

2022

COMPANY PROFILE & ANNUAL REPORT

Broker[®]
Consulting

Finance ▪ Reality ▪ Spolu

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Real estate and banking services have steadily become more and more prominent among the services offered by Broker Consulting, primarily thanks to their strong interconnection with the financial services within the concept titled **Finances. Real Estate. Together.**

01

GENERAL INFORMATION ABOUT THE COMPANY

BUSINESS FIRM

Broker Consulting, a. s.

ID No.

252 21 736

Tax ID No.

CZ699002502

REGISTERED OFFICE

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

LEGAL FORM

Joint Stock Company

DATE OF ENTRY IN THE COMMERCIAL REGISTER

21. 05. 1998 as BROKER CONSULTING, s. r. o.
06. 04. 1999 as Broker Consulting, s. r. o.
01. 07. 2004 as Broker Consulting, a. s.

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

REGISTERED CAPITAL

CZK 100,910,448

Line of Business

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

Our clients' outstanding reviews make us happy and motivate us to produce even better results.

02

INTRODUCTORY WORD BY THE FOUNDER



PETR HRUBÝ

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

2022 WAS THE YEAR OF MASTERED CHALLENGES

In 2023, Broker Consulting will be celebrating an important anniversary. We have been helping people in the Czech Republic and the Slovak Republic safely pursue their personal goals and make big life-changing decisions for the last quarter of a century. We inspire our clients and co-operators alike to grow and become financially independent.

And even though we faithfully fulfil our time-honoured mission, last year decided to test us thoroughly right before we celebrate our hard earned anniversary. We rose to the, many times truly unexpected, challenges and difficulties, and prevailed. We triumphed with pride as a company, as a brand, and as experienced financial and real estate market experts. We successfully tackled every single gruelling challenge and turned obstacles into opportunities. In terms of numbers, this meant that the **turnover of the entire broader Broker Consulting Group in Czechia and Slovakia grew by 5.6 per cent to 2.8 billion crowns**. Naturally, Broker Consulting directly contributed its lion's share to this success with its unique Finances. Real Estate. Together. concept.

Our success was neither brought on by waving a magic wand, nor did it happen as a result of a coincidence. We triumphed only thanks to our comprehensiveness, preparedness,

diligence, determination and professionalism, all of which we have been building over the years. Therefore by way of introduction, I would like to thank every single "Broker" and co-operator for all their effort and their maximum performance.

A special thanks goes to our co-operators from the IT department, who ensure all of us have the professional technology we need to lean on in our everyday work. The IT support not only shows in the reduction of costs, but also saves us all time and effort. I would also like to acknowledge everyone who has been and will continue to be working in the marketing department, as this is an area that has been experiencing accelerated growth. On behalf of our entire company, I would also like to express enormous gratitude to all our clients. Your trust and loyalty are what continues to motivate and drive us. And Broker Consulting continues to provide you with unwavering reliability.

WE FULLY FOCUS ON THE NEEDS OF OUR CLIENTS

Everything around us is constantly evolving. The world, the economy, as well as tendencies within the society. Simply said, sometimes times are good and sometimes – not so much. There are times security is not an issue, while other times it is what keeps us awake at night. We can hardly change what is going on around us, what our or other governments decide, but we can always react to situations in a way that we, as a company, can make ourselves useful. Therefore, we fully focus on helping our clients protect their finances in any situation, increase their capital, and helping them reach their financial independence. As a company, we make the ultimate effort to ensure people are successful building their dream career with us, while also welcoming new people into our ranks.

WHILE THE REAL ESTATE MARKET CAME TO A HALT, WE KEPT FORGING AHEAD

2022 was different from the previous years. While we naturally anticipated certain changes, others came, despite many prognoses, at an unexpected rate of speed and with an equally unexpected impact. That is a simple fact. The market wind was no longer at our back, sometimes we even had to sail against a very strong windstorm which, while being a bit of an adjustment after such a long time, was not the first time in the company history. Despite last year being extremely challenging especially in the area of real estate, we were able to repeat our excellent results from last year. While in 2021 we sold a total value of real estate amounting to 10.5 billion crowns in the Czech Republic, **in 2022 the total value of real estate sold amounted to 10.3 billion crowns.** While these are practically two identical numbers, they are taken from two very different market environments; the latter one reflecting a market that drastically slowed down due to less affordable mortgage loans and inflation, which reduced people's available funds. Therefore, we are justified in claiming that thanks to our comprehensiveness we enjoyed staggering success in re-responding to what others became paralyzed by.

OUR CLIENTS DEMAND AND NEED OUR SERVICES, THEIR SATISFACTION IS ON THE RISE

Yes, the real estate market was shaken up, but the desire of our clients to protect their savings and finances against skyrocketing inflation has increased significantly. The area we experienced a significantly greater growth was that of investments and insurance products. We placed even greater emphasis on our client care. In these trying times, our clients demanded client care, and oftentimes they simply needed it. As a matter of fact, this is reflected in the number of **signed investment contracts, which grew by 50 per cent.**

The quality of services we provide to our clients is of utmost importance to us. We focussed heavily on the quality of our

services in 2022 once again. Thanks to that we can all enjoy a significant increase in our **NPS** (Net Promoter Score), i.e. the value reflecting client satisfaction with us. A value of over 70 (on the scale from -100 to +100, where +100 equals the highest possible satisfaction) speaks of the high quality of the financial and real estate services we provide, not only on the national scale but also globally. Outstanding client reviews naturally make us happy and motivate us to produce even better results. Some of our large offices exceed the NPS of 80 and are setting an example for others.

WE ARE ALSO GROWING IN THE AREA OF DEVELOPMENT

The broader Broker Consulting Group also enjoyed excellent results, expanding in several areas last year. As part of our development work, we are currently planning over 3,000 residential units in different regions of the Czech Republic. We are excited about all the projects we have launched, including Nová Papírna and Byty Borský park in Plzeň by BC Real, and Central Point Kladno, Na Vyhlídce Kaplice or Rezidence Golf Ostravice by Broker Development. It is worth mentioning that anyone who works WITH US can become a part of our development projects. Every one of our colleagues and co-operators can become involved by offering their suggestions, also becoming a partner and a collaborator on select development projects.

A big acknowledgment for an amazing 2022 also goes out to all our companies. **Moneco Investiční společnost** now manages nearly four billion crowns. **Prodomia** underwent successful consolidation, while taking a quick look at **ProCredia's** activities reveals the increasing number of clients from the ranks of small business owners who found themselves confronting challenges associated with the worsening economic situation. Many of them did not find help with a bank institution, but they did find it with ProCredia. Together with its clients, the company was finding solutions that financially

recovered their business or household budgets, returning them back to the bank financing sector.

DESIRE TO HELP. THAT IS NOT SOMETHING WE HAD TO LEARN, IT IS ETCHED IN OUR COMPANY DNA

Last year was no exception with regards to activities that fully correspond with the moral values and beliefs that shaped our company throughout the years. We have been supporting the operation and activities of the Good Deed (**Dobry skutek** in Czech) charitable foundation by providing both finances and personnel; the foundation helps people of different age groups who are not fortunate enough to live their lives without complications and challenges. Good Deed has been collecting record amounts of donations thanks to its regular, as well as occasional generous donors. In July 2022, the donations exceeded the amount of **100 million crowns**, which was distributed to people in need up to the last heller. Last year's activities of Good Deed also took on yellow and blue colours. People whose lives and families were affected by war conflict in the Ukraine were provided with financial assistance through experienced and renowned charitable organizations.

The ABC of Financial Education (**ABC Finančního vzdělávání** in Czech) has also been providing continuous assistance. Through it we have been successful at increasing financial literacy by providing training to elementary and high school students and teachers, namely in the form of the FinGR Play educational online game. The truth is, a family setting is not always a guaranteed place to learn the basics of financial literacy.

In conclusion, I would like to express my belief that no matter what world or situation we find ourselves in, one thing will never change, and that is – that everything is about the people. It is all about the people we co-operate with, the people we surround ourselves with, the people who support us or

those who need us. I am thrilled that Broker Consulting is full of wonderful people who can tackle many a challenge, who step up when it is needed, and who turn obstacles into opportunities. Our profession is not for everybody, which makes it even more exciting to watch the personal and professional growth of all our individual consultants, managers and directors, as well as our OK POINT franchise locations – our showcases and temples of trust.

I sincerely thank every single one of you.



Petr Hrubý

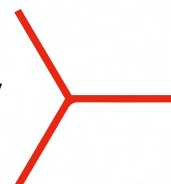
Founder and Chair of the Supervisory Board Broker Consulting, a. s.



Broker Consulting



We rose to the, many times truly unexpected, challenges and difficulties, and prevailed. As a company, as a brand, and as **experienced financial and real estate market experts.**



BOARD OF DIRECTORS



**VILÉM
PODLISKA**

CHAIR
OF THE BOARD
OF DIRECTORS



**PETR
HORA**

MEMBER
OF THE BOARD
OF DIRECTORS



**JAN
BLÁHA**

MEMBER
OF THE BOARD
OF DIRECTORS

SUPERVISORY BOARD



**PETR
HRUBÝ**

CHAIR
OF THE SUPERVISORY
BOARD



**JIŘÍ
BRABEC**

MEMBER
OF THE SUPERVISORY
BOARD



**RENÁTA
PAVLÍČKOVÁ**

MEMBER
OF THE SUPERVISORY
BOARD



We help people safely **pursue their personal goals** and make big life-changing decisions. We inspire them to grow and become **financially independent**.

04

COMPANY PROFILE

We are financial and real estate consultants.

We help people safely pursue their personal goals and make big life-changing decisions. We inspire our clients and co-operators alike to grow and become financially independent.

ABOUT OUR COMPANY

Broker Consulting is one of the leaders on the Czech and Slovak markets of financial and real estate services, providing its clients with an above-standard portfolio of financial, banking and real estate services.

Broker Consulting was established in 1998 as an all-Czech company, **connecting the worlds of finances, real estate and banking in a unique manner**. From the very beginning, its promoters' goal was to provide professional services in the areas of financial planning, saving, annuity, financing of housing and insurance. During the course of the entire twenty-four years, even during the times of economic crises, the company has been able to maintain uninterrupted growth and increasing turnover. Broker Consulting has evolved into a self-confident, thriving and stable group of companies.

Real estate and banking services have steadily become more and more prominent among the services offered by Broker Consulting, primarily thanks to their strong interconnection with the financial services within the **Finances. Real Estate. Together.** concept. Proof of the extraordinary success of these synergies is in the extensive network of OK POINT franchise business locations and offices, which has experienced significant growth all across the Czech Republic.

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

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

Broker Consulting's principal business activity takes place on the financial market, where our job as intermediaries is to communicate between the side of supply, which is formed by the financial institutions and their products, and the side of demand stemming from our clients' goals, needs and wishes. We select the most superior financial products for our portfolio, and we then always help our clients find what makes sense and is a good fit for them according to their individual Financial Plan in the given period and what does not. In 2022, we co-operated with more than a hundred financial institutions in the Czech Republic and in the Slovak Republic. Therefore, we are able to offer our clients a wide range of choices from over a thousand of mutual funds and several hundred insurance and banking products. When making a selection as to which products to offer, we always follow the interests of our clients while respecting their specific financial situation, their plans and needs. We safely guide our clients through the world of personal finances and assist them even with such decisions and transactions of major importance as, for instance, the purchase or sale of a real estate property.

Our branch network and our clients

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

Our clients can use more than **220 offices and OK POINT franchise business locations** across the entire territory of the Czech Republic and the Slovak Republic, staffed with approximately **2,000 professional consultants**.

OK POINTs are state of the art branches that combine financial, real estate and banking markets. **This lets our clients take care of everything in one location**, avoiding a special trip to a bank, real estate office or an insurance company. Each location offers our clients a selection of profitable offers from the majority of financial institutions. We bring our clients professional financial, as well as real estate services, and guarantee the intermediation of quality products under excellent conditions. Our clients are people who want to take full control of their finances, who do not want to incur unnecessary expenses for products they do not need or products that are not profitable for them. That is why Broker Consulting helps them effectively reach their financial objectives, whether those require them to have tens of thousands or tens of millions of crowns.

Our services also attract corporate clients, who are most often looking for products from the sphere of insurance, investments or employee benefit programmes. In 2015, we expanded our service portfolio by real estate activities. Therefore, we are currently capable of providing our clients with a comprehensive Financial Plan not only in terms of intangible property, but also in terms of tangible property.

OUR SERVICES

- Preparation of an individualized financial plan.
- Consulting services, intermediary services and counselling in the area of financial and social security schemes for individuals and families.

- Assistance in selecting the method of creating financial reserves with the help of all available state funding.
- Counselling in the field of financing of housing, selection of the most optimum credit products, including setting and negotiating of credit terms and conditions with both bank houses and non-bank institutions.
- Intermediation of banking services and advantageous banking products.
- Formation of social programmes with the application of tax benefits for corporate bodies and companies.
- Activities involving insurance brokering for medium and large companies.
- Investment brokering for natural persons and corporate bodies alike.
- Real estate service brokerage.
- Brokerage of purchases of real estate properties in the newly constructed group development projects.

