SATPO Group B.V.
Prague

Consolidated Interim Financial Statements

June 30, 2023

(unaudited)

Index

Management Board's Report

Real Estate Market Overview

In 2022 the Czech economy was mainly affected by the energy crisis, high inflation and the war in Ukraine connected with supply chain problems. The inter-quarter stagnation continued in 1Q 2023 and according to preliminary estimates, the Czech economy showed a symbolic quarterly increase of 0.1% in 2Q 2023.The Czech National Bank (CNB) expects slightly more significant GDP growth from 3Q 2023 due to the recovery of household consumption, investments and net exports.

Annual consumer inflation in the Czech Republic currently reaches 8.8%, and according to the CNB's prediction, it should gradually decrease in the first half of 2024. The Czech economy is stagnating in 2023, and will be below its potential in the following year as well.

The real estate market is shaped by the development of the Czech economy, so rising construction costs and interest rates are reflected in most sectors of the real estate market.

There is still a large volume of investment funds on the real estate market, and at the same time an insufficient supply of properties. The Czech real estate market is still dominated by domestic investors.

The price increase of new apartments in Prague stopped at the end of 2022. The decrease in sales follows the curve of the decrease in the volume of mortgage loans. It can be assumed that the credit dynamics will remain relatively low throughout 2023.

We cannot expect a general reduction in prices in 2023 due to the high costs of construction and the lack of residential projects. Premium and new properties are holding their prices, while the prices of older apartments, especially in panel houses, have decreased across the country. The biggest year-on-year growth can be seen in land, where a change of 20.1% was recorded.

The price index in Prague for new residential projects in 2022 initially grew and then stagnated; in 1Q 2023 there was an increase of 4.7%. A significantly negative price development affected the existing apartment buildings in Prague, the price index for 2022 rose slightly and then fell to a negative value of -7.6% in 1Q 2023. A record price drop per sqm of more than 15% occurred in Prague 5 and Prague 1 (the price drop of these Prague districts in comparison with the average could be caused by a lack of transactions during the period). At the time of the greatest market growth, prices in these segments differed only minimally, so the price gap between the primary and secondary markets is widening.

The offer of apartments in the metropolis is still insufficient, only a few residential projects are permitted for construction. This influenced the increasing demand for rental housing. The greatest interest in 2+kk apartments remains the same. The domestic housing market does not expect any significant changes, and the volume of sales will stagnate due to high interest rates, the unavailability of mortgages, and concerns about economic development.

People still need housing, part of the demand for their own housing spills over into rentals, and despite the unfavorable development of the Czech economy, real estate transactions are taking place; domestic capital is particularly active. Real estate is being bought by individuals, and there are more and more institutional investors who will offer their purchased apartments for rent on the real estate market, positively contributing to the stabilization of the real estate market. Housing will continue to play an important role in household consumption.

Management Board's comments on the Unaudited Consolidated Interim Financial Statements for the 6 months preceding June 30, 2023

These interim consolidated financial statements have neither been audited, nor subject to a limited review by an independent statutory auditor.

Consolidated results

As of June 30, 2023, the consolidated result after taxation was a loss in the total amount of CZK 67,800 thsnd. compared to the profit in the amount of CZK 67,087 thsnd. as of June 30, 2022. The negative result is driven by an increase in operating expenses, especially personnel expenses owing to an increased number of employees as well as salary increases due to inflation. The negative result is also caused by an extraordinary income tax prescribed by the Tax Authority for the tax period of January 1, 2019–December 31, 2019. At the same time the slowdown of the real estate market affected the result due to the revaluation of the existing investment property portfolio and the valuation of newly acquired investment property. During the first half of year, the negative existing portfolio revaluation effect was mostly compensated by the positive effect of new purchases. However, the positive effect was not as high as in the previous comparable period.

The management was aware of the situation on the real estate market at the end of the year 2022, and therefore, at the beginning of the year 2023, implemented a price reduction on average of 2 to 5% for the selected apartment projects and units in the sales phase in order to achieve business transactions. However, the negative price index had a negative effect on the value of the real estate portfolio of the group City Home Invest III.

Consolidated revenues including net gain/loss on the disposal of investment property for the six months preceding June 30, 2023 amounted to CZK 277,671 thsnd. compared to CZK 58,438 thsnd. in the previous year. The increase in revenue was mainly the result of the handover of units to clients of the residential projects Holečkova House and Rezidence Kobrova.

Operating profits before tax amounted to a loss of CZK -15,699 thsnd. compared to a profit of CZK 151,611 thsnd. as of June 30, 2022.

Financial expenses amounted to CZK 46,140 thsnd. as of June 30, 2023 compared to CZK 47,120 thsnd. as of June 30, 2022.

The development of the Czech economy promises stabilization, a higher demand from institutional investors for buying properties for further rent was recorded, and the long-term lack of supply for domestic housing plays a significant role on the real estate market, so it can be assumed that real estate prices in existing apartment buildings may rise slightly again in the second half of 2023.

Consolidated statement of financial position

As of June 30, 2023, the consolidated total balance sheet amounted to CZK 2,475,875 thsnd., which represented a decrease of CZK 21,871 thsnd. compared to the position as of December 31, 2022 (CZK 2,497,746 thsnd.).

The consolidated assets consisted of:

- non-current assets amounting to CZK 2,152,045 thsnd. compared to CZK 2,025,435 thsnd. as of December 31, 2022, which is an increase of CZK 126,610 thsnd. The increase is mainly due to the purchase of shares in the projects Polská 7, Na Václavce 34, Mělnická 12 and Přípotoční 17.

- current assets amounting to CZK 323,830 thsnd. compared to CZK 472,311 thsnd. The decrease is caused mainly by the decrease of inventories due to the handover of units in the residential projects Holečkova House and Rezidence Kobrova to clients.

Equity attributable to the owners of the parent company amounted to CZK 285,377 thsnd. compared to CZK 359,326 thsnd. as of December 31, 2022. The decrease is primarily due to the negative result as of June 30, 2023.

Non - current liabilities increased to CZK 1,329,414 thsnd. compared to CZK 1,374,314 thsnd. six months earlier. The decrease is mainly due to repayments of bank loans for the completed projects Holečkova House and Rezidence Kobrova.

Current liabilities increased to CZK 625,864 thsnd. compared to CZK 521,244 thsnd. six months earlier. The increase is caused mainly by the new bank loans for the projects Ke Koulce 6, Nad Kajetánkou 12 and Božkovská 47, which are based on a loan agreement prolonged annually.

Consolidated cash flow

As of June 30, 2023, net cash and cash equivalent amounted to CZK 72,840 thsnd., an increase of CZK 10,040 thsnd. over the first half of the year.

Major developments and Outlook 2023

The real estate market is expected to stabilize in the second half of the year. The Group will realize further revenues mainly from sale of a share in the company City Home Project XXI, s.r.o. (Modřanská 86 project), from the sale of units in the residential projects Slezká 75, Veletržní 31, Vratislavova 5, Školská 12, Nad Kajetánkou 12 and the sale of the two last units in the projects Holečkova House and Rezidence Kobrova.

Going concern

As of June 30, 2023 equity attributable to the owners of the parent company amounts to CZK 285,377 thsnd. (in 2022 CZK 359,326 thsnd.).

Management reviewed whether the application of the going concern assumption was justified by these company's financial statements. The management also took into consideration making this review the existing financial performance of the group through-out the year 2023.

The management is aware of bonds in the amount of CZK 210,000 thsnd. maturing in October 2023. For the purposes of paying the maturing bonds, the Group prepared a bond program for bond emissions in the total amount of CZK 1,000,000 thsnd. (approved by the Czech National Bank on June 17, 2023). A new emission was issued under the bond program in the total nominal amount of CZK 500,000 thsnd. (for the purposes of settling the bonds maturing in October 2023 and for further development of business activities). As of the date of preparation of the financial statement, bonds in the total nominal amount of approx. CZK 495,000 thsnd. were sold.

The Management is aware of the negative value of the net working capital as of June 30, 2023. The negative working capital relates, among other things, to the fact that the whole portfolio of investment property is classified under non-current assets, although a part of it is to be sold in the following period. However, as it is not certain which specific items of the investment property would be disposed of, and what would be the total amount, they are all classified under non-current assets.

The opinion of the management is that there is discontinuity, and that the preparation of the financial statements on a going concern basis is justified.

Long term strategy

There is no significant change in strategy year-on-year, and the Group will continue to develop its two main pillars of business activities: residential and land development under the SATPO brand, focusing more on investment into land plots to lay down the basis for future development projects, and to invest into the existing housing stock to purchase entire apartment buildings or ideal co-ownership shares under the City Home brand for the purpose of consolidating or settling ownership, further to evaluate the objects, to increase the potential of the houses, and then to sell them.

Our employees

The Group continues to encounter a lack of quality people on the market and strives to supplement the capacities of selected teams, especially professional professions. To manage a large number of projects, it is necessary to strengthen the team of employees at almost all levels and in all departments. The recruitment and adaptation of new employees was a big challenge for 2022 in the field of human resources, and it continues in 2023.

Average number of employees

The average number of employees working in the SATPO Group B.V. amounted to 0 (2022: 0). The group has no pension plan or costs.

The average number of employees working for the Group amounted to 51 (2022: 39). The group has no pension plan or costs.

Well-being of Employees

The health and well-being of employees working for the Group is taken seriously.

With the increase in the number of employees, the offices were expanded by creating new working spaces and some meeting rooms to increase capacity in 2022. A shared spaces rule was introduced, which optimizes the use of the workplace during the home office regime, vacation or sick leave.

The Group has invested in corporate team building and internal trainings. As benefits it offers an additional one week holiday, the use of meal vouchers, multisport cards, pension insurance, and home office mode. Small refreshments such as fruits, vegetables, tea or coffee are freely available.

Equal treatment of employees

We do not make any distinction on the basis of gender, religion, ethnic background or sexual orientation in our HR, recruitment and promotion policies or remunerations systems.

Remuneration

The policy for remunerating is applied, the main principles are set as follows:

- Board of Directors
  - profit-related amount, firstly applicable at least after a full three year membership period.
- Directors
  - an annual fixed amount, which is performance-related and results-based.
- All employees
  - up to 20% of quarterly gross salary is awarded to all employees based on measured goals, payable quarterly.

Future expectations

Overall, management expects negative results for the year 2023. This expectation is based on the forecast of results for 2023 and forward-looking information with respect to the development of residential market prices, the portfolio of real estate projects and so far realized business transactions.

