

AGC Audit s.r.o.

Klimentská 1246/1 Prague 1 – Nové Město

INDEPENDENT AUDITOR'S REPORT

on verification of the financial
statements, including verification of
other information

as at 31 December 2024

of

42 Financial Services a.s.
Klimentská 1216/46, 110 00
Prague

Independent auditor's report addressed to the shareholders of 42 Financial Services a.s.

Registered office of the Company: Klimentská 1216/46, 110 00 Prague

Id. No.: 284 92 722

Legal form of the Company: joint-stock company

Main (predominant) activity: Mediation of investment services on the capital market

Financial reporting framework: Czech accounting regulations

Auditor's opinion

We have performed an audit of the enclosed financial statements of 42 Financial Services a.s. (hereinafter the "Company"), compiled in accordance with the Czech accounting regulations, which consist of the balance sheet as at 31 December 2024 and profit and loss account for the year ending on 31 December 2024 and the notes to the financial statements, including significant (material) information on the accounting methods applied.

In our opinion, the financial statements provide a true and fair view of the assets and liabilities of 42 Financial Services, a. s. as at 31 December 2024 and the costs, revenues and profits or losses for the year ending on 31 December 2024 in accordance with the Czech accounting regulations.

Basis for the opinion

We have performed the audit in accordance with the Auditors Act and the standards of the Chamber of Auditors of the Czech Republic for audit, i.e. the International Standards on Auditing (ISA), supplemented and amended, where applicable, by the related application regulations. Our responsibility stipulated by the aforementioned regulations is described in more detail in section Auditor's Responsibility for Auditing the Financial Statements. In accordance with the Auditors Act and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic, we are independent of the Company and have also fulfilled other ethical duties following from the aforementioned regulations. We believe that the evidence obtained by us constitutes an adequate and suitable basis for our opinion.

Other information contained in the Annual Report

In accordance with Section 2 (b) of the Auditors Act, other information consists in information contained in the Annual Report outside of the financial statements and our Auditor's Report. The governing body of the Company bears responsibility for such other information.

Our opinion on the financial statements is not related to other information. However, our duties in connection with verification of the financial statements also include inspection of other information and assessment whether or not there are significant (material) inconsistencies between such other

information or our knowledge of the accounting entity acquired in the course of the verification of the financial statements, and whether or not this information appears significantly (materially) inaccurate. We also assess whether other information was in all significant (material) respects prepared in accordance with the applicable legal regulations. The aforementioned assessment involves examination whether other information meets the requirements of the legal regulations on formal requisites and the procedure of preparing other information in the context of significance (materiality), i.e. whether any non-compliance with the said requirements would be capable of affecting the conclusions drawn on the basis of other information.

On the basis of the procedures carried out, within the scope of our assessment, we hereby state that

- other information describing the facts that are also the subject of the financial statements is in all significant (material) respects in accordance with the financial statements and
- other information has been prepared in accordance with the legal regulations.

We also have the duty to state whether, on the basis of our findings and understanding of the Company acquired during the audit, other information does not contain any significant (material) substantive inaccuracies. Within the aforementioned procedures, we did not ascertain any significant (material) substantive inaccuracies in the other information received.

Responsibility of the Company's governing body (the Board of Directors) and the Supervisory Board for the financial statements

The governing body of the Company is responsible for compiling the financial statements which provide a true and fair view in accordance with the Czech accounting regulations, and for an internal control system as it considers necessary for compiling the financial statements so that they do not contain any significant (material) inaccuracies caused by fraud or error.

In compiling the financial statements, the governing body of the Company is obliged to assess whether the Company is capable of operating on a going concern basis, and if relevant, to describe in the notes to the financial statements any matters concerning its operation on a going concern basis and application of the assumption of operation on a going concern basis in compiling the financial statements, with the exception of cases where the governing body plans dissolution of the Company or termination of its activities, or where the governing body has no realistic option other than to do so.

The supervisory body is responsible for the process of financial reporting in the Company.

Auditor's Responsibility for Auditing the Financial Statements

Our objective is to obtain an appropriate degree of certainty that the financial statements as a whole do not contain any significant (material) inaccuracy caused by fraud or error and to issue an auditor's report containing our opinion. Appropriate degree of certainty is a large degree of certainty; nevertheless, it is not a guarantee that an audit performed in accordance with the above regulations will in all cases detect any potential significant (material) inaccuracy in the financial statements. Inaccuracies may occur as a result of frauds or errors and are deemed as significant (material) if it is

realistic to assume that they could individually or together influence economic decisions taken by the user on the basis of the financial statements.

In carrying out an audit in accordance with the above regulations, it is our duty to use professional judgement and apply professional scepticism throughout the audit. We also have the following duties:

- To identify and evaluate the risks of significant (material) inaccuracy of the financial statements caused by fraud or error, to propose and carry out audit procedures responding to such risks and obtain sufficient and appropriate evidence to be used as a basis for our opinion. The risk that we fail to detect a significant (material) inaccuracy that occurred as a result of fraud is greater than the risk of failure to detect a significant (material) inaccuracy caused by an error, because a fraud may involve secret agreements (collusion), falsifying, intentional omissions, untrue representations or avoidance of internal controls by the governing body.
- To become acquainted with the internal control system of the Company to such an extent as to be able to propose audit procedures suitable in the circumstances, although not to express our opinion on its internal control system's efficiency.
- To assess suitability of the accounting methods used, appropriateness of the accounting estimates made and the information which the governing body of the Company provided in this respect in the notes to the financial statements.
- To assess suitability of the assumption that the Company operates on a going concern basis applied by the governing body in compiling the financial statements and whether, considering the evidence obtained, there is any significant (material) uncertainty following from events or conditions that may significantly affect the Company's ability to operate on a going concern basis. If we conclude that such significant (material) uncertainty exists, it is our duty to note in our report any information that is indicated in this respect in the notes to the financial statements, and if such information is not sufficient, to express a modified opinion. Our conclusions regarding the Company's ability to operate on a going concern basis are based on the evidence we have obtained by the date of our report. Nevertheless, future events or circumstances may cause the Company to lose its ability to operate on a going concern basis.
- To evaluate the general presentation, structuring and contents of the financial statements, including the notes, and whether the financial statements reflect the relevant transactions and events in a manner leading to a fair view.

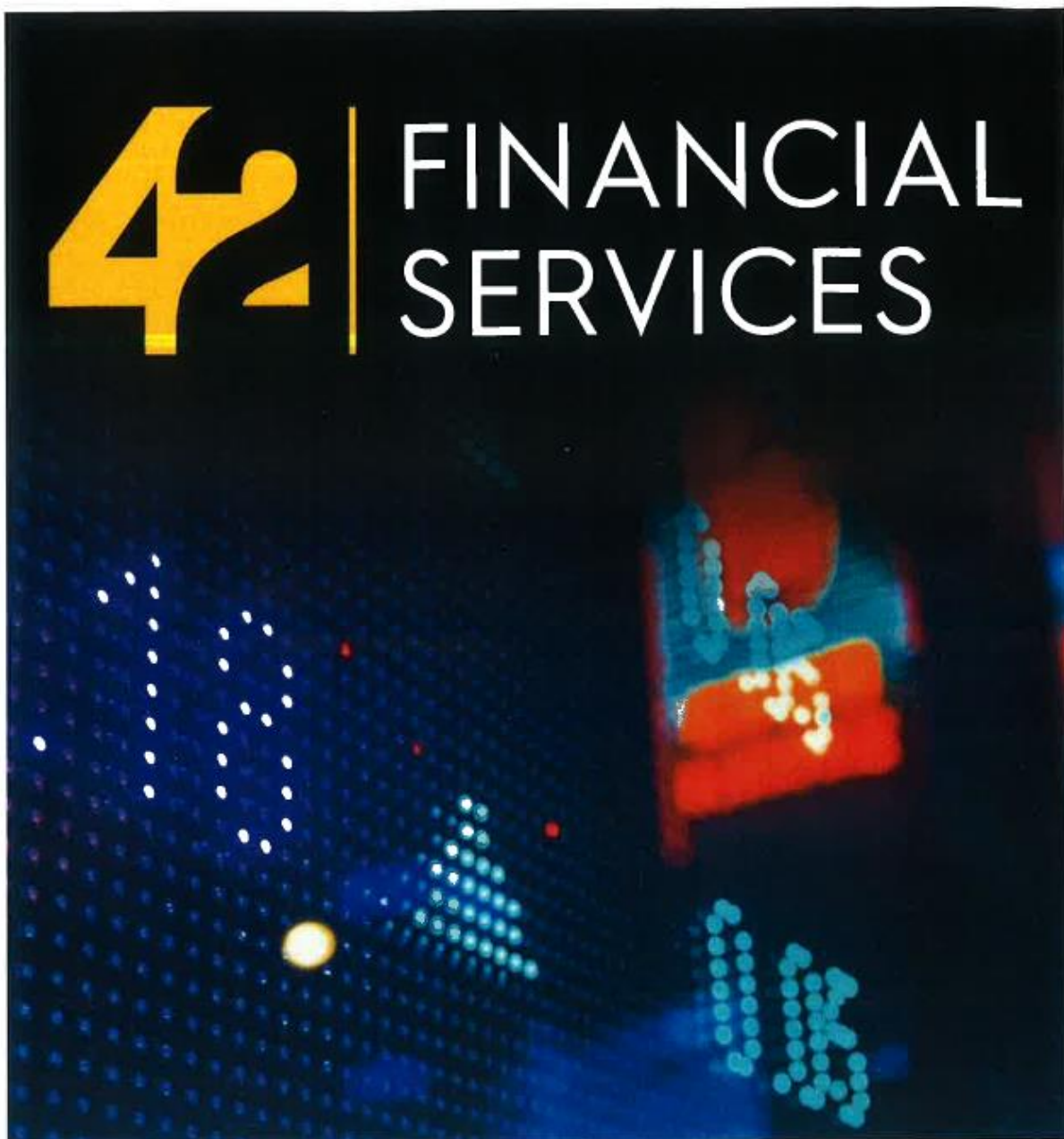
It is our duty to inform the governing and the supervisory body, *inter alia*, about the planned scope and timetable of the audit and any significant findings we made during the audit, including any ascertained significant shortcomings in the internal control system.

In Prague on 28 April 2025

AGC Audit s.r.o.
Authorisation No. 607
Klimentská 1246/1
110 00 Prague 1

Round stamp:
AGC Audit s.r.o.
Audit company, authorisation No. 607

Signature illegible
Ing. Martina Hůlová
Executive Director
Auditor – Authorisation No.:
2224



ANNUAL REPORT

2024

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Foreword

42 Financial Services a.s. (hereinafter the “Company”) is a securities trader and is authorised to provide a wide range of investment services. However, in recent years, our activities have focused on the operation of an organised trading facility focusing on bonds, financial and commodity derivatives and emission allowances. In addition to this investment service, the Company also mediates other types of transactions on the interbank and energy markets, including, but not limited to, cash deposits, guarantees of origin and spot commodity transactions.

2024 was marked by a continuing global uncertainty and changing conditions on the financial and energy markets. Important geopolitical conflicts, climate fluctuations, energy price developments and political instability in some regions affected the development of prices and behaviour of markets.

Despite these challenges, the Company managed to maintain stability and further develop the services provided and internal processes alike. In 2024, we successfully completed the development of a new IT tool for electronic pre-matching of interests in trading in selected investment instruments. At the same time, we strengthened the risk management system and the overall internal organisation, also in connection with the new regulatory requirements that entered into or will enter into effect in early 2025. We also continued expanding our business portfolio and seeking new opportunities in line with our business strategy.

