	28	0	0	0	28
As at 31 December 2025	-34 288	-6 863	0	0	-41 151

Net book value					
	TCZK	TCZK	TCZK	TCZK	TCZK
As at 1 January 2025	1 020 347	536 493	196	357 283	1 914 319
As at 31 December 2025	1 109 028	521 297	196	279 872	1 910 392

As at 31 December 2025 and 31 December 2024, selected assets were pledged in favour of the pledgee to secure the financing provided by a bank syndicate.

In 2025, no interest was capitalised in the value of the acquired non-current assets.

Comparative period information:

Acquisition cost

	Property, plant and structures	Machinery, equipment and motor vehicles	Other tangible assets	Under construction and advances	Total
	TCZK	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2024	1 982 239	2 567 528	196	605 037	5 155 000
Additions	24 402	45 931	0	146 628	216 961
Disposals	-3 239	-17 249	0	-19 372	-39 860
Transfers from/to investment property	23 748	0	0	0	23 748
Transfers	149 458	225 552	0	-375 010	0
As at 31 December 2024	2 176 608	2 821 762	196	357 283	5 355 849

Accumulated depreciation	Property, plant and structures	Machinery, equipment and motor vehicles	Other tangible assets	Under construction and advances	Total
	TCZK	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2024	-1 079 195	-2 225 982	0	0	-3 305 177
Depreciation expense	-30 956	-67 889	0	0	-98 845
Disposals	3 239	15 465	0	0	18 704
Transfers from/to investment property	-15 033	0	0	0	-15 033
As at 31 December 2024	-1 121 945	-2 278 406	0	0	-3 400 351

Loss allowances	Property, plant and structures	Machinery, equipment and motor vehicles	Other tangible assets	Under construction and advances	Total
	TCZK	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2024	-34 316	-6 863	0	0	-41 179
Additions to loss allowances	0	0	0	0	0
Utilisation of loss allowances	0	0	0	0	0
As at 31 December 2024	-34 316	-6 863	0	0	-41 179

Net book value

	TCZK	TCZK	TCZK	TCZK	TCZK
As at 1 January 2024	868 728	334 683	196	605 037	1 808 644
As at 31 December 2024	1 020 347	536 493	196	357 283	1 914 319

In 2024, interest on an investment loan of TCZK 9 187 was capitalised in the value of the acquired non-current assets.

6. INVESTMENT PROPERTY

Leased assets primarily comprise land, which is separated from freely accessible areas as it is located inside guarded premises. The land is developed with strictly purpose-built chemical technologies and is part of, or adjacent to, areas that are affected by chemical production. The Company primarily leases real estate to subsidiaries, especially for specific properties within the production complex in Ústí nad Labem. Due to the nature and especially the location inside the production site, alternative market use is limited.

	Acquisition cost	Accumulated depreciation	Net book value
	TCZK	TCZK	TCZK
Balance as at 1 January 2025	450 675	-258 167	192 508
Depreciation	0	-8 229	-8 229
Transfer from/to Property, plant and equipment	-4 970	4 970	0
As at 31 December 2025	445 705	-261 425	184 280

Comparative period information:

	Acquisition cost	Accumulated depreciation	Net book value
	TCZK	TCZK	TCZK
Balance as at 1 January 2024	474 423	-264 279	210 144
Depreciation	0	-8 921	-8 921
Transfer from/to Property, plant and equipment	-23 748	15 033	-8 715
As at 31 December 2024	450 675	-258 167	192 508

Attributable items to the statement of comprehensive income:

	31 December 2025	31 December 2024
	TCZK	TCZK
Rental income	66 331	66 776
Depreciation	-8 229	-8 921
Direct operating costs (maintenance)	-8 094	-8 174
Operating profit associated with investment property	50 008	49 681

At the time of the adoption of IAS 40, the Company concluded that the fair value of its investment property cannot be reliably determined. This is due to there being no comparable market transactions. Investment property is therefore stated at cost or amortised cost.

As at 31 December 2025, as for properties leased to subsidiaries, investment property comprises real estate with the acquisition cost of TCZK 354 504 (2024: TCZK 354 504), at the amortised cost of TCZK 159 412 (2024: TCZK 163 993) included in the overall balance specified above. The most important is the contract with CHS Epi, a.s., in which real estate is leased at the amortised cost of TCZK 143 597 (2024: TCZK 148 177).

7. INTANGIBLE ASSETS

Acquisition cost	Licenses and patents	Software	Under construction	Total
	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2025	57 786	3 936	4 391	66 113
Additions	14	0	0	14
Disposals	-5 254	0	-91	-5 345
Transfers	950	0	-950	0
Balance as at 31 December 2025	53 498	3 936	3 350	60 782

Accumulated amortisation	Licenses and patents	Software	Under construction	Total
	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2025	-44 048	-3 936	0	-47 984
Amortisation expense	-1 970	0	0	-1 970
Disposals	5 254	0	0	5 254
Balance as at 31 December 2025	-40 764	-3 936	0	-44 700

Net book value	TCZK	TCZK	TCZK	TCZK
As at 1 January 2025	13 738	0	4 391	18 129
As at 31 December 2025	12 733	0	3 350	16 083

Comparative period information:

Acquisition cost	Licenses and patents	Software	Under construction	Total
	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2024	62 652	3 936	3 608	70 196
Additions	542	0	783	1 325
Disposals	-5 408	0	0	-5 408
Transfers	0	0	0	0
Balance as at 31 December 2024	57 786	3 936	4 391	66 113

Accumulated amortisation	Licenses and patents	Software	Under construction	Total
	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2024	-47 666	-3 925	0	-51 591
Amortisation expense	-1 790	-11	0	-1 801
Disposals	5 408	0	0	5 408
Balance as at 31 December 2024	-44 048	-3 936	0	-47 984

Net book value	TCZK	TCZK	TCZK	TCZK
As at 1 January 2024	14 987	10	3 608	18 605
As at 31 December 2024	13 738	0	4 391	18 129

8. RIGHTS OF USE

Net book value	Buildings and structures	Railway cars	Other	Total
	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2025	11 873	9 256	24 482	45 611
Additions	0	0	0	0
Depreciation	-3 957	-5 635	-6 721	-16 313
Balance as at 31 December 2025	7 916	3 621	17 761	29 298

Comparative period information:

Net book value	Buildings and structures	Railway cars	Other	Total
	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2024	0	14 891	0	14 891
Additions	15 831	0	31 725	47 556
Depreciation	-3 958	-5 635	-7 243	-16 836
Balance as at 31 December 2024	11 873	9 256	24 482	45 611

Attributable items to the statement of comprehensive income:

	31 December 2025	31 December 2024
	TCZK	TCZK
Depreciation	-16 313	-16 837
Interest on the lease liability	-2 449	-2 817
Short-term lease costs	-32 788	-32 071
Total	-51 550	-51 725

The Company records the following related lease liabilities:

	31 December 2025	31 December 2024
	TCZK	TCZK
Current portion of lease liability	10 814	16 393
Non-current portion of lease liability	20 198	30 638
Total	31 012	47 031

In 2025, lease liabilities of TCZK 30 583 were paid (2024: TCZK 31 688).

9. INVESTMENTS IN SUBSIDIARIES

As at 31 December 2025	Share in share capital	Acquisition cost	Impairment losses	Carrying amount of share	Equity
	%	TCZK	TCZK	TCZK	TCZK
EPISPOL, a.s.	100	347 131	0	347 131	596 799
CHS Epi, a.s.	100	180 447	0	180 447	107 238
SYNPO, akciová společnost	100	43 921	0	43 921	49 564
SPOLCHEMIE N.V.	100	1 185	0	1 185	955
SPOLCHEMIE Electrolysis, a.s.	100	252 000	0	252 000	807 209
SPOLCHEMIE Green Energy, a.s.	100	2 000	0	2 000	1 906
SPOLCHEMIE Hydrogen, a.s.	100	2 000	0	2 000	1 848
CSS, a.s.	100	17 657	0	17 657	16 604
SPOLCHEMIE Distribution, a.s.	100	1 440	0	1 440	3 815
Total	x	847 781	0	847 781	x

Changes in the structure of investments in subsidiaries

No changes were made in the structure of subsidiaries in 2025.
In 2024, the subsidiary SPOLCHEMIE Distribution, a.s. sold its share in SPOLCHEMIE SK, s.r.o.
At the same time, the subsidiary SYNPO, a.s. purchased a100% business share in Rubio Monocat CZ/SK s.r.o. in 2024.

Registered offices of companies included in ownership interests:

EPISPOL, a.s.	Ústí nad Labem, Revoluční 1930/86, postal code 400 01
CHS Epi, a.s.	Ústí nad Labem, Revoluční 1930/86, postal code 400 32
SYNPO, akciová společnost	Pardubice – Zelené Předměstí, S. K. Neumanna 1316, postal code 532 07
SPOLCHEMIE N.V.	Radarweg 29, 1043 NX, Amsterdam, Kingdom of the Netherlands
SPOLCHEMIE Electrolysis a.s.	Ústí nad Labem, Revoluční 1930/86, postal code 400 32
SPOLCHEMIE Green Energy, a.s.	Ústí nad Labem, Revoluční 1930/86, postal code 400 01
SPOLCHEMIE Hydrogen, a.s.	Ústí nad Labem, Revoluční 1930/86, postal code 400 01
CSS, a.s.	Ústí nad Labem, Revoluční 1930/86, postal code 400 01
SPOLCHEMIE Distribution, a.s.	Ústí nad Labem, Revoluční 1930/86, postal code 400 01

As at 31 December 2024	Share in share capital	Acquisition cost	Impairment losses	Carrying amount of share	Equity
	%	TCZK	TCZK	TCZK	TCZK
EPISPOL, a.s.	100	347 131	0	347 131	613 100
CHS Epi, a.s.	100	180 447	0	180 447	124 774
SYNPO, akciová společnost	100	43 921	0	43 921	47 561
SPOLCHEMIE N.V.	100	1 185	0	1 185	1 055
SPOLCHEMIE Electrolysis, a.s.	100	252 000	0	252 000	936 114
SPOLCHEMIE Green Energy, a.s.	100	2 000	0	2 000	1 924
SPOLCHEMIE Hydrogen, a.s.	100	2 000	0	2 000	1 855
CSS, a.s.	100	17 657	-3 024	14 633	14 076
SPOLCHEMIE Distribution, a.s.	100	1 440	0	1 440	4 195
Total	x	847 781	-3 024	844 757	x

10. PROVIDED LOANS AND OTHER NON-CURRENT RECEIVABLES

	31 December 2025	31 December 2024
	TCZK	TCZK
SPOLCHEMIE Zebra, a.s.	531 205	524 703
SPOLCHEMIE SK, s.r.o.	75 823	182 639
CHS Epi, a.s.	0	23 653
Total	607 028	730 995
of which non-current	531 205	524 703
of which current	75 823	206 292

In 2022, the Company concluded a loan agreement with SPOLCHEMIE Zebra, a.s. under which funds were gradually provided to pay investment expenditures on the Zebra project. The receivables from this loan are subordinated to the liabilities from the Zebra project to Česká spořitelna, a.s., and therefore the receivables up to this amount are classified as non-current as at 31 December 2025.

