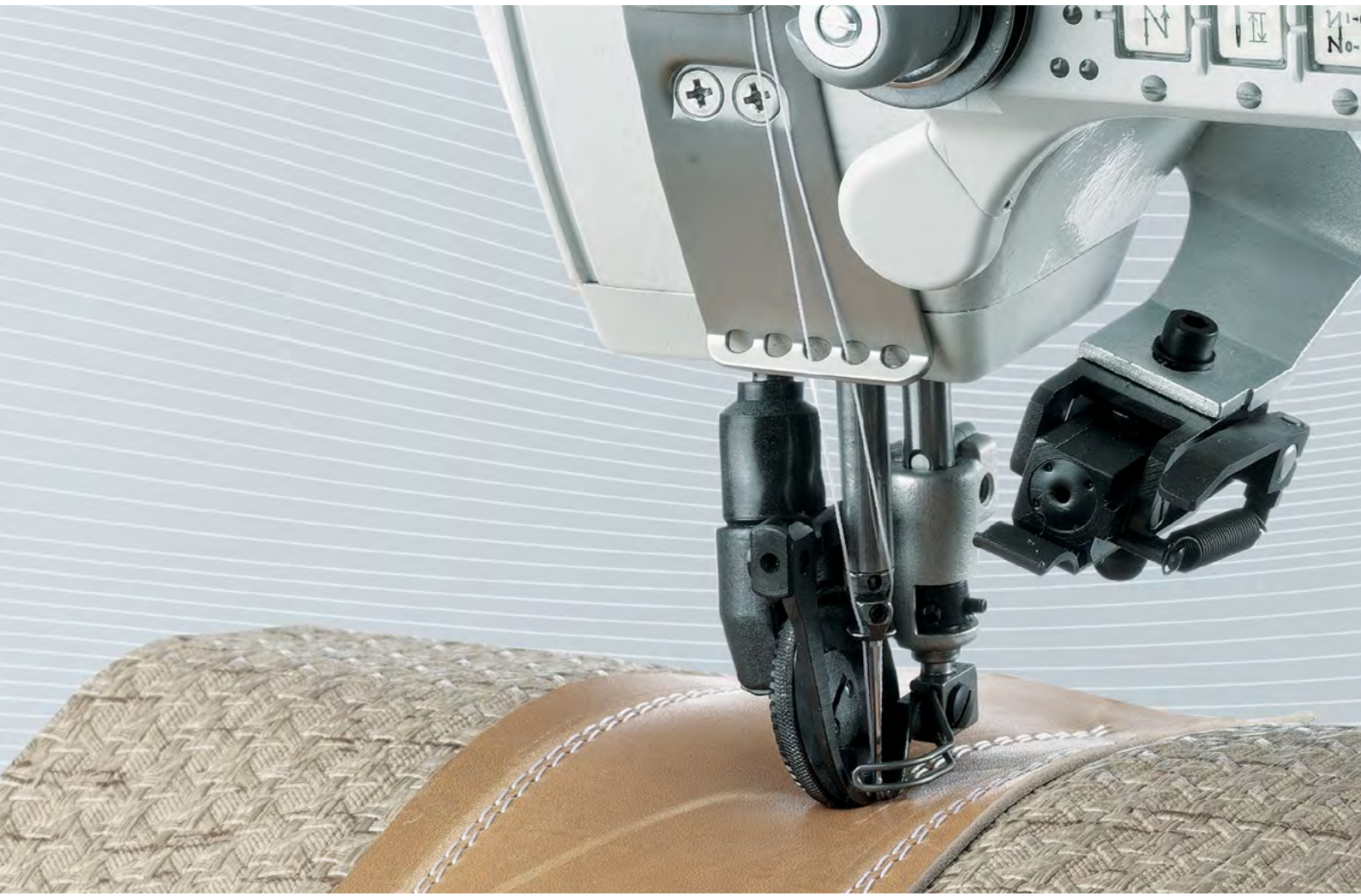


Annual Report 2025



MINERVA[®]
Member of DÜRKOPP ADLER Group

Basic Information about the Company

Business Name and Headquarters

MINERVA BOSKOVICE, a.s.
Sokolská 1318/60, Boskovice, 680 01, Czech Republic
IČO (Reg.no.): 00010944

Incorporation of the Company

The company was incorporated in a single transaction through a Memorandum of Foundation by the Ministry of Engineering and Electrotechnics of the Czech Republic as a joint stock following Ministerial Decision No. 112/1990 of 17/12/1990 as per Act 104/1990 Coll. – the Joint Stocks Act.

It was entered in the Commercial Register on 01/01/1991 as MINERVA BOSKOVICE, a.s. for an unlimited period of time, and is now registered in the Commercial Register at the Regional Court of Brno, Section B File 210, with the identification number 00010944.

Business Activities as Given in the Commercial Register

- Smithery
- Metalworking
- Catering activities
- Galvanisation of metals and enamel coating
- Manufacture, installation and repair of electrical machinery and tools, electronic and telecommunication facilities
- Production, trade and services other than those listed in Annexes 1 to 3 to the Trades Licensing Act
- Locksmithery and manufacture of tools
- Road cargo transport – inland cargo transport with vehicles below 3.5 t maximum permissible weight; international cargo transport with vehicles below 3.5 t maximum permissible weight; occasional inland passenger transport; occasional international passenger transport

The company's core activity is the production and sale of industrial sewing machines for footwear, leather, textile and haberdashery sewing.

Annual Report 2025

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Overview of the Company's Activities in 2025 Presented by the Board of Directors

*Dear shareholders and business partners,
The year 2025 has ended and the company's Board of Directors
hereby presents the annual report for the period.*

Financial Position of the Company in 2025

2025 was a period of transformation for our company. It faced adverse market effects that resulted in a year-to-year decline in orders. In response to this declining demand, the company optimised its production capacity and adjusted its shifts scheme. Cost-saving measures also included restructuring of human resources, as part of which the head count was reduced for organisational reasons. These steps were aimed at creating a more flexible organisational chart which would be ready for the anticipated revival of the markets, and maintaining competitiveness in the upcoming years. The adopted measures led to stabilising cash flows and allowed the company to maintain its key processes.

The only key customer in 2025 was Dürkopp Adler GmbH, the parent company, with its headquarters in Bielefeld, Germany, where most of the company's production was sold. A smaller portion of machines and spare parts were sold directly to intragroup companies. The turnovers from the sale of industrial sewing machines, including assemblies, spare parts and services, dropped to 1,070.3 mil. CZK, a year-to-year decline of 5.4% as the 2024 turnovers were 1,131.6 mil. CZK. A total of 14,167 units including assemblies were sold. Compared to 2024 with 15,037 units, this was a decline of 5.8%.

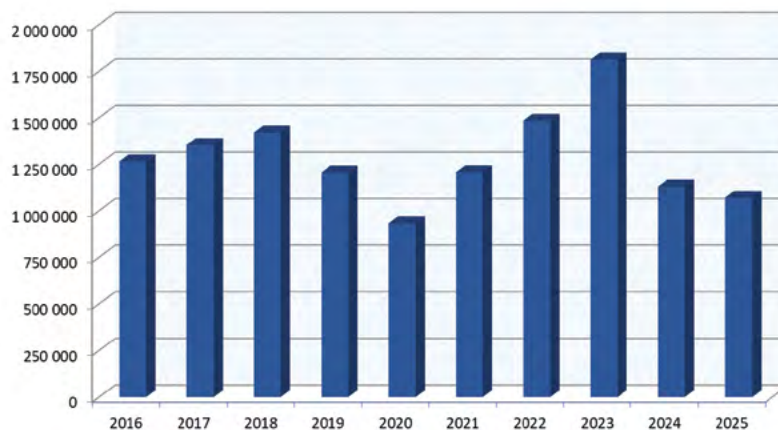
The primary reasons for the lack of orders was the general performance drop of European markets, linked to deliveries of sewing machines to the automotive industry (approx. 40%), strong competition from other manufacturers of industrial sewing machines, especially those from China, which are pushing down selling prices, expanding their European sales network, and using AI to design new equipment and software. The ongoing conflict in Ukraine and the ban on exports to Russia have had an adverse effect on the textiles industry and the related markets, also influencing sales of sewing machines. The current US international policy associated with tariffs on imports to the USA, and the fluctuation of the US dollar, are affecting transoceanic markets. The global instability also impacts on customers' decision-making on investments, and investments projects are in many cases being postponed to subsequent years, or completely dropped.

Minerva is known as a high quality and reliable manufacturer of sewing machines under the Dürkopp Adler brand, and has its own design and software development. It is regarded as an excellent supplier by customers worldwide, and focuses on tailored solutions for existing as well as new customers. At the end of 2025, it successfully passed the occupational health and safety management audit as per the ISO 45001:2018 standard.

Despite all these difficulties, the company reported a profit for 2025. It made investments totalling 45.3 mil. CZK into new technologies, refurbishment of machining equipment, production equipment and tools. The construction work on the new production hall was finished and the hall was approved for use, and the photovoltaic project within the company's premises was completed.

The inventory totalled 281.4 mil. CZK as of 31/12/2025, a 5.5% decline year-to-year. Reducing inventory levels during a decline in production is a key factor for the company in order to provide cash flow and cut storage costs.

Summary of turnovers in 2016–2025 (in CZK thousand)



Research and development

The Design and Development Department worked especially on the following development tasks, following the engagement from the parent company and in close collaboration with it:

- **Class 867 VF and AE machines** – flatbed sewing machines with innovated vertical knife (VF) and vertical knife with edging attachment (AE).
- **Class 910 machines** – CNC sewing machines in small-size and especially large-size models according to the sewing field size. The production documents for the large-size model were entered in SAP and are ready for the assembly of trial series, scheduled for 2026.

In connection with this project, the Design and Development Department also prepared full production documents for the extension of the assembly line to double the production capacity. This involved especially the following:

- Modification of the assembly trolleys to make them more versatile for small as well as large machines
- Draft and design of new assembly line modules

These works were carried out by the prototype workshop.

The Design and Development Department was thus in full control of the assembly line extension project. The necessary equipment was subsequently installed in the Assembly Unit in December 2025.

- **Class 912 machines** – modular CNC sewing machines whose main benefit is great variability, enabling the installation of various looper compartments as per the customer's specification and requirements. Versions with a horizontal, vertical and CB looper are assumed, with two bobbin sizes. Sewing fields up

to 800 x 1000 mm will be used. By the end of 2025, the study was completed and a functional model was assembled. Along with the basic production costs outline, the project was passed on to the marketing department of Dürkopp Adler GmbH, the parent company, for assessment.

The production design group worked primarily on the following tasks:

- Control and maintenance of production documents. Some 740 technical modifications were issued and processed during the year.
- Transfer of production of parts and assemblies for Class 170, 610, 630 and 550 DABI machines.
- Transfer of production of parts and assemblies for Class 562x and 548x PFAFF machines.
- Preparation of parts lists for new machinery; maintenance of existing parts lists.
- Modifications of production documents following the requirements of production, costs saving measures, and changes in production technologies.

For the HW team, the year 2025 was similar to the previous year especially from the viewpoint of the possibility to become more intensely engaged in boosting the efficiency of production processes. The reduction in development tasks, however, reveals more and more the fact that production has been suffering for a long time from a lack of staff with adequate qualifications.

The company's portfolio of products is increasingly focused on sophisticated automated machinery, with a growing use of electronic circuitry and the complexity of software solutions. This naturally leads to increasing demands on staff expertise, a factor which is currently compensated to some degree by involving SW/HW staff in production support.

If this trend continues, it will be necessary for the company to respond adequately and systematically increase the skills of its assembly personnel.

