

# ANNUAL REPORT 2021



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# 02 BOARD OF DIRECTORS INTRODUCTION

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Dear business partners,

at the beginning of this year, we were looking forward to announcing that after two years associated with the coronavirus, we have had a relatively calm and stable year, we have met the set sales volumes, and the company and the volume of orders have grown continuously. However, probably like all export-oriented companies - even more so for those focused on power engineering - the invasion of Ukraine by Russian troops has again caused wrinkles on our foreheads. As you know, our company is one of the leading suppliers of control systems for the primary and secondary circuits of nuclear power plants in this country and in the world.

Our systems control a third of the nuclear units in the EU and 10 percent in the world. We are currently executing major contracts for the construction of new nuclear units and the refurbishment of existing nuclear units, particularly of the VVER type. We firmly believe that these projects will continue in order to ensure energy stability in Europe and the world, however, events related to the

changing relations between the Russian Federation, Europe and the world may also have an impact. ZAT's long-term strategy is to eliminate business risks by focusing on a wider range of areas of activity.

This also applies in the field of nuclear energy. During the tender for the completion of the Temelín NPP, we have successfully established cooperation with all potential suppliers, with whom we are currently in intensive negotiations about our deliveries for the completion of the Dukovany NPP or new nuclear units in the Czech Republic. We believe that as a stable Czech company, whose control systems are deployed at nuclear power plants in the Czech Republic and worldwide, we will continue to participate in the construction and maintenance of the operability of nuclear power plants, both in the Czech Republic, Europe, and the world. But let us return to the events that significantly affected our company's operations last year. On a positive note, we must evaluate our activities on the market, in fiscal year 2021 we achieved a production of almost 620 million CZK, and we achieved a record volume of new

orders 1.120 million CZK in total.

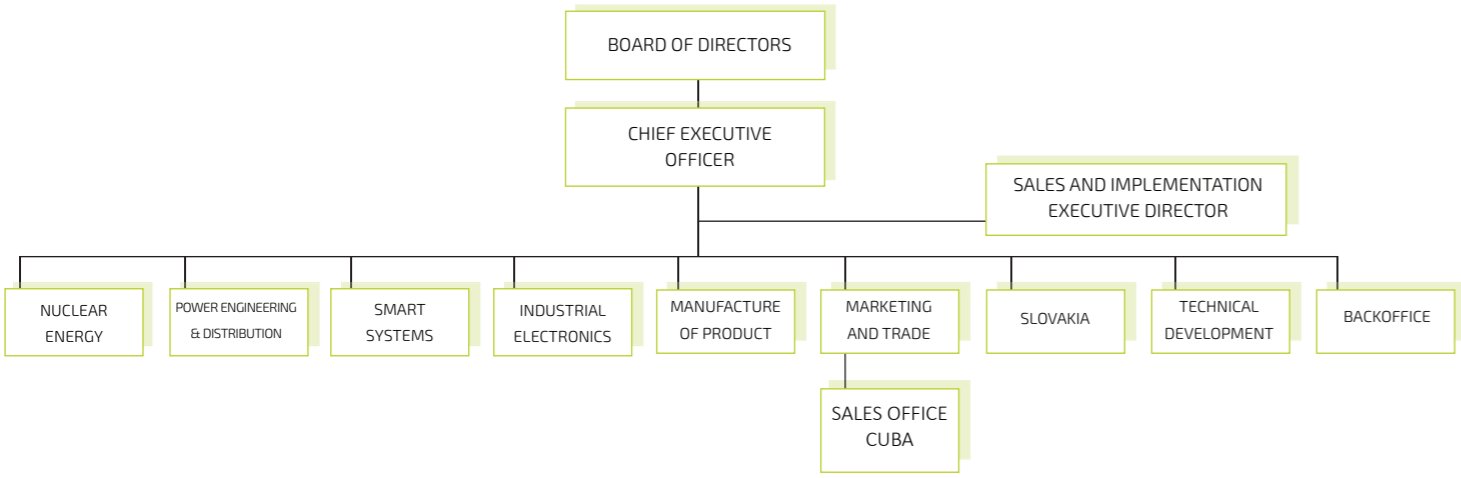
Despite the unfavorable market situation in the supply of material components, we have always met customer requirements both in production and in projects. We have significantly increased our stocks of components, whose delivery time has been extended more than three times, in some cases up to 720 days. The number of employees at ZAT has also been stable over the long term.

The coronavirus situation that accompanied us throughout last year was again very well contained thanks to the strategic decision-making of the crisis staff and the testing that we conducted throughout most of the fiscal year. In development, we focused on activities in the area of safety control systems for nuclear power plants, completing both the project to obtain SIL 3 certification for the turbine controller and the project to develop

and implement automated testing workplace, which increased the efficiency of unit testing in the production of HW components by several times.

We have also deepened our cooperation with universities through projects of the National Competence Centers, etc. Among other activities of the last year, the results of which we presented in June 2022 at a customer event, is a completely new website, which will be not only informative but also presentational. Finally, let us mention the anniversary that will accompany us throughout this year, the 60th anniversary of the company's foundation. ZAT was at the birth of automation in the world and currently significantly sets the direction of the development of this field in our country and abroad. We wish that your steps will be as stable as ZAT's present and future.

