

ANNUAL REPORT 2025





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FOREWORD

Dear Shareholders,
Dear Business Partners,
Dear Employees,

The year 2025 continued to be affected by the economic recession impacting some of our key customers, particularly glass manufacturing companies, which resulted in reduced order volumes. Our Sales Department therefore had to respond to the changing situation and actively seek new customers in order to compensate for the decline in orders from traditional clients.

In response to decreasing revenues, the company adjusted working hours in production, maintenance, and other areas. Improved work organization in 2025 increased production performance and productivity while also optimizing mining operations and dispatch.

I would like to commend the excellent communication across all departments, which contributed to a very solid financial result for the company.

By building on the results achieved in previous years, we have been able to continue financing our investment program, which primarily focuses on cost reduction through energy optimization and the improvement of production technologies, enabling the manufacture of products with higher added value. The program is managed prudently to ensure the company's long-term stability. At the same time, we continue to improve working conditions, including wage increases aimed at stabilizing our workforce.

I greatly appreciate the company's sustained emphasis on occupational health and safety. We have not recorded any serious workplace accidents over the long term,

Pavel Šedlbauer
Chairman of the Board of Directors
April 27, 2026

and for 2024 we received the „Zlatý Permon“ (Golden Permon) Award personally from the Chairman of the Czech Mining Authority (ČBÚ) in recognition of our outstanding approach to occupational health and safety.

Several independent audits were conducted within the company, all with positive results, confirming the excellent integration and organization of all company activities.

We recognize our responsibility to secure raw material resources for both our company and our customers in the future. I am pleased that the mining area has been expanded and that negotiations regarding permits for extraction in new areas are progressing successfully.

We also consider social responsibility toward the region to be of great importance. Our strong communication with neighboring municipalities, including regular updates on our plans and intentions, contributes to mutual understanding and trust.

I believe that market conditions will stabilize in the coming period and that, through excellent service and high quality in every grain, we will succeed in acquiring new customers, particularly in segments focused on products with high added value.

In conclusion, I would like to thank all our employees for their work, dedication, and loyalty to our company.



COMPANY PROFILE

Sklopísek Střeleč, a.s. is a Czech legal entity, originally established as EXIMOS, a.s. on December 5, 1991. On February 1, 1994, EXIMOS, a.s. acquired Sklopísek Střeleč, s.p. from the National Property Fund of the Czech Republic.

The company's primary business activities include production, trade, and services not listed in Annexes 1 to 3 of the Trade Licensing Act, specifically focusing on the production of other non-metallic mineral products not elsewhere classified.

Sklopísek Střeleč, a.s. holds the exclusive rights to extract reserved mineral deposits owned by the Czech Republic.

The company is part of the AGC Group (Belgium), which is controlled by Asahi Glass Company (Japan).

The company's facilities are located midway between Jičín and Turnov. With a mining area of 1.7 km², Sklopísek Střeleč operates the largest silica sand extraction site in the Czech Republic. Although historical records of sand mining in this region date back more than 140 years, Sklopísek Střeleč remains

focused on the present and future, with ambitious development plans. In terms of production capacity and annual output of manufactured and sold sands, the company ranks among the largest producers and suppliers in Central Europe. Sklopísek Střeleč fully recognizes its market position and the responsibility it holds toward its surroundings and business partners.

COMPANY HEADQUARTERS

Sklopísek Střeleč, a.s.
Hrdoňovice 80
507 45 Újezd pod Troskami
Czech Republic
Company Identification Number: 447 95688
VAT Identification Number: CZ44795688
Data box ID: a96vrk5
Business Register Entry:
Registered with the Regional Court
in Hradec Králové under file number B1093.
GPS coordinates:
N 50,49885° / E 015,26000°

COMPANY OWNERSHIP

As of December 31, 2025, the company's shareholders are:

Ficarex, s. r. o.	65,1%
Quarzwerte GmbH	34,9%



CORPORATE RESPONSIBILITY

Our support for and cooperation with the local community are part of our everyday activities. We regularly support neighboring municipalities, assist individuals with disabilities from the surrounding area, and contribute to institutions such as volunteer fire brigades, Jičín Hospital, schools and kindergartens, interest groups and sports clubs, as well as cultural events.

