FINANCIAL INFORMATION

2023

Including the

Consolidated financial statements

and

Report of the Réviseur d'Entreprises

for the financial year ended as at 31 December 2023

CPI FIM SA * Société Anonyme * 40 rue de la Vallée, L2661 Luxembourg

R. C. S. Luxembourg – B 44.996

SUMMARY

Part I. **Management report**
Part II. **Declaration letter**
Part III. **Consolidated financial statements of the Group**
Part IV. **Auditors' Report**
Part V. **Statutory financial statements**

CPI FIM SA | Société Anonyme | 40 Rue de la Vallée, L-2661 Luxembourg RCS Luxembourg B 44996

Management Report as at 31 December 2023

MESSAGE FROM THE MANAGEMENT 6
YEAR 2023 AND POST-CLOSING KEY EVENTS 7
Annual general meeting of shareholders....7
Change of Managing Director 7
Intragroup Transactions....7
Reconstruction of Hrad Office, Brno....7
Disposal of Mayhouse, Prague 7
New bank financing 7
Intergroup financing 8
MARKET ENVIRONMENT....9
OPERATIONS OF THE GROUP IN 2023....11
Financing of CPIPG Group 11
PROPERTY PORTFOLIO 12
Total Property Portfolio 12
Property Valuation 13
Office.... 17
Land bank....20
Residential....22
Hotels… 24
Retail…. 25
Development....26
FINANCING 27
Cash and cash equivalents 27
Financial liabilities 27
RESULTS AND NET ASSETS....28
Income statement 28
Balance sheet 29
CORPORATE GOVERNANCE....31
Principles....31
Board of Directors....32
Committees of the Board of Directors....34
Description of internal controls relative to financial information processing. 35
Remuneration and benefits 35
Corporate Governance rules and regulations 35

Additional information 38
SHAREHOLDING 41
Share capital and voting rights 41
Shareholder holding structure 41
Authorized capital not issued 41
POTENTIAL RISKS AND OTHER REPORTING REQUIREMENTS 42
Subsequent closing events 42
Other reporting requirements 42
Financial risks exposure 42
Certain subsidiaries may be in breach of loan covenants 42
The Group's financing arrangements could give rise to additional risk 42
Market risk 43
Credit risk 43
Liquidity risk 44
Capital management 44
Risks associated with real estate and financial markets 44
CORPORATE RESPONSIBILITY 46
Environmental, social and ethical matters 46
Environmental matters 46
Social matters 46
Ethical matters 46
EU TAXONOMY 47
GLOSSARY & DEFINITIONS 52

CPI FIM SA, société anonyme (the "**Company**") and its subsidiaries (together the "**Group**" or "**CPI FIM**"), is an owner of income-generating real estate and land bank primarily in Poland and in the Czech Republic. The Company is a subsidiary of CPI Property Group (also "**CPIPG**" and together with its subsidiaries as the "**CPIPG Group**"), which holds 97.31% of the Company shares. The Company is also involved in providing equity loans to other entities within the CPIPG Group.

The Company is a joint stock company incorporated for an unlimited term and registered in Luxembourg. The address of its registered office is 40, rue de la Vallée, L-2661 Luxembourg, Grand Duchy of Luxembourg. The trade registry number of the Company is B 44 996.

The Company's shares registered under ISIN code LU0122624777 are listed on the regulated markets of the Luxembourg Stock Exchange and the Warsaw Stock Exchange.

CPI FIM

MESSAGE FROM THE MANAGEMENT

During 2023, the European economy remained under pressure due to high cost of living and monetary tightening as a reaction to high inflation, which also led to a weakening of external demand. However, the Group demonstrated resilient performance during that period. This was largely due to the Group's high exposure to office properties and landbank, the resilience of our tenants and careful cost management.

Total assets increased by €323.5 million (5%) to €7,191.1 million as at 31 December 2023. The EPRA Net Reinstatement Value (former EPRA NAV) per share as at 31 December 2023 was €1.23 compared to €1.19 as at 31 December 2022. At the end of 2023, the EPRA Net Disposal Value (former EPRA NNNAV) amounted to €1.11 per share compared to €1.07 at the end of 2022.

The Group achieved an operating profit of €7.1 million in 2023 compared to €93.1 million in 2022. Total net profit was €46.4 million in 2023 compared to €180.6 million in 2022.

Resulting from the Company's integration into CPIPG in 2016, one of its roles is to serve as an intergroup financing vehicle to the entities within the CPIPG Group. As at 31 December 2023, the outstanding balance of the loans provided to the CPIPG Group amounted to approximately €5,038.3 million.

During the first half of 2023, the Group completed two new bank loans, a €288 million bank loan encompassing three office properties in Warsaw, and a €58 million facility related to Czech residential assets.

In August 2023, the Group finished the reconstruction of Hrad Office building in Brno, Czech Republic and immediately started to lease the office space to various tenants. The Group also sold the Mayhouse property in Prague to S IMMO AG. As a result of these transactions, the Group´s office gross leasable area decreased by 6,000 sqm.

The Group will continue to focus on efficient operational performance and the well-being of our tenants and employees.

David Greenbaum,
Managing Director

YEAR 2023 AND POST-CLOSING KEY EVENTS

Annual general meeting of shareholders

The annual general meeting of shareholders of the Company was held on 31 May 2023 in Luxembourg (the “AMG”), with approximately 97.41% of the voting rights present or represented.

The AGM approved the statutory annual accounts and consolidated annual accounts for the financial year ending 31 December 2022, as well as the allocation of financial results for the financial year ending 31 December 2022.

The AGM further granted a discharge to the members of the Company's Board of Directors as well as to the approved auditor of the Company for the performance of their duties during the financial year ending 31 December 2022.

The AGM also resolved to re-appoint the following persons as members of the Company's Board of Directors until the annual general meeting to be held in 2024: Anita Dubost, David Greenbaum, Edward Hughes, and Scot Wardlaw. The AGM also re-appointed Ernst & Young S.A., Luxembourg as the approved auditor of the Company until the annual general meeting to be held in 2024.

The AGM re-elected David Greenbaum and Martin Němeček to serve as Managing Directors (administrateurs délégués) of the Company. Martin Němeček resigned from this function in November 2023.

Change of Managing Director

On 22 November 2023, the Company’s Board of Directors accepted the resignation of Martin Němeček as Managing Director (*administrateur délégué*) and appointed Pavel Měchura as a new Managing Director (*administrateur délégué*) of the Company.

Intragroup Transactions

In September 2023, the Company became a 100% shareholder of five Czech companies (Bubny Development, s.r.o., MQM Czech, a.s., Polygon BC, a.s., STRM Alfa, s.r.o. and Vysočany Office, a.s.), which primarily hold landbank in the Czech Republic. Prior to the transaction, the Company held 20% stakes in each of the Czech companies and already consolidated them. Both CPI FIM SA and the seller, GSG Europa Beteiligungs GmbH, are fully consolidated by CPIPG. The disposal price for this intragroup transaction was based on the IFRS NAV value of the Czech companies.

Reconstruction of Hrad Office, Brno

In August 2023, a reconstruction of the historic building located in the Zbrojovka brownfield site in Brno was completed. The property offers over 2,000 sqm of lettable space on four floors, a large roof terrace and outdoor parking in front of the property.

Disposal of Mayhouse, Prague

In April 2023, the Group sold the Mayhouse office building in Prague 4 – Nusle to S IMMO AG. The property was built in May 2019 and it is located close to the Pankrác office district, with a gross leasable area of approximately 8,000 sqm and a rental income of €1.3 million per year. The modern building is easily accessible through public transport.

New bank financing

During the first half of 2023, CPI FIM completed two bank loans. In Poland, the Group signed a €288 million bank loan encompassing three office properties in Warsaw: Warsaw Financial Center, Eurocentrum and Equator IV. The loan has a 5-year term and was provided by Aareal Bank. In the Czech Republic, a subsidiary of the Company also signed a €58 million 4-year facility with Raiffeisen related to residential assets.

Intergroup financing

Resulting from the Company’s integration into the CPIPG Group in 2016, one of its roles is to function as an intergroup financing vehicle to the entities within the CPIPG Group. In 2023, the Group continued to provide equity loans to other entities within the CPIPG Group. At the end of 2023, loans provided increased because of new drawings on existing loans between the Company and CPI PG SA. As at 31 December 2023, the outstanding balance of the provided loans to CPIPG Group amounted to €5,038.3 million (31 Dec 2022: €4,713.0 million).

MARKET ENVIRONMENT

Global macro-economic conditions

Czech Republic[1]

In the Q4 2023, the GDP in the Czech Republic declined by 2.0% y-o-y. This was mainly due to a decrease in household consumption, changes in inventories, accommodation, and food service activities. However, foreign demand had a positive impact.

Unemployment continued to slightly decline from already low levels, with the unemployment rate falling by -0.2% to 3.7%. This resilience of labour markets is even more remarkable as the Czech Republic integrated a significant number of Ukrainian refugees into its labour market. Unemployment rates below 4% are typically considered full employment.

Inflation accelerated sharply in 2022, reaching levels not seen since the 1990s and peaking at around 18% in September 2022. In December 2023, the year-on-year inflation rate stood at 6.9%. The Czech central bank started to cut its key interest rate several times from 7.0% at the end of 2023 to rate 5.75% in March 2024. The Czech Koruna has slightly depreciated compared to the Euro since the end of 2022. The Czech Republic continue to benefit from low public debt-to-GDP ratios.

Poland[2]

In recent years, CEE countries have benefited from solid fundamentals. Between 2013 and 2023, all CEE countries achieved GDP growth rates above the EU27 average, with Poland among the top ten fastest-growing economies in the EU27 bloc.

The Polish economy returned to growth in the second quarter of 2021, with healthy growth throughout 2022. In 2023, the picture for GDP growth was more mixed. Poland recorded a slight decline in GDP of -0.2%.

Unemployment continues to decline in the first six months of 2023 from already low levels, with the unemployment rate falling by -0.5% to 5.0%. The decline in unemployment is even more remarkable when considering the migration of refugees fleeing the war in Ukraine into neighbouring countries.

Inflation has been considerably higher in the CEE region over the last 12 to 24 months. As a result, the Polish central bank has raised interest rates several times, which has been reflected in declining inflation rates since the end of last year. In Poland, inflation fell to 11.5%.

Selected market focus

Warsaw office market [3]

At the end of 2023, Warsaw's modern office stock amounted to 6.2 million m². The new supply delivered to the Warsaw office market in 2023 was modest, with 60,870 m² across six projects, the lowest total since 2010.

Currently, there is only 238,000 m² of office space under construction between 2024 and 2026, which is around a third of previous years. The supply is relatively evenly split, with around 100,000 m² to be delivered in 2024.

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[1] *Sources: Czech Statistical Office, Trading Economics, Eurostat*

[2] *Sources: Central Statistical Office of Poland, Trading Economics, Eurostat*

[3] *Source: PINK, CBRE, BNP Paripas Real Estate*

Leasing activity was high, with over 748,800 m² with the most active tenants from Manufacturing & Energy (22%), Business Services (21%) and IT (12%). Companies are also taking a more conservative approach to leasing, renegotiating existing leases rather than moving to new locations.

Since the start of the year, Warsaw's vacancy rate has declined by 1.2% p.p. to 10.4%, with lower rates inside central zones at 8.5%.

Prime office property rents increased by 3.8% YoY to €27.00/m²/month in the city centre. Average rents increased by 4.2% YoY to €20.64/m²/month.

Poland's commercial real estate investment market recorded €2.1 billion in transactions, with office properties accounting for €429 million.

CPI FIM

OPERATIONS OF THE GROUP IN 2023

The Group is engaged in financing of entities within the CPIPG Group and also holds and operates a significant property portfolio.

Financing of CPIPG Group

The Group acts as an internal financing entity within the CPIPG Group and shall finance the real estate companies (SPVs) by intra-group loans. In order to fund the intra-group loans, CPIPG raises external financing and provides these funds to CPI FIM. Subsequently, CPI FIM provides the funds in a form of loans to the respective SPVs.

In 2023, the Group continued to provide the equity loans to other entities within the CPIPG Group.

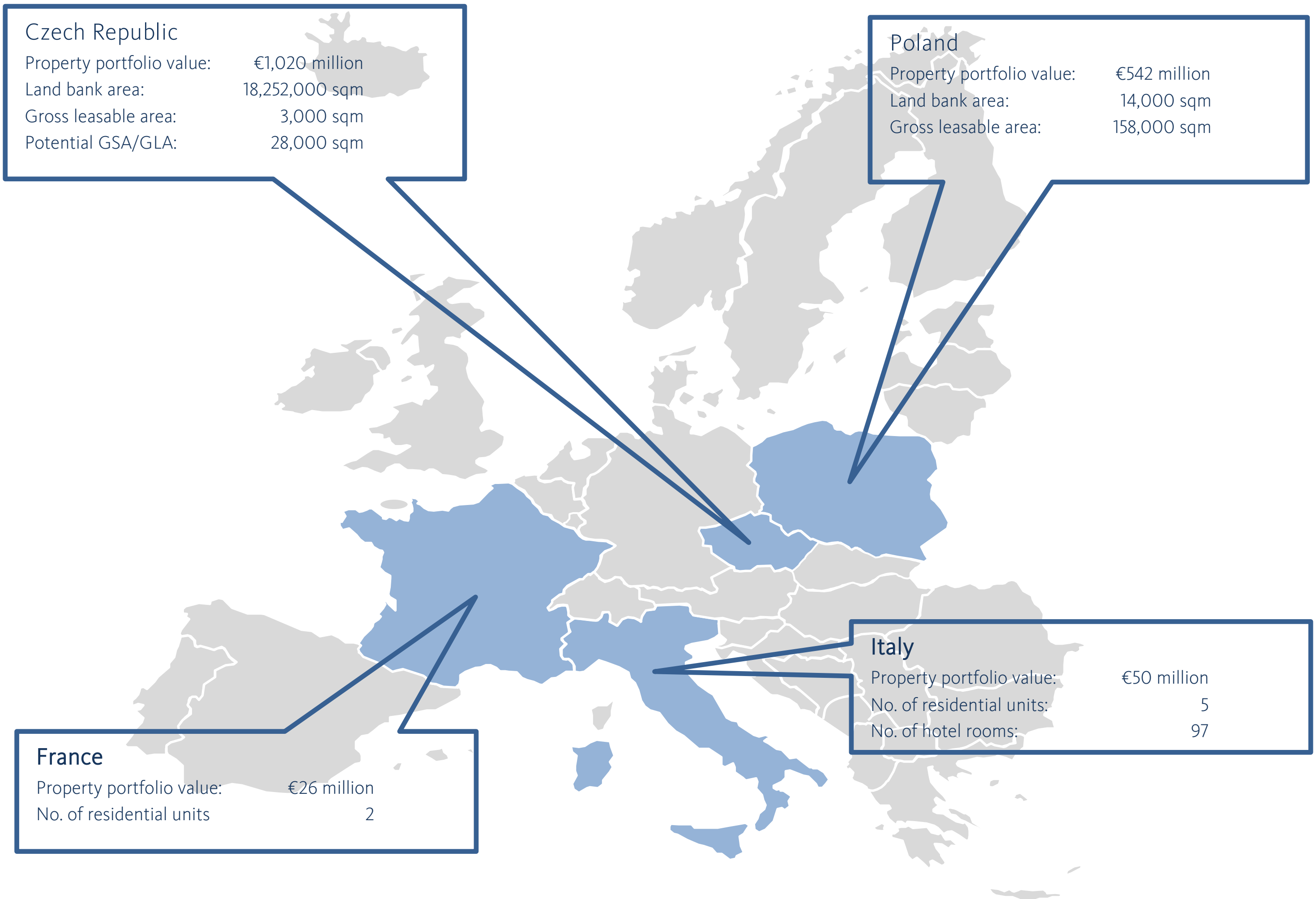
The Group generated interest income of €267.8 million in 2023, which represents an increase by €51.8 million, compared to 2022.

As at 31 December 2023, the Group provided loans to related parties in the amount of €5,038.3 million, which represents an increase by €325.3 million compared to 31 December 2022. As at 31 December 2023, the loans provided in the amount of €719.3 million and €4,319.0 million were classified as current and non-current, respectively.

PROPERTY PORTFOLIO

Total Property Portfolio

The Group concentrates on long-term investments and real-estate leases, primarily in the Central European region. The Group owns rental income-generating properties mainly in the office segment but is also focused on an extensive portfolio of land plots in the Czech Republic. Additionally, the Group has some development projects.



The property portfolio of the Group is reported on the balance sheet under the following positions:

- Investment property
- Property, plant and equipment
- Inventories
- Assets held for sale

"Investment property" consists of rental properties, investment property under development and land bank. Investment property under development represents projects currently in progress, which will be reclassified by the Group as rental properties after completion. Land bank represents properties held for development and/or capital appreciation.

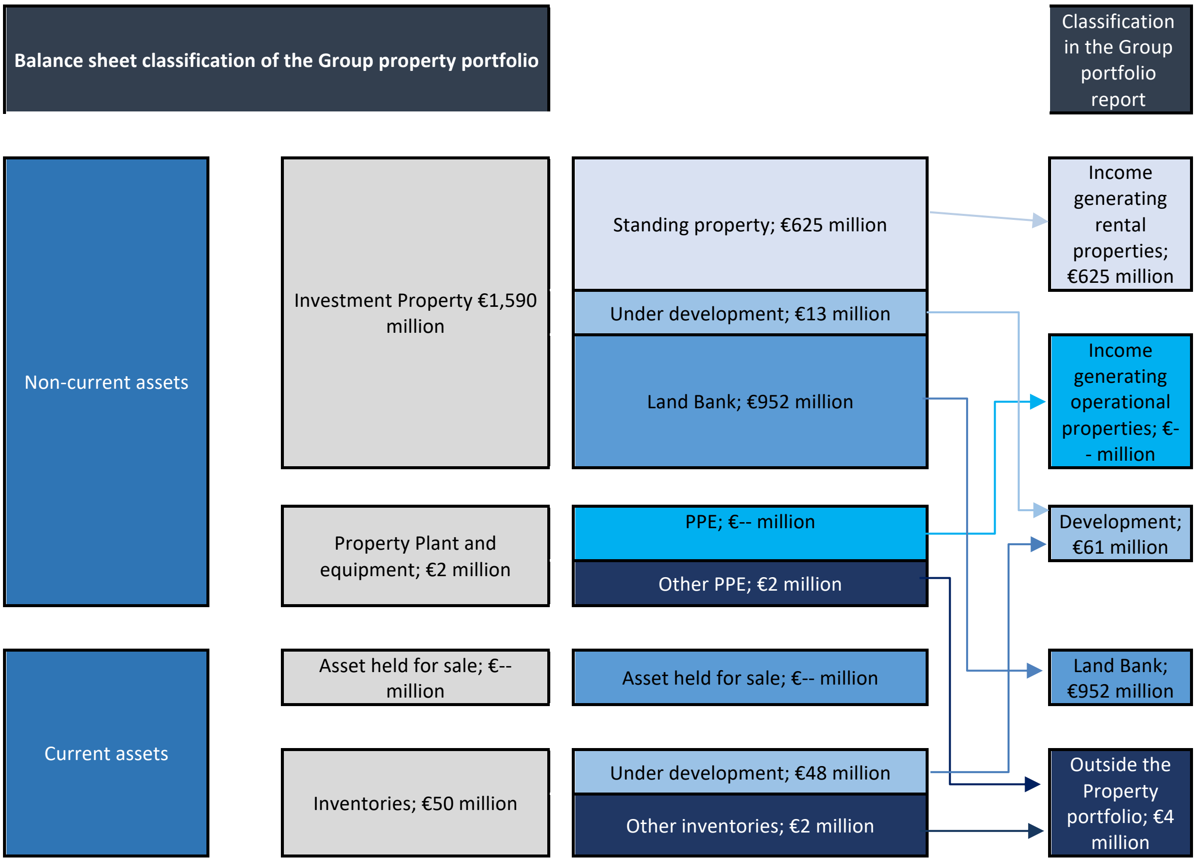
"Property, plant and equipment" comprises hotel properties or advances paid for construction works on the projects.

"Inventories" comprise properties that are under development or have been finished and are intended for a future sale in the ordinary course of business.

"Assets held for sale" consist of properties presented in accordance with IFRS 5 "Non-current Assets Held for Sale and Discontinued Operations" which are to be sold due to the intention of the management.

The property portfolio report covers all properties held by the Group, independent of the balance sheet classification. These properties are reported as income-generating properties (generating rental income or income from operations), development projects (investment property projects under development and inventories) or landbank.

The following chart reconciles the property assets of the Group as reported on the balance sheet as at 31 December 2023 with the presentation in our portfolio report:



Property Valuation

The consolidated financial statements of the Group as at 31 December 2023 were prepared in compliance with International Financial Reporting Standards (IFRS) as adopted by the European Union, which include the application of the fair value method. Since the Investment properties owned by the Group must be stated at fair value, the annual valuation of these properties by independent experts is recommended.

The property portfolio valuation as at 31 December 2023 is based on reports issued by:

- iO partner (further "iO"). iO is a JLL Preferred Partner with over 30 years of experience in the CEE markets. Backed by JLL, iO serves corporate clients and investors in the areas of Leasing solutions, real estate investment and advisory services.

- CBRE is a commercial real estate services and investment firm. It is the largest company of its kind in the world. It is based in Dallas, Texas and operates in over 500 offices worldwide and serves clients in more than 100 countries, employing more than 115,000 global professionals.

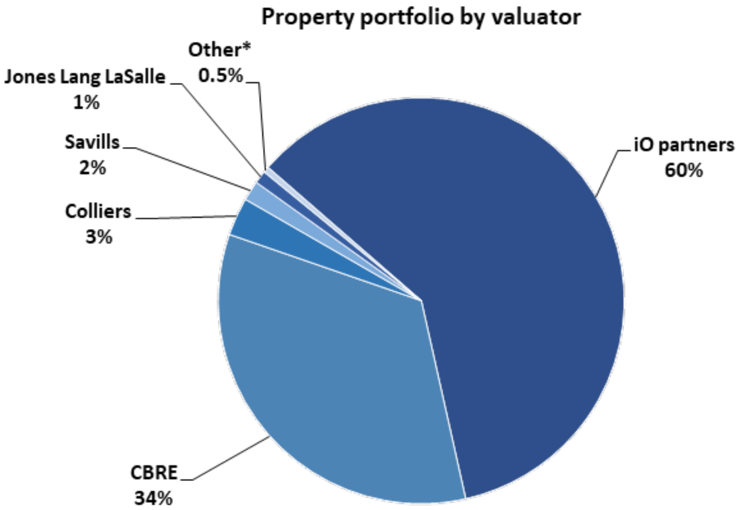
- Colliers is a leading diversified professional services and investment management company. Colliers operates in 66 countries and draws on the expertise of over 19,000 professionals working collaboratively to provide expert real estate and investment advice to clients.

- Savills. Savills provides in-depth knowledge and expert advice across all property sectors, so they can help with everything from asset management to valuation. Savills operates in 70 countries around the world (across the Americas, Europe, Asia Pacific, Africa and the Middle East) and draws on the expertise of over 40,000 professionals.

- Jones Lang LaSalle (further "JLL"). JLL is a financial and professional services company specializing in real estate services and investment management. JLL has more than 102,000 employees in 42 countries and serve the local, regional and global real estate needs of their clients.

- Cushman&Wakefield (also "C&W"). C&W is one of the leading commercial real estate services companies, providing a full range of services to real estate tenats, developers and investors on a local and international basis. C&W has about 400 offices in 60 countries, employing more than 52,000 professionals.

- RSM in CZ&SK (also "RSM"). RSM is part of the sixth largest network of professional firms RSM International. RSM International operates in 120 countries, has 830 offices and more than 57,000 professionals. RMS provides clients with services in the field of mergers & acquisitions, valuations, tax, trustee services, accounting and payroll.



**Cushman&Wakefield, RMS CZ&SK, internal*

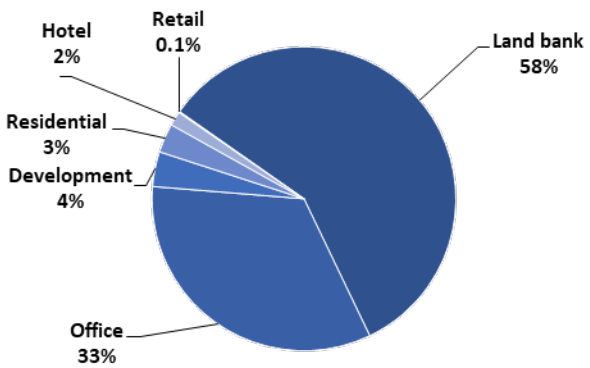
The following table shows the carrying value of the Group's property portfolio as at 31 December 2023 and 31 December 2022:

PROPERTY PORTFOLIO as at 31 December 2023	No of properties	No. of units	No. of hotel rooms	GLA thousand sqm	Office € million	Residential € million	Develop. € million	Hotel € million	Retail € million	Land bank € million	PP value € million	PP value %
Czech Republic	3	--	--	3	5	--	61	--	2	952	1,020	62%
Poland	4	--	--	158	542	--	--	--	--	0.4	542	33%
Italy	1	5	97	--	--	25	--	25	--	--	50	3%
France	--	2	--	--	--	26	--	--	--	--	26	2%
The GROUP	**8**	**7**	**97**	**161**	**547**	**51**	**61**	**25**	**2**	**952**	**1,638**	**100%**

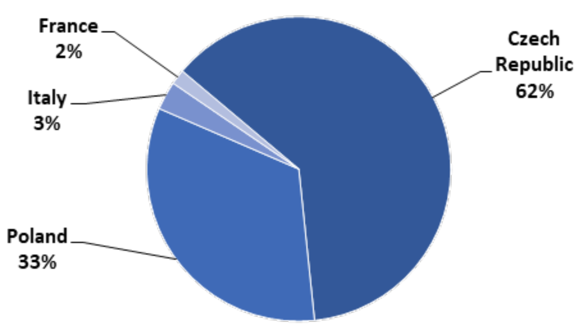
PROPERTY PORTFOLIO as at 31 December 2022	No of properties	No. of units	No. of hotel rooms	GLA thousand sqm	Office € million	Residential € million	Develop. € million	Hotel € million	Retail € million	Land bank € million	PP value € million	PP value %
Czech Republic	3	--	--	9	25	--	13	--	2	930	970	59%
Poland	4	--	--	157	592	--	--	--	--	0.4	592	36%
Italy	1	5	97	--	--	25	--	26	--	--	51	3%
France	--	2	--	--	--	27	--	--	--	--	27	2%
The GROUP	**8**	**7**	**97**	**166**	**617**	**52**	**13**	**26**	**2**	**930**	**1,640**	**100%**

The Group's property value totals €1,638 million as at 31 December 2023 (31 Dec 2022: €1,640 million), of which 58% is represented by land bank and 33% is represented by office The majority of the Group's property portfolio is located in the Czech Republic with 62%, Poland with 33%, followed by Italy with 3% and France with 2%.

Property portfolio by segment

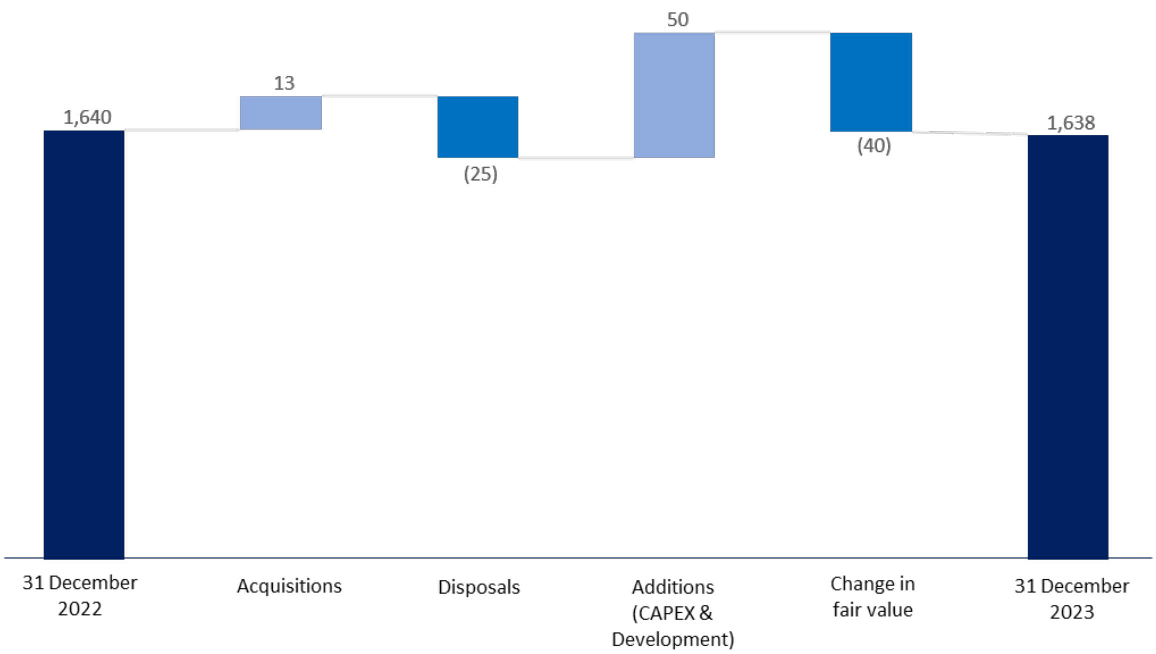


Property portfolio by country



The total net change of €2 million in the portfolio value in 2023 was mainly attributable to the following:

- Acquisition of €13 million relating to the land bank in the Czech Republic;
- Disposals of €25 million, comprising primarily the sale of an office property in Prague to S IMMO AG;
- Additions of €50 million, mainly spent on Investment Property within the whole Group;
- Change in fair value of €40 million, driven primarily by negative revaluation of the Warsaw office portfolio, partially offset by positive revaluation of Czech land plots.



CPI FIM

Office

Key Figures – December 2023

96.7 %	**5**
Occupancy	**Number of properties**
547 million €	**160,000 sqm**
Property value	**Gross leasable area**

Office portfolio represents an important segment of investment activities of the Group. As at 31 December 2023, the Group owns buildings in Poland and in the Czech Republic.

In April 2023, the Group sold the Mayhouse property in Prague to S IMMO AG, and in August 2023, the Group finished the reconstruction of the Hrad Office property in Brno.

OFFICE 31 December 2023	Nº of properties	PP value € million	PP value %	GLA thds. sqm	Occupancy %	Rent per sqm €	Outstanding financing € million
Poland	4	542	99%	158	96.7%	18.5	286
Czech Republic	1	5	1%	2	100.0%	8.3	--
The GROUP	**5**	**547**	**100%**	**160**	**96.7%**	**18.3**	**286**

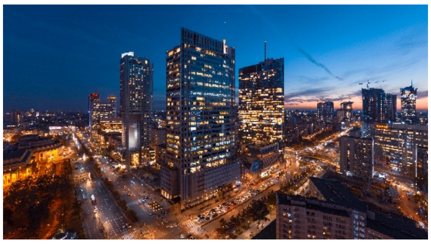
OFFICE 31 December 2022	Nº of properties	PP value € million	PP value %	GLA thds. sqm	Occupancy %	Rent per sqm €	Outstanding financing € million
Poland	4	592	96%	157	93.1%	18.0	--
Czech Republic	1	25	4%	8	76.4%	14.2	--
The GROUP	**5**	**617**	**100%**	**165**	**92.3%**	**17.8**	**--**

- **Eurocentrum Office, Warsaw**

Eurocentrum Office has the highest LEED certification level, i.e.PLATINUM and offers over 85,000 sqm of lettable space. Eurocentrum Office is a modern office building with many environmentally friendly solutions, for example: rainwater is used for flushing toilets and watering greenery in the atrium - savings in drinking water consumption; savings in electricity consumption for general building systems; reducing the heat island effect by using a highly light-reflecting roof membrane, etc.

Furthermore, Eurocentrum has 1,500 sqm atrium with natural vegetation, a wide range of shops and restaurants, excellent access to daylight as a result of large glazing areas, fresh air exchange process well above average, office space is not overheated in the summer and amenities dedicated to persons using alternative means of transportation: parking spaces for bicycles (over 200 parking places), changing rooms and showers and 22 charging stations for electric cars. In 2016, a sky apiary was created on the roof of the Eurocentrum office building.

- **Warsaw Financial Center, Warsaw**



Warsaw Financial Center, one of Warsaw's most prestigious skyscrapers (LEED Gold), was completed in 1998 and offers almost 50,000 sqm of grade A office space across 32 floors. It was designed by the American architects Kohn Pedersen Fox Associates in cooperation with A. Epstein & Sons International. Warsaw Financial Center has a very good location. WFC is only 0.6 km from Warsaw Central Railway Station, 8.3 km from Warsaw Chopin International Airport and 39.3 km from Warsaw Modlin Airport.

Warsaw Financial Center is a 32-story high skyscraper with sixteen elevators, open space offices with colorful walls, huge Marylin Monroe prints, and comfortable sofas for creative brainstorming, and classic timeless interiors in understated hues that support the uniqueness of the building. The first six floors of the building provide 350 parking spaces for cars and bicycles at all times of the day.

Currently, WFC ranks among the most prestigious high-rise buildings in Poland. Top Polish and international corporations have been attracted by its outstanding quality (Google, BEC Financial Technologies, Bloomberg and Kompania Piwowarska).

- **Equator IV Offices, Warsaw**

Equator IV Offices was constructed in 2018 and has a modern A-class specification (BREEAM Very Good). It has 16 above-ground and 4 underground levels with 226 car parking spaces. The property consists of a freestanding office building with over 21,000 sqm of lettable space on a plot of land with a total area of 2,900 sqm.

Property is located in Warsaw within the Ochota district, in a distance of ca. 3 km to the Palace of Culture and Science, considered as a central point of Warsaw. The office building is situated at the main east-west arterial road in Warsaw – Al. Jerozolimskie within a third largest office district in Warsaw– "Jerozolimskie corridor". The area is a recognized office location providing direct access and reasonable distance to the city centre as well as convenient access to the Warsaw ring road.

- **Diana Office, Warsaw**

The property was constructed in 2004 and comprises about 1,500 sqm of rentable area. The Property is located in Warsaw city centre, along Chmielna Street, which forms one of the best recognizable retail streets of the city. The building is of a reinforced concrete structure with hip roof. The property is fully let to one tenant - Goethe Institut.

- **Hrad Office, Brno**

The historic property was rebuilt in 2023. It is almost 100 years since the first opening in 1928. The reconstruction of the Hrad administration building was designed by the architect Bohumír Čermák. It has remained almost unchanged from the outside – an L-shaped building with flat roofs. The interior has been renovated and the property now offers a multi-purpose use - it serves three floors of office, service and retail premises. Moreover the parking area is placed in front of the property. The property has over 2,000 sqm of lettable space and is located in Brno, Zábrdovice on the corner of Lazaretní Street. The property is fully let to tenants such as EURO ACCESSORIES, s.r.o., Aero Vodochody, BJP Strore (official merchandise of the UFC champion Jiřího Procházky), CEVRE, etc.

Land bank

Key Figures – December 2023

952 million	€
Property value	

18,266,000	sqm
Total area	

Land bank is comprised of an extensive portfolio of land plots primarily in the Czech Republic. Plots are often in attractive locations, either separate or adjacent to existing commercial buildings or in the city centre and their value continues to increase with the growth of surrounding infrastructure. Out of the total plots area, approximately 12.6% are with zoning.

LAND BANK 31 December 2023	Total area thds. sqm	Area with zoning thds. Sqm	Area without zoning thds. Sqm	PP value € million	PP value %	Outstanding financing € million
Czech Republic	18,252	2,294	15,958	952	99.9%	29
Poland	14	14	--	0.4	0.1%	--
THE GROUP	**18,266**	**2,308**	**15,958**	**952**	**100%**	**29**

LAND BANK 31 December 2022	Total area thds. sqm	Area with zoning thds. Sqm	Area without zoning thds. Sqm	PP value € million	PP value %	Outstanding financing € million
Czech Republic	17,977	2,019	15,958	930	99.9%	--
Poland	14	14	--	0.4	0.1%	--
THE GROUP	**17,991**	**2,033**	**15,958**	**930**	**100%**	**--**

The landbank portfolio includes:

- **Former brownfield:**
  (1) **Praga** in Prague amounting to circa 64,200 sqm, which are zoned, are prepared for residential development;
  (2) **Nová Zbrojovka** in Brno with over 230,300 sqm that will be used for mixed development (Commercial & Residential).
- **Bubny** located close to the city centre. Bubny remains the last brownfield plot in the centre of Prague and the Group intends to develop mixed-use area consisting of residential and commercial units, offices and shops as well as educational, medical, and cultural facilities. In addition, a modern train terminal at Vltavská metro station and large green spaces will be incorporated. The main goal for the mid-term period is to continue the process of changing the Bubny masterplan. The plot of Bubny amounting to over 200,000 sqm of land in Prague 7 is at the core of the commercial development pipeline in Central Europe.
  On 26 June 2018, the Group disposed of an 80% stake of Bubny Development, s.r.o. In accordance with IFRS 10, through its remaining 20% stake the Group retained control over this subsidiary which is why it is consolidated by the Company.
- **Land plot Holešovice** (at the metro line C, station Nádraží Holešovice) of 10,000 sqm is strategically located nearby the Group's existing landbank in Bubny. The land plot was leased back to the seller and will continue to operate as a bus terminal.

- **Žižkov land plot** is located to the north of Hartigova Street in the Žižkov district, Prague 3. The land of over 15,000 sqm can be used for the development of multi-functional buildings with a mix of residential and commercial use. A building permit has been already issued for the residential development.

During 2023, the Group extended its land plots area in the Czech Republic by 290,000 sqm. On the other hand, the Group sold 6,000 sqm of the Czech land plots in the Czech Republic.

Residential

Key Figures – December 2023

51 million	€
Property value	

7	
Number of units	

The Group currently owns 7 residential units. Two of them are located in the district of Saint-Anne and Mont Boron in France. A building with five residential units is located on Piazza della Pigna in Rome, Italy.

RESIDENTIAL 31 December 2023	PP value € million	PP value %	Occupancy* %	No. of units	No. of rented units	Outstanding financing € million
France	26	51%	0.0%	2	--	21
Italy	25	49%	0.0%	5	--	--
The GROUP	**51**	**100%**	**0.0%**	**7**	**--**	**21**

** Occupancy based on rented units*

RESIDENTIAL 31 December 2022	PP value € million	PP value %	Occupancy* %	No. of units	No. of rented units	Outstanding financing € million
France	27	53%	0.0%	2	--	21
Italy	25	47%	0.0%	5	--	--
The GROUP	**52**	**100%**	**0.0%**	**7**	**--**	**21**

** Occupancy based on rented units*

- **Villa Lou Paradou**

Neo provençal style villa dating from the 1970's is exposed to the SouthWest side and it is used as residential accommodation. It consists of walkup basement, a ground floor with an adjoining service house (studio) below the main house and a swimming pool. There is also a horse stable at the entrance of the property.

- **Villa Mas Du Figuer**

The property consists of a private villa used as residential accommodation, arranged over a basement, a ground floor and first upper floor. There is also a guest house (comprised of 4 bedrooms and a guard house), a gym and a garage. The outside facilites include two swimming-pools and a tennis court.

