



ANNUAL REPORT 2023

ARETE INDUSTRIAL

A photograph of a large industrial warehouse building with a white facade and a red and white checkered pattern along the top edge. The building has several loading docks and a small entrance with a staircase. The number "27" is visible on the wall. The scene is set at dusk or dawn, with some lights on the building.

ANNUAL REPORT

ARETE INDUSTRIAL SICAV a.s.

For the accounting period
from 1/10/2022 to 30/9/2023

The Czech Republic

ARETE INDUSTRIAL SICAV a.s.

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List of terms and abbreviations used

Unless otherwise stated in the text of the Annual Report, the following terms and abbreviations have the following meanings:

AIFMR Commission Delegated Regulation (EU) No 231/2013 of 19 December 2012 supplementing Directive 2011/61/EU of the European Parliament and of the Council as regards exemptions, general operating conditions, depositories, leverage, transparency and supervision

ČNB the Czech National Bank

Fund ARETE INDUSTRIAL SICAV a.s.

VoBÚP Decree No. 244/2013 Coll. on the detailed modification of certain rules of the Act on Investment Companies and Investment Funds

ZDP Act No. 586/1992 Coll. on income taxes

ZISIF Act No. 240/2013 Coll. about investment companies and investment funds

ZOK Act No. 90/2012 Coll. on commercial companies and cooperatives (Act on Commercial Corporations)

ZoÚ Act No. 563/1991 Coll. about accounting

ZoR Act No. 593/1992 Coll. on reserves for determining the tax base

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ARETÉ (Greek: *ἀρετή*)

in its basic sense means "perfection of any kind"

(Wikipedia)

ARETE INDUSTRIAL is a transparent fund of qualified investors from the ARETE group, focusing on investments in logistics real estate and real estate used for light industry. The fund focuses on real estate generating regular income in the form of rent as well as new construction. Thanks to our knowledge and experience, we are able to select such production and warehouse facilities in Central

Europe that form a diversified portfolio with a balanced structure of tenants and enable maximum appreciation for our investors. ARETE INDUSTRIAL is a part of the ARETE group, which was awarded the very prestigious European award Best of the Best HOF Awards 2021 in the category "Best Asset Management Company", as well as the CIJ Awards Czech Republic for 2022 in the category "Best Real

Estate Property Fund" and CIJ Awards Slovakia for 2022 in the category "Best Asset Management Company", and for 2023 it won the CIJ Awards in the category "Best Real Estate Property Fund Manager of the Year" and "Best Warehouse Development < 16k of the Year".



Best Real Estate
Property Fund
Manager
of the Year



Best Warehouse
Development <16k
of the Year



INTRODUCTORY PART



1. Introduction

The ARETE INDUSTRIAL fund was established as the second fund and the third real estate investment product of the ARETE group. It is the direct successor of the ARETE INVEST sub-fund CEE II sub-fund, whose investment cycle was successfully concluded at the beginning of 2021 by the sale of the portfolio and the payment of a very above-average return to investors. This sub-fund thus followed the path of the ARETE INVEST sub-fund CEE sub-fund, which successfully paid out its investors already in 2017. A fundamental strategic assumption of all funds from the ARETE group is the preference for a closed investment cycle. ARETE INDUSTRIAL thus significantly draws on the experience we gained by managing the previous two sub-funds and at the same time gradually fulfills the ambition to build and manage a portfolio worth 500 million EUR consisting exclusively of real estate used for logistics, storage and light industry.

For Europe, including the Czech and Slovak Republics, the last twelve months have been strongly marked by a combination of several external negative factors - especially the war conflict in Ukraine, the continuing shortage of some materials and components, the high price of energy and the region's unprecedentedly high inflation, to which the

central banks responded by vigorously raising interest rates. The geopolitical, monetary and macroeconomic influences mentioned above have already had a major impact on the continuous increase in real estate yields since the beginning of this year. Transactional activity in both countries practically stopped in 2023. The persistent difference in price expectations between supply and demand objectively creates a de facto, short-term stagnation of the market, which is gradually followed by a gradual increase in interesting investment opportunities at the end of the year. The new market situation meant increased demands on our entire team. In addition to analyzing and predicting economic trends and risks in all target markets, we thoroughly assess and evaluate all existing and new investment opportunities with an average volume of 200 million EUR.

The year 2023 was further defined for us by significant activity in the formation of the fund's portfolio, especially through the construction of new logistics premises. In the last twelve months, we have completed 2 acquisitions of fully leased industrial parks and successfully completed six development projects, with another eight projects now in various stages of development (from project finalization in the coming months, to site preparation and ongoing

construction). As a result of these activities, the volume of assets under management of the fund increased by 44 % compared to September 2022. The fund's portfolio has more than doubled its leasable area year-on-year (as of 9/30/2023, the leasable area is 135,344 m²). The rent collected doubled and the period of lease contracts until expiration remained at a stable level, approx. 7.4 years. The number of tenants increased by almost 40 %.

After intensive preparation, we successfully implemented the ESG strategy for the ARETE INDUSTRIAL fund on October 1, 2023. The fund, as a participant in the financial market, is now governed by the European SFDR regulation and, according to Article 8, the fund has become a so-called "light green fund", which supports the policy of permanent sustainability. We are one of the first real estate investment funds to implement an ESG strategy in accordance with the above-mentioned legislation in the Czech Republic.

The fund has secured long-term bank financing. In January 2023, we concluded a new credit agreement with Česká spořitelna and Slovenská spořitelna. Due to the increase in the cost of bank financing, we carefully analyze and manage this category of fund financing. We keep the level of bank financing of the fund at a low level. As of

September 30, 2023, the LTV value, showing the share of bank financing in relation to the value of the fund's assets, was at the level of 23 %. Thanks to the mentioned and continued stable acquisition of resources from new investors, the fund is well prepared and with sufficient financial capacity to enter the next acquisition phase. Due to the above-mentioned market situation, which we perceive as a unique opportunity, it will be possible to purchase interesting properties for the fund's portfolio already during the first half of 2024, when we expect the price expectations of sellers and buyers to intersect at a new, lower level. By taking into account the expected development of the market in the investment horizon

of the fund, the prerequisites for achieving the fund's performance goals should be created.

The economic outlooks of the European Central Bank and the Czech National Bank expect a reduction in the level of inflation, growth of gross domestic products and a gradual reduction of key interest rates (EURIBOR, PRIBIOR) for the year 2024. International real estate advisory groups expect continued high demand for industrial and logistics rental space in Europe in the coming years. At the same time, the primary driving force should be to satisfy the demand for the production and storage of goods, which, in connection with the new global situation, must seek refuge back in Europe.

Our responsible approach to fund administration and ma-

nagement brings investors a transparent and trustworthy investment model in the long term. The ARETE INDUSTRIAL fund won in the very prestigious category "Best Real Estate Property Fund Manager of the Year" within the 23rd CIJ Awards Czech Republic 2023. The high professional standard of our development team is evidenced by another award, "Best Warehouse Development <16k of the Year" for the ARETE Park Valašské Meziříčí project. The CIJ Awards are among the oldest and most important awards in the field of commercial real estate. We greatly appreciate the awards given, because we were awarded in categories where there has been extremely strong competition from the most important European companies for a long time.

We have already achieved a lot, but we still have a long way to go. On a stable basis, we will continue to build and supplement the portfolio of industrial real estate in the following periods, either through further purchases of revenue-generating real estate or new construction of real estate for creditworthy tenants.

We are **ARETE INDUSTRIAL**, an investment fund focused on stability and performance even in difficult times. We write the stories of our properties and value the trust of our investors. For us, trust means responsibility. We are ready.

In Prague, on January 31, 2024



Lubor Svoboda

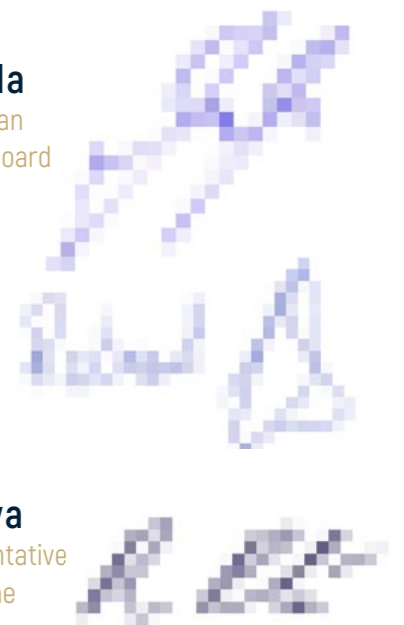
founder and chairman
of the supervisory board

Róbert Idés

founder and vice-
chairman of the
supervisory board

Rostislav Plíva

authorised representative
of the member of the
board of directors



2. About the ARETE group

We founded the ARETE investment group in 2014 with a strategy focused on real estate investments through regulated investment funds. We are a team of real estate professionals with many years of international experience.

To demonstrate our ability to invest, manage and sell portfolios at a profit, the first sub-fund, ARETE INVEST CEE, was established in 2015. The residential portfolio was acquired in 2015, restructured, sold and the sub-fund closed in 2017. As a follow-up to the success of the first sub-fund a second sub-

fund focused on investments in industrial assets was established in 2016. The investment period of this sub-fund was terminated and the complete portfolio was sold in 2021. Both mentioned sub-funds have always been the most profitable real estate products on the Czech market. The second fund and the third investment product of the group, ARETE INDUSTRIAL, was established and also opened to investors from 2020 in order to continue the successful strategy of investing in the same asset class - logistics and production real estate,

while the volume of managed assets should be quadrupled.

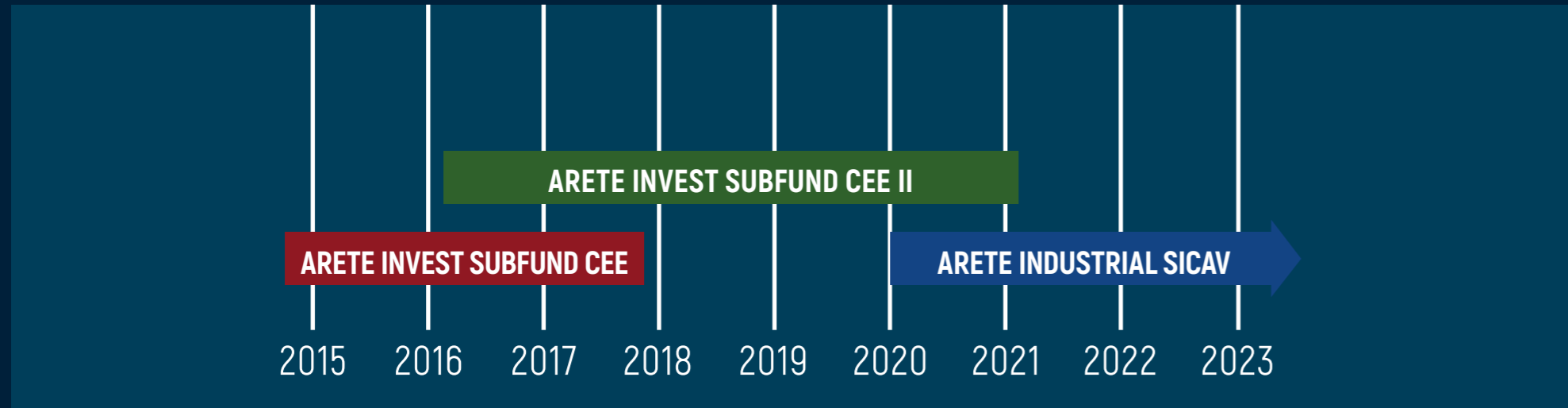
The goal of the ARETE group is the long-term appreciation of invested funds through investments in logistics real estate and real estate used for light industry.





The vision of the founders of the fund is to enable investors to effectively and simply evaluate their finances through passive investment in regulated investment funds.

The philosophy of the ARETE group is based on four basic pillars:



3. History of the ARETE group



-  Best Asset Management Company
-  Best Warehouse Development > 10 000 m²
-  Best Asset Management Company
-  Best Asset Management Company
-  ARETE INDUSTRIAL SICAV Best Real Estate Property Fund
-  Best Real Estate Property Fund Manager of the Year
-  Best Warehouse Development -16k of the Year

ARETE INVEST Subfund CEE

Created in December 2014

Portfolio purchased during 2015

Portfolio sold in 2016

Sub-fund deleted from the CNB list in August 2017



The ARETE INVEST CEE sub-fund was the first sub-fund of the ARETE group focused on real estate. It was also one of the first sub-funds established under the supervision of the Czech National Bank according to the then newly adopted EU AIFMD legislation.

In 2015, the ARETE INVEST CEE sub-fund started investment activities and gradually created a portfolio of almost 300 apartments in 13 apartment buildings in Ostrava, Havířov and Olomouc with a total lettable area of 18,000 m².

Immediately after the acquisition, all real estate management processes were reconfigured in order to achieve optimal operating economics and a stable increase in rental income, increased occupancy and investment in selected portfolio properties.

The sub-fund held the portfolio for nineteen months and in October 2016 the portfolio was sold to an international investor sought by the group's own team. At the time of sale, the portfolio was in very good condition, fully lettable and the long-term occupancy average was above 98 %.

The sale of the portfolio achieved a total gross return of 39 % p.a. during 2017, investors were paid out and the sub-fund was deleted from the CNB list in August 2017. The ARETE INVEST CEE sub-fund thus became not only one of the first real estate funds that evaluated the invested funds for investors through the successful sale of the portfolio, but also one of the few real estate funds that successfully went through the entire process of economic and legal closing according to the new legislation.

ARETE INVEST Subfund CEE II

Portfolio purchased in 2016-2017

Portfolio expanded by own construction in 2018-2019

Sale of the sub-fund portfolio completed in 2021

Sub-fund deleted from the CNB list in September 2021



The ARETE INVEST CEE II sub-fund was the second sub-fund of the ARETE group focused on real estate. Unlike its sister sub-fund ARETE INVEST CEE, it has focused exclusively on logistics and production real estate in the Czech Republic and Slovakia from the beginning. In the course of 2016, the sub-fund realized five acquisitions of production and logistics real estate in the territory of the Czech Republic, which was supplemented by three acquisitions in Slovakia at the beginning of 2017, and in December of the same year it closed with the last acquisition of logistics halls in Vyškov. The sub-fund thus created a portfolio of industrial real estate with a rentable area of 91,850 m².

In 2018, the sub-fund also began to devote itself to new construction by launching a project in Nové Město nad Váhom, and in 2019, two more construction projects were launched in Uherské Hradiště and Košice, which were completed within the stipulated time despite the ongoing problems associated with the COVID-19 pandemic deadline and quality during 2020. All projects were managed by the group's internal team. With the new construction under its own direction, the sub-fund expanded the purchased portfolio by an additional 33,750 m² of rentable floor space. Upon completion of construction in 2020, the entire portfolio consists of 125,400 m² of rentable space.

In 2020, a transparent tender was held for the buyer of the subfund's comprehensive portfolio. This was followed in March 2021 by the sale of the sub-fund's portfolio worth 113,2 million EUR (CZK 3 billion) to Cromwell European REIT, a publicly traded real estate investment trust listed on the Singapore Stock Exchange. The principals and returns of all investors of the sub-fund were properly paid out, and at the same time all liabilities from bank financing were fully settled. A total average gross return of 11 % p.a. was delivered and paid out, while investors who subscribed to the investment shares of the sub-fund in the first wave achieved a gross investment return of over 20 % p.a.

4. About the ARETE INDUSTRIAL SICAV fund

The ARETE INDUSTRIAL SICAV fund was established as the second fund and the third real estate investment product of the ARETE group. It focuses exclusively on investments in high-quality production and logistics real estate with a stable yield, which also have development potential. The portfolio is also supplemented by new construction to increase the overall yield. As part of a fully integrated management approach for the entire investment cycle, he actively manages and develops the properties in the portfolio with the aim of sustainably increasing their yield.

ARETE INDUSTRIAL SICAV a.s. was established in accordance with Act No. 240/2013 Coll., on investment companies and investment funds. The investment fund was entered into the commercial register on 27 March 2019. ARETE INDUSTRIAL SICAV a.s. was entered into the list of investment funds with legal personality maintained by the CNB on 15 March 2019. The fund's main investment region is the Czech Republic and Slovakia, supplemented by other Central European

countries. ARETE INDUSTRIAL mainly acquires completed and occupied logistics and production properties generating stable revenues for its portfolio, which it gradually supplements with its own construction. Purchases of land for further construction represent additional investments. The goal of the fund is to build a stable, diversified portfolio with a balanced structure of tenants worth 500 million EUR consisting of more than 300,000 m² of leasable areas of production and warehouse halls.

Thanks to our specialists, we are able to select exactly the kind of production and warehouse facilities in Central Europe that will enable maximum appreciation for our investors.

The fund also focuses on meeting the latest environmental conditions and standards and pays maximum attention to the issue of long-term sustainability. For example, as part of the construction of new parks, the installation of renewable energy sources is standard, and gradual

BREEAM certification of all parks in the fund's portfolio is also a matter of course. Other components of overall ESG investing are also important for park tenants.

The fund is fully licensed, regulated and supervised by the Czech National Bank, it is also regulated within the EU AIFMD. The fund is duly notified to the Bundesanstalt für Finanzdienstleistungsaufsicht (BAFIN), Finanzmarktaufsicht Österreich (FMA) and Národná banka Slovenska (NBS) for offering on the territory of Germany, Austria and Slovakia. In the accounting period, acquisitions of industrial and logistics parks in the Czech Republic and Slovakia, investments in real estate in the form of receivables, loans and credits for the purpose of generating interest income were paid from the Fund's assets.

In the reporting period, the fund continued its activities from previous years, i.e. the purchase and construction of industrial and logical parks in the Czech Republic and Slovakia.



5. Basic information about the fund and accounting period

Fund name

ARETE INDUSTRIAL SICAV a.s.

Manager

Winstor investiční společnost a.s.

ID number

080 31444

ID number

083 15 868

Registered office

Náměstí 14. října 642/17, 150 00 Prague 5, Czech Republic

Registered office

Jungmannova 745/24, Nové Město, 110 00 Prague 1, Czech Republic

Contact

phone: 226 808 901

e-mail: info@arete.eu

www.arete.eu

Note

As of June 30, 2021, the manager is entitled to exceed the applicable limit. The manager performs administration services for the Fund in the sense of § 38 paragraph 1 ZISIF

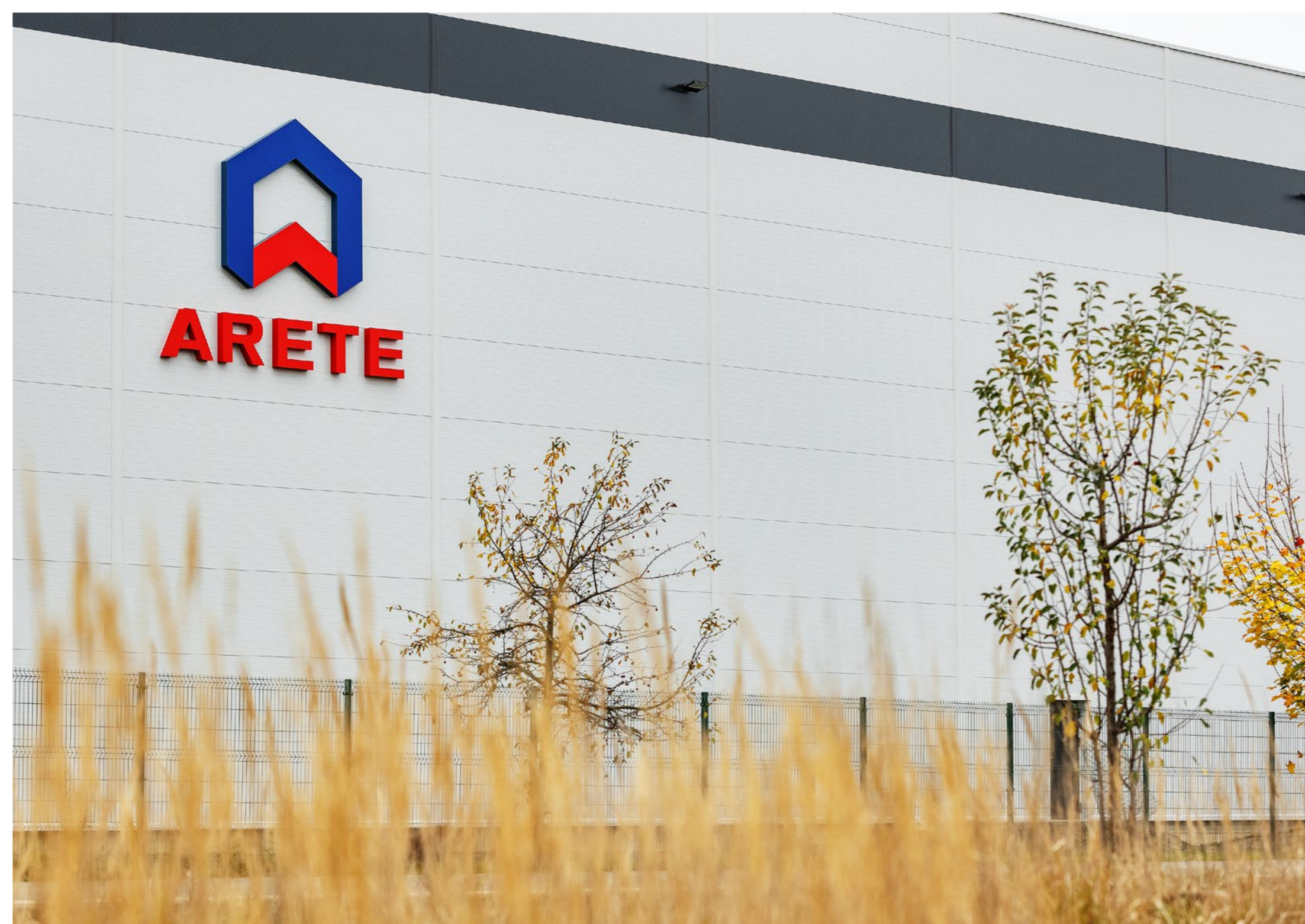
Fund type

Fund of qualified investors according to § 95 paragraph 1 letter a) ZISIF in the legal form of a joint-stock company with variable share capital

Accounting period

1/10/2022 – 30/9/2023

hereinafter also referred to as [the "Fund"]



6. Macroeconomic situation

A declining but still uncomfortably high rate of inflation, combined with high levels of interest rates and rising bond yields in the primary market, represents an adverse macroeconomic situation for the real estate market. The cost of capital has risen significantly over the past year and remains high. On the other hand, economic activity is weak (measured by PMI indices or as GDP). The rate of inflation at the level of the Eurozone, the Czech Republic and the Slovak Republic shows a downward trend, but nominal interest

rates remain rigid, which puts pressure on the growth of real interest rates and pressure on the decline of overall economic activity. Economic activity reflected in the PMI indices (PMI-m, 43,4 in 09/2023) points to a contraction. At the same time, we observe relatively low year-on-year GDP growth in the eurozone (Q3 2023 0,1 %). The labor market remains robust at the Eurozone level and unemployment rates are relatively low in a historical context, thus a source of inflationary pressure. **The aforementioned factors have**

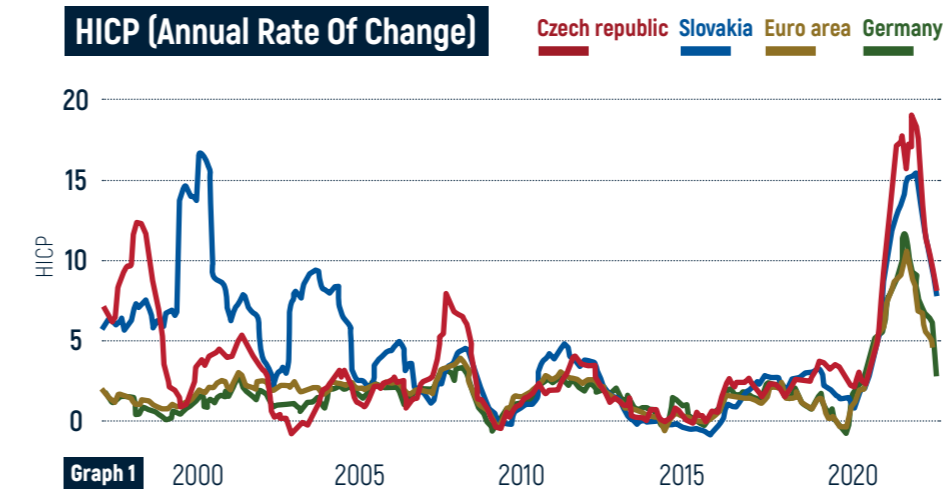
caused pressure for a cyclical decline in real estate prices - lower entry prices - which creates attractive investment opportunities on the market. The expected appreciation of real estate values is amplified by the mentioned (observed and still expected) downward trend in the rate of inflation to comfortable levels enabling the reduction of interest rates, which has historically been a supporting force for the economy and the real estate market.

