



**FACTORING S**  
České spořitelny

**Annual Report 2023**

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# Foreword by the Chairman of the Board of Directors

Dear Ladies and Gentlemen,

the year 2023 will go down in history as a period during which we were compelled to face numerous challenges arising from the developments in the domestic economy as well as the external world. Despite the negative external influences, this year will be recorded in the history of Factoring České spořitelny as a successful. We excelled in effectively supporting our clients' businesses and enhancing their financial health. Our company continued to achieve excellent business and financial results in 2023, thanks to a functional medium-term strategy focused on comprehensive financing of supplier-customer relationships embodied in Supply Chain Financing. Supply Chain Financing is tailor-made for each individual client - large international company or a small or medium-sized company. The long-term close business cooperation with the parent bank, the comprehensive risk management system and the effective use of the most modern technologies supported the success of current year.

Factoring České spořitelna has long been one of the largest factoring companies in the Czech market for, and with its level of equity, it is also an important member of the Financial Group of České spořitelny. We once again achieved excellent results in terms of the total volumes of transferred receivables, the amount of value financed to our clients and in non-recourse factoring, thanks to which we minimize customer risk for our clients and help them to optimize their working capital. **The business turnover of our company amounted to CZK 83.8 billion, thus repeating an almost identical result from 2022.** Despite the further growth of the client portfolio, the value of purchased and financed receivables was affected by several external factors, primarily the overall year-on-year decline of the Czech economy represented by GDP, high interest rates on the market, stagnation of prices of industrial producers and, last but not least, price fluctuations of selected commodities.

**“We excelled in effectively supporting our clients' businesses and enhancing their financial health.”**



**Karel Nováček**

Chairman of the Board of Directors

Despite the enduring macroeconomic issues which are causing the stagnation of the Czech economy, I strongly believe in the further long-term positive development of the factoring market in the Czech Republic. The growth potential arises from the ratio of factoring financing to GDP, which remains very low in the Czech Republic at just over 4 %, while the European Union average is around 12 %. It can be expected that in the next period accompanied by expected lower interest rates, there will be an increase in firms' investment activity, which logically will lead to higher demand for factoring services. Companies could thus further utilize factoring to optimize working capital and acquire the necessary liquidity.

In 2023, we continued investing in modern technologies, streamlining internal processes, and, last but not least, we consistently adhered to principles of social and environmental responsibility, including ethical conduct. In the long-term, we create equal employment opportunities and promote diversity among employees. All of this helps us in our the long-term growth in a turbulent economic environment.

**“Despite the enduring macroeconomic issues which are causing the stagnation of the Czech economy, I strongly believe in the further long-term positive development of the factoring market in the Czech Republic.”**

I am pleased that at the end of last year, we were able to welcome a new member to our board of directors, Aleš Strýček, who is responsible for the company’s risk management. Aleš will undoubtedly apply his extensive long-term experience gained not only within the Financial Group of Česká spořitelna, thus becoming a welcomed reinforcement to our company’s leadership.

Last but not least, I would like to sincerely thank all our clients and other business partners for their long-term trust and support. I also appreciate the high level of dedication and determination of all employees of our company to adapt to constantly changing conditions and process changes that affect the way they work. I would also like to thank all colleagues in the Financial Group of Česká spořitelna and Erste Group for their excellent cooperation, which was one of the important factors in achieving our excellent results in 2023.



Karel Nováček  
Chairman of the Board of Directors

# Company's Profile

## Company

Factoring České spořitelny, a.s.  
Business Identification Number (IČO): 25629352  
Incorporated by the Municipal Court in Prague, Section B,  
File No. 5075

## Registered Office

Budějovická 1912/64b, 140 00 Praha 4 - Krč

## Date of Incorporation

4 December 1997

## Shareholders

Česká spořitelna, a.s. (100 %)

## Members of the Board of Directors

Karel Nováček, chairman  
Pavel Chlumský, member  
Aleš Strýček, member (since 1. 11. 2023)

## Member of the Supervisory Board

Jan Seger, chairman  
Jan Jašek, vice-chairman  
Roman Pařil, member

## Main field of business / Products

Domestic factoring  
Export factoring  
Import factoring  
Reverse factoring  
Post Financing  
ediFactoring  
Administration, collection and monitoring of receivables

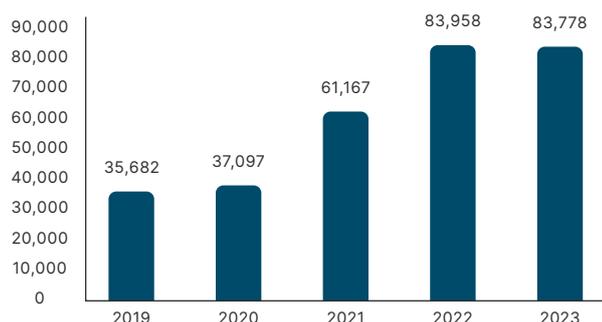
## Membership in associations

Česká leasingová a finanční asociace (ČLFA)  
Asociace faktoringových společností (AFS)  
Factors Chain International (FCI)

## Changes in key financial indicators

In CZK ths.	2019	2020	2021	2022	2023
Assets from client's accounts receivable financing (Total net Current assets)	7,336,285	8,141,314	10,927,063	12,257,531	12,802,395
Share capital	114,000	114,000	114,000	114,000	114,000
Share premium	80,000	80,000	80,000	80,000	80,000
Capital fund	818,400	818,400	818,400	1,218,400	1,218,400
Equity	1,234,354	1,277,617	1,326,421	1,861,655	2,042,542
Added value	81,387	86,066	105,145	119,881	123,060
Profit before tax	58,530	60,328	71,915	176,640	236,871
Profit for the current period	36,321	44,123	49,757	136,264	182,352

## Gross Turnover of Factoring České spořitelny (in CZK mil.)



# Management Report

The Czech economy continued in recession in 2023, as preliminary data on the development of gross domestic product indicated a year-on-year decline of 0.4 %. The performance of the Czech economy thus still did not reach pre-coronavirus pandemic levels. This development was in surprising contrast to the relatively high liquidity of the business sector, which reduced the demand for operational financing and efficient working capital management. For 2024, economists predict moderate growth, continued decline in inflation, and a decrease in the basic interest rate of the Czech crown in the interbank market, which will increase financing opportunities for business entities in all sectors of the economy. With the resumption of investment activities, pressure on resources can be expected, thereby increasing interest in all forms of financing.

However, the factoring market in the Czech Republic, represented by the Association of Factoring Companies, performed better in 2023 than the Czech economy, increasing by 0.9 % to CZK 288 billion. Thanks to its faster growth compared to the entire Czech economy, its overall share of GDP slightly increased again to 4.3 %. However, it still does not reach the levels seen across the European Union, where this indicator averaged 12.6 %. Thus, further growth in the utilization of factoring services in the Czech Republic can be confidently predicted for the coming periods. Of the total factoring volume in 2023, 61 % was attributable to non-recourse factoring compared to 58 % in 2022. This form of receivable assignment transfers the risk of non-payment to the factoring company and is increasingly utilized not only by small and medium-sized companies but also by large international companies that use factoring financing to optimize their working capital.

The total business turnover from the transferred and managed receivables of Factoring České spořitelny reached the value of CZK 83.8 billion, which is a comparable result to the previous year. Although domestic factoring contributes significantly to the company's overall turnover, the long-term growth of export factoring is also pleasing. The further year-on-year growth of non-recourse factoring only confirms the growing interest of companies in covering customer risks, and more and more companies are looking for its off-balance sheet effect.

Factoring České spořitelny is an important subsidiary within the České spořitelny Financial Group, providing long-term financial stability for ongoing financing of cor-

porate clients of various sizes and bringing significant synergistic effects, especially in the area of business, risk management policy and receivables monitoring.

**The sales department** placed emphasis on the further developing business activities, especially in the acquisition area, as well as providing consistent high-quality care for existing factoring clients. The priority remains offering a wide range of Supply Chain Financing programs, professional consulting, utilizing modern tools to show companies real possibilities for efficient optimization of their working capital, and ongoing digitization associated with improving the user experience for clients within the eFactoring application.

**The risk management** department utilizes a comprehensive risk management concept, which is continuously developed to maximize the elimination of emerging credit and operational risks, all in close cooperation with the parent bank. This cooperation is evident in areas such as acquiring new clients, monitoring joint clients and their overall credit exposure, as well as risk assessment and reporting. A practical example of the introduction of new innovations in 2023 is the implementation of a workflow monitoring system, which improves and speeds up internal communication not only within our company but also with Česká spořitelna. Simultaneously, a significant generational update of the company's internal system was carried out, simplifying the processing of large amounts of data. Another significant aspect of the company's strategic management is the continuation of active cooperation with commercial credit insurance companies in the Czech market. The goal of these processes is to eliminate and diversify our own risks, as well as to assist clients in ongoing evaluations of the quality of their customer portfolio, preventing negative impacts of non-standard situations, and minimizing financial losses. We have successfully resolved several complex business cases. Aleš Strýček took over as a member of the board of directors responsible for the risk management of the company from November 1, 2023, continuing his long-standing career in Česká spořitelna.

