

**COMPANY PROFILE
& ANNUAL REPORT
2023**

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2023 was the year of the **twenty-fifth company anniversary**. We celebrated this important jubilee at the conference in Olomouc.

Vilém Podliska
CEO and Chair
of the Board of Directors
Broker Consulting, a. s.

Petr Hrubý
Founder and Chair of
the Supervisory Board
Broker Consulting, a. s.

Július Rusňák
Vice-Chairman of the Board and
CEO of Broker Consulting, a.s. -
Slovakia

GENERAL INFORMATION ABOUT THE COMPANY

BUSINESS FIRM

Broker Consulting, a. s.

ID NO.

252 21 736

TAX ID NO.

CZ699002502, as of 1. 1. 2024 CZ25221736

REGISTERED OFFICE

Jiráskovo náměstí 2684/2,
Východní Předměstí,
326 00 Plzeň

LEGAL FORM

Joint Stock Company

DATE OF ENTRY IN THE COMMERCIAL REGISTER

21. 5. 1998 as BROKER CONSULTING, s. r. o.

6. 4. 1999 as Broker Consulting, s. r. o.

1. 7. 2004 as Broker Consulting, a. s.

The company has been entered in the Commercial Register at the Regional Court in Plzeň under file reference B 1121.

REGISTERED CAPITAL

CZK 100,910,448

LINE OF BUSINESS

- Production, trade and services not specified in Schedules 1 through 3 to the Trade License Act
- Investment intermediary
- Independent consumer credit intermediary
- Real estate brokerage
- Independent intermediary under the Act on the Distribution of Insurance and Reinsurance
- Independent intermediary under the Act on Supplementary Pension Savings
- Accounting consultant services, bookkeeping, tax records of entrepreneurs (from 28. 3. 2024)



Broker Consulting held the helm with a steady hand in these challenging market waters, helping clients effectively set up their financial plans and investment strategies.

Petr Hrubý
Founder and Chair of the Supervisory
Board Broker Consulting, a. s.

INTRODUCTORY WORD BY THE FOUNDER

At the beginning of 2023, most experts looked to the upcoming year with optimism. They anticipated that following the events of the past two years our economy would soon stabilize and start growing as soon as the summer months. But as months went by, the inflation levels remained high, mortgage interest rates also lingered high up and wages were stagnant. All of that led to a drop in household spending. When the economy was in need of new balance, people started to limit their consumption even more, which then in turn put more pressure on our economy. Slovak economy was in a similar predicament, although it grew at a rate faster than the Czech economy, particularly thanks to its positive balance from foreign trade. In essence, the Slovak part of the Broker Consulting Group saw itself affected equally as the Czech part.

ASSISTANCE IN NAVIGATING THE STORMY WATERS OF THE MARKET

In the context of the above mentioned economic situation, the past year brought an atmosphere full of challenges and opportunities for the entire broader Broker Consulting Group. Considerable inflation both in the Czech Republic and Slovakia radically affected how people thought about their savings and the future. Broker Consulting held the helm with a steady hand in these challenging market waters, helping clients effectively set up their financial plans and investment strategies.

Phrases pronounced most often in the past year were “making arrangements for later stages in life” and “safeguarding from inflation”; those were the areas our clients showed significant interest in. Notably due to the high

interest rates, the previously very strong area of real estate financing was overshadowed in 2023. People were more likely to wait to make a decision.

INVESTMENTS DETERMINED DIRECTION

Investments were the most prominent topic, which was one of the reasons to conduct two large-scale nationwide polls in Czechia. Both yielded unique results, and thanks to the media interest we became key actors in public ebates on important issues.

Last year, many appealing, but potentially unsafe investment offers flooded the market, promising high returns, at times even in tens of per cent. In Broker Consulting we focus on protecting our clients from these toxic and often speculative offers. There is no place for exotic assets promising unrealistic returns in our clients’ portfolios. We stick to conservative values knowing that certain financial decisions, when not made correctly, cannot be undone. In our financial and real estate consultations, we take everything with maximum seriousness to ensure that our clients’ decisions are correct “the first time”. We fill the role of a trusted assistant and a guarantor in the lives of our clients, ensuring that the steps they are taking

are correct and significantly better than if they proceeded on their own.

FAITHFUL TO PRINCIPLES

And, what I personally consider very important? That again in 2023 we remained faithful to our time tested principles, our new and existing clients felt safe with us, and our stability and care for their financial condition motivated them to recommend us to more people. That was also one of the reasons our Net Promoter Score (NPS) value has grown again significantly to **just below 86**. For us, this is not just an entry in a chart. It is a value based on our company culture, perseverance, loyalty, responsibility and teamwork.

In 2023, the turnover of the broader Broker Consulting Group reached **nearly 3 billion crowns**, with Broker Consulting a. s. as key member of the group contributing to this success with the amount of **2.02 billion crowns**. We concluded **112 thousand contracts** with clients during the course of the year because our clients understood better than ever before that they have to be personally involved in actively managing their finances. This trend shows our clients’ growing trust and interest in utilizing our services for the management and growth of not only their investments, within which we managed our clients’ assets totalling **32 billion crowns**.

In cooperation with **MONECO investiční společnost**, in 2023 we introduced what represents a giant leap forward. Specifically, it was the **Broker Wealth Management** investment platform, which I consider to be an important strategic step for our entire group. This application gives our clients access to index investing and the opportunity to invest in widely diversified model portfolios or to choose from a broad variety of industry specific portfolios oriented towards innovations, circular economy, power engineering or technology. It gives our clients the opportunity to create their own unique investment strategies taking into consideration their

86

Thanks to the precise client service, our NPS* value is reaching 86

* Net Promoter Score - tool for measuring client loyalty and satisfaction



Broker Consulting **press conferences** have attracted notable media attention.

Suites on the coast of **Costa del Sol** became one of the most appealing things we are able to offer our high net worth clients.



Expanding
our business to
Spain positively
impacted our
results in real
estate services.

own experience and risk profile, all that with the professional support from our financial consultants. And although it may seem that the platform is primarily aimed at the younger generation, even experienced investors have been discovering its possibilities.

WE ARE GROWING IN DEVELOPMENT



We continued our **development** activity in 2023 under the baton of **BC Real**, a member of the broader Broker Consulting Group which specializes primarily in offering development projects in the Pilsen Region.

Broker Development

Our division **Broker Development** focuses on the construction of new homes in other areas of the Czech Republic. We further expanded our activity by entering the real estate market in Spain on the attractive coast of **Costa del Sol**. This expansion involved, among other things, the creation of a team of Key Account Managers, thanks to whom we are able to offer our clients comprehensive service within our active real estate services. And it was precisely our expansion into Spain that had a positive effect on our results in real estate services.

ACKNOWLEDGEMENTS

Recognition for an amazing year 2023 also belongs to other companies within the broader Broker Consulting Group both in Czechia and Slovakia. As is evident especially from **ProCredia** activities, the number of clients who found themselves confronting challenges associated

with the worsening economic situation has risen. Neither did we slow down when it came to our philanthropic activities, which are in line with our moral values and belief that have shaped our company throughout the years and that our company has been fully anchored in. I would like to thank the non-profit organization of **ABC of Financial Education** (ABC Finančního vzdělávání in Czech) and the **Good Deed** (Dobrý skutek in Czech) charitable association for the assistance and support they have provided to all the persons, children and organizations in need. The latter already distributed over **114 million crowns** since its foundation through the end of 2023.

Nothing from all that forms the unique ecosystem of Broker Consulting would be possible without the fantastic support of all our departments and Broker Point and Broker Point Premium business locations, which also started to open in Slovakia during 2023, without our employees, co-operators, partners, and last but not least our clients. Because no matter the economic situation, the most important pillars will always be people, relationships and teamwork. We are deeply convinced that we can cope with any challenge, if only we stick to methods that are proven to work, and actively seek new effective paths to follow.

Armed with a stable foundation of values we are entering the upcoming year in Czechia, Slovakia and Spain ready to inspire our clients and co-operators to strive for financial independence.

Petr Hrubý

*Founder and Chair of the Supervisory Board
Broker Consulting, a. s.*

Professional **conferences**, **seminars**, special guest appearances. It all forms a regular part of the Broker Consulting life.

03

BOARD OF DIRECTORS

(Membership in corporate bodies as of the date of issue of this Annual Report)

SUPERVISORY BOARD

(Membership in corporate bodies as of the date of issue of this Annual Report)

BOARD OF DIRECTORS AND SUPERVISORY BOARD



VILÉM PODLIŠKA
Chair of the Board of Directors



PETR HORA
Member of the Board of Directors



JAN BLÁHA
Member of the Board of Directors



PETR HRUBÝ
Chair of the Supervisory Board



JIŘÍ BRABEC
Member of the Supervisory Board



RENÁTA PAVLÍČKOVÁ
Member of the Supervisory Board

Our real-estate server **realityspolu.cz** was **redesigned** in 2023. Many improved features were added to the website and during the redesign process we paid attention to modern look and clarity.

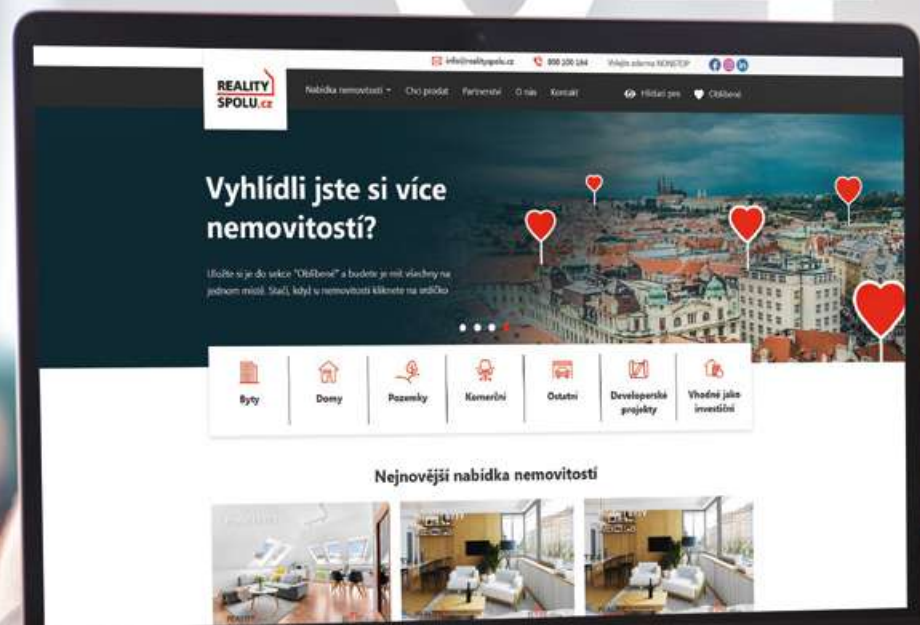
04



We are financial and real estate consultants.

We help people safely pursue their personal goals and make big life-changing decisions.

We inspire our clients and co-operators alike to grow and become financially independent.



COMPANY PROFILE

ABOUT OUR COMPANY

The year 1998 saw the birth of Broker Consulting, a company that re-wrote the rules in the world of financial and real estate services both in the Czech Republic and Slovakia. Thanks to its enthusiasm, courage and effort it soon created an eco-system, where finances, real estate and banking jointly formed a unique model intended to serve the most important audience – its clients.

From the first steps on the market its founders pledged to provide high quality services in the areas of financial planning, saving, pension schemes, financing of housing and comprehensive insurance. All aspects of the company business reflect this commitment. And that is also the reason why Broker Consulting has been able to prosper even during the most challenging economic times. Today, the Broker Consulting brand equals self confidence, security, prosperity and above all, top notch lifelong client service.

Thanks to the unique **Finance. Reality. Spolu.** concept, real estate and banking services have been steadily becoming more prominent among the services offered by Broker Consulting; in other words, they became its fixed components. This effective interconnection with financial services provides our clients with comprehensive solutions, where all services are available under one roof. Proof that this approach works incredibly well is in the extensive network of Broker Point Premium and Broker Point franchise type business locations, which our clients can find in busy places across the Czech Republic.

As of the date of the Annual Report issue, the broader Broker Consulting Group comprises in particular of the following companies:

- Broker Consulting, a. s., Czech Republic,
- Broker Consulting, a. s., Slovak Republic,
- FinCo Services, a. s., Slovak Republic,
- BC Marketing & Media, s.r.o., Slovak Republic,
- Regionálne realityky – SR,
- ProCredia, a. s.,
- PRODOMIA, s.r.o.,
- BC Properties, a. s.,
- BC Real, a. s.,
- MONECO investiční společnost, a. s.,
- MONECO, spol. s r. o.,
- Broker Auto, s.r.o.,
- Broker Development, s.r.o.,
- Broker Consulting SICAV, a. s.,
- Broker Consulting FKI SICAV, a. s.

Broker Consulting's business takes place on the financial market. As financial consultants we stand on the line between the side of supply represented by the financial institutions and their products and the side of demand comprised of our clients with their specific goals and wishes. From a wide variety of products we carefully select the most suitable ones, in order for our service to reflect with the utmost accuracy the individual financial plans of our clients and the current season in their lives. In 2023, we cooperated with more than a hundred financial institutions in the Czech Republic and the Slovak Republic, which gave us the opportunity to offer our clients a wide range of choices from over a thousand of mutual funds and savings, insurance and banking products.

This means an array of benefits for Broker Consulting clients. Most importantly, with us they are confident that their finances are being taken care of by professionals, who select the best available products for them. The clients have a wide range of investment opportunities to choose from, which is what lets them better diversify their investments and adapt their financial plans to their personal needs and goals.

We create each financial plan based on the specific needs of the individual client and their situation, which means every

recommendation and offered solution is relevant and applicable directly to them. This personal approach also includes assistance while making important life-changing decisions, such as those involving real estate transactions. In practice that means that our clients are not alone during such important milestones but rather have an expert on their side. The outcome may be for example that they are able to sell their real estate property for a better price, which is confirmed by the **REALIndex** indicator. This index shows that when a sale is completed with the assistance of Broker Consulting consultant, the selling price is much closer to the seller's (client's) idea of what they would like the selling price to be than what the average is on the market.

Our clients are people who want to take full control of their finances, who do not want to incur unnecessary expenses for products they do not need or products that are not profitable for them. That is why Broker Consulting helps them effectively reach their financial objectives, whether those require them to have tens of thousands or tens of millions of crowns.

We comply with all legally prescribed prerequisites and registrations required to pursue our business activities.

OUR BUSINESS LOCATION NETWORK

Our clients can use over **200 business locations**, Broker Points, Broker Points Premium or offices across the entire territory of the Czech Republic and the Slovak Republic, staffed with over **2,000 professional consultants**. It was in 2023 that we kicked off a large scale redesign and re-naming of our business locations to the current Broker Points and Broker Points Premium, which replaced our previous OK POINTS and licensed offices.

Broker Points and Broker Points Premium are state of the art branches that combine financial, real estate and banking markets. Our clients can take care of everything in one location, avoiding a special trip to a bank, real estate office or an insurance company. Each location offers our clients a selection of profitable offers from the majority of financial institutions. Consequently, Broker Points and Broker Points Premium are more than just modern branches that combine financial, real estate and banking sectors. For both us and our clients these places symbolize true Temples of Trust, where every detail reflects our values and professional approach. From the very beginning, our goal was to create business locations that would be esthetically pleasing, but also functionally equipped in a way that would fulfil all of our clients' needs.

We put careful thought into every detail to make our clients feel comfortable and safe, because that is a key factor during our consultations. Our priority is that clients enjoy visiting our business locations and always feel good under the shield of the Broker Consulting brand. We are achieving this goal not only thanks to the professionalism and expertise of our consultants and to the overall environment, which conforms to the needs and comfort of our clients, but also with the help of the experts from the Marketing Department, who pay close attention to the selection of furniture, colours and equipment in order for everything to come together in perfect harmony to inspire a sense of confidence.