A broad range of ordinary activities could be mentioned in this respect regarding the previous period, namely control of design documents, resolving a large number of technical modifications, continuous communication with suppliers, staff trainings, visits to DABI, participating in teleconferences, cooperation with the prototype workshop and the testing laboratory, and servicing work in production. These activities are not apparent at first sight, but are nevertheless just as important for the smooth production flow and successful completion of projects as the actual high-priority assembly activities.

The SW team was primarily involved in the implementation of new functions for CNC machines, especially as regards improvement of the user interface, implementation of contour test functions, sewing sequences and other complementary functionalities.

They also worked on the completion and extension of the barcode scanner application, especially as regards support for other types of scanners and the extension to new types of communication interfaces.

The team also provided assistance in the development of new trim control for Class 867 machines, implementation of remote control, and the setting of parameters through DACaccess application, as well as interface modifications for QONDAC.

During the year, work was launched on the transformation of the 195 Classic machine into Premium, and on the possible implementation of the Commander touchpad control panel for Class 610 and 630 machines. General improvement of software continued.

The Engagements Group, which focuses on carrying out customers' special requirements, is still a very important part of the Design and Development Department. The same importance is given to support for the production of assembly parts if the serial production workshops have insufficient capacity, or in the initial stages of assembly of new products when full-fledged production equipment is not yet available.

The assembly staff of the Design and Development Department, besides their own projects, also continually and pro-actively provide support for serial production. This entails mainly staff substitution in assembly lines and stitching operations, especially during spikes in labour demand or when sickness rates in serial production rise.

Many technical feasibility offers were prepared, including quotations.

Below are examples of orders completed in 2025:

- Class 868 machines with XXL looper and underthread control
- D887/D888 machines with various trim specifications and models
- The application of edging and scalloping attachment to Class 867/H867 machines
- The launch of assembly of new variants of rotary heads for KSL
- Class 627 Premium machines
- Special sewing equipment for ADIENT
- Class 869 machines with edge trimming

Core production

The situation in 2025 remained basically unchanged from 2024. No revival was seen in the automotive market, and for this reason only 14,142 units and assemblies were manufactured, while in 2024 the figure was 14,888 units and assemblies. The automotive industry makes up 40–50% of the total number of units sold, and given the company's production portfolio, the company cannot quickly respond to sudden changes in the market.

As a result of the decline in accepted orders, a further staff reduction was made during the year, especially in production. Thirty-three CNC machines were relocated into a newly completed production hall in 2025, and a further six CNC machines were brought in later in the year from the concern company plants in Germany. Two of them are equipped with automation features, i.e. robotic equipment and an automated charging system, respectively, which will help to increase production efficiency without requiring additional workforce. This trend is gradually occurring in all production companies and stems from the necessity to reduce or maintain production costs compared to Asian competition.

Transfers of production of assemblies and the assembly of machines from the concern companies in Germany continued in 2025. A new project was launched for the implementation of serial production and assembly of Class 910 CNC machines, and a total of 83 units were completed.

The production dropped overall by 5% compared to the previous year. On the other hand, the production transfers helped to expand the portfolio of the company's products, which should in turn increase the production and deliveries of spare parts and, most importantly, boost production and sales of newly assembled subclasses of sewing machines.

Quality management

The quality control is based on the quality management system certified by BVQI as per the ISO 9001:2015 standard. A repeated audit was successfully passed in December 2025. Besides the environmental audit as per ISO 14001, already implemented by the end of 2024, the occupational health and safety audit under the ISO 45001 standard, required by the concern, was newly implemented in December 2025.

A new Control and Measurement Centre (KMS) was built in connection with the completed production hall and has been in full operation since February 2025. Two refurbished measuring devices were added to the existing range of measuring equipment, namely a three-axis Zeiss Scanmax precise gauge meter and a Mitutoyo profile projector. These two devices remain in the original quality control premises in the old hall.

The customer claims procedure remained the same in 2025. Claims are only resolved with the parent company, which sells all the machines that MINERVA BOSKOVICE a.s. assembles.

The non-conformities target at Minerva has been set at less than 0.5% of the total annual turnovers. The actual figure for 2025 was 0.2%, proving the very high quality of the manufactured machinery and parts.

Personnel

Following a decrease in production orders, recruitment stopped in November 2023. This did not change in 2024 and in 2025. As of 31 December 2024, the company had a total staff number of 647, of which 641 primary staff members, 4 labour agency workers and two board members. With the continuing lack of production orders, a decision was adopted in 2025 to further reduce staff, especially those in non-specialist positions. As of 31/12/2025, the company had a total staff number of 542, of which 535 primary staff members, 5 labour agency workers and two board members as a result of a reduction of 106 primary staff members and hiring of one more labour agency worker.

Following an agreement with the trade union organisation, ZO OS KOVO MINERVA, the company had to apply an "Agreements on other legal impediment on the part of the employer" as per Sect. 209 para. 1 of Act 262/2006 Coll. – the Labour Code. This applied to five days when the company as the employer was unable to assign work due to a temporary restriction on sales.

Despite these production capacity issues, the company continuously supports the development of staff qualifications and expertise by their participation in professional trainings and seminars. A total of 481 th. CZK was spent on the development of staff qualifications and expertise in 2025.

The employer's obligations stipulated by the collective bargain between the employer and the trade unions organisation were fulfilled, including wages.

The average number of employees, excluding those on long-term sick leave, in 2024–2025 was as follows:

(Following the methodology of Dürkopp Adler GmbH, Bielefeld)

Employees	2024	2025
Core production workers	438	334
Other workers	114	103
Administrative staff	139	117
Employees, total	691	554

Costs of investments

In 2025 MINERVA BOSKOVICE, a.s. made investments totalling 45 326 th. CZK.

The most important additions to tangible and intangible fixed assets in 2025 included an automatic wick system amounting to 3 201 th. CZK (the last instalment, amounting to 704 th. CZK, was paid in 2025), two refurbished robotised machining systems, a Hermle C 250 U worth 2 112 th. CZK, and a Hermle C 32 U with automated workpiece exchange worth 5 833 th. CZK, a refurbished Mazak HCN 6800 II machining system worth 758 th. CZK, a refurbished Mori Seiki NLX 2500 NC lathe worth 2 029 th. CZK, 4 refurbished Mazak Variaxis 500 machining systems totalling 3 270 th. CZK, 2 refurbished ZB 63 surface grinders worth 411 th. CZK, and 2 refurbished Cincinnati Milacron grinders worth 217 th. CZK.

Other important investments included completion of the construction of a new production hall, totalling 102 323 th. CZK (payments amounting to 11 820 th. CZK were made in 2025) and completion of the photovoltaic system totalling 13 926 th. CZK (payments amounting to 1 474 th. CZK were made in 2025).

An investment into handling equipment worth 2 456 th. CZK was made, along with environmental investments amounting to 432 th. CZK

An amount of 9 548 th. CZK was paid for the repair of buildings, measuring devices, machinery and production equipment. Machinery repairs totalled 4 659 th. CZK, with the material items including repair of the Z-axis rotary feed table in the H630 Tajmac machining system, major overhaul of the electric spindle for the CNC IBL grinder, repair of the crane track in Building 36, and replacement of the fan in the blacking line.

Facility repairs amounted to 4 145 th. CZK. Material items included replacement of the automatic section gateway in Building 109, replacement of the wire loom between

the electrical switchboard fields in Building 14, repairs of floors, plasterwork, suspended ceilings and gypsum board walls in Building 12 after a water supply pipe broke, and repairs of plasterwork in the neutralising station and other workshops. Another set of large-format windows in Building 3 was replaced, and a floor covering was replaced in one room in the central changing room section.

Walls in Buildings 1 and 1a were painted, and all technological installations and industrial lighting systems were cleaned. Finances were also spent on servicing and calibration of measuring devices, totalling 402 th. CZK. Preventative inspections and corrective measures were carried out, requiring 342 th. CZK.

The investments are located in the company's headquarters and were financed from the company's own resources.

Overview of the year 2025

The Board of Directors has stated that even despite the generally very difficult global economic situation, the company managed to achieve a profit in the 2025 fiscal year. The company had to address a decline in orders, a smaller scope of series, increased production costs related to the increase in the costs of materials and energies due to inflation, and a reduction in staff.

Several ongoing key projects, especially in production, automation, research and development, have provided a solid foundation for a more efficient economy in 2026.

The company has met all its legal obligations, and its financial position is stable.



Ing. Romana Špačková, MBA
Chairwoman
of the Board of Directors



Louis Brinkmann
Deputy Chairman
of the Board of Directors



Bc. Karel Šmíd
Member
of the Board of Directors

Statutory and Supervisory Bodies of the Company

(as of the date of the financial statements – 31/12/2025)

Board of Directors

Chairwoman: Ing. Romana Špačková, MBA
Kamnářská 1986/1, 678 01 Blansko, Czech Republic

Deputy Chairman: Louis Brinkmann
Klemensstraße 12 a, 33649 Bielefeld, Germany

Member: Bc. Karel Šmíd
Podhradí 2347/26, 680 01 Boskovice, Czech Republic

Board of Supervisors

Chairman: Michael Kilian
Am Grund 16, 33813 Oerlinghausen, Germany

Deputy Chairman: Qing Wang
Ulmenweg 2, 32832 Augustdorf, Germany

Member: Karel Kleveta, DiS
680 01 Újezd u Boskovic 83, Czech Republic
Elected representative of employees
Chairman of the ZO OS KOVO MINERVA
(a trade union)

Changes in the Bodies of MINERVA BOSKOVICE, a.s.

No changes in the company's statutory and supervisory bodies occurred in 2025.

Monetary and in-Kind Benefits of Board Members

Monetary and in-Kind Benefits of Board Members

Members of the Board of Directors perform the offices of expert directors.

Monetary and in-Kind Benefits of Members of the Board of Directors

(exclusive of social and health insurance)

■ Monetary benefits:	4 028 th. CZK
■ In-kind benefits:	45 th. CZK
■ Bonuses	Not paid
Board members:	3

Monetary and in-Kind Benefits of Members of the Board of Supervisors

■ Monetary benefits:	110 th. CZK
■ In-kind benefits:	Not paid
■ Bonuses:	Not paid
Board members:	3

Shares Held by:

■ Members of board of directors:	0
■ Members of board of supervisors:	0
■ Managers (trade union leaders):	0

The company granted no loans or credits and did not accept any guarantees or security for loans in respect of the board members.

Registered Capital

The registered capital of MINERVA BOSKOVICE, a.s. amounted to 412 899 th. CZK as of 31/12/2025 and has been paid in full. The majority shareholder is Dürkopp Adler GmbH, Potsdamer Straße 190, D-33719 Bielefeld, Germany. This company had a share of 89.15% in the company's registered capital as of the date of the financial statements (31/12/2025) and is the parent company controlling MINERVA BOSKOVICE, a.s.

The company's registered capital consists of 412 899 registered shares in book form, with a par value of 1 000 CZK each. The shares comprised one issue as of 31/12/2025, namely ISIN CS 0005005552.

None of the shares in MINERVA BOSKOVICE, a.s. are negotiable on the public security markets.



Legal Entities in which MINERVA BOSKOVICE, a.s. has a Share

MINERVA BOSKOVICE, a.s. currently has no ownership interests in any legal entity.

