



ANNUAL REPORT  
2022





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## Basic Data about the Company and its Bodies

|   |  |
|---|--|
| <b>Name:</b>  | IMOS Brno, a.s.  |
| <b>Head office:</b>                                 | Olomoucká 704/174, Černovice, 627 00 Brno  |
| <b>Incorporated by:</b>                             | Commercial Register kept by the Regional Court in Brno, section B, file 2211   |
| <b>Date of incorporation:</b>                       | 1. 1. 1997   |
| <b>ID no.:</b>                                      | 25322257   |
| <b>Tax ID no.:</b>                                  | CZ25322257   |
| <b>Tel.:</b>  | +420 548 129 111   |
| <b>Fax:</b>   | +420 548 129 390   |
| <b>Legal form:</b>                                  | Joint-stock company  |
| <b>Statutory body:</b>                              | Board of Directors   |
| <b>Registered capital:</b>                          | 205 000 000 CZK  |
| <b>Shareholder holding more than 20% of shares:</b> | IMOS holding, a.s.   |
| <b>Stock:</b>                                       | 204 registered shares in the par value of 1 000 000 CZK each<br>2 registered shares in the par value of 500 000 CZK each |

### BOARD OF DIRECTORS OF THE COMPANY

|                             |   |
|-----------------------------|---|
| <b>Ing. Robert Suchánek</b> | Chairman of the Board and Managing Director   |
| <b>Ing. Jiří David</b>      | Member of the Board and Brno - PS Branch Director                                   |
| <b>Ing. Boris Fosláni</b>   | Member of the Board and Water Management and Road Construction Brno Branch Director |
| <b>Ing. Martin Nevrlý</b>   | Member of the Board and Ostrava Branch Director                                     |

### SUPERVISORY BOARD

|                            |                                   |
|----------------------------|-----------------------------------|
| <b>Ing. Jan Sniegón</b>    | Chairman of the Supervisory Board |
| <b>Ing. Ivan Sigmund</b>   | Member of the Supervisory Board   |
| <b>Ing. Oldřich Štercl</b> | Member of the Supervisory Board   |
| <b>Ing. Jiří Rulíšek</b>   | Member of the Supervisory Board   |

## Company Profile and Integrated Quality Management System

|  |  |
|--|--|
| <b>A) Civil engineering</b>                                  | ▸ industrial plants<br>▸ shopping malls<br>▸ civil facilities  |
| <b>B) Water management structures</b>                        | ▸ Sewerage systems, waste water treatment plants, water ducts and water course management structures<br>▸ Complete networks of technical infrastructure, landscaping, and extensive earthworks |
| <b>C) Road construction</b>                                  | ▸ Motorways, expressways, roads, bridges and engineering structures  |
| <b>D) Road development and accredited testing laboratory</b> |  |

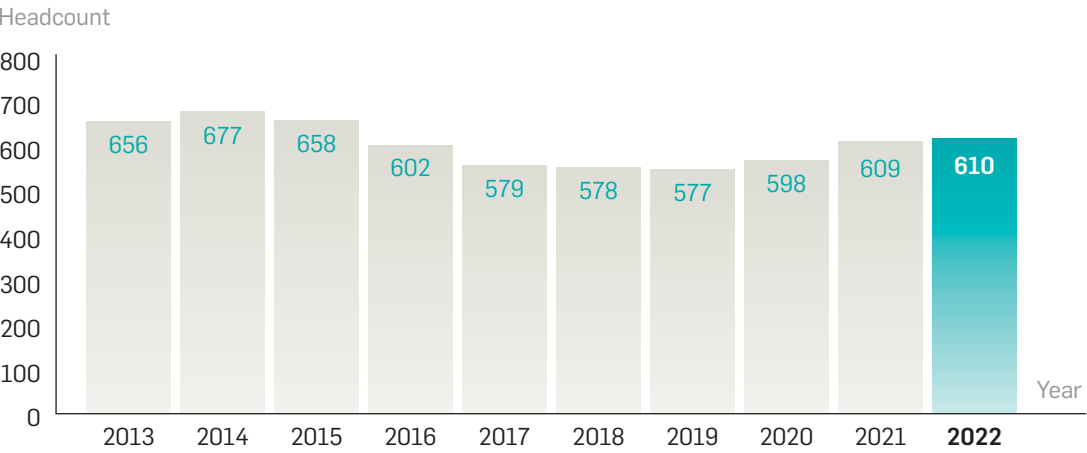
# Human Resources, Turnover

The company has always paid great attention to the selection of its employees. We strive to get top quality professionals and support them in improving their specialist skills in order to satisfy investors’ needs. This is also demonstrated by the ever growing number of authorised engineers and technicians working for the company – at the moment there are 70 of them.

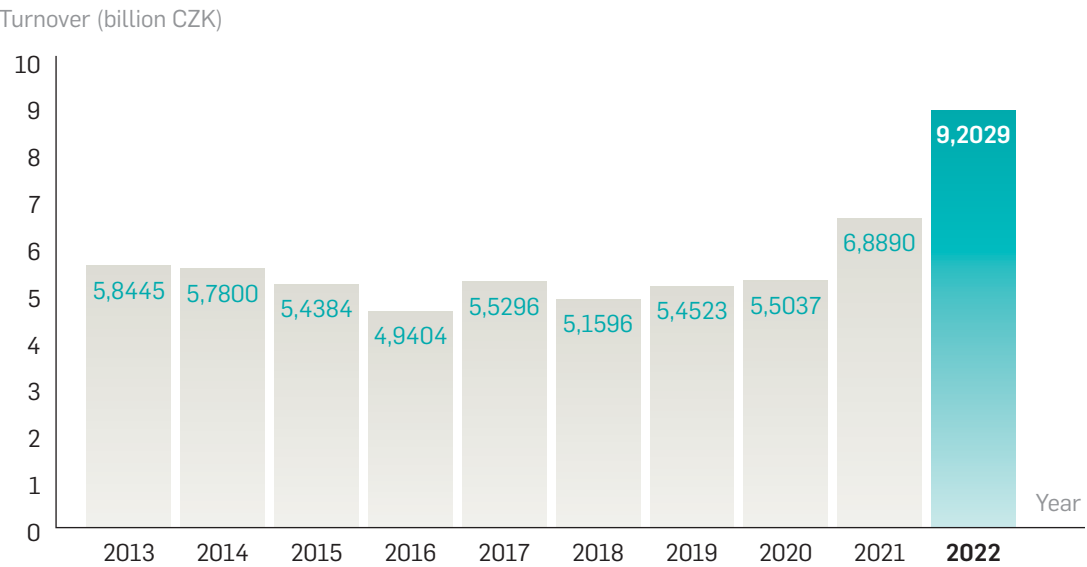
The table below shows the average headcount in previous years.

The other table shows the company’s turnover in the last nine years.