- **Residential property Piazza della Pigna**

The sixteenth-century building has five above-ground floors, a warehouse and car parking on the underground level, and a winter garden on the ground floor. The rooms are arranged around a staircase that connects the five floors, all decorated with high quality finishes and exquisite marble and wood inlays.

CPI FIM

Hotels

Key Figures – December 2023

25 million	€
Property value	

1	
Number of properties	

97	
Number of rooms	

In 2021, the Group acquired the Acaya resort in Puglia, Italy.

HOTELS 31 December 2023	No. of properties	No. of rooms	PP value € million	PP value %	Outstanding financing € million
Italy	1	97	25	100%	--
The GROUP	**1**	**97**	**25**	**100%**	**--**

HOTELS 31 December 2022	No. of properties	No. of rooms	PP value € million	PP value %	Outstanding financing € million
Italy	1	97	26	100%	--
The GROUP	**1**	**97**	**26**	**100%**	**--**

- **Hotel Acaya**

The Acaya resort is surrounded by the natural oasis of Le Cesine, with its extraordinary biodiversity, and is located less than five kilometres from the Adriatic Sea. It offers 97 rooms and suites, an 18-hole golf course, a football pitch, an extraordinary 1,200 sqm spa, indoor and outdoor pools.

Retail

Key Figures – December 2023

2 million €	1
Property value	Number of properties

500 sqm
Gross leasable area

The Group currently owns about 500 sqm of a rentable space suitable for a fast food operator. In October 2021, the space was provided to McDonald's, which also offers a drive-thru service. The lease agreement with McDonald's was signed until September 2041. The property is located in the Vysočany district, Prague.

RETAIL 31 December 2023	Nº of properties	PP value € million	PP value %	GLA thds. sqm	Occupancy %	Rent per sqm €	Outstanding financing € million
Czech Republic	1	2	100%	0.5	100%	19.7	--
The GROUP	**1**	**2**	**100%**	**0.5**	**100%**	**19.7**	**--**

RETAIL 31 December 2022	Nº of properties	PP value € million	PP value %	GLA thds. sqm	Occupancy %	Rent per sqm €	Outstanding financing € million
Czech Republic	1	2	100%	0.5	100%	17.6	--
The GROUP	**1**	**2**	**100%**	**0.5**	**100%**	**17.6**	**--**

Development

Key Figures – December 2023

28,000	sqm
Potential gross saleable/ leasable area	

61 million	€
Development	

During the second half of 2022, the Group started the development project Kolbenova in Prague 9 - Vysočany. The project is divided into four phases. Phase 1 was started in May 2022 and is expected to be completed in Q2 2024. In total, the project will comprise seven residential buildings with approximately 1,000 modern apartments, ranging from small studio apartments to large 3-bedroom apartments. Most apartments will have a balcony, terrace or green terrace, a reserved parking space and basement storage.

DEVELOPMENT 31 December 2023	Nº of properties	Potential GSA/GLA thds. sqm	Development € million	Development %	Outstanding financing € million
Czech Republic	1	28	61	100%	--
THE GROUP	**1**	**28**	**61**	**100%**	**--**

DEVELOPMENT 31 December 2022	Nº of properties	Potential GSA/GLA thds. sqm	Development € million	Development %	Outstanding financing € million
Czech Republic	1	12	13	100%	--
THE GROUP	**1**	**12**	**13**	**100%**	**--**

FINANCING

Cash and cash equivalents

As at 31 December 2023, cash and cash equivalents consist of cash at bank of €83.6 million (2022: €104.1 million) and cash on hand of €2 thousand (2022: €2 thousand).

Financial liabilities

Financial debts amount to €5,156.9 million, including mainly loans from CPIPG (€4,146.8 million).

Compared to 31 December 2022, financial debts increased by €257.1 million in 2023, mainly due to new bank financing in Poland. The balance of the loans received from the Group's parent company CPI PG decreased from €4,298.1 million as at 31 December 2022 to €4,146.8 million as at 31 December 2023. The loans bear interest rate between 0.65% - 6.12% p.a.

RESULTS AND NET ASSETS

Income statement

Income statement for the year ended 31 December 2023 is as follows:

	12 month period ended	
	31 December 2023	**31 December 2022**
Gross rental income	35,948	34,685
Service charge and other income	14,307	11,150
Cost of service and other charges	(13,463)	(10,449)
Property operating expenses	(3,951)	(3,485)
Net service and rental income	**32,841**	**31,901**
Hotel revenue	841	597
Hotel operating expenses	(744)	(480)
Net service and rental income	**97**	**117**
Revenue from other business operations	4,142	-
Related operating expenses	(4,246)	-
Net income from other business operations	**(104)**	-
Total revenues	55,238	46,432
Total direct business operating expenses	(22,404)	(14,414)
Net business income	**32,834**	**32,018**
Net valuation gain/(loss) on investment property	(18,487)	62,674
Net gain on the disposal of investment property and subsidiaries	1,261	7,839
Amortization, depreciation and impairments	(1,067)	(2,726)
Administrative expenses	(7,638)	(6,679)
Other operating income	330	513
Other operating expenses	(165)	(554)
Operating result	**7,068**	**93,085**
Interest income	267,760	215,972
Interest expense	(148,952)	(125,827)
Other net financial result	(29,709)	35,826
Net finance income	**89,099**	**125,971**
Share of profit of equity-accounted investees (net of tax)	215	1,481
Profit before income tax	**96,382**	**220,537**
Income tax expense	(49,949)	(39,892)
Net profit from continuing operations	**46,433**	**180,645**

Service charge and other income

Service charge and other income increased to €14.3 million in 2023 (2022: €11.2 million). The increase is due to the increase in income charged by Poland offices of EUR 3.0 million.

Net valuation gain

The net valuation loss amounts to €18.5 million (valuation gain €62.7 million in 2022) and comprised of valuation gain of €44.8 million and valuation loss of €63.3 million. The valuation gain was mainly attributable to the Czech property portfolio (€43.8 million). The gain was driven primarily by the zoning approvals, for more details please refer to note 7.5 of the Consolidated Financial Statements as at 31 December 2023. Valuation loss was mainly realized on Poland property portfolio (€58.7 million).

Administrative expenses

Administrative expenses increased to €7.6 million in 2023 compared to €6.7 million in 2022. In 2023, administrative expenses increase due to management services provided to CPI FIM by related parties.

Net finance income

Total net finance income has decreased from €126.0 million in 2022 to €89.1 million in 2023. The interest income increased from €216.0 million in 2022 to €267.8 million in 2023. The increase in interest income reflects the increase of interest rates in loans provided by the Company to entities within the CPIPG Group and other related parties. The interest expense increased from €125.8 million in 2022 to €149.0 million in 2023. The increase in interest expense reflects the increase in loans received by the Company from entities within the CPIPG Group and other related parties.

The other net financial result has decreased from a gain of €35.8 million in 2022 to a loss of €29.7 million in 2023. The net foreign exchange gain was driven by retranslation of loans provided to related parties in foreign currencies.

Balance sheet

Balance sheet as at 31 December 2023 corresponds to consolidated financial statements.

	31 December 2023	31 December 2022
NON-CURRENT ASSETS		
Intangible assets	918	842
Investment property	1,589,610	1,640,110
Property, plant and equipment	2,494	2,752
Equity accounted investees	16,939	9,724
Other investments	54,571	61,655
Loans provided	4,319,000	4,568,394
Trade and other receivables	72	76
Deferred tax asset	92,933	120,370
Total non-current assets	**6,076,537**	**6,403,923**
CURRENT ASSETS		
Inventories	50,344	402
Current tax receivables	1,466	522
Derivative instruments	1,810	13,730
Trade receivables	7,942	6,074
Loans provided	719,276	144,579
Cash and cash equivalents	83,602	104,082
Other receivables	238,917	188,058
Other non-financial assets	11,231	6,254
Total current assets	**1,114,588**	**463,701**
TOTAL ASSETS	**7,191,125**	**6,867,624**
EQUITY		
Equity attributable to owners of the Company	1,457,147	1,408,219
Non-controlling interests	467	310,726
Total equity	**1,457,614**	**1,718,945**
NON-CURRENT LIABILITIES		
Financial debts	4,965,233	4,653,862
Deferred tax liability	164,808	149,139
Other financial liabilities	14,033	5,383
Total non-current liabilities	**5,144,074**	**4,808,384**
CURRENT LIABILITIES		
Financial debts	191,718	246,013
Trade payables	22,514	12,623
Income tax liabilities	437	10,063
Other financial liabilities	373,553	70,307
Other non-financial liabilities	1,215	1,289
Total current liabilities	**589,437**	**340,295**
TOTAL EQUITY AND LIABILITIES	**7,191,125**	**6,867,624**

Total assets and total liabilities

Total assets increased by €323.5 million (5%) to €7,191.1 million as at 31 December 2023. The main reason is the increase of short-term loans provided to entities within the CPIPG Group.

Non-current and current liabilities total €5,733.5 million as at 31 December 2023 which represents an increase of €584.8 million (11.3%) compared to 31 December 2022. The main driver was an increase of loans provided to CPIPG SA.

EPRA NRV (former EPRA NAV) and EPRA NDV (former EPRA NNNAV)

In October 2019, the European Public Real Estate Association (EPRA) published new Best Practice Recommendations (BPR). EPRA Net Asset Value (NAV) and EPRA Triple Net Asset Value (NNNAV) are replaced by three new Net Asset Valuation metrics: EPRA Net Reinstatement Value (NRV), EPRA Net Tangible Assets and EPRA Net Disposal Value (NDV). The Company provides below the calculation of EPRA NRV as an equivalent of former EPRA NAV and the calculation of EPRA NDV as an equivalent of former EPRA NNNAV.

As at 31 December 2023, the consolidated equity increased by €48.9 million. The main driver of this increase is the profit for the period amounting to €46.4 million and an increase of translation reserve by €17.5 million. On the other hand, revaluation reserve decreased by €7.1 million and hedging reserve decreased by €6.5 million and there is an effect of purchase of NCI by €1.4 million.

The EPRA Net Reinstatement Value per share as at 31 December 2023 is €1.23 compared to €1.19 as at 31 December 2022.

	31 December 2023	31 December 2022
Consolidated equity	**1,457,147**	**1,408,219**
Deferred taxes on revaluations	162,212	150,758
EPRA Net reinstatement value	**1,619,360**	**1,558,977**
Existing shares (in thousands)	1,314,508	1,314,508
Net reinstatement value in € per share	1.23	1.19
EPRA Net reinstatement value	**1,619,360**	**1,558,977**
Deferred taxes on revaluations	(162,212)	(150,758)
EPRA Net disposal value	**1,457,147**	**1,408,219**
Fully diluted shares	1,314,508	1,314,508
Net disposal value in € per share	1.11	1.07

The EPRA Net Disposal Value amounts to €1.11 per share as at 31 December 2023 compared to €1.07 at the end of 2022.

CORPORATE GOVERNANCE

Principles

Good corporate governance improves transparency and the quality of reporting, enables effective management control, safeguards shareholder interests and serves as an important tool to build corporate culture. The Company is dedicated to acting in the best interests of its shareholders and stakeholders. Toward these ends, it is recognized that sound corporate governance is critical. The Company is committed to continually and progressively implementing industry best practices with respect to corporate governance and has been adjusting and improving its internal practices in order to meet evolving standards. The Company aims to communicate regularly to its shareholders and stakeholders regarding corporate governance and to provide regular updates on its website.

Since the Company was founded in 1991, its accounts have been audited regularly each year. KPMG served as auditor of the Company since 2013. In 2019, the Company tendered for a new auditor. The Company´s Audit Committee recommended an appointment of Ernst & Young S.A., Luxembourg as the Group's new auditor for the financial year commencing on 1 January 2019, which was approved by the shareholders' general meeting. The AGM resolved unanimously to appoint Ernst & Young S.A., Luxembourg, as the approved auditor (réviseur d'entreprises agréé) of the Company until the annual general meeting of shareholders of the Company to be held in 2024.

In addition, the Company's portfolio of assets is regularly evaluated by independent experts.

In 2007, the Company's Board of Directors adopted the Director's Corporate Governance Guide and continues to communicate throughout the Group based on the values articulated by this guide. As a company incorporated in Luxembourg, the Company's primary regulator is the Commission de Surveillance du Secteur Financier (the "CSSF"). The Company's procedures are designed to comply with applicable regulations, in particular those dealing with market abuse. The Company also has a risk assessment procedure designed to identify and limit risk. In addition, the Company aims to implement corporate governance best practices inspired by the recommendations applicable in Luxembourg and Poland.

On 23 May 2012, the Board of Directors elected the Ten Principles and their Recommendations of the Luxembourg Stock Exchange as a reference for its Corporate Governance Rules (https://www.bourse.lu/corporate-governance).

The Company's parent company CPIPG has implemented industry best practices with respect to corporate governance policies and external reporting. In 2019, the CPIPG Group approved the "Code of Business Ethics and Conduct of CPI Property Group" and also newly updated policies governing procurement, supplier and tenants' conduct, anti-bribery and corruption, anti-money laundering, sanctions and export controls, whistleblowing, human capital and employment and ESG. In 2022, the Group adopted a new group policy governing anti-trust compliance.

In 2023, the CPIPG Group began a comprehensive periodical review of its policies to ensure a continuous update and improvement in the area of regulatory and corporate compliance. The CPIPG Group is also revising its whistle blowing directives at local levels in alignment with the delayed transpositions of the EU Whistleblower Directive into local laws, ensuring robust mechanisms for reporting and addressing concerns of the CPIPG Group's stakeholders. Additionally, the CPIPG Group updated its Code of Conduct for Suppliers to reinforce the CPIPG Group's commitment to ascertain responsible business practices throughout its supply chain. Furthermore, the CPIPG Group initiated a programme to implement the new EU NIS2 Directive requirements. These efforts underscore the CPIPG Group's dedication to fostering a culture of integrity, accountability, and compliance across all facets of its operations.

Board of Directors

The Company is administered and supervised by a Board of Directors made up of at least three members .

Appointment of Directors

The Directors are appointed by the general meeting of shareholders for a period of office not exceeding six years. They are eligible for re-election and may be removed at any time by decision of the general meeting of shareholders by simple majority vote. In the event of a vacancy in the office of a Director, the remaining Directors may provisionally fill such vacancy, in which case the general meeting of shareholders will hold a final election at the time of its next meeting.

Current Board of Directors

As at 31 December 2023 the Board of Directors consisted of: 2 members representing the management of CPIPG Group, Mr. David Greenbaum and Mrs. Anita Dubost, and 2 independent members, Mr. Edward Hughes and Mr. Scot Wardlaw.

Anita Dubost, 1979 , Tax Manager, executive member.

Anita Dubost was appointed to the Board of Directors in May 2019. Before joining CPIPG, she worked at Tristan Capital Partners as Senior Tax Manager within the Luxembourg Operations team. In her role she was in charge of overseeing the tax structuring of the Tristan-managed funds. She was also a member of the Investment Committee. Anita began her career at Atoz (member of the international Tax and network) where she was Senior Associate advising multi-national clients. Anita holds a Master's Degree in Law and in Business Administration specialized in finance and tax.

David Greenbaum, 1977, Chief Executive Officer of CPI Property Group, executive member.

David Greenbaum was appointed to the Board of Directors in May 2019. Before joining CPIPG, he worked for nearly 16 years at Deutsche Bank, where he was most recently co-head of debt capital markets for the CEEMEA region. David began his career at Alliance Capital Management in 1999. In 2000 he joined Credit Suisse First Boston before moving to Deutsche Bank in 2002. David graduated magna cum laude from Cornell University with a degree in English language and literature.

Edward Hughes, 1966, independent, non-executive member.

Edward Hughes has been a member of the Board of Directors since March 2014. He has been engaged in real estate investment, consultancy and brokerage activities in Central Europe for more than 20 years. Edward is an experienced real estate and finance professional having engaged in many significant asset acquisition, and development projects in the region. Edward is a Chartered Accountant, after starting his career with Arthur Andersen (London – 1988), in September 1991 he transferred to the Prague office. Since this time, he has been almost exclusively focused on Central Europe including during his employment as an Associate Director of GE Capital Europe. Edward is a graduate of Trinity College, Dublin where he majored in Business and Economics with Honours (1988).

Scot Wardlaw, 1967, independent, non-executive member.

Scot Wardlaw was appointed to the Board of Directors in May 2020. Scot has over two decades experience in project and process management in the fields of IT, software and product development in an international environment. He currently serves as Managing Director for various real estate investment platforms based in Luxembourg and is part of Central Business Development at SIMRES Real Estate where he manages the group's strategic development. Scot graduated magna cum laude from Savannah College of Art & Design with a degree in Computer Art and Art History.

The current members of the Board of Directors are appointed until the annual general meeting of 2024 concerning the approval of the annual accounts of the Company for the financial year ending 31 December 2023.

The independent directors are not involved in management, are not employees or advisors with a regular salary and do not provide professional services such as external audit services or legal advice. Furthermore, they are not related persons or close relatives of any management member or majority shareholder of the Company.

The Board of Directors meetings are held as often as deemed necessary or appropriate. All members, and in particular the independent and non-executive members, are guided by the interests of the Company and its business, such interests including but not limited to the interests of the Company's shareholders and employees.

Powers of the Board of Directors

The Board of Directors represents the shareholders and acts in the best interests of the Company. Each member, whatever his/her designation, represents the Company's shareholders.

The Board of Directors is empowered to carry out all and any acts deemed necessary or useful in view of the realization of the corporate purpose; all matters that are not reserved for the general meeting by law or by the present Articles of Association shall be within its competence. In its relationship with third parties, the Company shall even be bound by acts exceeding the Company's corporate purpose, unless it can prove that the third party knew such act exceeded the Company's corporate purpose or could not ignore this taking account of circumstances.

Deliberations

The Board of Directors may only deliberate if a majority of its members are present or represented by proxy, which may be given in writing, by telegram, telex or fax. In cases of emergency, the Directors may vote in writing, by telegram, telex, fax, electronic signature or by any other secured means.

The decisions of the Board of Directors must be made by majority vote; in case of a tie, the Chairman of the meeting shall have the deciding vote.

Resolutions signed unanimously by the members of the Board of Directors are as valid and enforceable as those taken at the time of a duly convened and held meeting of the Board.

The Board will regularly evaluate its performance and its relationship with the management. During 2023, the Board held 10 meetings, with all members being present or represented.

Delegations of powers to Managing Directors

The Board of Directors may delegate all or part of its powers regarding the daily management as well as the representation of the Company with regard to such daily management to one or more persons (administrateur délégué), who need not be Directors (a "Managing Director"). The realization and the pursuit of all transactions and operations basically approved by the Board of Directors are likewise included in the daily management of the Company. Within this scope, acts of daily management may include particularly all management and provisional operations, including the realization and the pursuit of acquisitions of real estate and securities, the establishment of financings, the taking of participating interests and the placing at disposal of loans, warranties and guarantees to group companies, without such list being limited.

As at 31 December 2023, David Greenbaum and Pavel Měchura are elected as Managing Directors (administrateurs délégués) of the Company.

Signatory powers within the Board of Directors

The Company may be legally bound either by the joint signatures of any two Directors or by the single signature of a Managing Director.

Special commitments in relation to the election of the members of the Board of Directors

The Company is not aware of commitments that are in effect as of the date of this report by any parties relating to the election of members of the Board of Directors.

Management of the Company

The management is entrusted with the day-to-day running of the Company and among other things to:

- be responsible for preparing complete, timely, reliable and accurate financial reports in accordance with the accounting standards and policies of the Company;
- submit an objective and comprehensible assessment of the company's financial situation to the Board of Directors;
- regularly submit proposals to the Board of Directors concerning strategy definition;
- participate in the preparation of decisions to be taken by the Board of Directors;
- supply the Board of Directors with all information necessary for the discharge of its obligations in a timely fashion;
- set up internal controls (systems for the identification, assessment, management and monitoring of financial and other risks), without prejudice to the Board's monitoring role in this matter; and
- regularly account to the Board for the discharge of its responsibilities.

The members of the management meet on a regular basis to review the operating performance of the business lines and the containment of operating expenses.

As at 31 December 2023, the Company's management consisted of the following members:

David Greenbaum, Managing Director,

Pavel Měchura, Managing Director,

Erik Morgenstern, Chief Financial Officer,

Anita Dubost, Tax Manager.

Committees of the Board of Directors

As at 31 December 2023 the Board of Directors has the following committees:

- Audit Committee; and
- Remuneration, Appointment and Related Party Transaction Committee.

The implementation of decisions taken by these committees enhances the Company's transparency and corporate governance.

Independent and non-executive directors are always in the majority of the members of these committees.

Audit Committee

The Audit Committee is now comprised of Mr. Edward Hughes, Mr. Scot Wardlaw, and Mrs. Anita Dubost. Mr. Edward Hughes is the president of the Audit Committee.

The Audit Committee reviews the Company's accounting policies and the communication of financial information. In particular, the Audit Committee follows the auditing process, reviews and enhances the

Company's reporting procedures by business lines, reviews risk factors and risk control procedures, analyzes the Company's group structure, assesses the work of external auditors, examines consolidated accounts, verifies the valuations of real estate assets, and audits reports. The Audit Committee has therefore invited persons whose collaboration is deemed to be advantageous to assist it in its work and to attend its meetings.

During 2023, the Audit Committee held 4 meetings (with 100% attendance).

Remuneration, Appointment and Related Party Transaction Committee

Following the changes in the Board of Directors composition in 2020 the Remuneration, Appointment and Related Party Transaction Committee (the "Remuneration Committee") is now comprised of Mr. Edward Hughes, Mr. Scot Wardlaw, and Mr. David Greenbaum. Mr. Edward Hughes is the president of the Remuneration Committee.

The Remuneration Committee presents proposals to the Board of Directors about remuneration and incentive programs to be offered to the management and the Directors of the Company. The Remuneration Committee also deals with related party transactions.

The role of the Remuneration Committee is, among other things, to submit proposals to the Board regarding the remuneration of executive managers, to define objective performance criteria respecting the policy fixed by the Company regarding the variable part of the remuneration of top management (including bonus and share allocations, share options or any other right to acquire shares) and that the remuneration of non-executive Directors remains proportional to their responsibilities and the time devoted to their functions.

During 2023, the role of the Remuneration Committee has been assumed directly by the Board of Directors.

Description of internal controls relative to financial information processing.

The Company has organized the management of internal control by defining control environment, identifying the main risks to which it is exposed together with the level of control of these risks, and strengthening the reliability of the financial reporting and communication process.

Control Environment

For the annual closure, the Company's management completes an individual questionnaire so that any transactions they have carried out with the Company as "Related parties" can be identified.

The Audit Committee has a specific duty in terms of internal control; the role and activities of the Audit Committee are described in this Management Report.

Remuneration and benefits

Board of Directors

See note 1 of the Consolidated financial statements as at 31 December 2023.

Corporate Governance rules and regulations

In reference to the information required by paragraphs (a) to (k) of Article 11(1) of the Law of 19 May 2006 transposing Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids, the Board of Directors states the following elements:

(a) The structure of the capital, including securities which are not admitted to trading on a regulated market in a Member State, where appropriate with an indication of the different classes of shares and, for each class of shares, the rights and obligations attaching to it and the percentage of total share capital that it represents:

The share capital of the Company is represented by only one class of shares carrying the same rights.

Out of 1,314,507,629 Company shares outstanding, the 314,507,629 Company shares (registered under ISIN LU0122624777, representing app. 23.9% of the total share capital) have been admitted to trading on the regulated markets of the Luxembourg Stock Exchange and the Warsaw Stock Exchange.

(b) Any restrictions on the transfer of securities, such as limitations on the holding of securities or the need to obtain the approval of the company or other holders of securities, without prejudice to Article 46 of Directive 2001/34/EC:

There is no restriction on the transfer of securities of the Company as at 31 December 2023.

(c) Significant direct and indirect shareholdings (including indirect shareholdings through pyramid structures and cross-shareholdings) within the meaning of Article 85 of Directive 2001/34/EC:

To the best of the Company's knowledge, the following table sets out information regarding the ownership of the Company's shares as at 31 December 2023. The information collected is based on the notifications received by the Company from any shareholder crossing the thresholds of 5%, 10%, 15%, 20%, 33 1/3%, 50% and 66 2/3% of the aggregate voting rights in the Company.

Shareholder	Number of shares	% of capital / voting rights
CPI PROPERTY GROUP (directly)	1,279,198,976	97.31%
Others	35,308,653	2.69%
Total	**1,314,507,629**	**100.0%**

(d) The holders of any securities with special control rights and a description of those rights:

None of the Company's shareholders has voting rights different from any other holders of the Company's shares. On 8 June 2016 CPI Property Group's fully owned subsidiary Nukasso Holdings Limited directly and indirectly acquired approximately 97.31% of shares in the Company. As a consequence, Nukasso Holdings Limited from the CPI Property Group became obliged to launch a mandatory takeover bid to purchase any and all of the ordinary shares of the Company (the "Mandatory Takeover Offer"). On 22 August 2016, the Czech Office for the Protection of Competition granted the merger clearance for the acquisition of the Company by CPI Property Group, whereas its decision became final and binding on 23 August 2016.

On 8 December 2017 the CSSF published press releases in which it stated, inter alia, that it has decided not to approve the offer document in the Mandatory Takeover Offer as a consequence of the existence of an undisclosed concern action with respect to the Company. On 15 March 2018 the CSSF published a press release informing that the decisions detailed in the above-mentioned CSSF press releases of 8 December 2017 have been challenged before the Luxembourg administrative courts.

As of the date of this report, the Company has not received any formal decision in relation to the Mandatory

Takeover Offer.

(e) The system of control of any employee share scheme where the control rights are not exercised directly by the employees:

This is not applicable. The Company has no employee share scheme.

(f) Any restrictions on voting rights, such as limitation on the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the Company's cooperation, the financial rights attaching to securities are separated from the holding of securities:

There is no restriction on voting rights.

(g) Any agreements between shareholders which are known to the company and may result in restrictions on the transfer of securities and/or voting rights within the meaning of Directive 2001/34/EC:

To the knowledge of the Company, no shareholder agreements have been entered by and between shareholders that are in effect as of the date of this report. 97.31% of shares in the Company are held directly by CPI PROPERTY GROUP.

(h) the rules governing the appointment and replacement of board members and the amendment of the articles of association:

See section Appointment of Directors of this report.

(i) the powers of board members, and in particular the power to issue or buy back shares:

The Company has no authorized but unissued and unsubscribed share capital in addition to the issued and subscribed corporate capital of €13,145,076.29.

On 30 May 2022, the AGM of shareholders of the Company approved the terms and conditions of the share buy-back programme of the Company. The Company itself, or through a company in which the Company holds directly the majority of the voting rights, or through a person acting in their own name but for the account of the Company may repurchase, in one or several steps, a maximum of 35,308,653 shares of the Company, for a purchase price in the range between €0.01 per share to €5 per share.

The shares may be repurchased on the Luxembourg Stock Exchange or the Warsaw Stock Exchange or directly from existing and/or future shareholders by consensual or private sale. The duration of the share buy-back programme is 5 years from the AGM of shareholders of the Company which was held on 30 May 2022.

(j) any significant agreements to which the company is a party and which take effect, alter or terminate upon a change of control of the company following a takeover bid, and the effects thereof, except where their nature is such that their disclosure would be seriously prejudicial to the company; this exception shall not apply where the company is specifically obliged to disclose such information on the basis of other legal requirements:

Under the Securities Note and Summary dated 22 March 2007, with respect to the issue of the 2014 Warrants, the occurrence of a Change of Control (as described in Condition 4.1.8.1.2.1 of the Securities Note and Summary dated 22 March 2007) could result in a potential liability for the Company due to “Change of Control Compensation Amount”.

On 10 June 2016 the Company received a major shareholder notification stating that NUKASSO (CYP) and CPI PROPERTY GROUP, which are ultimately held by Mr. Radovan Vitek, hold directly and indirectly 1,279,198,976 of the Company’s shares corresponding to 97.31% of voting rights as at 8 June 2016. Accordingly, the Company issued a Change of Control Notice notifying the holders of the 2014 Warrants that the Change of Control, as defined in the Securities Note and the Summary for the 2014 Warrants, occurred on 8 June 2016.

In accordance with the judgement of the Paris Commercial Court (the “Court”) pronounced on 26 October 2015 concerning the termination of the Company’s Safeguard Plan, liabilities that were admitted to the Safeguard, but are conditional or uncalled (such as uncalled bank guarantees, conditional claims of the holders of 2014 Warrants registered under ISIN code XS0290764728, provided that they were admitted to the Safeguard plan), will be paid according to their contractual terms. Pre-Safeguard liabilities that were not admitted to the Company’s Safeguard will be unenforceable. As such, only claims of holders of the 2014 Warrants, whose potential claims were admitted to the Company’s Safeguard Plan, could be considered in respect of the present Change of Control. Claims of holders of the 2014 Warrants that were not admitted to the Company’s Safeguard will be unenforceable against the Company.

On 9 March 2023 the Luxembourg Court issued a judgment, rejecting the claims of the holders of the 2014 Warrants. The Luxembourg Court confirmed that any claim in relation to the change of control provision had to be made, in accordance with the provisions of the French Commercial Code, within 2 months as from the date of publication of the judgement opening the Safeguard Procedure in the French Official Gazette. Since the claimants did not comply with this obligation, their claim for payment under the change of control provision is not well-founded and has to be rejected. The claimants did not appeal, and the case is closed now.

Certain financing documentation entered into between the Group and financing banks could contain standard change of control clauses.

To the knowledge of the Company, no other agreements have been entered into by the Company.

(k) any agreements between the company and its board members or employees providing for compensation if they resign or are made redundant without valid reason or if their employment ceases because of a takeover bid:

As at 31 December 2023, there are no potential termination indemnity payments in place payable to the members of the Company's management in the event of termination of their contracts in excess of the compensation as required by the respective labour codes.

Additional information

Legal form and share capital

CPI FIM is a public limited company ("société anonyme") incorporated and existing under Luxembourg law. Its corporate capital, subscribed and fully paid-up capital of €13,145,076.29 is represented by 1,314,507,629 shares without nominal value. The accounting par value price is €0.01 per share.

Date of incorporation and termination

The Company was incorporated by deed drawn on 9 September 1993 by Maître Frank Baden, for an indeterminate period of time.

Jurisdiction and applicable laws

The Company exists under the Luxembourg Act of 10 August 1915 on commercial companies, as amended.

Object of business

As described in article 4 of the updated Articles of Association of the Company, its corporate purpose is the direct acquisition of real estate, the holding of ownership interests and the making of loans to companies that form part of its group. Its activity may consist in carrying out investments in real estate, such as the purchase, sale, construction, valorization, management and rental of buildings, as well as in the promotion of real estate, whether on its own or through its branches.

It has as a further corporate purpose the holding of ownership interests, in any form whatsoever, in any commercial, industrial, financial or other Luxembourg or foreign companies, whether they are part of the group or not, the acquisition of all and any securities and rights by way of ownership, contribution, subscription, underwriting or purchase options, or negotiation, and in any other way, and in particular the acquisition of patents and licenses, their management and development, the granting to undertakings in which it holds a direct or indirect stake of all kinds of assistance, loans, advances or guarantees and finally all and any activities directly or indirectly relating to its corporate purpose. It may thus play a financial role or carry out a management activity in enterprises or companies it holds or owns.

The Company may likewise carry out all and any commercial, property, real estate and financial operations likely to relate directly or indirectly to the activities defined above and susceptible to promoting their fulfillment.

Trade register

RCS Luxembourg B 44 996.

Financial year

The Company's financial year begins on the first day of January and ends on the thirty-first day of December.

Distribution of profits and payment of dividends

Each year, at least five per cent of the net corporate profits are set aside and allocated to a reserve. Such deduction ceases being mandatory when such reserve reaches ten per cent of the corporate capital, but will resume whenever such reserve falls below ten per cent. The general meeting of shareholders determines the allocation and distribution of the net corporate profits.

Payment of dividends:

The Board of Directors is entitled to pay advances on dividends when the legal conditions listed below are fulfilled:

- an accounting statement must be established which indicates that the available funds for the distribution are sufficient;
- the amount to be distributed may not exceed the amount of revenues since the end of the last accounting year for which the accounts have been approved, increased by the reported profits and by the deduction made on the available reserves for this purpose and decreased by the reported losses and by the sums allocated to reserves in accordance with any legal and statutory provision;
- the Board of Directors' decision to distribute interim dividends can only be taken within two months after the date of the accounting statement described above;
- the distribution may not be determined less than six months after the closing date of the previous accounting year and before the approval of the annual accounts related to this accounting year;
- whenever a first interim dividend has been distributed, the decision to distribute a second one may only be taken at least three months after the decision to distribute the first one; and
- the statutory and independent auditor(s) in its (their) report to the Board of Directors confirm(s)
- the conditions listed above are fulfilled.

Under general Luxembourg law, the conditions for making advances on dividends are less stringent than the conditions listed above, however, the more restrictive provisions of the Company's Articles of Association will prevail as the recent changes under Luxembourg law have not yet been reflected in the Articles of Association of the Company.

When an advance distribution exceeds the amount of dividend subsequently approved by the general meeting of shareholders, such advance payment is considered an advance on future dividends.

Exceeding a threshold

Any shareholder who crosses a threshold limit of 5%, 10%, 15%, 33 1/3%, 50% or 66 2/3% of the total of the voting rights must inform the Company, which is then obliged to inform the relevant controlling authorities. Any shareholder not complying with this obligation will lose his voting rights at the next general meeting of shareholders, and until proper majority shareholding notification is made.

Documents on display

Copies of the following documents may be inspected at the registered office of the Company (tel: +352 26 47 67 1), 40 rue de la Vallée, L-2661 Luxembourg, on any weekday (excluding public holidays) during normal business hours:

1. Articles of Association of the Company;

2. Audited consolidated financial statements of the Company as of and for the years ended 31 December 2023, 2022, and 2021, prepared in accordance with IFRS adopted by the European Union;

The registration document(s) and most of the information mentioned are available on the Company's website:

www.cpifimsa.com

The registration document(s) is available on the website of Luxembourg Stock Exchange: www.bourse.lu.

External Auditors

Ernst & Young S.A., Luxembourg was elected as the Group's new approved auditor (réviseur d'entreprises agréé) for the financial year commencing on 1 January 2019. The AGM resolved to approve Ernst & Young S.A., Luxembourg as auditors for the financial year ending 31 December 2023.

Reporting

The consolidated management report and the stand-alone management report are presented under the form of a sole report.

SHAREHOLDING

Share capital and voting rights

The subscribed and fully paid-up capital of the Company of €13,145,076.29 is represented by 1,314,507,629 shares without nominal value. The accounting par value is €0.01 per share.

The Company has no authorized but unissued and unsubscribed share capital in addition to the issued and subscribed corporate capital of €13,145,076.29.

All the shares issued by the Company are fully paid up and have the same value. The shares will be either in the form of registered shares or in the form of bearer shares, as decided by the shareholder, except to the extent otherwise provided by law.

The shareholder can freely sell or transfer the shares. The shares are indivisible and the Company only recognizes one holder per share. If there are several owners per share, the Company is entitled to suspend the exercise of all rights attached to such shares until the appointment of a single person as owner of the shares. The same applies in the case of usufruct and bare ownership or security granted on the shares.

Joint owners of shares must be represented within the Company by one of them considered as sole owner or by a proxy, who in case of conflict may be legally designated by a court at the request of one of the owners.

Shareholder holding structure

To the best of the Company's knowledge, the following table sets out information regarding the ownership of the Company's shares as at 31 December 2023. The information collected is based on the notifications received by the Company from any shareholder crossing the thresholds of 5%, 10%, 15%, 20%, 33 1/3%, 50% and 66 2/3% of the aggregate voting rights in the Company.

Shareholder	Number of shares	% of capital / voting rights
CPI PROPERTY GROUP (directly)	1,279,198,976	97.31%
Others	35,308,653	2.69%
Total	**1,314,507,629**	**100.0%**

Authorized capital not issued

The Company has no authorized but unissued and unsubscribed share capital in addition to the issued and subscribed corporate capital of €13,145,076.29.

POTENTIAL RISKS AND OTHER REPORTING REQUIREMENTS

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk, cash flow interest rate risk and other risks), credit risk and liquidity risk. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital.

The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

Supervision of the Group's risk is accomplished through discussions held by executive management in appropriate frameworks together with reporting and discussions with the Board of Directors.

Subsequent closing events

Please refer to note 11 of the Consolidated financial statements as at 31 December 2023.

Other reporting requirements

- The Company does not have any activities in research and development.
- The Company does not have any branches.

Financial risks exposure

For a thorough description of the principal risks and uncertainties, please refer to note 7 of the Consolidated financial statements as at 31 December 2023.

The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits.

Supervision of the Group's risk is accomplished through discussions held by executive management in appropriate frameworks together with reporting and discussions with the Board of Directors.

Certain subsidiaries may be in breach of loan covenants

As of the date of this report, none of the Company's subsidiaries are in breach of financial ratios specified in their respective loan agreements and administrative covenants.

The Group's financing arrangements could give rise to additional risk

When the Group acquires a property using external financing, the Group usually provides a mortgage over the acquired property and pledges the shares of the specific subsidiary acquiring the property. There can be no assurance that the registration of mortgages and pledges has been concluded in accordance with applicable local law, and a successful challenge against such mortgages or pledges may entitle the lender to demand early repayment of its loan to the Group. The Group's financing agreements contain financial covenants that could, among other things, require the Group to maintain certain financial ratios. In addition, some of the financing agreements require the prior written consent of the lender to any merger, consolidation or corporate changes of the borrower and the other obligors. Should the Group breach any representations, warranties or covenants contained in any such loan or other financing agreement, or otherwise be unable to service interest payments or principal repayments, the Group may be required immediately to repay such borrowings in whole or in part, together with any related costs. If the Group does not have sufficient cash resources or other credit facilities available to make such repayments, it may be forced to sell some or all of the properties comprising the Group's investment portfolio, or refinance those borrowings with the risk that borrowings may not be able to be refinanced or that the terms of such refinancing may be less favorable than the existing terms of borrowing.

Market risk

Foreign currency risk

Currency risk is applicable generally to those business activities and development projects where different currencies are used for repayment of liabilities under the relevant financing to that of the revenues generated by the relevant property or project. Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group is exposed to currency risk mainly on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of Group entities, primarily the CZK, but also others (see note 7.3 Market risk of the Consolidated financial statements as at 31 December 2023). The functional currency of most Group companies is the Czech koruna and a significant portion of revenues and costs are realised primarily in the Czech koruna.

For more detail, please refer to note 7.3 Foreign currency risk of the Consolidated financial statements as at 31 December 2023.

Price risk

To manage its price risk arising from investments in equity securities and such embedded derivatives, the Group diversifies its portfolio or only enters these operations if they are linked to operational investments.

For more detail, please refer to note 7.3 Price risk of the Consolidated financial statements as at 31 December 2023.

Interest rate risk

The Group uses fixed rate debt financing to finance the purchase, development, construction and maintenance of its properties. When floating rate financing is used, the Group's costs increase if prevailing interest rate levels rise. While the Group generally seeks to control its exposure to interest rate risks by entering into interest rate swaps, not all financing arrangements are covered by such swaps and a significant increase in interest expenses would have an unfavorable effect on the Group's financial results and may have a material adverse effect on the Group's business, financial condition, results of operations and prospects. Rising interest rates could also affect the Group's ability to make new investments and could reduce the value of the properties. Conversely, hedged interests do not allow the Company to benefit from falling interest rates.

For more detail, please refer to note 7.3 Interest rate risk of the Consolidated financial statements as at 31 December 2023.

