

Contents

- 7 Introduction
- 8 Selected Economic Indicators
- 10 About the Group
- 12 Board of Directors
- 16 People in the Company
- 18 Significant Milestones
- 20 Economic Aspects and their Impact on Business Operations
- 22 Financial Results
- 24 Developments on the Commercial Real Estate Market in 2022
- 28 The Hybrid Model is the New Trend
- 30 Portfolio of Real Estate managed by the ČMN Group
- 70 ESG the Environment, Social Information
- 72 Management Information
- Consolidated Final Accounts of the Českomoravská Nemovitostní Group as of31 December 2022
- 92 Attachment: Consolidated Final Accounts of the Českomoravská Nemovitostní Group
- 126 Individual Final Accounts of Českomoravská Nemovitostní a.s.
- 136 Attachment to the Individual Final Accounts as of 31 December 2022
- 156 Relations Report





Dear Business Partners,

We have another year behind us, and it is an honour for me to traditionally address you and happily share our experiences and successes of 2022 with you. On this occasion, allow me to also summarise how we dealt with the challenges we encountered in this past year. For most of the populace, the year 2022 started off on an optimistic note. The anti-pandemic measures were being gradually loosened, and after two years, people could travel to do winter sports without any limitations. This mood, however, did not last long, and already in February we had to face the news about the armed conflict taking place on the European continent, which our society has not witnessed for decades. This event, too, contributed to the next challenge that accompanied us throughout the year, namely high inflation.

Not only during these events, but also within the shock that was the pandemic, we confirmed that the investment strategies and the aversive approach to risks that we have based our business on can withstand not only years of economic growth, but also the current difficult conditions of the economic cycle. Despite the fact that in the past year, the value of commercial real estate fell across Western Europe, our premium Prague real estate portfolio proved to be stable, and the real estate allocated to the portfolio fully maintained its value.

Our company manages approximately 150,000 square metres and cares for almost 150 tenants, so along with them, we faced high utility prices, increasing inflations, and the consequences of the pandemic. With the aim of lowering the energy performance of buildings, we adopted various measures that were preceded by the energy audit of buildings.

The goal of said measures is targeted at saving the costs of tenants so that we can help them overcome these challenging times. It is also thanks to these measures and to the communication with our clients that we can proudly say that we overcame this period together and that the occupancy of the portfolio we manage reached 96 % at the end of 2022. Another aspect that makes the not only the work of our clients more pleasant is the fact that we also contribute to the environmental sustainability of our company by commencing to implement ESG measures.

One of the steps that we have taken in this direction was placing beehives on our Churchill Square building located near the Main Train Station in Prague, which is one of the most modern buildings in all of Central Europe. Furthermore, at the behest of our clients, we support electromobility by installing charging stations and by meeting the prerequisites for the parking of electric motor vehicles. We also supply electricity from renewable resources and other products that contribute

to the satisfaction of our tenants and the sustainability of our premium buildings. Among other things, we can achieve this with the help of the green lease that we hope to offer our clients in the upcoming years. Another significant letter in the abbreviation ESG is "S", that is, the social factor. We believe that 2022 was trying both for entrepreneurs and for the civil sector alike, as it also faced the challenges described above. Our company proudly professes democratic principles and helps those in need. At the same time, we are not indifferent to what is going on around us, and therefore, we provided help to those affected by the war conflict from the very first days, included financial help. We have also provided rooms for free in our headquarters on Wenceslas Square to create a coordination centre that ensured further aid for people who were affected by the war conflict. We also support a number of charities, and we try to return the faith the civil sector give us through the almost 20.000 Czech households that invest with us.

Of course, this is not the only example of our corporate social responsibility, and we also thought of our partners. Intelligent and diligent colleagues are the pillar of our company, and personally, they are an inspiration and one of the reasons why I like getting out of bed in the morning to go to work. In the past year, we organised several events for our employees aimed at their health and relaxation. We launched a programme for the individual education of employees, and furthermore, we increased wages, since we perceived the worries our employees had about their savings and their families due to the inflation.

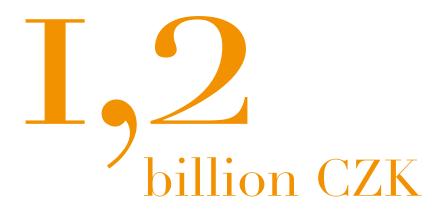
Although the year 2022 was not easy for civil society or for our economy, I dare say that we succeeded not only as a stable investor, but also in terms of humanity by helping our loved ones and those in need. In conclusion, I would like to say that ČMN's success is a collective success, namely that of our employees, business partners, clients, and co-investors.

We hereby thank you all for the trust you have invested into our company, and we look forward to cooperating with you in the coming years.





Selected economic indicators of the ČMN Group



equity as of 31 December 2022





2,4% growth of the Czech GDP in 2022

423 million CZK

of the gross rent as of 31 December 2022



About the Group

The Českomoravská Nemovitostní a.s. Investment Company (ČMN) was established in 2016 with the aim of purchasing and managing high quality office real estate in prestigious Prague locations.

Our main interest is investing into real estate with a long-term and sustainable potential, and which are strategically located (good traffic connections, accessible services, and a potential for further developments).

A key factor for us is to find real estate that is occupied by reliable lessees that are less affected by economic fluctuations. At the same time, we are aware of the influence of commercial buildings on their surroundings, and thus we try to improve not only the life quality of our lessees through community management, but also of the other people living in the areas in which we are located.

Plus, we are proud of the fact that thanks to good investments, we are able to significantly decrease the negative impact of our buildings on the environment.

We are firmly determined to continue in our strategy and to develop our real estate portfolio with an emphasis on sustainability, quality, and long-term values.



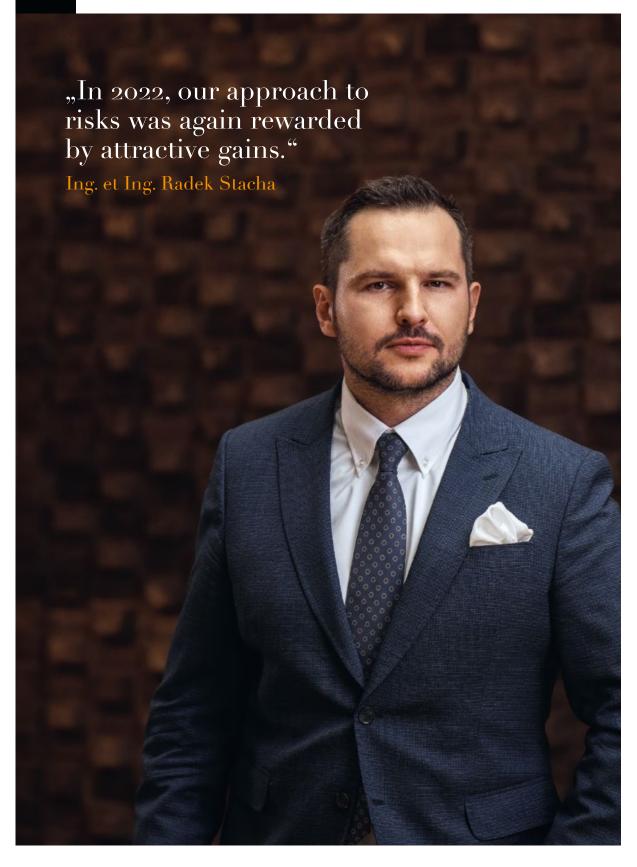
Organisational chart

as of 31 December 2022



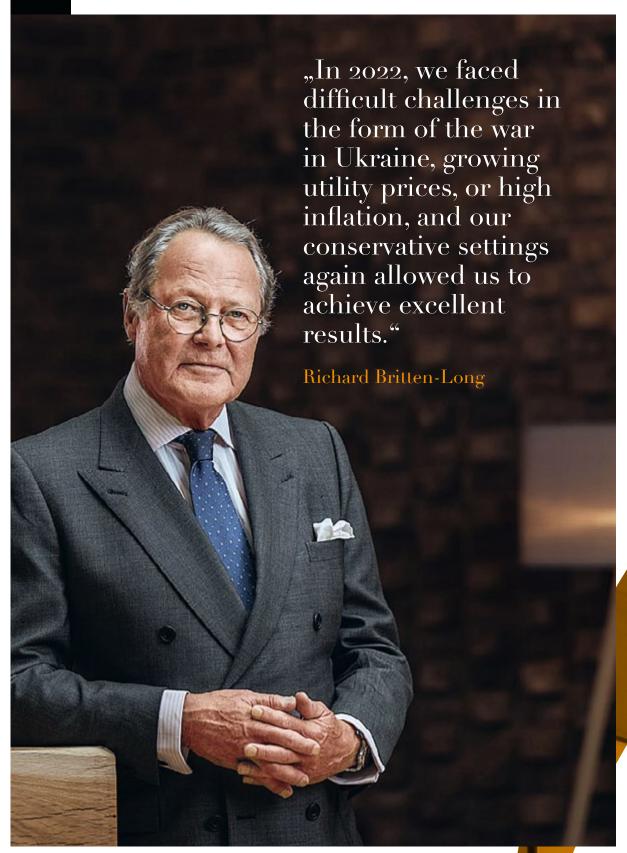


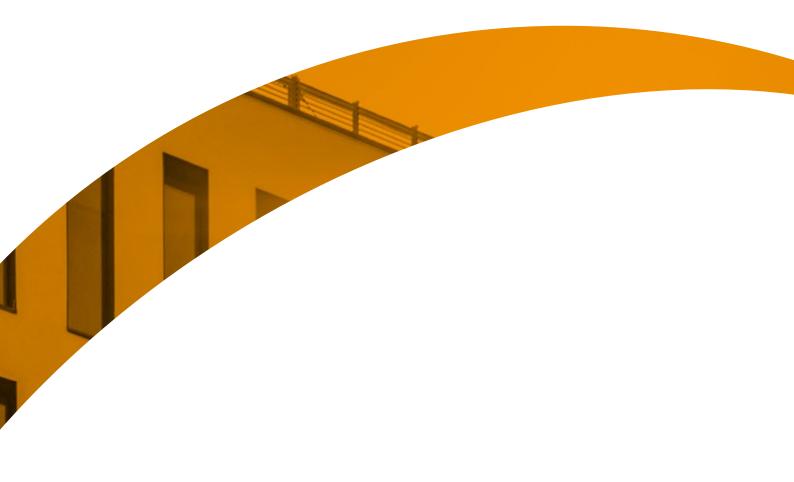














People in the Company

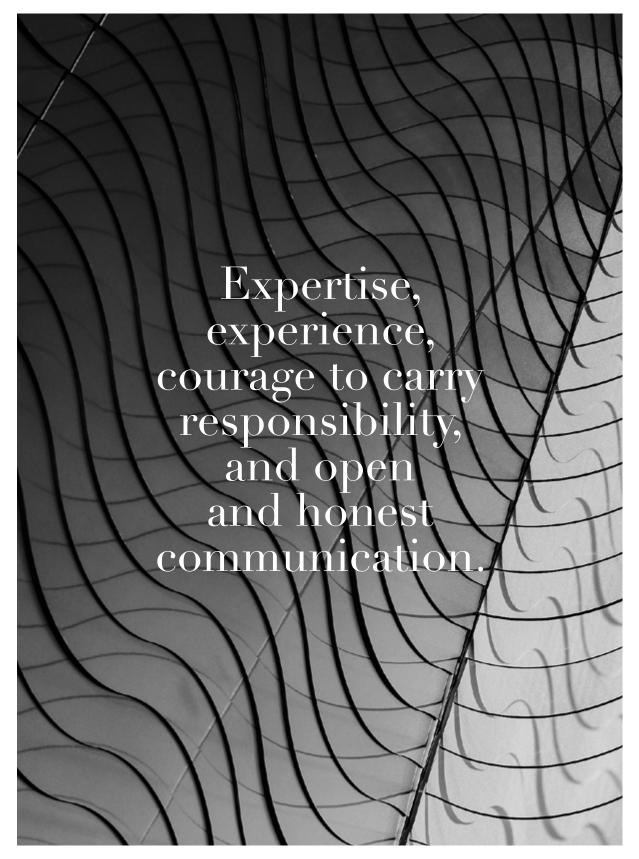
The people who work in our company represent the foundations of our business. We understand our mutual, long-term loyalty as a key factor for stable and successful cooperation.

We have put together a team that combines experienced professionals with extensive expertise in finance, investments, building management, and construction development with ambitious young talents who are open to learning opportunities and to professional growth.

Our team of employees puts great emphasis on several fundamental values. We consider expertise and experience as necessary elements that form our qualifications and the ability of achieving excellent results. Furthermore, we appreciate the courage with which we carry the responsibility for our actions and decisions. Aside from this, our company places great emphasis on open and honest communication, which strengthens our relationships and supports effective cooperation within the team.

Our conviction that our people are strong and important motivates us to create an environment that supports their growth, development, and professional aspirations.

We believe that creating a culture of expertise, mutual respect and support is key for our company and its success in the long-term.





6/2016

ESTABLISHMENT OF

THE ČMN COMPANY

ČMN entered the market with an

elaborated business model. Its

business strategy is based on the

purchase and lease of premium

office buildings in the Czech

Republic.

Significant Milestones

6/2019

ČMN ESTABLISHED
THE NEMO REAL ESTATE FUND

The ČMN Group established the NEMO real estate fund aimed at purchasing quality office real estate. This fund generates consistent yields for its investors, aiming at achieving a long-term yield of 1-2 % above inflation.

7/2020

THE ČMN REAL ESTATE GROUP OFFERED SECURED BONDS TO ITS INVESTORS

The bonds issued within the company's programme Českomoravská Projektová III are secured by the properties of the holding company, which has a consolidated value of assets of over 4.8 billion Czech crowns as of the end of 2019.

12/2018

ČMN'S REAL ESTATE EXCEEDS A VALUE OF 1.5 BILLION

At the end of the year, ČMN purchased an office building in the upper part of Wenceslas Square. Thus, the value of real estate owned by the ČMN holding reached 1.5 billion Czech crowns shortly before the end of 2018.

12/2019

THE LARGEST CZECH INVESTOR OF 2019 WAS THE ČMN GROUP

The Českomoravská Nemovitostní Group, thanks to its acquisitions of the Crystal and BLOX buildings, ranked among the greatest local players in terms of realised transactions in commercial real estate.

10/2021

ČMN STANDS BEHIND ONE OF THE LARGEST TRANSACTIONS IN CZECHIA

Českomoravská Nemovitostní expands its portfolio with three buildings in the Karlín Quarter of Prague. It purchased the Zirkon, Apeiron (Rubín), and Corso Karlín office buildings.

6/2022

THE NEMO FUND CELEBRATES THREE YEARS OF SUCCESSFUL OPERATIONS

In the first three years of its existence, the NEMO Fund credited 15.3 % with an exceptionally low fluctuation rate and no negative month.

12/2020

CHURCHILL SQUARE AS THE MUTUAL BUSINESS OF ČMN AND CFH

The Churchill Square transaction was the largest on the office real estate market in the Czech Republic. The value of the portfolio managed by ČMN surmounted 10 billion Czech crowns.

11/2021

RICHARD BRITTEN-LONG BECOMES THE NEW CHAIR OF THE SUPERVISORY BOARD

This new reinforcement on the supervisory board brings extensive international experience both in the field of structuring and placement of debt securities, including securitisation and sales, and in the field of the acquisition and management of real estate.

12/2022

ČMN GREW TO 50 EMPLOYEES

As a part of implementing its strategies, ČMN grew to 50 employees with purely internal asset and the property management of all projects.



Economic Aspects and their Impact on Business Operations

In many aspects, the year 2022 was critical already from its beginning. On the global level, much of the world was still handling the reverberations of the COVID-19 pandemic.

Whereas China, despite the massive protests at the end of the year, strictly enforced a zero-tolerance policy towards the disease, thus significantly paralyzing the economy, Europe focused its entire attention on the military campaign initiated by Russia against Ukraine.

Both events had a significant effect on the slow pace of the restoration of effective suppliercustomer relations, as well as causing a lack of many materials and products. Even this situation contributed to a significant growth of inflation. In June 2022, the interannual inflation in the European Union reached a value of 9.6 %, to which the European Central Bank reacted with delay by increasing its basic rates by 50 basis points, thus abandoning its long-held zero limit. Thus, inflation became such a grave problem for the economy that the ECB moved its basic rate to 2.50 % by the end of 2022 with the expectation of further growth of





Due to the very loose monetary policy that formed the basic strategy of most central banks since 2008, there was a huge amount of liquidity in the economy. Although the dramatic increase in prices of all products and services occurred together with rising energy prices only after the Russian invasion of Ukraine, inflation was long expected by many economists and analysts on part of ČMN. Greater price level growth was most likely inevitable.

Central bankers around the globe approached their basic task of maintaining price stability usually responsibly and in an effort to reduce the rate of price growth, even with the risk of a possible economic recession, they decided on a dramatic increase in interest rates. This also applies to the Czech National Bank, which raised rates from 0.25 % to 7 % in just one year.

The aim of these measures was to reduce demand and slow down the growth of the price level.

Despite such a drastic increase in the cost of financing, GDP in the Czech Republic grew by 2.4 % in 2022. Worldwide, growth was 2.9 %.

The impact of inflation on ČMN's business is thoroughly positive. The vast majority of leases in the portfolio contain inflation clauses, which automatically increase the rent annually by inflation. Excessively high inflation disrupts the stability of the economic environment and results in an increase in interest rates by central banks. The advantage of the group remains the fact that in 2022 all concluded loans had a form of interest insurance, so there was no increase in interest costs

despite the rising cost of financing. Due to the length of this insurance, there will typically be no increase in interest costs from bank loans for several years to come.

Property values in the ČMN portfolio are largely influenced by the macroeconomic factors discussed above. However, it is always necessary to analyse these factors together as a whole and not focus only on the influence of one of them. The period of higher interest rates we are currently experiencing is forced by high inflation. Due to the high indebtedness of many Eurozone countries, the current interest rate levels would not be sustainable without a high rate of price level growth. For that reason, it is necessary to monitor not only the development of nominal macroeconomic variables, but also real interest rates, which at the end of 2022 were still moving in negative territory. The actual cost of financing remains attractive, which has a positive effect on real estate in the long term.

In the basic scenario, ČMN does not work with the assumption of long-term high inflation above 8 % per year. This was caused by many factors that are not sustainable in the long term. The inflation rate does not express the price level, but its growth. This means that if prices remained the same, there would be zero inflation in a given year.

It is unlikely that we will see a significant reduction in the price level, but already inflation in the range between 2 and 6 % is socially acceptable, which will open the way for central banks to normalise rates at a lower level. Such a situation would be ideal for the business model of the ČMN group.

Single-digit inflation would support steady rent growth without such a negative impact on the economy, and stable interest rates would ensure a predictable cost of financing. These are attractive prospects both for the currently owned portfolio and for its expansion in the horizon of the next few years.





Financial Results

Since its foundation, the Českomoravská Nemovitostní real estate group has consistently targeted premium commercial real estate in large cities and tenants with high payment morale. Due to its attractive profile of yields and risks, this strategy is a fundamental pillar of the group.

The stability that these assets provide was also demonstrated in the company's results, when the group's net profit increased from CZK 62 million in 2021 to CZK 86 million in 2022.

The reason for the profit growth is primarily the stability of the real estate portfolio and the success of rent collection. The gross collected rent of the real estate portfolio owned by the group increased to CZK 423 million in 2022 and was essential for the achieved profit and the success of the entire business model.

The group's annual operating costs remained at a similar level to 2021. This is the result of the stabilisation of the group and the streamlining of processes, which were the trends announced in the 2021 annual report. The increase was mainly recorded in personnel costs, which reflects the expansion of the team and the insourcing strategy. The training of specialists within the company is aimed at the long-term sustainable profitable growth of the group.

Significant changes were achieved by interest income, which increased by 108 million crowns to almost 200 million crowns in 2022. The direct cause of the significant increase was particularly the increase in interest rates by the CNB up to 7 % already in June 2022. This significantly offset the group's interest costs arising from senior loans and issued bonds.

The basic structure of the group with the use of the foreign CORE fund has remained the same since 2019. The reason for foreign structuring is primarily to obtain access to attractive financing in Western Europe and legal and regulatory stability. The group benefits from both advantages in the long term.

In Prague, rent for premium office real estate is paid in euros as a standard, so these projects are valued and financed in this currency. In its long-term strategy, ČMN has adopted the view that the interest rates of the European Central Bank will be lower than those of the CNB.

The year 2022 confirmed the correctness of this concept (CNB base rate: 7.0 %, ECB: 2.5 %) and thus provided great opportunities for profit. The group's sources of bank financing are diversified among the most important players on the local market, including ČSOB, UniCredit, the Czech and Austrian branches of Raiffeisenbank or, for example, the German banking giant Helaba.

The annual report from 2021 focused in detail on stabilisation and on increasing efficiency in the outlook for the next year. This key objective was met. The year 2022 was a turning point when the office real estate market was not highly active and at the same time, transaction prices reached a local maximum. This is simply not an environment where it is appropriate to expand too much. The fundamental principle of ČMN's investments is the long-term profitability of each business, not growth per se.

The ČMN transaction team examines hundreds of acquisition opportunities in greater or lesser detail every year. However, only extremely few projects meet the strict qualitative and quantitative criteria, including price expectations. The 2018-2021 period was incredibly attractive for acquisitions, and rapid expansion made sense from a profit, margin and sustainability perspective. As the business environment changes, ČMN also changes its tactics within the framework of its long-term goals, even if the strategy remains the same.

Equity has long been considered the most important indicator of the group's success. This best reflects the state of the economy and long-term profitability of the group, and currently amounts to 1.2 billion crowns. Equity, as an accounting expression of the company's value, shows, among other things, a safety cushion for the group's creditors.

"The stability that these assets provide was also demonstrated in the company's results, when the group's net profit increased from CZK 62 million in 2021 to CZK 86 million in 2022."



Developments on the Commercial Real Estate Market in 2022

In 2022, the commercial real estate market in the Czech Republic was primarily affected by the gradual increase in interest rates due to the central bank's fight against high inflation. It was in the spirit of lower investment activity and the search for a new price level that will reflect the higher interest rates. The total investment volume in 2022 was 1.576 billion euros, which is 18 % less than the previous year.

As usual, office space (36 %) had the largest share of transaction activity, followed by industrial real estate (22 %), which dominated especially in the fourth quarter, when three large transactions took place.

The structure of investors' domicile has changed over the past few years, and Czech investors, most often represented by real estate funds, accounted for almost 60 % of the transaction volume in 2022. Next in line were investors from Slovakia, the United Kingdom, Germany, and the United States of America.

Real estate yields have grown across all sectors in the past year, with yield rates up 25-75 basis points year-to-date. Yield rates for retail centres, which have already seen growth during the pandemic, saw less movement compared to office and industrial properties.

In the fourth quarter, shopping centre yield rates were 6.25 %, industrial and high street rates were 4.75 %, and office yields were 4.8 %.

In the past years, we observed a historically non-standard situation, when the yield rate of logistics and production halls was at a lower level than office space, in other words, investors considered industrial real estate more valuable than premium offices.

Industrial buildings have always been inherently perceived by investors as riskier than office buildings, with a typical risk premium of 0.50-0.75 percentage points higher.

In 2022, there was also an increase in the rate of return for industrial properties, but they are still below the office level.

DATA SOURCE: CBRE MARKET OUTLOOK REPORT





was the yield of first-class office buildings in the Czech Republic at the end of 2022



The Situation in the Office Sector

The office market, as well as the entire commercial real estate market, was characterised by lower investment activity in 2022, mainly due to rising financing costs and uncertain prospects. At the same time, there was a high increase in rents due to inflation clauses.

In 2022, seven new projects were completed, the total area of which reached only 75,400 m^2 . Although this is a year-on-year growth of 34 %, the total volume of new space is still below the long-term average.

The ten-year average of construction is 125,000 m² per year. Developers are more cautious due to rising construction and financing costs, which resulted in no new construction planned for the second half of 2022.

New construction in the following years will be strongly affected by this gap. In the next two years, the expected increase is 184 thousand m2, which is again significantly less than the long-term average.

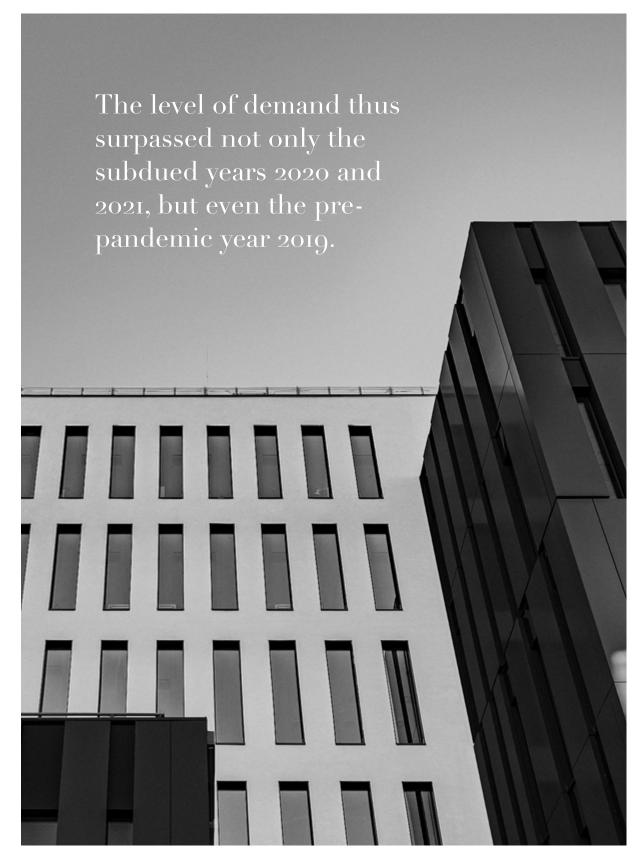
Despite that the hybrid way of working has practically become the standard, the pure demand for office space in Prague reached 297,000 m^2 , which is a year-on-year increase of 43 %

The level of demand thus surpassed not only the subdued years 2020 and 2021, but even the prepandemic year 2019. The vacancy rate fell slightly to 7.7 % in 2022 and was at 6.7 % in the premium office market.

A significant divergence in occupancy based on location can also be observed. One of the most desirable locations is Prague 8, where the vacancy rate in 2022 was 4.8 %.

The decrease in vacancy rates is mainly due to a limited supply of newly completed properties and strong demand caused in part by restrictions during the pandemic.

However, in general, vacancy in Prague is incredibly low compared to historical levels, for example in 2014 the vacancy rate was approx. threefold.





