

Annual Report 2021

VIG FUND, a.s.



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2. Basic Company Information

Company:	VIG FUND, a.s.
Company address:	Templová 747/5, Staré Město, 110 00 Praha 1
Legal form:	joint-stock company
Identification no.:	24220809
Date of balance:	31 st December 2021
Accounting period:	1 st January 2021 – 31 st December 2021

VIG FUND, a.s. was founded by registration in the Commercial Register of the Municipal Court in Prague, Section B, File no. 17896 on 1st March 2012 (hereinafter referred to as “VIG FUND” or the “Company”).

VIG FUND is a joint-stock company, managed by VIG AM Real Estate, a.s. (former: VIG Asset Management, a.s.), ID no. 24838233, with registered office at Templová 747/5, Staré Město, 110 00 Praha 1, registered in the Commercial Register of the Municipal Court in Prague, Section B, File no. 17131 (hereinafter referred to as “VIG AM RE”).

Until 26th May 2021 VIG AM Real Estate, a.s. (formerly VIG Asset Management, a.s.) served as the sole director of the Company, since 26th May 2021 Caroline Mocker and Luděk Marek represent the company as members of the management board.

The line of business of VIG FUND is the acquisition and the lease of real estates, residential and non-residential premises. The Company primarily deals with management of the real estate assets.

3. Report of the Board of Directors on Business Activities and Status of Properties

In 2021, the Company performed the following acquisitions:

- On 12 July 2021 VIG Fund's subsidiary KKB Real Estate SIA with its registered office at Vienības gatve 87H, Riga, LV-1004, Latvia, registration no. 40203222752 acquired another property in Riga.
- On 22nd December 2021 VIG Fund's newly acquired subsidiary NNC Real Estate Sp. z o.o. (formerly Hymel Sp. z o.o.) with its registered office at Przyokopowa Street 33, 01-208 Warsaw, REGON 389246194, registration no. KRS 0000906658 acquired three properties in Warsaw.

In 2021 the Company increased its registered capital; it has been increased solely by monetary investments by CZK 694,800, i.e. by issuing 3,474 pcs of new unquoted ordinary shares issued in the name and in documentary form, each in the nominal value of CZK 200.

The coronavirus pandemic had significant impact on the Company's activities and the management of its properties in 2020 as well as 2021, however, due to diversification of the existing portfolio as well as active management measure, the impact could be limited.

The economic activities of the Company ended with a profit of TEUR 14.448 for the period from 1st January to 31st December 2021.

The portfolio of VIG FUND

<i>Property</i>	<i>Location</i>
Life-Building C	Prague
Havlíčková Plaza	Prague
Burzovní Palác	Prague
Revoluční	Prague
Jasna	Warsaw
Libra	Warsaw
Atrium Tower	Warsaw
Norway House	Warsaw
Chmielna 25	Warsaw
Nowogrdzka 21	Warsaw
Europeum	Bratislava
Retail Portfolio	Czech Republic
Retail Portfolio	Slovakia
Retail Portfolio	Hungary
Brivibas Bulvaris 21	Riga
Kalku Iela 12	Riga
Kalku Iela 15	Riga
Valnu Iela	Riga

Status of Properties

Assets

In balance sheet as of 31st December 2021 the Company reported assets amounting to TEUR 394.470 (out of which TEUR 372.520 represents investment properties and shares).

Liabilities

Total liabilities of the Company amounted to TEUR 120.014.

Registered share capital

The Company's registered share capital amounts to TEUR 221.

The management of the Company is not aware of any other facts that would significantly affect the financial situation of the Company as of the date of preparation of the annual report for

2021. The management is furthermore not aware of any substantial lawsuits (active or passive) that could affect the financial situation of the Company for 2021.

4. Expected Company development in 2022

In February 2022, a military conflict began between Russia and Ukraine. In this context, many European Union and other countries have imposed sanctions on Russia, the scope of which is constantly changing. We are monitoring the situation closely and based on our current position, it will not have a significant negative impact on our operations. Due to the uncertain and rapidly evolving situation, we do not consider it appropriate to make a quantitative assessment of the potential impact of the military conflict on the company and its financial performance.

Despite the difficult present situation the Company will continue its growth strategy by acquiring additional real estate investments in Central and Eastern Europe and on managing the already acquired properties.

5. Other information

Activities in the area of research and development

The Company is currently not active in the area of research and development.

Activities in the area of environmental protection and labor-law relations

With respect to environmental protection and labor-law relations, the Company adheres to the corresponding legally binding regulations.

Organizational units abroad

The Company has no organizational unit abroad but holds two properties in Poland directly.

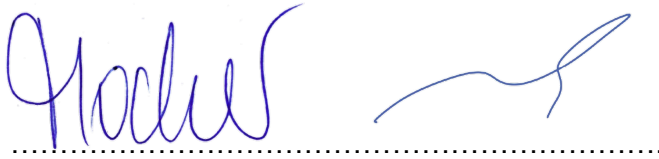
The Company holds 100 % of the share capital in its six subsidiaries abroad. SK BM s.r.o. with the registered seat in the Slovak Republic owns two retail properties in Slovakia, the second Slovakian subsidiary EUROPEUM Business Center s.r.o. holds one property. HUN BM Kft. represents VIG FUND's indirect ownership of one retail property in Hungary and Atrium Tower Sp. z o. o., a Polish subsidiary of VIG Fund is the owner of Atrium Tower. In 2021, the Company acquired the newly founded company NNC Real Estate Sp. z o.o. (formerly Hymel Sp. z o.o.), which acquired three properties in Warsaw in December 2021. The Company's Latvian subsidiary KKB Real Estate SIA holds four real estates in Riga.

Information on lawsuits or arbitrations

The Company was not involved in lawsuits or arbitrations in 2021 that would significantly affect the financial situation of the Company. The Board of Directors hereby declares that to its knowledge, the annual report gives a true and fair view of the financial position, business

activities and results of the Company for the reported period and a true and fair view of the future outlook for the financial situation, business activities and financial results.

8th March 2022



Dipl. Ing. Caroline Mocker, MSc. MRICS (Chairwoman of the Board of Directors) and Ing. Luděk Marek (Member of the Board of Directors)

6. Report on relationships between related parties

The controlled company: VIG FUND, a.s.

The Company is part of the Vienna Insurance Group consolidation group with the ultimate parent company being VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, Vienna, Austria.

Company purpose

The Company enables other companies within the VIG Group to invest into real estate market in CEE.

The controlling companies:

Shareholder	Share in registered capital
VIG-CZ Real Estate GmbH, Vienna	60.20 %
Kooperativa pojišťovna, a.s., Vienna Insurance Group, Prague	11.44 %
KOOPERATIVA poisťovňa, a.s. Vienna Insurance Group, Bratislava	5.24 %
Compensa Life Vienna Insurance Group SE, Tallin	3.67 %
Wiener Osiguranje Vienna Insurance Group d.d., Zagreb	3.07 %
VIG RE zajišťovna, a.s.	3.13 %
Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group	1.39 %
InterRisk Towarzystwo Ubezpieczen S.A. Vienna Insurance Group	1.31 %
Compensa Vienna Insurance Group, ADB	1.93 %
BTA Baltic Insurance Company AAS	1.72 %
KOMUNÁLNA poisťovňa, a.s. Vienna Insurance Group	1.20 %
InterRisk Lebensversicherungs-AG Vienna Insurance Group	1.56 %
InterRisk Versicherungs-AG Vienna Insurance Group	1.38 %
Česká podnikatelská pojišťovna, a.s., VIG	0.60 %
Wiener Towarzystwo Ubezpieczen S.A. Vienna Insurance Group	0.72 %
"BULSTRAD LIFE VIENNA INSURANCE" EAD	0.36 %
INSURANCE ONE-SHAREHOLDER JOINT-STOCK COMPANY BULSTRAD VIENNA INSURANCE GROUP EAD	1.08 %
Total	100.00 %

Method and means of controlling

The Company is controlled through ownership of shares. VIG AM RE served as the sole director of the Company until 26.05.2021. From 26.5.2021 the Company is managed by DI CAROLINE MOCKER and Ing. LUDĚK MAREK.

Related Parties

A list of the subsidiaries of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe is stated in part 8 of this Annual Report.

Real concern

The Company did not conclude any control agreement with Related Parties.

Contracts and agreements concluded between entities within the Group

The following contracts between the Company and entities within the group were in force in the reported period:

Contract	Contracting party of the Group
Insurance Policy No. 7720716986 and Amendment no. 1, 2,3, 4, 5, 6 to the Insurance Policy No. 7720716986	Kooperativa pojišťovna, a.s., Vienna Insurance Group
Insurance Policy No. 7720794414 and Amendment no. 1,2 and 3 to the Insurance Policy No. 7720794414	Kooperativa pojišťovna, a.s., Vienna Insurance Group
Insurance Policy No. 7720826500 and Amendment no. 1,2 and 3 to the Insurance Policy No. 7720826500	Kooperativa pojišťovna, a.s., Vienna Insurance Group
Insurance Policy No. 7720980394 and Amendment no. 1 and 2 to the Insurance Policy No. 7720980394	Kooperativa pojišťovna, a.s., Vienna Insurance Group
Insurance Policy No. 7721133145	Kooperativa pojišťovna, a.s., Vienna Insurance Group
Insurance Policy No. 7721145235	Kooperativa pojišťovna, a.s., Vienna Insurance Group
Insurance Policy No. 7721124097	Kooperativa pojišťovna, a.s., Vienna Insurance Group
Insurance Policy No. 7721145574	Kooperativa pojišťovna, a.s., Vienna Insurance Group
Insurance Policy No. 7721146453	Kooperativa pojišťovna, a.s., Vienna Insurance Group
Insurance Policy No. 7721135435	Kooperativa pojišťovna, a.s., Vienna Insurance Group
Insurance Policy Type 1306 No.1101746 (Insurance of Third Party Liability)	Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group

Contract	Contracting party of the Group
Insurance Policy Type 9802 No. 2131 (Property insurance against all risks)	Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group
Insurance Policy Type 9802 No. 106706 (Property insurance against all risks)	Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group
Insurance Policy Type 9802 No. 106707 (Property insurance against all risks)	Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group
Insurance Policy Type 1306 No. 001081642 (Insurance of Third Party Liability)	Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group
Insurance Policy Type 1306 No. 001081641 (Insurance of Third Party Liability)	Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group
Insurance Policy Type 1306 No. 1101745 (Insurance of Third Party Liability)	Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group
Insurance Policy Type 9802 No. 2132 (Property insurance against all risks)	Compensa Towarzystwo Ubezpieczen S.A. Vienna Insurance Group
Loan Agreement 1	InterRisk Lebensversicherung-AG Vienna Insurance Group
Loan Agreement 2	Wiener Städtische Versicherung AG Vienna Insurance Group Donau Versicherung AG Vienna Insurance Group Compensa Life Vienna Insurance Group SE Compensa Vienna Insurance Group InterRisk Versicherung-AG Vienna Insurance Group InterRisk Lebensversicherung-AG Vienna Insurance Group Poist'ovňa Slovenskej sporiteľne, a.s. Vienna Insurance Group Komunálna poisťovňa, a.s. Vienna Insurance Group
Loan Agreement 3	Wiener Städtische Versicherung AG Vienna Insurance Group Donau Versicherung AG Vienna Insurance Group Compensa Vienna Insurance Group ADB Compensa Life Vienna Insurance Group SE AAS "BTA Baltic Insurance Company" VIG RE zajišťovna, a.s.
Loan Agreement 4	KKB Real Estate SIA
Loan Agreement 5	KKB Real Estate SIA
Contract on performance of office	VIG AM Real Estate, a.s. (former: VIG Asset Management, a.s.)