Description of Rights Implied by the Shares:

- a) A shareholder is entitled to participate at the general meeting, vote, request and obtain explanations regarding the company if it is necessary for the assessment of the subject of discussion or to exercise the shareholder's rights at the general meeting, and apply proposals and counter-proposals on matters in the agenda of the general meeting and matters included in the agenda prior to the publication of the invitation letter for the general meeting and delivered to the company no later than 7 days prior to the publication of the invitation letter for the general meeting. One vote relates to each share with a par value of 1 000 CZK. The company did not issue any priority shares with priority rights.
- b) A shareholder is entitled to a share in the company's profit (dividend) and other assets which the general meeting approved for distribution among the shareholders. This share is determined as the ratio of the par value of the shareholder's shares to the par value of the shares of all shareholders.
- c) A shareholder is entitled to a share in the liquidation balance if the company is wound up with liquidation. The liquidation balance is divided among the shareholders depending on the ratio of the par values of their shares.
- d) The dividend and share in other assets are due within 3 months of the date when the general meeting approved the decision on the appropriation of profit. Dividends and shares in other assets which cannot be transferred to the receivers by bank transfer for reasons on the part of the receiver will be deposited in a special bank account and the entitled persons may collect them within 3 years of the due date at the company's headquarters. The right to the dividend and share in other assets, if not exerted by the shareholder, is assigned to his legal successor as defined by Act 89/2012 Coll. – the Civic Code as subsequently amended. The general three-year lapse period under Sect. 629 of the Civic Code applies.
- e) Further shareholder's rights are implied by the Act 90/2012 Coll. – the Business Corporations Act as subsequently amended, Act 89/2012 Coll. – the Civic Code as subsequently amended and the company's Articles of Association. Facts important for the exertion of the shareholder's rights are published on the websites www.minerva-boskovice.cz and www.zakonna-oznameni.cz.

Neither in 2025 nor in the previous fiscal year was an offer submitted by third parties to acquire the company's shares, nor was a public offer made to acquire shares in other companies by MINERVA BOSKOVICE, a.s. MINERVA BOSKOVICE, a.s. has never had a branch abroad.

No court action, administrative procedure or arbitration procedure commenced in the previous two fiscal periods which could affect the company's financial position.

Net Profits; Appropriation of Profit and Loss

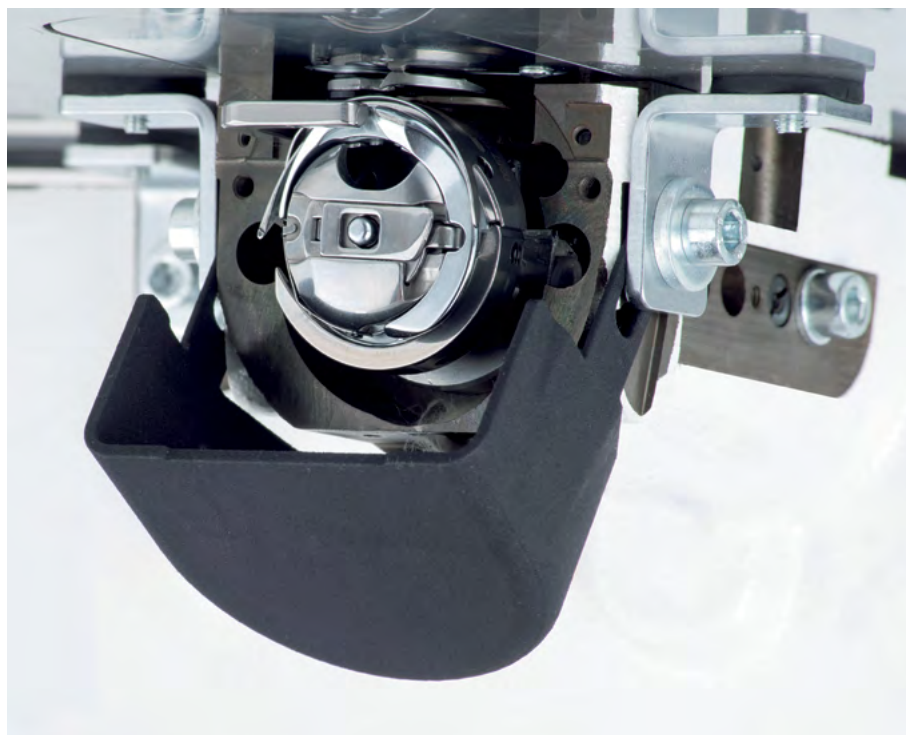
Profit or Loss after Tax per Share and Two Last Accounting Periods

Year	Profit or loss of the current period, th. CZK	Number of shares	Profit per share, CZK
2024	5 286	412 899	12,80
2025	35 215	412 899	85,29

Appropriation of Profit or Loss for the Last Two Accounting Periods (th. CZK)

Appropriation of profit	2024	2025 (proposed)
Profit or loss	5 286	35 215
Additions to statutory reserve	264	1 761
Payment of dividend	–	–
Payment of bonuses	–	–
Additions to social fund	–	–
Compensation for accumulated losses	–	–
Retained earnings from previous years	5 022	33 454

Note: The proposal for the appropriation of profits will be submitted to the General Meeting for approval.



Report on Related Parties – Dürkopp Adler GmbH and MINERVA BOSKOVICE, a.s.

MINERVA BOSKOVICE, a.s. as a controlled entity is part of the Dürkopp Adler concern. The concern's controlling entity is Dürkopp Adler GmbH, with its headquarters at Potsdamer Str. 190, 33719 Bielefeld, Germany.

This report on the relationship between Dürkopp Adler GmbH, Germany as the controlling entity and MINERVA BOSKOVICE, a.s. as the controlled entity, and between MINERVA BOSKOVICE, a.s. and the entities controlled by Dürkopp Adler GmbH, has been prepared pursuant to Sect. 82 of Act 90/2012 – the Business Corporations Act as subsequently amended. The key role of the controlled entity in the group is the manufacture and sale of industrial sewing machines and spare parts and the rendition of services in the technical improvement and development of industrial sewing machines.

I. Relationship between Dürkopp Adler GmbH and MINERVA BOSKOVICE, a.s. in 2025

The controlling entity is a majority and qualified shareholder in MINERVA BOSKOVICE, a.s. as the controlled entity. Control involves the participation of representatives of the controlling entity in the Board of Directors and the Board of Supervisors of the controlled entity. Two-thirds of the members of the Board of Supervisors of MINERVA BOSKOVICE, a.s. are elected and withdrawn by the general meeting and one-third is elected and withdrawn by the company's employees. The Board of Supervisors appoints and withdraws members of the Board of Directors of the controlled entity.

There are benefits for the controlled entity based on this relationship as implied especially by the strong presence of the controlling entity in the global markets, its financial position and stability.

On the other hand, no risks are implied for the controlled entity from this relationship, nor do any property damages or other adverse effects occur.

The contracts given below have been concluded between the controlled and the controlling entity, based on which appropriate counter-supplies were rendered for the supplies rendered by the controlling entity. No damage was incurred on the part of the controlled entity in respect of these contracts.

1. Contract of Rendition of Management Services

Date of contract: 05 January 2000

Subject of contract:

The provision and rendition of services by the controlling entity to the controlled entity in the field of human resources management, accounting, marketing, organisational and managerial advisory, administrative and supporting services as well as in company management and tax consultancy.

Fulfilment of the contract:

No financial obligation towards the controlling entity arose in connection with the above mentioned activities in 2025.

2. Consultancy Contract – Assistance in the Transfer of Information Services and Technical Services for MINERVA BOSKOVICE, a.s.

Date of contract: 20 February 2006

A pricing amendment is concluded for each individual year.

Subject of contract:

As part of the implementation, operation and administration of the SAP R/3 information system in the Dürkopp Adler GmbH concern, the controlling entity will grant support in establishing the concept, adjustment and implementation of SAP R/3. Besides that, it will grant support after the implementation of the SAP R/3 information system in the planning, approval, administration of the ordinary system and the implementation of changes in the program version.

Fulfilment of the contract:

During 2025 support was granted by the controlling entity. The total expenses amounted to 4 646 th. CZK.

3. Contracts for the Development, Production and Deliveries of Industrial Sewing Machines**3.1. General Contract for Development and Design of 23 November 2011**

The subject of this contract is development for Dürkopp Adler GmbH.

Fulfilment of the contract:

The work carried out by MINERVA BOSKOVICE, a.s. under this contract in 2025 was invoiced to Dürkopp Adler GmbH regularly on a monthly basis. The total of invoiced amounts was 14 839 th. CZK in 2025.

3.2. General Contract for Development and Sale of 30 September 2013

The subject of this contract is the specification of products and conditions for their sale including royalties for use of Minerva's know-how and Dürkopp Adler GmbH's know-how.

This general contract supersedes the General Contract dated 23 November 2011 effective as of 01 February 2013. It brings forth an update to the extent of know-how used by the parties.

Fulfilment of the contract:

MINERVA BOSKOVICE, a.s. was not charged by Dürkopp Adler GmbH for granting licences in 2025 for direct sales of footwear machinery in Minerva's own sales network. The reason was the reorganisation of sales within the DA group.

3.3. Contract for Application of Research and Development Project Results of 30 September 2013

The subject of this contract is the specification of the ownership and user rights to the results of a project, the type and manner of application of the project FR-TI3/320 entitled 'Highly Automated and Unified Powerful Heavy-duty Industrial Sewing Machines', implemented under the state subsidy through the Ministry of Industry and Trade.

Fulfilment of the contract:

MINERVA BOSKOVICE, a.s. charged Dürkopp Adler GmbH for royalties amounting to 468 th. CZK in 2025.

4. Contract for Procurement of Patents and Trademarks

Date of contract: 15 July 1999, date of amendment: 19–23 January 2004

Subject of contract:

Establishment of a unified trademark policy in the Dürkopp Adler GmbH concern, processing, preparation and administration of issues related to industrial rights protection at the official level.

Fulfilment of the contract:

No financial obligation towards the controlling entity arose in connection with the above mentioned activities in 2025.

5. General Contract

Date of contract: 19 May 2009

Amendment to the General Contract effective as of 01/01/2021

Subject of contract:

Production and sale of industrial sewing machines, components and component groups, and complete sewing heads for industrial sewing machines supplied to the customer from the supplier. The contract includes delivery terms, terms for hand-over of the goods, payment conditions, guarantees, supplier's duties, customer's duties and subsequently penalties.

Fulfilment of the contract:

No financial obligation between the controlled entity and the controlling entity arose in connection with the aforementioned activities in 2025.

In connection with Sect. 5 of the contract that treats financial security, Dürkopp Adler GmbH charged MINERVA the sum of 26 th. CZK in 2025.

6. Contracts for Loan

Date of contract: 09 February 2012

3rd Revised general contract for loan effective as of 01/01/2022

The contracting parties concluded a Contract for Interest Rates as of 27 June 2011 /

30 June 2011 (hereafter referred to as the General Contract for Loan). This contract had to be revised. The 3rd revised General Contract for Loan superseded the General Contract for Loan and the 2nd revised General Contract for Loan (09 April 2021 / 13 April 2021) with retrospective application as of 01 January 2022.

Subject of contract:

Dürkopp Adler GmbH has granted a concern loan to MINERVA BOSKOVICE, a.s. with the credit frame of up to 500 000 000 CZK, effective as of 01 January 2022. MINERVA BOSKOVICE, a.s. can also grant a loan to DA on the grounds of this 3rd revised General Contract for Loan. The applicable interest rate will be one-month PRIBOR (applicable from Month 1) + 2.0 % margin for both parties per year. The interest rate is computed on the assumption of a 30-day month and 360-day year. Dürkopp Adler GmbH or MINERVA BOSKOVICE, a.s. will invoice the interest or a credit note on a monthly basis depending on the loan balance of both parties. The interest is due and payable immediately.

Fulfilment of the contract:

The contract was being fulfilled in 2025 and the interest invoiced by the controlling entity totalled 19 149 th. CZK for 2025. There was an overpayment of the loan of 372 722 th. CZK as of 31/12/2025, resulting from the offsetting of trade receivables from Dürkopp Adler GmbH against this loan, which is in the form of an overdraft. The overpayment was recognised as a concern receivable as of 31/12/2025.

7. Contract for the Use of the Dürkopp Adler Trademark

Date of contract: 17 December 2003

Subject of contract:

Dürkopp Adler GmbH is the holder of the “Dürkopp Adler” trademark and has the rights to the trademark. The subject of the contract is the granting of a licence to use the trademark and the conditions of use by MINERVA BOSKOVICE, a.s. in designating its products.