(Table 1) Description of basic economic indicators, yield of government bonds and prime yield of industrial real estate

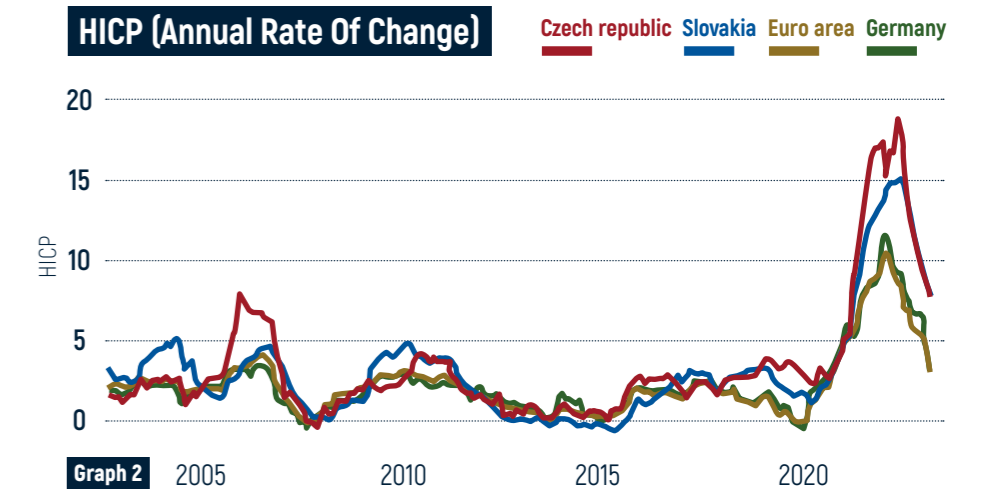
	Eurozone		Germany		Czechia		Slovakia	
	Q3 2022	Q3 2023	Q3 2022	Q3 2023	Q3 2022	Q3 2023	Q3 2022	Q3 2023
Prime Yield Industrial*	4,5 %	5,1 %	3,6 %	4,3 %	4 %	5 %	5,25 %	6,25 %
PMI for manufacturing	48,4	43,4	47,8	39,6	44,7	42	-	-
GDP	2,4 %	0,1 %	1,2 %	-0,4 %	1,4 %	-0,6 %	1,3 %	1,1 %
Unemployment	6,7 %	6,5 %	3,1 %	3 %	2,3 %	2,7 %	6,0 %	5,8 %
Inflation rate	9,9 %	4,3 %	10,9 %	4,3 %	18 %	6,9 %	13,6 %	9 %
Government bond yield (10Y)	3,0 %	3,66 %	2,12 %	2,85 %	5,38 %	4,75 %	3,38 %	4,13 %

Source: Eurostat, Investing, C&W, ECB, Tradingview, Prime Yield Industrial = Europe overall, not Eurozone*

(Graph 1 and 2) Annual rate of inflation according to the Harmonized Index of Consumer Prices (1997-2023) and (2005-2023)



Graph 1 Source: own processing based on data from Eurostat



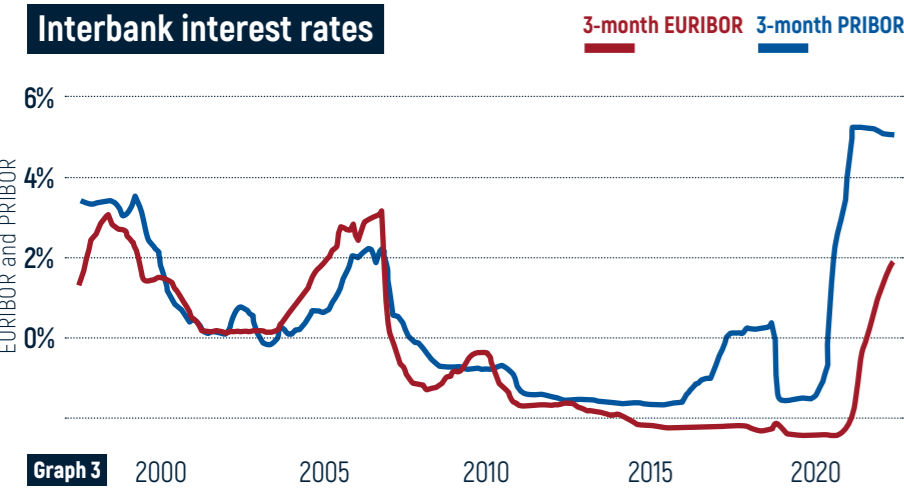
Charts 1 and 2 describe the development of the Harmonized Index of Consumer Prices (HISC) in the Czech Republic, the Slovak Republic, the Eurozone and Germany. At the turn of the millennium, Slovakia experienced a similar rate of inflation as in 2023, the rate of inflation in the Czech Republic, the Eurozone and Germany in the

period 2022-2023 was unprecedented in the last 20 years. During 2023, the year-on-year inflation rate was on the decline, but the prices of goods and services remain high. Their growth is slowing mainly due to the drop in energy prices, which is volatile and therefore risky. In any case, the normalization of the inflation process

can be expected - a further decrease in the inflation rate with its favorable effect on market sentiment. The falling rate of inflation will gradually lead to an easing of financial conditions that have historically supported asset price growth.

Macroeconomic situation

(Graph 3 and 4) Short-term interbank interest rates Euribor and Pribor and government bond yields in the eurozone (AAA rating indicates the lowest credit risk)



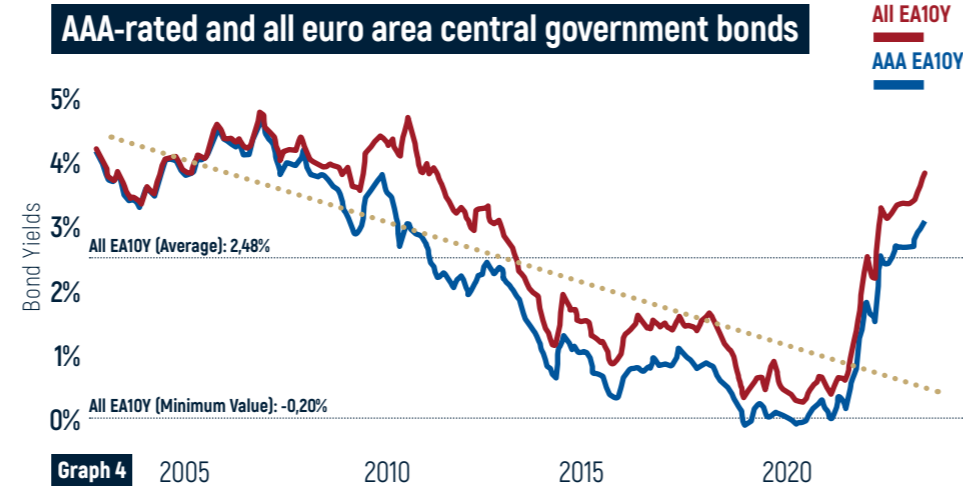
Graph 3 2000 2005 2010 2015 2020

Source: own processing based on data from Eurostat

Source: own processing based on data from Eurostat

Towards the end of 2023, the declining rate of inflation appears to be positive news in terms of market sentiment. However, its consequences, reflected in the rising costs of capital, remain. As we can see in Charts 3 and 4, the interbank interest rates Euribor and Pribor remain high, and the unprecedented rate of growth of their curves is a reaction to the increase in interest rates of the ECB and

the CNB. Regardless of the normative debate about the effects of rising central bank interest rates on the rate of inflation, the fact remains that commercial banks lend to each other at higher interest rates, which is subsequently reflected in the rates of their active trades (we observe a rise in mortgage rates, a rise in loan rates for corporations, rising loan rates, etc.).



Graph 4 2005 2010 2015 2020

At the same time, we observe rising yields on primary market government bonds. The pace of their increase is unprecedented and they are rising from low levels (2020-2021). We note that the effect of a restrictive monetary policy is an increase in the price of money and a pressure to increase the cost of capital.

[Table 2] Level and change of monetary policy and financial market indicators (at the end of the reference period, MRO* (main refinancing operations))

Instrument	3Q 2021	3Q 2022	3Q 2023	2023 vs. 2021	2023 vs. 2022
ECB (MRO*)	0,25 %	1,5 %	4,75 %	+450 points	325 points
CNB (2T Repo)	0,75 %	7 %	7 %	+625 points	0 points
Euribor 3-m	-0,55 %	1,01 %	3,88 %	+443 points	+287 points
Pribor 3-m	1,11 %	7,25 %	7,09 %	+598 points	-16 points
Government bonds (AAA, eurozone, 10Y)	-0,29 %	1,86 %	2,76 %	+305 points	+90 points

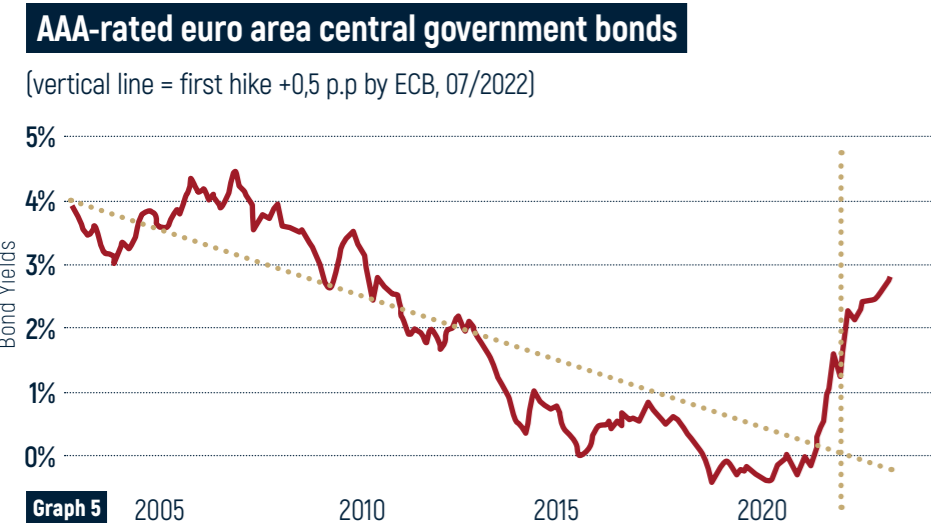
Eurozone government bond yields with a maturity of 10 years and a credit quality of AAA started to rise significantly even before the first increase in the main ECB interest rate (07/2022, vertical line in Graph 5), because their yield reflects not only the level of the interest rate at the given time, but also its expectations and term premium. Looking at Graph 6, we see that the yield curve grew significantly year-on-

year already in 2022, and in 3Q 2023 its year-on-year growth slowed down. At the same time, we observe an inversion of the yield curve for 3Q 2023, which is often described as a signal pointing to a possible recession. On the positive side, further deterioration of financial conditions is unlikely in the context of the falling rate of inflation. At the same time, economic activity remains relatively stable

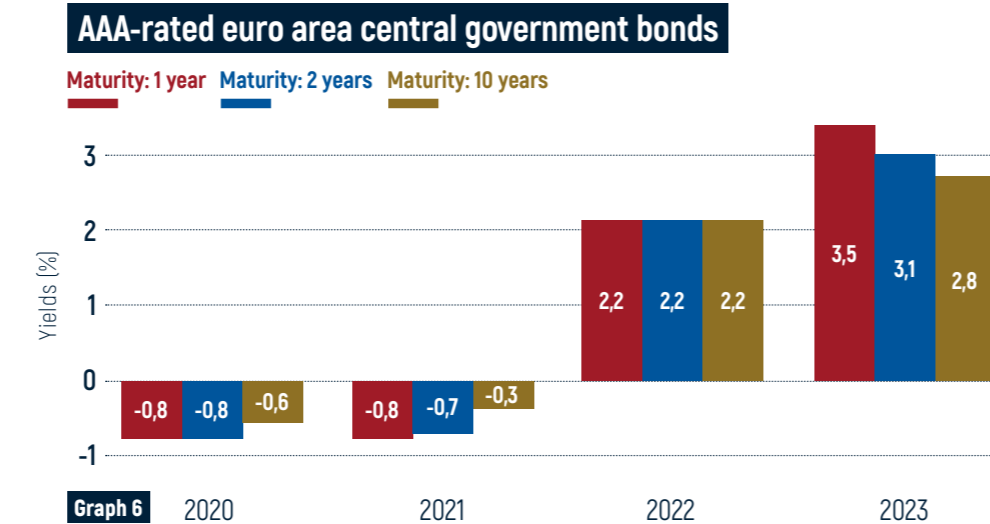
thanks to the robust labor market, and in the event of a significant decline in economic activity, economic risk can be expected to balance out by loosening financial conditions. In other words, central banks have plenty of room to lower interest rates and support economic growth – factors positively associated with real estate prices.

Macroeconomic situation

(Graph 5 and 6) Bond yield development (AAA, government, 10Y, eurozone) and yield development of selected maturities (1, 2 and 10)

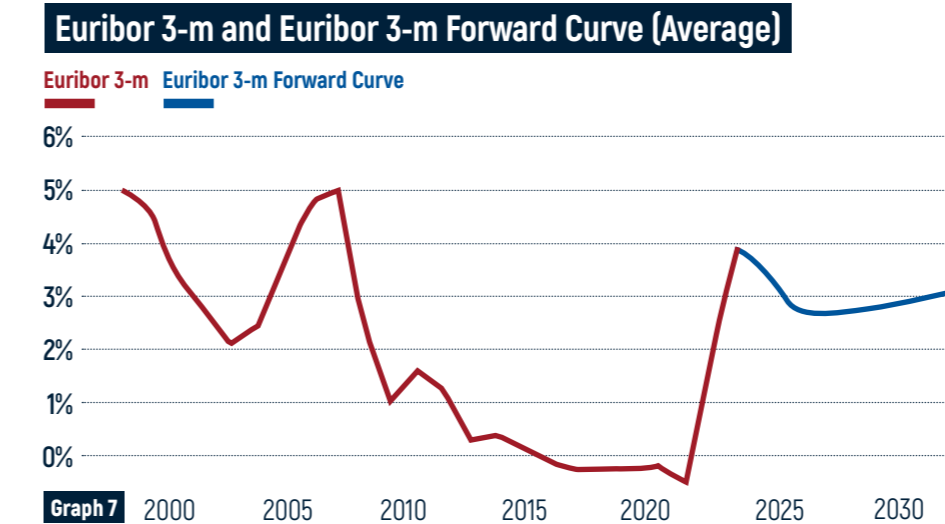


Graph 5 Source: own processing based on data from Eurostat



Graph 6

(Graph 7) Historical and financial market-predicted (based on the forward curve) trajectory of the Euribor 3-m interbank interest rate



Source: own processing based on data from Eurostat (Euribor historical development) and Chatham Financials (Euribor forward curve)

The macroeconomic situation described above points to a significant year-on-year increase in the cost of capital as of Q3 2023 (and especially in the perspective of the last two years). The rising returns required by investors to buy "risk-free bonds" reflect the high price of money (Euribor 3-m), the currently relatively high expected price of money (Euribor 3-m forward curve) and/or the growth of risk during the life of the bond (term premium). Regardless of the exact quantification of bond yield factors, it is clear that the bond market reflects the relatively high

cost of capital and is currently compensating investors in that spirit. We believe that the sufficient compensation of investors for investing in assets with a certain risk profile should be reflected in an additional return, since a rational investor requires an increasing return with increasing risk. In the context of real estate, a given yield can be achieved at the level of income that the asset generates, or by the expected growth in the asset's capital value, which is a function of the relatively low entry price. Due to the fact that the possibilities of generating a return at the income

level are positively dependent especially on inflation (which is currently showing a downward trend, and we abstract from other factors) additional returns can be achieved by purchasing assets at attractive (relatively low) prices (in other words, especially in period of relatively high prime yields). In the next part of the text, we will therefore take a closer look at the development of prime yields and the capital value of industrial real estate.

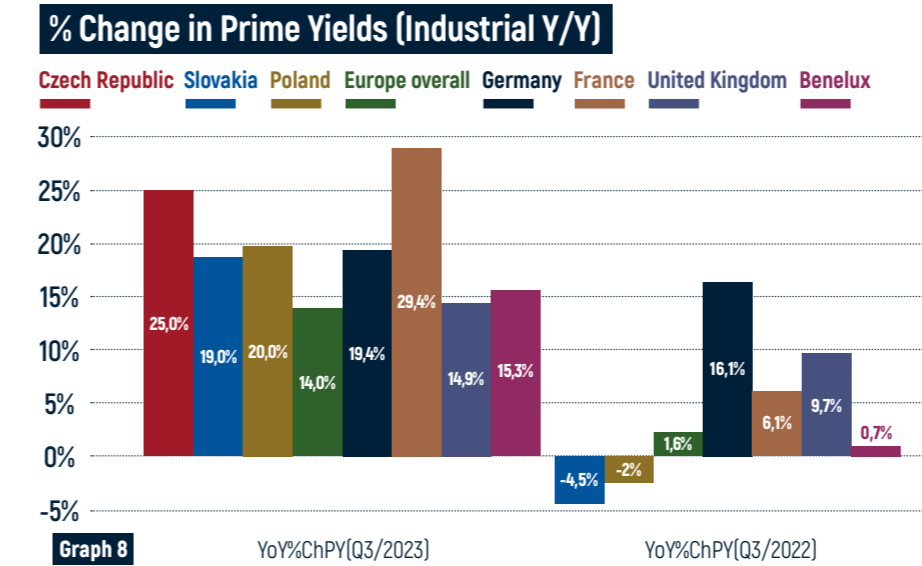
Macroeconomic situation

[Table 3] Development of the yield rate of industrial real estate (industrial prime yield)

	Europe	France	Germany	Czechia	Poland	Slovakia
2023 Q3	5,12 %	4,53 %	4,30 %	5,00 %	6,00 %	6,25 %
2023 Q2	5,06 %	4,53 %	4,15 %	5,00 %	5,90 %	6,25 %
2023 Q1	5,07 %	4,28 %	4,15 %	5,00 %	5,70 %	6,00 %
2022 Q4	4,88 %	3,90 %	4,00 %	4,50 %	5,20 %	5,50 %
2022 Q3	4,49 %	3,50 %	3,60 %	4,00 %	5,00 %	5,25 %
2022 Q2	4,18 %	3,28 %	3,10 %	4,00 %	5,00 %	5,25 %
2022 Q1	4,12 %	3,03 %	3,00 %	3,75 %	4,70 %	5,25 %

Source: Cushman&Wakefield

[Graph 8] Year-on-year percentage change in prime yields (as of 3Q 2023 and 3Q 2022)

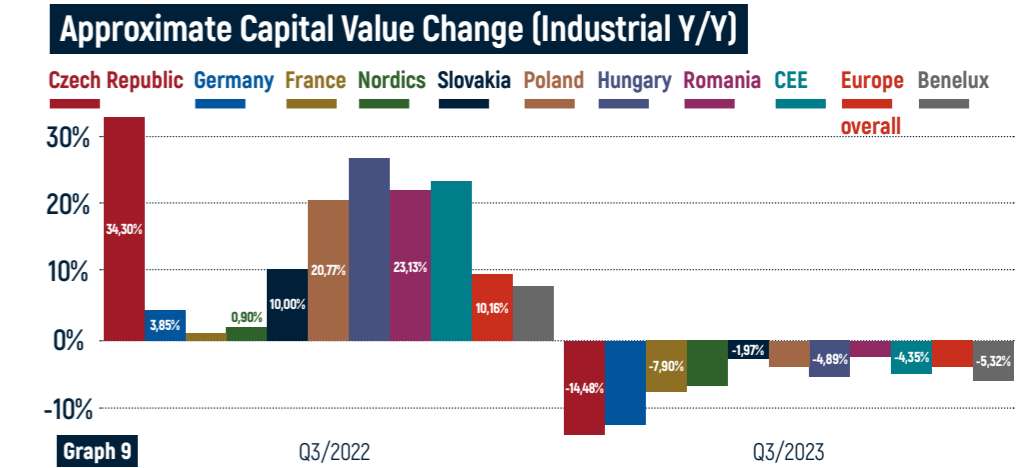


Source: own processing based on C&W data

As can be seen from Table 3 and Graph 9, during 2023 we observe significant year-on-year increases in prime yields of industrial real estate, in other words, downward pressure on real estate values. At the European level, prime yield increased by roughly 14%. It is clear from the table and graph that the pressure for the growth of the mentioned yields occurred year-on-year in Germany, France and Great Britain as early as Q3 2022, on the other hand, in markets with a

lower volume of transactions (including the Czech Republic and Slovakia), the growth of prime yields occurs with a delay. According to Chart 10, the capital value of industrial real estate decreased year-on-year across all observed countries as of 3Q 2023, while different dynamics of the year-on-year change in capital value as of Q3 2022 (CEE vs. Western market) are evident. As of Q3 2022, the markets of Western Europe reflected the weakening dynamics of capital value