Other risks

The Group is also exposed to property price and property rentals risk but it does not pursue any speculative policy. Even though the Group's activities are focused on one geographical area (Central Europe) such activities are spread over several business lines (residences, offices) and different countries.

Credit risk

The Group has no significant concentrations of commercial credit risk. Rental contracts are made with customers with an appropriate credit history. Credit risk is managed by local management and by Group management.

For more detail, please refer to note 7.1 Credit risk of the Consolidated financial statements as at 31 December 2023.

Liquidity risk

For more detail, please refer to note 7.2 Liquidity risk of the Consolidated financial statements as at 31 December 2023.

Capital management

For more detail, please refer to note 7.4 Capital management of the Consolidated financial statements as at 31 December 2023.

Risks associated with real estate and financial markets

Changes in the general economic and cyclical parameters may negatively influence the Group's business activity.

The Group's core business activity is mainly based on the letting and sale of real estate property. The revenues from rents and revenues from sales of real estate property investments are key figures for the Group's value and profitability. Rents and sales prices depend on economic and cyclical parameters, which the Group cannot control.

The Group's property valuations may not reflect the real value of its portfolio, and the valuation of its assets may fluctuate from one period to the next.

The Group's investment property portfolio is valued at least once a year by an independent appraiser. The Group's property assets were valued as at 31 December 2023. The change in the appraised value of investment properties, in each period, determined on the basis of expert valuations and adjusted to account for any acquisitions and sales of buildings and capital expenditures, is recorded in the Group's income statements. For each Euro of change in the fair value of the investment properties, the net income of the Group changes by one Euro. Changes in the fair value of the buildings could also affect gains from sales recorded on the income statement (which are determined by reference to the value of the buildings) and the rental yield from the buildings (which is equal to the ratio of rental revenues to the fair value of the buildings). Furthermore, adverse changes in the fair value of the buildings could affect the Group's cost of debt financing, its compliance with financial covenants and its borrowing capacity.

The values determined by independent appraisers are based on numerous assumptions that may not prove correct, and also depend on trends in the relevant property markets. An example is the assumption that the Company is a "going concern", i.e., that it is not a "distressed seller" whose valuation of the property assets may not reflect potential selling prices. In addition, the figures may vary substantially between valuations. A decline in valuation may have a significant adverse impact on the Group's financial condition and results, particularly because changes in property values are reflected in the Group's consolidated net profit. Conversely, valuations may be lagging soaring market conditions, inadequately reflecting the fair property values at a later time.

The Group is also exposed to valuation risk regarding the receivables from its asset sales. Management values these receivables by assessing the credit risk attached to the counterparties for the receivables. Any change in the credit worthiness of a counterparty or in the Group's ability to collect on the receivable could have a significant adverse impact on the Group's financial position and results.

Changing residential trends or tax policies may adversely affect sales of developments.

The Group is involved in residential, commercial and retail development projects. Changing residential trends are likely to emerge within the markets in Central and Eastern Europe as they mature and, in some regions, relaxed planning policies may give rise to over-development, thereby affecting the sales potential of the Group's residential developments. Changing real estate taxes or VAT taxes may also have a notable impact on sales (such as for example a hike in sales before implementation of a tax increase followed by structurally lower sales). These factors will be considered within the investment strategy implemented by the Group but may not always be anticipated and may have a material adverse effect on the Group's business, financial condition, results of operations and prospects.

CORPORATE RESPONSIBILITY

Corporate responsibility and sustainable development is at the core of the strategy of the Company. The Group's top management actively foster best practices as an opportunity to improve the cost efficiency of internal processes and the value creation of our main activity - development of properties, provision of equity loans and management services to other entities within the CPIPG Group.[4]

Environmental, social and ethical matters

The Group is committed to high standards in environmental, social and ethical matters. Our staff receive training on our policies in these areas, and are informed when changes are made to the policy. Our environmental policy is to comply with all applicable local regulations, while pursuing energy-efficient solutions and green / LEED certification wherever possible. Ethical practice is a core component of our corporate philosophy; we have achieved top-quality standards in reporting and communications, and have invested in the best professionals. From a social perspective, we care deeply about all our stakeholders. Our corporate culture is centered around respect and professionalism, and we believe in giving back to our community.

Environmental matters

The Group follows a pragmatic approach to environmental aspects of its business. Environmental criteria are one of the main aspects of the Group's development and construction projects.

Before each potential asset investment, the Group examines the environmental risks. Project timing, progress and budgets are carefully monitored, mostly with the support of external project monitoring advisors. Health, safety and environmental risks are monitored before and during construction.

Health and safety, as well as the technical and security installations are periodically inspected for checking of their status and the conformity with applicable legislation and local regulation.

As a priority item for apartment building renovations, the Group replaces older heating systems with natural gas systems, and seeks to improve the overall level of thermal insulation in its buildings.

Social matters

The Group follows the Environmental, Social and Governance (ESG) framework of its parent company CPIPG.

The Group aims to promote personal development of its employees. The Group provides a work environment that is motivating, competitive and reflects the needs of the employees. The Group promotes diversity and equal opportunity in the workplace.

Employees of the Group conduct annual reviews with their managers, covering also the relationships of the employees with their work and working place, as well as the Group in general.

Ethical matters

The Group has policies addressing conduct, including conflicts of interest, confidentiality, abuse of company property and business gifts.

[4] For the ESG related statements, also applicable to the Company, please refer to the management report of CPI PROPERTY GROUP.

EU TAXONOMY

The EU Taxonomy is a green classification system that translates the EU’s climate and environmental objectives into criteria for specific economic activities for investment purposes. It recognises as ’environmentally sustainable’ economic activities that make a substantial contribution to at least one of the EU’s climate and environmental objectives, while at the same time not significantly harming any of the other objectives and meeting minimum social safeguards.

In accordance with the EU Taxonomy Regulation and based on Annex I and Annex II of the supplementary delegated act on the climate targets of the EU Taxonomy and by using the EU Taxonomy Compass, the Group has identified all activities that are deemed eligible for EU Taxonomy based on their descriptions:

7.7 - Acquisition and ownership of buildings.

With regard to the technical screening criteria relevant to the economic activity 7.7 - Acquisition and ownership of buildings under the environmental goal Climate change mitigation, the buildings of the Group were checked individually for the date of the application for a construction permit and the existence of a valid Class A energy performance certificate, if possible based on the primary energy efficiency. Czech buildings were analysed on the basis of a corresponding study to determine whether they belong to the top 15% of the national building stock in terms of energy efficiency in operation. If so, this replaced the requirement for a class A energy performance certificate, with the remaining criteria also having to be met.

If a class A energy performance certificate is available and the building is a non-residential building, the nominal capacity of the HVAC systems (heating, ventilation, air conditioning, refrigeration) was recorded and, if the threshold value of 290 kW was exceeded, the efficient operation within the meaning of the EU Taxonomy was verified. The properties in the Czech Republic are covered by certified Energy management system according to ISO 50 001.

In addition, a comprehensive Climate risk assessment of the Group's portfolio was conducted in early 2024 using Representative Concentration Pathways (RCP) including RCP2.6, RCP4.5, RCP6.0, and RCP8.5 to prevent any significant negative impacts.

The Group fundamentally ensures the minimum safeguards required by the EU Taxonomy. The topics of human rights, anti-corruption, taxes and fair competition are covered by organisational policies, processes and grievance mechanisms and employees´ training on an annual basis. CPI FIM is not involved in the manufacture or sale of controversial weapons.

In total for the year 2023, the Group has identified 1 building that currently meet the criteria according to the economic activity 7.7 - Acquisition and ownership of buildings. Turnover, CapEx and OpEx are always considered taxonomy-aligned if the taxonomy-eligible proportions of turnover, CapEx and OpEx are attributable to the buildings classified as taxonomy-aligned.

Turnover:

In accordance with the Delegated Act on Art. 8 of the EU Taxonomy, the turnover KPI is based on the consolidated turnover of the Group and relates primarily to gross rental income and service charge income.

The numerator of the revenue KPI is based on the taxonomy-aligned proportion of the relevant economic activity with reference to making a substantial contribution to the environmental objectives.

CapEx:

The key performance indicator capital expenditure (CapEx) is defined as the proportion of taxonomy-aligned capital expenditures (numerator) divided by the Group's total capital expenditures (denominator).

The denominator comprises the Group´s additions (CapEx, development costs) to investment property, property, plant and equipment, inventories and other parts of the Group´s property portfolio.

The numerator includes capital expenditures related to assets that are associated with taxonomy-aligned proportions of economic activity. The Group considered capital expenditures that are material to maintaining and performing the economic activity. The principle of allocation here is the generation of external revenues through the relevant economic activities.

OpEx:

The key performance indicator operating expenditure (OpEx) is defined as the proportion of taxonomy-aligned operating expenditures (numerator) divided by total operating expenditures (denominator). The classification of the operating expenditures can be derived analogously from the categories of capital expenditures.

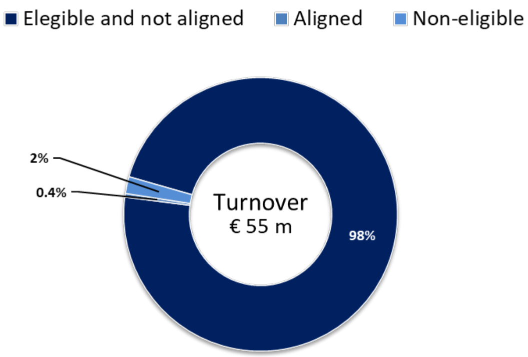
Total operating expenditures consist of non-capitalised costs associated with operating the property portfolio. These include building maintenance and repairs, real estate tax, utilities, insurance, facility management and other property related services.

The calculations were performed in accordance with IFRS in line with the consolidated financial statement.

The Group provides the EU Taxonomy disclosure on a voluntary basis.

Turnover

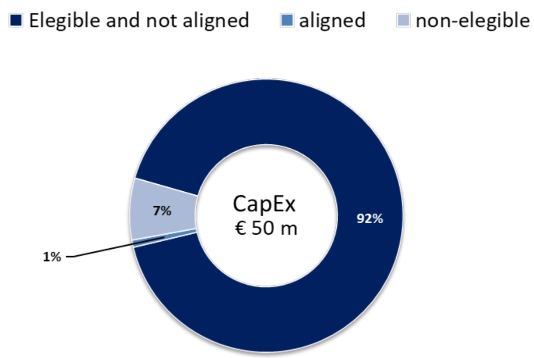
Financial year 2023				Substantial contribution criteria						DNSH criteria									
Economic activities	Code(s)	Turnover	Proportion of Turnover year 2023	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water	Pollution	Circular economy	Biodiversity	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water	Pollution	Circular economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) turnover, year 2022	Category enabling activity	Category transitional
		€m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM7.7/CCA7.7	0.2	0.4%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	1.3%		
Hotels, holiday, camping grounds and similar accommodation	CCM7.7/CCA7.7/BIO2.1	0.0	0.0%	**Y**	N	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	Y			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.2	0.4%	0.4%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	1.3%		
Of which Enabling		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y		E	
Of which Transitional		0.0%	0.0%	0.0%												Y			T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
				Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL										
Acquisition and ownership of buildings	CCM7.7/CCA7.7	53.9	97.6%	EL	EL	N/EL	N/EL	N/EL	N/EL								95.4%		
Hotels, holiday, camping grounds and similar accommodation	CCM7.7/CCA7.7/BIO2.1	0.0	0.0%	**EL**	EL	N/EL	N/EL	N/EL	EL										
Electricity generation using solar photovoltaic technology	CCM 4.1	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Electricity generation from bioenergy	CCM 4.8	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		53.9	97.6%	97.6%	0.0%	0.0%	0.0%	0.0%	0.0%								95.4%		
Turnover of Taxonomy eligible activities (A.1 + A.2)		54.1	98.0%	98.0%	0.0%	0.0%	0.0%	0.0%	0.0%								96.7%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities (B)		1.1	2.0%																
Total		55.2	100%																



	Proportion of turnover/Total turnover	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.4%	98.0%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

CapEx

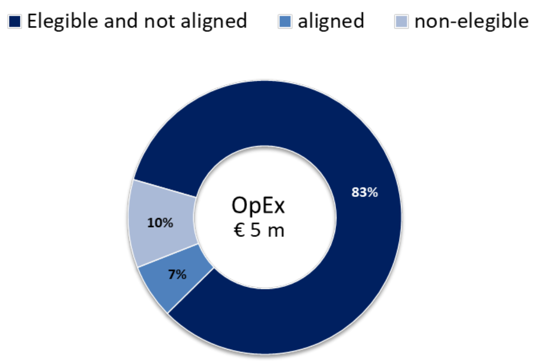
Financial year 2023				Substantial contribution criteria						DNSH criteria									
Economic activities	Code(s)	CapEx	Proportion of CapEx year 2023	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water	Pollution	Circular economy	Biodiversity	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water	Pollution	Circular economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) CapEx, year 2022	Category enabling activity	Category transitional activity
		€m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM7.7/CCA7.7	0.4	0.8%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	16.2%		
Hotels, holiday, camping grounds and similar accommodation	CCM7.7/CCA7.7/BIO2.1	0.0	0.0%	**Y**	N	N/EL	N/EL	N/EL	N	Y	Y	Y	Y	Y	Y	Y			
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.4	0.8%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	16.2%		
Of which Enabling		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y		E	
Of which Transitional		0.0%	0.0%	0.0%												Y			T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
				Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL										
Acquisition and ownership of buildings	CCM7.7/CCA7.7	46.0	91.8%	EL	EL	N/EL	N/EL	N/EL	N/EL								20.4%		
Hotels, holiday, camping grounds and similar accommodation	CCM7.7/CCA7.7/BIO2.1	0.0	0.0%	**EL**	EL	N/EL	N/EL	N/EL	EL										
Electricity generation using solar photovoltaic technology	CCM 4.1	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Electricity generation from bioenergy	CCM 4.8	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		46.0	91.8%	91.8%	0.0%	0.0%	0.0%	0.0%	0.0%								20.4%		
CapEx of Taxonomy eligible activities (A.1 + A.2)		46.4	92.7%	92.7%	0.0%	0.0%	0.0%	0.0%	0.0%								36.6%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities (B)		3.7	7.3%																
Total		50.1	100.0%																



	Proportion of CapEx/Total CapEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	0.8%	92.7%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

OpEx

Financial year 2023				Substantial contribution criteria						DNSH criteria									
Economic activities	Code(s)	OpEx	Proportion of OpEx year 2023	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water	Pollution	Circular economy	Biodiversity	Climate Change Mitigation (CCM)	Climate Change Adaptation (CCA)	Water	Pollution	Circular economy	Biodiversity	Minimum Safeguards	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) OpEx, year 2022	Category enabling activity	Category transitional activity
		€m	%	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Acquisition and ownership of buildings	CCM7.7/CCA7.7	0.3	6.4%	Y	N	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	13.4%		
Hotels, holiday, camping grounds and similar accommodation	CCM7.7/CCA7.7/BIO2.1	0.0	0.0%	**Y**	N	N/EL	N/EL	N/EL	N	Y	Y	Y	Y	Y	Y	Y			
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		0.3	6.4%	6.4%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y	13.4%		
Of which Enabling		0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	Y	Y	Y	Y	Y	Y	Y		E	
Of which Transitional		0.0%	0.0%	0.0%												Y			T
A.2. Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned)																			
				Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL	Y; N; N/EL										
Acquisition and ownership of buildings	CCM7.7/CCA7.7	3.8	83.2%	EL	EL	N/EL	N/EL	N/EL	N/EL								73.2%		
Hotels, holiday, camping grounds and similar accommodation	CCM7.7/CCA7.7/BIO2.1	0.0	0.0%	**EL**	EL	N/EL	N/EL	N/EL	EL										
Electricity generation using solar photovoltaic technology	CCM 4.1	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
Electricity generation from bioenergy	CCM 4.8	0.0	0.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL								0.0%		
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		3.8	83.2%	83.2%	0.0%	0.0%	0.0%	0.0%	0.0%								73.2%		
OpEx of Taxonomy eligible activities (A.1 + A.2)		4.1	89.6%	89.6%	0.0%	0.0%	0.0%	0.0%	0.0%								86.6%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities (B)		0.5	10.4%																
Total		4.6	100.0%																



	Proportion of OpEx/Total OpEx	
	Taxonomy-aligned per objective	Taxonomy-eligible per objective
CCM	6.4%	89.6%
CCA	0%	0%
WTR	0%	0%
CE	0%	0%
PPC	0%	0%
BIO	0%	0%

GLOSSARY & DEFINITIONS

Alternative Performance Measures

The Company presents alternative performance measures (APMs). The APMs used in our report are commonly referred to and analysed amongst professionals participating in the Real Estate Sector to reflect the underlying business performance and to enhance comparability both between different companies in the sector and between different financial periods. APMs should not be considered as a substitute for measures of performance in accordance with the IFRS. The presentation of APMs in the Real Estate Sector is considered advantageous by various participants, including banks, analysts, bondholders and other users of financial information:

- APMs provide additional helpful and useful information in a concise and practical manner.
- APMs are commonly used by senior management and Board of Directors for their decisions and setting of mid and long-term strategy of the Group and assist in discussion with outside parties.
- APMs in some cases might better reflect key trends in the Group's performance which are specific to that sector, i.e. APMs are a way for the management to highlight the key value drivers within the business that may not be obvious in the consolidated financial statements.

For new definitions of measures or reasons for their change, see below.

EPRA NRV (former EPRA NAV)

EPRA NRV assumes that entities never sell assets and aims to represent the value required to rebuild the entity. The objective of the EPRA Net Reinstatement Value measure is to highlight the value of net assets on a long-term basis. Assets and liabilities that are not expected to crystallise in normal circumstances such as the fair value movements on financial derivatives and deferred taxes on property valuation surpluses are therefore excluded. Since the aim of the metric is to also reflect what would be needed to recreate the company through the investment markets based on its current capital and financing structure, related costs such as real estate transfer taxes should be included.

The performance indicator has been prepared in accordance with best practices as defined by EPRA (European Public Real Estate Association) in its Best Practices Recommendations guide, available on EPRA's website (www.epra.com).

EPRA NRV per share

EPRA NRV divided by the diluted number of shares at the period end.

EPRA NDV (former EPRA NNNAV)

EPRA NDV represents the shareholders' value under a disposal scenario, where deferred tax, financial instruments and certain other adjustments are calculated to the full extent of their liability, net of any resulting tax. The objective of the EPRA NDV measure is to report net asset value including fair value adjustments in respect of all material balance sheet items which are not reported at their fair value as part of the EPRA NRV.

The performance indicator has been prepared in accordance with best practices as defined by EPRA (European Public Real Estate Association) in its Best Practices Recommendations guide, available on EPRA's website (www.epra.com).

EPRA NDV per share

EPRA NDV divided by the diluted number of shares at the period end.

Equity ratio

Equity ratio is a measure that provides a general assessment of financial risk undertaken and is calculated as total equity as reported divided by total assets as reported.

Project Loan-to-Value

With respect to a structure of financing, the Group no longer provides the calculation of this measure, since it might be confusing for the reader.

EPRA NAV and EPRA NAV per share

The Group no longer provides the calculation of these measures, since they were replaced by the calculation of EPRA NRV and EPRA NRV per share.

EPRA NNNAV and EPRA NNNAV per share

The Group no longer provides the calculation of these measures, since they were replaced by the calculation of EPRA NDV and EPRA NDV per share.

Other definitions

EPRA

European Public Real Estate Association.

Development for rental

Development for Rental represents carrying value of developed assets – ie. under development or finished assets – being held by the Group with the intention to rent the assets in the foreseeable future.

Development for sale

Development for Sale represents carrying value of developed assets – ie. under development or finished assets – being held by the Group with the intention to sell the assets in the foreseeable future.

Gross Asset Value (GAV) or Fair value of Property portfolio or Property portfolio value

The sum of fair value of all real estate assets held by the Group on the basis of the consolidation scope and real estate financial investments (being shares in real estate funds, loans to third parties active in real estate or shares in non-consolidated real estate companies).

Gross Leasable Area (GLA)

GLA is the amount of floor space available to be rented. GLA is the area for which tenants pay rent, and thus the area that produces income for the property owner.

Gross Saleable Area (GSA)

GSA is the amount of floor space held by the Group with the intention to be sold. GSA is the area of property to be sold with a capital gain.

Market value

The estimated amount determined by the Group's external valuer in accordance with the RICS Valuation Standards, for which a property should exchange on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing.

Occupancy rate

The ratio of leased premises to leasable premises.

Potential gross leasable area

Potential Gross Leasable Area is the total amount of floor space and land area being developed which the Group is planning to rent after the development is complete.

Potential gross saleable area

Potential Gross Saleable Area is the total amount of floor space and land area being developed which the Group is planning to sell after the development is complete.

CPI FIM S.A.
40 rue de la Vallée
L-2661 Luxembourg
R.C.S. Luxembourg B 44996
(the “**Company**”)

DECLARATION LETTER
FINANCIAL REPORTS
AS AT 31 DECEMBER 2023

1.1. Person responsible for the Annual Financial Report

- Mr. David Greenbaum, acting as Managing Director of the Company, with professional address at 40 rue de la Vallee, L-2661 Luxembourg, Grand-Duchy of Luxembourg, email: D.Greenbaum@cpipg.com.

1.2. Declaration by the person responsible for the Annual Financial Report

The undersigned hereby declares that, to the best of his knowledge:

- the consolidated financial statements of the Company as at 31 December 2023, prepared in accordance with the International Financial Reporting Standards (“IFRS”) as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and results of the Company and its subsidiaries included in the consolidation taken as a whole; and

- that the Management Report as at 31 December 2023 provides a fair view of the development and performance of the business and the position of the Company and its subsidiaries included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

Approved by the Board of Directors and signed on its behalf by Mr. David Greenbaum.

Luxembourg, on 28 March 2024

Mr. David Greenbaum
Managing Director

CPI FIM
Société anonyme
40, rue de la Vallée, L-2661 Luxembourg
RCS Luxembourg B 44.996
tél : 00 352 26 47 67 1 fax : 00 352 26 47 67 67
www.cpifimsa.com

CPI FIM SA

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

The accompanying notes form an integral part of these consolidated financial statements.

	Note	Year-ended 31 December 2023	31 December 2022
Gross rental income	5.1	35,948	34,685
Service charges and other income	5.2	14,307	11,150
Cost of service and other charges	5.2	(13,463)	(10,449)
Property operating expenses	5.3	(3,951)	(3,485)
Net service and rental income		**32,841**	**31,901**
Hotel revenue		841	597
Hotel operating expenses		(744)	(480)
Net hotel income		**97**	**117**
Revenue from other business operations		4,142	-
Related operating expenses		(4,246)	-
Net income from other business operations		**(104)**	**-**
Total revenues		55,238	46,432
Total direct business operating expenses		(22,404)	(14,414)
Net business income		**32,834**	**32,018**
Net valuation gain/(loss)	5.4	(18,487)	62,674
Net gain on the disposal of investment property and subsidiaries	5.5	1,261	7,839
Amortization, depreciation and impairments	5.6	(1,067)	(2,726)
Administrative expenses	5.7	(7,638)	(6,679)
Other operating income		330	513
Other operating expenses		(165)	(554)
Operating result		**7,068**	**93,085**
Interest income	5.9	267,760	215,972
Interest expense	5.9	(148,952)	(125,827)
Other net financial result	5.8	(29,709)	35,826
Net finance income		**89,099**	**125,971**
Share of profit of equity-accounted investees (net of tax)	6.3	215	1,481
Profit before income tax		**96,382**	**220,537**
Income tax expense	5.10	(49,949)	(39,892)
Net profit from continuing operations		**46,433**	**180,645**
Items that may or are reclassified subsequently to profit or loss			
Translation difference		17,533	14,888
Items that will not be reclassified subsequently to profit or loss			
Fair value changes of financial assets		(7,084)	8,665
Cashflow hedges		(7,827)	-
Revaluation of property, plant and equipment		-	(1,609)
Income tax on other comprehensive income items		1,249	386
Other comprehensive income for the period, net of tax		**3,871**	**22,330**
Total comprehensive income for the year		**50,304**	**202,975**
Profit attributable to:			
Owners of the Company		46,433	147,240
Non-controlling interests		-	33,405

Profit for the year			
Total comprehensive income attributable to:			
Owners of the Company		50,304	169,570
Non-controlling interests		-	33,405
Total comprehensive income for the year		**50,304**	**202,975**
Earnings per share			
Basic earnings in EUR per share	6.10	0.04	0.11
Diluted earnings in EUR per share	6.10	0.04	0.11

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

The accompanying notes form an integral part of these consolidated financial statements.

	Note	31 December 2023	31 December 2022
Non-current assets			
Intangible assets		918	842
Investment property	6.1	1,589,610	1,640,110
Property, plant and equipment	6.2	2,494	2,752
Equity accounted investees	6.3	16,939	9,724
Other investments	6.4	54,571	61,655
Loans provided	6.5	4,319,000	4,568,394
Other receivables		72	76
Deferred tax asset	5.10	92,933	120,370
		6,076,537	6,403,923
Current assets			
Inventories	6.6	50,344	402
Income tax receivables		1,466	522
Derivative instruments		1,810	13,730
Trade receivables	6.7	7,942	6,074
Loans provided	6.5	719,276	144,579
Cash and cash equivalents	6.8	83,602	104,082
Other receivables	6.9	238,917	188,058
Other non-financial assets		11,231	6,254
		1,114,588	463,701
Total assets		**7,191,125**	**6,867,624**
Equity			
Equity attributable to owners of the Company	6.10	1,457,147	1,408,219
Share capital		13,145	13,145
Share premium		784,670	784,670
Other reserves		144,445	140,574
Retained earnings		514,887	469,830
Non-controlling interests	6.10	467	310,726
		1,457,614	1,718,945
Non-current liabilities			
Financial debts	6.11	4,965,233	4,653,862
Deferred tax liability	5.10	164,808	149,139
Other financial liabilities	6.12	14,033	5,383
		5,144,074	4,808,384
Current liabilities			
Financial debts	6.11	191,718	246,013
Trade payables	6.13	22,514	12,623
Income tax liabilities		437	10,063
Other financial liabilities	6.14	373,553	70,307
Other non-financial liabilities	6.15	1,215	1,289
		589,437	340,295

Total equity and liabilities	**7,191,125**	**6,867,624**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

The accompanying notes form an integral part of these consolidated financial statements.

	Note	Share capital	Share premium	Translation reserve	Other reserves	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total equity
As at 1 January 2023	**6.10**	**13,145**	**784,670**	**31,884**	**108,690**	**469,830**	**1,408,219**	**310,726**	**1,718,945**
Profit for the year		**-**	**-**	**-**	**-**	**46,433**	**46,433**	**-**	**46,433**
Total comprehensive income		-	-	17,533	(13,662)	-	3,871	-	3,871
Total comprehensive income for the period		**-**	**-**	**17,533**	**(13,662)**	**46,433**	**50,304**	**-**	**50,304**
Acquisition of NCI	**6.10**	**-**	**-**	**-**	**-**	**(1,376)**	**(1,376)**	**(310,259)**	**(311,635)**
Balance as at 31 December 2023		**13,145**	**784,670**	**49,417**	**95,028**	**514,887**	**1,457,147**	**467**	**1,457,614**

	Note	Share capital	Share premium	Translation reserve	Other reserves	Retained earnings	Equity attributable to owners of the Company	Non-controlling interests	Total equity
As at 1 January 2022	**6.10**	**13,145**	**784,670**	**16,996**	**101,248**	**322,590**	**1,238,649**	**277,321**	**1,515,970**
Profit for the year		**-**	**-**	**-**	**-**	**147,240**	**147,240**	**33,405**	**180,645**
Other comprehensive income		-	-	14,888	7,442	-	22,330	-	22,330
Total comprehensive income for the period		**-**	**-**	**14,888**	**7,442**	**147,240**	**169,570**	**33,405**	**202,975**
Balance as at 31 December 2022		**13,145**	**784,670**	**31,884**	**108,690**	**469,830**	**1,408,219**	**310,726**	**1,718,945**

CONSOLIDATED STATEMENT OF CASH FLOWS

The accompanying notes form an integral part of these consolidated financial statements.

	Note	Year-ended 31 December 2023	31 December 2022
Profit before income tax		**96,382**	**220,537**
Adjusted by:			
Net valuation gain	5.4, 6.1	18,487	(62,674)
Net gain on the disposal of investment property	5.5	(60)	(7,613)
Depreciation and amortisation	5.6	1	245
Impairment/ (reversal of impairment)	5.6	1,066	2,481
Gain on the disposal of subsidiaries and investees	5.5	(1,201)	(226)
Net interest income		(118,808)	(90,145)
Other net finance (income)/costs		-	534
Share of profit of equity accounted investees	6.3	(215)	(1,481)
Unrealized exchange rate differences and other non-cash transactions		33,659	(35,548)
Profit before changes in working capital and provisions		**29,311**	**26,110**
Increase in inventories		(20,468)	(47)
Decrease/(increase) in trade and other receivables		(57,702)	48,718
Increase/(decrease) in trade and other payables		11,453	24,609
Income tax paid		(2,754)	(1,242)
Net cash from operating activities		**(40,160)**	**98,148**
Acquisition of joint-ventures, net of cash acquired		(7,000)	(55)
Purchase and expenditures on property, plant and equipment and intangible assets		(330)	(2,246)
Purchase and expenditures on investment property	6.1	(43,317)	(34,796)
Proceeds from sale of investment property	5.5	346	66,050
Proceeds from disposals of subsidiaries, net of cash disposed	5.5	17,511	2,245
Loans provided	6.5	(755,982)	(1,413,850)
Loans repaid	6.5	533,243	205,192
Interest received		166,503	240,659
Net cash used in investing activities		**(89,026)**	**(936,801)**
Drawdowns of loans and borrowings	6.11	504,175	1,013,055
Repayments of loans and borrowings	6.11	(291,606)	(112,917)
Interest paid	6.11	(112,728)	(167,479)
Gain from financial derivates		8,865	-
Net cash from financing activities		**108,706**	**732,659**
Net decrease in cash		**(20,480)**	**(105,994)**

Cash and cash equivalents at the beginning of the year		
Cash and cash equivalents at the end of the year	**83,602**	**104,082**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1 General information

CPI FIM SA, société anonyme (the "Company") and its subsidiaries (together the "Group" or "CPI FIM"), is an owner of income-generating real estate primarily in Poland and in the Czech Republic as well as of land bank and development projects intended for future rent. The Company is a subsidiary of CPI Property Group (also "CPI PG" and together with its subsidiaries as the "CPI PG Group"), which holds 97.31% of the Company shares. The Company is also involved in providing of loans and management services to other entities within the CPI PG Group.

The Company is a joint stock company incorporated for an unlimited term and registered in Luxembourg. The address of its registered office is 40, rue de la Vallée, L-2661 Luxembourg, Grand Duchy of Luxembourg. The trade registry number of the Company is B 44 996.

The Company´s shares registered under ISIN code LU0122624777 are listed on the regulated markets of the Luxembourg Stock Exchange and the Warsaw Stock Exchange.

Description of the ownership structure

As at 31 December 2023, CPI PG directly owns 97.31% of the Company shares. CPI PG is a Luxembourg joint stock company (*société* anonyme), whose shares registered under ISIN code LU0251710041 are listed on the regulated market of the Frankfurt Stock Exchange in the General Standard segment.

As at 31 December 2023, Radovan Vítek, the ultimate beneficial owner of the Group, indirectly owns 88.41% of CPI PG outstanding shares (89.35% voting rights).

For the list of shareholders as at 31 December 2023 refer to note 6.10.

Board of Directors

As at 31 December 2023, the Board of Directors consists of the following directors:

Mr. David Greenbaum

Mr. Edward Hughes

Mrs. Anita Dubost

Mr. Scot Wardlaw

2 Basis of preparation and significant accounting policies

2.1 Basis of preparation of consolidated financial statements

(a) Basis of preparation

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

All the figures are presented in thousands of Euros, except if explicitly indicated otherwise.

The consolidated financial statements have been prepared on a going concern basis.

The consolidated financial statements were authorized for issue by the Board of Directors on 28 March 2024.

(b) New and amended standards and interpretations

For the preparation of these consolidated financial statements, the following amended standards and interpretations are mandatory for the first time for the financial year beginning 1 January 2023. The amendments and interpretations apply for the first time in 2023, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Disclosure of Accounting Policies - Amendments to IAS 1

The amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12

The amendments to IAS 12 have been introduced in response to the OECD's BEPS Pillar Two rules and include:

- A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date. The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 January 2023, but not for any interim periods ending on or before 31 December 2023. The amendments had no impact on the Group's consolidated financial statements as the Group is not in scope of the Pillar Two model rules as its revenue is less that EUR 750 million/year.

Definition of Accounting Estimates - Amendments to IAS 8

The amendments to IAS 8 clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. They also clarify how entities use measurement techniques and inputs to develop accounting estimates. These amendments had no impact on the consolidated financial statements of the Group but may impact future periods.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction – Amendments to IAS 12

The amendments to IAS 12 Income Tax narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning liabilities. These amendments had no impact on the consolidated financial statements of the Group but may impact future periods.

Standards issued but not yet effective

Amendments to IFRS 16: Lease Liability in a Sale and Leaseback

In September 2022, the IASB issued amendments to IFRS 16 to specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must applied retrospectively to sale and leaseback transactions entered into after the date of initial application of IFRS 16. Earlier application is permitted and that fact must be disclosed. The amendments are not expected to have a material impact on the Group's financial statements.

Amendments to IAS 1: Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right

- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Group is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation.

Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. The amendments are not expected to have a material impact on the Group's financial statements.

Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis except for the following material items in the consolidated statement of financial position, which are measured as indicated below at each reporting date:

- Investment property – measured at fair value;
- Property, plant and equipment, asset type Hotels – measured at fair value;
- Biological assets – measured at fair value less cost to sell;
- Derivative financial instruments – measured at fair value.

(c) Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis except for the following material items in the consolidated statement of financial position, which are measured as indicated below at each reporting date:

- Inventories at lower of cost or net realisable value;
- Investment property is measured at fair value;
- Derivative instruments are measured at fair value;
- Non-derivative financial instruments at fair value through profit or loss are measured at fair value;

(d) Functional and presentation currency

These consolidated financial statements are presented in Euro (EUR), which is the Company's functional currency. All financial information presented in EUR has been rounded to the nearest thousand, except when otherwise indicated. The functional currencies of other entities within the Group are listed in note 2.2(b).

(e) Use of estimates and judgements

The preparation of the consolidated financial statements in conformity with IFRS as adopted by the European Union requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The estimates and assumptions are based on historical experience, internal calculations and various other factors that the management believes to be reasonable under the circumstances. The actual result might differ from the estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements is included in the following notes:

- Note 2.2(c) – Classification of investment property
- Note 2.2(l) – Service charges: Gross versus net revenue recognition.

Information about assumptions and estimation uncertainties that have a significant risk of a material adjustment within the next financial year are included in the following notes:

- Note 2.2(i) - Impairment test;
- Note 2.3 – Determination of fair value;
- Note 5.11 – Income tax expenses;
- Note 7 – Financial risk management.

2.2 Significant accounting policies

Except for the changes described above in note 2.1(b). New standards, the accounting policies used in preparing the consolidated financial statements are set out below. These accounting policies have been consistently applied in all material respects to all periods presented.

(a) Basis of consolidation

(i) Business combinations

The Group uses the direct method of consolidation, under which the financial statements are translated directly into the presentation currency of the Group, EUR. Subsidiaries are fully consolidated from the date of the acquisition, being the date on which the Group obtains control, and continue to be consolidated until the date when such control ceases. All intra-group balances, transactions, unrealised gains and losses resulting from intra-group transactions and dividends are eliminated in full on consolidation.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. When the excess is negative, a bargain purchase gain is recognised immediately in profit or loss. The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts generally are recognised in profit or loss. Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity, then it is not re-measured and settlement is accounted for within the equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

The interest of non-controlling shareholders at the date of the business combination is generally recorded at the non-controlling interest's proportionate share of the acquiree's identifiable net assets, which are generally at fair value, unless Group management has any other indicators about the non-controlling interest fair value.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(ii) Business combinations involving entities under common control

Business combinations arising from transfers of interests in entities that are under the control of the shareholder that controls the Group are not in scope of IFRS 3. The assets and liabilities acquired are recognised at the carrying amounts recognised previously in the financial statements of the acquire or at deemed costs if the local standards are different from IFRS adopted by EU. Components of equity of the acquired entities are added to the corresponding equity components of the Group and any gain or loss arising is recognised in equity.

(iii) Loss of control

On the loss of control, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any surplus or deficit arising on the loss of control is recognised in profit or loss. If the Group retains any interest in the previous subsidiary, then such interest is measured at fair value at the date that control is lost. Subsequently it is accounted for as equity accounted investee or as a debt investment at fair value through OCI depending on the level of influence retained.

(iv) Equity accounted investees

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20 and 50 percent of the voting power of another entity.

Interests in associates and joint ventures are accounted for using the equity method (equity accounted investees) and are recognised initially at cost. The cost of the investment includes transaction costs.

The consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence is obtained until the date that significant influence ceases.

When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of the investment, including any long-term interests that form part thereof, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(v) Property asset acquisition

Transaction that does not represent a business combination, because the acquired entity does not constitute a business in accordance with the IFRS 3, are accounted for as an asset acquisition.

(b) Foreign currency

(i) Functional currencies

Functional currencies of the companies in the Group are the currencies of the primary economic environment in which the entities operate, and the majority of its transactions are carried out in this currency.

The Group's consolidated financial statements are presented in EUR. The table below presents functional currencies of all Group's subsidiaries having non-EUR functional currency. Each Group's subsidiary determines its own functional currency, and items included in the financial statements of each entity are measured using that functional currency. For the purposes of inclusion in the consolidated financial statements, the statement of financial position of entities with non-EUR functional currencies are translated to EUR at the exchange rates prevailing at the balance sheet date and the income statements are translated at the average exchange rate for each month of the relevant year. The resulting net translation difference is recorded in OCI. When a foreign operation is disposed of, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as a part of gain or loss on the disposal.

Group's entities in different countries that have non-EUR functional currency:

Country	Functional currency
Czech Republic	CZK
Poland	PLN

(ii) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of the Group's entities at exchange rates valid at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items in a foreign currency that are measured based on historical cost are translated using the exchange rate at the date of the transaction.

Foreign currency differences arising on retranslation are recognised in profit or loss, except for the differences arising on the retranslation of qualifying cash flow hedges to the extent the hedge is effective, which are recognised in OCI.

The Group translates the foreign currency operations and transactions using the foreign exchange rates declared by relevant central banks.

(c) Investment property and investment property under development

Investment property is property held either to earn rental income or for capital appreciation or for both. Investment property is measured at cost on initial recognition and subsequently at fair value with any change therein recognised in profit or loss. Cost of investment property includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of material and direct labour, any other costs directly attributable to bringing the investment property to a working condition for their intended use and capitalised borrowing costs.

External independent valuation companies, having appropriate recognised professional qualifications and recent experience in the location and category of property being valued, valued the portfolio of investment property at the year end of 2023 and 2022 respectively.

Any gain or loss on disposal of an investment property (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

Property that is being constructed or developed for future use is measured at fair value until construction or development is completed. Any gain or loss arising on the measurement is recognised in profit or loss.

The Group capitalises external borrowing costs on qualifying investment properties under development.