# 03 ZAT A.S. ORGANIZATION CHART



# 04 MANAGEMENT OF THE COMPANY ZAT a.s.

**Board of Directors**

- Jaroslav Scharf** – Chairman of the Board of Directors
- Vladislava Česáková** – Member of the Board of Directors
- Ivo Tichý** – Member of the Board of Directors

**Supervisory Board**

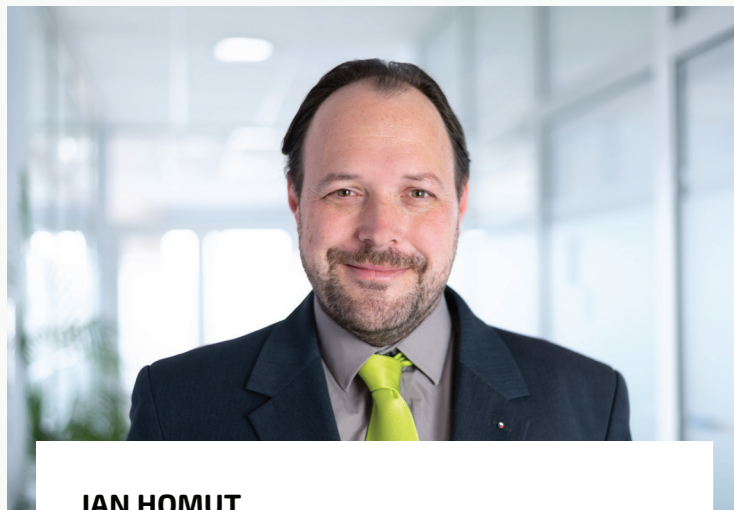
**Ivana Bergerová**

**Company's management**

- Vladislava Česáková** – Executive Management Officer
- Ivo Tichý** – Sales and Implementation Executive Officer
- Jan Homut** – Director of Nuclear Energy Division
- Miroslav Vaněček** – Director of Power Engineering & Distribution Division
- Milan Hucl** – Director of Smart Systems Division
- Vladimír Pikard** – Director of Industrial Electronics Division
- Martin Brašna** – Director of Product Manufacturing Department
- Ivo Tichý** - Director of Marketing and Trade Department
- Andrej Rubint** -Director of Slovakia Department
- Pavel Kulík** – Director of Technical Development Department
- Vladislava Česáková** – Director of Backoffice Department



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| <p><b>JAROSLAV SCHARF</b><br/>Chairman of the Board of Directors</p> | <p><b>VLADISLAVA ČESÁKOVÁ</b><br/>Member of the Board of Directors</p> | <p><b>IVO TICHÝ</b><br/>Member of the Board of Directors</p> |
|--|--|--|