In 2021, the Company concluded two loan agreements with SPOLCHEMIE SK, s. r. o., under which loans totalling EUR 6 million were provided. In 2025, a portion of the receivable of EUR 3 million was repaid and one of the two contracts was terminated. The maturity of the loan, including accessories, was extended by an amendment until 31 December 2026. In the event of the risk that the debtor would not pay its liabilities in a due and timely manner, KAPRAIN CHEMICALS LIMITED is prepared to conclude contracts to transfer the debt with the Company under standard conditions and for payment in the amount of the nominal value of the debt.

In December 2022, the Company concluded a loan agreement with its subsidiary CHS EPI, a.s. In 2025, the loan was repaid in full.

11. INVENTORIES

	31 December 2025	31 December 2024
	TCZK	TCZK
Raw materials	476 189	630 957
Finished goods	427 484	517 075
Goods for resale	495	344
Carrying amount	904 168	1 148 376

The gross amount of inventories as at 31 December 2025 was TCZK 952 110 (2024: TCZK 1 175 944).

The amount of inventories (including the change) charged to cost in 2025 is TCZK 6 672 021 (2024: TCZK 6 213 559).

12. TRADE RECEIVABLES AND OTHER CURRENT RECEIVABLES

Trade receivables

	31 December 2025	31 December 2024
	TCZK	TCZK
Gross value of trade receivables	1 039 663	1 266 102
Expected credit loss	-41 458	-43 339
Total	998 205	1 222 763

Other current receivables (net)

	31 December 2025	31 December 2024
	TCZK	TCZK
Tax receivables	86 760	73 986
Other	5 211	5 177
Total	91 971	79 163

Tax receivables primarily represent excessive VAT deductions by the Czech tax authorities. The Company is convinced of the recoverability of the aforementioned receivables.

The credit risk analysis is described in the section on financial risk management.

13. INCOME TAX RECEIVABLES

In 2025, the Company reports a corporate income tax receivable of TCZK 16 905 (2024: TCZK 39 405). This receivable arose as the difference between tax prepayments of TCZK 16 905 (2024: TCZK 39 405) and the projected tax liability of TCZK 0 (2024: TCZK 0).

14. CASH AND CASH EQUIVALENTS

	31 December 2025	31 December 2024
	TCZK	TCZK
Bank accounts	295 929	293 037
Cash in hand	161	315
Total	296 090	293 352

15. SHARE CAPITAL AND RESERVES

Authorised and issued shares

	Number of units	31 December 2025 TCZK	Number of units	31 December 2024 TCZK
Ordinary shares with a nominal value of CZK 185, fully paid up	3 878 816	717 581	3 878 816	717 581

Issued shares

As at 31 December 2025, the total amount of the Company's share capital was CZK 717 580 960.

The share capital comprised 3 878 816 certificated registered shares at a nominal value of CZK 185 per share.

The Company recorded no receivables as at 31 December 2025 or 31 December 2024 for the subscribed share capital; the share issue was fully paid. None of the entities controlled by the Company or companies in which the Company has ownership interests own any shares of the Company.

Shareholders

As at 31 December 2025 and 31 December 2024, the sole shareholder of the Company was KAPRAIN CHEMICAL LIMITED.

16. PROVISIONS

	Environmental burdens	Litigations	Other	Employee benefits	Total
	TCZK	TCZK	TCZK	TCZK	TCZK
Balance as at 1 January 2025	277 553	67 475	20 000	44 153	409 181
Additions	0	0	850	36 333	37 183
Utilisation	0	0	0	-17 638	-17 638
Interest	1 878	2 407	0	0	4 285
Release	0	0	-20 000	-19 919	-39 919
Balance as at 31 December 2024	279 431	69 882	850	42 929	393 092
- of which current provisions	25 000	69 882	850	36 848	132 580
- of which non-current provisions	254 431	0	0	6 081	260 512

Provision for the removal of historical environmental burdens

The Company has a contract with the National Property Fund (since 2006 the Ministry of Finance of the Czech Republic, referred to as the "MF"), in which the MF has undertaken to cover the cost of removing old environmental burdens identified as at the date of privatisation of up to TCZK 2 900 000. So far, a total of TCZK 2 811 849 (as at 31 December 2024: TCZK 2 811 811) was spent for these purposes. Soil remediation of the Company's manufacturing facility is currently being carried out.

In the event that the expenditure on the remediation of old environmental burdens exceeds the level of the state guarantee, the Company would be obliged to cover such an expense from its own resources. The quantification of such a potential liability is very complex in the current situation as it depends on a large number of variable factors (the method and extent of the remediation of the remaining environmental burdens, the timing of the commencement and implementation of the remediation work). Based on new developments, the Company is seeking ways to carry out the remaining remediation works with the lowest possible financial impact and to spread the related costs over the coming years.

As a matter of prudence, the Company works with regularly updated estimates of the cost of such construction works, which it compares to the remaining amount of the environmental guarantee as deemed by the MF. The Company now estimates this difference to be approximately CZK 279.4 million (2024: CZK 277.5 million).

Remediation works should be done from 2026 to 2031.

Litigations

Part of the non-current provisions comprises the provision for the payment estimated from the legal dispute over the payment of the submitted promissory note in the amount of the bill of exchange increased by interest and estimated costs of court proceedings totalling TCZK 69 882 (as at 31 December 2024: TCZK 67 475). In 2017, the Company was informed of the issuance of a judicial order to pay the promissory note issued by the Company for TCZK 40 116.

In its judgements of 2021 and 2023, the Regional Court in Ústí nad Labem sided with the Company's argumentation that the promissory note in question was a secured promissory note and that the secured obligation had lapsed many years ago. The plaintiff lodged appeals against the decisions on each occasion and the court of appeal set aside the judgements of the court of first instance repeatedly and remitted the case back to the court of first instance for further proceedings, due to gross formal errors of the court of first instance. In its latest decision, the court of appeal also ordered that the case be decided by a different judge in the future. The Regional Court in Ústí nad Labem, sitting with a different composition of the court, again dismissed the action in its entirety. The plaintiff lodged an appeal against the decision of the Regional Court in Ústí nad Labem; however, as at the end of 2025, the High Court in Prague had not yet ruled on the appeal.

Back in 2017, the Company created a provision for potential risk arising from the legal dispute over the payment of the submitted promissory note, in full, including accessories.

As it is probable that the dispute will be concluded in 2026, the Company recognised the provision as current.

Employee benefits

The Company creates non-current provisions for employee benefits, to which the Company has committed itself in a collective agreement. These are the one-off bonuses paid to employees on retirement that are expected to be paid more than 12 months after the balance sheet date.

Current provisions for employee benefits represent provisions for remuneration for 2025 and part of the one-off bonuses paid to employees on retirement that is expected to be paid during 2025.

17. CURRENT LIABILITIES – TRADE AND OTHER PAYABLES

	31 December 2025	31 December 2024
	TCZK	TCZK
Trade payables		
Trade payables	682 673	1 103 711
Accrued expenses	5 323	15 199
Deferred revenues	52 483	52 969
Estimated payables	197 482	310 374
Total trade payables	*937 961*	*1 482 253*
Other payables		
Liabilities to employees	22 828	21 572
Social security liabilities	7 868	7 531
Health insurance liabilities	4 350	4 164
Tax liabilities	2 504	2 166
Total other payables	*37 550*	*35 433*
Total	975 511	1 517 686

Trade payables breakdown according to their maturity

	31 December 2025	31 December 2024
	TCZK	TCZK
Within due date	975 344	1 093 788
1-90 days overdue	150	9 825
90-180 days overdue	17	5
180-360 days overdue	0	93
More than 360 days overdue	0	0
Total	975 511	1 103 711

18. LIABILITIES FROM BANK LOANS

In 2023, the Company drew down a bank loan from Česká spořitelna, a.s. totalling TEUR 8 000 to finance capital expenditures related to the Zebra project (as at 31 December 2024, the balance amounted to TCZK 193 960). In accordance with the repayment schedule the first instalment is set for 27 March 2026 and the final due date is on 27 December 2033.

At the beginning of 2024, the Company entered into a loan agreement with a syndicate of banks, where Česká spořitelna, a.s. is the main financing bank with a 40% share and the other bank lenders are Československá obchodní banka, a.s. and Raiffeisenbank, a.s. with 30% shares each.

Under this agreement, an instalment loan of TEUR 69 228 was drawn in 2024. In 2025, in addition to two regular quarterly instalments, an extraordinary repayment was also made. As a result of this repayment, instalments due up to 30 April 2026 were repaid early and the amounts of subsequent instalments were significantly reduced. As at 31 December 2025, the outstanding balance amounted to TCZK 602 963 (as at 31 December 2024: TCZK 1 653 103).

In addition, a revolving bank loan of TEUR 23 076 was drawn under this agreement with monthly renewal against a pledge on receivables and inventories; the balance as at 31 December 2025 was TCZK 559 478 (as at 31 December 2024: TCZK 581 169).

	31 December 2025	31 December 2024
	TCZK	TCZK
Investment loan – Investiční úvěr ČS, a.s. (Zebra project)	193 960	201 480
Revolving loan – Revolvingový úvěr ČS, a.s.	559 478	581 169
Installment loan – Splátkový úvěr ČS, a.s.	602 963	1 653 103
Total	1 356 401	2 435 752
of which current portion	623 169	2 435 752
of which non-current portion	733 232	0

The loan agreement specifies financial covenant levels and compliance is assessed on a quarterly basis. Prior to the end of 2025, the banks were informed of a breach of a financial covenant. In view of the shareholder's commitment to provide funds for an extraordinary reduction of the bank loan so that, following this extraordinary repayment, the covenants would again be met, the Company did not breach the terms and conditions of the loan agreement as at 31 December 2025 (see Note 33).

The analysis of currency and interest rate risks is presented in Note 30 Financial risk management.

19. OTHER NON-CURRENT LIABILITIES

In May 2025, loan agreements were entered into with Kaprain Industrial Holding Ltd., under which funds amounting to TEUR 38 974 were provided to the Company (the outstanding balance as at 31 December 2025 amounted to TCZK 947 439). These funds were used to make an extraordinary repayment of the syndicated loan to ensure compliance with the agreed loan covenants.