**The operational departments** ensure smooth execution of ongoing transactions and provide professional service associated with various types of factoring products, both on the client side and on the customer side. The quality work of these departments with the portfolio of assigned receivables not only significantly reduces the company's

own credit and operational risks but at the same time improves liquidity management and the stability of working capital financing for our clients. The professionalism of the operating department staff has a significant impact on client satisfaction with the service provided. This is especially evident in the highly individualized approach to each client and the ability to adjust the core business system of Factoring České spořitelny according to individual client needs. On the other hand, there is constant development and optimization of the core business system, leading to a reduction in administrative work and operational risks. Through continuous development of this system, it is possible to increase the number of managed clients and assigned receivables with the same number of employees in the respective departments.

**The finance department** has been dedicated to cost management, compliance with planned criteria, and ensuring financial flows, both in terms of sources and the provision of financial resources to our clients. It logically contributed to adjustments to the financial models of the factoring system, simplifying its processes, and minimizing internal costs. The department, along with the entire company, is also involved in long-term projects within Česká spořitelna.

**The IT department** is a permanently important link for the smooth functioning of the company. In the course of the year, there was a significant strengthening of user tech-

nology both in terms of HW and SW equipment. BCP / Business continuity plans were tested in practice with regard to the recent lockdown, and the knowledge from the aforementioned was subsequently projected into already existing IT mechanisms, e.g. by moving servers to external data centers. Increasing security is a permanent goal of the IT department, not only with regard to international standards or European Union regulations, but also, of course, for the internal security of not only the company itself, but the entire Česká spořitelna Financial Group. The IT department continues to enable stable technical and technological functioning of the company and thereby contributes not only to the high-quality and safe operation of the company, but also to the company's innovation process in the area of products and technologies.

One of the basic prerequisites for future success remains the company's ability to quickly adapt to ongoing changes in the macro environment and face new challenges associated with the growing and changing needs of clients. Close cooperation with the parent bank Česká spořitelna, quality and professional risk management, an innovative approach using technology and maintaining a high standard of services provided to the company's clients remain other important factors in fulfilling the company's strategy. All of this is in line with the mission of the entire Česká spořitelna Financial Group, which aims to help achieve a more sustainable society built on financially healthy, educated and confident companies.

# Financial Statement

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## *Translation note*

*This version of the financial statements is a translation from the original, which was prepared in the Czech language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the Czech version of the financial statements takes precedence over this translation.*



English translation

## Independent Auditor's Report

To the shareholder of Factoring České spořitelny a.s.

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### Our opinion

In our opinion, the financial statements give a true and fair view of the financial position of Factoring České spořitelny a.s., with its registered office at Budějovická 1912/64b, Krč, 140 00 Praha 4 (the "Company") as at 31 December 2023, and of the Company's financial performance and cash flows for the year ended 31 December 2023 in accordance with Czech accounting legislation.

### What we have audited

The Company's financial statements comprise:

- the balance sheet as at 31 December 2023,
- the income statement for the year ended 31 December 2023,
- the statement of changes in equity for the year ended 31 December 2023,
- the statement of cash flows for the year ended 31 December 2023, and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

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### Basis for opinion

We conducted our audit in accordance with the Act on Auditors and Standards on Auditing of the Chamber of Auditors of the Czech Republic (together the "Audit regulations"). These standards consist of International Standards on Auditing as supplemented and modified by related application guidance. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Independence

We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as adopted by the Chamber of Auditors of the Czech Republic and with the Act on Auditors. We have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Act on Auditors.

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### Other information

The board of directors is responsible for the other information. As defined in Section 2(b) of the Act on Auditors, the other information comprises the annual report but does not include the financial statements and our auditor's report thereon.

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T: +420 251 151 111, [www.pwc.com/cz](http://www.pwc.com/cz)

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Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge about the Company obtained in the audit or otherwise appears to be materially misstated. In addition, we assessed whether the other information has been prepared, in all material respects, in accordance with applicable legal requirements, i.e. whether the other information complies with the legal requirements both in terms of formal requisites and the procedure for preparing the other information in the context of materiality.

Based on the procedures performed in the course of our audit, to the extent we are able to assess it, in our opinion:

- the other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- the other information has been prepared in accordance with the applicable legal requirements.

In addition, in the light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the other information. We have nothing to report in this regard.

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### Responsibilities of the board of directors and supervisory board of the Company for the financial statements

The board of directors is responsible for the preparation of the financial statements that give a true and fair view in accordance with Czech accounting legislation and for such internal control as the board of directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

The supervisory board of the Company is responsible for overseeing the financial reporting process.

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### Auditor's responsibilities for the audit of the financial statements

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

As part of an audit in accordance with the Audit regulations, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors.
- Conclude on the appropriateness of the board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

28 March 2024

PricewaterhouseCoopers Audit, s.r.o.  
represented by Partner

Eva Loulová  
Statutory Auditor, Licence No. 1981

Translation note

This version of our report is a translation from the original, which was prepared in the Czech language. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation of information, views or opinions, the Czech version of our report takes precedence over this translation.

# Balance Sheet

at 31<sup>st</sup> December 2023

## Assets

CZK ths.	31. 12. 2023			31. 12. 2022
	Gross	Allowances	Net	Net
<b>Total assets</b>	<b>13,082,515</b>	<b>(268,964)</b>	<b>12,813,551</b>	<b>12,264,853</b>
<b>B. Fixed assets</b>	<b>38,107</b>	<b>(29,847)</b>	<b>8,260</b>	<b>4,985</b>
<b>B. I. Intangible fixed assets</b>	<b>16,153</b>	<b>(14,347)</b>	<b>1,806</b>	<b>1,855</b>
B. I. 2. Royalties	16,153	(14,347)	1,806	1,855
B. I. 2. 1. Software	15,377	(13,571)	1,806	1,855
B. I. 2. 2. Other royalties	776	(776)	0	0
<b>B. II. Tangible fixed assets</b>	<b>21,954</b>	<b>(15,500)</b>	<b>6,454</b>	<b>3,130</b>
B. II. 2. Movable assets and sets of movable assets	21,954	(15,500)	6,454	3,130
<b>C. Current assets</b>	<b>13,041,512</b>	<b>(239,117)</b>	<b>12,802,395</b>	<b>12,257,531</b>
<b>C. II. Receivables</b>	<b>13,037,259</b>	<b>(239,117)</b>	<b>12,798,142</b>	<b>12,254,752</b>
C. II. 1. Long-term receivables	32,280	0	32,280	34,341
C. II. 1. 4. Deferred tax asset	32,260	0	32,260	34,271
C. II. 1. 5. Other receivables	20	0	20	70
C. II. 1. 5. 2. Long-term advances granted	20	0	20	70
C. II. 2. Short-term receivables	13,004,979	(239,117)	12,765,862	12,220,411
C. II. 2. 1. Trade receivables	13,003,096	(239,117)	12,763,979	12,218,733
C. II. 2. 4. Other receivables	1,883	0	1,883	1,678
C. II. 2. 4. 3. Due from government – tax receivables	497	0	497	497
C. II. 2. 4. 4. Short-term advances granted	1,386	0	1,386	1,181
<b>C. IV. Cash</b>	<b>4,253</b>	<b>0</b>	<b>4,253</b>	<b>2,779</b>
C. IV. 2. Cash at bank	4,253	0	4,253	2,779
<b>D. Prepayments and accrued income</b>	<b>2,896</b>	<b>0</b>	<b>2,896</b>	<b>2,337</b>
D. 1. Prepaid expenses	2,896	0	2,896	2,337

## Equity & Liabilities

CZK ths.	31. 12. 2023	31. 12. 2022
<b>Total Equity &amp; Liabilities</b>	<b>12,813,551</b>	<b>12,264,853</b>
<b>A. Equity</b>	<b>2,042,542</b>	<b>1,861,655</b>
<b>A. I. Share capital</b>	<b>114,000</b>	<b>114,000</b>
A. I. 1. Share capital	114,000	114,000
<b>A. II. Share premium and capital contributions</b>	<b>1,298,400</b>	<b>1,298,400</b>
A. II. 1. Share premium	80,000	80,000
A. II. 2. Capital contributions	1,218,400	1,218,400
A. II. 2. 1. Other capital contributions	1,218,400	1,218,400
<b>A. III. Reserves from profit</b>	<b>9,000</b>	<b>9,369</b>
A. III. 1. Other reserves funds	7,744	7,744
A. III. 2. Statutory and other reserves	1,256	1,625
<b>A. IV. Retained earnings/Accumulated losses</b>	<b>438,790</b>	<b>303,622</b>
A. IV. 1. Retained earnings/accumulated losses	438,790	303,622
<b>A. V. Profit (loss) for the year (+/-)</b>	<b>182,352</b>	<b>136,264</b>
<b>B. + C. Liabilities + Provisions</b>	<b>10,770,226</b>	<b>10,398,878</b>
<b>B. Provisions</b>	<b>4,685</b>	<b>4,685</b>
B. 4. Other provisions	4,685	4,685
<b>C. Liabilities</b>	<b>10,765,541</b>	<b>10,394,193</b>
<b>C. II. Current liabilities</b>	<b>10,765,541</b>	<b>10,394,193</b>
C. II. 2. Liabilities due to financial institutions	6,650,038	6,528,417
C. II. 3. Short-term advances received	560	560
C. II. 4. Trade payables	4,049,485	3,806,326
C. II. 8. Other liabilities	65,458	58,890
C. II. 8. 3. Liabilities to employees	3,502	2,544
C. II. 8. 4. Liabilities for social and health insurance	1,328	1,008
C. II. 8. 5. Taxes and state subsidies payable	32,546	32,372
C. II. 8. 6. Estimated payables	28,082	22,966
<b>D. Accruals and deferred income</b>	<b>783</b>	<b>4,320</b>
D. 2. Deferred income	783	4,320