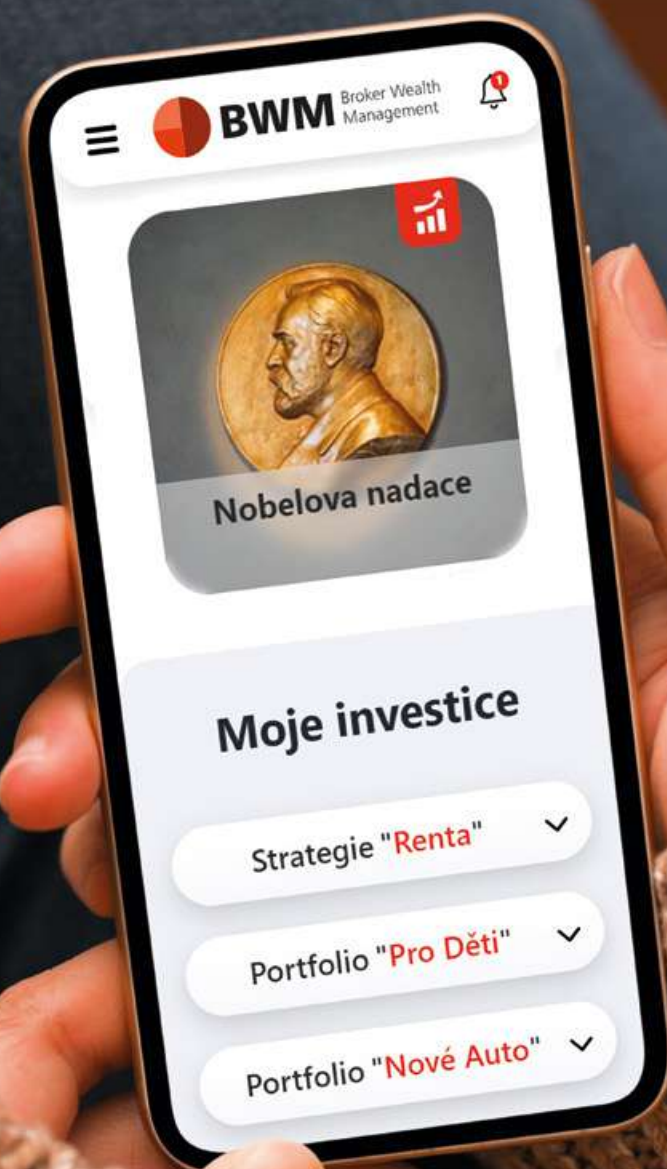


Exterior of one of the Broker Point Premium business locations in Prague

Expectation vs. reality



When a sale is completed with the assistance of Broker Consulting consultant, the **selling price is much closer to the seller's (client's) idea** of what they would like the selling price to be than what the average is on the market.



With our clients we work especially on long-term planning that will help them avoid any future financial trouble.

The Broker Wealth Management platform was created with the goal of providing comfortable access to investments to all Broker Consulting clients.

OUR CLIENTS

In 2023, the number of our clients exceeded **700,000**. Our clients represent a diverse group of individuals and companies of varying sizes and profiles who all share a common goal of having their finances fully under control and aim for the most effective administration of assets possible. We proved to be an important partner for an array of clients in 2023. More than ever before we provided support to people who were facing financial stress due to the unstable economic situation. Many of them were seeking experts who would help them find a path out of the uncertainty and offer them assurance and strategies leading towards the stabilization and growth of their finances.

Broker Consulting is not limited to high net worth clients only. To the contrary, an ever increasing number of people has been turning to us with a request to help them settle their finances, streamline their investments, or with the need to begin preparations for the autumn of life, or to provide for the future of their family using suitable investment instruments. We provide them not only with the products and services in response to their current needs, but also with long-term planning that will help them avoid any future financial trouble.

OUR SERVICES

- Preparation of an individualized financial plan.
- Consulting services, intermediary services and counselling in the field of financial and social security schemes for individuals and families.
- Assistance in selecting the method of creating financial reserves with the help of all available state funding.
- Consultations in the field of financing of housing, selection of the most optimum credit products, including setting and negotiating of credit terms and conditions with both bank houses and non-bank institutions.
- Intermediation of banking services and advantageous banking products.
- Formation of social programmes with the application of tax benefits for corporate bodies and companies.
- Activities involving insurance brokering for medium and large companies.
- Investment brokering for natural persons and corporate bodies alike.
- Real estate service brokerage on both the domestic and European market.
- Brokerage of real estate purchases within the constructed group development projects.
- Support for investment strategy planning within the BWM investment platform.

Broker[®]
Consulting

QUALITY OF SERVICES

From the very beginnings of our journey, we felt a strong urge to “perform quality financial consultations”. We were aware that the path we were going to pick would not be easy, but our strong belief that this was the only way to truly bring on a change was stronger. Broker Consulting was founded on firm principles of expertise and fair play. Those values are not just hollow words, they reflect our everyday effort to improve and increase the reputation of the industry of both financial and real estate service intermediation.

Our determination to cultivate the market led us to our pioneering step – the creation of the institution of the ethics committee. We were the first company in the industry to recognize the importance of standing by the client’s side through specific actions. The **ethics committee** is here to protect the rights of our clients in situations where they feel their rights had become affected. With every decision the committee takes, we shift the standards of the market higher, and prove that fair play is not only possible but has to become the norm.

NET PROMOTER SCORE

In Broker Consulting we are proud of understanding and assessing how our clients perceive the services and customer care we provide. That is why we track their satisfaction using the Net Promoter Score (NPS) indicator. In 2023, we went for the **score of 86**, with the scale ranging from -100 to +100. This is an **excellent result** both on domestic and international scene, which truly brings us joy and encourages us. It motivates us to keep improving and to provide our clients with even better client experience. It is great to be a leader on the market in this respect. It would

be interesting to mention that companies well known for their high NPS values and often mentioned as examples of outstanding client satisfaction include for example Apple, Tesla and USAA. Although they belong to different industry sectors, they all share an above standard nature of their customer service. These companies are achieving NPS values of near 70 or above.



Client service should be the number one priority of every business, because without clients there is no business.

Jim Rohn, businessman and motivational speaker

BROKER CONSULTING HISTORY

At the time of its formation in 1998, Broker Consulting belonged to the pioneers in the field of financial product intermediation in the Czech Republic.

Key Milestones in the Company History:

1998

- Establishment of Broker Consulting, s. r. o., with registered office at Dominikánská 9, Plzeň

2000

- Change of the company headquarters address – Edvarda Beneše 70–72, Plzeň

2001

- Number of clients reached 50,000

2003

- Annual turnover of the company exceeded the limit of CZK 100 million
- Number of clients reached 100,000

2004

- Change of the legal form to Broker Consulting, a. s.
- Change of the company headquarters address – Klatovská 7, Plzeň

2005

- Merger with the company of Integrated Financial Services, s. r. o.
- Annual turnover exceeded the limit of CZK 200 million
- Change of the company headquarters address – Koterovská 1, Plzeň
- Setting up of the central office located in Prague, Průběžná 78

2006

- Implementation of a new system of electronic data processing and calculation of commissions
- Co-founding of Unie společností finančního zprostředkování a poradenství (Union of Financial Intermediary and Consulting Companies)
- Establishment of Broker Consulting, s. r. o. in Slovakia
- Change of the company headquarters address – Jiráskovo nám. 2, Plzeň
- Number of clients reached 150,000

2007

- Annual turnover exceeded the limit of CZK 300 million
- Change of the Prague central office to the address at Evropská 136
- Purchase of 100% of shares of the business company of Olymp2002, a. s.
- Number of clients exceeded the threshold of 200,000
- Launch of the project of the creation of client centres network offering comprehensive counselling services (OK Financial Centres)

2009

- The company turnover exceeded CZK 500 million
- Launch of a new, upgraded version of the OK Financial Plan application with advanced functions for financial planning
- Launch of the financial planning server PenizeNavic.cz with a variety of useful instruments both for clients and for consultants
- Number of OK Financial Centres in the Czech Republic reached 30

2010

- Expansion of activities of the Broker Consulting Group in the Czech Republic (the company of Broker Expert, a. s.), as well as in Slovakia (the company of Fin Consulting, a. s.)

- Launch of the lifestyle web site BeOK.cz designed for the consultants as a platform for sharing experience and opinions as Broker Consulting co-operators
- Online reality show Your Dough Is Disappearing (Mizí vám prachy in Czech) broadcasted, created with the contribution of Broker Consulting consultants and in co-operation with the Penize.cz server
- Invited by Broker Consulting, the world renowned elite coach Brian Tracy appears in Prague

2011

- Turnover from the principal business activity of the Broker Consulting Group reached the amount of CZK 727 million
- Change of the Prague central office to the address at Evropská 846/176a, Praha 6
- Broker Consulting won the first place in the largest-scale independent test of financial consultants initiated by the mesec.cz, poradci-sobe.cz servers and the Financial Consultant magazine (Finanční poradce in Czech)
- In October 2011, the co-operators of Broker Consulting participated in a second day-long workshop with the American coach, Brian Tracy
- Broker Consulting was at the birth of the non-governmental non-profit organization called ABC of Financial Education, which was created with the vision of increasing financial literacy of the Czech general public

2012

- The Broker Consulting Group turnover exceeded the limit of CZK 800 million
- Broker Consulting launched a marketing campaign aimed primarily at the pension reform. In addition, the company adopted a reserved attitude towards the pension savings in the second pillar, which proved to be a very provident move in the first months of 2013.
- Merger of Broker Consulting ČR and Broker Expert

2013

- Introduction of revolutionary novelty products onto the Czech market – OK Double and OK Payment Insurance
- Implementation of a brand new loyalty bonus on the Czech market, the so called Broker Bonus
- Launch of the fourth generation OK Financial Plan app

2014

- Improvement of the options offered by the unique OK Double product by adding the Plus programme
- Launch of Broker Consulting real estate activities
- Expansion of career levels by adding senior positions
- Co-operation on the production of the Debt Busters (Krotitelia dlhov in Slovak) TV show

2015

- Our portfolio was expanded by the addition of real estate services, offering each of our co-operators the option to expand his/her own agenda.
- Opening of the first franchise concept based OK POINT business location
- Expanding our portfolio by adding banking services and setting up strategic co-operation with mBank as part of the OK POINT project
- Change of the business name of Fin Consulting, a. s. to FinCo Services, a. s.
- Significant improvement of computer support for our co-operators and information comfort for our clients
- Number of clients exceeded the threshold of 500,000

2016

- The company turnover exceeded the one billion mark and reached the amount of CZK 1.043 billion
- Number of clients exceeded the threshold of 550,000
- The Prague Broker Consulting central office moved to the address at Office Park Nové Butovice (Building B), Bucharova 1423/6, 158 00, Praha 5

2017

- As compared to the previous year, more than double the turnover from real estate activity; the intermediated real estate sales totalled CZK 1.944 billion
- Further large investments into technology, including biometric signature and a new real estate brokerage system

- Intensive work on expanding the OK POINT network

2018

- Launch of the REX real estate system, which administers real estate listings for sale and the types of properties that clients are looking to buy.
- Application of the biometric signature in business routine
- Exceeding the threshold of 40 completed OK POINT branches
- Launch of the Broker Consulting SICAV, a. s. company and commencement of the OK Smart ETF investment compartment distribution
- The company of Broker Consulting Group became a 50 percent shareholder in the Brno based MONECO company, whose owner and co-founder is Igor Bielík.
- The company of ProCredia was granted a licence by the Czech National Bank to operate as a provider of non-bank consumer credits.

2019

- In 2019, we helped our clients safely and profitably sell their real estate properties with a value of about CZK 3.5 billion.
- Broker Consulting ČR intermediated credits totalling CZK 2 billion in the area of consumer credit and credit for loan and building cooperatives and associations of residential unit owners.

- As of January, Broker Consulting changed its status from associate member to ordinary member of the Czech Franchise Association (Česká asociace franchisingu (ČAF) in Czech).

- Within the concept of our OK POINT branches, our partnership expands by MONETA Money Bank; both company logos – mBank a MONETA Money Bank – are featured for the first time at the Praha – Jižní Město branch in December.

2020

- In a year marked by the pandemic and restrictive government measures, our primary focus was to provide everyday assistance to our clients, while returning to a double-figure growth.
- Significant acceleration of digitalization of processes and negotiating contracts with clients; launch of the Investment Intermediating Tool and Non-Life Insurance Comparison Tool

2021

- Thanks to intermediating real estate transactions in the total value of 10.5 billion crowns, we added an 85% growth in real estate for 2021.
- Brokering the total volume of mortgage credits exceeding 24 billion crowns.
- Launch of our co-operation with the company of Zásilkovna, the services of which are available to our clients at select OK POINT locations.
- Founding of the Broker Development Holding Company and commencement of the preparatory

phase of the construction process of the first development projects.

- Significant acceleration of digitalization of processes and negotiating contracts with clients; we have launched the Investment Intermediating Tool and Non-Life Insurance Comparison Tool.
- Over 100,000 contracts were intermediated in both countries (Czech Republic and Slovakia), with one fourth being investments and one third non-life insurance.
- In co-operation with the investment company of MONECO investiční společnost, we launched the new MONECO Family Office service aimed at our high net worth clientele.

2022

- Number of clients exceeded the historic threshold of 700,000.
- Brokerage of real estate sales totalling the outstanding amount of CZK 10.3 billion in a real estate market affected by a significant decline in sales.
- Management of investments totalling the amount exceeding CZK 24.5 billion (year-over-year AUM increase by 27.38 per cent).
- Launch of the Personal Lines Insurance Intermediating Tool, which facilitates simple and paperless intermediation of life insurance under the most favourable conditions.
- Launch of universal measuring of client satisfaction using the Net Promoter Score method.
- Exceeding the CZK 100 million mark of donations for the Good Deed non-profit foundation.

- Year-over-year growth of intermediated investment contracts by one half.

- Beginning of the construction of the notable Nová Papírna and Borský park development projects (under BC Real).

- Realization of two successful press conferences reflecting survey results; the first survey focused on housing, the second one covered inflation and increasing prices.

2023

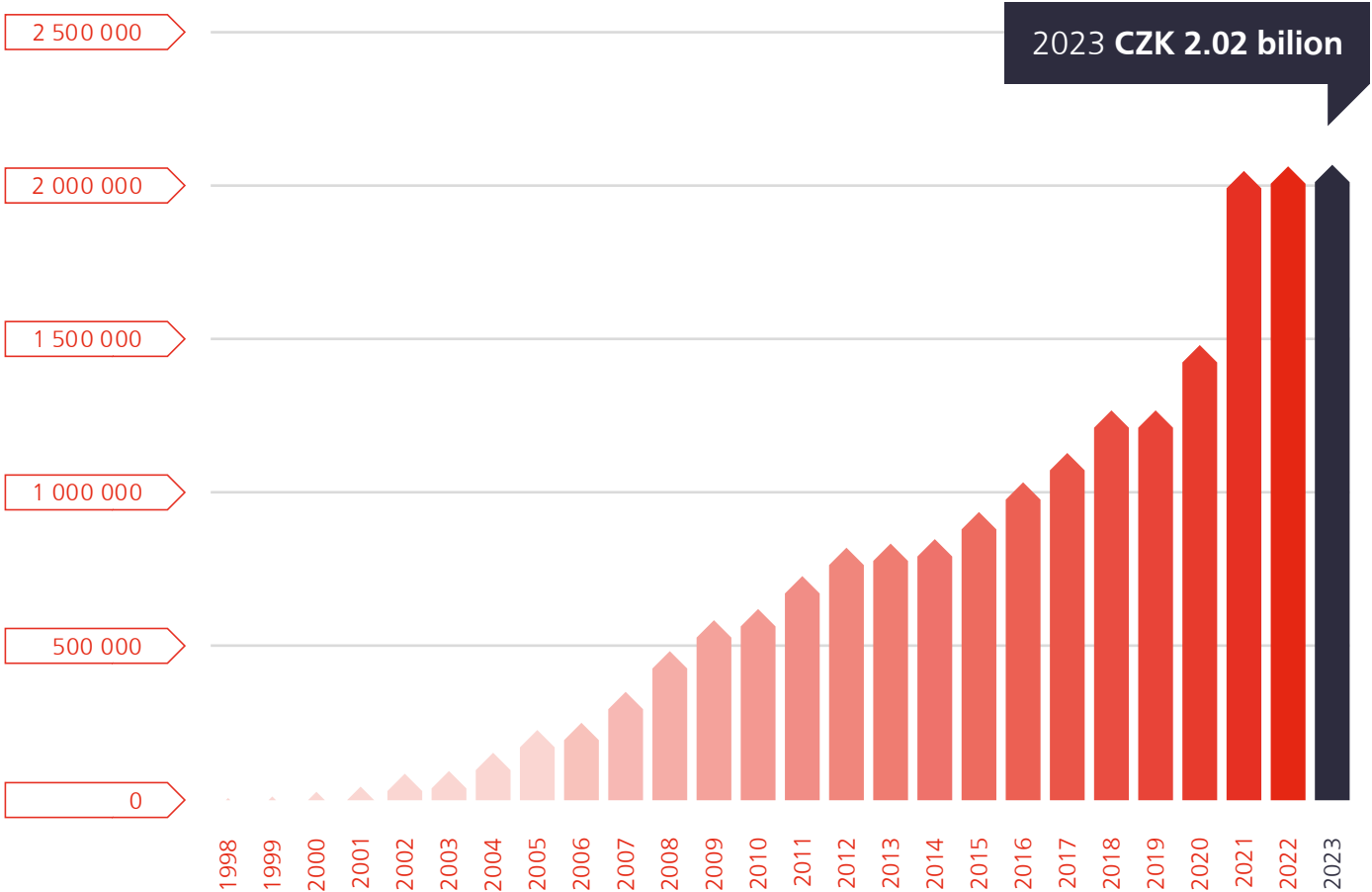
- The broader Broker Consulting Group's turnover reached CZK 2.9 billion
- 112 thousand new contracts were entered into
- Management of investments in the total amount exceeding CZK 32 billion
- Entry onto the Spanish real estate market, sale of development projects, as well as real estate properties with completed occupancy permit
- Launch of the new MAP² motivational stock programme
- Introduction of an innovation – the BWM investment application intended for Broker Consulting clients
- Introduction of the new version of the OK Financial Plan 5G
- Conducting nationwide polls, realization of press conferences with prominent experts in economics
- With the goal of unifying the quality of services and the design, we rebranded our branches as either Broker Points or, as the case may be, Broker Points Premium



Nová Papírna is a large BC Real development project in the centre of Pilsen. Broker Consulting is the exclusive selling agent.