RISK AREAS

Strategic risk

Economy

In 2022 the Czech economy was mainly affected by the energy crisis, high inflation and the war in Ukraine connected with supply chain problems. The inter-quarter stagnation continued in 1Q 2023 and according to preliminary estimates, the Czech economy showed a symbolic quarterly increase of 0.1% in 2Q 2023. The Czech National Bank (CNB) expects slightly more significant GDP growth from 3Q 2023 due to the recovery of household consumption, investments and net exports.

Annual consumer inflation in the Czech Republic currently reaches 8.8%, and according to the CNB's prediction, it should gradually decrease in the first half of 2024. The Czech economy is stagnating in 2023, and will be below its potential in the following year as well.

The real estate market is shaped by the development of the Czech economy, so rising construction costs and interest rates are reflected in most sectors of the real estate market.

The development of the Czech economy promises stabilization, a higher demand of institutional investors to buy properties to rent has been recorded, and the long-term lack of supply for own housing plays a significant role on the real estate market, so it can be assumed that real estate prices in existing apartment buildings may rise slightly again in the second half of 2023.

External financing risk and construction financing (development)

The risk of external financing means that the success of the future activities of the Group will depend on securing sufficient financing for the project companies of the Group for the purpose of constructing and overall carrying out real estate projects. The source of financing for the SATPO Group's project companies is and will continue to be mainly external bank loan financing, as well as financing through bonds. Changes in the financing conditions of individual projects by commercial banks (changes in margins, changes in indebtedness parameters, changes in the required collateral for loans) can also significantly affect the profitability of project companies.

The Group mitigated the risk of changes in interest rates by negotiating primarily fixed interest rates on debt financing, both in the case of bond financing and in the case of bank financing. But due to Russia’s invasion of Ukraine, and the related increase in interest rates, new bank loans and newly issued bonds have had floating interest rates since 2023. The development of floating interest rates is implemented in our budgets and forecasts of projects. If any significant impact is identified, the appropriate measures are taken.

Bank loans and issued bonds have certain financial covenants attached to them. Violation of these covenants can lead to immediate maturity of the debt. As of June 30, 2023, the Group was in compliance with theses covenants. The Group mitigates the risk by testing different scenarios.

(Re)financing risk

Refinancing risk is the risk that the company's financial obligation cannot be fulfilled, not enough equity or loans can be attracted, or loan covenants are breached; this may lead to undesirable scenarios.

The major financial liabilities as of June 30, 2023 were bonds in the nominal amount of CZK 210,000 thsnd. maturing in October 2023, CZK 420,000 thsnd. maturing in 2025, and bonds in the amount of CZK 400,000 thsnd. maturing in 2026.The ability of the company to redeem these bonds depends on the successful generation of cash flows from existing and future projects.

In connection with settlement of bonds in the total amount of CZK 210,000 thsnd., maturing in October 2023, the Group issued a new public bond emission in the total nominal amount of CZK 500,000 thsnd. (maturing in July 2027) for the purposes of settling bonds and for the development of business activities. The bond emission was issued based on a bond program for bond emissions in the total nominal amount of CZK 1,000,000 thsnd. (approved by the Czech National Bank on June 17, 2023).

As of the date of preparation of the financial statement bonds in the total nominal amount of approx. CZK 495,000 thsnd. were sold.

The management is working on and implementing a long-term financial strategy to meet both long-term and short-term obligations.

Partnering with investors via selling a part of a share in a subsidiary is an option considered with the intention to decrease the Group's long-term debt.

Operational risk

Operational risks are risks that arise from potentially inadequate processes, people, systems and/or external events. The material risk for the Group relates to quality and timely execution of residential projects, handling potential warranty damage and losses of the completed building, project cost control, and execution of contractual transactions.

To enhance our operational efficiency, we have focused on optimizing and improving our internal processes to make faster decision-making process in which employees have gained a bigger role. The plan is to minimize the operational risk with the detailed documentation of our internal processes. We set up a new process department responsible for the process-based management of the Group. This department helps to improve the overall benefit to customers and to increase the company's overall efficiency (by eliminating unnecessary processes or simplifying processes).

Time schedule and cost control

An unexpected delay in execution and an increase in project costs can lower the project's financial result and potentially require additional funding, which might be difficult to obtain.

To mitigate these risks to the maximum extent possible, the company has extensive procedures in place for budgeting and cost control for each individual project. MS project is implemented and interconnected with Business Central to help with checking and fulfilling project milestones. In addition, there are authorization procedures and periodical reports (actual versus budget analysis) in place to control and highlight issues for management discussion.

The planned 5% reserve for construction costs manages to cover the current growth in prices of selected materials and services in the construction industry. If this reserve did not cover the growth of costs, the additional costs would be covered by a part of the profit of the project.

Reporting risk

In addition to the above-described measures regarding internal processes and controls, the company prepared a system to provide the highest possible quality valuations. Valuations are a significant driver behind the company's results. Valuations are, by their nature, subjective, subject to changing market conditions. Inconsistencies in assumptions or inadequate methods may lead to incorrect valuations. This risk is mitigated by the fact that the valuation is prepared by an external independent appraiser and consequently compared to our internal valuations.

Interest rates

Due to the decline of the economy, firstly as a result of the COVID-19 pandemic, and currently as a result of the war in Ukraine, the rise in energy prices, services or goods, a higher unemployment rate in connection with rising mortgage rates may negatively affect future demand for residential real estate.

As an anti-inflation measure, the Banking Council of the Czech National Bank has repeatedly increased the base interest rate, which has an effect on the growth of interest rates on commercial and mortgage loans. The current average mortgage interest rate is over 6%.

Legal environment and approval process

The Group is exposed to risks associated with real estate construction legislation, environmental and similar regulations. Real estate construction and operation of residential real estate are subject to restrictions under applicable laws and regulations in the areas of zone planning, building construction, protection and preservation, environment and other laws that may affect the real estate value and/or the ability to use such real estate and to treat them as the Group would otherwise deem appropriate. The length and complexity of the zoning approval process, acquisition of construction permits and unwillingness or inability of officers in the Building Authorities to make timely decisions according to law cause significant delays in all development projects.

Prague, September 22, 2023

Management board:

Jiří Pokorný, Board Member

Dagmar Pokorná, Board Member

SATPO Group B.V.

Consolidated interim financial statements for the 6 months preceding June 30, 2023

SATPO Group B.V.
Prague

Consolidated interim statement of profit or loss and other comprehensive income for the 6 months preceding June 30, 2023

In thousands of CZK

	Note	6 months ended Jun 30,2023	6 months ended Jun 30,2022
Revenue from contracts with customers	6	264,402	7,945
Rental income	8	13,269	10,755
Total revenue		277,671	18,700
Net gain/loss on the disposal of investment property	7	-1,790	39,738
Total revenue including Net gain/loss on the disposal of investment property		**275,881**	**58,438**
Cost of sales		-269,233	-15,508
Changes in value of investment property	13	3,329	148,279
Change in inventory provision	18	34,655	3,092
Operating expenses	9	-60,889	-44,648
Other operating income	10	558	1,958
OPERATING PROFIT		-15,699	151,611
Finance income		1,055	1,181
Finance costs	11	-46,140	-47,120
PROFIT BEFORE TAX		-60,784	105,673
Income tax	12	-20,808	-16,631
PROFIT FOR THE YEAR AND TOTAL COMPREHENSIVE INCOME		-81,592	89,042
Profit attributable to non-controlling interests		-13,791	21,954
Profit attributable to the owners of the parent		-67,800	67,087

SATPO Group B.V.
Prague

Consolidated interim statement of financial position

As at June 30, 2023
In thousands of CZK

	Note	Jun 30,2023	Dec 31,2022
Non-current assets			
Investment property	13	2,074,927	1,935,538
Property, plant and equipment	14	76,708	79,041
Intangible assets	15	410	1,055
Investment in associates	16	0	9,800
TOTAL NON-CURRENT ASSETS		2,152,045	2,025,435
Current assets			
Inventories	18	193,833	363,200
Trade and other receivables	19	57,517	46,671
Cash and cash equivalents	20	72,480	62,440
TOTAL CURRENT ASSETS		323,830	472,311
TOTAL ASSETS		2,475,875	2,497,746
Equity			
Share capital + share premium	21	220,000	220,000
Reserves	21	65,377	139,326
Equity attributable to the owners of the parent		285,377	359,326
Non-controlling interests	22	235,220	242,862
TOTAL EQUITY		520,597	602,188

Non-current liabilities			
Issued bonds	23	794,831	789,640
Bank loans	23	245,841	304,764
Other long-term liabilities	24	110,232	103,719
Provisions	25	1,345	1,081
Deferred tax liability	17	177,164	175,110
TOTAL NON-CURRENT LIABILITIES		1,329,414	1,374,314
Current liabilities			
Current portion of long-term borrowings	23	349,884	277,364
Trade and other payables	27	73,074	87,938
Other financial liabilities	24	120,389	60,237
Provisions	25	2,342	8,928
Contract liabilities	26	44,469	59,154
Current tax liability	12	35,706	27,623
TOTAL CURRENT LIABILITIES		625,864	521,244
TOTAL LIABILITIES		**1,955,278**	**1,895,558**
TOTAL EQUITY AND LIABILITIES		2,475,875	2,497,746

SATPO Group B.V.
Prague

Consolidated interim statement of changes in equity

as at June 30, 2023
In thousands of CZK

	Share Capital + share premium	Reserves	Equity attributable to parent	Non controlling interests	Total Equity
Equity at 1.1.2023	**220,000**	**139,326**	**359,326**	**242,862**	**602,188**
Changes in equity	0	-6,150	-6,150	6,150	0
Profit / Loss	0	-67,800	-67,800	-13,791	-81,591
Equity at 30.6.2023	**220,000**	**65,377**	**285,377**	**235,220**	**520,597**

	Share Capital + share premium	Reserves	Equity attributable to parent	Non controlling interests	Total equity
Equity at 1.1.2022	**220,000**	**106,731**	**326,731**	**210,610**	**537,341**
Profit / Loss	0	32,596	32,596	32,252	64,848
Equity at 31.12.2022	**220,000**	**139,326**	**359,326**	**242,862**	**602,188**

SATPO Group B.V.
Prague

Consolidated interim statement of cash flows for the 6 months preceding June 30, 2023