We made a significant financial contribution toward the purchase of a new quad bike, which now assists the Mladějov volunteer firefighters in operations within the difficult-to-access terrain of the Prachov Rocks and the surrounding area.

Jičín Hospital expressed its appreciation for our donation, which was used to purchase seven new digital infant scales. We also repeatedly supported the renovation of the Domov pokojného stáří in Libošovice. We are pleased that our contribution helped accelerate this demanding renovation project, which will enhance the quality of care and provide a safer environment for senior residents.

Last year, we completed the renovation of one of the first rest areas by installing a completely new wooden tourist shelter at the existing location. For us, it is not only natural to create such places, but also to take long-term care of them. To improve orientation for visitors, we commissioned an information board providing an overview of all our wooden tourist shelters, which now serves cyclists and tourists exploring the Bohemian Paradise.

We also continue to support our employees through our Sports Club, encouraging participation in activities such as bowling, cycling, cross-country skiing, and hiking.

We also support the young dance couple representing TK KZMJ Jičín. We are pleased that, thanks in part to our support, they are able to compete in top-level competitions, including the Czech National Championships.

We believe that every act of support truly matters.



SUSTAINABLE DEVELOPMENT

Sustainable development is an integral part of the corporate policy of Sklopísek Střeleč, a.s. We are committed to creating a safe and healthy working environment for our employees, continuously improving our environmental protection practices, and closely cooperating with neighboring municipalities to ensure that our business activities remain aligned with our company policy, shared regional development goals and harmonious coexistence within our region.

Occupational health and safety is one of our core values. We take full responsibility in this area and strive to set a positive example for all our employees. Environmental protection is equally fundamental to our operations. The natural resources of glass and foundry sands form the very foundation of our company. We will be able to meet both our current needs and those of future generations only if we manage these resources responsibly, use them efficiently, and carefully reclaim the areas after mining.

Climate protection and biodiversity have been, and will continue to be, key priorities for us. We are constantly working to reduce CO₂ emissions. In 2025, we obtained a certificate confirming the accuracy of the data and the methodology used to calculate our carbon footprint. This certificate verifies that our management system has been assessed and found to comply with the requirements of ČSN EN ISO 14064-1:2019.

Through land reclamation and the restoration of mined areas, we actively support biodiversity. We utilize waste heat from our production processes, use solar collectors for hot water heating, and standard practices include LED lighting, waste separation, and many other measures. Our goal is to contribute to environmental protection by providing products and services that respect the principles of sustainable development.

We continue our long-standing and close cooperation with the Bohemian Paradise Protected Landscape Area (PLA). As a direct neighbor of this protected area, the Head of the Administration of the Bohemian Paradise Protected Landscape Area invited us, as part of the celebrations marking the 70th anniversary of its establishment, to host a site visit for their staff to our plant and quarry.

We were pleased that the visitors appreciated our modern equipment, operational cleanliness, and open approach. We also participated in the official celebrations of the 70th anniversary of the establishment of the Bohemian Paradise Protected Landscape Area, held at the Senate of the Parliament of the Czech Republic, as well as in the joint planting of a fruit tree alley — 70 trees along the road from Osek to Vesec.

As part of this event, a time capsule was placed, into which we included not only information about our company but also the most valuable product of our production — our highest-quality sand. We are proud to actively maintain strong relationships with our surroundings and to be a long-term and reliable partner of the Bohemian Paradise Protected Landscape Area.

Living in harmony with nature is the right path for us.

KEY EVENTS OF THE YEAR



JANUARY

On January 16, Sklopísek hosted the annual meeting of TOP MGMT members with key suppliers. The main topic was the evaluation of projects implemented in 2024 and the presentation of planned projects for 2025, where cooperation with these strategic suppliers was anticipated.