BROKER CONSULTING, A. S.* FINANCIAL GROUP TURNOVER GROWTH

(Turnover from the principal business activity in thousands of CZK between 1998 and 2023)



*Organizational chart of the Broker Consulting, a. s. Group can be found on page 53 of this Annual Report.

PEOPLE IN BROKER CONSULTING

In Broker Consulting we value the openness and adaptability of our organizational structure, which serves as a foundation for the professional advancement of our people. New team members are met with full know-how and support from experienced managers who are actively involved in their further professional growth. Thanks to that we have created a strong corporate and team culture that is based on mutual sharing of experience. We consider it to be the cornerstone of the success of each individual, as well as the entire company.

We are truly proud of our fairly set up career structure that allows everyone regardless of their previous experience to become an expert in the field of finances and real estate. Our system has been developing over a period of more than 20 years, and was designed to support personal growth and career advancement based on fair and objective criteria.

In Broker Consulting we believe that professional approach and strong values such as fair play, equal opportunities and transparency form a strong foundation for lasting success and satisfaction of our consultants.

MOTIVATIONAL STOCK PROGRAMME – MAP

Our company has reached an important milestone in the fall of 2023, when we introduced a new Motivational Stock Programme in its updated form called MAP². This step allowed for more co-operators and more assets across the entire group to be involved. The expansion of MAP is not tied to our planned entry onto the stock market, but it will bring potential liquidity to those who acquired stock as part of MAP. Despite our planned entry onto the stock market and MAP² being two separate processes, we are planning on connecting them in a manner that would allow our co-operators to sell a portion of their shares on the stock market.

This means we created another way for our co-operators to build their financial independence and at the same time to reward the best of them. Specifically, we offered them the opportunity to purchase Broker Consulting Group SE stock under favourable conditions, which not only guarantees their right to receive dividends, but also the opportunity to trade stock on the stock exchange. We anticipate that the value of the stock will grow along with the prosperity of the company, and that entering the stock exchange will further increase this growth. MAP is therefore a unique way for our consultants to participate in the company's growth and success, while at the same time strengthening their financial situation and heading towards their financial independence.



EDUCATION IN BROKER CONSULTING

The educational system for Broker Consulting co-operators was divided into four levels in 2023, in order to offer a comprehensive overview and practical skills in different aspects of financial and real estate intermediation.



Financial ABC is our essential programme that offers elementary retraining and education in the field of financial planning and business negotiation. Consultants learn how to communicate with clients, analyze the clients' financial situation and prepare individual financial plans. The course emphasizes the importance of knowledge of the current legislation, which is presented via online seminars. This level of education is further complemented by product half-days, during which our partners present new financial products, and the entire series are complete after a successful final test.



Financial Academy is designated for consultants who have already acquired experience and provides an extension education with focus on advanced aspects of finances. The seminars consist of topics such as financial mathematics, investments, securities and financial derivatives, but also focus on developing communication and presentation skills of the participants. We also organize specialized training for the employees of Broker Point Premium franchise locations.



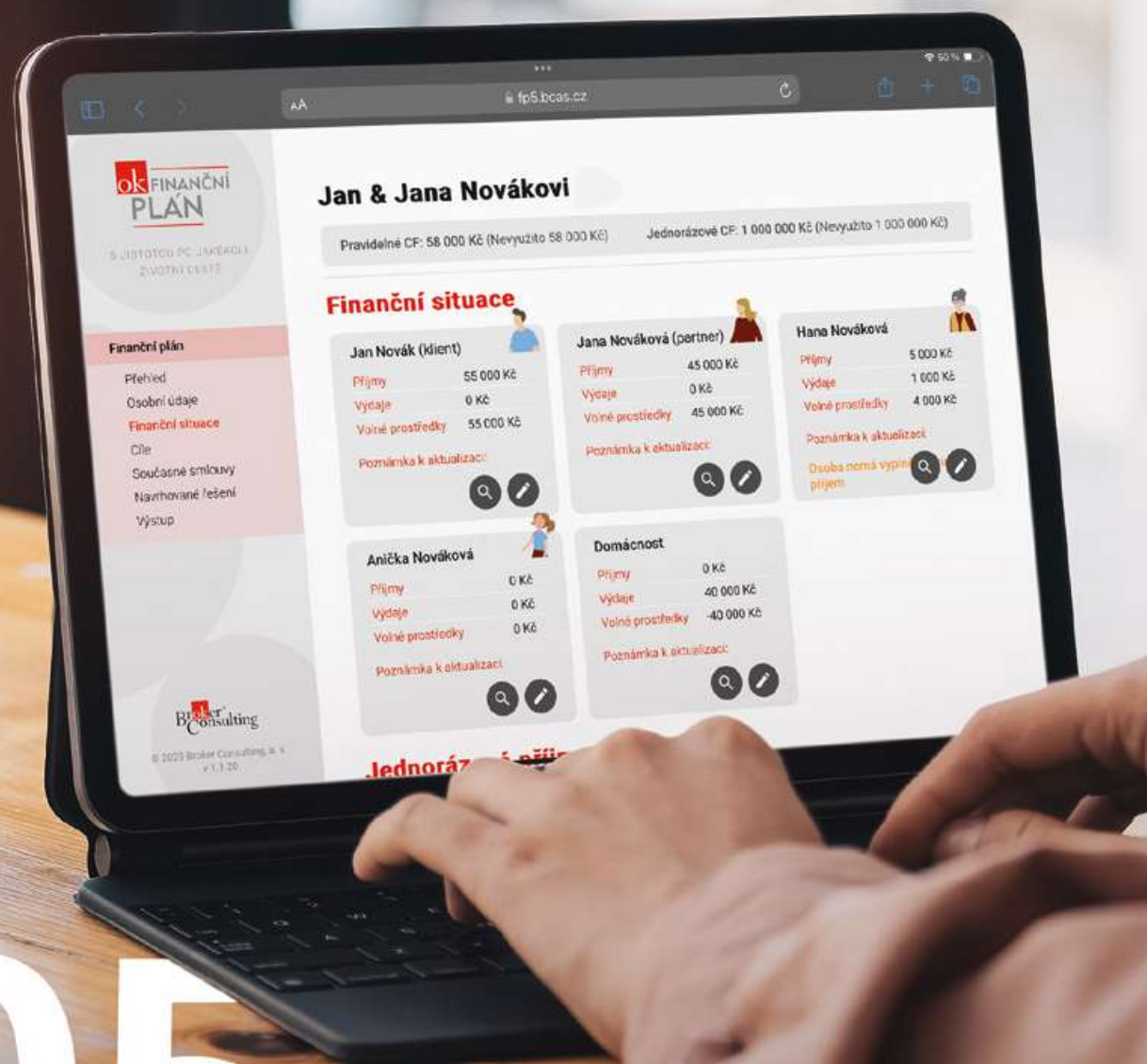
Real Estate ABC is an essential component for those who want to become professionals in the field of real estate. The program covers both theoretical and practical side of real estate transactions and is taught by brilliant experts who relay not only mere theory but also their know-how collected over the years of hands on experience. In line with the legislative requirements, this course prepares its participants for the skill review test, which is one of the conditions for acquiring a license for the performance of real estate business activity.



Management Academy is intended for consultants with ambition to become managers who are able to document their abilities with results. The programme focuses on the development of team leadership and on providing effective support to team members, helping them reach their goals, with emphasis on practical application and preparation for actual situations in management. Some parts of the programme usually take place abroad.

05

In 2023, we extremely simplified the user interface of the **new version of the OK Financial Plan application**. The output received is also very easily presentable to the client.



OUR SERVICES

OK FINANCIAL PLAN

Should we start with where the relationship between us and our client is formed, then it is our top quality product – OK Financial Plan; in 2023, we introduced its new advanced version, **OK Financial Plan 5G**. This service stands out with its well thought out strategy that is carefully created based on a detailed analysis of each client's personal situation. OK Financial Plan is precisely tailored for each client to reflect their individual needs and goals. Thanks to our professional service and consultations in the field of financial intermediation, our clients may take advantage of a wide variety of financial products available on the market under the most favourable conditions. This approach allows our clients to effectively administer their financial resources, gain control over their finances and gradually head towards their financial freedom. This makes our OK Financial Plan not only a service, but also a guarantee of the highest standard and quality in the field of financial counselling.



Trust is the fastest form of human communication. Trust is the cornerstone of communication, successful relationships, teamwork and financial success.

Stephen Covey, American writer and businessman

OK FINANCIAL PLAN IS PARTICULARLY AIMED
AT OFFERING SOLUTIONS FOR FIVE BASIC TOPICS:



OK Income Increase

We give our clients the opportunity to increase their monthly income, all while helping people around them. There are many forms of co-operation and they are suitable for everyone – from parents on maternity leave to working people who want to bring in some extra money to the family budget, to the experienced people who may be considering starting a new or a second career.



OK Housing & Real Estate

We help our clients finance their own housing in the best available way. We expanded our services by offering real estate services in 2015, and in 2023 we expanded our activity to the real estate market in Spain, specifically to the desirable coastal area of Costa del Sol. As early as 2018, mere three years after entering the real estate industry, we ranked among the top ten largest real estate service providers, while currently we hold the position of one of the top three in the Czech Republic. This success has been significantly boosted by the sales of over one hundred development projects, including the projects by brands that are part of our group of companies, BC Real and Broker Development. Thanks to modern technology, effective presentations and cooperation with experts from the industry, we are able to secure successful real estate transactions.



OK Annuity

Through the OK Annuity programme we help our clients create a sufficient financial reserve in order for them to keep a comfortable standard of living in retirement. Considering

the constant uncertainty surrounding the future development of the pension reform, it is not clear whether the state will fully guarantee retirement pensions for our citizens. Therefore, we as consultants take on the role of a guarantor in helping our clients reach their financial freedom within a 15 to 25-year horizon from the date of the creation of their OK Financial Plan.



OK Saving & Investment

The OK Saving & Investment programme focuses on providing effective tools for increasing our clients' financial assets long-term. The cornerstone of this programme is strategic depositing of assets and their protection from any risk. Another integral part of our service is creating a sufficient financial reserve to have readily available to cover any unexpected expenses. Usually, clients using this service achieve higher increase in the value of their savings compared to current trends on the market.



OK Insurance

In OK Insurance we focus on preparing our clients for the less pleasant moments in life. Through detailed analysis of our clients' individual needs we select the most suitable products that will offer them the necessary coverage. Our goal is to ensure our clients are ready in the best possible way to face any potentially negative financial consequences of any such situations as theft, property damage, injuries, illnesses or death of the family's main breadwinner.

For many clients, purchasing a **property at Costa del Sol** equals fulfilling their long-time dream of owning a second home abroad.

SPAIN

Our new activities in Spain consist of the sales of real estate properties on the desirable coast of Costa del Sol, where we are offering our clients complex services from the initial consultations to legal assistance, which is essential when purchasing a property abroad. We have assembled a local team of Key Account Managers who handle the entire process of purchase, ranging from new top quality development projects to properties listed for sale on the secondary market.

The launching of the sales of these properties positively impacted our overall results from the real estate service area. The Spanish market is characteristic for its stable conditions both for conducting business and for living, which together with the desirable nature of the Costa del Sol location creates the perfect environment for our clients. The services we offer include counselling, selection and viewing of the property, interpretation and translation services, airport transportation, provision of contract terms, meals and legal assistance.

FINANCE. REALITY. SPOLU.

We are there, when our clients search for an investment real estate property or a new home in line with their financial situation and their life goals. Our everyday practice makes apparent the immense advantages that come with the unique connection of the two sectors within the Finance. Reality. Spolu. concept. Due to the fact that we are familiar with the financial situation of our clients, we are capable of very quickly screening their financial condition and determining whether or not the purchase of a real estate property is feasible. At the same time by providing this unique combination of services, we are able to guarantee the seller a successful transaction, while arranging the most favourable financing option for the buyer.

DEVELOPMENT

Naturally, parallel to that we continue the expansion of the development projects in the Czech Republic. Our companies BC Real and Broker Development have been realizing many projects. In 2023, we started the following:



**Rezidence golf Ostravice,
Moravian-Silesian Region**

A site is being developed in Beskydy with flat and apartment buildings that will offer 164 units. The project includes saunas, outdoor fitness centre, playground for children, as well as a coffee shop.

**Na Vyhliďce Kaplice,
South Bohemian Region**

Two blocks of flats with 84 units boasting excellent civil amenities and a convenient location in close proximity to the D3 motorway, which improves its accessibility to České Budějovice, as well as Austria.



**Central Point Kladno,
Central Bohemian Region**

In Kladno we are building a project of 39 dwelling units in the city centre, making them ideal for home-owners or investors, with excellent accessibility to Prague.

**Apartmány na sjezdovce
Plešivec, Karlovy Vary Region**

Year-round mountain living with a wide variety of floor plans ranging from 1+kk to 3+kk, equipped with the latest technology.



Nová Papírna, Plzeň

Extensive project encompassing up to 1,500 dwelling units over several phases. Included in the project are shops, restaurants, a supermarket and recreational and sports areas.

Byty Borský park, Plzeň

14-floor building offering dwelling units ranging in size from 1+kk to 5+kk, located near the Borský park, featuring quality architecture and amazing views.





Sandro Forte, the phenomenal coach accepted an invitation to the September conference. During his presentation he revealed all that is necessary to build a top-ranking business.

MEMBERSHIP IN THE ČASF

CZECH ASSOCIATION OF FINANCIAL COUNSELLING AND INTERMEDIARY COMPANIES (ČESKÁ ASOCIACE SPOLEČNOSTÍ FINANČNÍHO PORADENSTVÍ A ZPRO- STŘEDKOVÁNÍ, ČASF)

One of whose members is also Broker Consulting, was established in June 2018 through the consolidation of two independent financial intermediary and counselling associations – the Union of Financial Intermediary and Consulting Companies (Unie společností finančního zprostředkování a poradenství- USF) and the Association of Financial Intermediaries and Financial Advisers of the Czech Republic (Asociace finančních zprostředkovatelů a finančních poradců České republiky, AFIZ). Broker Consulting was one of the founding members of the USF in 2006.

Activities of ČASF Include:

- Creation of legislation and regulations in the field of financial intermediation and counselling, subsequent provision of support to the members of the association during the implementation of changes;
- Activities aimed at maintaining the good reputation of financial intermediation and planning;
- Supervision of consistent compliance with the standards of financial counselling and intermediation by the members of the ČASF;
- Protection of the consumer through the activities of the Ethical Committee.

The membership of Broker Consulting in ČASF is key both for the clients of the company, as well as its co-operators. For

the clients it means a guarantee that any and all legislative, as well as ethical rules valid in the field of financial intermediation are being observed. It offers our co-operators the certainty to always be given optimum and current information on legislative issues, and to work in a company that clearly declares its involvement in the quality of services. Broker Consulting co-operators are active members of committees, work sections, as well as the Board of Directors of the ČASF, and through this association they also participate in the commentary proceedings of the Ministry of Finance of the Czech Republic and the Czech National Bank in the development of new legal regulations.

Our ČASF Representatives for 2023 Were:



Jiří Šindelář
Chair of the Board of Directors, Chair of the Media and Marketing Committee



Stanislav Šula
Member of the Investment Section, Member of the Insurance Section, Member of the AML Section



Vladislav Herout
Member of the Insurance Section, Member of the Ethical Committee, Member of the Inspection Committee



Štěpán Kulháněk
Member of the Investment Section, Member of the Insurance Section, Member of the AML Section



Martin Novák
Member of the Investment Section, Member of the Mortgage Credit Section



Jan Lener
Member of the Media and Marketing Committee



The traditional and very popular charitable tournament **Golf for Good Deed** (Golf pro Dobrý skutek in Czech) concluded in 2023 with a gift exceeding CZK 1,000,000. Among regular participants at events benefiting Good Deed are Bára Hrubá, Chair of the association (left), Lucie Křížková, Operations Manager (centre), and Petr Hrubý, Founder of Broker Consulting.

CORPORATE SOCIAL RESPONSIBILITY

**DOBÝ
SKUTEK**

**GOOD DEEDS WITH
BROKER CONSULTING**

The charitable unincorporated association called Good Deed (Dobrý skutek in Czech), founded in 2005 with the help of Broker Consulting a. s. and Jágr Team, s. r. o., provides aid to clients who, largely due to health related complications, have found themselves in an unfortunate life situation and are forced to rely on someone else's help. This includes people from different age groups, with various disabilities, and quite often cases outside of media attention. Clients of Good Deed include minors, adults (particularly parents of children), but also elderly people and organizations that help the above mentioned groups of people.

In 2023, Good Deed helped most frequently by financing specialized therapy, physical therapy following an injury, and treatment following a diagnosis affecting the motor system, adaptive technology devices, and emergency care services for seniors, which there has been an increased demand for in the past several years. The help for those in need was organized through **fund-raising campaigns** published online at www.dobryskutek.cz/komupomahame/, where every donor is able to select the recipient of his/her financial donation and check the flow of the donated funds in the Good Deed's transparent account.