**JAN HOMUT**

Director of Nuclear Energy Division



**MIROSLAV VANĚČEK**

Director of Power Engineering & Distribution Division



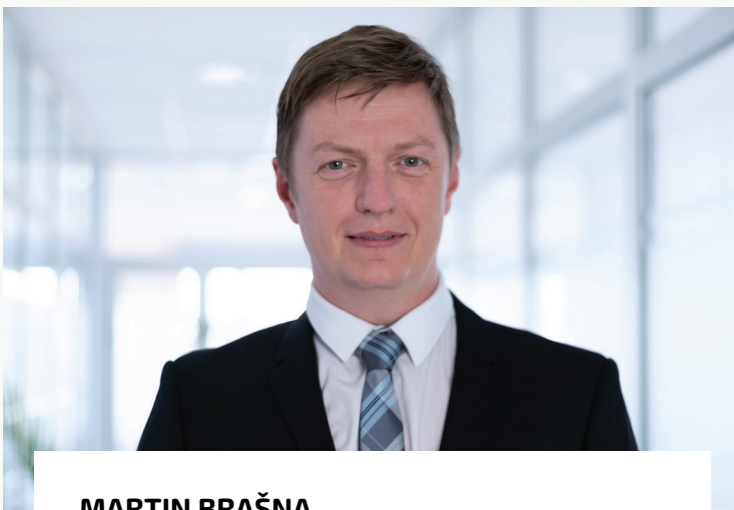
**MILAN HUCL**

Director of Smart Systems Division



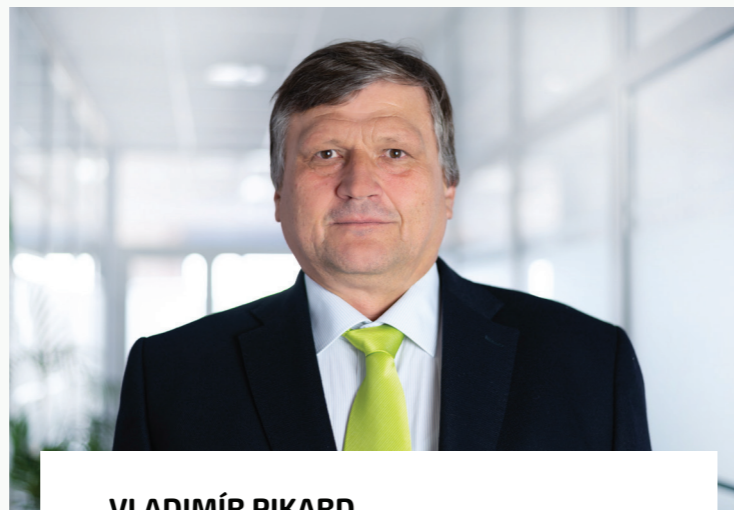
**ANDREJ RUBINT**

Director of Slovakia Department



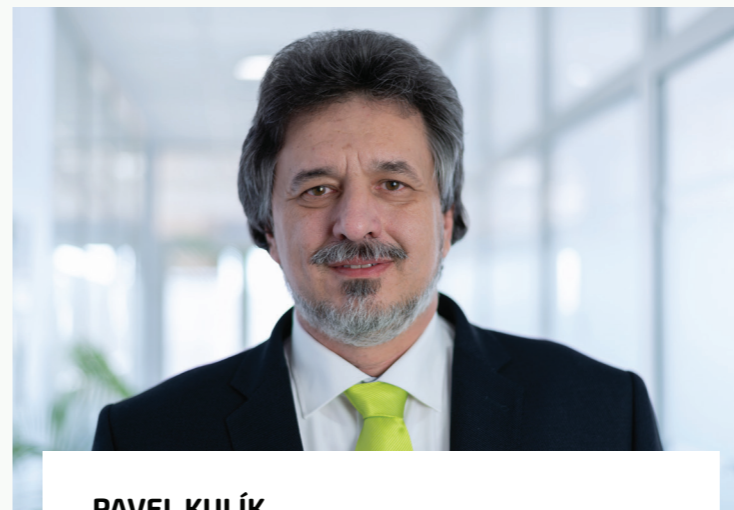
**MARTIN BRAŠNA**

Director of Product Manufacturing Department



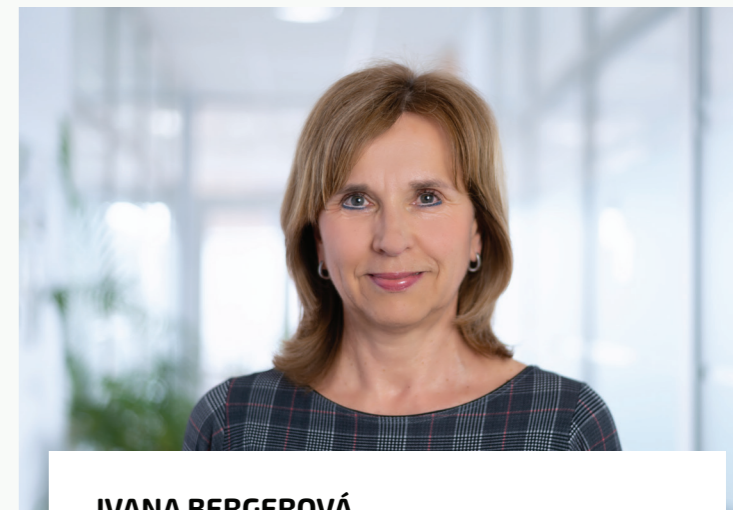
**VLADIMÍR PIKARD**

Director of Industrial Electronics Division



**PAVEL KULÍK**

Director of Technical Development Department



**IVANA BERGEROVÁ**

Supervisory Board

## 05 INFORMATION ON DEVELOPMENT OF PERFORMANCE, ACTIVITY AND CURRENT ECONOMIC POSITION OF THE ACCOUNTING UNIT

The company ZAT a.s. supplies intelligent control systems for a wide range of fields all over the world. It is the oldest Czech company in the field of automation of technological processes with a sixty-year history. ZAT company has been a long-term stable partner in the supply of complex solutions and products for energy and industry at home and abroad.

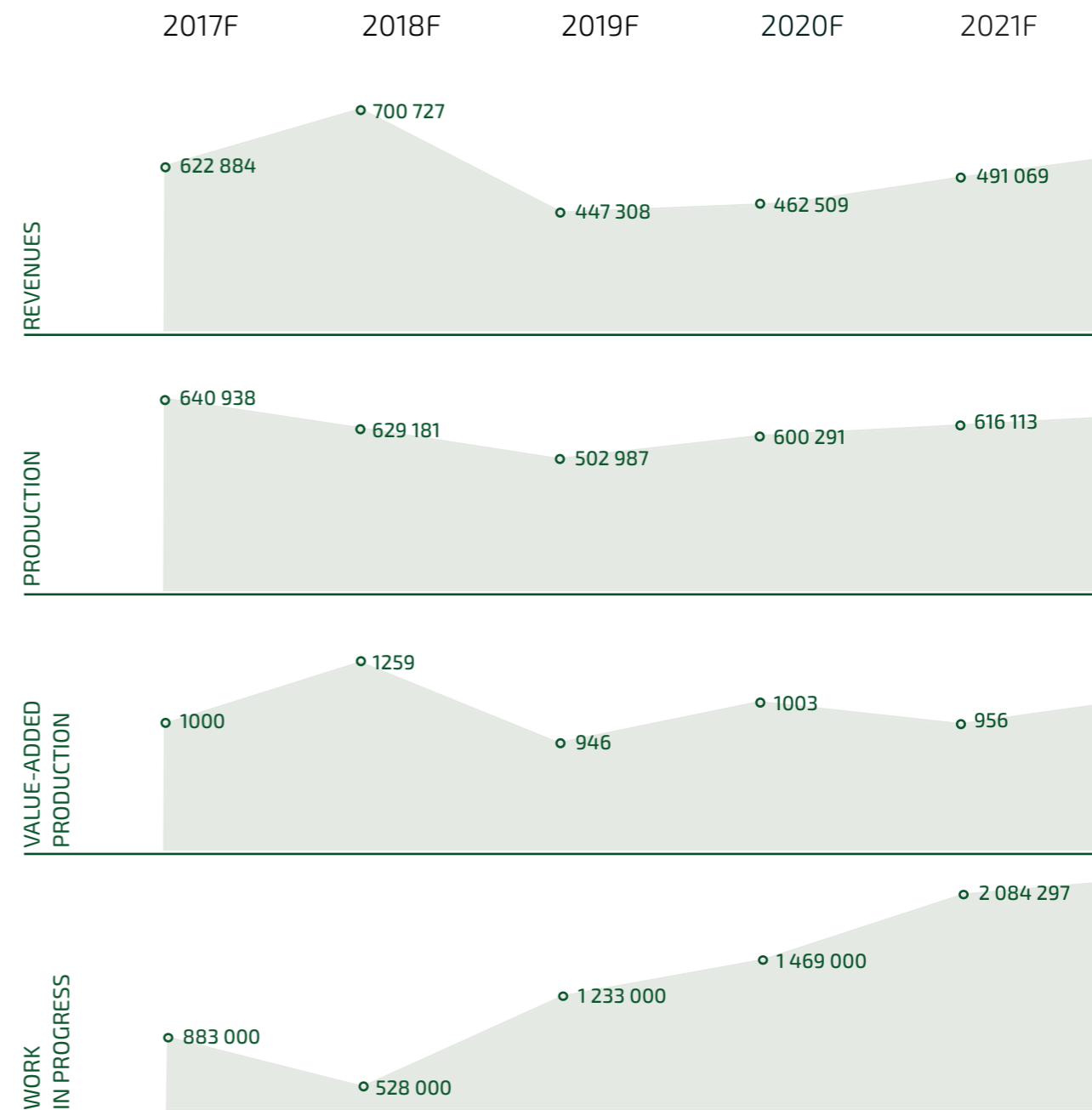
Focusing on fields with high demands on safety and reliability and on technologies and services requiring innovative and individual solutions brings the company long-term projects, in which the implementation time from the start of development work to the complete handover of the work to the customer is usually longer than one year. In the case of projects in the nuclear energy segment, their implementation period exceeds several years, which can have an impact on the year-to-year fluctuations in the volume of sales, the volume of orders in progress and the amount of annual profit.