Fulfilment of the contract:

No financial obligation between the controlling entity and the controlled entity arose in connection with the above-mentioned contract in 2025.

8. Contract for the Provision of Consultancy and Service

Date of contract: 1 April 2024

Subject of contract:

The subject of the contract is to provide Dürkopp Adler GmbH with advisory services and expert consultation in the field of sales of industrial sewing machines, which includes marketing and sales support regarding all industrial sewing machines in the DA's product portfolio, cooperation with the DA's sales and marketing team, and servicing of industrial sewing machines in the DA's product portfolio, both in the Czech Republic and abroad.

Fulfilment of the contract:

In relation to the activities performed under the contract, MINERVA charged Dürkopp Adler GmbH the sum of 2 747 th. CZK in 2025.

Besides the aforementioned contractual relationships between the controlled and the controlling entity, other legal acts were carried out in 2025 as part of ordinary business activities. None of these ordinary dealings exceeded the value of 10% of the registered capital of MINERVA BOSKOVICE, a.s. as per the last financial statements and no losses were incurred by MINERVA BOSKOVICE, a.s. in respect of these dealings.

II. Relationships between MINERVA BOSKOVICE, a.s. and other entities controlled by Dürkopp Adler GmbH, i.e. among the related parties in 2025

Dürkopp Adler GmbH as the controlling entity also controls these companies:

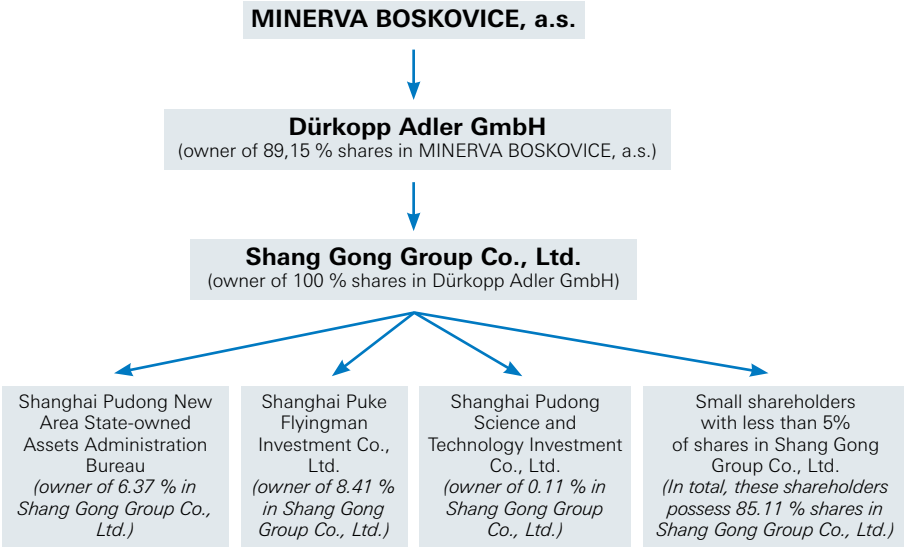
DAP America, Inc.	DAP Russia, LLC
DAPS Italia S.r.l.	SG Investment America, Inc.
DAPS France S.A.S.	Sonotronic GmbH
DAP Polska Sp. z o.o.	Dürkopp Adler Industrial Services GmbH
Dürkopp Adler SRL Romania	PFAFF Industriesysteme und Maschinen GmbH
DAP Dürkopp Adler Mexico S. R. L. de C. V.	

Ordinary business dealings were carried out by MINERVA BOSKOVICE, a.s. with these related parties. Revenues realised from these business relationships totalled 7 854 th. CZK in 2025. No losses were thereby incurred by the controlled entity. A breakdown of these revenues by company is given in Note 4.23 to the Financial Statements.

III. Relationships between Companies Controlling Dürkopp Adler GmbH in 2025

Shang Gong Group Co. Ltd., Shanghai ("SGG") is the majority shareholder in Dürkopp Adler GmbH as the controlling company. No legal actions were carried out in the fiscal period of 2025 between MINERVA BOSKOVICE, a.s. as the controlled company and the aforementioned companies having a share in Dürkopp Adler GmbH as the controlling company which would involve property matters.

Ownership Chart of MINERVA BOSKOVICE, a.s.



Anticipated Financial Position in 2026

The company is expecting another demanding year. If the automotive segment fails to revive, orders are again going to decline. The company is making investments into the development of new machines and sewing technologies for use in the haberdashery segment, opening up potential new territories. The 2026 budget is based on a turnover of 1 051 mil. CZK. The company is continuously improving its processes and increasing the performance of its medium-duty machines, and promptly responds to customers' specific requirements, which makes it a strong and unique supplier. Maintaining the highest available quality of the machines it produces remains the priority, and all processes are managed in line with this objective.

The cooperation between Minerva and Dürkopp Adler GmbH in the development of new subclasses of sewing machines and automated machines will continue. Minerva is the key production plant for the Dürkopp Adler GmbH concern. Only essential investments are anticipated to be made in 2026.

Minerva is aware of the high technical know-how and expertise of its staff and has supported new features both in expanding its production programme through the development of special machine accessories and in improving production efficiency, automation and robotisation.

Strengthening the company's competitiveness in 2026 is the objective of the corporate strategy of Dürkopp Adler GmbH and will also be the priority in subsequent years. Development and seeking new design methods, new materials, improving the efficiency of processes and functionality of machines, together with the implementation of new technology in production, will assist in achieving this aim. We will continue to develop our corporate culture and ethics code as well as the code of conduct across the whole company. The company will now reflect upon ESG sustainability factors and social responsibility within the DA group.



Risk and Opportunity Report

Information of the Targets and Methods of Risk Control

Considering globalisation and the increased dynamics and complexity of domestic and foreign trade, MINERVA BOSKOVICE, a.s. has been long involved in the matters aimed at controlling risks related to the company's' activity.

For the purposes of the risk analysis and control, the instruction of the company's board of directors PR-2026-127 rev. 1 appointed an 11-member controlling body to mitigate risks. This body continuously monitors and assesses potential risks, on the basis of which it regularly updates and approves the risk catalogue which it subsequently submits to the company's board of directors for approval. When preparing the catalogue, the body proceeds fully in accordance with the organisational directive for risks, OSR-2014-02 rev. 1.

The risk catalogue is a summary of current as well as potential risks which might adversely influence the company's operation. Each risk is regularly revised for the likelihood of occurrence and its possible impact on the company. Material risks are subsequently elaborated following a predetermined key so that the risk can be prevented, or at least its effects minimised. When preparing the catalogue, attention is paid to the broadest possible range of potential threats, when the purpose of identifying them is to eliminate them as much as possible and to ensure diversification as soon as they occur, i.e., with a sufficient time span from the possible impact on the company.

Environmental Activities

In 2025, a photovoltaic system was completed and approved for use, giving a total power output of 585 kWp.

As part of the cost reduction scheme regarding the heating of utility water, the system which uses waste heat from the compressor for the heating of utility water in central dressing rooms was modernised.

After the completion of the new hall, new grown trees were ordered and planted on the company's premises as well as in selected places in the town of Boskovice as per the conditions issued in the building permit.

Four Mistresa oil mist collectors were purchased and installed on the machining systems in the new production hall as part of the occupational health scheme.

Labour Relationships Activities

HR management plays a key role in the company's operation. Unfortunately, given the continuing worldwide decline in demand for sewing machines that started back in 2024, the company was forced to continue reducing its staff. During the year 2025, 106 positions were cancelled across the whole company.

When reducing staff, the company emphasised maintaining the key positions. The company also continues to strive to support and intensify its corporate culture and friendly working environment. It also emphasises the personal development of its staff, including professional education.

Despite the decline in production orders, the company is cooperating more closely with professional education institutions in the region and is presented as a stable employer.

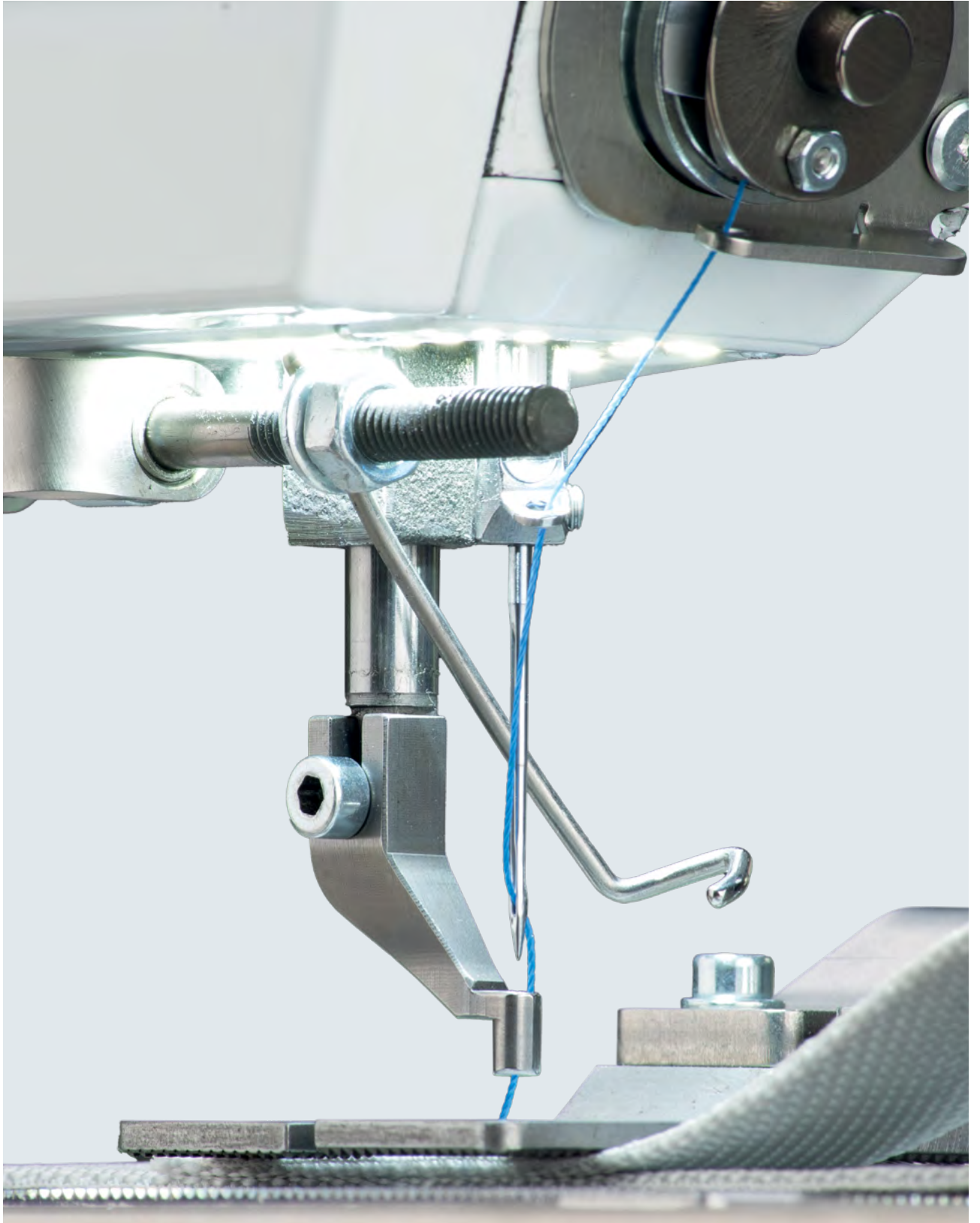
The company strongly emphasises employee health prevention as one of its highest priorities. It provides its staff, beyond the scope of its duties in health and safety and along with preventative health checks, with health drinks, vitamin supplements, and offers influenza and encephalitis shots. It newly introduced the possibility to undergo blood tests and have blood pressure checked.