The Hybrid Model is the New Trend

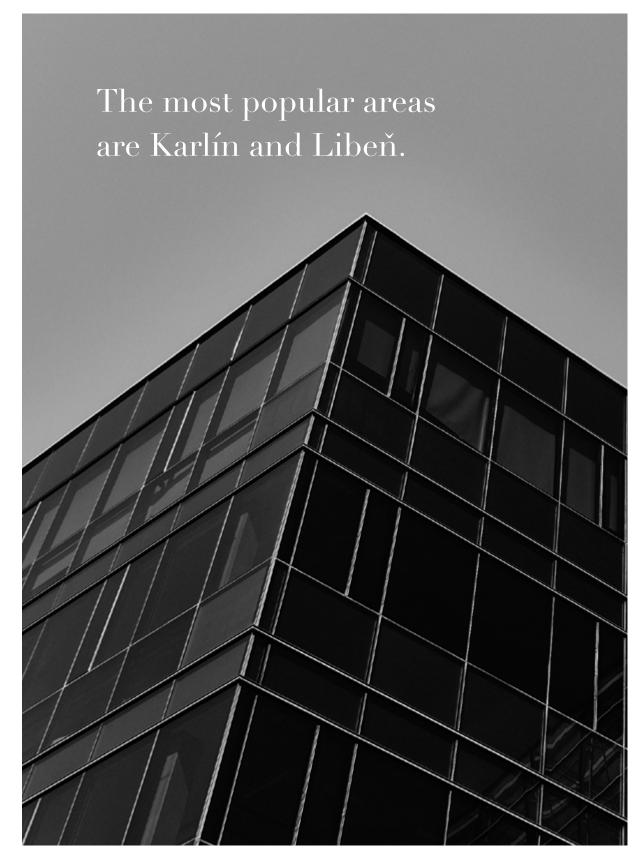
Due to the COVID-19 pandemic, the hybrid work model has become one of the important trends in the functioning of many of our tenants. In particular, multinational concerns such as Nestlé, Vodafone or Deloitte have adopted this trend and significantly incorporated it into their operations.

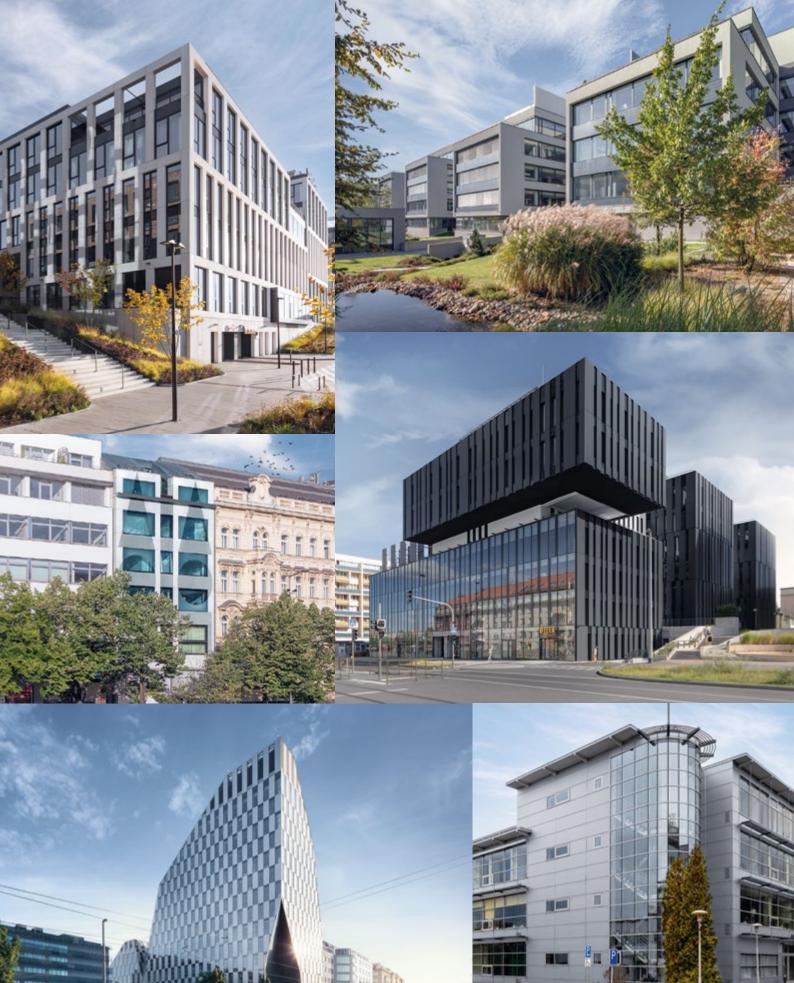
According to surveys and personal preferences, many companies offer their employees a model based on the distribution of work from home and in the office in a ratio of 2:3. A hybrid operating model may in some cases lead to less need for office space, but this is not the rule.

The hybrid model places great emphasis on the quality of the offices and their equipment. Offices much more often become a place of meeting and collaboration at the expense of individual work. Among other things, these factors bring pressure on significant adjustments to the internal layout and equipment of offices.

Thanks to high employment and the demand for qualified labour, the demand for flexibility and variability of spaces is growing, instead of classic or open spaces, different work zones are being created that allow both teamwork and independent work.

A big shift in the quality of the mentioned model allows for the rapid development of technologies such as video call options and sharing of the work environment or tools enabling the functioning of virtual teams. This place demands on the technological equipment of our buildings and the facilities that we manage for our tenants.





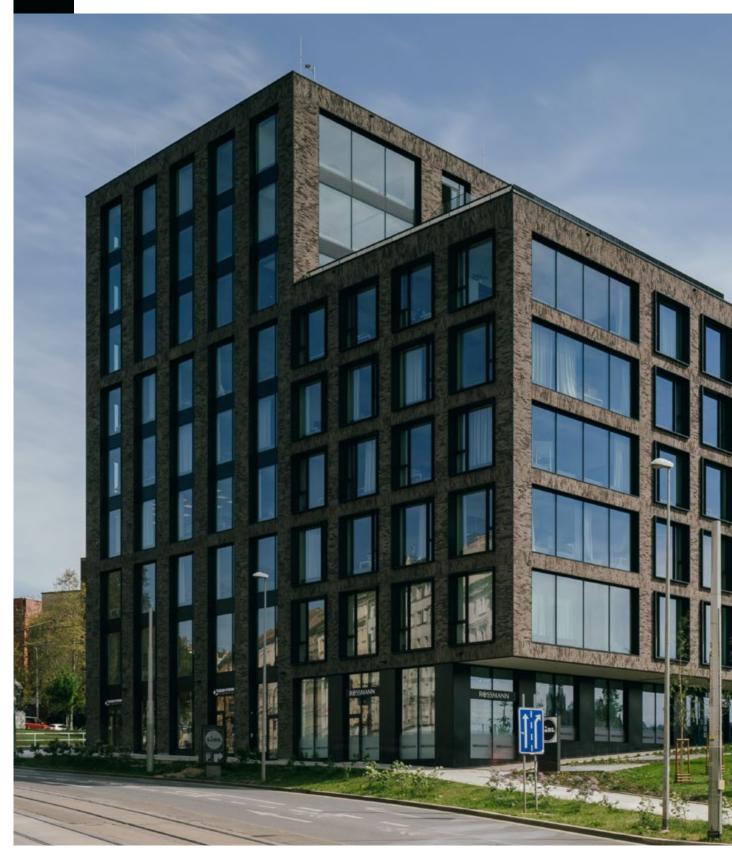




WE RENT OFFICES IN THE MOST ATTRACTIVE PRAGUE LOCATIONS.











CHURCHILL SQUARE



ITALSKÁ 67 I PRAGUE 2

The bold urban project completing Winston Churchill Square consists of two office buildings with a total area of over $30,000 \text{ m}^2$.

The architectural design of both buildings is the work of the studio Jakub Cigler Architekti. Each of the objects of the given project has its own character and they differ from each other not only by their exteriors, but also by the material used. While Churchill I is clothed in light tones, Churchill II is designed in the style of Berlin and Dutch architecture with red brick, which corresponds with the adjacent building of the University of Economics.

Unique design and sustainability

The buildings are connected by a square with water features and outdoor seating for the restaurant, cafe and bistro in the building. The Churchill II also includes a shopping arcade, which provides additional passage to the tenants and residents of the location. The major advantage of the project is the location in which the entire complex is located. The favorable location of the property offers tenants excellent transport accessibility, with all types of public transport.

Premium Location

On top of that, Churchill Square is located near the main train station, which is only a few minutes' walk from the building, allowing for easy transport even for commuters. For employees who prefer to commute to work by car, the building also offers underground parking. The properties meet state-of-the-art technical requirements and were designed and built with environmental considerations in mind. Thanks to that, both properties have received the green certification of low-energy buildings at the LEED Gold level. The entire project provides capacity for more than 3,000 employees and offers its tenants abovestandard modern spaces, which also include relaxation areas as well as a fitness center. The view of Prague Castle that the upper floors offer, makes for a nice addition in value.

 $30\ 000\ m^2$

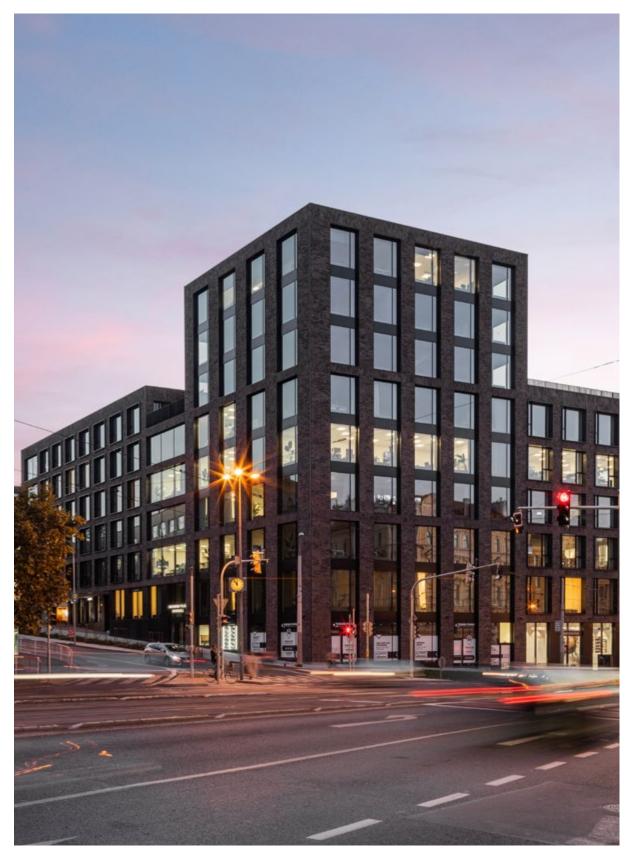
rentable space

3 000 employee

capacity

Jakub Cigler Architekti

architects











BLOX



EVROPSKÁ 11 | PRAGUE 6

The unique administrative building designed by the DAM architects studio was built in 2015 as an office building designed to meet the most modern technical requirements. The architecture of the building is specific, with simple elements that match the architecture of Prague's Dejvice. Despite its simplicity, the building is still unmistakable and draws attention with its unique modern appearance, reminiscent of a barcode. The building is divided into two wings with 8 above-ground floors, which together amount to a rentable area of 21.000 m².

Urban concept of Prague Dejvice

The ground floor is used by a number of shop and restaurant operators offering their services to both the employees working in Blox and the residents of the Dejvice district. During the construction of the property, emphasis was placed both on the highest quality and efficiency of office space, as well as on minimizing costs for the peration of the building itself and on environmental friendliness.

Due to these features, the building received the highest BREEAM certification - OUTSTANDING. The property is equipped with state-of-the-art technologies that ensure constant control of fresh air quality, individual temperature regulation and monitoring of energy consumption. The terraces with greenery, an adjacent park and a canteen ensure the comfort of employees.

BLOX is located in a convenient residential and commercial location near Václav Havel Airport. Thanks to its location directly on the Dejvice metro station, the building is very easily accessible and offers easy transport to the city center. There are also bus and tram stops near the building and an underground garage parking for employees who travel by car.

The building's largest tenants are Scott&Weber and software company CertiCon a.s.

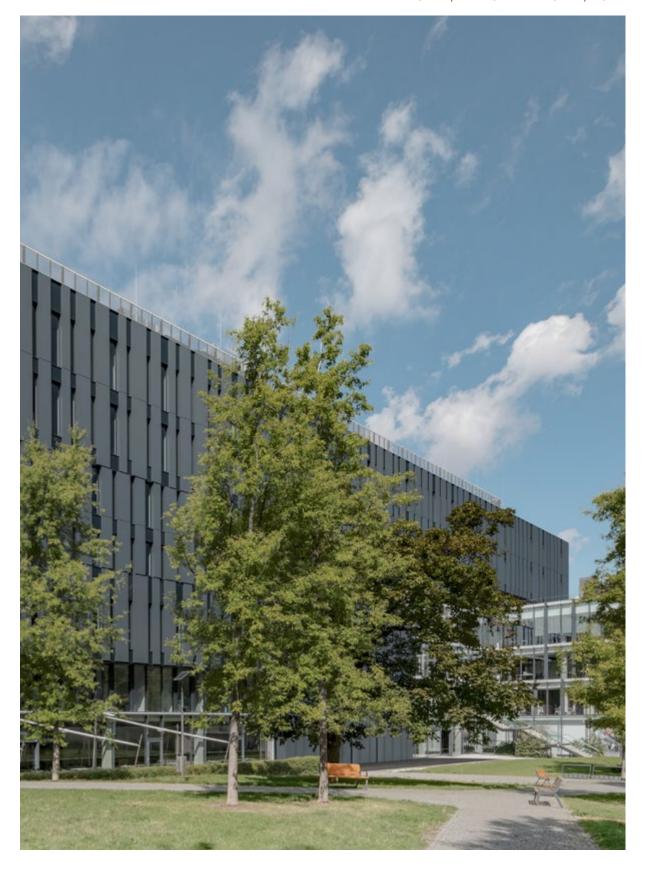
 $21\ 000\ m^2$

rentable space

1 400 employee

capacity

DAM Architekti











CITYWEST C1 a C2



The administrative project CITY WEST C1 and C2 with a rentable area of 26,000 m² consists of two office buildings located in a modern neighborhood in Prague's Stodůlky near a metro station. The architectural design of the entire project comes from the workshop of the AHK architekti studio. The design of both buildings is modern and fits nicely to the housing and family houses in the

A distinctive architectural element that is repeated in various forms in both objects is the frame motif. The facades of the building are moderate in design, made up of sash windows, decorated in an elegant gray shade with a colorful tint of cladding panels.

vicinity.

A place for both work and relaxation

The complex is also used by a number of shop and service operators who provide employees and residents with quality service in the area of catering, general shopping and other daily needs.

The entire building is highly functional, energy-efficient and environmentally friendly. Interestingly, both buildings were one of the first administrative buildings in the Czech Republic to hold the LEED Gold certificate.

The property provides capacity for more than 2,100 employees, and in addition to modern indoor spaces, it also offers places to relax, be it on green terraces, in its Japanese garden, a in park with a children's playground, or in an outdoor gym with an area of approximately 1.000 m².

An undeniable advantage of the building is its excellent transport accessibility. The location is easily accessible by public transport, by car or even by bike thanks to the nearby cycle path. The property is also close to the D5 highway, the Prague ring road and the airport. In addition, outdoor and underground garage parking is provided for employees commuting by car.

Since 2015, the headquarters of Vodafone Czech Republic has been located in building C1. The tenants of building C2 include, for example, CGI IT Czech Republic or AEVI CZ.

$26\ 000\ m^2$

rentable space

2 100 employee

capacity

AHK architekti











CRYSTAL



VINOHRADSKA 178 | PRAGUE 13

The unique high-rise building with a rentable area of 15,000 m², which is spread over 14 aboveground floors, was completed in 2015. From the first glance, the building is eyecatching primarily due to its architecture - the building looks like a small and a large crystal. But the facade of the building resembling a chessboard is also quite specific. This unique architecture was designed by Ateliér 15 under the leadership of Libor Hrdousek and Radek Lampa.

The Fourteen-storey landmark

It is a modern class A office building meeting all the requirements of a modern office building and the needs of tenants. The building is equipped with the most advanced technologies, thanks to which it also received the BREEAM - EXCELLENT certification. The building has a flexible office area that allows for both an open layout and smaller closed offices.

The property is located at one of the best addresses in Prague, in the very heart of Vinohrady. The advantage of the location is chiefly its transport accessibility. The building is easily accessible by all types of transport – it is located near the metro, tram and bus stops.

Naturally, there is also an underground parking space in the building. There are many cafes, restaurants, theaters and shops near the building.

The unique view of the center of Prague, which is offered from the higher floors of the building, is a nice addition to the many benefits. Among the largest tenants are the Health Insurance Company of the Ministry of the Interior of the Czech Republic and the General Health Insurance Company of the Czech Republic.

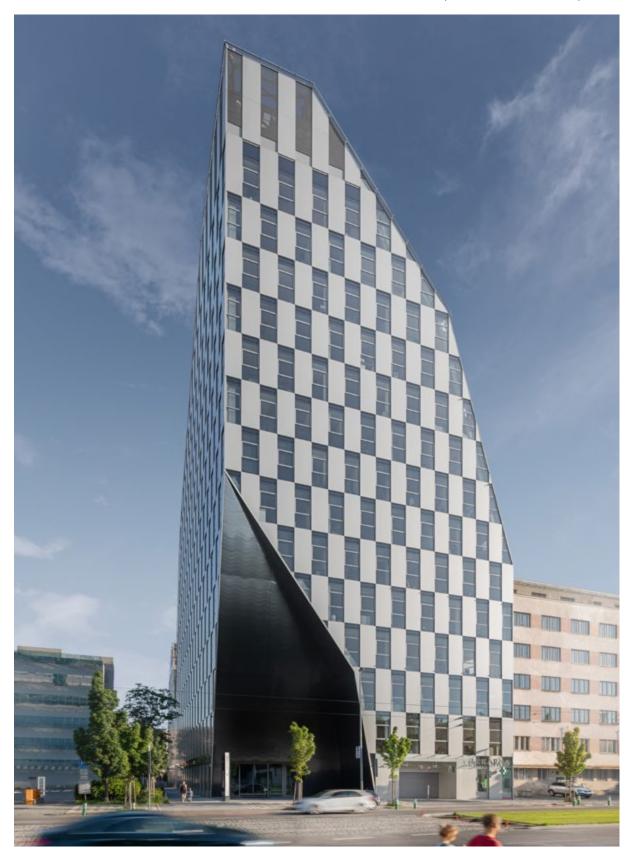
$15\ 000\ m^2$

rentable space

1 550 employee

capacity

Atelier15











APEIRON



SOKOLOVSKÁ 192/79 LPRAGLIE 8

The building was built in 2000 and underwent renovation in 2019. The design of the building is the work of the architect Václav Aulický, who became well-known with the design of the controversial Žižkov television tower. The real estate's rentable area of 12,207 m² is spread over a total of eight floors, and the variability of the interior spaces allows tenants to choose offices exactly according to their needs.

Modern building in Karlín

The main advantage of the building's location is its excellent transport ccessibility by all types of transport. The building is located in Sokolovská Street in the Prague 8 - Karlín district. The B Křižíkova metro station and the tram stop of the same name are located very close to the building. The Florenc bus station and metro station can be reached on foot in 15 minutes. Karlín's connection to the network of Prague cycle paths makes the building easily accessible by bicycle.

The location offers all civic amenities - restaurants, cafes, cultural centers - everything is located in close proximity to the building. The ideal place for relaxation is the park near the Church of St. Cyril and Methodius. The building has 174 parking spaces right next to the building.

The largest tenants of the building include SWIETELSKY Stavební s.r.o., OTE, a.s. and EUC PLS s.r.o.

$12\ 200\ m^2$

rentable space

770 employee

capacity

Václav Aulický



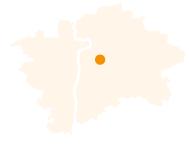








CORSO KARLÍN



KŘIŽÍKOVA 237/36A | PRAGUE 8

The CORSO Karlín office complex with 4 floors and a total rentable area of 9,421 m² is located in a lucrative part of Prague 8 – Karlín. The building offers administrative spaces with an inspiring atmosphere created by a combination of industrial design and modern offices with a capacity of 600 workplaces.

The building itself was built in 1890 and is part of the ambitious Nový Karlín plan, which seeks to renovate the former Karlín industrial complex of ČKD. CORSO Karlín is a former industrial hall called "tinsmith shop", which the architects Ricardo Bofill Levi and Jean Pierre Carniaux have transformed into a modern, efficient office building.

Unique Architecture

CORSO is situated in a locality with very good civic amenities and easy transport accessibility. Karlín is very easily accessible by all types of transport. The tram stops Křižíkova and Karlínské náměstí are located within a 5-minute walk, with the metro station B - Křižíkova located even closer than that.

The building provides up to 123 parking spaces. The Prague 8 – Karlín district is also connected to a dense network of Prague cycle paths.

Among the largest tenants are the companies Dial Telecom, Euro Center Prague and ICON Communication Centers.

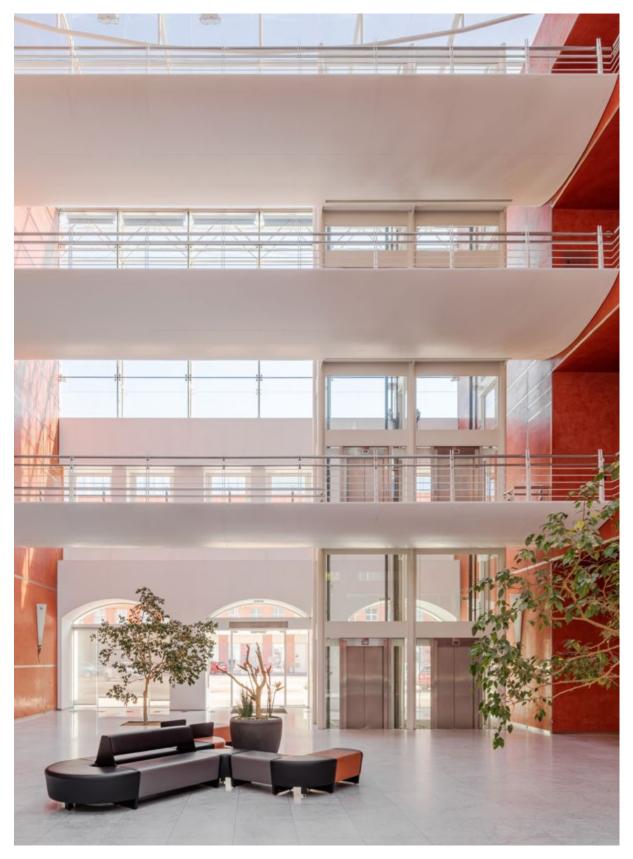
 $9\ 500\ {\rm m}^2$

rentable space

600 employee

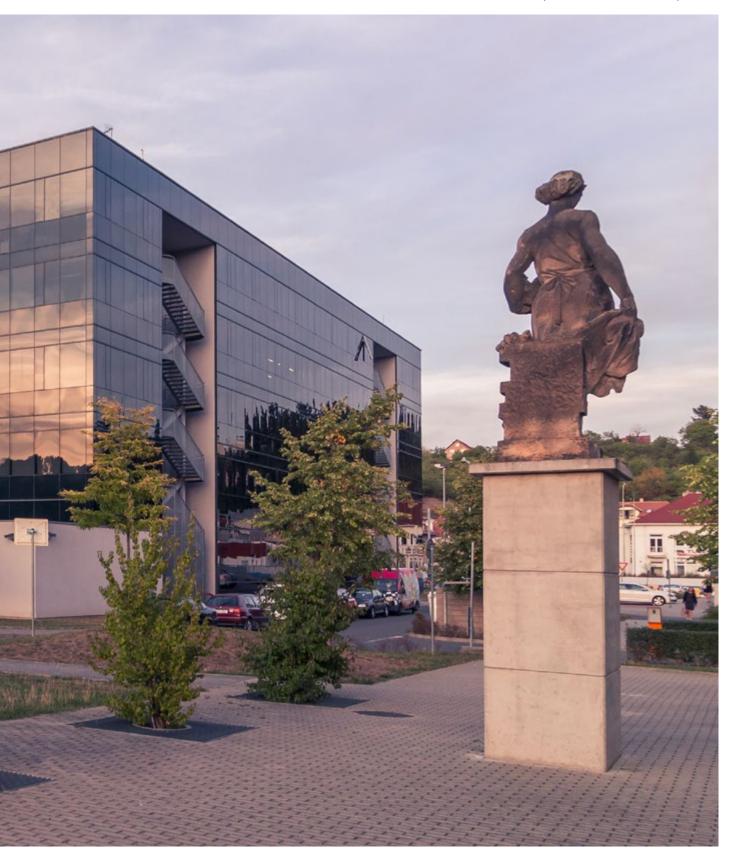
capacity

Ricardo Bofill Levi a Jean Pierre Carniaux











MEZI VODAMI 31



BELÁRIE | PRAGUE 12

The modern administrative building on the edge of Prague 4 was built in 2006 in the former industrial area of the Orion chocolate factory. The U-shaped glass building was designed by the Omicron K studio under the leadership of Martin Kotík. The building's total rentable area of 8,500 m² is divided into five above-ground floors and two underground floors.

Offices with a view of the Vltava

The administrative premises were designed as open, spacious office areas for more than 350 employees. In addition to offices, the building also has a conference and training center, a development kitchen, a sensory laboratory, a canteen for employees, a company store and other spaces for technical facilities.

The building has been the headquarters of Nestlé since 2006. Other tenants of the building include the Siemens technology concern. The added value of the property is its huge atrium full of greenery, to which the offices are connected and can be used by employees to relax.

16 metres high atrium

The property is located in a pleasant location with a view of the bank of the Vltava and the opposite side of Chuchelské haje. On top of that, the location is easily accessible by transport - there is a tram and bus stop near the building. Underground parking with a capacity of 166 spaces is available for employees commuting by car.

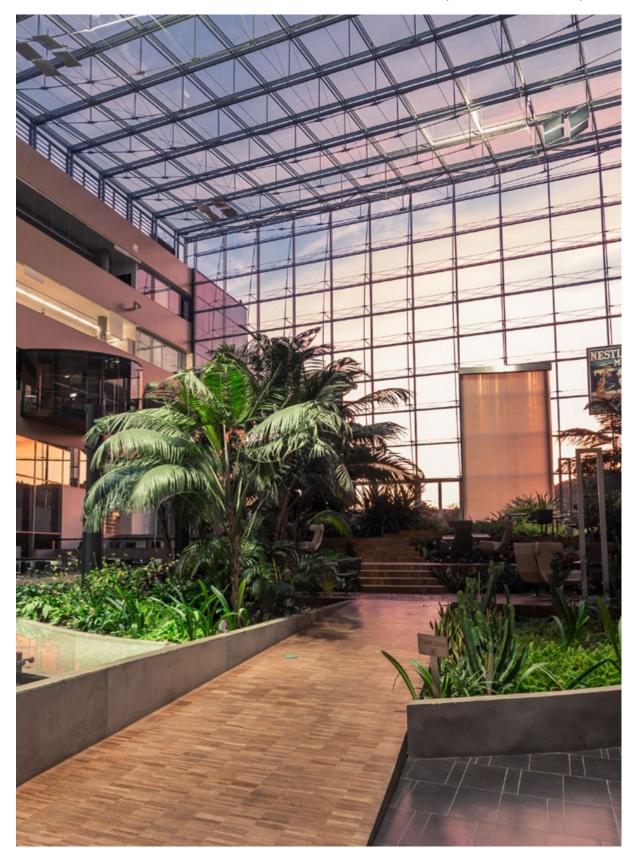
$8\ 500\ m^2$

rentable space

350 employee

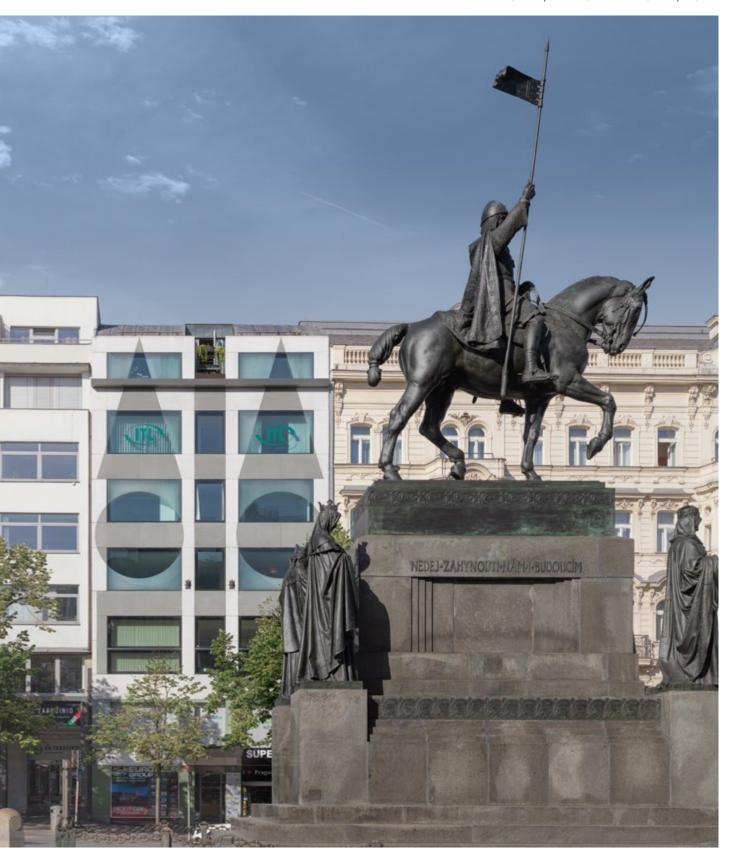
capacity

Omicron K











VÁCLAVSKÉ NÁMĚSTÍ



VÁCLAVSKÉ NÁMESTÍ 62 I PRAGUE 1

The multifunctional building on Wenceslas Square was built in 1998 as one of the most modern buildings with high efficiency in Prague. The timeless building was designed by the studio Drexler Vrbata Architekti and forms a rentable area of 2,500 m², spreaded over 8 floors.