The volume of sales reached 491,069 thousand CZK in the financial year 2021F. Profit after taxation was CZK 9,310 thousand and the EBITDA indicator was CZK 51,260 thousand.

In the nuclear energy segment, we supply control and management systems for large and small nuclear reactors and related nuclear technologies. In the year 2021F, it was possible to realize contracts with a volume of almost CZK 90 million. Deliveries of automation to the traditional power industry, i.e. for thermal and hydropower plants, heating plants and incinerators, represent a wide portfolio of products ensuring long-term and reliable operation of control systems and have already exceeded the threshold of CZK 115 million. The segment of supplies of intelligent control systems and complex software solutions meeting high demands on cyber security increased its sales to almost CZK 160 million. The production of industrial electronics supplying products for demanding industries achieved sales worth more than CZK 130 million.

An important indicator that shows the company's future performance potential are the contracts already concluded today, which represent a certain source of work, performance, sales and profit for the next period. Their amount now reaches the value of CZK 2 billion.

Considering that ZAT has a significant order in



the pipeline for a business partner located in a location affected by the Russian-Ukrainian war conflict, the company evaluated the effects of this conflict on its operating results, financial condition and net assets in 2021F. At the end of the balance sheet day, the company did not register any negative impacts, however, it is not possible to predict with sufficient certainty to what extent the continuation of the war conflict will affect the world economy in 2022 and whether the further escalation of the conflict and the associated sanctions will or will not have an adverse impact on the implementation of this order and, as a result, on the company's operating results or financial situation.

Fluctuations in sales due to the segmental structure of orders cause fluctuations in income, which the company balances by using short-term bank loans. To ensure development, the company uses long-term investment loans and suitable subsidy programs.

Deliveries to foreign markets also bring trading in foreign currencies and the associated currency risk. The company emphasizes the management of currency risks resulting from a possible decrease in the value of foreign currencies against the CZK and uses standard financial hedging instruments to minimize them.

As of March 31, 2022, the share capital was CZK 215,000 thousand, equity capital was CZK 364,230 thousand. The balance of assets at the end of the financial year 2021F was worth CZK 890,208,000.

The ZAT company is not subject to the requirement to provide information according to special legal regulations. The most important economic results achieved in the financial year 2021 and their comparison with the values of previous years are presented in the following graphic representation.

## 06 INFORMATION ON ANTICIPATED DEVELOPMENT OF THE ACCOUNTING UNIT

In the upcoming accounting period, ZAT a.s. expects to remain involved in the activities relevant to its area of business as specified in the Commercial Register.

ZAT will continue to provide its customers with comprehensive and complete supplies of products and services. Supplies of custom solutions and products for the nuclear and conventional

energy sectors, for the area of industrial processes and IoT technologies, as well as the production of industrial electronics remains the main subject of activity. Thanks to the controlled and long life cycle of our products, the provision of warranty and long-term post-warranty service will continue. We expect further development in the supply of project-based and smart software solutions.

In the next financial year, the key investments will be directed towards development of existing products as well as new products, develop-

ment and design tools and towards optimization of processes and activities to increase the overall efficiency of the company. Investments aimed at strengthening the Company's security against cyber-attacks and the modernization of equipment ensuring the production of industrial electronics will also continue.

The continuous development of employees' competencies will also continue in order to maintain the company's competitiveness on the domestic and foreign markets.

## 07 INFORMATION ON MAJOR EVENTS TAKING PLACE AFTER THE BALANCE SHEET DATE

There were no significant events between the end of the balance sheet date and the date of preparation of the annual report that would represent unusual changes in assets and liabilities and facts that provide additional information about conditions or situations that existed at the end of the balance sheet date and facts that existed as uncertain conditions and situations at the end of the balance sheet date.

As of April 20, 2022, the measures introduced in connection with the fight against the spread of the viral disease COVID-19 caused by the SARS-CoV-2 coronavirus were canceled due to the long-term decline of the epidemic. During their duration, these measures had no direct or indirect impact on the company's future economic situation and the related valuation of assets and liabilities.