In thousands of CZK

	6 months ended **June 30, 2023**	6 months ended **June 30, 2022**
PROFIT FOR THE YEAR	**-67,800**	**67,087**
Adjustments for:		
Finance costs	45,085	45,938
Non-controlling interest	-13,792	21,954
Investment property revaluation gain/loss	-3,329	-148,279
Inventory provision	-34,655	- 3,092
Depreciation	3,418	2,163
Income tax expense	20,808	16,631
Other	0	0
Operating cash-flows before movements in working capital	-50,265	2,402
Decrease / (Increase) in inventories	204,022	-42,646
Decrease / (Increase) in trade and other receivables	-10,846	-112,735
Increase / (Decrease) in trade and other payables	-14,673	-28,447
Increase / (Decrease) in contract liabilities	-14,684	670
CASH GENERATED BY OPERATIONS	113,554	-180,756
Income taxes paid	-10,671	-2,833
NET CASH FROM OPERATING ACTIVITIES	102,883	-183,589

Investing activities		
Effect of purchases and disposals of investment property (net)	-126,259	171,856
Effect of purchases and disposals of property, plan and equipment (net)	-439	-1,664
Effect of purchases and disposals of intangible assets (net)	0	1,203
NET CASH (USED IN)/FROM INVESTING ACTIVITIES	-126,698	171,395
Financing activities		
Interest paid	-45,085	-45,938
Proceeds and repayments from bonds (net)	5,191	376,166
Proceeds and repayments from bank and other loans (net)	73,750	-260,606
NET CASH (USED IN)/FROM FINANCING ACTIVITIES	33,856	69,622
Net increase/(decrease) in cash and cash equivalents	10,040	57,428
Cash and cash equivalents at the beginning of the year	62,440	34,107
Cash and cash equivalents at the end of the year	72,840	91,535

Notes to the consolidated financial statements for the 6 months preceding June 30, 2023

1. General information

SATPO Group B.V. (the Company) is a company limited by shares incorporated and registered in the Netherlands. Its ultimate controlling party is Mr. Jiří Pokorný. The address of the Company's registered office is Amsterdam, Netherlands. As of 1.1.2022 the Company has transferred the seat of effective management from the Netherlands to the Czech Republic, visiting address is Holečkova 3331/35, Smíchov, 150 00 Prague 5. The Company is registered in the Netherlands with the Trade Register at the Chamber of Commerce under number 34243136.

The General Meeting of the Company held on January 24, 2023 adopted several resolutions on personnel changes within the Board of Directors and Supervisory Board with immediate effect. Mrs. Dagmar Pokorná was recalled from the office of Member of the Supervisory Board and subsequently appointed to the office of member of the Board of Directors. Both members of the Board of Directors act jointly since then. Mrs. Věra Nekvasilová was recalled from the office of Supervisory Board Member. The new members of the Supervisory Board are Mr. Tomáš Kolář and Mr. Pavel Dvořáček.

The activities of the Company and its group companies primarily consist of:

- Construction of luxury flats in Prague;
- Acquisition of ideal shares in apartment buildings, their gradual consolidation and subsequent sale of apartments;
- Acquisition of leased real estate and its rent; and
- Investments in land plots for future development.

These financial statements are presented in Czech Koruna (CZK) and are rounded to the nearest thousands of CZK. Foreign operations are included in accordance with the policies set out in note 3.

The Company itself had no employees in 2023 as well as in 2022. The average number of employees working for the Group amounted to 51 (2022: 39).

2. Adoption of new and revised Standards

New and revised IFRS Standards in issue but not yet effective

At the date of authorization of these financial statements, the Group has not applied the following new standard and amendments to the existing standards that have been issued by the IASB but are not yet effective:

Standard	Topic	Effective	EU adopted?
Amendments to IAS 1	Classification of Liabilities as Current or Non-current — Deferral of Effective Date	01.01.2023	Yes
Amendments to IAS 1 and IFRS Practice Statement 2	Disclosure of Accounting Policies	01.01.2023	Yes
Amendments to IAS 1	Non-current Liabilities with Covenants	01.01.2024	No
Amendments to IAS 8	Definition of Accounting Estimates	01.01.2023	Yes
Amendments to IAS 12	Deferred Tax related to Assets and Liabilities arising from a Single Transaction	01.01.2023	Yes
Amendments to IFRS 16	Re Sale and Leaseback Transactions	01.01.2024	No

Amendments to IFRS 17	Insurance Contracts	01.01.2023	Yes

The directors do not expect that the adoption of the new standard and amendments to the existing standards listed above will have a material impact on the financial statements of the Group in future periods.

3. Significant accounting policies

3.1 Basis of accounting

The financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the EU.

The financial statements have been prepared on the historical cost basis, except for the revaluation of investment property that is measured at fair value at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

The principal accounting policies adopted are set out below.

3.2 Going concern

As of June 30, 2023 equity attributable to the owners of the parent company amounts to CZK 285,377 thsnd. (in 2022 CZK 359,326 thsnd.).

Management reviewed whether the application of the going concern assumption was justified by these company’s financial statements. The management also took into consideration making this review the existing financial performance of the group through-out the year 2023.

The management is aware of bonds in the amount of CZK 210,000 thsnd. maturing in October 2023. For the purposes of the maturing bonds payment, the Group prepared a bond program for bond emissions in the total amount of CZK 1,000,000 thsnd. (approved by the Czech National Bank on June 17, 2023). A new emission was issued under the bond program in the total nominal amount of CZK 500,000 thsnd. (for the purposes of settling bonds maturing in October 2023 and for the further development of business activities). As of the date of preparation of the financial statement bonds in the total nominal amount of approx. CZK 495,000 thsnd. were sold.

The Management is aware of the negative value of the net working capital as of June 30, 2023. The negative working capital relates, among other things, to the fact that the whole portfolio of investment property is classified under non-current assets, although a part of it is to be sold in the following period. However, as it is not certain which specific items of the investment property would be disposed of, and what would be the total amount, they are all classified under non-current assets.

The management is of the opinion that there is no question of discontinuity and that the preparation of the financial statements on a going concern basis is justified.

3.3 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities controlled by the Company (its subsidiaries) made up to June 30. Control is achieved when the Company:

- has the power over the investee;
- is exposed, or has rights to variable returns from its involvement with the investee; and
- has the ability to use its power to affects its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Company has less than a majority of the voting rights of an investee, it considers that it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- the size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Company, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, the results of subsidiaries acquired or disposed of during the year are included in profit or loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

All intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between the members of the Group are eliminated on consolidation.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. Those interests of non-controlling shareholders that are present ownership interests entitling their holders to a proportionate share of net assets upon liquidation are initially measured at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity.

Profit or loss is attributed to the owners of the Company and to the non-controlling interests.

Changes in the Group's interests in subsidiaries that do not result in a loss of control are accounted for as equity transactions. The carrying amount of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to the owners of the Company.

When the Group loses control of a subsidiary, the gain or loss on disposal recognized in profit or loss is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), less liabilities of the subsidiary and any non-controlling interests. All amounts previously recognized in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as required/permitted by applicable IFRS Standards). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 when applicable, or the cost on initial recognition of an investment in an associate or a joint venture.

3.4 Business combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Acquisition-related costs are recognized in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognized at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and assets or liabilities related to employee benefit arrangements are recognized and measured in accordance with IAS 12 and IAS 19 respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date (see below); and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

When a business combination is achieved in stages, the Group's previously held interests (including joint operations) in the acquired entity are remeasured to its acquisition-date fair value and the resulting gain or loss, if any, is recognized in profit or loss.

3.5 Investments in associates and joint ventures

An associate is an entity over which the Group has significant influence and that is neither a subsidiary nor an interest in a joint venture. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The results and assets and liabilities of associates or joint ventures are incorporated in these financial statements using the equity method of accounting, except when the investment is classified as held for sale, in which case it is accounted for in accordance with IFRS 5.

Under the equity method, an investment in an associate or a joint venture is recognized initially in the consolidated statement of financial position at cost and adjusted thereafter to recognize the Group's share of the profit or loss and other comprehensive income of the associate or joint venture. When the Group's share of losses of an associate or a joint venture exceeds the Group's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate or joint venture), the Group discontinues recognizing its share of further losses. Additional losses are recognized only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognized as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognized immediately in profit or loss in the period in which the investment is acquired.

The requirements of IAS 36 are applied to determine whether it is necessary to recognize any impairment loss with respect to the Group's investment in an associate or a joint venture. When necessary, the entire carrying amount of the investment (including goodwill) is tested for impairment in accordance with IAS 36 as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount. Any impairment loss recognized is not allocated to any asset, including goodwill that forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognized in accordance with IAS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Group discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture. When the Group retains an interest in the former associate or a joint venture and the retained interest is a financial asset, the Group measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with IFRS 9. The difference between the carrying amount of the associate or a joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or a joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognized in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

The Group applies IFRS 9, including the impairment requirements, to long-term interests in an associate or joint venture to which the equity method is not applied and which form part of the net investment in the investee. Furthermore, in applying IFRS 9 to long-term interests, the Group does not take into account adjustments to their carrying amount required by IAS 28 (i.e. adjustments to the carrying amount of long-term interests arising from the allocation of losses of the investee or assessment of impairment in accordance with IAS 28).

3.6 Revenue recognition

Sale of properties

Revenues are mainly derived from the construction and subsequent sale of residential properties and sales of land plots, buildings and apartments classified as investment property.

Revenue from sale is recognized at the point in time when control of the assets has passed to the buyer, which is generally the date at which the application of ownership transfer is submitted to the Land Registry. Revenue is measured at the amount to which the Group is entitled, net of trade discounts and adjusted for the effect of significant financing components on contract liabilities.

The Group becomes entitled to invoice customers for the sale of residential properties based on achieving a series of performance-related milestones. When a particular milestone is reached, the customer is sent an invoice for the related milestone payment. As the revenue is recognized at the point in time when the customer takes control of the property, the payments from the milestones are recognized as contract liability, which is adjusted, as time passes, for the effect of significant financing components. These payments can be variable based on the construction time and will be invoiced over the percentage of completion method. The agreed transaction price is agreed per the original selling price and will be affected by where in the process the development currently exists.

3.7 Leases

The Group as lessee

The Group does not present any material contract where it would be in the position of lessee.

The Group as lessor

The Group enters into lease agreements as a lessor with respect to its investment properties. The leases are classified as operating leases as the terms of the lease do not transfer substantially all the risks and rewards of ownership.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. When the Group provides incentives to its tenants of commercial premises, the cost of incentives are recognized over the lease term, on a straight-line basis, as a reduction of rental income. No incentives are provided to the tenants of residential units.

3.8 Foreign currencies

In preparing the financial statements of the Group entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized at the rates of exchange prevailing on the dates of the transactions. The Group´s functional currency is the Czech Koruna (CZK). At each reporting date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences are recognized in profit or loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings.