[Graph 9] Change in capital value (implied by the dynamics of rent growth and prime yields), the percentage change in prime yields is calculated as a % of the base, so it is not a change in percentage points

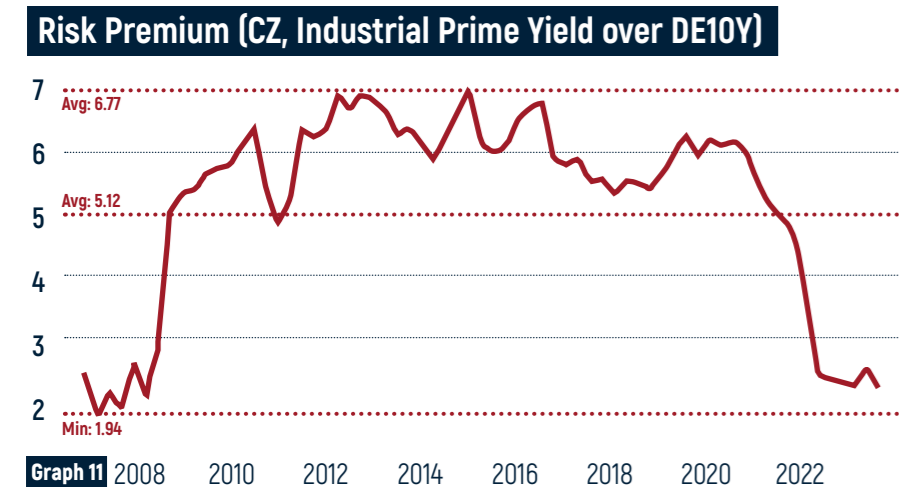
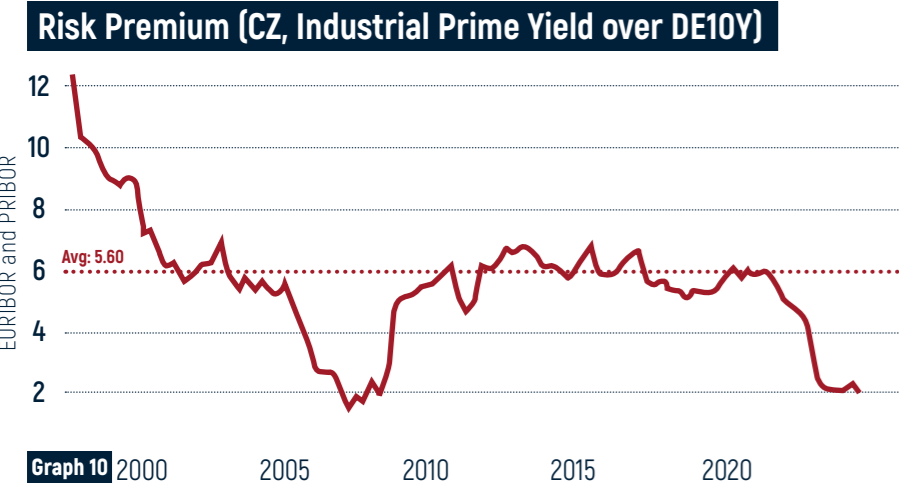


Source: own processing based on C&W data

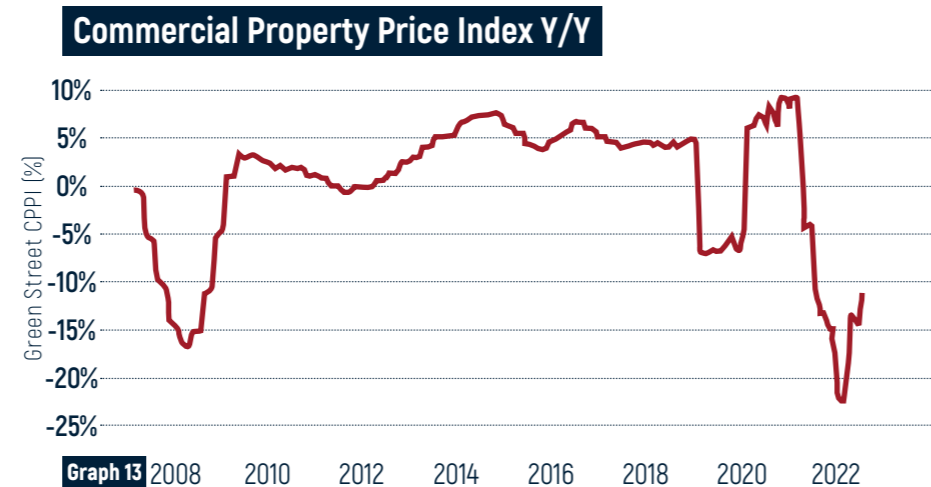
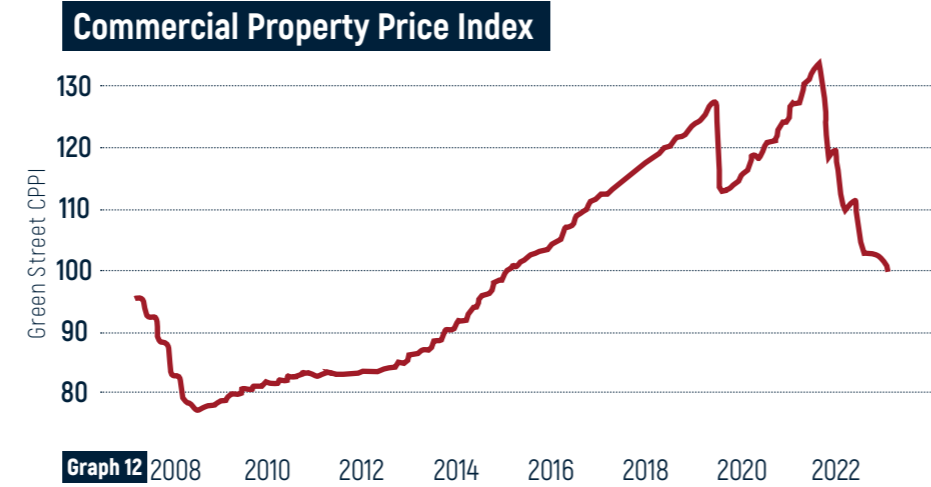
growth, on the contrary, in CEE the dynamics of capital value growth reflected significant increases. We believe that cumulative declines in values are more pronounced in Western European markets compared to the CEE region. Therefore, they are an investment opportunity. Most likely, at the same time pressure on prime yields can be expected in less developed markets, in other words - the possibility of an even more attractive entry price can be expected.

Macroeconomic situation

(Graph 10, 11, 12 and 13) Historical development of the risk premium (Czech Republic, industrial real estate, 1998-2023), historical average of the risk premium and development of the risk premium since 2007. Development of commercial real estate prices within Europe (according to the Green Street Index) and their year-on-year change.



Source: own processing based on data from Fred, Green Street and internal data



The commercial real estate price index (according to Green Street) peaked during Q2 2022 and started to decline year-on-year from Q3 2022. The rate of decline is significant and the index can be considered an indicator of weakening sentiment in the industrial real estate space as well (it shows the direction of the market as a whole). At the same time, it is clear that the development across individual commercial real estate sectors is not uniform, and the profitability of investing in real estate also depends on sectoral fundamentals and the ability to identify value.

At the same time, we believe that given the current cost of capital, the level of bond yields and relatively weak economic activity, we are not sufficiently compensated for the prime yield level of around 5 % in the Czech Republic and 6,25 % in the Slovak Republic. The premium for the risk of investing in industrial real estate in the Czech Republic (calculated as the difference between the prime yield of Czech industrial real estate and the 10-year yield of the highest credit quality bond in the Eurozone) is currently at one of the lowest levels in history. At the same time,

even the value of the prime yield (CZ, industrial real estate) below the level of 5,75 % is more the exception than the rule (since 2006, it has occurred in terms of frequency only at the level of 13 %, or 87 % of observations showed a prime yield at a level higher than 5,75 %). **Pressure on prime yield therefore appears likely and will represent an investment opportunity for us that investors can benefit from.**

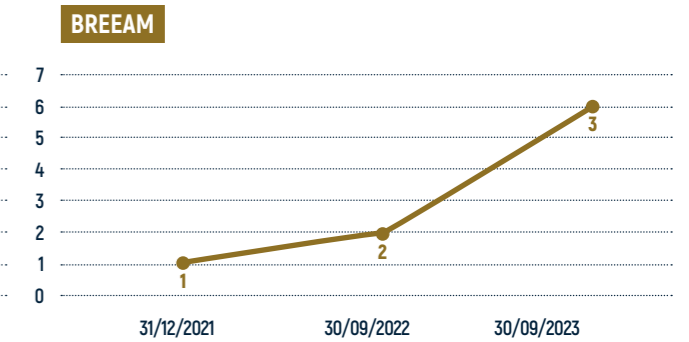
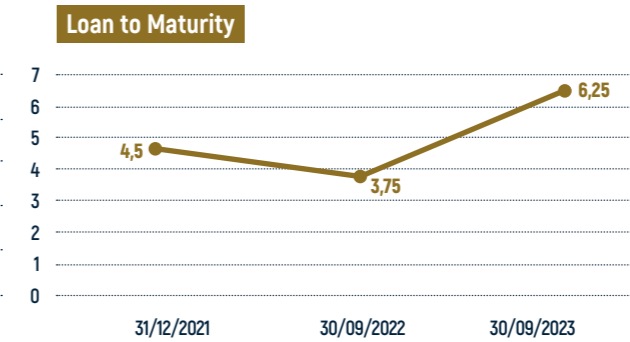
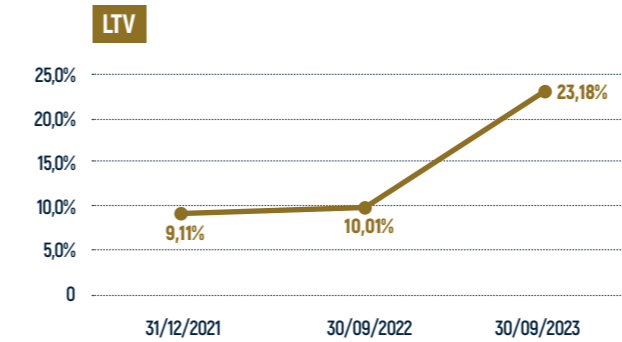
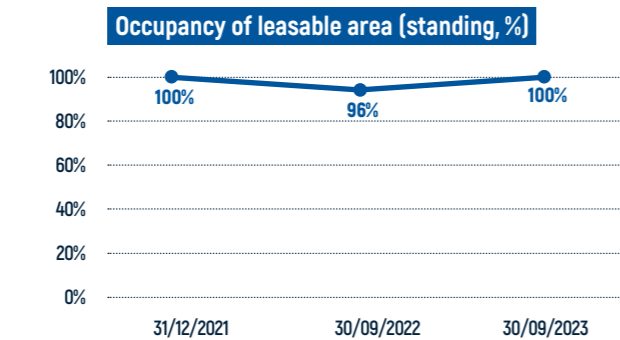
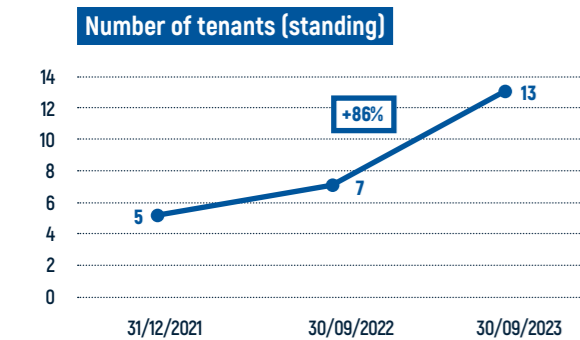
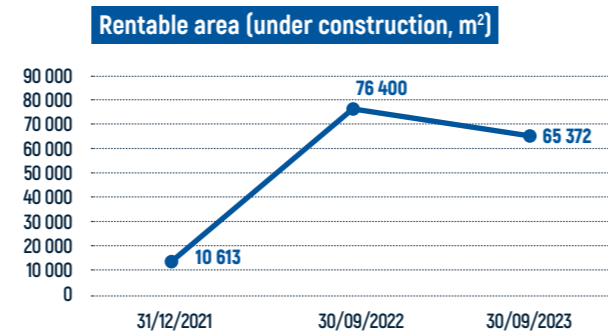
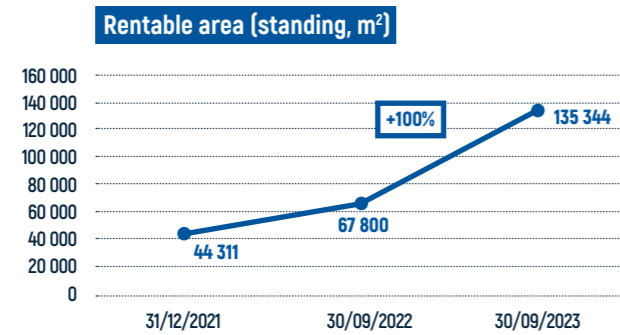
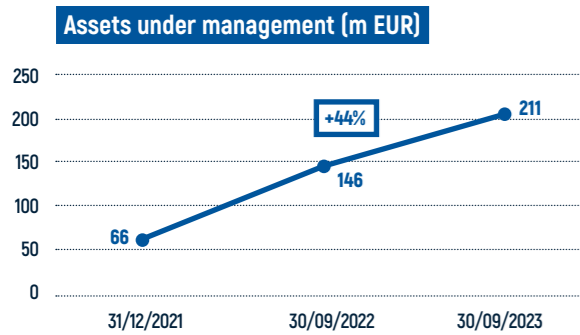
Data Sources:

- Table 1: Eurostat, Investing, C&W, ECB, Tradingview, CSO
- Graph 1 and 2: Eurostat
- Graph 3 and 4: Eurostat
- Table 2: ECB, Eurostat, CNB
- Graph 5 and 6: Eurostat
- Graph 7: Eurostat and Chatham Financials
- Table 3: C&W Report DNA of Real Estate
- Graph 8 and 9: C&W Report DNA of Real Estate
- Graph 10, 11, 12 and 13: FRED, Green Street and internal data

7. Summary of current fund results

Key indicators						
211 mil. EUR	23,18 %	135 000 m ²	100 %	13	11	7,4
AUM	LTV	rentable areas	occupancy	number of tenants	number of assets	WAULT

AUM calculated as the Fund's gross assets expressed in market value increased by external financing.



Despite the complicated macroeconomic situation, the portfolio management team worked very actively on portfolio development. According to the plan, there were two purchases of income properties and the start of the largest construction to date within the portfolio of the fund. Of particular note is the purchase of the production area of AAS Automotive s.r.o. in the form of sale and leaseback near Milovice in Central Bohemia and the acquisition of a modern logistics park near Dunajská Streda, where we plan to start expansion in the foreseeable future. In addition to the ongoing modernization of the production and storage area in the Plzeň Borská pole industrial zone, new construction was started in the Rokycany industrial zone right next to the D5 highway. After the planned completion at the end of 2023, almost 30,000 square meters of premium rental space in the modern industrial park will be handed over to a creditworthy tenant, which will be the Duvenbeck Group. The volume of assets under management of Fund increased

by 44 % compared to the end of the 2022 financial year. The increase in value was mainly contributed by implemented and gradually completed development projects - a new hall within the ARETE Park Rokycany I industrial park for the Raben company, the revitalization of a brownfield and the construction of new premium production and storage spaces for the GIENGER company within the ARETE Park Plzeň complex, Borská pole and the completion construction of a new hall for the ARETE Park Valašské Meziříčí industrial park, whose tenant is DB Schenker. The fund's portfolio grew year-on-year to more than double the leasable area, i.e. over 135,000 m². At the same time, more than 65,000 m² is under construction. Collected rent increased by 118 % to 8,6 million EUR, the period of lease contracts until expiration remained at the same level. The number of parks in the fund's portfolio increased by almost 40 % to 11, the number of tenants by more than 80 % to 13, 6 parks have BREEAM certification, the others are in the process of obtaining certification. All rentable

space is fully occupied. Fund's indebtedness is kept at a low 22,5 % and the maturity of the loans is more than 6 years. In September 2023, we were forced to reflect on the development of the real estate market, including the movement of the yield rate of logistics areas (industrial prime yield), which has a major impact on the current market valuation of existing or newly built real estate. As analyzed in detail in Chapter 6 "Macroeconomic situation", specifically Table 3 and Graph 9, in the course of 2023 we observe a year-on-year increase in prime yields and the associated pressure for a decrease in real estate values. Renowned expert CUSHMAN & WAKEFIELD prepared the valuation of the portfolio according to international professional standards (RICS rules). The revaluation reduced the value of the portfolio. It should be emphasized that this is a valuation as of September 30, 2023, i.e. unrealized gain or loss at the time of valuation.

7. Summary of current fund results

The fund is only in the middle of its investment cycle, and there are many more revaluations of the portfolio by the connoisseur in the coming years. Our valuation approach is conservative, ascertaining the current fair value of assets is important to us and allows us to anticipate the current or future development of the portfolio value. The

real value of the portfolio achieved at the end of the investment cycle will be decisive, with a premium return for investors upon the actual sale of the portfolio (all or its parts) to external entities.

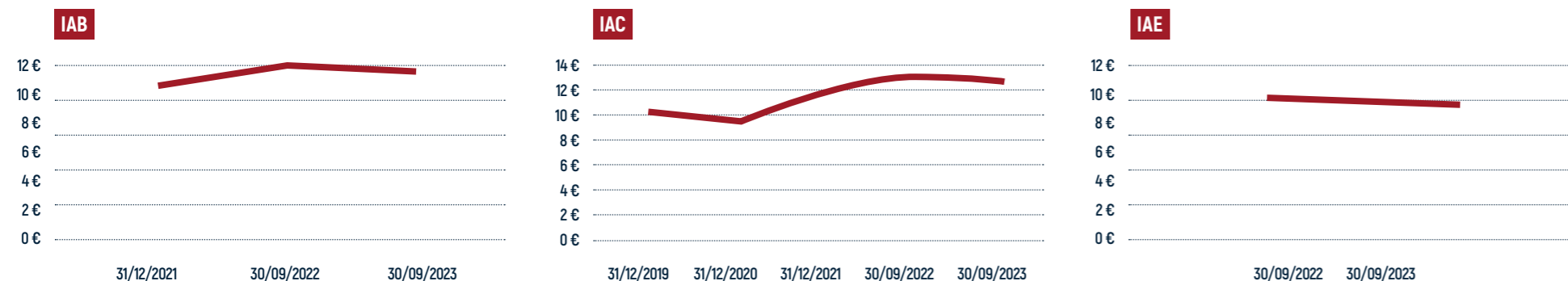
Despite the positive economic result from operating activities (economic result adjusted for the effect of asset

revaluation), which amounted to 20 million CZK, the fund's overall economic result due to the unrealized loss from the revaluation of equity participations, i.e. the revaluation of real estate, and due to exchange rate differences, is a loss in the amount 109 million CZK.

Key indicators for the period from 01/10/2022 to 30/09/2023

In thousands CZK	30/09/2023	30/09/2022
The Fund's economic result from operating activities	20 105	-35 245
Unrealized profit (loss) from revaluation of assets	-128 470	220 388
Income tax	-1 029	35
Profit (loss) for the accounting period after tax	-109 394	185 178

Development of the value of the Fund's Investment Shares



	30/09/2023	30/09/2022	31/12/2021	change 2023 vs. 2022
IAB	11,7142 €	12,0372 €	10,8545 €	-2,68 %
IAC	12,8404 €	13,2257 €	11,9951 €	-2,91 %
IAE	9,8084 €	10,1027 €	NA	-2,91 %

Breakdown of IAB valuation according to actual NAV

The impact of the operating income of the fund	0,50 %
The impact of asset revaluation due to a shift in the market	-3,15 %
FX impact	-0,03 %
Total annual impact	-2,68 %

A very positive confirmation of the good work of our team in 2023 was the award of "Best Real Estate Property Fund Manager of the Year" as part of the prestigious CIJ Awards

Breakdown of IAE valuation according to actual NAV

The impact of the operating income of the fund	0,54 %
The impact of asset revaluation due to a shift in the market	-3,42 %
FX impact	-0,03 %
Total annual impact	-2,91 %

Czech Republic 2023. Our group also won in the "Best Warehouse Development <16k of the Year" category, in which the competition jury awarded the ARETE Park Valašské

Breakdown of IAC valuation according to actual NAV

The impact of the operating income of the fund	0,54 %
The impact of asset revaluation due to a shift in the market	-3,42 %
FX impact	-0,03 %
Total annual impact	-2,91 %

Meziříčí project. CIJ Awards is the oldest and also the most important award in the field of commercial real estate in the Czech Republic and Slovakia.

8. Information about expected developments in the following period

The Czech Republic remains a desirable location for investment in real estate assets thanks to many factors, including structurally lower inventory, low vacancy, sustainable tenant demand and healthy rental dynamics. International real estate expert groups (CUSHMAN & WAKEFIELD, CBRE, etc.) expect continued high demand for logistics space in Europe in the coming years, coupled with increased demand for goods.

Given the impending refinancing challenges, the revaluation may create attractive opportunities for investors with financial capacity and strategic vision.

The ARETE fund has secured long-term bank financing. In January 2023, we concluded a new credit agreement with Česká spořitelna and Slovenská spořitelna. The level of bank financing of the fund remains at a low level, as of September 30, 2023, the value of the share of total engagement vs. portfolio value (LTV) at 23 %.

Given the availability of long-term bank financing and fundraising from new investors, we view the current market situation as an opportunity. We believe that after the corrections, the real estate market will stabilize in the course of the following year and a number of acquisition opportunities will appear. In addition to predicting market

trends and risks in all target markets, our acquisition team thoroughly analyzes both existing investment opportunities (currently in the volume of more than 200 million EUR), but primarily focuses on opportunities that we believe will come in the next year.

In the case of the fulfillment of the optimistic prediction about the reduction of interest money and the price of money, we also expect an associated revival of transaction activity, a subsequent drop in industrial prime yields and an increase in real estate prices contributing to the increase in the value of the fund's assets.