Contract	Contracting party of the Group
Management Service contract	VIG AM Real Estate, a.s. (former: VIG Asset Management, a.s.)
Sub-lease contract	VIG AM Real Estate, a.s. (former: VIG Asset Management, a.s.)
Data processing agreement (GDPR)	VIG AM Real Estate, a.s. (former: VIG Asset Management, a.s.)
Liquidity balancing agreement (Liquiditätsausgleich)	VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe
Guarantee agreement	SK BM s.r.o
Guarantee agreement	HUN BM Korlátolt Felelősségű Társaság
Guarantee agreement	Atrium Tower Sp. z o.o.
Agreement on subscription and purchase of notes	Kooperativa poisťovňa, a.s., Vienna Insurance Group Komunálna poisťovňa, a.s., Vienna Insurance Group
Agreement on subscription and purchase of notes	Kooperativa pojišťovna, a.s., Vienna Insurance Group Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group Compensa Life Vienna Insurance Group SE InterRisk Towarzystwo Ubezpieczeń Spolka Akcyjna Vienna Insurance Group Kooperativa poisťovňa, a.s., Vienna Insurance Group Wiener Städtische Versicherung AG Vienna Insurance Group DONAU Versicherung AG Vienna Insurance Group
Insurance Policy No. K4-X581.801-5 and 8 Amendments	Donau Vienna Insurance Group

Other proceedings at the instigation or in the interest of Related Parties

The Company executed no other proceedings in the interest of Related Parties and did not receive or realize other provisions in the interest of or based on instructions of Related Parties.

Transactions with Related Parties

Transactions with related parties	2021	2020
STATEMENT OF FINANCIAL POSITION		
Accrued assets	47	41
Other payables, current part	0	(6)
Interest bearing liabilities	(32 478)	(33 577)
Bonds and interests	(32 474)	(34 496)
Trade and other payables	0	(1)

STATEMENT OF COMPREHENSIVE INCOME

Indirect expenditures	(573)	(560)
Operating expenses	(1)	(1)
Interest expenses	(2 191)	(2 298)
Insurance paid	(108)	(107)

Conclusion

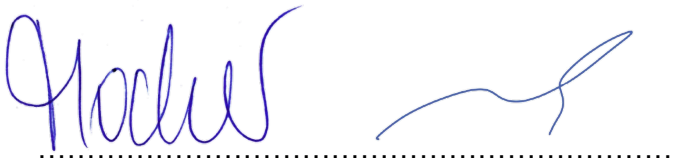
The Company is embedded in the network of Vienna Insurance Group and uses benefits from membership in this international group.

Processing of the Report on relations between Related Parties was ensured by the Board of directors of the Company.

The Board of directors of the Company claims that no damage for the Company was incurred in respect of the contracts listed above, their implementation and relationships with Related Parties.

All agreements with related parties were closed and are performed at arm's length, conditions and all contractual fulfillments, both received and provided, were provided at conditions usual in business relationships.

8th March 2022



Dipl. Ing. Caroline Mocker, MSc. MRICS (Chairwoman of the Board of Directors) and Ing. Luděk Marek (Member of the Board of Directors)

7. Report of the Supervisory Board

The Supervisory Board has received the annual financial statements for 2021 from the Board of Directors as well as the report on business activities and the status of properties of the Company dating to 31st December 2021. The Supervisory Board has carefully read and reviewed these documents. Based on this review, the Supervisory Board has unanimously agreed to approve the annual financial statements prepared by the Board of Directors and the Board of Directors' proposal on the distribution of result of 2021.

Furthermore, the Supervisory Board notes that it was able, both as a whole and individually, through its Chairman and deputies, to supervise the activities of the Company. This was also achieved through regular meetings with representatives of the member of the Board of Directors, which provided sufficient explanation and evidence of the business activities of the Company based on official books and written documents.

In 2021, two Shareholder's Meetings were held, as well as four meetings of the Supervisory Board and two circular resolutions of the Supervisory Board.

The Supervisory Board hereby informs that the Company's annual financial statements for 2021 are audited by KPMG Česká republika Audit, s.r.o. (registration no. 71), an auditing company; that the Supervisory Board obtained, reviewed and discussed the financial statements of the Company, and that said review and its final result did not give rise to any issues.



.....
Mag. Gerhard Lahner

Chairperson of the Supervisory Board

8. Related Parties and equity participation of VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe

affiliated companies and participations as of 31.12.2021

Company	Country	participation %
fully consolidated		
"BULSTRAD LIFE VIENNA INSURANCE GROUP" EAD	Bulgaria	100,00
"Grüner Baum" Errichtungs- und Verwaltungsges.m.b.H.	Austria	100,00
Andel Investment Praha s.r.o.	Czech Republic	100,00
Anif-Residenz GmbH & Co KG	Austria	100,00
ASIGURAREA ROMANEASCA - ASIROM VIENNA INSURANCE GROUP S.A.	Romania	99,79
ATBIH GmbH	Austria	100,00
Atrium Tower spolka z ograniczona odpowiedzialnoscia	Poland	100,00
BCR Asigurari de Viata Vienna Insurance Group S.A.	Romania	93,98
Blizzard Real Sp. z o.o.	Poland	100,00
BTA Baltic Insurance Company AAS	Latvia	100,00
Bulgarski Imoti Asistans EOOD	Bulgaria	100,00
Businesspark Brunn Entwicklungs GmbH	Austria	100,00
CAPITOL, akciova spolocnost'	Slovakia	100,00
CENTER Hotelbetriebs GmbH in Liqu.	Austria	80,00
Central Point Insurance IT-Solutions GmbH	Austria	100,00
Ceská podnikatelská pojist'ovna, a.s., Vienna Insurance Group	Czech Republic	100,00
Compania de Asigurari "DONARIS VIENNA INSURANCE GROUP" Societate pe Actiuni	Moldova	99,99
Compensa Life Vienna Insurance Group SE	Estonia	100,00
Compensa Towarzystwo Ubezpieczen Na Zycie Spolka Akcyjna Vienna Insurance Group	Poland	99,97
Compensa Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group	Poland	99,94
Compensa Vienna Insurance Group, akcine draudimo bendrove	Latvia	100,00
CP Solutions a.s.	Czech Republic	100,00
DBLV Immobesitz GmbH & Co KG	Austria	100,00
DBR-Liegenschaften GmbH & Co KG	Germany	100,00
Deutschmeisterplatz 2 Objektverwaltung GmbH	Austria	100,00
Donau Brokerline Versicherungs-Service GmbH	Austria	100,00
DONAU Versicherung AG Vienna Insurance Group	Austria	100,00
DV ImmoHolding GmbH	Austria	100,00
DVIB alpha GmbH	Austria	100,00
DVIB GmbH	Austria	100,00
ELVP Beteiligungen GmbH	Austria	100,00

EUROPEUM Business Center s.r.o.	Slovakia	100,00
Floridsdorf am Spitz 4 Immobilienverwertungs GmbH	Austria	100,00
Gesundheitspark Wien-Oberlaa Gesellschaft m.b.H.	Austria	100,00
GLOBAL ASSISTANCE, a.s.	Czech Republic	100,00
HUN BM Korlatolt Felelőssegű Tarsasag	Hungary	100,00
NNC Real Estate Sp. z o.o.	Poland	100,00
Insurance Company Vienna osiguranje d.d., Vienna Insurance Group	Bosnia and Herzegovina	100,00
INSURANCE ONE-SHAREHOLDER JOINT-STOCK COMPANY BULSTRAD VIENNA INSURANCE GROUP EAD	Bulgaria	100,00
InterRisk Lebensversicherungs-AG Vienna Insurance Group	Germany	100,00
InterRisk Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group	Poland	100,00
InterRisk Versicherungs-AG Vienna Insurance Group	Germany	100,00
INTERSIG VIENNA INSURANCE GROUP Sh.A.	Albania	89,98
Joint Stock Company Insurance Company GPI Holding	Georgia	90,00
Joint Stock Company International Insurance Company IRAO	Georgia	100,00
Joint Stock Insurance Company WINNER-Vienna Insurance Group	North Macedonia	100,00
Kaiserstraße 113 GmbH	Austria	100,00
KALVIN TOWER Ingatlanfejlesztési és Beruházási Korlatolt Felelőssegű Tarsasag	Hungary	100,00
KAPITOL, a.s.	Czech Republic	100,00
KKB Real Estate SIA	Latvia	100,00
KOMUNALNA poistovna, a.s. Vienna Insurance Group	Slovakia	100,00
KOOPERATIVA poist'ovna, a.s. Vienna Insurance Group	Slovakia	98,47
Kooperativa, pojist'ovna, a.s. Vienna Insurance Group	Czech Republic	97,28
LVP Holding GmbH	Austria	100,00
MAP-WSV Beteiligungen GmbH	Austria	100,00
MC EINS Investment GmbH	Austria	100,00
MH 54 Immobilienanlage GmbH	Austria	100,00
Nußdorfer Straße 90-92 Projektentwicklung GmbH & Co KG	Austria	100,00
OMNIASIG VIENNA INSURANCE GROUP S.A.	Romania	99,54
OÜ LiveOn Paevalille	Estonia	100,00
Palais Hansen Immobilienentwicklung GmbH	Austria	56,55
Passat Real Sp. z o.o.	Poland	100,00
Pension Assurance Company Doverie AD	Bulgaria	92,58
PFG Holding GmbH	Austria	89,23
PFG Liegenschaftsbewirtschaftungs GmbH & Co KG	Austria	92,88
Porzellangasse 4 Liegenschaftsverwaltung GmbH & Co KG	Austria	100,00
Private Joint-Stock Company "INSURANCE COMPANY "KNAZHA LIFE VIENNA INSURANCE GROUP"	Ukraine	99,81
Private Joint-Stock Company "Insurance company" Ukrainian insurance group"	Ukraine	100,00
PRIVATE JOINT-STOCK COMPANY "UKRAINIAN INSURANCE COMPANY "KNAZHA VIENNA INSURANCE GROUP"	Ukraine	99,99
PROGRESS Beteiligungsges.m.b.H.	Austria	70,00

Projektbau GesmbH	Austria	100,00
Projektbau Holding GmbH	Albania	100,00
Rathstraße 8 Liegenschaftsverwertungs GmbH	Austria	100,00
Ray Sigorta Anonim Sirketi	Turkey	94,96
Rößlergasse Bauteil Drei GmbH	Austria	100,00
Rößlergasse Bauteil Zwei GmbH	Austria	100,00
S - budovy, a.s.	Czech Republic	100,00
Schulring 21 Bürohaus Errichtungs- und Vermietungs GmbH & Co KG	Austria	100,00
SECURIA majetkovospravna a podielova s.r.o.	Slovakia	100,00
Senioren Residenz Fultererpark Errichtungs- und Verwaltungs GmbH	Austria	100,00
Senioren Residenz Veldidenapark Errichtungs- und Verwaltungs GmbH	Austria	66,70
SIA "Alauksta 13/15"	Latvia	100,00
SIA "Gertrudes 121"	Latvia	100,00
SIA "Global Assistance Baltic"	Latvia	100,00
SIA "LiveOn Stirnu"	Latvia	100,00
SIA "LiveOn Terbatas"	Latvia	100,00
SIA "LiveOn"	Latvia	70,00
SIA "Urban Space"	Latvia	100,00
SIA "Artilerijas 35"	Latvia	100,00
SIGMA INTERALBANIAN VIENNA INSURANCE GROUP Sh.A.	Albania	89,05
SK BM s.r.o.	Slovakia	100,00
SMARDAN 5 DEVELOPMENT S.R.L.	Romania	100,00
Stock Company for Insurance and Reinsurance MAKEDONIJA Skopje - Vienna Insurance Group	North Macedonia	94,26
SVZ GmbH	Austria	100,00
SVZD GmbH	Austria	100,00
SVZI GmbH	Austria	100,00
T 125 GmbH	Austria	100,00
TBI BULGARIA EAD in Liquidation	Bulgaria	100,00
TECHBASE Science Park Vienna GmbH	Austria	100,00
twinformatics GmbH	Austria	100,00
UAB LiveOn Linkmenu	Latvia	100,00
UNION Vienna Insurance Group Biztosító Zrt.	Hungary	98,64
Untere Donaulände 40 GmbH & Co KG	Austria	100,00
Vienibas Gatve Investments OÜ	Estonia	100,00
Vienibas Gatve Properties SIA	Latvia	100,00
Vienna Life Towarzystwo Ubezpieczen na Zycie S.A. Vienna Insurance Group	Poland	100,00
Vienna-Life Lebensversicherung AG Vienna Insurance Group	Liechtenstein	100,00
VIG Home, s.r.o.	Slovakia	100,00
VIG ND, a.s.	Czech Republic	100,00
VIG Offices, s.r.o.	Slovakia	100,00
VIG Properties Bulgaria AD	Bulgaria	99,97
VIG RE zajist'ovna, a.s.	Czech Republic	100,00
VIG REAL ESTATE DOO	Serbia	100,00
VIG Services Ukraine, LLC	Ukraine	100,00