Prepared on: 26. 3. 2024

Signature of entity's statutory body	Person responsible for accounting	Person responsible for financial statements
		
Karel Nováček	Pavel Chlumský	Lada Jendrichovská

# Income Statement

for the year ended 31<sup>st</sup> December 2023

CZK ths.	Period ended 31. 12. 2023	Period ended 31. 12. 2022
<b>I. Revenue from sale of finished products and services</b>	<b>150,906</b>	<b>144,547</b>
<b>A. Production-related consumption</b>	<b>27,846</b>	<b>24,666</b>
A. 2. Consumption of material and energy	2,238	2,134
A. 3. Services	25,608	22,532
<b>D. Personnel expenses</b>	<b>65,306</b>	<b>58,800</b>
D. 1. Wages and salaries	48,335	43,906
D. 2. Social security and health insurance costs and other costs	16,971	14,894
D. 2. 1. Social security and health insurance costs	14,866	13,224
D. 2. 2. Other costs	2,105	1,670
<b>E. Value adjustments in respect of operating activities</b>	<b>27,964</b>	<b>9,365</b>
E. 1. Value adjustments in respect of intangible and tangible fixed assets	2,336	1,954
E. 1. 1. Value adjustments in respect of intangible and tangible fixed assets – permanent	2,336	1,954
E. 3. Value adjustments in respect of receivables	25,628	7,411
<b>III. Other operating income</b>	<b>22,710</b>	<b>6,790</b>
III. 1. Income from sale of fixed assets	688	379
III. 3. Other operating income	22,022	6,411
<b>F. Other operating expenses</b>	<b>47,790</b>	<b>64,821</b>
F. 1. Net book value of fixed assets sold	10	186
F. 3. Taxes and charges relating to operations	31	(49)
F. 5. Other operating expenses	47,749	64,684
<b>* Profit or loss on operating activities (+/-)</b>	<b>4,710</b>	<b>(6,315)</b>
<b>VI. Interest income and similar income</b>	<b>540,256</b>	<b>343,382</b>
VI. 2. Other interest income and similar income	540,256	343,382
<b>J. Interest expense and similar expenses</b>	<b>311,550</b>	<b>153,467</b>
J. 1. Interest expense and similar expenses – subsidiaries or parents	311,550	153,467
<b>VII. Other finance income</b>	<b>5,255</b>	<b>310</b>
<b>K. Other finance cost</b>	<b>1,800</b>	<b>7,270</b>
<b>* Profit or loss on financial activities (+/-)</b>	<b>232,161</b>	<b>182,955</b>
<b>** Profit or loss before taxation (+/-)</b>	<b>236,871</b>	<b>176,640</b>
<b>L. Income tax</b>	<b>54,519</b>	<b>40,376</b>
L. 1. Income tax due	52,508	40,540
L. 2. Income tax deferred (+/-)	2,011	(164)

CZK ths.	Period ended 31. 12. 2023	Period ended 31. 12. 2022
** Profit or loss after taxation (+/-)	182,352	136,264
*** Profit or loss for the year (+/-)	182,352	136,264
* Net turnover	719,127	495,029

Prepared on: 26. 3. 2024

Signature of entity's statutory body	Person responsible for accounting	Person responsible for financial statements
		
Karel Nováček	Pavel Chlumský	Lada Jendrichovská

# Cash Flow Statement

for the year ended 31<sup>st</sup> December 2023

CZK ths.	Period ended 31. 12. 2023	Period ended 31. 12. 2022
<b>Cash flows from operating activities</b>		
<b>Z. Profit or loss on ordinary activities before taxation (+/-)</b>	<b>236,871</b>	<b>176,640</b>
<b>A. 1. Adjustments for non-cash movements</b>	<b>(189,742)</b>	<b>(151,083)</b>
A. 1. 1. Depreciation and amortization of fixed assets and write-off of receivables	13,638	32,305
A. 1. 2. Change in allowances	26,004	6,720
A. 1. 3. Profit/loss from sales of fixed assets	(678)	(193)
A. 1. 5. Net interest expense/(income)	(228,706)	(189,915)
<b>A* Net cash flow from operating activities before tax and changes in working capital</b>	<b>47,129</b>	<b>25,557</b>
<b>A. 2. Change in non-cash components of working capital</b>	<b>(337,125)</b>	<b>(747,994)</b>
A. 2. 1. Change in receivables and prepayments	(583,315)	(1,371,645)
A. 2. 2. Change in payables and accruals	246,190	623,651
<b>A** Net cash flow from operating activities before tax</b>	<b>(289,996)</b>	<b>(722,437)</b>
<b>A. 3. Interest paid</b>	<b>(309,416)</b>	<b>(153,467)</b>
<b>A. 4. Interest received</b>	<b>540,256</b>	<b>322,502</b>
<b>A. 5. Income tax paid</b>	<b>(54,592)</b>	<b>(16,216)</b>
<b>A*** Net cash provided by (used in) operating activities</b>	<b>(113,748)</b>	<b>(569,618)</b>
<b>Cash flows from financing activities</b>		
<b>B. 1. Purchase of fixed assets</b>	<b>(5,622)</b>	<b>(2,706)</b>
<b>B. 2. Proceeds from sale of fixed assets</b>	<b>688</b>	<b>379</b>
<b>B*** Net cash provided by (used in) investing activities</b>	<b>(4,934)</b>	<b>(2,327)</b>
<b>Cash Flows from financing activities</b>		
<b>C. 1. Change in long-term liabilities, and long-term and short-term loans</b>	<b>121,621</b>	<b>172,660</b>
C. 2. 3. Other cash contributions received from shareholders	0	400,000
C. 2. 5. Direct payments from funds	(1,465)	(1,030)
<b>C*** Net cash provided by (used in) financing activities</b>	<b>120,156</b>	<b>571,630</b>
<b>F. Net increase (decrease) in cash</b>	<b>1,474</b>	<b>(315)</b>
<b>P. Cash and cash equivalents at beginning of year</b>	<b>2,779</b>	<b>3,094</b>
<b>R. Cash and cash equivalents at end of year</b>	<b>4,253</b>	<b>2,779</b>

Prepared on: 26. 3. 2024

Signature of  
entity's statutory body

Person responsible  
for accounting

Person responsible  
for financial statements

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Karel Nováček



Pavel Chlumský



Lada Jendrichovská



Lada Jendrichovská

# Statement of Changes in Equity

for the year ended 31<sup>st</sup> December 2023

CZK ths.	Share Capital	Share Premium	Other capital contributions	Statutory and other reserves	Other reserve funds	Retained Earnings	Profit for the period	Total
<b>As at 1 January 2022</b>	<b>114,000</b>	<b>80,000</b>	<b>818,400</b>	<b>1,670</b>	<b>7,744</b>	<b>254,850</b>	<b>49,757</b>	<b>1,326,421</b>
Distribution of profit				985		48,772	(49,757)	0
Distribution of funds				(1,030)				(1,030)
Profit for the period							136,264	136,264
Contributions			400,000					400,000
<b>As at 31 December 2022</b>	<b>114,000</b>	<b>80,000</b>	<b>1,218,400</b>	<b>1,625</b>	<b>7,744</b>	<b>303,622</b>	<b>136,264</b>	<b>1,861,655</b>
Distribution of profit				1,096		135,168	(136,264)	0
Distribution of funds				(1,465)				(1,465)
Profit for the period							182,352	182,352
<b>As at 31 December 2023</b>	<b>114,000</b>	<b>80,000</b>	<b>1,218,400</b>	<b>1,256</b>	<b>7,744</b>	<b>438,790</b>	<b>182,352</b>	<b>2,042,542</b>

Prepared on: 26. 3. 2024

Signature of  
entity's statutory body

Person responsible  
for accounting

Person responsible  
for financial statements



Karel Nováček



Pavel Chlumský



Lada Jendrichovská



Lada Jendrichovská

# Notes to the Financial Statements

for the year ended 31<sup>st</sup> December 2023

## 1. General Information

### 1.1 Incorporation and Description of the Business

Factoring České spořitelny, a.s. (hereinafter the “Company”) was recorded in the Register of Companies held at the Prague Municipal Court on 4 December 1997 in Volume B, File 5075. The Company’s primary business activities are: factoring and forfeiting services which account for most of the Company’s revenues.

The Company’s registered office is located at Budějovická 1912/64B, 140 00 Prague 4.

The Company’s subscribed and paid-up share capital amounts to CZK 114,000 thousand.

The accompanying financial statements have been prepared as at 31 December 2023.

The sole shareholder of the Company is Česká spořitelna, a.s., with its registered office in Prague 4, Olbrachtova 1929/62, postal code 140 00, Business registration No. 45244782. The ultimate parent company is Erste Group Bank AG. The Company is included in the consolidated group of the sole shareholder and the ultimate parent. The consolidated financial statements under International Accounting Standards for the smallest group in the Erste Bank Group (Česká spořitelna Financial Group), of which the Company forms a part, are prepared by the parent company Česká spořitelna, a.s. and published on its website. The consolidated financial statements for whole and the largest Erste Group Bank are prepared by Erste Group Bank AG, headquartered in Austria and published on its website.

### 1.2 Organisational Structure

At the end of 2023, the Company had 40 employees including one executive director and three members of the Board of Directors by virtue of performing their duties and three members of the Supervisory Board. The Company is organized into four units as follows: - (i) Management including Secretariat, (ii) Sales and Marketing department, (iii) Risk Management department, (iv) Operations and Business development department. In 2023, Mr. Aleš Strýček was elected as a member of the Board of Directors with effect 1 November 2023 and the number of members of the Board of Directors was expanded to 3. No other changes were entered in the commercial register during 2023.