2024 was the most successful year in the Company’s history in terms of total revenues from business activities, which increased by almost 19% year-on-year. This result was driven primarily by the sales teams specialising in energy markets, whose revenues increased by almost 55%. On the other hand, teams focusing on interbank markets faced changes in personnel and increased competition in 2024, which was partly reflected in their business results. However, we are convinced that we have successfully adapted to the new conditions and the positive impact of these changes will be felt as early as 2025.

Although the business results were very good, the Company did end the year with accounting loss. However, this is mainly due to the following groups of extraordinary expenses: (i) investments in the Company’s development; (ii) costs related to personnel changes that the Company underwent in 2024; and (iii) adaptation to the new regulatory requirements. In the vast majority of cases, these are one-off costs that should not burden the economic management in the years to come. On the contrary, we believe that investments will bring new sources of revenue and will have a positive impact on the future financial results.

We continue to focus on providing high-quality and efficient services with an emphasis on credibility, security and transparency. We believe that long-term success is based not only on expertise and innovation, but also on a responsible approach to clients, employees and the society as a whole.

The modernisation of systems for electronic support of mediation and processing of transactions remains the Company’s key priority. It is an important factor that strengthens our competitiveness and attractiveness in the eyes of our clients. We also consider it strategically important to seek new business opportunities. We will therefore continue to acquire new clients, introduce new products and strengthen our great team of employees.

We would like to thank all our clients, business partners and employees for their collaboration, trust and support over the past year. We are entering the year 2025 with the aim of further strengthening

our market position and bringing a stable and added value to our clients even in a dynamically changing environment.



Basic details of the Company

Basic details of the Company

Company name:	42 Financial Services a.s.
Registered office of the Company:	Klimentská 1216/46, 110 00, Prague 1
Id. No.:	284 92 722
Year of establishment:	2008
Legal form:	Joint-stock company
Registered capital:	CZK 10,000,000
Permit:	Securities trader (not a bank) since 15 November 2011
Auditor:	AGC Audit s.r.o.
	Klimentská 1246/1, 110 00, Prague 1
	Audit authorisation No. 607

Governing body:

Chairperson of the Board of Directors	MUDr. David Kreisinger	Na Slatině 3279/3, 106 00 Prague 10
Vice-Chairperson of the Board of Directors	Ing. Michal Pokorný	Hlohová 391, 250 73 Radonice

Supervisory Board

Member of the Supervisory Board	Ing. Lucia Živorová	Jeseniova 1549/124, Žižkov, 130 00 Prague 3
Member of the Supervisory Board	Ing. Libor Winkler, CSc.	V zálesí 761/5, Hlubočepy, 154 00 Prague 5

Information on the capital and capital instruments

Registered capital	CZK 10,000,000
Sole shareholder	42 Financial Services Holding s.r.o., Id. No.: 178 43 774 Klimentská 1216/46, Nové Město, 110 00 Prague 1
Shares	10,000 registered shares issued as share certificates with the nominal value of CZK 1,000 each Registered shares may only be transferred with the consent of the General Meeting.

Overview of qualified interests of natural persons in the Company

Sole shareholder	42 Financial Services Holding s.r.o., Id. No.: 178 43 774 Klimentská 1216/46, Nové Město, 110 00 Prague 1
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In 2024, the shareholding structure changed in several phases, where the ownership interests were first changed and then were provided as a contribution to the newly established 42 Financial Services Holding s.r.o. The transaction had been planned for a long time and is to bring an effective management of the Company and of shareholder relationships.

Information on entities who are controlled by the obliged party or in which the obliged party is a majority shareholder

Property interest in another company	none
Organisational components abroad	<p>42 Financial Services a.s. (Poland) Spektrum Tower ul. Twarda 18 00-105 Warsaw Republic of Poland</p> <p>The Company closed the branch with effect from 1 November 2024 due to capital market regulatory reasons. Tax registrations will be further addressed.</p>



History, development and present

History

42 Financial Services a.s. was established in 2008 under the name České karty s.r.o., with its registered office at Pobřežní 620/3, 186 00 Prague 8. In 2011, the business name changed to 42 financial services s.r.o. and, at the same time, an application was filed with the Czech National Bank (CNB) for a permit to perform activities of a securities trader.

The Czech National Bank, as the supervisory authority for the financial market pursuant to Act No. 6/1993 Coll., on the Czech National Bank, as amended, and pursuant to Act No. 15/1998 Coll., on supervision over the capital market and on amending and supplementing other laws, as amended, and pursuant to Act No. 256/2004 Coll., on capital market undertakings, as amended (the “Capital Market Undertakings Act”), granted to 42 Financial Services s.r.o. a permit to perform activities of a securities trader. The decision entered into legal force on 15 November 2011.

In 2013, the Company was transformed into a joint-stock company and renamed to 42 Financial Services a.s.

In response to the growing needs of its clients and the dynamic regulatory environment, the Company expanded the scope of its licence. In 2016, it obtained a permit to operate a multilateral trading facility (MTF). Subsequently in 2018, the Company applied to the CNB to expand the permit to include the operation of an organised trading facility (OTF) with respect to investment instruments referred to Section 3 (1)(a), (d), (e), (f), (g), (h), (i), (j), (k) and (l) of the Capital Market Undertakings Act. By virtue of its decision of 15 August 2018, the CNB granted the relevant licences to the Company.

In 2024, based on evaluation of the parameters set out in Article 12 (1) of Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on the prudential requirements of investment firms and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014 (hereinafter the “IFR”), the Company was categorised as a small and non-interconnected securities trader.

Current activities

Currently, the Company specialises mainly in the operation of an organised trading facility in relation to bonds, financial and commodity derivatives, emission allowances and emission allowance derivatives.

Anticipated development of the Company’s activities

As part of the Company’s development, we focus on the development of IT infrastructure and business activities. In 2024, we have successfully completed the development of a new IT tool for electronic pre-matching of potential buyers and sellers of bonds, IRS and FRA among our banking customers. This instrument significantly contributes to increasing the efficiency and transparency of the business processes. Based on user feedback, we will further develop the tool in order to ensure a maximum user comfort and expand the range of products that can be traded in this way.

The modernisation of systems for electronic support of mediation and processing of transactions

remains the Company's key priority. It is an important factor in strengthening our competitiveness and attractiveness in the clients' eyes.

Our long-term business strategy is to keep improving the quality of our services, which enables us to increase revenues from our business activities. Moreover, we consider the expansion of revenue sources to be strategically significant. We will therefore continue to attract new clients, introduce new products and increase their attractiveness for customers on the interbank and energy markets.

At the same time, we plan to actively seek new business opportunities that will correspond to our business focus and will comply with our business strategy as well as with the regulatory framework in which we operate.



Detailed information on the Company

Information on activities

The Company is a securities trader authorised to provide investment services under the Capital Market Undertakings Act on the basis of a permit granted by the CNB.

Objects of business registered in the Commercial Register

- Activities of a securities trader for professional clients (banks, financial instruments, commodity traders) within the scope of the permit granted under a special law, including, but not limited to, receipt and transmission of orders (including mediation of transactions, developing activities to find the counterparty to transactions and facilitating negotiations among customers for the purpose of concluding transactions), execution of orders on the customer's account, operation of an organised trading facility, all the above in relation to bonds, financial derivatives, money market instruments, commodity derivatives, emission allowances and derivatives for emission allowances.
- Mediation in trade and services.
- Advisory and consultancy activities, preparation of expert studies and reports.
- Advertising activities, marketing, media representation.
- Services in the area of administration and organisational and economic services.

Overview of permitted activities

The Company is authorised by the CNB to provide the following investment services listed in Section 4 of the Capital Market Undertakings Act:

- paragraph 2(a) – receiving and forwarding instructions concerning investment instruments, in relation to investment instrument pursuant to Section 3 (1)(a) to (k) of the Capital Market Undertakings Act;
- paragraph 2(b) – executing instructions regarding the use of investment instruments for client accounts, in relation to investment instruments pursuant to Section 3 (1)(a) to (k) of the Capital Market Undertakings Act;
- paragraph 2(d) – management of the client's assets if it includes an investment instrument, at its sole discretion within the scope of a contractual arrangement; in relation to investment instruments pursuant to Section 3 (1)(a) to (k) of the Capital Market Undertakings Act;
- paragraph 2(e) – investment counselling regarding investment instruments, in relation to investment instruments pursuant to Section 3 (1)(a) to (k) of the Capital Market Undertakings Act;
- paragraph 2(f) – operation of a multilateral trading facility, in relation to investment instruments pursuant to Section 3 (1)(a) to (k) of the Capital Market Undertakings Act;
- paragraph 2(g) – operation of an organised trading facility, in relation to investment instruments pursuant to Section 3 (1)(a) to (l) of the Capital Market Undertakings Act;
- paragraph 2(i) – placement of investment instruments with no subscription obligation, in relation to investment instruments pursuant to Section 3 (1)(a) to (k) of the Capital Market Undertakings Act;
- paragraph 3(c) – consulting activities pertaining to the capital structure, industrial strategy and related aspects, as well as providing advice and services with regard to

transformations of companies, transfers of business enterprises or acquisitions of interest in a corporation, in relation to investment instruments pursuant to Section 3 (1)(a) to (l) of the Capital Market Undertakings Act;

- paragraph 3(d) – investment research and financial analysis or other forms of general recommendations with regard to trading in investment instruments, in relation to investment instruments pursuant to Section 3 (1)(a) to (l) of the Capital Market Undertakings Act;
- paragraph 3(e) – foreign exchange services related to the provision of investment services, in relation to investment instruments pursuant to Section 3 (1)(a) to (l) of the Capital Market Undertakings Act;
- paragraph 3(f) – services related to subscription of investment instruments, in relation to investment instruments pursuant to Section 3 (1)(a) to (l) of the Capital Market Undertakings Act.

The Company does not accept any financial means or investment instruments of its clients and does not dispose of the assets of its clients in any other way in the course of its activities.

Overview of activities actually carried out:

Operation of an organised trading facility pursuant to Section 4 (2)(g) of the Capital Market Undertakings Act in relation to investment instruments pursuant to Section 3 (1)(a), (c), (d), (g), (h) and (l) of the Capital Market Undertakings Act.

Mediation in trade and services – trading in guarantees of origin.

Activities in the area of research and development

The Company, as the operator of an organised trading facility on wholesale markets, emphasizes the quality and safety of the services offered. Given the unique nature of these services provided in the region of Central and Eastern Europe, the Company takes pride in its own research and development activities, in particular the development of its own software solution, design of architecture and development of tools to support the operation of an organised trading facility and compliance with regulatory duties, their implementation and integration. In 2024 the Company incurred expenses in the development of its own software of CZK 13.6 million.

Activities in the area of environmental protection and labour-law relationships

The Company complies with all the statutory requirements in the area of environmental protection, health and occupational safety in accordance with the applicable laws of the Czech Republic.

In Q1 2024, we recorded an increased employee turnover. However, thanks to targeted HR measures, the staffing situation stabilised as early as Q2 and Q3, and we are currently successfully strengthening our business and non-business teams alike.

In the future, we will be placing an increasing emphasis on the professional development of our employees, which we consider to be a key factor for further growth of the Company and fulfilment of its strategic goals.

Engagement

The Company has long been supporting the principles of social responsibility. In addition to creating conditions for business, we also strive to promote social life and actively participate in informing cultural and humanitarian values.

Therefore, we regularly support specific contributory and charitable organisations, or healthcare facilities, and sponsor their generally beneficial projects.

In 2024, our support was provided especially through the 42 FS endowment fund, of which we are the founder. The Fund's objective is to contribute to improving the quality of life, promoting spiritual and material values, and implementing fundamental human rights and humanitarian principles.

Information on acquisition of the Company's own shares

The Company did not acquire any own shares in 2024 or 2023.