Human Relations Risks

The currently declining volume of production does in no way lower the pressure on quality and the growing expectations from customers, nor the need to secure a long-term competitive advantage for the company in the form of a stable, qualified and flexible workforce both directly and indirectly. This can be achieved only systematically with a proper long-term strategy focused on HR planning, ranging from recruitment and training to employee motivation. At the same time it is necessary to correctly analyse possible risks, which include, for instance, the loss of qualified staff that provide the company's key processes, the risks implied by changes in legislation, legal risks, etc., and which must be proactively prevented.

Price, Credit and Liquidity Risks and Risks Related to Cash Flow Management

This information is included in the company's risk catalogue. The liquidity risk is controlled by standard processes and tools to ensure sufficient coverage of activities and liabilities for the necessary time. This is primarily funded by Minerva and of Dürkopp Adler GmbH, its parent company. The company controls its export risk by standard hedging instruments, such as documentary letters of credit, standby letters of credit, bank guarantees and other such instruments.



Information on Persons in Charge of the Annual Report and the Audit of the Financial Statements

A) Persons in Charge of the Annual Report

Employee in charge of numerals and graphs:

Ing. Jaroslava Nejedlá, employee of Controlling

MINERVA BOSKOVICE, a.s., Sokolská 1318/60, 680 01 Boskovice, IČO: 00010944

Employee in charge of the disclosures in the financial statements:

Jiří Staněk, employee of Financial Accounting

MINERVA BOSKOVICE, a.s., Sokolská 1318/60, 680 01 Boskovice, IČO: 00010944

Affirmation:

I hereby affirm that the facts which I have stated in the Annual Report are true and that no substantial circumstances which might impair the accurate and correct assessment of securities of MINERVA BOSKOVICE, a.s. were omitted.

I hereby further affirm that the last two financial statements were audited and that the auditor's opinion as given in the Annual Report is consistent.

Ing. Jaroslava Nejedlá

Jiří Staněk

B) Auditing Companies that Performed the Audit of the Financial Statements for the Last Two Periods:

2024

BDO Audit s.r.o.
V Parku 2316/12
148 00 Praha – Chodov
Licence No. 018
Czech Republic

Auditor in charge:
Ing. Lukáš Hendrych
Licence No. 2169

2025

BDO Audit s.r.o.
V Parku 2316/12
148 00 Praha – Chodov
Licence No. 018
Czech Republic

Auditor in charge:
Ing. Lukáš Hendrych
Licence No. 2169

Tables Providing the Information Duty of the Issuers of Registered Securities

Basic Information

IČO (Reg. no.): 00010944
Business name: MINERVA BOSKOVICE, a.s.

Headquarters:

Street: Sokolská 1318/60
Town: Boskovice, Czech Republic
Postcode: 680 01
Tel.: +420 516 494 295
E-mail: hadackovak@minerva-boskovice.com

Internet: www.minerva-boskovice.cz
Year of incorporation: 1991

The complete file contains:

Balance Sheet, Profit and Loss Account in full extent	as of 31/12/2025
Cash Flow Statement	as of 31/12/2025
Review of Changes in Equity	as of 31/12/2025

Facts of the audit and auditor:

The submitted statements were audited by the auditor:

Name of auditing company:	BDO Audit s.r.o.
Auditing company licence No.:	018
Auditor's name and surname:	Ing. Lukáš Hendrych
Licence No.:	2169
Auditor's report of:	30 March 2026

Balance Sheet as at 31. 12. 2025

(in CZK thousand)

ASSETS	No.	Description	Current Year		Prior Year	
			Gross	Adjust.	Net	Net
		ASSETS	2 500 400	-1 224 459	1 275 941	1 236 705
B.		Fixed assets	1 591 955	-1 183 360	408 595	415 873
B.I.		Intangible assets	16 012	-16 012	0	28
B.I.2.		Valuable rights	16 012	-16 012	0	28
B.I.2.1.		Software	14 679	-14 679	0	0
B.I.2.2.		Other valuable rights	1 333	-1 333	0	28
B.II.		Tangible fixed assets	1 575 943	-1 167 348	408 595	415 845
B.II.1.		Land, Buildings and structure	341 265	-156 286	184 979	85 302
B.II.1.1.		Land	7 184	0	7 184	7 184
B.II.1.2.		Buildings and structures	334 081	-156 286	177 795	78 118
B.II.2.		Machines, tools and equipment, transportation means, furniture and office equipment	1 233 999	-1 011 062	222 937	224 761
B.II.4.		Other tangibles	73	0	73	68
B.II.4.3.		Other tangible fixed assets	73	0	73	68
B.II.5.		Advance payments for tangible fixed assets and tangible assets under construction	606	0	606	105 714
B.II.5.1.		Advance payments for tangible fixed assets	0	0	0	2 497
B.II.5.2.		Tangible assets under construction	606	0	606	103 217
C.		Current assets	907 792	-41 099	866 693	820 146
C.I.		Inventory	322 495	-41 098	281 397	297 883
C.I.1.		Raw materials	143 353	-21 712	121 641	145 092
C.I.2.		Work in progress and semi-finished products	175 267	-18 039	157 228	150 617
C.I.3.		Finished goods and merchandise	1 875	-1 347	528	1 287
C.I.3.1.		Finished goods	1 875	-1 347	528	1 287
C.I.5.		Advance payments for inventory	2 000	0	2 000	887
C.II.		Receivables	580 892	-1	580 891	516 365
C.II.2.		Short-term receivables	580 892	-1	580 891	516 365
C.II.2.1.		Trade receivables	191 353	-1	191 352	229 820
C.II.2.2.		Receivables from controlled entities, controlling entities and from entities under common control	372 722	0	372 722	270 527
C.II.2.4.		Other receivables	16 817	0	16 817	16 018
C.II.2.4.3.		Due from state – tax receivables	13 654	0	13 654	13 759
C.II.2.4.4.		Short-term advance payments	3 136	0	3 136	2 241
C.II.2.4.6.		Other receivables	27	0	27	18
C.IV.		Cash in hand and bank accounts	4 405	0	4 405	5 898
C.IV.1.		Cash in hand	570	0	570	376
C.IV.2.		Bank accounts	3 835	0	3 835	5 522
D.		Accruals of assets	653	0	653	686
D.1.		Deferred expenses	653	0	653	686

Balance Sheet as at 31. 12. 2025

(in CZK thousand)

EQUITY AND LIABILITIES		Current Year	Prior Year
No.	Description	Net	Net
TOTAL EQUITY AND LIABILITIES		1 275 941	1 236 705
A.	Equity	1 164 709	1 129 494
A.I.	Registered capital	412 899	412 899
A.I.1.	Registered capital	412 899	412 899
A.II.	Share premium and capital contributions	48	48
A.II.2.	Capital contributions	48	48
A.II.2.1.	Other capital contributions	48	48
A.III.	Legal, statutory and other reserve funds	60 376	60 112
A.III.1.	Other reserve funds	60 116	59 852
A.III.2.	Statutory and other reserves	260	260
A.IV.	Profit/Loss – previous year (+/-)	656 171	651 149
A.IV.1.	Retained profits from previous years	656 171	651 149
A.V.	Profit/Loss – current year	35 215	5 286
B+C.	Liabilities	111 232	107 211
B.	Provisions	2 000	10 750
B.2.	Income tax provision	0	10 750
B.4.	Other provisions	2 000	0
C.	Liabilities	109 232	96 461
C.I.	Long-term liabilities	28 531	30 231
C.I.8.	Deferred tax liability	28 531	30 231
C.II.	Short-term liabilities	80 701	66 230
C.II.4.	Trade payables	43 169	24 974
C.II.8.	Other liabilities	37 532	41 256
C.II.8.3.	Liabilities to employees	19 804	22 400
C.II.8.4.	Social security and health insurance liabilities	10 741	11 567
C.II.8.5.	Due to state – taxes and subsidies	1 835	1 989
C.II.8.6.	Estimated liabilities	5 152	5 300

Date: 23. 3. 2026



Signature of the statutory
body or representative
Ing. Romana Špačková, MBA



Signature of the person in charge of
the accounting records and financial statements
Jiří Staněk

Profit/loss account for the period from 1. 1. 2025 to 31. 12. 2025

(in CZK thousand)

No.	Description	Current Year	Prior Year
I.	Sales of own product and services	1 025 629	1 092 281
A.	Production consumption	583 882	552 901
A.2.	Raw materials and consumption	510 738	467 646
A.3.	Services	73 144	85 255
B.	Change in own production inventory (+/-)	-9 103	68 108
C.	Capitalisation (-)	-13 368	-12 348
D.	Personnel expenses	404 909	451 424
D.1.	Wages and salaries	298 796	331 691
D.2.	Social security expenses, health insurance and other expenses	106 113	119 733
D.2.1.	Social security expenses and health insurance	102 495	116 238
D.2.2.	Other expenses	3 618	3 495
E.	Valuation adjustments relating to operating activities	52 062	58 574
E.1.	Valuation adjustments of fixed assets	52 602	53 303
E.1.1.	Valuation adjustments of fixed assets – permanent	52 602	53 429
E.1.2.	Valuation adjustments of fixed assets – temporary	0	-126
E.2.	Valuation adjustments of inventory	644	4 215
E.3.	Valuation adjustments of receivables	-1 184	1 056
III.	Other operating income	47 212	41 758
III.1.	Income from fixed assets sold	151	7
III.2.	Income from materials sold	44 675	39 201
III.3.	Other operating income	2 386	2 550
F.	Other operating expenses	28 711	15 270
F.2.	Net book value of material sold	19 558	16 896
F.3.	Taxes and fees	768	782
F.4.	Provisions relating to operating activities and complex deferred expenses	2 000	-4 500
F.5.	Other operating expenses	6 385	2 092
*	Operating profit/loss (+/-)	25 748	110

Profit/loss account for the period from 1. 1. 2025 to 31. 12. 2025

(in CZK thousand)

No.	Description	Current Year	Prior Year
VI.	Interest income and similar income	19 149	24 968
VI.1.	Interest and similar income – subsidiaries	19 149	24 968
J.	Interest expenses and similar expenses	7	0
J.2.	Other interest and similar expenses	7	0
VII.	Other financial income	6 443	2 442
K.	Other financial expense	5 327	10 641
*	Profit/loss from financial operations (transactions) (+/-)	20 258	16 769
**	Profit/loss before tax (+/-)	46 006	16 879
L.	Income tax	10 791	11 593
L.1.	Income tax – due	12 491	14 215
L.2.	Income tax – deferred (+/-)	-1 700	-2 622
**	Profit/loss after tax (+/-)	35 215	5 286
***	Profit/loss of current accounting period (+/-)	35 215	5 286
	* Net turnover	1 070 304	1 131 482

Date: 23. 3. 2026



Signature of the statutory
body or representative
Ing. Romana Špačková, MBA



Signature of the person in charge of
the accounting records and financial statements
Jiří Staněk

Statement of changes in equity as at 31. 12. 2025

(in CZK thousand)

	Share capital	Capital funds	Statutory funds	Other result from previous years	Accumulated profits/losses brought forward	Profit or loss for the current period	Dividends advances	Total equity
	A.I.	A.II.	A.III.	A.IV.	A.IV.	A.V.	A.VI.	A.
Balance at 1. 1. 2025	412 899	48	60 112	0	651 149	5 286	0	1 129 494
Previous period result transfer			264		5 022	-5 286		0
Profit/Loss – current year						35 215		35 215
Balance at 31. 12. 2025	412 899	48	60 376	0	656 171	35 215	0	1 164 709

as at 31. 12. 2024

	Share capital	Capital funds	Statutory funds	Other result from previous years	Accumulated profits/losses brought forward	Profit or loss for the current period	Dividends advances	Total equity
	A.I.	A.II.	A.III.	A.IV.	A.IV.	A.V.	A.VI.	A.
Balance at 1. 1. 2024	412 899	48	53 625	0	527 889	129 747	0	1 124 208
Previous period result transfer			6 487		123 260	-129 747		0
Profit/Loss – current year						5 286		5 286
Balance at 31. 12. 2024	412 899	48	60 112	0	651 149	5 286	0	1 129 494