VIG-AT Beteiligungen GmbH	Austria	100,00
VIG-CZ Real Estate GmbH	Austria	100,00
Virtus Sechzehn Beteiligungs GmbH	Austria	100,00
VITEC Vienna Information Technology Consulting GmbH	Austria	51,00
WGPV Holding GmbH	Austria	100,00
WIBG Holding GmbH & Co KG	Austria	100,00
WIBG Projektentwicklungs GmbH & Co KG	Austria	100,00
Wiener Osiguranje Vienna Insurance Group a.d.	Bosnia and Herzegovina	100,00
Wiener osiguranje Vienna Insurance Group dionicko drustvo za osiguranje	Croatia	97,82
WIENER RE akcionarsko drustvo za reosiguranje, Beograd	Serbia	100,00
WIENER STÄDTISCHE OSIGURANJE akcionarsko drustvo za osiguranje Beograd	Serbia	100,00
WIENER STÄDTISCHE VERSICHERUNG AG Vienna Insurance Group	Austria	97,75
Wiener Towarzystwo Ubezpiezen Spolka Akcyjna Vienna Insurance Group	Poland	100,00
WIENER VEREIN BESTATTUNGS- UND VERSICHERUNGSSERVICE-GESELLSCHAFT M.B.H.	Austria	100,00
WILA GmbH	Austria	100,00
WINO GmbH	Austria	100,00
WNH Liegenschaftsbesitz GmbH	Austria	100,00
WSBV Beteiligungsverwaltung GmbH & Co KG	Austria	100,00
WSV Beta ImmoHolding GmbH	Austria	100,00
WSV ImmoHolding GmbH	Austria	100,00
WSV Triesterstraße 91 Besitz GmbH & Co KG	Austria	100,00
WSV Vermögensverwaltung GmbH	Austria	100,00
WSVA Liegenschaftbesitz GmbH	Austria	100,00
WSVB Liegenschaftbesitz GmbH	Austria	100,00
WSVC Liegenschaftbesitz GmbH	Austria	100,00
WWG Beteiligungen GmbH	Austria	87,07

Company	Country	Participation %
At equity consolidated companies		
Alpenländische Gemeinnützige WohnbauGmbH	Austria	94,84
Beteiligungs- und Immobilien GmbH	Austria	25,00
Beteiligungs- und Wohnungsanlagen GmbH	Austria	25,00
CROWN-WSF spol. s.r.o.	Czech Republic	30,00
EGW Erste gemeinnützige Wohnungsgesellschaft mbH	Austria	99,77
ERSTE drustvo s ogranicenom odgovornoscu za upravljanje obveznim i dobrovoljnim mirovinskim fondovima	Croatia	25,30
Gemeinnützige Industrie-Wohnungsaktiengesellschaft	Austria	55,00
Gemeinnützige Mürz-Ybbs Siedlungsanlagen-GmbH	Austria	99,92
Gewista-WerbeGesellschaft m.b.H.	Austria	33,00
NEUE HEIMAT Oberösterreich Gemeinnützige Wohnungs-und SiedlungsgesmbH	Austria	99,82
Neuland gemeinnützige Wohnbau-Gesellschaft m.b.H.	Austria	61,00

SCHWARZATAL Gemeinnützige Wohnungs- und Siedlungsanlagen GmbH	Austria	100,00
SOZIALBAU gemeinnützige Wohnungsaktiengesellschaft	Austria	54,17
Towarzystwo Ubezpieczen Wzajemnych "TUW"	Poland	52,16
Urbanbau Gemeinnützige Bau-, Wohnungs- und Stadterneuerungsgesellschaft m.b.H.	Austria	51,46
VBV - Betriebliche Altersvorsorge AG (Konzernabschluss)	Austria	25,32
Österreichisches Verkehrsbüro Aktiengesellschaft (Konzernabschluss)	Austria	36,58

Company	Country	Participation %
Non-consolidated companies		
"Assistance Company "Ukrainian Assistance Service" LLC	Ukraine	100,00
"Eisenhof" Gemeinnützige Wohnungsgesellschaft m.b.H.	Austria	20,13
"LifeTrust" EOOD	Bulgaria	100,00
"Neue Heimat" Stadterneuerungsgesellschaft m.b.H.	Austria	79,51
AB Modrice, a.s.	Czech Republic	97,28
AIS Servis, s.r.o.	Czech Republic	98,10
Akcionarsko drustvo za zivotno osiguranje Wiener Städtische Podgorica, Vienna Insurance Group	Montenegro	100,00
ALBA Services GmbH	Austria	48,87
Amadi GmbH	Germany	100,00
AQUILA Hausmanagement GmbH	Austria	97,75
AREALIS Liegenschaftsmanagement GmbH	Austria	48,87
arithmetic Consulting GmbH	Austria	98,31
AUTODROM SOSNOVA u Ceske Lipy a.s.	Czech Republic	97,28
AUTONOVA BRNO s.r.o.	Czech Republic	98,10
Autosig SRL	Romania	99,54
B&A Insurance Consulting s.r.o.	Czech Republic	48,45
BB Parking s.r.o.	Slovakia	98,47
Beesafe Spolka z Ograniczona Odpowiedzialnoscia	Poland	99,99
Benefia Ubezpieczenia Spolka z ograniczona odpowiedzialnoscia	Poland	99,94
Bohemika a.s.	Czech Republic	100,00
Bohemika HYPO s.r.o.	Czech Republic	100,00
Bulstrad Trudova Meditzina EOOD	Bulgaria	100,00
Camelot Informatik und Consulting Gesellschaft m.b.H.	Austria	92,86
CARPLUS Versicherungsvermittlungsagentur GmbH	Austria	97,75
CLAIM EXPERT SERVICES S.R.L.	Romania	99,16
Compensa Dystrybucja Spolka z ograniczona odpowiedzialnoscia	Poland	99,97
CPP Servis, s.r.o.	Czech Republic	100,00
DBLV Immobesitz GmbH	Austria	100,00
DBR-Liegenschaften Verwaltungs GmbH	Germany	97,75
DELOIS II s.r.o.	Slovakia	98,47
DELOIS s. r. o.	Slovakia	98,47
DV Asset Management EAD	Bulgaria	100,00
DV CONSULTING EOOD	Bulgaria	100,00
DV Invest EAD	Bulgaria	100,00

EBS Wohnungsgesellschaft mbH Linz	Austria	24,44
EBV-Leasing Gesellschaft m.b.H.	Austria	47,90
EGW Datenverarbeitungs-Gesellschaft m.b.H.	Austria	71,92
EGW Liegenschaftsverwertungs GmbH	Austria	71,92
EGW-NOE Erste gemeinnützige Wohnungsgesellschaft mbH	Austria	71,92
EKG UW Nord GmbH	Austria	24,46
Első Maganegeszsegügyi Halozat Zrt.	Hungary	48,33
Erste Biztosítási Alkusz Kft	Hungary	98,64
European Insurance & Reinsurance Brokers Ltd.	Great Britain	100,00
EXPERTA Schadenregulierungs-Gesellschaft mbH	Austria	99,44
Finanzpartner GmbH	Austria	48,87
FinServis Plus, s.r.o.	Czech Republic	100,00
Foreign limited liability company "InterInvestUchastie"	Belarus	100,00
GELUP GmbH	Austria	32,58
GGVier Projekt-GmbH	Austria	53,76
Glamas Beteiligungsverwaltungs GmbH & Co "Beta" KG	Austria	42,76
Global Assistance Georgia LLC	Georgia	95,00
Global Assistance Polska Spolka z ograniczona odpowiedzialnoscia	Poland	99,99
GLOBAL ASSISTANCE SERVICES s.r.o.	Czech Republic	100,00
GLOBAL ASSISTANCE SERVICES SRL	Romania	99,23
GLOBAL ASSISTANCE SLOVAKIA s.r.o.	Slovakia	99,22
Global Expert, s.r.o.	Czech Republic	98,10
Global Partner Pece, z.u.	Czech Republic	63,23
Global Partner Zdravi, s.r.o.	Czech Republic	63,23
Global Partner, a.s.	Czech Republic	63,23
Global Repair Centres, s.r.o.	Czech Republic	98,10
Global Services Bulgaria JSC	Bulgaria	100,00
Hausservice Objektbewirtschaftungs GmbH	Austria	20,72
HORIZONT Personal-, Team- und Organisationsentwicklung GmbH	Austria	98,29
Hotel Voltino in Liquidation	Croatia	97,82
HOTELY SRNI, a.s.	Czech Republic	97,28
Immodat GmbH	Austria	20,72
IMOVE Immobilienverwertung- und -verwaltungs GmbH	Austria	20,72
INSHIFT GmbH & Co. KG	Germany	23,53
InterRisk Informatik GmbH	Germany	100,00
ITIS Spolka z ograniczoną odpowiedzialnością spolka komandytowa	Poland	99,99
ITIS Spolka z ograniczona odpowiedzialnoscia	Poland	98,03
JAHORINA AUTO d.o.o.	Bosnia and Herzegovina	100,00
Joint Stock Company "Curatio"	Georgia	90,00
Joint Stock Insurance Company WINNER LIFE - Vienna Insurance Group Skopje	North Mazedonia	100,00
Kitzbüheler Bestattung WV GmbH	Austria	97,75
KUPALA Belarusian-Austrian Closed Joint Stock Insurance Company	Belarus	98,26
KWC Campus Errichtungsgesellschaft m.b.H.	Austria	48,87
LD Vermögensverwaltung GmbH	Austria	98,65

Lead Equities II Auslandsbeteiligungs AG	Austria	21,59
Lead Equities II.Private Equity Mittelstandsfinanzierungs AG	Austria	21,59
LiSciV Muthgasse GmbH & Co KG	Austria	42,76
Main Point Karlín II., a.s.	Czech Republic	97,28
Money & More Pénzügyi Tanácsadó Zártkörűen Működő Részvénytársaság	Hungary	98,64
Nadacia poisťovne KOOPERATIVA	Slovakia	98,47
NID Projektentwicklung GmbH	Austria	100,00
Nordbahnhof Projekt EPW8 GmbH & Co KG	Austria	97,75
Nordbahnhof Projekt EPW8 Komplementär GmbH	Austria	97,75
Nordbahnhof Projekt Taborstraße 123 GmbH & Co KG	Austria	100,00
Nordbahnhof Projekt Taborstraße 123 Komplementär GmbH	Austria	100,00
PFG Liegenschaftsbewirtschaftungs GmbH	Austria	73,69
POLISA - ZYCIE Ubezpieczenia Spolka z ograniczona odpowiedzialnoscia	Poland	99,97
Prazska softwarova s.r.o	Czech Republic	98,10
Privat Joint-Stock Company "OWN SERVICE"	Hungary	100,00
Projektbau Planung Projektmanagement Bauleitung GesmbH	Austria	54,51
Quadrant Q ZWÖLF Projektentwicklungs GmbH	Austria	97,75
Renaissance Hotel Realbesitz GmbH	Austria	40,00
Risk Consult Bulgaria EOOD	Bulgaria	51,00
Risk Consult Polska Sp.z.o.o.	Poland	68,15
RISK CONSULT Sicherheits- und Risiko- Managementberatung Gesellschaft m.b.H.	Austria	51,00
Risk Expert Risk ve Hasar Danismanlik Hizmetleri Limited Sirketi	Turkey	64,19
Risk Experts Risiko Engineering GmbH	Austria	12,24
Risk Experts s.r.o.	Slovakia	51,00
Risk Logics Risikoberatung GmbH	Austria	51,00
S. C. SOCIETATEA TRAINING IN ASIGURARI S.R.L.	Romania	99,16
S.C. CLUB A.RO S.R.L.	Romania	99,79
S.C. Risk Consult & Engineering Romania S.R.L.	Romania	51,00
S.O.S.- EXPERT d.o.o. za poslovanje nekretninama	Croatia	100,00
samavu s.r.o	Slovakia	98,47
Sanatorium Astoria, a.s.	Czech Republic	97,28
SB Liegenschaftsverwertungs GmbH	Austria	40,26
Senioren Residenzen gemeinnützige Betriebsgesellschaft mbH	Austria	97,75
serviceline contact center dienstleistungs-gmbh	Austria	97,75
Slovexperta, s.r.o.	Slovakia	98,70
Soleta Beteiligungsverwaltungs GmbH	Austria	42,76
Sparkassen-Versicherungsservice Gesellschaft m.b.H.	Austria	97,75
Spoldzielnia Usługowa VIG EKSPERT W WARSZAWIE	Poland	99,97
SURPMO, a.s.	Czech Republic	97,28
TAUROS Capital Investment GmbH & Co KG	Austria	19,55
TAUROS Capital Management GmbH	Austria	25,30
TBI Info AD	Bulgaria	20,00
TeleDoc Holding GmbH	Austria	25,01
TGMZ Team Gesund Medizin Zentren GmbH	Austria	39,10