As at 31 December 2023, members of the Company’s statutory bodies were as follows:

Board of Directors	
Chairman	Karel Nováček
Member	Pavel Chlumský
Member	Aleš Strýček

Proxy holders	
Michael Jehlička	
Martin Štěpka	
Jiří Jarmar	

Supervisory Board	
Chairman	Jan Seger
Vice-Chairman	Jan Jašek
Member	Roman Pařil

### 1.3 Current Economic Situation

The current economic situation remains sensitive to geopolitical changes in the world. The impact on financial and commodity markets, supply chains and key macro-economic indicators with business implications such as inflation rates, interest rates, exchange rate volatility and others remains significant.

The Company’s management has evaluated the impact of the current economic situation on its business with the following conclusion: Thanks to business results and capital capacity, the Company has sufficient strength to continue operating successfully in the current economic situation.

## 2. Summary of Significant Accounting Policies

The accompanying financial statements (non-consolidated) were prepared in accordance with the with Act No. 563/1991 Coll. on accounting and implementing Decree No. 500/2002 Coll., which implements certain

provisions of the Act No. 563/1991 Coll., on accounting, as amended, for accounting entities that are entrepreneurs accounting in the double-entry accounting as amended for the year 2023.

The accounting records are maintained in compliance with general accounting principles, specifically the historical cost basis, the accrual principle, the prudence concept and the going concern assumption.

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

## 2.1 Tangible and Intangible Fixed Assets

### Valuation

Tangible fixed assets include assets with an estimated useful life greater than 1 year and an acquisition cost higher than CZK 40 thousand on an individual basis.

Intangible fixed assets are assets with a separate technical and economic purpose including identifiable assets without physical substance with an estimated useful life greater than 1 year and a cost higher than CZK 60 thousand.

Purchased tangible and intangible fixed assets are valued at cost which comprises of the purchase price and incidental acquisition costs (assembly, freight, etc.).

Tangible assets with a cost lower than CZK 40 thousand, technical improvements with a cost below CZK 40 thousand and intangible assets with a cost below CZK 60 thousand are charged into expenses in the period in which they are acquired.

The cost of technical improvements exceeded CZK 40 thousand in aggregate for tangible and CZK 60 thousand for intangible assets, for the period increases the acquisition cost of the related fixed asset, if completed. Technical improvements are put into operation after completion and depreciation starts in the following month after the recognition of technical improvement.

### Depreciation and Amortization for Accounting Purposes

Depreciation and amortization of tangible and intangible fixed assets for accounting purposes commences in the month following the month when the assets were put into use. The assets are depreciated/amortized using the straight-line method over their estimated useful lives based on the depreciation/amortization plan.

The depreciation/amortization periods of the individual categories of assets are as follows:

Category of assets	Period in years
Software, licences and other intangible assets	4
Vehicles	4
Machinery and equipment	4–6
Other equipment	4–12
Technical improvements to leased building	8

Depreciation and amortization periods are set according to estimated useful life of the related asset.

## 2.2 Receivables

Upon origination, receivables are stated at their nominal value. Doubtful and bad debts are subsequently reduced by the relevant allowances.

The Company accounts for factoring receivables on a "gross" and "net" basis depending on the product and specific terms of contracts. Gross method is used in cases where the Company provides financial instruments as short-term financial borrowings to the client (recourse factoring). Net method is used in cases where provided financial instruments represent payment for the cession of receivables (non-recourse factoring).

Factoring receivables accounted on "gross" basis are recognized in nominal amount as short-term trade receivables from business relationships. The nominal value of receivables is also recognised as trade receivables. The related payables to suppliers, the clients of the Company, are recognized as short-term trade payables.

Factoring receivables accounted on "net" basis are recognized in nominal value as short-term receivables and also as short-term trade payables. The difference between the nominal value and amount of provided financing is recognised as short term payables.

### Allowances for receivables

The Company has created portfolio allowances for receivables on the expected loss basis (EL), considering client and customer ratings to determine the probability of default used in the model.

In the case of individual workout receivables, the company creates specific allowances based on the future expected cash inflows.

## 2.3 Equity

The share capital of the Company is stated at the amount recorded in the Register of Companies maintained by the Municipal Court. Any increase or decrease in the share capital made pursuant to the decision of the General Meeting which was not entered in the Register of Companies

as at the balance sheet date is recorded through changes in share capital. Contributions exceeding share capital are recorded as share premium. Other capital funds consist of monetary and non-monetary contributions in excess of share capital and contributions from profit after tax. Reserve and other funds are made up of contributions from net profit.

## 2.4 Loans

Loans are reported at their nominal value. Interest expenses on these loans are accrued and included in the profit or loss for the year they relate to.

The portion of long-term loans maturing within one year from the balance sheet date is included in short-term loans.

## 2.5 Provisions

A provision is recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable (i.e. more likely than not) that an outflow of resources embodying economic benefits, where 'probable' means a probability of greater than 50%, and a reasonably reliable estimate can be made of the amount of the obligation. Provisions are used exclusively for the purposes they were created for. Provision balances are reviewed annually, and provisions are released, adjusted or carried forward based on the review results.

## 2.6 Translation of Foreign Currencies

Foreign Currencies Transactions during the year are translated using a daily exchange rate reflecting the Czech National Bank ("CNB").

As at the balance sheet date, all foreign currency assets and liabilities are retranslated using the existing CNB foreign exchange rate as at that date and any resulting translation gains and losses are recorded through the current year's financial income or financial expense, as appropriate.

## 2.7 Taxation

### 2.7.1 Current Tax Payable

The current tax expense is based on taxable profit. Taxable profit differs from net profit reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. Depreciation of fixed assets included in 1-3 depreciation group for tax purposes is calculated using the accelerated method. The Company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

The Company is part of the Česká spořitelna Group. Česká spořitelna expects to become a taxpayer of the

top-up tax from the moment of the entry into force of the Act No. 416/2023 on top-up taxes for large multinational groups and large domestic groups implementing the European Directive No. 2022/2523 of 14 December 2022. Česká spořitelna has made an assessment of its potential exposure to the top-up tax and does not expect the top-up tax to have an impact on its overall tax liability and therefore on its future profit or loss. In terms of the top-up tax, Česká spořitelna belongs to the Erste Group, where the ultimate parent entity is the Austrian Erste Group Bank AG. As at 31 December 2023, Erste Group has applied a temporary exemption from the requirements of IAS 12, according to which the company does not account for or disclose information on deferred tax assets and liabilities related to the proposed OECD/G20 Pillar Two BEPS model rules. Legislation relating to Pillar Two has been enacted or substantively enacted in certain jurisdictions in which Erste Group operates. The legislation will be effective for the Erste Group's financial year beginning 1 January 2024. Erste Group is subject to enacted or substantively enacted legislation and has made an assessment of the Group's potential exposure to income taxes under Pillar Two. This assessment is based on the latest available information regarding the financial performance of the Group's member companies. The assessment indicates that the effective tax rates under Pillar Two in the majority of jurisdictions in which the Group operates exceed 15%. However, there are a limited number of jurisdictions where the Pillar Two effective tax rate is close to 15%. The Group does not expect significant exposure to Pillar Two income tax in these jurisdictions.

### 2.7.2 Deferred Tax

Deferred taxation is calculated from all temporary differences between the tax and carrying amounts using the income tax rate that is expected to apply in the tax period when the deferred tax liability is settled, or the deferred tax asset is realized. The deferred tax asset is recognized only if it is likely to be offset against taxable income. The calculation of deferred tax excludes the top-up tax. In the calculation of deferred tax at 31 December 2023, an income tax rate of 21% (31 December 2022: 19%) was applied and no top-up tax was taken into account.

## 2.8 Cash

Cash is defined as cash in hand, valuables, cash in bank or term deposits payable on demand within 3 months.

## 2.9 Revenues

Factoring fees are presented within Sales of own products and services. In addition, this caption includes income from know-how and other income relating to invoicing of services.

Interest from provided financing is recognised as Interest income. Interest income includes interest from provided

short-term financial assistance and advances for assigned receivables.

Revenues are recognised on an accrual basis, that is, they are recognized in the periods in which it relates in substance and time.

### 2.10 Use of Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Management of the Company made these estimates and assumptions based on all available relevant data. However, since they are still estimates and actual results and outcome in the following reporting periods may differ.

### 2.11 Subsequent Events

The effects of events, which occurred between the balance sheet date and the date of preparation of the financial statements, are recognised in the financial statements in the case that these events provide further evidence of conditions that existed as at the balance sheet date.

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

## 3. Risk Management

Risks associated with the funding of ceded receivables are mitigated by using the services of insurance companies and by cooperating with partners within the international association of factoring companies (FCI). The Company places specific emphasis on the significance of diversifying the receivable portfolio which allows for the amounts recovered to sufficiently cover the partial payments made to clients and allow the Company to exercise a lien.

As part of operational risk management, the Company observes measures and work procedures designed to constantly improve operational risk management over time and eliminate client's fraudulent activities as much as possible.

The Company performs a regular assessment of the impact of exchange rate risk on the business result and on an ongoing basis takes measures to eliminate them. The Company uses natural currency risk hedging in the form of overdrafts in foreign currencies in a similar amount to its foreign currency receivables.

Interest rate risk is managed on the basis of one-month interest rates on both the assets and liabilities side.