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated at exchange rates prevailing on the reporting date. Income and expense items are translated at the average exchange rates for the period. Exchange differences arising, if any, are recognized in other comprehensive income and accumulated in a foreign exchange translation reserve (attributed to non-controlling interests as appropriate).

3.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

To the extent that variable rate borrowings are used to finance a qualifying asset and are hedged in an effective cash flow hedge of interest rate risk, the effective portion of the derivative is recognized in other comprehensive income and reclassified to profit or loss when the qualifying asset impacts profit or loss. To the extent that fixed rate borrowings are used to finance a qualifying asset and are hedged in an effective fair value hedge of interest rate risk, the capitalized borrowing costs reflect the hedged interest rate.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

3.10 Employee benefits

A liability is recognized for benefits accruing to employees in respect of wages and salaries, annual leave, and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognized in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

The Group does not provide any long-term employee benefits.

3.11 Taxation

The income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, a deferred tax liability is not recognized if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognized to the extent that it is probable that there will be sufficient taxable profits against which to utilize the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realized based on tax laws and rates that have been enacted or substantively enacted at the reporting date.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

3.12 Property, plant and equipment

Land and buildings held for administrative purposes are stated in the statement of financial position at their cost less accumulated depreciation and accumulated impairment losses.

Properties in the course of construction for production, supply or administrative purposes, or for purposes not yet determined, are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Depreciation of these assets, determined on the same basis as other property assets, commences when the assets are ready for their intended use.

Freehold land is not depreciated.

Depreciation is recognized so as to write off the cost or valuation of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method:

Buildings	Useful life 30 years
Equipment	Useful life of 3 to 5 years

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognized in profit or loss.

3.13 Investment property

Investment property, which is property held to earn rentals and/or for capital appreciation (including property under construction for such purposes), is measured initially at cost, including transaction costs. Subsequent to initial recognition, investment property is measured at fair value. Gains or losses arising from changes in the fair value of investment property are included in profit or loss in the period in which they arise.

An investment property is derecognized upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognized.

3.14 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognized on a straight-line basis over their estimated useful lives.

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

The Group´s classes of intangible assets with respective useful life are as follows:

Trademarks	Useful life 20 years
Software	Useful life 3 years

3.15 Impairment of property, plant and equipment and intangible assets

At each reporting date, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with an indefinite useful life are tested for impairment at least annually and whenever there is an indication at the end of a reporting period that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognized immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease and to the extent that the impairment loss is greater than the related revaluation surplus, the excess impairment loss is recognized in profit or loss.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss to the extent that it eliminates the impairment loss that has been recognized for the asset in prior years. Any increase in excess of this amount is treated as a revaluation increase.

3.16 Inventories

Inventory comprises Construction in progress and Finished construction. These are related to projects intended to be developed and sold in the regular operating cycle of the Group. The cost of development projects comprises construction costs and other direct cost related to property development and borrowing costs.

Construction costs and other direct costs, including borrowing costs, are classified as Construction in progress during the construction. The project is transferred from Construction in progress to Finished construction upon acquisition of the occupancy permit.

Inventories are stated at the lower of cost and net realizable value and held under the specific identification method.

3.17 Financial instruments

Financial assets and financial liabilities are recognized in the Group's statement of financial position when the Group becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not have a significant financing component, which are measured at transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

Financial assets

The Group´s financial assets are limited to short-term trade and other receivables and therefore, all recognized financial assets are measured subsequently at amortized cost.

Impairment of financial assets

The Group recognizes lifetime expected credit losses (ECL) on trade receivables. The amount of expected credit losses is updated at each reporting date and is estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors, general economic conditions, and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

Derecognition of financial assets

The Group derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognizes its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset and also recognizes a collateralized borrowing for the proceeds received.

On derecognition of a financial asset measured at amortized cost, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognized in profit or loss.

Financial liabilities and equity

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognized at the proceeds received, net of direct issue costs.

Financial liabilities

All financial liabilities are measured subsequently at amortized cost using the effective interest method. The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortized cost of a financial liability.

Derecognition of financial liabilities

The Group derecognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

3.18 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle that obligation and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received, and the amount of the receivable can be measured reliably.

Warranties

Provisions for the expected cost of warranty obligations under local sale of goods legislation are recognized at the date of sale of the relevant products, at the directors' best estimate of the expenditure required to settle the Group's obligation.

3.19 Contingencies and commitments

A contingent Liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Group or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation.

4. Critical accounting judgements and key sources of estimation uncertainty

In applying the Group's accounting policies, which are described in note 3, the directors are required to make judgements (other than those involving estimations) that have a significant impact on the amounts recognized and to make estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision, and future periods if the revision affects both current and future periods.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the directors have made in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognized in financial statements.

Classification between Investment property and Inventories

Real estate assets of the Group are classified either as investment property or inventories in accordance with standards IAS 40 and IAS 2. Based on policy established by the Group, Real estate assets generating rent or acquired with the outlook for capital appreciation are classified as investment property and measured at fair value, with exception for assets where fair value cannot be measured reliably. Land plots and real estate assets with a clear plan to execute development activities (typically evidenced by a zoning permit) are classified as inventories and measured at cost. The directors review the classification of real estate assets at each balance sheet date.

Fair value measurement of investment property

The fair value of investment property is determined in accordance with IFRS 13 based on a valuation report prepared by an independent certified appraiser. The directors review the valuation of investment properties at each balance sheet date and make sure that outcome of valuation at June 30, 2023 and December 31, 2022 are consistent and comparable. In addition, the Group's directors compare these external valuations to the internal ones and if necessary, modify them for future usage.

Acquisition and divestment of assets vs. business combination

Typical acquisitions of the Group are individual real estate assets or legal entities holding real estate asset(s). As common in the industry, similar SPV entities do not meet the definition of a business per IFRS 3 and therefore the purchase price is fully allocated to real estate asset and related deferred tax liability without any goodwill recognized. The same rule applies to divestments. However, every transaction is evaluated by the company's directors individually.

Deferred taxation on investment properties

For the purposes of measuring deferred tax liabilities or deferred tax assets arising from investment properties that are measured using the fair value model, the directors have reviewed the Group's investment property portfolios and concluded that the Group's investment properties are not held under a business model whose objective is to consume substantially all of the economic benefits embodied in the investment properties over time, rather than through sale.

Classification of debt vs equity instruments

Based on a detailed review of the shareholders agreement in City Home Invest III and SATPO Invest III, the directors decided to report separately the equity and debt component in relation to minority shareholders. The separate presentation of equity as Non-controlling interest and liability gives appropriate presentation to the relationship of minority shareholders in relation to SATPO Group.

Revaluation of financial liabilities with zero nominal interest rate

Two types of liabilities were identified with zero nominal interest rate. Advances for the purchase of flats and shareholder loans were accordingly discounted as of June 30, 2023 and December 31, 2022 using the judgmentally determined interest rate of 13.5%. Interest rates represent a significant judgement made by the Group’s directors.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimating uncertainty at the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below.

Fair value measurements and valuation processes

The Group’s investment properties are measured at fair value for financial reporting purposes. The board of directors of the Company has set up a valuation committee, which is headed up by the Chief Sales Officer of the Company, to determine the appropriate valuation techniques and inputs for fair value measurements.

In estimating the fair value of an asset or a liability, the Group uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Group engages third party qualified valuers to perform the valuation. The valuation committee works closely with the qualified external valuers to establish the appropriate valuation techniques and inputs to the model. The Chief Financial Officer reports the valuation committee’s findings to the board of directors of the Company every quarter to explain the cause of fluctuations in the fair value of the assets and liabilities.

The valuations are particularly sensitive to changes in one or more unobservable inputs which are considered reasonably possible within the next financial year. Further information on the carrying amounts of these assets and the sensitivity of those amounts to changes in unobservable inputs are provided in note 13.

5. Composition of the Group

The composition of the Group at the end of the reporting period as at June 30, 2023 is as follows:

Name of the entity	ID number	Country of incorporation	% share in company	from:	till:
City Home Invest II, s.r.o.	4527828	Czech Republic	100	03.12.2015	still
City Home Invest III, a.s.	4548817	Czech Republic	50.5	21.01.2016	still
SATPO Invest IV, s.r.o.	11880732	Czech Republic	50.5	01.10.2021	still
City Home Project I, s.r.o.	1976184	Czech Republic	100	06.08.2018	still
City Home Project II, s.r.o.	6658946	Czech Republic	100	06.02.2018	still
City Home Project III, s.r.o.	7069871	Czech Republic	100	18.06.2018	still
City Home Project IV, s.r.o.	7070721	Czech Republic	100	18.09.2018	still
City Home Project VII, s.r.o.	6309658	Czech Republic	100	04.12.2017	still
City Home Project VIII, s.r.o.	8285713	Czech Republic	100	12.11.2019	still