8 floors in the very heart of Prague

The building is situated in the upper half of Wenceslas Square right next to the statue of St. Wenceslas. Thanks to its skeleton construction, it offers modern office spaces that can be flexibly adapted to the needs of individual tenants - divided into smaller closed offices or a classic open space.

The advantage of the property is its location at a prestigious sought-after address and excellent transport accessibility. A special facade, ensures a quiet environment in the building, despite its location in one of the busiest places in Prague. The building is easily accessible by public transport, is located near the main railway station and has a direct connection to the motorway network and the main road. There are many restaurants, shops and services located around the building. The near-by Čelakovská gardens or the Franciscan garden offer a place to Relax.

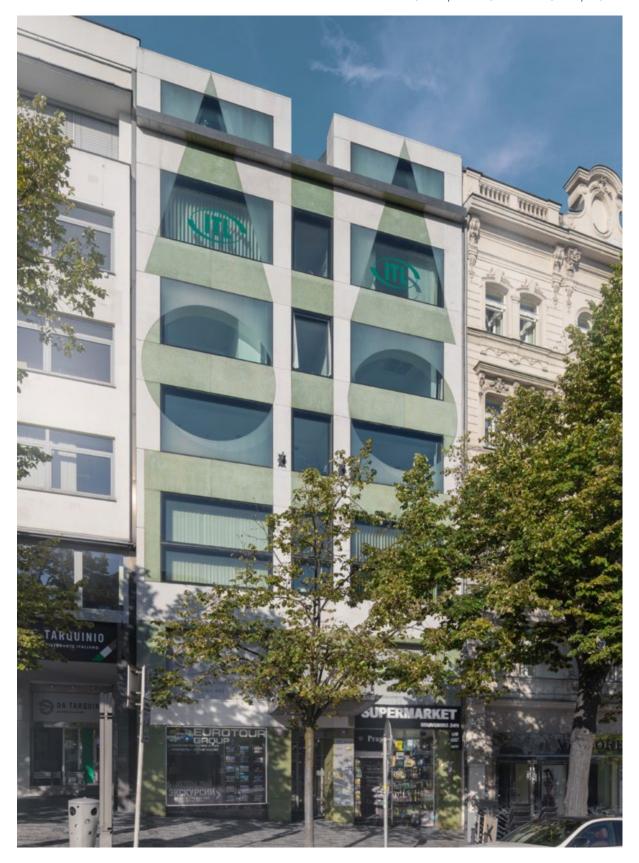
$2\ 500\ m^2$

rentable space

300 employee

capacity

Drexler & Vrbata











ARAGONIT



PEKAŘSKÁ 6 | PRAGUE 5

The office building located in the western part of Prague on Pekařské Street is a small administrative building with a total leasable area of 6,500 m² spread over 4 above-ground floors. The building was custom built in 1998 by the tenant. The timeless architecture of the building was designed by the DESIGN ARCOM studio.

Four-storey Building in a quiet location

Thanks to its location and layout, the building offers offices with a pleasant, friendly atmosphere. Not only lovers of larger open spaces, but also those who prefer the privacy of their own cozy office will find their place here. Although the building is not full of state of-the-art technology, it will still reliably satisfy even the more demanding clients.

The building is surrounded by family houses and offers a pleasant working environment. Thanks to its location, the building is very well accessible by transport - it has direct access to the motorway route to Germany and to Vaclav Havel Airport. There is a metro station and a bus stop near the building. A nice addition is the building's roofless atrium with a relaxation zone located right in the middle of the building.

The property is leased to GENNET, s.r.o. and STOCK Plzen-Bozkov.

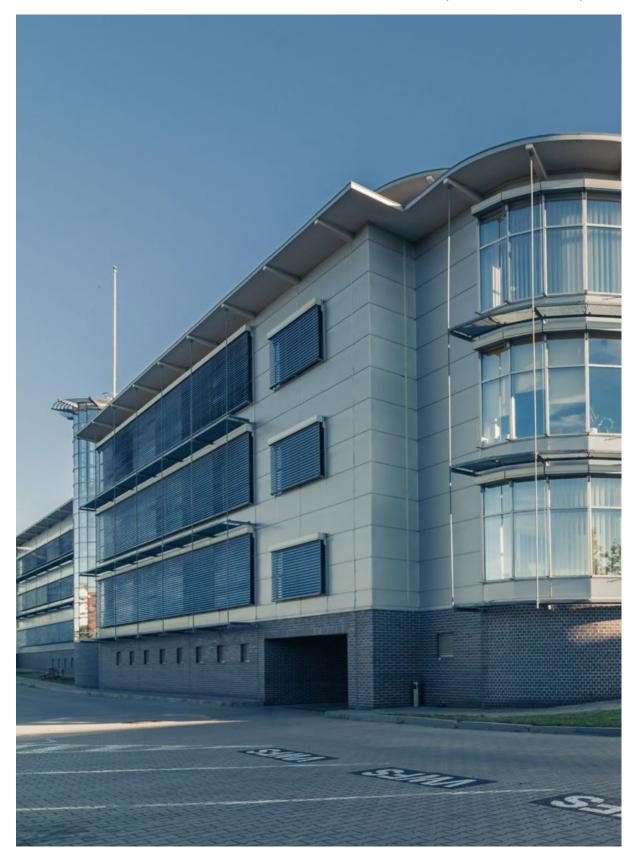
 6500 m^2

rentable space

400 employee

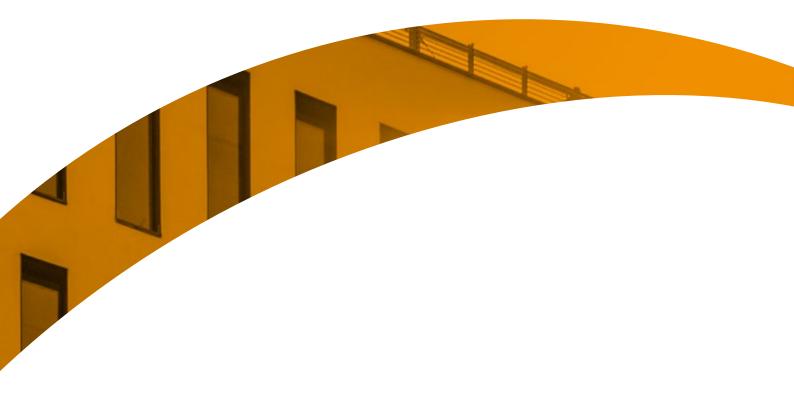
capacity

Design Arcom





"We are consolidating our position as a trusted and, above all, long-term partner with whom it is possible to invest in times of turbulent change."





The Environment

When operating and managing buildings, the ČMN Group always takes into account the impact of its business on the environment. The group mainly acquires high-quality buildings for its portfolio that meet modern construction standards and have BREEAM or LEED international certifications or have a chance to obtain them with proper management.

Achieving the sustainability of office buildings involves many aspects. Together with our tenants, ČMN strives for a long-term reduction in energy consumption. This process begins with correct measurement, continues with regulation in buildings and modernisation of technological equipment, and ends with a complete change of used energy sources with the aim of using renewable sources. A big trend at the moment is electromobility, where charging stations are being gradually installed in many parking spaces in the portfolio.

This effort is rewarded by the satisfaction of the tenants, who very often set the goal of carbon neutrality themselves. The transformation of the vehicle fleets of large companies is an important milestone in the achievement of these ambitious goals.

An important part of building operation is not only the focus on carbon dioxide emissions, but also two other current trends. The first of them is the pressure to reduce water consumption. The group achieves this by installing environmentally friendly sanitary facilities and collection tanks that support its secondary use.

The second goal is the promotion of biodiversity. This is mainly achieved by the careful management of the surrounding buildings and greenery, which is an inseparable part of an attractive working environment and contributes to the better well-being of all employees.

ČMN projects often include apiaries and insect hotels, which continue to support the achievement of sustainability goals. Currently, the managed portfolio of the ČMN Group consists of 99 % energy-efficient buildings as defined by the EU taxonomy for the objective of adapting to climate change in the activity of purchasing and owning buildings.

At the same time, more than 66 % of all managed projects have BREEAM or LEED international certification, which are independent confirmation of the sustainability of buildings.

Ambitious Plans for 2023

The ČMN Group creates specific, individualized ESG strategies with a decarbonisation curve for its projects. The first step is very often a complete energy audit, thanks to which it is possible to better measure energy consumption, look for new options for saving energy and increasing energy efficiency.

An integral part is the installation of renewable energy sources directly within the given projects. The result of all the above-mentioned efforts is the possibility of concluding so-called green leases. This type of lease directly commits both landlord and tenant to optimising the environmental impact of their business.

On the office market in Prague, there is only an exceedingly small percentage of buildings that can offer such a lease, and this is a significant competitive advantage, which is especially appreciated by multinational corporations.

"We have been supporting many non-profit organizations for a long time, which are selected by the employees themselves."

A key value of our corporate culture is openness. Everyone can express their opinion or produce a new idea, regardless of seniority. Thanks to this, the ČMN group maintains such important flexibility in the competitive environment that the real estate market undoubtedly is.

Social Information

Since its inception, the ČMN Group has supported home offices and the option of short-time work. Employee development is seen as key, and therefore one of the important benefits is the support of education and personal development.

Due to the diversity in the knowledge, experience, and professional careers of our employees, ČMN organises internal lectures at which employees share knowledge and expertise across the entire group. A pleasant working environment and offices with lots of flowers and quality facilities for individual and collective relaxation are a matter of course in the company.

In the past, a directive was adopted for the best possible selection of suppliers, especially with regard to their compliance with the basic values of a dignified working environment.

In the future, ČMN plans to further expand the rules to further motivate our supply chain with an even greater emphasis on sustainability. We have been supporting many non-profit organizations for a long time, the selection of which is participated by the employees themselves. Organisations focusing on the care of the elderly and children have received the most attention over the past few years. ČMN is in close contact with our tenants, where together we try to find innovative solutions and innovations that would contribute to making buildings run more efficiently in accordance with the rules of sustainability.

Last but not least, it is necessary to mention the active interest in the wide surroundings of all projects. The group perceives it as important that each building in the portfolio fits into its surroundings not only in terms of appearance, but also in its connection with the happenings and life in the municipal district. The company therefore supports activities that open spaces to the public and establishes partnerships that help the development of the city, municipal districts, and communities.



Management Information

The ČMN Group's business is built on analytical foundations. The focus of its work is investment in office real estate, which, according to statistical data, has been the most stable sector of commercial real estate since the 1960s.

Stability in this case means the lowest volatility (price change) and risk during the business cycle. Of course, this means that office real estate is usually not the most profitable asset in boom times, but it does provide some protection in recessions as well, thanks to a lower correlation with GDP growth than, for example, hotels, shopping or logistics centres.

The ČMN Group takes an entire range of risks when implementing its investment strategy and managing assets in the portfolio. When evaluating them it not only deals with direct risks of an operational nature with profound respect, but also analyses in detail the effects of potential market threats. For this reason, a comprehensive risk management platform has been introduced, which is guided by the principle that it is impossible to predict the future, but it is necessary to prepare for possible negative market developments.

The ČMN Group adopted a prudent approach based on the value of a smaller number of investments, which, however, are extremely attractive due to their quality. The risk management system was the main reason investments were not made in many sectors of commercial real estate where the ČMN group does not have a competitive advantage, including investments abroad. Although it is true

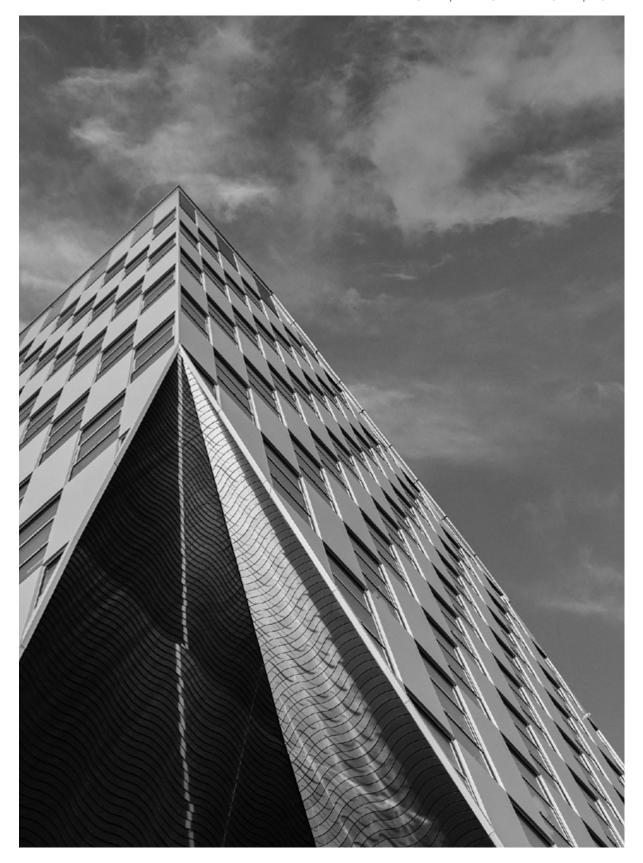
that the ČMN group has been analysing both of these possibilities for further development for a long time. From the beginning, ČMN has focused on creating a dynamic, risk-resistant organisation with a growth potential leading to higher profitability. As part of the investment process, so-called positive risks or unforeseen opportunities are also considered.

Within the internal processes and management system, the ČMN Group is constantly developing and growing into a complex organisation where risk management is at least as important as growth. In the long term, a prudent approach and a focus on profitability represent a significant competitive advantage on the Czech real estate market.

In its activities, the ČMN real estate group takes into account the principles of long-term sustainability and takes care to achieve a balance between economic, social, and environmental development. When choosing real estate, it takes into consideration not only economic criteria, but also sustainability and the impact on the environment.

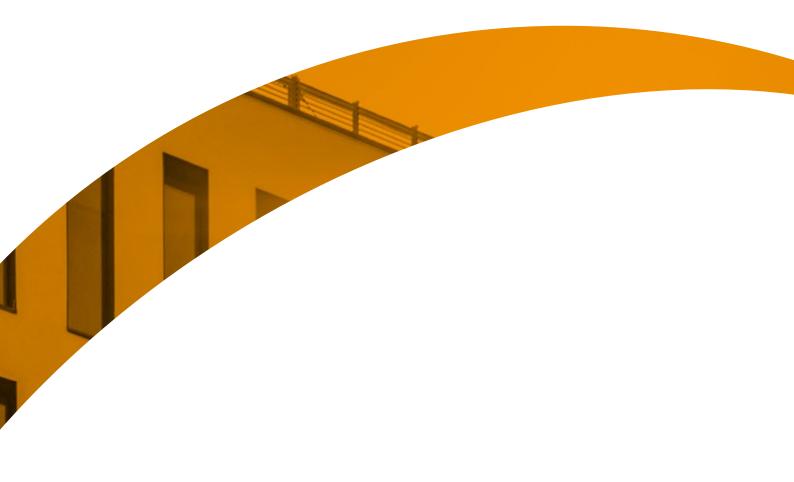
All buildings in the ČMN portfolio are actively managed by a team of internal specialists (Asset & Property Management), which focuses not only on maintaining the quality and value of managed buildings, but also on increasing them.

The company has an established system of anticorruption and whistleblowing measures and an adopted code of ethics.





Consolidated
Final Accounts of
the Českomoravská
Nemovitostní Group
as of
31 December 2022







BDO Audit s.r.o. V parku 2316/12 Praha 4 148.00

Zpráva nezávislého auditora

Akcionářům společností Českomoravská Nemovitostní a.s.

Výrok auditora

Provedli jsme audit přiložené konsolidované účetní závěrky společnosti Českomoravská Nemovitostní a.s., se sídlem Václavské náměstí 806/62, Praha 1 - Nové Město, identifikační číslo 051 42 202 a jejích dceříných společností (dále také Skupina) sestavené na základě českých účetních předpisů, která se skládá z konsolidované rozvahy k 31.12.2022, konsolidovaného výkazu zisku a ztráty, konsolidovaného přehledu o změnách vlastního kapitálu a konsolidovaného přehledu o peněžních tocích za období od 1.1.2022 do 31.12.2022 a přílohy této konsolidované účetní závěrky, která obsahuje popis použitých podstatných účetních metod a další vysvětlující informace. Údaje o Skupině jsou uvedeny v příloze této konsolidované účetní závěrky.

Podle našeho názoru konsolidovaná účetní závěrka podává věrný a poctivý obraz aktiv a pasiv Skupiny k 31.12.2022 a nákladů a výnosů a výsledku jejího hospodaření a peněžních toků za období od 1.1.2022 do 31.12.2022, v souladu s českými účetními předpisy.

Základ pro výrok

Audit jsme provedli v souladu se zákonem o auditorech a standardy Komory auditorů České republiky pro audit, kterými jsou mezinárodní standardy pro audit (ISA), případně doplněné a upravené souvisejícími aplikačními doložkami. Naše odpovědnost stanovená těmito předpisy je podrobněji popsána v oddílu Odpovědnost auditora za audit konsolidované účetní závěrky. V souladu se zákonem o auditorech a Etickým kodexem přijatým Komorou auditorů České republiky jsme na Skupině nezávislí a splnili jsme i další etické povinnosti vyplývající z uvedených předpisů. Domníváme se, že důkazní informace, které jsme shromáždili, poskytují dostatečný a vhodný základ pro vyjádření našeho výroku.

Ostatní informace uvedené v konsolidované výroční zprávě

Ostatními informacemi jsou v souladu s § 2 písm. b) zákona o auditorech informace uvedené ve výroční zprávě mimo konsolidovanou účetní závěrku a naší zprávu auditora. Za ostatní informace odpovídá představenstvo společnosti Českomoravská Nemovitostní a.s.

Náš výrok ke konsolidované účetní závěrce se k ostatním informacím nevztahuje. Přesto je však součástí naších povinností souvisejících s auditem konsolidované účetní závěrky seznámení se s ostatními informacemi a posouzení, zda ostatní informace nejsou ve významném nesouladu s konsolidovanou účetní závěrkou či s našími znalostmi o Skupině získanými během provádění auditu nebo zda se jinak tyto informace nejeví jako významně nesprávné. Také posuzujeme, zda ostatní informace byly ve všech významných ohledech vypracovány v souladu s příslušnými právními předpisy. Tímto posouzením se rozumí, zda ostatní informace splňují požadavky právních předpisů na formální náležitosti a postup vypracování ostatních informací v kontextu významnosti, tj. zda případné nedodržení



uvedených požadavků by bylo způsobilé ovlivnit úsudek činěný na základě ostatních informací.

Na základě provedených postupů, do míry, již dokážeme posoudít, uvádíme, že

- ostatní informace, které popisují skutečnosti, jež jsou též předmětem zobrazení v konsolidované účetní závěrce, jsou ve všech významných ohledech v souladu s konsolidovanou účetní závěrkou a
- ostatní informace byly vypracovány v souladu s právními předpisy.

Dále jsme povinni uvést, zda na základě poznatků a povědomí o Skupině, k nimž jsme dospěli při provádění auditu, ostatní informace neobsahují významné věcné nesprávnosti. V rámci uvedených postupů jsme v obdržených ostatních informacích žádné významné věcné nesprávnosti nezjistili.

Odpovědnost představenstva a dozorčí rady společnosti Českomoravská Nemovitostní a.s. za konsolidovanou účetní závěrku

Představenstvo společnosti Českomoravská Nemovitostní a.s. odpovídá za sestavení konsolidované účetní závěrky podávající věrný a poctivý obraz v souladu s českými účetními předpisy, a za takový vnitřní kontrolní systém, který považuje za nezbytný pro sestavení konsolidované účetní závěrky tak, aby neobsahovala významné nesprávnosti způsobené podvodem nebo chybou.

Při sestavování konsolidované účetní závěrky je představenstvo společnosti Českomoravská Nemovitostní a.s. povinno posoudit, zda je Skupina schopna nepřetržitě trvat, a pokud je to relevantní, popsat v příloze konsolidované účetní závěrky záležitosti týkající se jejího nepřetržitého trvání a použití předpokladu nepřetržitého trvání při sestavení konsolidované účetní závěrky, s výjimkou případů, kdy představenstvo plánuje zrušení Skupiny nebo ukončení její činnosti, resp. kdy nemá jinou reálnou možnost než tak učinit.

Za dohled nad procesem účetního výkaznictví ve Skupině odpovídá dozorčí rada společnosti Českomoravská Nemovitostní a.s.

Odpovědnost auditora za audit konsolidované účetní závěrky

Naším cílem je získat přiměřenou jistotu, že konsolidovaná účetní závěrka jako celek neobsahuje významnou nesprávnost způsobenou podvodem nebo chybou a vydat zprávu auditora obsahující náš výrok. Přiměřená míra jistoty je velká míra jistoty, nicméně není zárukou, že audit provedený v souladu s výše uvedenými předpisy ve všech případech v konsolidované účetní závěrce odhalí případnou existující významnou nesprávnost. Nesprávnosti mohou vznikat v důsledku podvodů nebo chyb a považují se za významné, pokud lze reálně předpokládat, že by jednotlivě nebo v souhrnu mohly ovlivnit ekonomická rozhodnutí, která uživatelé konsolidované účetní závěrky na jejím základě přijmou.

Při provádění auditu v souladu s výše uvedenými předpísy je naší povinností uplatňovat během celého auditu odborný úsudek a zachovávat profesní skepticismus. Dále je naší povinností:

 Identifikovat a vyhodnotit rizika významné nesprávnosti konsolidované účetní závěrky způsobené podvodem nebo chybou, navrhnout a provést auditorské postupy reagující na tato



rizika a získat dostatečné a vhodné důkazní informace, abychom na jejich základě mohli vyjádřit výrok.

Riziko, že neodhalíme významnou nesprávnost, k níž došlo v důsledku podvodu, je větší než riziko neodhalení významné nesprávnosti způsobené chybou, protože součástí podvodu mohou být tajné dohody (koluze), falšování, úmyslná opomenutí, nepravdivá prohlášení nebo obcházení vnitřních kontrol.

- Seznámit se s vnitřním kontrolním systémem Skupiny relevantním pro audit v takovém rozsahu, abychom mohli navrhnout auditorské postupy vhodné s ohledem na dané okolnosti, níkoli abychom mohli vyjádřit názor na účinnost jejího vnitřního kontrolního systému.
- Posoudít vhodnost použitých účetních pravidel, přiměřenost provedených účetních odhadů a
 informace, které v této souvislosti představenstvo společnosti Českomoravská Nemovitostní
 a.s. uvedlo v příloze konsolidované účetní závěrky.
- Posoudit vhodnost použití předpokladu nepřetržitého trvání při sestavení konsolidované účetní závěrky představenstvem a to, zda s ohledem na shromážděné důkazní informace existuje významná nejistota vyplývající z událostí nebo podmínek, které mohou významně zpochybnit schopnost Skupiny nepřetržitě trvat. Jestlíže dojdeme k závěru, že taková významná nejistota existuje, je naší povinností upozomit v naší zprávě na informace uvedené v této souvislosti v příloze konsolidované účetní závěrky, a pokud tyto informace nejsou dostatečné, vyjádřit modifikovaný výrok. Naše závěry týkající se schopnosti Skupiny nepřetržitě trvat vycházejí z důkazních informací, které jsme získali do data naší zprávy. Nicméně budoucí události nebo podmínky mohou vést k tomu, že Skupina ztratí schopnost nepřetržitě trvat.
- Vyhodnotit celkovou prezentaci, členění a obsah konsolidované účetní závěrky, včetně přílohy, a dále to, zda konsolídovaná účetní závěrka zobrazuje podkladové transakce a události způsobem, který vede k věrnému zobrazení.
- Získat dostatečné a vhodné důkazní informace o finančních údajích účetních jednotek zahrnutých do Skupiny a o její podníkatelské činnosti, aby bylo možné vyjádřit výrok ke konsolidované účetní závěrce. Zodpovídáme za řízení auditu Skupiny, dohled nad ním a za jeho provedení. Výrok auditora ke konsolidované účetní závěrce je naší výhradní odpovědností.

Naší povinností je informovat představenstvo a dozorčí radu společnosti Českomoravská Nemovitostní a.s. mimo jiné o plánovaném rozsahu a načasování auditu a o významných



zjištěních, která jsme v jeho průběhu učinili, včetně zjištěných významných nedostatků ve vnitřním kontrolním systému.