In addition, we expect the completion of several significant projects for the portfolio of the ARETE INDUSTRIAL fund in the following year. Towards the end of 2023, we plan to hand over to the tenant our largest construction project to date in the form of a modern logistics hall and administrative building for the Duvenbeck company within ARETE Park Rokycany II. At the same time, the new hall for the OXYMETAL company in ARETE Park Plzeň, Borská pole, is just about to be completed and handed over to the tenant. In the second quarter of the following year, the expansion of ARETE Park Zdice, specifically the hall for the reputable multinational tenant, Kühne & Nagel, should be completed.

In the first two quarters of 2024, our experienced development team plans to complete several more projects. The first of these should be the expansion of ARETE Park Rokycany I for the company Safran Cabin, which is among the global leaders in the field of aircraft cabin interior production. Subsequently, a significant expansion of the current premises within ARETE Park Plzeň, Borská pole should be completed for the current prestigious tenant, which is the company Zásilkovna. Last but not least, the completion of the new hall of the ARETE Park Valašské Meziříčí area for the current tenant, which is DB Schenker, is scheduled for the end of the first half of the year.

After the completion of these projects, the total leasable area will increase by 65,372 m², which is an increase of 48 %. We plan to obtain BREEAM certification for all these newly built projects. At the same time, we will continue the subscription of new individual investors and negotiations on the inflow of institutional capital to the ARETE INDUSTRIAL fund. We also have expansion projects ready for the coming period for ARETE Park Milovice and ARETE Park Dunajská Streda, for which we are currently looking for tenants in accordance with our investment strategy.

9. Fund strategy

ARETE INDUSTRIAL invests exclusively in industrial real estate in the region of Central and Eastern Europe, with the Czech Republic and Slovakia being the key markets. The fund's investment strategy is built on four basic pillars - regional and industry diversification, investment in stable revenue real estate supplemented by real estate with development and development potential, sustainability and stability of income through a portfolio of premium tenants with a high-quality international rating and, of course, also in the fulfillment of environmental construction standards and running real estate.

The fund's investment program is managed to provide an attractive, long-term investment profile with a balanced risk/reward ratio, with returns driven by a combination of capital appreciation and consistent income. We base this on an understanding of the factors affecting value, including the dynamics of local markets and characteristics specific to a particular property. At the same time,

the tangible nature of the assets provides stability and value in the uncertain macroeconomic environments of the individual countries in which the fund will operate.

ARETE INDUSTRIAL aims primarily at high-quality logistics and class A production halls in Central Europe. The fund will further invest in class B real estate with the potential for upgrading to class A. It will acquire completed and occupied industrial real estate generating stable returns to the portfolio, which it will supplement with new construction for pre-contracted tenants with a high-quality international rating. The purchase of suitable land for further construction will represent additional investments. However, at least a zoning decision will always be required for new construction and a clearly defined strategy for which new construction on the land may be suitable for a specific tenant.

The strategy of the ARETE INDUSTRIAL fund is focused on investments in industrial properties that offer an inter-

esting investment return. The total standing leased floor area (standing GLA) of real estate owned by the ARETE INDUSTRIAL fund as of September 30, 2023 was 135,344 m². The total floor area under construction (development GLA) of the ARETE Industrial fund as of September 30, 2023 was 65,372 m². Our premises also include building plots with an estimated possibility of building an additional 34,406 m² of floor space.

In accordance with the fund's investment strategy, activities aimed at building a stable portfolio are planned for the following years, i.e. ongoing acquisition of real estate that meets investment criteria and the simultaneous increase in the value of real estate that will already be in the portfolio. Furthermore, operational setup and optimization of costs, integration and consolidation of the portfolio and maximum use of free land for new construction. The appreciation achieved by the fund will increase gradually with the growing size of the entire fund portfolio.

10. ESG and the fund's investment sustainability policy

Environmental

- At least 80 % of the Fund's portfolio has BREEAM certification with a "Very Good" rating.
- Photovoltaic panels are on all property roofs where it is technically possible.
- Zero emissions by the ARETE group by 2050 at the latest.
- Zero consumption of electricity produced from fossil fuels by the end of 2050.
- Planting one new tree for every 500m2 of newly built area.



Social

- An annual satisfaction survey of tenants and employees of the group.
- Regular communication with building tenants and employees regarding workplace conditions.
- Creating a sufficient amount of rest areas.
- long-term support of local communities and non-profit organizations.
- Regular participation of employees in volunteer activities.



Governance

- Encouraging employees to adhere to the group's code of ethics.
- Obligation of suppliers to comply with the group's code of ethics.
- Regular training on ESG strategy.
- Promotion and support of gender balance policy.



More than **80%** of buildings with BREEAM certification

ONE planted tree for every 500 m² of newly built area

ZERO emissions of the group by 2050

100% of employees bound by the code of ethics

More than **60%** of the waste in the construction of new buildings will be recycled

ARETE Group considers responsible investing to be one of its key priorities. For this reason, we successfully implemented the ESG strategy of the ARETE INDUSTRIAL fund in September 2023. As a participant in the financial market, we follow the European SFDR directive, and according to Article 8, the ARETE INDUSTRIAL fund has become a "light green fund", which supports the policy of permanent sustainability. We are one of the first real estate investment funds to implement an ESG strategy, in accordance with the above-mentioned legislation, in the Czech Republic. In the following year, we plan to further refine or expand the criteria we take into account when making investment decisions, in accordance with European legislation. We believe that implementing a sustainability policy and

supporting ESG will bring higher profitability in the long term. A responsible and sustainable way of investing brings positives not only for individual investors, but also for society. It is obvious that capital appreciation can be achieved in a socially responsible way. That is why our ARETE INDUSTRIAL fund assesses not only financial but also social, environmental and ethical factors in its operation. From a comprehensive perspective on ESG issues, we deal with all three letters from the acronym ESG during the fund's investment activities. Hiding under the letter "E" is Environment, a criterion that determines the impact of companies (in our case, real estate) on the environment. In ARETE's view, this mainly includes the use of renewable resources and active care of the surroundings of our industrial parks.

In particular, in cooperation with local organizations near our industrial parks and tenants, we also focus on fulfilling the social criteria "S" (Social). Among the most important aspects, let's mention municipal and regional development in the location of real estate from the fund's portfolio. The second pillar of the fund in this area is the share of satisfied tenants with long-term leases and the assessment and selection of tenants from the point of view of the long-term sustainability of the tenant's business activity in the region. The letter "G" (Governance) represents the criteria of responsible company management. We see priorities in this area mainly in full respect of legislative and regulatory regulations, fair dealing and compliance with other ethical standards, which are reflected in our Code of Ethics.

ARETE Group supports sustainability primarily in these areas:

Environment

Reducing the energy efficiency of buildings and reducing the emission footprint:

- At least 80 % of the buildings in the portfolio of the ARETE INDUSTRIAL fund must have BREEAM certification with a "Very Good" rating. BREEAM certification assesses ten different categories that examine economic, environmental and social sustainability.

- Photovoltaic panels on all roofs that are technically compliant.
- Zero consumption of electricity produced from fossil fuels, by the end of 2050 at the latest.
- Reduction of so-called direct emissions of greenhouse gases. The ARETE Group aims to achieve zero emissions by the end of 2050 at the latest.

Supporting biodiversity

- The Fund aims to cooperate and support organizations dealing with the protection of biodiversity in the long term. The fund's support for these organizations consists mainly in providing financial contributions for their activities, cooperation and consultations during the implementation of new construction.

10. ESG and the fund's investment sustainability policy

- The fund is committed to planting one tree for every 500 m² of newly built rental space.
- Protection of protected areas and endangered animal species.

Protection of water resources and waste management

- The Fund has been working for a long time to reduce and recycle waste generated during the exhibition of buildings. At least 60 % of the waste from the group's new building exhibition will be recycled.

Social

Health, safety and welfare of employees and tenants

- Regular communication with building tenants and company employees regarding satisfaction with the internal environment at the workplace. For example, regarding the suitability of lighting, air circulation and filtration, sufficient rest areas and cooperation in the field of monitoring and reducing CO₂ emissions, but also other factors in the area of sustainability.
- Once a year, regular satisfaction surveys of tenants and employees of the group will take place.
- Creating a sufficient amount of rest areas.

- Fund promotes long-term cooperation with tenants, where the goal of the fund is the conclusion of long-term leases for a period of five years or more and a minimum occupancy of 90 %.

Supporting local communities

- We have been supporting local communities and non-profit organizations for a long time. Last year, we supported the Olympia Football Club in Zdice with a contribution of CZK 100,000. We also provided the town of Zdice with a financial donation of CZK 500,000 for the development of the village. We similarly supported the City of Rokycany and local associations, with a total amount of CZK 160,000.
- Employees regularly participate in volunteer activities to support the environment, such as planting trees or cleaning up waste.
- Support of charitable companies: Among the companies we supported in the past fiscal year is the Czech Ski School Of Amputees (CSSA), which supports people with lower limb amputations. As part of the beach volleyball charity tournament, we also donated to the companies ALSA, Nedoklubko and the Šance Onkoláčkům Foundation.

Governance

Promoting ethical values in the field of management and administration

- In the field of administration management, the fund undertakes to comply with the code of ethics and whistleblowing rules. Furthermore, the fund has an established policy of proper administration and in the future will cooperate with suppliers who also comply with the Group's Code of Ethics. The company's employees are regularly introduced to and trained in the above-mentioned policies and rules, including the ESG strategy, its implementation and subsequent compliance with individual criteria.

Gender equality and ethics

- The Fund has been promoting and supporting the policy of gender equality for a long time. The filling of job positions is based on the assessment of the necessary experience, skills and abilities of the candidate. Candidates' values and work habits also play a role in selection, which must be in line with our company culture and code of ethics. Also in the field of remuneration, the fund has established a correct and non-discriminatory remuneration policy, so that the so-called gender pay gap is equal to zero.

11. Real estate selection strategy

As part of the investment strategy, the ARETE INDUSTRIAL fund focuses on long-term and stably profitable industrial and logistics parks and real estate, where this strategy can be fulfilled through its own development. A typical amount of partial investments in real estate or equity holdings in real estate companies is 5-25 million EUR.

When choosing suitable acquisitions during the investment process, emphasis is placed on the location, the quality of the property and tenants, the possibilities for future

growth in the value of the investment and, last but not least, the possibility of expanding the park through further construction.

The selection of suitable acquisition opportunities is significantly conditioned by the good location of the location, regional centers with quality infrastructure and good availability of labor are particularly sought after. When assessing the suitability of the project, emphasis is placed on the lease agreement, with a minimum of five or more

years of tenancy required before termination by the tenant.

The absolute standard is to secure the rental agreement through a guarantee provided by the parent company or the bank. A minimum occupancy of 50 % of the property is always required for income-generating properties, or pre-occupancy of over 60 % before the start of new construction.

12. Real estate portfolio

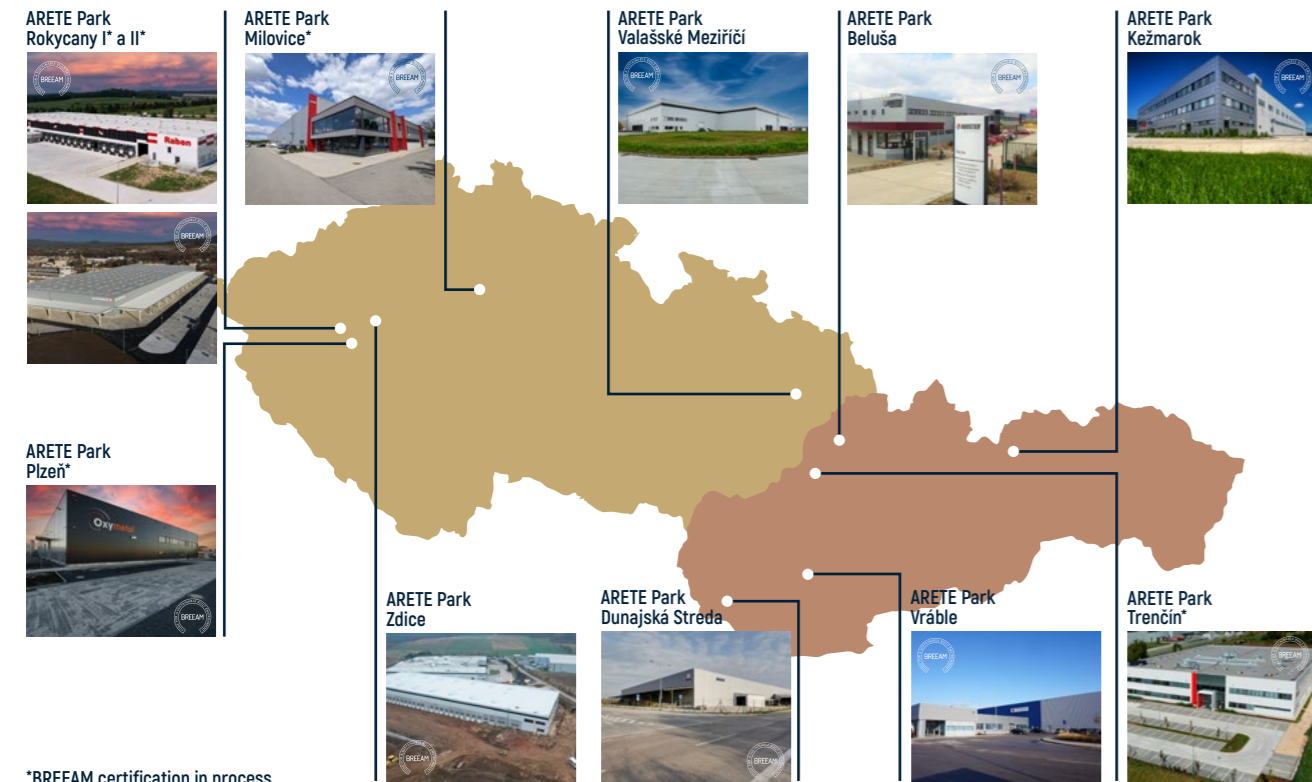
As of September 30, 2023, the fund's real estate portfolio consisted of a total of eleven logistics and production sites in the Czech Republic and Slovakia, which are owned by individual project companies.

The value of real estate owned by the eleven active companies owned by the ARETE INDUSTRIAL SICAV a.s. fund reaches a total value of CZK 4,9 billion as of September 30, 2023. This is the market value of

real estate as assessed by an independent expert, Cushman & Wakefield.

The structure of the fund's portfolio is balanced between logistics and light industry.

Fund portfolio overview



*BREEAM certification in process

Total leasable area (existing area, plus under construction and planned construction)

200 716 m²

Total current standing leasable area of premises

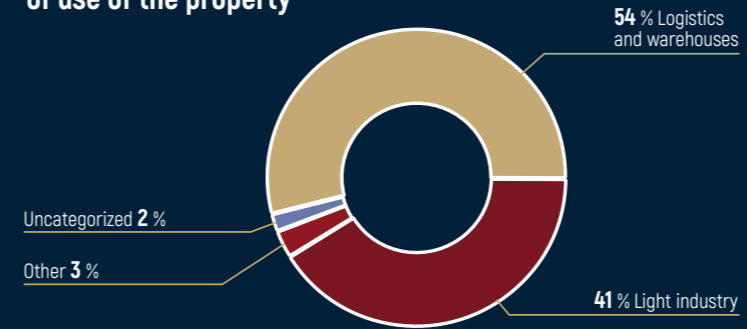
135 344 m²

Under construction

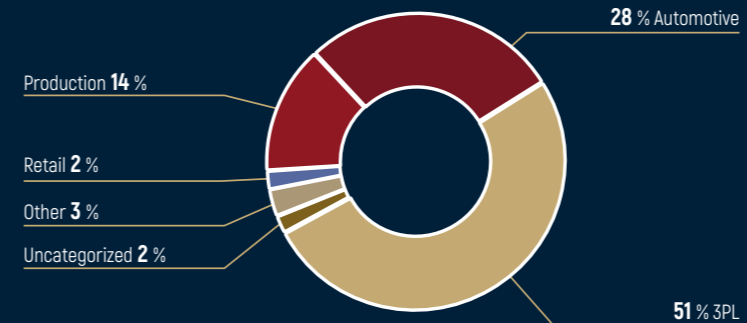
65 372 m²

Current occupancy	Possibility of further construction
100 %	34 306 m²

Structure by primary purpose of use of the property



Structure by primary business segment tenant's activities



Definitions:

- Current / standing leasable area
- Completed leasable area in m² as of the date of the Annual Report
- Under construction
- Ongoing development projects, or projects approved for construction in the following months (in m²)
- Possibility of further construction
- Possible development project (estimated m²)
- Available area
- Current (standing) leasable area without a current or future lease agreement (m²)
- Occupancy
- Percentage expression of occupancy by the ratio of current/standing rentable area vs. available areas (in %)



ARETE Park Plzeň

ARETE Park Plzeň, Borská pole will provide tenants with more than 18,000 m² of premium areas for light production, assembly and logistics. The area is currently leased to three reputable tenants, the companies Zásilkovna, Megatech and GIENGER. Part of the construction of the new hall was completed and handed over to the GIENGER company in May. Construction of the remaining two parts of the logistics area is currently underway. The first of them for the new tenant Oxymetal, the second expansion for the existing tenant Zásilkovna. Completion of construction is planned for 4Q 2023, or 1Q 2024.

The industrial park project in Plzeň is exceptional in that it is the first overall revitalization of a brownfield development team by the ARETE group. There was a complete revitalization of the building of the former meat processing plant, which was transformed into a modern area providing not only storage, but also production and sales areas. The urban location directly connected to the D5 highway, the most important logistics corridor from Prague to Germany, provides good availability of the workforce. Qualified workforce is recruited from local schools, and in addition, Plzeň is gradually becoming a destination for resettlement

from less attractive locations in the Czech Republic.

The location of Borské pole is historically the center of production and logistics in the region and has long been considered premium within the entire Czech Republic. This is not only about logistics and production, but above all about high-tech research and development centers and other highly qualified activities.

Obtaining the BREEAM In Use certification (an international certificate evaluating the impact of buildings on the environment, sustainability, energy savings, use of the most modern technologies) is in the process.

Current / standing leasable area **10,731 m²**



Under construction **7,052 m²**

Possibility of further construction **0 m²**

Available area **0 m²**

Occupancy **100 %**

Univerzitní 1335/38

318 00 Plzeň 3
– Skvrňany

Česká republika



ARETE Park Valašské Meziříčí

ARETE Park Valašské Meziříčí successfully completed the construction of its second stage this summer. Thanks to it, the total area of the park rose to 21,000 m² of premium space for light production, assembly and logistics.


At the same time, the construction of the third stage, which should represent an additional 4,350 m² of leasable space, is underway with the current creditworthy tenant, DB Schenker, with the goal of completion in 2Q 2024.

The park in Valašské Meziříčí has modern solar panels all over the roof and chargers for personal electric cars in accordance with the group's ESG strategy.

The complex is located in a unique location connecting the excellent accessibility of the highway network through the newly built connection to the D48 highway, enabling transport in the direction of Brno - Ostrava - Poland. A fundamental transport advantage is the connection to the

Slovak transport network. At the same time, the location is very attractive due to the availability of labor force and historical orientation towards light and heavy industry.

Obtaining the BREEAM In Use certification (an international certificate evaluating the impact of buildings on the environment, sustainability, energy savings, use of the most modern technologies) for the new hall is in the process.

Current / standing leasable area **20,977 m²**


Under construction **4,350 m²**

Possibility of further construction **0 m²**

Available area **0 m²**

Occupancy **100 %**

Lhotka nad Bečvou


no. 102, 756 41 Lešná,
Czech Republic



ARETE Park Kežmarok

The site serves not only for production and storage, but also as a global research and development center for Hengstler, which develops and manufactures highly specialized metric equipment. The Hengstler company with a 150 year history is part of the globally active American industrial and technological group FORTIVE. This company is listed on the New York Stock Exchange

(NYSE) and part of the NASDAQ Technology Index. The hall meets the highest parameters of category A industrial real estate. Expansion lots are available for future expansion of the park. The park is characterized by good transport accessibility and there is enough qualified labor available in its vicinity. The existing hall has BREEAM In Use certification (inter-

national certificate evaluating the impact of buildings on the environment, sustainability, energy savings, use of the most modern technologies). Negotiations are underway with the current tenant on the future expansion of the hall, which would be implemented in the following period.

- Current / standing leasable area **10,294 m²**
- Under construction **0 m²**
- Possibility of further construction **4,634 m²**
- Available area **0 m²**
- Occupancy **100 %**

Weinova 2
 060 01 Kežmarok
 Slovakia



ARETE Park Zdice

ARETE PARK Zdice will provide almost 25,000 m² after the completion of all parts of the development of premium areas for light production, assembly and logistics. The specification of production and storage areas meets the latest technological standards. The location of the park is situated in the immediate vicinity of the D5 highway between Exit 22 and Exit 28. The current area is leased to Hronovský, which has

been one of the leading suppliers of the European automotive industry for more than thirty years. In September of this year, we successfully completed construction following on from the existing hall for a new creditworthy tenant, the company DaniDarx. Construction of a separate logistics hall for the renowned tenant Kuehne Nagel is currently underway. The unique location of the logistics area enables two-

way service and, together with the close availability of labor from the area of Beroun, Zdice and Prague, represents a unique potential for the development of production and storage capacities. The existing hall has BREEAM In Use certification (international certificate evaluating the impact of buildings on the environment, sustainability, energy savings, use of the most modern technologies).

Current / standing leasable area **17,575 m²**

Under construction **7,058 m²**

Possibility of further construction **0 m²**

Available area **0 m²**

Occupancy **100 %**



Černín 89

267 51 Zdice

Czech Republic



ARETE Park Rokycany I

The newly built park from the ARETE portfolio directly on the exit of the D5 highway, less than 5 km from Plzeň, is an ideal site for the needs of prestigious multinational tenants due to its position and excellent transport accessibility. Its location is also attractive due to the availability of quality labor in the area. A new park with a total rentable area of more than 24,000 m² boasts technical specifications that meet

the highest requirements of environmental certifications. The entire park is being built with regard to the ARETE group's ESG strategy. At the same time, the newly completed hall is the first object within the portfolio of the ARETE INDUSTRIAL fund, which is completely heated with the help of heat pumps. In April 2023, the first of two logistics halls was handed over to the renowned international tenant, Raben.

A second hall for future tenants is now under construction. Obtaining the BREEAM In Use certification (an international certificate evaluating the impact of buildings on the environment, sustainability, energy savings, use of the most modern technologies) is in the process.