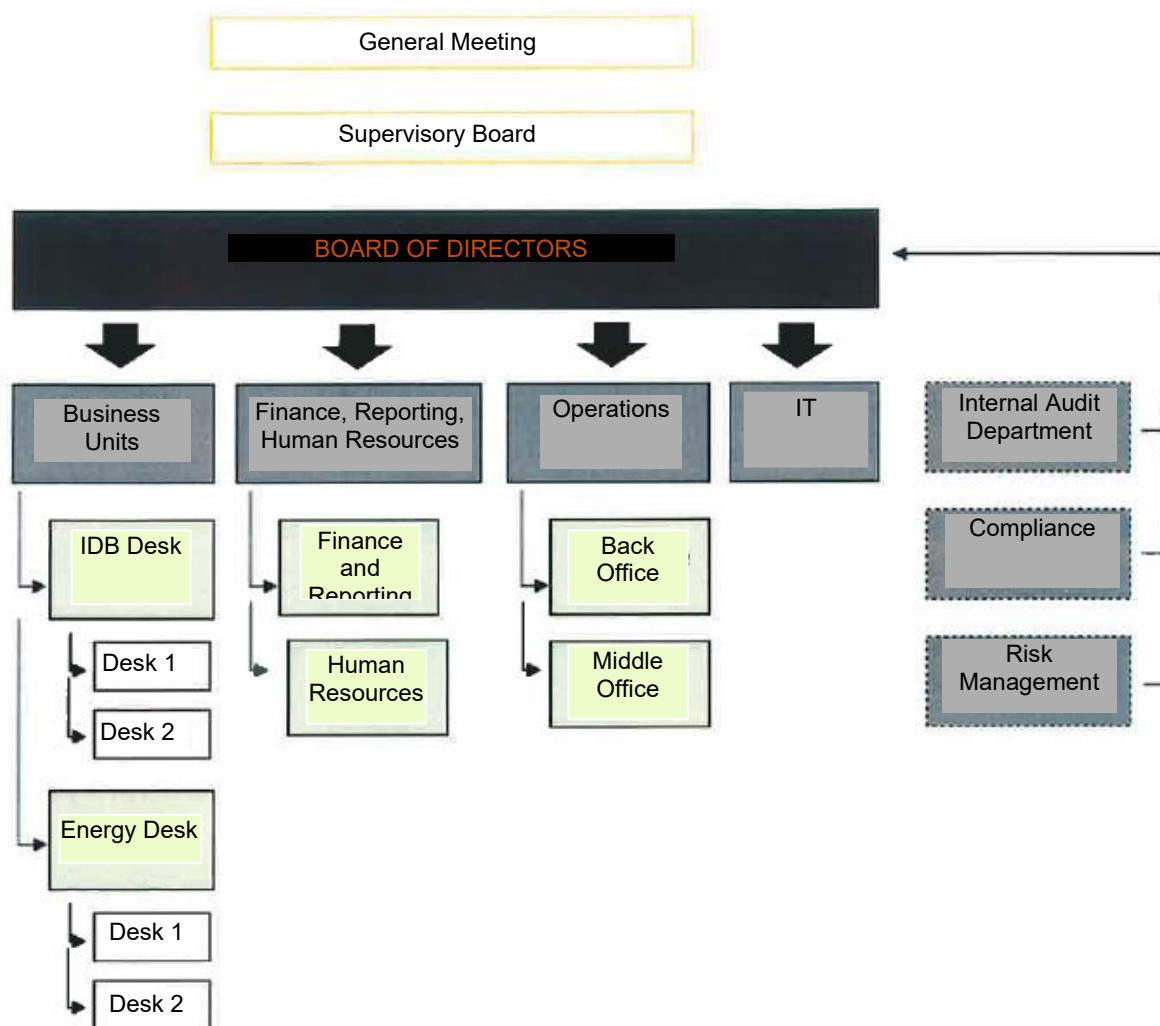
Information on a branch or any other part of the accounting entity's business enterprise abroad

After closing the organisational component in Poland, the Company has no branches abroad.



Company profile

Organisational structure of the Company



Number of employees and organisational units as at 31 December 2024

Number of organisational units: 2

	Number of employees (average)	Number of employees (recorded)
Czech Republic	35	41
Poland	0	0

Company's governing and supervisory bodies

Board of Directors

Chairperson of the Board of Directors

MUDr. David Kreisinger was elected as the Chairperson of the Company's Board of Directors on 24 July 2024. He held the position of the Vice-Chairperson of the Board of Directors since 2019.

He graduated from the Second Faculty of Medicine of Charles University in Prague. He has been active on financial markets since 1996. He joined the Company in 2012 as director of the Front Office Section and has been a member of the Board of Directors since 1 January 2018.

Vice-Chairperson of the Board of Directors

Ing. Michal Pokorný has been with the Company since 2022. On 10 October 2022, he was appointed the Vice-Chairperson of the Board of Directors.

He graduated from the University of Finance and Administration. He is also a member of the Association of Chartered Certified Accountants (ACCA), a globally recognised financial professional organisation.

He has been active on financial markets since 2006. He gained his experience in leading positions, especially in the banking sector.

Supervisory Board

Member of the Supervisory Board

Ing. Lucia Živorová has been a member of the Supervisory Board since 25 October 2017.

She graduated from the Technical University of Liberec. She has been with the Company since October 2017.

Member of the Supervisory Board

Ing. Libor Winkler, CSc. has been a member of the Company's Supervisory Board since 1 February 2023. He graduated from the University of Agriculture in Brno. He has been active in financial markets since the 1990s. In his career, he has gained extensive experience in brokerage services, dealing on own account and investment funds management thanks to working in various financial institutions.

Changes in the Company's governing and supervisory bodies in 2024

In July 2024, the composition of the Company's Board of Directors changed. Ing. Mgr. Dalibor Černička, Ph.D. resigned as the Chairperson of the Board of Directors for family reasons.

MUDr. David Kreisinger was elected as the new Chairperson of the Board of Directors. At the same time, the number of members of the Board of Directors decreased from three to two, to streamline the management of the Company.

Performances provided and issued

Total amount of loans provided to members of governing and supervisory bodies	CZK 0
Total amount of loan guarantees provided to members of governing and supervisory bodies	CZK 0



Risk management strategy and methods

The Company's risk management strategy and methods are set out in a system of internal guidelines ensuring compliance with the requirements of the Capital Market Undertakings Act and IFR.

The Company, as the operator of a trading facility, focuses on mediation of transactions on the financial and energy markets, in accordance with Section 4 (2)(g) of the Capital Market Undertakings Act. On the basis of the permit granted, it may not accept client funds or investment instruments or deal in investment instruments on own account.

The Company's risk management is a continuous process, which involves identifying, assessing, evaluating, managing, monitoring and reporting the risks to which the Company may be exposed. The main objectives of the implementation of a robust risk management system are as follows:

- ensuring the Company's long-term viability;
- to be a reliable and transparent partner for our customers;
- complying with all the relevant regulatory rules for securities traders;
- achieving a corresponding financial performance and increasing the value for shareholders.

The risk management culture in the Company is a set of internal guidelines, approaches, actions and behaviours of our employees in risk management. The Company focuses on the development of a healthy and consistent internal risk management culture, which is a key element of an effective management system. This system enables the management to make timely and informed decisions.

Credit and market risk

Credit risk in the Company is limited to receivables from clients on account of the invoices issued and of deposits of the Company's funds in domestic banks. This type of risk represents an insignificant part of the Company's total risks.

When it comes to market risks, only currency risk is relevant for the Company, because some of the revenues are collected in foreign currencies, especially in euros, and a significant portion of the costs of promoting trading is in foreign currencies (especially in US dollars and British pounds).

The Company finances its activities exclusively with its equity and does not use external interest-bearing financing sources. In 2024, an immaterial exception from this rule was the use of a short-term bank loan for 1 year for the acquisition of a motor vehicle. The use of loan financing was a precondition for drawing subsidies for the purchase of an electric vehicle. The interest rate risk is thus a minimal threat, as this rather concerns a missed opportunity in terms of appreciation of free funds.

Operational risk

The objective of operational risk management is to effectively reduce or eliminate the occurrence and impact of operational risk events and, at the same time, meet all the regulatory requirements imposed on the Company by the regulatory authority in this field, including the determination of the capital requirement for its coverage.

The Company's operational risk management system is based on a permanent active approach by all the employees to improving their activities and tools used. The core philosophy of this approach is the emphasis on prevention, which means that prevention is the most important part of the entire

operational risk management system, which aims to minimise operational risks events in terms of both quantity and severity of their impact on the Company's economic management.

The Company uses RCSA (Risk and Control Self-Assessment) to identify operational risks. This method serves not only to identify risks, but also to monitor and measure these risks and to propose mitigation measures. The Company applies this method through workshops during which the participants evaluate operational risks in the management line, business line and operating line.

Operational risks within information technologies and systems are an important source of operational risk in the Company. This risk includes:

- Technological failure – problems caused by hardware or software failures that may result in system outages, data loss or other serious failures in the operation of the IT infrastructure.
- Cyberattacks – risks associated with external threats, such as viruses, malware, ransomware, or phishing attacks that may impair the security of systems and data.
- Vulnerabilities in security protocols – errors in the implementation of security measures that may allow unauthorised access to sensitive information or systems.
- Errors in IT administration processes – inadequate administration of IT processes, such as poor system maintenance, errors in the implementation of new systems or processes that may lead to IT infrastructure management and security failures or inadequate response to incidents.

IT risk management is a top priority in the operational risk management. The Company has been identifying and managing these risks in the long term. The IT risk management system was further strengthened during 2024, with a particular focus on cyber security and operational resilience of our systems. These measures were also adopted in connection with the new regulatory requirements of Regulation (EU) 2022/2554 of the European Parliament and of the Council on digital operational resilience for the financial sector (Digital Operational Resilience Act – DORA), which our Company must begin to comply with as of 17 January 2025.

Liquidity risk

Liquidity risk management in the Company is based on a gap analysis and a quick liquid assets indicator. Gap analysis is used to monitor inflows and outflows of funds and their net inflow/outflow in the future. Within the gap analysis, the Company monitors the liquidity outlook on a month-by-month basis for the period for which the business and financial plan is approved. This analysis is based on the latest current accounts balances, receivables and payables due as well as the continuous performance of the business and financial plans. To monitor short-term liquidity, which the Company defines as liquidity for the next 3 months, a quick ratio is calculated and monitored.

Given that the Company finances its activities exclusively by its own capital, the risk of long-term liquidity, also called the financing risk, is irrelevant for the Company.



Financial data

Information on assets and financial standing

Details of the assets

The Company's assets consist of movable and immovable assets. Detailed information on the assets is provided in the financial statements and the notes thereto.

Overview of bank and other loans received

In 2024, the Company did not use any external funds. The use of bank financing for 1 year for the acquisition of a motor vehicle was a non-material exception. The use of short-term loan financing was a precondition for drawing subsidies for the purchase of an electric vehicle. The total amount of the loan was CZK 300,000; the loan is being repaid on a monthly basis, and is to be fully repaid by July 2025.

Ratio indicators

	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
Indebtedness I	12.64%	10.20%
Indebtedness II	16.14%	12.90%
Return on sales	-4.44%	0.90%
Return on assets	-5.69%	1.02%
Administrative costs per employee (CZK thous.)	6,698	5,889

Indebtedness I: External resources divided by Total assets

Indebtedness II: External resources divided by Equity

Return on sales: Total net profit divided by Revenues from fees and commissions

Return on assets: Total net profit divided by Total Assets

Administrative costs per employee: Administrative costs divided by Average Number of Employees

The ratio indicators are calculated from FINREP data

Annual net turnover, profit before tax and corporate income tax (in CZK thous.)