Date: 23. 3. 2026

Signature of the statutory
body or representative
Ing. Romana Špačková, MBA

Signature of the person in charge of
the accounting records and financial statements
Jiří Staněk

Cash Flow Statement

for the period from 1. 1. 2025 to 31. 12. 2025

(in CZK thousand)

No.	Description	Current Year	Prior Year
P.	Opening balance of cash and cash equivalents	5 898	44 896
CASH FLOW FROM ORDINARY ACTIVITIES			
Z.	Profit or loss from ordinary activities before tax	46 006	16 879
A.1.	Adjustments for non-cash transactions	34 792	29 106
A.1.1.	Depreciation of fixed assets	52 602	53 432
A.1.2.	Change in provisions and reserves	1 460	645
A.1.3.	Profit (loss) on the sale of fixed assets	-151	-7
A.1.5.	Interest expense and interest income	-19 142	-24 967
A.1.6.	Adjustments for other non-cash transactions	23	3
A.*	Net operating cash flow before changes in working capital	80 798	45 985
A.2.	Change in working capital	-17 954	67 207
A.2.1.	Change in operating receivables and other assets	-47 869	38 621
A.2.2.	Change in operating payables and other liabilities (+/-)	12 984	-45 848
A.2.3.	Change in inventories (+/-)	16 931	74 434
A.**	Net cash flow from operations before tax and extraordinary items	62 844	113 192
A.3.	Interest paid (-)	-7	0
A.5.	Income tax paid from ordinary operations (-)	-20 644	-23 777
A.***	Net operating cash flows	42 193	89 415
CASH FLOWS FROM INVESTING ACTIVITIES			
B.1.	Fixed assets expenditures	-43 837	-128 420
B.2.	Proceeds from fixed assets sold	151	7
B.***	Net investment cash flows	-43 686	-128 413
CASH FLOW FROM FINANCIAL ACTIVITIES			
C.***	Net financial cash flows	0	0
F.	Net increase or decrease in cash and cash equivalents	-1 493	-38 998
R.	Closing balance of cash and cash equivalents	4 405	5 898

Date: 23. 3. 2026



Signature of the statutory
body or representative
Ing. Romana Špačková, MBA



Signature of the person in charge of
the accounting records and financial statements
Jiří Staněk

Notes to the Financial Statements for 2025

Company name: MINERVA BOSKOVICE, a.s.
Headquarters: Boskovice, Sokolská 1318/60, Czech Republic
Legal form: Joint stock
IČ (Reg. no.): 00010944

Date of preparation: 23. March 2026

Signature of the statutory body:

Position Chairwoman of the Board of Directors

Name Ing. Romana Špačková, MBA

Signature

A handwritten signature in blue ink, appearing to read 'Špačková'.

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1. General Information

1.1. Incorporation and Characteristics of the Company

MINERVA BOSKOVICE, a.s. (hereafter referred to as “the company”) was established through a once-only Incorporation Plan of a State Joint Stock, issued by the Ministry of Industry and Electrotechnics of the Czech Republic, as a joint stock on 17/12/1990 and was established in legal terms by making an entry in the Commercial Register at the Regional Trade Court in Brno on 01/01/1991.

The company’s registered activity is the manufacture of industrial sewing machines which represents 97,2 % of the company’s revenues.

The company’s headquarters are Boskovice, Sokolská 1318/60, Czech Republic.

The company’s registered capital amounts to 412 899 th. CZK.

Number of shares: 412 899

The company’s shares are registered shares in the book form, issued under ISIN CS 0005005552, at the aforementioned amount.

The company has been part of the Shang Gong Group Co. Ltd., Shanghai.

Physical and legal entities with a share exceeding 20 % of the company’s registered capital and their shares are given in the table below:

Shareholder/Partner	Share in the registered capital
Dürkopp Adler GmbH, Germany	89.15 %
Others	10.85 %
Total	100.00 %

The lowest-level consolidating entity is Dürkopp Adler GmbH, Germany.

The highest-level consolidating entity is Shang Gong Group Co. Ltd., Shanghai.

The consolidated financial statements are lodged at the headquarters of the consolidating entities.

The financial statements have been prepared as of 31/12/2025.

1.2. Company’s Organisational Chart

The company’s organisational chart comprises three departments:

- Technology and Production
- Finance and Administration
- Projects

1.3. Board of Directors and Board of Supervisors

Changes which occurred in the company's bodies are given in the table below.

	Office	As of 31/12/2025	As of 31/12/2024
Board of Directors	Chairwoman	Ing. Romana Špačková, MBA	Ing. Romana Špačková, MBA
	Deputy chairman	Louis Brinkmann	Frank Michael Kuhnt Louis Brinkmann
	Member	Bc. Karel Šmíd	Bc. Karel Šmíd
Board of Supervisors	Chairman	Michael Kilian	Michael Kilian
	Deputy chairman	Qing Wang	Qing Wang
	Member	Karel Kleveta, DiS.	Karel Kleveta, DiS.

2. Accounting Methods and General Accounting Policies

The company's accounting records have been kept, and the financial statements prepared, in compliance with Act 563/1991 Coll. – The Accounting Act as subsequently amended, Decree 500/2002 Coll. which implements some provision of the Accounting Act as subsequently amended for accounting entities which use double-entry bookkeeping, and as amended by Decree 472/2003 Coll., and with the Czech Accounting Standards for Businesses. The company's accounting system adopts the general accounting policies, especially the historical cost basis, accrual accounting, the principle of prudence and the going concern assumption.

The figures stated in these financial statements are given in thousand CZK.

3. Summary of the Major Accounting Rules and Procedures

3.1. Tangible Fixed Assets

Purchased tangible fixed assets are stated at acquisition cost less accumulated depreciation and recognised impairment losses.

The value of tangible fixed assets produced internally includes direct costs, indirect costs relating to the production of these internally produced assets (production overheads) and, if applicable, indirect administrative costs whenever the production of the asset exceeds one accounting period.

Tangible fixed assets are assets whose lifetime exceeds one year and whose value exceeds 40 th. CZK per single item.

Technical improvements increase the acquisition cost of the tangible asset if they exceed a total of 80 th. CZK per single item in one taxation period.

Acquisition cost of tangible fixed assets, except for land and investments in progress, is depreciated over the anticipated lifetime of the asset by applying the straight line method in the following manner:

Asset	Depreciation period
Buildings	50 years
Plant and equipment newly purchased	4–12 years
IT and office equipment	5 years
Vehicles	5 years
Low-value assets	4 years

The company reviews the carrying amounts of its tangible and intangible assets as of each balance sheet date to determine whether there is any indication of impairment losses. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the amount of the impairment loss. If the recoverable amount cannot be estimated, the company will determine the recoverable amount for the cash-generating unit to which the relevant asset belongs.

3.2. Intangible Fixed Assets

Purchased intangible fixed assets are stated at acquisition cost.

Intangible fixed assets are assets whose lifetime exceeds one year and whose value exceeds 20 th. CZK regarding incorporation expenses, or 60 th. CZK in all other cases, per single item.

Intangible fixed assets are, besides others, intangible development results with a lifetime exceeding one year, which are capitalised only if used for repeated sale. Intangible research and development results, software and valuable rights of own production and for own consumption are not capitalised, their value is stated at the lower of real costs or current replacement cost.

Expenses relating to research are recognised as costs in the year in which they occur.

Technical improvements increase the acquisition cost of fixed assets if they exceed a total of 60 th. CZK per single item and one taxation period.

Intangible fixed assets are depreciated by applying the straight line method, based on their anticipated lifetime, in the following manner:

Asset	Depreciation period
Trademark	10 years
Software	4 years

3.3. Inventory

Purchased inventory is stated at acquisition cost. The acquisition cost comprises the purchase price and other costs related to the acquisition, especially customs fees, transportation and storage expenses if transport is involved, commission and insurance.

Inventory produced internally is stated at production costs which comprise direct costs incurred in production or other activity and a portion of the indirect costs which relate to production. Indirect costs comprise especially the costs of tools, energy, protective equipment, non-conforming products, and also a portion of the costs of quality assurance, production process control, warehousing of semi-finished products etc.

Release of purchased inventory (material and goods) is recognised at the weighted average price, and the release of produced inventory (semi-finished own products and finished products) is stated at fixed warehouse prices and a variance of the purchase price which is expensed in relation to the consumption of the produced inventory.

Variance of the purchase price occurs upon entry of the item in the warehouse, as a difference between the value stated in the production order and the fixed price of that item. The variances are expensed in the accounts of change of inventory at the end of each month depending on the consumption of the inventory stated at fixed prices.

Fixed (standard) prices are determined based on the current production documents while applying the valid production standards and rates for personal costs and overhead costs (costs of machine time). Inventory must be restated at balance sheet value before adjustments are determined.

Two methods were applied in the computation of adjustment entries:

- a) Computation based on the saleability of inventory;
- b) Computation based on the net realisable value of the finished products.

The computation based on the saleability of the inventory is applied with the inventory of materials, semi-finished products and work in progress. Both computation methods are applied with inventory of finished products and merchandise. The higher of the two values is used as the adjustment entry, following the principle of prudence. A change in the estimate and therefore also in the computation of adjustment entries has been in effect since 2024. The value of inventory purchased in 2024 was excluded from the computation, as it was not unnecessary inventory whose value decreases over time, but inventory that became no-turn as a result of the low number of orders and a sharp decline in production. This inventory is fully utilisable and will be used for production in 2025.

3.4. Receivables

Receivables are stated as they occur at their nominal amount less the relevant adjustments to contingent and bad debts. Receivables acquired for price or by contribution are stated at acquisition cost less adjustments to contingent and bad debts.

Adjustments to receivables are computed in the following manner:

- a) Tax adjustments to receivables are determined as per the Act 593/1992 Coll. – the Reserves for Determining the Income Tax Base Act.
- b) Accounting adjustments to contingent debts are defined by the company following its own analysis of the solvency of its customers.
- c) Accounting adjustments are made as per IFRS 9 on the basis of the computation determined by Dürkopp Adler GmbH, the parent company.

No adjustment entries are made to intra-group receivables.

3.5. Trade Liabilities

Trade liabilities are recognised at their nominal amount.

3.6. Bank Loans

Bank loans are stated at their nominal amount. The portion of a long-term loan which is due within one year of the date of financial statements is deemed to be a short-term loan.

3.7. Provisions

Provisions are made to cover foreseeable liabilities or expenses with a known purpose which are likely to occur but a reliable estimate of the amount or date cannot be made.

3.8. Conversion of Amounts Denominated in Foreign Currency to CZK

With transactions realised throughout the year, the company applied a fixed annual exchange rate to convert foreign currencies, which was determined following the exchange rate published by the Czech National Bank and effective as of the first date following the publication. During the year, realised and non-realised foreign exchange gains and losses are recognised.

Financial assets and short-term assets and liabilities denominated in foreign currency are converted as of the date of the financial statements by applying the valid exchange rate published by the Czech National Bank as of that date, and the arising foreign exchange differences are recognised as financial revenues or financial expenses of the current period.

3.9. Finance Lease

Finance lease is understood to be the acquisition of tangible fixed assets where the title is transferred from the owner to the user during or after the lease period, and the user pays in instalments for the acquisition as his expenses until the transfer of the title. The first instalment (prepayment) of finance lease is accrued and expensed over the lease period, or the advance for future instalments is entered as an operating advance made.