## 08 INFORMATION ON OCCUPATIONAL SAFETY AND ENVIRONMENTAL PROTECTION ACTIVITIES

The company ZAT a.s. has been dealing with both environmental protection and the area of safety and health protection of employees during their work for a long time. In the long term, it also focuses on the systematic development of safety culture, especially in the field of nuclear energy. The culture of nuclear safety is addressed in the company in such a way that every employee is informed that they are working on an order belonging to the field of nuclear energy and thus proceeds with particular caution in the performance of their work.

The conduct of the company and its employees is regularly monitored and reviewed. ZAT has a trained team of internal auditors for this purpose. At the same time, ZAT is continuously assessed by independent audit firms and customer external auditors. In the financial year 2021, it was thus possible to successfully defend the ISO 14001:2015 (EMS) and ISO 45001:2018 (OHS) certification. Also, the area of nuclear safety culture and its further development have been checked and audited by several of our important customers, both from the EU and beyond.

This year too, the company was forced to deal with the effects of the COVID-19 pandemic, for

the management of which a Crisis Staff had already been created in the previous year to ensure the protection of employees and the operation of the company in order to limit the resulting risks as much as possible.

Thanks to this, the effects of the COVID-19 pandemic on the functioning of ZAT were minimal.

The company disposes of an established register of environmental aspects as well as of an OHS risks register. Both registers are continuously monitored, and key aspects and risks are managed in a way to prevent possible undesired situations. In the event that they do occur, measures are taken in advance that should minimize any potential impacts.

Environmental protection and occupational health and safety are an integral part of the activities of ZAT's management and an integral part of the development of knowledge and awareness of employees. During the financial year 2021, all the objectives of the annual OSH and EMS Plan were met. Among the most significant are, for example, regular revisions of the equipment, continuous renewal of the vehicle fleet, acquisition of new production technology,

completion of the reconstruction of the existing hydrants in buildings D and F.

The modernization of production technologies and other technical means that support the implementation of the company's orders remains one of the company's long-term goals. The benefit of their renewal is, in addition to increasing production efficiency and increasing the quality and safety of our products, also reducing nega-

tive impacts on the environment. The products we supply are often involved in the management of foreign technologies that have an impact on the environment. Through their function, they thus contribute to increasing their operational safety and reducing possible negative effects on the environment.

Certificates and awards are available for download at [www.zat.cz](http://www.zat.cz).

## 09 INFORMATION ON EMPLOYMENT RELATED ACTIVITIES

The company ZAT a.s. is a long-term significant employer operating on the labor market in the Příbram, Plzeň and Benešov regions. The goal of strategic planning and human capital management is the employment of the optimal number of employees with all necessary and market-required competencies. To achieve this goal, the company has set up a comprehensive system of education and provision of all the necessary qualifications for the performance of work, including the demanding conditions of its customers.

The company had an average of 345 employees in financial year 2021, which was a sufficient number for the successful implementation of orders that year. Taking into account the current volume of contracts already in progress and the outlook for new contracts, the same number of employees can be expected in 2022 as well.

For many years, the company has cooperated with high schools and universities in the region, organizes excursions for students, allows high school students to do their internship here, and organizes job fairs. The long-term goal is the continuous acquisition of young and educated employees.



## 10 INFORMATION ON RESEARCH AND DEVELOPMENT ACTIVITIES

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In the past year, the ZAT company focused its development activities in the field of safety control systems for nuclear power plants on the verification of the functionality and qualification of newly developed subsystems and components and their introduction into production. In connection with this, the project for the development and implementation of automated test workplaces was also completed, thanks to which the company increased the efficiency of unit tests in the production of HW components several times. As part of the development of security systems, the company implemented the first version of its own SW tool for visualization, which combined modern design methods and design with proven approaches of creation of secure SW. The result is a tool containing basic HMI (Human machine interface) elements, such as general diagnostics, secure archiving and a reliable operator console for controlling the technology.

By obtaining a certificate from the TÜV company, ZAT completed an important certification project for the steam turbine protection system implemented on the SandRA platform and thus confirmed the company's competence in the field of safety systems supply.

The company continued to cooperate with universities in projects of National Centers of Competence (NCK). The company participated in

the development of mathematical models of water turbines and synchronous generators in the form of verification of the behavior of the models in comparison with real machines, the implementation of proposed methods for diagnosing generator faults, as well as the development of wireless sensors for energy networks. Based on proven cooperation with universities, the company decided to participate in the newly announced public competition of the Technological Agency of the Czech Republic – NCK 2 for the period 2023 to 2028.

The SimONet platform, intended for the collection, storage, evaluation and visualization of information using IoT technologies, now offers the possibility of operation not only in the cloud, but also on the customer's private servers (so-called on-premises). Together with the newly-chosen modular solution of the platform, this enables its use in further branches and areas.

The company continues to develop tools for sophisticated data analysis and their multi-platform presentation within the newly emerging SoWA platform. Due to the growing need for effective analysis of large volumes of data, ZAT expects these tools to be applied in all fields in which it operates.

## 11 INFORMATION ON FOREIGN ORGANIZATIONAL UNIT AND REPRESENTATIVE OFFICE

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The company has had a commercial and technical office "ZAT a.s., organizačná zložka", established in Slovakia in 2009, ID number 44739125, based in Trnava Modranka. The subject of the

activity of the organizational unit is intermediary activity in the field of trade and services.

Furthermore, the company established its representative sales office in Havana, Cuba in 2015.

## 12 INFORMATION ON ACQUISITION OF TREASURY STOCK OR OWN SHARES

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The company did not acquire any treasury stock or their own shares in 2021.

