

Independent Auditor's Report

VIG Asset Management a.s.

Accounting period
from 1.1.2020 to 31.12.2020

Identification of the Accounting Unit

Company:	VIG Asset Management a.s.
Identification No.:	248 38 233
Registered Office:	Templová 747/5, 110 00 Praha 1
Legal Form:	Joint Stock Company
File Number:	B 17131, Trade Register Court Prague

The auditor's report is determined for shareholders of the company

Auditor's Opinion

We have audited the accompanying the financial statements of the company VIG Asset Management a.s. prepared in accordance with accounting principles generally accepted in the Czech Republic, which comprise of the balance sheet as of 31.12.2020, and the income statement, statement of changes in equity, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. For details of the Company VIG Asset Management a.s. see Note 1 to the financial statements.

In our opinion, the financial statements give a true and fair view of the financial position of the company VIG Asset Management a.s. as of 31.12.2020, and of its financial performance for the year then ended in accordance with accounting principles generally accepted in the Czech Republic.

Basis for Opinion

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

Emphasis of Matter

We draw attention to Note "3.12. Subsequent events" to the financial statements which describes the uncertainty related to the possible impact of coronavirus on the Company. Our opinion is not qualified in respect of this matter.

Responsibility of Statutory Representative and Supervisory Board for the Financial Statements

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

In preparing the financial statements, the Statutory Representative 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 Statutory Representative either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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



Auditor's Responsibility for the Audit of the financial statements

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

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

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

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

In Prague, on 23.2.2021



Auditor:

Ing. David Mrozek

Certificate No. 2309 KAČR



TPA Audit s.r.o.

Antala Staška 2027/79, Praha 4

Certificate No. 080 KAČR

FINANCIAL STATEMENTS

from 1.1.2020 to 31.12.2020

VIG Asset Management, a.s.

Date 17.2.2021



Statutory body

DI Caroline Mocker

Ing. Luděk Marek

A large, stylized handwritten signature in blue ink, likely belonging to Ing. Luděk Marek, written over the printed name.

A small, handwritten signature or initials in blue ink, possibly 'ls' or 'bm', located in the bottom right corner of the page.

BALANCE SHEET
full version

VIG Asset Management, a.s.

Corporate ID 24838233

As of
31.12.2020
(in CZK thousand)

Templová 747/5
110 00 Praha 1

		31.12.2020			31.12.2019
		Gross	Adjustment	Net	Net
		26 990		26 990	23 418
	TOTAL ASSETS			919	889
B.	Fixed assets	919		919	889
<i>B.III</i>	<i>Non-current financial assets</i>	919		919	889
B.III.1.	Equity investments in controlled or controlling entities	26 067		26 067	22 525
C.	Current assets	843		843	1 066
<i>C.II</i>	<i>Receivables</i>	431		431	395
<i>C.II.1.</i>	<i>Long-term receivables</i>	431		431	395
C.II.1.4	Deferred tax asset	412		412	671
<i>C.II.2</i>	<i>Short-term receivables</i>	412		412	671
C.II.2.1	Trade receivables				
C.II.2.4	Other receivables				
C.II.2.4.3	State - tax receivables				
C.II.2.4.5	Estimated receivables	25 224		25 224	21 459
<i>C.IV.</i>	<i>Cash resources</i>	40		40	28
C.IV.1.	Cash on hand	25 184		25 184	21 431
C.IV.2.	Cash at bank	4		4	4
D.	Other assets	4		4	4
D.1	Deferred expenses				