The liability to Kaprain Industrial Holding Ltd. is subordinated to the receivables of the syndicate of banks for the duration of the syndicated loan. Full repayment of the bank financing is expected by the end of 2026, with the termination of the subordination of this liability expected to take effect from the beginning of 2027.

The analysis of currency and interest rate risks is presented in Note 30 Financial risk management.

20. LIABILITIES FROM THE AUCTION OF OWN SHARES

The Company records a liability from the payment of proceeds from auctions of the Company's shares of TCZK 18 648 (as at 31 December 2024: TCZK 18 761).

21. RECEIVED TRADE ADVANCES

As at 31 December 2025, the Company records a balance of current liabilities from received advances of TCZK 5 020 (2024: TCZK 26 371).

22. REVENUES FROM PRODUCTS, GOODS AND SERVICES

	31 December 2025 TCZK	31 December 2024 TCZK
Revenues from goods	28 942	41 843
Revenues from services	1 152 564	894 389
- of which revenues from reinvoicing of energy	*726 483*	*497 229*
Revenues from products	6 639 064	6 461 980
Total revenues	7 820 570	7 398 212

Revenues from services mainly include revenues from the reinvoicing of energy and other services.

Revenues from products

2025	Domestic TCZK	Export TCZK	Total TCZK
Inorganics	828 425	1 889 503	2 717 928
Epoxy resins	117 600	2 777 388	2 894 988
Special epoxy resins	172 550	480 070	652 620
Alkyds	66 461	307 067	373 528
Total revenues from products	1 185 036	5 454 028	6 639 064

2024	Domestic TCZK	Export TCZK	Total TCZK
Inorganics	817 243	1 989 965	2 807 208
Epoxy resins	114 041	2 606 255	2 720 296
Special epoxy resins	169 674	388 041	557 715
Alkyds	69 560	307 201	376 761
Total revenues from products	1 170 518	5 291 462	6 461 980

Revenues from products – export in 2025

Country	Percentage of revenues – export	Revenues – export TCZK
Germany	35,7	1 946 139
Austria	6,6	357 877
Italy	6,0	324 990
Spain	5,8	315 457
Poland	5,2	286 317
Belgium	4,6	252 285
Slovakia	4,6	249 493
France	4,2	230 111
Sweden	4,2	227 216
Other	23,1	1 264 143
Total	**100,0**	**5 454 028**

Revenues from products – export in 2024

Country	Percentage of revenues – export	Revenues – export TCZK
Germany	35,2	1 863 119
Italy	6,9	366 018
Austria	6,5	344 939
Poland	6,2	326 201
Spain	5,4	285 137
Belgium	4,8	251 987
France	4,4	232 984
Sweden	4,2	222 831
Slovakia	4,0	212 829
Other	22,4	1 185 417
Total	**100,0**	**5 291 462**

23. CONSUMPTION OF MATERIAL AND ENERGY

	31 December 2025	31 December 2024
	TCZK	TCZK
Material consumption	3 539 284	3 485 610
Energy consumption	1 393 223	1 275 404
Costs of reprocessing raw materials	1 666 498	1 627 433
Total	6 599 005	6 388 447

24. LOGISTICS, LEASES AND OTHER SERVICES

	31 December 2025	31 December 2024
	TCZK	TCZK
Costs of short-term leases	39 645	40 052
Logistics services	306 914	305 678
Other services	266 205	256 238
Total	612 764	601 968

Costs of short-term leases mainly relate to railway wagons. These are short-term leases for which the Company used the exemption from the capitalisation of the right-of-use leased asset.

25. PERSONNEL EXPENSES

Structure of personnel expenses

	31 December 2025	31 December 2024
	TCZK	TCZK
Short-term employee benefits		
Wages and salaries	334 350	325 432
Bonuses to members of statutory and supervisory bodies	1 140	1 416
Social security and health insurance expenses	30 382	29 659
Other social expenses	549	1 334
Pension plans	86 694	85 395
Employee benefits for early termination of employment		
Severance pay	2 606	1 293
Total	455 721	444 529

Average number of employees, personnel expenses

	2025	2024
Total average number of employees	589	593
Total personnel expenses (TCZK)	455 721	444 529

The structure of personnel expenses of managers

	31 December 2025	31 December 2024
	TCZK	TCZK
Wages and salaries	19 917	18 151
Health insurance premiums	1 911	1 776
Pension plans	4 227	4 343
Total	26 055	24 270

The Company only provides benefits to the members of the bodies in accordance with the concluded contracts of office.

Supplementary pension scheme

Since 2000, the Company has made contributions to the employees' supplementary pension plans with state insurance contributions. Since January 2014, the monthly individual contribution is TCZK 1. In 2025, these contributions amounted to TCZK 4 680 (2024: TCZK 4 653).

The Company does not record any incurred or contracted pension liabilities to former members of statutory and supervisory bodies.

Employee benefits – early termination of employment

The Company pays out severance payments to employees whose employment was terminated for organisational reasons. In 2025, the Company paid out TCZK 1 751 (2024: TCZK 1 293) in severance pay.

26. OTHER OPERATING INCOME AND EXPENSES

Other operating income

	31 December 2025	31 December 2024
	TCZK	TCZK
Change in provisions	16 089	0
Grants received and compensation of expenses	4 330	6 722
Damages	8 085	569
Profit from the sale of purchased inventories	10 424	2 575
Profit from the sale of property, plant and equipment	569	187
Other operating income	5 498	6 243
Total	44 995	16 296

Other operating expenses

	31 December 2025	31 December 2024
	TCZK	TCZK
Insurance premiums	38 848	30 905
Additions to loss allowances	20 373	881
Taxes and fees	10 667	10 807
Contributions and gifts	3 865	3 128
Change in provisions	0	30 135
Other operating expenses	4 775	18 886
Total	78 528	94 742

27. FINANCIAL INCOME AND EXPENSES

Dividend income

In 2025, the Company, in its capacity as the sole shareholder of Epispol, a.s., CHS Epi, a.s. and SPOLCHEMIE Electrolysis, decided on the distribution of dividends from these companies totalling TCZK 253 012. No dividends were distributed from these companies in the immediately preceding years.

Other financial income	2025	2024
	TCZK	TCZK
Interest income		
- bank accounts	918	3 290
- other interest	28 215	42 988
Net foreign exchange gains on foreign currency transactions	44 695	24 814
Change in provisions and loss allowances	3 024	25 665
Total	76 852	96 757

Other interest income mainly consists of interest arising from loan receivables provided to the controlled entities, mainly a loan to SPOLCHEMIE SK, a.s. of TCZK 5 345 in 2025 (2024: TCZK 10 800) and a loan to SPOLCHEMIE Zebra, a.s. of TCZK 21 029 in 2025 (2024: TCZK 27 067).

Financial expenses	2025	2024
	TCZK	TCZK
Interest expense		
- on loans and borrowings	90 479	106 351
- other interest	1 220	2 252
- interest expense from lease liabilities	2 449	2 817
Factoring expenses	0	1 730
Other financial expenses	16 690	43 835
Total	110 838	156 985

In 2024, more significant other financial expenses were mostly made up of bank expenses in connection with new loans.

Income from financial derivatives

As the Company is a majority exporter, it has regular surpluses of euros which it has to convert to Czech crowns. With respect to euro developments, it regularly concludes term forward transactions to hedge these conversions against exchange rate depreciations.

Apart from the impact of the differences between the current exchange rate and the exchange rate of the conversions on gains, which is recorded in current foreign exchange differences, the Company translates the closed tranches to fair value. The total positive impact on profit or loss from financial derivatives in 2025 was TCZK 25 846 (2024: TCZK 3 300).

As at 31 December 2025, the Company had thus hedged the future conversion for 2026 of EUR 21 million with exchange rates ranging from 24.424 CZK/1 EUR to 25.405 CZK/1 EUR. As at 31 December 2024, this amount was EUR 34.8 million at exchange rates 25.401 CZK/1 EUR and 25.47 CZK/1 EUR.

28. INCOME TAX

	31 December 2025	31 December 2024
	TCZK	TCZK
Current tax		
Previous periods	0	4 667
Current year	0	0
Deferred tax		
Impact of changes in temporary differences	7 577	21 744
Total income tax	7 577	26 411

Reconciliation of effective tax rate	31 December 2025	31 December 2024
	TCZK	TCZK
Profit/loss before tax	**139 862**	**-123 723**
Income tax rate	21%	21%
Income tax calculated	-29 371	25 982
Deferred tax	0	4 667
Impact of tax non-deductible expenses	-17 434	- 18 470
Impact of tax-exempt income	54 382	13 374
Total calculated income tax	7 577	26 411
	-5,42%	21,35%
Effective income tax rate		

The largest portion of tax-exempt income relates to received dividends.
The Company does not record any tax arrears with the locally competent tax authority.

Deferred tax

	Assets		Liabilities		Changes	
	2025	2024	2025	2024	2025/2024	2024/2023
	TCZK	TCZK	TCZK	TCZK	TCZK	TCZK
Difference between the book and tax value of non-current assets	12 539	14 012	-73 397	-81 882	7 012	-11 775
Tax losses	30 073	31 866	0	0	-1 793	31 866
Inventories and receivables	16 646	10 910	0	0	5736	-56
Provisions	82 549	85 928	0	0	-3 379	1 709
Deferred tax asset/(liability)	141 807	142 716	-73 397	-81 882	7 576	21 744
Deferred tax balance recorded	68 410	60 834	x	x	x	x

As at 31 December 2025, the Company recorded usable tax losses from previous years of TCZK 143 203, giving rise to deferred tax assets of TCZK 30 073 (as at 31 December 2024: TCZK 31 866). The tax losses may be utilised until 2030.

In accordance with the accounting policy, a tax rate of 21% was used to calculate deferred tax.

The Company is part of a multinational group that falls within the scope of the global minimum tax (the Pillar Two top-up tax), which is effective for accounting periods beginning in 2025. Based on a preliminary assessment of the expected financial results, Company's management expects that no top-up tax liability will arise for the 2025 accounting period.

29. RELATED PARTY TRANSACTIONS

The Company is involved in the following transactions with related parties:

Receivables and payables with related parties

	Receivables as at 31 December		Payables as at 31 December	
	2025	2024	2025	2024
	TCZK	TCZK	TCZK	TCZK
Subsidiaries				
EPISPOL, a. s.	0	4 796	77 303	66 712
SPOLCHEMIE N.V.	0	0	777	0
SYNPO, akciová společnost	1 219	1 982	0	2 926
CHS Epi, a.s.	69 546	63 546	0	0
SPOLCHEMIE Electrolysis, a.s.	55 207	208 853	0	152 419
SPOLCHEMIE Zebra, a.s.	110 370	138 107	0	163 430
CSS, a.s.	651	252	0	6 061
Spolchemie, a.s.	311	291	0	0
Other related parties				
Fortischem, a.s.	0	791	140	0
Total	237 304	418 618	78 220	391 548

The Company's payables are generated mainly from the purchase of services under the toll fee regime and other overhead services. The presented amounts include estimated payables. Trade receivables are not secured.