City Home Project IX, s.r.o.	10937951	Czech Republic	100	09.06.2021	still
City Home Project X, s.r.o.	11922621	Czech Republic	100	08.10.2021	still
City Home Project XI, s.r.o.	11921269	Czech Republic	100	07.10.2021	still
City Home Project XII, s.r.o.	14013789	Czech Republic	100	26.11.2021	still
City Home Project XIII, s.r.o.	14270650	Czech Republic	100	28.02.2022	still
City Home Project XIV, s.r.o.	14270668	Czech Republic	100	01.03.2022	still
City Home Project XV, s.r.o.	14270676	Czech Republic	100	01.03.2022	still
City Home Project XVI, s.r.o.	14270684	Czech Republic	100	01.03.2022	still
City Home Project XVII, s.r.o.	14270692	Czech Republic	100	01.03.2022	still
City Home Project XVIII, s.r.o.	17197201	Czech Republic	100	31.05.2022	still
City Home Project XIX, s.r.o.	17197287	Czech Republic	100	31.05.2022	still
City Home Project XX, s.r.o.	17197376	Czech Republic	100	31.05.2022	still
City Home Project XXI, s.r.o.	17287197	Czech Republic	100	28.06.2022	still
City Home Project XXII, s.r.o.	17288444	Czech Republic	100	28.06.2022	still
City Home Project XXIII, s.r.o.	17288550	Czech Republic	100	28.06.2022	still
City Home Project XXIV, s.r.o.	09000135	Czech Republic	100	28.02.2020	still
City Home Project XXV, s.r.o.	09000071	Czech Republic	100	28.02.2020	still
City Home Project XXVI, s.r.o.	17966019	Czech Republic	100	23.1.2023	still
City Home Project XXVII, s.r.o.	17966035	Czech Republic	100	23.1.2023	still
City Home Project XXVIII, s.r.o.	17966043	Czech Republic	100	23.1.2023	still
City Home Project XXIX, s.r.o.	17966051	Czech Republic	100	23.1.2023	still
City Home Project XXXI, s.r.o.	19493843	Czech Republic	100	30.6.2023	still
City Home Project XXXII, s.r.o.	19493851	Czech Republic	100	30.6.2023	still
City Home Project XXXIII, s.r.o.	19493860	Czech Republic	100	30.6.2023	still
City Home Project XXXIV, s.r.o.	19493878	Czech Republic	100	30.6.2023	still
City Home, s.r.o.	1384147	Czech Republic	100	12.09.2013	still
City Home Finance III, s.r.o.	19084170	Czech Republic	100	23.2.2023	still
KETTNER CONSULTANTS LTD.	CY10180514S	Cyprus	100	17.07.2006	still
SATPO Group B.V.	34243136	the Netherlands	100	22.02.2006	still
SATPO Invest I, s.r.o.	1556169	Czech Republic	100	26.09.2013	still
SATPO Invest II, s.r.o.	5249902	Czech Republic	100	05.10.2016	still
SATPO Invest III, s.r.o.	7071035	Czech Republic	50.1	18.09.2018	still
SATPO management, s.r.o.	27650723	Czech Republic	100	22.05.2014	still
SATPO Project I, s.r.o.	27151751	Czech Republic	100	11.12.2004	still
SATPO Project II, s.r.o.	27650570	Czech Republic	100	17.04.2007	still
SATPO Project III, s.r.o.	3868010	Czech Republic	100	13.08.2015	still
SATPO Project IV, s.r.o.	26741962	Czech Republic	100	04.01.2003	still
SATPO Project IX, s.r.o.	9446044	Czech Republic	100	25.08.2020	still
SATPO Project VI, s.r.o.	4899288	Czech Republic	100	05.05.2016	still
SATPO Project VII, s.r.o.	7151560	Czech Republic	100	20.09.2018	still
SATPO Project VIII, s.r.o.	7074743	Czech Republic	100	18.09.2018	still
SATPO Project X, s.r.o.	7209274	Czech Republic	100	05.06.2019	still
SATPO Project XI, s.r.o.	6994377	Czech Republic	100	18.09.2018	still
SATPO Project XII, s.r.o.	10801391	Czech Republic	100	27.04.2021	still
SATPO Project XIII, s.r.o.	10801413	Czech Republic	100	27.04.2021	still
SATPO Project XIV, s.r.o.	10871616	Czech Republic	100	19.05.2021	still
SATPO Project XV, s.r.o.	11639628	Czech Republic	1	02.07.2021	still
SATPO Project XVI, s.r.o.	26749220	Czech Republic	100	10.09.2021	still
SATPO Project XVII, s.r.o.	11855053	Czech Republic	100	16.09.2021	still
SATPO Project XVIII, s.r.o.	14013797	Czech Republic	100	26.11.2021	still
SATPO Project XIX, s.r.o.	14013801	Czech Republic	100	26.11.2021	still
SATPO Project XX, s.r.o.	14245001	Czech Republic	100	16.02.2022	still
SATPO Project XXI, s.r.o.	14270706	Czech Republic	100	28.02.2022	still
SATPO Project XXII, s.r.o.	14270722	Czech Republic	100	28.02.2022	still
SATPO Project XXIII, s.r.o.	09000194	Czech Republic	100	28.02.2020	still
SATPO Project XXIV, s.r.o.	09000178	Czech Republic	100	28.02.2020	still

SATPO services, a.s.	28416520	Czech Republic	100	13.09.2008	still
SATPO, a.s.	26434407	Czech Republic	100	28.06.2006	still
SATPO finance, s.r.o.	11855029	Czech Republic	100	16.09.2021	still

Information about the composition of the Group at the end of the reporting period as at December 31, 2022 is as follows:

Name of the entity	ID number	Country of incorporation	% share in company	from:	till:	Note on changes
City Home Invest II, s.r.o.	4527828	Czech Republic	100	03.12.2015	still	
City Home Invest III, a.s.	4548817	Czech Republic	52	21.01.2016	still	legal form changed
SATPO Invest IV, s.r.o.	11880732	Czech Republic	50.5	01.10.2021	still	relocation from Malta + new name
City Home Project I, s.r.o.	1976184	Czech Republic	100	06.08.2018	still	
City Home Project II, s.r.o.	6658946	Czech Republic	100	06.02.2018	still	
City Home Project III, s.r.o.	7069871	Czech Republic	100	18.06.2018	still	
City Home Project IV, s.r.o.	7070721	Czech Republic	100	18.09.2018	still	
City Home Project VII, s.r.o.	6309658	Czech Republic	100	04.12.2017	still	
City Home Project VIII, s.r.o.	8285713	Czech Republic	100	12.11.2019	still	
City Home Project IX, s.r.o.	10937951	Czech Republic	100	09.06.2021	still	
City Home Project X, s.r.o.	11922621	Czech Republic	100	08.10.2021	still	
City Home Project XI, s.r.o.	11921269	Czech Republic	100	07.10.2021	still	
City Home Project XII, s.r.o.	14013789	Czech Republic	100	26.11.2021	still	
City Home Project XIII, s.r.o.	14270650	Czech Republic	100	28.02.2022	still	
City Home Project XIV, s.r.o.	14270668	Czech Republic	100	01.03.2022	still	
City Home Project XV, s.r.o.	14270676	Czech Republic	100	01.03.2022	still	
City Home Project XVI, s.r.o.	14270684	Czech Republic	100	01.03.2022	still	
City Home Project XVII, s.r.o.	14270692	Czech Republic	100	01.03.2022	still	
City Home Project XVIII, s.r.o.	17197201	Czech Republic	100	31.05.2022	still	
City Home Project XIX, s.r.o.	17197287	Czech Republic	100	31.05.2022	still	
City Home Project XX, s.r.o.	17197376	Czech Republic	100	31.05.2022	still	
City Home Project XXI, s.r.o.	17287197	Czech Republic	100	28.06.2022	still	
City Home Project XXII, s.r.o.	17288444	Czech Republic	100	28.06.2022	still	
City Home Project XXIII, s.r.o.	17288550	Czech Republic	100	28.06.2022	still	

City Home Project XXIV, s.r.o.	09000135	Czech Republic	100	28.02.2020	still	
City Home Project XXV, s.r.o.	09000071	Czech Republic	100	28.02.2020	still	
City Home, s.r.o.	1384147	Czech Republic	100	12.09.2013	still	
KETTNER CONSULTANTS LTD.	CY10180514S	Cyprus	100	17.07.2006	still	
SATPO Group B.V.	34243136	the Netherlands	100	22.02.2006	still	
SATPO Invest I, s.r.o.	1556169	Czech Republic	100	26.09.2013	still	
SATPO Invest II, s.r.o.	5249902	Czech Republic	100	05.10.2016	still	
SATPO Invest III, s.r.o.	7071035	Czech Republic	50.1	18.09.2018	still	
SATPO management, s.r.o.	27650723	Czech Republic	100	22.05.2014	still	
SATPO Project I, s.r.o.	27151751	Czech Republic	100	11.12.2004	still	
SATPO Project II, s.r.o.	27650570	Czech Republic	100	17.04.2007	still	
SATPO Project III, s.r.o.	3868010	Czech Republic	100	13.08.2015	still	
SATPO Project IV, s.r.o.	26741962	Czech Republic	100	04.01.2003	still	
SATPO Project IX, s.r.o.	9446044	Czech Republic	100	25.08.2020	still	
SATPO Project VI, s.r.o.	4899288	Czech Republic	100	05.05.2016	still	
SATPO Project VII, s.r.o.	7151560	Czech Republic	100	20.09.2018	still	
SATPO Project VIII, s.r.o.	7074743	Czech Republic	100	18.09.2018	still	
SATPO Project X, s.r.o.	7209274	Czech Republic	100	05.06.2019	still	
SATPO Project XI, s.r.o.	6994377	Czech Republic	100	18.09.2018	still	
SATPO Project XII, s.r.o.	10801391	Czech Republic	100	27.04.2021	still	
SATPO Project XIII, s.r.o.	10801413	Czech Republic	100	27.04.2021	still	
SATPO Project XIV, s.r.o.	10871616	Czech Republic	100	19.05.2021	still	
SATPO Project XV, s.r.o.	11639628	Czech Republic	1	02.07.2021	still	
SATPO Project XVI, s.r.o.	26749220	Czech Republic	100	10.09.2021	still	
SATPO Project XVII, s.r.o.	11855053	Czech Republic	100	16.09.2021	still	
SATPO Project XVIII, s.r.o.	14013797	Czech Republic	100	26.11.2021	still	
SATPO Project XIX, s.r.o.	14013801	Czech Republic	100	26.11.2021	still	
SATPO Project XX, s.r.o.	14245001	Czech Republic	100	16.02.2022	still	
SATPO Project XXI, s.r.o.	14270706	Czech Republic	100	28.02.2022	still	
SATPO Project XXII, s.r.o.	14270722	Czech Republic	100	28.02.2022	still	
SATPO services, a.s.	28416520	Czech Republic	100	13.09.2008	still	

SATPO, a.s.	26434407	Czech Republic	100	28.06.2006	still	
SATPO finance, s.r.o.	11855029	Czech Republic	100	16.09.2021	still	

A restructuring of the Group which commenced in the fourth quarter of 2020 was finished in 2021. The aim of the restructuring was to set the following structure: holding companies serving as parent companies – City Home, s.r.o., SATPO, a.s. and SATPO services, a.s. Subsidiaries of each holding divided among them on the basis of brand. Finally, SATPO services, a.s., became the holding company for companies that provide support activities groupwide.

As of January 1, 2022, the seat of effective management of the parent company SATPO Group B.V. was transferred from the Netherlands to the Czech Republic. Also as of January 1, 2022, Mr. Jiri Pokorny has become the solely/independently authorized Board member.

City Home, a.s. sold a 1.5% share in City Home Invest III, a.s. in May 2023. City Home, a.s. holds 50.5% of the shares in City Home Invest III, a.s. and the remining 49% of shares are held by other investors.

The Group bought two companies in 2023 – SATPO Project XXIII, s.r.o. and SATPO Project XXIV, s.r.o. Both entities were dormant as of the date of their acquisition by the SATPO Group. The entity SATPO Project XXIII, s.r.o. acts as a parent company of SATPO Project XXIV, s.r.o., otherwise it does not have any activities.