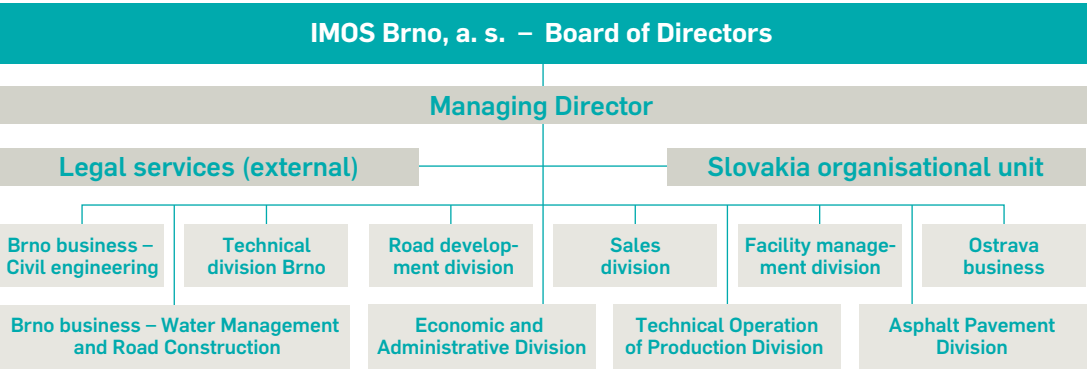
## OVERVIEW OF AVERAGE ANNUAL HEADCOUNT IN TOTAL



## TURNOVER



# Organisational Chart



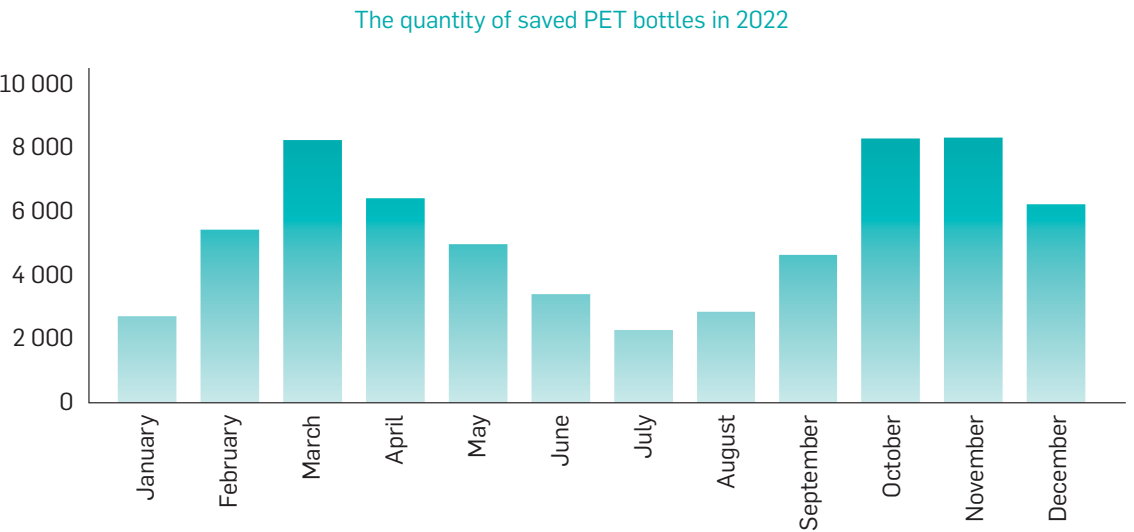
# IMOS Brno, a.s. helps

## LOKNI

Since 2018, IMOS Brno, a.s. has been sponsoring this exceptional project for water and plastic saving. It is the company’s contribution to the protection of our planet. Our Lokni, sponsored by IMOS Brno, a.s., is situated at the Faculty of Civil Engineering, Brno University of Technology in Brno (VUT FAST).

Here, it is available to all students, who can fill their still/sparkling water bottles free and thus do not need to buy any new plastic bottles.

Thanks to this project, we managed to save a total of 65 493 PET bottles (the size of 0.5 l) in 2022, which equals 1 637 kg of plastic.



| LOKNI | Number of contacted students | Number of saved kilograms of plastic | Number of saved PET bottles (0.5 l) |
|-------|------------------------------|--------------------------------------|-------------------------------------|
| 2018  | 5 600                        | 1 447                                | 57 920                              |
| 2019  | 5 600                        | 2 894                                | 115 746                             |
| 2020  | 5 600                        | 1 200                                | 48 002                              |
| 2021  | 5 600                        | 1 298                                | 51 902                              |
| 2022  | 5 600                        | 1 637                                | 65 493                              |
| Total | -                            | 8 477                                | 339 063                             |

# Balance sheet →

| Item           | Assets   | Current Accounting Period |                 |                  | Previous         |
|----------------|--|---------------------------|-----------------|------------------|------------------|
|                |  | Gross                     | Adjustm.        | Net              | Net              |
|                | <b>TOTAL ASSETS</b>  | <b>6 161 082</b>          | <b>-379 102</b> | <b>5 781 980</b> | <b>4 906 915</b> |
| <b>A.</b>      | <b>Stock subscription receivable</b>   | <b>0</b>                  | <b>0</b>        | <b>0</b>         | <b>0</b>         |
| <b>B.</b>      | <b>Fixed Assets</b>  | <b>1 736 317</b>          | <b>-333 515</b> | <b>1 402 802</b> | <b>1 470 619</b> |
| <b>B. I.</b>   | <b>Intangible Fixed Assets</b>   | <b>13 778</b>             | <b>-10 808</b>  | <b>2 970</b>     | <b>3 131</b>     |
| B. I. 1        | Intangible results of research and development                                       | 0                         | 0               | 0                | 0                |
| 2              | Valuable rights  | 13 778                    | -10 808         | 2 970            | 3 131            |
| 1.             | Software   | 13 778                    | -10 808         | 2 970            | 3 131            |
| 2.             | Other valuable rights  | 0                         | 0               | 0                | 0                |
| 3              | Goodwill   | 0                         | 0               | 0                | 0                |
| 4              | Other intangible fixed assets  | 0                         | 0               | 0                | 0                |
| 5              | Advance payments for intangible fixed assets and intangible fixed assets in progress | 0                         | 0               | 0                | 0                |
| 1.             | Advance payments for intangible fixed assets   | 0                         | 0               | 0                | 0                |
| 2.             | Intangible fixed assets in progress  | 0                         | 0               | 0                | 0                |
| <b>B. II.</b>  | <b>Tangible Fixed Assets</b>   | <b>636 640</b>            | <b>-286 349</b> | <b>350 291</b>   | <b>366 161</b>   |
| B. II. 1       | Land and structures  | 204 264                   | -35 882         | 168 382          | 169 495          |
| 1.             | Land   | 59 705                    | 0               | 59 705           | 59 705           |
| 2.             | Structures   | 144 559                   | -35 882         | 108 677          | 109 790          |
| 2              | Machinery, equipment, vehicles, furniture and fixtures                               | 429 880                   | -250 467        | 179 413          | 193 789          |
| 3              | Gain or loss on revaluation of acquired assets                                       | 0                         | 0               | 0                | 0                |
| 4              | Other tangible fixed assets  | 376                       | 0               | 376              | 376              |
| 1.             |  | 0                         | 0               | 0                | 0                |
| 2.             | Breeding and draught animals   | 0                         | 0               | 0                | 0                |
| 3.             | Other tangible fixed assets  | 376                       | 0               | 376              | 376              |
| 5              | Advance payments for tangible fixed assets and tangible fixed assets in progress     | 2 120                     | 0               | 2 120            | 2 501            |
| 1.             | Advance payments for tangible fixed assets   | 1 486                     | 0               | 1 486            | 95               |
| 2.             | Tangible fixed assets in progress  | 634                       | 0               | 634              | 2 406            |
| <b>B. III.</b> | <b>Long-Term Financial Assets</b>  | <b>1 085 899</b>          | <b>-36 358</b>  | <b>1 049 541</b> | <b>1 101 327</b> |
| B. III. 1      | Shares – controlling or controlled entities  | 882 595                   | -36 358         | 846 237          | 882 595          |
| 2              | Loans - controlling or controlled entities   | 203 092                   | 0               | 203 092          | 218 520          |
| 3              | Shares - associated companies  | 0                         | 0               | 0                | 0                |
| 4              | Loans - associated companies   | 0                         | 0               | 0                | 0                |
| 5              | Other long-term bonds and shares   | 0                         | 0               | 0                | 0                |
| 6              | Loans - other  | 0                         | 0               | 0                | 0                |
| 7              | Other long-term financial assets   | 212                       | 0               | 212              | 212              |
| 1.             | Other long-term financial assets   | 0                         | 0               | 0                | 0                |
| 2.             | Advance payments for long-term financial assets                                      | 212                       | 0               | 212              | 212              |
| <b>C.</b>      | <b>Current Assets</b>  | <b>4 339 866</b>          | <b>-45 587</b>  | <b>4 294 279</b> | <b>3 425 903</b> |
| <b>C. I.</b>   | <b>Inventories</b>   | <b>433 162</b>            | <b>0</b>        | <b>433 162</b>   | <b>630 062</b>   |
| C. I. 1        | Material   | 12 194                    | 0               | 12 194           | 25 795           |
| 2              | Work in progress and semi-finished production  | 420 688                   | 0               | 420 688          | 603 835          |
| 3              | Products and merchandise   | 280                       | 0               | 280              | 432              |
| 1.             | Products   | 0                         | 0               | 0                | 0                |
| 2.             | Merchandise  | 432                       | 0               | 432              | 0                |
| 4              | Livestock  | 0                         | 0               | 0                | 0                |
| 5              | Advances granted for inventory   | 0                         | 0               | 0                | 0                |