On January 28, an off-site meeting of TOP MGMT members took place in Lázně Bělohrad. Key topics concerning the further development of our company were discussed, including the implementation of new investment projects, the company's objectives for 2025, and the introduction of ESG (Environmental, Social and Governance) principles within the company.

FEBRUARY

On February 18, a Presentation Day was held, during which members of the company's management and selected employees delivered presentations evaluating the past year and outlining objectives for 2025. Ing. Pavel Šedlbauer, Chairman of the Board of Directors, also attended the event.

MARCH

On March 5, a meeting of the Board of Directors of the Association of the Glass and Ceramic Industry in the Czech Republic (ASKP ČR) was held, addressing key topics including collective bargaining, protection of geographical indications of products, financial performance, and plans for 2025.

From March 10 to 12, KPMG Česká republika Audit, s.r.o. conducted the final financial audit at Sklopísek. The company's financial management was found to be fully compliant with Czech accounting standards.

On March 20, we participated in the conference „Development of the Glass and Ceramic Industry and Craft in the Czech Republic,” held at the Ministry of Industry and Trade in Prague. The program focused on key issues affecting organizations, companies, and manufacturers in the sector, as well as future trends such as developments in the energy sector, export support, opportunities to strengthen sales in a global environment, design, technologies, and innovation.

APRIL

As part of our support for education, we purchased 11 so-called “raw material suitcases,” which were ceremonially

handed over on April 28 at Sklopísek to representatives of schools from Jičín, Turnov, Sobotka, Libuň, and Rovensko pod Troskami. Each suitcase contained various minerals, including our white glass sand, along with engaging educational materials. The aim is to demonstrate that minerals and metals form the foundation of everyday life and industrial processes. Students use these materials in geology, biology, and geography classes.



MAY

On May 19, the ceremonial presentation of the Zlatý Permon (Golden Permon) Award for 2024 took place at the Restart Hotel in Jičín. Sklopísek received the award in Category II (companies with 51–500 employees). This prestigious mining safety award is granted to companies under the supervision of the State Mining Administration of the Czech Republic in recognition of outstanding performance in occupational health and safety.

On May 20, a Board of Directors meeting and a General Meeting were held at Sklopísek. Participants were informed about current developments within the company and received updates not only on profit, human resources, and sales, but also on our ongoing efforts to reduce costs and increase labor productivity.

JUNE – JULY

On June 13, the traditional „Director's Cup Bowling Tournament” took place at Bowling Sedmihorky. The event was held in a relaxed and friendly atmosphere.

During the summer season, we supplied 500 informational leaflets to Trosky Castle. Visitors were thus able to learn more about the mining and processing of glass sand at our site, whose operations are directly visible from the castle



tower. The leaflets introduce the activities of Sklopísek and demonstrate that industry can operate in harmony with the surrounding landscape.

AUGUST

On August 29, a gala concert was held at the Church of St. John the Baptist in Újezd pod Troskami, featuring opera arias and duets performed by Andrea Kalivodová and Karolína Cingrošová, with piano accompaniment by Kristina Marková. Our company has long been the general partner of the „Hudba z ráje” (Music from Paradise) festival.



SEPTEMBER

From September 10 to 14, the 35th annual Jičín – Town of Fairy Tales festival, organized by the Jičín Endowment Fund, took place. We once again provided financial support and donated sand for the creation of a large sand mound, which became one of the main attractions for young visitors.

On September 18, an off-site meeting of TOP MGMT members was held in Lázně Bělohrad. Key topics related to the further strategic direction of the company were discussed, including ongoing and planned investment projects.

We are proud to be actively engaged not only within our company.

OCTOBER

On October 13 and 14, the first surveillance audit was conducted at Sklopísek by the auditing company Bureau Veritas.