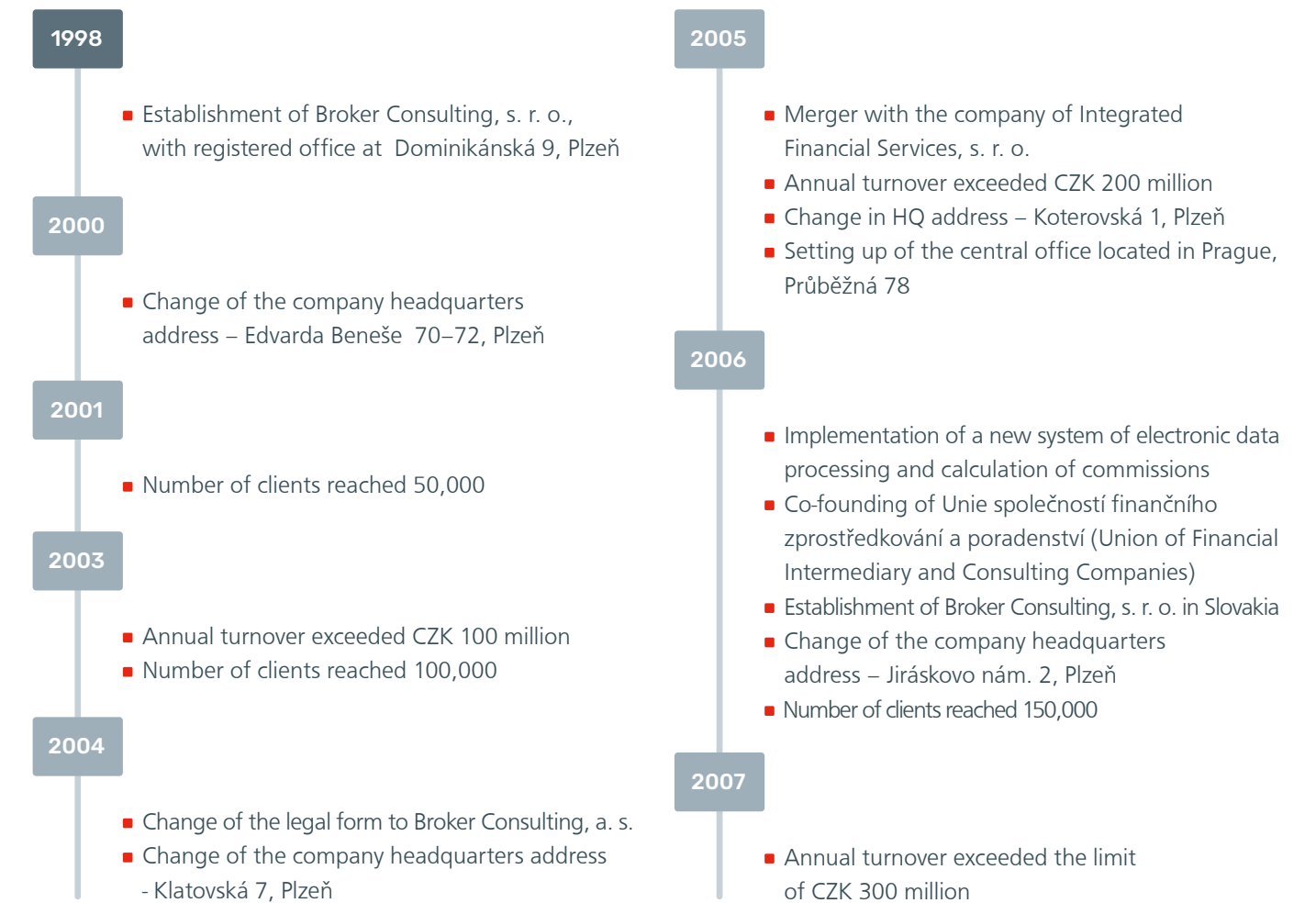
QUALITY OF SERVICES

Key values Broker Consulting believes in are **quality, professionalism and fair play**. Also thanks to that we are successful in increasing the reputation of the industry of both financial and real estate service intermediation and cultivating the market. In connection with that, we were the first company of its kind to launch the institution of an ethics committee with the goal of helping our clients exercise their rights in case they felt their rights had become affected. We regularly measure the level of our clients' satisfaction using the **Net Promoter Score**. In 2022, the score exceeded the value of **70** which, on the scale from -100 to +100, is an extremely favourable value both within the Czech Republic and globally. We have been introducing processes and procedures to further improve the outstanding client experience, and we are pleased to be the jewel in the crown in this aspect of the market.

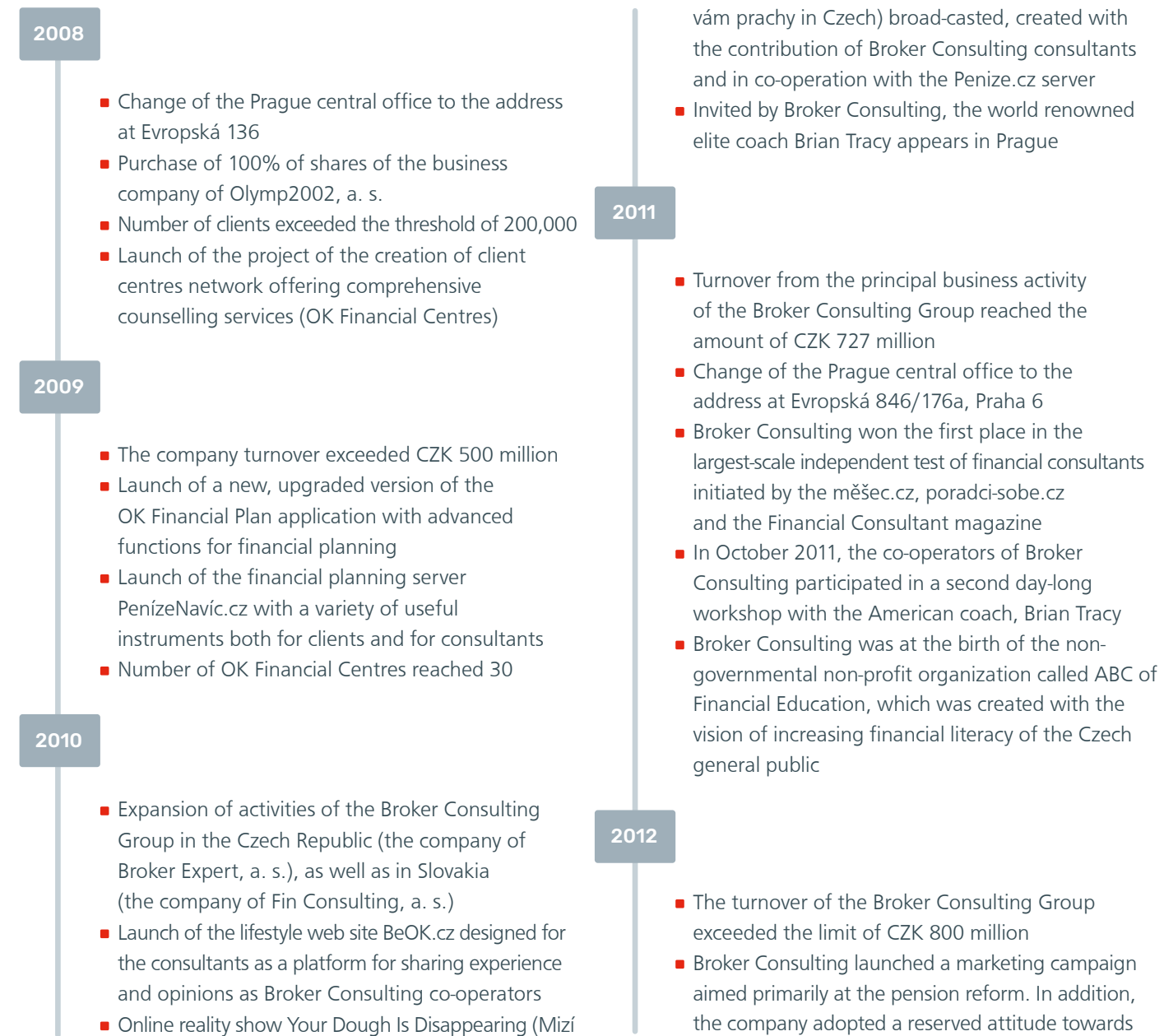
Broker Consulting history

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

KEY MILESTONES IN THE COMPANY HISTORY



Broker Consulting history



Broker Consulting history



Broker Consulting history

2019

- branches
- Launch of the Broker Consulting SICAV, a. s. company and commencement of the OK Smart ETF investment compartment distribution
- The company of Broker Consulting Group became a 50 per cent shareholder in the Brno based MONECO company, whose owner and co-founder is Igor Bielik
- The company of ProCredia was granted a licence by the Czech National Bank to operate as a provider of non-bank consumer credits

- In 2019, we helped our clients safely and profitably sell their real estate properties with a value of about CZK 3.5 billion
- Broker Consulting ČR intermediated credits totalling CZK 2 billion in the area of consumer credit and credit for loan and building cooperatives and associations of residential unit owners
- As of January, Broker Consulting changed its status from associate member to ordinary member of the Czech Franchise Association (Česká asociace franchisingu (ČAF) in Czech)
- Within the concept of our OK POINT branches, our partnership expands by MONETA Money Bank; both company logos – mBank a MONETA Money Bank – are featured for the first time at the Praha – Jižní Město branch in December

2020

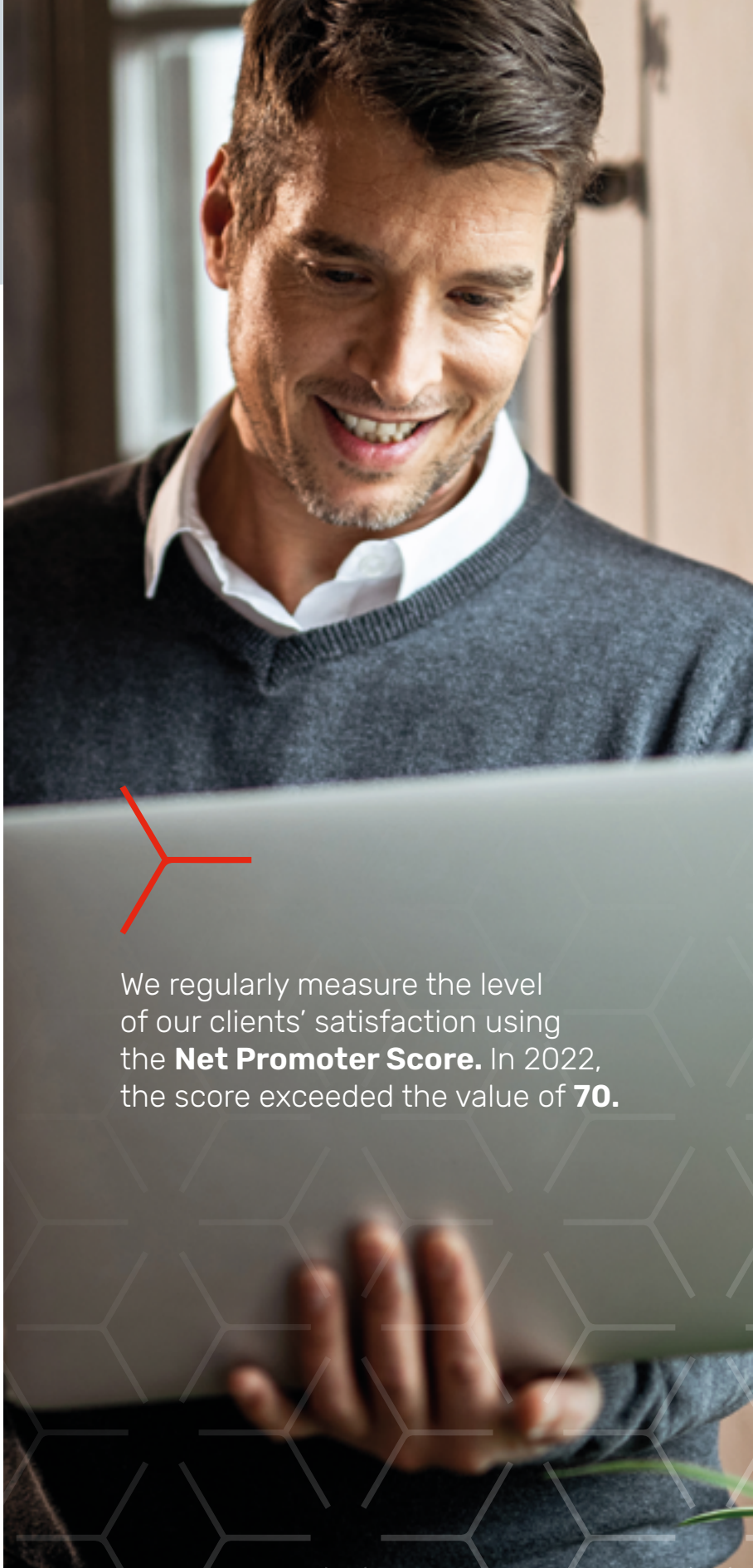
- In a year marked by the pandemic and restrictive

2021

- government measures, our primary focus was to provide everyday assistance to our clients, while returning to a double-figure growth
- Significant acceleration of digitalization of processes and negotiating contracts with clients
- Thanks to intermediating real estate transactions in the total value of 10.5 billion crowns, we added an 85% growth in real estate for 2021
- ering the total volume of mortgage credits exceeding 24 billion crowns
- Launch of our co-operation with the company of Zásilkovna, the services of which are available to our clients at select OK POINT locations
- Founding of the Broker Development Holding Company and commencement of the preparatory phase of the construction process of the first development projects
- Significant acceleration of digitalization of processes and negotiating contracts with clients; we have launched the Investment Intermediating Tool and the Non-Life Insurance Comparison Tool
- Over 100,000 contracts were intermediated in both countries (Czech Republic and Slovakia), with one fourth being investments and one third non-life insurance
- In co-operation with the investment company of MONECO investiční společnost, we launched the new MONECO Family Office service aimed at our high net worth clientele