		31.12.2020	31.12.2019
	TOTAL LIABILITIES & EQUITY	26 990	23 418
A.	Equity	19 824	15 679
<i>A.I.</i>	<i>Share capital</i>	3 300	3 300
A.I.1.	Share capital	3 300	3 300
<i>A.II.</i>	<i>Share premium and capital funds</i>	-58	-88
A.II.2.	Capital funds	-58	-88
A.II.2.2	Gains or losses from the revaluation of assets and liabilities	-58	-88
<i>A.III.</i>	<i>Retained earnings funds</i>	307	307
A.III.1.	Other reserve funds	307	307
<i>A.IV.</i>	<i>Retained earnings (+/-)</i>	12 160	9 680
A.IV.1.	Accumulated profits brought forward	12 160	9 680
<i>A.V.</i>	<i>Profit or loss for the current period (+ -)</i>	4 115	2 480
B. + C.	Provisions and liabilities	7 166	7 739
<i>B.</i>	<i>Provisions</i>	2 266	2 076
B.4.	Other provisions	2 266	2 076
<i>C.</i>	<i>Liabilities</i>	4 900	5 663
<i>C.II.</i>	<i>Short-term liabilities</i>	4 900	5 663
C.II.4.	Trade payables	3 542	4 422
C.II.8.	Other payables	1 358	1 241
C.II.8.3	Payables to employees	320	285
C.II.8.4	Social security and health insurance payables	155	143
C.II.8.5	State - tax payables and subsidies	829	759
C.II.8.6	Estimated payables	54	54
C.II.8.7	Other payables		
D.	Other liabilities		
D.1.	Accrued expenses		
D.2.	Deferred income		



PROFIT AND LOSS ACCOUNT
structured by the nature of expense method

VIG Asset Management, a.s.

Corporate ID 24838233

Year ended
31.12.2020
(in CZK thousand)

Templová 747/5
110 00 Praha 1

		Period to 31.12.2020	Period to 31.12.2019
I	Sales of own products and services	22 738	21 764
II	Sales of goods		
A	Purchased consumables and services	9 637	10 045
A.2.	Consumed material and energy	17	21
A.3.	Services	9 620	10 024
D	Staff costs	8 437	8 203
D.1.	Payroll costs	7 011	6 822
D.2.	Social security and health insurance costs and other cost	1 426	1 381
D.2.1	Social security and health insurance costs	1 375	1 329
D.2.2	Other cost	51	52
F	Other operating expenses	199	161
F.3.	Taxes and fees	5	3
F.4.	Change in provisions related to operating activities and complex deferred expenses	190	150
F.5.	Other operating expenses	4	8
*	Operating profit or loss	4 465	3 355
IV	Revenues from long-term financial assets - shares		
IV.1.	Revenues from shares - controlled and controlling entity		
IV.2.	Other revenues from shares		
G	Costs of sold shares		
V	Revenues from other non-current financial assets		
V.1.	Revenues from other non-current financial assets - controlled and controlling entity		
V.2.	Revenues from other non-current financial assets		
H	Costs of other non-current financial assets		
VI	Interest and similar revenues	1	
VI.1.	Interest and similar revenues - controlled and controlling entity	1	
VI.2.	Other interest and similar revenues		
I	Value adjustments and provisions in the financial area		
J	Interest and similar expenses		
J.1.	Interest and similar expenses - controlled and controlling entity		
J.2.	Other interest and similar expenses		
VII	Other financial revenues	827	30
K	Other financial expenses	185	314
*	Financial profit or loss	643	-284
**	Profit or loss before tax	5 108	3 071
L	Income tax	993	591
L.1.	- due	1 029	619
L.2.	- deferred	-36	-28
**	Profit (+) or loss (-) after tax	4 115	2 480
***	Profit (+) or loss (-) for the current period	4 115	2 480
*	Net turnover for the accounting period = I. + II. + III. + IV. + V. + VI. + VII.	23 566	21 794



**STATEMENT OF
CHANGES IN EQUITY**

VIG Asset Management, a.s.
Corporate ID 24838233

Year ended
31.12.2020
(in CZK thousand)

Templová 747/5
110 00 Praha 1

	Share capital	Capital funds	Retained earnings funds	Other result of previous years	Retained earnings	Valuation differences	TOTAL EQUITY
Balance at 31.12.2018	3 300		307		9 680	-77	13 210
FX differences and revaluations not included in the profit						-11	-11
Profit or loss for the current period					2 480		2 480
Balance at 31.12.2019	3 300		307		12 160	-88	15 679
FX differences and revaluations not included in the profit						30	30
Profit or loss for the current period					4 115		4 115
Balance at 31.12.2020	3 300		307		16 275	-58	19 824



NOTES TO THE FINANCIAL STATEMENTS
for the Year Ended 31 December 2020

Name of the Company: VIG Asset Management, a.s.