Since its foundation up to the end of 2023, Good Deed has helped satisfy the needs of **2,514 clients** with the total amount of **CZK 114,616,598**. The association has been extending permanent assistance to eleven clients enrolled in the Good Deed Adoption programme by covering the expen-

ses of assistance and relief services. In 2023, the assistance Good Deed provided to its clients both in the Czech Republic and the Slovak Republic amounted to **CZK 14,800,000**.

Broker Consulting, a. s. has been supporting the Good Deed association not only by donations, but also by funding its overhead expenses, providing computing technology, office space, and services of the legal, marketing and economic departments. Thanks to that, it has been possible to completely reallocate all donations among the Good Deed clients. The patrons of Good Deed are Miss CR 2003 **Lucie Křížková**, who has been Good Deed's Operations Manager since 2023, sports Coach **Marian Jelínek** and Creative Manager **Ilona Křížková**.



In 2023, Broker Consulting and Good Deed jointly organized the traditional charitable golf tournament, while Broker Consulting co-operators themselves initiated several fund-raising events during the course of the year. Both company co-operators and employees **regularly** donate a percentage of their earnings or a fixed amount to benefit the permanent assistance to select clients enrolled in the Adoption programme. In 2023, this assistance exceeded a **monthly amount of CZK 200 thousand**.

www.dobryskutek.cz



WE HELP INCREASE
FINANCIAL LITERACY

Since 2011, Broker Consulting has been supporting, both actively and financially, the nongovernmental non-profit organization of ABC of Financial Education (ABC Finančního vzdělávání in Czech), which is dedicated to bringing hands-on financial literacy education to schools and businesses. This educational effort was created in response to the sizeable number of households and individuals who get into financial troubles due to insufficient financial literacy and the lack of understanding when it comes to personal and family finances. In the times of high inflation, sudden hikes in interest rates, energy prices and other living expenses, the issue of financial literacy is even more essential than ever before. Broker Consulting with its co-operators have supported the activities of this non-profit organization by offering their knowledge, know-how, as well as financially since 2011.

By playing the Peníze navíc (Extra Money in Czech) board game, as well as its on-line FinGRplay.cz version, tens of thousands of school children all across the Czech Republic have tried their hand at managing their money from the position of a player who administers their family budget for a period of 30 years. The statistics of the FinGRplay.cz on-line game has shown that in 2023, **74,432 games** were played out of the total of nearly 300 thousand games played in the history of the game. The classroom averages as part of the national tournament results have improved, while the absolute individual results have slightly dropped. The annual game index – point average from all games played divided by 100 – has improved to the 3.2 value.

www.abcfv.cz
www.fingrplay.cz



Part of the Golf for Good Deed tournament is **delivering donations** to the clients of this charitable organization.



We are able to have a positive impact on the lives of others. That gives us assurance that our work has true meaning.

Vilém Podliska
CEO and Chair of the Board
of Directors Broker Consulting, a. s.

BUSINESS TRENDS IN 2023

We can describe 2023 as a period of catharsis that showed us how effective we were at confronting the economic turbulences thanks to our diligent preparation in the previous years. Several factors at once made many people's lives more complicated – high inflation, rising cost of utilities and high interest rates. Many were alarmed and worried about what their future may bring, they were considering how to keep their finances under control. Some people had to abandon their dreams of purchasing a new home. That is why we scheduled a large number of additional appointments during the year, looking for new ways to effectively help our clients. We proved our ability to adapt to changing conditions and successfully handled the challenges of 2023.

WE ARE GROWING

The year 2023 was important for us in terms of hiring and training new colleagues, as it saw us welcoming **1,033 new co-operators** in different types of contractual relations. What attracts new faces to finances and real estate in spite of the uncertain times? As a company we have thrived long-term. We grow each and every year. Also, potential co-operators find our **fair career structure**, the opportunity for professional advancement and personal growth attractive. Working for Broker Consulting is stimulating, as it brings something new every day. Our "Brokers" often witness the positive impact they have on the lives

of others, and that gives them the necessary purpose on the personal level. The emphasis on continuing education is addicting.

In 2023, we continued to emphasize fast and effective integration of our new colleagues in our team through intensive **training and educational programmes**, such as Financial and Real Estate ABC or Management Academy, as well as through the support of different departments. Our goal is for our new colleagues to adopt our corporate values as fast as possible, and to begin effectively communicating with clients.

We welcomed
1,033
new co-operators in 2023

OUR CLIENTS TRUST US

Our clients trust us and seek out our services, which fills us with great joy and humbleness. Similarly to a child anxiously anticipating the final report card at the end of the school year, we also take great joy in our rating. That is to say, since 2021 we have been measuring client satisfaction using the Net Promoter Score rating scale, where we reached a top notch value of just below 86. This result naturally motivates us and obliges us to further growth.

This excellent client experience is further boosted by our Broker Point and Broker Point Premium business locations. Although the colours and design have been gradually slightly changing, their essence remains the same: they are the ideal spaces for regular client service, combining financial, real estate and banking services all under one roof.

REAL ESTATE IN SPAIN

Let us now take a look at roofs abroad, specifically in Spain, where we entered the real estate market in 2023. Our decision to expand into the renowned location of Costa del Sol has proven to be successful. Here, we focus both

on above standard development projects and secondary market properties that are ready for occupancy. Thanks to the high level of protection under the European Union legislature, Spain is an attractive and safe location for anyone wanting to purchase a property there. We have created a Key Account Manager team that will take intensive care of our potential buyers throughout the entire business process.

AND WHAT IS THERE LEFT TO SAY IN CONCLUSION?

Most of all, I would like to personally extend sincere thanks to all our clients, colleagues, partners and shareholders for their trust and cooperation in 2023. Your support is key, thanks to you we strive for continuing improvement and progress.

Let me let the numbers talk: in 2023, the broader Broker Consulting Group achieved a turnover of 2.9 billion crowns, where the turnover of Broker Consulting a.s. accounted for 2.02 billion. Thanks to our clients' trust and our consultants' work, we concluded over 112 thousand contracts and managed our clients' assets totalling 32 billion crowns. Investments were the driving force of our consultations with clients, similarly as, for example, in Great Britain. To us, the numbers we reached and the benefits for our clients represent not only an indication of success, but also a motivation to keep working and continue offering the best available services in the future.

Vilém Podliska
CEO and Chair of the Board
of Directors Broker Consulting, a. s.

We managed our clients' assets in the total value of

32 BILLION CROWNS

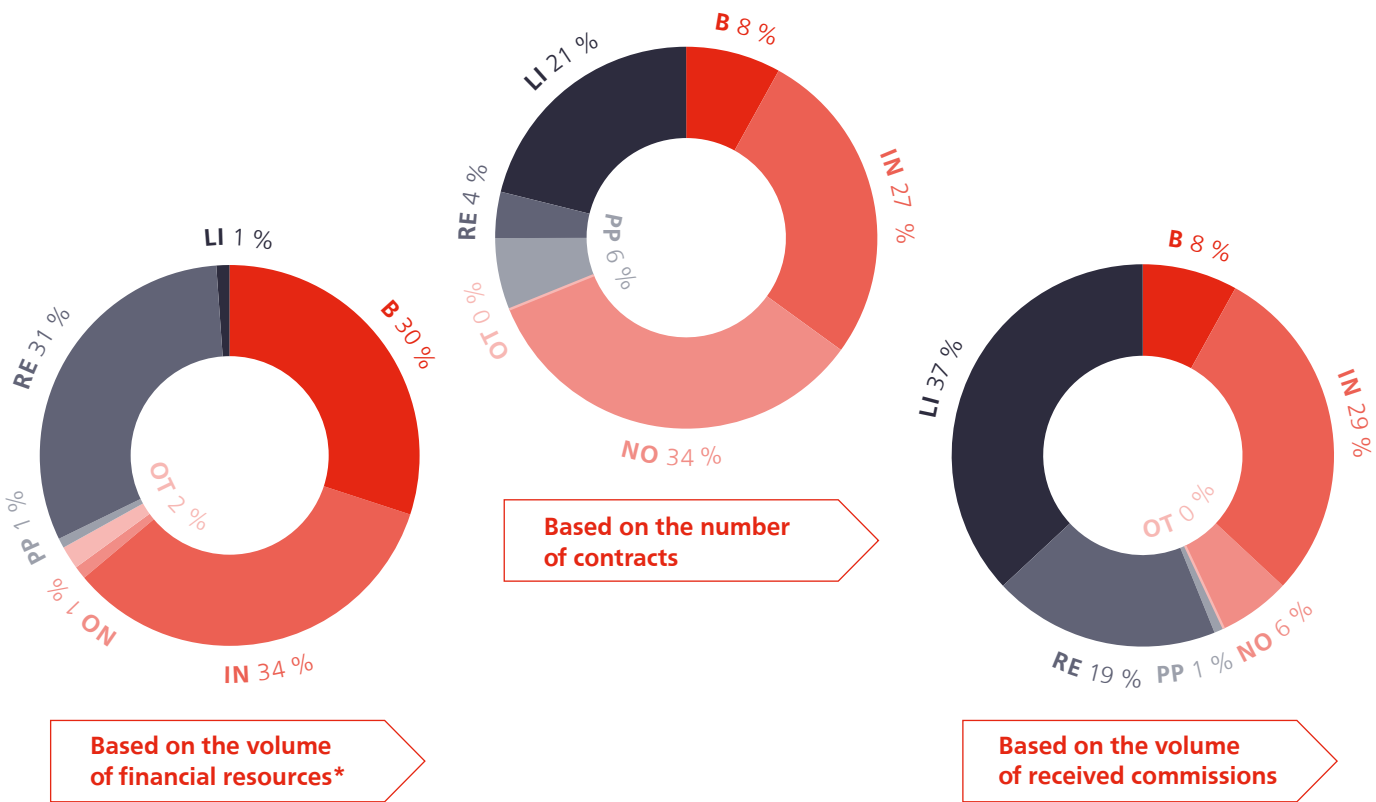
Broker Point Premium business locations offer **excellent facilities** where the consultants meet our clients.



COMPOSITION OF THE INTERMEDIATED ANNUAL TURNOVER
OF THE BROKER CONSULTING GROUP COMPANIES



CZECH REPUBLIC



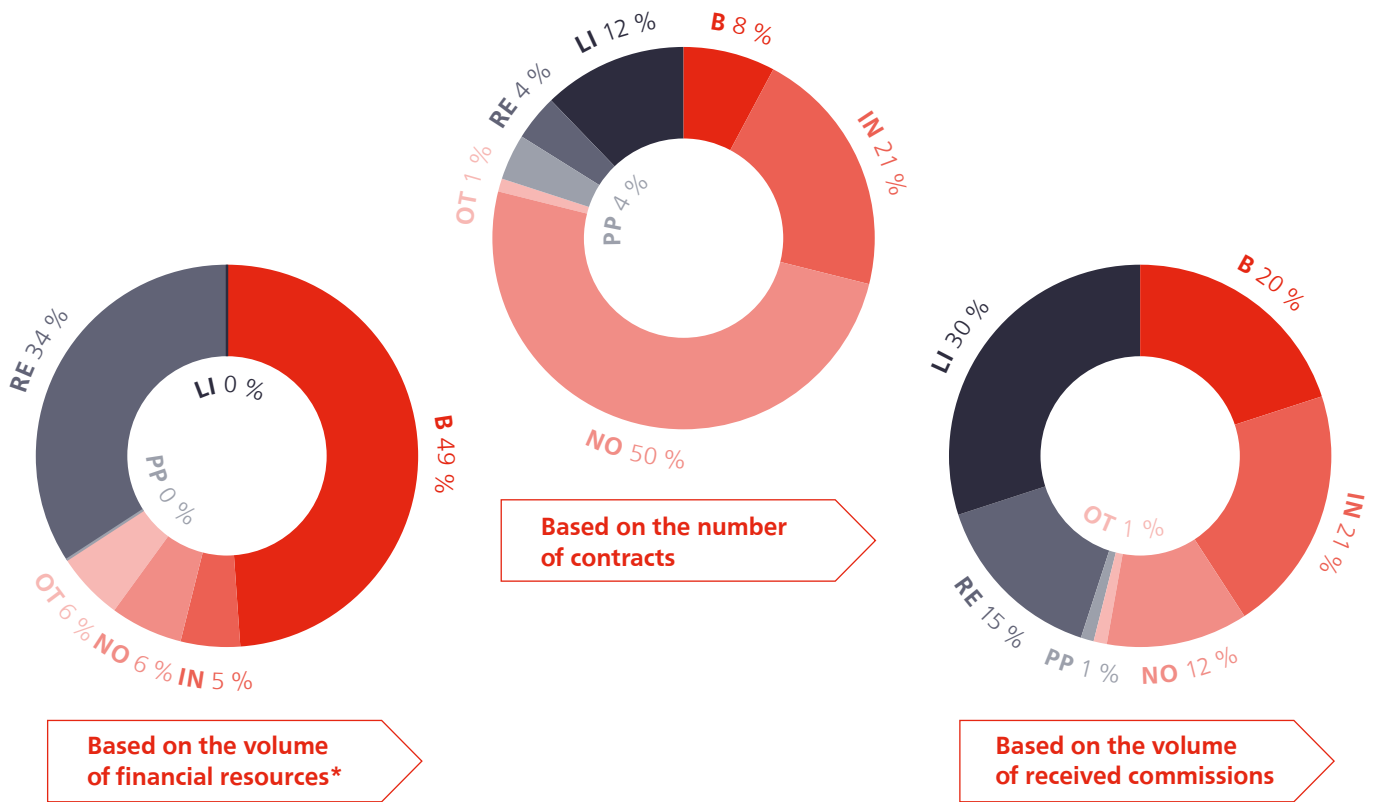
	B	IN	NO	OT	PP	RE	LI
	BANKING	INVESTMENTS	NON-LIFE INSURANCE	OTHER	PENSION PRODUCTS	REAL ESTATE	LIFE INSURANCE
based on							
the volume of financial resources*	30 %	34 %	1 %	2 %	1 %	31 %	1 %
the number of contracts	8 %	27 %	34 %	0 %	6 %	4 %	21 %
the volume of received commissions	8 %	29 %	6 %	0 %	1 %	19 %	37 %

* Based on the methodology of the Czech Association of Financial Counselling and Intermediary Companies (ČASF)
Note: Product groups with a proportional share lower than 0.5 % are rounded down and expressed as 0 %.

COMPOSITION OF THE INTERMEDIATED ANNUAL TURNOVER
OF THE BROKER CONSULTING GROUP COMPANIES



SLOVAK REPUBLIC



	B	IN	NO	OT	PP	RE	LI
	BANKING	INVESTMENTS	NON-LIFE INSURANCE	OTHER	PENSION PRODUCTS	REAL ESTATE	LIFE INSURANCE
based on							
the volume of financial resources*	49 %	5 %	6 %	6 %	0 %	34 %	0 %
the number of contracts	8 %	21 %	50 %	1 %	4 %	4 %	12 %
the volume of received commissions	20 %	21 %	12 %	1 %	1 %	15 %	30 %

* Based on the methodology of the Czech Association of Financial Counselling and Intermediary Companies (ČASF)
Note: Product groups with a proportional share lower than 0.5 % are rounded down and expressed as 0 %.

Brok is our key application. It saves the workload in the field of finances, real estate, and in recruiting as well. The information entered into the application are simultaneously entered into other systems.

09



BROKER CONSULTING ECONOMICS IN 2023

REPORT OF THE BOARD OF DIRECTORS ON THE COMPANY BUSINESS ACTIVITIES AND THE STATE OF ITS ASSETS

The year 2023 belongs to those in which the economics of the Czech Republic has been significantly affected by unusually strong external influences that negatively affect not only our country, but also, to some extent, the whole world.

The first was the war in Ukraine, where intensive fights have entered third year conducted for third year. The second impact was the sharp rise in energy prices and the associated rise in inflation with all the accompanying negative effects on the country's economy and the lives of its citizens. At the end of the year a violent conflict in Gaza flared up, which was triggered by the brutal Hamas attack on Israel at the beginning of October 2023. Next global factors that do not seem to influence our country directly, were the increasing tension between the USA and China, and the growing activities of aggressive Islamic elements.

It is clear, that all these circumstances are complicating the lives of our citizens, increasing the cost of living, complicating the plans for their future, and undermine their life and security certainty.

In this situation, the company management had to focus on the three main tasks:

- To orient all our employees and cooperators to provide maximum service to all our clients, who more than

any time before needed advice and assistance in a new, often confusing and difficult situation.

- To provide our employers and cooperators with the resources, knowledge, skills and tools to enable them to contact the existing and even new clients effectively, communicate with them and provide them with quality service.
- Manage the company financial performance to generate a profit, even despite increased costs resulting from the two above-mentioned tasks, to enable further growth and development also in future periods.

If we look back at the previous year, we can declare with satisfaction that these three main tasks were achieved.

The company headquarters strengthened the sales support department, the training system has been improved step by step, especially focusing on the work with newcomers. In their training were involved their managers and directors, which was declared mandatory for them. Despite the great shortage of programmers on the labour market, we managed to strengthen significantly our IT capacity engaging many qualified specialists, which allowed us to create and stabilise several new solution teams focused on various topics. A more detailed description of some measures and results from this field is provided further below.