TOGETHER CCA GmbH	Austria	24,71
twinfaktor GmbH	Austria	98,87
UAB "Compensa Life Distribution"	Latvia	100,00
UNION-Erted Ellatasszervező Korlatold Felelőssegű Tarsasag	Hungary	98,64
Versicherungsbüro Dr. Ignaz Fiala Gesellschaft m.b.H.	Austria	47,90
Vienna Insurance Group Polska Spolka z ograniczona odpowiedzialnoscia	Poland	99,99
Vienna International Underwriters GmbH	Austria	100,00
viesure innovation center GmbH	Austria	98,87
VIG AM Real Estate, a.s.	Czech Republic	100,00
VIG AM Services GmbH	Austria	100,00
VIG Management Service SRL	Romania	99,16
VIG Polska Real Estate Spolka z Ograniczona Odpowiedzialnosc	Poland	99,97
VIG Services Bulgaria EOOD	Bulgaria	100,00
VIG Services Shqiperi Sh.p.K.	Albania	89,52
VIG ZP, s. r. o.	Slovakia	99,22
VIG/C-QUADRAT Towarzystwo Funduszy Inwestycyjnych SPÓŁKA AKCYJNA	Poland	50,99
VIVECA Beteiligungen GmbH	Austria	100,00
VÖB Direkt Versicherungsagentur GmbH	Austria	48,87
WAG Wohnungsanlagen Gesellschaft m.b.H.	Austria	24,44
Wien 3420 Aspern Development AG	Austria	23,92
Wiener Städtische Donau Leasing GmbH	Austria	97,75
Wiener Verein Bestattungsbetriebe GmbH	Austria	97,75
WOFIN Wohnungsfinanzierungs GmbH	Austria	20,72
WSBV Beteiligungsverwaltung GmbH	Austria	97,75
zuuri s.r.o.	Slovakia	98,47

9. Financial statements for 2021

VIG FUND, a.s.

Financial Statements

As of 31st December 2021

VIG FUND, a.s.

Templová 747/5, Prague 1, 110 00

Non-consolidated Financial Statements as of 31st December 2021

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VIG FUND, a.s.

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Non-consolidated Financial Statements as of 31st December 2021

STATEMENT OF FINANCIAL POSITION

For the year ended 31st December

<i>In thousands of euro</i>	Note	2021	2020
Assets			
Non-current assets		372 520	341 946
Investment properties	1.2	270 180	263 660
Shares	1.3	102 340	78 286
Current assets		21 950	15 127
Loans to group companies	1.4	2 250	3 000
Trade receivables	1.5	521	1 183
Other receivables	1.6	355	730
Cash and cash equivalents	1.7	17 966	9 336
Accrued assets	1.8	858	878
Total assets		394 470	357 073

The notes on pages 9 to 33 are an integral part of these financial statements.

VIG FUND, a.s.

Templová 747/5, Prague 1, 110 00

Non-consolidated Financial Statements as of 31st December 2021

STATEMENT OF FINANCIAL POSITION CONTINUED

For the year ended 31st December

<i>In thousands of euro</i>	Note	2021	2020
Equity			
Share capital	2.1	221	194
Capital reserve	2.2	196 396	162 553
Transaction reserve	2.2	41 431	41 431
Profit of the current period		14 448	6 983
Retained earnings	2.3	21 960	20 855
Total equity		274 456	232 016
Liabilities			
Non-current liabilities			
Loans, non-current part	2.4	55 788	53 673
Bonds issued, non-current part	2.5	30 520	32 549
Other payables, non-current part	2.6	1 636	1 674
Deferred tax liabilities	2.10	21 413	20 618
Current liabilities		10 657	16 543
Loans, current part	2.4	4 129	10 261
Bonds issued, current part	2.5	2 154	2 101
Trade payables	2.7	672	577
Provisions	2.8	656	174
Accrued liabilities	2.9	1 250	1 242
Current tax liabilities	2.10	345	179
Other payables, current part	2.11	1 451	2 009
Total liabilities		120 014	125 057
Total equity and liabilities		394 470	357 073

The notes on pages 9 to 33 are an integral part of these financial statements.

VIG FUND, a.s.

Templová 747/5, Prague 1, 110 00

Non-consolidated Financial Statements as of 31st December 2021

STATEMENT OF COMPREHENSIVE INCOME

For the year ended 31st December

<i>In thousands of euro</i>	Note	2021	2020
Rental income	3.1	15 782	13 328
Operating costs charged to tenants	3.1	2 724	2 704
Operating expenses	3.2	(4 563)	(3 807)
Other operating income/(expenses)		24	(2)
Net operating income		13 967	12 223
Indirect expenditures	3.4	(862)	(784)
Earnings before interest, taxes, depreciation, amortization and fair value unrealized gains/losses		13 105	11 439
Valuation gains/(losses) from investment property	1.2	2 741	(571)
Operating result		15 846	10 868
Interest income		100	112
Dividend income	3.5	200	1 351
Net other financing revenues		77	76
Interest expenses	3.6	(3 193)	(3 411)
Foreign currency gain/(loss)	3.7	(20)	71
Revaluation of shares	1.3	3 049	(267)
Financial result		213	(2 068)
Net result before taxes		16 059	8 800
Current income tax	3.8	(816)	(412)
Deferred income tax	3.8	(795)	(1 405)
Profit after tax		14 448	6 983
Other comprehensive income			
Items that are or may be reclassified subsequently to profit or loss			
Other comprehensive income total		0	0
Total comprehensive income		14 448	6 983

The notes on pages 9 to 33 are an integral part of these financial statements.

VIG FUND, a.s.

Templová 747/5, Prague 1, 110 00

Non-consolidated Financial Statements as of 31st December 2021

CASH FLOW STATEMENT*For the year ended 31st December**In thousands of euro*

	Note	2021	2020
Cash flows from operating activities			
Profit before tax		16 059	8 800
Adjustments to reconcile profit before tax to net cash flows:			
Valuation gains/loss on investment property	1.2	(2 741)	(163)
Change in provisions	2.8	482	(60)
Dividend income	3.5	(200)	(1 351)
Revaluation of shares	1.3	(3 049)	267
Interest income		(100)	(112)
Interest expense	3.6	3 193	3 411
Working capital adjustments			
Decrease/(increase) in trade and other receivables and accruals		1 057	737
(Decrease)/increase in trade, other payables and accruals		(327)	(856)
Income tax paid		(649)	(563)
Net cash flow from/(used in) operating activities		13 725	10 110
Cash flows from investment activities			
Investments in properties and acquisition of shares, net of cash acquired		(25 296)	(3 576)
Repayment of loans provided to group companies	1.4	750	4 500
Dividends received	3.5	600	1 255
Interest received		100	112
Net cash from/(used in) investment activities		(23 846)	2 291
Cash flows from financing activities			
Redemption of borrowings - repayment of bank loan	2.4	(2 918)	(2 836)
Redemption of borrowings - repayment of other loans from group companies	2.4	(1 099)	(1 069)
Proceeds from issue of share capital	2.1, 2.2	33 870	0
Redemption of bonds	2.5	(2 029)	(1 917)
Dividend paid		(5 880)	(5 254)
Interest paid	3.6	(3 193)	(3 411)
Net cash (used in)/from financing activities		18 751	(14 487)
Net (decrease)/increase in cash and cash equivalents		8 630	(2 086)
Cash and cash equivalents at 1 January	1.7	9 336	11 423
Cash and cash equivalents at 31 December	1.7	17 966	9 336

The notes on pages 9 to 33 are an integral part of these financial statements.

VIG FUND, a.s.

Templová 747/5, Prague 1, 110 00

Non-consolidated Financial Statements as of 31st December 2021

STATEMENT OF CHANGES IN EQUITY

<i>For the year ended 31st December In thousands of euro</i>	Note	Share capital	Capital reserve	Transaction reserve	Profit/Loss of the current period	Retained earnings	Total equity
Closing balance as of 31st December 2019		194	162 553	41 431	11 486	14 622	230 286
Profit after tax		0	0	0	6 983	0	6 983
Shares issued	2.2	0	0	0	0	0	0
Prior period profit distribution	2.3	0	0	0	(6 233)	6 233	0
Dividend distribution		0	0	0	(5 253)	0	(5 253)
Closing balance as of 31st December 2020		194	162 553	41 431	6 983	20 855	232 016
Profit after tax		0	0	0	14 448	0	14 448
Shares issued	2.2	27	33 843	0	0	0	33 870
Prior period profit distribution	2.3	0	0	0	(1 105)	1 105	0
Dividend distribution		0	0	0	(5 878)	0	(5 878)
Closing balance as of 31st December 2021		221	196 396	41 431	14 448	21 960	274 456

The notes on pages 9 to 33 are an integral part of these financial statements.

VIG FUND, a.s.

Templová 747/5, Prague 1, 110 00

Non-consolidated Financial Statements as of 31st December 2021

NOTES TO FINANCIAL STATEMENTS

A. INFORMATION CONCERNING THE COMPANY

Description of the accounting unit

Company:	VIG FUND, a.s. („the Company“)
Identification number:	242 20 809
Date of Establishment:	The Company was set up by the Articles of association on 27th November 2011. The Company was registered into the Commercial Register on 1st March 2012.
Registered Office:	Templová 747/5, Prague 1, postcode 110 00
Legal form:	Joint-stock company („akciová společnost“)
Subject of business:	Renting of properties, flats and non-residential premises
Trade Register File Nr:	Section B, entry 17896 of the Commercial Register kept by the Municipal court in Prague
Country of incorporation:	Czech Republic
Accounting period:	1st January 2021 – 31st December 2021

The Company has been established for an indefinite period of time.

The Company has entrusted the management of its assets to investment company VIG AM Real Estate, a.s., ID no. 248 38 233, having its registered office at Prague 1, Templová 747/5, post code 110 00, registered in the Commercial Register administered by the Municipal court in Prague, section B, insert 17131.

Establishment of the Company

The Company has been established on 1st March 2012.

Statutory bodies in the course of the accounting period

The Board of Directors members are:

Name	Function	From (date)	To (date)
VIG AM Real Estate, a.s. (formerly VIG Asset Management, a.s.)	Board of Directors	16. 7. 2014	26. 05. 2021
DI Caroline Mocker	Board of Directors	26.05.2021	31.12.2021
Ing. Luděk Marek	Board of Directors	26.05.2021	31.12.2021

VIG AM Real Estate, a.s. was represented by DI Caroline Mocker and Ing. Luděk Marek.