V Brně dne 18.5.2023

Auditorská společnost:

300 Andit s.r.o.

Statutární auditor:

BDO Audit s.r.o.

evidenční číslo 018

Ing. Jiří Kadlec

evidenční číslo 1246



Balance Sheet Assets

| | | | Curre | nt accounting | period | Previous period |
|--------------|---|-----|------------|-----------------|-----------|-----------------|
| Ident. | Assets | Row | Gross 1 | Adjustment 2 | Net 3 | Net 4 |
| | TOTAL ASSETS | 001 | 8 546 853 | -486 271 | 8 060 582 | 8 003 749 |
| Α. | Receivables from subscriptions | 002 | | | | |
| | Fixed assets | 003 | 7 187 478 | -486 032 | 6 701 446 | 6 823 493 |
| B. I. | Intagible fixed assets | 004 | 332 | -332 | | 115 |
| B. I. 2. | Valuable rights | 006 | 332 | -332 | | 115 |
| B. I. 2. 1. | Software | 007 | 332 | -332 | | 50 |
| B. I. 2. 2. | Other valuable rights | 800 | | | | 66 |
| | Tangible fixed assets | 014 | 552 160 | -30 956 | 521 204 | 1 328 245 |
| B. II. 1. | Lands and Constructions | 015 | 504 635 | -27 855 | 476 781 | 1 277 625 |
| B. II. 1. 1. | Lands | 016 | 77 508 | | 77 508 | 120 389 |
| B. II. 1. 2. | Constructions | 017 | 427 127 | -27 855 | 399 272 | 1157 236 |
| B. II. 2. | Material movable property and files of movable property. | 018 | 6 179 | -3 101 | 3 078 | 1 711 |
| B. II. 5. | Advance payments for tangible fixed assets and tangible fixed assets under construction | 024 | 41 346 | | 41 346 | 48 910 |
| B. II. 5. 1. | Advance payments for tangible fixes assets | 025 | | | | |
| B. II. 5. 2. | Tangible fixed assets under construction | 026 | 41 346 | | 41 346 | 48 910 |
| | Long-term financial assets | 027 | 6 156 342 | | 6 156 342 | 4 529 977 |
| B. III. 5. | Other securities and shares | 032 | 3 997 178 | | 3 997 178 | 2 758 035 |
| B. III. 6. | Other loans | 033 | 2 159 165 | | 2 159 165 | 1 771 941 |
| B. IV. 1. | Positive consolidation difference | 036 | 483 059 | -459 160 | 23 899 | 985 325 |
| | Negative consolidation difference | 036 | -4 416 | 4 416 | | -20 169 |

| | | | Curre | nt accounting | period | Previous period |
|-----------------|---------------------------------|-----|------------|---------------|----------|-----------------|
| Ident. | Assets | Row | Gross 1 | Adjustment 2 | Net 3 | Net 4 |
| C. | Current assets | 037 | 963 076 | -239 | 962 837 | 785 022 |
| | Inventory | 038 | | | | |
| C. II. | Receivables | 046 | 297 767 | -239 | 297 528 | 442 587 |
| C. II. 2. | Short-term receivables | 057 | 297 767 | -239 | 297 528 | 442 587 |
| C. II. 2. 1. | Trade receivables | 058 | 139 071 | -239 | 138 832 | 17 657 |
| C. II. 2. 4. | Other receivables | 061 | 158 696 | | 158 696 | 424 930 |
| C. II. 2. 4. 3. | Due from state - tax receivable | 064 | 633 | | 633 | 6 141 |
| C. II. 2. 4. 4. | Short-term doposits given | 065 | 7 666 | | 7 666 | 5 563 |
| C. II. 2. 4. 5. | Estimated receivable | 066 | 3 679 | | 3 679 | 4 180 |
| C. II. 2. 4. 6. | Other receivable | 067 | 146 719 | | 146 719 | 409 046 |
| C. III. | Short-term financial assets | 068 | | | | |
| C. IV. | Cash and bank accounts | 071 | 665 309 | | 665 309 | 342 435 |
| C. IV. 1. | Cash | 072 | 150 | | 150 | 90 |
| C. IV. 2. | Bank accounts | 073 | 665 159 | | 665 159 | 342 345 |
| D. | Accruals | 074 | 396 299 | | 396 299 | 395 233 |
| D. 1. | Deferred expenses | 075 | 393 984 | | 393 984 | 383 308 |
| D. 3. | Deferred income | 077 | 2 315 | | 2 315 | 11 925 |



Liabilities

| Ident. | Liabilities | Row | Current accounting period | Previous period |
|--------------|---|-----|---------------------------|-----------------|
| | TOTAL LIABILITIES | 078 | 8 060 582 | 8 003 749 |
| Α. | Equity | 079 | 1 165 180 | 1 17 7 249 |
| A. I. | Registered capital | 080 | 2 000 | 2 000 |
| A. I. 1. | Registered capital | 081 | 2 000 | 2 000 |
| A. II. | Share premium and capital funds | 084 | 515 813 | 626 244 |
| A. II. 2. | Capital funds | 086 | 515 813 | 626 244 |
| A. II. 2. 1. | Other capital funds | 087 | | 36 924 |
| A. II. 2. 2. | Diferences from revaluation of assets and liabilities (+/-) | 088 | 508 658 | 589 320 |
| A. II. 2. 3. | Diferences from revaluation in tranformation of companies (+/-) | 089 | 7 155 | |
| A. III. | Funds from earnings | 092 | | |
| A. IV. | Profit/loss - previous years (+/-) | 095 | 561 833 | 486 789 |
| A. IV. 1. | Retained earnings, accumulated losses from previous years (+/-) | 096 | 629 309 | 559 081 |
| A. IV. 3. | Other net profit/loss from previous years (+/-) | 097 | -67 476 | -72 292 |
| A. V. | Profit/loss for the current period (+/-) | 098 | 85 534 | 62 217 |
| A. VI. | Share of profit/loss under equity accounting (-) | 099 | | |
| B. + C. | Liabilities (external resources) | 100 | 6 892 540 | 6 819 894 |
| | Reserves | 101 | 27 247 | 6 256 |
| B. 2. | Income tax provision | 103 | 27 247 | 5 084 |
| B. 4. | Other provisions | 105 | | 1 172 |
| C. | Payables | 106 | 6 865 293 | 6 813 638 |
| C. I. | Non-current liabilities | 107 | 5 523 417 | 5 956 461 |
| C. I. 1. | Bonds issued | 108 | 4 826 287 | 4 688 729 |
| C. I. 1. 2. | Other bonds | 110 | 4 826 287 | 4 688 729 |
| C. I. 2. | Payables to credit institutions | 111 | 585 584 | 1054 560 |
| C. I. 3. | Non-current advance payments received | 112 | 9 942 | 13 859 |
| C. I. 8. | Deferred tax liability | 117 | 99 430 | 196 917 |
| C. I. 9. | Payables - others | 118 | 2 174 | 2 396 |
| C. I. 9. 3. | Other liabilities | 121 | 2 174 | 2 396 |

| Ident. | Liabilities | Row | Current accounting period | Previous period |
|--------------|---|-----|---------------------------|-----------------|
| | Current payables | 122 | 1 341 876 | 857 177 |
| C. II. 1. | Bonds issued | 123 | 1 233 190 | 606 750 |
| C. II. 1. 2. | Other bonds | 125 | 1 233 190 | 606 750 |
| C. II. 2. | Payables to credit institutions | 126 | 13 360 | 27 427 |
| C. II. 3. | Payables to credit institutions | 127 | 5 467 | 9 474 |
| C. II. 4. | Trade payables | 128 | 41 485 | 48 763 |
| C. II. 6. | Liabilities - Controlled or Controlling Entity | 130 | | 22 314 |
| C. II. 8. | Other payables | 132 | 48 374 | 142 450 |
| C. II. 8. 3. | Payroll payables | 135 | 3 279 | 3 687 |
| C. II. 8. 4. | Payables - social security and health insurance | 136 | 1684 | 1748 |
| C. II. 8. 5. | State - tax liabilities and grants | 137 | 12 278 | 4 051 |
| C. II. 8. 6. | Estimated accounts payable | 138 | 3 683 | 15 998 |
| C. II. 8. 7. | Other payables | 139 | 27 451 | 116 966 |
| D. | Accrued deferrals of liabilities | 140 | 2 862 | 6 605 |
| D. 2. | Deferred revenues | 142 | 2 862 | 6 605 |

Balance sheet, income statement, cash flow statement, statement of changes in equity, and appendix are an integral part of the financial statements.



Profit and loss statement

| Ident. | | Row | Reportin | g period |
|----------|---|-----|-----------|----------|
| | | | Current | Previous |
| I. | Revenues from own products and services | 01 | 170 896 | 126 164 |
| II. | Revenues from sold goods | 02 | | |
| | Production consumption | 03 | 172 069 | 163 807 |
| A. 1. | Expenses on sold goods | 04 | | |
| A. 2. | Material and energy consumption | 05 | 7 890 | 9 618 |
| A. 3. | Services | 06 | 164 180 | 154 190 |
| | Change in inventories of own production (+/-) | 07 | | |
| C. | Activation (-) | 08 | | |
| D. | Personnel expenses | 09 | 65 838 | 45 422 |
| D. 1. | Wages and salaries | 10 | 49 329 | 34 140 |
| D. 2. | Social security expenses and health insurance and other expenses | 11 | 16 508 | 11 282 |
| D. 2. 1. | Social security expenses and health insurance | 12 | 15 994 | 11 023 |
| D. 2. 2. | Other expenses | 13 | 515 | 259 |
| E. | Adjustment of values in the operating area | 14 | 32 988 | 41 953 |
| E. 1. | Adjustments to intangible and tangible non-current assets | 15 | 32 731 | 41 953 |
| E. 1. 1. | Adjustments to intangible and tangible non-current assets - permanent | 16 | 32 731 | 41 953 |
| E. 2. | Stock value adjustments | 18 | | |
| E. 3. | Receivable value adjustments | 19 | 257 | |
| III. | Other operating revenues | 20 | 1 320 807 | 925 200 |
| III. 1. | Revenues from disposals of non-current assets | 21 | 55 344 | 104 032 |
| III. 2. | Revenues from disposals of materials | 22 | | |
| III. 3. | Other operating revenues | 23 | 1 265 463 | 821 168 |
| F. | Other operating expenses | 24 | 754 171 | 420 159 |
| F. 1. | Net book value of sold non-current assets | 25 | 36 103 | 99 647 |
| F. 2. | Net book value of sold material | 26 | | |
| F. 3. | Taxes and fees | 27 | 642 | 319 |
| F. 4. | Provisions in operating area and complex deferred expenses | 28 | 7 408 | 10 343 |
| F. 5. | Other operating expenses | 29 | 710 019 | 309 850 |
| | Clearing of goodwill on consolidation | 30 | 374 490 | 138 103 |
| | Clearing of negative goodwill on consolidation | 31 | -4 242 | -6 559 |
| * | Consolidated operating profit/loss | 32 | 96 388 | 248 479 |

| Ident. | | Row | Reportin | g period |
|--------|---|-----|-----------|-----------|
| IV. | Revenues from non-current financial assets | 33 | 399 564 | 524 251 |
| IV. 1. | Income from share - Controlled or Controlling Entity | 34 | | |
| IV. 2. | Other earnings from shares | 35 | 399 564 | 524 251 |
| G. | Costs of sold shares | 36 | 318 459 | 441 302 |
| V. | Revenues from other non-current financial assets | 37 | 173 291 | 214 668 |
| V. 1. | Revenues from other long-term financial assets - controlled and controlling organizations | 38 | | |
| V. 2. | Revenues from current financial assets | 39 | 173 291 | 214 668 |
| Н. | Costs related to other non-current financial assets | 40 | 173 291 | 199 850 |
| VI. | Interest income and similar income | 41 | 194 720 | 86 738 |
| VI. 1. | Interest revenues - controlled and controlling organizations | 42 | | |
| VI. 2. | Other interest income and similar income | 43 | 194 720 | 86 738 |
| I. | Adjustment of values and provision in the financial sector | 44 | | |
| J. | Interest expense | 45 | 311 497 | 276 192 |
| J. 1. | Interest expenses - controlled and controlling organizations | 46 | | |
| J. 2. | Other interest expense and similar costs | 47 | 311 497 | 276 192 |
| VII. | Other financial revenues | 48 | 197 668 | 177 760 |
| K. | Other financial expenses | 49 | 159 265 | 230 618 |
| * | Consolidated profit/loss from financial operations | 50 | 2 732 | -144 546 |
| ** | Consolidated profit/loss before taxa | 51 | 99 120 | 103 933 |
| L. | Income tax | 52 | 13 586 | 41 716 |
| L. 1. | - due tax | 53 | 35 553 | 5 454 |
| L. 2. | - deferred tax | 54 | -21 968 | 36 262 |
| ** | Consolidated profit/loss after taxation | 55 | 85 534 | 62 217 |
| M. | Transfer of profit/loss share to partners | 56 | | |
| *** | Consolidated profit/loss for the reporting period | 57 | 85 534 | 62 217 |
| * | Net turnover for the reporting period = I. + II. + III. + IV. + V. + VI. + VII. | 58 | 2 456 947 | 2 054 781 |

Balance sheet, income statement, cash flow statement, statement of changes in equity, and appendix are integral parts of the financial statements.



Overview of cash flows

| | | Current reporting period | Previous reporting period |
|----------|---|--------------------------------|---------------------------------|
| Р | Cash and cash equivalents at the beginning of the reporting period | 342 435 | 446 433 |
| Cash flo | ows from main activity (operating activities) | | |
| Z | Accounting profit/loss from running activities before taxation | 85 534 | 103 933 |
| A1 | Adjustments by non-cash operations | 521 506 | 368 908 |
| A1.1.1 | Depreciation of fixed assets - destruction, physical demolition, damage, gifts | 32 731 | 41 953 |
| A1.1.2 | Goodwill depreciation | 370 248 | 131 543 |
| A1.2 | Change in balance of adjustments and provisions | 20 991 | 10 343 |
| A1.3 | Profit (loss) from sale of fixed assets | -19 241 | -4 385 |
| A1.5 | Accounted for interest expense and income (exclusive of interest capitalization) | 116 777 | 189 454 |
| A* | Net cash flow from operating activity before taxation, changes in working capital and extraordinary items Z + A1 | 607 040 | 472 841 |
| A2 | Change in non-cash items of working capital A2.1 až A2.4 | 592 294 | 169 113 |
| A2.1 | Change in balance of receivables from operating activities, active accrual accounts and estimated active accounts | 143 988 | -415 925 |
| A2.2 | Change in current liabilities from operating activities, accrued liabilities and estimated liabilities | 448 306 | 585 038 |
| A** | Net cash flow from operating activities before taxation and extraordinary items $A^* + A2$ | 1199 334 | 641 954 |
| А3 | Interest paid exclusive of interest capitalization | -311 497 | -276 192 |
| A4 | Interests received | 194 720 | 86 738 |
| A5 | Income tax for operating activities and additional tax assessments for previous periods | 32 650 | -5 454 |
| A6 | Income and expenses related to extraordinary items, including income tax from extraordinary activities | | |
| A7 | Received dividends and shares in profits | | |
| A*** | Net cash flow from operating activities A** + A3 až A7 | 1 115 207 | 447 046 |
| Cash flo | ows from investing activities | | |
| B1 | Expenses on fixed assets acquisition | -317 035 | -1 875 206 |
| B2 | Income from fixed assets sales | 55 344 | 104 032 |
| В3 | Loans to related parties | | |
| B*** | Net cash flow from investing activities B1 až B3 | -261 691 | -1 771 174 |

| | | Current reporting period | Previous reporting period |
|---------|--|--------------------------------|---------------------------------|
| Cash fl | ows from financing activities | | |
| C1 | Impact of changes in liabilities falling into financial activities | -433 044 | 1 183 206 |
| C2 | Impact of a change of equity on cash C2.1 až C2.6 | -97 598 | 36 924 |
| C2.5 | Direct payments from reserve funds | -97 598 | 36 924 |
| C*** | Net cash flow relating to financing activities C1 až C2 | -530 642 | 1 220 130 |
| | | | |
| F | Net increase or decrease of cash A*** + B*** + C*** | 322 874 | -103 998 |
| R | Balance of cash on hand and financial equivalents at the end of the reporting period P + F | 665 309 | 342 435 |

Balance sheet, income statement, cash flow statement, statement of changes in equity, and appendix are integral parts of the financial statements.



Overview of changes in equity

| ACCOUNTING PERIOD 2021 | Initial balance | Increased | Decreased | Final balance |
|---|-----------------|-----------|-----------|---------------|
| Owner's equity | 871 517 | 435 617 | -129 885 | 1 177 249 |
| Registered capital | 2 000 | | - | 2 000 |
| Registered capital | 2 000 | - | - | 2 000 |
| Equity interests or own shares (-) | - | - | - | - |
| Changes in share capital | - | - | - | - |
| Premium and capital funds | 319 644 | 306 600 | - | 626 244 |
| Premium | - | - | - | - |
| Capital funds | 319 644 | 306 600 | - | 626 244 |
| Other capital funds | - | 36 924 | | 36 924 |
| Valuation differences from revaluation of assets and liabilities (+/-) | 319 644 | 269 676 | - | 589 320 |
| Diferences from revaluation in tranformation of companies (+/-) | - | - | - | - |
| Differences from transformations of business corporations $(+/-)$ | - | - | - | - |
| Differences from valuations in transformations of business corporations (+/-) | - | - | - | - |
| Funds from profit | - | | - | - |
| Other reserve funds | - | - | - | - |
| Statutory and other funds | - | - | - | - |
| Net profit/loss from previous years (+/-) | 492 404 | 66 801 | -72 416 | 486 789 |
| Retained profit or unreimbursed loss from previous reporting periods (+/-) | 492 280 | 66 801 | - | 559 081 |
| Other net profit/loss from previous years (+/-) | 124 | | -72 416 | -72 292 |
| Profit/loss for the reporting period (+/-) | 57 469 | 62 217 | -57 469 | 62 217 |
| Share of profit/loss under equity accounting | - | - | - | - |

| ACCOUNTING PERIOD 2022 | Initial balance | Increased | Decreased | Final balance |
|---|-----------------|-----------|-----------|---------------|
| Owner's equity | 1 177 249 | 167 733 | -179 802 | 1 165 180 |
| Registered capital | 2 000 | | - | 2 000 |
| Registered capital | 2 000 | - | - | 2 000 |
| Equity interests or own shares (-) | - | - | - | - |
| Changes in share capital | - | - | - | - |
| Premium and capital funds | 626 244 | 7 155 | -117 585 | 515 813 |
| Premium | - | - | - | - |
| Capital funds | 626 244 | 7 155 | -117 585 | 515 813 |
| Other capital funds | 36 924 | | -36 924 | - |
| Valuation differences from revaluation of assets and liabilities (+/-) | 589 320 | - | -80 662 | 508 658 |
| Diferences from revaluation in tranformation of companies (+/-) | - | 7 155 | - | 7 155 |
| Differences from transformations of business corporations (+/-) | - | - | - | - |
| Differences from valuations in transformations of business corporations (+/-) | - | - | - | - |
| Funds from profit | - | | - | - |
| Other reserve funds | - | - | - | - |
| Statutory and other funds | - | - | - | - |
| Net profit/loss from previous years (+/-) | 486 789 | 75 044 | - | 561 833 |
| Retained profit or unreimbursed loss from previous reporting periods (+/-) | 559 081 | 70 228 | - | 629 309 |
| Other net profit/loss from previous years (+/-) | -72 292 | 4 816 | - | -67 476 |
| Profit/loss for the reporting period (+/-) | 62 217 | 85 534 | -62 217 | 85 534 |
| Share of profit/loss under equity accounting | - | | - | - |

Balance sheet, income statement, cash flow statement, statement of changes in equity, and appendix are integral parts of the financial statements.



Consolidated Annual Report for the Financial Period of 2022

1. INTRODUCTION

The Českomoravská Nemovitostní Group (hereinafter the "ČMN Group" or the "Group") is a group of related persons directly or indirectly controlled by the company Českomoravská Nemovitostní a.s., with its registered office in Prague 1, Václavské náměstí 806/62, 110 00, Business ID 051 42 202 (hereinafter the "Company"), as a holding company. Basic company data as of 31 December 2022 was the following:

| Company name | Českomoravská Nemovitostní a.s. |
|--|---|
| Registered seat | Václavské náměstí 806/62, Nové Město, 110 00 Prague 1 |
| Corporate number | 051 42 202 |
| Entry in the Commercial Register | June 7, 2016 |
| Registered capital | 2 000 000 CZK |
| Statutory body | Ing. et Ing. Radek Stacha (Chair of the Board of Directors) Date of birth 28 November 1987 Mezírka 741/7, Veveří, 602 00 Brno Ing. Mgr. Josef Eim (Vice-Chairman of the Board of Directors) Date of birth 5 April 1984 Tučkova 418/21, Veveří, 602 00 Brno |
| Control body | Richard Britten-Long (Member of the Supervisory Board) Date of birth 22 February 1953 WR66YY Wichenford, Worcester, The Hill Farm, The United Kingdom of Great Britain and Northern Ireland |

2. INFORMATION FROM THE BOARD OF DIRECTORS ON THE PERFORMANCE, ACTIVITIES AND ECONOMIC POSITION OF THE GROUP

The information below is in accordance with Section 436, Paragraph 2 of Act No. 90/2012 Coll., on business companies and cooperatives (Act on Business Corporations), as amended.

The ČMN Group is an investment group focusing mainly on the purchase, long-term ownership and management of commercial buildings in the Czech Republic. The primary subject of the business is premium real estate in prestigious locations, which have long-term lease agreements with their tenants, and therefore stable and predictable cash flows. The ČMN Group is also a significant issuer of corporate bonds.

The real estate portfolio managed by the ČMN group at the end of 2022 included real estate with a total value of approximately CZK 13 billion. More information about the current portfolio can be found at https://cm-n.cz/projekty

The consolidated financial result of the ČMN group for the year 2022 reached CZK 85,534 thousand.

3. ANTICIPATED DEVELOPMENT OF THE ČMN GROUP'S ACTIVITIES

In the coming years, the ČMN Group intends to continue its entrepreneurial focus on premium real estate. The group's efforts will be aimed mainly at consolidating the group's position and name on the market, improving the quality of the services provided, increasing competitiveness and streamlining processes. The ČMN Group will continue to ensure compliance with internal control mechanisms and ensure the prudent implementation of its investment projects and management with the care of a proper manager.

4. INFORMATION ABOUT RESEARCH AND DEVELOPMENT ACTIVITIES

In 2022, the Group did not spend any resources in the field of research and development. No research and development investments are planned in 2023 either.

5. INFORMATION ON ACQUISITION OF OWN SHARES OR HOLDINGS

None of the companies of the ČMN group acquired their own shares or holdings.

6. INFORMATION ON ACTIVITIES IN THE FIELD OF ENVIRONMENTAL PROTECTION AND LABOUR LEGAL RELATIONS

Environmental protection is ensured in accordance with applicable legal regulations on environmental protection. In 2022, there were no significant changes in the field of labour relations.

7. INFORMATION ON BRANCHES ABROAD

The ČMN Group has no organisational component abroad.

8. STATEMENT OF THE BOARD OF DIRECTORS

The Chair of the Board of Directors of Českomoravská Nemovitostní a.s. declares that, to the best of his knowledge, this annual report presents a true and fair view of the financial situation, business activity and economic results for the past accounting period and the prospects for the future development of the financial situation, business activity and economic results of the ČMN Group.

In Prague, dated 5 May 2023 Representing Českomoravská Nemovitostní a.s.

Ing. et Ing. Radek Stacha Chair of the Board of Directors





Group of accounting entities Českomoravská Nemovitostní a.s.

Appendix to the consolidated final accounts as of 31 December 2022

CONTENTS OF THE APPENDIX

| 94 | 1. GROUP DESCRIPTION |
|-----|---|
| 97 | 2. BASIC GROUND FOR PREPARATION OF FINAL ACCOUNTS |
| 98 | 3. GENERAL ACCOUNTING PRINCIPLES, ACCOUNTING METHODS AND THEIR CHANGES AND DEVIATION |
| 98 | A) Fixed assets |
| 98 | Intangible fixed assets |
| 98 | Tangible fixed assets |
| 98 | Long-term financial assets |
| 99 | B) Current assets |
| 99 | Short-term financial assets and cash |
| 100 | Receivables |
| 100 | C) Equity |
| 100 | D) Reserves |
| 100 | E) Liabilities |
| 100 | F) Related party transactions |
| 100 | G) Foreign exchange operations |
| 100 | H) Use of estimates |
| 101 | I) Accounting of revenues and costs |
| 101 | J) Reserve for corporate income tax |
| 101 | K) Subsequent events |
| 101 | Changes in the valuation method, depreciation procedures and accounting procedures compared to the previous accounting period |

| 104 | 4. SUPPLEMENTARY DATA TO THE CONSOLIDATED BALANCE SHEET |
|-----|--|
| 102 | A) Consolidation |
| 102 | B) Intangible fixed assets |
| 104 | C) Tangible fixed assets |
| 107 | D) Long-term financial assets |
| 108 | E) Stocks |
| 108 | F) Receivables |
| 109 | G) Short-term financial assets |
| 109 | H) Temporary asset accounts |
| 109 | I) Equity |
| 109 | J) Reserves |
| 110 | K) Long-term liabilities |
| 110 | L) Deferred tax liability |
| 110 | M) Current liabilities |
| 110 | N) Positive and negative consolidation difference |
| 111 | 5. SUPPLEMENTARY DATA TO THE CONSOLIDATED STATEMENT OF PROFIT AND LOSS |
| 111 | A) Consolidation |
| 111 | B) Revenues |
| 112 | SUMMARY OF COMPANY'S REVENUES: |
| 112 | C) Power consumption |
| 112 | C) Personal expenses |
| 113 | E) Other operating expenses |
| 113 | F) Financial results |
| 114 | 6. SIGNIFICANT EVENTS THAT OCCURRED AFTER THE BALANCE SHEET DATE |
| 115 | 7. ASSUMPTION OF CONTINUOUS DURATION |



1. Group description

The parent company of the Českomoravská Nemovitostní group (hereinafter referred to as the "Group") is Českomoravská Nemovitostní a.s. (hereinafter referred to as the "Parent company"), which is a joint-stock company based in Prague, Václavské nám. 806/62, Czech Republic, Business ID 051 42 202. The parent company was registered in the commercial register of the Municipal Court in Prague under file number B 24261.

The main subject of the Group's activity is the management of its own property, purchase, sale, management and maintenance of real estate and the rental of real estate, apartments, and non-residential premises.

The main subject of the Group's business is production, trade and services not listed in Appendices 1 to 3 of the Trade Act and the activities of accounting consultants, bookkeeping, tax records.

Each member of the board of directors acts independently for the parent company in all matters.

None of the Group's companies has an organisational component abroad.