(d) Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. On initial recognition, the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset. Lease payments are accounted for as described in accounting policy 2.2 (m).

The Group recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Short-term leases and leases of low-value assets: The Group applies the short-term lease recognition exemption to its short-term leases. Short term leases have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

(e) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation (see below) and impairment losses (see accounting policy 2.2 (i).

Other items of property, plant and equipment are measured at the lower of cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials, direct labour and any other costs directly attributable to bringing the assets to a working condition for their intended use, capitalised borrowing costs and an appropriate proportion of production overheads.

Where components of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised in profit or loss.

(ii) Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified to investment property and remeasured to fair value. Any gain arising on remeasurement is recognised in profit or loss to the extent that it reverses the previous impairment loss on the specific property, with any remaining gain recognised in OCI and presented in the revaluation reserve in equity. Any loss is recognised immediately in profit or loss.

(iii) Subsequent costs

Subsequent expenditure is capitalised only when it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Ongoing repairs and maintenance is expensed as incurred.

(iv) Depreciation

Items of property, plant and equipment are depreciated on a straight-line basis in profit or loss over the estimated useful lives of each component. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

Items of property, plant and equipment are depreciated from the date that they are ready for use.

The estimated useful lives for the current and comparative period are as follows:

Assets	2023	2022
Property	50 - 80 years	50 - 80 years
Equipment	5 - 10 years	5 - 10 years
Fittings	3 - 20 years	3 - 20 years

Depreciation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(f) Intangible assets

(i) Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives, are measured at cost less accumulated amortization (see (iii) below) and accumulated impairment losses (see accounting policy 2.2 (i)).

(ii) Subsequent expenditure

Subsequent expenditure on intangible assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

(iii) Amortization

Except for goodwill and intangible assets with indefinite useful life, intangible assets are amortised on a straight-line basis in profit or loss over their estimated useful lives, from the date that they are available for use.

Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

(g) Inventories

Inventories represent trading property and are measured at the lower of cost and net realisable value.

Cost includes expenditure that is directly attributable to the acquisition of the trading property. The cost of self-constructed trading property includes the cost of material and direct labour, any other costs directly attributable to bringing the trading property to a condition for their intended use and capitalised borrowing costs. Deemed costs of trading property reclassified from existing investment property is the fair value of such property.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and selling expenses.

(h) Financial instruments

Initial recognition and measurement

Financial assets are classified, at initial recognition: as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The Group measures financial assets at *amortised cost* if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is classified and measured at *fair value through OCI* if it meets both of the following conditions:

- The financial asset is held within a business model with the objective of both holding to collect contractual cash flows and selling; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

All financial assets not classified as measured at amortised cost or fair value through OCI as described above are measured at fair value through profit or loss. On initial recognition, the Group may irrevocably designate a financial asset, that otherwise meets the requirements to be classified and measured at amortised cost or at fair value through OCI, to be classified and measured at fair value through profit or loss if it eliminates or reduces an accounting mismatch that would otherwise arise.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- *Financial assets at amortised cost (debt instruments)*

This category is the most relevant to the Group. The Group's financial assets at amortised cost include trade receivables, and loans provided.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

- *Financial assets at fair value through OCI (debt instruments)*

For debt instruments at fair value through OCI, interest income, foreign exchange revaluation and impairment losses or reversals are recognised in the statement of profit or loss and computed in the same manner as for financial assets measured at amortised cost. The remaining fair value changes are recognised in OCI. Upon derecognition, the cumulative fair value change recognised in OCI is recycled to profit or loss.

- *Financial assets designated at fair value through OCI (equity instruments)*

Gains and losses on these financial assets are never recycled to profit or loss. Dividends are recognised as other income in the statement of profit or loss when the right of payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case, such gains are recorded in OCI. Equity instruments designated at fair value through OCI are not subject to impairment assessment.

The Group elected to classify irrevocably its non-listed equity investments under this category.

Investment in an equity instrument that does not have a quoted market price in an active market and for which other methods of reasonably estimating fair value are inappropriate are carried at cost.

- *Financial assets at fair value through profit or loss*

Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model.

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss.

Derecognition

A financial asset is primarily derecognised when the rights to receive cash flows from the asset have expired.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

(i) Non-derivative financial assets

The Group initially recognises loans and receivables on the date that they are originated. All other financial assets are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred. Any interest in such transferred financial assets that is created or retained by the Group is recognised as a separate asset or liability.

Financial assets and liabilities are offset, and the net amount presented in the consolidated statement of financial position when, and only when, the Group has a legal right to offset the amounts and intends either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Loans provided

Loans are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, provided loans are measured at amortised cost using the effective interest method, less any impairment losses (see accounting policy 2.2(i)).

Finance charges, including premiums receivable on settlement or redemption and direct issue costs, are recognised in profit or loss on an accrual basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

The Group classifies any part of long-term loans, that is due within one year from the reporting date, as current.

Trade and other receivables

Trade and other receivables are financial assets with fixed or determinable payments that are not quoted in an active market. Such assets are recognised initially at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, receivables are measured at amortised cost using the effective interest method, less any impairment losses (see accounting policy 2.2(i)).

Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits with maturities of three months or less from the acquisition date that are subject to an insignificant risk of changes in their fair value and are used by the Group in the management of its short-term cash commitments. Bank accounts and call deposits that are repayable on demand and form an integral part of the Group's cash management are included as a component of cash and cash equivalents for the purpose of the cash-flow statement.

The Company treats cash deposited as a security in accordance with bank loan covenants as cash and cash equivalents for cash flow purposes.

The cash flow statement of the Group is prepared based on the indirect method from the consolidated statement of financial position and consolidated statement of profit and loss.

In 2020, the Company agreed a cash-pool contracts with related subsidiaries of CPI PG Group. The Company clasifies the provided and received cash pool balances including interests as other current receivables and other financial current liabilities, respectively.

(ii) Non-derivative financial liabilities

Non-derivative financial liabilities comprise loans and borrowings, bonds issued, bank overdrafts, and trade and other payables.

The Group initially recognises debt securities issued and subordinated liabilities on the date that they are originated. All other financial liabilities (including financial liabilities designated as at fair value through profit or loss) are recognised initially on the trade date, which is the date that the Group becomes a party to the contractual provisions of the instrument. The Group derecognises a financial liability when its contractual obligations are discharged, cancelled or expire.

The Group classifies non-derivative financial liabilities as the other financial liabilities category. Such financial liabilities are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, these financial liabilities are measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the contractual cash flows of the financial liability.

Financial debts and bonds are recognised initially at fair value less any directly attributable transaction costs. Subsequent to initial recognition, financial debts and bonds are measured at amortised cost using the effective interest method.

Finance charges, including premiums payable on settlement or redemption and direct issue costs, are recognised in profit or loss on an accrual basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which it arises.

The Group classifies any part of long-term loans or bonds, that is due within one year from the date of the consolidated statement of financial position, as current liabilities.

Bond transaction costs

Bonds payable are initially recognized at the amount of the proceeds from issued bonds less any attributable transaction costs.

Bond transaction costs include fees and commissions paid to agents, advisers, brokers and dealers, levies by regulatory agencies and securities exchanges.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating a lease, if the lease term reflects the Group exercising the option to terminate. In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

(iii) Share capital

Ordinary shares

Incremental costs directly attributable to the issue of new shares and shares options, other than upon a business combination, are recognised as a deduction from equity, net of any tax effects.

(i) Impairment

(i) Impairment of non-derivative financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the discounted cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience.

The Group considers a non-derivative financial asset in default when contractual payments are 90 days past due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding amounts in full. A non-derivative financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Determination of ECLs for loans provided to related parties is based on Group’s risk assessment and estimated rating of the borrower.

(ii) Impairment of non-financial assets

The carrying amounts of the Group’s non-financial assets, other than investment property (see accounting policy 2.2(c)), property plant and equipment (only partially, see accounting policy 2.2(e)), inventories (see accounting policy 2.2(g)), and deferred tax assets (see accounting policy 2.2(p)), are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset’s recoverable amount is estimated. An asset’s recoverable amount is the higher of an asset’s or CGU’s fair value less costs of disposal and its value in use. For the purpose of impairment testing, assets are grouped together into cash generating units (CGU’s) - the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The Group bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group’s CGUs to which the individual assets are allocated.

Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to CGU (group of CGUs), and then to reduce the carrying amounts of the other assets in the CGU (group of CGUs) on a pro-rata basis.

(j) Provisions

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

If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(k) Assets held for sale and disposal groups

Non-current assets held for sale and disposal groups comprising assets and liabilities, are classified as held-for-sale when it is highly probable that they will be recovered primarily through sale rather than through continuing use. The following criteria must be met for an asset or disposal group to be classified as held for sale: the Group is committed to selling the asset or disposal group, the asset is available for immediate sale, an active plan of sale has commenced, the sale is expected to be completed within 12 months and the asset is being actively marketed for sale at a sales price reasonable in relation to its fair value.

Such assets, or disposal groups, are measured at the lower of carrying amount and fair value less costs to sell.

(l) Revenue

(i) Rental revenue

Rental income arising from operating leases on investment property is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are recognised as an expense over the lease term on the same basis as the lease income.

Tenant lease incentives are recognised as a reduction of rental revenue on a straight-line basis over the term of the lease.

The term of the lease is the non-cancellable period of the lease. Any further term for which the tenant has the option to continue the lease is not considered by the Group.

(ii) Services rendered

Revenue from services rendered is recognised in profit or loss in proportion to the stage of completion of the transaction at the reporting date. The stage of completion is assessed by reference to surveys of work performed.

(iii) Service charges and other income

Income arising from expenses recharged to tenants is recognized in the period in which the compensation becomes receivable. Service and management charges and other such receipts are included in net rental income gross of the related costs. The Group determined that it does control the services before they are transferred to tenants and therefore that the Group acts rather as a principal in these arrangements.

(iv) Sale of investment property and trading property, investment in subsidiaries and equity-accounted investees

Revenue from the sale of investment and trading property, investments in subsidiaries and equity-accounted investees is recognised in profit or loss by the Group at point of time when the control over the property is transferred to a customer, usually on the date on which the application is submitted to the Land Registry for transfer of legal ownership title. The property must be completed, and the apartments are ready for sale, including the necessary regulatory permissions.

The timing of the transfer of risks and rewards varies depending on the individual terms of the sale arrangement.

(m) Expenses

Operating expenses are expensed as incurred. Expenditures that relate to multiple accounting periods are deferred and recognised over those accounting periods irrespective of the timing of the consideration given or liability incurred.

(n) Interest income, interest expense and other net financial result

Interest income comprises interest income on funds invested, such as bank interest, interest on provided loans, interest on bonds purchased and interest on non-current receivables.

Interest expense comprises interest expense on loans and borrowings, on leases, on bonds issued and interest charges related to leases.

Interest income and expense is recognised as it accrues in profit or loss, using the effective interest method.

Other net financial result comprises dividend income, gains on disposal of debt investments at fair value through OCI, gains on derivative instruments that are recognised in profit or loss and reclassifications of amounts (losses) previously recognised in OCI, bank charges, losses on disposal of debt investments at fair value through OCI, losses on derivative instruments that are recognised in profit or loss and reclassifications of amounts (gains) previously recognised in OCI and foreign currency gains and losses that are reported on a net basis as either finance income or finance costs depending on whether foreign currency movements result in a net gain or net loss position.

Borrowing costs that are not directly attributable to the acquisition or construction of a qualifying asset are recognised in profit or loss using the effective interest method.

Dividend income is recognised in profit or loss on the date that the Group’s right to receive payment is established.

(o) Current income tax

Current income tax assets and liabilities recognised are the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date in the country where the Group operates and generates taxable income.

The estimated current income tax expense is calculated using the accounting profit for the period and an estimate of non-deductible expenses of each entity of the Group and the corresponding income tax rate applicable to the given country and accounting period.

Current and deferred income tax is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

(p) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss (asset acquisition);
- temporary differences related to investments in subsidiaries and jointly controlled entities to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantially enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(q) Earnings per share

The Group presents basic and diluted earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares.

(r) Entity wide disclosures

The Group has applied the criteria of IFRS 8, ‘Operating Segments’ to determine the number and type of operating segments. From second half of 2018, the Group reports as a single operating segment entity. Previously, the Group reported the three operating segments: Income generating rental properties, Land bank and Development. The entity wide disclosures are determined based on the nature of the business and how the business is managed by the Board of Directors, the Group’s chief operating decision maker and reflect the internal reporting structure.

Reasons supporting the change of operating segments in 2018 are:

- The chief operating decision maker no longer focuses on the differentiation based on the asset types but reviews and manages the business as a whole.
- Income generating rental properties, land bank and development, previously reported as individual operating segments, became less significant business considering the Group’s financing function.

As required by IFRS 8, the Group provides information on the business activities in which, the Group engages including split of revenue and investment property per asset portfolio.

(s) Key management personnel

The Group discloses the total remuneration of key management personnel as required by IAS 24 – Related party disclosures. The Group includes within key management personnel all individuals (and their family members, if applicable) who have authority and responsibility for planning, directing and controlling the activities of the Group. Key management personnel include all members of the Management Board and the senior executives of the Group.

2.3 Determination of fair value

Investment properties are stated at fair value as at 31 December 2023 and 2022 based on external valuations performed by professionally qualified valuers. The Group's property portfolio in the Czech Republic is valued by Jones Lang LaSalle, CBRE and RSM, in Poland by Knight Frank. The residential portfolio in France is valued by Savills and two Italian properties are valued by Colliers. One asset in Poland was valued internally.

Independent valuations are reviewed by the Group's management and represent a basis for the management's estimate of the investment properties' fair value. Those estimates considered the results of current and prior external valuations, information from comparable selling and purchase transactions, the deferred tax impact and current market conditions.

Valuations reflect, where appropriate, the type of tenants in occupation or responsible for meeting the lease commitments and the market's general perception of their creditworthiness; the allocation of maintenance and insurance responsibilities between lessor and lessee; and the remaining economic life of the property.

The following valuation methods of investment property were used:

The real estate market in Central and Eastern Europe is considered small and transactions with real estate portfolios of the size similar to that of the Group's portfolio are rare. Global volatility of the financial system is reflected also in local residential and commercial real estate markets. Therefore, in arriving at the estimates of market values of investment property as at 31 December 2022 and 31 December 2021, the reliance placed on comparable historical transactions was limited. Due to the need to use the market knowledge and professional judgements of the valuers to a greater extent, there was higher degree of uncertainty than which would exist in a more developed and active market.

(i) Office, Industry and Logistics

Office, logistics and industry properties have been valued using predominantly income capitalization and discounted cash flow valuation techniques. Income capitalization method is based on the capitalization of the net annual income the property generates or is potentially able

to generate. On lease expiry, future income flows have been capitalized into perpetuity at the estimated rental value, taking into account expiry voids and rent free periods. The net income is the total rental income reduced by the costs the landlord cannot cover from the tenants. The capitalisation yield (equivalent yield) is determined by the market transactions achieved at the sale of the property or similar properties in the market between the willing buyer and the willing seller in the arm´s length transaction. A yield reflects the risks inherent in the net cash flows applicable to the net annual rentals to arrive at the property valuation. The sales comparison valuation technique has been used for smaller special retail assets in Czech Republic.

(ii) Land and vacant buildings

Land and vacant buildings have been valued using the direct comparison method to arrive at the value of the property in its existing state. Comparison was performed with other similarly located and zoned plots of land/buildings that are currently on the market. This valuation method is most useful when several similar properties have recently been sold or are currently for sale in the subject property market. Using this approach a value indication by comparing the subject property to prices of similar properties is produced.

The sale prices of the properties that are judged to be most comparable tend to indicate a range in which the value indication for the subject property will fall. The valuer estimated the degree of similarity or difference between the subject property and the comparable sales by considering various elements of comparison. Percentage adjustments were then applied to the sale prices of the comparables because the prices of these properties are known, while the value of the subject property is not.

(iii) Investment property under development / developments

The valuer used the Residual Value Approach for the valuation of the investment property under development. In order to assess the market value of the sites, the valuer undertook a development appraisal to assess the potential value (Gross Development Value) of the fully completed and leased development as currently proposed, and deducted hard costs, soft costs, financing costs and a developer's expected required profit (which reflects the required level of return to a developer and the risk of undertaking the project).

In assessing the Gross Development Value, the valuator adopted a market approach by estimating the market rental values for the accommodation being developed, and the appropriate capitalisation rate which a potential investor would require, to arrive at the Market Value of the completed and leased building.

For sensitivity analysis on changes in assumptions of Investment property valuation refer to note 7.5.

3 The Group structure

CPI FIM SA is the Group's ultimate parent company. As at 31 December 2023, the Group comprises its parent company and 44 subsidiaries (42 subsidiaries as at 31 December 2022) controlled by the parent company and two joint ventures. For list of subsidiaries refer to Appendix I.

3.1 Changes in the Group structure

In 2023, the Group acquired or founded the following subsidiaries:

Entity	Change	Group's share	Date
CPI FIM WHITE, a.s.	Acquisition	100.00%	21 March 2023
CPI FIM GOLD, a.s.	Acquisition	100.00%	21 March 2023
BD Malostranská, a.s.	Demerger	100.00%	1 July 2023

In 2023, the Group disposed or liquidated the following subsidiaries:

Entity	Change	Group's share	Date
CD Property, s.r.o.	Disposal	100.00%	21 April 2023

In 2023, the Group sold its subsidiary CD Property to S IMMO for EUR 11.7 million.

In 2022, the Group acquired or founded the following subsidiaries

Entity	Change	Group's share	Date
Rezidence Kunratice, s.r.o.	Demerger	100.00%	1 July 2022
CPI Park Plzeň, s.r.o.	Demerger	100.00%	1 October 2022
CPI Park Chabařovice, s.r.o.	Demerger	100.00%	1 December 2022
CPI Podhorský Park, s.r.o.	Demerger	100.00%	1 December 2022

In 2022, the Group disposed or liquidated the following subsidiaries:

Entity	Change	Group's share	Date
SCP Reflets	Disposal	99.90%	10 March 2022
PAC Italy 130 SPV S.r.l.	Disposal	100.00%	30 June 2022

In 2022, the Group sold its subsidiary SCP Reflets for EUR 1 to its parent company CPI Property Group and PAC Italy 130 SPV for EUR 2.2 million to third party.

4 Entity-wide disclosures

The management of the Group reviews financial information that is principally the same as that based on the accounting policies described in note 2.2. For all asset types, discrete financial information is provided to the Board of Directors, which is the chief operating decision maker, on an individual entity basis.

The group is engaged primarily in financing of CPI PG group; the Group's other business activities consist of:
- rendering of advisory and other services to CPI PG group;
- investing in land bank and development portfolio in the Czech Republic;
- managing of office portfolio in Poland;
- operating of hotel resort in Italy; and
- managing of residential portfolio in France.

4.1 Financing

Interest income by countries

	2023		2022	
	Amount	In %	Amount	In %
Poland	626	-	1	-
Luxembourg	264,430	99%	212,469	98%
Czech Republic	260	-	2	-
Italy	2,444	1%	3,500	2%
Total	**267,760**	**100%**	**215,972**	**100%**

Loans provided by country of the creditor

	31 December 2023		31 December 2022	
	Amount	In %	Amount	In %
Luxembourg	4,319,000	86%	4,568,394	97%
Non-current loans provided	**4,319,000**	**86%**	**4,568,394**	**97%**
Luxembourg	719,276	14%	144,579	3%
Current loans provided	**719,276**	**14%**	**144,579**	**3%**
Total	**5,038,276**	**100%**	**4,712,973**	**100%**

4.2 Other business activities

Revenues by countries

	2023		2022	
	Amount	In %	Amount	In %
Czech Republic	**2,574**	**5%**	**2,983**	**6%**
- *Land bank*	*1,879*	*4%*	*1,356*	*3%*
- *Office*	*575*	*1%*	*1,433*	*3%*
- *Retail*	*120*	-	*194*	-
Luxembourg - *Rendering of services*	**5,378**	**10%**	**946**	**2%**
Poland - *Office*	**46,420**	**84%**	**41,846**	**91%**
France - *Residential*	-	-	**20**	-
Italy – *Hospitality*	**866**	**1%**	**598**	**1%**
Monaco – *Residential*	-	-	**39**	-
Total	**55,238**	**100%**	**46,432**	**100%**

Investment property by countries

	31 December 2023		31 December 2022	
	Amount	**In %**	**Amount**	**In %**
Czech Republic	**970,897**	**61%**	**970,070**	**59%**
- *Land bank*	*951,971*	*60%*	*930,083*	*57%*
- *Office*	*4,700*	*-*	*25,145*	*1%*
- *Development*	*12,134*	*1%*	*12,565*	*1%*
- *Retail*	*2,092*	*-*	*2,277*	*-*
Poland	**543,163**	**34%**	**591,990**	**36%**
- *Office*	*542,780*	*34%*	*591,635*	*36%*
- *Land bank*	*383*	*-*	*355*	*-*
Other – residential	**50,600**	**3%**	**52,100**	**3%**
Other – hospitality	**24,950**	**2%**	**25,950**	**2%**
Total	**1,589,610**	**100%**	**1,640,110**	**100%**

5 Consolidated statement of comprehensive income

5.1 Gross rental income

	2023	2022
Gross rental income	35,948	34,685

5.2 Net service charge and other income

	2023	2022
Service revenue	1,176	1,006
Service charge income	13,131	10,135
Revenues from sales of utilities	-	9
Service charges and other income	**14,307**	**11,150**
Cost of service charges	(13,463)	(10,449)
Cost of utilities	-	-
Cost of service and other charges	**(13,463)**	**(10,449)**
Total net service charge income	**844**	**701**

In 2023, the service charges increased mainly due to increase of net service charges generated mainly by Polish offices.

5.3 Property operating expenses

	2023	2022
Building maintenance	(2,604)	(1,926)
Real estate tax	(540)	(457)
Letting fee, other fees paid to real estate agents	(332)	(245)
Facility management and other property related services	(475)	(857)
Total	**(3,951)**	**(3,485)**

The operating expenses arising from investment property that generate rental income in 2023 amounted to EUR 3.6 million (EUR 3.4 million in 2022). The operating expenses arising from investment property that did not generate rental income in 2023 amounted to EUR 0.4 million (EUR 0.1 million in 2022).

5.4 Net valuation gain/(loss)

	2023	2022
Valuation gain	44,834	107,267
Valuation loss	(63,321)	(44,593)
Total	**(18,487)**	**62,674**

In 2023 and 2022, the valuation gain primarily relates to the Group's portfolio located in the Czech Republic (EUR 43.8 million and EUR 106.6 million, respectively). Valuation loss incurred in 2023 primarily relates to Polish office portfolio (EUR 58.7 million).

For the assumptions, the independent valuers used in the property valuations as at 31 December 2023 and 2022, refer to note 7.5.

5.5 Net gain on the disposal of investment property and subsidiaries

	2023	2022
Proceeds from the disposal of investment property	346	66,567
Carrying value of investment property disposed of and related cost	(286)	(58,954)
Net gain on the disposal of investment property	**60**	**7,613**
Proceeds from the disposal of subsidiaries	17,511	2,245
Carrying value of subsidiaries disposed of	(16,310)	(2,019)

Total	**1,261**	**7,839**

In 2023, the proceeds from disposal of investment property and subsidiaries and the related carrying value was primarily related to one land bank in Prague of EUR 0.3 million.

In 2023, the Group disposed its subsidiary CD Property with carrying value of EUR 16.3 million to SIMMO.

In 2022, the proceeds from disposal of investment property and subsidiaries and the related carrying value was primarily related to one land bank in Prague of EUR 63.0 million and sale of subsidiary PAC Italy 130 SPV of EUR 2.2 million.

The following table summarizes disposal effects of subsidiaries sold:

	2023
Investment property	24,545
Intangible fixed assets	13
Deferred tax assets	213
Trade receivables	560
Other non-financial current assets	261
Cash and cash equivalents	190
Total disposed assets	**25,782**
Financial debts non-current	(9,217)
Financial debts current	(215)
Trade payables	(308)
Other financial current liabilities	(223)
Other non-financial current liabilities	(9)
Total disposed liabilities	**(9,972)**
Carrying value of subsidiaries disposed of	**15,810**

5.6 Amortization, depreciation and impairments

	2023	2022
Depreciation and amortization	(389)	(2,481)
(Impairment)/reversal of impairment of assets	(678)	(245)
Total	**(1,067)**	**(2,726)**

5.7 Administrative expenses

	2023	2022
Advisory and tax services	(5,383)	(4,053)
Audit services	(154)	(211)
Personnel expenses	(751)	(805)
Legal services	(356)	(419)
Other administrative expenses	(994)	(1,191)
Total	**(7,638)**	**(6,679)**

In 2023 and 2022, the advisory expenses also include the management services received from related parties in amount of EUR 0.1 million and EUR 0.8 million, respectively.

In 2023 and 2022, the audit, tax and advisory expenses also include the cost of services provided by the Group’s auditor of EUR 0.2 million and 0.2 million in 2022, respectively.

Personnel administrative expenses

	2023	2022
Wages and salaries	(628)	(666)
Social and health security contributions	(116)	(132)
Other social expenses	(7)	(7)
Total	**(751)**	**(805)**

As at 31 December 2023 and 2022, the Group had 7 and 14 employees, respectively.

5.8 Other net financial result

	2023	2022
Net foreign exchange gain/(loss) on investment property	(37,771)	4,269
Other net foreign exchange gain	(7,100)	4,500

Other net financial result		
Bank charges	(932)	(820)
Total	**(29,709)**	**35,826**

In 2023 the other net financial result mainly represents loss on foreign exchange on investment property related to Polish offices of EUR 44.1 million, partly eliminated by EUR 6.3 million of the foreign exchange gain on investment property related to Czech Republic land banks.

The other net foreign exchange gains and losses in 2023 and 2022 were driven by retranslation of loans provided to related parties in foreign currencies.

5.9 Interest income and expense

Interest income on loans and receivables relates primarily to loans provided to related parties (see note 6.5 and 10).

Interest expense relates primarily to loans received from related parties, (see note 6.11 and 10).

5.10 Income tax expense

Tax recognized in profit or loss

	2023	2022
Current income tax expense	(718)	(10,574)
Adjustment for prior year	28	36
Income tax expense	**(690)**	**(10,538)**
Temporary differences	(22,605)	(14,642)
Utilization of tax losses carried forward	(26,654)	(14,712)
Deferred income tax expense	**(49,259)**	**(29,354)**
Total	**(49,949)**	**(39,892)**

In 2023 and 2022, based on the assessment of its recoverability, the Group partially released deferred tax asset of EUR 26.7 million and EUR 14.7 million, respectively.

Reconciliation of effective tax rate

	2023	2022
Profit for the period	46,433	180,645
Total income tax recognised in profit or loss	49,949	39,892
Profit before tax	**96,382**	**220,537**
Current income tax rate	24.94%	24.94%
Income tax expense using the domestic corporate income tax rate	(24,038)	(55,002)
Change in income tax rates	(18,377)	-
Effect of tax rates in foreign jurisdictions	3,500	5,063
Non-deductible expense	(12,460)	(18,108)
Tax exempt income	1,426	9,570
Change in unrecognized deferred tax asset from tax losses carried forward	-	18,905
Other effects	-	(320)
Income tax expense	**(49,949)**	**(39,892)**

The main tax rules imposed on the Group companies

Luxembourg: The effective tax rate is 24.94% considering the combined corporate income tax rate, solidarity surtax of 7% on the corporate income tax rate and municipal business tax rate of 6.75%. Tax losses incurred until 2017 may be carried forward indefinitely, while losses incurred as from 2017 should be limited to 17 years.

Czech Republic: The corporate income tax rate is 19%, from 2024 increasing to 21%. Tax losses can be carried forward for 5 years. Losses may not be carried forward on a substantial (approximately 25%) change in the ownership of a company unless certain conditions are met.

Poland: The corporate income tax rate is 19%. Tax losses 2017-2018 may be carried forward for 5 years but the loss utilization in each year is capped at the 50% of the tax loss. The losses incurred during 2019-2022 can be utilized: a) in the next five consecutive tax years, provided that the amount of the utilization in any of these years may not exceed 50% of the amount of this loss, or b) in one of the next five subsequent tax years by an amount not exceeding PLN 5,000,000, the undetermined amount is subject to settlement in the remaining years of this five-year period, provided that the amount of reduction in any of these years may not exceed 50% of the amount of this loss.

Italy: The corporate income tax (“IRES”) rate is 24% plus the regional tax on productive activities (“IRAP”) of 4.82% is applicable in Rome where the business of the Group is situated. (The standard IRAP rate is 3.9% but Italian regions may increase or decrease the standard rate by up to 0.92%.) For IRES purposes, tax losses may be carried forward indefinitely. However, tax losses may be offset only up to 80% of taxable income in each year (the “minimum tax” rule). Tax losses incurred during the first 3 years of new activity may be used to fully offset corporate taxable income. Utilization of the tax losses carried forward is limited upon business reorganizations and a change of control. For IRAP purposes, tax losses may not be carried forward.

France: Corporate income tax rate is 25% on taxable income. Tax losses may be carried forward indefinitely but may be utilized against profit up to EUR 1 million and 50% on the excess.

Recognized deferred tax asset and liability

	Asset		Liability		Net	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Investment property	32	84	(158,947)	(150,856)	(158,915)	(150,772)
Property, plant and equipment	-	-	(43)	(4)	(43)	(4)
Tax losses carried-forward	88,627	116,838	-	-	88,627	116,838
Other	4,017	5,314	(5,561)	(145)	(1,544)	5,169
Gross deferred tax asset/(liability)	**92,676**	**122,236**	**(164,551)**	**(151,005)**	**(71,875)**	**(28,769)**
Deferred tax offset by subsidiaries	257	(1,866)	(257)	1,866	-	-
Net deferred tax asset/(liability)	**92,933**	**120,370**	**(164,808)**	**(149,139)**	**(71,875)**	**(28,769)**

As at 31 December 2023 and 2022, the Group recognized the deferred tax asset from tax losses carried forward in total amount of EUR 88.6 million and EUR 116.8 million, respectively. As these tax losses relate primarily to the Luxembourg entities (EUR 88.3 million and EUR 115.0 million as at 31 December 2023 and 2022, respectively) and were generated before 2017, they can be carried forward indefinitely. Recognition of the deferred tax asset is based on the future taxable profits that are expected to be generated in next 10 years. The expected profits reflect a strategy of CPI PG in which, the Group renders the financial services to CPI PG's subsidiaries.

Unrecognised deferred tax asset

	31 December 2023	31 December 2022
Tax losses carried-forward*	4,479	4,370

* Unrecognized deferred tax asset from tax losses carried-forward due to uncertainty of its realization.

Expiry of unrecognized tax losses

	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years	Total
As at 31 December 2023	2,220	9,781	8,635	3,678	24,314
As at 31 December 2022	2,025	9,525	10,650	8,091	30,291

Movement in deferred tax

	2023	2022
As at 1 January	(28,769)	3,055
Recognized in profit or loss	(49,259)	(29,354)
Recognized in other comprehensive income	1,249	386
Disposal of subsidiaries	1,190	-
Translation reserve	3,714	(2,856)
As at 31 December	**(71,875)**	**(28,769)**

6 Consolidated statement of financial position

6.1 Investment property

	Office	Land bank	Development	Retail	Hospitality	Residential	Industry and logistics	Total
As at 1 January 2022	**640,465**	**811,648**	**-**	**1,617**	**-**	**60,700**	**-**	**1,514,430**
Development costs and other additions	3,463	21,805	30	-	5,733	3,765	-	34,796
Transfers within investment property	-	(11,462)	11,462	-	-	-	-	-
Transfers from property, plant and equipment	-	-	-	-	19,518	-	-	19,518
Disposals	-	(3,713)	-	-	-	(8,600)	-	(12,313)
Valuation gain/loss	(27,858)	92,284	705	609	699	(3,765)	-	62,674
Net foreign exchange loss	10,974	(6,705)	-	-	-	-	-	4,269
Translation differences	(10,264)	26,581	368	51	-	-	-	16,736
As at 31 December 2022	**616,780**	**930,438**	**12,565**	**2,277**	**25,950**	**52,100**	**-**	**1,640,110**
Development costs and other additions	15,396	27,082	3	-	78	758	-	43,317
Transfers to inventories	-	(29,474)	-	-	-	-	-	(29,474)
Disposals	(24,547)	(296)	-	-	-	-	-	(24,843)
Valuation gain/loss	(57,625)	42,689	(128)	(87)	(1,078)	(2,258)	-	(18,487)
Net foreign exchange loss	(44,062)	6,283	-	-	-	-	-	(37,779)
Translation differences	41,538	(24,368)	(306)	(98)	-	-	-	16,766
As at 31 December 2023	**547,480**	**952,354**	**12,134**	**2,092**	**24,950**	**50,600**	**-**	**1,589,610**

Development costs and other additions

In 2023, the development costs primarily related to land bank in Brno and Poland offices of EUR 14.7 million and EUR 10.7 million, respectively.

In 2022, the development costs primarily related Czech investment property portfolio of EUR 22.4 million and Italian portfolio in total amount of EUR 9.5 million.

Transfers to inventories

In 2023, the Group transferred land bank in Prague of EUR 29.5 million from investment property to inventories due to change in its use.

Transfers from property, plant and equipment

In 2022, the Group transferred one hotel resort in Italy of EUR 19.5 million (see note 6.2) from property, plant and equipment to investment property.

Disposals

In 2023, the Group disposed one office property of EUR 24.6 million.

Net valuation gain/ loss

In 2023, the valuation loss related primaritly to Polish portfolio (EUR 57.6 million), the loss was partly offset by valuation gains recognized by the Group's Czech land bank portfolio (EUR 43.9 million, primarily related to development projects Bubny Development of EUR 14.9 million, Nová Zbrojovka of EUR 8.6 million and CPI Podhorský Park of EUR 5.2 million).

In 2022, the valuation gain related primarily to the Group's Czech land bank portfolio in total amount of EUR 105.8 million, primarily related to future development projects Bubny Development of EUR 26.8 million, Nová Zbrojovka of EUR 14.7 million, MQM Czech of EUR 13.4 million and CPI – Land Development EUR 10.7 million. On the other hand, the Group recognized valuation loss mainly from Polish portfolio of EUR 25.1 million and one Czech land bank of EUR 12.8 million.

Translation differences

Translation differences related to investment property arise in connection with translation of amounts of subsidiaries with different functional currency than EUR.

Reconciliation between the values obtained from the external valuers and the reported values

	31 December 2023	21 December 2022
Market value as estimated by the external valuer (refer to note 7.5)	**1,574,675**	1,637,333
Add: leased assets and other	14,935	2,777
As at 31 December	**1,589,610**	**1,640,110**

6.2 Property, plant and equipment

	2023		2022		
	Other	Total	Owner occupied buildings	Other	Total
Cost					
As at 1 January	3,033	**3,033**	20,773	2,079	22,852
Transfer to investment property	-	-	(19,164)	(977)	(20,141)
Development costs and other additions	145	145	-	1,926	1,926
Translation differences	(7)	(7)	-	5	5
Valuation gain/(loss) through OCI	-	-	(1,609)	-	(1,609)
As at 31 December	**3,171**	**3,171**	**-**	**3,033**	**3,033**
Accumulated depreciation and impairment losses					
As at 1 January	(281)	(281)	(623)	(36)	(659)
Depreciation	(396)	(396)	-	(245)	(245)
Transfer to investment property	-	-	623	-	623
As at 31 December	**(677)**	**(677)**	**-**	**(281)**	**(281)**
Carrying amounts					
As at 1 January	2,752	**2,752**	**20,150**	**2,043**	**22,193**
At 31 December	**2,494**	**2,494**	**-**	**2,752**	**2,752**

Transfer to investment property

In 2022, one hotel building in Italy was reclassified to investment property in the amount of EUR 19.2 million.

6.3 Equity accounted investees

As at 31 December 2023, the equity accounted investment in the amount of EUR 16.9 million (EUR 9.7 million as at 31 December 2022) represents investment in Uniborc S.A. Uniborc S.A. is a joint venture constituted in 2013 with Rodamco with aim to develop a shopping center in the Bubny area in Prague, the Czech Republic. The Group's shareholding is 35%.

	2023	2022
As at 1 January	**9,724**	**8,190**
Share of profit	215	1,481
Capital increase	7,000	-
Other	-	53
As at 31 December	**16,939**	**9,724**

Condensed statement of comprehensive income of Uniborc S.A.

	2023	2022
Net valuation gain on investment property	3,846	8,436
Administrative expenses	170	(105)
Operating result	**4,016**	**8,331**
Interest expenses	(2,499)	(2,477)
Profit before taxes	**1,517**	**5,854**
Income taxes	(913)	(1,620)
Profit for the period	**604**	**4,234**

Condensed statement of financial position of Uniborc S.A.

	31 December 2023	31 December 2022
Investment property	87,738	83,347
Cash and cash equivalents	294	136
Total assets	**88,032**	**83,483**

Non-current financial liabilities		
Deferred tax liabilities	(14,701)	(13,817)
Curent financial liabilities	(167)	(393)
Other current liabilities	(57)	(36)
Total liabilities	**(39,635)**	**(55,700)**
Net assets	**48,397**	**27,783**

6.4 Other investments

As at 31 December 2023 the Group holds 67,000,000 shares in CPI PG, which represents 0.75% of the CPI PG's shareholding and is valued at EUR 54.6 million (EUR 61.7 million as at 31 December 2022).

The valuation of CPI PG shares held by the Group as at 31 December 2023 and 2022 is based on an alternative valuation model because of not an active market. The management determined the use of EPRA NAV per share (net asset value per share determined based on the methodology of European Public Real Estate Association) of CPI PG as the most representative valuation model primarily due to:

- EPRA NAV is a globally recognized measure of fair value;
- EPRA NAV takes into consideration the fair value of the net assets of a company, applying known aspects of the company's business model.

For the valuation of the CPI PG shares held as at 31 December 2023 and 2022, EPRA NAV per CPI PG share as at 31 December 2023 and 2022 was used. CPI PG's EPRA NAV per share EUR 0.81 as at 31 December 2023 (EUR 0.92 as at 31 December 2022) differs from the price at the stock-exchange EUR 0.93 as at 31 December 2023 (EUR 0.91 as at 31 December 2022).

The change in the value of CPI PG shares is recognized in other comprehensive income by the Group.

The detailed calculation of CPI PG's EPRA NAV per share is presented in the CPI PG's annual report. The Group adjusted the number of shares used in the calculation for the amount of shares owned by the Group as at 31 December 2023 and 2022. As at 31 December 2023, the EPRA NAV per share of EUR 0.83 (EUR 0.93 as at 31 December 2022) disclosed by CPI PG therefore differs from value used by the Group to value the CPI PG's shares owned.

6.5 Loans provided

	31 December 2023	31 December 2022
Loans provided - related parties and joint ventures	4,333,679	4,583,073
Impairment to non-current loans provided to related parties	(14,679)	(14,679)
Total non-current loans provided	**4,319,000**	**4,568,394**
Loans provided - related parties and joint ventures	719,276	144,579
Total current loans provided	**719,276**	**144,579**

Loans provided increased in 2023 due to new drawing of existing loans provided to related parties. These loans bear interest rate between 0.48% - 15.14% p.a. (determined based on the Group's risk assessment) and mature from 2024 to 2030. See note 10 for more information.