3.10. Tax Due

The tax due in the accounting period is based on the taxable profits. The taxable profits differ from the net profits stated in the profit and loss account, as they do not include revenue or cost items which are taxable or deductible in other periods, and they neither include items which are exempt from tax or non-deductible. The company's liability in respect of the tax due is computed by applying the tax rates effective as of the date of the financial statements.

3.11. Deferred Tax

The deferred tax is computed based on the liability method and the balance sheet approach.

The liability method is a procedure where income tax rates effective in the period in which the tax liability or receivable is to be applied are used in the computation.

The balance sheet approach means that the liability method is based on the temporary differences between the tax base of the assets or liabilities, and the amount of assets and liabilities stated in the balance sheet. The tax base of assets or liabilities is the value of the assets or liabilities applicable in the future for tax purposes.

The book value of a deferred tax receivable is reviewed as of each balance sheet date and decreased to an extent in which it is no more likely that a sufficient taxable profit will be available against which this receivable or its portion could be applied.

The deferred tax receivables and liabilities are offset and stated at their total net value in the balance sheet.

3.12. Revenue

Revenue is recognised as of the date of the release of goods for a customer or as of the date of rendition of services, and is stated net of discounts and exclusive of VAT.

3.13. Estimates

The preparation of the financial statements requires that the company's management use estimates and assumptions which affect the disclosed amounts of assets and liabilities as of the date of the financial statements and the disclosed amounts of the revenues and expenses of the period. The company's management believes that the estimates and assumptions made will not materially differ from the actual values in the subsequent accounting periods.

3.14. Extraordinary Expenses and Revenues

These items are revenues and expenses from transactions which are quite extraordinary given the accounting entity's ordinary activity, as well as revenues and expenses from random extraordinary events.

3.15. Cash Flow Statement

The cash flow statement was prepared by applying the non-direct method. The cash equivalents are assets with short-term liquidity which are easily and readily convertible into a known amount of cash. A summary of cash and cash equivalents is given in the table below:

(figures stated in th. CZK)	31/12/2025	31/12/2024
Cash in desk and cash in transit	570	376
Bank accounts	3 825	5 522
Cash and cash equivalents, total	4 405	5 898

Cash flows from operations, investments or financial activities are stated unmatched in the cash flow statement.

As of 31/12/2025, the company had no bank guarantees.

3.16. Changes in the Accounting Methods in 2025

No changes in the accounting methods occurred in 2025.

4. Supplementary Information to the Balance Sheet and the Profit and Loss Account

4.1. Fixed Assets

4.1.1. Intangible Fixed Assets

Acquisition cost

(in CZK thousand)	As of 31/12/2023	Additions	Disposals	As of 31/12/2024	Additions	Disposals	As of 31/12/2025
Software	16 501	0	-1 822	14 679	0	0	14 679
Other valuable rights	1 333	0	0	1 333	0	0	1 333
Total	17 834	0	-1 822	16 012	0	0	16 012

Accumulated depreciation

(in CZK thousand)	As of 31/12/2023	Additions	Disposals	As of 31/12/2024	Additions	Disposals	As of 31/12/2025
Software	16 499	2	-1 822	14 679	0	0	14 679
Other valuable rights	1 261	44	0	1 305	28	0	1 333
Total	17 760	46	-1 822	15 984	28	0	16 012

Carrying amount

(in CZK thousand)	As of 31/12/2023	As of 31/12/2024	As of 31/12/2025
Software	2	0	0
Other valuable rights	72	28	0
Total	74	28	0

4.1.2. Tangible Fixed Assets
Acquisition cost

(in CZK thousand)	As of 31/12/2023	Additions	Disposals	As of 31/12/2024	Additions	Disposals	As of 31/12/2025
Land	7 184	0	0	7 184	0	0	7 184
Structures	230 899	1 753	-3 084	229 568	105 034	-521	334 081
Plant and equipment	1 180 011	32 801	-3 588	1 209 224	45 394	-20 619	1 233 999
– Machinery and equipment	1 165 840	31 542	-3 588	1 193 794	44 775	-20 290	1 218 279
– Means of transport	14 171	1 259	0	15 430	619	-329	15 720
Other tangible fixed assets	68	0	0	68	5	0	73
Tangible investments in progress	2 698	135 073	-34 554	103 217	47 822	-150 433	606
Advances for tangible fixed assets	10 347	17 314	-25 164	2 497	0	-2 497	0
Total	1 431 207	186 941	-66 390	1 551 758	198 255	-174 070	1 575 943

Accumulated depreciation

(in CZK thousand)	As of 31/12/2023	Additions	Disposals	Adjustment entry	As of 31/12/2024	Additions	Disposals	As of 31/12/2025
Land	0	0	0	0	0	0	0	0
Structures	150 016	4 644	-3 084	-126	151 450	5 357	-521	156 286
Plant and equipment	939 295	48 756	-3 588	0	984 463	47 202	-20 603	1 011 062
– Machinery and equipment	928 910	47 239	-3 588	0	972 561	46 103	-20 274	998 390
– Means of transport	10 385	1 517	0	0	11 902	1 099	-329	12 672
Advances for tangible fixed assets	0	0	0	0	0	0	0	0
Total	1 089 311	53 400	-6 672	-126	1 135 913	52 559	-21 124	1 167 348

Carrying amount

(in CZK thousand)	As of 31/12/2023	As of 31/12/2024	As of 31/12/2025
Land	7 184	7 184	7 184
Structures	80 883	78 118	177 795
Plant and equipment	240 716	224 761	222 937
– <i>Machinery and equipment</i>	236 930	221 233	219 889
– <i>Means of transport</i>	3 786	3 528	3 048
Other tangible fixed assets	68	68	73
Tangible investments in progress	2 698	103 217	606
Advances for tangible fixed assets	10 347	2 497	0
Total	341 896	415 845	408 595

The most important additions to tangible and intangible fixed assets in 2025 included an automatic wick system amounting to 3 201 th. CZK (the last instalment amounting to 704 th. CZK was paid in 2025), two refurbished robotised machining systems, a Hermle C 250 U worth 2 112 th. CZK, and a Hermle C 32 U with automated work-piece exchange worth 5 833 th. CZK, a refurbished Mazak HCN 6800 II machining system worth 758 th. CZK, a refurbished Mori Seiki NLX 2500 NC lathe worth 2 029 th. CZK, 4 refurbished Mazak Variaxis 500 machining systems totalling 3 720 th. CZK, 2 refurbished ZB 63 surface grinders worth 411 th. CZK, and 2 refurbished Cincinnati Milacron grinders worth 217 th. CZK.

Other important investments included completion of the construction of a new production hall, totalling 102 323 th. CZK (payments amounting to 11 820 th. CZK were made in 2025) and completion of the photovoltaic system totalling 13 926 th. CZK (payments amounting to 1 474 th. CZK were made in 2025).

An investment into handling equipment worth 2 456 th. CZK was made, along with environmental investments amounting to 432 th. CZK.

The most important additions to tangible and intangible fixed assets in 2024 included a DMC 80H DuoBlock machining system worth 15 621 th. CZK (the last instalment of 8 191 th. CZK was paid in 2024), and a TZNZ 2 hook-type blasting system worth 3 308 th. CZK (the last instalment of 2 212 th. CZK was paid in 2024). An advance payment for an automatic wick system amounting to 2 498 th. CZK was made (an investment of 1 249 th. CZK was made in 2024) and the Cu galvanizing line was reconstructed and extended, amounting to 3 677 th. CZK.

An investment into handling equipment worth 528 th. CZK was made, namely for the purchase of a STILL ECH 15C electric-driven hand-controlled low-lift palette truck worth 165 th. CZK and a Liftronic EASY E125 manipulator worth 363 th. CZK.

Investments into a photovoltaic system without accumulation amounted to 11 424 th. CZK in 2024. An investment into the new production hall worth 90 413 th. was made. The photovoltaic system and the hall were included in the registry of the company's assets in 2025. Buildings had to be removed to allow the construction works on the new hall to begin, which totalled 2 964 th. CZK.

4.1.3. Pledged Fixed Assets and Security

The company had tangible fixed assets under a contract for pledge in 2025 to secure the receivables relating to loans from Komerční banka a.s., namely both current and future debts from an overdraft contract and from damages and contractual penalties as per the contract for pledge. The secured amount is floating according to the current amount of the principal, but with the following limits: A limit on the principal amounting to 15 000 000 CZK and 200 000 EUR applies to the contract for overdraft. Debts from unjust enrichment are secured up to the principal of 21 000 000 CZK and damage compensation and contractual penalties are secured up to 2 100 000 CZK. In total, the maximum available security amounts to 19 849 000 CZK at 24.245 CZK/EUR. The above pledge applies to lots 2799, 2804/1 and 2806/1 in the cadastral area 608327 Boskovice, entered on ownership certificate 202, including the buildings on the aforementioned lots.

4.1.4. Assets under Finance and Operating Lease

The company had no assets under finance or operating lease.

4.2. Inventory

Inventory amounted to 281 397 th. CZK as of 31/12/2025, and saw a decrease of 16 486 th. CZK, or 5.5%, against 2024. This decrease was mostly seen in the purchased materials and semi-finished products, and related to the decline in production in 2025 and the measures adopted to ensure the financial stability of the company. Adjustments to inventory grew by 644 th. CZK in 2025 and decreased the value of inventory. The growth was temporary and related mainly to the decline in production volumes.

Minerva strives for effective expenditure in this area and also keeps inventory levels and their structure as necessary to maintain an uninterrupted flow of production operations and fulfilment of orders.

(figures given in th. CZK)		
Adjustments to inventory	2025	2024
Opening balance as of 01 January	40 454	36 239
Additions	644	4 215
Drawing	0	0
Closing balance as of 31 December	41 098	40 454

4.3. Summary of Trade Receivables by Age

(in CZK thousand) Year	Class	Before due date	After due date				After due date, total	Total	
			0-90 days	91-180 days	181-360 days	1-2 years			2-5 years
2025	Short-term	190 789	564	0	0	0	0	564	191 353
	Adjustments	0	0	0	0	0	0	0	0
	Adjustment as per IFRS 9	0	-1	0	0	0	0	-1	-1
	Net	190 789	563	0	0	0	0	563	191 352
2024	Short-term	228 552	86	0	2 367	0	0	2 453	231 005
	Adjustments	0	0	0	0	0	0	0	0
	Adjustment as per IFRS 9	-1	0	0	-1 184	0	0	-1 184	-1 185
	Net	228 551	86	0	1 183	0	0	1 269	229 820

4.4. Intra-group Receivables

(figures given in th. CZK) Company name	As of 31/12/2025	As of 31/12/2024
Short-term trade receivables		
Dürkopp Adler GmbH, Bielefeld	190 103	226 027
S.C. Dürkopp Adler S.R.L., Rumänien	230	147
KSL Joining Technology GmbH	8	0
PFAFF Industriesysteme und Maschinen GmbH – Kaiserslautern	759	2 098
Short-term intra-group receivables, total	191 100	228 272
Receivables from companies outside the group	252	1548
Short-term receivables, total	191 352	229 820

4.5. Due from State – Entitlement to Subsidy

MINERVA BOSKOVICE, a.s. stated no entitlement to a state subsidy in 2025.

4.6. Other Receivables

MINERVA BOSKOVICE, a.s. stated other receivables amounting to 27 th. CZK in 2025. It stated other receivables amounting to 18 th. CZK in 2024.

4.7. Intra-group Loans

(in CZK thousand) Company name	As of 31/12/2025	As of 31/12/2024
Dürkopp Adler GmbH, Bielefeld	372 722	270 527

The company's intragroup liabilities/receivables also include assistance from the parent company amounting to 372 722 th. CZK (270 527 th. CZK in 2024).

4.8. Equity

No material changes in equity occurred in 2025. The net profits for 2024, amounting to 5 286 th. CZK, were appropriated by adding 264 th. CZK to the statutory reserve, and the amount of 5 022 th. CZK was attributed to retained earnings from previous years.