Current / standing leasable area **6,793 m²**



Under construction **17,410 m²**

Possibility of further construction **0 m²**

Available area **0 m²**

Occupancy **100 %**

Litohlavská 1097,
Plzeňské Předměstí
337 01 Rokycany
Czech Republic



ARETE Park Vráble

ARETE Park Vráble is a top production site with a long-term stable tenant near one of the main production locations near Nitra, Slovakia. It is the production and logistics center of Nanogate Slovakia, s.r.o. and benefits from an established production and logistics location. The park offers almost 14,500 m² of production areas.

Nanogate is a leader in the field of plastic injection and provides its clients with services ranging from manufacturability analysis, design of alternative materials and technologies, mold production and PPAP documentation to the design of logistics solutions. The existing hall has BREEAM In Use certification (inter-

national certificate evaluating the impact of buildings on the environment, sustainability, energy savings, use of the most modern technologies).

- Current / standing leasable area **14,350 m²**
- Under construction **0 m²**
- Possibility of further construction **0 m²**
- Available area **0 m²**
- Occupancy **100 %**

Staničná 502
 952 01 Vráble
 Slovakia





ARETE Park Púchov

A modern production and logistics complex with 11,000 m² of currently leasable area with the possibility of further expansion by more than 5,000 m² is located right next to the D1 highway. The area is leased to BOOSTER Precision Components (Beluša) on a long-term basis.

The tenant has set up a modern center of excellence for variable geometry turbines in ARETE Park Púchov with an additional focus on precision machining, complex assembly and top production solutions for clients all over the world, not just for the automotive industry.

The existing hall has BREEAM In Use certification (international certificate evaluating the impact of buildings on the environment, sustainability, energy savings, use of the most modern technologies).

Current / standing leasable area 10,985 m²	
Under construction 0 m²	
Possibility of further construction 5,212 m²	
Available area 0 m²	
Occupancy 100 %	

 **Beluša, Hlôža 2520**
 018 61 Beluša
 Slovakia



ARETE Park Trenčín

ARETE Park Trenčín is the newest modern industrial park from the portfolio of the ARETE INDUSTRIAL fund, completed in September 2023. The park, which is located very close to Trenčín, in its current form will provide its tenants with almost 6,000 m² of premium production and logistics areas, while their specification meets the latest market standards. It also includes

a possible expansion of another approx. 2,500 m² on adjacent plots.

The location of the park is situated near the D1 highway in the established industrial-logistics zone of the city of Trenčín with an ideal connection to city logistics. The main client of the park is Linde Material Handling Slovakia, which specializes in the sale, service and

rental of handling equipment, shelving solutions and warehouse automation.

Obtaining the BREEAM In Use certification (an international certificate evaluating the impact of buildings on the environment, sustainability, energy savings, use of the most modern technologies) is in the process.

- Current / standing leasable area **5,603 m²**
- Under construction **0 m²**
- Possibility of further construction **2,500 m²**
- Available area **0 m²**
- Occupancy **100 %**

Bratislavská ul.
Trenčín 911 05
Slovakia



ARETE Park Rokycany II

The modern logistics park ARETE Park Rokycany II is the largest development of the ARETE INDUSTRIAL fund to date. This complex will offer its tenant approx. 30,000 m² of premium storage and office space. Its completion is planned for the end of 2023.

The modern logistics hall will be able to boast the

latest technological and environmental standards. The total investment in the project will exceed 40 million EUR. The entire development is an important strategic project for the Duvenbeck group, which will be the only tenant in the entire area. With its excellent location, the park fits into the group's network

of key European storage and distribution centers. Obtaining the BREEAM In Use certification (an international certificate evaluating the impact of buildings on the environment, sustainability, energy savings, use of the most modern technologies) is in the process.

- Current / standing leasable area **0 m²**
- Under construction **29,502 m²**
- Possibility of further construction **0 m²**
- Available area **0 m²**
- Occupancy **100 %**



Václava Nového
 Rokycany 337 01
 Czech Republic




ARETE Park Dunajská Streda

The area of the logistics park with an area of almost 30,000 m² is located near the town of Dunajská Streda. The tenant is the company BSK Transports from the international Bracchi group, which has been operating in Slovakia for a long time.

ARETE Park Dunajská Streda is located at the strategic

triple border between Slovakia, Hungary and Austria, which is an ideal location for the location of a logistics park. At the same time, ARETE Park Dunajská Streda stands out due to its good connection to the highway network and its proximity to the industrial center of Dunajská Streda, which is one of the most dynamically developing economic

centers in Slovakia. The area also includes a large expansive plot of land where further construction can be carried out. The existing hall has BREEAM In Use certification (international certificate evaluating the impact of buildings on the environment, sustainability, energy savings, use of the most modern technologies).

Current / standing leasable area **29,874 m²**


Under construction **0 m²**

Possibility of further construction **12,720 m²**

Available area **0 m²**

Occupancy **100 %**

Kostolné Kračany 472


Kostolné Kračany
930 03
Slovakia



ARETE Park Milovice

ARETE Park Milovice is located in a premium location in the Central Bohemian Region. A long-term tenant of the premises, which currently uses premises with an area of more than 8,000 m² with the possibility of expansion by another 9,300 m², is the company AAS Automotive s.r.o. This company is part of the strong international company

Decotek Automotive, which specializes in the production of longitudinal and transverse roof racks.

The park is attractive primarily due to its strategic location. Milovice is located within driving distance of Prague, Mladá Boleslav, Liberec or Dresden, which makes it an ideal location for the automotive industry. For Decotek,

the site is also a strategic project, thanks to which the company wants to expand to new markets in Europe.

Obtaining the BREEAM In Use certification (an international certificate evaluating the impact of buildings on the environment, sustainability, energy savings, use of the most modern technologies) is in the process.



- Current / standing leasable area **8,162 m²**
- Under construction **0 m²**
- Possibility of further construction **9,340 m²**
- Available area **0 m²**
- Occupancy **100 %**



Topolová 828
 Milovice 289 24
 Czech Republic



Real estate portfolio

	Property Type	Current / standing leasable area	Under construction	Possibility of further construction
		(m ²)	(m ²)	(m ²)
Portfolio total	IND/LOG	135 344	65 372	34 406
ARETE Plzeň	LOG/IND	10 731	7 052	0
ARETE Valmez	LOG	20 977	4 350	0
ARETE Kežmarok	IND	10 294	0	4 634
ARETE Zdice	LOG	17 575	7 058	0
ARETE Rokycany I	LOG	6 793	17 410	0
ARETE Vráble	IND	14 350	0	0
ARETE Púchov	IND	10 985	0	5 212
ARETE Trenčín	IND	5 603	0	2 500
ARETE Rokycany II	LOG	0	29 502	0
ARETE Dunajská Streda	LOG	29 874	0	12 720
ARETE Milovice	IND	8 162	0	9 340

Definition

LOG Logistics property

IND Industrial property





FINANCIAL PART



13. OVERVIEW OF FUND RESULTS

As of September 30, 2023, the fund incurred a loss of approx. 109,394 thousand CZK before taxation and the total assets from investment activity amounted to approx. 3,894,026 thousand CZK and from non-investment activities in the amount of approx. 66 thousand CZK.

Key indicators for the period from 01/10/2022 to 30/09/2023

In thousands CZK	30/09/2023	30/09/2022
The Fund's economic result from operating activities	20,105	-35,245
Unrealized profit (loss) from revaluation of assets	-128,470	220,388
Income tax	-1,029	35
Profit (loss) for the accounting period after tax	- 109,394	185,178

13.1. ANTICIPATED DEVELOPMENT AND DESCRIPTION OF THE MAIN RISKS

Until the end of 2023 and in 2024, the fund's activities will continue to focus mainly on building the portfolio and increasing the value of the individual parks in the portfolio. Furthermore, the plan is to complete the construction of at least two more new parks, which are largely already leased to tenants with an excellent international rating. Until the end of 2023 and during 2024, the fund will continue

to subscribe to new investors, while a higher proportion of international and institutional investments in Fund can still be assumed. The property management and development team will continue to work towards fulfilling the fund's investment plan. At the end of 2024, we would like to have approximately 300 million EUR in assets under management.

During the following accounting period from 1 October 2023 to 30 September 2024, the Fund will continue to implement the investment strategy defined in the Fund's statute. The main risks are described in more detail in Appendices to the Fund's financial statements.

14. DATA ON SIGNIFICANT CHANGES TO THE FUND'S STATUS THAT OCCURRED DURING THE ACCOUNTING PERIOD

During the accounting period, there were no substantial changes to the Fund's statute.

15. DATA ON THE REMUNERATION ACTUALLY PAID TO THE MANAGER FOR THE MANAGEMENT OF THE FUND, WITH A DISTINCTION BETWEEN DATA ON REMUNERATION FOR THE PERFORMANCE OF THE ACTIVITIES OF THE DEPOSITORY, ADMINISTRATOR, MAIN SUPPORTER AND AUDITOR, AND DATA ON OTHER COSTS OR TAXES

Remuneration to the manager	2,400 thousand CZK
Administration, subscriptions	2,484 thousand CZK
Payment to the depository	1,008 thousand CZK
Auditor's remuneration	864 thousand CZK

INFORMATION ON OTHER COSTS OR TAXES			
Legal services	3,994 thousand CZK	Advice and consultation	1,042 thousand CZK
Expert opinions	4,636 thousand CZK	Income tax, deferred tax	1,029 thousand CZK
Promotion and advertising	3,163 thousand CZK	Expenses for fees and commissions	33,476 thousand CZK

16. IDENTIFICATION OF THE FUND'S ASSETS, THE VALUE OF WHICH EXCEEDS 1 % OF THE VALUE OF THE FUND'S ASSETS

As of the balance sheet date, the Fund held assets in the amount of 3,894,092 thousand CZK. A more detailed specification of individual items is included in the appendix to the financial statements. In the accounting period, the largest asset item is receivables from non-bank entities, the amount of which as of the balance sheet date amounted to 2,825,390 thousand CZK, i.e. 72,56 % of the Fund's assets.

Other items are receivables from banks in the amount of 355,796 thousand CZK, i.e. 9,14 % of the Fund's assets,

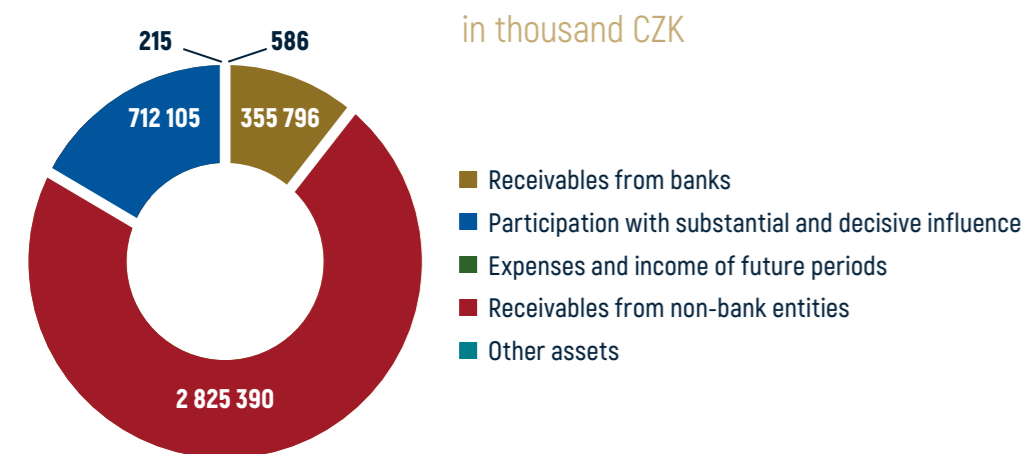
participation with substantial and decisive influence in the amount of 712,105 thousand CZK, i.e. 18,29 % of the Fund's assets, and Other assets in the amount of 215 thousand CZK and Costs and income of future periods in the amount of 586 thousand CZK. A more detailed specification of individual items is included in the appendix to the financial statements.

In the monitored accounting period, the fund founded the holding company ARETE HoldCo 1 a.s., where it continuously

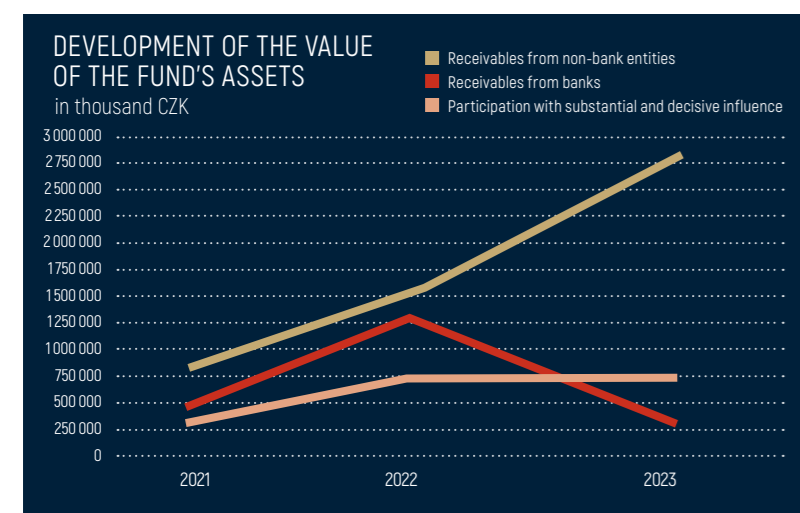
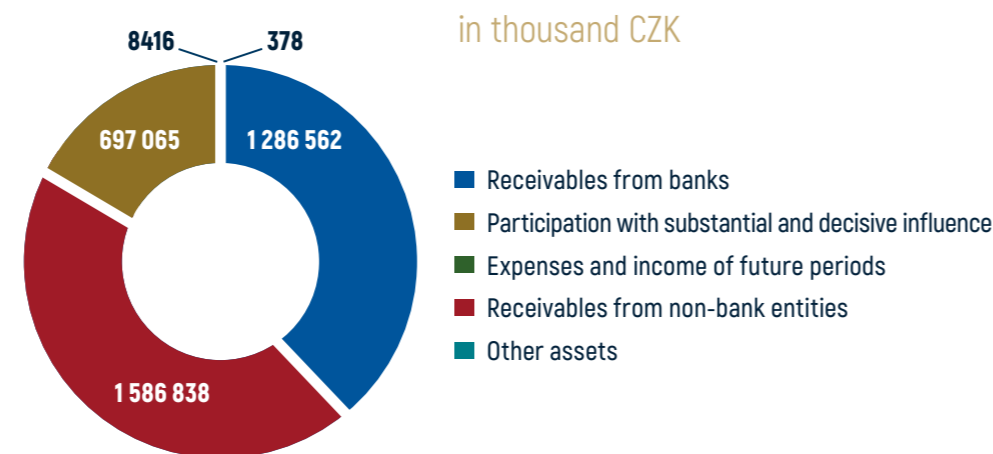
holds a 100 % ownership stake. On December 19, 2022, the Fund transferred ten business shares in the companies it had held until then to the property of this company. The purpose of the move was to create a holding structure acceptable to the bank from which the holding company drew a bank loan in the monitored accounting period. Due to the creation of this holding structure, the composition of the fund's assets changed between 2023 and 2022.

16.1. INFORMATION ON THE COMPOSITION AND CHANGES IN THE COMPOSITION OF THE FUND'S ASSETS

COMPOSITION OF THE FUND'S ASSETS AS OF SEPTEMBER 30, 2023



COMPOSITION OF THE FUND'S ASSETS AS OF SEPTEMBER 30, 2022



COMPOSITION OF THE FUND'S ASSETS IN THOUSANDS CZK	30/09/2023	30/09/2022
Receivables from banks	355,796	1,286,562
Receivables from non-bank entities	2,825,390	1,586,838
Participations with substantial and decisive influence	712,105	697,065
Other assets	215	8,416
Deferred expenses and income	586	378
Total assets	3,894,092	3,579,259

17. DEVELOPMENT OF THE VALUE OF INVESTMENT SHARES

The value of investment shares is determined from the Fund's fund capital determined at the end of the relevant period - the last day of the relevant calendar month. In the period from the creation of the Fund until September 30, 2023, the fund capital reflected the assets and debts in the balance sheet of the Fund in question, part of the Fund's assets in the given period were also equity participations and loans to individual property companies. Fund capital is made up of net assets attributable to holders of investment shares. Included in this item are the items of other capital funds, retained earnings and losses from previous periods, the operating result of the current accounting period, as well as so-called participating funds. Participating funds are funds received for the subscription of investment shares, for which no investment shares were issued on the date

of the financial statements, but which already participate in the appreciation of the Fund. Participating funds for the monitored accounting period were zero. In addition to participating funds, the Fund also registers non-participating funds, which are also funds received for the subscription of investment shares, for which no investment shares were issued as of the date of the financial statements and which do not yet participate in the Fund's valuation.

The revaluation of equity interests in project companies owned by the Fund was included in the value of its fund capital as of 30/09/2023 according to the expert valuation of real estate owned by the companies carried out on 30/09/2023 by Cushman & Wakefield. The valuation of the property companies itself was carried out by the fund administrator.

The method of determining the fair value of assets and liabilities of property companies owned by the Fund did not change in 2023. The real value of the underlying assets - real estate, whether owned at the beginning of the year or acquired during the year, current assets and liabilities of sub-real estate companies to third parties - enters the value of investment shares issued by the fund on a quarterly basis. As of September 30, 2023, the real estate was revalued by an independent appraiser, which was Cushman & Wakefield. The Fund did not track or copy any index or other benchmark during the relevant period. ARETE INDUSTRIAL SICAV a.s. registered the following types of investment shares in the accounting period, while in the accounting period it issued only 5 types of investment shares - IAB, IAC, IAE, IAX and IAY.

IAA INVESTMENT SHARES	0 pcs (2022: 0 pcs)
Issued IAA shares	0 pcs
Redeemed IAA shares	0 pcs
ISIN	CZ0008043916
IAB INVESTMENT SHARES	4,350,200 pcs (2022: 2,758,791 pcs)
Issued IAB shares	1,591,409 pcs
Redeemed IAB shares	0 pcs
ISIN	CZ0008043924
IAC INVESTMENT SHARES	3,643,028 units (2022: 3,222,448 pcs)
Issued IAC shares	420,580 pcs

Redeemed IAC shares	0 pcs
ISIN	CZ0008043932
IAD INVESTMENT SHARES	0 pcs (2022: 0 pcs)
Issued IAD shares	0 pcs
Redeemed IAD shares	0 pcs
ISIN	CZ 0008045796
IAE INVESTMENT SHARES	5,875,977 units (2022: 2,004,111 pcs)
Issued IAE shares	3,871,866 pcs
Redeemed IADE shares	0 pcs
ISIN	CZ 0008048410

IAX INVESTMENT SHARES	82,350 units (2022: 64,867 pcs)
Issued IAX shares	17,483 pcs
Redeemed IAX shares	0 pcs
ISIN	CZ0008043940
IAY INVESTMENT SHARES	62,000 pcs (2022: 100,000 pcs)
Issued IAY shares	0 pcs
Redeemed IAY shares	38,000 pcs
ISIN	CZ0008043957

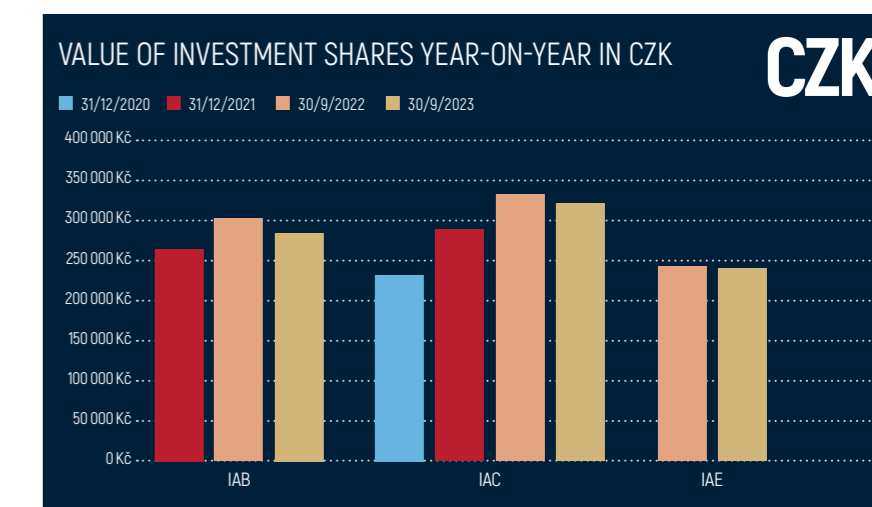
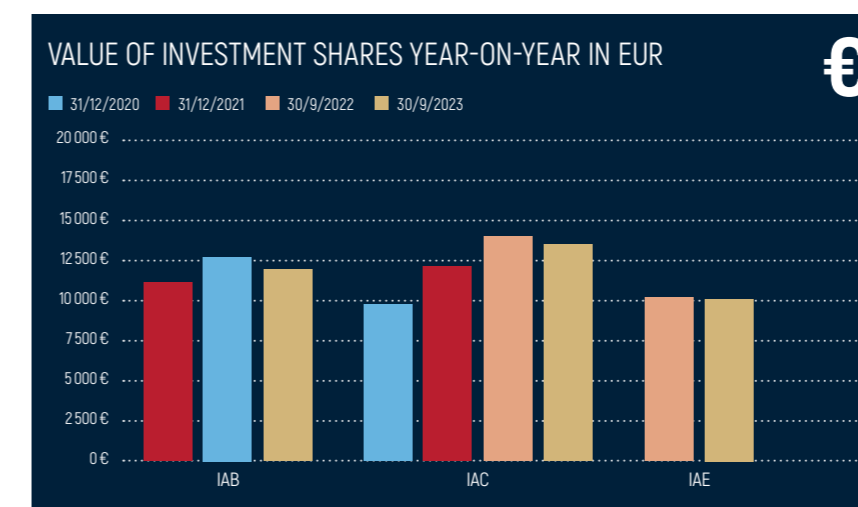
In currency units	30/09/2023	30/09/2022	31/12/2021
Total fund capital**	3,864,577,492.02 CZK	3,069,540,759 CZK	1,079,637,093 CZK
Fund capital at IAB	50,975,956.11 €	43,308,730.20 €	10,854,555.08 €
Number of IAB shares issued	1,591,409 pcs	2,758,791 pcs	0 pcs
Number of participating shares*	0 pcs	839,105 pcs	1,000,000 pcs
IAB investment share value	11.7142 €	12.0372 €	10.8545 €
Fund capital at IAC	46,998,266.03 €	43,058,389.83 €	32,081,043.59 €
Number of IAC shares issued	420,580 pcs	3,222,448 pcs	2,677,366 pcs
Number of participating shares*	0 pcs	33,212 pcs	0 pcs
IAC investment share value	12.8404 €	13.2257 €	11.9951 €
Fund capital at IAE	57,634,482.24 €	35,084,775.38 €	-
Number of issued IAE shares	3,871,866 pcs	2,004,111 pcs	-
Number of participating shares*	0 pcs	1,468,671 pcs	0 pcs
IAE investment share value	9.8084 €	10.1027 €	-
Fund capital on IAX	1,081,659.17 €	913,854.11 €	336,505.39 €
Number of IAX shares issued	17,483 pcs	64,867 pcs	27,526 pcs
Number of participating shares*	0 pcs	2,997 pcs	0 pcs
IAX investment share value	13.1484 €	13.4659 €	12.2250 €
Fund capital on IAY	2,084,389.84 €	2,666,460.61 €	156,580.28 €
Number of IAY shares issued	0 pcs	0 pcs	100,000 pcs
Number of participating shares*	0 pcs	0 pcs	0 pcs
IAY investment share value	33.4814 €	26.6646 €	1.5658 €

* Participating shares are investment shares that were subscribed on the date of the financial statement, but not issued by the date of the statement of financial statements, however, they already participate in the economic result and are therefore part of the fund's capital.