Loans provided to joint venture include loan principal and the interest granted to Uniborc S.A. (see note 6.3) in the amount of EUR 8.7 million and EUR 14.6 million as at 31 December 2023 and 2022. The joint venture is primarily financed through a loan by both partners in the same proportion as their respective shareholdings. The loan is repayable in 2023.

In 2023, the Group received repayment of loans provided of EUR 533.2 million (EUR 205.2 million in 2022) and provided loans of EUR 756.0 million (EUR 1,413.9 million 2022).

6.6 Inventories

As of 31 December 2023, inventories increased due to Polygon of EUR 48.7 million.

6.7 Trade receivables

	31 December 2023	31 December 2022
Trade receivables due from related parties	3,984	1,053
Trade receivables due from third parties	5,538	5,847
Impairment - trade receivables due from other parties	(1,580)	(826)
Total	**7,942**	**6,074**

6.8 Cash and cash equivalents

	31 December 2023	31 December 2022
Bank balances	83,600	104,080
Cash on hand	2	2
Total	**83,602**	**104,082**

6.9 Other current receivables

	31 December 2023	31 December 2022
Cash pool receivables due from related parties	50,930	56,982
Other receivables due from related parties	153,444	98,026
Other receivables due from third parties	34,561	34,952
Impairment – other receivables due from other parties	(18)	(1,902)
Total	**238,917**	**188,058**

The Company has agreed a cash-pool contracts with related subsidiaries of CPI PG Group (refer to note 2.2). As at 31 December 2023, other current receivables related to cash pool amounted to EUR 50.9 million (EUR 57.0 million as at 31 December 2022).

The company has receivables from assignment in total amount of EUR 67.7 million as at 31 December 2023.

6.10 Equity

As of 31 December 2023, the share capital of the Company amounts to EUR 13,145 thousand and is represented by 1,314,507,629 ordinary fully paid shares with a nominal value of EUR 0.01 each.

The following table sets out information regarding the ownership of the Company's shares as at 31 December 2023 and 2022, respectivelly:

Shareholder	Number of shares	Share held
CPI PROPERTY GROUP S.A.	1,279,198,976	97.31%
Others	35,308,653	2.69%
As at 31 December 2023 and 2022	**1,314,507,629**	**100.00%**

Mandatory takeover bid over Company shares

On 8 June 2016 the Company's fully owned subsidiary Nukasso Holdings Limited directly and indirectly acquired approximately 97.31% of shares in CPI FIM. As a consequence, Nukasso Holdings Limited became obliged to launch a mandatory takeover bid to purchase any and all of the ordinary shares of CPI FIM (the "Mandatory Takeover Offer"). On 22 August 2016, the Czech Office for the Protection of Competition granted the merger clearance for the acquisition of CPI FIM by the Group, whereas its decision became final and binding on 23 August 2016.

On 8 December 2017 the CSSF published press releases in which it stated, inter alia, that it has decided not to approve the offer document in the Mandatory Takeover Offer as a consequence of the existence of an undisclosed concert action with respect to CPI FIM. On 15 March 2018 the CSSF published a press release informing that the decisions detailed in the above-mentioned CSSF press releases of 8 December 2017 have been challenged before the Luxembourg administrative courts.

As of the date of this report, the Company has not received any formal decision in relation to the Mandatory Takeover Offer.

Earnings per share

	31 December 2023	31 December 2022
Weighted average outstanding shares for the purpose of calculating the basic EPS	**1,314,507,629**	**1,314,507,629**
Weighted average outstanding shares for the purpose of calculating the diluted EPS	**1,314,507,629**	**1,314,507,629**
Net profit attributable to owners of the parent	46,433	147,240
Net profit attributable to owners of the parent after assumed conversions/exercises	46,433	147,240
Total Basic earnings in EUR per share	**0.04**	**0.11**
Diluted earnings in EUR per share	**0.04**	**0.11**

Basic earnings per share (EPS) are calculated by dividing the profit attributable to the Group by the weighted average number of ordinary shares in issue during the period, excluding ordinary shares purchased by the Group and held as treasury shares.

Diluted earnings per share is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive potential ordinary shares. The warrants issued by the Company were not taken into account in the diluted EPS calculation.

Non-controlling interests (NCI)

In 2023, the Group acquired non-controlling 80% interest in its Czech subsidiaries Bubny Development, STRM Alfa, MQM Czech, Polygon BC (all with registered office at Vladislavova 1390/17, Prague 1, 110 00) and Vysočany Office (registered office at Pohořelec 112/24, Prague 1, 118 00) from the related company GSG Europa for EUR 311.6 million of which EUR 1.3 million (representing a difference between carrying value of related non-controlling interest and the purchase price) was recognized against retained earnings.

Non controlling interests as at 31 December 2022

	Bubny Development	STRM Alfa	MQM Czech	Polygon BC	Vysočany Office	Total
	Land bank	Land bank	Land bank	Land bank	Land bank	

Group's interest						
NCI – at the beginning of the year	**143,789**	**48,088**	**16,321**	**63,038**	**6,085**	**277,321**
NCI – profit for the period	**11,435**	**7,339**	**8,631**	**5,559**	**441**	**33,405**
Consensed financial information						
Non-current assets	*276,902*	*23,131*	*38,480*	*111,842*	*12,565*	*462,920*
Current assets	*26*	*63,399*	*407*	*96*	*6*	*63,934*
Total assets	276,928	86,530	38,887	111,938	12,571	526,854
Equity attributable to owners	*194,028*	*69,285*	*31,189*	*85,748*	*8,157*	*388,407*
Non-current liabilities and other	*82,900*	*17,245*	*7,698*	*26,190*	*4,414*	*138,447*
Total equity and liabilities	276,928	86,530	38,887	111,938	12,571	526,854
Profit for the year	14,294	9,174	10,788	6,949	551	41,756
Net increase/(decrease) in cash and cash equivalents	-	(13)	-	-	-	(13)

6.11 Financial debts

	31 December 2023	31 December 2022
Loans from related parties	4,633,435	4,628,903
Bank loans	327,027	20,525
Lease liabilities	4,771	4,434
Total non-current financial debts	**4,965,233**	**4,653,862**
Loans from related parties	183,368	245,749
Bank loans	8,098	30
Lease liabilities	252	234
Total current financial debts	**191,718**	**246,013**

As at 31 December 2023 and 2022, the balance of the loans received from the Group's parent company CPI PG was EUR 4,018.2 million and EUR 4,068.1 million, respectively. The loans from CPI PG bear interest rates between 0.65% - 6.12% p.a (0.65% - 5.90% in 2022).

Maturity of financial debts

As at 31 December 2023	Less than one year	1 to 5 years	More than 5 years	Total
Loans from related parties	183,368	1,970,568	2,662,867	4,816,803
Bank loans	8,098	306,494	20,533	335,125
Lease liabilities	252	4,771	-	5,023
Total	**191,718**	**2,281,833**	**2,683,400**	**5,156,951**

As at 31 December 2022	Less than one year	1 to 5 years	More than 5 years	Total
Loans from related parties	245,749	2,004,383	2,624,520	4,874,652
Bank loans	30	-	20,525	20,555
Lease liabilities	234	827	3,607	4,668
Total	**246,013**	**2,005,210**	**2,648,652**	**4,899,875**

For details on the loans received from related parties, refer to note 10.

Reconciliation of movements of liabilities to cash flows arising from financing activities

	Loans and borrowings	Lease liabilities	Total
As at 1 January 2023	**4,895,207**	**4,668**	**4,899,875**
Interest paid	(112,728)	-	(112,728)
Drawings of loans and borrowings	504,175	-	504,175
Repayments of loans and borrowings	(291,605)	-	(291,605)
Lease liabilities	-	-	-
Total changes from financing cash flows	**99,842**	**-**	**99,842**
The effect of changes in foreign exchange rates	7,928	355	8,283
Interest expense	148,951	-	148,951
As at 31 December 2023	**5,151,928**	**5,023**	**5,156,951**

	Loans and borrowings	Lease liabilities	Total
As at 1 January 2022	**5,656,988**	**4,761**	**5,661,749**
Interest paid	(167,479)	-	(167,479)
Drawings of loans and borrowings	1,013,055	-	1,013,055
Repayments of loans and borrowings	(112,917)	-	(112,917)
Lease liabilities	-	-	-
Total changes from financing cash flows	**732,659**	**-**	**732,659**
Changes arising from offset with loans provided	(1,612,727)	-	(1,612,727)
The effect of changes in foreign exchange rates	(10,286)	(93)	(10,379)
Interest expense	128,573	-	128,573
As at 31 December 2022	**4,895,207**	**4,668**	**4,899,875**

6.12 Other financial non-current liabilities

	31 December 2023	31 December 2022
Tenant deposits	4,010	3,896
Payables from retentions	1,515	1,069
Other payables due to third parties	20	418
Interest rate swaps used for hedging	8,488	-
Total	**14,033**	**5,383**

6.13 Trade payables

	31 December 2023	31 December 2022
Trade payables due to related parties	11,565	5,050
Trade payables due to third parties	10,949	7,573
Total	**22,514**	**12,623**

6.14 Other financial current liabilities

	31 December 2023	31 December 2022
Cash pool payables due to related parties	47,447	46,150
Other payables due to related parties	311,693	14,558
Other financial current liabilities due to third parties	14,413	9,599
Total	**373,553**	**70,307**

The Company has agreed a cash-pool contracts with selected subsidiaries of CPI PG Group.

As at 31 December 2023 other payables increased due to acquisition of 80% of NCI, mainly Bubny of EUR 155.0 million and STRM Alfa of EUR 55.2 million.

As at 31 December 2023, the other financial current liabilities related to cash pool amounted to EUR 47.4 million (EUR 46.2 million as at 31 December 2022).

6.15 Other non-financial current liabilities

	31 December 2023	31 December 2022
Value added tax payables	114	287
Provisions	1,062	968
Other	39	34
Total	**1,215**	**1,289**

6.16 Leases where the Group acts as a lessor

The commercial property leases typically have lease terms of between 5 and 10 years and include clauses to enable periodic upward revision of the rental charge according to market conditions. Some contracts contain options to terminate before the end of the lease term. The following table shows the future rental income from lease agreements where the terms are non-cancellable.

	31 December 2023	31 December 2022
Less than one year	36,073	37,291
Between one and five years	59,093	64,560
More than five years	7,642	6,783
Total	**102,808**	**108,634**

7 Financial risk management

Exposure to various risks arises in the normal course of the Group’s business. Financial risk comprises:

- credit risk (refer to note 7.1);
- liquidity risk (refer to note 7.2);
- market risk including currency risk, interest rate risk and price risk (refer to note 7.3).

This note presents information about the Group’s exposure to each of the above risks, the Group’s objectives, policies and processes for measuring and managing risk, and the Group’s management of capital.

The primary objectives of the financial risk management function are to establish risk limits, and then ensure that exposure to risks stays within these limits. Supervision of the Group’s risk is accomplished through discussions held by executive management in appropriate frameworks together with reporting and discussions with the Board of Directors.

7.1 Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk ... financing activities,

The Group evaluates the concentration of risk with respect to loans provided as low, as the debtors are primarily entities controlled by the ultimate shareholder of the Company.

Aging structure of financial assets as at 31 December 2023 and 2022

31 December 2023	**Total neither past due nor impaired**	**Total past due but not impaired**	**Impaired**	**Total**
Other investments	54,571	-	-	54,571
Loans provided	5,052,955	-	(14,679)	5,052,955
- to related parties	*5,051,374*	-	*(14,679)*	*5,051,374*
- to third parties	*(7,126)*	-	-	*(7,126)*
- to joint venture	*8,707*	-	-	*8,707*
- bills of Exchange	-	-	-	-
Trade and other receivables	178,813	69,717	(1,598)	248,530
Cash and cash equivalents	83,602	-	-	83,602
Total	**5,369,942**	**69,717**	**(16,277)**	**5,439,659**

31 December 2022	Total neither past due nor impaired	Total past due but not impaired	Impaired	Total
Other investments	60,529	-	-	60,529
Loans provided	4,712,973	-	(14,679)	4,712,973
- to related parties	*4,698,329*	-	*(14,679)*	*4,698,329*
- to third parties	-	-	-	-
- to joint venture	*14,644*	-	-	*14,644*
- bills of Exchange	-	-	-	-
Trade and other receivables	168,777	25,431	(2,728)	194,208
Cash and cash equivalents	104,082	-	-	104,082
Total	**5,046,361**	**25,431**	**(17,407)**	**5,071,792**

As at 31 December 2023, the Group recognized an impairment of EUR 14.7 million (EUR 14.7 million as at 31 December 2022) against loans provided to related parties.

Breakdown of overdue financial assets which are not impaired:

31 December 2023	Past due 1-30 days	Past due 31-90 days	Past due 91-180 days	Past due 181-360 days	Past due more than 360 days	Total
Trade and other receivables	68,627	-	480	-	610	69,717
Total	**68,627**	**-**	**480**	**-**	**610**	**69,717**

31 December 2022	Past due 1-30 days	Past due 31-90 days	Past due 91-180 days	Past due 181-360 days	Past due more than 360 days	Total
Trade and other receivables	5,448	5,720	4,139	10,053	71	25,431
Total	**5,448**	**5,720**	**4,139**	**10,053**	**71**	**25,431**

As at 31 December 2023, receivables overdue for more than 360 and 180 days primarily related to intented acquisition of certain land banks in Italy and therefore were not assessed as doubtful.

Cash and cash equivalents

Cash and cash equivalents, neither past due nor impaired (Moody˵s ratings of respective counterparties):

	31 December 2023	31 December 2022
A1	67,800	89,908
A2	9,267	1
A3	26	52
Aa3	125	246
Baa1	6,192	10,967
Baa2	8	2,776
Not rated	184	132
Total	**83,602**	**104,082**

7.2 Liquidity risk

The main objective of liquidity risk management is to reduce the risk that the Group does not have available resources to meet its financial obligations, working capital and committed capital expenditure requirements.
The Group maintains liquidity management to ensure that funds are available to meet all cash flow needs. Concentration of risk is limited thanks to diversified maturity of the Group's liabilities and diversified portfolio of the Group's financing.
The Group manages liquidity risk by constantly monitoring forecasts and actual cash flows and by various long-term financing. The Group's

liquidity position is monitored on a weekly basis by division managers and is reviewed quarterly by the Board of Directors. A summary table
with maturity of liabilities is used by key management personnel to manage liquidity risks.

Liquidity risk analysis

The following table summarizes the maturity profile of the Group's financial liabilities based on contractual undiscounted payments including accrued interest. The table reflects the earliest settlement of Group's liabilities based on contractual maturity and includes non-derivative as well as derivative financial liabilities.

At 31 December 2023	Carrying value	< 3 month	3-12 months	1-2 years	2-5 years	> 5 year	Total
Financial debts	5,156,951	193,178	54,895	64,012	2,162,536	3,086,696	5,561,317
- loans from related parties	*4,816,803*	*191,822*	*51,616*	*59,416*	*2,148,816*	*2,746,116*	*5,197,786*
- bank loans	*335,125*	*1,104*	*3,279*	*4,356*	*13,069*	*336,700*	*358,508*
- lease liabilities	*5,023*	*252*	*-*	*240*	*651*	*3,880*	*5,023*
Other non-current liabilities	14,034	-	-	2,636	6,478	4,919	14,033
Other current liabilities*	396,067	370,236	25,831	-	-	-	396,067
Total	**5,567,052**	**563,414**	**80,726**	**66,629**	**2,169,015**	**3,091,615**	**5,971,417**

*Other current liabilities include current trade payables and other financial current liabilities.

At 31 December 2022	Carrying value	< 3 month	3-12 months	1-2 years	2-5 years	> 5 year	Total
Financial debts	4,899,875	121,577	251,291	184,526	2,304,352	2,835,829	5,697,575
- loans from related parties	*4,874,652*	*121,246*	*251,091*	*184,037*	*2,302,948*	*2,810,096*	*5,669,418*
- bank loans	*20,555*	*97*	*200*	*267*	*800*	*22,126*	*23,490*
- lease liabilities	*4,668*	*234*	*-*	*222*	*604*	*3,607*	*4,668*
Other non-current liabilities	5,383	-	-	1,849	2,730	804	5,383
Other current liabilities*	82,930	63,221	19,709	-	-	-	82,930
Total	**4,988,188**	**184,798**	**271,000**	**186,375**	**2,307,082**	**2,836,633**	**5,785,888**

*Other current liabilities include current trade payables and other financial current liabilities.

The Group maintains strong cash reserves and maintains flexibility with regard to potential uses of liquidity such as capital expenditures and development spending, shareholder distributions etc.

As of the date of these financial statements, the Group does not face a significant liquidity risk.

7.3 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and prices will affect the Group's income or the value of its holdings of financial instruments or could cause future cash flows related to financial instruments to fluctuate. The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimizing the return.

The Group's market risk mainly arises from open positions in a) foreign currencies and b) loans provided and financial debts, to the extent that these are exposed to general and specific market movements.

Market risk exposures are measured using sensitivity analysis.

Sensitivities to market risks included below are based on a change in one factor while holding all other factors constant.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates (see note 2.2(b)).

The Group is exposed to currency risk mainly on sales, purchases and borrowings that are denominated in a currency other than the respective functional currencies of Group entities, primarily the CZK, but also others (see note 2.2(b)).

Sensitivity analysis – exposure to currency risk

The table below shows the material balances held in foreign currencies that are deemed subject to currency risk and presents sensitivities of profit or loss to reasonably possible changes in foreign currency rates with all other variables held constant.

A 10% change in the foreign currency rate of foreign currencies would have the below effect to profit/(loss) or equity of the Group providing all other variables remaining constant:

31 December 2023	Original currency	In TEUR	Change in TEUR (functional currency depreciated by 10%)	Change in TEUR (functional currency appreciated by 10%)
Cash and cash equivalents		**83,602**		
	TEUR	41,954	-	-
	TCZK	22,232	2,223	(2,223)
	TUSD	941	94	(94)
	THUF	4,825	483	(483)
	TCHF	1	-	-
	TPLN	13,598	1,360	(1,360)
	TGBP	51	5	(5)
Loans provided		**5,038,276**		
	TEUR	3,745,997	-	-
	TCZK	873,934	87,393	(87,393)
	THUF	181,295	18,129	(18,129)
	TRON	13,900	1,390	(1,390)
	TGBP	222,319	22,232	(22,232)
	TUSD	831	83	(83)
Financial debts		**(5,156,951)**		
	TEUR	(5,102,280)	-	-
	TCZK	(49,648)	(4,965)	4,965
	TCHF	-	-	-
	TPLN	(5,023)	(502)	502
	TGBP	-	-	-
Net exposure to currency risk	**TCZK**	**846,518**	**84,652**	**(84,652)**
	TGBP	**222,370**	**22,237**	**(22,237)**
	TPLN	**8,575**	**857**	**(857)**
	TRON	**13,900**	**1,390**	**(1,390)**
	TUSD	**1,772**	**177**	**(177)**
	THUF	**186,120**	**18,612**	**(18,612)**
	TCHF	**1**	**-**	**-**

31 December 2022	Original currency	In TEUR	Change in TEUR (functional currency depreciated by 10%)	Change in TEUR (functional currency appreciated by 10%)
Cash and cash equivalents		**104,082**		
	TEUR	75,032	-	-
	TCZK	12,950	1,295	(1,295)
	TUSD	10	1	(1)
	THUF	4,143	414	(414)
	TCHF	353	35	(35)
	TPLN	4,062	406	(406)
	TGBP	7,531	753	(753)
	THRK	1	-	-
Loans provided		**4,712,973**		
	TEUR	2,872,099	-	-
	TCZK	1,401,460	140,146	(140,146)
	THUF	197,213	19,721	(19,721)

	TGBP	226,912	22,691	(22,691)
Financial debts		**(4,899,875)**		
	TEUR	(4,555,362)	-	-
	TCZK	(46,415)	(4,641)	4,641
	TCHF	(65,083)	(6,508)	6,508
	TPLN	(4,668)	(467)	467
	TGBP	(228,347)	(22,835)	22,835
Net exposure to currency risk	**TCZK**	**1,367,995**	**136,799**	**(136,799)**
	TGBP	**6,096**	**610**	**(610)**
	TPLN	**(606)**	**(61)**	**61**
	TRON	**15,289**	**1,529**	**(1,529)**
	TUSD	**10**	**1**	**(1)**
	THUF	**201,356**	**20,136**	**(20,136)**
	THRK	**1**	**-**	**-**
	TCHF	**(64,730)**	**(6,473)**	**6,473**

Interest rate risk

At the reporting date the interest rate profile of the Group's interest-bearing financial instruments are described under notes 6.5 for financial assets and under notes 6.11 financial liabilities respectively. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group's interest rate risk is monitored by the Group's management on a monthly basis. The interest rate risk policy is approved quarterly
by the Board of Directors. Management analyses the Group's interest rate exposure on a dynamic basis. Various scenarios are simulated, taking into consideration refinancing, renewal of existing positions and alternative financing sources.

Loans provided by the Group require instalments to be paid by the borrower according to a payment schedule, based on a fixed interest rate. The interest rates charged by the Group are usually based on Group's borrowing interest rates.

As the loans provided (including those to related parties) are based on fixed rates, and no financial debt is measured at fair value through profit and loss the Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates. These obligations primarily include bank loans.

Trade receivables and payables are interest-free and have settlement dates within one year.

Price risk

The Group is exposed to price risks related to investments in shares of CPI PG, which are classified as other investments.

Other components of equity would increase or decrease by EUR 2.8 million as at 31 December 2023 (EUR 3.1 million as at 31 December 2022) as a result of 5% increase or decrease of EPRA NAV per share of CPI PG.

Other risks

The Group is exposed to price risk other than in respect of financial instruments, such as property price risk including property rental risk. For sensitivity analysis on changes in assumptions of investment property valuation refer to note 7.5.

7.4 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders; and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

There is no real seasonality impact on its financial position but rather a volatility of financial markets might positively or negatively influence Group's consolidated financial position.

No changes were made in the objectives, policies or processes during the year ended 31 December 2023.

The Group monitors capital on the basis of the gearing ratio.

Gearing ratio

This ratio is calculated as total debt divided by total equity. Debt is defined as all non-current and current liabilities. Equity includes all capital and reserves as shown in the consolidated statement of financial position.

	31 December 2023	31 December 2022
Debt	5,733,511	5,148,679
Equity	1,457,614	1,718,945
Gearing ratio in %	**393.35%**	**299.53%**

7.5 Fair value measurement

Fair value of financial instruments

Fair value measurements of financial instruments reported at fair value are classified by level of the following measurement hierarchy:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices);
- Level 3: Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

There were no changes in the Group's valuation processes, valuation techniques, and types of inputs used in the fair value measurements during the period.

There were no transfers between Level 1 and Level 2 fair value measurements during the period, and no transfers into or out of Level 3 fair value measurements during the period 2023.

The following tables show the carrying amounts at fair value of financial assets and liabilities, including their level in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

Accounting classification and fair values

The following tables show the carrying amounts and fair value of financial assets and liabilities, including their level in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	31 December 2023		31 December 2022	
Financial assets measured at fair value	**Carrying amount**	**Fair value**	**Carrying amount**	**Fair value**
CPI Property Group shares*	54,562	54,562	61,646	61,646
Other investments	9	9	9	9
Financial assets not measured at fair value				
Loans provided**	5,029,569	5,832,001	4,698,329	5,065,198
Loans provided to joint venture	8,707	8,707	14,644	14,644
Financial liabilities not measured at fair value				
Financial debt – other	4,821,826	4,737,634	4,879,320	4,702,563
Financial debt – bank loans (floating rate)	314,592	314,592	22	22
Financial debt – bank loans (fixed rate)	20,533	19,008	20,533	18,551

* For the valuation as at 31 December 2023, the shares are valued using EPRA NAV per share of CPI PG as at 31 December 2022 (refer to note 6.4).
** The fair values of the financial assets and financial liabilities included in the level 3 category have been determined in accordance with generally accepted pricing models based on the discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparties, with exception of loans provided to/ received from entities controlled by the majority shareholder of the Company, which bear limited credit risk from the Group's perspective.

The Group classifies all its financial assets and liabilities as Level 3 in the fair value hierarchy.

Fair value measurement of investment property

The Group's investment properties were valued at 31 December 2023 and 2022 in accordance with the Group's accounting policies. The Group utilizes independent professionally qualified valuers, who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all these properties, their current use equates to the highest and best use.
The Group's finance department includes a team that reviews the valuations performed by the independent valuers for financial reporting purposes.

Main observable and unobservable inputs

The table below presents the valuation method, the key observable and unobservable inputs for each class of property owned by the Group, used by the valuers as at the end of 31 December 2023 and 2022 respectively. The fair value hierarchy of the valuations is Level 3. Fair value amounts are stated in EUR millions.

Investment property

Retail	Fair Value 2023	Fair Value 2022	Valuation technique	Significant unobservable inputs	Range (weighted avg) 2023	Range (weighted avg) 2022
Czech Republic	2	2	DCF	ERV per sqm	€204	€190
				NRI per sqm	€194	€194
				Discount Rate	6.0%	5.5%
				Exit Yield	6.0%	5.5%
				Vacancy rate	0%	0%
Office	**Fair Value 2023**	**Fair Value 2022**	**Valuation technique**	**Significant unobservable inputs**	**Range (weighted avg) 2023**	**Range (weighted avg) 2022**
Czech Republic*	-	25	Income capitalisation	ERV per sqm	-	€174
				NRI per sqm	-	€127
				Equivalent Yield	-	5.41%
				Vacancy rate	-	23.59%
Czech Republic*	5	-	DCF	ERV per sqm	€148	-
				NRI per sqm	€188	-
				Discount rate	7.4%	-
				Equivalent Yield	7.0%	-
				Vacancy rate	0%	-
Poland**	542	-	Investment method	ERV per sqm	€203-€313(€260)	-
				NRI per sqm	€170-€325(€262)	-
				Equivalent Yield	5.8%-8.6%(6.7%)	-
				Vacancy rate	0%-17.7%(3.0%)	-
Poland **	-	591	DCF	ERV per sqm	-	€198-€313(€258)
				NRI per sqm	-	€118-€276(€217)
				Discount Rate	-	5.3%-7.7% (5.9%)
				Exit Yield	-	0.0%-28.8% (6.4%)
Hotels rented	**Fair Value 2023**	**Fair Value 2022**	**Valuation technique**	**Significant unobservable inputs**	**Range (weighted avg) 2023**	**Range (weighted avg) 2022**
Complementary	25	26	DCF	Rate per key	€257,216	€267,526
				Exit Yield	6.8%	6.8%
				Discount Rate	10.8%	10.5%
Residential	**Fair Value 2023**	**Fair Value 2022**	**Valuation technique**	**Significant unobservable Inputs**	**Range (weighted avg) 2023**	**Range (weighted avg) 2022**
Complementary	26	28	Comparable	Fair value per sqm	€19,524-€28,041(€26,236)	€19,524-€29,962(€27,750)
Italy	25	25	Comparable	Fair value per sqm	€13,938	€13,938
Landbank	**Fair Value 2023**	**Fair Value 2022**	**Valuation technique**	**Significant unobservable Inputs**	**Range (weighted avg) 2023**	**Range (weighted avg) 2022**
Czech Republic	199	192	Comparable	Fair value per sqm	€2-€2,350(€13)	€2-€2,452(€12)
Prague	311	336	Comparable	Fair value per sqm	€8-€3,988(€302)	€11-€4,175(€326)
Czech Republic	9	9	Residual	Gross development value	€3,042	€3,111
				Development margin	25.0%	25.0%
Landbank and Development	**Fair Value 2023**	**Fair Value 2022**	**Valuation technique**	**Significant unobservable Inputs**	**Range (weighted avg) 2023**	**Range (weighted avg) 2022**
Land bank Bubny	260	246	Comparable	Fair value per sqm	(€1,294)	(€1,223)
Land bank Zbrojovka	158	144	Comparable	Fair value per sqm	(€688)	(€622)
Development Vysočany	12	13	Development Appraisal - Comparable	Fair value per sqm	(€2,013)	(€2,084)
Total	**1,574**	**1,637**				

* Valuation method changed from Income Capitalization as at 31 December 2022 to DCF as at 31 December 2023.
** Valuation method changed from DFC as at 31 December 2022 to Investment method as at 31 December 2023.

The tables above are net of properties classified as assets held for sale, recent acquisitions and selected leased properties.

The amounts of classes of property as at 31 December 2023 in the table above is not fully comparable to the amounts as at 31 December 2022, primarily due to changes of valuation methods and changes in classification of assets due to their change of use.

Appraisal for Bubny as at 31 December 2023

Bubny is a land bank with a size over 202 thousand square meters and is located near the Prague's city center. The majority of the site is currently not used. As of 31 December 2022, a valuation of the land bank was conducted by external valuation expert Jones Lang La Salle ("JLL") using the comparable method. As of 30 June 2023, JLL transferred its existing businesses to iO Partners and created a Preferred Partnership in the Czech Republic, Hungary, Romania and Slovakia. IO Partners have performed the valuation of the land bank as of 31 December 2023, also using the comparable method.

This method was based on 6 recently executed land site transactions in Prague, included in below table:

2023	Comparative method					
	1	2	3	4	5	6
Zoning plan	Mixed use	Mixed use	Mixed use	Mixed use	Industrial -> Residential	Mixed use
Size (sqm) – approx.	44,000	67,000	10,000	9,000	53,000	20,000
Transacted price per sqm (EUR)	500	900	2,900	2,200	800	2,100

2022	Comparative method					
	1	2	3	4	5	6
Zoning plan	Mixed use	Mixed use	Mixed use	Mixed use	Industrial -> Residential	Mixed use
Size (sqm) – approx.	44,000	67,000	10,000	9,000	80,000	20,000
Transacted price per sqm (EUR)	500	900	3,000	2,200	400	2,100

The fair value was determined by estimating the fair value per 1 square meter based on comparative land site transaction prices, adjusted for differences between comparative land sites and Bubny site.

The adjustments provided for the following characteristics:

Adjustment	Range used by iO	Average multiple used	Description
Microlocation	Multiple 0.90 – 1.35	1.12	Vicinity to the city center, attractiveness of the area, public amenities.
Access	Multiple 0.95 - 1.05	1.02	Vehicular and pedestrian access to the property
Public transportation	Multiple 0.90 - 1.15	1.00	Metro, tram and bus stops in the vicinity
Size	Multiple 0.80 – 0.90	0.86	Size of land plots
Existence of Structures	Multiple 1 - 1.05	1.01	Old structures being present on the site, with potential historical protection.
Market improvement	Multiple 1 - 1.40	1.16	Improvement of the market since the transaction, adjustment used for optimizing dates of transactions to the date of valuation
Flooding area	Multiple 1 - 1.05	1.01	Risk of floods based on flood map issued by the Association of Insurance Companies
Liquidity of apartments	Multiple 0.95 - 1.10	1.02	Demand for flats in the location
Individual characteristics of the land, planning & permits	Multiple 0.75 – 1.30	0.92	Status of development (construction feasibility, land usability, construction ban, zoning / building permits etc.)
Adjustment Factor due to too high price	Multiple 0.75 – 1.00	0.96	Adjustment in case the realized price was above market level

Sensitivity analysis of Bubny site

As the Bubny site was valued using comparable method, the sensitivity analysis was prepared for two key adjustments: individual characteristics of the land & permits and size. For individual characteristics iO used the largest range of multiples, indicating high level of judgement included in the adjustment estimate. Size adjustment is selected for sensitivity analysis because of the significance of differences in size between Bubny and comparative land sites.

		Multiple Individual characteristics		
	MEUR	0.95	1.00	1.05

	1.00	246	262	277
	1.05	262	277	293

Triggering and expected events for further development of the Bubny land bank

In December 2020, there was a new land study Holesovice-Bubny-Zatory approved. The study represents a basis for a change in the zoning plan which is expected to focus on the future growth of real estate in Prague through development inside the city rather than by growth outside the city's existing borders. The study divides the Bubny area in several sectors with different use and potential for future development. The land bank owned by the Group was split to several blocks planned for residential and for commercial development, the northern part which is close to the railway line is planned for a public park. Total potential gross floor area attributable to the Group's land bank in the study is approx. 530,000 sqm.

Once the change in the zoning plan becomes legally binding, the construction ban is expected to be removed. These plans contribute to increasing public pressure on the authorities to allow development in Prague, particularly in the brownfield development areas.

Appraisal for Zbrojovka as at 31 December 2023

Zbrojovka is a Brown field/land bank with a size over 230 thousand square meters and is located in Brno, the Czech Republic. The majority of the site is currently not used (except for newly developed office buildings ZET office and D1). As of 31 December 2023 and 2022, a valuation of the land bank was prepared by iO/JLL using the comparable method. This method was lastly based on 6 recently executed land site transactions in Brno, included in below table:

Comparative method						
2023	1	2	3	4	5	6
Zoning plan	Industrial -> Residential	Mixed use	Mixed use	Industrial -> Residential	Residential	Mixed Use
Size (sqm) – approx.	17,000	23,000	4,000	8,000	6,000	46,000
Transacted price per sqm (EUR)	600	500	400	700	500	400

2022	Comparative method						
	1	2	3	4	5	6	7
Zoning plan	Mixed use	Mixed use	Mixed use	Industrial -> Residential	Residential	Commercial	Mixed Use
Size (sqm) – approx.	9,000	23,000	5,000	8,000	6,000	46,000	4,000
Transacted price per sqm (EUR)	300	500	700	700	500	400	400

The fair value was determined by estimating the fair value per 1 square meter based on comparative land site transaction prices, adjusted for differences between comparative land sites and Zbrojovka site.

The adjustments provided for the following characteristics:

Adjustment	Range used by iO	Average multiple used	Description
Microlocation	Multiple 0.90 - 1.30	1.08	Vicinity to the city center, attractiveness of the area, public amenities.
Access	Multiple 0.95 - 1.05	1.00	Vehicular and pedestrian access to the property
Public transportation	Multiple 0.90 - 1.20	1.02	Tram, trolleybus and bus stops in the vicinity
Size	Multiple 0.75 - 0.85	0.78	Size of land plots
Existence of structures	Multiple 0.95 - 1.10	1.02	Old structures being present on the site, with potential historical protection.
Market improvement	Multiple 1.00 - 1.25	1.09	Improvement of the market since the transaction, adjustment used for optimizing dates of transactions to the date of valuation
Flooding area	Multiple 0.95 - 1.05	0.97	Risk of floods based on flood map issued by the Association of Insurance Companies
Liquidity of apartments	Multiple 0.95 - 1.05	1.01	Demand for flats in the location
Individual characteristics of the land & Permits	Multiple 0.85 – 1.35	1.25	Status of development (construction feasibility, zoning / building permits etc.)
Planning (land usability)	Multiple 1.05 – 1.25	1.16	Usage of the land allowed by valid Master Plan

Sensitivity analysis of Zbrojovka

As the Zbrojovka site was valued by comparable method, the sensitivity analysis was prepared for two key adjustments: Individual characteristics of the land & Permits and size. For Permits iO used the largest range of multiples, indicating high level of judgement included in the adjustment estimate. Size adjustment is selected for sensitivity analysis because of the significance of differences in size between Zbrojovka and comparative land sites.

		Multiple permits		
Multiple size	MEUR	0.95	1.00	1.05
	0.95	146	153	158
	1.00	153	158	164
	1.05	158	164	171

Triggering and expected events for further development of Zbrojovka land bank

Zbrojovka (formerly armory factory) is classified as development for over the last 4 years. In December 2020, there were final changes to master plan approved. The master plan defines all the main urbanistic, technical and infrastructure links of the area. Development expects residential, office and public amenities with expected gross floor area of over 500 000 sqm. The budgeted timeline for the development of the whole area is between 10 and 15 years. As of the valuation date, vast of the former structures were removed. The development of the area is divided into 8 phases in separate areas. The first phase started in 2022 in the southern part of the landbank.

Other land banks

The other land banks which were valued by the comparable method have a total fair value of EUR 510.0 million and EUR 528.0 million as at 31 December 2023 and 2022 and a size of 18 million sqm. As these land banks differ significantly in various parameters (such as current zoning, location & micro-location, existence of structures, access etc.) no further disaggregation was performed.

Smaller part of landbanks was valued by residual method with total fair value of EUR 9.0 million as at 31 December 2023 (EUR 9.0 million as at 31 December 2022) and a size of 15 thousands sqm as at 31 December 2023 (15 thousands sqm as at 31 December 2022).
The sensitivity analysis for assets where the fair value was determined by comparative method was not prepared, as the potential change in inputs (such as change of multiples etc.) would result in equal or direct change in outputs.

Sensitivity analysis on changes in assumptions of property valuations

The Group has performed a sensitivity analysis on changes in assumptions of property valuation.

The significant unobservable inputs used in fair value measurement categorized within level 3 of the fair value hierarchy of the Group portfolio are:

- equivalent yield or discount rate;
- estimated rental value (ERV) for rental asset;
- development margin/profit for development.

Change of the valuation rates would result in the following fair values – analysis of the portfolio of assets valued by discounted cash flow, income capitalization method and development appraisal:

As at 31 December 2023

Czech Republic – Retail - DCF

	MEUR	Discount rate		
		(0.25%)	-	0.25%
ERV	(5.00%)	1.77	1.69	1.62
	-	1.86	1.78	1.70
	5.00%	1.95	1.87	1.79

Czech Republic – Office - DCF

	MEUR	Discount rate		
		(0.25%)	-	0.25%
ERV	(5.00%)	4.60	4.50	4.30
	-	4.90	4.70	4.50
	5.00%	5.10	4.90	4.80

Czech Republic

Landbank as a development	MEUR
Developer's Profit (5.00%)	10.38
Developer's Profit (2.50%)	9.74
Developer's Profit -	9.14
Developer's Profit 2.50%	8.55
Developer's Profit 5.00%	7.99

Poland - Office – Income capitalisation

	MEUR	Yield		
		(0.25%)	-	0.25%
ERV	(5.00%)	538.1	516.4	496.5
	-	564.5	541.7	520.7
	5.00%	590.8	566.9	544.9

Complementary – Hotels - DCF

	MEUR	Discount rate		
		(0.25%)	-	0.25%
ERV	(5.00%)	25.60	24.95	24.35
	-	25.60	24.95	24.35
	5.00%	25.60	24.95	24.35

As at 31 December 2022

Czech Republic – Retail - DCF

	MEUR	Yield		
		(0.25%)	-	0.25%
ERV	(5.00%)	1.91	1.82	1.73
	-	2.01	1.91	1.82
	5.00%	2.11	2.01	1.91

Czech Republic – Office - Income Capitalisation

	MEUR	Yield		
		(0.25%)	-	0.25%
ERV	(5.00%)	25.21	23.98	22.89
	-	26.42	25.14	23.98
	5.00%	27.64	26.29	25.07

Czech Republic

Landbank as a development	MEUR
Developer's Profit (5.00%)	10.30
Developer's Profit (2.50%)	9.67
Developer's Profit -	9.06
Developer's Profit 2.50%	8.48
Developer's Profit 5.00%	7.92

Poland - Office – DCF

	MEUR	Yield

Complementary – Hotels - DCF

	MEUR	Yield

ERV	(5.00%)	585.9	559.7	535.5
	-	618.6	590.8	565.4
	5.00%	651.2	622.0	595.3

ERV	(5.00%)	26.65	25.95	25.25
	-	26.65	25.95	25.25
	5.00%	26.65	25.95	25.25

8 Litigations

Kingstown dispute in Luxembourg

On 20 January 2015, the Company was served with a summons containing petition of the three companies namely Kingstown Partners Master Ltd. of the Cayman Islands, Kingstown Partners II, LP of Delaware and Ktown LP of Delaware (together referred to as „Kingstown“), claiming to be the shareholders of CPI FIM SA, filed with the Tribunal d´Arrondissement de et a Luxembourg (the "Luxembourg Court"). The petition seeks condemnation of the Company together with CPI FIM SA and certain members of CPI FIM SA's board of directors as jointly and severally liable to pay damages in the amount of EUR 14.5 million and compensation for moral damage in the amount of EUR 5 million. According to Kingstown's allegation the claimed damage has arisen as a consequence of inter alia alleged violation of CPI FIM SA's minority shareholders rights.