Loans provided to related entities

	Provided loans as at 31 December	
	2025	2024
	TCZK	TCZK
SPOLCHEMIE Zebra, a.s.	531 205	524 703
SPOLCHEMIE SK, s.r.o.	75 823	182 639
CHS Epi, a.s.	0	23 653
Total	607 028	730 995

Purchase, sales and reinvoicing volumes with related parties

	Purchases		Sales and reinvoicing	
	2025	2024	2025	2024
	TCZK	TCZK	TCZK	TCZK
Subsidiaries				
SYNPO, akciová společnost	31 847	29 071	16 483	16 889
EPISPOL, a.s.	351 022	288 941	223 284	165 505
SPOLCHEMIE Electrolysis, a.s.	718 214	745 260	701 736	653 969
CHS Epi, a.s.	404 559	364 374	308 418	237 424
SPOLCHEMIE Distribution, a.s.	0	0	0	0
SPOLCHEMIE Zebra, a.s.	241 769	236 269	522 154	338 191
CSS, a.s.	42 597	44 895	3 155	3 026
Total of consolidated companies	1 790 518	1 709 710	1 775 230	1 415 004
Fortischem, a.s.	123	42 222	0	4 178
Kaprain, a.s.	1 930	1 017	0	0
Total of other related parties	2 053	43 239	0	7 221
Total	1 792 571	1 752 949	1 775 230	1 422 225

The overview of purchase and sales transactions does not include recorded interest income from loans to subsidiaries of TCZK 21 107 (2024: TCZK 40 326).

The most significant volume is comprised of the mutual purchases and sales with three subsidiaries, i.e., EPISPOL, a.s., which produces low molecular weight epoxy resins for the Company, CHS Epi, a.s., which manufactures products for the Company in the field of chlorine chemistry and SPOLCHEMIE Electrolysis, a.s., which produces sodium and potassium lye. These companies operate in toll-fee mode. The Company provides these companies with all the necessary infrastructure and administrative services.

Another significant volume comprises intercompany material flows between the Company and SPOLCHEMIE Zebra, a.s.

Furthermore, in 2025 the Company received a loan from Kaprain Industrial Holding Ltd. of TCZK 947 439.

Members of statutory and supervisory bodies, and members of management

In addition to bonuses, the Company also covers the liability insurance of members of statutory and supervisory bodies and management. In 2025, the Company paid TCZK 701 in liability insurance (2024: TCZK 675).

In 2025 and 2024, the Company's executives were not provided with any non-monetary benefits, with the exception of benefits included in the contracts of office. For more information, see the comments in Note 25 PERSONNEL EXPENSES.

30. FINANCIAL RISK MANAGEMENT

Financial risk factors

The overall risk management strategy seeks to minimise potential adverse effects on the Company's financial performance. In its activities, the Company faces the following financial and other risks:

a) Market risk
   a. Currency risk
   b. Commodity risk
b) Interest rate risk
c) Credit risk
d) Liquidity risk
e) Operating risk

(a) Market risk

The market risk for the Company is derived primarily from changes in market prices, foreign exchange rates, share prices or commodity prices and their impact on the firm's profits. The total exposure to market risk depends on the structure of profit and loss and the sensitivity of individual assets and liabilities to any changes in market prices.

a. Currency risk

Currency risk is the type of risk generated by the changing value of one currency against another currency. Because the Company exports and imports most of its production and material, it is exposed to currency risk, primarily with respect to the euro. The currency risk is significantly eliminated by natural hedging due to the Company´s sales and purchases of raw material and energy denominated in the same currency.

The Company has financial market trading framework agreements with banks, under which the Company enters into partial forward transactions to hedge against negative fluctuations in the EUR/CZK exchange rate. In 2025, the conversions undertaken totalled EUR 34.8 million at exchange rates ranging from CZK 25.401 to 25.470/EUR.

As at 31 December 2025, transactions totalling EUR 21 million at exchange rates ranging from CZK 24.424 to 25.405/EUR were entered into for 2026.

The Company seeks to maximise the natural form of currency hedging as the most effective form of currency risk elimination. Purchases of raw materials, as well as energy and services are made in euros, which increases the natural coverage of the risk of exchange rate changes resulting from movements in the EUR/CZK exchange rate. The volume of purchases in EUR for 2025 represented 69% of the volume of sales in EUR (2024: 71%).

The Company further eliminates the effect of currency risk by arranging part of the loan financing in EUR.

Receivable and payable classification by currency

As at 31 December 2025	CZK	EUR	USD	Other	Total
	TCZK	TCZK	TCZK	TCZK	TCZK
Receivables	516 528	1 206 415	6 922	192	1 730 057
Liabilities	-571 628	-2 756 116	-7 955	0	-3 335 699

As at 31 December 2024	CZK	EUR	USD	Other	Total
Receivables	516 528	1 206 415	6 922	192	1 730 057
Liabilities	-571 628	-2 756 116	-7 955	0	-3 335 699

As mentioned above, the Company's management seeks the natural hedging of the currency risk, including the actual settlement of receivables and payables.

Sensitivity analysis of financial instruments in foreign currency to changes in foreign exchange rates

The appreciation (depreciation) of the Czech crown by CZK 0.25 against EUR and USD, as described below, would result in an increase/decrease of the profit/loss as follows: Any potential strengthening of the EUR exchange rate, which has a negative impact on the economic result, is significantly neutralised by the neutral monetary hedging through forward trading (see above).

TCZK.	31 December 2025	31 December 2024
	TCZK	TCZK
Appreciation of EUR	-13 796	-18 356
Appreciation of USD	-13	132
Depreciation of EUR	28 664	35 876
Depreciation of USD	13	- 132

b. .Commodity risk

The Company is exposed to commodity risk arising from changes in the prices of raw materials and energy. The Company manages the commodity risk in a way that includes contractual agreements with customers to adjust the selling price if a change in the purchase price of raw materials and energy occurs.

(b) Interest rate risk

The interest rate risk arises from movements in market interest rates. The Company is exposed to changes in interest rates, particularly in the credit area, depending on the development of the announced interest rates.

The Company reports the following interest-bearing financial instruments as at the reporting date:

Financial instruments with fixed interest rate	31 December 2025	31 December 2024
	TCZK	TCZK
Other non-current loans	947 439	0
Non-current receivables	91 211	89 371
Current receivables	0	23 653

Financial instruments with a variable interest rate	31 December 2025	31 December 2024
	TCZK	TCZK
Non-current bank loans	733 232	201 480
Current bank loans	623 169	2 234 272
Non-current receivables	439 994	435 332
Current receivables	75 823	182 639

Sensitivity analysis of financial instruments with variable interest rates

A change of 100 basis points in the interest rate would increase or decrease profit as follows:

Financial instruments with a variable interest rate	31 December 2025	31 December 2024
	TCZK	TCZK
Sensitivity to cash flow – increase of interest rate	-8 406	-18 178
Sensitivity to cash flow – decrease of interest rate	8 406	18 178

Effective interest rate and revaluation analysis

The table shows the effective interest rates of interest-bearing financial assets and financial liabilities as at the balance sheet date and the periods in which they are revalued

31 December 2025	Effective interest rate in %	Receivable/liability amount in TCZK	Future change in interest rate	Due date
Total receivables CZK	7,26	6 634	*	To 2033
Total receivables EUR	5,58	509 183	*	To 2033
Total interest-bearing receivables		515 817		
Total bank loans EUR	4,53	1 356 401		To 2033
Total liabilities EUR	0,50	901 410		To 2027
Total interest-bearing liabilities		2 257 811		

* No change is expected in the contractual interest rates. The current rate depends only on changes in the rates announced by central banks according to individual bank loan agreements. In the case of a bank loan, it is also possible to change the margin set by the bank depending on the assessment of the given covenant.

31 December 2024	Effective interest rate in %	Receivable/liability amount in TCZK	Future change in interest rate	Due date
Total receivables CZK	7,70	6 280	*	To 2033
Total receivables EUR	6,53	611 691	*	To 2033
Total interest-bearing receivables		617 971		To 2033
Total bank loans EUR	5,34	2 435 752		To 2033
Total interest-bearing liabilities		2 435 752		

Carrying amounts and fair values

	Carrying amount 2025	Fair value 2025	Carrying amount 2024	Fair value 2024
	TCZK	TCZK	TCZK	TCZK
Non-current receivables	531 205	504 540	524 703	498 364
Bank loans	-1 356 401	-1 352 320	-2 421 927	-2 312 989
Non-bank loans	-947 439	-913 273	-42 405	-42 405
Unpaid interest on bank loans	-5 041	-5 041	-13 825	-13 825
Trade and other payables and advances	-1 026 818	-1 022 888	-1 612 793	-1 606 620

The carrying amount of receivables and cash is reasonably approximate to their fair value, mainly due to their current nature.

(c) Credit risk

Credit risk is the risk arising from the inability or unwillingness of counterparties to honour their commitments. Counterparty (customer) solvency is the most important criterion that must be reviewed and evaluated periodically.

The Company has, within its internal credit policy, a defined strategy (internal rules and regulations) which ensures that products and services are sold to customers under appropriate terms and conditions. Before the customer is offered standard payment and delivery terms, the customer goes through a credit rating. This rating takes into account external ratings and other referrals from specialised companies. The Company also uses the services of a credit insurance firm, and insures the major part of its receivables. This insurance also minimises the negative impact of any expected credit risk. The evaluation and implementation of customer credit limits is carried out by the Finance Department (Credit Manager). The credit policy also includes rules against exceeding the credit limit or the deterioration of payment discipline.

The maximum exposure to credit risk as at the balance sheet date was as follows:

Net book value	31 December 2025	31 December 2024
	TCZK	TCZK
Non-current receivables	531 205	524 703
Trade receivables	998 205	1 222 763
Other receivables and advances	200 647	345 110
Cash	296 090	293 352
Total	2 026 147	2 385 928

The Company does not have any customer having more than a 10% share in the value of the trade receivables.