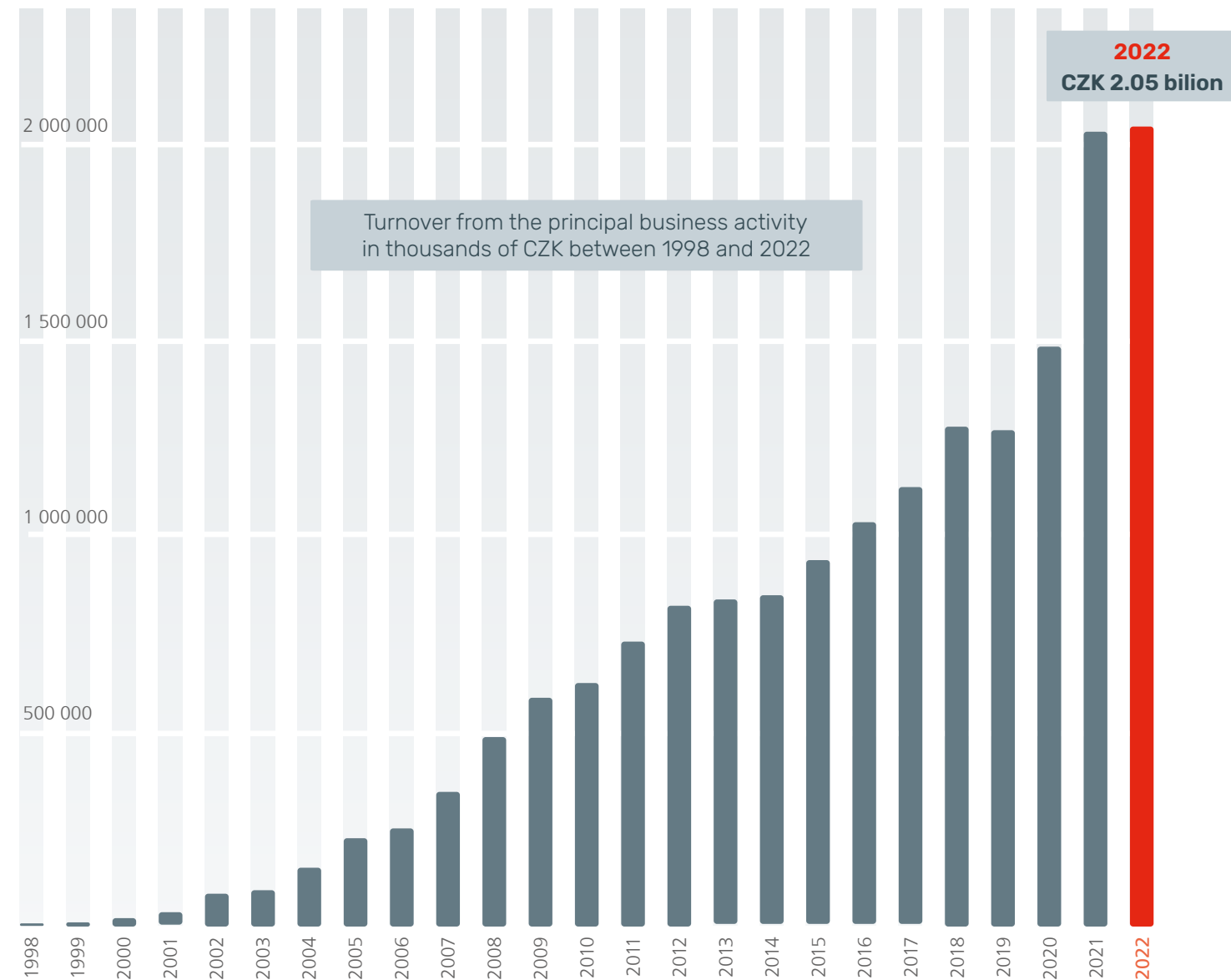
2022

- Number of clients exceeded the historic threshold of 700,000
- Brokerage of real estate sales totalling the outstanding amount of CZK 10.3 billion in a real estate market affected by a significant decline in sales
- Management of investments totalling the amount exceeding CZK 24.5 billion (year-over-year AUM increase by 27.38 per cent)
- Launch of the Personal Lines Insurance Intermediating Tool, which facilitates simple and paperless intermediation of life insurance under the most favourable conditions
- Launch of universal measuring of client satisfaction using the Net Promoter Score method
- Exceeding the CZK 100 million mark of donations for the Good Deed non-profit foundation
- Year-over-year growth of intermediated investment contracts by one half
- Beginning of the construction of the important Nová Papírna and Borský park development projects (under BC Real)
- Realization of two successful press conferences reflecting survey results; the first survey focused on housing, the second one covered inflation and increasing prices



We regularly measure the level of our clients' satisfaction using the **Net Promoter Score**. In 2022, the score exceeded the value of **70**.

Broker Consulting, a. s. Financial Group* Turnover Growth



* Organizational chart of the Broker Consulting, a. s. Group can be found on page 44 of this Annual Report.

Education in broker consulting

The educational system for Broker Consulting co-operators is divided into four basic levels:

ok FINANČNÍ ABECEDA

Financial ABC is the basic programme of our educational system providing the participants with elementary re-training and education in the field of financial planning, product knowledge, as well as business negotiation. Our trainees learn how to communicate with a client, analyze the client's financial situation and correctly prepare an individual Financial Plan. The graduates are then provided with sufficient fundamental knowledge of the legislation in force through online Financial ABC seminars. These are complemented by product half-days, during which our individual partners present up-to-date information related to their financial products. The series of seminars are complete after the successful passing of the final test.

ok REALITNÍ ABECEDA

The backbone of real estate education is the **Real Estate ABC**, which is designed for everyone who wants to become a professional in the field of real estate. The participants gain insight into the field of real estate transactions on both theoretical and practical levels. The instructors come from the ranks of real estate experts, businessmen and lawyers. The ABC keeps in line with the current legislation and is complete after the successful passing of the final exam. It prepares the real estate intermediaries for the skill review test, which is one of the conditions for acquiring a regulated trade license for the performance of the business activity. As an authorized person, Broker Consulting organizes these skill review tests itself.

ok FINANČNÍ AKADEMIE

The series of seminars and training sessions called **Financial Academy** represents a higher level of the educational system. It is designed as an extension education for professionals who have already gone through a range of educational activities and have acquired significant experience from everyday practice. Among other things, as part of the Financial Academy, Broker Consulting co-operators participate in seminars dedicated to practical financial mathematics, advanced investment, share trading, financial derivatives, business, communication and presentation skills, deeper product knowledge, as well as real estate services. Our consultants also regularly attend workshops aimed at personal growth. In connection with the expansion of our portfolio by real estate services, we created e-learning modules and specialized seminars. We also organize specialized training for the employees of the OK POINT business locations.

ok MANAŽERSKÁ AKADEMIE

In Broker Consulting anyone with sufficient ambition for the position who is able to sustain this interest with adequate professional results can become a manager. The Management Academy courses are designed in a manner allowing every potential manager to gain sufficient information on how to lead a team, how to make it grow and effectively help its members reach their goals. The educational series is strongly focused on work experience and also overlaps into other related fields; those affect the process of building a strong team where people enjoy spending their time in an effective and an active manner. Under favourable epidemiological conditions the Management Academy also takes place abroad.

People in Broker Consulting

Broker Consulting has kept its position of one of the strongest players of the financial service industry on the Czech market. Thanks to the comprehensive nature of our services made possible by the unique business model, which combines financial, real estate and banking services, the company has become unrivalled both on the Czech and the Slovak markets.

We have been celebrating exceptional accomplishments in the real estate sector, and as early as in 2018, only three years into providing its real estate services, our company worked its way up among the top ten real estate service providers. In 2020, it helped its clients profitably and safely sell their real estate properties with the total value of about 5.7 billion crowns, a year later this value exceeded 10.5 billion crowns, and in 2022 we intermediated real estate transactions with the total value exceeding the amount of 10.3 billion. And, because just like every other real estate intermediary we were faced with a significant decline in the real estate market, we consider this outcome to be very good. We are currently holding the position of one of the top 3 real estate service providers in the Czech Republic, which has been significantly boosted by the successful sales of over one hundred development projects, including projects by the companies of BC Real and Broker Development. Broker Consulting provides all its co-operators with stable background, its know-how, and especially wide range of opportunities for career growth. Promising people without previous experience in the field, as well as former employees or co-operators of competing companies on the domestic market find job and business opportunities in our company. We give them all the space to work hard and go on **to become experts in the field of finances, banking, as well as real estate.**



We give everyone space and opportunity to work hard and become **experts in the field of finances, banking, as well as real estate.**





OK Financial Plan is the absolute essence of Broker Consulting functioning. Its key attribute is the **perfect strategy** developed based on an exact **analysis of the client's personal situation.**



05

OUR SERVICES

ok FINANČNÍ PLÁN

The **Financial Plan** is the absolute essence of **Broker Consulting's functioning**. It is a progressive service, its key attribute being the perfect strategy developed based on an exact analysis of the client's personal situation. It is always precisely **tailored for each individual client** to reflect the client's wishes and requirements and to help the client safely reach his or her own goals. We begin every single long-term co-operation by preparing the Financial Plan, which then serves as the foundation for all our other services. Thanks to the professional financial intermediation, our clients may take advantage of various financial products available on the market under the most favourable conditions. The resulting solution allows the client to use their financial resources efficiently, have them under control, and gradually proceed towards their **financial freedom**. OK Financial Plan represents the absolute top in what the field of financial services currently offers.

OK Financial Plan is particularly aimed at offering solutions for five basic topics:

- OK Income increase
- OK Housing & Real Estate
- OK Annuity
- OK Saving & Investment
- OK Insurance

ok ZVÝŠENÍ PŘÍJMU

We offer the opportunity to increase one's monthly income, all while helping people in one's surroundings. There are many forms of co-operation available, making them suitable for everyone, from a mom on maternity leave to a dad who

wants to bring in some extra money to the family budget to an experienced employee who wants to start a second career.

ok BYDLENÍ & REALITY

OK Housing & Real Estate brings solutions to clients planning the purchase of a property to use either as their own residence or as an investment, but also to the ones who already own their home. We discuss the selection of the most favourable real estate credit, and help with its subsequent arrangement. If our clients already have an existing credit, we advise them about any available options of lowering their monthly payments.

ok RENTA

Through **OK Annuity** we help our clients create sufficient financial reserve in order for them to live comfortably in retirement. Unfortunately even after several years, the uncertainty surrounding the future development of the pension reform still remains, therefore going forward it is still not possible to expect with certainty that the state will take responsibility for its citizens insomuch as to provide them with guarantees that they will receive a dignified annuity in their retirement age. Therefore, to a certain degree the consultants of Broker Consulting take on the role of a guarantor in helping their clients reach their financial freedom, namely as early as within a 15 to 25-year horizon from the date of the creation of their OK Financial Plan.

ok SPOŘENÍ & INVESTICE

The main objective of **OK Saving & Investment** is to offer our clients effective tools for increasing their financial assets long-term. Having those resources deposited safely and safeguarding them from any risk is the foundation of the program. Another integral part of this service is creating



Through **OK Annuity** we help our clients create sufficient financial reserve in order for them to **live comfortably in retirement.**

sufficient financial reserves to have readily available to cover any unexpected expenses. Clients using the OK Saving service achieve an above average increase in the value of their savings compared to the current trends on the market.

ok ZABEZPEČENÍ

With **OK Insurance**, we prepare our clients even for the unpleasant phases of life. We evaluate their needs and through a range of well selected products we provide the most suitable insurance policy that fits their individual needs. We strive for our clients to be prepared in the best way possible to overcome any potentially negative financial consequences of such situations as theft, property damage, as well as injury, illness or death of the family's main breadwinner.

REAL ESTATE SERVICES

We consider the real estate services, which have been a part of our portfolio since 2015, to be an important add-on to our financial services. Thanks to them we are able to meet all of our clients' needs. We take pride in the top-notch quality of our real estate service, the expertise of our consultants, flawless property presentation and factual and legislative correctness of every real estate listing. That is why we cooperate with qualified specialists in the given fields, with

professional photographers and cameramen or lawyers. When processing each individual real estate transaction we utilize advanced modern technology.

We are a strong and a reliable guide throughout the entire real estate transaction. We are able to match clients offering up their property with clients looking to buy or rent one. We have been able to develop an enormous database of real estate listings – of both "for sale" and "in search of" properties – that we are able to, when the requirements match on both sides, pair adequately together. All that thanks to our detailed knowledge of our clients with their investment intentions and life goals.

Our everyday practice makes apparent the immense advantages that come with the unique connection of the two sectors within the "Finances. Real Estate. Together." concept. Due to the fact that we are familiar with the financial situation of our clients, we are capable of very quickly screening their financial condition and determining whether or not the purchase of any given real estate property is feasible. At the same time thanks to this unique combination of financing and real estate services, we are able to guarantee the seller a successful transaction, while arranging the most favourable financing option for the buyer.



ČASF membership provides a guarantee for the clients that **any and all legislative, as well as ethical rules** valid in the field of financial intermediation **are being observed.**

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

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

Activities of ČASF:

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

The membership of Broker Consulting in a unified ČASF association is of importance both for the clients of the company, as well as for its co-operators. It provides a guarantee for the

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

Our ČASF Representatives for 2022 Were:

- Jiří Šindelář – Chair of the Board of Directors, Chair of the Media and Marketing Committee
- Vladislav Herout – Member of the Insurance Section, Member of the Ethical Committee, Member of the Inspection Committee
- Martin Novák – Member of the Investment Section, Member of the Mortgage Credit Section
- Stanislav Šula – Member of the Investment Section, Member of the Insurance Section, Member of the AML Section
- Štěpán Kulhánek – Member of the Investment Section, Member of the Insurance Section, Member of the AML Section
- Jan Lener – Member of the Media and Marketing Committee



The Good Deed association provides targeted aid to clients who, largely due to health related complications, have found themselves in an unfortunate life situation and are **forced to rely on someone else's help**. This includes people from different age groups, with various disabilities.