To the best of Company´s knowledge, Kingstown was not at the relevant time a shareholder of the Company. Therefore, and without any assumption regarding the possible violation, the Company believes that it cannot be held liable for the violation of the rights of the shareholders of another entity.

The Management of the Company has been taking all available legal actions to oppose these allegations in order to protect the corporate interest as well as the interest of its shareholders. Accordingly, the parties sued by Kingstown raised the exceptio judicatum solvi plea, which consists in requiring the entity who initiated the proceedings and who does not reside in the European Union or in a State which is not a Member State of the Council of Europe to pay a legal deposit to cover the legal costs and compensation procedure. On 19 February 2016 the Luxembourg Court rendered a judgement, whereby each claimant has to place a legal deposit in the total amount of EUR 90 thousand with the "Caisse de Consignation" in Luxembourg in order to continue the proceedings. Kingstown paid the deposit in January 2017, and the litigation, currently being in a procedural stage, is pending. In October 2018, Kingstown's legal advisers filed additional submission to increase the amount of alleged damages claimed to EUR 157.0 million. The Company continues to believe the claim is without merit.

On 21 June 2019 the Company received a first instance judgment, which declared that a claim originally filed by Kingstown in 2015 was null and void against CPIPG. The Court dismissed the claim against CPIPG because the claim was not clearly pleaded ("libellé obscur"). Specifically, Kingstown did not substantiate or explain the basis of their claim against CPIPG and failed to demonstrate how CPIPG committed any fault.

In December 2020, the Luxembourg Court declared that the inadmissibility of the claim against CPIPG and certain other defendants has not resulted in the inadmissibility of the litigation against the Company and the remaining defendants. Some defendants have decided to appeal against this judgment of which declared the claim admissible against the Company. On 28 March 2023 the court of appeal has rejected the appeal and therefore the will be ongoing on other issues of inadmissibility and the merits before the first instance Luxembourg Court during 2024.

Disputes related to warrants issued by the Company

The Company was sued by holders of the warrants holders of 2014 Warrants registered under ISIN code XS0290764728 (the "2014 Warrants"). The first group of the holders of the Warrants sued the Company for approximately EUR 1.2 million in relation to the Change of Control Notice published by the Company, notifying the holders of the 2014 Warrants that the Change of Control, as defined in the Securities Note and the Summary for the 2014 Warrants, occurred on 8 June 2016. The second holder of the 2014 Warrants sued the Company for approximately EUR 1 million in relation to the alleged change of control which allegedly occurred in 2013. These litigations are pending. The Company is defending itself against these lawsuits.

It is reminded that in accordance with the judgement of the Paris Commercial Court pronounced on 26 October 2015 concerning the termination of the CPI FIM SA's Safeguard Plan, liabilities that were admitted to the Safeguard, but are conditional or uncalled (such as uncalled bank guarantees, conditional claims of the holders of 2014 Warrants registered under ISIN code XS0290764728, provided that they were admitted to the Safeguard plan), will be paid according to their contractual terms. Pre-Safeguard liabilities that were not admitted to the CPI FIM SA's Safeguard will be unenforceable. As such, only claims of holders of the 2014 Warrants, whose potential claims were admitted to the CPI FIM SA's Safeguard Plan, could be considered in respect of the present Change of Control. Claims of holders of

the 2014 Warrants that were not admitted to the CPI FIM SA's Safeguard will be unenforceable against CPI FIM SA. To the best of Company's knowledge, none of the holders of the 2014 Warrants who sued CPI FIM SA filed their claims 2014 Warrants related claims in the CPI FIM SA's Safeguard Plan.

On 9 March 2023 the Luxembourg Court issued a judgment, rejecting the claims of the holders of the 2014 Warrants. The Luxembourg Court confirmed that any claim in relation to the change of control provision had to be made, in accordance with the provisions of the Paris Commercial Code, within 2 months as from the date of publication of the judgement opening the Safeguard Procedure in the French Official Gazette. Since the claimants did not comply with this obligation, their claim for payment under the change of control provision is not well-founded and has to be rejected. The claimants did not appeal, and the case is closed now.

9 Capital and other commitments

The Group has capital commitments of EUR 16.7 million and EUR 35.8 million in respect of capital expenditures contracted as at 31 December 2023 and 2022, respectively.

10 Related party transactions

Transactions with key management personnel

Total compensation given as short-term employee benefits to the top managers was EUR 0.4 million and EUR 0.3 million in 2023 and 2022, respectively.

The Board and Committees attendance compensation was EUR 36 thousand and EUR 36 thousand in 2023 and 2022.

The remuneration of the key management personnel and members of Board of Directors

	31 December 2023	31 December 2022
Remuneration paid to the key management personnel and members of Board of Directors	405	316

Breakdown of balances and transactions with related of the Group

Majority shareholder of the Group

	31 December 2023	31 December 2022
Trade receivables	2,778	116

Management

	31 December 2023	31 December 2022
Other current payables	12	12
Advances received	131	435
Transactions		
Other operating expenses	(36)	(36)

Entities over which the majority shareholder has control

	31 December 2023	31 December 2022
Trade receivables	22	19
Transactions		
Rental income	20	20
Other operating income	30	30
Interest income (refer below for the detail)	158	-

Entities controlled by members of Board of Directors

	31 December 2023	31 December 2022
Trade payables	1	67
Transactions		
Interest income (refer below for the detail)	8	-

CPI PG Group

	31 December 2023	31 December 2022
Loans provided non-current (refer below for the detail)	4,325,062	4,568,638
Loans provided current (refer below for the detail)	719,187	144,370
Trade receivables	1,184	1,018
Other current receivables	204,374	155,008
Loans received non-current (refer below for the detail)	4,633,435	4,628,903
Loans received current (refer below for the detail)	183,368	245,749
Trade payables	11,564	4,983
Other current liabilities	359,140	60,708

Transactions		
Service revenue	1,022	1,031
Advisory services	(4,115)	(3,868)
Interest income (refer below for the detail)	261,040	209,677
Interest expense (refer below for the detail)	(139,241)	(128,231)

Joint venture

	31 December 2023	31 December 2022
Loans provided non-current (refer below for the detail)	8,617	14,435
Loans provided current (refer below for the detail)	89	209
Transactions		
Interest income (refer below for the detail)	1,062	1,001

Non-current loans provided to related parties

CPI PG Group	31 December 2023	31 December 2022
1 Bishops Avenue Limited	129,973	153,371
Andrássy Hotel Zrt.	3,845	3,620
Andrássy Real Kft.	-	11,857
Balvinder, a.s.	3,038	3,141
Baudry Beta, a.s.	10,326	10,475
BAYTON Alfa, a.s.	16,090	12,966
Best Properties South, a.s.	67,354	68,144
BPT Development, a.s.	12	-
Březiněves, a.s.	1,083	2,274
CAMPONA Shopping Center Kft.	51,016	48,053
Carpenter Invest, a.s.	2,574	2,558
Conradian, a.s.	5,163	5,001
CPI – Bor, a.s.	-	24,508
CPI - Horoměřice, a.s.	58	52
CPI - Orlová, a.s.	1,045	1,354
CPI - Real Estate, a.s.	2,573	3,057
CPI - Zbraslav, a.s.	192	-
CPI Beet, a.s.	322	263
CPI Blatiny, s.r.o. (formerly CPI Tercie, s.r.o.)	3,211	3,026
CPI BYTY, a.s.	72,088	88,037
CPI Development Services, s.r.o. (formerly Brno Development Services, s.r.o.)	13,243	7,662
CPI East, s.r.o.	-	80,457
CPI Energo, a.s.	866	225
CPI Facility Slovakia, a.s.	3,077	5,682
CPI Green, a.s.	2,554	-
CPI Hotels, a.s.	18,024	22,211
CPI Hotels Properties, a.s.	15,818	18,067
CPI IMMO, S.a.r.l.	-	3,797
CPI Kappa, s.r.o.	1,056	858
CPI Management, s.r.o.	1,148	-
CPI Národní, s.r.o.	82,734	93,983
CPI Office Business Center, s.r.o. (formerly CPI Meteor Centre, s.r.o.)	-	95,470
CPI Office Prague, s.r.o.	-	3,414
CPI Park Jablonné v Podještědí, s.r.o.	271	-
CPI PROPERTY GROUP S.A.	2,455,017	2,159,961
CPI Reality, a.s.	37,414	53,246
CPI Retail One Kft.	4,261	3,770
CPI Retail Portfolio Holding Kft.	14,273	24,788
CPI Retail Portfolio I, a.s.	-	12,869
CPI Retail Portfolio VIII s.r.o.	-	7,629
CPI Sekunda, s.r.o.	1,509	1,529
CPI Shopping MB, a.s.	-	36,717
CPI Shopping Teplice, a.s.	42,969	48,982
CPI Smart Power, a.s.	405	-
CPI Théta, a.s.	-	4,470
CPI Žabotova, a.s.	4,188	4,108
CPIPG Management S.à r.l.	165,948	173,084
Czech Property Investments, a.s.	439,462	421,981
Eclair Aviation s.r.o.	815	-
EMH South, s.r.o.	5,321	6,515

ENDURANCE HOSPITALITY FINANCE S.á.r.l.		
Europeum Kft.	21,087	21,759
Farhan, a.s.	53,266	50,580
FL Property Development, a.s.	195	200
Futurum HK Shopping, s.r.o.	-	88,803
FVE roofs & grounds, s.r.o.	4,105	-
HD Investment s.r.o.	2	1
Hightech Park Kft.	3,756	3,236
Hraničář, a.s.	13,557	14,033
Chuchle Arena Praha, s.r.o.	136	-
IS Nyír Ingatlanhasznosítóés Vagyonkezelo Kft.	2,832	2,650
IS Zala Ingatlanhasznosítóés Vagyonkezelo Kft.	7,446	7,250
Janáčkovo nábřeží 15, s.r.o.	7,615	6,686
Kerina, a.s.	-	7,093
KOENIG Shopping, s.r.o.	44,701	47,402
Kunratická farma, s.r.o.	1,901	-
LD Praha, a.s.	4,363	4,813
Lockhart, a.s.	22,066	23,054
Lucemburská 46, a.s.	-	5,837
Marcano, a.s.	24,493	-

CPI PG Group	31 December 2023	31 December 2022
Marissa Omikrón, a.s.	-	15,886
Marissa Tau, a.s.	15,851	16,562
Marissa Théta, a.s.	-	388
Marissa West, a.s.	42,535	73,263
MARRETIM s.r.o.	414	484
MUXUM, a.s.	7,161	7,234
Na Poříčí, a.s.	28,735	27,124
New Age Kft.	1,360	911
Notosoaria, s.r.o.	23,702	-
Nymburk Property Development, a.s.	435	1,701
Olomouc Building, a.s.	19,996	20,928
Orchard Hotel a.s.	5,821	6,023
OZ Trmice, a.s.	1,530	423
Ozrics Kft.	2,976	2,567
Platnéřská 10 s.r.o.	86	75
Pólus Shopping Center Zrt.	60,990	58,639
Projekt Nisa, s.r.o.	72,698	81,102
Projekt Zlatý Anděl, s.r.o.	-	80,897
Prostějov Investments, a.s.	2,608	1,906
Real Estate Energy Kft.	26	26
Residence Belgická, s.r.o.	-	1,590
Residence Izabella, Zrt.	3,502	3,528
Rezidence Jančova, s.r.o.	1,486	1,207
Rezidence Malkovského, s.r.o.	4,632	1,849
Savile Row 1 Limited	77,965	70,365
SCP Reflets	8,823	8,653
Seattle, s.r.o.	8,008	-
Spojené elektrárny, s.r.o.	-	207
Spojené farmy a.s.	2,645	-
Statek Kravaře, a.s.	723	-
Statenice Property Development, a.s.	2,937	2,825
Tachov Investments, s.r.o.	45	-
Třinec Property Development, a.s.	-	3,617
Tyršova 6, a.s.	-	3,419
U svatého Michala, a.s.	-	3,465
Uchaux Limited	14,381	3,176
V Team Prague, s.r.o.	-	158
Vigano, a.s.	13,091	12,247
ZET.office, a.s.	-	31,521
Total loans provided non-current - related parties	4,325,062	4,568,638
Joint venture		
Uniborc S.A.	8,617	14,435
Total	**4,333,679**	**4,583,073**

Current loans provided to related parties

CPI PG Group	31 December 2023	31 December 2022
Andrássy Hotel Zrt.	72	69
Andrássy Real Kft.	-	229
Balvinder, a.s.	35	36

Baudry Beta, a.s. BAYTON Alfa, a.s.	253	189
Best Properties South, a.s.	1,189	1,210
Březiněves, a.s.	22	42
CAMPONA Shopping Center Kft.	1,172	1,093
Carpenter Invest, a.s.	40	39
Conradian, a.s.	83	79
CPI – Bor, a.s.	-	524
CPI - Horoměřice, a.s.	1	1
CPI - Orlová, a.s.	28	34
CPI – Real Estate, a.s.	31	37
CPI - Zbraslav, a.s.	8	-
CPI Beet, a.s.	5	4
CPI Blatiny, s.r.o. (formerly CPI Tercie, s.r.o.)	87	131
CPI BYTY, a.s.	772	873
CPI Development Services, s.r.o. (formerly Brno Development Services, s.r.o.)	186	181
CPI East, s.r.o.	-	1,068
CPI Energo, a.s.	40	1
CPI Facility Slovakia, a.s.	153	61
CPI Green, a.s.	46	-

CPI FIM SA

CPI PG Group	31 December 2023	31 December 2022
CPI Hotels, a.s.	258	300
CPI Hotels Properties, a.s.	323	327
CPI IMMO, S.a.r.l.	3,782	29
CPI Kappa, s.r.o.	17	13
CPI Management, s.r.o.	32	-
CPI Národní, s.r.o.	1,806	2,085
CPI Office Business Center, s.r.o. (formerly CPI Meteor Centre, s.r.o.)	-	1,685
CPI Office Prague, s.r.o.	-	59
CPI Park Jablonné v Podještědí, s.r.o.	18	-
CPI PROPERTY GROUP S.A.	668,489	107,345
CPI Reality, a.s.	1,485	896
CPI Retail One Kft.	64	54
CPI Retail Portfolio I, a.s.	-	202
CPI Retail Portfolio VIII s.r.o.	-	131
CPI RETAIL PORTFOLIO HOLDING Kft.	450	1,033
CPI Sekunda, s.r.o.	29	27
CPI Shopping MB, a.s.	-	504
CPI Shopping Teplice, a.s.	754	806
CPI Smart Power, a.s.	8	-
CPI Théta, a.s.	-	141
CPI Žabotova, a.s.	85	104
CPIPG Management S.à r.l.	8,653	4,287
Czech Property Investments, a.s.	6,727	5,215
Eclair Aviation s.r.o.	17	-
EMH South, s.r.o.	93	116
Europeum Kft.	417	430
Farhan, a.s.	956	915
FL Property Development, a.s.	3	3
Futurum HK Shopping, s.r.o.	-	1,435
FVE roofs & grounds, s.r.o.	63	-
Hightech Park Kft.	63	54
Hospitality Invest S.a r.l.	191	84
Hraničář, a.s.	188	193
Chuchle Arena Praha, s.r.o.	1	-
IS Nyír Kft.	59	56
IS Zala Kft.	165	160
Janáčkovo nábřeží 15, s.r.o.	95	79
Kerina, a.s.	6,205	79
KOENIG Shopping s.r.o.	807	793
Kunratická farma, s.r.o.	128	-
LD Praha, a.s.	41	45
Lockhart, a.s.	308	318
Lucemburská 46, a.s.	-	43
Marcano, a.s.	158	-
Marissa Omikrón, a.s.	-	247
Marissa Tau, a.s.	260	266
Marissa Théta, a.s.	261	3
Marissa West, a.s.	749	1,325
MARRETIM s.r.o.	6	8
MUXUM, a.s.	84	83
Na Poříčí, a.s.	511	488
New Age Kft.	31	14

Notosoaria, s.r.o.		
Nymburk Property Development, a.s.	32	23
Olomouc Building, a.s.	371	384
Orchard Hotel a.s.	105	107
OZ Trmice, a.s.	65	9
Ozrics, Kft.	51	44
Platnéřská 10 s.r.o.	1	1
Pólus Shopping Center Zrt.	1,331	1,273
Projekt Nisa, s.r.o.	1,267	1,292
Projekt Zlatý Anděl, s.r.o.	-	1,059
Prostějov Investments, a.s.	104	24
Real Estate Energy Kft.	1	-
Residence Belgická, s.r.o.	1,519	19
Residence Izabella, Zrt.	76	75
Rezidence Jančova, s.r.o.	42	34
Rezidence Malkovského, s.r.o.	138	39
SCP Reflets	56	56
Seattle, s.r.o.	65	-
Spojené elektrárny, s.r.o.	15	-
Spojené farmy a.s.	47	-

CPI PG Group	31 December 2023	31 December 2022
Statek Kravaře, a.s.	17	-
Statenice Property Development, a.s.	51	40
Tachov Investments, s.r.o.	1	-
Třinec Property Development, a.s.	-	92
Tyršova 6, a.s.	3,340	25
U svatého Michala, a.s.	-	44
V Team Prague, s.r.o.	-	3
Vigano, a.s.	205	184
ZET.office, a.s.	-	562
Total loans provided current - related parties	719,187	144,370
Joint venture		
Uniborc S.A.	89	209
Total	**719,276**	**144,579**

Other current receivables (Cash pool)

CPI PG Group	31 December 2023	31 December 2022
Andrassy Hotel Zrt.	74	70
Balvinder, a.s.	2	-
Baudry Beta, a.s.	211	193
BAYTON Alfa, a.s.	605	446
Best Properties South, a.s.	168	5,635
BRNO INN, a.s.	2	7
Březiněves, a.s.	24	6
CAMPONA Shopping Center Kft.	-	129
CPI - Bor, a.s.	109	1,466
CPI - Real Estate, a.s.	6	-
CPI - Zbraslav, a.s.	14	-
CPI Beet, a.s.	15	32
CPI BYTY, a.s.	61	18
CPI Development Services, s.r.o. (formerly Brno Development Services, s.r.o.)	223	1,707
CPI East, s.r.o.	-	192
CPI Energo, a.s.	812	-
CPI Facility Management Kft.	256	6
CPI Hotels Properties, a.s.	39	38
CPI Hungary Kft.	2,376	202
CPI Kappa, s.r.o.	17	67
CPI Management, s.r.o.	132	2,839
CPI Národní, s.r.o.	515	-
CPI Office Business Center, s.r.o. (formerly CPI Meteor Centre, s.r.o.)	-	211
CPI Office Prague, s.r.o.	-	633
CPI Poland Property Management sp. z o.o.	1,219	439
CPI Poland Sp. z o.o.	6,668	1,963
CPI PROPERTY GROUP S.A.	4,085	991
CPI Property, s.r.o.	13	-
CPI Retail Portfolio I, a.s.	-	17
CPI Retails ONE, a.s.	-	68
CPI Services, a.s.	17,163	12,644
CPI Shopping Teplice, a.s.	622	-
CPI Žabotova, a.s.	-	162
CPIPG Management S.à r.l.	570	246

Czech Property Investments, a.s.		
Diana Development sp. z o.o.	428	13
EMH South, s.r.o.	26	636
ENDURANCE HOSPITALITY ASSET S.à r.l.	-	6
ENDURANCE HOSPITALITY FINANCE S.à r.l.	-	6
Equator II Development sp. z o.o.	807	-
Equator Real sp. z o.o.	477	321
Europeum Kft.	157	242
Farhan, a.s.	1,078	6,932
FL Property Development, a.s.	-	6
Futurum HK Shopping, s.r.o.	-	5
Gadwall, Sp. z o.o.	-	2
GCA Property Development sp. z o.o.	2,574	4
Hospitality invest S.à r.l.	1	13
HOTEL U PARKU, s.r.o.	2	6
Hraničář, a.s.	21	5
IS Nyír Kft.	86	1
IS Zala Kft.	99	135
Janáčkovo nábřeží 15, s.r.o.	35	402
Kerina, a.s.	8	-

CPI PG Group	31 December 2023	31 December 2022
KOENIG Shopping, s.r.o.	65	3
LD Praha, a.s.	2	-
Le Regina Warsaw Sp. z o.o.	1	2
Lockhart, a.s.	6	-
Marissa West, a.s.	295	5,625
MARRETIM s.r.o.	2	-
MMR RUSSIA S.à r.l.	-	15
Moniuszki Office sp. z o.o.	785	23
MUXUM, a.s.	2	30
Na Poříčí, a.s.	-	3,265
New Age Kft.	17	69
Nymburk Property Development, a.s.	11	-
Olomouc Building, a.s.	150	8
Orchard Hotel a.s.	2	-
Oxford Tower sp. z o.o.	4,174	4,347
OZ Trmice, a.s.	39	-
Ozrics Kft.	35	80
Platnéřská 10 s.r.o.	4	3
Projekt Nisa, s.r.o.	1,479	160
Projekt Zlatý Anděl, s.r.o.	-	233
Prosta 69 Sp. z o.o.	244	467
Real Estate Energy Kft.	1,617	-
Residence Belgická, s.r.o.	2	-
Residence Izabella Zrt.	66	83
ST Project Limited	-	
Tepelné hospodářství Litvínov s.r.o.	117	273
Třinec Property Development, a.s.	-	3
Tyršova 6, a.s.	2	3
U svatého Michala, a.s.	-	27
V Team Prague, s.r.o.	-	1,594
ZET.office, a.s.	-	629
Total	**50,930**	**56,982**

Non-current financial debts received from related parties

CPI PG Group	31 December 2023	31 December 2022
BPT Development, a.s.	-	80
BRNO INN, a.s.	288	-
Brno Property Development, a.s.	17,492	23,989
Byty Lehovec, s.r.o.	-	1,319
CPI - Bor, a.s.	26,860	-
CPI - Zbraslav, a.s.	-	546
CPI Facility Management Kft.	529	-
CPI Finance CEE, a.s.	72	73
CPI Green, a.s.	-	83
CPI Group Services, a.s.	76	-
CPI PROPERTY GROUP S.A.	4,018,197	4,068,068
Czech Property Investments, a.s.	-	9,577
Gebauer Höfe Liegenschaften GmbH	24,118	23,898
Gewerbesiedlungs-Gessellschaft mbH	-	75,433
GSG ARMO Verwaltungsgesellschaft mbH	39,500	-
GSG Asset GmbH & Co. Verwaltungs KG	4,134	4,073

GSG Berlin GmbH (formerly Gewerbesiedlungs-Gessellschaft mbH)	34,733	34,416
GSG Gewerbehöfe Berlin 1. GmbH & Co. KG	22,468	22,169
GSG Gewerbehöfe Berlin 2. GmbH & Co. KG	23,310	22,981
GSG Gewerbehöfe Berlin 3. GmbH & Co. KG	76,726	75,815
GSG Gewerbehöfe Berlin 4. GmbH & Co. KG	31,831	31,416
GSG Gewerbehöfe Berlin 5. GmbH & Co. KG	60,648	59,862
HOTEL U PARKU, s.r.o.	-	507
Jetřichovice Property, a.s.	219	239
PROJECT FIRST a.s.	3,287	5,080
Real Estate Energy Kft.	5,741	-
Rizeros, a.s.	73	-
ST Project Limited	166,284	169,110
Tachov Investments, s.r.o.	-	169
Tepelné hospodářství Litvínov s.r.o.	721	-
Total	**4,633,435**	**4,628,903**

Current financial debts received from related parties

CPI PG Group	31 December 2023	31 December 2022
BAYTON Gama, a.s.	-	3
BPT Development, a.s.	-	1
BRNO INN, a.s.	4	2,913
Brno Property Development, a.s.	131	181
Byty Lehovec, s.r.o.	1,217	14
CPI - Bor, a.s.	193	-
CPI - Zbraslav, a.s.	1	14
CPI Facility Management Kft.	7	461
CPI Finance CEE, a.s.	1	1
CPI Flats, a.s.	-	10
CPI Green, a.s.	-	3
CPI Group Services, a.s.	1	-
CPI Hungary Investments Kft.	5,598	5,749
CPI Hungary Kft.	-	717
CPI PROPERTY GROUP S.A.	128,649	230,035
Czech Property Investments, a.s.	25,777	1,079
Gebauer Höfe Liegenschaften GmbH	1,423	220
Gewerbesiedlungs-Gessellschaft mbH	-	695
GSG ARMO Verwaltungsgesellschaft mbH	562	-
GSG Asset GmbH & Co. Verwaltungs KG	244	61
GSG Berlin GmbH (formerly Gewerbesiedlungs-Gessellschaft mbH)	4,491	-
GSG Berlin Invest GmbH	2,049	317
GSG Gewerbehöfe Berlin 1. GmbH & Co. KG	1,326	299
GSG Gewerbehöfe Berlin 2. GmbH & Co. KG	1,375	329
GSG Gewerbehöfe Berlin 3. GmbH & Co. KG	4,526	910
GSG Gewerbehöfe Berlin 4. GmbH & Co. KG	1,878	415
GSG Gewerbehöfe Berlin 5. GmbH & Co. KG	3,578	786
HOTEL U PARKU, s.r.o.	247	4
Jetřichovice Property, a.s.	2	2
PROJECT FIRST, a.s.	28	38
Real Estate Energy Kft.	47	-
Tachov Investments, s.r.o.	-	5
Telč Property Development, a.s.	-	47
Tepelné hospodářství Litvínov s.r.o.	13	440
Total	**183,368**	**245,749**

Other current liabilities (Cash pool)

CPI PG Group	31 December 2023	31 December 2022
Andrassy Hotel Zrt.	265	242
Atrium Complex sp. z o.o.	801	251
Balvinder, a.s.	4	34
Baudry Beta, a.s.	478	150
Best Properties South, a.s.	835	-
BRNO INN, a.s.	238	204
Březiněves, a.s.	-	566
CAMPONA Shopping Center Kft.	1,026	81
Central Tower 81 sp. z o.o.	458	160
City Gardens Sp. z o.o.	2,234	492
CPI - Bor, a.s.	730	419
CPI - Real Estate, a.s.	166	108
CPI - Zbraslav, a.s.	47	58

CPI BYTY, a.s.		
CPI Development Services, s.r.o. (formerly Brno Development Services, s.r.o.)	1	-
CPI East, s.r.o.	-	2,769
CPI Energo, a.s.	2,867	434
CPI Facility Management Kft.	-	38
CPI Facility Slovakia, a.s.	272	165
CPI Hotels Properties, a.s.	1	1
CPI Hungary Investments Kft.	1,595	820
CPI Hungary Kft.	-	215
CPI Management, s.r.o.	507	888
CPI Národní, s.r.o.	1,646	2,165
CPI Office Business Center, s.r.o. (formerly CPI Meteor Centre, s.r.o.)	-	704
CPI Office Prague, s.r.o.	-	257
CPI Poland Property Management sp. z o.o.	1,461	775
CPI Poland Sp. z o.o.	7,186	2,860
CPI Property Group S.A.	1,693	853
CPI Reality, a.s.	1,365	1,460
CPI Retail One Kft.	1,104	-
CPI Retail Portfolio I, a.s.	-	329
CPI Retail Portfolio VIII s.r.o.	-	212

CPI FIM SA

CPI PG Group	31 December 2023	31 December 2022
CPI Services, a.s.	3,492	-
CPI Shopping MB, a.s.	-	803
CPI Shopping Teplice, a.s.	904	1,058
CPI Žabotova, a.s.	108	-
CT Development sp. z o.o.	218	94
Czech Property Investments, a.s.	2,075	2,162
EMH South, s.r.o.	209	-
Equator Real sp. z o.o.	-	56
Europeum Kft.	1,153	1,210
Farhan, a.s.	1,108	2,192
Futurum HK Shopping, s.r.o.	-	1,795
Gadwall, Sp. z o.o.	309	74
GCA Property Development sp. z o.o.	-	353
Hightech Park Kft.	321	32
HOTEL U PARKU, s.r.o.	93	-
Hraničář, a.s.	106	60
IS Nyír Kft.	122	217
IS Zala Kft.	351	323
Kerina, a.s.	-	164
KOENIG Shopping, s.r.o.	444	1,022
LD Praha, a.s.	157	118
Le Regina Warsaw Sp. z o.o.	184	167
Lockhart, a.s.	180	21
Lucemburská 46, a.s.	-	303
Marissa Omikrón, a.s.	-	313
Marissa Tau, a.s.	453	423
Marissa Théta, a.s.	35	30
Marissa West, a.s.	8	174
MARRETIM s.r.o.	19	16
Michalovce Property Development, a.s.	-	-
Moniuszki Office sp. z o.o.	189	72
MUXUM, a.s.	168	-
Na Poříčí, a.s.	368	238
New Age Kft.	81	
Nymburk Property Development, a.s.	402	426
Olomouc Building, a.s.	-	38
Orchard Hotel a.s.	85	15
OZ Trmice, a.s.	355	9
Ozrics Kft.	-	4
Pelhřimov Property Development, a.s.	-	-
Považská Bystrica Property Development, a.s.	-	-
Pólus Shopping Center Zrt.	1,511	951
Prievidza Property Development, a.s.	-	-
Projekt Nisa, s.r.o.	1,256	1,446
Projekt Zlatý Anděl, s.r.o.	-	1,610
Prosta 69 Sp. z o.o.	29	100
Real Estate Energy Kft.	122	6,057
Residence Belgická, s.r.o.	33	16
Residence Izabella Zrt.	69	228
Svitavy Property Alfa, a.s.	-	-
Tepelné hospodářství Litvínov s.r.o.	1	-
Trebišov Property Development, s. r. o.	-	-

Třinec Investments, s.r.o.		
Třinec Property Development, a.s.	-	134
Tyršova 6, a.s.	85	159
U svatého Michala, a.s.	-	-
V Team Prague, s.r.o.	-	19
ZET.office, a.s.	-	579
Total	**47,447**	**46,150**

Interest income from related parties

CPI PG Group	2023	2022
1 Bishops Avenue Limited	4,802	5,867
AIRPORT CITY Kft.	-	64
Airport City Phase B Kft.	-	10
ALIZÉ PROPERTY a.s.	-	3
Andrássy Hotel Zrt.	296	288
Andrássy Real Kft.	146	931
Arena Corner Kft.	-	2,019
Atrium Complex sp. z o.o.	1	-
Balvinder, a.s.	143	159

CPI PG Group	2023	2022
Baudry Beta, a.s.	784	810
BAYTON Alfa, a.s.	950	745
BC 99 Office Park Kft.	-	1,720
Beroun Property Development, a.s.	-	533
Best Properties South, a.s.	5,030	4,823
Brandýs Logistic, a.s.	-	326
Brno Development Services, s.r.o.	-	275
BRNO INN, a.s.	1	1
Březiněves, a.s.	114	161
Bubenská 1, a.s. merged with CPI Office Business Center, s.r.o.	-	-
CAMPONA Shopping Center Kft.	4,665	4,826
Carpenter Invest, a.s.	162	147
CB Property Development, a.s.	-	48
CD Property s.r.o.	239	-
Ceratopsia, a.s.	437	-
City Gardens Sp. z o.o.	-	1
City Market Dunakeszi Kft. (formerly Buy-Way Dunakeszi Kft.)	-	220
City Market Soroksár Kft. (formerly Buy-Way Soroksár Kft.)	-	178
Conradian, a.s.	332	304
CPI – Bor, a.s.	1,131	1,545
CPI - Horoměřice, a.s.	4	3
CPI - Orlová, a.s.	124	109
CPI - Real Estate, a.s.	134	145
CPI - Zbraslav, a.s.	10	-
CPI Beet, a.s.	20	15
CPI Blatiny, s.r.o. (formerly CPI Tercie, s.r.o.)	344	229
CPI BYTY, a.s.	3,937	4,076
CPI Delta, a.s.	-	56
CPI Development Services, s.r.o. (formerly Brno Development Services, s.r.o.)	572	-
CPI East, s.r.o.	2,984	4,304
CPI Energo, a.s.	170	1
CPI Facility Management Kft.	24	7
CPI Facility Slovakia, a.s.	131	159
CPI Green, a.s.	69	-
CPI Hotels, a.s.	1,126	1,241
CPI Hotels Properties, a.s.	1,322	1,274
CPI Hungary Investments Kft.	45	4
CPI Hungary Kft.	167	25
CPI IMMO, S.a.r.l.	56	57
CPI Kappa, s.r.o.	69	53
CPI Management, s.r.o.	51	170
CPI Národní, s.r.o.	7,783	2,870
CPI Office Business Center, s.r.o. (formerly CPI Meteor Centre, s.r.o.)	5,946	6,606
CPI Office Prague, s.r.o.	123	246
CPI Park Jablonné v Podještědí, s.r.o.	18	-
CPI Poland Property Management sp. z o.o.	80	3
CPI Poland Sp. z o.o.	377	11
CPI PROPERTY GROUP S.A.	120,309	62,739
CPI Reality, a.s.	3,291	3,513
CPI Retail One Kft.	249	276
CPI Retail Portfolio Holding Kft.	452	704
CPI Retail Portfolio I, a.s.	796	524

CPI Retail Portfolio II, a.s.		
CPI Retail Portfolio IV, s.r.o.	-	63
CPI Retail Portfolio V, s.r.o. (merged with CPI Retail Portfolio I, a.s.)	-	171
CPI Retail Portfolio VI, s.r.o. (merged with CPI Retail Portfolio I, a.s.)	-	97
CPI Retail Portfolio VIII s.r.o.	467	416
CPI Retails ONE, a.s.	-	455
CPI Retails ROSA s.r.o.	-	185
CPI Retails THREE, a.s.	-	1,197
CPI Retails TWO, a.s.	-	378
CPI Sekunda, s.r.o.	112	64
CPI Services, a.s.	886	202
CPI Shopping MB, a.s.	1,931	2,044
CPI Shopping Teplice, a.s.	3,246	3,265
CPI Théta, a.s.	255	239
CPI Žabotova, a.s.	339	336
CPIPG Management S.à r.l.	5,054	4,400
CT Development sp. z o.o.	15	
Czech Property Investments, a.s.	22,019	20,965
Čadca Property Development, s.r.o.	-	83
Čáslav Investments, a.s. (merged with CPI Retails TWO)	-	107

CPI FIM SA

CPI PG Group	2023	2022
David Leo Greenbaum	3	-
Diana Development sp. z o.o.	9	1
Eclair Aviation s.r.o.	73	-
EMH South, s.r.o.	460	478
Equator II Development sp. z o.o.	20	-
Equator Real sp. z o.o.	19	26
Europeum Kft.	1,738	1,765
Farhan, a.s.	3,986	3,759
FL Property Development, a.s.	12	12
Futurum HK Shopping, s.r.o.	5,467	5,851
FVE CHZ s.r.o.	-	6
FVE roofs & grounds, s.r.o.	64	-
Gateway Office Park Kft.	-	383
GCA Property Development sp. z o.o.	49	-
HD Investment s.r.o.	-	3
HECF Vestec 2 s.r.o. (formerly CPI Vestec, s.r.o.)	-	66
Hightech Park Kft.	250	223
Hospitality Invest S. a r.l.	5	1
HOTEL U PARKU, s.r.o.	1	1
Hraničář, a.s.	772	761
Chuchle Arena Praha, s.r.o.	1	-
IGY2 CB, a.s.	-	29
IS Nyír Ingatlanhasznosítóés Vagyonkezelo Kft.	242	212
IS Zala Ingatlanhasznosítóés Vagyonkezelo Kft.	682	661
Janáčkovo nábřeží 15, s.r.o.	387	469
Jeseník Investments, a.s. (merged with CPI Retails TWO)	-	122
Karnosota, a.s.	365	-
Kerina, a.s.	295	309
KOENIG Shopping, s.r.o.	3,326	3,222
Komárno Property Development, a.s.	-	51
Kunratická farma, s.r.o.	130	39
LD Praha, a.s.	172	180
Le Regina Warsaw Sp. z o.o.	-	1
Levice Property Development, a.s.	-	149
Lockhart, a.s.	1,271	1,313
Lucemburská 46, a.s.	50	172
Marissa Gama, a.s.	-	-
Marissa Omikrón, a.s.	902	980
Marissa Tau, a.s.	1,073	1,059
Marissa Théta, a.s.	12	17
Marissa West, a.s.	2,983	5,437
Marissa Yellow, a.s.	-	-
Marissa Ypsilon, a.s.	-	1,423
MARRETIM s.r.o.	28	49
MB Property Development, a.s. (merged with Nymburk Property Development, a.s.)	-	-
Michalovce Property Development, a.s.	-	84
Moniuszki Office sp. z o.o.	5	-
MUXUM, a.s.	341	327
Na Poříčí, a.s.	2,123	1,987
New Age Kft.	126	57
Notosoaria, s.r.o.	1,898	-
Nymburk Property Development, a.s.	82	106

OC Nová Zdaboř a.s. (merged with CPI Retails ONE)		
OC Spektrum, s.r.o.	-	778
OFFICE CENTER HRADČANSKÁ, a.s. merged with CPI Office Business Center, s.r.o.	-	-
Olomouc Building, a.s.	1,533	1,510
Orchard Hotel a.s.	430	417
Oxford Tower sp. z o.o.	152	107
OZ Trmice, a.s.	637	17
Ozrics, Kft.	202	177
Pelhřimov Property Development, a.s.	-	134
Platnéřská 10 s.r.o.	5	5
Pólus Shopping Center Zrt.	5,331	5,131
Považská Bystrica Property Development, a.s.	-	20
Prievidza Property Development, a.s.	-	78
Projekt Nisa, s.r.o.	5,392	5,301
Projekt Zlatý Anděl, s.r.o.	4,008	4,271
Prosta 69 Sp. z o.o.	4	20
Prostějov Investments, a.s.	179	86
Příbor Property Development, s.r.o. (merged with CPI Retail Portfolio VIII s.r.o.)	-	18
Real Estate Energy Kft.	735	4
Residence Belgická, s.r.o.	74	78

CPI PG Group	2023	2022
Residence Izabella, Zrt.	318	300
Rezidence Jančova, s.r.o.	151	128
Rezidence Malkovského, s.r.o.	394	58
Savile Row 1 Limited	3,932	3,746
SCP Reflets	220	165
Seattle, s.r.o.	68	-
Spojené elektrárny, s.r.o.	22	1
Spojené farmy a.s.	88	-
Statek Kravaře, a.s.	52	-
Statenice Property Development, a.s.	197	144
Svitavy Property Alfa, a.s. (merged with CPI Retails TWO)	-	434
Tachov Investments, s.r.o.	4	-
Tepelné hospodářství Litvínov, s.r.o.	4	8
Trebišov Property Development, s.r.o.	-	85
Třinec Investments, s.r.o. (merged with CPI Retails TWO)	-	99
Třinec Property Development, a.s.	327	292
Tyršova 6, a.s.	94	100
U svatého Michala, a.s.	179	178
Uchaux Limited	1,020	75
V Team Prague, s.r.o.	1	242
Vigano, a.s.	793	694
ZET.office, a.s.	732	2,281
Ždírec Property Development, a.s.	-	21
Total interest income - related parties	261,040	209,677
Joint venture		
Uniborc S.A.	1,062	1,001
Entites over which the majority shareholder has control		
Marcano, a.s.	158	-
Entities controlled by members of Board of Directors		
CPI Smart Power, a.s.	8	-
Total	**262,268**	**210,678**