Country	Net turnover	Profit/loss before tax	Tax paid
Czech Republic	236,544	-9,856	637
Poland	0	0	0

PROFIT AND LOSS ACCOUNT AS AT 31 DECEMBER 2024 (in CZK thous.)

	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
Interest revenues and similar revenues	2,456	5,693
of which: interest on debt securities		
Interest expenses and similar charges	417	
of which: from debt securities		
Revenues from fees and commissions	236,544	198,973
Fee and commission expenses		
Profit or loss from financial operations:		
Other operating revenues	3,902	2,271
of which: foreign exchange profits	1,664	1,756
Other operating expenses	4,925	4,353
of which: foreign exchange losses	1,566	1,015
Administrative expenses	234,442	182,565
(a) costs of employees	133,525	98,323
(aa) wages and salaries	108,597	78,317
(ab) social security and health insurance	24,928	20,007
(b) other administrative expenses	100,917	84,242
Depreciation of tangible and intangible fixed assets	11,797	6,712
Depreciation, creation and use of adjustments (<i>in Czech: opravné položky</i>) and provisions (<i>in Czech: rezervy</i>) related to receivables and guarantees	1,176	8,655
Profit from ordinary activities before tax	-9,856	4,061
Income tax	-637	-2,255
Profit for the accounting period	-10,493	1,796

BALANCE SHEET AS AT 31 DECEMBER 2024 (in CZK thous.)

ASSETS	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
TOTAL ASSETS	184,411	175,239
Cash and deposits with central banks		
Receivables from banks	87,758	89,323
(a) payable on demand	87,758	89,323
(b) other receivables		
Receivables from clients		
(a) payable on demand		
(b) other receivables		
Intangible fixed assets	46,490	34,355
of which: goodwill		
Tangible fixed assets	9,037	10,245
of which: land and buildings for operational activities		
Other assets	26,908	29,996
Receivables from subscribed registered capital		
Prepaid expenses and accrued revenues	14,218	11,319

LIABILITIES	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
TOTAL LIABILITIES	184,411	175,239
Payables towards banks	4,713	0
Other liabilities	18,295	16,725
Prepaid expenses and accrued revenues	298	449
Provisions	16,683	18,951
Total external sources		
Registered capital	10,000	10,000
of which: paid-up	10,000	10,000
Share premium		
Reserve funds and other funds from profits	0	0
(a) mandatory reserve funds and risk funds	0	0
(b) other reserve funds		
(c) other funds from profits		
Capital funds	103,000	60,000
Revaluation		
Retained earnings from previous periods	41,914	67,318
Profit for the accounting period	-10,493	1,796
Total equity	144,421	139,114

Cash flow statement as at 31 December 2024 (in CZK thous.)

		Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
P	Balance of cash and cash equivalents at the beginning of the accounting period	89,323	100,632
(A)	Net operating cash flow		
Z	Accounting profit or loss before tax	-9,954	3,311
A. 1	Adjustments for non-cash transactions	13,072	15,848
A.1.1.	Depreciation of fixed assets (+), except for the balance price of fixed assets sold, and also amortisation of revaluation of acquired assets and goodwill (+/-)	11,799	6,973
A.1.2.	Change in adjustments, provisions	1,174	8,395
A.1.5.	Accounted interest expense (+), with the exception of interest included in the valuation of fixed assets, and accounted interest revenue (-)	0	0
A.1.6.	Possible other non-cash transactions	98	480
A.*	Net cash flow from operating activities before tax and changes in working capital	3,117	19,159
A.2.	Change in non-cash components of working capital	6,371	-10,531
A.2.1	Change in receivables from operating activities (+/-) and deferrals and estimated receivables	901	-17,819
A.2.2.	Change in short-term liabilities from operating activities (+/-) and accruals and estimated liabilities	5,469	7,288
A **	Net operating cash flow before tax	9,488	8,627
A.4.	Interest received (+)	0	0
A.5.	Income tax paid and additional tax assessed for the previous periods (-)	-4,128	-1,558
A.7.	Shares of profit received (+)		
A.***	Net operating cash flow	5,360	7,069
(B)	Cash flows from investment activities		
B.1.	Disbursement connected with acquisition of fixed assets	-22,724	-20,317
B.***	Net cash flow from investment activities	-22,724	-20,317
©	Financial activity		
C.2.	Increase and decrease in equity from cash transactions and cash equivalents	15,800	1,938
C.2.1.	Increase in cash and cash equivalents following from an increase in the registered capital, share premium or the reserve fund including advance payments for such increase (+)	0	1,938
C.2.3.	Other cash contributions from partners and shareholders (+)	43,000	0
C.2.6	Shares of profit paid, including withholding tax paid concerning these claims and including financial settlement with partners of unlimited liability companies and general partners in limited partnership companies (-)	-27,200	0
C.3.	Other changes in the area of financing		
C***	Net cash flow from financial activities	15,800	1,938
F	Net increase or decrease in cash balance	-1,565	-11,309
R.	Balance of cash and cash equivalents at the end of the accounting period	87,758	89,323

Regulatory capital as at 31 December 2024 (in CZK thous.)

	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023*
Capital	94,756	99,837
Original capital (Tier 1)	94,756	99,837
Paid-up registered capital	10,000	10,000
Share premium	0	0
Retained profits	41,914	67,318
Other reserve funds		
Other capital	103,000	60,000
Additional capital (Tier 2)	0	0
Losses for the current financial year	-10,493	
Deductible items from orig. and add. capital	49,665	37,481

* The audited figures were subsequently modified according to the CNB's comments.

IFR capital indicators as at 31 December 2024 (in CZK thous.)

	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
Capital ratio for Common Equity Tier 1	254%	323%
Common Equity Tier 1 surplus	77,868	85,089
Capital ratio for Tier 1 capital	254%	329%
Tier 1 capital surplus	70,414	79,025
Capital ratio for total capital	254%	323%
Total capital surplus	60,607	71,046

Overview of changes in equity as at 31 December 2024 (in CZK thous.)

	Registered capital	Reserve funds	Capital funds	Profit (loss)	Total
Balance as at 1 January 2023	10,000	0	60,000	65,379	135,379
Net profit/loss for the accounting period				1,796	1,796
Shares of profit					0
Transfer of the reserve fund					0
Capital funds					0
Other capital funds – deferred tax				1,938	1,938
Balance as at 31 December 2023	10,000	0	60,000	69,114	139,114
Balance as at 1 December 2024	10,000	0	60,000	69,114	139,114
Net profit/loss for the accounting period				-10,493	-10,493
Shares of profit					0
Transfer of the reserve fund					0
Capital funds			43,000		43,000
Other capital funds – deferred tax					0
Dividend				-27,200	-27,200
Balance as at 31 December 2024	10,000	0	103,000	31,421	144,421

State aid received

The Company did not receive any State aid.

Information about the amount of the base for calculating the contribution to the Guarantee Fund

The Company meets the conditions pursuant to Article 12 (1) of the IFR Regulation (EU) and is thus a small and non-interconnected securities trader.

Pursuant to Section 12ae of the Capital Market Undertakings Act, a small and non-interconnected securities trader must be insured for the entire term of its activities, covering a possible duty to compensate clients for damage caused by breach of any of the obligations of a small and non-interconnected securities trader specified by the Capital Market Undertakings Act:

- a) with an insurance indemnity limit of at least CZK 13,500,000 per insured event and at least CZK 20,250,000 in case of multiple insured events occurring in one calendar year; and
- b) with the insured person's deductible in the compensation for damage incurred, if so agreed in the insurance policy, not exceeding 10% of the amount that the insured person is obliged to compensate.

The obligation to be insured pursuant to Section 12ae of the Capital Market Undertakings Act replaced the obligation to pay contributions to the Guarantee Fund for a small and non-interconnected securities trader. Consequently, the Company has not been obliged to pay the contribution to the Guarantee Fund since 2022 and, at the same time, performs all the duties specified by Section 12ae of the Capital Market Undertakings Act.

Important events occurring after the end of the accounting period

As at the date of compilation of the financial statements, the Company's management is not aware of any other important events that would require any adjustment to the Company's financial statements.



Report on relationships

between the controlling entity and the controlled entity and between
the controlled entity and entities controlled by the same controlling
entity

Introduction

The Board of Directors of 42 Financial Services a.s., Id. No.: 284 92 722, with its registered office at Klimentská 46, 110 00 Prague, registered with the Municipal Court in Prague, Section B, File 19423 (the “**Controlled Entity**”), in conformity with Section 82 of Act No. 90/2012 Coll., on companies and co-operatives (the Corporations Act), as amended (the “**Corporations Act**”), hereby draws up and approves this report on the relationships between the controlling entity and the controlled entity and between the controlled entity and entities controlled by the same controlling entity for the accounting period from 1 January 2024 to 31 December 2024 (“**Report on Relationships**”).

In drawing up this Report on Relationships, the Controlled Entity’s governing body relied on the information available as at the date of its preparation or on the information that could be reasonably required of the governing body.

Structure of relationships between entities

1. Controlled entity

Business name: **42 Financial Services a.s.**
Id. No.: 284 92 722
Registered office: Klimentská 1216/46, 110 00, Prague 1
registered in the Commercial Register kept by the Municipal Court in Prague, Section B, File 19423

2. Controlling entities

Situation between 1 January 2024 and 23 July 2024

Between 1 January 2024 and 23 July 2024, the Controlled Entity was controlled by the following entity (the majority shareholder of the Controlled Entity):

Name and surname: **Ing. Lucia Živorová**
Date of birth: 17 September 1969
Residing at: Jeseniova 1549/124, Žižkov, 130 00 Prague 3
Size of the share: 66%

Situation between 24 July 2024 and 15 September 2024

As a result of a transfer of shares issued by the Controlled Entity, the Controlled Entity had no controlling entity between 24 July 2024 and 15 September 2024.

Situation between 16 September 2024 and 12 December 2024

As a result of a transfer of shares issued by the Controlled Entity, the Controlled Entity had the following controlling entities as shareholders between 16 September 2024 and 12 December 2024, who were acting in concert and jointly held a 41% share in the Controlled Entity, thus fulfilling the presumption under Section 75 (3) of the Corporations Act.

Name and surname: **Ing. Libor Winkler**
Date of birth: 18 September 1960
Residing at: V zálesí 761/5, Hlubočepy, 154 00 Prague 5
Size of the share: 12%

Name and surname: **Ing. Bronislav Kandřík**
Date of birth: 9 January 1981
Residing at: V Šáreckém údolí 2800, Dejvice, 164 00 Prague 6
Size of the share: 17%

Name and surname: **Ing. Michal Šaňák**
Date of birth: 25 January 1979
Residing at: Naardenská 668/13, Liboc, 162 00 Prague 6
Size of the share: 12%

Between 5 December 2024 and 12 December 2024, the aggregate share of the aforementioned controlling entities increased from 41% to 50% as a result of a transfer of shares representing a share in the Controlled Entity in the amount of 3% from shareholder Ing. Lucie Živorová to shareholder Ing. Libor Winkler; as a result of a transfer of shares representing a 3% share in the Controlled Entity from shareholder Ing. Lucie Živorová to shareholder Ing. Bronislav Kandřík; and as a result of a transfer of shares representing a 3% share in the Controlled Entity from shareholder Ing. Lucie Živorová to shareholder Ing. Michal Šaňák.

Situation between 13 December 2024 and 31 December 2024

On 13 December 2024, 100% of the shares issued by the Controlled Entity were transferred to the following company, which thus became the Controlled Entity's parent company.

Business name: **42 Financial Services Holding s.r.o.**
Id. No.: 17843774
Registered office: Klimentská 1216/46, 110 00, Prague 1
registered in the Commercial Register kept by the Municipal Court in Prague,
Section C, File 377712

In addition to 42 Financial Services Holding s.r.o. (the “**Parent Company**”), the following persons as shareholders of the Parent Company are also to be considered controlling entities in that period, acting in concert and jointly holding a 49.9% share in the Parent Company, exercising decisive influence in the Controlled Entity through the Parent Company.