On October 15, the autumn meeting of the Board of Directors took place at Sklopísek. Board members were informed about current developments within the company, significant ongoing and planned changes, sales performance, and the cost reduction plan. The investment and financial plan for 2026 was approved.

NOVEMBER

We traditionally supported the 24th annual charity event organized by APROPO, a public benefit organization, held on November 15 at the Masaryk Theatre in Jičín. The proceeds were used to fund client stays and support activities for caregivers.

On November 25, a meeting of TOP MGMT members with mayors and deputy mayors of neighboring municipalities was held. Representatives of Mladějov, Újezd pod Troskami, Libuň, Troskovice, and Holín were informed about Sklopísek's activities in 2025, plans for 2026, and the continuation of mutual cooperation.

DECEMBER

On December 12, the company's Christmas party took place at the Masaryk Theatre in Jičín. In addition to a rich program, a donation of CZK 50,000 was presented to the parents of a young child with disabilities. The evening also included the introduction of new employees and recognition of those who have worked at the company for 5, 10, 15, and 30 years.



BUSINESS OPERATIONS

OCCUPATIONAL HEALTH AND SAFETY & FIRE PROTECTION

The year 2025 once again confirmed that our long-term efforts in the area of occupational health and safety, combined with open cooperation with our surroundings, deliver tangible results.

We are pleased to have received the highest award for safety in mining, the „Golden Permon“, for the third time. The award was presented to us by the Chairman of the Czech Mining Authority. We regard this recognition as confirmation of our systematic approach to creating a safe and health-conscious working environment for our employees. At the same time, it acknowledges our active role within the region: we cooperate with neighboring municipalities and associations, support cultural, sporting, and charitable initiatives, and continue to develop our cooperation with the Bohemian Paradise Protected Landscape Area (PLA).

This award represents both encouragement and commitment for us. In the years ahead, we will continue to strengthen safe working conditions for our employees and remain a fair and reliable partner to our community.

FIRE BRIGADE INSPECTION AS ANOTHER STEP TOWARD IMPROVING FIRE SAFETY

In 2025, our company underwent an inspection by the Fire Rescue Service in Jičín. The inspection focused on areas with increased fire risk, the organization of fire protection measures, and compliance with fire safety legislation.

The inspection identified no deficiencies, which we greatly appreciate. However, it also provided recommendations to expand the range of areas classified as having increased fire risk.

We view every such inspection as an opportunity for further improvement. It is not only about operational safety but also about ensuring that, in the event of a fire, firefighters have the best possible conditions for a swift and safe response.

NEW OHS MEASURE: SAFE STORAGE OF COMPRESSED GAS CYLINDERS

During 2025, we installed a new cage storage facility for compressed gas cylinders and safely relocated all existing cylinders to this designated area. This created a clearly defined and secured space for their storage and handling.

The storage facility is equipped with portable fire extinguishers and supported by complete documentation in compliance with applicable legislation and our internal requirements. It represents another concrete step in strengthening a safe working environment for our employees and across our entire operation.

The safety and health of our employees come first.



MINING

In 2025, mining operations continued with the selective mining of glass and foundry sands in accordance with the requirements of the production department. Thanks to carefully planned deposit development, we were able to respond swiftly to customer needs throughout the year while ensuring a sufficient supply of high-quality fine-grained products with low iron content. In line with the remediation and reclamation plan, topsoil was carefully removed and stored for future land reclamation within the internal spoil heap.

PROTECTION OF GROUNDWATER AND SURFACE WATER

A subcontracted company ensures continuous monitoring of groundwater and surface water in both the immediate and wider surroundings. The primary objective is to forecast groundwater level developments in water supply structures serving the local population. In 2025, monitoring once again confirmed that there was no depletion of groundwater or surface water levels in the vicinity of the deposit.

MONITORING OF NOISE, SEISMIC ACTIVITY, AND DUST LEVELS

Continuous monitoring of the seismic effects of blasting operations did not indicate any exceedance of the permissible hygienic standards set for the monitored structures according to ČSN 730040. The results met the required values and remained twenty times below the established limit.