## 4. Additional Information on the Balance Sheet and the Income Statement

### 4.1 Intangible Fixed Assets

#### Cost

(CZK thousand)	Balance at 1. 1. 2022	Additions	Disposals	Balance at 31. 12. 2022	Additions	Disposals	Balance at 31. 12. 2023
Software	14,310	600	0	14,910	468	0	15,377
Licenses and other	776	0	0	776	0	0	776
<b>Total</b>	<b>15,086</b>	<b>600</b>	<b>0</b>	<b>15,686</b>	<b>468</b>	<b>0</b>	<b>16,153</b>

#### Accumulated Amortisation and Provisions

(CZK thousand)	Balance at 1. 1. 2022	Additions	Disposals	Balance at 31. 12. 2022	Additions	Disposals	Balance at 31. 12. 2023
Software	12,358	697	0	13,055	516	0	13,571
Licenses and other	776	0	0	776	0	0	776
<b>Total</b>	<b>13,134</b>	<b>697</b>	<b>0</b>	<b>13,831</b>	<b>516</b>	<b>0</b>	<b>14,347</b>

**Net book value**

(CZK thousand)	Software	License and other	Total
Balance at 1. 1. 2022	1,952	0	1,952
Balance at 31. 12. 2022	1,855	0	1,855
<b>Balance at 31. 12. 2023</b>	<b>1,806</b>	<b>0</b>	<b>1,806</b>

**4.2 Tangible Fixed Assets****Cost**

(CZK thousand)	Balance at 1. 1. 2022	Additions	Disposals	Balance at 31. 12. 2022	Additions	Disposals	Balance at 31. 12. 2023
Machinery and equipment	11,125	804	0	11,929	2,210	0	14,138
Vehicles	5,537	1,303	(1,065)	5,775	2,944	(903)	7,816
<b>Total</b>	<b>16,662</b>	<b>2,106</b>	<b>(1,065)</b>	<b>17,703</b>	<b>5,154</b>	<b>(903)</b>	<b>21,954</b>

**Accumulated Depreciation**

(CZK thousand)	Balance at 1. 1. 2022	Additions	Disposals	Balance at 31. 12. 2022	Additions	Disposals	Balance at 31. 12. 2023
Machinery and equipment	10,356	329	0	10,685	841	0	11,526
Vehicles	3,837	930	(879)	3,888	978	(893)	3,974
<b>Total</b>	<b>14,193</b>	<b>1,260</b>	<b>(879)</b>	<b>14,573</b>	<b>1,820</b>	<b>(893)</b>	<b>15,500</b>

**Net book value**

(CZK thousand)	Machinery and equipment	Vehicles	Total
Balance at 1. 1. 2022	769	1,700	2,469
Balance at 31. 12. 2022	1,243	1,887	3,130
<b>Balance at 31. 12. 2023</b>	<b>2,612</b>	<b>3,842</b>	<b>6,454</b>

The Company acquired tangible assets of CZK 860 thousand that were charged directly to expenses in 2023 (2022: CZK 402 thousand). These assets are low value tangible assets up to CZK 40 thousand.

**4.3 Receivables****4.3.1 Long-Term Receivables - Deferred Tax Assets**

For detailed information about deferred tax assets refer to Note 4. 16.

### 4.3.2 Short-Term Receivables

(CZK thousand)	Balance at 31. 12. 2022	Balance at 31. 12. 2023
Trade receivables	12,218,733	12,763,979
– Customers (factoring)	10,661,190	11,466,530
– Recourse factoring	2,777,941	2,601,236
– Non-resource factoring	7,751,823	8,721,794
– Other	131,426	143,500
– Prepayments made	1,770,656	1,536,566
– Allowances	(213,113)	(239,117)
Due from government – (+) tax receivables / (–) payables	497	497
Short-term advances granted	1,181	1,386
<b>Total</b>	<b>12,220,411</b>	<b>12,765,862</b>

The above receivables represent mainly factoring receivables, which are reported in the balance sheet as ‘Trade receivables’.

In the above-mentioned overview, the trade receivables represent the nominal value of factoring receivables, and prepayments made include a short-term financial assistance provided to clients within the recourse factoring.

In 2023, several insolvency proceedings were completed, and the Company wrote off fully settled receivables in the amount of CZK 11,880 thousand for reasons of irrecoverability (2022: CZK 35,182 thousand) and sold receivables in the amount of CZK 3,317 thousand (2022: CZK 0 thousand).

The Company has no receivables nor provided any guarantees which are not included in the balance sheet.

### 4.3.3 Aging of Trade Receivables

Year	Category (CZK thousand)	Not yet due				Overdue		Total
		1–30 days	31–60 days	61–90 days	91–365 days	over 365 days		
2023	Trade receivables	11,221,325	1,485,817	157,754	21,318	17,787	99,094	13,003,096
	Allowances – specific	(296)	0	0	0	(2,592)	(41,680)	(44,568)
	Allowances – portfolio	(154,793)	(34,346)	(3,667)	(293)	(385)	(1,065)	(194,549)
2022	Trade receivables	11,032,939	1,113,328	143,341	16,895	24,067	101,276	12,431,846
	Allowances – specific	(3,080)	0	(370)	(370)	(3,702)	(52,683)	(60,206)
	Allowances – portfolio	(152,907)	0	0	0	0	0	(152,907)

The average maturity of receivables from customers of the Company’s factoring clients in 2023 was 57 days (2022: 57 days).

In accordance with the accounting policy for creation of allowances, which are part of the accounting allowances listed below, based on calculation of expected loss (EL) from the financing placed with clients – see note 2. 2. – the Company

created portfolio allowances of CZK 194,549 thousand as at 31 December 2023 (2022: CZK 152,907 thousand). Rated correction items as at 31 December 2023 amounted to CZK 44,567 thousand (2022: CZK 60,206 thousand).

Total balance of tax non-deductible allowances amounting to CZK 218,053 thousand as at 31 December 2023 (2022: CZK 185,570 thousand). Tax deductible allowances have been set aside of CZK 21,064 thousand as at 31 December 2023 (2022: CZK 27,543 thousand). Tax deductible allowances are created against receivables from customers of the Company's clients which have been ceded to the Company as well as the Company's own receivables from clients, in cases of bankruptcy proceedings of these entities.

In 2023, allowances were used in the amount of CZK 15,197 thousand (2022: CZK 35,182 thousand) for the write-off of receivables written off due to completed insolvency proceedings and sold receivables.

### Changes in allowance accounts (CZK thousand)

Allowances against:	Balance at 1. 1. 2023	Allowance creation	Allowance used	Release of allowance	Revaluation	Balance at 31. 12. 2023
Receivables – legal	27,543	0	(6,451)	(343)	315	21,064
Receivables – other (individual)	32,663	0	(4,810)	(4,411)	61	23,503
Receivables – other (portfolio)	152,907	85,277	0	(43,634)	0	194,550
<b>Total</b>	<b>213,113</b>	<b>85,277</b>	<b>(11,261)</b>	<b>(48,388)</b>	<b>376</b>	<b>239,117</b>

Allowances against:	Balance at 1. 1. 2022	Allowance creation	Allowance used	Release of allowance	Revaluation	Balance at 31. 12. 2022
Receivables – legal	34,197	0	(5,849)	(215)	(590)	27,543
Receivables – other (individual)	90,840	5,253	(25,931)	(37,380)	(118)	32,663
Receivables – other (portfolio)	81,356	87,272	0	(15,722)	0	152,906
<b>Total</b>	<b>206,393</b>	<b>92,525</b>	<b>(31,780)</b>	<b>(53,317)</b>	<b>(708)</b>	<b>213,113</b>

#### 4.4 Cash

Cash at bank includes balances on current accounts payable on demand.

#### 4.5 Prepayments and accrued income

Prepayments and accrued income consist of deferred expenses, in particular bank guarantee fees, and are recognised in the period to which they relate.

#### 4.6 Equity

##### 4.6.1 Share Capital

The subscribed, paid-up and registered share capital amounts to CZK 114,000 thousand and consists of 76 shares at a nominal value of CZK 1,500 thousand per share.

The shareholder provided the Company with a share premium of CZK 80,000 thousand (2022: CZK 80,000 thousand) and a contribution of CZK 1,218,400 thousand in excess of the share capital (2022: CZK 1,218,400 thousand).

The shares are registered and carry voting rights but are not publicly traded.

#### 4.6.2 Distribution of Profit for 2022

On 23 May 2023, the Company's sole shareholder, exercising the powers of the General Meeting, approved the distribution of the 2022 profit totalling CZK 136,264 thousand and allocated CZK 1,096 thousand to the social fund and transferred CZK 135,168 thousand to retained earnings, that amounted to CZK 438,790 thousand as at 31 December 2023 (2022: CZK 303,622 thousand). The Company did not pay any profit share in 2022.

For the accounting period ending 31 December 2023, the Company generated profit after tax in the amount of CZK 182,352 thousand. The Company's board of directors has not yet decided on the proposal to pay a dividend and proposes to transfer the entire profit for 2023 to retained earnings. The 2023 profit distribution proposal is subject to approval by single shareholder.

#### 4.7 Provisions

The Company recognizes only a provision for potential legal disputes in the amount of CZK 4,685 thousand (2022: CZK 4,685 thousand).