| Item           | Assets  | Current Accounting Period |                |                  | Previous         |
|----------------|---|---------------------------|----------------|------------------|------------------|
|                |   | Gross                     | Adjustm.       | Net              | Net              |
| <b>C. II.</b>  | <b>Receivables</b>                                    | <b>2 672 675</b>          | <b>-45 587</b> | <b>2 627 088</b> | <b>2 234 075</b> |
| C. II. 1       | Long-term receivables                                 | 360 000                   | 0              | 360 000          | 212 701          |
| 1.             | Trade receivables                                     | 246 284                   | 0              | 246 284          | 212 701          |
| 2.             | Receivables - controlled and controlling entities     | 0                         | 0              | 0                | 0                |
| 3.             | Receivables - associates                              | 0                         | 0              | 0                | 0                |
| 4.             | Deferred tax receivable                               | 0                         | 0              | 0                | 0                |
| 5.             | Receivables - other                                   | 113 716                   | 0              | 113 716          | 0                |
| 1.             | Receivables from equity holders                       | 0                         | 0              | 0                | 0                |
| 2.             | Long-term advances granted                            | 0                         | 0              | 0                | 0                |
| 3.             | Unbilled revenue                                      | 0                         | 0              | 0                | 0                |
| 4.             | Other receivables                                     | 113 716                   | 0              | 113 716          | 0                |
| 2              | Short-term receivables                                | 2 312 675                 | -45 587        | 2 267 088        | 2 021 374        |
| 1.             | Trade receivables                                     | 1 578 305                 | -285           | 1 578 020        | 1 576 485        |
| 2.             | Receivables - controlled and controlling entities     | 36 000                    | 0              | 36 000           | 36 000           |
| 3.             | Receivables - associates                              | 0                         | 0              | 0                | 400              |
| 4.             | Receivables - other                                   | 454 191                   | -45 302        | 408 889          | 462 738          |
| 1.             | Receivables from equity holders                       | 153 148                   | -45 302        | 107 846          | 95 593           |
| 2.             | Social security and health insurance                  | 0                         | 0              | 0                | 0                |
| 3.             | Due from government – tax receivables                 | 16 431                    | 0              | 16 431           | 26 154           |
| 4.             | Short-term advances granted                           | 90 585                    | 0              | 90 585           | 83 790           |
| 5.             | Unbilled revenue                                      | 3 244                     | 0              | 3 244            | 37 095           |
| 6.             | Other receivables                                     | 383 314                   | 0              | 383 314          | 154 004          |
| <b>C. III.</b> | <b>Short-term financial assets</b>                    | <b>0</b>                  | <b>0</b>       | <b>0</b>         | <b>0</b>         |
| C. III. 1      | Equity interests - controlled or controlling entities | 0                         | 0              | 0                | 0                |
| 2              | Other current financial assets                        | 0                         | 0              | 0                | 0                |
| <b>C. IV.</b>  | <b>Cash</b>   | <b>1 234 029</b>          | <b>0</b>       | <b>1 234 029</b> | <b>561 766</b>   |
| C. IV. 1       | Cash in hand  | 735                       | 0              | 735              | 1 146            |
| 2              | Cash at bank  | 1 233 294                 | 0              | 1 233 294        | 560 620          |
| <b>D. I.</b>   | <b>Accrued assets and deferred liabilities</b>        | <b>84 899</b>             | <b>0</b>       | <b>84 899</b>    | <b>10 393</b>    |
| D. I. 1        | Prepaid expenses                                      | 10 477                    | 0              | 10 477           | 10 025           |
| 2              | Prepaid specific-purpose expenses                     | 0                         | 0              | 0                | 0                |
| 3              | Unbilled revenue                                      | 74 422                    | 0              | 74 422           | 368              |

| Item          | Liabilities  | Current          | Previous         |
|---------------|--|------------------|------------------|
|               |  | Acc. Period      |                  |
|               | <b>TOTAL LIABILITIES</b>                                     | <b>5 781 980</b> | <b>4 906 915</b> |
| <b>A.</b>     | <b>Equity</b>  | <b>1 982 813</b> | <b>1 415 620</b> |
| <b>A. I.</b>  | <b>Registered capital</b>                                    | <b>205 000</b>   | <b>205 000</b>   |
| 1             | Registered capital   | 205 000          | 205 000          |
| 2             | Own shares and own ownership interests (-)                   | 0                | 0                |
| 3             | Changes in legal capital                                     | 0                | 0                |
| <b>A. II.</b> | <b>Share premium</b>   | <b>464 768</b>   | <b>27 150</b>    |
| A. II. 1      | Share premium  | 0                | 0                |
| 2             | Reserves   | 464 768          | 27 150           |
| 1.            | Other reserves   | 27 150           | 27 150           |
| 2.            | Gain or loss on revaluation of assets and liabilities        | 437 618          | 0                |
| 3.            | Gain or loss on revaluation of corporation transformations   | 0                | 0                |
| 4.            | Gain or loss on corporation transformations                  | 0                | 0                |
| 5.            | Gain or loss on revaluation upon corporation transformations | 0                | 0                |