As of 31 December 2022, the control and management bodies of the parent company were as follows:

Chairman of the Board of Directors:

Ing. et Ing. RADEK STACHA, Date of birth 28 November 1987 Mezírka 741/7, Veveří, 602 00 Brno Date of appointment: 25 February 2020

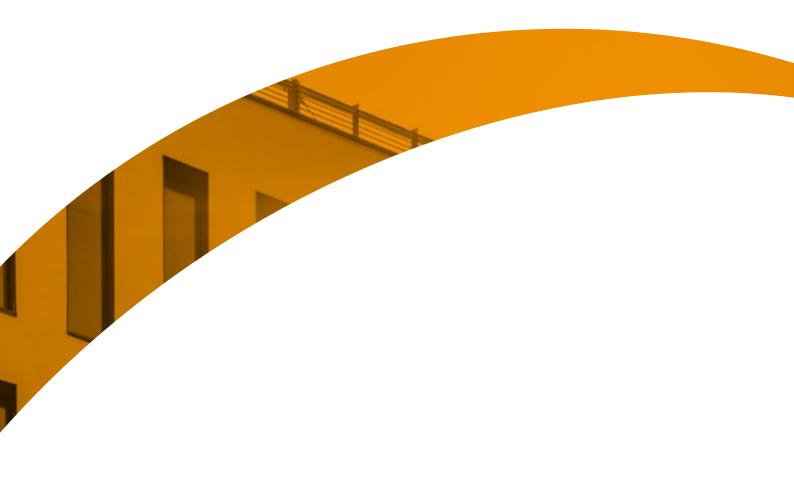
Vice-Chairman of the Board of Directors:

Ing. Mgr. JOSEF EIM, Date of birth 5 April 1984 Tučkova 418/21, Veveří, 602 00 Brno Date of membership: 25 February 2020 Registered: 25 February 2020

Member of the Supervisory Board:

RICHARD BRITTEN-LONG,
Date of birth 22 February 1953
WR66YY Wichenford, Worcester,
The Hill Farm, The United Kingdom of Great Britain and Northern Ireland
Date of appointment: 12 October 2021







The Českomoravská Nemovitostní Group consists of the following companies:

| Company name | Registered seat | Registered capital | Amount of the share |
|-----------------------------------|---|--------------------|---------------------|
| Českomoravská Nemovitostní a.s. | | 2 000 000 CZK | |
| Anilit RE s.r.o. | | 200 000 CZK | 100% |
| Blixit RE s.r.o. | | 200 000 CZK | 100% |
| CMN International Assets a.s. | | 2 000 000 CZK | 100% |
| Czech-Moravian Properties a.s. | | 2 000 000 CZK | 100% |
| Českomoravská Poradenská s.r.o. | | 200 000 CZK | 100% |
| Českomoravská Projektová a.s. | _ | 2 000 000 CZK | 100% |
| Českomoravská Projektová II a.s. | dne | 2 000 000 CZK | 100% |
| Českomoravská Projektová III a.s. | Pra | 2 000 000 CZK | 100% |
| Českomoravská Projektová IV a.s. | 00 | 2 000 000 CZK | 100% |
| Českomoravská Projektová V a.s. | ,110 | 2 000 000 CZK | 100% |
| ČMN Alpha s.r.o. | ssto | 200 000 CZK | 100% |
| ČMN Gama s.r.o. | Václavské náměstí 806/62, Nové Město, 110 00 Prague 1 | 200 000 CZK | 100% |
| ČMN Husova s.r.o. | > 0 7 | 200 000 CZK | 100% |
| ČMN I s.r.o. | 52, 1 | 200 000 CZK | 100% |
| ČMN II s.r.o. | //90 | 200 000 CZK | 100% |
| ČMN Financing s.r.o. | | 20 000 CZK | 100% |
| ČMN RE I a.s. | m ěs | 2 000 000 CZK | 100% |
| ČMN RE II a.s. | | 2 000 000 CZK | 100% |
| ČMN RE III s.r.o. | IVSK | 200 000 CZK | 100% |
| ČMN RE Management a.s. | áC a | 2 000 000 CZK | 100% |
| ČMN Servis s.r.o. | > | 200 000 CZK | 100% |
| Dixenit RE s.r.o. | | 200 000 CZK | 100% |
| Fangit RE s.r.o. | | 200 000 CZK | 100% |
| Gyrolit RE s.r.o. | | 200 000 CZK | 100% |
| High End Living s.r.o. | | 20 000 CZK | 100% |
| Holtit RE s.r.o. | | 200 000 CZK | 100% |
| Chenit RE s.r.o. | | 200 000 CZK | 100% |

| Company name | Registered seat | Registered capital | Amount of the share |
|-----------------------------------|--|--------------------|---------------------|
| Langit RE s.r.o. | | 20 000 CZK | 100% |
| Maldonit RE s.r.o. | Václavské náměstí 806/62, Nové Město, 110 00 Prague 1 | 10 000 CZK | 100% |
| Natanit RE s.r.o. | | 20 000 CZK | 100% |
| Odinit RE s.r.o. | | 10 000 CZK | 100% |
| Pavonit RE s.r.o. | | 10 000 CZK | 100% |
| Quandilit RE s.r.o. | | 10 000 CZK | 100% |
| RE Slovakia I s.r.o. | | 5 000 € | 100% |
| REZIDENCE KRÁLOVSKÁ TŘÍDA, s.r.o. | | 1000 CZK | 100% |
| Sokolovská 967 s.r.o. | > Z | 100 000 CZK | 100% |
| ZIRKON Real Invest s.r.o. | | 210 000 CZK | 100% |

The above mentioned companies are directly or indirectly owned by the parent company Českomoravská Nemovitostní a.s.

All subsidiaries prepared final accounts as of 31 December 2022. The full method was used for consolidation.



2. Basic principles for the preparation of final accounts

The attached consolidated final accounts were prepared in accordance with Act No. 563/1991 Coll., on Accounting, as amended (hereinafter referred to as the "Accounting Act"), and Implementing Decree No. 500/2002 Coll., which implements certain provisions of Act No. 563/1991 Coll., on Accounting, as amended, for accounting entities that are entrepreneurs accounting in the double-entry bookkeeping system, as amended, and the Czech Accounting Standards for Entrepreneurs as amended.

Accounting respects general accounting principles, especially the principle of valuing assets at historical prices (unless otherwise stated), the principle of material and temporal accounting, the principle of prudence and the assumption of the group's ability to continue its activities.

The group final accounts are drawn up as of the balance sheet date of 31 December 2022 for the 2022 calendar year.

The group is classified according to Section 1b of Act No. 563/1991 Coll. into the category of a large group of accounting units.

Financial data in these final accounts are expressed in thousands of Czech crowns (CZK), unless otherwise stated.

3. General accounting principles, accounting methods and their changes and deviations

The valuation methods used by the company in preparing the final accounts for 2022 are as follows:

A) FIXED ASSETS Fixed assets generally include the following items:

INTANGIBLE FIXED ASSETS

Intangible fixed assets are mainly intangible results of development, valuable rights and software, the useful life of which is longer than one year. Purchased intangible fixed assets are valued at the purchase price less depreciation and the recorded impairment loss. Research-related expenses are expensed in the year they are incurred. Interests and other financial expenses related to the acquisition of intangible fixed assets are not included in its valuation.

Goodwill arises as the difference between the valuation of a business plant (or part of it) acquired by transfer or transition for consideration or a deposit or the valuation of assets and liabilities within the framework of transformations of a business corporation and the sum of the individually revalued assets components reduced by assumed debts. Goodwill write-offs are carried out in the event of a positive value against costs.

Depreciation of intangible fixed assets is calculated on the basis of the purchase price and the estimated useful life of the relevant asset. The amortization schedule is updated based on the expected useful life as the intangible asset is used.

TANGIBLE FIXED ASSETS

Tangible fixed assets mean land, buildings and tangible assets, the useful life of which is longer than one year and the valuation of which is higher than CZK 80,000 in individual cases. Purchased tangible fixed assets are valued at the acquisition price, which includes the acquisition price, transportation costs, customs duties, and other acquisition-related costs. The costs of technical evaluation of tangible fixed assets increase their purchase price. Repairs and maintenance are expensed.

Valuation of tangible fixed assets created by own activities includes direct costs, indirect costs causally related to the creation of assets by own activities (production overhead) and related to the period of activity. Selling costs are not included.

Depreciation is calculated on the basis of the purchase price and the estimated useful life of the relevant asset. The depreciation plan is updated during the use of fixed assets based on the expected useful life. If there is a decrease in the book value of tangible fixed assets, the company creates an adjustment item as the difference between the book value and the price according to an expert opinion.

Profits or losses on the sale or disposal of assets are determined as the difference between the proceeds of sale and the carrying amount of the assets at the date of sale and are charged to the profit and loss statement.



LONG-TERM FINANCIAL ASSETS

Long-term financial assets mean loans with a maturity of more than one year, equity participation in companies with decisive or substantial influence, realizable securities, and debt securities with a maturity of more than one year held until maturity.

Securities and equity interests are valued at purchase price when purchased. The purchase price of a security includes direct costs related to the purchase, such as fees and commissions to brokers, advisors, and stock exchanges.

On the date of acquisition of securities and equity participations, these long-term financial assets of the company are classified by nature as shares - controlled entity and shares in accounting entities under considerable influence or debt securities held to maturity or realizable securities and shares.

Interests in companies whose financial flows and operational processes the company can control in order to obtain benefits from their activities are classified as interests - controlled entity.

Interests in companies whose financial flows and operational processes the company can significantly influence in order to obtain benefits from their activities are classified as interests in accounting units under significant influence.

As of the date of the final accounts, there are:

- equity participations valued at acquisition prices less adjustments;
- equity securities for trading valued at fair value.
 The change in the fair value of equity securities held for trading is charged to profit or loss for the current period;
- held-to-maturity debt securities valued at cost plus interest income (including amortisation of any premium or discount);
- •realizable securities and shares valued at fair value if it is possible to determine this. The change in the fair value of available-for-sale securities is charged against valuation differences from the revaluation of assets and liabilities within equity;
- granted loans overvalued;
- interests on granted loans and credits capitalized.

Fair value represents the market value that is announced on a domestic or foreign stock exchange or announced by the depository, or valuation by a qualified estimate or expert opinion, if the market value is not available.

Long-term financial assets consist of:

- other long-term securities,
- loans provided.

B) CURRENT ASSETS Current assets generally include the following items:

SHORT-TERM FINANCIAL ASSETS AND CASH

Short-term financial assets consist of securities for trading, debt securities with a maturity of up to one year held until maturity, own shares, own bonds, and other realizable securities. Short-term financial assets are valued at purchase price when purchased. The purchase price includes direct costs related to the acquisition, such as fees and commissions to brokers, advisors, and exchanges.

On the date of acquisition of a short-term financial asset, this short-term financial asset is classified by the company as a short-term financial asset for trading or a realizable short-term financial asset. A short-term financial asset for trading means a security that is held for the purpose of conducting transactions on the public market with the aim of making a profit from price differences in the short term, but not more than one year.

As of the balance sheet date, the company values short-term financial assets, with the exception of held-to-maturity securities, at fair value, if this can be ascertained. The change in fair value in a given accounting period is recorded in the result of the current period, with the exception of realizable securities, for which the revaluation is charged to equity.

Provisions are made for short-term financial assets that have not been valued at fair value in the event of impairment.

Debt and equity securities that are not classified as held-to-maturity or trading securities are classified as available-for-sale securities and are reported at fair value.

The fair value of a short-term financial asset is the market value that is announced on a domestic or foreign stock exchange, or a valuation by a qualified estimate or expert opinion, if the market value is not available.

Cash consists of valuables, money in cash and in bank accounts.

RECEIVABLES

Receivables are valued at their nominal value when incurred, subsequently reduced by the appropriate adjustment items for doubtful and uncollectible amounts. Receivables acquired for consideration or as a deposit are valued at the purchase price less an allowance for doubtful and uncollectible amounts. The valuation of doubtful receivables is reduced by means of adjustment items against the costs of their realizable value, based on an individual assessment of individual debtors and the age structure of the receivables.

Conjectural active accounts are valued based on professional estimates and calculations.

Receivables and conjectural active accounts are divided into short-term (maturity up to and including 12 months) and long-term (maturity over 12 months), with the short-term being due within one year from the balance sheet date.



C) EQUITY

The share capital of the company is reported in the amount entered in the commercial register of the municipal court. Any increase or decrease in the share capital based on the decision of the general meeting, which was not registered on the date of the final accounts, is reported as changes in share capital. Deposits in excess of the share capital are reported as premium.

D) RESERVES

Reserves are intended to cover liabilities or costs, the nature of which is clearly defined and for which, at the balance sheet date, it is either probable that they will occur or certain that they will occur, but their amount or the moment of their occurrence is uncertain.

E) LIABILITIES

Liabilities are recorded at nominal value.

Conjectural accounts payable are valued on the basis of professional estimates and calculations and are divided into short-term (maturity up to and including 12 months) and long-term (maturity over 12 months), with the short-term being due within one year from the balance sheet date.

F) RELATED PARTY TRANSACTIONS

Related parties of the company are understood as:

- parties that can directly or indirectly exercise decisive influence on the company, and companies where these parties have decisive or substantial influence:
- parties that may directly or indirectly exercise considerable influence over the company;
- members of the statutory, supervisory and management bodies of the company or its parent company and persons close to these persons, including enterprises where these members and persons have substantial or decisive influence.

G) FOREIGN EXCHANGE OPERATIONS

Accounting operations in foreign currencies carried out during the year are charged at the exchange rate of the Czech National Bank valid on the day of the accounting event.

As of the date of the final accounts, foreign currency assets and liabilities are translated at the CNB exchange rate valid on the date the final accounts are drawn up. Realized and unrealized exchange rate profits and losses are charged to financial income or financial expenses of the current year.

H) USE OF ESTIMATES

The preparation of final accounts requires that the management of the company uses estimates and assumptions that affect the reported values of assets and liabilities at the date of the final accounts and the reported amount of revenues and expenses for the period under review. Company management has established these estimates and assumptions based on all relevant information available to it. However, as implied by the nature of the estimate, actual values in the future may differ from these estimates.

I) ACCOUNTING OF INCOME AND COSTS

Revenues and costs are accounted for on an accrual basis, i.e., to the period to which they are materially and temporally related.

J) RESERVES FOR CORPORATE INCOME TAX

The management of the individual companies booked reserves for corporate income tax based on the tax calculation, which is based on their understanding of the interpretation of the tax laws in force in the Czech Republic at the date of the final accounts and is convinced of the correctness of the amount of tax in accordance with the applicable tax regulations of the Czech Republic. Due to the existence of different interpretations of tax laws and regulations by third parties including government authorities, the income tax liability reported in the company's final accounts may change according to the final opinion of the tax authority.

The provision for income tax is calculated using the applicable tax rate from the accounting profit increased or decreased by permanently or temporarily tax-deductible costs and non-taxable income (e.g., the creation and accounting of other reserves and adjustment items, representation costs, the difference between accounting and tax depreciation, etc.). Items reducing the tax base (donations), deductible items (tax loss, costs of implementing research and development projects) and income tax discounts are also taken into account.

K) SUBSEQUENT EVENTS

The impact of events that occurred between the balance sheet date and the date of preparation of the final accounts is recorded in the financial statements if these events provided additional information about the facts that existed at the balance sheet date.

L) CHANGES IN VALUATION METHODS, DEPRECIATION PROCEDURES AND ACCOUNTING PROCEDURES COMPARED TO THE PREVIOUS ACCOUNTING PERIOD

In the accounting period, there were no significant changes in the method of valuation, depreciation procedures and accounting procedures compared to the previous accounting period.



4. Supplementary data to the consolidated balance sheet

A) CONSOLIDATION

The following data resulting from the full consolidation of the group are included in the consolidated final accounts of the Group:

| | 2022 | 2021 |
|----------------------------------|-----------|-----------|
| Net assets | 8 060 587 | 8 003 749 |
| Owner's equity | 1 165 180 | 1 177 249 |
| Liabilities | 6 892 540 | 6 819 894 |
| Accrued deferrals of liabilities | 2 862 | 6 605 |

The largest item of assets are other long-term securities worth CZK 3.997.178 thousand (2021: CZK 2,758,035 thousand). This item mainly includes CORE Fund shares owned by the ČMN Group. CORE Fund, reg. No. FL-0002.624.683-5, legal form: Unit trust, governed by the law of the Principality of Liechtenstein, for which the fund manager IFM INDEPENDENT FUND MANAGEMENT AKTIENGESELLSCHAFT (hereinafter referred to as "CORE Fund") acts, owns the main investment projects of the Group. At the same time, this item includes NEMO Fund share certificates, reg. No. FL-0002.608.770-1, legal form: Unit trust, governed by the law of the Principality of Liechtenstein, represented by the fund manager IFM INDEPENDENT FUND MANAGEMENT AKTIENGESELLSCHAFT (hereinafter referred to as "NEMO Fund" or "NEMO"), which the Group owned on the balance sheet date.

The second most important item is loans and credits - others in the amount of CZK 2,159,165 thousand (2021: CZK 1,771,941 thousand). The majority of this category is made up of loans to ČMN RE Core a.s. This is therefore a debt financing method for the Group's main investment projects.

Funds in bank accounts as of the balance sheet date amounted to CZK 665,159 thousand (2021: CZK 342,345 thousand). The significant increase in cash held at the end of 2022 was the result of a significant increase in interest rates by the CNB and the ECB. Higher interest rates mean higher required returns on real estate investments, while uninvested funds provide attractive interest returns.

The most significant items of liabilities are long-term issued bonds in the amount of CZK 4,826,287 thousand (2021: CZK 4,688,729 thousand) and the Group's equity, which reached a value of CZK 1,165,180 thousand (2021: CZK 1,177,249 thousand).

The ČMN Group has business relations with a number of tenants, banks, bondholders, suppliers, and other business partners. For that reason, within the framework of maintaining its goal of transparency, it has decided to publish the consolidated final accounts in full, including the division of items into individual categories.

B) INTANGIBLE FIXED ASSETS

Intangible fixed assets in their net value include other appreciable rights, goodwill and software that are associated with the Group's information system. This is mainly used for the registration of bond holders and coupon payments.

Overview of intangible fixed assets in 2021

| thous. CZK | 1. 1. 2021 | Entries | Deletions | Transfers | 31. 12. 2021 | |
|----------------------|------------|---------|-----------|-----------|--------------|--|
| | | | | | | |
| GROSS VALUE | | | | | | |
| Valuable rights | 0 | 263 | 0 | 0 | 263 | |
| Goodwill | 0 | 99 120 | 0 | 0 | 99 120 | |
| Software | 332 | 0 | 0 | 0 | 332 | |
| Total | 332 | 99 383 | 0 | o | 99 715 | |
| | | | | , | | |
| ACCUMULATED DEPRECIA | ATION | | | | | |
| Valuable rights | 0 | -197 | 0 | 0 | -197 | |
| Goodwill | 0 | -99 120 | 0 | 0 | -99 120 | |
| Software | -172 | -111 | 0 | 0 | -283 | |
| Total | -172 | -99 428 | o | o | -99 600 | |
| | | | | | | |
| ADJUSTMENTS | | | | | | |
| Valuable rights | 0 | 0 | 0 | 0 | 0 | |
| Goodwill | 0 | 0 | 0 | 0 | 0 | |
| Software | 0 | 0 | 0 | 0 | 0 | |
| Total | 0 | 0 | o | o | o | |
| NET VALUE | 160 | -45 | 0 | 0 | 115 | |



Overview of intangible fixed assets in 2022

| thous. CZK | 1. 1. 2022 | Entries | Deletions | Transfers | 31. 12. 2022 | | |
|-----------------------|------------|---------|-----------|-----------|--------------|--|--|
| | | | | | | | |
| GROSS VALUE | | | | | | | |
| Valuable rights | 263 | 0 | -263 | 0 | 0 | | |
| Goodwill | 99 120 | 0 | -99 120 | 0 | 0 | | |
| Software | 332 | 0 | 0 | 0 | 332 | | |
| Total | 99 715 | 0 | -99 383 | 0 | 332 | | |
| | | | , | | | | |
| ACCUMULATED DEPRECIAT | ION | | | | | | |
| Valuable rights | -197 | 0 | 197 | 0 | 0 | | |
| Goodwill | -99 120 | 0 | 99 120 | 0 | 0 | | |
| Software | -283 | -49 | 0 | 0 | -332 | | |
| Total | -99 600 | -49 | 99 317 | o | -332 | | |
| | | | | | | | |
| ADJUSTMENTS | | | | | | | |
| Valuable rights | 0 | 0 | 0 | 0 | 0 | | |
| Goodwill | О | 0 | 0 | 0 | 0 | | |
| Software | 0 | 0 | 0 | 0 | 0 | | |
| Total | o | 0 | o | 0 | o | | |
| NET VALUE | 115 | -49 | -66 | 0 | 0 | | |

The disposal of goodwill was caused, among other things, by the sale of CORSO Karlín, s.r.o.

C) TANGIBLE FIXED ASSETS

Tangible fixed assets in the net amount of CZK 521,204 thousand (2021: CZK 1,328,245 thousand) consists of real estate projects that are owned directly by the Group. Real estate projects owned by CORE Fund are included in the balance sheet in the form of shares in the item other long-term securities.

The purchase and possession of real estate projects is normally financed, among other things, through bank loans. When using them, the banking institution is granted a lien on the property as standard and typically other liens (receivables from rents, insurance, bank accounts, etc.).

Overview of intangible fixed assets in 2021

| thous. CZK | 1. 1. 2021 | Entries | Deletions | Transfers | 31. 12. 2021 | | |
|---|------------|-----------|-----------|-----------|--------------|--|--|
| | | | | | | | |
| GROSS VALUE | | | | | | | |
| Land | 37 576 | 76 136 | 0 | 6 677 | 120 389 | | |
| Buildings | 64 848 | 1 093 857 | 0 | 9 102 | 1167 806 | | |
| Equipment | 2 844 | 16 757 | 0 | 200 | 19 801 | | |
| Other non-current tangible assets | 0 | 0 | 0 | 0 | 0 | | |
| Advance payments on non- current tangible assets | 0 | 0 | 0 | 0 | 0 | | |
| Non-current tangible assets in progress | 111 648 | 57 860 | -104 619 | -15 979 | 48 910 | | |
| Revaluation of acquired assets | 0 | 0 | 0 | 0 | 0 | | |
| Total | 216 916 | 1 244 610 | -104 620 | 0 | 1 356 906 | | |
| | | | | | | | |
| ACCUMULATED DEPRECIATION | ON | | | | | | |
| Buildings | -3 710 | -5 715 | -1 146 | 0 | -10 571 | | |
| Equipment | -1 524 | -15 909 | -657 | 0 | -18 090 | | |
| Other non-current tangible assets | 0 | 0 | 0 | 0 | 0 | | |
| Revaluation of acquired assets | 0 | 0 | 0 | 0 | 0 | | |
| Total | -5 234 | -21 624 | -1 803 | 0 | -28 661 | | |



Overview of tangible fixed assets in 2021

| thous. CZK | 1. 1. 2021 | Entries | Deletions | Transfers | 31. 12. 2021 | | |
|---|------------|-----------|-----------|-----------|--------------|--|--|
| | | | | | | | |
| ADJUSTMENTS | | | | | | | |
| Land | 0 | 0 | 0 | 0 | 0 | | |
| Buildings | 0 | 0 | 0 | 0 | О | | |
| Equipment | 0 | 0 | 0 | 0 | 0 | | |
| Other non-current tangible assets | 0 | 0 | 0 | 0 | 0 | | |
| Advance payments on non- current tangible assets | 0 | 0 | 0 | 0 | 0 | | |
| Non-current tangible assets in progress | 0 | 0 | 0 | 0 | 0 | | |
| Revaluation of acquired assets | 0 | 0 | 0 | 0 | 0 | | |
| | 0 | 0 | 0 | 0 | 0 | | |
| NET VALUE | 211 682 | 1 222 986 | -106 422 | 0 | 1 328 245 | | |

Overview of tangible fixed assets in 2022

| thous. CZK | 1. 1. 2022 | Entries | Deletions | Transfers | 31. 12. 2022 |
|---|------------|---------|-----------|-----------|--------------|
| | | | | | |
| GROSS VALUE | | | | | |
| Land | 120 389 | 5 587 | -48 468 | 0 | 77 508 |
| Buildings | 1167 806 | 512 | -741 191 | 0 | 427 127 |
| Equipment | 19 801 | 0 | -16 420 | 2 798 | 6 179 |
| Other non-current tangible assets | 0 | 0 | 0 | 0 | 0 |
| Advance payments on non-current tangible assets | 0 | 0 | 0 | 0 | 0 |
| Non-current tangible assets in progress | 48 910 | 21 837 | -29 401 | 0 | 41 346 |
| Revaluation of acquired assets | 0 | 0 | 0 | 0 | 0 |
| Total | 1 356 906 | 27 936 | -835 480 | 2 798 | 552 160 |
| | | | | | |
| ACCUMULATED DEPRECIATION | | | | | |
| Buildings | -10 571 | -26 159 | 8 875 | 0 | -27 855 |
| Equipment | -18 090 | -1 004 | 15 993 | 0 | -3 101 |
| Other non-current tangible assets | 0 | 0 | 0 | 0 | 0 |
| Revaluation of acquired assets | 0 | 0 | 0 | 0 | 0 |
| Total | -28 661 | -27 164 | 24 868 | o | -30 956 |



Overview of tangible fixed assets in 2022

| thous. CZK | 1. 1. 2022 | Entries | Deletions | Transfers | 31. 12. 2022 |
|---|------------|---------|-----------|-----------|--------------|
| | | | | | |
| GROSS VALUE | | | | | |
| Land | 0 | 0 | 0 | 0 | 0 |
| Buildings | 0 | 0 | 0 | 0 | 0 |
| Equipment | 0 | 0 | 0 | 0 | 0 |
| Other non-current tangible assets | 0 | 0 | 0 | 0 | 0 |
| Advance payments on non-current tangible assets | o | 0 | 0 | 0 | O |
| Non-current tangible assets in progress | o | 0 | 0 | 0 | 0 |
| Revaluation of acquired assets | 0 | 0 | 0 | 0 | 0 |
| Total | o | o | o | o | o |
| NET VALUE | 1 328 245 | 773 | -810 612 | 2 798 | 521 204 |

D) LONG-TERM FINANCIAL ASSETS

Long-term financial assets are the main component of the Group's assets and consist primarily of other long-term securities in the amount of CZK 3,997,178 thousand (2021: CZK 2,758,035 thousand). As of the date of the final accounts, the Group holds all shares of the CORE Fund, which is the owner of the Group's main investment projects.

At the same time, the Group still holds part of the shares of NEMO Fund. The unit certificates of both funds enter the accounting at market value as of 31 December 2022. Their revaluation is charged against equity. Loans and credits - others in the amount of CZK 2,159,165 thousand (2021: CZK 1,771,941 thousand) they mainly show the credit of the company ČMN RE Core a.s.

The maturity of this loan is more than 5 years and is provided under standard market conditions ČMN RE Core a.s., Business ID: 080 95 574, with its registered office at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, is a holding company owning the projects Crystal, Blox, City West C1 & C2, and Churchill Square. The sole owner of ČMN RE Core a.s. is the CORE Fund.

Overview of tangible fixed assets in 2021

| thous. CZK | 1. 1. 2021 | Entries | Deletions | Transfers | 31. 12. 2021 | | | |
|---|------------|-----------|------------|-----------|--------------|--|--|--|
| | | | | | | | | |
| GROSS VALUE | | | | | | | | |
| Other non-current securities | 3 389 921 | 561 341 | -1 193 227 | 0 | 2 758 035 | | | |
| Loans and credit - others | 249 165 | 1 601 630 | -78 853 | 0 | 1 771 941 | | | |
| Other non-current financial assets | 0 | 0 | 0 | 0 | 0 | | | |
| Advances given for non-current financial assets | 0 | 0 | 0 | 0 | 0 | | | |
| Total | 3 639 086 | 2 162 971 | -1 272 080 | 0 | 4 529 977 | | | |
| | | | | | | | | |
| ADJUSTMENTS | | | | | | | | |
| Other non-current securities | 0 | 0 | 0 | 0 | 0 | | | |
| Loans and credit - others | 0 | 0 | 0 | 0 | 0 | | | |
| Other non-current financial assets | 0 | 0 | 0 | 0 | 0 | | | |
| Advances given for non-current financial assets | 0 | 0 | 0 | 0 | 0 | | | |
| Total | 0 | 0 | 0 | 0 | 0 | | | |
| NET VALUE | 3 639 086 | 2 162 971 | -1 272 080 | 0 | 4 529 977 | | | |



Overview of long-term financial assets in 2022

| thous. CZK | 1. 1. 2022 | Entries | Deletions | Transfers | 31. 12. 2022 |
|---|------------|-----------|------------|-----------|--------------|
| GROSS VALUE | | | | | |
| Other non-current securities | 2 758 035 | 1880 606 | -641 463 | 0 | 3 997 178 |
| Loans and credit - others | 1 771 941 | 904 897 | -517 673 | 0 | 2 159 165 |
| Other non-current financial assets | 0 | 0 | 0 | 0 | 0 |
| Advances given for non-current financial assets | 0 | 0 | 0 | 0 | 0 |
| Total | 4 529 977 | 2 785 503 | -1 159 137 | o | 6 156 342 |
| | | | | | |
| ADJUSTMENTS | | | | | |
| Other non-current securities | 0 | 0 | 0 | 0 | 0 |
| Loans and credit - others | 0 | 0 | 0 | 0 | 0 |
| Other non-current financial assets | 0 | 0 | 0 | 0 | 0 |
| Advances given for non-current financial assets | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 | o |
| NET VALUE | 4 529 977 | 2 785 503 | -1 159 137 | 0 | 6 156 342 |

E) STOCKS

The subject of activity or business is not the sale of goods or products. The Group did not account for inventories for the calendar year 2022.