** Fund capital includes participating funds and the economic result related to them.

The exchange rate as of 31/12/2021 was 24.860 CZK/EUR.
The exchange rate as of 30/09/2022 was 24.550 CZK/EUR.
The exchange rate as of 09/30/2023 was 24.340 CZK/EUR.

In CZK	30/09/2023	30/09/2022	31/12/2021
Total fund capital**	3,864,577,497.02	3,069,540,759	1,079,637,093
Fund capital at IAB	1,233,978,863.64	1,063,229,326	269,844,239
Number of IAB shares issued	1,591,409 pcs	2,758,791 pcs	0 pcs
Number of participating shares*	0 pcs	839,105 pcs	1,000,000 pcs
IAB investment share value	285.1236	295.5133	269.8429
Fund capital at IAC	1,150,797,287.61	1,057,083,470	797,534,744
Number of IAC shares issued	420,580 pcs	3,222,448 pcs	2,677,366 pcs
Number of participating shares*	0 pcs	33,212 pcs	0 pcs
IAC investment share value	312.5353	324.6909	298.1982
Fund capital at IAE	1,403,088,363.86	861,331,236	-
Number of issued IAE shares	3,871,866 pcs	2,004,111 pcs	-
Number of participating shares*	0 pcs	1,468,671 pcs	0 pcs
IAE investment share value	238.7365	248.0213	-
Fund capital on IAX	26,228,890.72	22,435,118	8,365,524
Number of IAX shares issued	17,483 pcs	64,867 pcs	27,526 pcs
Number of participating shares*	0 pcs	2,997 pcs	0 pcs
IAX investment share value	320.0321	330.5878	303.9135
Fund capital on IAY	50,484,091.66	65,461,608	3,892,586
Number of IAY shares issued	0 pcs	0 pcs	100,000 pcs
Number of participating shares*	0 pcs	0 pcs	0 pcs
IAY investment share value	814.9373	654.6159	38.9258



18. COURT OR ARBITRATION DISPUTES THAT CONCERN THE PROPERTY OR CLAIM OF THE OWNERS OF SECURITIES OR BOOK-ENTRY SECURITIES, IF THE VALUE OF THE SUBJECT OF THE DISPUTE EXCEEDS 5 % OF THE VALUE OF THE PROPERTY IN THE RELEVANT PERIOD

Disputes in which the subject of the property would exceed 5 % of the value of the Fund's property are not registered in the relevant period.

19. THE VALUE OF ALL PROFIT SHARES PAID OUT

In the accounting period, the Fund did not pay out a profit share or an advance on a profit share.

20. REMUNERATION DATA

The manager has created a system for rewarding its employees, including managers, at the level of the entitlement component of remuneration (salary) and the non-entitlement component of remuneration (performance remuneration). The non-entitlement component of the remuneration is paid upon fulfillment of pre-defined conditions, which usually depend on the economic results of the manager and the evaluation of the performance of the relevant employee. The manager applies specific principles and procedures for remuneration in relation to employees who have a sig-

nificant influence on the risks to which the fund manager or the managed fund may be exposed. These principles and procedures within the remuneration system support proper and effective risk management and do not encourage taking risks beyond the risk profile of the managed funds, are consistent with their strategy and include procedures to avoid conflicts of interest. Employees and managers who, in the performance of activities within the framework of their job position or function, have a significant influence on the fund's risk profile:

- a) Members of the board of directors and the supervisory board,
- b) Fund managers

The manager is obliged to publish data on the remuneration of his employees. The remuneration figures given below are only a proportional part of the total amount paid by the fund manager to its employees attributable to the activities of the employees in tasks connected with the Fund. The manager introduced a method of calculating the proportional amount attributable to individual funds based on objective criteria.

REMUNERATION PAID BY THE MANAGER IN UNITS OF CZK	30/09/2023
Fixed reward component	1,102,718
Variable component of rewards	0
Number of workers	23
Number of managers	5
Capital appreciation rewards	0

REMUNERATION PAID BY THE MANAGER IN UNITS OF CZK	30/09/2023
Compensation of workers	84,564
Number of workers	7
Executive compensation	270,320
Number of managers	5

The remuneration for the appreciation of the Fund's capital was not paid in the accounting period.

21. DATA ON WAGES, SALARIES AND SIMILAR INCOME PAID BY THE FUND MANAGER

22. DATA ON WAGES, SALARIES AND SIMILAR INCOME PAID BY THE FUND MANAGER TO PERSONS WITH A SIGNIFICANT INFLUENCE ON THE RISK PROFILE

23. DATA ON CONTROLLED PERSONS

In relation to the Fund or the manager, no legal entity meets the definition of § 34, paragraph 1 of ZISIF.

24. INFORMATION ON THE FUND'S LIQUIDITY, RISK PROFILE, RISK MANAGEMENT SYSTEM AND LEVERAGE

The assets of the Fund are not even partially subject to special measures as a result of their illiquidity in the sense of Article 108 paragraph 2 of the AIFMR. During the accounting period, the manager did not introduce special measures to manage the Fund's liquidity. The rules and possible restrictions on the redemption of share certificates are stated in the Fund's statutes or in the relevant legal regulations.

The Fund's risk profile is described in detail in the Fund's statute. During the accounting period, there were no signif-

icant changes in the Fund's risk profile, nor were the limits for risk diversification set by the Fund's statute exceeded. When managing the Fund's assets, the manager uses a risk management system based mainly on the limits for risk diversification established in the Fund's statute. The person managing the Fund's assets is not authorized to carry out a transaction if it would be contrary to the limits for risk diversification. The Fund manager established a special independent department responsible for risk management as part of the risk management system.

This risk management department evaluates the risks that the manager faces in his activities, in particular assesses the risks of investment transactions, evaluates the compliance of investment transactions with the limits for risk diversification and performs other actions necessary for the effective management of investment and operational risks. During the accounting period, there were no significant changes in the risk management system applied by the manager.

Leverage

Pointer	30/09/2023	30/09/2022
Leverage according to the gross asset value method	91,56 %	93,42 %
Leverage according to the standard liability method	100,76 %	145,83 %

The leverage effect is used to a low extent, while the maximum level is set at 600 % of the value of the Fund's assets according to the Fund's statute.

25. IDENTIFICATION DATA OF EACH PERSON PERFORMING ASSET MANAGEMENT (PORTFOLIO MANAGER) OF THE FUND IN THE ACCOUNTING PERIOD AND INFORMATION ON THE TIME DURING WHICH HE/SHE PERFORMED THIS ACTIVITY, INCLUDING A BRIEF DESCRIPTION OF HIS/HER EXPERIENCE AND KNOWLEDGE

Portfolio manager: Ing. Martin Trpák

Activity performance: 15/09/2021 - 30/09/2023

Martin Trpák graduated from the University of Economics in Prague, specializing in National Economy and Finance. Already during his studies, he started working at Clearstream Operations Prague s.r.o. in the Deutsche Börse group, where he gained extensive experience in the field of securities custody and clearing. In 2019, he took up the position of Reconciliations officer, where he deepened his knowledge in the field of the functioning of the international depository of investment funds. He joined Winstor investiční společnost a.s. in 2020 as a Fund Manager. Since 2021, he has been a member of the board of directors responsible for property management.

Other members of the board of directors of Winstor investment company a.s.:

Chairman of the board: Ing. Rostislav Plíva, Ph.D.

Activity performance: 07/03/2019 - 09/30/2023

Rostislav Plíva graduated from the University of Economics

in Prague with a focus on Monetary Economics and Banking and the Faculty of Social Economics at UJEP. During his studies abroad, he studied Economic History. Since 2007, he has been lecturing at the University of Economics in Prague in the areas of capital markets, monetary policy and banking, in which he received a doctorate. He started his working career in 2007 in the risk management of KBC Securities in the market and credit risk department of the capital market. Subsequently, he started working at Patria Finance, where he passed through all levels of the brokerage position and in 2010 was appointed Director of Securities Trading at Patria. Since 2014, he has been responsible for trade and business development of the Patria group. In 2019, he founded Winstor investiční společnost a.s., in which he is the chairman of the board of directors.

Deputy chairman of the board: Ing. Kateřina Hejzlarová

Activity performance: 14/12/2021 - 30/09/2023

Kateřina Hejzlarová [Sládková] studied Accounting and Financial Management at the University of Economics in Prague. In

the first years of her career, she worked at Patria Finance as the head of the client department. From mid 2014, she was responsible for managing the finance department and later the human resources department in the Patria group. Since 2015, she has also been a member of the board of directors of Patria Corporate Finance. She has been working at Winstor investiční společnost a.s. since 2019 and is responsible for the administration of investment funds.

Board member: David Petrů

Activity performance: 01/04/2022 - 30/09/2023

David Petrů started his career in 1992 in the law office of JUDr. Radil, where he gradually gained experience in the areas of accounting, taxes and, last but not least, broad legal awareness in the areas of commercial and private law. Subsequently, he worked as an investment property specialist at the multinational company CELESTICA. Since 2004, he has been involved in the development of residential and commercial construction in the position of financial manager in the GIP Group and subsequently EXAFIN. He

joined the Winstor team in April 2022 as a portfolio manager and member of the board of directors of Winstor investiční společnost a.s. and is responsible for property management.

Board member: Ing. Karolína Klapalová

Activity performance: 04/05/2020 - 30/09/2023

Karolína Klapalová is a graduate of the Faculty of Civil Engineering of the Czech Technical University in Prague. In 2011, she started working at Chenen, where as a project manager she gained extensive experience in the management of development projects, real estate management and the operation and management of real estate funds of qualified

investors. She joined the Winstor team in December 2019 as a portfolio manager responsible for managing real estate funds. Since May 2020, she has also been a member of the board of directors of Winstor investiční společnost a.s. and is responsible for property management.

26. IDENTIFICATION DATA OF THE FUND'S DEPOSITORY AND INFORMATION ON THE PERIOD DURING WHICH HE PERFORMED THIS ACTIVITY

Name: Komerční banka, a.s.

ID: 45317054

Registered office: Na Příkopě 33 No. 969, 114 07 Prague 1

Performance of depository activities: the entire accounting period

Komerční banka, a.s. performed the position of depository of the Fund for the entire accounting period.

27. IDENTIFICATION DATA OF THE PERSON ENTRUSTED BY THE FUND'S DEPOSITORY WITH THE SAFEKEEPING AND CUSTODY OF MORE THAN 1 % OF THE VALUE OF THE FUND'S ASSETS

In the accounting period, such a person was not authorized by the depository.

28. IDENTIFICATION DATA OF THE PRIME BROKER

The fund does not use the services of a prime broker.

29. OTHER INFORMATION REQUIRED BY LAW

The fund is not active in research and development.

The fund does not carry out activities in the field of environmental protection.

The fund does not have an organizational component of the company abroad.

The fund has no employees and is not active in the field of labor relations.

The fund did not acquire its own shares or shares during the accounting period.

30. ESG AND SUSTAINABILITY POLICY OF INVESTING IN THE FUND

Responsible investing is one of our priorities, which is why, when choosing investments, we focus on projects that meet or have the potential to meet the requirement of socially sustainable development.

In 2023, fundamental legislative changes in this area came into effect. We are keeping up and from October 2023 we will assess sustainability risks in accordance with European legislation. From a comprehensive perspective on ESG

issues, we deal with all three letters from the acronym ESG during the fund's investment activities. More specifically on ESG in point 10 above.

31. INFORMATION RELATING TO SFTS AND TOTAL RETURN SWAPS REQUIRED BY THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EU

There were no operations related to SFTs and total return swaps during the accounting period.

32. SIGNIFICANT EVENTS DURING THE ACCOUNTING PERIOD

In February 2022, following the recognition of the self-proclaimed Donetsk People's Republic and the Luhansk People's Republic by the Russian Federation and its subsequent invasion of Ukraine, the military conflict escalated and spread to other regions of the country. In response to the Russian Federation's hostile actions against Ukraine, a number of countries, including the United States of America, the United Kingdom and the European Union, have imposed and/or expanded economic sanctions against a number of Russian individuals and entities.

The Fund's management analyzed the impact of this event and as of the date of approval of these financial statements, the Fund's management concluded that the going concern assumption is still appropriate and that this event does not have a significant impact on the financial statements.

The management of the Fund also does not expect

cash-flow problems.

In the monitored accounting period, the Fund founded the holding company ARETE HoldCo 1 a.s., where it continuously holds a 100 % ownership stake. On December 19, 2022, the Fund transferred ten business shares in the companies it had held until then to the property of this company. The purpose of the move was to create a holding structure acceptable to the bank from which the holding company drew a bank loan in the monitored accounting period.

In September 2023, the Fund reflected the development of the real estate market, including the movement of the yield rate of logistics premises (logistics prime yield), which has a major impact on the current market valuation of existing or newly built real estate. As analyzed in detail in Chapter 6 "Macroeconomic situation", specifically Table 3 and Graph 9, in the course

of 2023 we observe a year-on-year increase in prime yields and the associated pressure for a decrease in real estate values. Renowned expert CUSHMAN & WAKEFIELD prepared the valuation of the portfolio according to international professional standards (RICS rules). The revaluation reduced the value of the portfolio. It should be emphasized that this is a valuation as of September 30, 2023, i.e. unrealized gain or loss at the time of valuation. The fund is only in the middle of its investment cycle, and there are many more revaluations of the portfolio by the connoisseur in the coming years. The Fund's valuation approach is conservative, ascertaining the current fair value of assets is important to us and allows us to anticipate the current or future development of the portfolio value.

This annual report has been prepared on the assumption that the Fund will continue to be able to continue its activities.

33. DATA ON FACTS THAT OCCURRED AFTER THE BALANCE SHEET DATE AND ARE SIGNIFICANT FOR FULFILLING THE PURPOSE OF THE ANNUAL REPORT

The fund has successfully implemented an ESG strategy since October 2023. As a participant in the financial market, it is governed by the European SFDR directive, and according to Article 8, the Fund has become a "light green fund", which claims to support the policy of permanent sustainability.

The fund is one of the first real estate investment funds to implement an ESG strategy in the Czech Republic. In the following year, the Fund plans to further refine or expand the criteria it takes into account when making investment decisions, in accordance with European legislation.

In Prague, on January 31, 2023



Ing. Rostislav Plíva, PhD.

Chairman of the Board of directors
Winstor investiční společnosti a.s.



Appendix No. 1

AUDITOR'S REPORT ON THE FUND'S FINANCIAL STATEMENTS





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 Czech Republic
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*This document is an unsigned English translation of the Czech auditor's report.
 Only the Czech version of the report is legally binding.*

Independent Auditor's Report

to the Shareholders of fund ARETE INDUSTRIAL SICAV a.s.

Opinion

We have audited the accompanying financial statements of ARETE INDUSTRIAL SICAV a.s. ("the Fund"), prepared in accordance with Czech accounting legislation, which comprise the balance sheet as at 30 September 2023, and the profit and loss statement, the statement of changes in equity and the statement of changes in net assets attributable to holders of investment shares for the year then ended, and notes to the financial statements, comprising material accounting policies. Information about the Fund is set out in Note 1 to the financial statements.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Fund as at 30 September 2023, and of its financial performance for the year then ended in accordance with Czech accounting legislation.

Basis for Opinion

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

Other Information

In accordance with Section 2(b) of the Act on Auditors, other information is defined as information included in the annual report other than the financial statements and our auditor's report. The statutory body is responsible for the other information.

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 obtained in the audit, or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable laws and regulations, in particular, whether the other information complies with laws and regulations in terms of

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Identification No. 48819187
 VAT No. CZ09001996
 ID data box: 8h3gtra



formal requirements and the procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with those requirements could influence judgments made on the basis of the other information.

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

- the other information describing matters 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 applicable laws and regulations.

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

Responsibilities of the Statutory Body and Supervisory Board for the Financial Statements

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

In preparing the financial statements, the statutory body is responsible for assessing the Fund'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 statutory body either intends to liquidate the Fund or to cease operations, or has no realistic alternative but to do so.

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

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 above 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 above regulations, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the statutory body.
- Conclude on the appropriateness of the statutory body's 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 Fund'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 Fund 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 those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statutory Auditor Responsible for the Engagement

Veronika Strolená is the statutory auditor responsible for the audit of the financial statements of ARETE INDUSTRIAL SICAV a.s. as at 30 September 2023, based on which this independent auditor's report has been prepared.

Prague
 31 January 2024

KPMG Česká republika Audit, s.r.o.
 Registration number 71

Signed by

Veronika Strolená
 Partner
 Registration number 2195



Appendix No. 2

REGULAR FINANCIAL STATEMENTS OF THE FUND VERIFIED BY THE AUDITOR

For the accounting period from 1/10/2022 to 30/09/2023

BALANCE SHEET as of 30/09/2023**ASSETS**

In thousands CZK	30/09/2023		Sum	30/09/2022		Sum
	Investment	Non-investment		Investment	Non-investment	
Receivables from banks and credit unions	355,730	66	355,796	1,286,496	66	1,286,562
in it: a) payable on demand	355,730	66	355,796	1,286,496	66	1,286,562
Receivables from non-bank entities	2,825,390	0	2,825,390	1,586,838	0	1,586,838
in it: b) other receivables	2,825,390	0	2,825,390	1,586,838	0	1,586,838
Participations with decisive influence	712,105	0	712,105	697,065	0	697,065
Other assets	215	0	215	8,416	0	8,416
Deferred expenses and income	586	0	586	378	0	378
Assets divided into investment / non-investment	3,894,026	66		3,579,193	66	
Total assets		3,894,092			3,579,259	

LIABILITIES

In thousands CZK	30/09/2023		Sum	30/09/2022		Sum
	Investment	Non-investment		Investment	Non-investment	
Liabilities to banks and credit unions	0	0	0	358,264	0	358,264
b) other obligations	0	0	0	358,264	0	358,264
Other liabilities	28,420	0	28,420	773,326	0	773,326
Deferred income and expenses	0	0	0	485	0	485
Reserves	1,029	0	1,029	0	0	0
in it: b) on taxes	1,029	0	1,029	0	0	0
Total foreign sources	29,449	0	29,449	1,132,076	0	1,132,076
Share capital	0	100	100	0	100	100
of which: a) paid-up capital	0	100	100	0	100	100
Retained earnings or unreimbursed loss from prior periods	0	-34	-34	0	-34	-34
Total equity	0	66	66	0	66	66
Net worth of assets belonging to holders of investment shares	3,864,577	0	3,864,577	2,447,117	0	2,447,117
Liabilities broken down into investment / non-investment	3,894,026	66		3,579,193	66	
Total liabilities		3,894,092			3,579,259	

PROFIT AND LOSS STATEMENT AS OF 30/09/2023

In thousands CZK	30/09/2023		30/09/2022	
	Investment	Non-investment	Investment	Non-investment
1 Interest income and similar income	145,084	0	32,987	0
2 Interest expense and similar expenses	-2,376	0	-4,677	0
4 Revenue from fees and commissions	1,985	0	2,038	0
5 Cost of fees and commissions	-43,482	0	-37,691	0
6 Profit or loss from financial operations	-131,003	0	230,381	0
7 Other operating income	96	0	269	0
8 Other operating expenses	-625	0	-121	0
9 Administrative expenses	-78,043	0	-38,044	0
in it: a) employee costs	-1,042	0	-740	0
of which: aa) wages and salaries	-768	0	-576	0
and b) social and health insurance	-274	0	-164	0
in it: b) other administrative costs	-77,001	0	-37,304	0
19 Profit or loss for the accounting period from ordinary activities before tax	-108,365	0	185,143	0
23 Income tax	-1,029	0	35	0
24 Profit or loss for the accounting period after tax	-109,394	0	185,178	0
Of which:				
Gain or loss relating to the net assets attributable to investment stockholders	-109,394	0	185,178	0

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 01/10/2022 TO 30/09/2023

In thousands CZK	Share capital	Valuation differences	Capital funds	The result of the current period	Retained earnings/loss	Total equity
Balance as of 01/10/2022	100	0	0	0	- 34	66
Profit/loss for the period	0	0	0	0	0	0
Balance as of 09/30/2023	100	0	0	0	- 34	66
of which: investment	0	0	0	0	0	0
non-investment	100	0	0	0	- 34	66

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD FROM 01/01/2022 TO 09/30/2022

In thousands CZK	Share capital	Valuation differences	Capital funds	The result of the current period	Retained earnings/loss	Total equity
Balance as of 1/1/2022	100	0	0	0	- 34	66
Other changes	0	0	0	0	0	0
Profit distribution min. period	0	0	0	0	0	0
Profit/loss for the period	0	0	0	0	0	0
Balance as of 09/30/2022	100	0	0	0	- 34	66
of which: investment	0	0	0	0	0	0
non-investment	100	0	0	0	- 34	66

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF INVESTMENT SHARES FOR THE PERIOD FROM 01/10/2022 TO 30/09/2023

In thousands CZK	Net assets attributable to investment
Balance as of 01/10/2022	2,447,117
Attributable profit/loss for the period	- 109,394
Other changes	1,526,854
Balance as of 09/30/2023	3,864,577
Net assets attributable to investment shares (in CZK units)	3,864,577,497

STATEMENT OF CHANGES IN NET ASSETS ATTRIBUTABLE TO HOLDERS OF INVESTMENT SHARES FOR THE PERIOD FROM 01/01/2022 TO 30/09/2022

In thousands CZK	Net assets attributable to investment shares
Balance as of 01/01/2022	833,345
Attributable profit/loss for the period	177,949
Other changes	1,435,823
Balance as of 09/30/2022	2,447,117
Net assets attributable to investment shares (in CZK units)	2,447,117,209

OFF-BALANCE SHEET ITEMS FOR THE PERIOD FROM 01/10/2022 TO 30/09/2023

In thousands CZK	30/09/2023	30/09/2022
Promises and Warranties Provided	2,540,310	679,249
Collateral provided	658,113	0
Receivables from fixed term operations	0	238,842
Value under management	3,894,092	3,579,259
Promises and Warranties Accepted	0	358,653
Liabilities from fixed term operations	0	247,239



Appendix No. 3

ANNEX TO THE REGULAR FINANCIAL STATEMENTS OF THE FUND

For the accounting period from 1/10/2022 to 30/09/2023

1. GENERAL INFORMATION

ARETE INDUSTRIAL SICAV a.s. ("Investment Fund" or "Fund" or "Company") was established in accordance with Act No. 240/2013 Coll., on investment companies and investment funds. The Investment Fund was registered in the Commercial Register on 27 March 2019. The license to operate the investment fund was granted on 15 March 2019 pursuant to § 514 in conjunction with § 513 of Act No. 240/2013 Coll., on investment companies and funds (hereinafter as "ZISIF"), namely on the day the Czech National Bank registers an investment fund with legal personality pursuant to Section 597 letter a) ZISIF and as of this date the Fund is considered an investment fund that is managed by an investment company and registered in the list pursuant to § 597 letter a) ZISIF.