Analysis of maturity of current trade receivables

	31 December 2025	Expected credit loss	31 December 2024	Expected credit loss
	TCZK	TCZK	TCZK	TCZK
Within due date	954 279	-3 436	1 165 206	-3 481
1-90 days overdue	48 326	-964	61 312	-274
91-180 days overdue	1 076	-1 076	10	-10
181-360 days overdue	20	-20	10	-10
More than 360 days overdue	35 962	-35 962	39 564	-39 564
Total	1 039 663	-41 458	1 266 102	-43 339
Net book value		998 205		1 222 763

Changes in expected credit losses related to trade receivables

	31 December 2025	31 December 2024
	TCZK	TCZK
Balance as at 1 January	-43 338	-42 457
Creation of loss allowance	-2 544	-3 138
Release of loss allowance	3 273	2 257
Utilisation of loss allowance – receivables write-off	1 151	0
Balance as at 31 December	-41 458	-43 338

The development and balance of accumulated impairment losses on loans granted is evident from the information provided in Note 10.

(d) Liquidity risk

Liquidity is the firm's ability to meet financial obligations as they fall due. Liquidity risk is the potential possibility that the Company will not be able to meet its financial obligations at their maturity dates. Prudent liquidity management requires maintaining sufficient cash on hand and cash equivalents and the availability of funding through an adequate number of committed credit facilities.

To control the cost of their own products and services, the Company uses a method of cost allocation by activity, which allows the monitoring of cash flow requirements and optimises the return on investment. In order to ensure sufficient liquidity to cover operating costs, the Company uses a standardised working capital management system, in particular receivables management and inventory optimisation.

The payment of the Company's liabilities according to their maturity is stated below:

As at 31 December 2025	Contractual cash flows						
	Due up to 2 months	2 - 6 months	6 – 12 months	1 - 2 years	2 - 5 years	Over 5 years	Total
	TCZK	TCZK	TCZK	TCZK	TCZK	TCZK	TCZK
Loans	-5 041	-12 123	-611 046	-1 050 576	-309 412	-320 683	-2 308 881
Lease liabilities	-2 248	-4 138	-4 428	-11 688	-8 510	0	-31 012
Other liabilities	-865 448	-137 819	-77 915	-26 637	-235 161	-50 959	-1 393 939
Total	-872 737	-154 080	-693 389	-1 088 901	-553 083	-371 642	-3 733 832

As at 31 December 2024	Contractual cash flows						
	Due up to 2 months	2 - 6 months	6 – 12 months	1 - 2 years	2 - 5 years	Over 5 years	Total
	TCZK	TCZK	TCZK	TCZK	TCZK	TCZK	TCZK
Loans	70 718	77 791	2 400 988	103 109	176 883	50 838	2 880 327
Lease liabilities	2 820	5 530	8 043	12 218	18 420	0	47 031
Other liabilities	1 308 060	185 654	105 482	192 170	184 445	41 537	2 017 348
Total	1 381 598	268 975	2 514 513	307 497	379 748	92 375	4 944 706

(e) Operational risk

Operational risk is generally defined as the possibility of loss due to operational deficiencies and errors. In the narrower definition, operational risk is a risk arising from operating the firm's business activities. In a broader sense, operational risk includes all the risks that are not attributed to credit risk, market risk or liquidity risk.

The Company manages its operational and production risks to avoid financial losses and damage. These risks primarily relate to monitored depreciation (wear and tear) of the Company's machinery and equipment, the risks connected with shutdowns and insurance.

The effects of everyday use of equipment and machinery continually increase over time. Nevertheless, the Company prepares plans every year to carry out preventive maintenance and shutdowns to eliminate the risk of unplanned shutdowns. At the same time, regular maintenance is carried out according to pre-approved schedules during the operation of individual devices, which further reduces the risk of shutting down the technology due to a fault.

The Company continuously modernises and optimises individual operations both as part of routine maintenance and as part of the technical evaluation of existing technologies. This leads to more efficient and, last but not least, more environmentally-friendly production.

The Company has insurance coverage for most of its important assets (e.g., insurance for property and equipment and liability insurance) to cover most of the risks and major claims.

31. RESEARCH AND DEVELOPMENT

In 2025, the Company spent TCZK 59 368 (2024: TCZK 56 843) on research and development. Of this, in-house expenses on research and development activities amounted to TCZK 34 948 (2024: TCZK 33 216).

32. CONTINGENT LIABILITIES

Provided guarantees

SPOLCHEMIE Zebra, a.s.

At the end of 2021, and with the participation of the Company, SPOLCHEMIE Zebra, a.s. concluded agreements with a strategic foreign partner, with subjects being the construction of a new production unit for the production of a new precursor and a long-term agreement on precursor supplies to the foreign partner. The Company as the originator of a newly patented technology assumed full responsibility to successfully complete the construction of the production unit. The trial operation was launched in March 2024 and the final product has been supplied to foreign partner since summer 2024.

As part of the arrangement on long-term precursor supplies, the Company assumed the guarantee for the supplies and potential payments associated with the breach of the obligation to supply a minimum binding amount of up to EUR 16 million a year. In addition, the potential liability of the Company is limited to EUR 30 million.

On 27 September 2022, SPOLCHEMIE Zebra and the Company concluded a loan agreement with Česká spořitelna, a.s., under which a loan was drawn to fund the construction of the production unit concerned. In an amendment to the subject loan agreement from the end of 2023, the maximum loan amount was increased to EUR 66 million. The Company is a co-borrower of this loan together with SPOLCHEMIE Zebra, a.s.

Management is not aware of any other significant contingent liabilities of the Company as at 31 December 2025.

33. SUBSEQUENT EVENTS

On 23 January 2026, the Company entered into a loan agreement with the Company’s sole shareholder, under which a loan of TCZK 480 000 was provided to the Company. The proceeds from the loan were subsequently used by the Company to partially repay liabilities under the syndicated loan dated 20 March 2024, thereby remedying the breach of a financial covenant under the relevant syndicated loan. The receivable of the sole shareholder arising from the loan agreement is subordinated to the receivables of the banks under the syndicated loan.

The current geopolitical situation has an impact on the Company’s performance, particularly with respect to purchase and selling prices. Based on the information currently available, no negative impact on the Company is expected.

After the balance sheet date there were no other events that were not specified in the previous points of these notes to the financial statements and that would have a significant impact on the financial statements as at 31 December 2025.

7 REPORT ON RELATIONS

SPOLCHEMIE

Report of the Board of Directors of Spolek pro chemickou a hutní výrobu, akciová společnost, on relations between the controlling entity and the controlled entity and between the controlled entity and the entities controlled by the same controlling entity for the accounting period of 2025 (“Report on Relations”)

prepared in accordance with Section 82 et seq. of Act No. 90/2012 Coll., on Business Companies and Cooperatives (Act on Business Corporations), as amended (hereinafter referred to as the “**ABC**”)

The Board of Directors of **Spolek pro chemickou a hutní výrobu**, akciová společnost, with its registered office in Ústí nad Labem, Revoluční 1930/86, postal code 40032, ID number: 000 11 789, entered in the Commercial Register kept by the Regional Court in Ústí nad Labem, under file number 47, section B, as a controlled company, prepared the following Report on Relations for the past accounting period from 1 January 2025 to 31 December 2025 (hereinafter referred to as the “**Decisive Period**”).

1 Controlled entity

1.1 Controlled entity

The controlled entity is **Spolek pro chemickou a hutní výrobu, akciová společnost,** with its registered office in Ústí nad Labem, Revoluční 1930/86, postal code 40032, ID number: 000 11 789, entered in the Commercial Register kept by the Regional Court in Ústí nad Labem, under file number 47, section B (hereinafter referred to as the “**Controlled Entity**”).

1.2 Controlling entity

According to the information available to the Board of Directors of the Controlled Entity acting with due diligence, the controlling entity of the Controlled Entity in the Decisive Period was **Mr Karel Pražák**, with his residence at Otradovická 730/9, Kamýk, 142 00 Prague 4, born on 3 April 1969 (hereinafter referred to as the “**Controlling Entity**”), who, according to the information available to the Board of Directors of the Controlled Entity, controlled the Controlled Entity indirectly through **KAPRAIN CHEMICAL LIMITED**, with its registered office at Archiepiskopou Makariou III, 88, 1077 Nicosia, Cyprus, registration number: HE 381813 (hereinafter referred to as “**KAPRAIN CHEMICAL**”), which in the Decisive Period exercised the voting rights with shares representing a 100% share in the voting rights of the Controlled Entity.

In the Decisive Period, KAPRAIN CHEMICAL was controlled by the Controlling Entity indirectly through **KAPRAIN INDUSTRIAL HOLDING LIMITED**, with its registered office at Archiepiskopou Makariou III, 88, 1077 Nicosia, Cyprus, registration number: HE 338896 (hereinafter referred to as “**KIHL**”), which in the Decisive Period exercised the voting rights with shares representing a 100% share in the voting rights in KAPRAIN CHEMICAL.