F) RECEIVABLES

The ČMN Group did not report any long-term receivables as of the balance sheet date. Receivables from business relationships in the amount of CZK 138,832 thousand (2021: CZK 17,657 thousand) include receivables from rent and receivables for other services provided, which are part of the Group's normal operations. Short-term advances provided in the amount of CZK 7,666 thousand (2021: CZK 5,563 thousand) are also related to the normal operation of the Group.

Other receivables in the amount of CZK 146,724 thousand (2021: CZK 409,046 thousand) are composed of individual other receivables of all Group companies. The main part of this item is the receivable from ČMN I s.r.o. for NEMO Fund from the pending sale of the fund's units.

This item includes receivables from forward transactions on the financial market, which the Group uses to mitigate currency and interest rate risks. The instruments used include currency forwards, interest rate swaps, and other standard derivative products.

Overview of receivables as of the date of Financial Statements:

| | 2022 | 2021 | 2020 |
|-------------------------|------------|------------|--------|
| Non-current receivables | | 0 | |
| Current receivables | 297 533 | 442 587 | 85 770 |
| Total | 297 533 | 442 587 | 85 770 |

G) SHORT-TERM FINANCIAL ASSETS

Short-term financial assets at the date of the final accounts consisted of funds in cash, valuables, and mainly funds in bank accounts. These resources were available to the Group for operational activities and for future acquisitions. The balance on the bank accounts amounted to CZK 665,309 thousand at the end of 2022 (2021: CZK 342,345 thousand).

H) TRANSITIONAL ACCOUNTS OF ASSETS

Temporary asset accounts mainly consist of the costs of future periods in the amount of CZK 393,984 thousand (2021: CZK 383,308 thousand) including the accrual of costs associated with the mediation of the sale of bonds and other costs that are accrual based on time and material correctness.

I) EQUITY

The share capital of the Group amounts to CZK 2,000 thousand (2021: CZK 2,000 thousand) and was fully repaid.

The parent company has not paid dividends to shareholders for the entire history of its operation. All profits are reinvested and thus increase the equity capital of the Group, which reached CZK 1,165,180 thousand in 2022 (2021: CZK 1,177,249 thousand).

The majority of the Group's equity is made up of accumulated historical profit and valuation differences due to the valuation of CORE Fund and NEMO Fund shares. The value of the share certificate includes both capital appreciation of real estate and rental income. The slight decrease in equity was caused by the decrease in the market values of CORE Fund shares.

J) RESERVES

The total amount of reserves as of the date of the final accounts reached a value of CZK 27,247 thousand (2021: CZK 6,256 thousand). The reserves reported at the date of the final accounts were made up only of income tax reserves, which were created due to the date of compilation of the final accounts preceding the date of filing the corporate income tax return for the year 2022.

K) LONG-TERM LIABILITIES

Long-term liabilities consist primarily of issued bonds in the amount of CZK 4,826,287 thousand (2021: 4,688,729 thousand) and liabilities to credit institutions, which reached a value of CZK 585,584 thousand (2021: CZK 1,054,560 thousand).

As announced in the appendix to the 2020 final accounts, the growth rate of issued bonds peaked in 2020. As of 2021, the amount of bonds issued is stabilizing within the framework of maintaining an attractive compromise between efficiency and risk. This is especially true given the rising interest rates around the world.

The ČMN Group cooperates with most banking houses on the Czech market. The most important banking partners include Československá obchodní banka, UniCredit Bank, Czech and Austrian Raiffeisenbank, the German banking giant Helaba and others.



L) DEFERRED TAX LIABILITY

The ČMN Group reported a deferred tax liability of CZK 99,430 thousand (2021: CZK 196,917 thousand). The deferred tax liability is formed by the difference in the accounting and tax residual value of assets (liabilities) and is based on the balance sheet approach. The reduction in the book value of the deferred tax liability was mainly caused by the sale of the company CORSO Karlín, s.r.o., and the partial sale of the shares held.

M) CURRENT LIABILITIES

Current liabilities mainly consist of issued bonds due in 2023 in the amount of CZK 1,233,190 thousand (2021: CZK 606,750 thousand) and liabilities from business relationships in the amount of CZK 41,485,000. (2021: CZK 48,763 thousand), which are based on standard business dealings associated with the operation of real estate projects and the Group. No significant liabilities are overdue.

N) POSITIVE AND NEGATIVE CONSOLIDATION DIFFERENCE

In 2022, the ČMN Group reported a positive consolidation difference in the net value of CZK 23,899 thousand (2021: CZK 985,325 thousand). The positive consolidation difference is formed by the accounting recognition of the acquisition of ZIRKON Real Invest s.r.o. The decrease in the positive consolidation difference occurred as a result of the sales of the companies CORSO Karlín, s.r.o., Belvoir s.r.o. and due to the write-off of remaining consolidation differences within the Group. The write-off of the positive consolidation difference is accounted for against the operating result of the current accounting period.

The negative consolidation difference was created from the title of the historical acquisition of Czech-Moravian Properties a.s. at a purchase price below the value of the company's equity. This company is a major issuer of bonds due in 2024. The added value of the acquisition thus ends this year. For that reason, the negative consolidation difference against the economic result of the current period was written off.

5. Supplementary data to the consolidated profit and loss statement

A) CONSOLIDATION

The following data resulting from the full consolidation of the Group are included in the consolidated final accounts of the Group:

| | 2022 | 2021 | 2020 |
|---|-----------|-----------|-----------|
| Net turnover for the reporting period | 2 456 947 | 2 054 781 | 1 665 270 |
| Costs incl. income tax | 2 371 413 | 1992564 | 1 607 801 |
| Consolidated profit/loss for the reporting period | 85 534 | 62 217 | 57 469 |

B) REVENUES

The most significant item of the Group's income is other operating income of CZK 1,265,463 thousand (2021: CZK 821,168 thousand), which, under consolidation rules, reflect the sale of consolidated real estate companies.

Income from long-term financial assets in the amount of CZK 399,564 thousand (2021: CZK 524,251 thousand) mainly represent revenues from the sale of securities and revenues from the sale of products and services of CZK 170,896 thousand (2021: CZK 126,164 thousand), which mainly include income from rent and management services provided by the Group.

Due to the increase in interest rates, interest income is also a significant item, which reached the amount of CZK 194,720 thousand (2021: CZK 86,738 thousand). These revenues derive, among other things, from holding interest-bearing cash in current bank accounts.

Income from long-term financial assets in the amount of CZK 399,564 thousand (2021: CZK 524,251 thousand) mainly consist of revenues from the sale of NEMO Fund unit certificates. These revenues are associated with costs incurred on sold securities and shares worth CZK 318,459 thousand (2021: CZK 441,302 thousand). The net impact of this item on the economic result reaches a value of CZK 81,105 thousand (2021: CZK 82,949 thousand).

The third significant revenue item is sales of products and services of CZK 170,896 thousand (2021: CZK 126,164 thousand). The main driver is the rental income received by the Group from the letting of its properties and fees from the management services provided by the Group.

The rental income of the projects held by CORE Fund is not included in the Group's consolidated sales but is manifested through a higher value of the shares held.



Overview of company earnings

| | 2022 | 2021 | 2020 |
|--|-----------|-----------|-----------|
| Revenue from own products and services | 170 896 | 126 164 | 60 311 |
| Revenues from sale of goods | 0 | 0 | 0 |
| Other operating revenues | 1 320 807 | 925 200 | 1 108 870 |
| Revenues from noncurrent financial assets | 399 564 | 524 251 | 342 580 |
| Revenue from other noncurrent financial assets | 173 291 | 214 668 | 2 137 |
| Interest income | 194 720 | 86 738 | 60 497 |
| Other financial revenues | 197 668 | 177 760 | 90 875 |
| Total | 2 456 947 | 2 054 781 | 1 665 270 |

C) PERFORMANCE CONSUMPTION

The total costs of performance consumption reached the amount of CZK 172,069 thousand (2021: CZK 163,807 thousand).

The costs of material and energy consumption amounted to CZK 7,890 thousand (2021: CZK 9,618 thousand). The main item in this category in the year was marketing supplies and office equipment, including hardware IT equipment, which is not classified as tangible fixed assets due to its low unit cost. These costs arose mainly as a result of the development of the Group and the increase in the number of employees.

The costs of services in the amount of CZK 164,180 thousand (2021: CZK 154,190 thousand) mainly include the costs of legal, accounting, tax, economic, technical and IT consultancy related to real estate projects, acquisitions, and the functioning of the Group. This category also includes rent paid by the Group.

D) PERSONAL EXPENSES

Personal expenses reached a total of CZK 65,838 thousand in 2022 (2021: CZK 45,422 thousand). A significant increase in personnel costs was associated with the growth of the Group, with personnel reinforcements received in almost all departments.

In the past, the Group also made a strategic decision to build most of the key functions within the Group without long-term use of consulting companies (insourcing). This applies in particular to the finance and asset and property management and wealth management departments. The main reason is to keep critical expertise in-house, build relationships with tenants on a personal level and reduce costs.

The Group had 49 employees on the date of the final accounts. The average converted number of full-time employees for the accounting period was 48. The amount of remuneration of control or administrative bodies was set according to the market standard. At the same time, no extraordinary remunerations were paid to these bodies for the year 2022.

E) OTHER OPERATING EXPENSES

Other operating costs in the amount of CZK 754,171 thousand (2021: CZK 420,159 thousand) are made up mainly of other operating costs, which reached a value of CZK 710,019 thousand (2021: CZK 309,850 thousand) and are associated with other operating income and the sale of interests in subsidiaries. In 2022, the companies CORSO Karlín, s.r.o., and Belvoir s.r.o. were sold.

F) FINANCIAL RESULTS

The financial result of the business is divided into several parts. The income from long-term financial assets described above is associated with the costs incurred for the sold securities and shares. Both of these items arose mainly from the sale of NEMO Fund shares.

Other income interest and similar income of the Group consists of two basic sources. The first source is bank interest, which the Group collected on cash held in bank accounts. Due to the length of the real estate transactions, the Group is not able to invest funds immediately and during the year held material cash in bank accounts that yielded interest income.

The average 2T repo rate of the Czech National Bank reached a value of 5.95 % in 2022 and already reached a value of 7 % in June 2022. This category also includes all interest income from loans and advances to parties outside the ČMN Group.

Other cost interests and similar costs in the amount of CZK 311,497 thousand (2021: CZK 276,192 thousand) represent one of the most important cost items of the Group and include the cost of financing – bank interests and bond coupons. In the course of 2022, the ČMN Group issued bonds with maturities between two and seven years.

Other financial income and other financial expenses are mainly made up of exchange rate profits and losses and revaluation of derivative transactions to market value.

Individual accounting units compensated exchange rate costs and exchange rate revenues in their individual final accounts.



6. Significant events that occurred after the balance sheet date

The impact of events that occurred between the balance sheet date and the date of preparation of the final accounts is recorded in the financial statements if these events provided additional information about the facts that existed at the balance sheet date.

In the event that significant events took place between the balance sheet date and the date of preparation of the final accounts, taking into account facts that occurred after the balance sheet date, the consequences of these events are described in the annex to the final accounts, but are not recorded in the financial statements.

In the period between the balance sheet date and the date of preparation of the consolidated final accounts, there were no extraordinary events that would have a significant impact on the activities of the Group of accounting entities. The management of the Group is carefully monitoring the situation regarding the military conflict in Ukraine, the related sanctions against Russia and the subsequent sharp increase in energy prices. The Group reacts to any consequences arising from the situation in such a way as to minimize the negative impact on its activities and business.

Thanks to the timely implementation of the steps taken by the Group's management, it was concluded that the situation does not have a significant effect on the assumption of an unlimited duration of the Group. Due to this, the final accounts as of 31 December 2022 processed on the assumption that the Group will be able to continue its activities without serious complications caused by the above-mentioned situation.

7. Assumption of continuous duration

In 2022, the Group reported a profit after tax of CZK 85,534 thousand. At the same time, the Group's equity as of the date of the final accounts amounts to CZK 1,165,180 thousand.

Considering the above and the Group's strategic plans, the final accounts as of 31 December 2022 processed assuming continuous Group duration.

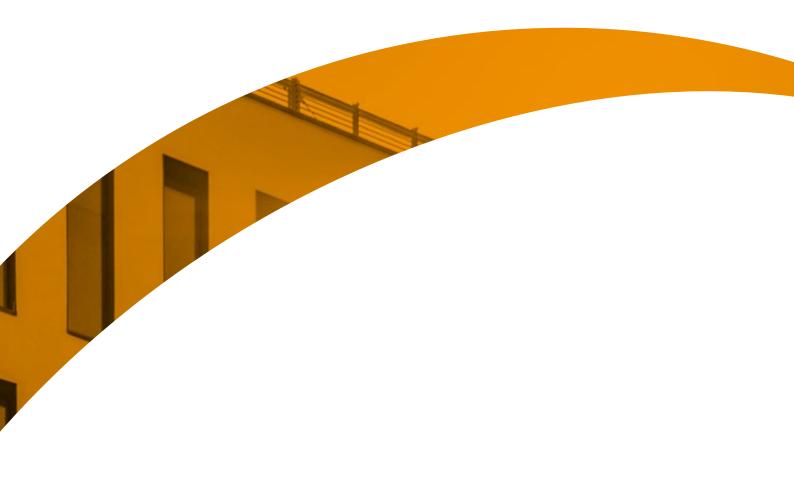
In Prague, dated 5 May 2023 Representing Českomoravská Nemovitostní a.s.

> **Ing. et Ing. Radek Stacha** Chair of the Board of Directors



Individual final accounts of Českomoravská Nemovitostní a.s. as of the 31 December 2022









Zpráva nezávislého auditora

Akcionářům společnosti Českomoravská Nemovitostní a.s.

Výrok auditora

Provedli jsme audít přiložené účetní závěrky společnosti Českomoravská Nemovitostní a.s., se sídlem Václavské náměstí 806/62, Praha 1 - Nové Město, identifikační číslo 051 42 202, (dále také společnost) sestavené na základě českých účetních předpisů, která se skládá z rozvahy k 31.12.2022, výkazu získu a ztráty, přehledu o změnách vlastního kapitálu a přehledu o peněžních tocích za období od 1.1.2022 do 31.12.2022 a přílohy této účetní závěrky, která obsahuje popis použitých podstatných účetních metod a další vysvětlující informace.

Podle našeho názoru účetní závěrka podává věrný a poctivý obraz aktiv a pasiv společnosti Českomoravská Nemovitostní a.s. k 31.12.2022 a nákladů a výnosů a výsledku jejího hospodaření a peněžních toků za období od 1.1.2022 do 31.12.2022, v souladu s českými účetními předpisy.

Základ pro výrok

Audit jsme provedli v souladu se zákonem o auditorech a standardy Komory auditorů České republiky pro audit, kterými jsou mezinárodní standardy pro audit (ISA), případně doplněné a upravené souvisejícími aplikačními doložkami. Naše odpovědnost stanovená těmito předpisy je podrobněji popsána v oddílu Odpovědnost auditora za audit účetní závěrky. V souladu se zákonem o auditorech a Etickým kodexem přijatým Komorou auditorů České republiky jsme na společnosti nezávisli a splnili jsme i další etické povinnosti vyplývající z uvedených předpisů. Domníváme se, že důkazní informace, které jsme shromáždili, poskytují dostatečný a vhodný základ pro vyjádření našeho výroku.

Ostatní informace uvedené ve výroční zprávě

Ostatními informacemi jsou v souladu s § 2 písm. b) zákona o auditorech informace uvedené ve výroční zprávě mimo účetní závěrku a naši zprávu auditora. Za ostatní informace odpovídá představenstvo společnosti Českomoravská Nemovitostní a.s.

Náš výrok k účetní závěrce se k ostatním informacím nevztahuje. Přesto je však součástí naších povinností souvisejících s auditem účetní závěrky seznámení se s ostatními informacemi a posouzení, zda ostatní informace nejsou ve významném nesouladu s účetní závěrkou či s našimi znalostmi o účetní jednotce získanými během provádění auditu nebo zda se jinak tyto informace nejeví jako významně nesprávné. Také posuzujeme, zda ostatní informace byly ve všech významných ohledech vypracovány v souladu s příslušnými právními předpisy. Tímto posouzením se rozumí, zda ostatní informace splňují požadavky právních předpisů na formální náležitosti a postup vypracování ostatních informací v kontextu



významnosti, tj. zda případné nedodržení uvedených požadavků by bylo způsobilé ovlivnit úsudek činěný na základě ostatních informací.

Na základě provedených postupů, do míry, již dokážeme posoudit, uvádíme, že

- ostatní informace, které popisují skutečnosti, jež jsou též předmětem zobrazení v účetní závěrce, jsou ve všech významných ohledech v souladu s účetní závěrkou a
- ostatní informace byly vypracovány v souladu s právními předpisy.

Dále jsme povinni uvést, zda na základě poznatků a povědomí o společnosti, k nimž jsme dospěli při provádění auditu, ostatní informace neobsahují významné věcné nesprávnosti. V rámci uvedených postupů jsme v obdržených ostatních informacích žádné významné věcné nesprávnosti nezjistili.

Odpovědnost představenstva a dozorčí rady společnosti Českomoravská Nemovitostní a.s. za účetní závěrku

Představenstvo společnosti Českomoravská Nemovitostní a.s. odpovídá za sestavení účetní závěrky podávající věrný a poctivý obraz v souladu s českými účetními předpisy, a za takový vnitřní kontrolní systém, který považuje za nezbytný pro sestavení účetní závěrky tak, aby neobsahovala významné nesprávnosti způsobené podvodem nebo chybou.

Při sestavování účetní závěrky je představenstvo společnosti Českomoravská Nemovitostní a.s. povinno posoudit, zda je společnost schopna nepřetržitě trvat, a pokud je to relevantní, popsat v příloze účetní závěrky záležitosti týkající se jejího nepřetržitého trvání a použití předpokladu nepřetržitého trvání při sestavení účetní závěrky, s výjimkou případů, kdy představenstvo plánuje zrušení společnosti nebo ukončení její činnosti, resp. kdy nemá jinou reálnou možnost než tak učinit.

Za dohled nad procesem účetního výkaznictví ve společnosti odpovídá dozorčí rada společnosti Českomoravská Nemovitostní a.s.

Odpovědnost auditora za audit účetní závěrky

Naším cílem je získat přiměřenou jistotu, že účetní závěrka jako celek neobsahuje významnou nesprávnost způsobenou podvodem nebo chybou a vydat zprávu auditora obsahující náš výrok. Přiměřená míra jistoty je velká míra jistoty, nicměně není zárukou, že audit provedený v souladu s výše uvedenými předpisy ve všech případech v účetní závěrce odhalí případnou existující významnou nesprávnost. Nesprávnosti mohou vzníkat v důsledku podvodů nebo chyb a považují se za významné, pokud lze reálně předpokládat, že by jednotlívě nebo v souhrnu mohly ovlivnit ekonomická rozhodnutí, která užívatelé účetní závěrky na jejím základě přijmou.

Při provádění auditu v souladu s výše uvedenými předpisy je naší povinností uplatňovat během celého auditu odborný úsudek a zachovávat profesní skepticismus. Dále je naší povinností:

 Identifikovat a vyhodnotit rizika významné nesprávnosti účetní závěrky způsobené podvodem nebo chybou, navrhnout a provést auditorské postupy reagující na tato rizika a získat dostatečné a vhodné důkazní informace, abychom na jejich základě mohli vyjádřit výrok.



Riziko, že neodhalíme významnou nesprávnost, k níž došlo v důsledku podvodu, je větší než riziko neodhalení významné nesprávnosti způsobené chybou, protože součástí podvodu mohou být tajné dohody (koluze), falšování, úmyslná opomenutí, nepravdivá prohlášení nebo obcházení vnitřních kontrol.

- Seznámit se s vnitřním kontrolním systémem společnosti relevantním pro audit v takovém rozsahu, abychom mohli navrhnout auditorské postupy vhodné s ohledem na dané okolnosti, nikoli abychom mohli vyjádřit názor na účinnost jejího vnitřního kontrolního systému.
- Posoudit vhodnost použitých účetních pravidel, přiměřenost provedených účetních odhadů a
 informace, které v této souvislosti představenstvo společnosti Českomoravská Nemovitostní
 a.s. uvedlo v příloze účetní závěrky.
- Posoudit vhodnost použití předpokladu nepřetržitého trvání při sestavení účetní závěrky představenstvem a to, zda s ohledem na shromážděné důkazní informace existuje významná nejistota vyplývající z událostí nebo podmínek, které mohou významně zpochybnit schopnost společnosti nepřetržitě trvat. Jestliže dojdeme k závěru, že taková významná nejistota existuje, je naší povinností upozornit v naší zprávě na informace uvedené v této souvislosti v příloze účetní závěrky, a pokud tyto informace nejsou dostatečné, vyjádřit modifikovaný výrok. Naše závěry týkající se schopnosti společnosti nepřetržitě trvat vycházejí z důkazních informací, které jsme získali do data naší zprávy. Nicméně budoucí události nebo podmínky mohou vést k tomu, že společnost ztratí schopnost nepřetržitě trvat.
- Vyhodnotit celkovou prezentací, členění a obsah účetní závěrky, včetně přílohy, a dále to, zda účetní závěrka zobrazuje podkladové transakce a události způsobem, který vede k věrnému zobrazení.

Naší povinností je informovat představenstvo a dozorčí radu společnosti Českomoravská Nemovitostní a.s. mimo jiné o plánovaném rozsahu a načasování auditu a o významných zjištěních, která jsme v jeho průběhu učinili, včetně zjištěných významných nedostatků ve vnitřním kontrolním systému.

V Brně dne 18.5.2023

Auditorská společnost:

BDO Pudit S.r.o.

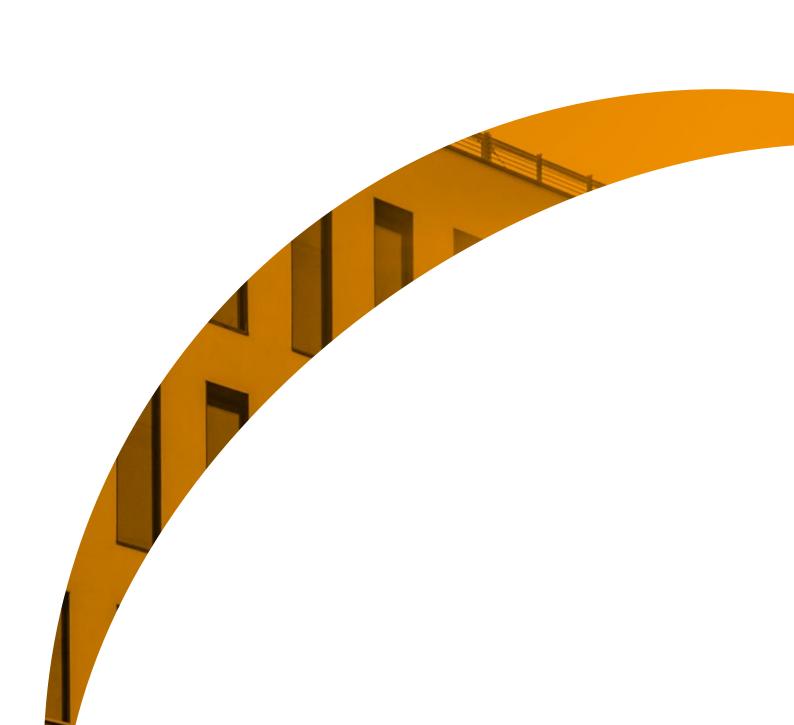
Statutární auditor:

BDO Audit s.r.o.

evidenční číslo 018

Ing. Jiří Kadlec

evidenční číslo 1246





Individual final accounts Českomoravská Nemovitostní a.s. as of 31 December 2022

Balance sheet Assets

| Ident. | | Row | Current reporting period | | | Previous reporting period |
|-----------|--|-----|--------------------------|--------------|---------|---------------------------------|
| | | | Gross 1 | Correction 2 | Net 3 | Net 4 |
| | TOTAL ASSETS | 001 | 1 129 014 | -461839 | 667 175 | 747 334 |
| Α. | Receivables for subscriptions | 002 | | | | |
| | Non-current assets | 003 | 1 001 490 | -461 839 | 539 651 | 706 444 |
| B.I. | Non-current intangible assets | 004 | 332 | -332 | | 49 |
| B.I.2. | Valuable rights | 006 | 332 | -332 | | 49 |
| B.I.2.1. | Software | 007 | 332 | -332 | | 49 |
| B.II. | Non-current tangible assets | 014 | 29 763 | -3 962 | 25 801 | 22 659 |
| B.II.1. | Land and buildings Land and buildings | 015 | 22 451 | -991 | 21 460 | 21 914 |
| B.II.1.2. | Buildings | 017 | 22 451 | -991 | 21 460 | 21 914 |
| B.II.2. | Equipment | 018 | 5 640 | -2 971 | 2 669 | 745 |
| B.II.5. | Advances provided for non-current TA and unfinished non-current TA | 024 | 1 672 | | 1 672 | |
| B.II.5.2. | Unfinished non-current assets | 026 | 1672 | | 1 672 | |
| B.III. | Non-current financial assets | 027 | 971 395 | -457 545 | 513 850 | 683 736 |
| B.III.1. | Equity interests - related party or controlling entity | 028 | 946 595 | -457 545 | 489 050 | 664 845 |
| B.III.4. | Loans and credits - significant influence | 031 | 24 800 | | 24 800 | 18 891 |

| ldent. | | Row | Current reporting period | | | Previous reporting period |
|------------|-----------------------------|-----|--------------------------|--------------|---------|---------------------------------|
| | | | Gross 1 | Correction 2 | Net 3 | Net 4 |
| | Current assets | 037 | 108 398 | | 108 398 | 17 087 |
| C.I. | Inventory | 038 | | | | |
| C.II. | Receivables | 046 | 91 050 | | 91 050 | 12 252 |
| C.II.2. | Current receivables | 057 | 91 050 | | 91 050 | 12 252 |
| C.II.2.1. | Trade receivables | 058 | 82 601 | | 82 601 | 9 832 |
| C.II.2.4. | Receivables - other | 061 | 8 449 | | 8 449 | 2 420 |
| C.II.2.4.3 | State - tax receivables | 064 | 194 | | 194 | 3 344 |
| C.II.2.4.4 | Short-term advance payments | 065 | 6 172 | | 6 172 | 3 659 |
| C.II.2.4.6 | Other receivables | 067 | 2 083 | | 2 083 | -4 583 |
| C.III. | Current financial assets | 072 | | | | |
| C.IV. | Cash funds | 075 | 17 348 | | 17 348 | 4 835 |
| C.IV.1. | Cash | 076 | 138 | | 138 | 81 |
| C.IV.2. | Bank accounts | 077 | 17 210 | | 17 210 | 4 754 |
| D. | Accrued assets | 078 | 19 126 | | 19 126 | 23 803 |
| D.1. | Deferred expenses | 079 | 19 126 | | 19 126 | 23 803 |