Having in view the difficult situation on the market where the company is active, it was not possible to reach such growth in turnover as in previous years. As the company costs were managed consistently, we have achieved profit which allowed us both the payments of dividends to our shareholders, and future investments in further business development.

The main activity turnover of Broker Consulting, a. s., Czech Republic, reached CZK 1.9 billion, and the turnover of main activity including our Slovak branches Broker Consulting, a. s., Slovak Republic and FinCo Services, a. s., reached CZK 2.02 billion in total, which, having in view the difficult situation in 2023, we consider very positive result.

Also the overall turnover has grown within wider Broker Consulting group formed especially by these companies:

- Broker Consulting, a. s., Czech Republic,
- Broker Consulting, a. s., Slovak Republic,
- FinCo Services, a. s., Slovak Republic,
- BC Marketing & Media, s.r.o., Slovak Republic,
- Regional real estates - Slovak Republic,
- ProCredia, a. s.,

In 2023 we worked on digital transformation of the company

- PRODOMIA, s.r.o.,
- BC Properties, a. s.,
- BC Real, a. s.,
- MONECO investiční společnost, a. s.,
- MONECO, s.r.o.,
- Broker Auto, s.r.o.,
- BC Developement, s.r.o.,
- and others

whereas the turnover in 2023 reached the total value of **CZK 2.9 billion**, which, in comparison to 2022, means the **growth by 3.6 %**.

Even with our utmost focus on securing economic growth in a difficult situation and circumstances, we paid attention to the continuous quality of our services in all product segments that we provide to our clients. The scope and structure of the products and services provided by us do correspond with specific economic situation of the state and its citizens. In our opinion, they are optimally balanced. The structure of products, considering their share in company turnover is shown on pages 46–47.

The performance of our services in the specific conditions of 2023, and their further development in future years, would not have been possible without significant strengthening of IT support within all the business processes and electronic communication with our clients. Thus, also in 2023, we continued to implement our digital transformation plan approved in 2021 and scheduled for the period up to 2025.

As it was mentioned before, we have significantly strengthened digital competences, implementation capacities, service quality and IT status within the company. Dedicated teams focusing on individual topics of comprehensive solution of key IT project areas were further strengthened.

As the company has recognized the crucial role of data within its business model, the company has also developed a separate data strategy in 2022. In 2023, this strategy was subsequently implemented and further developed. As the important milestone was understood the launch of new data platform. It is designed to centralize and democratize access to data across the entire company, enabling us to significantly improve our data consolidation and analysis capabilities by providing cutting-edge tools that optimize our processes for measuring and managing goals and activities, and providing the ability to analyze data from multiple perspectives in real time. Easy access to data, not only for our employees but also for our partners and collaborators, significantly helps to improve the speed and quality of decision-making processes and reinforces our data-driven corporate culture. The platform will be further developed towards personalization, automation and machine learning integration, which will further improve the service to our consultants and clients. Through a combination of technological innovation and the human touch of our consultants, we can not only respond effectively to current market challenges, but also proactively anticipate future trends and needs. This balanced approach allows us to maintain a leadership position in our industry and ensures that our organization remains data-driven while maintaining the human dimension of our work.

Next, we continued to develop the digitalisation of business processes, including the extension of the possibility of electronic negotiation of other contractual relationships. In close cooperation with our main business partners we have also significantly extended the possibilities of the already existing online contract negotiation tools, especially the investment and personal Insurance negotiator. This has been so successful that the majority of investment and non-life Insurance contracts are already fully negotiated with our clients digitally. This also includes mandatory documentation and automated recording in Broker Consulting systems.

After almost three years of intensive development, we deployed the fifth generation of the OK Financial Plan tool in the second half of the year. This is an application used by our cooperators for comprehensive financial advice to clients. Currently, the new version allows us to service our long-term clients much better and brings a number of enhancements that opens the possibility to model almost every life situation that can be covered by proper financial planning.

Also, some other processes that were until now generated only in the form of paper documents and forms were digitised. The Interactive Forms App (IF) now also includes other documents that can be filled out, signed and sent to be processed purely electronically, which makes the entire process faster and more efficient.

Furthermore, we continued in our efforts to unify and modernize the look of all our applications to offer the best possible user and customer experience with our products. The modern and user friendly design of our apps means that our clients have access to the best financial tools and services that help them to achieve their financial goals with greater confidence and satisfaction.

In the field of IT infrastructure and security has not been implemented and crucial change in 2023. All operational activities were based on the previously approved IT development plan and security strategy. The HW investments were primarily directed towards expanding the disk capacity of the server infrastructure and the purchase of new deduplication unit for backups archiving. Finally, a new database server was purchased. This replaced the original hardware the contractual producer's support of which ended.

In the field of IT security we have considerably moved forward in the social engineering methods through which we test security awareness of our users without the help of an external supplier. By the end of 2023 we have also launched

EDR solution testing (Endpoint Detection and Response). This is a security technology that is focused on the detection and reaction to threats on endpoint devices and servers. This technology is gathering and analyzing data from endpoints and responds to threats that bypass the current antivirus, and then sends alert to a security team with a warning off any potential threats. If the testing is successful, we would like to launch production of this product during 2024.

A test run of several services in the AWS cloud was performer and the first operational app in this environment was launched for the sister company MONECO investment company. Subsequently, the cost analysis will be carried out, upon which will be later decided whether the company will prioritize could or on-premise solution for the operation of new applications.

During the following years, the company of Broker Consulting shall be governed by the new NIS2 and DORA regulations. That is why we have already started this year to prepare actively the necessary processes and documentations.

Broker Consulting, a.s. always paid significant attention also to environmental protection. Considering the nature of all its business activities, the company does not develop any special activities in this area. However, the need to protect the environment is highlighted in contact with its clients and reflected in the mix of products that include also the products with protection of the environment. Waste disposal is carried out in compliance with the applicable regulations of the Czech Republic.

All the above-mentioned activities will continue in 2024 and further periods. In general, the business focus of the company remains unchanged. We will continue to endeavour to attract more clients which we want to provide with the highest quality services tailored to their specific interests. To make this possible, we will gradually expand our network of co-workers and devote maximum effort to growing their expertise. We are also aimed to strengthen significantly

our physical presence in each region of the Czech Republic through our Broker Point and Broker Point Premium business locations.

As of 31.12.2023, the holding structure of Broker Consulting, a.s., Czech Republic **consisted of the following companies:**

- Broker Consulting, a. s., Czech Republic,
- Broker Consulting, a. s., Slovak Republic,
- FinCo Services, a. s., Slovak Republic,
- BC Marketing & Media, s. r. o., Slovak Republic,

whereas the holding company which owns the majority in other companies within the Group is Broker Consulting, a. s., Czech Republic.

Next, the non-profit making organization ABC Finančního vzdělávání, o.p.s., and two charitable organisations Dobrý skutek, z. s., Czech Republic and Dobrý skutok SK, o.z.

Both these charitable organisations are significantly sponsored by Broker Consulting Group.

Throughout the year 2023, the Board of Directors of Broker Consulting, a. s., Czech Republic, was structured as follows:

- Vilém Podliska – Chair of the Board of Directors
- Petr Hora – Member of the Board of Directors
- Jan Bláha – Member of the Board of Directors

As of the date of publishing the present Annual Report the structure of the Board of Directors has not been changed.

Throughout the year 2023, the Supervisory Board of Broker Consulting, a. s., Czech Republic, was structured as follows:

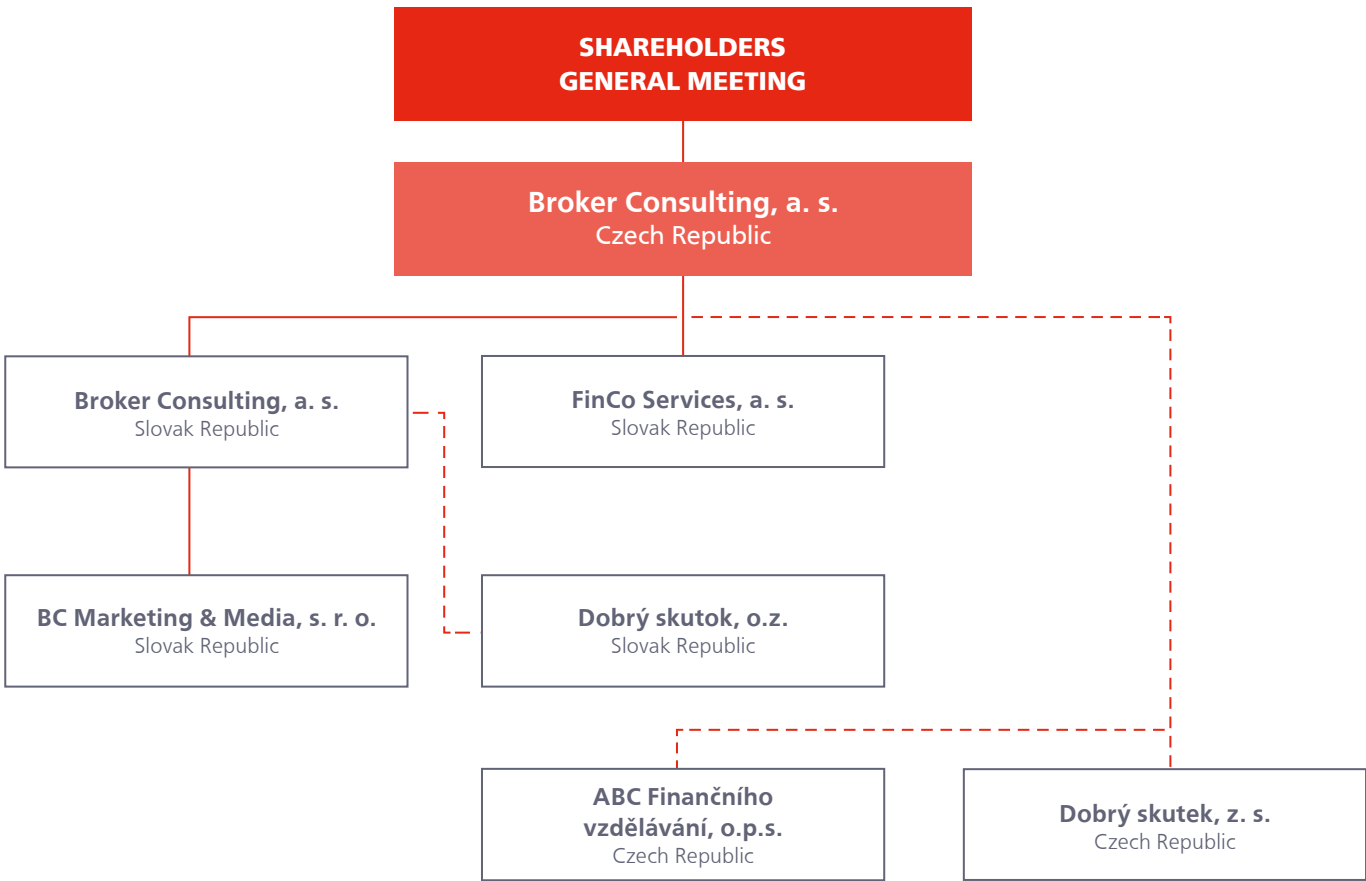
- Petr Hrubý – Chair of the Supervisory Board
- Jiří Brabec – Member of the Supervisory Board

- Renáta Pavlíčková – Member of the Supervisory Board
- As of the date of publishing the present Annual Report the structure of the Supervisory Board has not been changed.

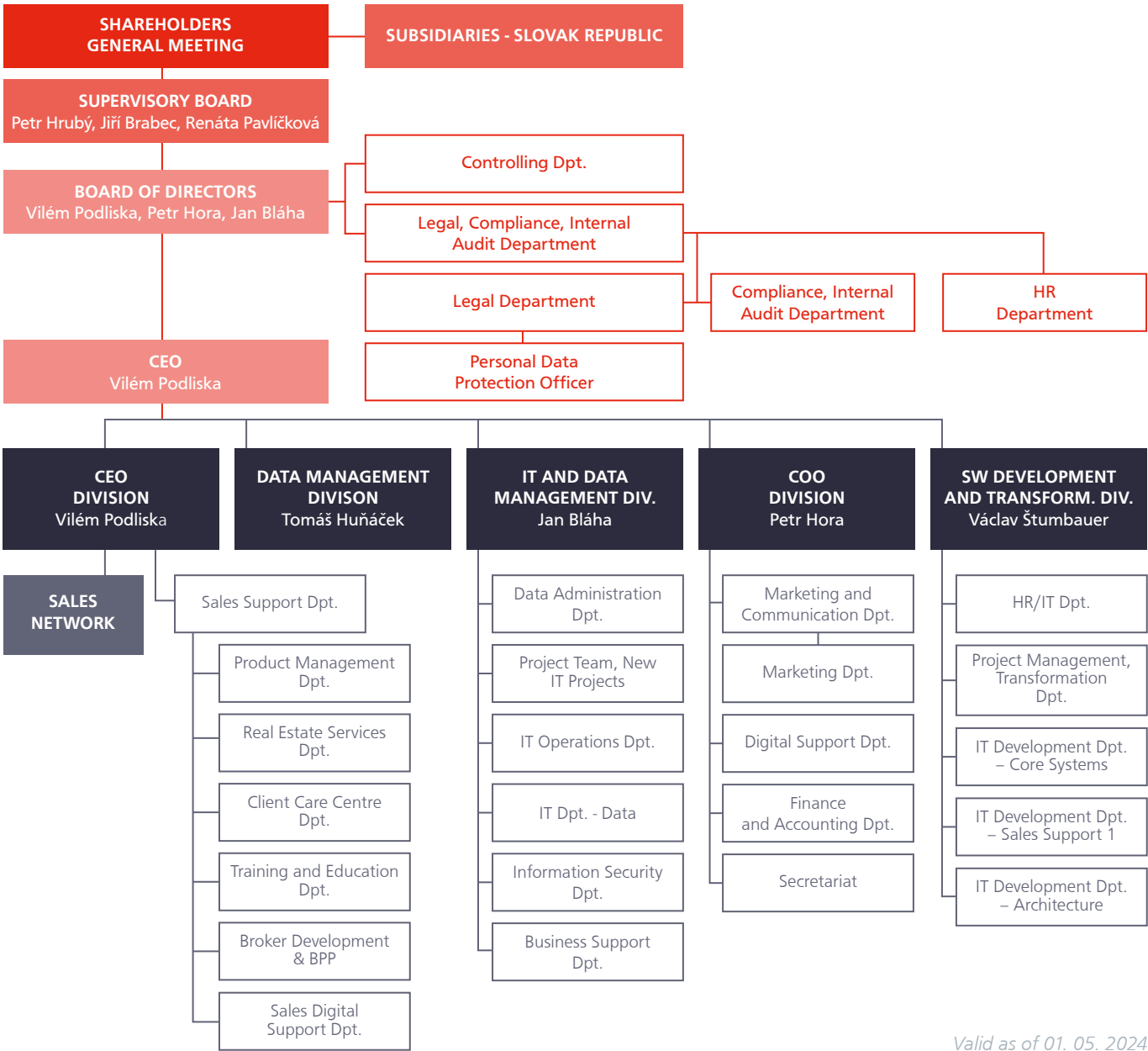
During 2023, the company Broker Consulting, a. s., was structured into five divisions, whereas three of them were managed directly by individual members of the Board of Directors, and two were managed by a division director appointed by the Board of Directors.

Organizational chart of the company Broker Consulting, a. s., Czech Republic, valid as of the Annual Report publishing date is stated on page 54 hereof.

ORGANIZATIONAL CHART OF THE BROKER CONSULTING, A. S.



ORGANIZATIONAL CHART OF THE COMPANY BROKER CONSULTING, A. S.



Valid as of 01. 05. 2024

1. COMPANY DETAILS

Business Firm Name and Registered Office:

Broker Consulting, a. s., Jiráskovo nám. 2684/2, 326 00 Plzeň

Legal Form:

Joint Stock Company

ID No.:

25221736

Business firm has been entered in the Commercial Register at the Regional Court in Plzeň under file reference B 1121.

Principal Subject of Activities:

- Production, trade and services not specified in Schedules 1 through 3 to the Trade License Act
- Investment intermediary
- Independent consumer credit intermediary
- Real estate brokerage
- Independent intermediary under the Act on Distribution of Insurance and Reinsurance
- Independent intermediary under the Act on Supplementary Pension Savings

Date of Company Incorporation:

21. 5. 1998

Balance Sheet Date:

31. 12. 2023

Commercial Register:

As of 31. 12. 2023, the sum of registered capital of the business firm (hereinafter referred to as the “company”) was amounting to CZK 100,910,448. The registered capital was divided to 1,227,121 pcs of ordinary registered shares in certificated form, each of nominal value of CZK 81, and into 18,687 pcs of preference registered shares the special rights of which are specified in the company statutes.

Shares:

The company holds the 70% share in Broker Consulting, a. s. of the registered office at Pribinova 25, Bratislava, Slovak Republic, ID No. 36651419. Company principal subject of activities is insurance agent, insurance broker, insurance broker, investment intermediary, and real estate. As of 31. 12. 2023 the company registered capital was amounting to EUR 33,190.