GOOD DEEDS WITH BROKER CONSULTING

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

In 2022, in addition to providing financial help to specific clients and families in difficult situations, Good Deed helped people affected by war in the Ukraine, namely through screened charitable organizations: Adra, Člověk v tísni, Food for Life Ukraine. Donations also helped people in group centres directly in the Ukraine, while being used to secure basic everyday needs for them – potable water, warm meals, transfers to secure locations. In Czechia, the donations were most often directed towards payments for specialized therapy, physical therapy following an injury, and treatment following a diagnosis affecting the motor system, adaptive technology devices, and emergency care services for seniors, which there has been an increasing demand for in the past several years. The help for those in need was organized through an online donation site at <https://www.dobryskutek.cz/komu-pomahame/>, where every donor is able to select the recipient of his/her financial donation and check the flow of the donated funds in the Good Deed's transparent account.

Since its foundation up to the end of 2022, Good Deed has helped satisfy the needs of 2,283 clients with the total amount of **CZK 104,665,099**. The association has been

extending permanent assistance to eleven clients enrolled in the Good Deed Adoption programme by covering the expenses of assistance and relief services. In 2022, the assistance Good Deed provided to its clients amounted to CZK 14,123,533.

Broker Consulting, a.s. has been supporting the Good Deed association not only by donations, but also by funding its overhead expenses, providing computing technology, office space, and services of the legal, marketing and economic departments. Thanks to that, all donations were completely reallocated among the Good Deed clients. The patrons of Good Deed are Miss CR 2003 Lucie Křížková, legendary ice hockey player Jaromír Jágr, sports coach Marian Jelínek and creative manager Ilona Křížková.

In 2022, Broker Consulting and Good Deed jointly organized the traditional charitable golf tournament, while Broker Consulting co-operators themselves initiated tens of fundraising events for select clients during the course of the year. Both company co-operators and employees regularly donate a percentage of their earnings or a fixed amount to benefit the permanent assistance to select clients enrolled in the Adoption programme. In 2022, this assistance exceeded the monthly amount of CZK 200 thousand. For further information about Good Deed, please visit www.dobryskutek.cz.

WE HELP INCREASE FINANCIAL LITERACY

Since 2011, Broker Consulting has been supporting, both actively and financially, the activities of the nongovernmental non-profit organization of ABC of Financial Education (**ABC Finančního vzdělávání** in Czech), which is dedicated to bringing hands-on financial literacy education to schools and businesses. The reason behind the creation and operation of this



The reason behind the creation of the **ABC of Financial Education** effort is the sizeable number of households and individuals who get into **financial difficulties** and troubles due to **insufficient financial literacy**.

educational project is the sizeable number of households and individuals who get into financial difficulties and troubles due to insufficient financial literacy and the lack of understanding when it comes to personal and family finances. In the times of high inflation, sudden hikes in interest rates, energy prices and other living expenses, the issue of financial literacy is even more essential than ever before.

In 2022, a year affected by a widespread increase in prices and war conflict in the Ukraine, Broker Consulting and its co-operators supported this non-profit organization by the amount of **97,716 crowns**. It was directed towards covering the operating costs, upgrading of instruments and materials, and events for educators. Since 2011, Broker Consulting and its co-operators provided the total amount of CZK 4.2 million to fund the mission of increasing financial literacy of young people and their educators.

By playing the Peníze navíc (Extra Money in Czech) board game, as well as its on-line FinGR Play version, tens of thousands of school children all across the Czech Republic have tried their hand at managing their money from the position of a player who administers their family budget for a period of 30 years. The statistics of the FinGR Play on-line game has shown that in 2022, **83,247 games** were played out of the total of 287 thousand games played in the history of the game. The classroom averages, as well as the nation-wide tournament results have improved. Also, the game index – point average from all games played divided by 100 – has settled on the value of 2.8 and represents a fairly big improvement as compared to last year's statistics. This year, certain greater carefulness with respect to managing one's finances was obvious from the individual games played. For more information please visit www.abcfv.cz and www.fingrplay.cz.

Our consultants **have made every last effort** to, at least partially, help their clients alleviate the consequences of inflation, and **maintain their savings** designed for their children or for retirement **in a healthy condition.**

08

BUSINESS TRENDS IN 2022



VILÉM PODLISKA

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

BUSINESS TRENDS: THE MARKET HAS CHANGED AND SO DID OUR WAY OF THINKING

We are looking back at a year that, against all expectations, was very difficult due to the significant changes taking place in the economic and geopolitical situation in Europe. We all saw our lives affected by sudden and unexpected changes. We were building on our experience from the previous difficult period – the pandemic situation that, after the initial shock, pushed Broker Consulting forward and taught us many a lesson.

We conquered 2022 honourably thanks to the comprehensiveness of the services we offer and to the professionalism entrenched in the way we conduct business and provide central support.

The workhorses of the year in the area of financial planning and intermediation were primarily **investment products and life insurance**. The 24 per cent growth in the amount of life insurance taken out may seem high, but the 50 per cent growth in the number of concluded investment contracts shows the steep increase in demand we experienced. Our clients were looking for a solution to protect their money from the record breaking inflation. “The volume of assets under our guidance” increased in 2022 by 5 billion to the amount of nearly 25 billion crowns.

Of course, when it comes to results, we had higher ambitions at the start of 2022. But in the light of all last year’s circumstances we are celebrating an undeniable achievement in the form of single-digit growth.

So, you may ask, how was 2022?

ONE CHALLENGE WAS REPLACED BY ANOTHER

Two things have entered our everyday lives, on the one hand war conflict in the Ukraine, and on the other a new phenomenon – extremely high inflation. The real estate market became paralyzed due to the extremely high interest rates. “The mortgage party” was over. The cooling was unheard of and the rate of speed at which it affected the market was sudden. The newspapers ran stories about up to 80% year-over-year fall of the volume of mortgages taken out as compared to 2021. Their increase in price was significant, and for many people the idea of owning their own home became impossible.

Even during such challenging times, Broker Consulting kept its feet planted firmly on the ground. In the area of real estate, we were able to repeat the performance from 2021, and sold real estate properties with the total value of **10.3 billion crowns**. This is an excellent number on the transformed and frozen market! That we can talk about success is largely due to our system of work, comprehensiveness and tradition.

Our co-operation with our clients is long-term in nature, and as a consequence the clients then have funds available for making investments. We have been guiding some of them on their path to financial independence for many years. As part of our unrivalled **Finances. Real Estate. Together.** concept we are able to find and sell real estate properties for our clients, but also connect our clients with each other, which

happens in nearly one third of the cases. When a client decides to sell their property with us, his/her chance of finding a buyer increases by a half as compared to if he/she chooses to sell it on his/her own or with a traditional real estate agency. In addition to that he/she enjoys the reliability that stems from our company's size and background.

WE HELP 700,000 CLIENTS: HIGH INFLATION: HAS CHANGED THEIR WAY OF THINKING

Last year we saw a drop of interest in the issues related to purchasing a new home, however those were replaced by our clients' primarily expressing interest in protecting their money from the high inflation. People perceptibly sensed the decreasing value of money and subsequently also their savings. The inflation went up so much that there were practically no standard instruments to momentarily fully beat the devaluation of finances. Our consultants made every last effort to, at least partially, help their clients alleviate the consequences of inflation, and maintain their savings designed for their children or for retirement in a healthy condition.

We were logically very successful not only in the area of investments, but also in the area of insurance, where the population has been insured long-term with respect to both property and life insurance. And it is precisely here, where due to all the above mentioned aspects the thinking of our clients has changed; they demanded optimization of their insurance policies. We are pleased to report that last year we were able to help **700,000 clients** (in Czechia and Slovakia).

FOCUS ON SERVICE AND QUALITY

In 2022 we focused with even greater diligence on the quality of the services we provide. We have also been systematically measuring it. Every single positive review from our clients brings us great joy, and we individually resolve any and all comments or suggestions. Our colleagues' and co-operators' thorough attitude elevated us to a value exceeding **70** on the **NPS** (Net

Promoter Score) rating scale. That is an extraordinary outcome considering that the NPS is measured on a scale of -100 to +100. We have a reason to be happy, although our goals are yet higher than that, even despite the fact that according to this prestigious rating we belong to the absolute best on the financial and real estate market. I want to thank everyone from Broker Consulting for making it possible for our NPS to keep growing.

The Net Promoter Score reflects the activity of all our consultants, offices, and naturally also our **OK POINT** franchise locations. The clients walk through their doors with trust, expecting to be provided with highly professional and quality services, which they indeed do receive here. Last year, our franchise concept received not one but two awards in the prestigious Franchise of the Year (Franchisa roku in Czech) contest. We won the Judges' Choice Award for the support we provide to our franchisees, and in the Franchisor of the Year category we won an excellent second place. I am

grateful to everyone who has been boosting the good reputation of the entire company through OK POINTs.

The strength of the Broker Consulting brand is naturally also in the hands of the Marketing and PR Department, where great **projects come to life that boost the positive image of our company** aimed towards the general public and our clients. Our spots and information appear in many renowned television and printed media who consider us a guaranteed source of quality and relevant information from the world of finances and real estate.

PEOPLE AND CAREER

Broker Consulting has earned a reputation with the general public as a place for an amazing career, not only thanks to the recruitment campaign by Libor Bouček, the media face behind our company. The opportunities that a career with us offers are apparent especially from the stories of our co-operators, who decided to build their career with us. Last

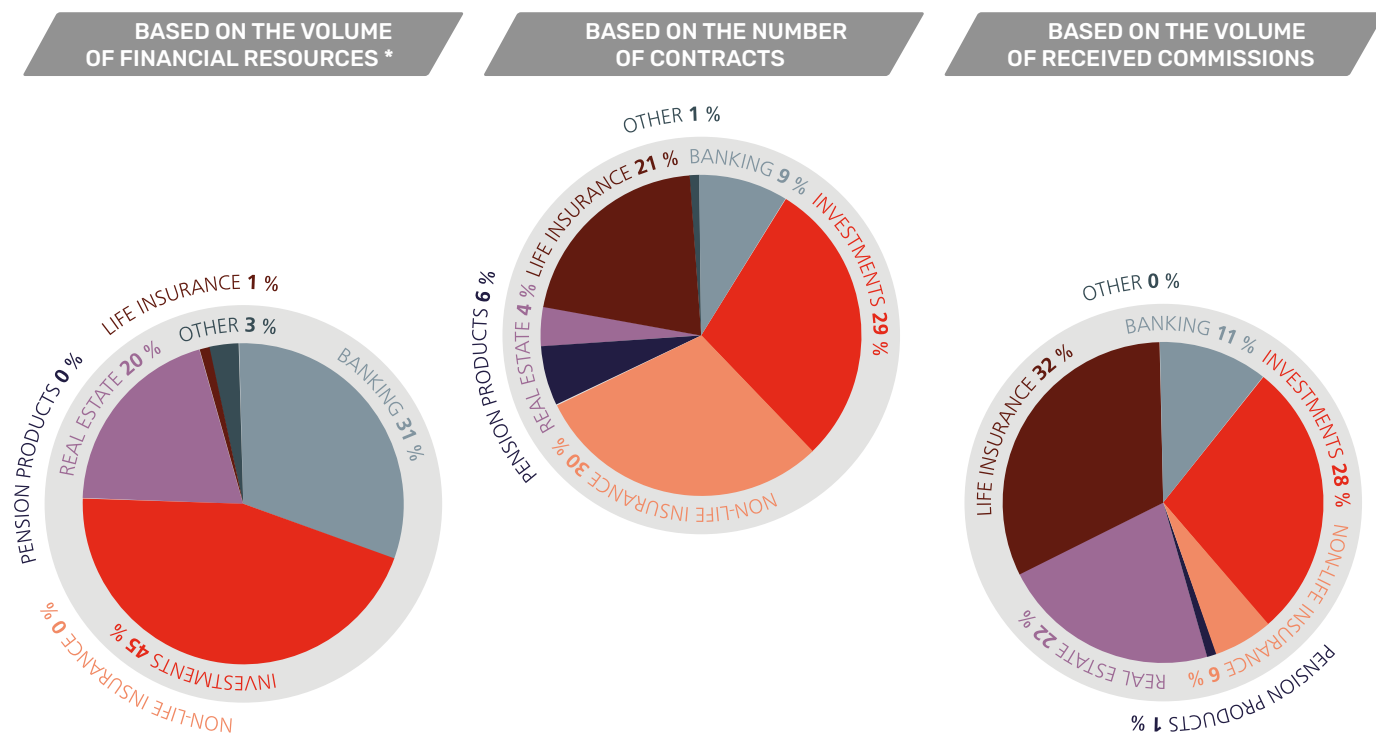
year we recorded **320 promotions!** We have three new business managers, three new senior regional managers, four new regional managers, and thirteen new area managers. This is a clear example of how capable and tenacious people can climb the career ladder in Broker Consulting all the way to the top ranks. All they need is relentless diligence and adherence to the system that the company has perfected over the years. In the past, we have had people come to us still as students or looking to kick start a so called second career, switching their specialisation completely. Their career stories are a reflection of how thanks to Broker Consulting one can positively influence and change one's thinking, as well as life. Such glancing back can be a motivation for many a person, and to me personally it brings great joy.

I would like to take this opportunity to recognize particularly the work enthusiasm of all our employees and co-operators who did not cross their arms, on the contrary, they tackled the changes they faced with enthusiasm so characteristic of them, with "Broker" eagerness. However, our greatest acknowledgement belongs to our clients for their loyalty and for placing their trust in us in the most challenging times of their lives. We are very conscious of the responsibility bestowed upon us.