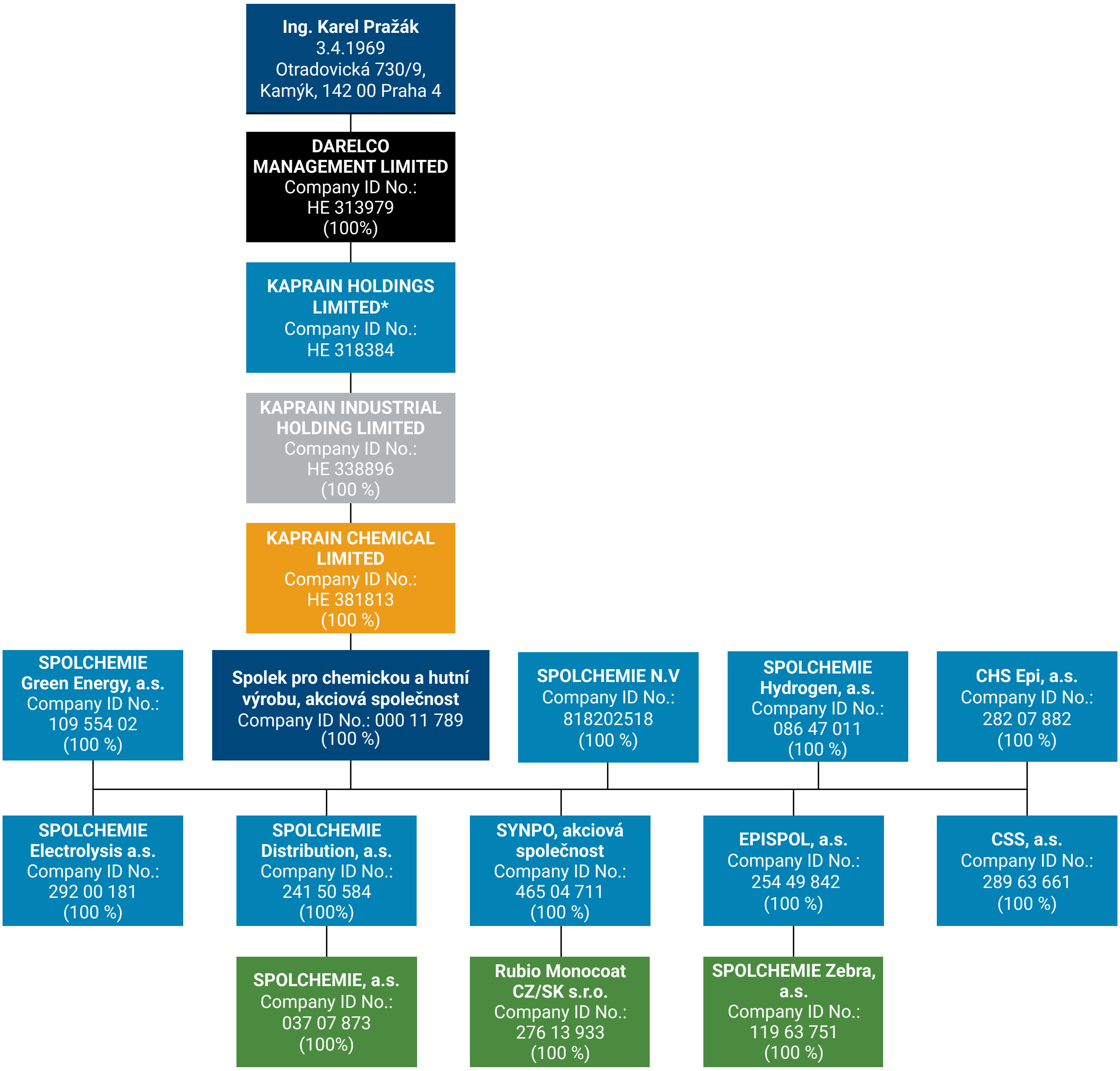
In the Decisive Period, KIHL was controlled by the Controlling Entity indirectly through **KAPRAIN HOLDINGS LIMITED**, with its registered office at Archiepiskopou Makariou III, 88, 1077 Nicosia, Cyprus, registration number: HE 318384 (hereinafter referred to as “**KAPRAIN HOLDINGS**”), which in the Decisive Period exercised the voting rights with a share representing a 100% share in the voting rights in KIHL.

In the Decisive Period, KAPRAIN HOLDINGS was controlled by the Controlling Entity indirectly through **DARELCO MANAGEMENT LIMITED**, with its registered office at Archiepiskopou Makariou III, 88, 1077 Nicosia, Cyprus, registration number: HE 313979 (hereinafter referred to as “**DARELCO**”), which was the sole member of KAPRAIN HOLDINGS with voting rights in the Decisive Period.

In the Decisive Period, DARELCO was controlled by the Controlling Entity directly as the sole member exercising the voting rights connected to its 100% ownership interest in DARELCO.

1.3 Graphic depiction of relations between the Controlling Entity and the Controlled Entity and between the Controlled Entity and entities controlled by the same Controlling Entity

In the diagram on the following page, the relations between the individual entities in the structure of controlling relations are presented from the Controlling Entity to the Controlled Entity with the shares in the voting rights for the individual entities/companies as at 31 December 2025.



* DARELCO MANAGEMENT LIMITED is the sole member of KAPRAIN HOLDINGS LIMITED with voting rights.

All the entities that were controlled by the same Controlling Entity during the Decisive Period are presented in Appendix no. 1 to this Report on Relations.

2 Method and means of control in the Decisive Period

According to the information available to the Controlled Entity's Board of Directors, the Controlling Entity controlled the Controlled Entity indirectly through KAPRAIN CHEMICAL. KAPRAIN CHEMICAL was controlled by KIHL. KIHL was controlled by KAPRAIN HOLDINGS, which was controlled by DARELCO.

According to the information available to the Controlled Entity's Board of Directors, DARELCO was controlled directly by the Controlling Entity as the sole member of DARELCO in the Decisive Period.

According to the information available to the Controlled Entity's Board of Directors, DARELCO was the sole member of KAPRAIN HOLDINGS with voting rights in the Decisive Period.

In the Decisive Period, KAPRAIN HOLDINGS exercised the voting rights with a share representing a 100% share in the voting rights of KIHL.

In the Decisive Period, KIHL exercised the voting rights with a share representing a 100% share in the voting rights of KAPRAIN CHEMICAL.

In the Decisive Period, KAPRAIN CHEMICAL exercised the voting rights with shares representing a 100% share in the voting rights of the Controlled Entity.

3 The group of Spolek pro chemickou a hutní výrobu in the Decisive Period

The Controlled Entity is a managing entity of the group pursuant to Section 79 of the ABC, which included the following companies as managed entities during the Decisive Period.

Legal entity	Company ID No. (IČO)	from – to
SYNPO, akciová společnost Pardubice - Zelené Předměstí, S.K. Neumanna 1316, PSČ 532 07	46504711	1/1/2025 – 31/12/2025
EPISPOL, a.s. Revoluční 1930/86, Ústí nad Labem – centrum, 400 01 Ústí nad Labem	25449842	1/1/2025 – 31/12/2025
SPOLCHEMIE Electrolysis a.s. Ústí nad Labem, Revoluční 1930/86, PSČ 400 32	29200181	1/1/2025 – 31/12/2025
SPOLCHEMIE Hydrogen, a.s. Revoluční 1930/86, Ústí nad Labem-centrum, 400 01 Ústí nad Labem	08647011	1/1/2025 – 31/12/2025
SPOLCHEMIE N.V. Radarweg 29, 1043 NX, Amsterdam, Nizozemské království	818202518	1/1/2025 – 31/12/2025
SPOLCHEMIE Distribution, a.s. Revoluční 1930/86, Ústí nad Labem – centrum, 400 01 Ústí nad Labem	24150584	1/1/2025 – 31/12/2025
CHS Epi, a.s. Ústí nad Labem, Revoluční 1930/86, PSČ 400 32	28207882	1/1/2025 – 31/12/2025
SPOLCHEMIE, a.s. Prokopova 148/15, Žižkov, 130 00 Praha 3	03707873	1/1/2025 – 31/12/2025
CSS, a.s. Revoluční 1930/86, Ústí nad Labem-centrum, 400 01 Ústí nad Labem	28963661	1/1/2025 – 31/12/2025
SPOLCHEMIE Zebra, a.s. Revoluční 1930/86, Ústí nad Labem-centrum, 400 01 Ústí nad Labem	11963751	1/1/2025 – 31/12/2025
SPOLCHEMIE Green Energy, a.s. Revoluční 1930/86, Ústí nad Labem-centrum, 400 01 Ústí nad Labem	10955402	1/1/2025 – 31/12/2025
Rubio Monocoat CZ/SK s.r.o. S. K. Neumanna 1316, Zelené Předměstí, 530 02 Pardubice	27613933	1/1/2025 – 31/12/2025

4 Role of the Controlled Entity in the structure of controlling relations in the Decisive Period

The Controlled Entity stands as a managing entity in the head of a group containing the companies specified in Article 3 of this Report of Relations. The top management of the Controlled Entity contributes to the management in other group companies and in the assertion of the group's interests through mandate and other contracts. The Controlled Entity is a manufacturer of synthetic resins and a wide range of chemical products from inorganic chemistry, using the other companies from the group for their production and processing.

5 Overview of actions taken at the initiative or in the interest of the Controlling Entity or entities controlled by the Controlling Entity showing the characteristics pursuant to Section 82 (2) (d) of the ABC

During the Decisive Period the Controlled Entity did not take any legal actions or other measures at the initiative of the Controlling Entity or entities controlled by the Controlling Entity that concern assets exceeding 10% of the Controlled Entity's equity ascertained according to the financial statements for the accounting period immediately preceding the accounting period for which the Report on Relations was prepared.

6 Overview of mutual contracts between the Controlled Entity and the Controlling Entity and between the Controlled Entity and entities controlled by the Controlling Entity

6.1 Contracts concluded between the Controlled Entity and the Controlling Entity that were valid in the Decisive Period:

No agreements were concluded between the Controlled Entity and the Controlling Entity that would be valid in the Decisive Period.

6.2 Contracts concluded between the Controlled Entity and the entities controlled by the Controlling Entity that were valid in the Decisive Period:

CSS, a.s.

- Contract for the provision of services dated 1 January 2011, as amended
- Contract for the lease of non-residential premises dated 2 January 2015
- Contract for the provision of IT services dated 1 June 2010
- Framework agreement on the regulation of mutual relations in contracting a leased vehicle dated 1 June 2010
- Contract for the provision of telecommunication services dated 23 June 2010
- Framework agreement on the regulation of mutual relations, rights, obligations and services dated 23 June 2010
- Mandate contract dated 1 November 2016
- Agreement on the processing of personal data dated 25 May 2018

CHS Epi, a.s.

- Framework agreement on the regulation of mutual relations, rights, obligations and services dated 25 September 2013
- Service contract dated 30 September 2013
- Lease agreement dated 1 October 2013, as amended
- Lease agreement dated 1 October 2013
- Cooperation agreement dated 1 October 2013, as amended
- Framework contract for work dated 1 October 2013, as amended
- Mandate contract dated 1 November 2016, as amended
- Framework purchase agreement dated 21 November 2016
- Contract on mutual relations dated 1 August 2017
- Agreement on the processing of personal data dated 25 May 2018
- Contract for the provision of services dated 20 December 2021, as amended
- Loan agreement dated 12 December 2022, as amended

SPOLCHEMIE Electrolysis, a.s.

- Lease agreement dated 1 December 2013, as amended
- Framework contract for work dated 8 April 2014, as amended
- Cooperation agreement dated 4 August 2014, as amended
- Framework agreement on the regulation of mutual relations, rights, obligations and services dated 9 November 2015
- Mandate contract dated 1 November 2016, as amended
- Agreement on the processing of personal data dated 25 May 2018
- Contract for the establishment of the right of construction dated 30 October 2019
- Energy supply agreement dated 20 December 2019
- Contract for the provision of services dated 20 December 2021, as amended

SYNPO, akciová společnost

- Contract for work dated 15 January 2025
- Contract for the protection of confidential information dated 30 August 2021
- Confidentiality agreement dated 8 September 2021
- Contract for the participation in a project solution dated 6 May 2021
- Licence agreement dated 11 January 2022
- Settlement agreement for invention rights and patent applications dated 15 April 2024
- Contract for the lease of a vehicle dated 16 December 2023
- Contract amending mutual rights dated 22 July 2025

EPISPOL, a.s.