## ↓ Balance sheet

| Item           | Liabilities  | Current<br>Acc. Period | Previous         |
|----------------|--|------------------------|------------------|
| <b>A. III.</b> | <b>Reserves</b>  | <b>41 000</b>          | <b>41 000</b>    |
| A. III. 1      | Other reserves   | 41 000                 | 41 000           |
| 2              | Statutory and other reserves                                 | 0                      | 0                |
| <b>A. IV.</b>  | <b>Profit (loss) for the previous years</b>                  | <b>997 469</b>         | <b>951 983</b>   |
| A. IV. 1       | Retained earnings for the previous years                     | 997 469                | 951 983          |
| 2              | Accumulated loss of previous years                           | 0                      | 0                |
| 3              | Other retained earnings for previous years                   | 0                      | 0                |
| <b>A. V.</b>   | <b>Profit (loss) for the year (+/-)</b>                      | <b>274 576</b>         | <b>190 487</b>   |
| <b>A. VI.</b>  | <b>Approved decision on advances for profit distribution</b> | <b>0</b>               | <b>0</b>         |
| <b>B. + C.</b> | <b>Liabilities (borrowed capital)</b>                        | <b>3 132 992</b>       | <b>3 490 808</b> |
| <b>B. I.</b>   | <b>Provisions</b>  | <b>1 025 991</b>       | <b>903 602</b>   |
| B. I. 1        | Provision for pensions and similar obligations               | 0                      | 0                |
| 2              | Provision for corporate income tax                           | 0                      | 0                |
| 3              | Provisions created under special legislation                 | 30                     | 26               |
| 4              | Other provisions   | 1 025 961              | 903 576          |
| <b>C.</b>      | <b>Liabilities</b>   | <b>2 107 001</b>       | <b>2 587 206</b> |
| <b>C. I.</b>   | <b>Long-term liabilities</b>                                 | <b>455 504</b>         | <b>387 075</b>   |
| C. I. 1        | Bonds (debentures)   | 0                      | 0                |
| 1.             | Convertible bonds  | 0                      | 0                |
| 2.             | Other bonds  | 0                      | 0                |
| 2              | Liabilities to credit institutions                           | 0                      | 0                |
| 3              | Long-term advances received                                  | 0                      | 0                |
| 4              | Trade payables   | 435 636                | 373 278          |
| 5              | Long-term notes payable                                      | 0                      | 0                |
| 6              | Liabilities - controlled or controlling entity               | 0                      | 0                |
| 7              | Liabilities - associates                                     | 0                      | 0                |
| 8              | Deferred tax liability                                       | 16 868                 | 13 797           |
| 9              | Liabilities - other  | 0                      | 0                |
| 1.             | Liabilities to equity holders                                | 0                      | 0                |
| 2.             | Estimated accounts payable                                   | 0                      | 0                |
| 3.             | Other liabilities  | 3 000                  | 0                |
| <b>C. II.</b>  | <b>Short-term liabilities</b>                                | <b>1 651 497</b>       | <b>2 200 131</b> |
| C. II. 1       | Bonds (debentures)   | 0                      | 0                |
| 1.             | Convertible bonds  | 0                      | 0                |
| 2.             | Other bonds  | 0                      | 0                |
| 2              | Liabilities to credit institutions                           | 0                      | 0                |
| 3              | Short-term advances received                                 | 111 820                | 394 577          |
| 4              | Trade payables   | 1 137 004              | 953 047          |
| 5              | Current notes payable  | 0                      | 0                |
| 6              | Payable to controlled or controlling entity                  | 15 500                 | 0                |
| 7              | Payable to associates  | 0                      | 0                |
| 8              | Liabilities - other  | 387 173                | 852 507          |
| 1.             | Liabilities to equity holders                                | 134 326                | 70 816           |
| 2.             | Borrowings   | 0                      | 0                |
| 3.             | Payroll payable  | 25 823                 | 23 656           |
| 4.             | Social security and health insurance payable                 | 13 471                 | 12 296           |
| 5.             | Due to government – taxes and subsidies                      | 27 258                 | 1 418            |
| 6.             | Estimated accounts payable                                   | 183 236                | 742 448          |
| 7.             | Other liabilities  | 3 059                  | 1 873            |
| <b>D. I.</b>   | <b>Accruals</b>  | <b>666 175</b>         | <b>487</b>       |
| D. I. 1        | Accrued expenses   | 664 289                | 28               |
| 2              | Deferred revenue   | 1 886                  | 459              |

## Profit / Loss account

| Item        | Description  | Result in the accounting period |                  |
|-------------|--|---------------------------------|------------------|
|             |  | Current                         | Previous         |
| <b>I.</b>   | <b>Product and service revenue</b>   | <b>8 822 370</b>                | <b>6 451 080</b> |
| <b>II.</b>  | <b>Merchandise revenue</b>   | <b>31 496</b>                   | <b>8 924</b>     |
| <b>A.</b>   | <b>Output consumption</b>  | <b>7 436 604</b>                | <b>5 146 743</b> |
| A. 1        | Cost of merchandise sold   | 30 341                          | 8 639            |
| A. 2        | Consumption of materials and utilities   | 764 423                         | 571 492          |
| A. 3        | Services   | 6 641 840                       | 4 566 612        |
| <b>B.</b>   | <b>Change in inventory of own production</b>                                   | <b>159 874</b>                  | <b>-196 464</b>  |
| <b>C.</b>   | <b>Own work capitalized</b>  | <b>0</b>                        | <b>-753</b>      |
| <b>D.</b>   | <b>Personnel costs</b>   | <b>615 141</b>                  | <b>541 956</b>   |
| D. 1.       | Wages and salaries   | 465 087                         | 408 564          |
| D. 2.       | Social security, health insurance and other expenses                           | 150 054                         | 133 392          |
| D. 2. 1.    | Social security and health insurance expenses                                  | 146 180                         | 131 032          |
| D. 2. 2.    | Other expense  | 3 874                           | 2 360            |
| <b>E.</b>   | <b>Valuation adjustments in operating area</b>                                 | <b>47 722</b>                   | <b>54 064</b>    |
| E. 1.       | Valuation adjustments to tangible and intangible fixed assets                  | 48 998                          | 54 064           |
| E. 1. 1.    | Valuation adjustm. to tangible and intangible fixed assets - permanent         | 48 998                          | 54 064           |
| E. 1. 2.    | Valuation adjustm. to tangible and intangible fixed assets - temporary         | 0                               | 0                |
| E. 2.       | Valuation adjustments to inventory   | 0                               | 0                |
| E. 3.       | Valuation adjustments to receivables   | -1 276                          | 0                |
| <b>III.</b> | <b>Other operating income</b>  | <b>89 132</b>                   | <b>190 135</b>   |
| III. 1.     | Revenues from sales of fixed assets  | 8 437                           | 4 320            |
| III. 2.     | Revenues from sales of material  | 9 870                           | 2 475            |
| III. 3.     | Other operating revenues   | 70 825                          | 183 340          |
| <b>F.</b>   | <b>Other operating expenses</b>  | <b>556 072</b>                  | <b>952 067</b>   |
| F. 1.       | Net book value of fixed assets sold  | 568                             | 432              |
| F. 2.       | Net book value of material sold  | 11 295                          | 2 850            |
| F. 3.       | Taxes and fees   | 5 389                           | 6 204            |
| F. 4.       | Provisions and adjustm. relating to operating activities and deferred expenses | 499 144                         | 755 720          |
| F. 5.       | Other operating costs  | 39 676                          | 186 861          |
| <b>*</b>    | <b>Operating income</b>  | <b>127 585</b>                  | <b>152 526</b>   |
| <b>IV.</b>  | <b>Income from financial assets - equity interests</b>                         | <b>36 000</b>                   | <b>55 600</b>    |
| IV. 1.      | Revenue from equity interests - controlled or controlling entity               | 36 000                          | 55 600           |
| IV. 2.      | Other revenue from equity interests  | 0                               | 0                |
| <b>G.</b>   | <b>Expenses expended on equity interests sold</b>                              | <b>0</b>                        | <b>0</b>         |
| <b>V.</b>   | <b>Revenues from other long-term financial assets</b>                          | <b>0</b>                        | <b>0</b>         |
| V. 1.       | Revenues from other long-term financial assets                                 | 0                               | 0                |
| V. 2.       | Other revenue from other long-term financial assets                            | 0                               | 0                |
| <b>H.</b>   | <b>Expenses associated with other long-term financial assets</b>               | <b>0</b>                        | <b>0</b>         |
| <b>VI.</b>  | <b>Interest revenue and similar revenues</b>                                   | <b>35 936</b>                   | <b>4 113</b>     |
| VI. 1.      | Interest revenue and similar revenues - controlled or controlling entity       | 612                             | 58               |
| VI. 2.      | Other interest revenue and similar revenues                                    | 35 324                          | 4 055            |
| <b>I.</b>   | <b>Adjustments to provisions in financial area</b>                             | <b>-55 642</b>                  | <b>92 000</b>    |
| <b>J.</b>   | <b>Interest expense and similar expenses</b>                                   | <b>987</b>                      | <b>198</b>       |
| J. 1.       | Interest expense and similar expenses - controlled or controlling entity       | 971                             | 0                |
| J. 2.       | Other interest expense and similar expenses                                    | 16                              | 198              |
| <b>VII.</b> | <b>Other financial revenues</b>  | <b>187 919</b>                  | <b>179 194</b>   |
| <b>K.</b>   | <b>Other financial expenses</b>  | <b>71 099</b>                   | <b>44 438</b>    |
| <b>*</b>    | <b>Profit/loss from financial operations</b>                                   | <b>243 411</b>                  | <b>102 271</b>   |
| <b>**</b>   | <b>Net income before taxes</b>   | <b>370 996</b>                  | <b>254 797</b>   |
| <b>L.</b>   | <b>Tax on profit or loss on ordinary activities</b>                            | <b>96 420</b>                   | <b>64 310</b>    |
| L. 1        | Income taxes payable   | 93 349                          | 60 630           |
| L. 2        | Deferred income taxes  | 3 071                           | 3 680            |
| <b>**</b>   | <b>Income after taxes</b>  | <b>274 576</b>                  | <b>190 487</b>   |
| <b>M.</b>   | <b>Transfer of interest in net income to equity interest holders</b>           | <b>0</b>                        | <b>0</b>         |
| <b>***</b>  | <b>Profit or loss for the period</b>   | <b>274 576</b>                  | <b>190 487</b>   |
| <b>*</b>    | <b>Net turnover for the period = I. + II. + III. + IV. + V. + VI. + VII.</b>   | <b>9 202 853</b>                | <b>6 889 046</b> |