Name and surname: **Ing. Libor Winkler**
Date of birth: 18 September 1960
Residing at: V zálesí 761/5, Hlubočepy, 154 00 Prague 5
Size of the share in the parent company: 15%

Name and surname: **Ing. Bronislav Kandřík**
Date of birth: 9 January 1981

Residing at: V Šáreckém údolí 2800, Dejvice, 164 00 Prague 6
 Size of the share in
 the parent company: 19.9%

Name and surname: **Ing. Michal Šaňák**
 Date of birth: 25 January 1979
 Residing at: Naardenská 668/13, Liboc, 162 00 Prague 6
 Size of the share in
 the parent company: 15%

3. Entities controlled by the same controlling entity

In the accounting period, the Parent Company did not control any other entities; the Parent Company itself must be considered an entity controlled by the same controlling entity, as it was controlled by Ing. Libor Winkler, Ing. Bronislav Kandřík and Ing. Michal Šaňák.

Other entities controlled by the controlling entities

- (1) AKMIT s.r.o., Id. No.: 281 81 123, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
- (2) ALEGRO-INVEST, a s., Id. No.: 256 04 244, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
- (3) Archer Development s.r.o., Id. No.: 018 24 287, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
- (4) Artebiz, s.r.o., Id. No.: 047 52 791, with its registered office at Tržiště 366/13, Malá Strana, 118 00 Prague 1;
- (5) ASSET CENTER a s., Id. No.: 282 23 268, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
- (6) AspiK IS s.r.o., Id. No.: 212 18 587, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
- (7) Back swing s.r.o., Id. No.: 290 22 568, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
- (8) Beach Resorts Investment Limited, registration number 066 98 474, with its registered office at 10 Queen Street Place, London, United Kingdom, EC4R 1AG, the United Kingdom of Great Britain and Northern Ireland;
- (9) Biofarma Olešná s.r.o., Id. No.: 035 42 882, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
- (10) BLOOMING s.r.o., Id. No.: 289 84 552, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
- (11) CCM HoldCo s.r.o., Id. No.: 174 03 154, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1 – controlled since 25 September 2024;
- (12) CCM SICAV a.s., Id. No.: 221 07 681, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1 – controlled since 1 October 2024;
- (13) CCM Warehouse s.r.o., Id. No.: 142 87 714, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
- (14) CEDR Energo s.r.o., Id. No.: 094 20 312, with its registered office at Na Florenci 2116/15,

- Nové Město, 110 00 Prague 1;
- (15) CENTRUM ČERNÝ MOST s.r.o., Id. No.: 198 42 406, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1 – controlled between 25 September 2024 and 31 December 2024;
 - (16) Centrum Pivovar a.s., Id. No.: 281 92 460, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (17) Cínovecká deponie, a.s., Id. No.: 278 92 051, with its registered office at Sofijská 2/3, Děčín VI-Letná, 405 02 Děčín;
 - (18) Červená Liška Gallery s.r.o., Id. No.: 140 85 771, with its registered office at Staroměstské náměstí 480/24, Staré Město, 110 00 Prague 1;
 - (19) Červená Liška Restaurant s.r.o., Id. No.: 119 53 501, with its registered office at Staroměstské náměstí 480/24, Staré Město, 110 00 Prague 1;
 - (20) DAP IT s.r.o., Id. No.: 098 49 203, with its registered office at Záměstní 1155/27, Slezská Ostrava, 710 00 Ostrava;
 - (21) Děčínský pivovar s.r.o., Id. No.: 038 34 662, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (22) Dobrá Vinice, a.s., Id. No.: 453 15 850, with its registered office at Na Staré cestě, No. 80, Nový Šaldorf, 671 81 Nový Šaldorf-Sedlešovice;
 - (23) DOBRÁ VINICE vinařství s.r.o., Id. No.: 251 47 447, with its registered office at Na Staré cestě, No. 80, Nový Šaldorf, 671 81 Nový Šaldorf-Sedlešovice;
 - (24) DV Distribution s.r.o., Id. No.: 261 60 188, with its registered office at Na Staré cestě, No. 80, Nový Šaldorf, 671 81 Nový Šaldorf-Sedlešovice;
 - (25) Energypop s.r.o., Id. No.: 069 05 056, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (26) Field Restaurant s.r.o., Id. No.: 023 16 421, with its registered office at U milosrdných 852/12, Staré Město, 110 00 Prague 1;
 - (27) FK Biofarma, s.r.o., Id. No.: 049 07 477, with its registered office at Lidická 3498/142, 690 03 Břeclav;
 - (28) FLams a.s., Id. No.: 279 07 899, with its registered office at Havlíčkova 1030/1, Nové Město, 110 00 Prague 1 – controlled since 18 November 2024;
 - (29) FONTÁNA PCZG s.r.o., Id. No.: 196 00 151, Komenského 3490/35, Přerov I-Město, 750 02 Přerov;
 - (30) František Král, organic s.r.o., Id. No.: 055 90 698, with its registered office at Lidická 3498/142, 690 03 Břeclav;
 - (31) Green Heat Bilopillya, EDRPOU: 38207708, with its registered office at Sumy Street 5, Bilopillia, Sumy Oblast, Ukraine;
 - (32) Green Heat s.r.o., Id. No.: 070 83 866, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (33) GVW s.r.o., Id. No.: 087 97 323, with its registered office at Terronská 873/3, Bubeneč, 160 00 Prague 6;
 - (34) Hopsárium Děčín s.r.o., Id. No.: 024 89 139, with its registered office at Sofijská 2/3, Děčín VI-Letná, 405 02 Děčín;
 - (35) HZY Czech, s.r.o., Id. No.: 291 33 921, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (36) Industrial Center CR 7 s.r.o., Id. No.: 083 19 391, with its registered office at Na Florenci

- 2116/15, Nové Město, 110 00 Prague 1;
- (37) Industrial Kladno 2 s.r.o., Id. No.: 284 88 938, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (38) JRD 2 s.r.o., Id. No.: 119 81 334, with its registered office at Korunní 810/104, Vinohrady, 101 00, Prague 10;
 - (39) JRD Kappa s.r.o., Id. No.: 097 09 991, with its registered office at Korunní 810/104, Vinohrady, 101 00 Prague 10;
 - (40) JRD Zeta s.r.o., Id. No.: 072 15 924, with its registered office at Korunní 810/104, Vinohrady, 101 00, Prague 10;
 - (41) Kendwa Beach Resorts Limited, registration number L13662008, with its registered office at P.O. Box 3381, Shangani Post Office, Kendwa, Zanzibar, Tanzania;
 - (42) Lyka Care s.r.o., Id. No.: 172 01 624, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (43) Lyka management s.r.o., Id. No.: 172 01 080, Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (44) Metronome Production s.r.o., Id. No.: 046 58 639, with its registered office at Terronská 873/3, Bubeneč, 160 00 Prague 6;
 - (45) Mlynářka area s.r.o., Id. No.: 55 829 023, with its registered office at Svatoplukova II. 18892/2 A, Bratislava – Ružinov City Ward 821 08, Slovak Republic;
 - (46) Mlynářka Land Development s.r.o., Id. No. 55 834 736, with its registered office at Svatoplukova II. 18892/2 and Bratislava – Ružinov City Ward 821 08, Slovak Republic;
 - (47) Nuppu Housing s. r. o., Id. No.: 51 084 520, with its registered office at Svatoplukova II. 18892/2 A, 821 08 Bratislava – Ružinov City Ward, Slovak Republic;
 - (48) NZF 1 s.r.o., Id. No.: 094 14 681, with its registered office at Revoluční 1003/3, Staré Město, 110 00 Prague 1;
 - (49) Pillow pojišťovna, a.s., Id. No.: 042 57 111, with its registered office at Líbalova 2348/1, Chodov, 149 00 Prague 4;
 - (50) Pivovarská restaurace CPD s.r.o., Id. No.: 024 94 361, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (51) Pivovary CZ Group a.s., Id. No.: 097 20 618, with its registered office at Komenského 3622/33a, Přerov I-Město, 750 02 Přerov;
 - (52) PIVOVARÝ TRIANGL s.r.o., Id. No.: 198 83 218, with its registered office at Za Drahou 165/1, Pod Bezručovým vrchem, 794 01 Krnov;
 - (53) Poplarius s.r.o., Id. No.: 08036331, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (54) Pradiareň 1900 s.r.o., Id. No.: 51 813 858, with its registered office at Svatoplukova II. 18892/2 A, 821 08 Bratislava – Ružinov City Ward, Slovak Republic;
 - (55) Prime Clock s.r.o., Id. No.: 044 36 733, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (56) Pro arte, investiční fond s proměnným základním kapitálem, a.s., (*Investment Fund with Variable Registered Capital*), Id. No.: 242 47 464, with its registered office at Tržiště 366/13, Malá Strana, 118 00 Prague 1;
 - (57) Pro arte I, s.r.o., Id. No.: 080 39 585, with its registered office at Tržiště 366/13, Malá Strana, 118 00 Prague 1;
 - (58) PXW Czech, a.s., Id. No.: 014 61 184, with its registered office at Na Florenci 2116/15,

- Nové Město, 110 00 Prague 1;
- (59) Resilient Heat s.r.o., Id. No.: 17202426, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (60) Retail Shops CPD s.r.o. v likvidaci (*in liquidation*), Id. No.: 290 14 069, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (61) RSJ s.r.o., Id. No.: 063 24 720, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (62) RSJ Asset Management investiční společnost a.s., Id. No.: 171 49 509, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (63) RSJ Custody s.r.o., Id. No.: 026 03 900, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (64) RSJ Invest s.r.o., Id. No.: 195 10 136, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (65) RSJ Investments investiční společnost a.s., Id. No.: 053 57 225, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (66) RSJ Investments SICAV a.s., Id. No.: 247 04 415, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (67) RSJ Land I s.r.o., Id. No.: 247 36 287, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (68) RSJ Land II s.r.o., Id. No.: 042 77 201, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (69) RSJ PE SICAV a.s., Id. No.: 092 38 859, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (70) RSJ Prop SICAV a.s., Id. No.: 079 70 358, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (71) RSJ Securities a.s., Id. No.: 008 84 855, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (72) RSJ Services s.r.o., Id. No.: 018 252 59, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (73) RSPV Eighteen s.r.o., Id. No.: 212 18 773, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (74) RSPV Fifteen s.r.o., Id. No.: 172 03 171, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (75) RSPV Five s.r.o., Id. No.: 066 28 079, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (76) RSPV Four s.r.o., Id. No.: 065 38 967, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (77) RSPV Nine s.r.o., Id. No.: 080 36 047, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (78) RSPV One s.r.o., Id. No.: 065 38 746, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (79) RSPV Seven s.r.o., Id. No.: 080 35 296, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
 - (80) RSPV Sixteen s.r.o., Id. No.: 212 18 056, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;