#### 4.8 Liabilities

##### 4.8.1 Current Liabilities

(CZK thousand)	Balance at 31. 12. 2022	Balance at 31. 12. 2023
Amount due to credit institutions	6,528,417	6,650,038
Trade payables (factoring)	3,806,886	4,049,485
– Recourse factoring	2,792,229	2,641,527
– Non-recourse factoring	856,452	1,233,185
– Other	158,205	174,773
Short-term advances received	560	560
Other liabilities:	58,890	65,458
– Liabilities to employees	2,544	3,502
– Liabilities arising from social security and health insurance	1,008	1,328
– Due to government - taxes and subsidies	32,372	32,546
– Estimated payables	22,966	28,082
<b>Total</b>	<b>10,394,193</b>	<b>10,765,541</b>

Amounts due to credit institutions represent in particular bank loans and overdrafts. For more details – see Note 4. 8. 2.

Trade payables represent expected payments in respect of ceded receivables from the Company's clients under non-recourse factoring and the aggregate number of ceded receivables under recourse factoring.

Estimated payables predominantly include estimates for payroll costs, social security and health insurance, deferred expenses and estimates of operating services which have not yet been invoiced.

Due to the nature of factoring services, payables are derecognized after the client becomes entitled to the payment. The Company records no overdue payables.

There are no liabilities with material guarantees and with maturity over 5 years.

The Management of the Company is not aware of any contingent liabilities of the Company as at 31 December 2023.

## 4.8.2 Bank Loans and Borrowings

2023 (CZK thousand)					
Bank	Purpose	Interest rate	Maturity	Collateral form	Balance at 31. 12. 2023
Česká spořitelna	operating – overdraft GBP	1M SONIA + risk margin	31. 8. 2024	uncollateralised	8,818
Česká spořitelna	operating – overdraft PLN	1M Wibor + risk margin	31. 8. 2024	uncollateralised	14,343
Česká spořitelna	operating – current account CZK	1M Pribor + risk margin	31. 8. 2024	uncollateralised	800,000
Česká spořitelna	operating – overdraft CZK	1M Pribor + risk margin	31. 8. 2024	uncollateralised	722,363
Česká spořitelna	operating – overdraft USD	1M SOFR + risk margin	31. 8. 2024	uncollateralised	312,137
Česká spořitelna	operating – current account EUR	1M Euribor + risk margin	31. 8. 2024	uncollateralised	4,574,125
Česká spořitelna	operating – overdraft EUR	1M Euribor + risk margin	31. 8. 2024	uncollateralised	218,253
<b>Total intercompany bank loans</b>					<b>6,650,038</b>
<b>Total bank loans and borrowings</b>					<b>6,650,038</b>
2022 (CZK thousand)					
Bank	Purpose	Interest rate	Maturity	Collateral form	Balance at 31. 12. 2022
Česká spořitelna	operating – overdraft GBP	1M SONIA + risk margin	31. 8. 2023	uncollateralised	13,527
Česká spořitelna	operating – overdraft JPY	1M TONAR + risk margin	31. 8. 2023	uncollateralised	5,061
Česká spořitelna	operating – overdraft PLN	1M Wibor + risk margin	31. 8. 2023	uncollateralised	,287
Česká spořitelna	operating – current account CZK	1M Pribor + risk margin	31. 8. 2023	uncollateralised	1,600,000
Česká spořitelna	operating – overdraft CZK	1M Pribor + risk margin	31. 8. 2023	uncollateralised	756,114
Česká spořitelna	operating – overdraft USD	1M SOFR + risk margin	31. 8. 2023	uncollateralised	67,109
Česká spořitelna	operating – current account EUR	1M Euribor + risk margin	31. 8. 2023	uncollateralised	3,858,400
Česká spořitelna	operating – overdraft EUR	1M Euribor + risk margin	31. 8. 2023	uncollateralised	226,919
<b>Total intercompany bank loans</b>					<b>6,528,417</b>
<b>Total bank loans and borrowings</b>					<b>6,528,417</b>

The Company paid interest from these loans of CZK 311,550 thousand (2022: CZK 153,467 thousand).

#### 4.9 Accruals and deferred income

Accruals and deferred income mainly include accrued interest on repayment schedules, which are paid by debtors only after the payment of principal due (these are older work-out cases) and operating liabilities.

#### 4.10 Assets and Liabilities in Foreign Currencies (Gross)

31. 12. 2023 (CZK thousand)	CZK	USD	EUR	PLN	GBP	Other	Total
Short term receivables	6,122,766	359,459	6,469,884	30,520	22,350	0	13,004,979
Cash on bank accounts	2,449	0	1,450	0	0	354	4,253
Prepayments and accrued income	2,896	0	0	0	0	0	2,896
<b>Total</b>	<b>6,128,111</b>	<b>359,459</b>	<b>6,471,334</b>	<b>30,520</b>	<b>22,350</b>	<b>354</b>	<b>13,012,128</b>

Current liabilities	2,405,562	50,137	1,646,216	2,830	10,758	0	4,115,503
Bank loans and borrowings	1,522,363	312,136	4,792,378	14,343	8,818	0	6,650,038
Accruals and deferred income	783	0	0	0	0	0	783
<b>Total</b>	<b>3,928,708</b>	<b>362,273</b>	<b>6,438,594</b>	<b>17,173</b>	<b>19,576</b>	<b>0</b>	<b>10,766,324</b>

31. 12. 2022 (CZK thousand)	CZK	USD	EUR	PLN	GBP	Other	Total
Short term receivables	6,454,549	90,731	5,849,323	15,012	18,476	5,433	12,433,524
Cash on bank accounts	2,689	0	89	0	0	1	2,779
Prepayments and accrued income	2,337	0	0	0	0	0	2,337
<b>Total</b>	<b>6,459,575</b>	<b>90,731</b>	<b>5,849,412</b>	<b>15,012</b>	<b>18,476</b>	<b>5,434</b>	<b>12,438,640</b>

Current liabilities	2,283,858	32,802	1,542,534	3,398	3,184	0	3,865,776
Bank loans and borrowings	2,356,114	67,109	4,085,319	1,287	13,527	5,061	6,528,417
Accruals and deferred income	4,320	0	0	0	0	0	4,320
<b>Total</b>	<b>4,644,293</b>	<b>99,911</b>	<b>5,627,853</b>	<b>4,685</b>	<b>16,711</b>	<b>5,061</b>	<b>10,398,514</b>

#### 4.11 Income from ordinary activity by principal activity

(CZK thousand)	2022			2023		
	Domestic	Foreign	Total	Domestic	Foreign	Total
Income from fees	140,341	3,264	143,605	147,109	2,875	149,984
Advisory services	0	942	942	0	922	922
Production	140,341	4,206	144,547	147,109	3,797	150,906

Fees represent bonuses. Advisory services include income from the lease of the information system within the Group.

## 4.12 Production consumption

<b>(CZK thousand)</b>	<b>2022</b>	<b>2023</b>
Consumption of material	537	963
Consumption of energy and fuel	1,597	1,275
<b>Total costs of material, energy and fuels</b>	<b>2,134</b>	<b>2,238</b>
Legal and notarial services	1,180	1,509
Factoring fee	5,522	5,978
External audit	605	715
Rent	4,484	5,174
Outsourcing expenses	3,177	3,809
Marketing expenses	75	123
Repairs and maintenance	2,483	2,948
Travelling	133	162
Training	121	227
Other services	4,752	4,963
<b>Total costs of services</b>	<b>22,532</b>	<b>25,608</b>

## 4.13 Wages and salaries

### 4.13.1 Wages and salaries and Number of Employees

The following tables summarize the average number of the Company's employees and managers and staff cost for the years 2023 and 2022:

<b>2023 (CZK thousand)</b>	<b>Number</b>	<b>Wages</b>	<b>Social security and health insurance</b>	<b>Other expenses</b>	<b>Personnel and related expenses</b>
Employees	40	35,506	11,647	1,899	49,052
Management	4	12,829	3,219	206	16,254
<b>Total</b>	<b>44</b>	<b>48,335</b>	<b>14,866</b>	<b>2,105</b>	<b>65,306</b>

<b>2022 (CZK thousand)</b>	<b>Number</b>	<b>Wages</b>	<b>Social security and health insurance</b>	<b>Other expenses</b>	<b>Personnel and related expenses</b>
Employees	39	31,706	10,343	1,368	43,417
Management	4	12,200	2,881	302	15,383
<b>Total</b>	<b>43</b>	<b>43,906</b>	<b>13,224</b>	<b>1,670</b>	<b>58,800</b>

The number of employees is based on the average status. Wages and salaries include remuneration of the members of the Board of Directors. The management of the Company as at 31 December 2023 consists of three members of the Board of Directors and one executive director, who is also a proxy holder.

In 2022 and 2023, the Company was participated in the Erste employee share program, where each employee is given a certain number of Erste Bank Group AG shares. In this connection, the Company recorded an estimated liability in the amount of CZK 1,071 thousand in 2022 (2022: CZK 941 thousand).

#### 4.13.2 Loans, Borrowings, and Other Benefits Provided

Senior employees are provided with benefits in addition to their basic salaries (for example vehicles for both business and private purposes). This amount which increases the tax base of employees amounted to CZK 400 thousand in 2023 (2022: CZK 696 thousand).

In 2023 and 2022, the Company did not provide any loans or credits to the members of the Board of Directors and the Supervisory Board.