In 2023 the following merger took place: City Home Project XXV, s.r.o. as the successor company merged with City Home Project XXX, s.r.o. as the merged entity.

Control over Subsidiary less than 100%

In the list above there are numbers of subsidiaries which are not fully owned.

The directors of the Group assessed the requirements of IFRS 10 as to whether or not the Group has control over the subsidiaries which are not fully owned, based on whether the Group has the practical ability to direct the relevant activities of these subsidiaries unilaterally. In making their judgement, the directors considered position, roles and rights of individual shareholders and provisions of the shareholders agreements. After assessment, the directors concluded that the Group has sufficient interest to direct the relevant activities and therefore the Group has control over the subsidiaries which are not fully owned.

Consolidation of entities under common control

Acquisition of full share is treated as a transaction under common control without any revaluation of the assets and liabilities.

6. Revenue

The Group derives its revenue from contracts with customers for the transfer of goods at a point in time.

	June 30, 2023	**June 30, 2022**
Sales of inventory units	259,348	7,469
Other sales	5,054	476
Total	**264,402**	**7,945**

Sales of inventory units in 2023 represent mainly the sale of units related to the completed development projects Holečkova House and Rezidence Kobrova.

7. Net gain/loss on the disposal of investment property

	June 30, 2023	**June 30, 2022**
Proceeds from the disposal of investment property	82,076	343,368
Carrying value of investment property disposed of and related cost	-83,866	-303,630
Total net gain/loss on the disposal of investment property	**-1,790**	**39,738**

The disposals of investment property in 2023 represent mainly sale of assets related to the residential projects Božkovská 47, Nad Kajetánkou 12, Veletržní 31, Slezská 75, Vratislavova 5, Školská 12 and U Hranic 15.

8. Rent income

Revenue from rent is recognized as income on a straight-line basis over the lease term. When the Group provides incentives to its tenants, the cost of incentives is recognized over the lease term, on a straight-line basis, as a reduction of rental income.

The Group has entered into operating leases on its investment property consisting of offices, one obsolete commercial building that is to be demolished and tenement houses as a secondary business activity.

The Group uses 90% percent of office spaces for its internal needs and leases 10% of its office spaces to third parties. These office leases have terms of between 1 and 5 years.

The leases of the commercial building have a term of 1 year with prolongation options. The commercial building will be demolished in 2 years after obtaining the necessary permits and replaced by a new polyfunctional building.

The leases of apartments in tenement houses mostly have a term of one year or are concluded for an indefinite period. It changes year to year.

The lessee does not have the option to purchase the property at the expiry of the lease period. The unguaranteed residual values do not represent a significant risk for the Group, as they relate to property which is in a location with a constant increase in value.

Rent income from third parties for the first half of the year 2023 is CZK 13,300 thsnd. (2022:10,800 thsnd.)

9. Operating expenses

	June 30, 2023	**June 30, 2022**
Salaries and remuneration	32,981	19,674
IT services	4,109	4,680
Tax advisory and Audit	702	1,251
Legal services and advisory	4,348	3,787
Marketing costs	3,014	2,986
Expenses relating to the rent income	1,152	1,100

Miscellaneous services	12,387	7,117
Other operating expenses	2,196	4,053
Total	**60,889**	**44,648**

10. Other operating income

	June 30, 2023	June 30, 2022
Other operating income	558	1,958
Total	**558**	**1,958**

11. Finance costs

Borrowing costs represent interest from bonds, bank loans, borrowings, shareholder loan and advances representing the financing of residential development.

	June 30, 2023	June 30, 2022
Interest from bonds	29,000	30,048
Interest from loans	17,759	6,727
Interest-free loan from shareholder	0	694
Advances received from customers	-9,020	2,955
Reclassification of NCI from equity to loans	6,786	5,968
Other finance costs	1,615	728
Total finance costs	**46,140**	**47,120**

12. Income Tax

The charge for the year can be reconciled to the profit before tax as follows:

	June 30, 2023	June 30, 2022
Profit before tax	-60,784	105,673
Tax at the weighted average corporation tax rate (2023: 19%; 2022: 19%)	0	20,077
Tax effect of expenses that are not deductible or income not taxable in determining taxable profit	20,808	-3,446
Tax expense for the year	20,808	16,631

Tax expense for the year consists of:

	June 30, 2023	June 30, 2022
Current tax	18,752	0
Deferred tax	2,055	16,631
	20,808	**16,631**

13. Investment property

	Real estate investments	Tenement houses shares	Total
Fair value			
At December 31, 2021	**461,384**	**1,299,947**	**1,761,331**
Additions	0	399,702	399,702
Disposals	-131,630	-270,005	-401,635
Increase in fair value during the year	27,152	148,988	176,140
At December 31, 2022	**356,906**	**1,578,632**	**1,935,538**
Additions	0	223,358	223,358
Disposals	0	-87,298	-87,298
Increase in fair value during the year	-23,478	26,807	3,329
At June 30, 2023	**333,428**	**1,741,499**	**2,074,927**

The fair value of Group's investment property as of June 30, 2023 has been arrived at on the basis of an internal valuation model that is consistent with external independent valuers. The fair value of the Group's investment property as of December 31, 2022 and as of December 31, 2021 has been arrived at on the basis of a valuation carried out at that date by Deloitte Advisory, independent valuers not connected with the Group. The valuation conforms to International Valuation Standards. The fair value was determined based on the market comparable approach that reflects recent transaction prices for similar properties.

The internal half-year revaluation rules are applied provided that (i) the Group owned the real estate property as of December 31 of the previous year and (ii) no more recent external valuation of the specific real estate was made than as of December 31 of the previous year.

- Completed residential units in development projects will be revalued based on the Deloitte Real Index Praha for Development projects (CenovaMapa.org) for the fourth quarter of the previous year (Q4 PY) and the first quarter of the current year (Q1 CY).
- Residential units in tenement houses will be revalued based on the Deloitte Real Index Praha for Brick houses (CenovaMapa.org) for Q4 PY a Q1 CY.
- Shares in tenement houses (co-ownership) - residential units will be revalued based on the Deloitte Real Index Praha for Brick houses (CenovaMapa.org) for Q4 PY a Q1 CY. In case of an acquisition of another co-ownership share that is already held, the new co-ownership share will be valued in the same way as the existing one, regardless of the applied price discount in

the annual valuation. In the case of obtaining specific residential units due to a conclusion of an agreement on the termination and settlement of existing co-ownership in apartment buildings, these residential units will be revalued based on the annual valuation and Deloitte Real Index Praha (CenovaMapa.org). Newly acquired new co-ownership shares under expected future earnings above CZK 20,000 thsnd. will be externally valued, below CZK 20, 000 thsnd. will be valued at cost.

- Unfinished residential units and parking spaces in development projects, attics in tenement houses, residential land plots are not revalued unless a Zoning Permit or a Building Permit or the Joint Zoning and Building Permit was acquired since the last external valuation. If this is the case, a new external valuation is required.

If as of the date of revaluation (September 30 at the latest) a sales contract has been already concluded for a different price than that according to the revaluation, the concluded sales price is to be applied.

Key assumptions and market indicators in the real estate assets valuation as of December 31, 2022 were as follows:

The current average asking price for new developments projects in Prague as of 9-10/2022 is CZK 155,800 per sqm. The prices are highest in Prague 1 followed by Prague 2 and Prague 3. On the other hand, the lowest asking price during the September and October 2022 was in Prague 9 in the amount of CZK 136,200per sqm.

During the last five years, the average transaction price for apartments in the Czech Republic has almost doubled, it stands (Q2 2022) at CZK 93,100 per sqm. The highest price level is in Prague, where the average transaction price of an apartment reached the level of CZK 122,900 per sqm in the second quarter of 2022

The Prague’s rental market was significantly affected by the pandemic in 2020 and 2021 and gradually decreased from CZK 332 per sqm to CZK 278 per sqm. The main reasons for the significant decrease were the increase of apartment offers in the city center, which were previously offered for short-term rent and the outflow of students.

The rental market bounced back during the summer of 2021 and the rents started to grow again. The average rent reached CZK 297 per sqm at the end of 2021. The further significant growth was during the year 2022 when the rent reached CZK 367 per sqm in September.

Current prime yields are approximately 4.50% for offices, 4.50% for high streets, 4.25% for industrial, 5.50% for shopping centers and 5.75% for retail parks.

The prime rent for office segments currently stands at EUR 26.50 per sqm and the vacancy slightly increased to 8.1%.

The contingency % used in the residual valuation method is 5 - 12%. Development profit allowance % in residual valuation method is 15 – 25%. The capitalization rate used in valuation of Tenement houses in Prague is 5,15 – 6,4% and Location and liquidity discounts used in valuation of Tenement houses is 5 – 12%.

Market comparisons were performed using the Transaction Price Map, a database covering transaction prices of residential real estate transactions in Prague.

The Group has no restrictions on the realizability of its investment properties and no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

The fair value measurement for all the investment properties has been categorized as a Level 3 fair value.