Registered Office: Templová 747/5, 110 01 Praha 1-Staré Město

Legal Status: Joint-stock company

Corporate ID: 248 38 233



1. GENERAL INFORMATION

VIG Asset Management, a.s. (hereinafter "VIG" or the "company") is a joint-stock company with its registered seat located at Templová 747/5, 110 01 Praha 1 – Staré Město, ID no. 248 38 233. The Company is registered in the Register of Companies held by the Municipal Court in Prague, insert 17131, section B.

The principal activities of the Company include rental of property, residential and non-residential premises.

The shareholders of the Company as of 31. 12. 2020 and as of 31. 12. 2019:

- VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe with registered seat at Schottenring 30, 1010 Vienna, Austria (33pcs of common shares with a nominal value of CZK 100 000 per share, i. e. 100% of the shares)

Company VIENNA INSURANCE GROUP AG The Wiener Versicherung Gruppe is the sole shareholder.

Statutory bodies as of 31. 12. 2020:

Procuration:

Mag. Birgit Weber, residence: Angoraweg 13/2, 1220 Vienna, Austria

Board of Directors members:

DI Caroline Mocker, residence: Kaiserstrasse 91/1, 1070 Vienna, Austria, duration: from 28. 4. 2016

Ing. Luděk Marek, residence: Počernická 3226 / 2g, 100 00 Prague 10-Strašnice, duration: from 28. 4. 2016

The Board of Directors is responsible for the company. Two members of the Board of Directors act jointly on behalf of the company.

Supervisory Board:

Mag. Gerhard Lahner, residence: Garengasse 21, 2130 Mistelbach, Austria, member from 24. 6. 2017, chairman of supervisory board from 13. 12. 2018

Mag. Roland Gröll, residence: Spinozagasse 12/25, 1170 Vienna, Austria, member from 27. 4. 2011, vice-chairman of supervisory board from 13. 6. 2019

Mag. Nicolas Mucherl, residence: Breitenfurter Strasse 372D/9/17, 1230 Vienna, Austria, member from 27. 5. 2019





2. ACCOUNTING PRINCIPLES AND POLICIES

The Company's accounting books and records are maintained and the standalone financial statements were prepared in accordance with Accounting Act 563/1991 Coll., as amended; Regulation 500/2002 Coll., which provides the arrangement and content definition of the financial statements and the scope of the data for publication for banks and other financial institutions, and the Czech Accounting Standards for financial institutions.

The Company's financial statements have been prepared as of the balance sheet date, i.e. 31. 12. 2020, for the year ended 31. 12. 2020. Comparative figures are presented as of 31. 12. 2019, for the year ended 31. 12. 2019.

These financial statements are presented in thousands of Czech crowns (CZK), unless stated otherwise.

2.1. Tangible and Intangible Fixed Assets

Fixed assets include assets with an estimated useful life greater than one year and an acquisition cost of tangible fixed asset greater than CZK 40 thousand and intangible fixed asset greater than CZK 60 thousand.

Purchased tangible and intangible fixed assets are stated at cost less accumulated depreciation and provisions, if any.

The cost of tangible and intangible fixed asset improvements increases the acquisition cost of the related fixed asset. Repairs and maintenance are expensed.

Low value tangible fixed assets are tangible fixed assets with an acquisition cost from CZK 3 thousand up to 40 thousand CZK with estimated useful life greater than one year.

Low value intangible fixed assets are intangible fixed assets with an acquisition cost from CZK 3 thousand up to 60 thousand CZK with estimated useful life greater than one year.