Cash flow statement (to 31. 3. 2023)

| Row  | Description   | Current period | Previous  |
|--|---|----------------|-----------|
| P.   | Balance of cash in hand and financial equivalents as at the beginning of the reporting period                     | 561 766        | 951 098   |
| CASH FLOWS FROM MAIN ACTIVITIES (operating activities) |   |                |           |
| Z.   | Profit/loss from running activities before taxation   | 370 996        | 254 797   |
| A.1  | Adjustments by non-cash operations  | 174 514        | 831 481   |
| A.1.1  | Depreciation of fixed assets and amortization of adjustm. to acquired assets                                      | 48 998         | 54 064    |
| A.1.2  | Change in balance of adjustments and reserves   | 204 334        | 840 821   |
| A.1.3  | Profit (loss) on fixed assets   | -7 869         | -3 888    |
| A.1.4  | Revenue from dividends and shares in profit   | -36 000        | -55 600   |
| A.1.5  | Accounted expense and revenue interest  | -34 949        | -3 916    |
| A.1.6  | Possible adjustments by other non-cash operations   | 0              | 0         |
| A*   | Net cash flow from running activities before taxation, changes in working capital and unusual/extraordinary items | 545 510        | 1 086 278 |
| A.2  | Change in non-cash items of working capital   | -199 152       | -755 515  |
| A.2.1  | Change in balance of receivables from running activities, temporary assets accounts                               | -513 106       | -529 604  |
| A.2.2  | Change in balance of short-term payables from running activities, temporary liability accounts                    | 117 054        | -2 200    |
| A.2.3  | Change in balance of inventory  | 196 900        | -223 711  |
| A.2.4  | Change in balance of current liquid assets not included in cash or equivalents                                    | 0              | 0         |
| A**  | Net cash flow from running activities before taxation and unusual/extraordinary items                             | 346 358        | 330 763   |
| A.3  | Interests paid exclusive of interest capitalization   | -987           | -198      |
| A.4  | Interests received  | 35 936         | 4 114     |
| A.5  | Income tax for running activities and additional tax assessments for previous periods                             | -96 420        | -64 310   |
| A.6  | Income and expense on unusual and/or extraordinary items, including income tax                                    | 0              | 0         |
| A.7  | Received dividends and shares in profit   | 36 000         | 55 600    |
| A***   | Net cash flow from running activities   | 320 887        | 325 969   |
| CASH FLOWS FROM INVESTING ACTIVITIES                   |   |                |           |
| B.1  | Expense on fixed assets acquisition   | -2 679         | -876 397  |
| B.2  | Income from fixed assets sales  | 8 437          | 4 320     |
| B.3  | Loans to related parties  | -15 428        | 218 520   |
| B***   | Net cash flow from investing activities   | -9 670         | -653 557  |
| CASH FLOWS FROM FINANCING ACTIVITIES                   |   |                |           |
| C.1  | Impact of changes in long-term and short-term payables  | 68 429         | 43 415    |
| C.2  | Impact of changes in equity on cash on hand and financial equivalents   | 292 617        | -105 159  |
| C.2.1  | Increase in cash on hand as a result of increased registered capital, share premium etc.                          | 0              | 0         |
| C.2.2  | Payment of share in equity to partners  | 0              | 0         |
| C.2.3  | Other contributions of cash by partners and shareholders  | 0              | 0         |
| C.2.4  | Coverage of loss by partners  | 0              | 0         |
| C.2.5  | Establishment or drawing of other funds   | 437 617        | -159      |
| C.2.6  | Dividends paid or shares in profit, including taxes paid  | -145 000       | -105 000  |
| C***   | Net cash flow from financing activities   | 361 046        | -61 744   |
| F.   | Net increase/decrease of monetary funds   | 672 263        | -389 332  |
| R.   | Balance of cash in hand and financial equivalents as at the end of reporting period                               | 1 234 029      | 561 766   |

Complement to the annual financial statements to 31. 3. 2023

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1. COMPANY PROFILE

IMOS Brno, a.s. (hereinafter referred to as the "Company") is a joint-stock company with the registered office at Olomoucká 704/148, 627 00 Brno, the Czech Republic, Company ID no. 25322257. The company was registered in the Commercial Register kept by the Regional Court in Brno on January 1, 1997, under file no. 2211, Section B. The main business activity of the Company is construction of buildings, including alterations thereto, maintenance and removal thereof.

The consolidated financial statements of the broadest group of accounting entities to which the Company as a consolidated entity belongs, are compiled by IMOS Asset with the registered office at Olomoucká 704/148, 627 00 Brno, the Czech Republic. The consolidated financial statements are available at <https://or.justice.cz/ias/ui/rejstrik>, or in the registered office of IMOS Brno, a.s.

In the fiscal year 2022, a change in the Board of Directors of IMOS Brno, a.s. was registered in the Commercial Register. Ing. Aleš Špinar quit as member of the Board of Directors and Ing. Boris Fosláni was appointed and registered as a new Board member.

*The company has a branch abroad.*

IMOS Brno, a.s. organizačná zložka  
Grösslingová 56, 811 09, Bratislava, SK, Company ID no.: 37848437, VAT no.: SK2021783940

2. BASIS OF PRESENTATION OF THE FINANCIAL STATEMENTS

The attached financial statements were prepared in accordance with Act no. 563/1991 Coll., on accounting, as amended (hereinafter referred to as the "Accounting Act") and Decree no. 500/2002 Coll., implementing certain provisions of Act no. 563/1991 Coll., on accounting, as amended, for accounting entities that use double-entry bookkeeping, as amended and applicable (hereinafter referred to as the "Implementing Decree to the Act on Accounting").

3. GENERAL ACCOUNTING PRINCIPLES, ACCOUNTING METHODS AND THEIR CHANGES AND DEVIATIONS

Valuation methods applied by the Company in preparing the financial statements for the financial year 2022 are as follows:

a) Intangible Fixed Assets

Intangible fixed assets are stated at cost, which includes the purchase price and related costs. Interest and other financial expenses associated with the acquisition are not included in the valuation.

Depreciation

Depreciation is calculated on the basis of cost and the estimated useful life of the asset. The depreciation schedule is updated over the period of use of the intangible fixed asset based on the estimated useful life and anticipated residual value of the assets. The estimated useful life is as follows:

| Number of years | (from-to) |
|-----------------|-----------|
| Software        | 3 - 5     |

The costs of technical improvements of intangible fixed assets increase their acquisition cost. Costs of repairs and maintenance are expensed.

b) Tangible Fixed Assets

Tangible fixed assets are stated at cost, which includes the purchase price, freight, customs duties and other related costs. Interest and other financial expenses associated with the acquisition are not included in the valuation.

Tangible fixed assets produced in-house are stated at cost to the enterprise, which includes direct material and labor costs and production overheads (or part of management expenses, as the case may be). Interest and other financial expenses associated with the acquisition are not included in the valuation.