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

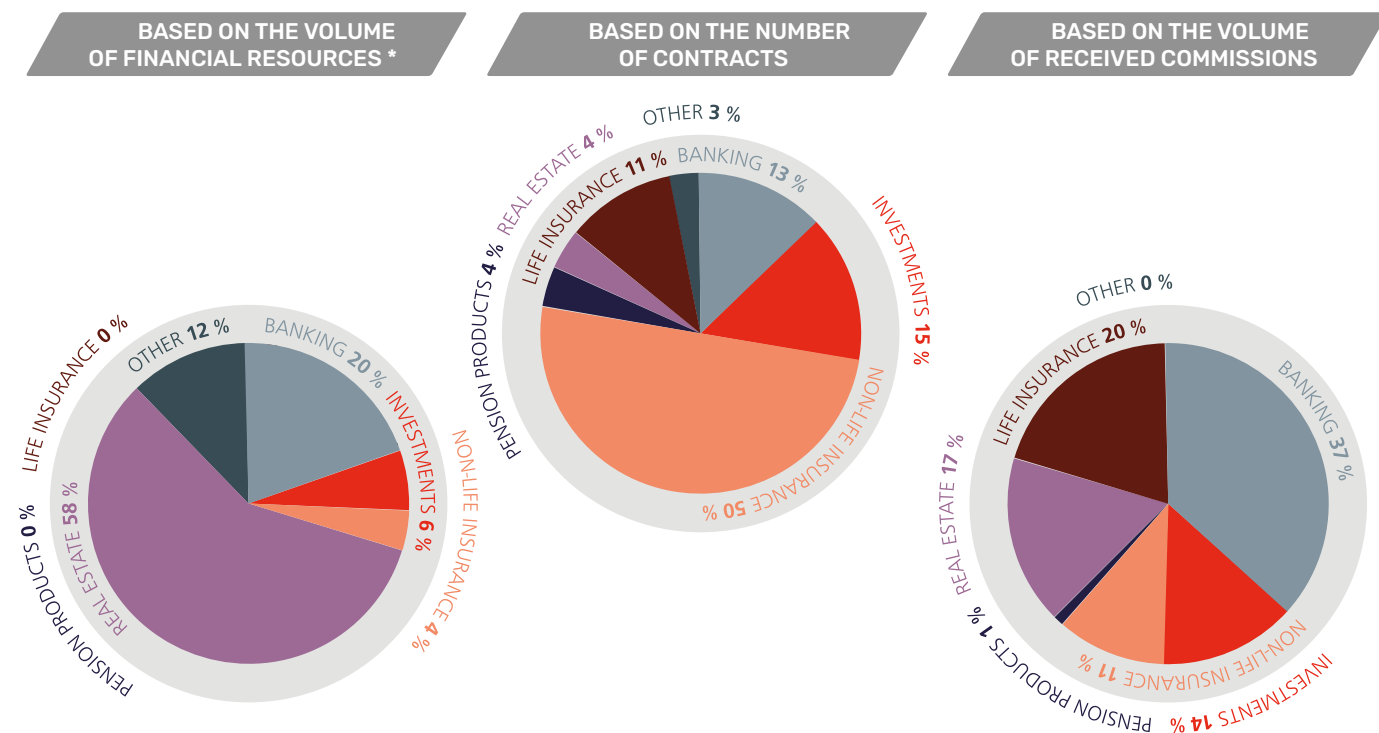
Composition of the intermediated annual turnover of the Broker Consulting Group companies **Czech Republic**



based on	BANKING	INVESTMENTS	NON-LIFE INSURANCE	PENSION PRODUCTS	REAL ESTATE	LIFE INSURANCE	OTHER
the volume of financial resources*	31 %	45 %	0 %	0 %	20 %	1 %	3 %
the number of contracts	9 %	29 %	30 %	6 %	4 %	21 %	1 %
volume of received commissions	11 %	28 %	6 %	1 %	22 %	32 %	0 %

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

Composition of the intermediated annual turnover of the Broker Consulting Group companies **Slovak Republic**



based on	BANKING	INVESTMENTS	NON-LIFE INSURANCE	PENSION PRODUCTS	REAL ESTATE	LIFE INSURANCE	OTHER
the volume of financial resources*	20 %	6 %	4 %	0 %	58 %	0 %	12 %
the number of contracts	13 %	15 %	50 %	4 %	4 %	11 %	3 %
volume of received commissions	37 %	14 %	11 %	1 %	17 %	20 %	0 %

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



Our job as intermediaries is to communicate between the side of supply, which is formed by the financial institutions and their products, and the side of demand stemming from our **clients' goals, needs and wishes.**

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

At the end of 2021, when the company management prepared the plan of activities for the following year, it seemed that after more than two difficult years, when the life across the whole country was negatively affected by the pandemic caused by the Covid-19 virus, the year 2022 would become a gradual return to normal situation. However, instead, two more unexpected problems have occurred: the war in the Ukraine and fast rising inflation. Naturally, both the new problems also hit our company. Both the issues had to be responded quickly by us. Paradoxically, our experience with the previous pandemic crisis help us, as this situation trained us a lot, and in spite of the initial shock, moved us forward in many ways. Nevertheless, the negative impact of both the new threats could not have been fully compensated, which is the reason why the originally planned turnover growth could be reached. However, even under such extremely difficult conditions we succeeded not only to avoid a decline in company turnover, but also to achieve a mild growth, which represents an undeniable success.

The situation in the financial products market has changed considerably. Both the citizens, and the companies, have been facing sharply risen energy costs, and simultaneously, a rapid growth in interest rates on loans and mortgages have emerged. Acquiring a flat or house has become almost unaffordable for many young families. This meant that the still increasing number of citizens and companies needed help and advice in such a new situation, and concurrently, the people representing our company had to be able to react to this situation correctly and flexibly change the structure of services provided by our company.

The management of the company very appreciates exceptional efforts and dedicated attitude of all the employees and co-operators who were able to adapt to a new situation and acquired quickly new working methods and the work with new products. Thanks to them we have been able to continue to grow further and help the constantly growing number of our clients, even in such difficult times.

The turnover of Broker Consulting, a.s., Czech Republic has reached **CZK 1.86 billion**, the turnover of main business activity, including our two Slovak companies, i.e. Broker Consulting, a. s., Slovak Republic, and FinCo Services, a. s., reached the total amounting to **CZK 2.05 billion**, which, compared to 2021, represents the growth roughly by 1 %.

Also the overall turnover was of a growing tendency, i.e. within the broader group of Broker Consulting, which includes, in particular, the following companies:

- Broker Consulting, a. s., Czech Republic,
- Broker Consulting, a. s., Slovak Republic,
- FinCo Services, a. s., Slovak Republic,
- BC Marketing & Media, s. r. o.,
- Regionálne realitky – SR,
- ProCredia, a. s.,
- Prodomia Group, a. s.,
- BC Properties, a. s.,
- BC Real, a. s.,
- Moneco investiční společnost, a. s.,
- Moneco, s. r. o.,
- Broker Auto, s. r. o.,
- Broker Consulting SICAV, a. s.,
- Broker Consulting FKI SICAV, a. s.

In 2022, the turnover has reached a total amounting to **CZK 2.8 billion**, which means a growth by 5.7 % compared to 2021.

Under difficult pandemic conditions, the war in the Ukraine, steeply climbed inflation and exceptional measures declared by the Government, we were simultaneously highly focused on the generation of economic growth, as well as on the services quality assurance in all the product segments intermediated towards our clients. We do consider the extent and the structure of intermediated products and services provided optimally balanced, where these also correspond with specific economic situation of the state and its citizens. The structure of products, considering their share in company turnover is shown on pages 38-39.

The performance of our services in the specific conditions of 2022 and future years, and their further development, would not have been possible without significant strengthening of IT support within all the business processes and electronic communication both with our clients, and inside the company. Thus, in 2022, we continued to implement our digital transformation plan approved in 2021 and scheduled for the period up to 2025.

We have strengthened digital competencies, implementation capacities, the quality of services, as well as the IT position within the company. During the year, we succeeded and nearly doubled human resources within ICT, while the already existing competencies were strengthened and the ones were acquired – following the IT strategy development plan. Dedicated teams were established within DevOps, Architecture, UX, and, finally a dedicated Data team. The product of these teams, is, among other outputs, e.g. a robust platform for composable micro-service architecture, which has been already working in operational mode or architectural patterns and standards for micro-service components.

As the company has recognized the crucial role of data within its business model, the company has also developed a **separate data strategy** in 2022. This will be executed in 2023 and following period. Having in view the strategic level, there

is also significant that the company managed to integrate the IT and business units well.

As partial examples of new IT business support outputs can be mentioned, in particular, the enlargement of product offer of electronic negotiation and comparison within individual digital platforms – mobile and web ones, the digitization of business network recruitment, the integration platform which is combining data from individual partner companies, or the digital investment portfolio. In 2022, a new generation of digital financial plan was also introduced, and we started to work on a modern CRM platform and its mobile extension, which will significantly make the work of our business network more effective.

Moreover, the company continues to be proactive in the field of IT security. In 2022, the standard regular agenda was enriched e.g. with the social engineering tests across the organisation.

In IT structure, again in line with the IT strategy, all production infrastructure was moved to a modern data centre. As a result, the company has two fully independent data centres. Therefore, the company increased the reliability and availability of services on which our business model is entirely dependent.

Summarizing the efforts, it can be said, the IT has made more fundamental and successful steps both towards the higher quality of service, and the company transformation into its modern digital face.

In 2022, the net profit of Broker Consulting, a. s. was amounted to **CZK 152,898 thousand**.

Considering the good prospects for the company's further business and revenues development, the Board of Directors will propose to the General Meeting to pay out nearly the whole net profit of 2022 to company shareholders in dividends.

As of 31. 12. 2022, the holding structure of Broker Consulting, a. s., Czech Republic consisted of the following companies:

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

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

Next, the non-profit making organization ABC Finančního vzdělávání, o.p.s. and two charitable organisations Dobrý skutek, z. s., Czech Republic and Občianske združenie Dobrý skutok SK have close ties to four above stated organisations. Both these charitable organisations are significantly sponsored by Broker Consulting Group.

Throughout the year 2022, the Board of Directors of Broker Consulting, a. s., Czech Republic, was structured as follows:

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

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

Throughout the year 2022, the Supervisory Board of Broker Consulting, a. s., Czech Republic, was structured as follows:

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

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

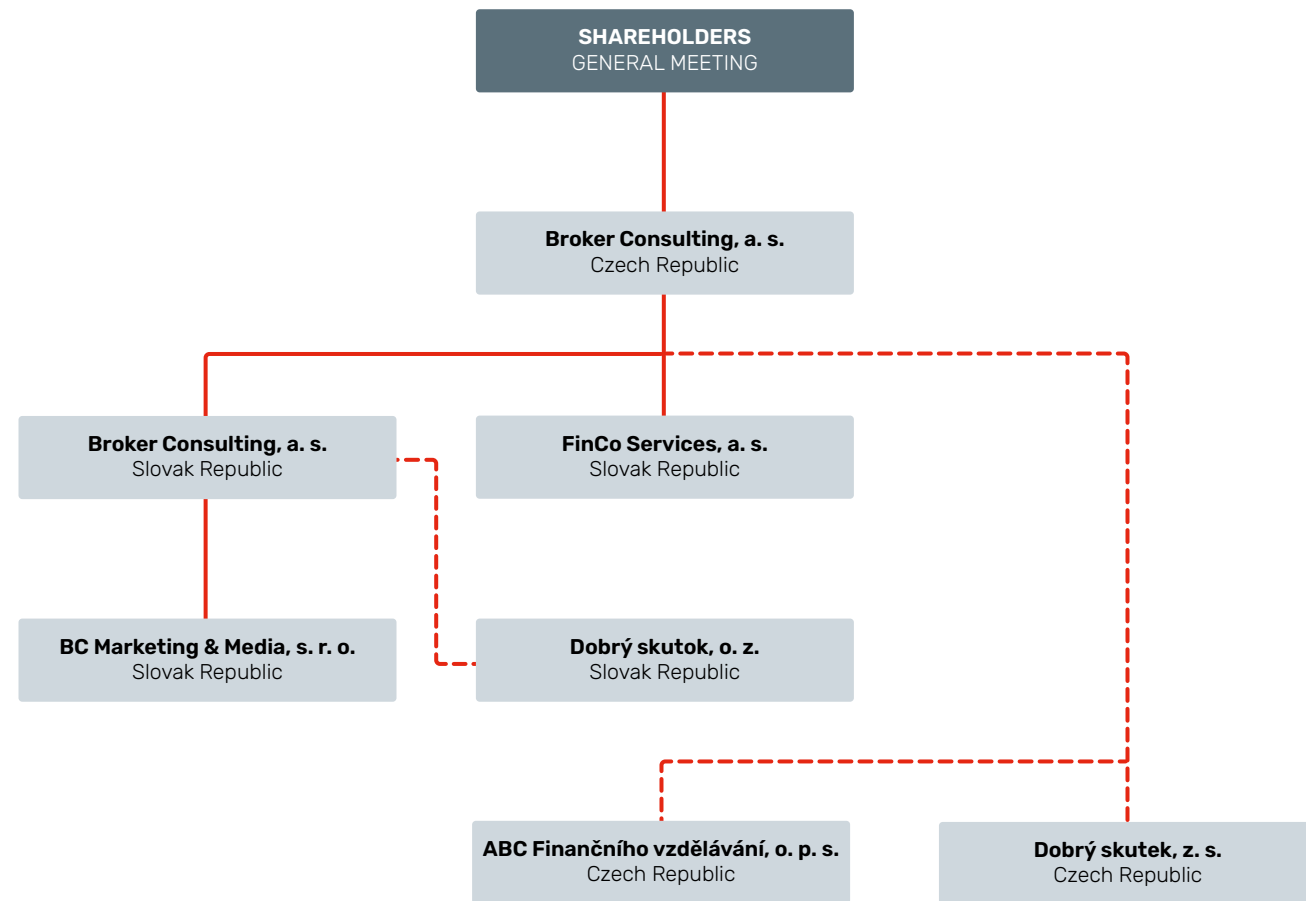
During 2022, the company Broker Consulting, a. s., was structured into four divisions, whereas three of them were managed directly by individual members of the Board of Directors, and one was managed by a division director appointed by the Board of Directors.