The Supervisory Board members are:

Name	Function	From (date)	To (date)
Mag. Gerhard Lahner	Chairperson of Supervisory Board	13.12.2018	31.12.2021
Mag. Roland Gröll	Deputy chairperson of Supervisory Board	13.6.2019	31.12.2021
Mag. Nicolas Mucherl	Supervisory Board member	27.5.2019	31.12.2021

Employees

The Company had no employees in 2021 and 2020. All Company activities are provided by suppliers.

VIG FUND, a.s.

Templová 747/5, Prague 1, 110 00

Non-consolidated Financial Statements as of 31st December 2021

Shareholders

The Company is a part of the VIG consolidation group with parent company being VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, Vienna, Austria, the ultimate shareholder.

The shareholders as of 31st December 2021 and 2020 are as follows:

Investor	Share on registered capital (in %)	
	2021	2020
VIG-CZ Real Estate GmbH, Vienna	60,20 %	65,51 %
Kooperativa pojišťovna, a.s., Vienna Insurance Group, Prague	11,44 %	13,03 %
Kooperativa poisťovna, a.s. Vienna Insurance Group, Bratislava	5,24 %	4,32 %
Compensa Life Vienna Insurance Group SE, Tallinn	3,67 %	3,43 %
VIG RE zajišťovna, a.s., Prague	3,13 %	2,75 %
Wiener Osiguranje Vienna Insurance Group d.d., Zagreb	3,07 %	2,63 %
Compensa Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group, Warsaw	1,39 %	1,43 %
Compensa Vienna Insurance Group, akciné draudimo bendrovė, Vilnius	1,93 %	1,38 %
Interrisk Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group, Warsaw	1,31 %	1,34 %
Komunálna poisťovna, a.s. Vienna Insurance Group, Bratislava	1,20 %	1,01 %
AAS „BTA Baltic Insurance Company“, Riga	1,72 %	1,00 %
InterRisk Lebensversicherungs-AG Vienna Insurance Group, Wiesbaden	1,56 %	0,84 %
Česká podnikatelská pojišťovna, a.s., Vienna Insurance Group, Prague	0,60 %	0,69 %
Wiener Towarzystwo Ubezpieczen Spolka Akcyjna Vienna Insurance Group	0,72 %	0 %
"BULSTRAD LIFE VIENNA INSURANCE GROUP" EAD	0,36 %	0 %
INSURANCE ONE-SHAREHOLDER JOINT-STOCK COMPANY BULSTRAD VIENNA INSURANCE GROUP EAD	1,08 %	0 %
InterRisk Versicherungs-AG Vienna Insurance Group, Wiesbaden	1,38 %	0,64 %
Total	100 %	100 %

B. ACCOUNTING PRINCIPLES

The separate financial statements of the Company were prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU. This follows §19a of the Accounting Act as stated in the Articles of Association. The financial statements are presented in thousands of euro (rounded according to the commercial rounding method).

The Company follows the Business Corporations Act as a whole in the process according to Article 777 et seq. 5 of the Act No 90/2012 Coll.

C. ACCOUNTING POLICIES**Functional currency**

The Company determined Euro as its functional currency in accordance with IAS 21.

Business operations in foreign currency

The Company records foreign currency transactions at the exchange rate at the date of the relevant transaction. Any resulting foreign currency gains or losses are recognised in the income statement of the relevant business year. Utilized foreign currencies are CZK, HUF and PLN.

VIG FUND, a.s.

Templová 747/5, Prague 1, 110 00

Non-consolidated Financial Statements as of 31st December 2021

The foreign currency translation of business operations (transactions) was based on the current exchange rates. As of reporting dates the following exchange rates were used:

FX rates EUR	quantity	31.12.2021	31.12.2020
HUF	1	369,19	363,89
CZK	1	24,86	26,245
PLN	1	4,5969	4,5597

Investment properties - classification

The "Investment properties" item consists of investment properties and properties under development that are held neither for own use, nor for sale in the ordinary course of business, but to earn rental income and for capital appreciation.

Investment properties - valuation

All investment properties are measured according to the fair value model specified as one of the options under IAS 40. Under this model, the investment properties are measured at fair value at the relevant reporting date. Differences compared with the current book value prior to revaluation (fair value of previous year plus subsequent/additional acquisition) are recognised in the statement of comprehensive income under "Revaluation of investment property".

Investments - shares

The Company accounts for investment in subsidiaries (Investment – shares in companies) in accordance with IFRS 9 in its separate financial statements.

The investments in the subsidiaries were initially recognized at their acquisition costs and they are being revaluated to fair value through profit or loss for the purpose of preparation of financial statements.

The change in fair value revaluation of Investment – shares in companies is presented in the Financial result section of the Statement of Comprehensive Income.

Receivables and other financial assets

Trade receivables from the provision of services, other receivables and other financial assets are measured initially at fair value, and thereafter at amortised cost, applying the effective interest-rate method with deduction for any reduction for impairments.

Cash and cash equivalents

Cash and cash equivalents include cash, as well as bank balances with original maturities of three months or less from the acquisition date. Bank balances with original maturities of more than three months are recognised under the receivables and other assets.

Finance cost

Finance costs consist of interest expenses and other costs which occur in connection with the borrowing of funds. Finance cost is recognized using the effective interest method.

Financial assets

In accordance with IFRS 9, financial assets shall be classified in these categories: (i) measured at amortised cost, (ii) fair value through other comprehensive income (FVOCI) and (iii) fair value through profit or loss (FVTPL). The classification of financial assets under IFRS 9 is generally based on the business model in which a financial asset is managed and on its contractual cash flow characteristics. As financial instruments measured at amortized cost qualify only those, whose business model gives rise to cash flows that are solely payments of principal and interests (SPPI – “solely payments of principal and interest”). All other financial assets are measured at fair value through profit or loss. For equity instruments that are not held/managed for trading purposes, an option for recognition of changes in the Other Comprehensive Income we given. The Company does not make use of this option for the securities which were classified as available for sale according to IAS 39.

Other financial liabilities

Other financial liabilities, such as trade payables, are assigned to the category "financial liabilities at amortised cost" (FLAC) and measured upon receipt at fair value, and thereafter at amortised acquisition cost.

Interest bearing liabilities

All loans and bonds are initially recognized at fair value less directly attributable transaction cost. After initial recognition, loans and bonds are measured at amortized cost using the effective interest method. Liabilities from the pledge of loans and bonds are set up individually for each property.

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Derivative financial instruments

The Company uses derivative financial instruments in order to hedge against risks. In particular, the Company entered into a loan agreement with a variable interest rate having the obligation from this agreement to enter into an interest rate swap with the loan creditor to fix the interest rate. The Company considered the swap as embedded derivative as it constitutes one unit with the underlying financial instrument. Therefore, the Company does not account for the swap separately from the underlying loan agreement.

Impairment

In accordance with IAS 36, the Company performs impairment tests when there are indications that an asset may be impaired. The Company determines the recoverable amount, which is the higher of the fair value less the cost of selling and value in use. If the carrying amount of an asset exceeds the recoverable amount, the difference is recognised as an impairment loss. If there is an indication that the reasons for impairment no longer exist or have decreased, the impairment loss is reversed to the carrying amount of the respective asset.

Provisions and contingent liabilities

Provisions are recognised if the Company has legal or constructive obligations towards a third party due to a past event and the obligation is likely to lead to an outflow of funds. Such provisions are stated at the value which can be determined by the best possible estimate at the time the financial statements are prepared. Long-term provisions (provisions to be settled in more than one year) are discounted at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

Current taxes

The income tax expense for the accounting period is calculated from the taxable income using the tax rate enacted and applicable in the Czech Republic and Poland, respectively, for the Polish investment properties. Current income tax assets and liabilities are measured at amounts which are expected to be received from or paid to the respective tax authority.

Deferred taxes

Deferred taxes are recognized on all temporary differences between the tax values of assets and liabilities and their carrying amount in the financial statements. Deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which it can be utilised.

Deferred tax is measured at the enacted tax rates that are expected to apply to the year when the underlying asset or liability will be settled.

Operating lease contracts

The Company has entered into commercial property leases on its investment property portfolio. The Company determined that it retains all significant risks and rewards of ownership of these properties. Therefore, the Company accounts for the leases as operating leases.

Recognition of revenues

Rental income is recognised on a straight-line basis over the term of the lease unless a different method is more appropriate to the existing circumstances. Incentives, such as rent-free periods or reduced rents for a certain period are applied for some tenants in accordance with the lease contracts and recognized on straight line basis.

Income from operating cost charged to tenants is recognized in the period in which the compensation becomes receivables. Service and management charges and other such receipts are included in the revenue gross of the related costs. The Company determined that it does control the services before they are transferred to tenants and therefore that the Company acts rather as a principal in these arrangements.

Dividend income

The Company recognizes dividend income when the shareholder's right to receive payment is established.

New and amended standards in 2021

The amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 that were applicable for the first time on 1 January 2021 (IBOR Reform Phase 2) and amendments to IFRS 4 (deferral of first-time application of IFRS 9) had no or no material effect on these financial statements.

Standards and interpretations announced, but not yet adopted by the EU

The following changes or revisions to standards and interpretations had been announced as of the balance sheet date, but have not yet been adopted by the EU, and are therefore not applicable:

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Standard/Interpretation [IAS 8.31 (a), 8.31(c)]	Nature of impending change in accounting policy [IAS 8.31 (b)]	Possible impact on financial statements [IAS 8.30 (b); 31 (e)]
<p>Amendments to IAS 12 Income Taxes Deferred Tax related to Assets and Liabilities arising from a Single Transaction</p> <p>(Effective for annual periods beginning on or after 1 January 2023. Early application is permitted)</p>	<p>The amendments narrow the scope of the initial recognition exemption (IRE) to exclude transactions that give rise to equal and offsetting temporary differences – e.g. leases and decommissioning liabilities. For leases and decommissioning liabilities, the associated deferred tax assets and liabilities will need to be recognised from the beginning of the earliest comparative period presented, with any cumulative effect recognised as an adjustment to retained earnings or other components of equity at that date. For all other transactions, the amendments apply to transactions that occur after the beginning of the earliest period presented.</p>	<p>The Company does not expect the Amendments to have a material impact on its financial statements when initially applied.</p>
<p>Amendments to IFRS 10 and IAS 28 Sale or contribution of assets between an investor and its associate or joint venture</p> <p>(Effective date deferred indefinitely. Available for optional adoption in full IFRS financial statements. The European Commission decided to defer the endorsement indefinitely, it is unlikely that it will be endorsed by the EU in the foreseeable future)</p>	<p>The Amendments clarify that in a transaction involving an associate or joint venture, the extent of gain or loss recognition depends on whether the assets sold or contributed constitute a business, such that:</p> <ul style="list-style-type: none"> • a full gain or loss is recognised when a transaction between an investor and its associate or joint venture involves the transfer of an asset or assets which constitute a business (whether it is housed in a subsidiary or not), while • a partial gain or loss is recognised when a transaction between an investor and its associate or joint venture involves assets that do not constitute a business, even if these assets are housed in a subsidiary. 	<p>The Company expects that the amendments, when initially applied, will not have a material impact on the financial statements of the Company as it currently recognises a full gain or loss in statement of comprehensive income. However, the quantitative impact of the adoption of the Amendments can only be assessed in the year of initial application of the Amendments, as this will depend on the transfer of asset or businesses to the associate or joint venture that take place during that reporting period.</p>
<p>Amendments to IAS 1 Presentation of Financial Statements Classification of Liabilities as Current or Non-current</p> <p>(Effective for annual periods beginning on or after 1 January 2023. Early application is permitted)</p>	<p>The amendments clarify that the classification of liabilities as current or non-current shall be based solely on the Company's right to defer settlement at the end of the reporting period. The company's right to defer settlement for at least 12 months from the reporting date need not be unconditional but must have substance. The classification is not affected by management's intentions or expectations about whether and when the Company will exercise its right. The amendments also clarify the situations that are considered settlement of a liability.</p>	<p>The Company does not expect the Amendments to have a material impact on its financial statements when initially applied.</p>
<p>Amendments to IAS 1 Presentation of Financial Statements and IFRS</p>	<p>The amendments to IAS 1 require companies to disclose their material</p>	<p>The Company does not expect the Amendments to have a material</p>