Depreciation is charged so as to write off the cost of tangible and intangible fixed assets, other than land and assets under construction, over their estimated useful lives according to the Income Tax Act.

The residual value of the asset and its lifetime shall be assessed and, where appropriate, adjusted at each balance sheet date.

2.2. Receivables

Upon origination, receivables are stated at their nominal value as subsequently reduced by appropriate allowances. Doubtful and bad receivables are subsequently reduced by appropriate provisions.

Receivables are divided into short-term (maturity within 12 months or less) and long-term (maturity longer than 12 months). The portion of long-term receivables maturing within one year from the balance sheet date is included in short-term receivables.

2.3. Equity

The share capital of the Company is stated at the amount recorded in the Register of Companies. The share capital is fully paid. Any increase or decrease of the share capital on the basis of a decision of the General Meeting, which was not registered on the balance sheet date, is recorded through changes in share capital.

2.4. Provisions and Liabilities

Long-term and short-term liabilities are stated at their nominal values.

Long-term and short-term liabilities to credit institutions are stated at their nominal value. The portion of long-term liabilities to credit institutions maturing within one year from the balance sheet date is included in short-term liabilities to credit institutions.

Interest owed to credit institutions and other financial liabilities, if their maturity is not expected within 12 months from the balance sheet date, are recorded as long-term liabilities.

Provisions are intended to cover future risks and expenditure the nature of which is clearly defined and which 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.

Provisions represent probable performance with uncertain timing and amount. Provisions are made if a) there is an obligation to perform as a result of previous events; b) it is probable that the transaction will occur and will require the outflow of funds representing economic benefits, whereas "probable" means a higher than 50% probability; c) it is possible to make a reliable estimation of performance.

Provisions are charged to cost in the amount which is the best estimate of expenses necessary to settle an existing liability. For the best estimate of the provision all risks and uncertainties that inevitably accompany many related events and circumstances are considered.

2.5. Foreign Currency Translation

Transactions denominated in foreign currencies during the year are translated using the exchange rate of the Czech National Bank.

At the balance sheet date, the relevant assets and liabilities denominated in foreign currencies are translated at the Czech National Bank's exchange rate prevailing as of that date.



2.6. Revenues and Costs

Revenues and expenses are recognized in the period to which they relate to.

Revenue is measured at the value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts and value added tax.

2.7. Use of Estimates

The presentation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Management of the Company has made these estimates and assumptions on the basis of all relevant information available to it. Nevertheless, pursuant to the nature of estimates, the actual results and outcome in the future may differ from these estimates.

2.8. Income Tax

Income tax comprises income tax due for current period and change of deferred tax.

Tax due is based on tax estimate calculated by tax rate effective on the first date of the accounting period applied to the accounting profit increased or decreased by permanently or temporarily tax non-deductible expenses and non-taxable revenues. Furthermore, items reducing the tax base, tax reliefs and income tax discounts are taken into consideration.

In case the financial statements date precedes the final calculation of income tax, the Company creates an income tax provision.

Deferred tax is accounted for using the balance sheet liability method and reflects the net tax effects of temporary differences between the accounting and tax carrying amounts of assets and liabilities.

The carrying amount of deferred tax assets is reviewed at the balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is charged or credited to the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the related deferred tax is also dealt with in equity.

2.9. Participation with decisive or substantial influence

The company is the sole owner of VIG AM Services GmbH with a capital of EUR 35 000.

2.10. Year-on-Year Changes in Accounting Policies

No change of accounting policies took place in the accounting period.



2.11. Subsequent Events

The impact of events that occurred between the balance sheet date and the date of the financial statements preparation, are reflected in the financial statements in the case that these events provide further evidence that existed at the balance sheet date.

In case important events occurred between the balance sheet date and the date of the financial statements preparation taking into consideration facts that occurred after the balance sheet date, the effects of these events are disclosed in the notes to financial statements but are not recorded in the financial statements.