The company holds the 70% share in FinCo Services, a.s. of registered office at Pribinova 25, Bratislava, Slovak Republic, ID No. 35848979. Company principal subject of activities is insurance agent, insurance broker, investment intermediary, and real estate. As of 31. 12. 2023 the company registered capital was amounting to EUR 25,000.

As of 31. 12. 2023 the company revalued these shares at fair-trade price using the equivalence method. On this date the balance sheet has shown the share held in Broker Consulting, a. s., SR of CZK 3,760,000, and the share held in FinCo Services, a.s. of CZK 594,000.

Since 2023 the company has held the 16.66% share in Hyponation a.s. of the registered office at Korunní 810/104, Praha, ID No. 195 58 252.

2. KEY ACCOUNTING PROCEDURES USED WITHIN THE COMPANY

The present financial statements were prepared in compliance with the Act No. 563/1991 Coll., on accounting (hereinafter referred to as the Act on accounting) and with the Decree of the Ministry of Finance No. 500/2002 Coll. which implements some provisions of the Act on accounting, for business entities that are the entrepreneurs that keep their records by double-entry accounting system, which has been applicable for the year 2023 and 2022.

A) Long-Term Intangible Assets

Long-term intangible assets are valued at their acquisition cost comprising of the purchase price and purchase-related costs.

Long-term intangible assets generated by the activity of a company is valued at cost that include personnel costs, production and administrative costs.

Long-term intangible assets up to CZK 80 thousand shall be recognised directly in costs. Long-term intangible assets exceeding CZK 80 thousand are depreciated in compliance with the equalization method, i.e. with the provision of the Act on accounting and the Income Tax Act.

B) Long-Term Tangible Assets

Long-term tangible assets over CZK 80 thousand are valued at acquisition cost comprising of the purchase price and purchase-related costs. Their acquisition cost is increased by technical appraisal. Long-term tangible assets are, in terms of tax, depreciated linearly, the accounting depreciations are equalized of the period of supposed use of the assets.

Long-term tangible assets up to CZK 20 thousand shall be recognised directly in costs. Long-term tangible assets exceeding CZK 20 thousand are valued at their acquisition price comprising of the purchase price and purchase-related costs. The equalized depreciation method is used for the period of 24 months.

Repairs and maintenance are accounted to costs. Long-term tangible assets are depreciated in accordance with the depreciation schedule of the accounting entity.

C) Financial Assets

Short-term financial assets consist of valuables, cash and cash in bank accounts. Long-term financial assets consist of ownership interests and profit participation certificates. Ownership interests of decisive influence are valued using the equivalence method. Other securities shall be revaluated annually as of 31. 12. at fair value.

D) Inventory

The merchandise is valued at acquisition cost that include the purchase price and purchase-related costs. The merchandise deduced from the books is valued by the method of weighted arithmetic average.

E) Receivables

Receivables are valued in their nominal value. The value of past due receivables shall be lowered using adjustments to receivables, which shall be entered as minus value into the costs to their realisable value.

Estimated asset accounts are valued according to professional estimations and calculations.

Receivables and estimated asset accounts are divided to short-term (due date up to and including 12 months) and long-term (due date over 12 months), where the short-term ones are due within one year of the balance sheet date.

F) External Resources

Long-term and short-term liabilities are reported in their nominal values.

G) Foreign Exchange Operations

Assets and liabilities acquired in foreign currency are valued in Czech crowns applying the exchange rate declared by the Czech National Bank as of the date of the accounting operation. Executed and not executed foreign exchange operations – i.e. exchange gains and losses, are accounted in current period expenses and revenues.

As of the balance sheet date, items of monetary nature were valued at the exchange rate valid on 31. 12. as declared by the Czech National Bank.

H) Income Tax

Income tax expense is calculated, using the applicable tax rate, from the accounting profit increased or decreased by permanently or temporarily non-tax-deductible costs and untaxed revenues (e.g. newly entered and clearing of other reserves and adjustments, representation costs, remuneration for the members of statutory bodies).

Next, the items lowering the tax base (donations), deductible items (tax losses, costs of R&D projects to be carried out) and income tax credits are also taken into account.

The deferred tax liability reflects the impact of temporary differences between amortised cost of assets and liabilities, which is reported from the bookkeeping point of view and income tax base reporting, where the period of realization is reflected as well.

The amounts which have arisen due to first year of deferred tax from all temporary differences are entered into the equity.

If the financial statements precede the final calculation of income, the accounting entity shall establish a reserve for income tax.

I) Donations

In the 2023 accounting period the company donated a total of CZK 1,182 thousand (in 2022: CZK 2,339 thousand).

J) The Use of Estimations

To prepare the financial statements the company management shall use the estimations and assumptions that affect the reported value of assets and liabilities as of the date of financial statements and reported amounts of revenues and costs during the reported period. The company management defined these estimations and assumptions according to all available relevant information. However, from the nature of estimation is clear the real amounts may differ from these estimations in future.

K) Cost and Revenue Accounting

The accruals of costs and revenues shall be entered in such period to which they are materially related.

L) Correction of Previous Years’ Errors – Impact on Equity

The correction of previous years’ errors having the impact on equity as of 31. 12. 2022 is amounting in total to CZK 1,541 thousand and consist of the corrected amount of long-term financial assets, i.e. CZK -2,960 thousand, and of the firstly entered deferred tax amounting to CZK 4,501 thousand. In connection with this correction of errors were entered the following changes in the reporting of the comparative period.

a) Changes in reporting in the amounts of shares. As the result- the equity was lowered by CZK 2,960 thousand.

Balance Sheet Line	Balance as of 31. 12. 2022 (original)	Balance as of 31. 12. 2022 (revised)
B.III.1. – Shares – controlled or controlling entity	8.013	5.859
C.II.2.4.6. – Other receivables	4 487	1.009
C.II.2.2. Receivables – controlled or controlling entity	5 381	6.300
TOTAL ASSETS	17 881	13 168
A.II.2.2. – Asset and liability revaluation differences	5.281	3.527
A.IV.2. – Other profit/loss of prior periods	0	-2.960
TOTAL LIABILITIES	5.281	567

b) First record of deferred tax was amounting to CZK 4,501 thousand. Thus, corrections in comparative data for the year 2022 were adequately revised. The equity was therefore increased by CZK 4,501 thousand.

Balance Sheet Line	Balance as of 31. 12. 2022 (original)	Balance as of 31. 12. 2022 (revised)
C.II.1.4. – Deferred tax assets	0	4.501
TOTAL ASSETS	0	4.501
A.IV.2. – Other profit/loss of prior periods	0	4.501
TOTAL LIABILITIES	0	4.501

M) Correction of Previous Years’ Errors – the Reporting of Real-Estate Deposit Accounts

In 2023, the company found out and entered the error related to 2022, which referred to the incorrectly reported

deposits of clients’ financial funds in balance sheet in total amount of CZK 425,769 thousand. Currently, these deposits are reported in off-balance sheet, and the comparative period was corrected. In terms of equity amount, the correction of error was immaterial.

Balance Sheet Line	Balance as of 31. 12. 2022 (original)	Balance as of 31. 12. 2022 (revised)
C.IV.2.- Cash, i.e. funds in banks	594.860	169.091
C.II.4. – Trade liabilities	734.910	309.141
Total impact on equity	0	0

N) Correction of Previous Years’ Errors – with no impact on equity (transfers)

For comparability reasons, a previous period correction was made in long-term receivables records stated in the Balance Sheet, and also in the breakdown of interests received in the Profit and Loss Statement.

Balance Sheet Line, Profit and Loss Statement Line	Balance as of 31. 12. 2022 (original)	Balance as of 31. 12. 2022 (revised)
C.II.1.5.4.- Other receivables	168.700	15.000
C.II.1.2. Receivables – controlled or controlling entity	0	153.700
VI.1.- Interests received and similar income – controlled or controlling entity	0	6.809
VI.2. – Other interests received and similar income	34.105	27.296
Total impact on equity	0	0

Due to the corrections of previous periods, stated under L-N, the cash flow statement does not include any records of the past periods’ figures, as these data are not comparable.

3. LONG-TERM ASSETS

A) Long-term intangible assets (in CZK thousands)

ACQUISITION COST	Initial status	Incre-ments	Decre-ments	Final status
Software	52 272	22 192	0	74 464
Trademarks	66 473	0	0	66 473
Other low value intangibles	24 347	0	0	24 347
Intangible assets in progress	957	21 235	22 192	0
Provided advance payments for intangible assets	0	0	0	0
Total 2023	144 049	42 427	22 192	165 284

ACCUMULATED AMORTIZATION	Initial status	Incre-ments	Decre-ments	Final status
Software	39 449	9 134	0	48 583
Trademarks	24 619	1 395	0	26 014
Other low value intangibles	24 347	0	0	24 347
Total 2023	88 415	10 529	0	98 944

In 2023, a part of purchased software was amounting to CZK 10,057 thousand and was purchased by activation, i.e. due to the development of company employees.

In 2023 the period of use of trademarks was updated. Currently, this period does not exceed 30 years.

B) Long-term tangible assets (in CZK thousands)

ACQUISITION COST	Initial status	Incre-ments	Decre-ments	Final status
Buildings, halls, constructions	45 217	0	13 619	31 598
Individual movable assets	56 356	5 811	1 657	60 510
Tangible assets in progress	1 200	4 611	5 811	0
Provided advance payments for assets	0	0	0	0
Total 2023	102 773	10 442	21 087	92 108

C) Long-term financial assets (in CZK thousands)

Financial information on these companies was sourced from the financial statements of individual companies, which was not verified by the auditor.

ACCUMULATED AMORTIZATION	Initial status	Incre-ments	Decre-ments	Final status
Buildings, halls, constructions	27 834	2 461	13 619	16 676
Individual movable assets	46 163	6 612	1 657	51 118
Total 2023	73 997	9 073	15 276	67 769

Statement on movements in fixed financial assets

	Balance as of 31. 12. 2022 (revised)	Incre- ments	Decre- ments	Revalua- tion	Balance as of 31. 12. 2023
Shares – controlled or controlling entity	5 859	0	0	-1 506	4 353
Other long-term securities and shares	193 559	0	-53 165	11 012	151 406
Total	199 418	0	-53 165	9 506	155 759

Controlled and controlling entities, and accounting entities under significant influence as of 31. 12. 2023 (in CZK thousand):

Company business name and legal form	Broker Consulting, a. s.	FinCo Services, a.s.
Company registered office	Slovak Republic	Slovak Republic
Share in %	70	70
Equity	5 371	848
Current year profit	4 918	62

Controlled and controlling entities, and accounting entities under significant influence as of 31. 12. 2022 (in CZK thousand), revised data:

Company business name and legal form	Broker Consulting, a. s.	FinCo Services, a.s.
Company registered office	Slovak Republic	Slovak Republic
Share in %	70	70
Equity	7 222	1 148
Current year profit	6 261	423

4. RECEIVABLES

Receivables of due date exceeding 5 years has not been reported by the company neither at 31. 12. 2023 nor at 21. 12. 2022.

Estimated receivables include especially commissions to be received – referring to 2023.

In 2023, the adjustments to outstanding receivables were created upon individual assessment of overdue receivables.

Adjustments to receivables express their temporary nominal value decrease. Legally required adjustments are created in accordance with the Act on Reserves.

CHANGES IN THE ACCOUNTS OF ADJUSTMENTS (IN CZK THOUSAND)

	Balance as of 1. 1. 2023	Newly entered adjustment entries	Clearing of adjustment entries	Balance as of 31. 12. 2023
Adjustments	12 734	3 337	3 626	12 445

5. CASH IN BANKS

The item Cash in banks refers to CZK 201,592 thousand (in 2022: CZK 169,091 thousand – the revised figure).

The company also records entries on so-called deposit accounts, in compliance with the Act on Real Estate Mediation. The cash in depositary accounts is reported in off-balance-sheet statement, i.e. CZK 481,379 thousand (in 2022: CZK 425,769 thousand).

6. LIABILITIES

From the total amount of external resources as of 31. 12. 2023 was CZK 756,492 thousand (in 2022: CZK 643,614 thousand – revised figure) the most significant part form

long-term trade liabilities with a due date over 12 months and are amounting to CZK 359,110 thousand (in 2022: CZK 280,344 thousand) and short-term ones of CZK 352,706 thousand (in 2022: CZK 309,141 thousand – revised figure).

Short-term liabilities, referring to the deposit, towards the clients are shown in off-balance-sheet statement. In 2023, this figure was amounting to CZK 480,828 thousand (in 2022: CZK 425,769 thousand).

As of 31.12.2023 the company has not sourced any bank loans.

Neither as of 31.12.2023 nor 31.12.2022, the liabilities of due date exceeding 5 years were not reported by the company.

As of 31.12.2023 the company entered the reserve for income tax amounting to CZK 42,489 thousand (in 2022: CZK 42,929 thousand) as estimated income tax to be paid for 2023. The reason to enter this amount is that the accounting unit draws up the financial statements prior to proper tax declaration. The reserve for income tax is shown in the balance sheet and is compensated by the already advance payments for income tax (in 2023 the paid advances for income tax were amounting to CZK 44,501 thousand (in 2022: CZK 37,610 thousand).

As of 31.12.2023 the deferred tax receivable was reported as CZK 5,637 thousand. The initial balance of deferred tax was due to firstly reported figure entered against the other profit/loss of previous periods at the amount of CZK 4,501 thousand, see letter L – Correction of Previous Years’ Errors. The change in balance of deferred tax amounting to CZK 1,136 thousand is shown in Profit and Loss Statement – see line L.2.

The company calculated the deferred tax as follows (in CZK thousand):

	2023		2022 (revised)	
Deferred tax items	Deferred tax receivable	Deferred tax liability	Deferred tax receivable	Deferred tax liability
Difference between the carrying amount and tax amortised cost of long-term assets		244		150
Reserves	5 880		4 651	
Total	5 880	244	4 651	150
Net	5 636		4 501	

As of 31.12.2023 the deferred tax was calculated using the 21 % tax rate which is valid from 1. 1. 2024

7. RESERVES

Item	Balance as of 31. 12. 2022	Change in 2023	Balance as of 31. 12. 2023
Reserve for a leave	4 762	-874	3 868
Reserve for other risks	0	4 395	4 395
Reserve for income tax	42 929	-440	42 489

The reserve for income tax shown in the balance sheet was lowered by the already paid advance payments for income tax.

8. REVENUES

Revenues in CZK thousand	Total 2023	Total 2022
Merchandise	1 765	1 988
Services	1 895 019	1 860 344
Categories of services:		
Life Insurance – commissions	626 496	530 026
Investments – commissions	491 771	475 379
Real estate – commissions	324 591	368 181
Mortgages and loans - commissions	137 464	172 994
Other services	314 697	313 764

CZK 10,905 thousand (in 2022: CZK 0) refers to the amount generated in Spain – this amount forms a part of total 2023 revenues. Other revenues were generated in CZ territory.

9. BANK GUARANTEE

UniCredit Bank ČR a.s. has provided our company with bank guarantees amounting to CZK 3,334 thousand (in 2022: 3,211 CZK thousand).

10. EMPLOYEES

Any remuneration to the members of managing, supervisory or administrative company bodies have not been paid out by reason of their positions.

In 2023, the average recalculated number of company employees was 164,83 (in 2022: 142,88 employees). In 2023, total sum of personal costs paid for employees was amounting to CZK 155,340 thousand (in 2022: CZK 135,052 thousand). From the total number of employees in 2023 there were 24 (in 2022: 23) managers, and the personal costs of these employees were CZK 32,151 thousand (in 2022: 39,296 thousand). All the employees belong to salaried employees’ category.

11. CONSOLIDATION

The company has been consolidated. Broker Consulting Group, SE is the consolidating company. Consolidated financial statements shall be kept in the registered office of consolidating company, i.e. at Jiráskovo nám. 2, 326 00 Plzeň.

12. PROPOSAL FOR PROFIT DISTRIBUTION

In 2023, the Board of Directors decided to pay the advance dividends amounting to CZK 22.8 million (in 2022: CZK 20.8 million) for preference shares and CZK 50 million (in 2022: CZK 50 million) for ordinary shares. Advance payments were paid in their approved amounts. In 2023, a decision to pay off share-in-profit amounting to CZK 151,942 thousand was adopted.

In view of the favourable assumptions regarding company performance and its further development in future periods, the Board of Directors will propose to the General Meeting to pay out, of the total profit after tax, i.e. the sum of CZK 167,724 thousand, the amount of CZK 158,309 thousand in dividends and the CZK 9,415 thousand to be transferred to retained earnings of previous periods. Out of the total sum of dividends paid, CZK 23,325 thousand will be paid for preference shares and CZK 134,983 thousand for ordinary shares (CZK 110 per share). Dividends related both to preference and ordinary shares shall be charged against the already paid profit share advances. Dividend payments are subject to the approval adopted by the General Meeting.

13. INFORMATION ON RELATED PARTY TRANSACTIONS

Both in 2023 and 2022 the members of managing, supervisory and administrative company bodies did not receive any advances, earnest payments, loans, credits, granted guarantees, and other benefits or advantages, and do not hold any shares of the company.

As of 31.12.2023 the long-term receivables from related parties were valued at CZK 237,944 thousand (as of 31. 12. 2022: CZK 153,700 thousand) and refer especially to loans.