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<p>Practice Statement 2 Making Materiality Judgments</p> <p>(Effective for annual periods beginning on or after 1 January 2023 Early application is permitted)</p>	<p>accounting policy information rather than significant accounting policies.</p>	<p>impact on its financial statements when initially applied.</p>
<p>Amendments to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors</p> <p>(Effective for annual periods beginning on or after 1 January 2023 Early application is permitted)</p>	<p>The amendments introduced a definition of ‘accounting estimates’ and included other amendments to IAS 8 clarifying how to distinguish changes in accounting policies from changes in estimates. The distinction is important as changes in accounting policies are generally applied retrospectively while changes in estimates are accounted for in the period in which the change occurs.</p>	<p>The Company does not expect the Amendments to have a material impact on its financial statements when initially applied.</p>
<p>Amendments to IFRS 16 Leases COVID-19-Related Rent Concessions beyond 30 June 2021</p> <p>(Effective for annual periods beginning on or after 1 April 2021. Earlier application is permitted, including in financial statements not authorised for issue at 31 March 2021)</p>	<p>The amendments extend by one year the application period of the optional practical expedient that simplifies how a lessee accounts for rent concessions that are a direct consequence of COVID-19. The original expedient was issued in May 2020 and has been applied by the Company in its financial statements for 2021</p>	<p>The Company does not expect the Amendments to have a material impact on its financial statements when initially applied.</p>
<p>Amendment to IAS 16 Property, Plant and Equipment Property, Plant and Equipment – Proceeds before Intended Use</p> <p>(Effective for annual periods beginning on or after 1 January 2022 Early application is permitted)</p>	<p>The amendments to IAS 16 require that the proceeds from selling items produced while bringing an item of property, plant and equipment to the location and condition necessary for it to be capable of operating in the manner intended must be recognised, together with the cost of those items, in profit or loss and that the entity must measure the cost of those items applying the measurement requirements of IAS 2.</p>	<p>The Company does not expect the Amendments to have a material impact on its financial statements when initially applied.</p>
<p>Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets Onerous Contracts – Cost of Fulfilling a Contract</p> <p>(Effective for annual periods beginning on or after 1 January 2022 Early application is permitted)</p>	<p>In determining costs of fulfilling a contract, the amendments require an entity to include all costs that relate directly to a contract. Paragraph 68A clarifies that the cost of fulfilling a contract comprises both: the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts.</p>	<p>The Company does not expect the Amendments to have a material impact on its financial statements when initially applied.</p>

D. PRINCIPLES OF VALUATION

The financial statements of the Company are prepared on a historical cost basis, except for the following items, which are measured at their fair value (according to IFRS 13) on each reporting date:

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- investment properties;
- investments - shares.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

Use of estimates and judgments

The preparation of the financial statements requires the management to make judgments, estimates and assumptions that affect the application of policies and the reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that the management believes to be reasonable under the circumstances, the results of which form the basis of judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. The actual results may differ from these estimates.

The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Information about significant areas of estimates uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amount recognized in the financial statements are described in Note:

- 1.2 Investment properties
- 1.3 Investments – shares

Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

When measuring the fair value of an asset or a liability, the Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

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E. NOTES TO STATEMENT OF FINANCIAL POSITION – ASSETS

1.1 General information on the financial statements

The accounting period for 2021 is a twelve-month period from 1st January 2021 to 31st December 2021.

All figures are in thousands of euros except when otherwise stated.

The Company's financial statements were approved on 8 March 2022 by the Board of directors.

1.2 Investment properties

Investment properties	Total
Closing balance as of 31st December 2019	259 474
New acquisitions of investment properties and other additions	0
Other additions resulting from capitalised expenditure	4 757
Revaluation	(571)
Balance as of 31st December 2020	263 660
New acquisitions of investment properties	0
Other additions resulting from capitalised expenditure	3 779
Revaluation	2 741
Balance as of 31st December 2021	270 180

The market value of the properties assigned as collateral for external financing totals to TEUR 263,660 as of 31st December 2020 and TEUR 270 180 as of 31st December 2021.

As at 31st December 2021, the Company has contracts with third parties and is consequently committed to future capital expenditure or repair in respect of investment property in amount of TEUR 372.

The current occupancy rate of the total portfolio is approximately 80 %. The total rentable area amounts to approximately 121,000 sqm.

Investment property is remeasured at fair value, which is the estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's-length transaction after proper marketing and where the parties had acted knowledgeably, prudently and without compulsion. The expert valuations are carried out once a year by independent real estate valuation experts for the purpose of preparing the annual financial statements as at 31 December. The experts apply income valuation method (specifically hard-core top-slice method) which is based on discounted cash flow approach and uses current and market rental income and yields obtained by direct or indirect comparison with sales of comparable real estate in the market for the calculation (Level 3 of fair value hierarchy). The valuations are carried out in accordance with the standards defined by the Royal Institution of Chartered Surveyors (RICS) unless another method is more appropriate. The valuation experts are provided with the necessary information, such as current rentals, rentable space, current vacancy etc. by the Company. The experts also make estimates, among others, for the future occupancy, future rental income, scheduled investments and yields. The final valuation is reviewed and approved by the Company's management.

For all investment property that is measured at fair value, the current use of the property is considered the highest and best use.

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The significant unobservable inputs used in fair value measurement categorized as level 3 of the fair value hierarchy of the Company's investment properties are:

- Equivalent yields
- Estimated rental value

The applied yields for valuation ranges from 5.16% to 7.70% (from 5.16% to 7.95% in 2020, respectively). Rental levels vary between EUR 5 and EUR 26 per sqm per month.

A change in the underlying inputs can therefore lead to fluctuations in the value of a property. An increase of rental income by 2.5% respectively 5% and unchanged yield will lead to an increase of the value of the properties by TEUR 5,660 respectively TEUR 11,307. On the other side a decline of rental income would lead to an according reduction in the asset values. In case of a yield increase by 0.25% respectively 0.5% and leaving the rental income unchanged the values of the properties would decrease by TEUR 11,322 respectively TEUR 21,781. A yield decrease would result in the opposite effect, namely accordingly higher asset values.

Combination of changes in rental income as well as yield changes and subsequent fair value of the property are shown in the table below.

		Relative change in rental income				
		-5.00%	-2.50%	0.00%	2.50%	5.00%
Relative yield changes	-0.50%	283 426	289 702	295 978	302 247	308 516
	-0.25%	270 618	276 569	282 519	288 464	294 408
	0.00%	258 885	264 539	270 180	275 840	281 487
	0.25%	248 095	253 476	258 858	264 233	269 608
	0.50%	238 138	243 269	248 399	253 524	258 649

The table contains rounded figures.

The management of the Company did not make any adjustments to the external valuation and the carrying amounts of investment properties fully correspond to their values determined by the external valuation experts as at 31 December 2021 respectively as at 31 December 2020.

1.3 Investments – shares

Subsidiary	Field of activity	Country of operation	Equity share		Investment			
			2021	2020	2021	Changes	Revaluations	2020
HUN BM Kft.	rental properties	Hungary	100 %	100 %	4 829	0	354	4 475
SK BM s.r.o.	rental properties	Slovakia	100 %	100 %	23 074	0	1 746	21 328
EBC s.r.o.	rental properties	Slovakia	100 %	100 %	12 050	0	241	11 809
Atrium Tower Sp. z o.o.	rental properties	Poland	100 %	100 %	21 929	0	(1 451)	23 380
KKB Real Estate SIA	rental properties	Latvia	100 %	100 %	20 453	1 000	2 159	17 294
NNC Real Estate Sp. z o.o. (formerly HYMEL Sp. z o.o.)	rental properties	Poland	100 %	0 %	20 005	20 005	0	0
Total					102 340	21 005	3 049	78 286

The shares in HUN BM Kft., SK BM s.r.o., EUROPEUM Business Center s.r.o., Atrium Tower Sp. z o.o., KKB Real Estate SIA and NNC Real Estate Sp. z o.o. are pledged in favor of the subsidiaries' creditors.

As the subsidiaries of the Company represent the property-holding companies, the adjusted net asset method for the determination of the fair value of the investment was applied. This method involves deriving the fair value of the subsidiaries' equity by reference to the fair value of its assets and liabilities. The fair value of the properties held by the subsidiaries was determined under the same valuation method and process as for the

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investment property held directly by the Company. The Company applied the relevant adjustments considering the historical and current market transaction for the determination of the deferred tax liabilities of the subsidiaries.

The applied yields for valuation of the properties held by the subsidiaries ranges from from 5.05% to 7.55%. (from 5.70% to 8.10% in 2020, respectively).

The table below illustrates the sensitivity of the property value (respectively valuation of shares) to a change in rental income and yield for properties held by the subsidiaries

		Relative change in rental income				
		-5.00%	-2.50%	0.00%	2.50%	5.00%
Relative yield changes	-0.50%	154 113	157 390	160 666	163 943	167 219
	-0.25%	147 847	150 966	154 085	157 204	160 322
	0.00%	142 063	145 036	148 010	150 983	153 957
	0.25%	136 705	139 545	142 384	145 223	148 063
	0.50%	131 729	134 444	137 159	139 874	142 590

1.4 Loans to group companies

In 2021, the Company provided a new loan 3 to the subsidiary KKB Real Estate SIA in total amount of TEUR 7,000. The loan was repaid during the accounting period.

Loan	Currency	Signed on	Principal amount	Already repaid principal		Interest rate
				2021	2020	
Loan 2	EUR	12.12.2019	3 000	750	-	2,35 %
Loan 3	EUR	8.6.2021	7 000	7 000	-	2,05 %

The agreed interest rate for both Loans is fixed and is calculated quarterly based on actual/360 days method. For Loan 2, one-off repayment was agreed 4 years after the loan was drawn down, however the borrower is entitled to repay the loan on request. In 2021, part of principal of loan 2 was repaid. Loan 3 was repaid in a one-off repayment in 2021.

The Loans were both classified as measured at amortized cost as both conditions are met: (i) it is the Company's business model to hold the Loans to collect contractual cash flows and (ii) the contractual terms of the Loans give rise to cash flows solely to payments of principal and interest. With respect to the interest payments, the Company believes that these payments represent consideration for time value of money and for the credit risk associated with the Loans only.

1.5 Trade receivables

The opening balance represents trade receivables in the gross amount of TEUR 1,355 (most not due on 31st December 2020) including advance payments in the amount of TEUR 40. The closing balance represents trade receivables in the gross amount of TEUR 893 (most not due on 31st December 2021) including advance payments amounting to TEUR 28.

An impairment is recognised for receivables that are past due, and all uncollectible receivables had been adjusted accordingly as of the reporting date. Change in the impairment is recognized in the statement of comprehensive income in the line "Operating expenses".

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Age structure of trade receivables as of 31st December

Age structure	2021		2020		2021	2020
	Acquisition costs total	Impairment	Acquisition costs total	Impairment	Net book value	
before due date	610	(232)	745	0	378	745
1 - 30 days	108	(7)	182	(27)	101	155
31 - 180 days	40	(25)	136	(70)	15	66
181 - 360 days	74	(53)	203	(3)	21	200
overdue more than 1 year	61	(55)	89	(72)	6	17
Total	893	(372)	1 355	(172)	521	1 183

1.6 Other receivables

Other receivables	2021	2020
Estimated receivables	155	130
Other receivables	200	600
Total	355	730

The closing balance of other receivables includes outstanding dividend payments in the amount of TEUR 200 in 2021, respectively TEUR 600 in 2020.

The closing balance as well as the opening balance of estimated receivables represents estimates for not yet invoiced service charges and operating expenses.

1.7 Cash and cash equivalents

Cash and cash equivalents include the credit bank balances of bank accounts in the amount of TEUR 17,966 as of 31st December 2021 and TEUR 9,336 as of 31st December 2020, respectively. The Company has bank accounts with prestigious banking institutions, where no risk is expected. The Company has no cash on hand.