FINANCIAL SECTION

# 13 BALANCE SHEET

Unabridged report as of 31st of March 2022 (rounded to thousands CZK) Month: 12 Year: 2021F Company reg. No.: 45148431 Business name or another name of accounting unit: ZAT, a. s. Address or place of residence and place of business of the accounting unit, if different from the permanent address: **K Podlesí 541, 261 01 Příbram VI**

| Ident.        | ASSETS  | Current period |                  |                | Previous period |
|---------------|---|----------------|------------------|----------------|-----------------|
|               |   | Gross          | Adjust.          | Net            | Net             |
| a             | b   | 1              | 2                | 3              | 4               |
|               | <b>TOTAL ASSETS</b>   | 1 366 686      | -476 477         | 890 209        | 832 177         |
| <b>B.</b>     | <b>Fixed assets</b>   | <b>805 176</b> | <b>- 468 078</b> | <b>337 098</b> | <b>360 125</b>  |
| <b>B. I.</b>  | <b>Intangible fixed assets</b>  | <b>213 248</b> | <b>- 170 196</b> | <b>43 052</b>  | <b>54 220</b>   |
| B.I.1.        | Development   | 112 738        | - 77 364         | 35 374         | 42 911          |
| B.I.2.        | Valuable rights   | 96 310         | - 89 713         | 6 597          | 9 841           |
| B.I.2.1.      | Software  | 68 839         | - 62 262         | 6 577          | 9 816           |
| B.I.2.2.      | Other valuable rights   | 27 471         | - 27 451         | 20             | 25              |
| B.I.4.        | Other intangible fixed assets   | 3 918          | - 3 119          | 799            | 1 336           |
| B.I.5.        | Advance payments for intangible fixed assets and intangible fixed assets under construction | 282            |                  | 282            | 132             |
| B.I.5.2.      | Intangible fixed assets under construction  | 282            |                  | 282            | 132             |
| <b>B.II.</b>  | <b>Tangible fixed assets</b>  | <b>591 675</b> | <b>- 297 882</b> | <b>293 793</b> | <b>305 652</b>  |
| B.II.1.       | Land, Buildings and structure   | 376 203        | - 141 287        | 234 916        | 247 076         |
| B.II.1.1.     | Land  | 34 604         |                  | 34 604         | 34 685          |
| B.II.1.2.     | Buildings and structures  | 341 599        | - 141 287        | 200 312        | 212 391         |
| B.II.2.       | Machines, tools and equipment, transportation means, furniture and office equipment         | 209 749        | - 156 531        | 53 218         | 51 510          |
| B.II.4.       | Other tangible fixed assets   | 365            | - 64             | 301            | 313             |
| B.II.4.3.     | Other tangible fixed assets   | 365            | - 64             | 301            | 313             |
| B.II.5.       | Advance payments for tangible fixed assets and tangible fixed assets under construction     | 5 358          |                  | 5 358          | 6 753           |
| B.II.5.2.     | Tangible fixed assets under construction  | 5 358          |                  | 5 358          | 6 753           |
| <b>B.III.</b> | <b>Long-term financial assets</b>   | <b>253</b>     |                  | <b>253</b>     | <b>253</b>      |
| B.III.1.      | Shares and ownership interests in subsidiaries  | 253            |                  | 253            | 253             |

|              |   |                |                |                |                |
|--------------|---|----------------|----------------|----------------|----------------|
| <b>C.</b>    | <b>Current assets</b>                       | <b>556 599</b> | <b>- 8 399</b> | <b>548 200</b> | <b>460 321</b> |
| <b>C.I.</b>  | <b>Inventory</b>                            | <b>421 440</b> | <b>- 2 203</b> | <b>419 237</b> | <b>292 586</b> |
| C.I.1.       | Raw materials                               | 63 701         | - 176          | 63 525         | 50 811         |
| C.I.2.       | Work-in-progress and semi-finished products | 356 595        | - 2 027        | 354 568        | 241 653        |
| C.I.5.       | Advance payments for inventory              | 1 144          |                | 1 144          | 122            |
| <b>C.II.</b> | <b>Receivables</b>                          | <b>132 393</b> | <b>- 6 196</b> | <b>126 197</b> | <b>143 665</b> |
| C.II.1.      | Long-term receivables                       | 11 240         |                | 11 240         | 9 843          |
| C.II.1.1.    | Trade receivables                           | 7 402          |                | 7 402          | 6 978          |
| C.II.1.4.    | Deferred tax asset                          | 3 831          |                | 3 831          | 717            |
| C.II.1.5.    | Receivables - other                         | 7              |                | 7              | 2 148          |
| C.II.1.5.2.  | Long-term advance payments                  | 7              |                | 7              | 7              |
| C.II.1.5.4.  | Other receivables                           |                |                |                | 2 141          |
| C.II.2.      | Short-term receivables                      | 121 153        | - 6 196        | 114 957        | 133 822        |
| C.II.2.1.    | Trade receivables                           | 104 970        | - 6 196        | 98 774         | 100 980        |
| C.II.2.4.    | Receivables - other                         | 16 183         |                | 16 183         | 32 842         |
| C.II.2.4.3.  | Due from state - tax receivables            | 1 780          |                | 1 780          | 9 408          |
| C.II.2.4.4.  | Short-term advance payments                 | 1 209          |                | 1 209          | 1 388          |
| C.II.2.4.5.  | Estimated receivables                       |                |                |                | 10             |
| C.II.2.4.6.  | Other receivables                           | 13 194         |                | 13 194         | 22 036         |
| <b>C.IV.</b> | <b>Cash in hand and bank accounts</b>       | <b>2 766</b>   |                | <b>2 766</b>   | <b>24 070</b>  |
| C.IV.1.      | Cash in hand                                | 220            |                | 220            | 287            |
| C.IV.2.      | Bank accounts                               | 2 546          |                | 2 546          | 23 783         |
| <b>D.</b>    | <b>Accruals of assets</b>                   | <b>4 911</b>   |                | <b>4 911</b>   | <b>11 731</b>  |
| D.1.         | Deferred expenses                           | 4 745          |                | 4 745          | 8 220          |
| D.3.         | Deferred cash receipts                      | 166            |                | 166            | 3 511          |