Balance sheet in full Liabilities

| Ident. | | Row | Current reporting period 5 | Previous reporting per 6 |
|-----------|--|-----|----------------------------------|--------------------------------|
| | TOTAL LIABILITIES | 082 | 667 175 | 747 334 |
| | Owner's equity | 083 | -26 029 | 274 25 |
| A.I. | Registered capital | 084 | 2 000 | 2 000 |
| A.I.1. | Registered capital | 085 | 2 000 | 2 000 |
| A.II. | Cash surplus and capital funds | 088 | | |
| A.III. | Funds from profit | 096 | | |
| A.IV. | Net profit/loss from previous years | 099 | 272 254 | 395 15 |
| A.IV.1. | Retained profit or unreimbursed loss from previous years | 100 | 272 254 | 395 15 |
| A.V. | Profit/loss for the current period | 102 | -300 283 | -122 89 |
| A.VI. | Share of profit/loss under equity accounting | 103 | | |
| | Liabilities | 104 | 693 204 | 473 08 |
| | Provisions | 105 | | |
| | Liabilities | 110 | 693 204 | 473 08 |
| C.I. | Non-current liabilities | 111 | 669 058 | 412 13 |
| C.I.1. | Bonds issued | 112 | | 22 45 |
| C.I.1.2. | Other bonds | 114 | | 22 45 |
| C.I.6. | Liabilities - related party or controlling entity | 119 | 669 058 | 389 68 |
| C.II. | Current payables | 126 | 24 146 | 60 94 |
| C.II.4. | Trade payables | 132 | 16 258 | 14 392 |
| C.II.8. | Other payables | 136 | 7 888 | 46 55 |
| C.II.8.3. | Payroll payables | 139 | 3 224 | 3 539 |
| C.II.8.4. | Payables - social security and health insurance | 140 | 1 655 | 1 675 |
| C.II.8.5. | State - tax liabilities and grant | 141 | 469 | 792 |
| C.II.8.6. | Estimated accounts payable | 142 | 445 | 429 |
| C.II.8.7. | Payables | 143 | 2 095 | 40 12 |
| D. | Accrued deferrals of liabilities | 147 | | |





Full profit and loss statement

| | | | Reportir | ng period |
|--------|---|-----|-----------|------------|
| Ident. | | Row | Current 1 | Previous 2 |
| l. | Revenues from own products and services | 01 | 137 793 | 36 538 |
| | Revenues from sales of goods | 02 | | |
| | Production consumption | 03 | 141 713 | 111 401 |
| A.2. | Spotřeba materiálu a energie | 05 | 7 025 | 5 110 |
| A.3. | Services | 06 | 134 688 | 106 291 |
| | Change in inventories of own production (+/-) | 07 | | |
| | Activation (-) | 08 | | |
| D. | Personnel expenses | 09 | 62 920 | 42 493 |
| D.1. | Wages and salaries | 10 | 47 115 | 31 866 |
| D.2. | Social security expenses and health insurance and other expenses | 11 | 15 805 | 10 627 |
| D.2.1. | Social security expenses and health insurance and other expenses | 12 | 15 300 | 10 372 |
| D.2.2. | Other expenses | 13 | 505 | 255 |
| E. | Adjustment of values in the operating area | 14 | 1 377 | 1 106 |
| E.1. | Adjustments to intangible and tangible non-current assets | 15 | 1 377 | 1106 |
| E.1.1. | Adjustments to intangible and tangible non-current assets - permanent | 16 | 1 377 | 1106 |
| III. | Other operating revenues | 20 | 509 | 1 767 |
| III.1. | Revenues from disposals of non-current assets | 21 | | 32 |
| 111.3. | Other operating revenues | 23 | 509 | 1 735 |
| | Other operating expenses | 24 | 918 | 5 696 |
| F.3. | Taxes and fees | 27 | 112 | 92 |
| F.5. | Other operating expenses | 29 | 806 | 5 604 |
| * | Consolidated operating profit/loss | 30 | -68 626 | -122 391 |
| IV. | Revenues from non-current financial assets | 31 | 200 000 | 100 000 |
| | Income from share - Controlled or Controlling Entity | 32 | 200 000 | 100 000 |
| | Other earnings from shares | 33 | | |
| | Costs of sold shares | 34 | | |

| ldent. | | Row | Reportir | ng period |
|--------|---|-----|-----------|------------|
| ident. | | | Current 1 | Previous 2 |
| | Revenues from other non-current financial assets | 35 | | |
| | Costs related to other non-current financial assets | 38 | | |
| VI. | Interest income and similar income | 39 | 1 403 | 793 |
| VI.1. | Interest and similar income - related party or controlling entity | 40 | 17 | |
| VI.2. | Other interest income and similar income | 41 | 1 386 | 793 |
| | Adjustment of values and provision in the financial sector | 42 | 387 545 | 70 000 |
| | Interest expense | 43 | 46 952 | 27 395 |
| J.1. | Interest and similar expenses - related party or controlling entity | 44 | 46 204 | 26 255 |
| J.2. | Other interest expense and similar costs | 45 | 748 | 1140 |
| | Other financial revenues | 46 | 2 077 | 950 |
| | Other financial expenses | 47 | 640 | 4 853 |
| * | Consolidated profit/loss from financial operations | 48 | -231 657 | -505 |
| ** | Consolidated profit/loss before taxa | 49 | -300 283 | -122 896 |
| | Income tax | 50 | | |
| L.1. | Due tax | 51 | | |
| L.2. | Deferred tax (+/-) | 52 | | |
| ** | Consolidated profit/loss after taxation | 53 | -300 283 | -122 896 |
| М. | Transfer of profit/loss share to partners | 54 | | |
| *** | Consolidated profit/loss for the reporting period | 55 | -300 283 | -122 896 |
| * | Net turnover for the reporting period | 56 | 341 782 | 140 048 |



Cash flow statement as of 31 December 2022

| ldent. | | Current reporting period | Previous reporting period |
|----------------|---|--------------------------|---------------------------|
| Р | Cash and cash equivalents at the beginning of the reporting period | 4 834 | 27 946 |
| | Cash flows from main activity (operating activities) | | |
| Z | Accounting profit/loss from running activities before taxation | -300 283 | -122 896 |
| | Adjustments by non-cash operations | 234 471 | -2 293 |
| A1.1 | Depreciation of fixed assets - destruction, physical demolition, damage, gifts | 1 377 | 1106 |
| A1.2 | Change in balance of adjustments and provisions | 387 545 | 70 000 |
| A1.3 | Profit (loss) from sale of fixed assets | 0 | 0 |
| A1.4 | Revenues from dividends and shares in profits (excluding investment companies) | -200 000 | -100 000 |
| A1.5 | Accounted for interest expense and income (exclusive of interest capitalization) | 45 549 | 26 601 |
| A1.6 | Adjustments for other non-cash transactions | | |
| A* | Net cash flow from operating activity before taxation, changes in working capital and extraordinary items | -65 812 | -125 189 |
| A2 | Change in non-cash items of working capital | 146 003 | 225 952 |
| A2.1 | Change in balance of receivables from operating activities, active accrual accounts and estimated active accounts | -74 121 | -1 703 |
| A2.2 | Change in current liabilities from operating activities, accrued liabilities and estimated liabilities | 220 124 | 227 655 |
| A2.3 | Change in inventory | | |
| A2.4 | Change in short-term financial assets not classified as cash and cash equivalents | | |
| A** | Net cash flow from operating activities before taxation and extraordinary items | 80 191 | 100 763 |
| | Interest paid exclusive of interest capitalization | -46 952 | -27 395 |
| | Interests received | 1 403 | 794 |
| | Income tax for operating activities and additional tax assessments for previous periods | О | O |
| | Income and expenses related to extraordinary items, including income tax from extraordinary activities | | |
| A7 | Received dividends and shares in profits | | |
| A*** | Net cash flow from operating activities | 34 642 | 74 162 |
| B1 B2 B3 | Cash flows from investing activities Expenses related to the acquisition of fixed assets, revenues from the sale of fixed assets Loans and credits to related persons | -197 328 -24 800 | -96 822 -10 596 |
| B*** | Net cash flow from investing activities | -222 128 | -107 418 |

| Ident. | | Current reporting period | Previous reporting period |
|--------|--|--------------------------------|---------------------------------|
| | Cash flows from financing activities | | |
| C1 | Impact of changes in liabilities falling into financial activities | 0 | -89 856 |
| C2 | Impact of a change of equity on cash | 200 000 | 100 000 |
| C2.1 | Increase in cash funds from the increase of share capital or reserve funds | | |
| C2.2 | Payout of share in equity to shareholders | | |
| C2.3 | Additional cash contributions from partners and shareholders | | |
| C2.4 | Reimbursement of losses by partners | | |
| C2.5 | Direct payments from reserve funds | | |
| C2.6 | Paid dividends or shares of profit, including withholding tax, and settlement with partners in the case of a limited partnership and general partners in a limited partnership company | 200 000 | 100 000 |
| C*** | Net cash flow relating to financing activities | 200 000 | 10 144 |
| F | Net increase or decrease of cash | 12 514 | -23 112 |
| R | Balance of cash on hand and financial equivalents at the end of the reporting period | 17 348 | 4 834 |



Overview of equity changes in 2021

| 2021 | Initial balance | Increased | Decreased | Final balance |
|---|-----------------|-----------|-----------|---------------|
| Owner's equity | 397 150 | 73 248 | -196 144 | 274 254 |
| Registered capital | 2 000 | | - | 2 000 |
| Registered capital | 2 000 | - | - | 2 000 |
| Equity interests or own shares (-) | - | - | - | - |
| Changes in share capital | - | - | - | - |
| Premium and capital funds | | | - | |
| Premium | - | | | - |
| Capital funds | | - | - | - |
| Other capital funds | - | - | - | - |
| Pricing differences from the revaluation of assets and liabilities (+/-) | - | | | - |
| Revaluation differences from transformations of business corporations (+/-) | - | | | - |
| Differences from transformations of business corporations (+/-) | - | | | - |
| Differences from valuations in transformations of business corporations (+/-) | - | | | - |
| Funds from profit | | | - | |
| Other reserve funds | - | - | - | - |
| Statutory and other funds | - | - | - | - |
| Results of operations from previous years (+/-) | 468 398 | - | -73 248 | 395 150 |
| Nondistributed profit or accumulated loss from previous years | 468 398 | | -73 248 | 395 150 |
| Other result of operations from previous years (+/-) | - | | | - |
| Result of operations for the current accounting period (+/-) | -73 248 | 73 248 | -122 896 | -122 896 |
| Share of financial results in equivalence | | | | |
| Share of profit/loss under equity accounting | | | - | |

Overview of equity changes in 2022

| 2022 | Initial balance | Increased | Decreased | Final balance |
|---|-----------------|-----------|-----------|---------------|
| Owner's equity | 274 254 | 122 896 | -423 179 | -26 029 |
| Registered capital | 2 000 | | | 2 000 |
| Registered capital | 2 000 | - | - | 2 000 |
| Equity interests or own shares (-) | - | - | - | - |
| Changes in share capital | - | - | - | - |
| Premium and capital funds | - | | | |
| Premium | - | | | - |
| Capital funds | - | | - | |
| Other capital funds | - | - | - | - |
| Pricing differences from the revaluation of assets and liabilities (+/-) | - | | | - |
| Revaluation differences from transformations of business corporations (+/-) | - | | | - |
| Differences from transformations of business corporations (+/-) | - | | | - |
| Differences from valuations in transformations of business corporations (+/-) | - | | | - |
| Funds from profit | - | - | - | - |
| Other reserve funds | - | - | - | - |
| Statutory and other funds | - | - | - | - |
| Results of operations from previous years (+/-) | 395 150 | | -122 896 | 272 254 |
| Nondistributed profit or accumulated loss from previous years | 395 150 | | -122 896 | 272 254 |
| Other result of operations from previous years (+/-) | - | | | - |
| Result of operations for the current accounting period (+/-) | -122 896 | 122 896 | -300 283 | -300 283 |
| Share of financial results in equivalence | - | | | |
| Share of profit/loss under equity accounting | - | | - | - |



Českomoravská Nemovitostní a.s.

Appendix to the individual final accounts as of 31 December 2022

| AP | PENDIX CONTENTS |
|-----|---|
| 138 | 1. COMPANY DESCRIPTION |
| 139 | 2. BASIC GROUND FOR PREPARATION OF FINAL ACCOUNTS |
| 140 | 3. GENERAL ACCOUNTING PRINCIPLES, ACCOUNTING METHODS AND THEIR CHANGES AND DEVIATIONS |
| 140 | C) Long-term financial assets |
| 142 | D) Short-term financial assets |
| 142 | E) Receivables |
| 142 | F) Equity |
| 143 | G) Liabilities |
| 143 | H) Related party transactions |
| 143 | I) Reserves |
| 143 | J) Leasing |
| 143 | K) Foreign exchange operations |
| 144 | L) Using estimates |
| 144 | M) Accounting of revenues and costs |
| 144 | N) Reserves for income tax |
| 144 | O) Deferred income tax |

Q) Changes in valuation methods, depreciation procedures and accounting procedures vs.

- the previous accounting period 145 4. ADDITIONAL DATA ON BALANCE SHEET ITEMS
- 145 R) Intangible fixed assets

144

144

O) Deferred income tax

P) Subsequent events

| 146 | S) Tangible fixed assets |
|-----|--|
| 148 | T) Long-term financial assets |
| 152 | U) Receivables |
| 152 | V) Short-term financial assets |
| 152 | W) Deferred costs |
| 152 | X) Equity |
| 152 | Y) Reserves |
| 152 | Z) Liabilities |
| 152 | AA) Leasing |
| 152 | AB) Subsidies / Investment incentives |
| 153 | 5. SUPPLEMENTARY DATA FOR PROFIT AND LOSS STATEMENT ITEMS |
| 153 | A) Revenues |
| 153 | SUMMARY OF COMPANY'S REVENUES: |
| 153 | B) Performance consumption |
| 153 | B) Personal expenses |
| 153 | d) Information on related party transactions |
| 153 | E) Research and development |
| 154 | 6. SIGNIFICANT EVENTS THAT OCCURRED AFTER THE BALANCE SHEET DATE |
| 155 | 7. ASSUMPTION OF CONTINUOUS DURATION OF THE COMPANY |
| 156 | RELATIONSHIP REPORT |



I. CompanyDescription

Českomoravská Nemovitostní a.s. (hereinafter referred to as the "Company") is a joint-stock company based in Prague, Václavské nám. 806/62, Czech Republic, Business ID 051 42 202. The Company was registered in the commercial register of the Municipal Court in Prague under file number B 24261.

The main subject of its activity is the management of its own property and the rental of real estate, apartments, and non-residential premises.

The subject of the Company's business is production, trade and services not listed in Appendices 1 to 3 of the Trade Act and the activities of accounting consultants, bookkeeping, tax records. On 1 January 2022, the Company became a group VAT payer. The tax identification number of the Group is CZ699006350.

The Company is the supreme consolidating unit.

Each member of the board acts independently for the Company in all matters.

The Company does not have an organizational component abroad.

As of 31 December 2022, the controlling and managing bodies of the Company were as follows:

Chairman of the Board of Directors:

Ing. et Ing. RADEK STACHA, Date of birth 28 November 1987 Mezírka 741/7, Veveří, 602 00 Brno Date of appointment: 25 February 2020

Vice-Chairman of the Board of Directors:

Ing. Mgr. JOSEF EIM, Date of birth 5 April 1984 Tučkova 418/21, Veveří, 602 00 Brno Date of membership: 25 February 2020 Registered: 25 February 2020

Member of the Supervisory Board:

RICHARD BRITTEN-LONG,
Date of birth 22 February 1953
WR66YY Wichenford, Worcester,
The Hill Farm, The United Kingdom of Great Britain
and Northern Ireland
Date of appointment: 12 October 2021

In 2022, only one company stockholder was deleted.

Ing. et Ing. RADEK STACHA, Date of birth 28 November 1987 Mezírka 741/7, Veveří, 602 00 Brno Date of deletion: 27 January 2022

2. Basic principles for preparing final accounts

The attached individual final accounts (nonconsolidated) were prepared in accordance with Act No. 563/1991 Coll., on Accounting, as amended (hereinafter referred to as the "Accounting Act"), and Implementing Decree No. 500/2002 Coll., which implements certain provisions of Act No. 563/1991 Coll., on Accounting, as amended, for accounting entities that are entrepreneurs accounting in the double-entry bookkeeping system, as amended, and the Czech Accounting Standards for Entrepreneurs as amended.

Accounting respects general accounting principles, especially the principle of valuing assets at historical prices (unless otherwise stated), the principle of accounting in material and temporal context, the principle of prudence and the assumption of the ability of the accounting unit to continue its activities.

The Company's final accounts are drawn up as of the balance sheet date of 31 December 2022 for the 2022 calendar year.

The Company is classified according to Section 1b of Act No. 563/1991 Coll. to the small accounting unit category.

Financial data in these final accounts are expressed in thousands of Czech crowns (CZK), unless otherwise stated.



3. General accounting principles, accounting methods, and their changes and deviations

The valuation methods used by the Company in preparing the final accounts are as follows:

A) INTANGIBLE FIXED ASSETS

Intangible fixed assets are mainly intangible results of development, valuable rights and software, the useful life of which is longer than one year. Purchased intangible fixed assets are valued at the purchase price less depreciation and the recorded impairment loss. Research-related expenses are expensed in the year they are incurred. Interests and other financial expenses related to the acquisition of intangible fixed assets are not included in its valuation.

Goodwill arises as the difference between the valuation of a business plant (or part of it) acquired by transfer or transition for consideration or a deposit or the valuation of assets and liabilities within the framework of transformations of a business corporation and the sum of the individually revalued assets components reduced by assumed debts. Goodwill write-offs are carried out in the event of a positive value against costs.

Depreciation of intangible fixed assets is calculated on the basis of the purchase price and the estimated useful life of the relevant asset. The amortization schedule is updated based on the expected useful life as the intangible fixed asset is used.

B) TANGIBLE FIXED ASSETS

Tangible fixed assets mean land, buildings and tangible assets, the useful life of which is longer than one year and the valuation of which is higher than CZK 80,000 in each case. Purchased tangible fixed assets are valued at the acquisition price, which includes

the acquisition price, transportation costs, customs duties, and other acquisition-related costs. Interests and other financial expenses related to the acquisition are not included in its valuation, reduced by amortization and the recorded impairment loss.

The costs of technical evaluation of tangible fixed assets increase their purchase price. Repairs and maintenance are expensed.

Valuation of tangible fixed assets created by own activities includes direct costs, indirect costs causally related to the creation of assets by own activities (production overhead) and related to the period of activity. Selling costs are not included.

Depreciation is calculated on the basis of the purchase price and the estimated useful life of the relevant asset. The depreciation schedule is updated based on the expected useful life as the fixed asset is used. If there is a decrease in the book value of tangible fixed assets, the Company creates an adjustment item as the difference between the book residual value and the value according to the expert opinion.

Profits or losses on the sale or disposal of assets are determined as the difference between the proceeds of sale and the carrying amount of the asset at the date of sale and are charged to the profit and loss statement.

C) LONG-TERM FINANCIAL ASSETS

Long-term financial assets mean loans with a maturity of more than one year, ownership interests in companies with decisive or substantial influence, realizable securities, and debt securities with a maturity of more than one year held until maturity.

Securities and equity interests are valued at purchase price when purchased. The purchase price of a security includes direct costs related to the purchase, such as fees and commissions to brokers, advisors, and stock exchanges.

As of the date of acquisition of securities and equity participations, these long-term financial assets of the Company are classified according to their nature as shares - controlled entity and shares in accounting units under considerable influence or debt securities held to maturity or realizable securities and shares.

Shares in companies whose financial flows and operational processes the Company can manage in order to obtain benefits from their activities are classified as shares - controlled entity. Shares in companies whose financial flows and operational processes the Company can significantly influence in order to obtain benefits from their activities are classified as shares in accounting entities under significant

As of the date of the final accounts, there are:

- equity participations valued at acquisition prices less adjustments;
- equity securities held for trading valued at fair value. The change in the fair value of equity securities for trading is charged to the result of the current period;

- held-to-maturity debt securities valued at acquisition price increased by interest income (including amortization of any premium or discount);
- realizable securities and shares valued at fair value if it is possible to determine this.
 The change in the fair value of availablefor-sale securities is charged against the revaluation differences of assets and liabilities within equity;
- granted loans overvalued.

The fair value represents the market value that is announced on a domestic or foreign stock exchange, or a valuation by a qualified estimate or an expert's opinion, if the market value is not available.

D) SHORT-TERM FINANCIAL ASSETS

Short-term financial assets consist of securities for trading, debt securities with a maturity of up to one year held until maturity, own shares, own bonds, and other realizable securities.

Short-term financial assets are valued at purchase price when purchased. The purchase price includes direct costs related to the acquisition, such as fees and commissions to brokers, advisors, and stock exchanges.

On the date of acquisition of a short-term financial asset, this short-term financial asset is classified by the Company as a short-term financial asset for trading or a realizable short-term financial asset. A short-term financial



asset for trading is a security that is held for the purpose of conducting transactions in the public market with the aim of making a profit from price differences in the short term, but not more than one year.

As of the balance sheet date, the Company values short-term financial assets, with the exception of held-to-maturity securities, at fair value, if this can be ascertained. The change in fair value in a given accounting period is recorded in the result of the current period, with the exception of realizable securities, for which the revaluation is charged to equity.

Provisions are made for short-term financial assets that have not been valued at fair value in the event of impairment.

Debt and equity securities that are not classified as held-to-maturity or trading securities are classified as available-for-sale securities and are reported at fair value.

The fair value of a short-term financial asset is the market value that is announced on a domestic or foreign stock exchange, or a valuation by a qualified estimate or expert opinion, if the market value is not available.

Cash consists of valuables, money in cash and in bank accounts.

E) RECEIVABLES

Receivables are valued at their nominal value when they arise, subsequently reduced by the relevant allowances for doubtful and uncollectible amounts. Receivables acquired for consideration or as a deposit are valued at the purchase price less an allowance for doubtful and uncollectible amounts. The valuation of doubtful receivables is reduced by means of adjustment items against the costs of their realizable value, based on an individual assessment of individual debtors and the age structure of the receivables. Conjectural active accounts are valued based on professional estimates and calculations.

Receivables and conjectural active accounts are divided into short-term (maturity up to and including 12 months) and long-term (maturity over 12 months), with the short-term being due within one year from the balance sheet date.

F) EQUITY

The share capital of the Company is reported in the amount entered in the commercial register of the municipal court. Any increase or decrease in share capital based on the decision of the general meeting, which was not registered on the date of the financial accounts, is reported as changes in share capital. Deposits in excess of the share capital are reported as premium.

G) LIABILITIES

Liabilities are recorded at nominal value.
Conjectural accounts payable are valued on the basis of professional estimates and calculations and are divided into short-term (maturity up to and including 12 months) and long-term (maturity over 12 months), with the short-term being due within one year from the balance sheet date.

H) RELATED PARTY TRANSACTIONS

Related parties of the Company are understood as:

- parties that can directly or indirectly exercise decisive influence on the Company, and companies where these parties have decisive or substantial influence;
- parties that may directly or indirectly exercise considerable influence over the Company;
- members of the statutory, supervisory and management bodies of the Company or its parent company and persons close to these persons, including enterprises where these members and persons have substantial or decisive influence.

I) RESERVES

Reserves are intended to cover liabilities or costs, the nature of which is clearly defined and for which, at the balance sheet date, it is either probable that they will occur or certain that they will occur, but their amount or the moment of their occurrence is uncertain.

J) LEASING

Financial leasing means the acquisition of tangible fixed assets in a manner in which, after the expiration or during the agreed period of paid use of the asset, ownership of the asset is transferred by the user from the owner to the user, and the user pays for the acquisition as part of the costs until the transfer of ownership.

Financial leasing instalments are expensed. The increased first instalment of the finance lease is deferred and dissolved into costs over the lease term.

K) FOREIGN EXCHANGE OPERATIONS

Accounting operations in foreign currencies carried out during the year are charged at the exchange rate of the Czech National Bank valid on the day of the accounting event.

As of the date of the final accounts, foreign currency assets and liabilities are translated at the ČNB exchange rate valid on the date the final accounts are drawn up. Realized and unrealized exchange rate profits and losses are charged to financial income or financial expenses of the current year.

L) USE OF ESTIMATES

The preparation of final accounts requires that the management of the Company uses estimates and assumptions that affect the reported values of assets and liabilities at the date of the final accounts and the reported amount of revenues and expenses for the period under review. Company management has established these

estimates and assumptions based on all relevant information available to it. However, as implied by the nature of the estimate, actual values in the future may differ from these estimates.

M) ACCOUNTING OF REVENUES AND COSTS

Revenues and costs are accounted for on an accrual basis, i.e., to the period to which they are materially and temporally related.

N) RESERVE FOR INCOME TAX

The Company's management booked a reserve for corporate income tax based on the tax calculation, which is based on its understanding of the interpretation of the tax laws in force in the Czech Republic at the date of drawing up the final accounts and is convinced of the correctness of the amount of tax in accordance with the applicable tax regulations of the Czech Republic. Considering the existence of different interpretations of tax laws and regulations by third parties, including state administration authorities, the income tax liability reported in the Company's final accounts may change according to the final opinion of the tax authority.

The provision for income tax is calculated using the applicable tax rate from the accounting profit increased or decreased by permanently or temporarily tax-deductible costs and non-taxable income (e.g., the creation and accounting of other reserves and adjustment items, representation costs, the difference between accounting and tax depreciation, etc.). Items reducing the tax base (donations), deductible items (tax loss, costs of implementing research and development projects) and income tax discounts are also taken into account.



O) DEFERRED INCOME TAX

The calculation of deferred tax is based on the liability method based on the balance sheet approach.

The book value of the deferred tax asset is assessed and reduced on the date of the final accounts to the extent that it is no longer likely that sufficient taxable profit will be available against which this asset or part of it could be claimed.

Deferred tax is charged in the profit and loss statement except when it relates to items charged directly to equity and when the related deferred tax is also included in equity.

Deferred tax assets and liabilities are offset against each other and reported in the balance sheet at a total net value, except in cases where some partial tax assets cannot be set off against partial tax liabilities

P) SUBSEQUENT EVENTS

The impact of events that occurred between the balance sheet date and the date of preparation of the final accounts is recorded in the financial statements if these events provided additional information about the facts that existed at the balance sheet date.

Q) CHANGES IN VALUATION METHODS, DEPRECIATION PROCEDURES AND ACCOUNTING PROCEDURES COMPARED TO THE PREVIOUS ACCOUNTING PERIOD

In the accounting period, there were no changes in the method of valuation, depreciation procedures and accounting procedures compared to the previous accounting period.

R) INTANGIBLE FIXED ASSETS

Intangible fixed assets in their net value include software that is connected to the Company's information system. This is mainly used for the registration of bond holders and coupon payments.