- (81) RSPV Twenty s.r.o., Id. No.: 220 77 090, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1 – controlled since 24 September 2024;
- (82) RSPV Twenty-one s.r.o., Id. No.: 220 77 120, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1 – controlled since 24 September 2024;
- (83) SANAKA Industry, a.s., Id. No.: 275 69 462, with its registered office at Na Příkopě 859/22, Nové Město, 110 00 Prague 1;
- (84) Sancela s.r.o., Id. No.: 020 18 209, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
- (85) SEMIRA, a.s., Id. No.: 277 58 648, with its registered office at Generála Píky 430/26, Dejvice, 160 00 Prague 6;
- (86) Simply Fair Insurance a.s., Id. No.: 080 20 400, with its registered office at Líbalova 2348/1, Chodov, 149 00 Prague 4;
- (87) SUPI Energy s.r.o., Id. No.: 250 65 581, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
- (88) Unique Hotel Services s.r.o., Id. No.: 061 50 501, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
- (89) UAB "Naujasis skansenas 5", registration number 306646657, with its registered office at Granito g. 4, Vilnius LT-02300, Republic of Lithuania;
- (90) UAB "Yr holdingas LT", registration number 306638735, with its registered office at Granito g. 4, Vilnius LT-02300, Republic of Lithuania;
- (91) Vinitor s.r.o., Id. No.: 028 60 121, with its registered office at Na Staré cestě, No. 80, Nový Šaldorf, 671 81 Nový Šaldorf-Sedlešovice;
- (92) WFF OFFICE s.r.o., Id. No.: 051 37 039, with its registered office at Anežská 986/10, Staré Město, 110 00 Prague 1;
- (93) White Sands Beach Resort Limited, registration number L13662008, with its registered office at P.O. Box 3381 Shangani Post Office, Zanzibar, Tanzania;
- (94) WILOMENNA Vinařství Pod Chlumem s.r.o., Id. No.: 030 91 384, with its registered office at 5, 439 03 Chlumčany;
- (95) XcelAI Services s.r.o., Id. No.: 141 03 281, with its registered office at Na Florenci 2116/15, Nové Město, 110 00 Prague 1;
- (96) YIT Hostivař s.r.o., Id. No.: 140 20 823, with its registered office at Generála Píky 430/26, Dejvice, 160 00 Prague 6;
- (97) YIT Mārpagalmi 2, SIA, registration number 50203571771, with its registered office at Vienības gatve 109, Riga, LV-1058, Republic of Latvia;
- (98) YIT NUPPU Magnolia 1 s.r.o., Id. No.: 50 877 101, with its registered office at Svatoplukova II. 18892/2 A, 821 08 Bratislava – Ružinov City Ward, Slovak Republic;
- (99) YIT NUPPU Magnolia 3 s. r. o., Id. No.: 54 013 283, with its registered office at Svatoplukova II. 18892/2 A, 821 08 Bratislava – Ružinov City Ward, Slovak Republic;
- (100) YIT Tornio s.r.o., Id. No.: 193 73 937, with its registered office at Generála Píky 430/26, Dejvice, 160 00 Prague 6;
- (101) YIT TOIVO Roztyly s.r.o., Id. No.: 220 77 057, with its registered office at Generála Píky 430/26, Dejvice, 160 00 Prague 6 – controlled since 24 September 2024;
- (102) YIT ZWIRN 1 s. r. o., Id. No.: 52 968 472, with its registered office at Svatoplukova II. 18892/2 A, 821 08 Bratislava – Ružinov City Ward, Slovak Republic;
- (103) YIT ZWIRN 2 s.r.o., Id. No.: 52967 051, with its registered office at Svatoplukova II. 18892/2

- A, 821 08 Bratislava – Ružinov City Ward, Slovak Republic;
- (104) YIT ZWIRN 3 s. r. o., Id. No.: 53 728 351, with its registered office at Svatoplukova II. 18892/2 A, 821 08 Bratislava – Ružinov City Ward, Slovak Republic;
- (105) YIT ZWIRN OFFICE s. r. o., Id. No.: 54 575 613, with its registered office at Svatoplukova II. 18892/2 A, 821 08 Bratislava – Ružinov City Ward, Slovak Republic;
- (106) YR Holding 2 s.r.o., Id. No.: 218 86 504, with its registered office at Generála Píky 430/26, Dejvice, 160 00 Prague 6;
- (107) YR Holding Alfa s.r.o., Id. No.: 107 67 681, with its registered office at Generála Píky 430/26, Dejvice, 160 00 Prague 6;
- (108) YR Holding s.r.o., Id. No.: 140 03 775, with its registered office at Generála Píky 430/26, Dejvice, 160 00 Prague 6;
- (109) YR Holding Latvia SIA, registration number 40203566938, with its registered office at Vienības gatve 109, Riga, LV-1058, Republic of Latvia;
- (110) Zemědělská společnost Mlázovice s.r.o., Id. No.: 648 29 545, with its registered office at Zemědělská 249, 507 58 Mlázovice;
- (111) ZWIRN area s.r.o., Id. No.: 51 811 391, with its registered office at Svatoplukova II. 18892/2 A, 821 08 Bratislava – Ružinov City Ward, Slovak Republic;
- (112) ZWIRN OFFICE s. r. o., Id. No.: 54 702 534, with its registered office at Svatoplukova II. 18892/2 A, 821 08 Bratislava – Ružinov City Ward, Slovak Republic.

The above-specified entities controlled by the controlling entities are not entities controlled through the Parent Company as the umbrella company for the ownership structure of the 42FS Group, which consists of the Controlled Entity and the Parent Company, and they are not entities with whom the Controlled Entity is in any contractual relationship or at whose instigation or in whose interest any acts were made in the accounting period under review concerning assets exceeding 10% of the Controlled Entity's equity capital as ascertained from the financial statements.

Role of the controlled entity in the structure of relationships

The Controlled Entity's main objects of business include: activities of a securities trader for professional clients (banks, financial instruments, commodity traders) within the scope of the permit granted under a special law, including, but not limited to, receipt and transmission of orders (including mediation of transactions, developing activities to find the counterparty to transactions and facilitating negotiations among customers for the purpose of concluding transactions), execution of orders on the customer's account, operation of an organised trading facility, all the above in relation to bonds, financial derivatives, money market instruments, commodity derivatives, emission allowances and derivatives for emission allowances.

Method and means of control

Between 16 September 2024 and 12 December 2024, the controlling entities acting in concert were controlled by the Controlled Entity through a 41% share (50% share since 5 December 2024) of voting rights in the Controlled Entity.

Since 13 December 2024, the Parent Company has controlled the Controlled Entity through a 100%

share of voting rights in the Controlled Entity; other controlling entities acting in concert (Ing. Libor Winkler, Ing. Bronislav Kandřík and Ing. Michal Šaňák) have controlled the Controlled Entity indirectly through a 49.9% share of voting rights in the Parent Company.

Summary of acts made during the last accounting period at the instigation or in the interest of the controlling entity or the entities controlled by the same in relation to assets exceeding 10% of the Controlled Entity's equity

The following transactions were made at the instigation or in the interest of the controlling entity or entities controlled by the same during the accounting period for which the Report on Relationships is drawn up:

- decision of the sole shareholder acting in the capacity of the General Meeting of 42 Financial Services a.s. of 13 December 2024 on distribution of profits from the account of retained profits from previous periods in the amount of CZK 27,200,000 for the benefit of the sole shareholder, 42 Financial Services Holding s.r.o.;
- Agreement on Provision of Voluntary Additional Contribution Outside the Registered Capital made by and between 42 Financial Services a.s. and Ing. Bronislav Kandřík on 11 December 2024, on the basis of which Ing. Bronislav Kandřík provided 42 Financial Services a.s. with an additional pecuniary contribution outside the registered capital in the amount of CZK 17,100,000.

Summary of mutual agreements between the Controlled Entity and the controlling entity, or among the controlled entities

The following agreements were concluded by and between the Controlled Entity and the controlling entity, or among the controlled entities for the accounting period for which the Report on Relationships is drawn up:

- Agreement on Provision of Voluntary Additional Contribution Outside the Registered Capital made by and between 42 Financial Services a.s. and Ing. Bronislav Kandřík on 11 December 2024, on the basis of which Ing. Bronislav Kandřík provided 42 Financial Services a.s. with an additional pecuniary contribution outside the registered capital in the amount of CZK 17,100,000.

Evaluation of benefits, disadvantages and harm suffered

The Controlled Entity's Board of Directors assessed the advantages and disadvantages following from the relationships between the Controlled Entity and the Parent Company, and the relationships between the Controlled Entity and Ing. Libor Winkler, Ing. Bronislav Kandřík and Ing. Michal Šaňák. Based on the facts known to the Board of Directors, the Board concluded that these relationships bring benefits to the Controlled Entity, especially in the form of easier access to capital and know-how.

In the accounting period under review, the disadvantages from such relationships did not outweigh the benefits, and no fact was identified that would pose a risk to the Controlled Entity.

According to the available information, the Controlled Entity suffered no harm in terms of Sections 71 or 72 of the Corporations Act in the accounting period under review and, therefore, no measures were taken to compensate for the harm.

Conclusion

Based on the information provided by the Board of Directors and based on the above data, the Controlled Entity's Board of Directors believes that no harm was caused to the Controlled Entity from the relationships with the Parent Company or with other controlling entities in the accounting period under review.

Signature illegible

MUDr. David Kreisinger
Chairperson of the Board of Directors

Balance sheet for banks and other financial institutions as at 31 December 2024

		Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
	ASSETS		
2	Cash and deposits with central banks	0	0
3	Government zero bonds and other securities accepted by the central bank for refinancing	0	0
	of which: (a) issued by government institutions	0	0
	(b) other	0	0
4	Receivables from banks	87,758	89,323
	of which: (a) payable on demand	87,758	89,323
	(b) other receivables	0	0
5	Receivables from clients	0	0
	of which: (a) payable on demand	0	0
	(b) other receivables	0	0
6	Debt securities	0	0
	of which: (a) issued by government institutions	0	0
	(b) issued by other persons	0	0
7	Shares, unit certificates and other investments	0	0
8	Property interests with significant influence	0	0
9	Property interests with decisive influence	0	0
10	Intangible fixed assets	46,490	34,355
	of which: goodwill	0	0
11	Tangible fixed assets	9,037	10,245
	of which: land and buildings for operational activities	0	0
12	Other assets	26,908	29,996
13	Receivables from subscribed registered capital	0	0
14	Prepaid expenses and accrued revenues	14,218	11,319
	Total assets	184,411	175,239

		Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
	LIABILITIES		
2	Payables towards banks	4,713	0
	of which: (a) payable on demand	0	0
	(b) other receivables	4,713	0
3	Payables towards clients	0	0
	of which: (a) payable on demand	0	0
	(b) other receivables	0	0
4	Payables from debt securities	0	0
	of which: (a) issued by government institutions	0	0
	(b) issued by other persons	0	0
5	Other liabilities	18,295	16,725
6	Prepaid expenses and accrued revenues	298	449
7	Provisions	16,683	18,951
	of which: (a) for pension and other similar liabilities	0	0
	(b) for taxes	0	3,443
	(c) other	16,683	15,509
8	Subordinated liabilities	0	0
	Total external sources	0	0
9	Paid-up registered capital	10,000	10,000
10	Share premium	0	0
11	Reserve funds and other funds from profits	0	0
	(a) mandatory reserve funds and risk funds	0	0
	(b) other reserve funds	0	0
	(c) other funds from profits	0	0
12	Revaluation reserve fund	0	0
13	Capital funds	103,000	60,000
14	Revaluation	0	0
	of which: (a) from assets and liabilities	0	0
	(b) from hedging derivatives	0	0
	(c) from revaluation of property interests	0	0
15	Retained profit or accumulated losses from previous periods	41,914	67,318
16	Profit or loss for the accounting period	-10,493	1,796
	Total equity	144,421	139,114
	Total liabilities	184,411	175,239

Off-balance sheet for banks and other financial institutions as at 31 December 2024			
	OFF-BALANCE ITEMS	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
1	Provided covenants and guarantees	0	0
2	Provided pledges	0	0
3	Receivables from spot transactions	0	0
4	Receivables from fixed term operations	0	0
5	Receivables from options	0	0
6	Written-off receivables	0	0
7	Values submitted for safekeeping, administration and deposit	0	0
8	Assets entrusted for management	0	0
9	Accepted covenants and guarantees	0	0
10	Accepted pledges and hedging	0	0
11	Payables from spot transactions	0	0
12	Payables from fixed term operations	0	0
13	Payables from options	0	0
14	Values accepted for safekeeping, administration and deposit	0	0
15	Values accepted for management	0	0