Interest expense from related parties

CPI PG Group	2023	2022
Andrassy Hotel Zrt.	6	1
Andrássy Real Kft.	-	2
Arena Corner Kft.	-	4
Atrium Complex sp. z o.o.	31	40
Balvinder, a.s.	2	1
Baudry Beta, a.s.	9	6
BAYTON Alfa, a.s.	1	5
BC 99 Office Park Kft.	-	5
Beroun Property Development, a.s.	-	8
Best Properties South, a.s.	48	24
BPT Development, a.s.	1	3
Brandýs Logistic, a.s.	-	1
Brno Development Services, s.r.o.	-	23
BRNO INN, a.s.	65	102
Brno Property Development, a.s.	550	708
Březiněves, a.s.	9	8
Byty Lehovec, s.r.o.	23	81

CAMPONA Shopping Center Kft.		
Central Tower 81 Sp. z o.o.	26	17
City Gardens Sp. z o.o.	75	60
City Market Dunakeszi Kft. (formerly Buy-Way Dunakeszi Kft.)	-	2
City Market Soroksár Kft. (formerly Buy-Way Soroksár Kft.)	-	1
CPI - Bor, a.s.	394	8
CPI - Real Estate, a.s.	10	3
CPI - Zbraslav, a.s.	12	16
CPI Beet, a.s.	1	-
CPI BYTY, a.s.	768	617
CPI Delta, a.s. (merged with CPI Retail Portfolio VIII s.r.o.)	-	2
CPI Development Services, s.r.o. (formerly Brno Development Services, s.r.o.)	154	-
CPI East, s.r.o.	64	58
CPI Energo, a.s.	172	25
CPI Facility Management Kft.	16	7
CPI Facility Slovakia, a.s.	8	1
CPI Finance CEE, a.s.	3	3
CPI Flats, a.s.	-	18
CPI Green, a.s.	2	2
CPI Group Services, a.s.	1	-

CPI FIM SA

CPI PG Group	2023	2022
CPI Hotels Properties, a.s.	10	2
CPI Hungary Kft.	13	40
CPI Hungary Investments Kft.	311	55
CPI Management, s.r.o.	36	15
CPI Národní, s.r.o.	77	713
CPI Office Business Center, s.r.o.	49	29
CPI Office Prague, s.r.o.	1	19
CPI Poland Property Management sp. z o.o.	86	23
CPI Poland Sp. z o.o.	432	90
CPI PROPERTY GROUP S.A.	113,217	117,608
CPI Reality, a.s.	80	56
CPI Retail One Kft.	9	-
CPI Retail Portfolio I, a.s.	21	16
CPI Retail Portfolio II, a.s.	-	5
CPI Retail Portfolio IV, a.s.	-	3
CPI Retail Portfolio V, a.s.	-	1
CPI Retail Portfolio VI, a.s.	-	5
CPI Retail Portfolio VIII, a.s.	11	9
CPI Retails ONE, a.s.	-	6
CPI Retails Rosa s.r.o.	-	1
CPI Retails TWO, a.s.	-	8
CPI Retails THREE, a.s.	-	7
CPI Services, a.s.	43	19
CPI Shopping MB, a.s.	19	19
CPI Shopping Teplice, a.s.	25	22
CPI Théta, a.s.	-	1
CPI Žabotova, a.s.	4	1
CPIPG Management S.à r.l.	6	6
CT Development sp. z o.o.	5	5
Czech Property Investments, a.s.	377	2,630
Čadca Property Development, s.r.o.	-	2
Čáslav Investments, a.s.	-	2
Diana Development sp. z o.o.	1	4
EMH South, s.r.o.	26	26
Equator II Development sp. z o.o.	15	20
Equator Real sp. z o.o.	11	2
Europeum Kft.	33	7
Farhan, a.s.	27	15
Futurum HK Shopping, s.r.o.	52	113
Gadwall, Sp. z o.o.	12	13
Gateway Office Park Kft.	-	6
GCA Property Development sp. z o.o.	19	30
Gebauer Höfe Liegenschaften GmbH	1,423	220
Gewerbesiedlungs-Gessellschaft mbH	-	695
GSG ARMO Verwaltungsgesellschaft mbH	562	-
GSG Asset GmbH & Co. Verwaltungs KG	244	61
GSG Berlin GmbH (formerly Gewerbesiedlungs-Gessellschaft mbH)	4,491	-
GSG Berlin Invest GmbH	2,049	317
GSG Gewerbehöfe Berlin 1. GmbH & Co. KG	1,326	299
GSG Gewerbehöfe Berlin 2. GmbH & Co. KG	1,375	329
GSG Gewerbehöfe Berlin 3. GmbH & Co. KG	4,527	910
GSG Gewerbehöfe Berlin 4. GmbH & Co. KG	1,878	415

GSG Gewerbehöfe Berlin 5. GmbH & Co. KG		
Hightech Park Kft.	3	1
HOTEL U PARKU, s.r.o.	11	16
Hraničář, a.s.	12	6
IS Nyír Kft.	4	3
IS Zala Kft.	11	2
Janáčkovo nábřeží 15, s.r.o.	1	2
Jeseník Investments, a.s.	-	2
Jetřichovice Property, a.s.	7	8
Kerina, a.s.	14	5
KOENIG Shopping, s.r.o.	76	68
Komárno Property Development, a.s.	-	1
LD Praha, a.s.	9	5
Le Regina Warsaw Sp. z o.o.	8	3
Levice Property Development, a.s.	-	1
Lockhart, a.s.	21	8
Lucemburská 46, a.s.	3	12
Marissa Omikrón, a.s.	11	13
Marissa Tau, a.s.	21	10
Marissa Théta, a.s.	2	-

CPI PG Group	2023	2022
Marissa West, a.s.	42	63
Marissa Ypsilon, a.s.	-	11
MARRETIM s.r.o.	1	1
Michalovce Property Development, a.s.	-	1
Moniuszki Office sp. z o.o.	13	14
MUXUM, a.s.	4	1
Na Poříčí, a.s.	30	35
New Age Kft.	1	-
Nymburk Property Development, a.s.	27	27
OC Nová Zdaboř a.s. (merged with CPI Retails ONE)	-	11
OC Spektrum, s.r.o.	-	6
Olomouc Building, a.s.	17	13
Orchard Hotel a.s.	8	2
Oxford Tower sp. z o.o.	22	15
OZ Trmice, a.s.	45	-
Pelhřimov Property Development, a.s.	-	2
Pólus Shopping Center Zrt.	71	6
PROJECT FIRST a.s.	137	150
Projekt Nisa, s.r.o.	27	18
Projekt Zlatý Anděl, s.r.o.	24	20
Prosta 69 Sp. z o.o.	7	4
Příbor Property Development, s. r.o. (merged with CPI Retail Portfolio VIII s.r.o.)	-	1
Radom Property Development sp. z o.o.	-	1
Real Estate Energy Kft.	421	15
Rembertów Property Development sp. z o.o.	-	2
Residence Belgická, s.r.o.	2	1
Residence Izabella Zrt.	4	1
Rezidence Malkovského, s.r.o.	-	5
Svitavy Property Alfa, a.s.	-	8
Tachov Investments, s.r.o.	1	5
Telč Property Development, a.s.	-	1
Tepelné hospodářství Litvínov s.r.o.	35	32
Trebišov Property Development, s. r. o.	-	2
Třinec Investments, s.r.o. (merged with CPI Retails TWO)	-	3
Třinec Property Development, a.s.	6	2
Tyršova 6, a.s.	7	8
U svatého Michala, a.s.	1	1
V Team Prague, s.r.o.	-	5
Zamość Property Development sp. z o.o.	-	3
Zamość Sadowa Property Development sp. z o.o.	-	4
ZET.office, a.s. (formerly CPI Orange, a.s.)	3	13
Zgorzelec Property Development sp. z o.o.	-	1
Total	**140,173**	**128,231**

Sale of CD Property

On 10 March 2023, the Group sold its subsidiary CD Property to the related party SIMMO for EUR 11.7 million.

11 Events after the reporting period

There were no material events after reporting period.

Appendix I – List of group entities

Entities fully consolidated

Company	Country	31 December 2023	31 December 2022
BD Malostranská, a.s.	Czech Republic	100.00%	-
Brno Property Invest XV., a.s. (Svitavy Property Development, a.s)	Czech Republic	100.00%	100.00%
Bubny Development, s.r.o.	Czech Republic	100.00%	20.00%
BYTY PODKOVA, a.s.	Czech Republic	100.00%	100.00%
Camuzzi, a.s.	Czech Republic	100.00%	100.00%
Castor Investments sp. z o.o.	Poland	100.00%	100.00%
Castor Investments sp. z o.o. S.K.A.	Poland	100.00%	100.00%
CD Property s.r.o.	Czech Republic	-	100.00%
CPI - Krásné Březno, a.s.	Czech Republic	100.00%	100.00%
CPI - Land Development, a.s.	Czech Republic	100.00%	100.00%
CPI ACAYA S.r.l.	Italy	100.00%	100.00%
CPI FIM GOLD, a.s.	Czech Republic	100.00%	-
CPI FIM WHITE, a.s.	Czech Republic	100.00%	-
CPI Italy 130 SPV S.r.l.	Italy	100.00%	100.00%
CPI Park Chabařovice, s.r.o.	Czech Republic	100.00%	100.00%
CPI Park Plzeň, s.r.o.	Czech Republic	100.00%	100.00%
CPI Park Žďárek, a.s.	Czech Republic	100.00%	100.00%
CPI Pigna S.r.l.	Italy	100.00%	100.00%
CPI Podhorský Park, s.r.o.	Czech Republic	100.00%	100.00%
CPI REV Italy II S.r.l.	Italy	100.00%	100.00%
CPI South, s.r.o.	Czech Republic	90.00%	90.00%
Darilia, a.s.	Czech Republic	20.00%	20.00%
Development Doupovská, s.r.o.	Czech Republic	75.00%	75.00%
Diana Property Sp. z o.o.	Poland	100.00%	100.00%
Equator IV Offices sp. z o.o.	Poland	100.00%	100.00%
Estate Grand, s.r.o.	Czech Republic	100.00%	100.00%
Eurocentrum Offices sp. z o.o.	Poland	100.00%	100.00%
Industrial Park Stříbro, s.r.o.	Czech Republic	100.00%	100.00%
JIHOVÝCHODNÍ MĚSTO, a.s.	Czech Republic	100.00%	100.00%
Land Properties, a.s.	Czech Republic	100.00%	100.00%
LES MAS DU FIGUER	France	100.00%	100.00%
Marki Real Estate Sp. z o.o.	Poland	100.00%	100.00%
MQM Czech, a.s.	Czech Republic	100.00%	20.00%
NOVÁ ZBROJOVKA, s.r.o.	Czech Republic	100.00%	100.00%
Nupaky a.s.	Czech Republic	100.00%	100.00%
Pietroni, s.r.o.	Czech Republic	100.00%	100.00%
Polygon BC, a.s.	Czech Republic	100.00%	20.00%
Rezidence Kunratice, s.r.o.	Czech Republic	100.00%	100.00%
Rezidence Pragovka, s.r.o.	Czech Republic	100.00%	100.00%
Strakonice Property Development, a.s.	Czech Republic	100.00%	100.00%
STRM Alfa, a.s.	Czech Republic	100.00%	20.00%
STRM Beta, a.s.	Czech Republic	100.00%	100.00%
STRM Gama, a.s.	Czech Republic	100.00%	100.00%
Vysočany Office, a.s.	Czech Republic	100.00%	20.00%
WFC Investments sp. z o.o.	Poland	100.00%	100.00%

Equity method investments

Company	Country	31 December 2023	31 December 2022
Beta Development, s.r.o.	Czech Republic	35.00%	35.00%

Ernst & Young
Société anonyme
35E, Avenue John F. Kennedy
L-1855 Luxembourg
Tel: +352 42 124 1
www.ey.com/en_lu
B.P. 780
L-2017 Luxembourg
R.C.S. Luxembourg B 47 771
TVA LU 16063074

Independent auditor's report

To the Shareholders of
CPI FIM SA
40, rue de la Vallée
L-2661 Luxembourg

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of CPI FIM SA (the "Company") and its subsidiaries (together, the "Group"), which comprise the consolidated statement of financial position as at 31 December 2023, and the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and the notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2023 and of its consolidated financial performance and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation Nº 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements" section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

a) Impairment of loans provided

Description

Loans provided represent 70% of the total Group's consolidated assets. The majority of the loans provided have been granted to related parties as detailed in Note 6.5 in the consolidated financial statements. The process for estimating impairment provision on loans provided is a significant and complex area. Management performs an impairment assessment of loans provided and recognizes an allowance for expected credit losses in accordance with IFRS 9.

Due to the complexity, significance of judgements applied and the Group's exposure to loans provided forming a major portion of the Group's assets, the audit of impairment of loans provided is a key area of focus.

Auditors response

Our audit procedures over the impairment on loans provided included, but were not limited to, the following:

- Obtained an understanding of the key contractual terms of the loans provided.
- Evaluated the application of requirements of IFRS 9 and appropriateness of the accounting policies applied by the management of the Group.
- Understood management's model used to determine impairment.
- Reviewed the data and information used in developing the model and involved EY specialist to review and challenge significant assumptions and parameters used.
- Tested the accuracy and completeness of the financial data used in the model.
- Tested the arithmetical accuracy of the model applied.
- Reviewed and ensured the completeness of the consolidated financial statements disclosures in terms of IFRS 9.

b) Valuation of investment property

Description

The Group owns a portfolio of investment properties comprising office, land, properties under development, retail and residential type of properties located in Europe. Investment property represents 22% of the total Group's assets as at 31 December 2023. Investment properties are valued at fair value in accordance with the Group accounting policies.

Valuation of investment property is a significant judgemental area and is underpinned by a number of factual inputs and assumptions. The valuation is inherently subjective due to, among other factors, the individual nature of each property, the location and the expected cash flows generated by future rentals. The management engaged independent external valuers (hereafter the "Valuers") to externally value 99% of the Group's investment properties.
In determining a property's valuation, the Valuers take into account property specific characteristics and information such as the correct tenancy agreements and rental income. They apply assumptions for yields and estimated market rent, which are influenced by prevailing market yields and comparable market transactions, to come up with their assessment of the fair value.

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Due to the above mentioned matters, we consider valuation of investment property as a key audit matter.

Auditors response

Our audit procedures over the valuation of investment property included, but were not limited to, the following:

- We evaluated the competence, capabilities and objectivity of the valuers and read the terms of engagement of the Valuers to determine whether there were any matters that might have affected their objectivity or limited the scope of their work.
- For a sample of the valuations across all asset classes of investment properties, geographical locations and external valuers, we traced the inputs used in the valuation process including rents and occupancy rates.
- In particular, we assessed whether the applied valuation methods are appropriate for the purpose of the valuation of the underlying investment property.
- For a sample of properties we performed site visits to ensure existence and physical condition of properties.
- We also involved our own real estate specialist to assist us in evaluating the reasonableness of the assumptions used in valuation models including yields and estimated market rent, for the sample of investment properties.
- We evaluated any caveats or limitations, if any, included in the Valuers' reports.
- We assessed the adequacy of the disclosures in the consolidated financial statements.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the consolidated management report and the corporate governance statement but does not include the consolidated financial statements and our report of "réviseur d'entreprises agréé" thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and of those charged with governance for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is also responsible for presenting and marking up the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended ("ESEF Regulation").

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF 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 consolidated financial statements.

As part of an audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated 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 Group'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.

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- Conclude on the appropriateness of 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our report of the "réviseur d'entreprises agréé" to the related disclosures in the consolidated 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 report of the "réviseur d'entreprises agréé". However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Assess whether the consolidated financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the General Meeting of the Shareholders on 3 Ocotober 2019 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 1 year.

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The corporate governance statement, included in the consolidated management report, is the responsibility of the Board of Directors. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

We have checked the compliance of the consolidated financial statements of the Group as at 31 December 2023 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the financial statements. For the Group, it relates to:

- Financial statements prepared in valid xHTML format;
- The XBRL markup of the consolidated financial statements using the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of the Group as at 31 December 2023 identified as CPI_FIM_S.A._20240328.zip, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Jesus Orozco

Luxembourg, 28 March 2024

CPI FIM SA

Société Anonyme

R.C.S. Luxembourg B 44.996

ANNUAL ACCOUNTS AND REPORT

OF THE REVISEUR D'ENTREPRISES AGREE

31 DECEMBER 2023

40, rue de la Vallée
L-2661 Luxembourg
Share capital: EUR 13,145,076
R.C.S. Luxembourg B 44.996

TABLE OF CONTENTS

REPORT OF THE REVISEUR D'ENTREPRISES AGREE

ANNUAL ACCOUNTS

Notes to the annual accounts

Ernst & Young
Société anonyme
35E, Avenue John F. Kennedy
L-1855 Luxembourg
Tel: +352 42 124 1
www.ey.com/en_lu
B.P. 780
L-2017 Luxembourg
R.C.S. Luxembourg B 47 771
TVA LU 16063074

Independent auditor's report

To the Shareholders of
CPI FIM SA
40, rue de la Vallée
L-2661 Luxembourg

Report on the audit of the financial statements

Opinion

We have audited the financial statements of CPI FIM SA (the "Company"), which comprise the balance sheet as at 31 December 2023, and the profit and loss account for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.

Basis for opinion

We conducted our audit in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession ("Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" ("CSSF"). Our responsibilities under the EU Regulation Nº 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements" section of our report. We are also independent of the Company in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

a) **Valuation of financial assets (shares in affiliated undertakings and loans to affiliated undertakings)**

Description

Financial assets represent 85% of the total assets of the Company as at 31 December 2023.

The assessment of the valuation of financial assets requires significant judgement applied by the management in assessing the recovery value of the financial assets and the permanent nature of a potential impairment.

This matter was considered to be a key matter in our audit, since the aforementioned estimates are complex and require significant judgements by management of the Company.

Auditors response

Our audit procedures over the valuation of financial assets included, but were not limited to, the following:

- Ensured existence, initial cost of investment and ownership of the investments through inspection of acquisition agreements and commercial registers of the underlying investees.
- Understood the process of financial assets valuation and management's impairment assessment and evaluated the appropriateness of the application of the Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements.
- Tested the arithmetical accuracy of the management's impairment test based on comparison with the net equity of the underlying investees and assessed the conclusions reached by the management in respect of recognized impairment and/or reversal of historical impairment.
- Tested the accuracy and completeness of the provided loan database, on a representative sample basis, by tracing the loan terms to the underlying loan agreements, the repayments of principal and interest to the bank statements and the outstanding loan and accrued interest balances to the counterparties.
- Performed recalculation of the interest on loans to affiliated undertaking based on known data.
- Reviewed and ensured the completeness of the financial statements' disclosures.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information included in the annual report and the corporate governance statement but does not include the financial statements and our report of "réviseur d'entreprises agréé" thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and of those charged with governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the financial statements, 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.

The Board of Directors is also responsible for presenting the financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format, as amended ("ESEF Regulation").

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.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Responsibilities of the "réviseur d'entreprises agréé" for the audit of the financial statements

The objectives of our audit 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 a report of the "réviseur d'entreprises agréé" that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with EU Regulation N° 537/2014, the Law of 23 July 2016 and with the ISAs as adopted for Luxembourg by the CSSF 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 EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, 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 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 report of the "réviseur d'entreprises agréé" 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 report of the "réviseur d'entreprises agréé". 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.

- Assess whether the financial statements have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate to them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the General Meeting of the Shareholders on 3 October 2019 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 5 years.

The management report is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

The corporate governance statement, included in the management report, is the responsibility of the Board of Directors. The information required by article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

We have checked the compliance of the financial statements of the Company as at 31 December 2023 with relevant statutory requirements set out in the ESEF Regulation that are applicable to the financial statements. For the Company, it relates to:

- Financial statements prepared in valid xHTML format;

In our opinion, the financial statements of the Company as at 31 December 2023, identified as CPIFIM_31_12_2023_AFR, have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in EU Regulation No 537/2014 were not provided and that we remained independent of the Company in conducting the audit.

Ernst & Young
Société anonyme
Cabinet de révision agréé

Jesus Orozco

Luxembourg, 28 March 2024

Annual Accounts Helpdesk :

Tel. : (+352) 247 88 494
Email : centralebilans@statec.etat.lu

RCSL Nr. : B44996 | Matricule : 1993 2209 554

eCDF entry date :

BALANCE SHEET

Financial year from 01 01/01/2023 **to** 02 31/12/2023 *(in* 03 EUR *)*

CPI FIM SA

40, rue de la Vallée
L-2661 Luxembourg

ASSETS

	Reference(s)		Current year		Previous year	
A. Subscribed capital unpaid	1101		101		102	
I. Subscribed capital not called	1103		103		104	
II. Subscribed capital called but unpaid	1105		105		106	
B. Formation expenses	1107		107		108	
C. Fixed assets	1109	Note 3	109	5.436.408.133,00	110	5.456.462.246,00
I. Intangible assets	1111		111		112	
1. Costs of development	1113		113		114	
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115		115		116	
a) acquired for valuable consideration and need not be shown under C.I.3	1117		117		118	
b) created by the undertaking itself	1119		119		120	
3. Goodwill, to the extent that it was acquired for valuable consideration	1121		121		122	
4. Payments on account and intangible assets under development	1123		123		124	
II. Tangible assets	1125		125		126	
1. Land and buildings	1127		127		128	
2. Plant and machinery	1129		129		130	

RCSL Nr. : B44996 | Matricule : 1993 2209 554

		Reference(s)		Current year		Previous year
3. Other fixtures and fittings, tools and equipment	1131		131		132	
4. Payments on account and tangible assets in the course of construction	1133		133		134	
III. Financial assets	1135	Note 3	135	5.436.408.133,00	136	5.456.462.246,00
1. Shares in affiliated undertakings	1137	Note 3.1	137	919.369.414,00	138	621.967.142,00
2. Loans to affiliated undertakings	1139	Note 3.2	139	4.365.823.522,00	140	4.670.985.968,00
3. Participating interests	1141	Note 3.3	141	0,00	142	0,00
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143	Note 3.4	143	7.013.165,00	144	9.694.945,00
5. Investments held as fixed assets	1145	Note 3.5	145	120.902.521,00	146	153.668.446,00
6. Other loans	1147	Note 3.6	147	23.299.511,00	148	145.745,00
D. Current assets	1151	Note 4	151	930.963.294,00	152	354.741.920,00
I. Stocks	1153		153		154	
1. Raw materials and consumables	1155		155		156	
2. Work in progress	1157		157		158	
3. Finished goods and goods for resale	1159		159		160	
4. Payments on account	1161		161		162	
II. Debtors	1163		163	868.890.170,00	164	252.903.287,00
1. Trade debtors	1165		165	3.023.400,00	166	378.441,00
a) becoming due and payable within one year	1167	Note 4.1	167	3.023.400,00	168	378.441,00
b) becoming due and payable after more than one year	1169		169		170	
2. Amounts owed by affiliated undertakings	1171		171	864.598.946,00	172	246.329.610,00
a) becoming due and payable within one year	1173	Note 4.2	173	833.798.266,00	174	225.513.599,00
b) becoming due and payable after more than one year	1175	Note 4.3	175	30.800.680,00	176	20.816.011,00
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177		177	89.475,00	178	208.948,00
a) becoming due and payable within one year	1179	Note 4.4	179	89.475,00	180	208.948,00
b) becoming due and payable after more than one year	1181		181		182	
4. Other debtors	1183		183	1.178.349,00	184	5.986.288,00
a) becoming due and payable within one year	1185	Note 4.5	185	1.178.349,00	186	5.986.288,00
b) becoming due and payable after more than one year	1187		187		188	

RCSL Nr. : B44996	Matricule : 1993 2209 554

		Reference(s)		Current year		Previous year
III. Investments	1189		189		190	
1. Shares in affiliated undertakings	1191		191		192	
2. Own shares	1209		209		210	
3. Other investments	1195		195		196	
IV. Cash at bank and in hand	1197		197	62.073.124,00	198	101.838.633,00
E. Prepayments	1199		199	61.964,00	200	61.987,00
TOTAL (ASSETS)			201	6.367.433.391,00	202	5.811.266.153,00

RCSL Nr. : B44996	Matricule : 1993 2209 554

CAPITAL, RESERVES AND LIABILITIES

		Reference(s)		Current year		Previous year
A. Capital and reserves	1301	Note 5	301	953.449.163,00	302	780.806.338,00
I. Subscribed capital	1303		303	13.145.076,00	304	13.145.076,00
II. Share premium account	1305		305	784.669.809,00	306	784.669.809,00
III. Revaluation reserve	1307		307		308	
IV. Reserves	1309		309	448.131.945,00	310	448.131.945,00
1. Legal reserve	1311		311	448.131.945,00	312	448.131.945,00
2. Reserve for own shares	1313		313		314	
3. Reserves provided for by the articles of association	1315		315		316	
4. Other reserves, including the fair value reserve	1429		429		430	
a) other available reserves	1431		431		432	
b) other non available reserves	1433		433		434	
V. Profit or loss brought forward	1319		319	-465.140.493,00	320	-551.030.101,00
VI. Profit or loss for the financial year	1321		321	172.642.826,00	322	85.889.609,00
VII. Interim dividends	1323		323		324	
VIII. Capital investment subsidies	1325		325		326	
B. Provisions	1331		331		332	
1. Provisions for pensions and similar obligations	1333		333		334	
2. Provisions for taxation	1335		335		336	
3. Other provisions	1337		337		338	
C. Creditors	1435		435	5.413.984.228,00	436	5.030.459.815,00
1. Debenture loans	1437		437		438	
a) Convertible loans	1439		439		440	
i) becoming due and payable within one year	1441		441		442	
ii) becoming due and payable after more than one year	1443		443		444	
b) Non convertible loans	1445		445		446	
i) becoming due and payable within one year	1447		447		448	
ii) becoming due and payable after more than one year	1449		449		450	
2. Amounts owed to credit institutions	1355		355	17.798,00	356	22.334,00
a) becoming due and payable within one year	1357	Note 6	357	17.798,00	358	22.334,00
b) becoming due and payable after more than one year	1359		359		360	

RCSL Nr. : B44996	Matricule : 1993 2209 554

		Reference(s)		Current year		Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	1361		361		362	
a) becoming due and payable within one year	1363		363		364	
b) becoming due and payable after more than one year	1365		365		366	
4. Trade creditors	1367		367	606.444,00	368	806.859,00
a) becoming due and payable within one year	1369		369	606.444,00	370	806.859,00
b) becoming due and payable after more than one year	1371		371		372	
5. Bills of exchange payable	1373		373		374	
a) becoming due and payable within one year	1375		375		376	
b) becoming due and payable after more than one year	1377		377		378	
6. Amounts owed to affiliated undertakings	1379	Note 7	379	5.413.313.455,00	380	5.025.515.243,00
a) becoming due and payable within one year	1381	Note 7.1	381	551.834.455,00	382	314.750.963,00
b) becoming due and payable after more than one year	1383	Note 7.2	383	4.861.479.000,00	384	4.710.764.280,00
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385		385		386	
a) becoming due and payable within one year	1387		387		388	
b) becoming due and payable after more than one year	1389		389		390	
8. Other creditors	1451	Note 8	451	46.531,00	452	4.115.379,00
a) Tax authorities	1393		393	0,00	394	2.481,00
b) Social security authorities	1395		395	32.867,00	396	26.450,00
c) Other creditors	1397		397	13.664,00	398	4.086.448,00
i) becoming due and payable within one year	1399		399	13.664,00	400	4.086.448,00
ii) becoming due and payable after more than one year	1401		401		402	
D. Deferred income	1403		403		404	
TOTAL (CAPITAL, RESERVES AND LIABILITIES)			405	6.367.433.391,00	406	5.811.266.153,00

Annual Accounts Helpdesk :

Tel. : (+352) 247 88 494
Email : centralebilans@statec.etat.lu

RCSL Nr. : B44996	Matricule : 1993 2209 554
	eCDF entry date :

PROFIT AND LOSS ACCOUNT

Financial year from 01 01/01/2023 **to** 02 31/12/2023 *(in* 03 EUR *)*

CPI FIM SA

40, rue de la Vallée
L-2661 Luxembourg

		Reference(s)		Current year		Previous year
1. Net turnover	1701		701		702	
2. Variation in stocks of finished goods and in work in progress	1703		703		704	
3. Work performed by the undertaking for its own purposes and capitalised	1705		705		706	
4. Other operating income	1713	Note 9	713	6.025.192,00	714	4.200.535,00
5. Raw materials and consumables and other external expenses	1671		671	-1.266.436,00	672	-1.428.429,00
a) Raw materials and consumables	1601		601	-9.166,00	602	-14.061,00
b) Other external expenses	1603	Note 10	603	-1.257.270,00	604	-1.414.368,00
6. Staff costs	1605	Note 11	605	-755.290,00	606	-801.298,00
a) Wages and salaries	1607		607	-628.260,00	608	-665.620,00
b) Social security costs	1609		609	-119.799,00	610	-128.505,00
i) relating to pensions	1653		653		654	
ii) other social security costs	1655		655	-119.799,00	656	-128.505,00
c) Other staff costs	1613		613	-7.231,00	614	-7.173,00
7. Value adjustments	1657	Note 12	657	-3.628.191,00	658	547.051,00
a) in respect of formation expenses and of tangible and intangible fixed assets	1659		659		660	
b) in respect of current assets	1661		661	-3.628.191,00	662	547.051,00
8. Other operating expenses	1621	Note 13	621	-4.823.137,00	622	-2.970.701,00

RCSL Nr. : B44996 | Matricule : 1993 2209 554

		Reference(s)		Current year		Previous year
9. Income from participating interests	1715		715	5.481.242,00	716	11.982.066,00
a) derived from affiliated undertakings	1717	Note 14	717	5.481.242,00	718	11.982.066,00
b) other income from participating interests	1719		719		720	
10. Income from other investments and loans forming part of the fixed assets	1721	Note 15	721	255.840.050,00	722	218.394.993,00
a) derived from affiliated undertakings	1723	Note 15.1	723	254.411.506,00	724	217.265.844,00
b) other income not included under a)	1725	Note 15.2	725	1.428.544,00	726	1.129.149,00
11. Other interest receivable and similar income	1727	Note 16	727	61.951.171,00	728	43.996.631,00
a) derived from affiliated undertakings	1729	Note 16.1	729	57.906.145,00	730	34.812.865,00
b) other interest and similar income	1731	Note 16.2	731	4.045.026,00	732	9.183.766,00
12. Share of profit or loss of undertakings accounted for under the equity method	1663		663		664	
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	Note 17	665	3.776.756,00	666	-2.855.487,00
14. Interest payable and similar expenses	1627	Note 18	627	-149.970.089,00	628	-185.166.890,00
a) concerning affiliated undertakings	1629	Note 18.1	629	-148.231.208,00	630	-175.879.531,00
b) other interest and similar expenses	1631	Note 18.2	631	-1.738.881,00	632	-9.287.359,00
15. Tax on profit or loss	1635		635		636	-194,00
16. Profit or loss after taxation	1667		667	172.631.268,00	668	85.898.277,00
17. Other taxes not shown under items 1 to 16	1637	Note 19	637	11.558,00	638	-8.668,00
18. Profit or loss for the financial year	1669		669	172.642.826,00	670	85.889.609,00

NOTE 1 - GENERAL INFORMATION

CPI FIM SA, Société Anonyme (“the Company” and “CPI FIM”), RCS number B 44.996, was incorporated under the Luxembourg Company Law on 9 September 1993 as a limited liability company (Société Anonyme) for an unlimited period of time.

The Company has for object the taking of participating interests, in whatsoever form in either Luxembourg or foreign countries, especially in real estate companies in the Czech Republic, Poland and other countries of Eastern Europe and the management, control and development of such participating interests. The Company, through its subsidiaries (together “the Group”), is principally involved in providing financing and management services, and the development of properties for its own portfolio or intended to be sold in the ordinary course of business.

The registered office of the Company is established at 40, rue de la Vallée, L-2661 Luxembourg.

As at 31 December 2023 the Company’s shares were listed on the regulated markets of the Warsaw Stock Exchange and of the Luxembourg Stock Exchange.

The financial year is from 1 January 2023 to 31 December 2023.

As at 31 December 2023, the Company is directly controlled by CPI Property Group S.A. by 97.31 % (2022: 97.31 %), a Luxembourg entity of which Mr. Radovan Vítek is the ultimate beneficial owner with 89.99 % of voting rights (2022: 89.35 %). Other shares of CPI FIM SA grant 2.69% voting rights.

Total 1,314,507,629 shares grant 100.00% voting rights.

Board of Directors

As at 31 December 2023, the Board of Directors consists of the following directors:
Mr. David Greenbaum
Mr. Edward Hughes
Mrs. Anita Dubost
Mr. Scot Wardlaw

The consolidated financial statements and separate annual accounts of the Company can be obtained at its registered office, 40, rue de la Vallée, L-2661 Luxembourg and at the following website: www.cpifimsa.com.

NOTE 2 - ACCOUNTING PRINCIPLES, RULES AND METHODS

Basis of preparation and going concern

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements. Accounting policies and valuation rules are, besides the ones laid down by the law of 10 August 1915, as subsequently amended ("the Commercial Company Law"), determined and applied by the Board of Directors.

The Company maintains its accounting records in Euro (EUR). The financial statements are presented in EUR. All figures in tables are presented rounded to the nearest thousand, except when otherwise indicated.

The financial statements were authorized for issue by the Board of Directors on 28 March 2024.

Significant accounting policies

Financial assets

Financial assets include shares in affiliated undertakings, loans to affiliated undertakings, participating interests, loans to undertakings with which the undertaking is linked by virtue of participating interests and investments held as fixed assets. Financial assets are valued individually at the lower of their acquisition price less permanent impairment or recoverable value. Amounts owed by affiliated undertakings, amounts owed by undertakings with which the Company is linked by virtue of participating interest and other loans shown under "Financial assets" are recorded at their nominal value. A value adjustment is recorded when the recovery value is partially or fully compromised on permanent basis.

The value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Provided and received cash pool transactions

The Company classifies the provided and received cash pool transactions on behalf agreed cash-pool contracts, including interests, as other current receivables and other current liabilities, respectively.

Debtors

Trade debtors, amounts owed by affiliated undertakings, amounts owed by undertakings with which the undertaking is linked by virtue of participating interest and other debtors are valued at their nominal value. They are subject to value adjustments where their recovery value is partially of fully compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

Provisions

Provisions are intended to cover losses or debts the nature of which is clearly defined and which at the balance sheet date are either likely or certain to be incurred but uncertain as to their amount or as to the date on which they will arise.

Provisions may also be created in order to cover charges which have their origin in the financial year under review or in a previous financial year, the nature of which is clearly defined and which at the date of the balance sheet are either likely to be incurred or certain to be incurred but uncertain as to their amount or as to the date on which they will arise

Creditors

Creditors include amounts owed to affiliated undertakings and trade and other creditors. Creditors are valued at their nominal value.

Conversion of foreign currencies

During the financial year, the acquisitions and sales of financial assets as well as income and charges in currencies other than EUR are converted into EUR at the exchange rate prevailing at the transaction dates.

At the balance sheet date, the acquisition price of the financial assets – shares in affiliated, participating interests and other investments expressed in currency other than the EUR remains converted at the historical exchange rate. All other assets and liabilities expressed in a currency other than EUR are valued at the closing rate or historical rate under the prudence concept. The unrealised and realised losses, as well as the realised gains are recorded in the profit and loss account.

Cross-currency swaps – hedge

Cross-currency swap interest is recorded at its nominal value. The interest is reported in balance sheet as other debtors, respectively other creditors. The interest is reported separately in profit and loss account. The Company records the fixed amounts on off-balance accounts. The same approach is used for fair value of a cross-currency swap.

Derivative instrument - investments

The Company records the fixed amounts on off-balance accounts. The fair value of a derivative instrument is reported as other receivable, respectively payable, and in profit and loss account as similar income to interest, respectively expense.

Net turnover

Net turnover includes income from invoicing of operating costs.

Value adjustments

Value adjustments are deducted directly from the related asset.

Other operating income

Other operating income includes income from invoicing of operating costs and providing management services.

NOTE 3 - FINANCIAL ASSETS

2023	Shares in affiliated undertakings	Loans to affiliated undertakings
Gross book value		
Balance at 1 January 2023	691,634	4,738,123
Additions for the year	317,614	1,100,836
Disposals for the year	(8,867)	(1,425,725)
Balance at 31 December 2023	1,000,381	4,413,234
Accumulated value adjustments		
Balance at 1 January 2023	(69,667)	(67,137)
Allocations for the year	(12,590)	(8,459)
Reversals for the year	1,245	28,186
Balance at 31 December 2023	(81,012)	(47,410)
Net book value as at 1 January 2023	**621,967**	**4,670,986**
Net book value as at 31 December 2023	**919,369**	**4,365,824**

3.1 - Shares in affiliated undertakings

In the context of the impairment analysis, the Company compares acquisition cost with Net Equity of undertaking and applies value adjustment, when the Net equity is lower than acquisition cost. The Company uses the Net Equity method for the valuation of non-tradable shares. Results of value adjustments are reported in Note 17.

Undertakings in which the Company holds participation in their share capital are detailed in the following table on the next page.