| Ident.         | LIABILITIES AND EQUITY                            | Current period | Previous period |
|----------------|---|----------------|-----------------|
|                |   | 5              | 6               |
| a              | b   |                |                 |
|                | <b>TOTAL LIABILITIES AND EQUITY</b>               | <b>890 209</b> | <b>832 177</b>  |
| <b>A.</b>      | <b>Equity</b>                                     | <b>364 231</b> | <b>385 411</b>  |
| <b>A.I.</b>    | <b>Registered capital</b>                         | <b>215 000</b> | <b>215 000</b>  |
| A.I.1.         | Registered capital                                | 215 000        | 215 000         |
| <b>A.III.</b>  | <b>Legal, statutory and other reserve funds</b>   | <b>44 416</b>  | <b>44 050</b>   |
| A.III.1.       | Other reserve funds                               | 43 000         | 43 000          |
| A.III.2.       | Statutory and other reserves                      | 1 416          | 1 050           |
| <b>A.IV.</b>   | <b>Profit/Loss - previous years (+/-)</b>         | <b>95 505</b>  | <b>98 944</b>   |
| A.IV.1.        | Retained profits/losses from previous years (+/-) | 95 505         | 98 944          |
| <b>A.V.</b>    | <b>Profit (loss) for current period (+/-)</b>     | <b>9 310</b>   | <b>27 417</b>   |
| <b>B. + C.</b> | <b>Liabilities</b>                                | <b>521 536</b> | <b>423 956</b>  |

# BALANCE SHEET

|              |  |                |                |
|--------------|--|----------------|----------------|
| <b>B.</b>    | <b>Provisions</b>                                | <b>7 679</b>   | <b>16 912</b>  |
| B.4.         | Other provisions                                 | 7 679          | 16 912         |
| <b>C.</b>    | <b>Liabilities</b>                               | <b>513 857</b> | <b>407 044</b> |
| <b>C.I.</b>  | <b>Long-term liabilities</b>                     | <b>84 988</b>  | <b>24 751</b>  |
| C.I.2.       | Liabilities to credit institutions               | 63 400         | 24 600         |
| C.I.4.       | Trade payables                                   |                | 151            |
| C.I.9.       | Liabilities - other                              | 21 588         |                |
| C.I.9.3.     | Other liabilities                                | 21 588         |                |
| <b>C.II.</b> | <b>Short-term liabilities</b>                    | <b>428 869</b> | <b>382 293</b> |
| C.II.2.      | Liabilities to credit institutions               | 223 531        | 240 390        |
| C.II.3.      | Advances received                                | 83 998         | 11 903         |
| C.II.4.      | Trade payables                                   | 52 600         | 64 414         |
| C.II.8.      | Liabilities - other                              | 68 740         | 65 586         |
| C.II.8.1.    | Liabilities to owners                            | 37 500         | 20 666         |
| C.II.8.3.    | Liabilities to employees                         | 13 084         | 11 509         |
| C.II.8.4.    | Social security and health insurance liabilities | 6 748          | 5 641          |
| C.II.8.5.    | Due to state - taxes and subsidies               | 4 223          | 11 865         |
| C.II.8.6.    | Estimated liabilities                            | 4 750          | 6 450          |
| C.II.8.7.    | Other payables                                   | 2 435          | 9 455          |
| <b>D.</b>    | <b>Accruals of liabilities</b>                   | <b>4 442</b>   | <b>22 810</b>  |
| D.1.         | Accrued expenses                                 | 3 623          | 22 245         |
| D.2.         | Deferred revenue                                 | 819            | 565            |

Date, hour, minute:  
9th June 2022 at 01:00 p.m.

Signature of authorized representative or natural person representing  
an accounting unit

|  |  |  |
|--|--|--|
|  | <b>Ing. Jaroslav Scharf</b><br>Chairman of the Board                                   | <b>Ing. Vladislava Česáková</b><br>Member of the Board |
| Legal form of accounting unit:<br><b>Joint stock company</b> | Business activities:<br><b>Delivery of electronics devices<br/>and control systems</b> | Note:  |

# 14 PROFIT AND LOSS ACCOUNT

Unabridged report as of 31st of March 2022 (rounded to thousands CZK)      Month: 12      Year: 2021F      Company reg. No.: 45148431      Business name or another name of accounting unit: ZAT, a. s.      Address or place of residence and place of business of the accounting unit, if different from the permanent address: **K Podlesí 541, 261 01 Příbram VI**