Since 15. 5. 2023, this organizational structure has been enlarged by one more division managed by a division director appointed by the Board of Directors.

Organizational chart of the company Broker Consulting, a. s., Czech Republic, valid as of the Annual Report publishing date is stated on page 45 hereof.

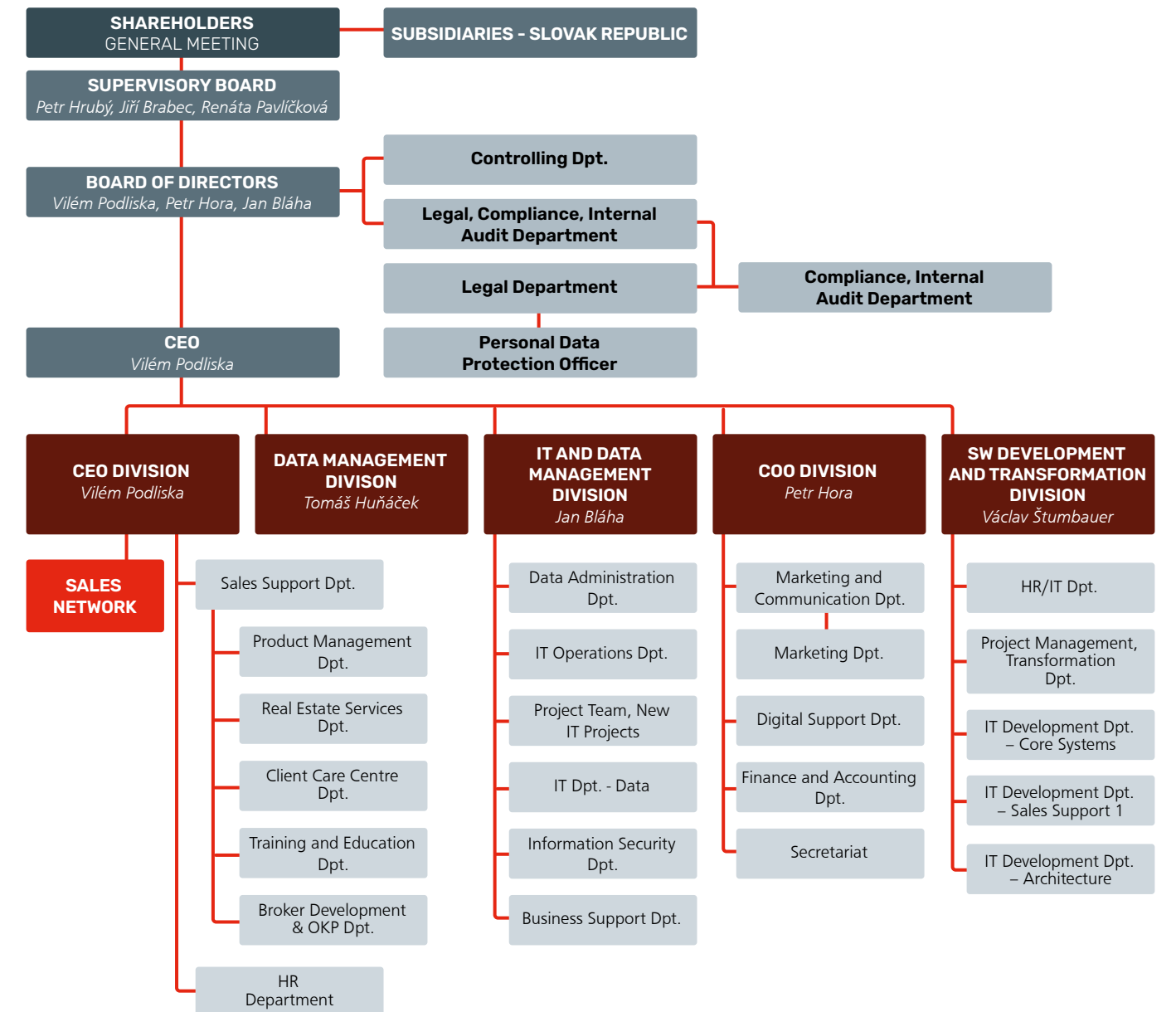


Organizational Chart of the Broker Consulting, a. s. **Group**



Note: the dashed lines represent the relations of the activities of corporate social responsibility and sponsorship, not the capital ties.

Organizational Chart of the **Company** Broker Consulting, a. s.



01. COMPANY DETAILS**Business Firm Name and Registered Office**

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

Legal Form

Joint Stock Company

ID No.

25221736

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

Principal Subject of Activities

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

Date of Company Incorporation

21. 5. 1998

Balance Sheet Date

31. 12. 2022

Commercial Register

As of 31.12.2022, the sum of registered capital of the business firm (hereinafter referred to as the "company") was amounting to CZK 100,910,448. The registered capital was divided into 1,227,121 pcs of ordinary registered shares in certificated form, each having the nominal value of CZK 81, and into 18,687 pcs of preference registered shares the special rights of which are specified in the company statutes.

Shares

Since 2010, the company has held the share in Broker Consulting, a. s. of the registered office at Pribinova 25, Bratislava, Slovak Republic, ID No. 36651419. Company principal subject of activities is insurance agent, insurance broker and investment intermediary, real estate. As of 31. 12. 2022 the company registered capital was amounting to EUR 33,190.

Since 2017 the company has held the share in FinCo Services, a. s. of the registered office at Pribinova 25, Bratislava, Slovak Republic, ID No. 35848979. Company principal subject of activities is insurance agent, insurance broker and investment intermediary, real estate. As of 31. 12. 2022 the company registered capital was amounting to EUR 25,200.

As of 31.12.2022 the company revalued these shares at fair-trade price using the equivalence method. On this date the balance sheet has shown the share held in Broker Consulting, a. s., SR of CZK 7,221 thousand, and the share held in FinCo Services, a.s. of CZK 792 thousand.

02. KEY ACCOUNTING PROCEDURES USED WITHIN THE COMPANY

The present financial statements were prepared in compliance with the Act No. 563/1991 Coll., on accounting (hereinafter referred to as the Act on accounting) and with the Decree of the Ministry of Finance No. 500/2002 Coll. which implements some provisions of the Act on accounting, for business entities that are the entrepreneurs that keep their records by the double-entry accounting system, as applicable for the year 2022 and 2021.

A) Long-Term Intangible Assets

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

Long-term intangible assets up to CZK 60 thousand are accounted directly to costs. Long-term intangible assets exceeding CZK 60 thousand are depreciated in compliance with the provision of the Act on Accounting and the Income Tax Act.

B) Long-Term Tangible Assets

Long-term tangible assets over CZK 40 thousand are valued in acquisition cost comprising the purchase price and purchase-related costs. Their acquisition cost is increased by technical appraisal. Long-term tangible assets are, in terms of tax, depreciated linearly, the accounting depreciations are equalized for the period of supposed use of the assets.

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

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

C) Financial Assets

Short-term financial assets consist of valuables, cash and cash in bank accounts. Long-term financial assets consist of ownership interests and profit participation certificates. Ownership interests of decisive influence and significant influence shall be valued at acquisition price. Annually, as for 31.12., these assets shall be revalued at fair-trade price.

D) Inventory

The merchandise is valued in purchase prices. The acquisition price consists of the purchase price and purchase-related

costs. The merchandise deduced from the books is valued by the method of weighted arithmetic average.

E) Receivables

Receivables are valued in their nominal values. The value of past due receivables shall be lowered using adjustments to receivables accounted as minus value into the costs, whereas the value is amount-ed to their exercise or repurchase value.

F) External Resources

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

G) Foreign Exchange Operations

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

H) Income Tax

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

I) Donations

In the 2022 accounting period the company donated a total of CZK 2,339 thousand.

03. LONG-TERM ASSETS**A) Long-term Intangible Assets (in CZK thousand)**

ACQUISITION COST				
	Initial status	Increments	Decrements	Final status
Software	43 034	9 238	0	52 272
Trade marks	66 473	0	0	66 473
Other low value intangibles	24 347	0	0	24 347
Intangible assets in progress	1 410	8 785	9 238	957
Provided advance payments for intangible assets	0	0	0	0
Total 2022	135 264	18 023	9 238	144 049
ACCUMULATED AMORTIZATION				
	Initial status	Increments	Decrements	Final status
Software	31 906	7 543	0	39 449
Trade marks	24 122	497	0	24 619
Other low value intangibles	23 311	1 036	0	24 347
Total 2022	79 339	9 076	0	88 415

B) Long-term Tangible Assets (in CZK thousand)

ACQUISITION COST				
	Initial status	Increments	Decrements	Final status
Buildings, halls, constructions	39 865	9 780	4 428	45 217
Individual movable assets	50 358	9 515	3 517	56 356
Tangible assets in progress	2 066	17 506	18 372	1 200
Provided advance payments for assets	0	0	0	0
Total 2022	92 289	36 800	26 317	102 773

ACCUMULATED AMORTIZATION				
	Initial status	Increments	Decrements	Final status
Buildings, halls, constructions	27 184	5 078	4 428	27 834
Individual movable assets	44 059	5 620	3 516	46 163
Total 2022	71 243	10 698	7 944	73 997

C) Financial Assets (in CZK thousand)

VALUATION OF THE EQUIVALENCE PARTICIPATIONS			
	Initial status	Revaluation 2022	Final status
Participation in BC SR	4 269	2 952	7 221
Participation in FinCo	7 160	-6 368	792
Total 2022	11 426	-3 415	8 013

BOND FUNDS				
	Initial status	Sale 2022	Revaluation 2022	Final status
Bond funds	248 962	49 568	-5 835	193 559
Total 2022	248 962	49 568	-5 835	193 559

04. RECEIVABLES

Adjustments to outstanding receivables were in 2022 created upon individual assessment of overdue receivables. Adjustments to receivables express their temporary nominal value decrease. Legally required adjustments are created in accordance with the Act on Reserves.

CHANGES IN THE ACCOUNTS OF ADJUSTMENTS TO RECEIVABLES (IN CZK THOUSAND)				
	Balance as of 1. 1. 2022	Newly entered adjustments to receivables	Clearing of adjustments to receivable	Balance as of 31. 12. 2022
Adjustments to receivables	13 949	2 716	3 931	12 734

05. CASH IN BANKS

The item Cash in banks refers to CZK 594,860 thousand, which includes the funds amounting to CZK 425,769 thousand in so-called deposit accounts, under the Act on Real Estate Brokerage.

06. EXTERNAL RESOURCES

From the total sum of external resources as on 31. 12. 2022 at the amount of CZK 1,069,382 thousand, the most significant part is formed with trade liabilities of long-term due date, i.e. exceeding 12 months, the sum is amounting to CZK 280,344 thousand, and the short-term liabilities are valued at CZK 734,910 thousand. Short-term liabilities include in particular the clients' funds kept in deposit accounts.

As on 31.12.2022 the company has not sourced any bank loans.

As of 31.12.2022 the Company accounted a reserve for corporate income tax in the amount of CZK 42,929 thousand in its accounts referring to estimated income tax 2022. The reason

for the accounting of this reserve is that the accounting entity compiles its financial statement prior to the ordinary tax return compilation. The reserve for corporate income tax is reported in the balance sheet as the item compensated by paid income tax advances (in 2022 was paid advance corporate income tax at the amount of CZK 37,339 thousand).

In 2021 and 2022 were not reported any deferred tax asset.

07. REVENUES

Revenues in CZK thousand	Total 2022	Total 2021
Merchandise	1 988	1 989
Services	1 860 344	1 848 725

08. BANK GUARANTEE

UniCredit Bank ČR a.s. has provided our company with bank guarantees amounting in total to CZK 3,211,373.

Annex to the Financial Statement, as of 31. 12. 2022

09. EMPLOYEES

In 2022, the average recalculated number of company employees was 142,88 (128,48 employees in 2021). In 2022, total sum of personal costs paid for employees was amounting to CZK 135,052 thousand. From the total number of employees in 2022 there were 23 managers, whereas the personal costs of these employees were amounting to CZK 39,296 thousand.

10. CONSOLIDATION

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

11. PROPOSAL FOR PROFIT DISTRIBUTION

In 2022, the Board of Directors decided to pay the share-in-profits advance payment related to preference shares. Thus, CZK 20.8 million was paid in 2022. Next, in 2022 the Board of Directors approved the advance payment related to dividends for 2022 referring to the ordinary shares, which was CZK 50 million.

The dividends in total CZK 152,898 thousand are proposed by the Board of Directors to be paid off from company net profit that was amounting to CZK 151,942 thousand, whereas CZK 23,094 thousand shall go to preference shares and CZK 128,848 to ordinary shares (CZK 105.- per each the share). Dividends related to preference and ordinary shares shall be charged against the already paid profit share advances.

12. SUBSEQUENT EVENTS

None significant events have happened after the date of financial statements.

The financial statements of 31. 12. 2022 were prepared supposing the Company will be able to continue its activities.

Drawn up on: 15. 5. 2023



Vilém Podliska

Chair of the Board of Directors
Broker Consulting, a. s.



Petr Hora

Member of the Board of Directors
Broker Consulting, a. s.



Jan Bláha

Member of the Board of Directors
Broker Consulting, a. s.