Name of the undertaking	Country	Ccy	% held 31.12.23	Cost 31.12.2022	Cost change in 2023	Cost 31.12.2023	Accumulated impairment 31.12.2022	Reversal of impairment / (impairment) in 2023	Accumulated impairment 31.12.2023	Carrying value 31.12.2022	Carrying value 31.12.2023	Net equity (**)	Result of 2023
BD Malostranská, a.s.*	Czech Republic	CZK	100.00%	--	5,474	5,474	--	(677)	(677)	--	4,797	4,797	1,990
Brno Property Invest XV., a.s.	Czech Republic	CZK	100.00%	1,062	--	1,062	--	--	--	1,062	1,062	2,505	1,131
Bubny Development, s.r.o.***	Czech Republic	CZK	100.00%	15,847	155,007	170,854	--	--	--	15,847	170,854	211,994	10,889
BYTY PODKOVA, a.s.	Czech Republic	CZK	100.00%	67	--	67	--	--	--	67	67	1,589	48
Camuzzi, a.s.	Czech Republic	CZK	100.00%	3,646	--	3,646	(760)	(470)	(1,230)	2,886	2,416	2,416	(411)
CD Property s.r.o.****	Czech Republic	CZK	0.00%	7,407	(7,407)	--	--	--	--	7,407	--	--	--
CPI - Krásné Březno, a.s.	Czech Republic	CZK	100.00%	3,049	--	3,049	(370)	(2)	(372)	2,679	2,677	2,677	67
CPI - Land Development, a.s.	Czech Republic	CZK	100.00%	37,399	(759)	36,641	--	--	--	37,399	36,641	37,761	1,720
CPI FIM GOLD, a.s.***	Czech Republic	CZK	100.00%	--	85	85	--	(5)	(5)	--	80	80	--
CPI FIM WHITE, a.s.***	Czech Republic	CZK	100.00%	--	85	85	--	(5)	(5)	--	80	80	--
CPI Park Chabařovice, s.r.o.	Czech Republic	CZK	100.00%	3,485	--	3,485	--	--	--	3,485	3,485	5,004	(125)
CPI Park Plzeň, s.r.o.	Czech Republic	CZK	100.00%	6,019	--	6,019	--	--	--	6,019	6,019	18,898	(315)
CPI Pigna S.r.l.	Italy	EUR	100.00%	2,021	1,600	3,621	--	--	--	2,021	3,621	3,981	(1,400)
CPI Podhorský park, s.r.o.	Czech Republic	CZK	0.00%	11,277	--	11,277	--	--	--	11,277	11,277	27,736	3,575
CPI REV Italy II S.r.l.	Italy	EUR	100.00%	1,437	4,200	5,637	(1,437)	(3,682)	(5,119)	--	518	518	(4,082)
CPI South, s.r.o.	Czech Republic	CZK	90.00%	1,603	--	1,603	--	--	--	1,603	1,603	2,315	(104)
Development Doupovská, s.r.o.	Czech Republic	CZK	75.00%	3,046	--	3,046	(2,846)	50	(2,796)	200	250	334	77
Diana Property Sp. z o.o.	Poland	PLN	100.00%	777	--	777	--	--	--	777	777	2,022	(154)
Equator IV Offices sp. z o.o.	Poland	PLN	100.00%	30,419	--	30,419	--	--	--	30,419	30,419	30,509	(3,857)
Estate Grand, s.r.o.	Czech Republic	CZK	100.00%	8	--	8	--	--	--	8	8	6,621	(238)

Name of the undertaking	Country	Ccy	% held 31.12.23	Cost 31.12.2022	Cost change in 2023	Cost 31.12.2023	Accumulated impairment 31.12.2022	Reversal of impairment / (impairment) in 2023	Accumulated impairment 31.12.2023	Carrying value 31.12.2022	Carrying value 31.12.2023	Net equity (**)	Result of 2023
Eurocentrum Offices sp. z o.o.	Poland	PLN	100.00%	132,752	--	132,752	--	(6,196)	(6,196)	132,752	126,556	126,556	(28,440)
FAMIACO ENTERPRISES COMPANY LIMITED	Cyprus	EUR	100.00%	1	--	1	(1)	--	(1)	--	--	--	--
Industrial Park Stříbro, s.r.o.	Czech Republic	CZK	100.00%	8	--	8	--	--	--	8	8	83	3
JIHOVÝCHODNÍ MĚSTO, a.s.	Czech Republic	CZK	100.00%	41,287	--	41,287	(30,401)	(480)	(30,881)	10,886	10,406	10,406	(218)
Land Properties, a.s.*	Czech Republic	CZK	100.00%	32,033	(5,474)	26,558	(8,507)	(986)	(9,492)	23,526	17,066	17,066	(3,100)
Marki Real Estate sp. z o.o. w likwidacji	Poland	PLN	100.00%	22,282	--	22,282	(19,018)	494	(18,524)	3,264	3,758	3,758	229
MQM Czech, a.s.***	Czech Republic	CZK	100.00%	3,237	25,146	28,383	--	--	--	3,237	28,383	29,093	(3,603)
NOVÁ ZBROJOVKA, s.r.o.	Czech Republic	CZK	100.00%	22,465	--	22,465	--	--	--	22,465	22,465	105,997	3,236
Nupaky a.s.	Czech Republic	CZK	100.00%	7,338	--	7,338	(2,572)	(86)	(2,658)	4,766	4,680	4,680	33
ORCO Blumentálska a.s.	Slovakia	EUR	100.00%	2,980	--	2,980	(2,980)	--	(2,980)	--	--	--	--
Orco Bucharest	Cyprus	EUR	100.00%	3	--	3	(3)	--	(3)	--	--	--	--
Orco Project Sp. z o.o.*****	Poland	PLN	100.00%	701	(701)	--	(701)	701	--	--	--	--	--
Pietroni, s.r.o.****	Czech Republic	CZK	100.00%	--	--	--	--	--	--	--	--	(8,627)	(2,106)
Polygon BC, a.s.***	Czech Republic	CZK	100.00%	8,733	68,591	77,324	--	--	--	8,733	77,324	80,984	(8,264)
Rezidence Kunratice, s.r.o.	Czech Republic	CZK	100.00%	13	--	13	--	--	--	13	13	3,425	(160)
Rezidence Pragovka, s.r.o.	Czech Republic	CZK	100.00%	17,079	--	17,079	--	--	--	17,079	17,079	84,184	(64)
Strakonice Property Development, a.s.	Czech Republic	CZK	100.00%	221	--	221	(69)	(3)	(72)	152	149	149	1
STRM Alfa, a.s.***	Czech Republic	CZK	100.00%	5,110	55,150	60,260	--	--	--	5,110	60,260	73,422	1,583
STRM Beta, a.s.	Czech Republic	CZK	100.00%	5,224	--	5,224	--	--	--	5,224	5,224	8,845	946
STRM Gama, a.s.	Czech Republic	CZK	100.00%	8,016	--	8,016	--	--	--	8,016	8,016	20,945	2,283
Vysočany Office, a.s.***	Czech Republic	CZK	100.00%	19	7,751	7,770	--	--	--	19	7,770	9,722	(334)

Name of the undertaking	Country	Ccy	% held 31.12.23	Cost 31.12.2022	Cost change in 2023	Cost 31.12.2023	Accumulated impairment 31.12.2022	Reversal of impairment / (impairment) in 2023	Accumulated impairment 31.12.2023	Carrying value 31.12.2022	Carrying value 31.12.2023	Net equity (**)	Result of 2023
WFC Investments sp. z o.o.	Poland	PLN	100.00%	253,565	--	253,565	--	--	--	253,565	253,565	254,754	(28,098)
Difference due to rounding to thousand EUR and linking Total to other tables				(2)	(1)	(3)	(2)	2	(1)	(4)	(4)		
Total				**691,634**	**308,747**	**1,000,381**	**(69,667)**	**(11,345)**	**(81,012)**	**621,967**	**919,369**		

(*) Land Properties, a.s. spun off to new entity BD Malostranská, a.s.
(**) Net equity calculation is based on unaudited Financial Statements in accordance with IFRS as adopted by EU
(***) The Company acquired/increased stake in undertakings
(****) The Company did not impaired Pietroni s.r.o., because the Net equity doesn’t reflect value of 67,000,000 shares of CPI Property Group S.A., that Pietroni s.r.o. owned as at 31 December 2023
(*****) The undertaking was liquidated/sold

3.2 - Loans to affiliated undertakings

	2023	2022
Amount due	4,413,234	4,738,123
Value adjustments	(47,410)	(67,137)
Net value	**4,365,824**	**4,670,986**

The Company provides loans to affiliated undertakings with the interest rate range of 0.48%-15.14% p.a. (2022: 0.48%-13.01% p.a.) and maturity dates until December 2030. The Company provided non-interest bearing loan to ENDURANCE HOSPITALITY FINANCE S.à r.l., for which the maturity date is not specified, in the amount of EUR 8,043 thousand (2022: EUR 8,043 thousand).

Results of value adjustments are reported in Note 17 and Note 22.

3.3 - Participating interests

Name of the undertaking	% held	Cost	Cost change	Cost	Accumulated impairment	Reversal of impairment / (impairment)	Accumulated impairment	Carrying value	Carrying value
	31.12.2023	31.12.2022	in 2023	31.12.2023	31.12.2022	in 2023	31.12.2023	31.12.2022	31.12.2023
Uniborc S.A.	35.00%	725	7,000	7,725	(725)	(7,000)	(7,725)	--	--
Total		**725**	**7,000**	**7,725**	**(725)**	**(7,000)**	**(7,725)**	**--**	**--**

The Net Equity of the undertaking is negative in the amount of EUR 1,604 thousand (2022: EUR -4,741 thousand), therefore the Company applied value adjustment. Results of value adjustments are reported in Note 17 and Note 22.

3.4 - Loans to undertakings with which the undertaking is linked by virtue of participating interests

	2023	2022
Amount due	8,617	14,435
Value adjustments	(1,604)	(4,740)
Net value	**7,013**	**9,695**

As at 31 December 2023, the Company provided loans to Uniborc S.A. with an interest rate of 3M EURIBOR + 2.28 % p.a. (2022: 3M EURIBOR + 7.00% p.a.), change in interest rate from 27 July 2023 and maturity date in May 2028. Results of value adjustments are reported in Note 17 and Note 22.

3.5 - Investments held as fixed assets

Name	State	Ccy	% held	Cost	Cost change	Cost	Accumulated impairment	Reversal of impairment (impairment)	Accum. Impairment	Carrying value	Carrying value
			as at 31.12.23	31.12.22	in 2023	31.12.23	31.12.22	in 2023	31.12.23	31.12.22	31.12.23
Other undertakings*	MCO	EUR	0.10%	9	--	9	(4)	--	(4)	5	5
IT000545313	ITA	EUR	--	153,663	(32,765)	120,898	--	--	--	153,663	120,898
Total										**153,668**	**120,903**

*The Company uses the Net Equity method for the valuation of non-tradable shares.

IT000545313 Asset-Backed Variable Return Notes of CPI Italy 130 SPV S.r.l.

The Company subscribed notes of Partly Paid Asset Backed Variable Return Notes issued by investments vehicle CPI Italy 130 SPV S.r.l. in total nominal value EUR 300 million in September 2021 with initial investment of EUR 120,234 thousand. In 2023 the Company paid no additional investment (2022: EUR 12,125 thousand) and received partly repayment in the amount of EUR 32,765 thousand (2022: EUR 412 thousand). The notes are repayable on 30 September 2031. Initial maturity date could be extended until 30 September 2036.

3.6 - Other loans

As at 31 December 2023, the Company recognises deposit in the amount of EUR 146 thousand (2022: EUR 146 thousand).

NOTE 4 - CURRENT ASSETS

4.1 - Trade debtors becoming due and payable within one year

	2023	2022
Amount due	3,260	615
Value adjustments	(236)	(237)
Net value	**3,024**	**378**

4.2 - Amounts owed by affiliated undertakings becoming due and payable within one year

The amounts owed by affiliated undertakings becoming due and payable within one year contain principals, accrued interest, other receivables and trade receivables on amounts owed by affiliated undertakings.

As the cash-pool leader, the Company recognised the provided cash pool principal and interest balance within "Other" items. As at 31 December 2023, the cash-pool provided principal is EUR 53,245 thousand (2022: EUR 63,431 thousand) with the interest of EUR 327 thousand (2022: EUR 286 thousand).

The Company concluded FX forward/swap contracts with several entities within CPIPG Group. The fair value of contracts is reported within "Other" item in the total amount of EUR 1,810 thousand (2022: EUR 11,975 thousand).

				2023				2022
	Principal	Interest	Other	Total	Principal	Interest	Other	Total
Amount due	577,710	132,317	129,645	839,673	83	147,521	79,416	227,020
Value adjustments	(928)	(4,947)	--	(5,875)	(83)	(1,358)	(65)	(1,506)
Net value	**576,782**	**127,370**	**129,645**	**833,798**	**--**	**146,163**	**79,351**	**225,514**

Provided loans bear interest within range from 1.47% p.a. to 5.42% p.a. (2022: 1.6% p.a.).

4.3 - Amounts owed by affiliated undertakings becoming due and payable after more than one year

The amounts owed by affiliated undertakings becoming due and payable after more than one year contain accrued interest that is payable together with principal.

				2023				2022
	Principal	Interest	Other	Total	Principal	Interest	Other	Total
Amount due	--	30,801	--	30,801	--	20,816	--	20,816
Value adjustments	--	--	--	--	--	--	--	--
Net value	**--**	**30,801**	**--**	**30,801**	**--**	**20,816**	**--**	**20,816**

4.4 - Amounts owed by undertakings with which the undertaking is linked becoming due and payable within one year

The amounts owed by undertakings with which the undertaking is linked becoming due and payable within one year have been considered as follows:

				2023				2022
	Principal	Interest	Other	Total	Principal	Interest	Other	Total
Amount due	--	89	--	89	--	209	--	209
Value adjustments	--	--	--	--	--	--	--	--
Net value	**--**	**89**	**--**	**89**	**--**	**209**	**--**	**209**

4.5 - Other debtors becoming due and payable within one year

The amounts owed by other debtors becoming due and payable within one year have been considered as follows:

	2023					2022				
	Principal	Interest	Other	Tax authorities	Total	Principal	Interest	Other	Tax authorities	Total
Amount due	--	852	828	317	1,997	--	5,827	828	150	6,805
Value adjustments	--	--	(819)	--	(819)	--	--	(819)	--	(819)
Net value	--	852	9	317	1,178	--	5,827	9	150	5,986

NOTE 5 - CAPITAL AND RESERVES

Subscribed capital and share premium account

As at 31 December 2023 and 2022, the subscribed capital of the Company of EUR 13,145,076.29 is represented by 1,314,507,629 ordinary shares. The shares of the Company have a par value of EUR 0.01 per share and are fully paid. Each share is entitled to a prorate portion of the profits and share capital of the Company, as well as to a voting right and representation at the time of a general meeting, all in accordance with statutory and legal provisions.

Legal reserve

In accordance with the Commercial Company Law, the Company must appropriate to the legal reserve a minimum of 5% of the annual net profit until such reserve equals 10% of the subscribed capital. Distribution in form of dividends of the legal reserve is prohibited.

Movements in capital and reserves

	Subscribed capital	Share premium account	Legal reserve	Profit / loss brought forward	Profit / loss for the financial year	TOTAL
As at 31 December 2022	**13,145**	**784,670**	**448,132**	**(551,030)**	**85,890**	**780,807**
AGM on 31 May 2023 – allocation of 2022 result	--	--	--	85,890	(85,890)	--
Profit for the financial year	--	--	--	--	172,643	172,643
As at 31 December 2023	**13,145**	**784,670**	**448,132**	**(465,141)**	**172,643**	**953,449**

NOTE 6 - AMOUNTS OWED TO CREDIT INSTITUTIONS

The Company concluded credit facility agreements in the total credit frame of EUR 16,053 thousand (2022: EUR 17,191 thousand) to grant funds for financing cash requirements of the CPIPG Group, with banks within Société Générale Group and OTP Banky Nyrt. As at 31 December 2023, unpaid arrangement and commitment fees are in the total amount of EUR 18 thousand (2022: EUR 22 thousand).

NOTE 7 - AMOUNTS OWED TO AFFILIATED UNDERTAKINGS

7.1 - Amounts owed to affiliated undertakings, becoming due and payable within one year

The Company, as a cash-pool leader, recognised cash-pool open balance as at 31 December 2023 as the other amounts owed to affiliated undertakings. The Company increased stakes in several Czech undertakings from German undertaking in the amount of EUR 311,645 thousand, reported as “Other” (see Note 3 and Note 22). The following amounts owed to affiliated undertakings are considered:

	2023	2022
Principal	88,300	163,389
Interest	103,825	84,385
Other	**359,709**	**66,977**
Cash-pool principal	47,690	52,275
Cash-pool interest	235	173
Trade	139	27
Other	311,645	14,502
Total	**551,834**	**314,751**

7.2 - Amounts owed to affiliated undertakings, becoming due and payable after more than one year

	2023	2022
Principal	4,861,479	4,710,764
Other	--	--
Total	**4,861,479**	**4,710,764**

The Company received loans with interest rate range of 0.00% - 7.86% p.a. (2022: 0.00% - 6.00%p.a.) and maturity dates up to 27 January 2031.

NOTE 8 - OTHER CREDITORS

8.1 - Other creditors becoming due and payable within one year

The Company concluded Four-way Novation Agreement with Nomura International plc, SMBC Bank EU AG and CPI PG and Cross-currency interest rate swap was transferred from Nomura International plc to SMBC Bank EU AG and from the Company to CPI PG.

	2023	2022
Interest	--	4,073
Other	14	14
Total	**14**	**4,087**

NOTE 9 - OTHER OPERATING INCOME

Other operating income includes mainly administrative service fees provided across the Group. The Company also received reimbursement of flights rendered to Mr. Radovan Vítek through the flight service agreement entered in 2018 (see Note 23).

	2023	2022
Administrative services	1,222	1,219
Flight services	4,734	2,905
Others	69	77
Total	**6,025**	**4,201**

NOTE 10 - OTHER EXTERNAL EXPENSES

	2023	2022
Rental, maintenance and repairs	247	272
Financial services	470	481
Bank fees	36	237
Professional fees - management fee	26	26
Professional fees:	**418**	**343**
legal fee	122	69
audit fee	94	129
advisory fee	68	44
other fee	134	101
Insurance fee	2	3
Advertising, publications, public relations	16	17
Travelling costs	19	15
Other various fees	23	20
Total	**1,257**	**1,414**

NOTE 11 - STAFF COSTS

The Company had 7 employees in 2023 (2022: 8).

	2023	2022
Wages and salaries	635	672
Social security costs	120	129
Total	**755**	**801**

NOTE 12 - VALUE ADJUSTMENTS IN RESPECT OF CURRENT ASSETS

	2023	2022
Affiliated undertakings	(3,628)	357
Other	--	190
Total	**(3,628)**	**547**

NOTE 13 - OTHER OPERATING EXPENSES

	2023	2022
Flight services	4,739	2,905
Directors fee	61	61
Other	23	4
Total	**4,823**	**2,970**

NOTE 14 - INCOME FROM PARTICIPATING INTERESTS DERIVED FROM AFFILIATED UNDERTAKINGS

Income from participating interests derived from affiliated undertakings is as follows:

	2023	2022
Dividend	542	11,982
Gain from disposal of undertakings/disposed undertakings	4,939	--
Total	**5,481**	**11,982**

NOTE 15 - INCOME FROM OTHER INVESTMENTS AND LOANS FORMING PART OF THE FIXED ASSETS

15.1 - Derived from affiliated undertakings

The loans forming part of the fixed assets generated interest income of EUR 252,831 thousand in the year 2023 (2022: EUR 217,266 thousand) and gain from disposal of loans in the amount of EUR 1,581 thousand.

15.2 - Other income not from affiliated undertakings

The loans forming part of the fixed assets provided to interest participating and other parties generated interest income of EUR 1,063 thousand (2022: EUR 1,001 thousand).

The Company received variable income from notes of Partly Paid Asset Backed Variable Return Notes issued by investments vehicle CPI Italy 130 SPV S.r.l. (see Note 3.5) in the amount of EUR 365 thousand (2022: 128 thousand).

NOTE 16 - OTHER INTEREST RECEIVABLE AND SIMILAR INCOME

16.1 - Derived from affiliated undertakings

	2023	2022
Interest	5,200	2,837
Foreign currency exchange gains	49,888	21,820
Fair value of FX forward contract	2,732	10,156
Other	86	--
Total	**57,906**	**34,813**

16.2 - Other interest and similar income

	2023	2022
Interest	2,589	7,924
Foreign currency exchange gains	1,340	1,137
Other	116	123
Total	**4,045**	**9,184**

NOTE 17 - VALUE ADJUSTMENTS IN RESPECT OF FINANCIAL ASSETS AND OF INVESTMENTS HELD AS CURRENT ASSETS

Value adjustments of financial assets are as follows:

	2023	2022
Shares	**(18,347)**	**(9,005)**
Loans	**22,124**	**6,150**
Affiliated undertakings	19,987	6,946
Other	3,137	(796)
Total	**3,777**	**(2,855)**

The positive value is decrease of value adjustments, the negative value is increase of value adjustments.

NOTE 18 - INTEREST PAYABLE AND SIMILAR EXPENSES

18.1 - Concerning affiliated undertakings

	2023	2022
Interest	146,957	129,699
Foreign currency exchange losses	476	41,836
Loss on disposal of shares in affiliated	701	--
Loss on disposal amounts owed by affiliated due to liquidation	97	4,324
Other	--	21
Total	**148,231**	**175,880**

18.2 - Other interest and similar expenses

	2023	2022
Interest	133	4,335
Foreign currency exchange losses	1,166	4,496
Loss on SPOT transactions	340	168
Loss on disposal of financial fixed assets	--	215
Other	100	73
Total	**1,739**	**9,287**

NOTE 19 - TAX ON PROFIT OR LOSS

The Company is subject to Luxembourg income tax and Net wealth tax. Income tax was nil in 2023 and 2022.

	2023	2022
Net wealth tax	(12)	9
Total	**12**	**9**

NOTE 20 - OFF BALANCE SHEET COMMITMENTS

In relation to the strategy of developing its financing activity, the Company signed several credit facility agreements.

The Company has provided credit facility to following entities:

Type of entity	Drawdown Limit	2023	Drawdown Limit	2022
Affiliated undertakings	3,351,440,000	CZK	2,872,440,000	CZK
	74,000,000	EUR	219,005,462	EUR
Affiliated undertakings – entities in CPI Group	39,623,660,348	CZK	52,485,860,348	CZK
	5,719,798,540	EUR	7,492,398,540	EUR
	206,950,000	GBP	225,782,159	GBP
	87,418,469,600	HUF	92,202,469,600	HUF
	150,000,000	RON	150,000,000	RON
	2,900,000	USD	--	--
Others (participating interests, related)	314,416,824	EUR	314,644,443	EUR
	601,508,056	CZK	--	--

The Company has been provided credit facility agreements from following entities:

Type of entity	Drawdown Limit	2023	Drawdown Limit	2022
Affiliated undertakings	89,000,000	CZK	150,000,000	CZK
	297,500,000	EUR	95,000,000	EUR
	--	PLN	86,000,000	PLN
Affiliated undertakings – entities in CPI Group	4,125,800,000	CZK	4,066,800,000	CZK
	5,411,883,485	EUR	4,931,383,485	EUR
	--	GBP	196,600,000	GBP
	--	CHF	75,000,000	CHF

NOTE 21 - REMUNERATION OF THE MEMBERS OF THE BOARD OF DIRECTORS

The Board attendance compensation for the year 2023 amounts to EUR 61,000 (2022: EUR 61,000). The Annual General Meeting held on 28 May 2014 resolved to approve, with the effect as of 1 January 2014, the payment of attendance fees to all independent, non-executive Directors of the Company in the amount of EUR 3,000 per calendar month as a base fee and empowered the Board of Directors to decide at its sole discretion about the payment of additional fees up to EUR 3,000 per calendar month to independent, non-executive Directors of the Company.

NOTE 22 - RELATED PARTY TRANSACTIONS

The Company considers entities reported as affiliated undertakings:

- entity, that are owned by the Company (directly or indirectly),
- related party owned directly or indirectly by CPI Property Group S.A.

The Company considers related party reported as other:

- Mr. Radovan Vítek and related party owned by Mr. Radovan Vítek, the ultimate beneficial owner of the Company.

Entity owned by the Company (directly or indirectly) in 2023

Transactions with these partners are part of Notes 3.1, 3.2, 3.3, 3.4, 4.2, 4.3, 4.4, 7.1, 7.2, 12, 14, 15.1, 15.2, 16.1, 17 and 18.1.

BD Malostranská, a.s.
Brno Property Invest XV., a.s.
Bubny Development, s.r.o.
BYTY PODKOVA, a.s.
Camuzzi, a.s.
CD Property s.r.o.
CPI - Krásné Březno, a.s.
CPI - Land Development, a.s.
CPI FIM GOLD, a.s.
CPI FIM WHITE, a.s.
CPI Park Chabařovice, s.r.o.
CPI Park Plzeň, s.r.o.
CPI Park Žďárek, a.s.
CPI Pigna S.r.l.
CPI Podhorský Park, s.r.o.
CPI REV Italy II S.r.l.
CPI South, s.r.o.
Darilia, a.s.
Development Doupovská, s.r.o.
Diana Property Sp. z o.o.
Equator IV Offices sp. z o.o.
Estate Grand, s.r.o.
Eurocentrum Offices sp. z o.o.
FAMIACO ENTERPRISES COMPANY LIMITED
Industrial Park Stříbro, s.r.o.
JIHOVÝCHODNÍ MĚSTO, a.s.
Land Properties, a.s.
Les Mas du Figuier
Marki Real Estate sp. z o.o. w likwidacji
MQM Czech, a.s.
NOVÁ ZBROJOVKA, s.r.o.
Nupaky a.s.
ORCO PROJECT sp. z o.o.
Pietroni, s.r.o.
Polygon BC, a.s.
Rezidence Kunratice, s.r.o.
Rezidence Pragovka, s.r.o.
SCP Reflets
Strakonice Property Development, a.s.
STRM Alfa, a.s.
STRM Beta , a.s.
STRM Gama, a.s.
Uniborc S.A.
Vysočany Office, a.s.
WFC Investments sp. z o.o.

Related party owned directly or indirectly by CPI Property Group S.A., with them the Company recognised transactions in 2023 and 2022

Transactions with these partners are part of Notes 3.2, 4.2, 4.3, 7.1, 7.2, 9, 10, 12, 13, 14, 15.1, 15.2, 16.1, 17 and 18.1.

1 Bishops Avenue Limited
Agrome s.r.o.
AIRPORT CITY INGATLANBEFEKTETÉSI Kft.
Airport City Phase B Kft.
ALIZÉ PROPERTY a.s.
Andrassy Hotel Zrt.
Andrássy Real Kft.
Angusland s.r.o.
Arena Corner Kft.
Atrium Complex sp. z o.o.
Balvinder, a.s.
Baudry Beta, a.s.
BAYTON Alfa, a.s.
BAYTON Gama, a.s.
BC 99 Office Park Kft.
Beroun Property Development, a.s.
Best Properties South, a.s.
Biochov s.r.o.
Biopotraviny s.r.o.
BPT Development, a.s.
Brandýs Logistic, a.s.
Březiněves, a.s.
BRNO INN, a.s.
Brno Property Development, a.s.
Byty Lehovec, s.r.o.
Čadca Property Development, s.r.o.
CAMPONA Shopping Center Kft.
Carpenter Invest, a.s.
Čáslav Investments, a.s.
CB Property Development, a.s.
CEE PROPERTY-INVEST Immobilien GmbH
Central Tower 81 sp. z o.o.
Ceratopsia, a.s.
Českolipská farma s.r.o.
Českolipská zemědělská a.s.
Chuchle Arena Praha, s.r.o.
City Gardens Sp. z o.o.
City Market Dunakeszi Kft.
City Market Soroksár Kft.
Conradian, a.s.
CPI - Bor, a.s.
CPI - Horoměřice, a.s.
CPI - Orlová, a.s.
CPI - Real Estate, a.s.
CPI - Zbraslav, a.s.
CPI Beet, a.s.
CPI Blatiny, s.r.o.
CPI BYTY, a.s.
CPI Delta, a.s. (merged with CPI Retail Portfolio VIII s.r.o.)
CPI Development Services, s.r.o. (formerly Brno Development Services, s.r.o.)
CPI East,s.r.o.
CPI Energo, a.s.
CPI Facility Management Kft.
CPI Facility Slovakia, a.s.
CPI Finance CEE, a.s.
CPI Flats, a.s.
CPI Green, a.s.
CPI Group Services, a.s.
CPI Hotels Poland sp. z o.o.
CPI Hotels Properties, a.s.

CPI Hotels Slovakia, s. r. o.
CPI Hotels, a.s.
CPI Hungary Investments Kft.
CPI Hungary Kft.
CPI IMMO
CPI Kappa, s.r.o.
CPI Kvinta, s.r.o.
CPI Management, s.r.o.
CPI Národní, s.r.o.
CPI Office Business Center, s.r.o.
CPI Office Prague, s.r.o.
CPI Park Jablonné v Podještědí, s.r.o.
CPI Poland Property Management sp. z o.o.
CPI Poland Sp. z o.o.
CPI Property Group S.A.
CPI Property, s.r.o.
CPI Reality, a.s.
CPI Retail One Kft.
CPI RETAIL PORTFOLIO HOLDING Kft.
CPI Retail Portfolio I, a.s.
CPI Retail Portfolio II, a.s.
CPI Retail Portfolio IV, s.r.o.
CPI Retail Portfolio V, s.r.o. (merged with CPI Retail Portfolio I, a.s.)
CPI Retail Portfolio VI, s.r.o. (merged with CPI Retail Portfolio I, a.s.)
CPI Retail Portfolio VIII s.r.o.
CPI Retails ONE, a.s.
CPI Retails Rosa s.r.o.
CPI Retails THREE, a.s.
CPI Retails TWO, a.s.
CPI Sekunda, s.r.o.
CPI Services, a.s.
CPI Shopping MB, a.s.
CPI Shopping Teplice, a.s.
CPI Smart Power, a.s.
CPI Théta, a.s.
CPI Žabotova, a.s.
CPIPG Management S.à r.l.
CT Development sp. z o.o.
Czech Property Investments, a.s.
Děčínská zemědělská a.s.
Diana Development sp. z o.o.
Eclair Aviation s.r.o.
EMH South, s.r.o.
ENDURANCE HOSPITALITY ASSET S.à r.l.
ENDURANCE HOSPITALITY FINANCE S.à r.l.
Equator II Development sp. z o.o.
Equator Real sp. z o.o.
Europeum Kft.
Farhan, a.s.
Farma Ploučnice a.s.
Farma Svitavka s.r.o.
Farmy Frýdlant a.s.
FL Property Development, a.s.
Futurum HK Shopping, s.r.o.
FVE CHZ s.r.o.
FVE roofs & grounds, s.r.o.
Gadwall, Sp. z o.o.
Gateway Office Park Kft.
GCA Property Development sp. z o.o.
Gebauer Höfe Liegenschaften GmbH
GSG ARMO Verwaltungsgesellschaft mbH
GSG Asset GmbH & Co. Verwaltungs KG
GSG Berlin GmbH (formerly Gewerbesiedlungs-Gessellschaft mbH)
GSG Berlin Invest GmbH
GSG Europa Beteiligungs GmbH
GSG Gewerbehöfe Berlin 1. GmbH & Co. KG
GSG Gewerbehöfe Berlin 2. GmbH & Co. KG
GSG Gewerbehöfe Berlin 3. GmbH & Co. KG
GSG Gewerbehöfe Berlin 4. GmbH & Co. KG
GSG Gewerbehöfe Berlin 5. GmbH & Co. KG
HD Investment s.r.o.
HECF Vestec 2 s.r.o.
Hightech Park Kft.
Hospitality invest S.à r.l.
HOTEL U PARKU, s.r.o.
Hraničář, a.s.
IGY2 CB, a.s.
IS Nyír Kft.
IS Zala Kft.
JAGRA spol. s r.o.
Janáčkovo nábřeží 15, s.r.o.
Jeseník Investments, a.s.
Jetřichovice Property, a.s.
Karnosota, a.s.
Kerina, a.s.
KOENIG Shopping, s.r.o.
Komárno Property Development, a.s.
Kunratická farma, s.r.o.
LD Praha, a.s.
Le Regina Warsaw Sp. z o.o.
Levice Property Development, a.s.
Lockhart, a.s.
Lucemburská 46, a.s.
Marcano, a.s.
Marissa Omikrón, a.s.
Marissa Tau, a.s.
Marissa Théta, a.s.
Marissa West, a.s.
Marissa Ypsilon, a.s.
MARRETIM s.r.o.
Michalovce Property Development, a.s.
MMR RUSSIA S.à r.l.
Moniuszki Office sp. z o.o.
MUXUM, a.s.
Na Poříčí, a.s.
New Age Kft.
Nymburk Property Development, a.s.
OC Nová Zdaboř a.s.
OC Spektrum, s.r.o.
Olomouc Building, a.s.
Orchard Hotel a.s.
Oxford Tower sp. z o.o.
OZ Trmice, a.s.
Ozrics Kft.
Pelhřimov Property Development, a.s.
Platnéřská 10 s.r.o.
Pólus Shopping Center Zrt.
Považská Bystrica Property Development, a.s.
Příbor Property Development, s. r.o. (merged with CPI Retail Portfolio VIII s.r.o.)
Prievidza Property Development, a.s.
PROJECT FIRST a.s.
Projekt Nisa, s.r.o.
Projekt Zlatý Anděl, s.r.o.
Prosta 69 Sp. z o.o.
Prostějov Investments, a.s.
PV - Cvikov s.r.o.
Radom Property Development sp. z o.o.
Real Estate Energy Kft.
Rembertów Property Development sp. z o.o.
Residence Belgická, s.r.o.
Residence Izabella Zrt.
Rezidence Jančova, s.r.o.
Rezidence Malkovského, s.r.o.
Rizeros, a.s.
RSBC Kvarta s.r.o. (formerly CPI Kvarta s.r.o.)
Savile Row 1 Limited
Seattle, s.r.o.
Spojené elektrárny, s.r.o.
Spojené farmy a.s.
ST Project Limited
Statek Kravaře, a.s.
Statenice Property Development, a.s.
Svitavy Property Alfa, a.s.
Tachov Investments, s.r.o.
TARNÓW PROPERTY DEVELOPMENT sp. z o.o.
Telč Property Development, a.s.
Tepelné hospodářství Litvínov s.r.o.
Trebišov Property Development, s. r. o.
Třinec Investments, s.r.o.
Třinec Property Development, a.s.
Tyršova 6, a.s.
U svatého Michala, a.s.
Uchaux Limited
V Team Prague, s.r.o.

Verneřický Angus a.s.
Vigano, a.s.
WXZ1 a.s.
Zamość Property Development sp. z o.o.
Zamość Sadowa Property Development sp. z o.o.
Ždírec Property Development, a.s. (merged with CPI Retail Portfolio VIII s.r.o.)
Zelená farma s.r.o.
Zelená louka s.r.o.
ZEMSPOL s.r.o.
ZET.office, a.s.
Zgorzelec Property Development sp. z o.o.

Related party owned by Mr. Radovan Vítek reported as other

Transactions with these partners are part of Notes 4.1, 12, 16.2, 18.2.

Aspermont S. à r.l.
Boville S. à r.l.
CPIPG Holding S.à r.l.
Efimacor S.à r.l.
Larnoya Invest S.à r.l.
Logan Estates S.à r.l. – Ed Hughes
Ravento S.à r.l.
Senales Invest S.à r.l.
Rizalit, a.s.
Vítek Radovan
WHIPLASH EQUITIES S.à r.l.

Other related party reported as Other linked by management of the Company – investments vehicle

Transactions with these partners are part of Notes 3.5, 9, 15.2, 16.2.

CPI Italy 130 SPV S.r.l.
PAC Italy 130 SPV S.r.l.

NOTE 23 - GUARANTEES AND OTHER CONTINGENCIES

Eclair Aviation commitment

On March 2, 2018, the Company entered a contract with Eclair Aviation under the terms of which the Company commit to a minimum usage of flight services representing an amount of TUSD 4,200 per year.

As at the date of the publication of the financial statements, the Company has no litigation that would lead to any material contingent liability except as disclosed in Note 24.

NOTE 24 - LITIGATIONS

Kingstown dispute in Luxembourg

On 20 January 2015, CPIPG was served with a summons containing petition of the three companies namely Kingstown Partners Master Ltd. of the Cayman Islands, Kingstown Partners II, LP of Delaware and Ktown LP of Delaware (together referred to as „Kingstown"), claiming to be the shareholders of the Company, filed with the Tribunal d´Arrondissement de et a Luxembourg (the "Luxembourg Court"). The petition seeks condemnation of CPIPG together with the Company and certain members of the Company's board of directors as jointly and severally liable to pay damages in the amount of EUR 14.5 million and compensation for moral damage in the amount of EUR 5 million. According to Kingstown's allegation the claimed damage has arisen as a consequence of inter alia alleged violation of the Company's minority shareholders rights.

To the best of the Company´s knowledge, Kingstown was not at the relevant time a shareholder of the Company. Therefore, and without any assumption regarding the possible violation, the Company believes that it cannot be held liable for the violation of the rights of the shareholders of another entity.

The Management of the Company has been taking all available legal actions to oppose these allegations in order to protect the corporate interest as well as the interest of its shareholders. Accordingly, the parties sued by Kingstown raised the exceptio judicatum solvi plea, which consists in requiring the entity who initiated the proceedings and who does not reside in the European Union or in a State which is not a Member State of the Council of Europe to pay a legal deposit to cover the legal costs and compensation procedure. On 19 February 2016 the Luxembourg Court rendered a judgement, whereby each claimant has to place a legal deposit in the total amount of EUR 90 thousand with the "Caisse de Consignation" in Luxembourg in order to continue the proceedings. Kingstown paid the deposit in January 2017, and the litigation, currently being in a procedural stage, is pending. In October 2018, Kingstown's legal advisers filed additional submission to increase the amount of alleged damages claimed to EUR 157.0 million. The Company continues to believe the claim is without merit.

On 21 June 2019 the CPIPG received a first instance judgment, which declared that a claim originally filed by Kingstown in 2015 was null and void against CPIPG. The Court dismissed the claim against CPIPG because the claim was not clearly pleaded ("libellé obscur"). Specifically, Kingstown did not substantiate or explain the basis of their claim against CPIPG and failed to demonstrate how CPIPG committed any fault.

In December 2020, the Luxembourg Court declared that the inadmissibility of the claim against CPIPG and certain other defendants has not resulted in the inadmissibility of the litigation against the Company and the remaining defendants. Some defendants have decided to appeal against this judgment of which declared the claim admissible against the Company. On 28 March 2023 the court of appeal has rejected the appeal and therefore the will be ongoing on other issues of inadmissibility and the merits before the first instance Luxembourg Court during 2024.

Disputes related to warrants issued by the Company

The Company was sued by holders of the warrants holders of 2014 Warrants registered under ISIN code XS0290764728 (the "2014 Warrants"). The first group of the holders of the Warrants sued the Company for approximately EUR 1.2 million in relation to the Change of Control Notice published by the Company, notifying the holders of the 2014 Warrants that the Change of Control, as defined in the Securities Note and the Summary for the 2014 Warrants, occurred on 8 June 2016. The second holder of the 2014 Warrants sued the Company for approximately EUR 1 million in relation to the alleged change of control which allegedly occurred in 2013. These litigations are pending. The Company is defending itself against these lawsuits.

It is reminded that in accordance with the judgement of the Paris Commercial Court pronounced on 26 October 2015 concerning the termination of the Company's Safeguard Plan, liabilities that were admitted to the Safeguard, but are conditional or uncalled (such as uncalled bank guarantees, conditional claims of the holders of 2014 Warrants registered under ISIN code XS0290764728, provided that they were admitted to the Safeguard plan), will be paid according to their contractual terms. Pre-Safeguard liabilities that were not admitted to the Company's Safeguard will be unenforceable. As such, only claims of holders of the 2014 Warrants, whose potential claims were admitted to the Company's Safeguard Plan, could be considered in respect of the present Change of Control. Claims of holders of the 2014 Warrants that were not admitted to the Company's Safeguard will be unenforceable against the Company. To the best of Company's knowledge, none of the holders of the 2014 Warrants who sued the Company filed their claims 2014 Warrants related claims in the company's Safeguard Plan.

On 9 March 2023 the Luxembourg Court issued a judgment, rejecting the claims of the holders of the 2014 Warrants. The Luxembourg Court confirmed that any claim in relation to the change of control provision had to be made, in accordance with the provisions of the Paris Commercial Code, within 2 months as from the date of publication of the judgement opening the Safeguard Procedure in the French Official Gazette. Since the claimants did not comply with this obligation, their claim for payment under the change of control provision is not well-founded and has to be rejected. The claimants did not appeal, and the case is closed now.

NOTE 25 - POST BALANCE SHEET EVENTS

There have been other material post balance sheet events that would require disclosure or adjustment to these annual accounts.