The Company has no restricted cash.

1.8 Accrued assets

Accrued assets	2021	2020
Pre-paid expenses	858	878
Total	858	878

The Company records the pre-paid expenses which are mainly represented by accrued expenses for easement for using surrounding land for parking.

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F. NOTES TO STATEMENT OF FINANCIAL POSITION – EQUITY AND LIABILITIES**2.1 Share capital**

Type of shares	Number as of		Nominal value	Unpaid
	2021	2020		
registered	28 487 pcs.	25 013 pcs.	200 CZK	0 CZK

As of 31st December 2021, the Share capital of the Company as recorded in the Commercial Register totalled to TCZK 5,697 (TEUR 221) and consisted of 28,487 shares with a nominal value of CZK 200 per share. All shares are fully paid in and authorised.

All shares are voting shares.

2.2 Other reserves

Other reserves	2021	2020	Distribution possibility
Capital reserve	196 396	162 553	Yes
Transaction reserve	41 431	41 431	Yes
Total	237 827	203 984	

As a result of the revaluation associated with mergers carried out in previous periods, the transaction reserve was identified. It represents an item of equity with the possibility of distribution.

The balance of capital reserve was increased by the issuing of new shares in the amount of TEUR 33,843.

2.3 Retained earnings

The balance of Retained earnings was increased by distribution of 2020 profit in the amount of TEUR 1,105 (2020: TEUR 6,233) to TEUR 21.960 (2020: TEUR 20,855).

2.4 Interest bearing liabilities - loans

The structure of the loans is as follows:

Loans	2021			2020		
	Principal amount	Interest accrued	Total	Principal amount	Interest accrued	Total
Bank loans	27 439	0	27 439	30 357	0	30 357
Loans - group companies	32 478	0	32 478	33 577	0	33 577
Total	59 917	0	59 917	63 934	0	63 934
thereof: short-term	4 129	0	4 129	10 261	0	10 261
thereof: long-term	55 788	0	55 788	53 673	0	53 673

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As of 31st December 2021 the terms of interest-bearing liabilities are as follows:

Loan	Currency	Signed on	Principal amount	Outstanding principal		Due date	Interest rate
				2021	2020		
Investment Loan 1	EUR	29.11.2011	48 082	11 046	13 045	31.12.2026	4.05%
Investment Loan 2	EUR	19.12.2013	9 000	6 245	6 639	31.12.2025	3.95%
Investment Loan 3	EUR	7.10.2016	24 000	20 857	21 481	30.6.2026	2.30%
Investment Loan 4	EUR	25.7.2018	9 665	8 844	9 144	31.12.2030	2.50%
Investment Loan 5	EUR	9.4.2019	14 500	12 925	13 625	31.3.2029	2.55 %
Total				59 917	63 934		

The agreed interest rate for all Investment Loans is fixed except for the part of bank creditor with whom a variable interest rate was agreed on (Loan 1 and 2). For this purpose an interest rate swap was entered into to fix the variable interest rate. The interest is calculated quarterly on the basis of actual/360 days method, resp. semi-annually on the basis of 30/360 days in case of Investment Loan 4. The principal amount repayments are to be made quarterly started on 31st December 2012 (Loan 1), on 30th June 2014 (Loan 2), on 31st December 2016 (Loan 3), semi-annually started on 30th June 2019 (Loan 4) and quarterly started on 31st December 2019 (Loan 5).

During the accounting period, a breach of covenants (DSCR) related to Loan 2 and Loan 5 occurs/occurred. The breach was accepted by the creditors before the end of the balance sheet date.

As security for the loans the Company provides the following collaterals:

- Mortgage on the land or the land and building
- Pledge of receivables (from rental agreements, insurance contracts etc.)
- Pledge of bank accounts (accounts for rental payments)

The following table summarizes the carrying amounts of assets pledged as collateral:

Assets pledged as collateral	2021	2020
Investment properties	270 180	263 660
Trade receivables from rental incomes	759	1 007
Cash and cash equivalents	15 670	5 690

2.5 Interest bearing liabilities - bonds

On 26th November 2014 the Company issued two bonds in the nominal amount of TEUR 32,000 and TEUR 13,000. The bonds bear interest at a fixed rate. Interest on bonds shall be payable semi-annually on 26th May and 26th November of each year. Part of the nominal value is redeemed semi-annually at the same date as interest. Unless redeemed early or repurchased by the issuer, the bonds shall be fully repaid on 26th November 2034.

The bonds are bearer securities in book-entry form with the nominal amount of TEUR 100 each.

The Company's obligations under the bonds are secured by a first-ranking mortgage over the real estate Jasna and Libra in Poland and Burzovní Palác in the Czech Republic.

Bonds issued	Currency	ISIN	Nominal value	Maturity	Issue price	Number of notes	Coupon
Bond Prague	EUR	CZ0003704298	13 000	26.11.2034	100.8 %	130	3.95 % p.a.
Bond Warsaw	EUR	CZ0003704280	32 000	26.11.2034	101.1 %	320	4.05 % p.a.

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The carrying amount of bonds amounts to TEUR 32,674 in 2021 (TEUR 34,650 in 2020). This value includes the short-term part in the amount of TEUR 2,030 in 2021 (TEUR 1,970 in 2020) and the accrued interests of TEUR 124 in 2021 (TEUR 131 in 2020). The effective interest rates do not differ significantly from the coupon rates.

Assets pledged as collateral	2021	2020
Investment property	100 748	99 798

2.6 Other payables, non-current part

The other payables, non-current part includes long-term security deposits of tenants and long-term retentions amounting to TEUR 1,636 respectively TEUR 1,674 for 2020.

2.7 Trade payables

The position is made up of unpaid invoices for provision of services and advance payments for services from tenants. The detailed information is shown in the following tables:

Trade and other payables	2021	2020
Accounts payable – inland	467	342
Accounts payable – foreign	60	113
Advanced payments	145	122
Total	672	577

Age structure of accounts payable as of 31st December

Age structure	2021			2020		
	Accounts payable - inland	Accounts payable – foreign	Advanced payments	Accounts payable - inland	Accounts payable – foreign	Advanced payments
before due date	400	40	145	269	9	122
< 30 days	66	6	0	34	58	0
<60 days	0	0	0	0	19	0
<90 days	0	6	0	0	23	0
<120 days	0	0	0	0	0	0
overdue more than 120 days	1	8	0	40	4	0
Total	467	60	145	342	113	122

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2.8 Provisions

Provisions	Other provisions	Total
	2020	174
Use	0	0
Release	106	106
Creation	587	587
Effect of FX variance	1	1
	2021	656
thereof: short-term	656	656
thereof: long-term	0	0

Other provisions relate to VAT cost related to the planned donation of a part of investment property in the BB C Building C, s.r.o. to the city of Prague and to costs related to the pre-lease agreements.

2.9 Accrued liabilities

Accrued liabilities	2021	2020
Accrued revenues	1 250	1 242
Total	1 250	1 242

The accrued revenues represent rent and service charges revenue invoiced in advance.

2.10 Tax receivables and liabilities, current and deferred

Deferred tax is recognized on all temporary differences between the tax values of assets and liabilities and their carrying amounts.

Tax receivables and payables	2021	2020
Value added tax	(185)	(171)
Income tax on ordinary activities - due	(160)	(8)
Deferred tax	(21 413)	(20 618)
Total	(21 758)	(20 797)

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2.11 Other payables, current part

Other payables, current part	2021	2020
Estimated payables	1 110	1 801
Other payables	341	208
Total	1 451	2 009

For the breakdown of Estimated payables refer to table below:

Estimated payables	2021	2020
Service charges, media, repairs related to investment properties	949	1 615
Other consultancy	11	30
Accounting	26	45
Legal consulting	1	44
Tax advisory	17	18
Audit	18	12
Interests from loans	13	13
Other services	75	24
Total	1 110	1 801

The other payables represent mainly short-term retention in the amount of TEUR 341, respectively TEUR 208 in 2020.

2.12 Contingent liabilities

The Company provided guarantees to its subsidiaries valid during the life of the loans in order to secure the loans granted to these subsidiaries. The carrying amount of the guarantees is TEUR 5,020 and TEUR 6,024 as of 31st December 2021 and 31st December 2020, respectively. Further the loans of SK BM and HUN BM are secured by pledge of shares in the carrying amount of TEUR 27,903 and TEUR 25,803 in 2021 and in 2020, respectively.

The underlying loans for which the guarantee was granted have the following maturity:

Underlying loans	1 year	1 - 5 years	more than 5 years
Interest bearing liabilities SK BM & HUN BM	1 004	4 016	0

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2.13 Financial instruments

The values of financial assets and liabilities are as follows:

Financial instruments	2021		2020	
	carrying amount	fair value	carrying amount	fair value
Financial assets:				
Shares	102 340	102 340	78 286	78 286
Loans to group companies	2 250	2 250	3 000	3 000
Trade receivables	521	521	1 183	1 183
Other receivables	355	355	730	730
Cash and cash equivalents	17 966	17 966	9 336	9 336
Total	123 432	123 432	92 535	92 535
Financial liabilities:				
Loans, non-current part	55 788	56 593	53 673	54 846
Loans, current part	4 129	4 129	10 261	10 261
Bonds issued, non-current part	30 520	32 750	32 549	36 219
Bonds issued, current part	2 154	2 154	2 101	2 101
Tax liabilities	345	345	179	179
Trade payables	672	672	577	577
Other payables, non-current part	1 636	1 636	1 674	1 674
Other payables, current part	1 451	1 451	2 009	2 009
Total	96 695	99 730	103 023	107 866

Shares are originally valued at their acquisition cost and consequently revaluated at fair value. The appraisal is based on other observable inputs such as applied yield (Level 3 of fair value hierarchy). As the subsidiaries of the Company represent the property-holding companies, the adjusted net asset method for the determination of the fair value of the investment was applied.

Trade and other receivables are generally considered to be carried net of any necessary valuation adjustments and are short-term instruments. For this reason, the carrying amount reflects the fair value. The same applies to cash and cash equivalents.

The fair value of the loans and bonds was determined based on discounted cash flow calculation. The calculation is based on other observable inputs such as applied interest rates (Level 3 of fair value hierarchy).

Trade and other payables are considered to be current and the carrying amount reflects the fair value.

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G. NOTES TO STATEMENT OF COMPREHENSIVE INCOME

3.1 Rental income and operating costs

The Company generates rental income and income from operating costs charged to tenants in connection with investment property:

Revenue	2021	2020
Rental income	15 782	13 328
Operating costs charged to tenants	2 724	2 704
Total	18 506	16 032

Rental income and operating costs charged to tenants in amount of TEUR 11,546 (2020 – TEUR 10 785) related to the investment properties located in the Czech Republic and TEUR 6,960 (2020 – TEUR 5 247) related to the investment properties located in Poland.

The Company has entered into operating lease agreements with business tenants on its investment properties. The lease agreements are denominated in euros and linked to the inflation rate. Future minimum rental income under non-cancellable operating leases as of 31st December is as follows:

Future minimum rental income	2021	2020
Not later than one year	13 735	13 840
Between 1 and 5 years	33 732	46 451
More than 5 years	16 959	14 429

3.2 Operating expenses

Operating expenses represent direct operating expenses arising from the investment property and are mainly recharged to tenants.

Operating expenses	2021	2020
Energy consumption	1 177	1 181
Repairs	1 026	590
Other service charges	243	162
Property and asset management	332	321
Easement	60	72
Real estate tax	195	199
Legal and other consultancy	30	83
Security	659	629
Insurance	108	107
Brokerage fee	72	78
Facility management	30	30
Valuation adjustment of receivable	200	99
Other	431	256
Total	4 563	3 807

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3.3 Other operating income

Other operating income	2021	2020
Other income	24	0
Total	24	0

3.4 Indirect expenditures

Indirect expenditures	2021	2020
Management fee	570	556
Administration fees	193	163
Audit and legal fees	37	24
Bank charges	56	36
Other services	6	4
Total	862	784

Investment management fees are represented by the management fee of VIG AM Real Estate, a.s. in the amount of TEUR 570 and TEUR 556 in 2021 and 2020, respectively.