#### 4.14 Other Operating Income and Expenses

<b>(CZK thousand)</b>	<b>2022</b>	<b>2023</b>
<b>Other operating income</b>	<b>6,790</b>	<b>22,710</b>
Income from sale of fixed assets	379	688
Other operating income	6,411	22,022
<b>Other operating expenses</b>	<b>(64,821)</b>	<b>(47,790)</b>
The residual value of the fixed assets sold	(186)	(10)
Insurance	(28,384)	(31,493)
Write-off of receivables and assignment of receivables	(35,182)	(15,197)
Other operating costs	(1,069)	(1,090)
<b>Total other operating result</b>	<b>(58,031)</b>	<b>(25,080)</b>

Information on write-offs and assignment of receivables from business activity is also described in note 4. 3. 2.

#### 4.15 Interest and Other Financial Income and Expenses

<b>(CZK thousand)</b>	<b>2022</b>	<b>2023</b>
Interest income – domestic	337,706	525,619
Interest income – foreign	5,676	14,637
Interest expense to related parties	(153,467)	(311,550)
Other financial income	310	200
Other financial expense	(1,735)	(1,800)
Foreign exchange gains/losses (+/-)	(5,535)	5,055
<b>Total other financial result</b>	<b>(6,960)</b>	<b>3,455</b>
<b>Total result of financial activities</b>	<b>182,955</b>	<b>232,161</b>

Interest income includes interest from prepayments made under factoring arrangements.

The Company realised interest expenses only with related parties.

## 4.16 Current and Deferred Income Tax

### Current tax

(CZK thousand)	2022	2023
Current tax	40,530	52,510
Tax assessment for previous accounting period	10	(2)
<b>Total</b>	<b>40,540</b>	<b>52,508</b>

The tax charge for 2023 and 2022 can be reconciled to the profit per the income statement as follows:

(CZK thousand)	2022	2023
Profit before tax	176,640	236,871
Tax at the local income tax rate of 19% (2022: 19 %)	33,562	45,006
Tax effect of non-deductible expenses	9,562	9,250
Tax effect of non-taxable income	(2,594)	(1,746)
Additional assessment / tax refund of taxes for prior periods	10	(2)
Current tax payable	40,540	52,508
Deferred tax	(164)	2,011
<b>Total tax</b>	<b>40,376</b>	<b>54,519</b>

### Deferred tax

The deferred tax asset can be analysed as follows:

(CZK thousand)	Balance at 31. 12. 2022	Balance at 31. 12. 2023
Depreciation and amortization of fixed assets	(444)	(659)
Allowance for receivables	32,766	30,694
Accrued expenses for wages, social security and health insurance	1,949	2,225
<b>Total</b>	<b>34,271</b>	<b>32,260</b>

(CZK thousand)	Balance at 31. 12. 2022	Balance at 31. 12. 2023
Opening balance	34,107	34,271
Current changes charged against the income statement	164	(2,011)
<b>Total deferred tax asset</b>	<b>34,271</b>	<b>32,260</b>

The deferred tax was calculated at 21% (the rate enacted for the accounting period beginning on or after 1 January 2024) (as at 31 December 2022: 19%).

## 5. Related Party Information

### 5.1 Mutual relations with the parent company

As the Company is part of the Česká spořitelna, a.s. Group, its cooperation with the parent company continued in 2023 and 2022, both in the field of acquisitions and in the field of obtaining external debt for financing other deals.

As at 31 December 2023, assets from Česká spořitelna, a.s. amounted to CZK 5,382 thousand (2022: CZK 4,187 thousand). These are mainly receivables from the active balance on the overdraft account and also balances on current accounts and business relations - provided advances and others.

As at 31 December 2023, payables to the parent company amounted to CZK 6,650,966 thousand (2022: CZK 6,530,216 thousand). These amounts mainly represent bank loans and balances on overdraft accounts and unbilled deliveries.

For the year 2023, the Company recorded expenses in relation to Česká spořitelna in the aggregate amount of CZK 323,532 thousand (2022: CZK 163,291 thousand). These predominantly included interest on received loans, outsourcing and rental expenses.

Revenues of CZK 3,420 thousand (2022: CZK 3,032 thousand), relate to interest and fees received from Česká spořitelna.

### 5.2 Mutual relations with other related parties

Bank and trade receivables to Slovenská sporiteľňa, a.s. amounted to CZK 74 thousand (2022: CZK 85 thousand) and to Erste & Steiermärkische Bank amounted to CZK 5 thousand (2022: CZK 5 thousand). In 2023, liabilities to Procurement Services CZ which arise from the business relationship, amounted to CZK 8 thousand (2022: CZK 7 thousand).

With respect to related party Slovenská sporiteľňa, a.s., the Company recognised revenues from the rental of the information system at the value of CZK 864 thousand (2022: CZK 883 thousand). With respect to related party Erste & Steiermärkische Bank recognised revenues at the value of CZK 58 thousand (2022: CZK 59 thousand).

For the year 2023, the Company recorded expenses in relation to related party Slovenská sporiteľňa, a.s. at the value of CZK 0 thousand (2022: CZK 7 thousand) and to Procurement Services CZ, s.r.o. (Group procurement services) recorded expenses of CZK 74 thousand (2022: CZK 70 thousand). The Company used the services of Leasing Česká spořitelna, a.s. in the management of a motor vehicle in the amount of CZK 74 thousand (2022: CZK 1 thousand).

## 6. Contingent Liabilities and Off-Balance Sheet Commitments

The Company has no contingent liabilities or off-balance sheet commitments.

The Company is involved in no legal disputes, the outcome of which would significantly impact the Company's financial statements.

## 7. Subsequent Events

No events have occurred subsequent to year-end that would have a material impact on the financial statements as at 31 December 2023.

Prepared on 26. 3. 2024.

Signature of accounting entity's statutory body:



Karel Nováček



Pavel Chlumský

# Report on Relations

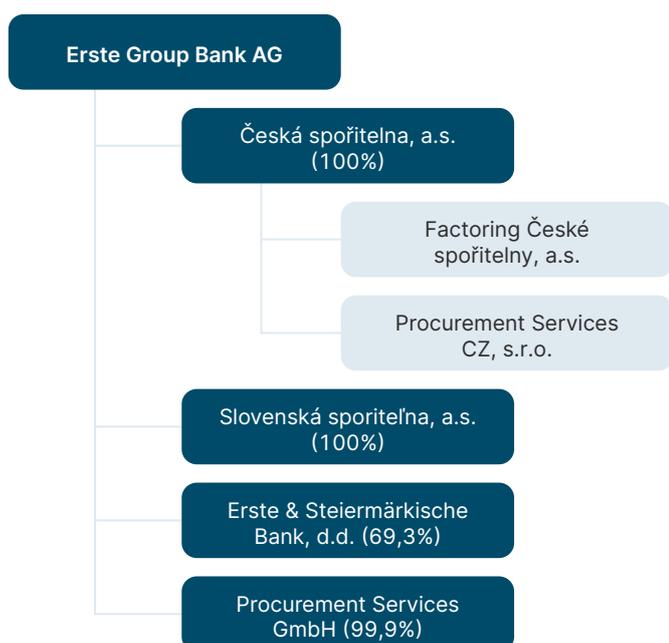
between Related Parties prepared pursuant to Section 82 of Act No. 90/2012 Coll., on Corporations for the accounting period from 1 January 2023 to 31 December 2023

**Factoring České spořitelny, a.s.**, with its registered office at Budějovická 1912/64b, 140 00 Prague 4, Business Registration Number (IČO) 25629352, incorporated in the Commercial Register, Section B, File No. 5075, maintained by the Municipal Court in Prague (hereinafter also the “**Submitter**”) is a member of a group (concern) in which the following relations exist between the Submitter and the controlling persons and between the Submitter and other persons controlled by the same controlling persons (hereinafter the “**Related Parties**”).

This Report on relations between the parties listed below has been prepared pursuant to the provisions of Section 82 of Act No. 90/2012 Coll. on Corporations, as amended, for the accounting period from 1 January 2023 to 31 December 2023 (hereinafter the “**financial year**”).

The Submitter and the persons listed below entered into the following contracts and undertook or adopted the following legal actions and other measures during the period:

## A. Overview of the persons whose relations are described below



## B. Controlling Parties

**Erste Group Bank AG**, with its registered office at Am Belvedere 1, Vienna, Austria, Business Registration Number (IČO): 90003195  
Relation to the Company: indirectly controlling party  
Description of relations – see Note D. Transactions with related parties

**Česká spořitelna, a.s.**, with its registered office at Olbrachtova 1929/62, 140 00 Prague 4, Czech Republic, Business Registration Number (IČO): 45244782  
Relation to the Company: directly controlling party  
Description of relations – see Note D. Transactions with related parties

## C. Other Related Parties

### Companies controlled by other members of the ERSTE Group

**Slovenská sporiteľňa, a.s.**, with its registered office at Tomášikova 48, 832 37 Bratislava, Slovak Republic, Business Registration Number (IČO): 00151653  
Relation to the Company: related party directly controlled by Erste Group Bank  
Description of relations – see Note D. Transactions with related parties

**Erste & Steiermärkische Bank d.d.**, with its registered office at Jadranski Trg 3a, 510 00 Rijeka, Rijeka, Croatia, Business Registration Number (IČO): 3337367  
Relation to the Company: related party directly controlled by the Company  
Description of relations – see Note D. Transactions with related parties

**Procurement Services CZ, s.r.o.**, with its registered office at Budějovická 1912/64b, 140 00 Prague 4 (“**Procurement Services CZ**”)  
Relation to the Company: related party directly controlled by Procurement Services GmbH  
Description of relations – see Note D. Transactions with related parties

## D. Transactions with Related Parties

Factoring České spořitelny, a.s. identified the relations with the related parties listed in Sections B and C and summarized them into the following categories:

### Related party transactions on the debit side of Factoring ČS's balance sheet

#### Receivables from banks

Factoring České spořitelny, a.s. deposited cash totalling CZK 3.9 million in current and deposit accounts maintained by Česká spořitelna under contracts on a current account and loan agreements. Factoring České spořitelny, a.s. suffered no detriment from these transactions in the financial year.