PROFIT AND LOSS STATEMENT (IN CZK TROUSAND)

	Line No.	Accounting period status			
		Current	Previous		
I.		Revenues from sales of own products and services	01	1 860 344	1 848 725
II.		Revenues from merchandise sold	02	1 988	1 989
A.		Consumption sum (Lines: 04 + 05 + 06)	03	1 529 159	1 483 146
	1.	Cost of merchandise sold	04	1 440	1 522
	2.	Material and energy consumed	05	12 956	9 373
	3.	Services	06	1 514 763	1 472 251
D.		Personal costs (Lines: 10 + 11)	09	135 052	111 550
	1.	Wages and salaries	10	96 765	79 600
	2.	Social security and health insurance expenses, other costs (Lines: 12 + 13)	11	38 287	31 950
	2. 1	Social security and health insurance costs	12	31 943	26 850
	2. 2	Other costs	13	6 344	5 100
E.		Value adjustments related to operation (Lines: 15 + 18 + 19)	14	18 413	22 438
	1.	Value adjustments related to long-term intangible and tangible assets (Lines: 16 + 17)	15	19 627	22 397
	1. 1	Value adjustments related to long-term intangible and tangible assets – of permanent nature	16	19 627	22 397
	3.	Value adjustments in receivables	19	-1 214	41
III.		Other operation revenues (Lines: 21 + 22 + 23)	20	15 442	9 036
	III. 1	Sales from long-term assets sold	21	852	56
	3	Other operation revenues	23	14 590	8 980
F.		Other operating expenses (Lines: 25 to 29)	24	29 682	24 595
	1	Net book value of disposed long-term assets	25	146	116
	3.	Taxes and fees	27	580	1 015
	4.	Reserves in operating field, comprehensive expenses of future periods	28	996	3 266
	5.	Other operating expenses	29	27 961	20 198
*		Operating income/loss (+/-) (Lines: 01 + 02 - 03 - 07 - 08 - 09 - 14 + 20 - 24)	30	165 467	218 021
IV.		Income from long-term financial assets - interests (Lines: 32 + 33)	31	2 659	465
IV.	1	Revenues from shares - controlled and controlling entities	32	2 659	465
V.		Revenues from other long-term financial assets (Lines: 36 + 37)	35	50 000	0

PROFIT AND LOSS STATEMENT (IN CZK TROUSAND)						
				Line No.	Accounting period status	
					Current	Previous
V.	1	Revenues from other long-term financial assets – controlled or controlling entity		36	0	0
	2	Other revenues from other long-term financial assets		37	50 000	0
H		Expenses related with other long-term financial assets		38	49 568	0
VI.		Interests received and other similar revenues (Lines: 40 + 41)		39	34 105	5 432
VI.	1	Interests received and other similar revenues - controlled or controlling entity		40	0	1 179
	2	Other interests received and similar revenues		41	34 105	4 253
J		Interests paid and similar expenses (Lines: 44 + 45)		43	0	10
	2.	Other interests paid and similar expenses		45	0	10
VII.		Other financial revenues		46	3 313	37
K		Other financial expenses		47	10 169	4 534
*		Income/loss from financial operations (+/-) (Lines: 31 - 34 + 35 - 38 + 39 - 42 - 43 + 46 - 47)		48	30 340	1 390
**		Net income before tax (+/-) (Lines: 30 + 48)		49	195 807	219 411
L		Income tax (Lines: 51 + 52)		50	42 908	46 075
	1.	Income tax - due		51	42 908	46 075
**		Net income after tax (+/-) (Lines: 49 - 50)		53	152 898	173 336
***		Net income/loss for the accounting period (+/-) (Lines: 53 - 54)		55	152 898	173 336
*	1	Net turnover for the accounting period = I. + II. + III. + IV. + V. + VI. + VII		56	1 967 851	1 865 684

BALANCE SHEET (IN CZK TROUSAND)								
ASSETS				Line	Current Accounting Period			Previous acc. period
					Gross	Correction	Net	Net
TOTAL ASSETS (Lines: 02 + 03 + 37 + 78)				001	1 445 796	175 145	1 270 651	1 536 327
B.	Fixed (long-term) assets (Lines: 04 + 14 + 27)			003	448 394	162 411	285 983	337 363
B.	I.	Long-term intangible assets (Lines: 05 + 06 + 09 to 11)		004	144 049	88 415	55 635	55 925
		2	Valuable rights (Lines: 07 + 08)	006	118 744	64 067	54 677	53 479
		2.1	Software	007	52 272	39 449	12 823	11 128

BALANCE SHEET (IN CZK TROUSAND)								
ASSETS				Line	Current Accounting Period			Previous acc. period
					Gross	Correction	Net	Net
		2.2	Other valuable rights	008	66 473	24 619	41 854	42 351
		4	Other long-term intangible assets	010	24 347	24 347	0	1 036
		5	Provided advance payments for long-term intangible assets and long-term intangible assets in progress (Lines: 12 + 13)	011	957	0	957	1 410
		5.2	Long-term intangible assets in progress	013	957	0	957	1 410
B.	II.	Long-term tangible assets (Lines: 15 + 18 to 20 +24)		014	102 773	73 997	28 776	21 047
B.	II.	1	Land and structures (Lines: 16 + 17)	015	45 216	27 834	17 382	12 681
		1.2	Structures	017	45 216	27 834	17 382	12 681
		2	Items of tangible assets and their groups	018	56 356	46 163	10 194	6 300
		5	Provided advance payments for long-term tangible assets and long-term tangible assets in progress (Lines: 25 + 26)	024	1 200	0	1 200	2 066
		5.2	Long-term tangible assets in progress	026	1 200	0	1 200	2 066
B.	III.	Long-term financial assets (Lines: 28 to 34)		027	201 572	0	201 572	260 391
B.	III.	1	Shares – controlled or controlling entity	028	8 013	0	8 013	11 429
		5	Other long-term securities and shares	032	193 559	0	193 559	248 962
C.		Current assets (Lines: 38 + 46 + 72 + 75)		037	989 676	12 734	976 941	1 190 374
C.	I.	Inventory (Lines: 39 + 40 + 41 + 44 + 45)		038	3 740	0	3 740	4 088
		3	Products and merchandise (Lines: 42 + 43)	041	3 740	0	3 740	4 088
		3.2	Merchandise	043	3 740	0	3 740	4 088
C.	II.	Receivables (Lines: 47 + 57 + 68)		046	390 657	12 734	377 922	430 948
C.	II.	1	Long-term receivables (Lines: 48 to 52)	047	168 700	0	168 700	210 870
		1.2	Receivables - controlled or controlling entity	049	0	0	0	0
		1.5	Receivables - other (Lines: 53 to 56)	052	168 700	0	168 700	210 870
		1.5.4	Other receivables	056	168 700	0	168 700	210 870
C.	II.	2	Short-term receivables (Lines: 58 to 61)	057	221 957	12 734	209 222	220 078
		2.1	Trade receivables	058	160 316	11 988	148 328	142 879
		2.2	Receivables – controlled or controlling entity	059	5 381	0	5 381	754

BALANCE SHEET (IN CZK TROUSAND)								
			ASSETS	Line	Current Accounting Period			Previous acc. period
					Gross	Correction	Net	Net
		2.3	Receivables – significant influence	060	0		0	0
		2.4	Receivables - other (Lines: 62 to 67)	061	56 259	746	55 513	76 445
		2.4.1	Receivables – from partners	062				
		2.4.3	State – tax receivables	064		0	0	0
		2.4.4	Short-term advances paid	065	10 597	746	9 851	12 898
		2.4.5	Accruals - the assets	066	41 175	0	41 175	58 776
		2.4.6	Other receivables	067	4 487	0	4 487	4 771
C.	IV.		Financial assets (Lines: 76 +77)	075	595 279	0	595 279	755 338
C.	IV.	1	Cash (on hand)	076	419	0	419	771
		2	Cash, i.e. funds in banks	077	594 860	0	594 860	754 567
D.			Accruals on assets (Lines: 79 to 81)	078	7 727	0	7 727	8 590
D.		1	Pre-paid expenses	079	7 727	0	7 727	8 590

BALANCE SHEET (IN CZK TROUSAND)						
			LIABILITIES	Line	Current acc. period	Previous acc. period
					Current acc. period	Previous acc. period
			TOTAL LIABILITIES (Lines: 83 + 104 + 147)	082	1 270 651	1 536 327
A.			Equity (Lines: 84 + 88 + 96 + 99 + 102 - 103)	083	200 945	240 169
A.	I.		Registered capital (Lines: 85 to 87)	084	100 910	100 910
		1	Registered capital	085	100 910	100 910
A.	II.		Share premium and capital funds (Lines: 89 + 90)	088	5 282	4 042
A.	II.	1	Share premium	089	1	1
		2	Capital funds (Lines: 91 to 95)	090	5 281	4 041
		2.2	Asset and liability revaluation differences (+/-)	092	5 281	4 041
A.	III.		Reserves from the profit (Lines: 97 + 98)	096	0	0
A.	III.	1	Other reserves	097	0	0

BALANCE SHEET (IN CZK TROUSAND)						
			LIABILITIES	Line	Current acc. period	Previous acc. period
					Current acc. period	Previous acc. period
A.	IV.		Prior periods income (+/-) (Lines: 100 + 101)	099	12 654	12 481
A.	IV.	1	Prior periods retained earnings or loss (+/-)	100	12 654	12 481
A.	V.		Current period profit/loss (+/-) /Lines: 01 - (+ 84 + 88 + 96 + 99 - 103 + 104 + 144)/	102	152 898	173 336
A.	VI.		Adopted decision on share in profit advances to be paid (-)	103	-70 800	-50 600
B. + C.			External resources (Lines: 105 + 110)	104	1 069 382	1 296 158
B.			Reserves (Lines: 106 to 109)	105	10 060	29 837
		2	Income tax reserve	107	5 318	26 091
		4	Other reserves	109	4 742	3 746
C.			Liabilities (Lines: 111 + 126 + 144)	110	1 059 322	1 266 321
C.	I.		Long-term liabilities (Lines: 112 + 115 to 122)	111	280 344	445 414
		4	Trade liabilities	117	280 344	445 414
C.	II.		Short-term liabilities (Lines: 127 + 130 to 136)	126	778 977	820 907
		3	Short-term advances received	131	7 414	10 950
		4	Trade liabilities	132	734 910	784 491
		8	Liabilities – other (Lines: 137 to 143)	136	36 653	25 466
		8.1	Payables to partners	137	1 615	1 190
		8.3	Payroll payable	139	7 817	6 389
		8.4	Social security and health insurance liabilities	140	4 163	3 538
		8.5	State – tax liabilities and subsidies	141	4 004	4 077
		8.6	Accrued liabilities	142	18 947	10 178
		8.7	Other liabilities	143	107	94
D.			Accruals on liabilities (Lines: 148 + 149)	147	324	0
D.		1	Future period expenses	148	0	0
		2	Future period income	149	324	0

STATEMENT ON CHANGES IN EQUITY (IN CZK TROUSAND)				
	Initial status	Increments	Decrements	Final status
Registered capital entered in the Commercial Register	100 910	0	0	100 910
Sum A +/- B	100 910	0	0	100 910
Sum A +/- B +/- D	100 910	0	0	100 910
Share premium	1	0	0	1
Capital funds	4 041	1 240	0	5 281
Adopted decision on share in profit to be paid	-50 600	-70 800	-50 600	-70 800
Profit/loss of previous acc. periods	12 481	173	0	12 654
Profit/loss of current acc. period, after tax	173 336	152 898	173 336	152 898
Total	240 169	83 511	122 736	200 945

CASH FLOW STATEMENT (IN CZK TROUSAND)					
				Accounting period status	
				Current	Previous
P.			Opening balance of cash and cash equivalents	755 338	631 773
Cash flow from the main activities (operating activities)					
Z.			Accounting profit or loss before tax	195 807	219 411
A.	1		Adjustments by non-cash operations	-15 402	23 588
A.	1	1	Depreciation of fixed assets and amortisation of an adjusting entry item related to the assets acquired	19 627	22 397
A.	1	2	Change in adjusting entries, reserves	-218	3 306
A.	1	3	Profit from fixed assets sold	-706	116
A.	1	4	Revenues from profit-sharing	0	-465
A.	1	5	Cleared interests paid, except for the interests involved to the valuation of long-term assets and cleared interests received	-34 105	-5 422
A.	1	6	Eventual corrections by other non-cash operations	0	3 656
A.	*		Net cash flow from operating activities before tax and changes in working capital	180 405	242 999
A.	2		Change in non-cash items of working capital	-131 077	70 711
A.	2	1	Change in receivables from operating activities, transitory asset accounts	18 075	-38 336

CASH FLOW STATEMENT (IN CZK TROUSAND)					
				Accounting period status	
				Current	Previous
A.	2	2	Change in short-term liabilities from operating activities, transitory liability accounts	-204 902	209 492
A.	2	3	Change in inventory	348	-445
A.	2	4	Change in short-term financial assets not involved in cash and cash equivalents	55 402	-100 000
A.	**		Net cash flow from operating activities before tax	49 328	313 710
A.	3		Interests paid out, except for the interests involved to the valuation of long-term assets	0	-10
A.	4		Interests received	33 683	4 908
A.	5		Income tax paid and tax debt to be paid for previous periods	-63 681	-39 376
A.	6		Profit shares received	4 656	465
A.	***		Net cash flow from operating activities	23 986	279 697
Cash flow from investment activities					
B.	1		Expenditures related to the acquirement of fixed assets	-28 809	-11 821
B.	2		Revenues from fixed assets sold	50 852	0
B.	3		Loans and credits provided to related entities or persons	37 450	1 316
B.	***		Net cash flow related to investment activities	59 493	-10 505
Cash flow from financial activities					
C.	1		Effects of changes in long-term, or short-term liabilities	0	0
C.	2		Effect of changes in equity on cash and cash equivalents	-243 538	-145 626
C.	2	1	Increase in cash based on increased registered capital, share premium and reserves from profit.	0	0
C.	2	2	Paid out shares in equity to the partners	0	0
C.	2	3	Other cash injections paid by the partners and shareholders	0	0
C.	2	4	Loss paid by the partners	0	0
C.	2	5	Direct payments withdrawn from the funds	0	0
C.	2	6	Paid out shares in profit, including the tax paid	-243 538	-145 626
C.	***		Net cash flow related to financial activities	-243 538	-145 626
F.			Net increase or decrease of cash	-160 059	123 566
R.			Cash and cash equivalent balance at the end of the accounting period	595 279	755 339

Independent auditor's report on the audit of Broker Consulting, a.s. financial statements as of 31. 12. 2022

HZ Plzeň spol. s r.o.