3. ADDITIONAL INFORMATION

3.1. Receivables from banks

As of 31. 12. 2020, the Company recorded receivables from banks in the total amount of CZK 25 184 thousand from current accounts (as of 31. 12. 2019: CZK 21 431 thousand).

3.2. Receivables

As of 31. 12. 2020 the Company recorded deferred tax receivable in the amount of CZK 431 thousand (as of 31. 12. 2019: CZK 395 thousand). The deferred tax is calculated from accounting reserves.

As of 31. 12. 2020 the Company had short-term receivables in the amount of CZK 412 thousand (as of 31. 12. 2019: CZK 671 thousand).

Receivables do not carry maturity exceeding 5 years as of the balance sheet date.

The Company has no pledged receivables.

3.3. Current Financial Assets and Cash resources

Cash resources financial assets are represented solely by cash in hand and cash on bank account.

As of 31. 12. 2020, the Company has no pledged current financial assets.

3.4. Other assets

Prepaid expenses are represented mainly by webhosting and are charged to expenses in the period they relate to.

3.5. Equity

The registered capital of the Company as of 31. 12. 2020 represents 33pcs of common shares, publicly non-negotiable, with a nominal value of CZK 100 thousand per piece, i.e. in total of CZK 3 300 thousand. The share capital is fully paid.

The Company did not buy back the Company's own shares.



3.6. Provisions

As of 31. 12. 2020 the Company created provisions for unused holidays, expected invoices and bonuses including social and health insurance in the amount of CZK 2 266 thousand (as of 31. 12. 2019: CZK 2 076 thousand).

3.7. Liabilities

The most important part of short-term liabilities as of 31. 12. 2020 represent trade liabilities in the amount of CZK 3 542 thousand (as of 31. 12. 2019: CZK 4 422 thousand).

As of 31. 12. 2020 the Company recorded tax liabilities in the amount of CZK 829 thousand (as of 31. 12. 2019: CZK 759 thousand).

Liabilities do not have a maturity longer than 5 years at the balance sheet date.

The Company had no liabilities pledged or used as guarantees in favour of the lender as of 31. 12. 2020 and 31. 12. 2019.

3.8. Payroll expenses

The average number of full-time equivalent employees during the period up to 31. 12. 2020 was 3 persons.

No loans, borrowings or other non-financial benefits were granted to the members of management and supervisory bodies in the year 2020, 2019 respectively.

3.9. Significant Items of Income Statement

Significant revenues consist of lease of premises and revenues arising from contracts between related parties.

Significant expenses consist of payroll expenses and expenses arising from contracts between related parties.

Other financial revenues are mainly represented by foreign exchange gains.

Other financial expenses consist primarily of bank charges and foreign exchange losses.

3.10. Related Party Transactions

Within the period, there have been transactions between related parties. The members of the VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe and VIG FUND, a. s., VIG AM Service GmbH, SK BM s.r.o., HUN BM KORLÁTOLT FELELŐSSÉGŰ TÁRSASÁG, EUROPEUM Business Center s.r.o., ATRIUM TOWER Sp.z o.o. and KKB Real Estate SIA are considered as related parties.

Transactions were carried out under standard market conditions.

3.11. Off-balance Sheet Items

The Company had no assets and liabilities that are not recorded in the balance sheet as of 31. 12. 2020.



3.12. Subsequent Events

During the period of preparation of these financial statements, various measures are being implemented in the Czech Republic and worldwide in connection with the fight against the spread of the viral disease COVID-19 caused by the coronavirus SARS-CoV-2. These measures may also have a direct or indirect impact on the future economic situation of the Company and the related valuation of assets and liabilities. As it is currently not possible to estimate what measures will be in place and for how long, the specific impacts cannot currently be reliably determined. However, based on an evaluation of all currently available information, the Company's management believes that the going concern assumption of the Company is not threatened and therefore the use of this assumption for the preparation of financial statements remains appropriate and there is currently no significant uncertainty about this assumption.

No events occurred subsequently to the balance sheet date that would have a material impact on the financial statements.