| Ident. | ITEM  | Accounting period   |                      |
|--------|---|---------------------|----------------------|
|        |   | Current period<br>1 | Previous period<br>2 |
| a      | b   |                     |                      |
| I.     | Sales of own products and services  | 491 038             | 460 357              |
| II.    | Sales of goods  | 31                  | 2 152                |
| A.     | Production consumption  | 354 463             | 312 763              |
| A.1.   | Cost of goods sold  | 29                  | 1 235                |
| A.2.   | Raw materials and consumables   | 222 410             | 200 334              |
| A.3.   | Services  | 132 024             | 111 194              |
| B.     | Change in own production inventory (+/-)                                  | - 112 907           | - 120 032            |
| C.     | Capitalisation (-)  | - 12 138            | - 17 750             |
| D.     | Personnel expenses  | 231 740             | 218 561              |
| D.1.   | Wages and salaries  | 168 651             | 159 450              |
| D.2.   | Social security expenses, health insurance and other expenses             | 63 089              | 59 111               |
| D.2.1. | Social security expenses and health insurance                             | 56 110              | 52 894               |
| D.2.2. | Other expenses  | 6 979               | 6 217                |
| E.     | Valuation adjustments relating to operating activities                    | 31 812              | - 25 992             |
| E.1.   | Valuation adjustments of fixed assets                                     | 38 156              | 32 236               |
| E.1.1. | Valuation adjustments of fixed assets - permanent                         | 38 624              | 32 704               |
| E.1.2. | Valuation adjustments of fixed assets - temporary                         | - 468               | - 468                |
| E.2.   | Valuation adjustments of inventory  | 145                 | 621                  |
| E.3.   | Valuation adjustments of receivables                                      | - 6 489             | - 58 849             |
| III.   | Other operating income  | 22 931              | 5 788                |
| III.1. | Income from fixed assets sold   | 18 627              | 181                  |
| III.2. | Income from materials sold  | 94                  | 47                   |
| III.3. | Other operating income  | 4 210               | 5 560                |
| F.     | Other operating expenses  | 8 394               | 71 386               |
| F.1.   | Net book value of fixed assets sold                                       | 5 809               | 16                   |
| F.2.   | Net book value of material sold   |                     |                      |
| F.3.   | Taxes and fees  | 560                 | 519                  |
| F.4.   | Provisions relating to operating activities and complex deferred expenses | - 9 233             | 4 734                |
| F.5.   | Other operating expenses  | 11 258              | 66 117               |
| *      | <b>Operating profit/loss (+/-)</b>  | <b>12 636</b>       | <b>29 361</b>        |

| Ident. | ITEM  | Accounting period   |                      |
|--------|---|---------------------|----------------------|
|        |   | Current period<br>1 | Previous period<br>2 |
| a      | b   |                     |                      |
| IV.    | Income from shares and ownership interests  |                     |                      |
| IV.1.  | Income from shares and ownership interests in subsidiaries                              |                     |                      |
| IV.2.  | Other income from shares and ownership interests  |                     |                      |
| G.     | Cost of securities and investments sold   |                     |                      |
| V.     | Income from other long-term investments   |                     |                      |
| V.1.   | Income from other long-term investments - subsidiaries                                  |                     |                      |
| V.2.   | Other income from other long-term investments   |                     |                      |
| H.     | Expenses relating to other long-term investments  |                     |                      |
| VI.    | Interest income and similar income  |                     |                      |
| VI.1.  | Interest and similar income - controlled entities / subsidiaries                        |                     |                      |
| VI.2.  | Other interest and similar income   |                     |                      |
| I.     | Additions to/reversals of provisions and adjustments relating to financial activities   |                     |                      |
| J.     | Interest expenses and similar expenses  | 9 933               | 4 847                |
| J.1.   | Interest and similar expenses - controlled entities / subsidiaries                      |                     |                      |
| J.2.   | Other interest and similar expenses   | 9 933               | 4 847                |
| VII.   | Other financial income  | 13 903              | 15 195               |
| K.     | Other financial expense   | 10 410              | 12 219               |
| *      | <b>Profit/loss from financial operations (transactions) (+/-)</b>                       | <b>- 6 440</b>      | <b>- 1 871</b>       |
| **     | <b>Profit/loss before tax (+/-)</b>   | <b>6 196</b>        | <b>27 490</b>        |
| L.     | Income tax  | - 3 114             | 73                   |
| L.1.   | Income tax - due  |                     |                      |
| L.2.   | Income tax - deferred (+/-)   | - 3 114             | 73                   |
| **     | <b>Profit/loss after tax (+/-)</b>  | <b>9 310</b>        | <b>27 417</b>        |
| M.     | Transfer of share of profit/loss to partners (+/-)                                      |                     |                      |
| ***    | <b>Profit/loss of current accounting period (+/-)</b>                                   | <b>9 310</b>        | <b>27 417</b>        |
| *      | <b>Net turnover for the accounting period = I. + II. + III. + IV. + V. + VI. + VII.</b> | <b>527 903</b>      | <b>483 492</b>       |

Date, hour, minute:  
9th June 2022 at 01:00 p.m.

Signature of authorized representative or natural person representing  
an accounting unit

|  |  |  |
|--|--|--|
|  | <b>Ing. Jaroslav Scharf</b><br>Chairman of the Board                                   | <b>Ing. Vladislava Česáková</b><br>Member of the Board |
| Legal form of accounting unit:<br><b>Joint stock company</b> | Business activities:<br><b>Delivery of electronics devices<br/>and control systems</b> | Note:  |

# 15 PREPARATION OF THE ANNUAL REPORT

The annual report was prepared:  
In Píbram on 9th June 2022

**Ing. Jaroslav Scharf v.r.**

Chairman of the Board

**Ing. Vladislava Česáková v.r.**

Member of the Board

## BUSINESS NAME

ZAT a. s.

## COMPANY IDENTIFICATION NUMBER

45148431

## REGISTERED OFFICE

K Podlesí 541, 261 01 Příbram

## LEGAL FORM

Joint-stock company

## ESTABLISHED

1962

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