The Fund's business object:

Activities of the fund of qualified investors pursuant to § 95 paragraph 1 letter a) of Act No. 240/2013 Coll., on investment companies and investment funds.

The Fund entrusted the management of its assets from 01/10/2022 to 30/09/2023 to the company Winstor investiční společnost a.s., ID number: 083 15 868 in accordance with the Agreement on the performance of the function of an individual statutory body of a joint-stock company. The manager performs administration services for the Fund in the sense of § 38 paragraph 1 ZISIF.

The Fund had no employees during the accounting period.

The Fund has not established any sub-fund.

Headquarters of the Fund:

náměstí 14. října 642/17

150 00 – Prague 5, Smíchov

Czech Republic

Members of the board of directors and the supervisory board as of 9/30/2023:

Statutory authority:

Member of the

board of directors: Winstor investiční společnost a.s.

ID number 083 15 868

from 15 September 2021

represented by:

Ing. Et Ing. Rostislav Plíva, Ph.D. from 15 September 2021

Supervisory Board:

Chairman of the supervisory board: Mgr. Lubor Svoboda, MBA from 1/1/2021

Deputy Chairman of the supervisory board: Róbert Idés from 1/1/2021

Members of the supervisory board: Martin Konečný from 1/1/2021

Members of the supervisory board: Ing. Tomáš Novotný from 1/1/2021

Members of the supervisory board: Mgr. Alica Koblůvská from 26/11/2021

Members of the supervisory board: Miroslav Barnáš from 26/11/2021

Changes made in the monitored period in the commercial register: None occurred.

As of September 30, 2023, the owners of the Fund were Mgr. Lubor Svoboda (50 % of the founding shares) and Róbert Idés (50 % of the founding shares).

Auditor:

KPMG Czech Republic Audit, s.r.o

Coastal 648/1a

186 00 Prague 8

ID 496 19187

Investment strategy:

The Fund is subject to the regulatory requirements of ZISIF, which has been valid and effective since 19 August 2013. According to ZISIF, the Fund is a fund of qualified investors. In order to achieve investment goals, the Fund may invest in property values in accordance with the Fund's statute. When investing in shares, business shares, or other forms of participation in commercial companies or cooperatives, the Fund takes into account in particular their economic advantage, while simultaneously respecting the rules of prudence and rules for limiting risks. The Fund is authorized to invest in assets both in euros (EUR) and Czech crowns (CZK), as well as in other currencies that are legal tender in some of the countries of the European Union.

Depository:

Komerční banka, a.s., with its registered office at Na Příkopě 969/33, 114 07 Prague 1, ID number 453 17 054, a company registered in the commercial register maintained

by the Municipal Court in Prague B 1360, performs the function of depository and provided services according to the depository agreement for the entire accounting period.

2. BASIS FOR THE PREPARATION OF FINANCIAL STATEMENTS

The financial statements were prepared on the basis of accounting conducted in accordance with Act No. 563/1991 Coll., on accounting, as amended, and relevant regulations and decrees valid in the Czech Republic.

These financial statements are prepared in accordance with Decree No. 501/2002 Coll., which implements some provisions of Act No. 563/1991 Coll., on accounting, as amended, for accounting entities that are banks and other financial institutions of 6 November 2002, which establishes the arrangement and content definition of financial statement items and the scope of data to be published for financial institutions.

The Fund's accounting respects general accounting principles, especially the principle of valuing assets at historical prices (modified by valuing assets as an investment opportunity - at their real value), the principle of accounting in material and temporal context, the principle of prudence and the assumption of the entity's ability to continue its activities.

At the same time, Decree No. 501/2002 Coll. in §4a, paragraph 1 stipulates that for the purposes of reporting financial instruments, their valuation and providing information about them in an appendix to the financial statements,

the accounting entity shall proceed in accordance with the international accounting standards regulated by the directly applicable regulations of the European Union on the application of international accounting standards (hereinafter referred to as "International Accounting Standard" or "IFRS").

In accordance with the Accounting Act, the Fund was not obliged to consolidate the financial statements, as the consolidation criteria were not met. These financial statements are therefore non-consolidated. Based on the Company's previous decision, a shortened accounting period was applied from 1/1/2022 to 9/30/2022. For that reason, the values in the profit and loss statement are not comparable. Therefore, in the profit and loss statement and the appendix, for the items of the profit and loss statement, the column "30/09/2022" represents the values for 9 months in the period from 1.1.2022 to 30.9.2022 and the column "30/09/2023" represents the values for 12 months from 30/09/2022 to 30/09/2023.

3. IMPORTANT ACCOUNTING METHODS

The Fund's financial statements were prepared on the basis of the continuous and unlimited duration of the accounting unit and were prepared in accordance with the following important accounting methods:

a) The date of the accounting event

Depending on the type of transaction, the moment of realization of the accounting case is in particular the day of payment or receipt of currency, the day of purchase or sale of currencies,

foreign exchange, or of securities, date of payment, or direct debit from the client's account, the date of crediting (currency) of the funds according to the report received from the bank, the date of negotiation and settlement of the securities trade, the date of issue or acceptance of the guarantee, or loan promise, the day the values are taken into custody.

Accounting cases of purchase and sale of financial assets with the usual delivery date (spot operations), as well as fixed futures and option operations, are booked on off-balance sheet accounts from the time the trade is negotiated until the trade is settled. The Fund derecognizes a financial asset or its part from the balance sheet in the event that it loses control over the contractual rights to this financial asset or its part. The Company will lose this control if it exercises rights to the benefits defined in the contract, those rights expire, or it waives those rights.

b) Valuation of assets and liabilities, methods used in determining the real values of assets and liabilities of the Fund

The Fund values assets and liabilities in accordance with accounting regulations and ZISIF, according to the nature of the transaction. The Fund applies the rules for financial instruments in accordance with IFRS.

- Financial instruments

IFRS 9 introduces two criteria for the classification of financial instruments:

- The business model that accounting entities use to manage financial assets,
- SPPI test – a test of the characteristics of contractual cash flows arising from financial assets, which arise on the basis of contractual terms agreed for financial assets. IFRS 9 allows a financial asset to be classified as valued at

i) amortized cost, ii) fair value through equity, iii) fair value through profit or loss upon initial recognition.

In order for an instrument to be included in accrual value (so-called "AC") valuation, it must meet the following criteria:

- the financial instrument is held as part of a business model whose objective is the collection of contractual cash flows,
- the contractual terms of the financial instrument stipulate cash flows that are exclusively made up of repayments of principal and interest on the unpaid principal amount.

In order for a financial instrument to be included in the valuation at fair value in equity (so-called "FVTOCI"), it must meet the following criteria:

- the financial instrument is held as part of a business model whose goal is the collection of contractual cash flows, but also the sale of financial assets,
- the contractual terms of the financial instrument stipulate cash flows that are exclusively made up of repayments of principal and interest on the unpaid principal amount.

A financial instrument is included in valuation at fair value through profit and loss (so-called "FVTPL") if:

- the financial instrument does not meet the SPPI test,
- it is a financial instrument acquired for the purpose of trading,
- it is a capital instrument for which the accounting entity has decided not to include it in the group of financial instruments classified at fair value with revaluation in other comprehensive income,
- they are derivatives.

Business model evaluation

An entity's business model is set at a level that reflects how

groups of financial assets are jointly managed to achieve a specific business objective. This condition therefore does not represent an approach to classification by instruments individually, but is set at a higher level of aggregation. An entity considers all relevant information and evidence available at the assessment date. Such relevant information and evidence includes, but is not limited to, the following:

- established methods and objectives for the portfolio and access to these methods in practice. I.e. in particular, whether the strategy of the accounting unit focuses on income from contractual interest, maintaining the interest rate profile, matching the duration of financial assets with the duration of liabilities that serve as a source of funding for these financial assets or the realization of cash flows through the sale of assets;
- how the performance of the business model and the financial assets held within that business model is evaluated and how that performance is presented to the entity's key management;
- the risks that affect the performance of the business model and the financial assets held within that business model and in particular the way in which these risks are managed;
- how managers and heads of accounting units are remunerated, eg whether remuneration is based on the fair value of assets managed or contractual cash flows collected;
- the frequency, volume and timing of sales in previous periods, the reasons for those sales and their expectations in the future. However, sales information is not

evaluated in isolation, but as part of an overall evaluation of how the goals set by the entity for managing financial assets are achieved and how cash flows are realized.

The entity has assessed that it has only one business model that contains all assets. Financial assets are managed and evaluated based on real values. The Fund manager makes decisions based on the fair value of assets and manages these assets with the aim of realizing this fair value. Furthermore, it primarily monitors the development of the real values of the Fund's assets and liabilities due to the calculation and publication of the net asset value per 1 investment share. For this reason, such financial assets are measured at fair value through profit or loss (FVTPL).

Real value

The fair value of the fund's assets is assessed individually according to asset groups, with the Fund distinguishing asset groups listed in the following points i) - v). The fair value can be based on the prices of instruments listed on public markets, if the given instrument is not listed on the public market, i.e. there is no active market for it, other methods are used to determine the fair value of the valuation. E.g. for capital assets, valuations performed by an independent certified appraiser are used, which are usually based on valuation methods and techniques that are generally recognized as industry standards. Another example can be provided loans and borrowings, which, if they bear variable interest using EURIBOR/PRIBOR rates etc., their accounting values on the balance sheet date are taken as insignificantly different from the fair value. In the

event that the interest rates for these loans and borrowings are fixed throughout the maturity period, they are valued at fair value using the discounted cash flow method.

The hierarchy of real values has the following levels:

- **Level 1 inputs** are quoted prices (unadjusted) in active markets for identical assets or liabilities available to the entity at the measurement date;
- **Level 2 inputs** are inputs other than quoted prices included in Level 1 that are observable for the asset or liability either directly (ie as prices) or indirectly (ie as derived from prices);
- **Level 3 inputs** are unobservable inputs to an asset or liability.

Assets and liabilities are classified as level 3 if their value is determined using valuation models, the discounted cash flow method or similar techniques and at least one significant model assumption or input is not objectively detectable (observable). Level 3 also includes those assets and liabilities for which the determination of fair value requires professional judgment or estimation.

In the case of the Fund, investment property valued at level 3 is reviewed at least once a year by an independent expert opinion as of the balance sheet date, while it is often reviewed in the event of major changes in portfolio companies, in some cases several times a year.

Classification of issued securities

In accordance with the IAS 32 standard, it is necessary to assess whether the issued investment shares meet the conditions for classification and will continue to be

reported as equity or whether they will be reported as a liability (see point c) of this chapter).

Reclassification of financial instruments

After initial accounting, financial assets are not reclassified, except when the Fund changes the business model for managing financial assets in the current accounting period. In the accounting period 2023, the Fund did not change its business model.

If one of the financial instruments is reclassified, the amounts reclassified to and from each category and the reason for said reclassification will be published in the appendix to the financial statements. The fair value gain or loss recognized in profit or loss in the reporting and prior periods is also disclosed. The information will be published until the asset is written off.

Derecognition of financial instruments

An entity derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or the entity transfers the rights to receive the cash flows in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred, or in which the entity neither does not transfer or retain substantially all the risks and rewards of ownership of the financial asset and when it does not retain control of the financial asset.

Financial commitments

An entity classifies and measures its financial liabilities at fair value through profit or loss (FVTPL) as it manages its financial assets and financial liabilities and their performance

is assessed based on fair value and in accordance with the risk management strategy and investment strategy.

I. Investment property

Investment property is recorded at fair value upon initial recognition. Subsequently, it is valued once a year on the balance sheet date at fair value using expert opinions. The revaluation at the balance sheet date represents the determination of the fair value of the investment property, which is subsequently recorded in the accounts as a result and reported in the item "6. Profit or loss from financial operations".

The specific types of capital assets in which the Fund invests are defined in the Fund's statute.

Assets can also be revalued to their fair value outside the balance sheet date, exceptionally in the event that there is a permanent reduction in their value according to a special legal regulation, namely in the case of non-operating long-term tangible assets. Changes in revaluation are recorded in the relevant item of liabilities and the decrease, or a permanent decrease in its value, is recorded in the income statement and reported in the item "6. Profit or loss from financial operations", or in the corresponding item in the profit and loss statement.

The fair value is therefore determined on the basis of an expert opinion in accordance with § 196 ZISIF, i.e. according to international accounting standards. During the valuation by an expert opinion on 15 September 2023, a market price was determined, which can be considered a normal price. The market value is an estimate of the financial amount and is defined in accordance with the European Association of

Appraisers TEGOVA (The European Group of Valuers) and with the international valuation standard developed by the International Valuation Standards Committee IVSC (International Valuation Standards Committee) as "the estimated amount for which assets should have been exchanged on the valuation date in a transaction without personal influence between a voluntary buyer and a voluntary seller after appropriate market research in which the participants act informed, prudent and without coercion".

Elementary methods and approaches can be used to determine the property's value - income method, property method, book value method, comparison or application of several methods. As the main activity of the Fund in the accounting period was the management of its own properties and the coordination of development projects, the expert proceeded to choose the income and property methods. Investment assets also include equity interests in companies in which the Fund has a decisive influence, i.e. in which it directly or indirectly owns more than 50 % of the voting rights, or is able to exercise control over them. Equity interests are valued at fair value in accordance with ZISIF, where expert opinions are also used for their valuation using market price determination.

II. Credits and loans granted

Loans and advances are initially reported at fair value. Accrued interest related to loans granted is included in the total balances of these assets. Interest income from granted loans is reported in the item "1. Interest income and similar income" in the income statement.

c) Securities issued by the Fund

The fund issues six types of investment shares. The Fund's shares have the form of a book-entry security. Shares of the Fund that are not founder shares are investment shares. Investment shares are associated with the right to redeem them at the request of their owner for the account of the Fund. Investment shares may be issued by public tender. Investment shares represent the shareholder's share of the Fund's capital attributable to investment shares. Acquisition of the Fund's investment shares procedures and conditions for the issuance and redemption of investment shares are specified in the Fund's statutes. In the period between the date of crediting the invested amount to the fund account for the issuance of new investment shares and the posting of investment shares, these funds are reported online "4. Other liabilities" as a liability from the subscription of investment shares. Investment shares issued in a foreign currency are revalued due to exchange rate changes in the profit and loss statement in the item "6. Profit or loss from financial operations".

In accordance with the IAS 32 standard, it is necessary to assess whether the issued investment shares meet the conditions for classification and will continue to be reported as equity based on the exception, or whether they will be reported as a liability.

A fund meets the basic definition of a financial liability because it contains a contractual obligation to deliver cash or another asset. However, a fund may classify investment shares as an equity instrument if they meet the exceptions set out in IAS 32 paragraphs 16A and 16B:

- The holder is entitled to a proportionate share of the entity's net assets in the event that the entity is liquidated
- A tool is included in a tool class that is subordinate to all other tool classes
- All financial instruments in a class that is subordinate to all other instrument classes have the same characters
- All financial instruments included in an instrument class that is subordinate to all other instrument classes must have the same contractual obligation to deliver a proportionate share of net assets upon liquidation
- The issuer must not have another financial instrument or contract whose total cash flows are based to a large extent on profit or loss, changes in reported net assets, or changes in the fair value of reported and unreported net assets, and the impact is manifested by a substantial limitation or fixed determination of residual earnings ("residual return") of the holders of the instrument with a put option.

At the end of the accounting period, the Fund issued five classes of investment shares, while not meeting all the above conditions. These instruments are therefore classified as a financial liability and are reported under the item "Net value of assets belonging to holders of investment shares".

The balance sheet item "Net value of assets belonging to holders of investment shares" deviates from the names of the balance sheet items defined according to Annex No. 1 in Decree No. 501/2002 for the purpose of maintaining a true and fair image in accordance with §7 of Act No. 563/1991, on accounting.

d) Derivatives

A derivative is a financial instrument that meets the following conditions:

- its real value changes depending on changes in the interest rate, security price, commodity price, exchange rate, price index, credit assessment (rating) or index, or depending on another variable (the so-called underlying asset),
- compared to other types of contracts in which a similar response to changes in market conditions is based, requires little or no initial investment,
- will be settled in the future, while the time for negotiating a trade until its settlement is longer than for a spot operation.

Derivatives are reported in the balance sheet at fair value. Positive fair values of derivatives are reported in assets in the item "Other assets". Negative fair values of derivatives are reported in liabilities in the item "Other liabilities".

The fair value of financial derivatives is determined as the present value of the expected cash flows resulting from these transactions. To determine the current value, parameters found on the active market are used, such as exchange rates, interest rates for given maturities based on the yield curve, etc.

In the sub-balance sheet, derivatives are reported at the undiscounted nominal value of the underlying instrument in the items "Receivables from fixed forward operations" and "Liabilities from fixed forward operations".

The fund concludes the following types of derivative transactions:

- derivatives held for risk management purposes

Derivatives held for risk management purposes

Derivatives held for risk management purposes include all derivatives that are not classified as trading assets or liabilities. Derivatives held for risk management purposes are measured at fair value on the balance sheet. Gains and losses from changes in the fair values of derivatives held for risk management purposes are recorded in the income statement under item "1. Interest and similar income or 2. Interest and similar expenses.

e) Expense and gain

Costs and revenues are accounted for in the period with which they are temporally and materially related. Interest income and interest expense from interest-bearing assets and liabilities are reported on an accrual basis.

f) Foreign currency conversion

Transactions calculated in a foreign currency are charged in the domestic currency converted at the exchange rate valid on the day of the transaction. Assets and liabilities calculated in foreign currency together with foreign exchange spot transactions before the maturity date are converted into the domestic currency at the exchange rate announced by the CNB valid at the end of each month of the accounting period and also at the date of the financial statements. The resulting profit or loss from the translation of assets and liabilities calculated in foreign currency is reported in the profit and loss statement as "6. Profit or loss from financial operations".

g) Taxation

The tax base for income tax is calculated from the earnings of the current accounting period by adding non-taxable costs and subtracting non-taxable income and is further

adjusted by tax discounts in accordance with Act No. 586/1992 Coll., on income taxes.

Deferred tax is based on any temporary differences between the book value and the tax value of assets and liabilities using the expected tax rate applicable for the following period. Deferred tax receivables are accounted for only if there is no doubt about their further application in subsequent accounting periods. In the terms and conditions of the Fund, deferred tax may arise due to changes in the valuation of investment assets and is accounted for on the balance sheet.

h) Creation of reserves

A reserve represents a probable performance with an uncertain time schedule and amount. A reserve is created in the event that the following criteria apply:

- There is an obligation (legal or material) to perform that is the result of past events.
- It is probable that the performance will occur and will require an outflow of funds representing an economic benefit, with probable meaning a probability greater than 50 %.
- It is possible to make a reasonably reliable estimate of performance.

i) Items from another accounting period and changes in accounting methods

During the accounting period, corrections of previous years were not charged.

j) Regulatory requirements

The fund is subject to registration and supervision by the CNB. The Depositary – Komerční banka, a.s. supervises whether the Fund's activities are carried out in accordance with ZISIF.

4. SIGNIFICANT ITEMS IN THE BALANCE SHEET, PROFIT AND LOSS STATEMENT - INVESTMENT PART

4.1. INTEREST INCOME AND SIMILAR INCOME

In thousands CZK	30/09/2023	30/09/2022
Income from interest on loans and borrowings	131,931	32,979
Interest income from bank accounts	13,153	8
Total net interest income	145,084	32,987

All revenues were realized on the territory of the Czech Republic and Slovakia.

4.2. INTEREST EXPENSE AND SIMILAR EXPENSES

In thousands CZK	30/09/2023	30/09/2022
Interest costs from loans and borrowings	2,376	3,554
Interest expense from derivatives	0	1,123
Total net interest expense	2,376	4,677

Interest expense consists of interest paid on loans received from Raiffeisenbank a.s.

4.3. REVENUE FROM FEES AND COMMISSIONS

In thousands CZK	30/09/2023	30/09/2022
Income from entry and exit fees	1,985	2,038
Total fee income	1,985	2,038

4.4. COST OF FEES AND COMMISSIONS

In thousands CZK	30/09/2023	30/09/2022
Bank charges	807	2,536
Credit account charges	3,542	717
Cost of entry and exit fees	1,566	1,490
Commission to distributors	37,567	32,948
Cost of fees and commissions in total	43,482	37,691

4.5. PROFIT OR LOSS FROM FINANCIAL OPERATIONS

In thousands CZK	30/09/2023	30/09/2022
Gains/losses from derivative transactions	155	8,397
Gains/losses from the revaluation of equity interests	-129,877	220,388
Gains/losses from exchange differences	-1,290	1,589
Other financial gains and losses	9	7
Profit/loss from financial operations	-131,003	230,381

All profits were realized in the territory of the Czech Republic and Slovakia.

4.6. OTHER OPERATING COSTS AND REVENUES

In thousands CZK	30/09/2023	30/09/2022
Other operating income	96	269
Other operating expenses	-625	-121
In total	-529	148

In the accounting period, these items are mainly related to real estate insurance (bonus of 96,000 CZK for a harmless course) and property and liability insurance costs (558,000 CZK).