	Profit and loss account as at 31 December 2024	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
1	Interest revenues and similar revenues	2,456	5,093
	of which: from debt securities	0	0
2	Interest expenses and similar charges	417	0
	of which: from debt securities	0	0
3	Revenues from shares	0	0
	of which: (a) from interests with significant influence	0	0
	(b) from interests with decisive influence	0	0
	(c) other revenues from shares	0	0
4	Revenues from fees and commissions	236,544	198,973
5	Fee and commission expenses	0	0
6	Profit or loss from financial operations	0	0
7	Other operating revenues	3,902	2,271
	of which: foreign exchange profits	1,664	1,756
8	Other operating expenses	4,925	4,353
	of which: foreign exchange losses	1,566	1,015
9	Administrative expenses	234,442	182,565
	of which: (a) costs of employees	133,525	98,323
	of which: (aa) wages and salaries	108,597	78,317
	(ab) social security and health insurance	24,928	20,007
	(b) other administrative expenses	100,917	84,242
10	Dissolution of provisions and adjustments related to tangible and intangible fixed assets	0	0
11	Depreciation, creation and use of adjustments and provisions related to tangible and intangible fixed assets	11,797	6,712
12	Dissolution of adjustments and provisions related to receivables and guarantees, revenues from prior written-off receivables	0	0
13	Depreciation, creation and use of adjustments (<i>in Czech: opravné položky</i>) and provisions (<i>in Czech: rezervy</i>) related to receivables and guarantees	1	260
14	Dissolution of adjustments related to property interests with significant and decisive influence	0	0
15	Losses from transfer of property interests with significant and decisive influence, creation and use of adjustments in relation to property interests with significant and decisive influence	0	0
16	Dissolution of other provisions	0	0
17	Creation and use of other provisions	1,174	8,395
18	Share of profits or losses of property interests with significant or decisive influence	0	0
19	Profit or loss for the accounting period from ordinary activities before tax	0	0
20	Extraordinary revenues	0	0
21	Extraordinary expenses	0	0
22	Profit or loss for the accounting period from extraordinary activities before tax	-9,856	4,051
23	Income tax	-637	-2,255
24	Profit or loss for the accounting period after tax	-10,493	1,796

NOTES TO THE FINANCIAL STATEMENTS

AS AT 31 December 2024

Balance sheet date of the financial statements: 31 December 2024

Date of compilation of the financial statements: 28 April 2025

In Prague, on 28 April 2025

Signature of the governing body:

Signature illegible

MUDr. David Kreisinger

42 Financial Services a.s.

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1. General information

Company name: **42 Financial Services a.s.** (hereinafter the “Company”)

Legal form: joint-stock company

Registered office: Prague 1, Klimentská 1216/46, Postal Code 110 00

Id. No.: 28492722

Date of incorporation: 28 November 2008

Registration in the Commercial Register, changes in 2024

The Company is registered in the Commercial Register kept by the Municipal Court in Prague, File No. B 19423

Amendment to the Decision of the General Meeting on amendment to the Articles of Association concerning the objects of business, the number of members of the Board of Directors, and the number of members of the Supervisory Board

The following objects of activities were de-registered on 5 December 2024:

- Manufacture, trade and services not listed in Annexes 1 to 3 to the Trade Act
- Activities of a securities trader within the scope of the permit granted under a special law

The following objects of activities were registered on 5 December 2024:

- Mediation in trade and services;
- Advisory and consultancy activities, preparation of expert studies and reports; Advertising activities, marketing, media representation;
- Services in the area of administration and organisational and economic services;
- Activities of a securities trader for professional clients (banks, financial instruments, commodity traders) within the scope of the permit granted under a special law, including, but not limited to, receipt and transmission of orders (including mediation of transactions, developing activities to find the counterparty to transactions and facilitating negotiations among customers for the purpose of concluding transactions), execution of orders on the customer’s account, operation of an organised trading facility, all the above in relation to bonds, financial derivatives, money market instruments, commodity derivatives, emission allowances and derivatives for emission allowances.

Mgr. Ing. Dalibor Černička, the Chairperson of the Board of Directors, ceased to be a member of the Board of Directors on 24 July 2024 – de-registered from the Commercial Register on 26 August 2024.

MUDr. David Kreisinger assumed the office of the Chairperson of the Board of Directors on 24 July 2024 – registered in the Commercial Register on 26 August 2024.

MUDr. David Kreisinger ceased to hold the position of the Vice-Chairperson of the Board of Directors on 24 July 2024 – de-registered from the Commercial Register on 26 August 2024.

The change in the number of members of the Board of Directors from 3 to 2 members was registered on 5 December 2024.

Bodies of the Company

Board of Directors:

MUDr. David Kreisinger, Chairperson of the Board of Directors, in office since 24 July 2024 Ing. Michal Pokorný, Vice-Chairperson of the Board of Directors, in office since 10 October 2022

Supervisory Board:

Ing. Lucia Živorová, Member of the Supervisory Board, appointed as a member on 25 October 2017
Ing. Libor Winkler, Member of the Supervisory Board, appointed as a member on 1 February 2023

Shares

10,000 registered shares in the form of share certificates with the nominal value of CZK 1,000

Registered capital

CZK 10,000,000

Objects of business:

- activities of a securities trader for professional clients (banks, financial instruments, commodity traders) within the scope of the permit granted under a special law;

- mediation in trade and services – advisory and consultancy activities, preparation of expert studies and reports;
- advertising activities, marketing, media representation;
- services in the area of administration, and organisational and economic services.

The Company is authorised to provide the following services:

- receiving and forwarding instructions concerning investment instruments, in relation to investment instrument pursuant to Section 3 (1)(a) to (k) of the Capital Market Undertakings Act;
- executing instructions regarding the use of investment instruments for client accounts, in relation to investment instruments pursuant to Section 3 (1)(a) to (k) of the Capital Market Undertakings Act;
- management of the client's assets if it includes an investment instrument, at its sole discretion within the scope of a contractual arrangement; in relation to investment instruments pursuant to Section 3 (1)(a) to (k) of the Capital Market Undertakings Act;
- investment counselling regarding investment instruments, in relation to investment instruments pursuant to Section 3 (1)(a) to (k) of the Capital Market Undertakings Act;
- operation of a multilateral trading facility, in relation to investment instruments pursuant to Section 3 (1)(a) to (k) of the Capital Market Undertakings Act;
- operation of an organised trading facility, in relation to investment instruments pursuant to Section 3 (1)(a) to (l) of the Capital Market Undertakings Act;
- placement of investment instruments with no subscription obligation, in relation to investment instruments pursuant to Section 3 (1)(a) to (k) of the Capital Market Undertakings Act;
- consulting activities pertaining to the capital structure, industrial strategy and related aspects, as well as providing advice and services with regard to transformations of companies, transfers of business enterprises or acquisitions of interest in a corporation, in relation to investment instruments pursuant to Section 3 (1)(a) to (l) of the Capital Market Undertakings Act;
- investment research and financial analysis or other forms of general recommendations with regard to trading in investment instruments, in relation to investment instruments pursuant to Section 3 (1)(a) to (l) of the Capital Market Undertakings Act;
- foreign exchange services related to the provision of investment services, in relation to investment instruments pursuant to Section 3 (1)(a) to (l) of the Capital Market Undertakings Act;
- services related to subscription of investment instruments, in relation to investment instruments pursuant to Section 3 (1)(a) to (l) of the Capital Market Undertakings Act.

Overview of activities actually carried out:

- operation of an organised trading facility pursuant to Section 4 (2)(g) of the Capital Market Undertakings Act in relation to investment instruments pursuant to Section 3 (1)(a), (c), (d), (g), (h) and (l) of the Capital Market Undertakings Act;
- mediation in trade and services – trading in guarantees of origin.

2. Accounting procedures and methods

Basic principles of bookkeeping

The financial statements, including the balance sheet, profit and loss account, overview of changes in equity, cash flow statement and the related Notes, are compiled in accordance with Act No. 563/1991 Coll., on accounting, as amended, Decree No. 501/2002 Coll., as amended, issued by the Ministry of Finance of the Czech Republic and the Czech accounting standards for banks and other financial institutions.

Since 2022, the Company's accounts have been kept in the HELIOS iNuvio information and economic system developed by Asseco Solutions, which is being regularly updated. Interconnection of the information system with the business systems used is ensured via systems created by the Company.

The amounts in the financial statements are rounded up to thousands of Czech crowns (CZK thous.) unless specified otherwise and the financial statements are not consolidated.

The consolidated financial statements are compiled by 42 Financial Services Holding s.r.o., Id. No. 178 43 774, with its registered office at Klimentská 1216/46, Nové Město, 110 00 Prague 1; the consolidated financial statements will include these non-consolidated financial statements of the Company.

Information pursuant to Section 18 (1)(c) of Act No. 563/1991 Coll., on accounting, as amended, about compliance with Section 7 (3) to (5) and Section 19 (5) and (6) of the Act

The entity has applied accounting methods in a manner that is based on the assumption that the accounting entity will continue its activities on a going concern basis and that there is no obstacle that would limit or prevent it from pursuing its activities in the foreseeable future.

There have been no changes in the arrangement, designation, specification and manner of valuation of the balance sheet items and profit and loss account items between the individual accounting periods.

During the accounting period, the Company did not record any deviations from the accounting methods stipulated by the legal regulations.

For the period beginning at the end of the balance sheet date and ending at the time of compilation of the financial statements, no important events occurred that would provide further information on the conditions or situations existing as at the end of the balance sheet date or uncertain conditions and situations existing as at the end of the balance sheet date whose consequences would substantially change the view of the accounting entity's financial or other position.

The Company is not in liquidation.

Information pursuant to Section 54 of Decree No. 501/2002 Coll., as amended

There were no changes in the accounting methods compared to the previous periods that would affect the accounting entity's profit/loss and equity.

Methods of valuation of assets and liabilities, methods used in determining the fair values of assets and liabilities, foreign currencies and exchange rates used for conversion of foreign currencies to the Czech currency

- pursuant to Act No. 563/1991 Coll., on accounting, as amended, and Section 54 *et seq.* of Decree No. 501/2002 Coll.

The time of the accounting transaction, in particular information on recognition of assets and liabilities at the time of negotiation of the transaction or at the time of settlement of the transaction

- pursuant to Act No. 563/1991 Coll., on accounting, as amended, and Section 54 *et seq.* of Decree No. 501/2002 Coll.

Information on property interests with significant or decisive influence

- none

Information on the fields of activity and geographical areas in which the accounting entity operates

- mediation of financial operations
- the activity is carried out at the accounting entity's registered office

3. Foreign currencies

Financial assets and liabilities denominated in foreign currencies are at the time of the accounting transaction converted to Czech crowns using the daily exchange rate published by the Czech National Bank. All assets and liabilities in foreign currencies are revaluated at the balance sheet date using the exchange rate published by the Czech National Bank as at 31 December.

4. Receivables

Receivables are reported in the nominal value minus adjustment. Bad debts are written off after the termination of the debtor's bankruptcy proceedings.

5. Provisions (in Czech: rezervy)

The Company creates provisions (*in Czech: rezervy*) to cover its liabilities or expenses the nature of which is clearly defined and which at the balance sheet date are either likely to be incurred or certain to be incurred, but uncertain as to their amount or time of their arising. At the balance sheet date, a provision represents the best estimate of the expenses likely to be incurred or, in the case of a liability, of the amount required to settle that liability.