Tangible fixed assets exceeding CZK 80 thousand are written off as cost over the period of their economic life.

Tangible fixed assets acquired free of charge are valued at replacement cost and charged to the other reserves. The replacement cost of these assets was determined on the basis of the arithmetic average of prices from expert opinions, which were prepared usually using three different methods of replacement price determination. No such assets were acquired during the reporting period.

The costs of technical improvements of tangible fixed assets increase their acquisition cost. Costs of repairs and maintenance are expensed.

Depreciation

Depreciation is calculated on the basis of cost and the estimated useful life of the asset. The depreciation schedule is updated over the period of use of the tangible fixed asset based on the estimated useful life and anticipated residual value of the assets. The Company uses the component depreciation method. The estimated useful life is as follows:

|  | Number of years (from-to) |
|--|---------------------------|
| Structures                               | 20 - 50                   |
| Tangible movables and groups of movables | 4 - 10                    |
| Other fixed tangible assets              | 20                        |

For machines used exclusively for the laying and processing of asphalt mixes, that is on a seasonal basis, the Company extended the period of book depreciation in line with their life.

c) Financial Assets

Financial assets of the Company consisting of capital participation in controlled entities or associates are valued at the acquisition cost.

For capital participation in companies where IMOS Brno a.s. as owner receives dividends, book allowances are created in the accounting period.

d) Cash and Cash Equivalents

Cash and cash equivalents consist of valuables, cash in hand and cash at bank.

e) Inventories

Purchased inventories are stated at cost using the "first in, first out" method (FIFO – the first price for the valuation of increments in inventories is used as the first price for the valuation of decrements in inventories). The purchase price includes the cost of acquisition, including acquisition related costs (freight, customs duties, commission, etc.), which are maintained in separate analytical accounts. These costs are amortized to expenses each month in proportion to the amount of material consumed.

Products and work in progress (services) are valued at direct cost per order. The types of direct costs and intra-company costs are defined in the Inventory Directive.

f) Receivables

Receivables are stated at their nominal value at the time they are incurred. Purchased receivables are stated at acquisition cost. The value of doubtful receivables is appropriately adjusted to reflect the estimated realizable value based on an assessment of individual debtors and aging of receivables.

Receivables from derivative operations are measured by the discounted value as of the date of the financial statements.

Estimated accrued revenues are determined based on estimates and calculations.

Receivables and estimated accrued revenues are short-term (payable within 12 months or less) and long term (payable after 12 months), while short-term receivables and accrued revenues are due within one year from the balance sheet date.

g) Equity

The registered capital of the Company is stated at the amount recorded in the Commercial Register of the Regional Court. Any increase or decrease in the registered capital further to a decision of the General Meeting which was not registered as of the balance sheet date is reported as a change in the registered capital. Investment contributions in excess of the registered capital are recorded as share premium. Other reserves consist of monetary and non-monetary contributions in excess of the registered capital, tangible assets donations, etc.

Under the Company's Articles of Association, the Company is required to create a surplus fund from the net profit recognized in the statutory financial statements for the year in which net profit is achieved for the first time, to the extent of at least 20% of the net profit, but not more than 10% of the registered capital. This fund shall be supplemented annually by the amount determined by the Articles of Association, but not less than by 5% of the net profit, up to the amount of the surplus fund specified in the Articles of Association, but not less than 20% of the registered capital. This shall not apply if the surplus fund has already been created by additional payments above and over the issue price of shares. The surplus fund so created up to 20% of the registered capital can be used only to cover the loss. The Board of Directors shall decide on the use of the surplus fund, unless the Articles of Association stipulate otherwise.

The Company uses hedging derivatives to cover exchange risks. They are recorded and kept in hedging accounting, which is applied in compliance with the legal requirements.



**h) Liabilities (borrowed capital)**

The Company creates legal reserves within the meaning of the Act on Reserves and reserves for losses and risks if the related purpose, amount and timing can be reliably estimated and the accrual and matching principles are observed.

In the fiscal year 2022, there was a change in the reporting of book provisions that were included in accrued liabilities including the reporting of their creation and use in the profit from operations and financial profit. Both long- and short-term liabilities are carried at their nominal values. Amounts resulting from valuation of financial derivatives at fair value are shown in other payables.

Long-term and short-term loans from credit institutions are recorded at their nominal values. Any portion of long-term debt to credit institutions which is due within one year of the balance sheet date is regarded as short-term debt.

Accrued liabilities are valued based on estimates and calculations.

Accrued liabilities mainly refer to unbilled construction supplies and other expected costs arising from building activities and acceptance processes in completed projects.

Accrued liabilities are assessed on a monthly basis by site managers and division managers, and they are removed continuously as the deliveries are billed.

**i) Leasing**

Leased assets of the Company are accounted for by expensing the lease payments and capitalizing the residual value of the leased assets when the lease contract expires and the purchase option is exercised. Lease payments paid in advance are recorded as prepaid expenses and amortized over the lease term.

**j) Foreign Currency Transactions**

Assets and liabilities denominated in foreign currencies are translated into Czech crowns using the rate set by ČNB (Czech National Bank) prevailing as at the transaction date.

Realized and unrealized exchange rate gains and losses are charged or credited, as appropriate, to income for the year.

The Company uses hedging derivatives to eliminate the effect of exchange rate for implemented projects contracted in foreign currency. Records are kept off balance sheet and the revaluation of open derivatives is recorded in the balance sheet as of the balance sheet day.

**k) Use of Estimates**

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The Company management prepared these estimates and predictions based on all available relevant information. These estimates and assumptions are based on information available as at the date of the financial statements and may differ from actual results.

**l) Recognition of Revenues and Expenses**

Revenues and expenses are recognized on an accrual basis, that is, they are recognized in the periods in which the actual flow of the related goods or services occurs, regardless of when the related monetary flow arises.

**m) Corporate Income Tax**

The corporate income tax expense is calculated based on the statutory tax rate and book income before taxes, increased or decreased by the appropriate permanent and temporary differences (e.g. non-deductible provisions and allowances, entertainment expenses, differences between book and tax depreciation, etc. Furthermore, items reducing the tax base (donations), deductibles (tax loss, cost of research and development project implementation etc.) and discounts on income tax are taken into account.

The deferred tax position reflects the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for corporate income tax purposes, taking into consideration the period of realization.

**n) Subsequent Events**

The impact of events occurring between the balance sheet date and the date on which the financial statements are prepared is reflected in the financial statements where these events provide additional information about conditions existing at the balance sheet date.

Where significant events occur subsequent to the balance sheet date but prior to the issuance of the financial statements which are indicative of conditions which arose subsequent to the balance sheet date, the effects of these events are disclosed, but are not themselves reflected in the financial statements.

**o) Subsidies**

Each subsidy is booked in the moment of its reception or undisputable entitlement for its reception. A subsidy received for the acquisition of fixed assets including technical improvement and for the payment of interest included in the cost of acquisition of the asset brings down the cost of acquisition or own acquisition expenses.

**4. FIXED ASSETS**

**a) Intangible Fixed Assets (in CZK thousand)**

COST:

|                              | Opening Balance | Additions  | Disposals    | Closing Balance |
|------------------------------|-----------------|------------|--------------|-----------------|
| Software                     | 14 621          | 497        | 1 340        | 13 778          |
| Intangible F. A. in Progress | 0               | 497        | 497          | 0               |
| <b>Total 2022</b>            | <b>14 621</b>   | <b>994</b> | <b>1 837</b> | <b>13 778</b>   |

ALLOWANCES AND ACCUMULATED DEPRECIATION:

|                   | Opening Balance | Depreciation | Disposals    | Closing Balance | Allowances |
|-------------------|-----------------|--------------|--------------|-----------------|------------|
| Software          | 11 489          | 658          | 1 340        | 10 807          | 0          |
| <b>Total 2022</b> | <b>11 489</b>   | <b>658</b>   | <b>1 340</b> | <b>10 807</b>   | <b>0</b>   |

As at 31 March 2022, the total value of intangible fixed assets which are not reflected in the accompanying balance sheet was CZK 2 106 thousand at acquisition cost.