Category	Subcategory	Valuation technique	Valuation description
Development projects	Residential units and parking spaces	Residual valuation with market approach to calculate the GDV	Residual calculation works backwards by envisaging a completed development and ascribing a capital value to it, which is referred to as the gross development value (GDV). The GDV value is calculated using the market approach based on comparable projects.
	Commercial units	Residual valuation with income approach to calculate the GDV	The GDV for commercial units is calculated based on the income approach, specifically the direct capitalization method, which was based on comparable evidence of leasing listings we have assessing the Net Operating Income (NOI) from the Estimated Market Rental Value (EMRV) of the unit, which we have capitalized into perpetuity.
Tenement houses	Residential units	Market approach	For the valuation of residential units, we have used the market approach using the market transaction price model adjusted for unit-specific characteristics using the hedonic price model.
	Parking spaces	Market approach	Parking spaces were valued based on the comparable evidence of offer listings.
	Commercial units	Income approach	The commercial units are calculated based on the income approach, specifically direct capitalization method, which was based on comparable evidence of leasing listings we have assessing the Net Operating Income (NOI) from the Estimated Market Rental Value (EMRV) of the unit, which we have capitalized into perpetuity.
	Attic	Residual valuation with market approach	Residual calculation works backwards by envisaging a completed development and ascribing a capital value to it, which is referred to as the gross development value (GDV). The GDV value was calculated based on the market approach using the market transaction price model adjusted for unit-specific characteristics using the hedonic price model.
Shares in tenement houses	Residential units	Market approach	For the valuation of residential units, we have used the market approach using the market transaction price model

			adjusted for unit-specific characteristics using the hedonic price model.
	Parking spaces	Market approach	Parking spaces were valued based on the comparable evidence of offer listings.
	Commercial units	Income approach	The commercial units are calculated based on the income approach, specifically direct capitalization method, which was based on comparable evidence of leasing listings we have assessing the Net Operating Income (NOI) from the Estimated Market Rental Value (EMRV) of the unit, which we have capitalized into perpetuity.
	Attic	Residual valuation with market approach	Residual calculation works backwards by envisaging a completed development and ascribing a capital value to it, which is referred to as the gross development value (GDV). The GDV value was calculated based on the market approach using the market transaction price model adjusted for unit-specific characteristics using the hedonic price model.
Development land plots		Residual valuation with market approach	Residual calculation works backwards by envisaging a completed development and ascribing a capital value to it, which is referred to as the gross development value (GDV). The GDV value was calculated based on the market approach using the comparable evidence of offer listings.
		Market approach	The market approach uses the comparable transaction from the last years from the cadastral register.
		Cost approach	Cost approach uses the Czech valuation standard using Act 441/2013 Coll. and specific annexes related to the valuation of houses and recreational buildings.
Satpo rent		Income approach	We have employed the income approach, specifically the Term/Reversion method. The Term value is based on the current lease agreements and to determine the Reversion value we have applied the Estimated market rental values (EMRV). In order to calculate the fair value of the property, we have capitalized the generated net income.

The Group has pledged some of its investment property to secure general banking facilities granted to the Group.

14. Property, plant, and equipment

	Buildings	Land	Equipment	Total
At cost				
At January 1, 2022	71,256	3,141	6,999	81,396
Additions	2,151	0	6,875	9,026
Disposals		0	-1,886	-1,886
Transferred from investment property	5,442	0	0	5,442
At December 31, 2022	78,849	3,141	11,988	93,978
Additions	0	0	440	440
Disposals	0	0	0	0
Transferred from investment property	0	0	0	0
At June 30, 2023	78,849	3,141	12,428	94,418
Accumulated depreciation and impairment				
At January 1, 2022	7,562	0	6,631	14,193
Charge for the year	1,796		-1,052	744
At December 31, 2022	9,358	0	5,579	14,937
Charge for the year	1,944	0	829	2,773
At June 30, 2023	11,302	0	6,408	17,710
Carrying amount				
At June 30, 2023	67,547	3,141	6,020	76,708
At December 31, 2022	69,491	3,141	6,409	79,041

Assets pledged as security. For information about assets pledged as security, please, see chapter 23. Borrowings.

15. Intangible assets

	Software	Others	Total
Cost			
At December 31, 2021	21,383	0	21,383
Additions	879	0	879
At December 31, 2022	22,262	0	22,262
Additions	0	0	0
At June 30, 2023	22,262	0	22,262
Amortization			
At December 31, 2021	18,989	0	18,989
Charge for the year	2,218	0	2,218
At December 31, 2022	21,207	0	21,207
Charge for the year	645	0	645
At June 30, 2023	21,852	0	21,852
Carrying amount			
At June 30, 2023	410	0	410
At December 31, 2022	1,055	0	1,055

No intangible assets are pledged as securities.

16. Investments in Associates

Details of material associates

The Group does not have any material associates at the end of the reporting period.

17. Deferred tax

The following are the major deferred tax liabilities and assets recognized by the Group and movements thereon during the current and prior reporting period.

	Provisions	Revaluation of investment property and Inventories	Tax losses	Total
At January 1, 2022	1,408	-138,095	5,687	-131,000
Charge to profit or loss	494	-44,136	-468	-44,110
At January 1, 2023	1,902	-182,231	5,219	-175,110
Charge/(credit) to profit or loss	-1,201	-853	0	-2,054
At June 30, 2023	701	-183,084	5,219	-177,164

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	June 30, 2023	December 31, 2022
Deferred tax liabilities	-183,084	-182,231
Deferred tax assets	5,920	7,121
	-177,164	-175,110

18. Inventories

	June 30, 2023	December 31, 2022
Finished construction	102,820	31,491
Construction in progress	75,197	350,548
Less allowance	15,816	-18,839
	193,833	**363,200**

The cost of inventories recognized as an income includes CZK 34,655 thsnd. (2022: CZK 40,356 thsnd.) in respect of write-downs of inventory to net realizable value.

Inventories have been pledged as security for certain of the Group’s bank loans (see chapter 23).

19. Trade and other receivables

	June 30, 2023	December 31, 2022
Trade receivables	25,359	13,655
Loss allowance	-3,196	-3,196
	22,163	10,459
Prepayments	8,659	7,070
Accrued income	15,531	4,327
Other receivables	11,164	24,815
	57,517	46,671

Trade receivables

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience. The following table details the risk profile of trade receivables based on the Group's provision matrix.

	Trade receivables – days past due							
June 30, 2023	**Not past due**	**<30**	**31–60**	**61–90**	**91–180**	**181–360**	**>360**	**Total**
in thousands of CZK								
Expected credit loss rate		2%	5%	10%	25%	50%	100%	
Gross carrying amount	21,648	2	25	14	700	0	2,970	25,359
Lifetime ECL	-49	0	-1	-1	-175	0	-2,970	-3,196
Net carrying amount	21,599	2	24	13	525	0	0	22,163

	Trade receivables – days past due							
December 31, 2022	**Not past due**	**<30**	**31–60**	**61–90**	**91–180**	**181–360**	**>360**	**Total**
in thousands of CZK								
Expected credit loss rate	0.5%	2%	5%	10%	25%	50%	100%	
Gross carrying amount	9,944	2	25	14	700	0	2,970	13,655
Lifetime ECL	-49	0	-1	-1	-175	0	-2,970	-3,196
Net carrying amount	9,895	2	24	13	525	0	0	10,459

Accrued income

Accrued income arises mostly from accruals of costs:

- marketing and other costs related to presale of units in development projects, that will be finished in the future.

20. Cash and cash equivalents

	June 30, 2023	December 31, 2022
Cash on hand	38	26
Bank balances	72,442	62,414
	72,480	62,440

21. Equity

The Company's registered capital after the last issue of shares in December 2020 amounts to CZK 50,000 thsnd.; the aggregated amount of share premium equals to CZK 170,000 thsnd. At year end the issued and fully paid share capital is 1,800 thsnd. A Shares & 200 thsnd., B Shares. Each share has a par value of twenty-five Czech Crowns (CZK 25.00).

There was no change in share capital or share premium as of June 30, 2023.

Foreign exchange translation reserve

The functional currency of the SATPO Group is CZK and all subsidiaries prepare their accounts in CZK, no foreign exchange translation reserve is identified.

Dividends

No dividends were paid during 2023.

The decision about a dividend for the year 2023 is subject to approval by the shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

22. Non-controlling interests

The table below shows the composition of the Non-controlling interest of SATPO Group.

	30 June, 2023	**December 31, 2022**
City Home Invest III	160,795	158,826
SATPO Invest IV (City Home Invest Ltd)	44,821	52,182
SATPO Invest III	29,604	31,854
Total Non-controlling Interest	235,220	242,862

In November 2017, City Home Invest III issued preference shares in the amount of CZK 49,900 thsnd.. These shares are entitled to fixed dividends at a rate of 8% p.a. plus 25% share of the profit. If insufficient profits are available in a particular financial year, the dividends are accumulated and payable when sufficient profit is available. The Group has a call option to redeem these shares.

In September 2021, SATPO Invest III issued preference shares in the amount of CZK 49,900 thsnd.. These shares are entitled to fixed dividends at a rate of 6% p.a. plus 25% share of the profit. If insufficient profits are available in a particular financial year, the dividends are accumulated and payable when sufficient profit is available.

Since the Group cannot prevent payment of the dividend unless there is no profit in cash sufficient for the dividend payment, the shares were classified as a hybrid financial instrument with an equity and liability part.

	June 30, 2023	**December 31, 2022**
Equity component	**34,941**	**34,941**
Liability component at date of issue (net of transaction cost)	64,859	64,859
Cumulative interest charged using effective interest rate (not paid)	45,153	38,367
Carrying amount of liability component	**110,012**	**103,226**

23. Borrowings

	June 30, 2023	**December 31, 2022**
Bank loans	385,726	372,128
Issued bonds	1,004,831	999,640
Total borrowings	1,390,557	1,371,768
Non-current	1,040,673	1,094,404
Current	349,884	277,364

Issued bonds as of June 30, 2023:

Debtor	Creditor	Due date	Coupon p.a.	Total nominal value of bonds as of June 30, 2023 in thousands of CZK
City Home Invest III, s.r.o.	Owners of bonds	15.10.2023	5.00%	210.000
City Home Invest III, s.r.o.	Owners of bonds	15.06.2025	6.00%	210.000
City Home Invest III, s.r.o.	Owners of bonds	09.11.2025	5.25%	210.000
SATPO finance, s.r.o.	Owners of bonds	04.02.2026	7.10%	400.000

Bank loans with a fixed interest rate as of June 30, 2023:

Debtor	Creditor	Due date	Loan purpose	Interest rate	Loan principal in thousands of CZK
SATPO Project III, s.r.o.	TRINITY BANK a.s.	31.10.2023	refinancing of the project's equity	9.09 % p.a.	25.000
City Home Project VIII, s.r.o.	TRINITY BANK a.s.	30.09.2024	refinancing of the project's equity	8.19 % p.a.	66.135
City Home Project XI, s.r.o.	Raiffeisenbank a.s	31.10.2024	refinancing of the project's equity	8.00 % p.a.	21.000
City Home Project IX, s.r.o.	Raiffeisenbank a.s	31.12.2024	refinancing of the project's equity	5.75 % p.a.	4.794

Bank loans with floating interest rate as of June 30, 2023:

Debtor	Creditor	Due date	Loan purpose	Interest rate	Loan principal in thousands of CZK
SATPO Project II, s.r.o.	Česká spořitelna, a.s.	31.07.2031	refinancing of the original loan and partner loan	1M PRIBOR + 2.00 % p.a.	41.238

SATPO Project VI, s.r.o.	Fio banka, a.s.	01.12.2023	refinancing of the project's equity	1M PRIBOR + 2.00 % p.a	24.326
City Home Project IV, s.r.o.	Fio banka, a.s.	12.1.2024	refinancing of the project's equity	1M PRIBOR + 2.00 % p.a	17.313
City Home Project XII, s.r.o.	Fio banka, a.s.	6.3.2024	refinancing of the project's equity	1M PRIBOR + 2.00 % p.a	25.200
City Home Project XIX, s.r.o.	Fio banka, a.s.	15.2.2024	refinancing of the project's equity	1M PRIBOR + 2.00 % p.a	47.091
City Home Project XXV, s.r.o.	Raiffeisenbank a.s	31.3.2026	refinancing of the project's equity	1M PRIBOR + 2.70 % p.a	113.628

The Group´s borrowings are denominated in CZK. Bank loans and issued bonds have certain financial covenants attached to them. Violation of these covenants can lead to immediate maturity of the debt. As of June 30, 2023, the Group was in compliance with theses covenants. Based on management's judgement the fair value of financial liabilities approximates their reported value.