The fees of TEUR 28 and TEUR 22 were charged by KPMG Česká republika Audit, s.r.o. for audit of the Company's financial statements for year 2021 and 2020, respectively. There were no other services provided by auditor to the Company in these years.

3.5 Dividend income

Dividend income represents the revenue from long-term financial assets. The share of profit from SK BM s.r.o. amounted to TEUR 200 in 2021 and TEUR 400 in 2020, the share of profit from EUROPEUM Business Center s.r.o. amounted to TEUR 200 in 2020 and the share of profit from Atrium Tower Sp. z o.o. amounted to TEUR 751 in 2020.

3.6 Interest expenses

Interest expenses amounted to TEUR 3,193 and TEUR 3,411 in 2021 and 2020, respectively. Thereof TEUR 2,191 and TEUR 2,298 relate to interest to related parties in 2021 and 2020, respectively. The balance also includes the interest expenses from the bonds issued in the amount of TEUR 1,361 and TEUR 1,439 in 2021 and 2020, respectively.

For further information see also 2.4 and 2.5 Interest bearing liabilities.

3.7 Foreign currency gain/loss

Foreign currency gain/loss (+/-) amounts to TEUR (20) and TEUR 71 in 2021 and 2020, respectively.

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3.8 Income tax

The following table shows details on income tax:

Corporate income tax	2021	2020
Income tax on ordinary activities - due	816	412
Income tax on ordinary activities - deferred	795	1 405
Total	1 611	1 817

The following table shows details on movement in deferred tax balances:

Movement in deferred tax balances	Net balance at 1 January	Recognised in profit or loss	Net balance at 31 December
2020			
Investment properties	(18 357)	(1 961)	(20 318)
Other	(865)	556	(300)
Net tax assets (liabilities)	(19 213)	(1 405)	(20 618)
2021			
Investment properties	(20 318)	(214)	(20 532)
Other	(300)	(581)	(881)
Net tax assets (liabilities)	(20 618)	(795)	(21 413)

The following table explains the relationship between accounting profit and tax expense:

Income tax	2021	2020
Net result before tax	16 059	8 800
Corporate income tax rate	19%	19%
Expected tax	3 051	1 672
Tax reconciliation:		
Non-taxable income	(71)	(296)
Non-taxable expense	226	134
Revaluation of shares	(579)	(89)
Other adjusting items	(1 016)	396
Income tax without influence of tax rate changes	1 611	1 817
Effective tax rate in %	10%	21%
Tax rate changes	0	0
Income tax total	1 611	1 817

Other adjusting items result mainly from the translation of transactions in foreign currencies to the functional currency of the Company.

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3.9 Related party information

Transactions with related parties are carried out at arm's length conditions.

Transactions with the related parties	2021	2020
STATEMENT OF FINANCIAL POSITION		
Accrued assets	47	41
Accrued liabilities	0	(6)
Interest bearing liabilities - loans	(32 478)	(33 577)
Bonds and interests	(32 474)	(34 496)
Trade payables	0	(1)
STATEMENT OF COMPREHENSIVE INCOME		
Indirect expenditures	(573)	(560)
Operating expenses	(1)	(1)
Interest expenses	(2 191)	(2 298)
Insurance paid	(108)	(107)

The Company has six subsidiaries: SK BM s.r.o., HUN BM Kft., EUROPEUM Business Center s.r.o., Atrium Tower Sp. z o. o., KKB Real Estate SIA and NNC Real Estate Sp. z o. o.

Transactions with the subsidiaries	2021	2020
STATEMENT OF FINANCIAL POSITION		
Loans to group entities	2 250	3 000
Other receivables	200	600
STATEMENT OF COMPREHENSIVE INCOME		
Dividend income	200	1 351
Other financing revenues	76	76
Interest income	98	110

Beside the above mentioned the Company does not record any further related party transactions.

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H. ASSESSMENT OF COVID-19'S IMPACT

The outbreak of the COVID-19 pandemic and the measures adopted by governments in countries worldwide to mitigate the pandemic's spread have impacted the Company. The impact of pandemic is incorporated in the Company's financial statements as at and for the year ended 31 December 2021.

The Company's management considered the potential effects of COVID-19 on its activities and business and has concluded that there are no material uncertainties that may cast significant doubt on its ability to continue as a going concern. Management continues to have a reasonable expectation that the Company has adequate resources to continue in operation and that the going concern basis of accounting remains appropriate. The Company reports the sufficient level of the liquidity. The management incorporated the relevant measurements to reduce the negative impact of COVID-19 on the Company.

I. INFORMATION ON RISKS, RISK PROFILE**Credit risk**

Credit risk is the risk that an issuer or a counterparty fails to keep their obligations resulting in the financial loss of the Company – The credit risk should be primarily based on the failure by entities with payments to the Company to fulfil their obligations.

The Company primarily minimises those risks by screening its counterparties, by setting the limits on the amounts of receivables due from individual counterparties and by appropriate contractual arrangements.

The maximum credit risk represents the amounts reported under financial assets in the statement of financial position.

The following table summarizes the Company's exposure to credit risk:

Credit risk	Trade receivables		Loans to group companies		Cash and cash equivalents	
	2021	2020	2021	2020	2021	2020
Gross balance, out of which:	893	1 355	2 250	3 000	17 966	9 336
- Past due, not impaired	144	438	0	0	0	0
- Neither past due, nor impaired	377	745	0	0	17 966	9 336
- Impaired receivables	372	172	0	0	0	0
Impairment, out of which	(372)	(172)	0	0	0	0
- Specific allowance	(372)	(172)	0	0	0	0
- General allowance	0	0	0	0	0	0
Total	521	1 183	2 250	3 000	17 966	9 336

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Liquidity risk

Liquidity risk is the risk that financial liabilities cannot be settled at the time they are payable. An important aspect in managing of the liquidity risk is to secure necessary cash position to be able to pay the Company's financial liabilities when they are due. The Company manages its liquidity position by monitoring expected and actual cash inflows and outflows on a regular basis. Further the Company maintains cash and liquid deposits to meet the unexpected liabilities.

The following table shows the contractually agreed repayments of financial liabilities (excluding interests):

Liquidity risk	1 year		1 - 5 years		more than 5 years		Total	
	2021	2020	2021	2020	2021	2020	2021	2020
Interest bearing liabilities	6 283	12 232	47 850	24 062	38 458	62 291	92 591	98 584
Trade payables	672	577	0	0	0	0	672	577
Other payables	1 451	2 009	1 636	1 674	0	0	3 087	3 683
Total	8 406	14 818	49 486	25 736	38 458	62 291	96 350	102 844

Currency risk

Currency risk is a subset of market risk when the value of assets and liabilities is denominated in a foreign currency and may be affected by a change in the exchange rate.

The inflow of rental income, the interest-bearing liabilities, as well as other business transactions of the Company, are denominated in euro, which is the Company's functional currency. Inflows from service charges are generated in CZK or PLN, but the related costs are also denominated in CZK or PLN. Therefore, the Company has no significant currency risk exposure.

The following table summarizes the Company's exposure to currency risk:

Currency risk	Assets		Liabilities		Net exposure	
	2021	2020	2021	2020	2021	2020
CZK	1 924	1 483	3 744	3 363	(1 820)	(1 879)
PLN	1 244	1 004	384	419	860	585
Total	3 168	2 488	4 128	3 782	(960)	(1 294)

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The agreed interest rate for the Interest bearing liabilities – bonds and loans is fixed except for the part of bank creditor with whom a variable interest rate was agreed on (refer to point 2.4 Interest bearing liabilities – loans). To hedge against interest rate risk the Company entered into an interest rate swap. The Company considered the swap as embedded derivative as it constitutes one unit with underlying financial instrument. Due to this fact the interest rate risk is mitigated by the Company.

Market risk and property-specific risk

The value of investment may decrease or increase, with the return on the initially invested amount not guaranteed. Given possible unforeseeable deviations on financial and real estate markets, the Company cannot guarantee achieving the targets set. A previous performance of the Company does not guarantee the same performance in a future period.

Risks associated with the economic development - The Company's investments may be susceptible to economic slowdowns or recessions, which could lead to financial losses and a decrease in revenues, earnings and assets. An economic slowdown or recession, in addition to other economic and non-economic factors such as an excess supply of properties, low inflation etc. could have a negative impact on the values of the Company's investments.

Risk of the unstable present value of the securities issued by the Company, due to the asset structure or the method of managing the Company's assets – The volatility of the real estate market and other liquid assets may

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also lead to the volatility of the value of the Company's shares. For further information on the impact of the covid pandemic see also chapter H.

Market risks, arising from the effect of changes of the overall market developments on the prices and values of the individual types of the Company's assets – The development of exchange rates, interest rates, credit spreads and, where appropriate, other market indicators always have an impact on the value of assets in general. The degree of this influence depends on the exposure of the Company's assets to those risks (such as the payment of rent in euro, a change in the market value of a bond at the time of an interest rate change, etc.).

Settlement risk – This risk primarily consists of counterparty's failure when a transaction should be settled. These risks are primarily minimised by selecting credible counterparties, by settling investment instrument transactions within reliable settlement systems and, if real estate asset transactions are involved, by using quality legal institutes to govern such transactions.

Risk of insufficient liquidity, based on a certain asset of the Company not being encashed in time at a reasonable price – Given the nature of the real estate market, which may make up a substantial portion of the Company's assets, the Company needs to point out that encashing an immovable property in an effort to obtain the best price requires time. In an extreme scenario, the liquidity risk may lead to a liquidity crisis.

Currency risk, where the value of an investment may be affected by a change in the exchange rate – Currency risk is a subset of market risks, which are described above.

Risk associated with the Company's investment specialisation in certain industries, countries or regions, other parts of the market or certain types of assets – The investment specialisation of the Company in the immovable property in countries in which VIG Group operates or intends to operate involves a systematic risk, when the development in this sector influences a significant portion of the Company's portfolio. This systematic risk is addressed by diversification, i.e. the distribution of investments.

Concentration risk - The Company operates exclusively in the real estate business and its economic results are dependent on continued existence of tenants willing and being able to pay the rent for their leases. A considerable part of the Company's portfolio is of the same usage (retail – single tenant), which leads to a concentration risk. Acquisitions of multi-tenant properties with different usage and disposal of some retail properties resulted in a decline of the concentration risk already in the past and will be further reduced by additional acquisitions, leading to a higher degree of diversification. Concentration risk may also arise from the focus of the Company's investments in one country in case the economic situation of this region weakens.

Risks associated with the defects or damage of investment property – Investment property may be affected by defects, for example by hidden defects or defects that occur after a longer period of time. Further, a considerable damage to the real estate caused by natural disasters or other unforeseeable events could occur. This might lead to the necessity of sudden repair works and may, consequently, result in a significant decrease of the real estate market value. This risk may be reduced by (i) hiring good construction supervisors, (ii) contractual liability for defects, (iii) by ensuring that the warranty and post-warranty service is of a good quality and (iv) by proper insurance policy.

Risks associated with the acquisition of foreign immovable property – For foreign immovable property, the Company needs to point out political risks, economic risks or risks of legal instability. These risks may particularly lead to the occurrence of unfavourable conditions in respect of using (selling) the immovable property, for example because of foreign or legal restrictions, economic recession or, in the extreme scenario, nationalisation or expropriation.

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J. SUBSEQUENT EVENTS

In February 2022, a military conflict began between Russia and Ukraine. In this context, many European Union and other countries have imposed sanctions on Russia, the scope of which is constantly changing. The Company treats this situation as a non-adjusting event after the reporting date. We are monitoring the situation closely and based on our current position, it will not have a significant negative impact on our operations. Due to the uncertain and rapidly evolving situation, we do not consider it appropriate to make a quantitative assessment of the potential impact of the military conflict on the company and its financial performance.

No other significant events that could have a significant impact on the financial position of the Company incurred between the financial statement date and the date of financial statements approval.

8 March 2022



.....
DI Caroline Mocker



.....
Ing. Luděk Marek