**b) Tangible Fixed Assets (in CZK thousand)**

COST:

|  | Opening Balance | Additions     | Disposals     | Closing Balance |
|--|-----------------|---------------|---------------|-----------------|
| Land                                     | 59 705          | 0             | 0             | 59 705          |
| Structures                               | 142 127         | 2 432         | 0             | 144 559         |
| Tangible movables and groups of movables | 412 989         | 30 986        | 14 095        | 429 880         |
| Other tangible fixed assets              | 376             | 0             | 0             | 376             |
| Tangible assets in progress              | 2 406           | 31 496        | 33 267        | 635             |
| <b>Total 2022</b>                        | <b>617 603</b>  | <b>64 914</b> | <b>47 362</b> | <b>635 155</b>  |

ALLOWANCES AND ACCUMULATED DEPRECIATION:

|  | Opening Balance | Depreciation  | Cost of sales or liquidation | Disposals     | Closing Balance | Allowances |
|--|-----------------|---------------|------------------------------|---------------|-----------------|------------|
| Structures                               | 32 337          | 3 545         | 0                            | 0             | 35 882          | 0          |
| Tangible movables and groups of movables | 219 200         | 45 363        | 0                            | 14 096        | 250 467         | 0          |
| <b>Total 2022</b>                        | <b>251 537</b>  | <b>48 908</b> | <b>0</b>                     | <b>14 096</b> | <b>286 349</b>  | <b>0</b>   |

As at 31 March 2022, the total value of tangible fixed assets which are not reflected in the accompanying balance sheet was CZK 56 203 thousand at acquisition/replacement cost.

**c) Non-Current Financial Assets (in CZK thousand)**

Non-current financial assets consist of investments in other companies.

Controlled and controlling entities and associates as of March 31, 2022:

| Name and legal form of the company | IMOS Invest I., s.r.o.         | IMOS stavby, a.s.              | IMOS Brno GmbH                  | CAMPUS RESIDENTIAL AREA II., a.s. | IMOS asphalt, s.r.o.           | Froněk, spol. s r.o.         | SILNICE MORAVA s.r.o.                           |
|------------------------------------|--------------------------------|--------------------------------|---------------------------------|-----------------------------------|--------------------------------|------------------------------|---|
| Company's registered seat          | Olomoucká 704/174, 627 00 Brno | Olomoucká 704/174, 627 00 Brno | Königstraße 5 01097 Dresden, DE | Olomoucká 704/174, 627 00 Brno    | Olomoucká 704/174, 627 00 Brno | Zátiší 2488, 269 01 Rakovník | Čsl. armády 1112/27a, Pod Cvilínem 794 01 Krnov |
| Participating interest in %        | 100 %                          | 100 %                          | 100 %                           | 50 %                              | 100 %                          | 100 %                        | 100 %   |

Controlled and controlling entities and associates as of March 31, 2022 (in %):

| Name and legal form of the company | IMOS Invest I., s.r.o.         | IMOS stavby, a.s.              | IMOS Brno GmbH                  | CAMPUS RESIDENTIAL AREA II., a.s. | IMOS asphalt, s.r.o.           | Froněk, spol. s r.o.         | SILNICE MORAVA s.r.o.                           |
|------------------------------------|--------------------------------|--------------------------------|---------------------------------|-----------------------------------|--------------------------------|------------------------------|---|
| Company's registered seat          | Olomoucká 704/174, 627 00 Brno | Olomoucká 704/174, 627 00 Brno | Königstraße 5 01097 Dresden, DE | Olomoucká 704/174, 627 00 Brno    | Olomoucká 704/174, 627 00 Brno | Zátiší 2488, 269 01 Rakovník | Čsl. armády 1112/27a, Pod Cvilínem 794 01 Krnov |
| Participating interest in %        | 100 %                          | 100 %                          | 100 %                           | 50 %                              | 100 %                          | 100 %                        | 100 %   |



5. RECEIVABLES

The receivables due in more than 5 years amounted to CZK 69 311 thousand as of March 31, 2023. Receivables overdue more than 365 days amounted to CZK 10 098 thousand as of March 31, 2023. As of March 31, 2023, the Company’s long-term receivables amounted to CZK 360 000 thousand. These receivables are due after April 1, 2024. Receivables from shareholders are kept on the grounds of the Company’s participation in joint ventures for the purpose of implementation of construction projects. Unbilled revenues include particularly as-yet unbilled services and unsettled claims with insurance companies.

6. ALLOWANCES

Allowances reflect a temporary diminution in the value of assets. Changes in allowances (in CZK thousand):

| Allowances for:         | Balance as of March 31, 2021 | Net change in 2021 | Balance as of March 31, 2022 | Net change in 2022 | Balance as of March 31, 2023 |
|-------------------------|------------------------------|--------------------|------------------------------|--------------------|------------------------------|
| Receivables – statutory | 1 381                        | 0                  | 1 381                        | -1 276             | 105                          |
| Receivables - other     | 45 482                       | 0                  | 45 482                       | 0                  | 45 482                       |

Statutory allowances are created in compliance with the Act on Reserves and are tax deductible.

7. SHORT-TERM FINANCIAL ASSETS AND CASH

As of March 31, 2023, the cash at bank of the Company totaled CZK 560 620 thousand and cash in hand totaled CZK 735 thousand.

8. ACCRUALS AND DEFERRALS

Prepaid expenses mainly include insurance, and are expensed in the period in which they are incurred. Accrued revenues include, in particular, interest on loans and are recognized as income for the year in which they were earned.

9. EQUITY

The Company’s equity comprises 204 fully subscribed and paid-up shares of a nominal value of CZK 1 000 000 and 2 fully subscribed and paid-up shares of a nominal value of CZK 500 000. The other capital funds consist of donations received in the past and the difference between the equity of Stavby mostů a silnic Hodonín and the acquisition value of the share less the liability to other shareholders as of 1 April 2004. Based on the decision of the General Meeting of the Company, the profit for the fiscal year 2021 was carried forward to the retained profit of previous years in the total of CZK 190 487 thousand. Furthermore, it was decided to pay out a dividend from the profit of previous years in the total of CZK 145 000 thousand. Changes of the fair value of currency derivatives as of March 31, 2023 are kept on account 414 as part of the hedging accounting.

10. PROVISIONS

A provision under specific legislation has been established for the purpose of disposing of solar panels. Other provisions are made on the basis of periodic risk assessment by the management and expected significant expenditures. The most significant provision items are provisions for the removal of warranty defects amounting to CZK 376 million, the book provisions for possible future risks in connection with the construction activity and their amount based on qualified estimates amounting to CZK 460 million. The provisions also include a provision for untaken leave and provisions for litigations in which the Company is involved.

11. LONG-TERM LIABILITIES

Liabilities with maturities longer than 5 years totaled CZK 139 540 thousand as of March 31, 2023.

12. SHORT-TERM LIABILITIES

Accrued liabilities include in particular unbilled deliveries by subcontractors. Their amount is determined on the basis of a qualified estimate. In respect of its business activities, the Company applies accrued liabilities to capture unbilled items in the accounting period they relate to in time. Accrued liabilities constitute a significant balance on the grounds of delayed billing of subcontracts due to the take-over process of completed work or a qualified estimate of additional billing of work performed in construction projects completed by the Company in the fiscal year. Accrued liabilities are supervised by the management and they are modified continuously. To date, the value of accrued liabilities was cut considerably in view of the character of selected items and their reporting in a separate line of provisions. The Company created estimates for staff bonuses approved by the management in the amount of CZK 78 913 thousand. The bonuses will be paid out in the following financial year.