Regular washing and maintenance of roads and parking areas within the plant and quarry premises fulfilled another condition of the mining activity permit. Cleaning operations are carried out by a sweeping vehicle, which significantly reduces dust levels across the company's premises. Additionally, a watering truck, supplemented by permanent watering stations in high-traffic areas, further helps control dust emissions.





PRODUCTION

In 2025, Sklopísek Střeleč, a.s. maintained its strong position among the leading producers of silica sands in the Central European region. Through continuous modernization of technological equipment and systematic improvements in production efficiency, the company has been able to consistently ensure the production of silica sands with very low iron oxide content, which represent a key raw material for the manufacture of high-purity glass.

During the reporting period, particular attention was focused on further optimizing internal logistics processes and reducing operating costs associated with material handling within the production site. At the same time, additional measures were implemented to ensure high-quality process water management and its environmentally compliant discharge into local watercourses.

TECHNOLOGICAL DEVELOPMENT AND INVESTMENTS IN ENVIRONMENTAL MEASURES

In mid-2025, a new automatic flocculation station was commissioned for permanent operation. This technology significantly increased the efficiency of process water treatment used in the wet treatment plant and enabled safe and reliable separation of clay fractions contained in the mined raw material. The introduction of this system improved both the stability and the environmental compliance of the entire water management process.

Significant investments were also made in material transportation. The installation of belt conveyors reduced the number of internal truck transfers, leading to lower

noise levels in the surrounding area and a reduction in the carbon footprint associated with production activities.

EMPLOYEE HEALTH PROTECTION AND IMPROVEMENT OF THE WORKING ENVIRONMENT

Throughout 2025, the company continued to invest in employee health protection and the improvement of working conditions. The installation of enclosed conveyors contributed to reduced dust levels in production halls and enhanced workplace hygiene standards.

In line with the company's motto, „Quality in Every Grain”, work continued on the installation of protective barriers in outdoor storage areas. These measures were implemented to minimize the risk of contamination of stored sands.

TECHNICAL SUPPORT

INVESTMENTS

All approved investment projects for 2025 were completed and financially settled by the end of the year, including the subsidy received for the construction of the photovoltaic power plant. The implemented projects were approved primarily with the objective of reducing future operating costs.

Cost savings were generated particularly through the replacement of internal sand transportation by trucks with new conveyor systems, as well as through the modernization of outdated control systems implemented with a view toward future process automation. Projects focused on energy savings and environmental protection were, as always, an integral part of our investment activities.

Significant cost efficiencies were achieved during project implementation, largely as a result of the procurement activities purchasing department and, in many cases, multi-round tender procedures.

SUPPORT PROCESSES

The Mechanical Maintenance and Electrical Maintenance teams successfully completed all planned work within the agreed deadlines, while limiting production downtime to only one working day per week. This was achieved through detailed planning and close coordination across all shifts. Among other activities, mechanical maintenance focused on areas subject to high abrasion, where the use of plastic or ceramic materials significantly extended component service life.

Within the IT department, we continued to strengthen our resilience against cyber threats.

We closely monitored developments related to the NIS 2 Directive to ensure early compliance with all relevant requirements, particularly with regard to the configuration of our internal systems. Employees received regular training to enhance their awareness of potential risks and appropriate responses in the event of a cyberattack. A similar approach was applied to suppliers connected to our IT network, as we strive to minimize the risk of security breaches.

The energy management remains closely linked to energy savings and the resulting continuous reduction of our carbon footprint. In 2025, we achieved an 8% year-on-year reduction in our carbon footprint. Similarly to IT within the DIGITALIZATION team, the Energy Management System (EnMS) team continuously sought improvements, efficiencies, and new projects. The activities of the EnMS team are audited annually in accordance with ČSN EN ISO 50001:2019.