The company provides services to related parties. In 2023, the volume of these sales reached the sum of CZK 12,404 thousand (in 2022: CZK 8,637 thousand).

As of 31.12.2023 the short-term receivables from related parties were valued at CZK 16,093 thousand (as of 31. 12. 2022: CZK 11,432 thousand).

The company purchases products and uses services of related parties, which is an ordinary course of company business. In 2023, the purchases amounted to CZK 10,017 thousand (as of 31. 12. 2022: CZK 4,869 thousand).

As of 31. 12. 2023 the company recorded short-term liabilities towards related parties in total amount of CZK 1,217 thousand (as of 31. 12. 2022: CZK 605 thousand).

14. SIGNIFICANT ITEMS FROM THE PROFIT AND LOSS STATEMENT

Other operating expenses include especially unapplied VAT, which happened due to the reduction by the coefficient.

Revenues from other long-term financial asset include the selling price of the shares.

Expenses related to other long-term financial asset include the acquisition price of the securities sold.

15. AGGREGATE REPORTING OF THE TYPES OF ACCOUNTING EVENTS

In its financial statements, the company recognised, in aggregate, the reserve for income tax and advance income tax payments.

16. SUBSEQUENT EVENTS

No notable events have not happened after the date of financial statements.

The financial statements of 31. 12. 2023 was prepared supposing the company will be able to continue its activities.

Drawn up on 17. 6. 2024

Vilém Podliska

Chair of the Board of Directors

Petr Hora

Member of the Board of Directors

Jan Bláha

Member of the Board of Directors

PROFIT AND LOSS STATEMENT

in whole CZK thousands

		ACCOUNT. PERIOD STATUS		
		LINE NO.	CURRENT	PAST
I.	Revenues from sales of own products and services	01	1 895 019	1 860 344
II.	Revenues from merchandise sold	02	1 765	1 988
A.	Consumption sum (Lines: 04 + 05 + 06)	03	1 557 613	1 529 159
1.	Cost of merchandise sold	04	1 762	1 440
2.	Material and energy consumed	05	10 712	12 956
3.	Services	06	1 545 139	1 514 763
C.	Activation (-)	08	-10 057	0
D.	Personal costs (Lines: 10 + 11)	09	155 340	135 052
1.	Wages and salaries	10	111 144	96 765
2.	Social security and health insurance expenses, other costs (Lines: 12 + 13)	11	44 196	38 287
2. 1	Social security and health insurance costs	12	37 151	31 943
2. 2	Other costs	13	7 045	6 344
E.	Value adjustments related to operation (Lines: 15 + 18 + 19)	14	18 915	18 413
1.	Value adjustments related to long-term intangible and tangible assets (Lines: 16 + 17)	15	19 204	19 627
1. 1	Value adjustments related to long-term intangible and tangible assets – of perm. nature	16	19 204	19 627
3.	Value adjustments in receivables	19	-289	-1 214
III.	Other operation revenues (Lines: 21 + 22 + 23)	20	9 485	15 442
III. 1	Sales from long-term assets sold	21	632	852
3	Other operation revenues	23	8 853	14 590
F.	Other operating expenses (Lines: 25 to 29)/	24	31 365	29 683
1.	Net book value of disposed long-term assets	25	460	146
3.	Taxes and fees	27	1 010	580
4.	Reserves in operating field, comprehensive expenses of future periods	28	3 521	996
5.	Other operating expenses	29	26 374	27 961
*	Operating income/loss (+/-) (Lines: 01 + 02 - 03 - 07 - 08 - 09 - 14 + 20 - 24)	30	153 093	165 467
IV.	Income from long-term financial assets - interests (Lines: 32 + 33)	31	4 581	2 659
IV. 1	Revenues from shares - controlled and controlling entities	32	4 581	2 659
V.	Revenues from other long-term financial assets (Lines: 36 + 37)	35	55 374	50 000

PROFIT AND LOSS STATEMENT

in whole CZK thousands

		ACCOUNT. PERIOD STATUS		
		LINE NO.	CURRENT	PAST
2	Other revenues from other long-term financial assets	37	55 374	50 000
H.	Expenses related with other long-term financial assets	38	53 165	49 568
VI.	Interests received and other similar revenues (Lines: 40 + 41)	39	51 047	34 105
1	Interests received and other simila revenues - controlled or controlling entity	40	16 764	6 809
2	Other interests received and similar revenues	41	34 283	27 296
J.	Interests paid and similar expenses (Lines: 44 + 45)	43	739	0
2.	Other interests paid and similar expenses	45	739	0
VII.	Other financial revenues	46	1 183	3 313
K.	Other financial expenses	47	1 750	10 170
*	Income/loss from financial operations (+/-) (Lines: 31 - 34 + 35 - 38 + 39 - 42 - 43 + 46 - 47)	48	56 531	30 339
**	Net income before tax (+/-) (Lines: 30 + 48)	49	209 624	195 806
L.	Income tax (Lines: 51 + 52)	50	41 900	42 908
1.	Income tax - due	51	43 036	42 908
2.	Deferred income tax (+/-)	52	-1 136	0
**	Net income after tax (+/-) (Lines: 49 - 50)	53	167 724	152 898
***	Net income/loss for the accounting period (+/-) (Lines: 53 - 54)	55	167 724	152 898
*	Net turnover for the accounting period = I. + II. + III. + IV. + V. + VI. + VII	56	2 018 454	1 967 851

BALANCE SHEET

in whole CZK thousands

		LINE	CURRENT ACCOUNTING PERIOD			PREV. ACC. PERIOD.
ASSETS			GROSS	CORECTION	NET	NET
TOTAL ASSETS (Lines: 02 + 03 + 37 + 78)		001	1 159 820	179 183	980 637	844 670
B.	Fixed (long-term) assets (Lines: 04 + 14 + 27)	003	415 151	166 738	248 413	283 829
B.	I. Long-term intangible assets (Lines: 05 + 06 + 09 to 11)	004	165 284	98 944	66 340	55 635
2	Valuable rights (Lines: 07 + 08)	006	140 937	74 597	66 340	54 678

BALANCE SHEET
in whole CZK thousands

ASSETS			LINE	CURRENT ACCOUNTING PERIOD			PREV. ACC. PERIOD.
				GROSS	CORECTION	NET	NET
	2.1	Software	007	74 464	48 583	25 881	12 824
	2.2	Other valuable rights	008	66 473	26 014	40 459	41 854
	4	Other long-term intangible assets	010	24 347	24 347	0	0
	5	Provided advance payments for long-term intangible assets and long-term intangible assets in progress (Lines: 12 + 13)	011	0	0	0	957
	5.2	Long-term intangible assets in progress	013	0	0	0	957
B.	II.	Long-term tangible assets (Lines: 15 + 18 to 20 + 24)	014	92 108	67 794	24 314	28 776
B.	II.	1 Land and structures (Lines: 16 + 17)	015	31 598	16 676	14 922	17 382
	1.2	Structures	017	31 598	16 676	14 922	17 382
	2	Items of tangible assets and their groups	018	60 510	51 118	9 392	10 194
	5	Provided advance payments for long-term tangible assets and long-term tangible assets in progress (Lines: 25 + 26)	024	0	0	0	1 200
	5.2	Long-term tangible assets in progress	026	0	0	0	1 200
B.	III.	Long-term financial assets (Lines: 28 to 34)	027	157 759	0	157 759	199 418
B.	III.	1 Shares – controlled or controlling entity	028	4 353	0	4 353	5 859
	5	Other long-term securities and shares	032	153 406	0	153 406	193 559
C.		Current assets (Lines: 38 + 46 + 72 + 75)	037	731 993	12 445	719 548	553 114
C.	I.	Inventory (Lines: 39 + 40 + 41 + 44 + 45)	038	3 927	0	3 927	3 740
	3	Products and merchandise (Lines: 42 + 43)	041	3 927	0	3 927	3 740
	3.2	Merchandise	043	3 927	0	3 927	3 740
C.	II.	Receivables (Lines: 47 + 57 + 68)	046	526 025	12 445	513 580	379 864
C.	II.	1 Long-term receivables (Lines: 48 to 52)	047	249 581	0	249 581	173 201
	1.2	Receivables - controlled or controlling entity	049	237 944	0	237 944	153 700
	1.4	Deferred tax receivable	050	5 637	0	5 637	4 501
	1.5	Receivables - other (Lines: 53 to 56)	052	6 000	0	6 000	15 000
	1.5.4	Other receivables	056	6 000	0	6 000	15 000

BALANCE SHEET
in whole CZK thousands

ASSETS				LINE	CURRENT ACCOUNTING PERIOD			PREV. ACC. PERIOD.
					GROSS	CORECTION	NET	NET
C.	II.	2	Short-term receivables (Lines: 58 to 61)	057	276 444	12 445	263 999	206 663
		2.1	Trade receivables	058	162 054	11 699	150 355	148 328
		2.2	Receivables – controlled or controlling entity	059	5 984	0	5 984	6 300
		2.4	Receivables - other (Lines: 62 to 67)	061	108 406	746	107 660	52 035
		2.4.3	Receivables – from partners	064	3 648	0	3 648	0
		2.4.4	State – tax receivables	065	10 586	746	9 840	9 851
		2.4.5	Short-term advances paid	066	42 505	0	42 505	41 175
		2.4.6	Accruals - the assets	067	51 667	0	51 667	1 009
C.	IV.		Financial assets (Lines: 76 +77)	075	202 041	0	202 041	169 510
C.	IV.	1	Cash (on hand)	076	449	0	449	419
		2	Cash, i.e. funds in banks	077	201 592	0	201 592	169 091
D.			Accruals on assets (Lines: 79 to 81)	078	12 676	0	12 676	7 727
D.		1	Pre-paid expenses	079	12 676	0	12 676	7 727

BALANCE SHEET
in whole CZK thousands

		LIABILITIES	LINE	CURRENT ACC. PERIOD	PREVIOUS ACC. PERIOD
		TOTAL LIABILITIES (Lines: 83 + 104 + 147)	082	980 637	844 670
A.		Equity (Lines: 84 + 88 + 96 + 99 + 102 - 103)	083	224 145	100 732
A.	I.	Registered capital (Lines: 85 až 87)	084	100 910	100 910
	1	Registered capital	085	100 910	100 910

BALANCE SHEET

in whole CZK thousands

LIABILITIES			LINE	CURRENT ACC. PERIOD	PREVIOUS ACC. PERIOD
A.	II.	Share premium and capital funds (Lines: 89 + 90)	088	13 035	3 528
A.	II.	1 Share premium	089	1	1
		2 Capital funds (Lines: 91 to 95)	090	13 034	3 527
		2.2 Asset and liability revaluation differences (+/-)	092	13 034	3 527
A.	III.	Reserves from the profit (Lines: 97 + 98)	096	0	0
A.	III.	1 Other reserves	097	0	0
A.	IV.	Prior periods income (+/-) (Lines: 100 + 101)	099	15 276	14 196
A.	IV.	1 Prior periods retained earnings or loss (+/-)	100	13 611	12 654
		2 Prior periods other profit/loss (+/-)	101	1 665	1 542
A.	V.	Current period profit/loss (+/-) /Lines: 01 - (+ 84 + 88 + 96 + 99 - 103 + 104 + 144)/	102	167 724	152 898
A.	VI.	Adopted decision on share in profit advances to be paid (-)	103	-72 800	-70 800
B. + C. External resources (Lines: 105 + 110)			104	756 492	643 614
B. Reserves (Lines: 106 až 109)			105	8 263	10 060
	2	Income tax reserve	107	0	5 318
	4	Other reserves	109	8 263	4 742
C. Liabilities (Lines: 111 + 126 + 144)			110	748 229	633 554
C.	I.	Long-term liabilities (Lines: 112 + 115 to 122)	111	359 110	280 344
	4	Trade liabilities	117	359 110	280 344
C.	II.	Short-term liabilities (Lines: 127 + 130 to 136)	126	389 119	353 210
	3	Short-term advances received	131	6 428	7 416
	4	Trade liabilities	132	352 706	309 141
	8	Liabilities – other (Lines: 137 to 143)	136	29 985	36 653
	8.1	Payables to partners	137	1 615	1 615
	8.3	Payroll payable	139	8 667	7 817
	8.4	Social security and health insurance liabilities	140	4 699	4 163

BALANCE SHEET

in whole CZK thousands

LIABILITIES			LINE	CURRENT ACC. PERIOD	PREVIOUS ACC. PERIOD
	8.5	State – tax liabilities and subsidies	141	1 505	4 004
	8.6	Accrued liabilities	142	13 368	18 947
	8.7	Other liabilities	143	131	107
D.		Accruals on liabilities (Lines: 148 + 149)	147	0	324
D.	1	Future period expenses	148	0	0
	2	Future period income	149	0	324

STATEMENT ON CHANGES IN EQUITY

in whole CZK thousands

	Registered capital	Share premium and capital funds	Reserves from the profit	Profit/loss of previous acc. periods (+/-)	Profit/loss of current acc. period (+/-)	Adopted decision on share in profit to be paid	Equity
As of 31.12.2021	100 910	4 042		12 481	173 336	-50 600	240 169
Distribution of profit or loss				173 336	-173 336		
Valuation by equivalence		1 240					1 240
Share-in-profits paid out				-173 163		50 600	-122 563
Share-in-profits advance payments paid out						-70 800	-70 800
Profit/loss of current acc. period					152 898		152 898
As of 31.12.2022	100 910	5 282		12 654	152 898	-70 800	200 944
Correction of previous years		-1 754		1 542			-212

STATEMENT ON CHANGES IN EQUITY

in whole CZK thousands

	Registered capital	Share premium and capital funds	Reserves from the profit	Profit/loss of previous acc. periods (+/-)	Profit/loss of current acc. period (+/-)	Adopted decision on share in profit to be paid	Equity
As of 31.12.2022 (revised)	100 910	3 528		14 196	152 898	-70 800	200 732
Distribution of profit or loss				152 898	-152 898		
Valuation by equivalence		9 507					9 507
Share-in-profits paid out				-151 942		70 800	-81 142
Share-in-profits advance payments paid out						-72 800	-72 800
Correction of previous years				124			124
Profit/loss of current acc. period					167 724		167 724
As of 31.12.2023	100 910	13 035		15 276	167 724	-72 800	224 145

CASH FLOW STATEMENT

in whole CZK thousands

			CURRENT ACCOUNTING PERIOD
P		Opening balance of cash and cash equivalents	169 510
		Cash flow from the main activities (operating activities)	
Z		Accounting profit or loss before tax	209 624
A.	1	Adjustments by non-cash operations	-34 834
A.	1.	1 Depreciation of fixed assets (+) excluding amortised cost of the sold fixed assets, and also amortisation of valuation difference on acquired assets and goodwill	19 204

CASH FLOW STATEMENT

in whole CZK thousands

				CURRENT ACCOUNTING PERIOD
A.	1.	2	Change in adjusting entries, reserves	3 232
A.	1.	3	Profit (loss) from fixed assets sold (-/+)	-2 381
A.	1.	4	Revenues from profit-sharing (-)	-4 581
A.	1.	5	Cleared interests paid (+) excluding the interests involved to the valuaiton of long-term assets, and cleared interests received (-)	-50 308
A.	1.	6	Eventual corrections by other non-cash operations	0
A*			Net cash flow from operating activities before tax and changes in working capital	174 790
A.	2		Change in non-cash items of working capital	181 036
A.	2.	1	Change in receivables from operating activities (+/-), transitory asset accounts	66 872
A.	2.	2	Change in short-term liabilities from operating activities (+/-), transitory liability accounts	114 351
A.	2.	3	Change in inventory (+/-)	-187
A.	2.	4	Change in short-term financial assets not involved in cash and cash equivalents	0
A**			Net cash flow from operating activities before tax	355 826
A.	3		Interests paid out excluding the interests involved to the valuation of long-term assets (-)	-739
A.	4		Interests received (+)	51 047
A.	5		Income tax paid and tax debt to be paid for previous periods (-)	-50 367
A.	6			0
A.	7		Profit shares received (+)	4 581
A***			Net cash flow from operating activities	360 348

CASH FLOW STATEMENT

in whole CZK thousands

			CURRENT ACCOUNTING PERIOD
Cash flow from investment activities			
B.	1	Expenditures related to the acquirement of fixed assets	-29 660
B.	2	Revenues from fixed assets sold	56 006
B.	3	Loans and credits provided to related entities or persons	-83 928
B.	4	Change in investment liabilities	0
B.	5	Change in receivables from investment assets sold	0
B.	6	Loans and credits provided to other entities or persons	-118 172
B***		Net cash flow related to investment activities	-175 754
Cash flow from financial activities			
C.	1	Expenditures related to the acquirement of fixed assets	0
C.	2	Revenues from fixed assets sold	-152 064
C.	2.	1 Loans and credits provided to related entities or persons	0
C.	2.	2 Change in investment liabilities	0
C.	2.	3 Change in receivables from investment assets sold	0
C.	2.	4 Loans and credits provided to other entities or persons	0
C.	2.	5 Net cash flow related to investment activities	0
C.	2.	6 Paid out shares in profit, including the payment of withholding tax related to these claims, and including financial settlement towards the partners of General partnership and managing partners in Limited partnership companies (-)	-152 064
C***		Net cash flow related to financial activities	-152 064
F		Net increase or decrease of cash	32 530
R		Final balance of cash and cash equivalents	202 041

Independent auditor’s report on
the audit of Broker Consulting, a.s.
financial statments
as of 31. 12. 2023

ON THE NEXT PAGE



This document is an English translation of the Czech auditor’s report. Only the Czech version of the auditor’s report is legally binding.