The proposal for the appropriation of profits for 2025, amounting to of 35 215 th. CZK, anticipates an addition of 1 761 th. CZK to the statutory reserve, and the remaining amount of 33 454 th. CZK to be attributed to retained earnings from previous years.

4.9. Summary of Short-Term Trade Liabilities

(in CZK thousand) Year	Type	Before due date	After due date			After due date, total	Total
			0–90 days	91–180 days	181–360 days		
2025	Short-term	40 575	2 594	0	0	2 594	43 169
2024	Short-term	21 016	3 957	0	0	3 958	24 974

Liabilities past due related to invoices received at the end of the accounting period which were paid in January 2026.

4.10. Intra-group Short-term Trade Liabilities

(figures given in th. CZK) Company name	As of 31/12/2025	As of 31/12/2024
Dürkopp Adler GmbH, Bielefeld	8 798	4 706
S.C. Dürkopp Adler S.R.L., Rumänien	1 651	1 165
Shang Gong Sewing Machinery (Zhejiang) Co., Ltd.	9	0
SMPIC ELETRONICS CO., LTD.	0	2 685
Baifu Industrial Sewing Machine Shenbei Electronics Branch	6 668	0
PFAFF Industrial Sewing Machine CO. LTD (Čína)	3 214	1 921
PFAFF Industriesysteme und Maschinen GmbH (Německo)	1 146	2
Short-term intra-group liabilities, total	21 486	10 479
Liabilities to companies outside the group	21 683	14 495
Short-term liabilities, total	43 169	24 974

4.11. Estimated Accrued Expenses

(figures given in th. CZK)	2025	2024
Uninvoiced material	1 019	354
Not yet taken holidays	693	1 475
Uninvoiced services, energies etc.	3 440	3 471
Total	5 152	5 300

4.12. Other Provisions

A provision for bonuses relating to 2025 amounting to 2 000 th. CZK was created in 2025. No provision for bonuses was created in 2024.

4.13. Liabilities to Employees

The company had a liability to its employees amounting to 19 804 th. CZK as of 31/12/2025 (22 400 th. CZK as of 31/12/2024).

4.14. Deferred Tax

A deferred tax liability amounting to 28 531 th. CZK was recognised in 2025 (a deferred tax liability amounting to 30 231 th. CZK was recognised in 2024).

The applicable deferred tax related to the following differences:

(figures given in th. CZK)	As of 31/12/2025	As of 31/12/2024
Accumulated depreciation of fixed assets	-37 582	-38 975
Inventory	8 631	8 495
Receivables	0	249
Provisions	420	0
Total	-28 531	-30 231

4.15. Income Tax on Ordinary and Extraordinary Activity

The amount of tax for the year, compared with the profit as stated in the profit and loss account, was as follows:

(figures given in th. CZK)	As of 31/12/2025	As of 31/12/2024
Profit before tax	46 006	16 879
Tax effects of non-deductible costs	9 281	-8 963
Tax effects of non-taxable revenues	0	-4
Difference between the tax depreciation and accounting depreciation	6 712	11 820
Application of research and development costs	0	0
Deduction under Sect. 34 of the Income Taxes Act	0	0
Tax base	61 999	19 732
Tax rate	21 %	21 %
Income tax	13 020	4 144
Tax allowances	600	-600
Tax on income from ordinary and extraordinary activity, total	12 420	3 544
Tax prepayments	-18 246	-12 498
Outstanding tax	-5 826	-8 954

A provision for a retrospective tax assessment, amounting to 10 750 th. CZK based on the results of the tax check for 2017 and 2018, was made in 2024 at the same amount. It was paid in 2025 by the due date and the provision was reversed. The provision for income taxes for 2025 was offset against the tax prepayments, and an overpayment of 5 826 th. CZK is disclosed in tax receivables.

4.16. Revenues from Ordinary Activity, by Core Activities

(figures given in th. CZK)	As of 31/12/2025			As of 31/12/2024		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Products of Dürkopp Adler	1 681	948 059	949 740	1 547	963 410	964 957
Products of Minerva	119	50 779	50 898	150	91 930	92 080
Services and other (cooperation)	2 795	22 196	24 991	12 907	22 337	35 244
Revenues from the sale of own products and services	4 595	1 021 034	1 025 629	14 604	1 077 677	1 092 281

4.17. Consumed Purchases

(figures given in th. CZK)	As of 31/12/2025	As of 31/12/2024
Material consumption	481 409	441 462
Energy consumption	29 329	26 184
Consumed purchases, total	510 738	467 646

4.18. Services

(figures given in th. CZK)	As of 31/12/2025	As of 31/12/2024
Repairs and maintenance	9 548	21 279
Travel expenses	1 386	1 104
Entertainment expenses	430	283
Transportation costs	3 969	4 624
Cooperation	22 411	23 722
Advisory services, security and other services from DA	0	0
Use of SAP hardware and software	4 646	4 481
Commission	0	50
Contract labour (agencies)	4 525	5 925
Audit	670	651
Other services	25 559	23 136
Total	73 144	85 255

Other services relate to lease, hire, advisory and other services related to the maintenance and operation of the buildings.

4.19. Other Operating Revenues

(figures given in th. CZK)	As of 31/12/2025	As of 31/12/2024
Discounts	1 769	1 625
Insurance claim	149	150
Subsidies	129	0
Other operating revenues	180	444
Excess inventory, compensation of shortages and damages in operating assets	159	331
Other operating revenues, total	2 386	2 550

4.20. Other Operating Expenses

(figures given in th. CZK)	As of 31/12/2025	As of 31/12/2024
Gifts	1 003	1 227
Other operating expenses	798	682
Penalties	4 445	0
Write-off of receivables	0	3
Discounts	3	27
Operating shortages and damages	136	153
Other operating expenses, total	6 385	2 092

Penalty and delay interest amounting to 4 329 th. CZK relating to the retrospective tax assessment for 2017 and 2018 were recognised in 2025. The penalty and delay interest were paid by the due date in 2025.

4.21. Change in Adjustments

Operating adjustments

(figures given in th. CZK)	As of 31/12/2025	As of 31/12/2024
Change in adjustments to inventory of materials and merchandise	-2 477	4 446
Change in adjustments to production inventory	3 121	-231
Change in adjustments to receivables	-1 184	1 056
Change in adjustments to assets	0	-126
Change in other provisions	2 000	-4 500
Change in operating adjustments	1 460	645

4.22. Other Financial Revenues and Expenses

(figures given in th. CZK)	As of 31/12/2025	As of 31/12/2024
Foreign exchange gains	6 443	2 442
Other financial revenues – total	6 443	2 442
Foreign exchange losses	1 339	6 535
Other financial expenses	3 988	4 106
Other financial expenses – total	5 327	10 641

4.23. Related Party Transactions

4.23.1. Revenues Realised with Related Parties

2025

(figures given in th. CZK) Entity	Relationship to the company	Products	Services	Material	Total
Dürkopp Adler GmbH, Bielefeld	Parent company	992 339	21 797	37 500	1 051 636
DAP France S.A.S.	Affiliate	0	26	186	212
DAP Polska Sp. z o.o.	Affiliate	155	0	11	166
S.C. Dürkopp Adler S.R.L., Romania	Affiliate	2 888	2	851	3741
KSL Joining Technology GmbH	Affiliate	39	5	0	44
PFAFF Industriesysteme und Maschinen GmbH	Affiliate	3 502	188	1	3 691
Total		998 923	22 018	38 549	1 059 490

2024

(figures given in th. CZK) Entity	Relationship to the company	Products	Services	Material	Total
Dürkopp Adler GmbH, Bielefeld	Parent company	1 013 840	21 336	32 934	1 068 110
DAP America, Inc. USA	Affiliate	1 426	0	30	1 456
DAP France S.A.S.	Affiliate	322	23	66	411
DAP Italia S.r.l.	Affiliate	438	9	0	447
DAP Polska Sp. z o.o.	Affiliate	6	0	-2	4
S.C. Dürkopp Adler S.R.L., Romania	Affiliate	2 473	2	861	3 336
PFAFF Industriesysteme und Maschinen GmbH	Affiliate	37 092	611	31	37 734
Total		1 055 597	21 981	33 920	1 111 498

The company has realised a considerable portion of its revenues with its parent company, Dürkopp Adler GmbH, and with other related parties.

4.23.2. Purchases from Related Parties

The company has purchased material and semi-finished products, which are used for the production of machinery, from its parent company, Dürkopp Adler GmbH of Bielefeld. Further, services are rendered from the parent company as stated in the table below:

(figures given in th. CZK)	As of 31/12/2025	As of 31/12/2024
SAP support	4 646	4 481
Total	4 646	4 481

5. Employees, Management and Statutory Bodies

5.1. Personnel Expenses and Head Count

Employees, average relative figure	2025	2024
Employees	562	698
Management	9	9
Total	571	707

Personnel expenses (figures given in th. CZK)	Personnel expenses, 2025, total	Personnel expenses, 2024, total
Employees	393 795	439 881
Management	6 976	6 671
Remuneration to board members	4 138	4 872
Total	404 909	451 424

5.2. Loans, Credits or Other Supplies Granted

Members of the board of directors were provided with passenger vehicles the use of which for private purposes is allowed. Remuneration to board members amounting to 4 138 th. CZK was paid in 2025.

The staffing history in 2025 was marked by the company's prompt response to a continuous decline in orders, as it had to reduce staff numbers continuously. As of 01 January 2025 the company had 615 primary staff members, 5 contracted employees, and two members of the board of directors.

As of 31 December 2025 there were 535 primary staff members, 5 contracted employees, and two members of the board of directors.

6. Contingent Liabilities

As of 31/12/2025 the company did not participate in any litigation the resolution of which would have a material impact on the company's activities.

All off-balance liabilities, such as secured interests etc., are stated in the company's financial statements.

7. Material Events Subsequent to the Date of the Financial Statements

No events occurred subsequent to the date of the financial statements that would have a material impact on the financial statements.

Independent Auditor's Report

to the Shareholders of MINERVA BOSKOVICE, a.s.

Opinion

We have audited the accompanying financial statements of MINERVA BOSKOVICE, a.s., with its headquarters at Sokolská 1318/60, 680 01 Boskovice, Czech Republic IC (Registration Number) 000 10 944, (hereafter the Company) prepared in accordance with Czech accounting regulations, which comprise the balance sheet as at 31 December 2025, the income statement, statement of changes in equity and cash flow statement for the period from 1 January 2025 to 31 December 2025 and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion, the financial statements give a true and fair view of the assets and liabilities of the Company as at 31 December 2025 and of the costs, revenues and its profit or loss and its cash flows for the period from 1 January 2025 to 31 December 2025, in accordance with Czech accounting regulations.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under these 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 and we have fulfilled our other ethical responsibilities in accordance with these regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information included in the Annual Report

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

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge of the Company obtained from 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 the applicable laws and regulations, in particular, whether the other information complies with the laws and regulations in terms of formal requirements and procedures for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.



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

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

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

Responsibilities of the Company's Statutory and Supervisory Bodies for the Financial Statements

The Company's Statutory Body is responsible for the preparation and fair presentation of the financial statements in accordance with Czech accounting regulations, 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 the 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.

The Supervisory Body is responsible for overseeing the financial reporting process of Client.

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 scepticism 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.

We communicate with the Company's Statutory and Supervisory Bodies regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

In Prague, March 30, 2026

Audit firm:

BDO Audit s.r.o.

BDO Audit s.r.o.

Certificate No. 018

Engagement Partner:

Ing. Lukáš Hendrych

Certificate No. 2169



MINERVA[®]

Member of DŮRKOPP ADLER Group

MINERVA BOSKOVICE, a.s.

Sokolská 1318/60 | 680 01 Boskovice | Czech Republic | IČ (Reg. no.): 00010944 | www.minerva-boskovice.cz