- Framework agreement on the regulation of mutual relations, rights, obligations, provision of services and adoption of the management system dated 1 October 2004
- Framework contract for work dated 7 December 2015
- Cooperation agreement dated 7 December 2015, as amended
- Mandate contract dated 1 November 2016, as amended
- Agreement on the processing of personal data dated 25 May 2018
- Contract for the establishment of the right of construction dated 4 June 2020
- Contract for the protection of confidential information dated 20 June 2020
- Contract for the provision of services dated 20 December 2021, as amended
- Intercreditor agreement dated 15 December 2022
- Contract for the protection of confidential information dated 30 January 2023
- Energy supply agreement dated 20 December 2024

KAPRAIN, a.s.

- Mandate contract for provision of services dated 22 August 2024

KAPRAIN INDUSTRIAL HOLDING LIMITED

- Contract for consideration for a loan guarantee dated 23 July 2024
- Loan agreement dated 29 April 2025
- Loan agreement dated 22 May 2025

7 Evaluation of advantages, disadvantages and risks and any settlement of damage incurred by the Controlled Entity

The Controlled Entity mainly derives benefits from participation in the structure of the control relations. The main advantages lie in the strong financial background of the Group with more favourable access to financing, from which the Controlled Entity benefits mainly in concluding transactions with its suppliers, as well as in negotiations with banks and other lenders, thus reducing costs.

The Controlled Entity did not incur any disadvantages or risks from the relations that are the subject of this Report on Relations during the Decisive Period, nor has it suffered any damage from these relations.

Thus the settlement of damages pursuant to Sections 71 and 72 of the ABC is not applicable.

8 Generalisation of information that comprises the subject of business secrets

The Board of Directors of the Controlled Entity states that any information that comprises the subject of the business secrets of the Controlling Entity, Controlled Entity, or other entities controlled by the Controlling Entity are generalised in the Report on Relations to an adequate extent corresponding to the purpose of the Report on Relations.

This report was prepared by the Board of Directors, as the statutory body of the Controlled Entity, on the basis of information that was known to the members of the Board of Directors, as persons acting with due managerial care.

Ústí nad Labem, 31 March 2026

Spolek pro chemickou a hutní výrobu, akciová společnost

Pavel Jiroušek
Vice-chairman of the Board of Directors

Daniel Tamchyna
Vice-chairman of the Board of Directors

Appendix no. 1 – Group structure and relationships
List of companies directly or indirectly controlled by the same controlling entity
Controlling entity: Karel Pražák

Company name	Identification/ registration number	Country of registration	Method and means of control	Note	Controlled through
Darelco Management Limited	313979	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		Karel Pražák
KAPRAIN Holdings Limited	318384	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		Darelco Management Limited
KAPRAIN Financial Holding Limited	179241	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		KAPRAIN Holdings Limited
KAPRAIN Real Estate Holding Limited	338897	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		KAPRAIN Holdings Limited
KAPRAIN Industrial Holding Limited	338896	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		KAPRAIN Holdings Limited
Fayvex Limited	451965	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		KAPRAIN Holdings Limited
Jejomar Capital Limited	318224	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		Fayvex Limited
KAPRAIN SPORT & ENTERTAINMENT HOLDING LIMITED	447644	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		KAPRAIN Holdings Limited
KAPRAIN a.s.	289 50 216	Czech Republic	Entity controlled by the same controlling entity through property shares	.	Jejomar Capital Limited
AB – CREDIT a. s.	405 22 610	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Financial Holding Limited
Alcathous Limited	264875	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		KAPRAIN Financial Holding Limited
CM – CREDIT a.s.	250 95 048	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Financial Holding Limited
CP Inkaso s.r.o.	290 27 241	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Financial Holding Limited
Travel Investment s.r.o.	258 76 881	Czech Republic	Entity controlled by the same controlling entity through property shares	until 31 July 2025 50%, from 31 July 2025 100%	AB – CREDIT a. s.
TRAVEL FAMILY s.r.o.	170 49 415	Czech Republic	Entity controlled by the same controlling entity through property shares	until 31 July 2025 50%, from 31 July 2025 100%	Travel Investment s.r.o.

KOVOTOUR PLUS s.r.o.	623 01 055	Czech Republic	Entity controlled by the same controlling entity through property shares (50%)	until 31 July 2025	Travel Investment s.r.o.
TRAVEL FAMILY AIR s.r.o.	258 77 178	Czech Republic	Entity controlled by the same controlling entity through property shares (50%)	until 31 July 2025	KOVOTOUR PLUS s.r.o.
FELLSIDE LIMITED	403362	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		Alcathous Limited
Via Chem Group, a.s.	26694590	Czech Republic	Entity controlled by the same controlling entity through property shares		FELLSIDE LIMITED
Tritiaco Limited	360704	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		KAPRAIN Financial Holding Limited
PUBLICOLA s.r.o.	053 06 159	Czech Republic	Entity controlled by the same controlling entity through property shares		AB – CREDIT a. s.
CAVALET TRADE, s.r.o.	050 60 575	Czech Republic	Entity controlled by the same controlling entity through property shares		AB – CREDIT a. s.
RUBICUS s.r.o.	058 09 541	Czech Republic	Entity controlled by the same controlling entity through property shares	from 12 November 2025	AB – CREDIT a. s.
Carta Nevada, SE	291 49 703	Czech Republic	Entity controlled by the same controlling entity through property shares	from 12 November 2025	RUBICUS s.r.o.
incrate s.r.o.	097 79 965	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Industrial Holding Limited
Kaprain Rubber a.s.	109 21 371	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Industrial Holding Limited
Rubena, s.r.o.	097 25 351	Czech Republic	Entity controlled by the same controlling entity through property shares		Kaprain Rubber a.s.
Rubena UK LTD	138 14 834	United Kingdom	Entity controlled by the same controlling entity through property shares		Rubena, s.r.o.
Kaprain Rubber 2 s.r.o.	179 32 092	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Industrial Holding Limited
Gumokov, a.s.	000 12 131	Czech Republic	Entity controlled by the same controlling entity through property shares		Kaprain Rubber 2 s.r.o.
GK – Properties, s.r.o.	220 22 741	Czech Republic	Entity controlled by the same controlling entity through property shares	from 6 February 2025	Kaprain Rubber 2 s.r.o.
Kaprain SK a.s.	283 61 881	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Industrial Holding Limited

Derlea Holdings Limited	349253	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
Tenacity Limited	180866	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
WAIPA ENTERPRISES LIMITED	213047	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
Vítězné náměstí s.r.o.	285 11 441	Czech Republic	Entity controlled by the same controlling entity through property shares (50%)		Derlea Holdings Limited
Office Star Two, spol. s r.o.	276 39 169	Czech Republic	Entity controlled by the same controlling entity through property shares	until 19 December 2025 (ceased to exist as a result of a merger, the successor company is ARENDON a.s.)	Tenacity Limited
Office Star Five, spol. s r.o.	276 39 185	Czech Republic	Entity controlled by the same controlling entity through property shares	until 22 April 2025	Tenacity Limited
AXATAU a.s.	273 80 041	Czech Republic	Entity controlled by the same controlling entity through property shares		WAIPA ENTERPRISES LIMITED
ARANCIATA a.s.	276 21 707	Czech Republic	Entity controlled by the same controlling entity through property shares		WAIPA ENTERPRISES LIMITED
LONGORIA a.s.	276 30 188	Czech Republic	Entity controlled by the same controlling entity through property shares		WAIPA ENTERPRISES LIMITED
MIDATANER a.s.	290 55 768	Czech Republic	Entity controlled by the same controlling entity through property shares		WAIPA ENTERPRISES LIMITED
C & R Office Center One s.r.o.	282 29 045	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
C & R Office Center Three s.r.o.	282 28 944	Czech Republic	Entity controlled by the same controlling entity through property shares	until 19 December 2025 (ceased to exist as a result of a merger, the successor company is ARENDON a.s.)	KAPRAIN Real Estate Holding Limited
DOMUS SENES, s.r.o.	604 70 771	Czech Republic	Entity controlled by the same controlling entity through property shares	until 22 April 2025	KAPRAIN Real Estate Holding Limited
DOMUS SENES Property s.r.o.	096 66 389	Czech Republic	Entity controlled by the same controlling entity through property shares	until 22 April 2025	DOMUS SENES, s.r.o.

King´s Bridge Apartment s.r.o.	142 81 562	Czech Republic	Entity controlled by the same controlling entity through property shares	until 22 April 2025	DOMUS SENES, s.r.o.
ZEFFIRO s.r.o.	279 13 571	Czech Republic	Entity controlled by the same controlling entity through property shares	until 17 April 2025	KAPRAIN Real Estate Holding Limited
ZEFFIRO Property s.r.o.	175 57 658	Czech Republic	Entity controlled by the same controlling entity through property shares	until 17 April 2025	ZEFFIRO s.r.o.
KAPRAIN DEVELOPMENT s.r.o.	274 50 732	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
KAPRAIN FACILITY s.r.o.	070 54 033	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
FLUMINE ENERGY s.r.o.	261 81 568	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
Sport Living Letňany s.r.o.	067 19 741	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
Troja Hills a.s.	061 16 221	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
DOC Mercury, a.s.	057 10 031	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
FINERGIS REAL, a.s.	267 06 199	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
DeVe Invest Budimex s.r.o. (until 30 April 2025 under the name Family Living Říčany s.r.o.)	046 33 768	Czech Republic	Entity controlled by the same controlling entity through property shares	until 19 December 2025 (ceased to exist as a result of a merger, the successor company is ARENDON a.s.)	KAPRAIN Real Estate Holding Limited
Family Living Horoměřice s.r.o.	052 48 809	Czech Republic	Entity controlled by the same controlling entity through property shares	until 19 December 2025 (ceased to exist as a result of a merger, the successor company is ARENDON a.s.)	KAPRAIN Real Estate Holding Limited
Andego Real 1 s.r.o.	071 77 551	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
Andego Real 2 s.r.o.	071 78 093	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
Andego Real 3 s.r.o.	071 78 131	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited

Andego Real 4 s.r.o.	071 78 212	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
Andego Real 5 s.r.o.	071 78 387	Czech Republic	Entity controlled by the same controlling entity through property shares	until 2 April 2025	KAPRAIN Real Estate Holding Limited
Andego Real 6 s.r.o.	175 07 782	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
KAPRAIN Realty Trade a.s.	072 75 005	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
Regal Properties s.r.o.	171 10 165	Czech Republic	Entity controlled by the same controlling entity through property shares	until 30 April 2025	KAPRAIN Realty Trade a.s.
REVOL 13 s.r.o.	199 30 623	Czech Republic	Entity controlled by the same controlling entity through property shares	until 30 April 2025	KAPRAIN Realty Trade a.s.
ČESKOMORAVSKÁ INVEST s.r.o.	241 42 751	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Realty Trade a.s.
EUROCAPITAL SE	087 99 181	Czech Republic	Entity controlled by the same controlling entity through property shares (70%)		KAPRAIN Realty Trade a.s.
Lormont Limited	241449	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		EUROCAPITAL SE
Arendon Hospitality, s.r.o.	071 83 127	Czech Republic	Entity controlled by the same controlling entity through property shares	until 15 December 2025	Lormont Limited
Arendon Development Company a.s.	282 46 268	Czech Republic	Entity controlled by the same controlling entity through property shares	until 15 December 2025	Lormont Limited
ARENDON a.s.	274 11 800	Czech Republic	Entity controlled by the same controlling entity through property shares		Lormont Limited
Arendon Infrastructure, s.r.o.	071 82 929	Czech Republic	Entity controlled by the same controlling entity through property shares	until 15 December 2025	Lormont Limited
Arendon Hospitality F&B s.r.o.	140 51 729	Czech Republic	Entity controlled by the same controlling entity through property shares	until 15 December 2025	Arendon Hospitality, s.r.o.
Living Strašnice s.r.o.	234 97 378	Czech Republic	Entity controlled by the same controlling entity through property shares	from 15 July 2025	ARENDON a.s.
DeVe Invest Two s.r.o.	072 71 344	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
DeVe Fashion Store s.r.o.	086 82 089	Czech Republic	Entity controlled by the same controlling entity through property shares (80%)		DeVe Invest Two s.r.o.