Independent Auditor’s Report

To the shareholders of Broker Consulting, a.s.

Opinion

We have audited the financial statements of Broker Consulting, a.s. (hereinafter also the “Company”), based in Jiráskovo náměstí 2684/2, Plzeň, identification number 252 21 736, prepared in accordance with accounting principles generally accepted in the Czech Republic, which comprise the balance sheet as of 31. 12. 2023, and the income statement and statement of changes in equity and cash flow statement, for the period from 1. 1. 2023 to 31. 12. 2023, including significant information about the accounting methods used.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31. 12. 2023, and of its financial performance and its cash flows for the period from 1. 1. 2023 to 31. 12. 2023 in accordance with accounting principles generally accepted in the Czech Republic.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matters

Financial statements as of 31. 12. 2022 were audited by another auditor who expressed an unmodified opinion on those financial statements on 17. 5. 2023.



Other Information in the Annual Report

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

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

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

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

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

Responsibilities of the statutory body and Supervisory Board for the Financial Statements

The statutory body is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the Czech Republic and for such internal control as the statutory body determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the statutory body is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the statutory body either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Company’s financial reporting process.

Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the above mentioned laws and regulations will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the statutory body.
- Conclude on the appropriateness of the statutory body’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the statutory body and the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

In Pilsen, on 17. 6. 2024

Auditing firm:

BDO Audit s.r.o.

BDO Audit s. r. o.

Licence No. 018

Auditor:

Blanka Lukešová

Ing. Blanka Lukešová

Licence No. 1875

In 2023 we started to record **Finance. Real Estate. Together. podcast**, which helps people to reveal the world of finance and real estate.



10

REPORT ON THE RELATIONSHIP BETWEEN THE INTERLINKED ENTITIES IN 2023

According to the Section 82 of the Act No. 90/2012 Coll., on business corporations, as amended

DRAWN UP BY

Vilém Podliska, chair of the Board of Directors, Petr Hora, member of the Board of Directors, and Jan Bláha, member of the Board of Directors – Statutory Body of Broker Consulting, a. s., having its registered seat at: Jiráskovo náměstí 2684/2, Východní Předměstí, 326 00 Plzeň.

I. INTRODUCTION

The controlling entity of the controlled company Broker Consulting, a. s., (hereinafter also referred to as the „controlled entity“) within the meaning of Section 74 of the „ZOK“ was for the period of the year 2023 the company of Broker Consulting Group, SE, ID-No. 042 46 438, having its registered office at: Jiráskovo náměstí 2684/2, Východní Předměstí, 326 00 Plzeň (hereinafter referred to as the „controlling entity“), whereas this company has been a majority shareholder in the company Broker Consulting, a. s., The beneficial owner of the entity which controls the controlling entity is Petr Hrubý, born on 15 March 1972, residing at: Plzeňská cesta 38, Doudlevice, Plzeň.

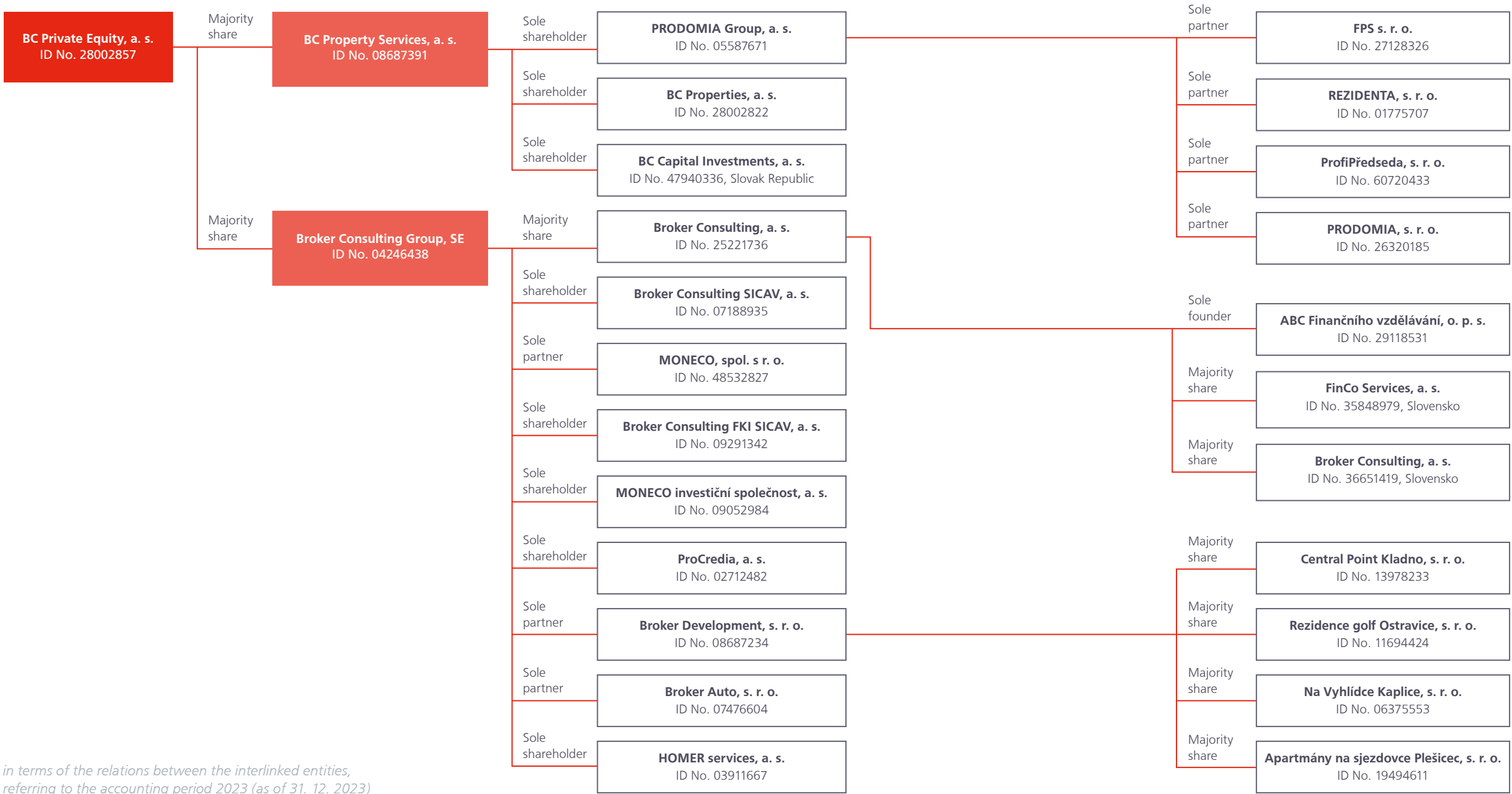
For detailed information on the holding structure see the Organizational Chart of Broker Consulting Group, where is shown the structure of companies together with a link to the business of Broker Consulting, a. s.

II. DESCRIPTION OF THE RELATIONS STRUCTURE

The controlling entity of the controlled company Broker Consulting, a. s., (hereinafter also referred to as the „controlled entity“) within the meaning of Section 74 of the „ZOK“ was for the period of the year 2023 the company of Broker Consulting Group, SE, ID-No. 042 46 438, having its registered office at: Jiráskovo náměstí 2684/2, Východní Předměstí, 326 00 Plzeň (hereinafter referred to as the „controlling entity“), whereas this company has been a majority shareholder in the company Broker Consulting, a. s., The beneficial owner of the entity which controls the controlling entity is Petr Hrubý, born on 15 March 1972.

For detailed information on the holding structure see the Organizational Chart of Broker Consulting Group, where is shown the structure of companies together with a link to the business of Broker Consulting, a. s.

ORGANIZATIONAL CHART OF BROKER CONSULTING GROUP



in terms of the relations between the interlinked entities,
referring to the accounting period 2023 (as of 31. 12. 2023)

Borský park apartments represent a development project under BC Real, our sister company. The project is located in the immediate vicinity of the largest area of green in Plzeň.



III. THE ROLE OF THE CONTROLLED ENTITY OF BROKER CONSULTING, A.S., WITHIN THE CONCERN RELATIONS

Within the above stated concern structure the controlled entity of Broker Consulting, a. s., shall be aimed to provide financial counselling and intermediate services in the territory of Czech Republic and create the conditions for the network of co-operators – financial consultants. Broker Consulting, a. s., is also establishing the conditions for the provision of real estate services using a network of real estate experts. Within this task the controlled entity of Broker Consulting, a. s., provides specific, further described, services also to its subsidiary of Broker Consulting, a. s., Slovak Republic that is focused on the provision of financial counselling in the Slovak market.

Moreover, the controlled entity Broker Consulting, a. s., is further providing the referred-to members of the Broker Consulting Group with advertising and marketing materials and promotional items, as the personal data processor the Company processes personal data of clients of some members of the Broker Consulting Group, as they are understood the administrators of these personal data and ensures the development of IT systems for activity in the field of financial intermediation for its activities and for the activity of some members of the Group.

IV. THE WAY AND MEANS OF THE CONTROL

The influence of the controlling entity is being performed via decision making within the General Meeting. The position of controlled entity and simultaneously the role of beneficial owner was held by Petr Hrubý, who was in 2023 holding the position of the Chairman of the Supervisory Board of the controlled entity, thus the influence of the controlling entity was exercised only via decision making processes within the General Meeting.

V. AN OVERVIEW ON THE NEGOTIATIONS UNDERTAKEN WITHIN THE LAST ACCOUNTING PERIOD, WHICH WERE INITIATED BY THE CONTROLLING ENTITY OR IN THE INTEREST OF THE CONTROLLING ENTITY OR THE ENTITIES THAT ARE BEING CONTROLLED BY IT, IF SUCH NEGOTIATIONS WERE RELATED TO THE ASSETS THAT EXCEED 10 % OF THE REGISTERED CAPITAL OF THE CONTROLLED ENTITY, I.E. BROKER CONSULTING, A.S., WHICH AMOUNT WAS DETERMINED FROM THE FINANCIAL STATEMENTS FOR THE ACCOUNTING PERIOD IMMEDIATELY PRECEDING THE ACCOUNTING PERIOD FOR WHICH IS THE REPORT ON RELATIONS PROCESSED

In 2023 profit shares were granted in total amount of CZK 151,942 thousand.

Within the accounting year 2023 were not conducted any other negotiations in the interests of the controlling entity related to the assets exceeding 10 % of the registered capital of the controlled entity of Broker Consulting, a. s., i.e. the amounts determined from the last financial statements.

VI. AGREEMENTS CONCLUDED BETWEEN THE BROKER CONSULTING CONCERN MEMBERS

The controlled entity of Broker Consulting, a. s., and the entity, who controls the controlling entity, have not concluded any agreements in 2023.

In 2023, between the controlled entity of Broker Consulting, a. s., and other Broker Consulting Concern members were concluded the following contracts:

- Agreement on cooperation in real estate appraisal concluded between Broker Consulting, a.s., as partner, and ProCredia, a.s., ID No. 02712482, as provider, of 1. 2. 2023

- Business Representation Agreement, concluded between Broker Consulting, a.s. as agent and MONECO Investment Company, a.s., ID No. 09052984, of 1 September 2023
- Sublease agreement for business premises, concluded between Broker Consulting, a.s. as lessee and Broker Auto, s.r.o., ID No. 07476604, as sublessee, of 30 November 2023.
- Within 2023 were still effective some contracts and agreements which had been concluded in the previous accounting periods, and these were stated in Annual Reports referring to previous accounting periods. The following contracts and agreements were amended in 2022:
 - Amendment No. 4 to the Intermediation agreement concluded between the company as mediator, and the company ProCredia, a.s., ID No. 02712482, of 1. 2. 2023
 - Amendment No. 5 to the Intermediation agreement concluded between the company as mediator, and the company ProCredia, a.s., ID No. 02712482, of 1. 11. 2023
 - Amendment No. 10 to the Lease agreement between the company as the Lessee and the company BC Properties, a.s., ID No. 28002822 as the Lessor, of 3. 2. 2023
 - Amendment No. 5 to the Commercial representation agreement, concluded between the company as the mediator and the company MONECO investiční společnost, a.s., ID No. 09052984, of 31. 3. 2023

VII. ADVANTAGES AND DISADVANTAGES ASSESSMENT RESULTING FROM THE PARTICIPATION IN THE CONCERN

The controlled entity of Broker Consulting, a. s., highly appreciates its participation in the Broker Consulting Group, as the concern relation structure allows its Broker Consulting Group members to reach synergistic effects in their business. Currently, the controlled entity of Broker Consulting, a. s., has not identified any risks emerging from its participation in the concern relation structure within the Broker Consulting Group. Between the performances and counter-performances that result from particular contracts and agreements stated within the item VI hereof, and negotiations conducted between the Broker Consulting Group members, does not exist any disproportion and the prices of related performances are usual in the market.

VIII. THE AUTHOR’S DECLARATION

The author confirms, having attached his signature hereto; the present report has been drawn up by him with due managerial diligence, taking into account all the information available to him for the entire period referred-to.

In Plzeň, on 31. 3. 2024

On behalf of Broker Consulting, a. s.,

Vilém Podliska, Chair of the Board of Directors

Petr Hora, Member of the Board of Directors

Jan Bláha, Member of the Board of Directors

Our consultants have simple interactive **intermediating and comparison tools** which include even some great video tutorials shot with Libor Bouček, a host.

11

“

We guarantee the highest objectivity in financial counselling.

COMPANY BUSINESS PARTNERS

The extent of partner financial institutions' portfolio and their products form one of the guarantees of the highest objectivity in financial counselling provided by Broker Consulting. In this respect, we are ready to provide our clients with the best what Czech financial market may offer. Before including any new entity in our portfolio, we assess not only the parameters of each of its specific financial products, but also the current economic results of its provider, its history, and its approach to its clients. Of equal importance is the fact that we agree with the financial institution in question also on the basic ethical business principles, which help to create the framework for providing premium services with long-term benefit for the client.

INSURANCE COMPANIES

- Allianz pojišťovna, a. s.
- Colonnade Insurance S.A., organizační složka
- Česká podnikatelská pojišťovna, a. s., Vienna Insurance Group
- ČSOB Pojišťovna, a. s., holding member ČSOB
- D.A.S. právní ochrana, branch ERGO Versicherung Aktiengesellschaft for Czech RepublicDIRECT pojišťovna, a. s.
- Generali Česká pojišťovna a. s.
- Hasičská vzájemná pojišťovna, a. s.
- INTER PARTNER ASSISTANCE, organizační složka
- Komerční pojišťovna, a. s.
- Kooperativa pojišťovna, a. s., Vienna Insurance Group
- MetLife Europe d. a. c., branch for Czech Republic
- NN Životní pojišťovna N. V., branch for Czech Republic
- Pillow pojišťovna, a. s.
- Slavia pojišťovna, a. s.
- UNIQA pojišťovna, a. s.
- YOUPLUS Životní pojišťovna, branch for Czech Republic

PENSION COMPANIES

- Allianz penzijní společnost, a. s.
- Conseq penzijní společnost, a. s.
- Česká spořitelna – penzijní společnost, a. s.
- ČSOB Penzijní společnost, a. s., ČSOB group member
- Generali Penzijní společnost, a. s.
- KB Penzijní společnost, a. s.
- NN Penzijní společnost, a. s.
- UNIQA penzijní společnost, a. s.

BUILDING SAVINGS BANKS

- Modrá pyramida stavební spořitelna, a. s.
- Moneta Stavební spořitelna, a. s.
- Raiffeisen stavební spořitelna, a. s.
- Stavební spořitelna České spořitelny, a. s.

BANKS AND OTHER CREDIT INSTITUTIONS

- Banka CREDITAS a. s.
- COFIDIS s. r. o.
- Česká spořitelna, a. s.
- Československá obchodní banka, a. s.
- ČSOB Hypoteční banka, a. s.
- ČSOB Leasing, a. s.
- Home Credit a. s.
- J&T Banka, a. s.
- Komerční banka, a. s.
- mBank S.A., organizační složka
- MONETA Leasing, s. r. o.
- Oberbank AG branch Czech Republic
- ProCredia, a. s.
- Raiffeisenbank, a. s.
- Raiffeisen – Leasing, s. r. o.
- UniCredit Bank Czech Republic and Slovakia, a. s.
- UniCredit Leasing CZ, a. s.
- UNILEASING a. s.

INVESTMENT COMPANIES AND FUNDS

- Amundi Czech Republic, investiční společnost, a. s.
- Amundi Czech Republic Asset Management, a. s.
- Colosseum, a. s.
- Conseq Investment Management, a. s.
- Generali Investments CEE, investiční společnost, a. s.
- INVESTIKA, investiční společnost, a. s.
- MONECO investiční společnost, a. s.
- Sirius investiční společnost a.s.
- UNIQA investiční společnost, a. s.
- Wine Investment Partners, investiční fond s proměnným základním kapitálem, a. s.

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