INDEPENDENT AUDITOR'S REPORT

Receiver: to the Shareholders of the company

Name: **Broker Consulting, a.s.**

Corporate seat: Jiráskovo náměstí 2684/2, Východní Předměstí, 326 00 Plzeň

ID. No. (IČO): 252 21 736

Legal form: Stock corporation

Opinion

We have audited the accompanying financial statements of Broker Consulting, a.s. (hereinafter also the "Company") prepared in accordance with accounting principles generally accepted in the Czech Republic, which comprise the balance sheet as at 31 December 2022, and the income statement, statement of changes in equity and statement of cash flows for the year then ended 31 December 2022, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. For details of the Company, see Note 1. to the financial statements.

In our opinion, the financial statements give a true and fair view of the financial position of Broker Consulting, a.s. as at 31 December 2022, and of its financial performance for the year then ended 31 December 2022 in accordance with accounting principles generally accepted in the Czech Republic.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors, Regulation (EU) No. 537/2014 of the European Parliament and the Council, and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

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

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been

prepared, in all material respects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

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

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

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement of fact.

Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Responsibilities of the Company's The Board of Directors, Supervisory Board for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

In Plzeň, 17.5.2023

HZ Plzeň spol. s r.o.
Nepomucká 10, Plzeň
Audit firm licence No. 219

Ing. Michael Ledvina
statutory auditor responsible for the audit
resulting in this independent auditor's report
Licence number of statutory auditor No. 1375



Our clients can use roughly **220 offices** and **OK POINT franchise business locations** across the entire territory of the Czech Republic and the Slovak Republic, staffed with approximately **2,000 professional consultants.**

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

DRAWN UP BY

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

I. INTRODUCTION

Statutory Body, the Board of Directors of Broker Consulting, a. s., pursuant to the provisions of Section 82a et seq. of the Act No. 90/2012 Coll., on business corporations and co-operatives (Act on Business Corporation), as amended (hereinafter referred to as the „ZOK“ only), performs hereby his statutory obligation and elaborates the present report on the relations between the members of the “Broker Consulting” Group, i.e. relations between the controlled and controlling entity and relations between the controlled entity and other entities that are controlled by the same controlling entity.

The relations are described with the consideration of the need to respect the provisions of Section 504 of the Act No. 89/2012 Coll., on trade secret.

II. DESCRIPTION OF THE RELATIONS STRUCTURE

The controlling entity of the controlled company Broker Consulting, a. s., (hereinafter also referred to as the „controlled entity“) within the meaning of Section 74 of the „ZOK“ was for the period of the year 2022 the company of Broker Consulting Group, SE, ID-No. 042 46 438, having its registered office at: Jiráskovo náměstí 2684/2, Východní Předměstí, 326 00 Plzeň (hereinafter

referred to as the „controlling entity“), whereas this company has been a majority shareholder in the company Broker Consulting, a. s., The beneficial owner of the entity which controls the controlling entity is Petr Hrubý, born on 15 March 1972, residing at: Plzeňská cesta 38, Doudlevice, Plzeň, postal code 326 00, and Martin Hrubý, born on 28 July 1973, residing at U Hamru 423/5, Hradiště, Plzeň, postal code 326 00.

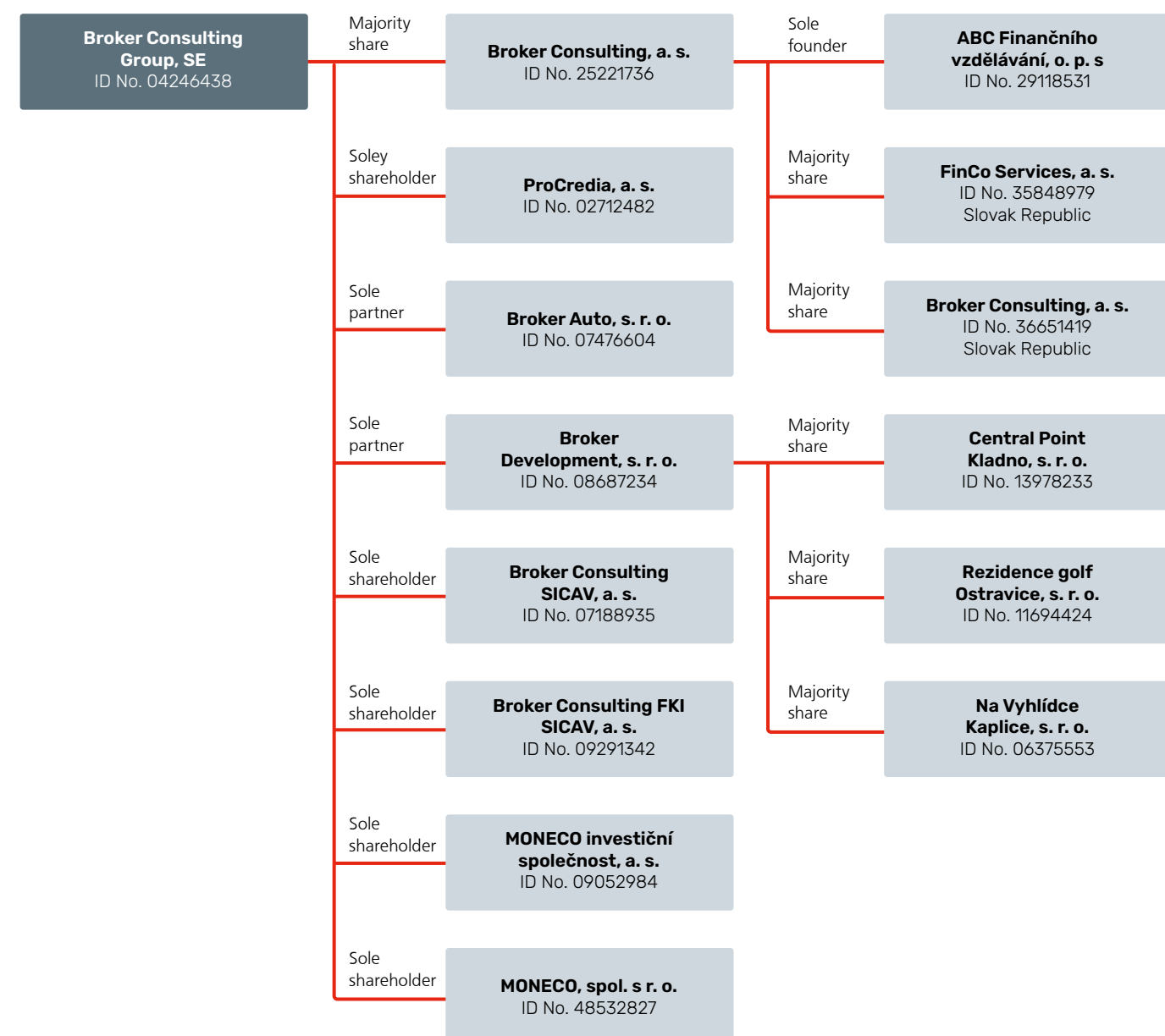
For detailed information on the holding structure see the Organizational Chart of Broker Consulting Group, where is shown the structure of companies together with a link to the business of Broker Consulting, a. s.

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

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

Moreover, the controlled entity Broker Consulting, a. s., is further providing the referred-to members of the „Broker Consulting“ group with advertising and marketing materials and promotional items, as the personal data processor the Company processes personal data of clients of some members

Organizational Chart of Broker Consulting Group



of the „Broker Consulting“ Group, as they are understood the administrators of these personal data and ensures the development of IT systems for activity in the field of financial intermediation for its activities and for the activity of some members of the Group.

IV. THE WAY AND MEANS OF THE CONTROL

The influence of the controlling entity is being performed via decision making within the General Meeting.

The position of controlled entity and simultaneously the role of beneficial owner was held by Petr Hrubý, who was in 2022 holding the position of the Chairman of the Supervisory Board of the controlled entity, thus the influence of the controlling entity was exercised only via decision making processes within the General Meeting.

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

Within the accounting year 2022 were not conducted any negotiations in the interests of the controlling entity related to the assets exceeding 10 % of the registered capital of the controlled entity of Broker Consulting, a. s., i.e. the amounts determined from the last financial statements.

VI. AGREEMENTS CONCLUDED BETWEEN THE, BROKER CONSULTING' CONCERN MEMBERS

The controlled entity of Broker Consulting, a. s., and the entity, who controls the controlling entity, have not concluded any agreements in 2022.

In 2022, between the controlled entity of Broker Consulting, a. s., and other „Broker Consulting“ Concern members were concluded the following contracts:

- Contract on lease of the passenger car concluded between the Company and the company MONECO investiční společnost, a.s., ID-No. 09052984, of 1st January 2022
- Business premises sublease agreement concluded by the Company, as the Sublandlord, and the company RENT2YOU, s.r.o., ID-No. 07476604, as the Subtenant, of 30th November 2022

Within 2022 were still effective some contracts and agreements which had been concluded in the previous accounting periods, and these were stated in Annual Reports referring to previous accounting periods. The following contracts and agreements were amended in 2022:

- Amendment No. 1 to the Agreement on loan agreement novation concluded between the Company, as the creditor, and the company ProCredia, a.s., ID-No. 02711482, of 30th November 2022
- Amendment No. 3 to the Intermediation agreement concluded between the Company, as the mediator, and the company ProCredia, a.s., ID-No. 02711482, of 24th January 2022
- Amendment No. 2 and 3 to the Agency agreement concluded between the Company, as the Agent, and the company MONECO investiční společnost, a.s., ID-No. 09052984, of 23rd May 2022 and 1st November 2022

- Amendment No. 2 to the Business premises sublease agreement concluded between the Company, as the Sublandlord, and the company MONECO investiční společnost, a.s., ID-No. 09052984, as the Subtenant, of 30th November 2022

VII. THE ASSESSMENT, WHETHER ANY INJURY OR DAMAGE AROSE TO THE CONTROLLED ENTITY, AND THE ASSESSMENT OF ITS COMPENSATION

From any negotiation or behaviour did not arise any injury or damage to the controlled entity of Broker Consulting, a. s.

Even upon any other agreements or contracts stated above within item VI hereof the controlled entity of Broker Consulting, a. s., did not suffer any injury or damage, as any and all the contractual relations were entered into under usual market terms and conditions. Considering the fact the controlled entity of Broker Consulting, a. s., did not suffer any injury or damage, any compensation is therefore needed.

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

The controlled entity of Broker Consulting, a. s., highly appreciates its participation in the „Broker Consulting“ Group, as the concern relation structure allows its „Broker Consulting“ Group members to reach synergistic effects in their business. Currently, the controlled entity of Broker Consulting, a. s., has not identified any risks emerging from its participation in the concern relation structure within the „Broker Consulting“ Group.

Between the performances and counter-performances that result from particular contracts and agreements stated above within the item VI hereof, and negotiations conducted between the „Broker Consulting“ Group members, does not exist any disproportion and the prices of related performances are usual in the market.

IX. THE AUTHOR'S DECLARATION

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

In Plzeň, on 31. 3. 2023

On behalf of Broker Consulting, a. s.,



Vilém Podliska

Chair of the Board of Directors
Broker Consulting, a. s.



Petr Hora

Member of the Board of Directors
Broker Consulting, a. s.



Jan Bláha

Member of the Board of Directors
Broker Consulting, a. s.



Broker Consulting has evolved into a **self-confident, thriving and stable** group of companies.

We provide our clients with an above-standard portfolio of **financial, banking and real estate** services.

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COMPANY BUSINESS PARTNERS

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

INSURANCE COMPANIES

- Allianz pojišťovna, a. s.
- Colonnade Insurance S.A., organizační složka
- Česká podnikatelská pojišťovna, a. s., Vienna Insurance Group
- ČSOB Pojišťovna, a. s., člen holdingu ČSOB
- D.A.S. Rechtsschutz AG, pobočka pro ČR
- DIRECT pojišťovna, a. s.
- Generali Česká pojišťovna a. s.
- Hasičská vzájemná pojišťovna, a. s.
- INTER PARTNER ASSISTANCE, organizační složka
- Komerční pojišťovna, a. s.
- Kooperativa pojišťovna, a. s., Vienna Insurance Group
- MetLife Europe d.a.c., pobočka pro Českou republiku
- NN Životní pojišťovna N. V., pobočka pro Českou republiku
- NOVIS Pojišťovna, odštěpný závod Česká republika
- Pillow pojišťovna, a. s.
- Slavia pojišťovna, a. s.
- UNIQA pojišťovna, a. s.
- YOUPLUS Životní pojišťovna, pobočka pro Českou republiku

PENSION COMPANIES

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

BUILDING SAVINGS BANKS

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

BANKS AND OTHER CREDIT INSTITUTIONS

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

INVESTMENT COMPANIES AND FUNDS

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

OK POINT locations make it possible for our clients to take care of everything in one location, avoiding a special trip to a bank, real estate office or an insurance company.

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CONTACT INFORMATION

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Broker Consulting, a. s., Headquarter in Praha

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Dobry skutek, z. s.

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www.casfpz.cz

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