13. ACCRUED EXPENSES

Accrued expenses comprise mainly insurance costs and are charged to expenses in the period to which they are related by matter and time. Deferred income includes services rendered and is charged to income in the period to which it is related by matter and time. The year-to-date increase is caused by the fact that accrued expenses are stated based on more accurate information about their amount known to the date of the financial statements. The Company created estimates for staff benefits approved by the management of CZK 70 998 thousand, which will be paid during the next financial year.

14. CORPORATE INCOME TAX

|                     | 2021    | 2022    |
|---------------------|---------|---------|
| Profit before tax   | 254 797 | 370 996 |
| Current tax expense | 60 630  | 93 349  |
| Deferred income tax | 3 680   | 3 071   |

The Company recorded a deferred tax asset/liability amounting to CZK 3 071 thousand resulting from the difference between book and tax depreciation of fixed assets.

15. LEASING

Assets leased by the Company as of March, 31 2022, and March 31, 2023 (in CZK thousand):

| Description | Expense in 2021 | Expense in 2022 |
|-------------|-----------------|-----------------|
| Cars        | 0               | 0               |

16. REVENUES

The breakdown of revenues from sales of goods, products and services from ordinary activities (in CZK thousand):

|   | HR 2021          |              | HR 2022          |                |
|---|------------------|--------------|------------------|----------------|
|   | Domestic         | Foreign      | Domestic         | Foreign        |
| Transport                               | 18 269           | 0            | 45 104           | 0              |
| Laboratories                            | 12 366           | 0            | 21 126           | 0              |
| Mechanization                           | 5 919            | 0            | 13 316           | 0              |
| Repair shops                            | 1 349            | 0            | 1 428            | 0              |
| Building construction                   | 4 787 160        | 1 107        | 6 863 079        | 232 264        |
| Operations associated with construction | 37 265           | 0            | 54 895           | 0              |
| Roads and bridges                       | 783 635          | 0            | 1 190 831        | 0              |
| Building management                     | 2 914            | 0            | 3 557            | 0              |
| Company management                      | 383 675          | 0            | 252 798          | 0              |
| Hydraulic structures                    | 855 387          | 0            | 524 454          | 0              |
| <b>Total Revenues</b>                   | <b>6 887 939</b> | <b>1 107</b> | <b>8 970 588</b> | <b>232 264</b> |



17. PERSONNEL EXPENSES

The breakdown of personnel expenses is as follows (in CZK thousands):

|                                      | 2021                      |  | 2022                      |  |
|--------------------------------------|---------------------------|--|---------------------------|--|
|                                      | Total number of employees | Members of management, supervisory and administrative bodies | Total number of employees | Members of management, supervisory and administrative bodies |
| Average number of employees          | 602                       | 42   | 610                       | 45   |
| Wages and salaries                   | 408 564                   |  | 465 087                   |  |
| Social security and health insurance | 131 032                   |  | 146 180                   |  |
| Total personnel expenses             | 539 596                   |  | 611 267                   |  |

18. INFORMATION ON TRANSACTIONS WITH RELATED PARTIES

In 2021 and 2022, the members of management, supervisory and administrative bodies did not receive any advances, guarantees, loans, credits, securities, or other benefits, and do not own any shares/capital participations in the Company.

Other facts are contained in the Report on Related Parties.

19. GOING CONCERN ASSUMPTION

The Company’s ability to continue as a going concern depends on the implementation of the plans approved by the Company management.

At the end of the financial year, in the early months of 2022, the war began in Ukraine, which was invaded by Russia, resulting in, amongst other things, increasing input prices. The Company’s management is aware of this situation and is addressing it by making provisions for these risks.

The Company’s management has considered the potential impacts of the war in Ukraine on its operations and business and has concluded that they do not have a material impact on the going concern assumption.

Accordingly, the financial statements as of March 31, 2023 have been prepared on the assumption that the Company will be able to continue as a going concern.

20. PROPOSAL FOR PROFIT DISTRIBUTION

The Board of Directors of the Company proposes to pay out a dividend of 203 000 T CZK out of the profit generated in the fiscal year 2022 and to carry the remaining part forward to the retained profit account.



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INDEPENDENT AUDITOR’S REPORT  
to the sole shareholder of the company  
IMOS Brno, a.s., company ID no. 253 22 257

Auditor’s Opinion

We have audited the accompanying financial statements of IMOS Brno, a.s. (hereinafter referred to as “Entity”) prepared in conformity with the Czech accounting standards, which comprise the balance sheet as of 31 March 2023, the income statement, statement of changes in equity and cashflow statement for the financial year ended as of 31 March 2023 and notes to the financial statements including a summary of significant accounting policies and other explanatory information. For details about the Entity, see introduction in the notes to the financial statements.

In our opinion, the financial statements give a true and fair view of the assets and liabilities of IMOS Brno, a.s. as of 31 March 2023, as well as the costs and revenues and operating profit and cashflow for the financial year ended as of 31 March 2023 in conformity with the Czech accounting standards.

Basis for the Opinion

We have conducted our audit in conformity with the Act on Auditors and the Auditing Standards of the Chamber of Auditors of the Czech Republic, which are the International Standards on Auditing (ISA), as amended by the relating application clauses. Our responsibility defined in the foregoing standards and regulations is further described in the section Auditor’s Responsibility for the Audit of the Financial Statements. In conformity with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic, we are independent of the Entity, and we have fulfilled other ethical responsibilities arising from the foregoing requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information Indicated in the Annual Report

In compliance with Sec. 2 par. b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and our auditor’s report thereof. The governing authority of the company is responsible for the other information.

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



aspects, in accordance with the applicable legal regulations, in particular, whether the other information complies with the legal regulations in terms of formal requirements and procedures for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

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

- The other information describing the facts that are also presented in the financial statements is, in all material aspects, consistent with the financial statements, and
- The other information is prepared in compliance with the applicable legal regulations.

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

### **Responsibility of the Governing Authority and Supervisory Board for the Financial Statements**

The Governing Authority of the Company is responsible for the preparation and fair presentation of the financial statements in conformity with the Czech accounting principles and for such internal control system as the Governing Authority determines necessary to enable the preparation of financial statements that are free from any material misstatement, whether due to fraud or error.

In preparing the financial statements, the Governing Authority is responsible for assessing whether the Entity is able to continue as a going concern, disclosing, if applicable, matters related to the going concern in the financial statements and using the going concern assumption when preparing the financial statements, unless the Governing Authority either intends to liquidate the Entity or cease its operations or has no real alternative but to do so.

The Supervisory Board is responsible for overseeing the financial reporting process of the Entity.

### **Auditor's Responsibility for the Audit of the Financial Statements**

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

As part of the audit in conformity with the foregoing legal regulations, we exercise professional judgment and maintain professional scepticism throughout the audit. Further, it is our responsibility to:

- 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 the one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control system 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 Entity's internal control system.
- Evaluate the appropriateness of the accounting policies used and the reasonableness of the accounting estimates and the relating disclosures made by the Governing Authority in the notes to the financial statements.
- Conclude on the appropriateness of the Governing Authority's use of the going concern assumption in the preparation of the financial statements, and whether, based on the audit evidence obtained, there is any material uncertainty relating to the events or conditions that may cast a significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if the disclosures are insufficient, to modify our opinion. Our conclusions about the Entity's going concern ability are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease continuing as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the notes, and whether the financial statements show the underlying transactions and events in a manner that achieves fair presentation.

We are required to communicate with the Governing Authority and Supervisory Board regarding, among others, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control system that we identify during our audit.

Brno, May 31, 2023

Ing. Štěpán Gregor  
License of the Czech Chamber of Auditors no. 2136

### **TOP AUDITING, s.r.o.**

License of the Czech Chamber of Auditors no. 47  
License of the Auditing Oversight Authority no. 007 (Slovak Republic)  
Expert Institute (Ministry of Justice of the Czech Republic no. 63/97-OOD)



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