The core system supporting the entire company is the Qi information system. In 2025, the primary focus was on capacity planning across the entire production chain—from mining to dispatch—ensuring that changes and immediate requirements could be incorporated into the production plan as economically and efficiently as possible. The strategic direction of Qi development is digitalization, with the expected outcome being a continuous reduction in paper-based documentation.

The Technical Department team remains stable, with no staff turnover. We cooperate with schools through student internships and project-based assignments, particularly in the field of IT.

We are committed to the long-term reduction of our carbon footprint and to the protection of both the natural and working environments.



SALES

The year 2025 can once again be evaluated positively. Despite lower sales volumes, we achieved revenues comparable to those of the previous year.

We were particularly successful in foreign markets, where we recorded an 18% increase in revenue and a 16% rise in sales volumes (in tonnes). Strong business results were also supported by higher sales of higher value-added sand products.

In the segment of low-iron sands, we achieved a significant year-on-year increase of 20%, primarily driven by strong demand from international customers, for whom these specialty sands are highly sought after.

Customers appreciate not only the quality of our sands but also the reliability of our deliveries.



In the area of logistics, we successfully commissioned an automatic silo trucks loading system. The extended loading hours increased efficiency and improved transport speed—an essential factor in ensuring that our sands reach customers on time.

We continue to place strong emphasis on sustainability. Last year, we further increased the share of rail transport, which is significantly more environmentally friendly and contributes to reducing our carbon footprint.

Efficient and reliable cooperation with our customers is our priority.

COMPANY MANAGEMENT

Petr Hübner
Managing Director

Lukáš Horák
Head of the mining department

Zdeněk Novotný
Head of the sales department

Zdeněk Müller
Head of the technical department

Jiří Veselka
Head of the finance department

Pavel Novák
Head of the production department

STATUTORY BODIES

As of December 31, 2025

BOARD OF DIRECTORS

Chairman: Pavel Šedlbauer
Member: Otto Lorenz Hieber
Member: Elena Mordovchenko
Member: Niels Ledinek
Member: Jiří Mašek

SUPERVISORY BOARD

Chairwoman: Jitka Pricová
Member: Ladislav Vostárek
Member: Jiří Veselka

Sklopisek Střelec, a.s. has no branches or parts of the business undertaking abroad. In 2025, the company did not acquire any of its own shares.



SUMMARY OF ECONOMIC PERFORMANCE AND SUBSEQUENT EVENTS

In 2025, the company continued to build on previously implemented optimization measures responding to developments in the prices of key inputs, particularly in the area of energy. At the same time, it systematically enhanced production efficiency with the objective of achieving maximum economic utilization of production capacity while ensuring a long-term reduction in unit costs per tonne of output. During the year, the company further optimized the organization of production with a focus on maintaining the number of production days. The measures adopted contributed to preserving the company's competitiveness and enabled the stabilization of the existing customer portfolio in 2025.

The company's management continues to consider the going concern assumption to be fully justified, in particular for the following reasons:

- As part of its long-term sustainable development strategy, the company completed the installation of a photovoltaic power plant, contributing to the reduction of its carbon footprint, the optimization of energy consumption, and the stabilization of energy costs.
- Through the installation of a flocculation station, the company increased the efficiency of process water treatment and supported its reuse within the production process, contributing to more responsible water resource management.

- The company has secured all key production inputs and maintains sufficient human resources to ensure uninterrupted operations.
- The company is able to respond flexibly to input price developments through appropriate adjustments to sales prices and targeted management of operating costs.
- The company holds sufficient financial resources to meet its liabilities, even in the event of prolonged unfavorable market conditions.
- The company has no outstanding bank loans.
- The company has been consistently profitable over the long term, and the level of equity is documented in the attached financial statements.

In 2025, the company did not carry out independent research and development activities.

Based on the above facts, the financial statements as of December 31, 2025 were prepared on the assumption that the company will continue as a going concern.

As of the date of preparation of this Annual Report, no events have occurred that would have a material impact on the financial statements prepared as of December 31, 2025.

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