Creation of a provision is reported in the relevant item of the profit and loss account and its use is reported together with the expenses or losses for which the provisions were created, in the relevant item of the profit and loss account. Dissolution of a provision for reasons of redundancy is reported in revenues. Provisions are reported under liabilities in the balance sheet.

Provisions are created in the currency in which the accounting entity expects the performance of the obligation.

6. Adjustments

Creation of an adjustment is reported in the relevant item of the profit and loss account, its use is reported together with the costs or losses related to the loss of the individual assets in the profit and loss account.

Dissolution of an adjustment for reasons of redundancy is reported in revenues.

Adjustments for assets kept in a foreign currency are created in this foreign currency. Foreign exchange differences are reported in the same way as foreign exchange differences from the valuation of the assets to which they relate.

7. Tangible and intangible fixed assets

Acquired tangible and intangible fixed assets are valued at acquisition prices, which include the price of acquisition and all the expenses connected with the acquisition (e.g. the costs of transportation and assembly). Tangible fixed assets created by own activities are valued on the basis of internal costs. Interests on loans, if they fall on the acquisition period, are activated.

Accounting depreciation of tangible and intangible fixed assets is either calculated based on cost and the estimated period of economic usability of the relevant assets, or the period of usability is determined according to the tax classification of the respective asset in the depreciation group. The monthly straight-line depreciation method is used, starting from the month of acquisition.

If the balance value of tangible or intangible fixed assets exceeds their estimated benefit, an adjustment is created for such assets.

Tangible fixed assets are assets with a value exceeding CZK 80 thous. and the term of usability exceeding 1 year. They are recorded as assets in accounts 43.

Intangible fixed assets are assets with a value exceeding CZK 80 thous. and the term of usability exceeding 1 year. They are recorded as assets in accounts 47.

The costs of repairs and maintenance of tangible fixed assets are directly expensed. Technical improvement of tangible fixed assets exceeding CZK 80 thous. per accounting period is activated.

Tangible and intangible fixed assets with the term of usability exceeding one year and acquisition price not exceeding CZK 80 thous. per item are written off as costs at the time of acquisition of such assets.

The acquisition price of assets obtained through financial or operating lease is not activated within fixed assets. The lease instalments are expensed in a balanced manner throughout the term of the lease. Future lease instalments that are not payable as at the balance sheet date are recorded in the balance sheet.

8. Value added tax

The Company has been a registered value added tax payer (hereinafter the “VAT”) since 21 November 2011.

The output VAT will be declared by the Company for taxable supplies that are not exempt from tax. Since the Company uses the accepted taxable supplies within its economic activities both for supplies with entitlement to tax deduction and for supplies exempted from tax without entitlement to tax deduction with the place of supply in the Czech Republic and outside the Czech Republic, the Company claims a deduction in a reduced amount only.

In the tax return for the last tax period of the current calendar year, the VAT deduction is settled in the reduced amount for all tax periods of this year and the difference in settlement is recorded in the profit and loss account as other operating expense. In 2024, the Company attained 67% of the coefficient for the annual settlement of the VAT deduction, thus modifying the entitlement to claim deduction.

9. Income tax and deferred tax

The Company calculated the due income tax applying the applicable tax rate on the profit/loss, corrected by permanent and temporary differences. As this is a preliminary tax estimate, a provision for the tax has been created.

Deferred tax is recorded for all temporary differences between the residual value of an asset or liability in the balance sheet and their tax value. The corporate income tax rate applicable for the accounting period in which realisation of deferred tax is expected is applied. A deferred tax receivable is recorded if it is likely that it will be possible to apply it as a tax-deductible item in the subsequent accounting periods.

The deferred tax was accounted for in 2023 for the first time.

10. Costs of employees, supplementary pension insurance and social fund

The costs of employees are included in the administrative costs and include remuneration for members of the Board of Directors and Supervisory Board. The Company contributes to its employees' supplementary pension insurance to defined contribution pension funds; these contributions towards supplementary pension insurance are directly expensed.

11. Subsequent events

No events that might significantly influence the financial statements as at 31 December 2024 occurred in the period from the balance sheet date to the date of the compilation of the annual financial statements.

The ongoing military conflict in Ukraine and the related sanctions against the Russian Federation may have an impact on European and global economy. The accounting entity has no significant direct exposure to Ukraine, Russia or Belarus. However, the impact on the overall economic situation may require a review of certain assumptions and estimates. At this stage, the management is unable to reliably estimate the impact as the events constantly develop. The volume of trades, cash flows and profitability can also be affected by the long-term impact. However, as at the date of compilation of these financial statements, the Company continues to perform its obligations within the maturity period and, therefore, continues to apply the principle of going concern.

12. Loans to affiliates

In 2024, the Company did not provide any loans to the Company's shareholders or employees. No guarantees were issued for the members of the governing bodies, the Supervisory Board or employees involved in the management of the Company. An affiliate is a person or entity that is affiliate to the entity that is preparing its financial statements. No loans to affiliates were provided.

13. Receivables from banks

Receivables	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
Current accounts with financial institutions	87,758	89,323
Fixed-term deposits with financial institutions	0	0
Loans and loans for use	0	0
Total	87,758	89,323

*in CZK thousand

14. Property interests with substantial and decisive influence

The Company records no such interests.

15. Tangible and intangible fixed assets

Intangible fixed assets

Intangible fixed assets consist primarily of software products and their technical improvement and development of new information systems.

Intangible fixed assets	Opening balance of the account	increase/decrease	Closing balance
Acquisition price	34,484	21,972	56,456
Accumulated depreciation	-8,183	-8,237	-16,420
Unclassified assets	8,054	-1,600	6,454
Total	34,355	12,135	46,490

*in CZK thousand

Operating tangible fixed assets

Tangible fixed assets include, in particular, computer and office technology, office space equipment and passenger cars.

The net book value of the assets sold is included in the profit and loss account as other operating expenses and the revenues from sale are included in other operating revenues.

Tangible fixed assets	Opening balance of the account	increase/decrease	Closing balance
Acquisition price	15,265	647	15,912
Accumulated depreciation	-5,552	-1,323	-6,875
Unclassified assets	532	-532	0
Total	10,245	-1,208	9,037

*in CZK thousand

Tangible fixed assets leased under an operating lease

The Company also uses assets leased on the basis of operating lease contracts that are not included in the reported tangible fixed assets; these are passenger cars.

Assets provided as a pledge

The Company records no assets provided as a pledge.

16. Other assets

Other assets	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
Deferred tax asset	3,175	3,356
Receivables from the financial sector	8,783	13,183
Receivables from the non-financial sector	12,989	12,387
Receivable from a governmental institution	3	0
Operating advances	1,184	0
Receivable from the tax authority (advance on income tax)	774	775
Receivable from the tax authority (VAT)	0	295
Total	26,908	29,996

*in CZK thousand

In 2024, the Company paid advances on income tax in the amount of CZK 1,634 thous. and created a provision for income tax in the amount of CZK -860 thous. The resulting net receivable as at 31 December 2024 in the amount of CZK 774 thous. is reported on the row Other assets.

Prepaid expenses and accrued revenues

These include accruals and deferrals of the use of information technology support, software product licences, prepaid rent, use of terminals, fees for electronic connection and other subscriptions, servicing and other services.

	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
Prepaid expenses	14,218	11,319

*in CZK thousand

17. Adjustments, provisions and depreciation of assets

The Company reports no adjustments for risk-bearing assets as at the date of the financial statements, i.e. as at 31 December 2024.

Provisions are created as follows:

- As at 31 December 2024, the provision for untaken annual leave equalled CZK 3,289 thous. As at 31 December 2023, it equalled CZK 3,942 thous.
- As at 31 December 2024, the provision for bonuses equalled CZK 13,394 thous. As at 31 December 2023, it equalled CZK 11,567 thous.

18. Payables towards banks

Payables towards banks consist of a liability on account of a lease liability in the amount of CZK 4,534 thous. (2023: CZK 0 thous.) and a loan received in the amount of CZK 179 thous. (2023: CZK 0 thous.).

19. Other liabilities

Other liabilities	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
Payables to suppliers	10,113	7,897
Payables to employees	3,612	3,674
Payables to social security and health insurance institutions, pension funds	2,896	1,294
Payables to the tax authority (VAT)	994	0
Estimated payables	680	4,635
Total	18,295	17,500

*in CZK thousand

20. Interest revenues and expenses

Interest revenues consist primarily of interest on deposits in the Company's current and operating accounts. In 2024, interest revenues equalled a total of CZK 2,456 thous. In 2023, they equalled CZK 5,093 thous. As the Company has no loan, it does not record any interest expenses.

21. Revenues from fees and commissions

In 2024, the revenues from fees and commissions increased, the total amount equals CZK 236,544 thous.; in 2023, the revenues from fees and commissions equalled CZK 198,973 thous.

22. Fee and commission expenses

As the Company operates exclusively an organised trading facility, it does not account for any fees or commissions.

23. Profit or loss from financial operations

The Company does not account for any financial operations. Foreign exchange differences are recorded in accounts of other operating expenses and revenues.

24. Other operating revenues

Other operating revenues consist of received insurance indemnity and refunded social insurance overpayment.

	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
Other operating revenues	2,238	515

*in CZK thousand

25. Other operating expenses

	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
Donations	50	180
Other operating expenses	3,309	3,157

*in CZK thousand

26. Administrative expenses

Other administrative costs	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
Travel allowances	3,119	1,410
Minor tangible assets	692	743
Office supplies and other operating materials	658	1,311
Energy consumption	401	334
Repairs and maintenance	610	839
Representation costs	11,144	8,306
Legal services	5,277	4,113
Accounting and tax services, audit	2,707	3,569
Costs of administration and use of information systems	62,208	48,512
Rent and rental services	1,232	4,460
Other administrative costs	12,168	9,498
Operating lease	65	673
Contributions to GF	0	0
Insurance premium	637	473
Other expenses	0	0
Total	100,917	84,242

*in CZK thousand

	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
Costs of employees		
Total wages and salaries	108,597	78,317
Social security and health insurance expenses	24,928	20,007

*in CZK thousand

27. Depreciation

	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
Depreciation		
Intangible assets	8,237	3,852
Tangible assets	3,560	2,860
Total	11,797	6,712

*in CZK thousand

28. Income tax

	Current accounting period as at 31 December 2024	Previous accounting period as at 31 December 2023
Income tax		
Profit before tax	-9,674	4,051
Items increasing the tax base	30,219	25,436
Items reducing the tax base	-16,449	7,114
Adjusted tax base	4,095	22,373
Tax loss	0	4,073
Expenses for implementation of the R&D project	0	0
Adjusted tax base	4,095	18,300
Other adjustments (donations)	0	180
Tax base	4,095	18,119
Tax rate 21% (2023: 19%)	860	3,443
Payable income tax	860	3,443
Refinement of provisions for the previous year	-174	0
Deferred income tax	-49	-3,126
Total income tax (+ expense/ – revenue)	637	317

*in CZK thousand

29. Extraordinary revenues and expenses

The Company does not record any extraordinary revenues or expenses in the current year.

30. Annual net turnover

In 2024, the Company achieved net turnover in the amount of CZK 236,544 thous.

In connection with the amendment to Act No. 563/1991 Coll., on accounting, the definition of net turnover has changed for 2024. In this respect, the data for the comparable 2023 accounting period are not included in the profit and loss account in the financial statements compiled for 2024.

31. State aid

In 2024, the Company obtained a subsidy in the amount of CZK 200 thous. for the purchase of KIA EV9 MV1 7P electric motor, EL093CE.

32. Information on remuneration granted for the accounting period

In 2024, remuneration was granted to members of the governing and supervisory bodies for the discharge of their offices; the Company does not wish to disclose the amount thereof.