4. Additional information on balance sheet items

OVERVIEW OF INTANGIBLE FIXED ASSETS IN 2021:

| thous. CZK | 1. 1. 2021 | Increases | Decreases | Transfers | 31. 12. 2021 | | | |
|---------------------|------------|-----------|-----------|-----------|--------------|--|--|--|
| | | | | | | | | |
| GROSS VALUE | | | | | | | | |
| Software | 332 | 0 | 0 | 0 | 332 | | | |
| Total | 332 | 0 | 0 | 0 | 332 | | | |
| | | | | | | | | |
| ACCUMULATED DEPRECI | ATION | | | | | | | |
| Software | -172 | -111 | 0 | 0 | -283 | | | |
| Total | -172 | -111 | 0 | 0 | -283 | | | |
| | | | | | | | | |
| ADJUSTMENTS | | | | | | | | |
| Software | 0 | 0 | 0 | 0 | 0 | | | |
| Total | 0 | 0 | 0 | 0 | 0 | | | |
| NET VALUE | 160 | -111 | 0 | 0 | 49 | | | |

OVERVIEW OF INTANGIBLE FIXED ASSETS IN 2022:

| thous. CZK | 1. 1. 2022 | Increases | Decreases | Transfers | 31. 12. 2022 |
|-------------------------|------------|-----------|-----------|-----------|--------------|
| | | | | | |
| GROSS VALUE | | | | | |
| Software | 332 | 0 | 0 | 0 | 332 |
| Total | 332 | 0 | 0 | 0 | 332 |
| | | | | | |
| ACCUMULATED DEPRECIATIO | N | | | | |
| Software | -283 | -49 | 0 | 0 | -332 |
| Total | -283 | -49 | 0 | 0 | -332 |
| | | | | | |
| ADJUSTMENTS | | | | | |
| Software | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 | 0 |
| NET VALUE | 49 | -49 | 0 | 0 | 0 |



S) OVERVIEW OF INTANGIBLE FIXED ASSETS IN 2022:

OVERVIEW OF TANGIBLE FIXED ASSETS IN 2021:

| thous. CZK | 1. 1. 2021 | Increases | Decreases | Transfers | 31. 12. 2021 |
|---|------------|-----------|-----------|-----------|--------------|
| GROSS VALUE | | | | | |
| Buildings | 13 349 | 0 | 0 | 9 102 | 22 451 |
| Equipment | 2 642 | 0 | 0 | 200 | 2 842 |
| Non-current tangible assets in progress | 0 | 9 302 | 0 | -9 302 | 0 |
| Total | 15 991 | 9 302 | 0 | o | 25 293 |
| ACCUMULATED DEPRECIATION | | | | | |
| Buildings | -175 | -362 | 0 | 0 | -537 |
| Equipment | -1 464 | -633 | 0 | 0 | -2 097 |
| Total | -1 639 | -995 | 0 | o | -2 634 |
| ADJUSTMENTS | | | | | |
| Buildings | 0 | 0 | 0 | 0 | 0 |
| Equipment | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | 0 | 0 | 0 |
| NET VALUE | 14 352 | 8 307 | 0 | 0 | 22 659 |

OVERVIEW OF TANGIBLE FIXED ASSETS IN 2022:

| thous. CZK | 1. 1. 2022 | Increases | Decreases | Transfers | 31. 12. 2022 |
|---|------------|-----------|-----------|-----------|--------------|
| | | | | | |
| GROSS VALUE | | | | | |
| Buildings | 22 451 | 0 | 0 | 0 | 22 451 |
| Equipment | 2 842 | 2 798 | 0 | 0 | 5 640 |
| Non-current tangible assets in progress | 0 | 1 672 | 0 | 0 | 1 672 |
| Total | 25 293 | 4 470 | o | 0 | 29 763 |
| | | | | | |
| ACCUMULATED DEPRECIATION | | | | | |
| Buildings | -537 | -454 | 0 | 0 | -991 |
| Equipment | -2 097 | -874 | 0 | 0 | -2 971 |
| Total | -2 634 | -1 328 | О | 0 | -3 962 |
| | | | | | |
| ADJUSTMENTS | | | | | |
| Buildings | 0 | 0 | 0 | 0 | 0 |
| Equipment | 0 | 0 | 0 | 0 | 0 |
| Total | 0 | 0 | О | 0 | 0 |
| NET VALUE | 22 659 | 3 142 | 0 | 0 | 25 801 |

T) LONG-TERM FINANCIAL ASSETS

The Company reports long-term financial assets in the amount of CZK 513,850 thousand (2021: CZK 683,736 thousand), which consists mainly of shares in subsidiaries.



OVERVIEW OF LONG-TERM FINANCIAL ASSETS IN 2021:

| thous. CZK | 1. 1. 2021 | Increases | Decreases | Transfers | 31. 12. 2021 |
|--|------------|-----------|-----------|-----------|--------------|
| GROSS VALUE | | | | | |
| Shares - controlled or controlling entity | 647 325 | 142 520 | -55 000 | 0 | 724 845 |
| Lending and loans - controlled or controlling entity | 0 | 0 | 0 | 0 | 0 |
| Loans and credit - other | 8 295 | 13 855 | -3 259 | 0 | 18 891 |
| Advances on non-current financial assets | 0 | 0 | 0 | 0 | 0 |
| Total | 655 620 | 156 375 | -58 259 | 0 | 753 736 |
| ADJUSTMENTS | | | | | |
| Shares - controlled or controlling entity | 0 | 0 | -70 000 | 0 | -70 000 |
| Lending and loans - controlled or controlling entity | 0 | 0 | 0 | 0 | 0 |
| Loans and credit - other | 0 | 0 | 0 | 0 | 0 |
| | | | | | |
| Advances on non-current financial assets | 0 | 0 | 0 | Ο | 0 |
| Advances on non-current financial assets Total | 0 | 0 | -70 000 | 0 | -70 000 |

OVERVIEW OF LONG-TERM FINANCIAL ASSETS IN 2022:

| thous. CZK | 1. 1. 2022 | Increases | Decreases | Transfers | 31. 12. 2022 |
|--|------------|-----------|-----------|-----------|--------------|
| | | | | | |
| GROSS VALUE | | | | | |
| Shares - controlled or controlling entity | 734 845 | 211 750 | 0 | 0 | 946 595 |
| Lending and loans - controlled or controlling entity | 0 | 0 | 0 | 0 | 0 |
| Loans and credit - other | 18 891 | 5 909 | 0 | 0 | 24 800 |
| Advances on non-current financial assets | 0 | 0 | 0 | 0 | 0 |
| Total | 753 736 | 217 659 | 0 | 0 | 971 395 |
| | | | | | |
| ADJUSTMENTS | | | | | |
| Shares - controlled or controlling entity | -70 000 | -387 545 | 0 | 0 | -457 545 |
| 1 P 11 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 | 0 | 0 | 0 | 0 | 0 |
| Lending and loans - controlled or controlling entity | | | | | |
| Loans and credit - other | 0 | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 | |
| Loans and credit – other | | - | - | | 0 |



The Company is the parent company of the following companies

| Business name of the Company | Registered seat of the Company | Registered capital (thous. CZK) | Amount of share | Assets (thous. CZK) |
|-----------------------------------|---|---------------------------------------|-----------------|------------------------|
| CMN International Assets a.s. | | 2 000 | 100 % | 2 084 |
| Czech-Moravian Properties a.s. | | 2 000 | 100 % | 696 026 |
| Českomoravská Poradenská s.r.o. | | 200 | 100 % | 14 000 |
| Českomoravská Projektová a.s. | Prague 1 | 2 000 | 100 % | 911 255 |
| Českomoravská Projektová II a.s. | 00 | 2 000 | 100 % | 951 003 |
| Českomoravská Projektová III a.s. | | 2 000 | 100 % | 1534 934 |
| Českomoravská Projektová IV a.s. | | 2 000 | 100 % | 1 508 070 |
| ČMN I s.r.o. | , Θ Σ | 200 | 100 % | 775 766 |
| ČMN II s.r.o. | , Z N | 200 | 100 % | 179 |
| ČMN Financing s.r.o. | .9/9(| 20 | 100 % | 5 314 637 |
| ČMN RE I a.s. | | 2 000 | 100 % | 3 381 165 |
| ČMN RE II a.s. | iám ě | 2 000 | 100 % | 62 626 |
| ČMN RE III s.r.o. | | 200 | 100 % | 172 394 |
| ČMN RE Management a.s. | Václavské náměstí 806/62, Nové Město, 110 | 2 000 | 100 % | 93 215 |
| ČMN Servis s.r.o. | | 200 | 100 % | 822 |
| High End Living s.r.o. | | 20 | 100 % | 154 |
| Českomoravská Projektová V a.s. | | 2 000 | 100 % | 498 461 |

The Company has made adjustments to the value of the shares so that their net value faithfully and fairly reflects the market value of those shares. The value of the share in the company ČMN Financing s.r.o. (CZK 4.970 thousand) is higher than the equity of this company (CZK 239 thousand), however, its business plan reflects a highly probable prospect of its increase and thus no provision was created.

The equity structure of subsidiaries at the balance sheet date was as follows:

| Business name of the Company | Owner's equity (thous. CZK) | Registered capital and Capital funds (thous. CZK) | Retained profit or loss from previous reporting period (thous. CZK) | Profit/loss from ordinary activity before taxation (thous. CZK) |
|-----------------------------------|--------------------------------|--|--|---|
| CMN International Assets a.s. | 2 056 | 2 000 | -52 | 108 |
| Czech-Moravian Properties a.s. | 18 094 | 2 000 | 10 623 | 5 471 |
| Českomoravská Poradenská s.r.o. | 9 052 | 10 300 | -320 | -928 |
| Českomoravská Projektová a.s. | 13 824 | 2 000 | 4 486 | 7 338 |
| Českomoravská Projektová II a.s. | 9 055 | 2 000 | | 3 877 |
| Českomoravská Projektová III a.s. | 10 035 | 2 000 | 3 660 | 4 374 |
| Českomoravská Projektová IV a.s. | 8 125 | 2 000 | -1 048 | 7 173 |
| ČMN I s.r.o. | 97 289 | 57 777 | 67 002 | -27 490 |
| ČMN II s.r.o. | -273 | 2 300 | -1 928 | -645 |
| ČMN Financing s.r.o. | 239 | 4 970 | -4 079 | -652 |
| ČMN RE I a.s. | 1 339 530 | 881 046 | 128 802 | 329 681 |
| ČMN RE II a.s. | -5 551 | 9 500 | -9 865 | -5 186 |
| ČMN RE III s.r.o. | 172 391 | 25 185 | -23 789 | 170 995 |
| ČMN RE Management a.s. | 4 031 | 2 000 | 920 | 1 110 |
| ČMN Servis s.r.o. | 310 | 700 | -401 | 11 |
| High End Living s.r.o. | 151 | 1 320 | -1 120 | -49 |
| Českomoravská Projektová V a.s | 492 | 2 000 | | -1 508 |



U) RECEIVABLES

The Company's receivables consist, among other things, of receivables from controlled persons, which are based on the title of concluded contracts for the provision of services. The Company has no receivables overdue for more than 5 years. The Company did not account for adjustments to receivables during the accounting period.

V) SHORT-TERM FINANCIAL ASSETS

Short-term financial assets consisted of funds in cash and bank accounts.

W) EXPENSES FOR FUTURE PERIODS

The costs of future periods mainly include accruals of costs from legal services and others according to time and material correctness. In the area of liabilities, the Company does not record accruals at the balance sheet date.

X) EQUITY

The Company's share capital amounts to CZK 2,000,000 and has been fully paid. Based on the decision of the general meeting of the company held on 30 June 2022 the transfer of the loss of 2021 in the amount of CZK 122,896 thousand to the account of outstanding losses from previous years was approved.

Y) RESERVES

The Company did not account for reserves in 2022.

Z) LIABILITIES

The Company's long-term liabilities consist mainly of a loan from ČMN Financing s.r.o. in the amount of CZK 669,058 thousand whose maturity is longer than 5 years. Short-term liabilities mainly consist of liabilities from business relationships, which are based on standard business transactions. As of the date of the final accounts, the Company had no short-term liabilities covered by a lien. As of the balance sheet date, the Company does not record bonds in short-term liabilities.

AA) LEASING

The Company has concluded a leasing contract, the subject of which is the leasing of a passenger car.

AB) SUBSIDIES / INVESTMENT INCENTIVES

The accounting unit did not receive any subsidies or investment incentives during 2022.

5. Supplementary data to the profit and loss statement items

A) REVENUES

The Company's revenues are made up mainly of sales of products and services and dividends.

| | 2022 | 2021 |
|---|---------|---------|
| Revenue from own products and services | 137 793 | 36 538 |
| Other operating revenue | 509 | 1 767 |
| Revenue from sale of securities and shares | 0 | 0 |
| Interest revenue and similar revenue - controlled or controlling entity | 200 000 | 100 000 |
| Interest income | 1 403 | 794 |
| Revenues from non-current financial assets | 0 | |
| Other financial revenues | 2 077 | 950 |
| Total | 341 782 | 140 049 |

B) PERFORMANCE CONSUMPTION

The total costs of performance consumption reached the amount of CZK 141,713 thousand. The costs of material and energy consumption in the amount of CZK 7,025 thousand mainly include the costs of marketing needs and office equipment, including IT hardware equipment, which is not included in tangible fixed assets due to its low unit price. The costs of services in the amount of CZK 134,688 thousand mainly include the costs of legal, accounting, tax, economic, technical and IT consultancy.

C) PERSONAL EXPENSES

Personal expenses reached a total of CZK 62,920 thousand in 2022. The Company had 71 employees on the date of the final accounts. The average converted number of employees during the accounting period reached a value of 49.

D) INFORMATION ON RELATED PARTY TRANSACTIONS

The Company provides services to controlled persons regarding consulting in the financial and commercial areas, asset and property management, etc. The Company charges remuneration according to the market standard for these services. All transactions with related parties were negotiated on the arm's length principle under normal business conditions.

E) RESEARCH AND DEVELOPMENT

The Company has not incurred any research and development expenses.



6. Significant events that occurred after the balance sheet date

The impact of events that occurred between the balance sheet date and the date of preparation of the final accounts is recorded in the financial statements if these events provided additional information about the facts that existed at the balance sheet date.

In the event that significant events took place between the balance sheet date and the date of preparation of the final accounts, taking into account facts that occurred after the balance sheet date, the consequences of these events are described in the annex to the final accounts, but are not recorded in the financial statements.

The Company's management is carefully monitoring the situation regarding the military conflict in Ukraine, the related sanctions against Russia and the subsequent sharp increase in energy prices. The Company reacts to any consequences arising from the situation in such a way as to minimize the negative impact on its activities and business.

Thanks to the timely implementation of the steps taken by the Company's management, it was concluded that the situation does not have a significant effect on the assumption of an unlimited duration of the company.

Due to this, the final accounts as of 31 12. 2022 processed on the assumption that the Company will be able to continue its activities without serious complications caused by the abovementioned situation.

7. Assumption of continuous existence of the Company

In 2022, the Company reported an economic result after taxation in the amount of - CZK 300,283 thousand. At the same time, the Company's equity as of the date of the final accounts amounts to - CZK 26,029 thousand.

Considering the above and the Company's strategic plans, the final accounts as of 31 December 2022 processed under the assumption of continuous existence of the Company.

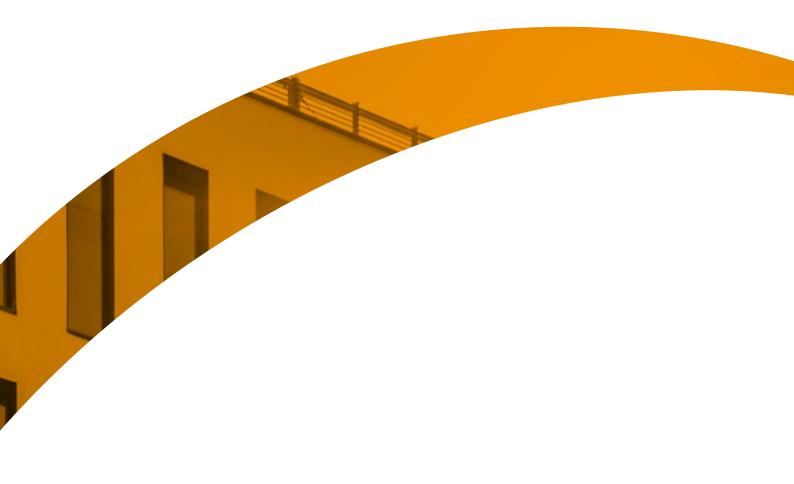
In Prague, dated 5 May 2023 Representing Českomoravská Nemovitostní a.s.

> **Ing. et Ing. Radek Stacha** Chairman of the Board of Directors



Relations Report







Report of the statutory body of the company Českomoravská Nemovitostní a.s., with registered office at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Business ID: 051 42 202, registered in the Company Register administered by the Municipal Court in Prague, file No. B 24261 (hereinafter the "Company"), on the relations between the controlling person and the controlled person, i.e. the Company, and between the controlled person and the persons controlled by the same controlling person processed in accordance with the provisions of Section 82 et seq. of Act No. 90/2012 Coll., on commercial companies and cooperatives, as amended (hereinafter the "CCC").

SECTION I STRUCTURE OF RELATIONS BETWEEN CONTROLLED AND CONTROLLING PERSON

Controlled or controlling entity

Ing. et Ing. Radek Stacha, Date of birth: 28 November 1987, Mezírka 741/7, Veveří, 602 00 Brno

Ing. Mgr. Josef Eim, Date of birth 5 April 1984, Tučkova 418/21, Veveří, 602 00 Brno

Individuals controlled by the company As of December 31, 2022, the company's statutory body had knowledge of these companies controlled by the company:

- Českomoravská Projektová a.s., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 073 75 115, registered in the Commercial Register held with the Municipal Court in Prague, File No. B 24251
- Českomoravská Projektová II a.s., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 081 69 926, registered in the Commercial Register held with the Municipal Court in Prague, File No. B 24412
- Českomoravská Projektová III a.s., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 090 48 189, registered in the Commercial Register held with the Municipal Court in Prague, File No. B 25198
- Českomoravská Projektová IV a.s., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 109 23 705, registered in the Commercial Register held with the Municipal Court in Prague, File No. B 26362
- Českomoravská Projektová V a.s., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 143 75 737, registered in the Commercial Register held with the Municipal Court in Prague, File No. B 27177

- Českomoravská Poradenská s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 055 59 812, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 311985
- ČMN RE I a.s., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 065 94 191, registered in the Commercial Register held with the Municipal Court in Prague, File No. B 24177
- ČMN RE II a.s., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 065 94 484, registered in the Commercial Register held with the Municipal Court in Prague, File No. B 24176
- ČMN RE III s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 096 39 110, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 339462
- ČMN I s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 049 38 453, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 309183
- ČMN II s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 053 72 321, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 310795
- High End Living s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 038 85 216, zapsaná v obchodním rejstříku vedeném Krajským soudem v Brně, sp. zn. C 87242
- ČMN Alpha s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 062 22 960, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 311004
- CMN Gama s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 063 33 311, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 311993
- ČMN RE Management a.s., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 079 49 898, registered in the Commercial Register held with the Municipal Court in Prague, File No. B 24244

- ČMN Servis s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 085 99 181, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 321738
- Sokolovská 967 s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 060 36 163, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 311987
- ČMN Husova s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 064 37 885, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 311990
- Anilit RE s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 080 53 332, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 312191
- Blixit RE s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 080 53 359, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 312194
- Dixenit RE s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00
 Prague 1, Company Identification Number (IČ): 080 53 421, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 312197
- Fangit RE s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00
 Prague 1, Company Identification Number (IČ): 080 53 499, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 312201
- Gyrolit RE s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 080 53 511, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 312202
- Holtit RE s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 080 53 537, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 312203
- Chenit RE s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 080 53 553, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 312204

- Czech-Moravian Properties a.s., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 063 58 764, registered in the Commercial Register held with the Municipal Court in Prague, File No. B 25711
- REZIDENCE KRÁLOVSKÁ TŘÍDA, s.r.o., v likvidaci, registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 067 67 591, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 288518
- RE Slovakia I s.r.o., established and existing under Slovak law, having its registered seat at Laurinská 18, Staré Mesto, 811 01 Slovak Republic, Corporate number: 53405226, registered in the Slovak Commercial Register administered by the of District Court Bratislava I, File no. 148427/B;
- Langit RE s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 099 48 121, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 344725
- Natanit RE s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 099 24 035, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 344726
- ZIRKON Real Invest s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 096 76 678, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 340259
- Pavonit RE s.r.o., se sídlem Václavské náměstí 806/62, Nové Město, 110 00 Praha 1, IČO: 141 55 753, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 361263
- Quandilit RE s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 141 55 648, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 361262
- Maldonit RE s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 141 55 885, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 361269



- Odinit RE s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 141 55 818, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 361268
- ČMN Financing s.r.o., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 099 24 019, registered in the Commercial Register held with the Municipal Court in Prague, File No. C 344727
- CMN International Assets a.s., registered at Václavské náměstí 806/62, Nové Město, 110 00 Prague 1, Company Identification Number (IČ): 098 85 404, registered in the Commercial Register held with the Municipal Court in Prague, File No. B 26061

(Hereinafter referred to as the "Controlled parties")

Organizational chart of the Group as of 31 December 2022

The statutory body of the Company declares that it has exercised due diligence to determine the circle of other connected persons for the purposes of processing this report.

SECTION II ROLE OF THE COMPANY

Within the Group, in the case of the Company, it is an independent company that intends to develop its business activity within the real estate market, i.e., real estate rental,

especially non-residential premises (offices and logistics areas), possibly apartments, and within the management of its own property.

SECTION III METHOD AND MEANS OF CONTROL

The Company is a holding company controlling directly/indirectly controlled persons through the direct/indirect exercise of voting rights in controlled persons.

SECTION IV CRITICAL PERIOD

This report is processed for the period from 1 January 2022 to 31 December 2022.

SECTION V

OVERVIEW OF TRANSACTIONS MADE AT THE INITIATIVE OR IN THE INTEREST OF CONTROLLING PERSONS OR PERSONS CONTROLLED BY THEM, IF SUCH TRANSACTIONS REFERRED TO ASSETS, THE VALUE OF WHICH EXCEEDS 10 % OF THE COMPANY'S EQUITY

No actions made at the instigation or in the interest of controlling individuals or controlled by them are known to the companies.

SECTION VI AGREEMENTS BETWEEN THE COMPANY AND CONTROLLED PERSONS OR PERSONS CONTROLLED BY THEM





| Entity | Name of agreement | Date concluded | Performance provided from the company | Performance removed on the part of Companies | Damage |
|--------------------------------------|--|-------------------|--|---|--------|
| ČMN Financing s.r.o. | Loan Agreement, based on the Assignment Agreement dated April 30, 2021 | 1. 1. 2019 | Interest | Loan | none |
| Sokolovská 967 s.r.o. | Provision of Services Agreement, as amended by subsequent addenda | 20. 11. 2019 | Services | Remuneration | none |
| ČMN Alpha s.r.o. | Provision of Services Agreement | 26. 8. 2019 | Services | Remuneration | none |
| ČMN Gama s.r.o. | Provision of Services Agreement | 26. 8. 2019 | Services | Remuneration | none |
| ČMN I s.r.o. | Provision of Services Agreement | 10. 12. 2019 | Services | Remuneration | none |
| ČMN II s.r.o. | Provision of Services Agreement | 26. 8. 2019 | Services | Remuneration | none |
| ČMN RE I a.s. | Provision of Services Agreement | 26. 8. 2019 | Services | Remuneration | none |
| ČMN RE II a.s. | Provision of Services Agreement | 10. 12. 2019 | Services | Remuneration | none |
| ČMN Husova s.r.o. | Provision of Services Agreement | 10. 12. 2019 | Services | Remuneration | none |
| Českomoravská Poradenská s.r.o. | Provision of Services Agreement | 1. 3. 2020 | Services | Remuneration | none |
| ČMN Servis s.r.o. | Provision of Services Agreement | 29. 1. 2020 | Services | Remuneration | none |
| Czech-Moravian Properties a.s. | Provision of Services Agreement, as amended by subsequent addenda | 26. 8. 2019 | Services | Remuneration | none |
| Českomoravská Projektová a.s. | Provision of Services Agreement | 26. 8. 2019 | Services | Remuneration | none |
| Českomoravská Projektová II a.s. | Provision of Services Agreement, as amended by subsequent addenda | 26. 8. 2019 | Services | Remuneration | none |
| Českomoravská Projektová III a.s. | Provision of Services Agreement, as amended by subsequent addenda | 20. 4. 2020 | Services | Remuneration | none |
| ČMN RE Management a.s. | Provision of Services Agreement, as amended by subsequent addenda | 10. 6. 2019 | Services | Remuneration | none |
| Anilit RE s.r.o. | Provision of Services Agreement | 26. 8. 2019 | Services | Remuneration | none |
| Blixit RE s.r.o. | Provision of Services Agreement | 26. 8. 2019 | Services | Remuneration | none |
| Dixenit RE s.r.o. | Provision of Services Agreement | 26. 8. 2019 | Services | Remuneration | none |
| Fangit RE s.r.o. | Provision of Services Agreement | 26. 8. 2019 | Services | Remuneration | none |
| Gyrolit RE s.r.o. | Provision of Services Agreement | 26. 8. 2019 | Services | Remuneration | none |
| Holtit RE s.r.o. | Provision of Services Agreement | 26. 8. 2019 | Services | Remuneration | none |
| | | | | | |

| Entity | Name of agreement | Date concluded | Performance provided from the company | Performance removed on the part of Companies | Damage |
|-------------------------------------|------------------------------------|-------------------|--|---|--------|
| Chenit RE s.r.o. | Provision of Services Agreement | 26. 8. 2019 | Services | Remuneration | none |
| CMN International Assets a.s. | Provision of Services Agreement | 22. 2. 2021 | Services | Remuneration | none |
| ČMN RE III s.r.o. | | 22. 2. 2021 | | | none |
| High End Living s.r.o. | Provision of Services Agreement | 22. 2. 2021 | Services | Remuneration | none |
| ČMN Financing s.r.o. | Provision of Services Agreement | 12. 3. 2021 | Services | Remuneration | none |
| Langit RE s.r.o. | Provision of Services Agreement | 12. 3. 2021 | Services | Remuneration | none |
| Natanit RE s.r.o. | | 12. 3. 2021 | | | |
| Českomoravská Projektová IV a.s. | Provision of Services Agreement | 30. 7. 2021 | Services | Remuneration | none |
| Českomoravská Projektová V a.s. | | | | | |
| Maldonit RE s.r.o. | Provision of Services Agreement | 29. 8. 2022 | Services | Remuneration | none |
| Pavonit RE s.r.o. | | | | | none |
| Odinit RE s.r.o. | Provision of Services Agreement | 29. 8. 2022 | Services | Remuneration | none |
| Quandilit RE s.r.o. | | 29. 8. 2022 | | | none |
| Českomoravská Poradenská s.r.o. | Provision of Support Agreemen | 1. 11. 2019 | Incentive | Services | none |
| ČMN RE I a.s. | Surcharge Agreement | 6. 10. 2022 | Surcharge | | none |
| ČMN Financing s.r.o. | Surcharge Agreement | 30. 12. 2022 | Surcharge | | none |
| Českomoravská Poradenská s.r.o. | Surcharge Agreement | 22. 8. 2022 | Surcharge | | none |

The statutory body of the Company further declares that, in its opinion, all monetary payments, or consideration, were provided on the basis of the relationships listed in Sections V-VI of this report, in the usual amount, and that on the basis of the performance described by the report in sections V-VI, the Company incurred no damages.

The consequence is that the relationship between the Company and the controlled persons does not result in any disadvantages or possible risks for the Company, which would exceed the risks from similar contracts with unrelated persons by their nature or scope.

In Prague, dated 5 May 2023 Representing Českomoravská Nemovitostní a.s.

Ing. et Ing. Radek Stacha Chairman of the Board of Directors





Českomoravská Nemovitostní a.s.

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