DeVe Invest Three s.r.o.	072 72 863	Czech Republic	Entity controlled by the same controlling entity through property shares	until 22 April 2025	KAPRAIN Real Estate Holding Limited
POP Family resort a.s.	142 57 505	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
Paleoinvest s.r.o.	086 28 424	Czech Republic	Entity controlled by the same controlling entity through property shares		POP Family resort a.s.
Paleoinvest 2 s.r.o.	108 24 235	Czech Republic	Entity controlled by the same controlling entity through property shares	until 14 May 2025	KAPRAIN Real Estate Holding Limited
POP Airport s.r.o.	062 63 615	Czech Republic	Entity controlled by the same controlling entity through property shares		POP Family resort a.s.
DREITONEL Three a.s.	241 88 107	Czech Republic	Entity controlled by the same controlling entity through property shares		POP Family resort a.s.
POP Outlet Services a.s.	052 71 894	Czech Republic	Entity controlled by the same controlling entity through property shares		POP Family resort a.s.
DREITONEL One s.r.o.	039 39 863	Czech Republic	Entity controlled by the same controlling entity through property shares		POP Family resort a.s.
DREITONEL Two s.r.o.	039 39 880	Czech Republic	Entity controlled by the same controlling entity through property shares		POP Family resort a.s.
Majaland Praha s.r.o.	039 39 898	Czech Republic	Entity controlled by the same controlling entity through property shares		POP Family resort a.s.
POP Entertainment Services s.r.o.	064 94 536	Czech Republic	Entity controlled by the same controlling entity through property shares		POP Family resort a.s.
POP retail s.r.o.	107 25 008	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
Tera Properties a.s.	095 68 981	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
Kovářská 939 s.r.o.	077 01 144	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
Harfa BC C s.r.o.	140 84 775	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited
Harfa District a.s.	170 58 414	Czech Republic	Entity controlled by the same controlling entity through property shares (60%)		KAPRAIN Real Estate Holding Limited
DeVe Invest Letňany s.r.o.	172 41 421	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN Real Estate Holding Limited

KAPRAIN SPORT, ENTERTAINMENT & SHOPPING HOLDING a.s.	195 32 326	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN SPORT & ENTERTAINMENT HOLDING LIMITED
Kaprain Ice s.r.o.	108 24 723	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN SPORT & ENTERTAINMENT HOLDING LIMITED
Kaprain Ice Letňany s.r.o.	117 39 983	Czech Republic	Entity controlled by the same controlling entity through property shares		Kaprain Ice s.r.o.
ICE CZECH LETŇANY a.s.	257 98 715	Czech Republic	Entity controlled by the same controlling entity through property shares		Kaprain Ice s.r.o.
ALS Investors, a.s.	079 05 149	Czech Republic	Entity controlled by the same controlling entity through property shares (75%)		Kaprain Ice s.r.o.
AR DELTA, a.s.	284 30 824	Czech Republic	Entity controlled by the same controlling entity through property shares (75%)		ALS Investors, a.s.
HC Sparta Praha a.s.	618 60 875	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN SPORT & ENTERTAINMENT HOLDING LIMITED
Holešovice Services s.r.o.	091 70 065	Czech Republic	Entity controlled by the same controlling entity through property shares		HC Sparta Praha a.s.
KAPRAIN Fotbal s.r.o.	232 35 110	Czech Republic	Entity controlled by the same controlling entity through property shares	from 30 April 2025	KAPRAIN SPORT & ENTERTAINMENT HOLDING LIMITED
Fotbalový klub Pardubice a.s.	275 83 473	Czech Republic	Entity controlled by the same controlling entity through property shares (95%)	From 22 August 2025 69.5%, from 20 October 2025 95%	Kaprain Fotbal s.r.o.
KAPRAIN CHEMICAL LIMITED	381813	Republic of Cyprus	Entity controlled by the same controlling entity through property shares		KAPRAIN Industrial Holding Limited
Kaprain Chemical Slovakia s.r.o.	199 21 268	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN CHEMICAL LIMITED
FORTISCHEM a.s.	46 693 874	Slovakia	Entity controlled by the same controlling entity through property shares		Kaprain Chemical Slovakia s.r.o.
Spolek pro chemickou a hutní výrobu, akciová společnost	000 11 789	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN CHEMICAL LIMITED
SPOLCHEMIE Hydrogen, a.s.	086 47 011	Czech Republic	Entity controlled by the same controlling entity through property shares		Spolek pro chemickou a hutní výrobu, akciová společnost
SPOLCHEMIE N.V.	34277853	The Netherlands	Entity controlled by the same controlling entity through property shares		Spolek pro chemickou a hutní výrobu, akciová společnost

SYNPO, akciová společnost	465 04 711	Czech Republic	Entity controlled by the same controlling entity through property shares		Spolek pro chemickou a hutní výrobu, akciová společnost
Rubio Monocoat CZ/SK s.r.o.	276 13 933	Czech Republic	Entity controlled by the same controlling entity through property shares		SYNPO, akciová společnost
CSS, a.s.	289 63 661	Czech Republic	Entity controlled by the same controlling entity through property shares		Spolek pro chemickou a hutní výrobu, akciová společnost
EPISPOL, a.s.	254 49 842	Czech Republic	Entity controlled by the same controlling entity through property shares		Spolek pro chemickou a hutní výrobu, akciová společnost
SPOLCHEMIE Distribution, a.s.	241 50 584	Czech Republic	Entity controlled by the same controlling entity through property shares		Spolek pro chemickou a hutní výrobu, akciová společnost
CHS Epi, a.s.	282 07 882	Czech Republic	Entity controlled by the same controlling entity through property shares	.	Spolek pro chemickou a hutní výrobu, akciová společnost
SPOLCHEMIE, a.s.	037 07 873	Czech Republic	Entity controlled by the same controlling entity through property shares		SPOLCHEMIE Distribution, a.s.
SPOLCHEMIE Green Energy, a.s.	109 55 402	Czech Republic	Entity controlled by the same controlling entity through property shares		Spolek pro chemickou a hutní výrobu, akciová společnost
SPOLCHEMIE Zebra, a.s.	119 63 751	Czech Republic	Entity controlled by the same controlling entity through property shares		EPISPOL, a.s.
SPOLCHEMIE SK, s.r.o.	47 454 750	Slovakia	Entity controlled by the same controlling entity through property shares	10% ownership interest held by Kaprain Chemical Slovakia s.r.o.	KAPRAIN CHEMICAL LIMITED (90%)
SPOLCHEMIE Electrolysis a.s.	292 00 181	Czech Republic	Entity controlled by the same controlling entity through property shares		Spolek pro chemickou a hutní výrobu, akciová společnost
Kovoprojekta Brno a.s.	463 47 011	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN CHEMICAL LIMITED
Synthesia, a.s.	601 08 916	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN CHEMICAL LIMITED
Výzkumný ústav organických syntéz a.s.	601 08 975	Czech Republic	Entity controlled by the same controlling entity through property shares		Synthesia, a.s.
Centrum organické chemie s.r.o.	287 78 758	Czech Republic	Entity controlled by the same controlling entity through property shares		Výzkumný ústav organických syntéz a.s.

INVAZ s.r.o.	259 89 308	Czech Republic	Entity controlled by the same controlling entity through property shares (51%)	until 14 October 2025, the controlling entity was Synthesia, a.s.	Synthesia Nitrocellulose, a.s.
Synthesia Nitrocellulose, a.s.	223 44 071	Czech Republic	Entity controlled by the same controlling entity through property shares		Synthesia, a.s.
Synthesia Power, a.s.	231 73 114	Czech Republic	Entity controlled by the same controlling entity through property shares	from 1 September 2025	Synthesia, a.s.
MAFRA a.s.	453 13 351	Czech Republic	Entity controlled by the same controlling entity through property shares		KAPRAIN CHEMICAL LIMITED
LONDA spol. s r.o.	492 41 931	Czech Republic	Entity controlled by the same controlling entity through property shares		MAFRA a.s.
LIN a.s.	257 20 767	Czech Republic	Entity controlled by the same controlling entity through property shares		LONDA spol s r.o.
ACOMWARE s.r.o.	250 47 965	Czech Republic	Entity controlled by the same controlling entity through property shares	until 31 October 2025, the controlling entity was MAFRA a.s.	KAPRAIN CHEMICAL LIMITED
MAFRA Slovakia, a.s.	51 904 446	Slovakia	Entity controlled by the same controlling entity through property shares		MAFRA a.s.
Stanice O, a.s.	265 09 911	Czech Republic	Entity controlled by the same controlling entity through property shares		MAFRA a.s.
IRS Network a.s.	274 16 046	Czech Republic	Entity controlled by the same controlling entity through property shares	until 12 June 2025	MAFRA a.s.
Ticketportal HU KA	01-09-920573	Hungary	Entity controlled by the same controlling entity through property shares	until 12 June 2025, the controlling entity was IRS Network a.s.	MAFRA Slovakia, a.s.
Ticketportal SK, s.r.o.	358 50 698	Slovakia	Entity controlled by the same controlling entity through property shares	until 12 June 2025	IRS Network a.s.
IRSnet CZ s.r.o.	267 32 122	Czech Republic	Entity controlled by the same controlling entity through property shares (90%)	until 12 June 2025	IRS Network a.s.
OLISADEIS, s.r.o.	176 99 363	Czech Republic	Entity controlled by the same controlling entity through property shares		MAFRA a.s.

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