#### Other assets

The balance of Other assets includes other trade receivables and advance payments provided to related parties. In 2023, the Company recognizes receivables and advance payments in the total amount of CZK 1.5 million to Česká spořitelna and receivables of CZK 79 thousand to other related parties.

### Related party transactions on the credit side of Factoring ČS's balance sheet

#### Liabilities to banks

Factoring České spořitelny, a.s. received funds from Česká spořitelna, a.s. in the total amount of CZK 6,650 million particularly under loan agreements and bank overdraft contracts.

#### Other liabilities

Unbilled deliveries and payables to Česká spořitelna, a.s. amounted to CZK 1.3 million. Unbilled deliveries and payables to other related parties amounted to CZK 8 thousand. Factoring České spořitelny, a.s. suffered no detriment from these transactions in the financial year.

### Related party transactions with effect on Factoring ČS's income statement

#### Interest and similar income

Factoring České spořitelny, a.s. did not receive from related parties any interest income from abroad in the financial year.

#### Interest and similar expense

Factoring České spořitelny, a.s. incurred interest expense of CZK 311.6 million from related party transactions executed on an arm's-length basis in the financial year. Factoring České spořitelny, a.s. suffered no detriment from these transactions in the financial year.

#### Income from fees and commissions

Factoring České spořitelny, a.s. received income from fees and commissions from related party transactions executed on an arm's-length basis in the financial year, including particularly income from a cooperation agreement with Česká spořitelna, a.s., in the total amount of CZK 3.4 million. Factoring České spořitelny, a.s. suffered no detriment from these transactions in the financial year.

#### Other operating revenues

Factoring České spořitelny, a.s. achieved operating revenues amounted to CZK 0.9 million from IT services, within the framework of other transactions with related parties, under normal market or business conditions in the accounting period. Factoring České spořitelny, a.s. suffered no detriment from these transactions in the financial year.

#### Operating expenses

Factoring České spořitelny, a.s. spent CZK 12 million in the financial year on general administrative costs in relation to related parties, particularly on rent and the purchase of advisory professional consulting or services under normal or business conditions. Factoring České spořitelny, a.s. suffered no detriment from these transactions in the financial year.

## E. Contractual Relations

In prior years, Factoring České spořitelny, a.s. entered into contracts with related parties listed in Sections B and C; the financial effects of the contracts are reflected in Annex 1. The list below includes major contracts with related parties that were in force during the period.

### Description of relations with Česká Spořitelna, a.s.

Name	Counterparty	Performance received	Year of contract	Detriment – if any
Current account agreement	Česká spořitelna, a.s.	Contract for current accounts (CZK, EUR, USD, GBP, CHF, PLN, NOK, HUF, RON, JPY, SEK, DKK, HRK) with amendments	2001–2019	None
Service agreement	Česká spořitelna, a.s.	Direct electronic banking agreement with amendments	2002	None
Personal data processing agreement	Česká spořitelna, a.s.	Personal Data Processing Agreement – GDPR in relation to receivables and leases monitoring	2018	None
Outsourcing	Česká spořitelna, a.s.	Use of „Sparkassen“ brand name	2017	None
Licence agreement	Česká spořitelna, a.s.	Agreement on terms of license and software support – Tableau server	2019	None
Lease agreement	Česká spořitelna, a.s.	Lease of a safe deposit box – ČS Jugoslávská	2019	None
Debit cards contract	Česká spořitelna, a.s.	Debit cards contracts with amendments	2017–2020	None
Loan contract	Česká spořitelna, a.s.	Loan contract with amendments (Annex No.41 to 27. 8. 2021)	2003–2021	None
Subparticipation agreement	Česká spořitelna, a.s.	Participation on risk of selected customers as amended	2005–2020	None
Subparticipation agreement	Česká spořitelna, a.s.	Sub-Participation Framework Contract for reverse factoring (Annex No. 1 signed on 18. 1. 2022)	2018–2022	None
Lease agreement	Česká spořitelna, a.s.	Sublease of parking spaces – Trianon (Rent adjustment for inflation from 7. 6. 2022)	2022	None
Lease agreement	Česká spořitelna, a.s.	Sublease of business premises with amendments – Budějovická 1912/64b (Annex No. 4 – replacement of the original agreement by a sublease agreement of 10. 12. 2021) + Rent adjustment for inflation from 9. 6. 2022	2019–2022	None
Service contract	Česká spořitelna, a.s.	Agreement on assignment of authorization to exercise the right to use the company logo as amended, Annex signed 10. 5. 2022)	2002–2022	None
Service agreement	Česká spořitelna, a.s.	Contract for the provision of services during the implementation of the employee share program	2022	None
Contract for contribution outside of the Share Capital	Česká spořitelna, a.s.	Contribution outside of the Share Capital	2022	None
Contract for contribution outside of the Share Capital	Česká spořitelna, a.s.	Contribution outside of the Share Capital	2014	None
Service agreement	Česká spořitelna, a.s.	Outsourcing services	2022	None

Name	Counterparty	Performance received	Year of contract	Detriment – if any
Service agreement	Česká spořitelna, a.s.	Agreement on the establishment of access to the Intranet of Česká spořitelna a.s.	2022	None
Service agreement	Česká spořitelna, a.s.	Agreement for the use of the ISIR_CS application and its development, support and operation	2009	None
Service agreement	Česká spořitelna, a.s.	System environment for Linux server farm	2010	None
Service agreement	Česká spořitelna, a.s.	IT services – IP Telephony with amendment No. 1 (TEL Internet access) (Annex č. 2 signed k 19. 07. 2022)	2014–2022	None
Cooperation agreement	Česká spořitelna, a.s.	Risky receivables management	2009	None
Cooperation agreement	Česká spořitelna, a.s.	Restructuring Factoring Cooperation Agreement	2020	None
Cooperation agreement	Česká spořitelna, a.s.	Exchange of information using the KLIENT application with amendments (Annex No. 12 to 16. 12. 2021)	2009–2021	None
Cooperation agreement	Česká spořitelna, a.s.	Monitoring of receivables	2013–2017	None
Cooperation agreement	Česká spořitelna, a.s.	Verification of ceded invoices; Monitoring and evaluations of clients/ Pledgers 'Client monitoring' (21. 09. 2023)	2023	None
Cooperation agreement	Česká spořitelna, a.s.	Cooperation in approval of factoring deals	2017	None
Cooperation agreement	Česká spořitelna, a.s.	Agreement on sharing IT costs for data deliveries to Erste Group, processing of related calculations at the group level, provision of data discovery services and statutory and risk reporting (Signed 17. 12. 2021)	2021	None

## Description of relations with other related parties

Contract	Counterparty	Description	Year of contract	Detriment, if any
Current account agreement	Slovenská sporiteľňa, a.s.	Current account agreement (EUR)	2020	None
Service agreement	Slovenská sporiteľňa, a.s.	Agreement on electronic banking – Application for introduction of contact persons for client accounts, authorized persons. Signature and definition of conditions when using Multicash (Annex No. 2 as of 3. 6. 2022)	2020–2022	None
Licence agreement	Slovenská sporiteľňa, a.s.	Agreement on transfer of rights and obligations of information system HoC	2011	None
Licence agreement	Slovenská sporiteľňa, a.s.	Implementation of information system HoC with amendments	2009–2022	None
Licence agreement	Erste & Steiermärkische Bank d.d.	Implementation of information system HoC with amendments including licence transfer from Erste Factoring d.o.o. to Erste & Steiermärkische Bank d.d. due to the merger	2010–2022	None
Service agreement	Procurement Services CZ, s.r.o.	Master Agreement, Service Level Agreement, Personal Data Processing Agreement, Bank Outsourcing. (Annex No. 1 to 21. 01. 2021)	2018–2021	None
Service agreement	Procurement Services CZ, s.r.o.	Agreement on the provision of services (30. 12. 2011 – indefinite)	2010–2011	None
Service agreement	Erste Group Bank AG/ Österreichische Sparkassenverband	License agreement – rebranding – new logo and terms of use	2023	None

## F. Other Legal Actions

In the financial year, the Submitter received or undertook no additional legal or other actions for the benefit or at the request of the Related Parties that would exceed 10% of the Submitter's equity based on the latest financial statements other than those described in the Note Liabilities to Banks above.

into, undertaken or adopted by the Submitter for the benefit or at the request of the Related Parties in the financial year 2023.

This Report was discussed and approved by the Company's Board of Directors on 26 March 2024.

Prague, 28 March 2024  
Factoring České spořitelny, a.s.

## G. Other Measures

Factoring České spořitelny, a.s. is a party to group projects of the Erste Group Bank. Factoring České spořitelny, a.s. suffered no detriment from collaboration in the group projects. The Submitter assessed the relations between the Related Parties and has determined that they are favourable for Factoring České spořitelny, a.s. and bear low risk.



Karel Nováček  
Chairman of the Board of Directors

## H. Conclusions

With regard to the relations between the Submitter and the Related Parties reviewed by us, the Submitter appears to have suffered no detriment as a result of the foregoing contracts, other legal actions or other measures entered



Pavel Chlumský  
Chairman of the Board of Directors

## **Factoring České spořitelny, a. s.**

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