Security

As of June 30, 2023, the Group had ten bank loans (2022: 9 bank loans). The bank generally applies the following methods for securing it´s receivables from bank loans: pledge over immovable property, pledge over claim from deposit, pledge over receivables, pledge over business share, third party guarantee, bill of exchange, aval, subordination of debt (subordination of other liabilities after liabilities to the bank) subordination agreement, agreement to recognize the debt in the form of notarial protocol with consent to enforce.

There were four unpaid bond issuances as of June 30, 2023. Bonds are secured through the security agent by a pledge over the business shares of selected group companies and a pledge over immovable property.

Pledges

The Group has pledged its assets in favor of the Company bonds holders to cover the principal debt, interest and other potential related claims. The Company´s bond issuance is secured by the lien on the business share of the Company and the Company´s subsidiaries and the position of bondholders is strengthened by the existence of a hedging agent.

The City Home Invest III bond issuance is secured by the lien on the business share of the company, the company´s subsidiaries, liens on immovable property and the position of bondholders is strengthened by the existence of a hedging agent in the total amount of up to CZK 1.2 billion.

The Group has pledged its assets (investment property, shares in subsidiaries, work-in-progress, inventories, receivables, cash balances) in favor of the banks as bank loan pledges to cover the principal debt, interest and other potential related claims in the amount of up to CZK 863,700 thsnd.

The weighted average interest rates paid during the year were as follows:

	June 30, 2023	**December 31, 2022**
	%	**%**
Bank loans	9.04	6.69
Issued bonds	6.08	6.08

24. Other financial liabilities

	June 30, 2023	**December 31, 2022**
Payables to shareholders	110,012	108,173
Non-bank loans	120,389	55,289
Others	220	494
	230,621	163,956
Non-current	110,232	103,719
Current	120,389	60,237

25. Provisions

	June 30, 2023	**December 31, 2022**
	In thousands of CZK	**In thousands of CZK**
Warranty provision	2,582	2,204
Other provision	1,105	7,805
	3,687	10,009
Current	2,342	8,928
Non-current	1,345	1,081
	3,687	10,009

The warranty provision represents management’s best estimate of the Group’s liability under 60-month warranties granted on residential properties, based on past experience and industry averages.

Other provisions are comprised of the provision on management bonuses and unused paid leave for the current year.

26. Contract liabilities

Contract liabilities relate to residential construction contracts. They arise from milestone payments from customers during the construction process.

At December 31, 2021	**58,264**
Additions	94,792
Disposals	-93,902
At December 31, 2022	**59,154**
Additions	410,507
Disposals	-425,192
At 30 June 2023	**44,469**

27. Trade and other payables

	June 30, 2023 **In thousands of CZK**	**December 31, 2022** **In thousands of CZK**
Trade payables	18,294	52,603
Payables to employees	3,018	2,375
Other taxation and social security	23,036	4,736
Other payables	23,291	17,216
Accruals	5,435	11,008
	73,074	87,938

The directors consider that the carrying amount of trade payables approximates their fair value.

28. Financial risk management

(a) Financial risk management objectives

The Group's management co-ordinates access to financing, monitors and manages the financial risks relating to the operations of the Group and analyses exposures by degree and magnitude of risks. These risks include market risk (including currency risk, interest rate risk and price risk), credit risk and liquidity risk.

The Group seeks to minimize the effects of these risks.

(b) Market risk

The Group's activities expose it primarily to the financial risks of changes in prices of residential properties in Prague.

(b)(i) Price of residential properties

Demand for housing and investment property continues. It can be assumed that prices will certainly not fall. On the contrary, further, albeit less dynamic growth can be predicted. The Group is active mainly in Prague and the Central Bohemian Region, where is a very strong real estate market. The real estate analysis predicts that apartment prices in Prague will rise in the long run. The group is exposed to the risk of a sudden fall in real estate prices.

(b)(ii) Interest rate risk management

The Group is exposed to limited interest rate risk because entities in the Group borrow funds predominantly at fixed interest rates. The risk is managed by the Group by maintaining an appropriate mix between fixed and floating rate borrowings.

All the Group bonds have a fixed interest rate. The bank loans principal as at June 30, 2023 that has a fixed interest rate is CZK 116,929 thsnd. (2022: CZK 306,531 thsnd.), and that has a float interest rate CZK 268,796 thsnd. (2022: CZK 65,597 thsnd.).

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Increase/decrease in basis points	**Effect on profit before tax**
		CZK thsnd.
2023	+10	-269
	-10	269
2022	+10	-66
	-10	66

The assumed movement in basis points for the interest rate sensitivity analysis is based on the currently observable market environment, showing a significantly higher volatility than in prior years.

(c) Credit risk management

In order to minimize credit risk, the Group has adopted a policy of only dealing with creditworthy counterparties and customers, obtaining sufficient collateral or advance payment, where appropriate, as a means of mitigating the risk of financial loss from defaults.

(d) Liquidity risk management

Ultimate responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management and operative management of cash flow and short, medium, and long-term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate banking facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

	June 30, 2023	December 31, 2022
Current liquidity ratio (current assets / current liabilities)	52%	91%
Quick liquidity ratio (cash and cash equivalents / current liabilities)	12%	12%

The following tables detail the Group's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

	Weighted average effective interest rate	**Until 3 months**	**3-12 months**	**Between 1-5 years**	**Over 5 years**	**Total**
	%	**CZK thsnd.**	**CZK thsnd.**	**CZK thsnd.**	**CZK thsnd.**	**CZK thsnd.**
June 30, 2023						
Issued bonds	6.08	0	210,000	794,831	0	1,004,831
Bank loans	9.04	0	139,884	245,842	0	385,726
Contract liabilities		0	44,469	0	0	44,469
	%	**CZK thsnd.**	**CZK thsnd.**	**CZK thsnd.**	**CZK thsnd.**	**CZK thsnd.**
December 31, 2022						
Issued bonds	6.08	0	210,000	789,640	0	999,640
Bank loans	6.69	0	67,364	304,764	0	372,128
Contract liabilities		0	59,154	0	0	59,154
Shareholders		4,948	0	0	0	4,948

(e) Capital risk management

The Group manages its capital to ensure that entities in the Group will be able to continue as going concerns while maximizing the return to shareholders through the optimization of the debt and equity balance. The Group's overall strategy remains unchanged from 2019.

The capital structure of the Group consists of net debt (borrowings disclosed in note 23 and 24 after deducting cash and bank balances) and equity of the Group (comprising issued capital, reserves, and non-controlling interests).

The Group is not subject to any externally imposed capital requirements.

Gearing ratio

The gearing ratio at the year-end is as follows:

	June 30, 2023	December 31, 2022
Debt	1,621,178	1,535,724
Cash and cash equivalents	-72,480	-62,440
Net debt	1,548,698	1,473,284
Equity	520,597	602,188
Net debt to equity ratio	297%	245%

Debt is defined as long- and short-term borrowings as detailed in notes 23 and 24.

Equity includes all capital and reserves of the Group that are managed as capital.

29. Contingencies and commitments

The Group is not aware as at June 30, 2023 of any contingent liability or commitments.

30. Related party transactions

Balances and transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group and its associates are disclosed below.

	Sales to related parties		Purchases from related parties*		Amounts owed by related parties**		Amounts owed to related parties**	
	30.6.2023	31.12.2022	30.6.2023	31.12.2022	30.6.2023	31.12.2022	30.6.2023	31.1..2022
Associates:	CZK thsnd.	CZK thsnd.	CZK thsnd.	CZK thsnd.	CZK thsnd.	CZK thsnd.	CZK thsnd.	CZK thsnd.
Mrs. Dagmar Pokorna	0	0	0	0	0	0	0	260
Mr. Jiri Pokorny	72	0	0	4,948	5,872	0	0	4,948
Endowment Fund SATPO	0	0	0	3,400	0	0	0	0

* In the case of the Endowment Fund SATPO the purchases are represented by donations.

** The amounts are classified as other receivables and other financial liabilities, respectively (see Notes 27 and 24).

Mr. Jiri Pokorny has receivables in the aggregate amount of CZK 0 (2022:4 948 thsnd.) towards several of the Group's companies. These receivables represent remunerations for granting guarantees by Mr. Pokorny in favor of banks as securities in connection with bank loans.

In November 2022 the Endowment Fund SATPO was established and the purpose of the fund is to help, improve and develop the quality of life, to create, protect and develop spiritual and material values, develop and apply human rights and humanitarian principles and contribute to a better life for the individual and society as such, contribute to the development of science, education, physical education, culture, health and sports throughout the Czech Republic. It supports non-profit projects and organizations serving to help people in difficult life situations, support of medical personnel and medical facilities and development of children's and youth's education.

Remuneration of key management personnel

The remuneration of the directors, who are the key management personnel of the Group, is set out below in aggregate.

	June 30, 2023		December 31, 2022	
	Directors	in CZK thsnd.	Directors	in CZK thsnd.
Remuneration	5	5,265	4	1,260

31. Events after the reporting period

On July 20, 2023, new publicly traded bonds in the total nominal value of CZK 500,000 thsnd. were issued by the company City Home Finance III, s.r.o. The bonds are issued based on bond program approved by the Czech National Bank in June 2023.

In the subsequent period, the company SATPO Project XXI, s.r.o. owning the tenement house Modřanská 86 was sold.

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

Signing of the Financial Statements

Prague, September 22, 2023

Management board:

Dagmar Pokorná

Jiří Pokorný

CORPORATE INFORMATION

Management Board
Jiří Pokorný, Board Member
Dagmar Pokorná, Board Member

Supervisory Board
Michal Jelínek, Member of the Supervisory Board
Tomáš Kolář, Member of the Supervisory Board
Pavel Dvořáček, Member of the Supervisory Board
…………

Trade Name
SATPO Group B.V.

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