4.7. ADMINISTRATIVE EXPENSES

In thousands CZK	30/09/2023	30/09/2022
Remuneration of the statutory auditor	864	1,607
Reward to the manager	2,400	2,029
Administration fee	2,400	2,092
Reward for subscriptions	84	100
Depository services	1,008	523
Expert opinions	4,636	380
Legal advice	3,994	1,130
Promotion and advertising	3,163	2,458
Advice and consultation	1,042	212
Other taxes and charges	51	165
ČSOB custody	606	354
Fee for tax advice	436	182
Expert advisor	52,755	25,424
Other administrative costs	3,562	648
Total other administrative costs	77,001	37,304
Personal expenses - members of the supervisory board	1,042	740
Total administrative costs	78,043	38,044

In the reporting period, the costs of the expert advisor were reclassified to administrative costs from the item Expenses for fees and commissions. The costs totaled 52,755,000 CZK (2022: 25,424,000 CZK). Comparable data has been adjusted.

In accordance with the depository agreement, the Fund paid a fee for the depository activities performed by Komerční banka a.s. during the accounting period, which amounted to 84,000 CZK on average for each month started. The total costs of the Fund for depository activities amounted to 1,008,000 CZK during the accounting period

(2022: 523,000 CZK). The Fund's expenses for the activities of the manager amounted to 2,400,000 CZK during the accounting period (2022: 2,029,000 CZK).

Other taxes and fees include administrative fees in the amount of 51,000 CZK (2022: 165,000 CZK).

Recalculated number of employees as of September 30, 2023	
Employees	0
Members of the supervisory board	6

Calculated number of employees as of September 30, 2022	
Employees	0
Members of the supervisory board	6

4.8. RETAINED EARNINGS OR LOSS FROM PREVIOUS PERIODS, RESERVE FUNDS AND OTHER FUNDS FROM PROFIT

In the reporting period, the fund reported a loss after taxation in the amount of 109,394,000 CZK (2022: profit of 185,178,000 CZK) in the investment part, which he proposes to transfer to the operating result of previous periods. In the reporting period, the fund reported a profit after taxation of 0 CZK (2022: 0 CZK) in the non-investment part.

Undistributed profit and loss from previous periods amounted to 350,961,000 CZK in the accounting period (2022: 165,783,000 CZK), of which the investment part is worth 350,994,000 CZK (2022: 165,817,000 CZK). From 2021, this balance sheet item is part of the Net assets attributable to investment shares and is therefore part of the valuation of investment shares. Undistributed profit and loss from previous periods relating to the non-investment part amounted to - 34,000 CZK in the reporting period. (2022: - 34,000 CZK).

4.9. INCOME TAX

In the monitored period, the fund achieved a loss after taxation in the amount of 109,394,000 CZK (2022: profit of 185,178,000 CZK).

A tax reserve of 1,029,000 CZK was created (2022: CZK 0 CZK).

No additional taxes were assessed to the Fund for the monitored accounting period.

Tax payable in thous. CZK	30/09/2023	30/09/2022
Profit/loss for the accounting period before tax	-108,365	185,143
Non-taxable income	974,989	260,155
Non-tax costs	1,103,932	40,480
Tax discounts and credits	0	0
Other items adjusting the tax base	0	0
Tax base	20,578	-34,533
Tax loss deduction	0	0
Other items adjusting the tax base	0	0
Tax basis after taking into account the tax loss and other items	20,578	0
Tax rate	5 %	5 %
Income tax	1,029	0

4.10. DEFERRED TAX

Deferred income taxes are calculated on all temporary differences using the tax rate applicable to the period in which the tax liability or asset will be realized, i.e. 5 %. In the monitored period, the Fund did not account for deferred tax due to the fact that no temporary differences arose in the accounting period.

4.11. RECEIVABLES FROM BANKS

In thousands CZK	30/09/2023	30/09/2022
Current account balances - investment part	355,730	1,286,496
Current account balances non-investment part	66	66
Total receivables from banks	355,796	1,286,562

Receivables from banks are valued at FVTPL.

4.12. RECEIVABLES FROM NON-BANK ENTITIES

In the monitored accounting period, the Fund registered the following receivables from business relationships that arose from non-bank entities:

Loans granted in thousands CZK	30/09/2023	30/09/2022
ARETE Kezmarok s.r.o.	0	197,571
ARETE Plzen s.r.o.	0	215,628
ARETE Zdice s.r.o.	0	170,719
ARETE Valmez s.r.o.	0	216,270
ARETE Trenčín s.r.o.	0	25,548
ARETE Property s.r.o.	2,949	24,698
ARETE HoldCo 1 a.s.	2,549,236	0
ARETE CZ 1 s.r.o.	355	0
ARETE CZ 2 s.r.o.	2,109	0
ARETE CZ Milovice s.r.o.	248,342	0
ARETE CZ 4 s.r.o.	2,108	0
ARETE Zeta s.r.o.	3,030	481
ARETE Capital s.r.o.	2,485	0
ARETE RE s.r.o.	5,541	0
ARETE GLP s.r.o.	5,541	0
ARETE Property SK s.r.o.	3,694	0
ARETE Omikron s.r.o.	0	481
ARETE Rokycany s.r.o.	0	301,118
ARETE Puchov s.r.o.	0	211,769
ARETE Vřable s.r.o.	0	222,555
Total loans granted	2,825,390	1,586,838

Receivables from non-bank entities are valued at FVTPL.

In the monitored period, the following loan promises were provided:

Promises provided in thousands CZK	30/09/2023	30/09/2022
Promises and Warranties Provided	2,540,310	679,249
Total promises made	2,540,310	679,249

4.13. PARTICIPATIONS WITH DECISIVE INFLUENCE

In the monitored accounting period, the Fund founded the holding company ARETE HoldCo 1 a.s., where it continuously holds a 100 % ownership stake. On 19/12/2022, the Fund transferred ten trading shares in companies and related receivables from these companies to the property of this company. The purpose of the move was to create a holding structure acceptable to the bank from which the holding company drew a bank loan in the monitored accounting period. Due to the creation of this holding structure, the composition of the Fund's assets changed between 2023 and 2022.

As of 9/30/2023:

Company name	ID number	Share size	Purchase price in thousands CZK	Fair value as of 30/09/2023 in thousands CZK
ARETE HoldCo 1 a. s.	178 43 553	100 %	552,283	658,113
ARETE Milovice s.r.o.	172 42 371	100 %	35,401	48,801
ARETE Zeta s.r.o.	116 76 493	100 %	951	22
ARETE CZ 1 s.r.o.	172 42 258	100 %	4,901	571
ARETE CZ 2 s.r.o.	172 42 321	100 %	801	279
ARETE CZ 4 s.r.o.	172 42 428	100 %	801	279
ARETE CZ 5 s.r.o.	193 71 497	100 %	501	440
ARETE CZ 6 s.r.o.	193 71 535	100 %	501	440

ARETE CZ 7 s.r.o.	193 71 543	100 %	501	440
ARETE CZ 8 s.r.o.	193 71 551	100 %	501	440
ARETE SK 1 s.r.o.	555 11 376	100 %	599	570
ARETE SK 2 s.r.o.	555 12 089	100 %	599	570
ARETE SK 3 s.r.o.	555 13 221	100 %	599	570
ARETE SK 4 s.r.o.	555 16 688	100 %	599	570
In total			599,538	712,105

As of 30/09/2022:

Company name	ID number	Share size	Purchase price in thousands CZK	Fair value as of 30/09/2022 in thousands CZK
ARETE Plzen s.r.o.*	053 46 096	100 %	29,712	111,288
ARETE Kezmarok s.r.o.*	519 68 029	100 %	55,831	67,743
ARETE Zdice s.r.o.*	053 45 936	100 %	48,449	231,288
ARETE Trencin s.r.o.*	519 67 871	100 %	12,773	13,671
ARETE Vrable s.r.o.*	519 69 424	100 %	52,594	66,310
ARETE Valmez s.r.o.*	053 45 197	100 %	48,152	115,210
Arete Dunajska Streda s.r.o.*	519 67 375	100 %	954	233
ARETE Puchov s.r.o.*	505 91 240	100 %	37,655	44,198
ARETE Omikron s.r.o.*	116 76 744	100 %	951	550
ARETE Rokycany s.r.o.*	116 76 698	100 %	20,201	45,859
ARETE CZ 1 s.r.o.	172 42 258	100 %	101	24
ARETE CZ 2 s.r.o.	172 42 321	100 %	101	24
ARETE CZ 3 s.r.o.	172 42 371	100 %	101	24
ARETE CZ 4 s.r.o.	172 42 428	100 %	101	24
ARETE Zeta s.r.o.	116 76 493	100 %	951	619
In total			308,627	697,065

*company transferred to ARETE HoldCo 1 a.s.

ARETE Plzen s.r.o. – registered office: Na Roudné 443/18, Severní Předměstí, 301 00 Plzeň, subject of activity: rental of real estate, apartments and non-residential premises, subject of business: production, trade and services not listed in Annexes 1 to 3 of the Trade Act, fields of activity: purchase, sale, management and maintenance of real estate, share in voting rights 100 %.

ARETE Kezmarok s.r.o. – registered office: SKY PARK OFFICES 1, Bottova 2A, Bratislava - district of Staré Mesto 811 09, subject of activity: rental of real estate associated with the provision of non-essential services related to rental, intermediary activity in the field of trade, services, production, rental of movable property, advertising and marketing services, purchase of goods for the purpose of selling them to the final consumer (retail) and/or another business manager (wholesale), activities of business, organizational and economic consultants, share in voting rights 100 %.

ARETE Zdice s.r.o. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, subject of activity: rental of real estate, apartments and non-residential premises, subject of business: production, trade and services not listed in appendices 1 to 3 of the Trade Act, fields activities: purchase, sale, management and maintenance of real estate, share in voting rights 100 %.

ARETE Trencin s.r.o. – registered office: SKY PARK OFFICES 1, Bottova 2A, Bratislava - district Staré Mesto 811 09, subject of activity: real estate rental associated with the provision of other than basic services related to the rental, intermediary

activity in the field of trade, services, production, purchase goods for the purpose of their sale, activities of business, organizational and economic consultants, advertising and marketing services, market and public opinion research, rental of movable property, share in voting rights 100 %.

Arete Vrable s.r.o. – registered office: SKY PARK OFFICES 1, Bottova 2A, Bratislava - district Staré Mesto 811 09, subject of activity: real estate rental associated with the provision of other than basic services related to the rental, intermediary activity in the field of trade, services, production, rental movable property, advertising and marketing services, purchase of goods for the purpose of selling them to the final consumer (retail) and/or another manager (wholesale), activities of business, organizational and economic consultants, share in voting rights 100 %.

ARETE Valmez s.r.o. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, subject of activity: rental of real estate, apartments and non-residential premises, subject of business: production, trade and services not listed in Annexes 1 to 3 of the Trade Act, fields activities: purchase, sale, management and maintenance of real estate, share in voting rights 100 %.

Arete Dunajska Streda s.r.o. – registered office: SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09, subject of activity: real estate rental associated with the provision of other than basic services related to the rental, intermediary activity in the field of trade, services, production, rental of movable property, advertising and marketing services, purchase of goods for the purpose of

selling them to the final consumer (retail) and/or another manager (wholesale), activity of business, organizational and economic consultants, share in voting rights 100 %.

Arete Puchov s.r.o. – registered office: SKY PARK OFFICES 1, Bottova 2A, Bratislava - district Staré Mesto 811 09, subject of activity: real estate rental associated with the provision of non-essential services related to rental, intermediary activity in the field of trade, services, production, rental movable property, advertising and marketing services, purchase of goods for the purpose of selling them to the final consumer (retail) and/or another manager (wholesale), activities of business, organizational and economic consultants, share in voting rights 100 %.

ARETE Omikron s.r.o. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, business: rental of real estate, apartments and non-residential premises, share in voting rights 100 %.

ARETE Rokycany s.r.o. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, subject of business: rental of real estate, apartments and non-residential premises, production, trade and services not listed in Annexes 1 to 3 of the Trade Act, fields of activity: - purchase, sale, management and maintenance of real estate, share in voting rights 100 %.

ARETE Zeta s.r.o. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, business: rental of real estate, apartments and non-residential premises, share in voting rights 100 %.

ARETE Milovice s. r. o. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, business: rental of real estate, apartments and non-residential premises, share in voting rights 100 %.

ARETE HoldCo 1 a. s. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, business: management of own assets, share in voting rights 100 %.

ARETE CZ 1 s.r.o. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, business: rental of real estate, apartments and non-residential premises, share in voting rights 100 %.

ARETE CZ 2 s.r.o. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, business: rental of real estate, apartments and non-residential premises, share in voting rights 100 %.

ARETE CZ 3 s.r.o. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, business: rental of real estate, apartments and non-residential premises, share in voting rights 100 %.

ARETE CZ 4 s.r.o. – seat: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, business: rental of real estate, apartments and non-residential premises, share in voting rights 100 %.

ARETE CZ 5 s.r.o. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, business: rental of real estate, apartments and non-residential premises, production, trade and services not listed in Annexes 1 to 3 of the Trade Act, fields of activity: - purchase, sale, management and maintenance of real estate, share in voting rights 100 %.

ARETE CZ 6 s.r.o. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, business: rental of real estate, apartments and non-residential premises, share in voting rights 100 %.

ARETE CZ 7 s.r.o. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, business: rental of real estate, apartments and non-residential premises, production, trade and services not listed in Annexes 1 to 3 of the Trade Act, fields of activity: - purchase, sale, management and maintenance of real estate, share in voting rights 100 %.

ARETE CZ 8 s.r.o. – registered office: náměstí 14. října 642/17, Smíchov, 150 00 Prague 5, business: rental of real estate,

apartments and non-residential premises, production, trade and services not listed in Annexes 1 to 3 of the Trade Act, fields of activity: - purchase, sale, management and maintenance of real estate, share in voting rights 100 %.

ARETE SK 1 s.r.o. - registered office: SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09, subject of activity: rental of real estate associated with the provision of other than basic services associated with the rental, intermediary activity in the field of trade, services, production, rental of movable property, advertising and marketing services, purchase of goods for the purpose of selling them to the final consumer (retail) and/or another manager (wholesale), activity of business, organizational and economic consultants, share in voting rights 100 %.

ARETE SK 2 s.r.o. - registered office: SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09, subject of activity: rental of real estate associated with the provision of other than basic services associated with the rental, intermediary activity in the field of trade, services, production, rental of movable property, advertising and marketing services, purchase of goods for the purpose of selling them to the final consumer (retail) and/or another manager (wholesale), activity of business, organizational and economic consultants, share in voting rights 100 %.

ARETE SK 3 s.r.o. - registered office: SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09, subject of activity: real estate rental associated with the provision of other than basic services related to the rental, intermediary activity in the field of trade, services, production, rental of movable property, advertising and marketing services, purchase of goods for the purpose of selling them to the final consumer (retail) and/or another manager (wholesale), activities of business, organizational and economic consultants, share in voting rights 100 %.

ARETE SK 4 s.r.o. - registered office: SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09, subject of activity: real estate rental associated with the provision of other than basic services related to the rental, intermediary activity in the field of trade, services, production, rental of movable property, advertising and marketing services, purchase of goods for the purpose of selling them to the final consumer (retail) and/or another manager (wholesale), activity of business, organizational and economic consultants, share in voting rights 100 %.

4.14. DEFERRED COSTS

In the monitored period, the fund registered expenses for future periods in the amount of 586,000 CZK (2022: 378,000 CZK).

4.15. OTHER ASSETS

In thousands CZK	30/09/2023	30/09/2022
Receivables from derivative instruments - fair value	0	8,397
Other assets	215	19
Total other assets	215	8,416

The item other assets consists of provided short-term advances in the amount of 215,000 CZK (2022: 19,000 CZK).

4.16. LIABILITIES TO BANKS

Liabilities to banks in thousands CZK	30/09/2023	30/09/2022
Loans received	0	358,264
Total liabilities to banks	0	358,264

At the end of the previous accounting period, this was an umbrella loan received from Raiffeisenbank, which was settled in December 2022.

Received pledges in thousands CZK	30/09/2023	30/09/2022
Promises and Warranties Accepted	0	358,653
Total pledges received	0	358,653

4.17. OTHER LIABILITIES

Other liabilities in thousands CZK	30/09/2023	30/09/2022
Obligations from business relations	1,814	9,841
Obligations for employees/statutory officers	42	48
Obligations for social institutions and healthy insurance	29	24
Other direct taxes	10	10
VAT	0	50
Unbilled	13,456	14,662
Other debts - extra payment outside share capital to subsidiaries	0	400
Liabilities from the subscription of investment shares participating in the earnings	0	622,424
Liabilities from the subscription of investment shares not participating in the General Meeting	13,069	125,843
Total other liabilities	28,420	773,326

Estimated accounts payable mainly consist of the following items - expert advisor 9,897,000 CZK (2022: 11,283,000 CZK), estimate for distribution 2,747,000 CZK (2022: CZK 2,465,000 CZK), audit and tax consulting services 688,000 CZK (2022: 584,000 CZK).

4.18. NET WORTH OF ASSETS BELONGING TO HOLDERS OF INVESTMENT SHARES

As of January 1, 2021, this item includes items that previously belonged to the equity section of the balance sheet and which are related to investment shares that are now considered a foreign resource.

4.18.1. INVESTMENT SHARES

IAB Investment Shares	4,350,200 pcs (2022: 2,758,791 pcs)
Issued IAB shares	1,591,409 pcs
Redeemed IAB shares	0 pcs
ISIN	CZ0008043924

IAC investment shares	3,643,028 pcs (2022: 3,222,448 pcs)
Issued IAC shares	420,580 pcs
Redeemed IAC shares	0 pcs
ISIN	CZ0008043932

Investment shares of IAE	5,875,977 pcs (2022: 2,004,111 pcs)
Issued IAE shares	3,871,866 pcs
Redeemed IAE shares	0 pcs
ISIN	CZ0008048410

IAX investment shares	82,350 pcs (2022: 64,867 pcs)
Issued IAX shares	17,483 pcs
Redeemed IAX shares	0 pcs
ISIN	CZ0008043940

IAY Investment Shares	62,000 pcs (2022: 100,000 pcs)
Issued IAY shares	0 pcs
Redeemed IAY shares	38,000 pcs
ISIN	CZ0008043957

The procedure for determining the value of investment shares is described in the Fund's statute.

Shareholders of the Fund have all the rights attached to the shares of the Fund which are granted to them by the statute of the Fund, the Articles of Association of the Fund and the Law on Business Corporations, unless the Law on Investment Companies and Investment Funds

provides otherwise. The Fund's shareholders participate in the Fund's capital according to the rules established by the Fund's statute, the Fund's articles of association, the Act on Investment Companies and Investment Funds and the Act on Business Corporations. Each type of issued shares accounts for a certain part of the fund's capital, as follows from the Fund's statute. All issued shares of a certain type represent an equal share of the respective part of the fund capital attributable to the given type of shares.

No dividends were paid during the accounting period.

Part of the item Net value of assets belonging to investment shares consists of issued investment shares in the amount of 3,622,977 thousands CZK, from the item of undistributed profits and losses in the amount of 350,994 thousands CZK and items of the economic result in the current period in the amount of - 109,394 thousands CZK.

In thousands CZK	30/09/2023	30/09/2022
Total Net Asset Value*	3,864,577	3,069,541
Fund capital at IAB	1,233,979	1,063,229
Number of IAB shares issued	4,350,200 pcs	2,758,791 pcs
Number of participating shares**	0 pcs	839,108 pcs
Fund capital at IAC	1,150,797	1,057,083
Number of IAC shares issued	3,643,028 pcs	3,222,448 pcs
Number of participating shares**	0 pcs	33,212 pcs
Fund capital at IAE	1,403,088	861,331
Number of issued IAE shares	5,875,977 pcs	2,004,111 pcs
Number of participating shares**	0 pcs	1,468,671 pcs

Fund capital on IAX	26,229	22,435
Number of IAX shares issued	82,350 pcs	64,867 pcs
Number of participating shares**	0 pcs	2,997 pcs
Fund capital on IAY	50,484	65,462
Number of IAY shares issued	62,000 pcs	100,000 pcs
Number of participating shares**	0 pcs	0 pcs

* The net asset value in this table includes participating funds** and the economic result related to them.

** Participating shares are investment shares that were subscribed on the date of the financial statements, but not issued by the date of the financial statements, however, they already participate in the economic results and are therefore part of the fund's capital.

4.19. EQUITY

The equity capital of the non-investment part reached 66,000 CZK as of 09/30/2023 (2022: 66,000 CZK). It consists of a share capital of 100,000 CZK (2022: 100,000 CZK) and the undistributed loss of previous years in the amount of 34,000 CZK (2022: 34,000 CZK).

5. OFF-BALANCE SHEET ITEMS

5.1. VALUES TRANSFERRED TO MANAGEMENT

As of the balance sheet date, the Fund reported the values transferred to Winstor investiční společnost a.s. for management, in the same valuation in which they are reported in the assets, i.e. in the amount of 3,894,092 CZK (2022: 3,579,259 CZK).

5.2. PROMISES AND WARRANTIES GIVEN

On the basis of concluded loan agreements with controlled companies, the Fund promised to provide them with financial resources up to the amount of 2,540,310,000 CZK. The most significant is the contract with the company ARETE HoldCo 1 a.s. for a loan in the remaining amount of 2,357,825,000 CZK.

5.3. COLLATERAL PROVIDED

Based on the relationship with financing institutions, the Fund concluded a pledge agreement, the subject of which was the pledge of a single collective share of the company ARETE HoldCo 1 a.s., to secure debts of up to 350 million EUR. The amount of pledged assets as of 9/30/2023 amounted to 658,113,000 CZK (2022: 0 CZK).

5.4. LOANS AND CREDITS, GUARANTEES PROVIDED AND OTHER PAYMENTS TO MEMBERS OF MANAGEMENT AND CONTROL BODIES DUE TO THEIR FUNCTION

The Fund did not provide any loans or other in-kind or monetary benefits to members of the statutory body or former members of the company's bodies. At the same time, no guarantees were issued for these persons.

6. CLASSIFICATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following table provides a reconciliation between balance sheet items and valuation categories of financial instruments:

As of 30/09/2023 in thousands CZK	FVTPL	Accrued value	In total	
3	Receivables from banks and credit unions	355,796	-	355,796
4	Receivables from non-bank entities	2,825,390	-	2,825,390
8	Participations with decisive influence	712,105	-	712,105
	Total financial assets	3,893,225	-	3,893,225

As of 30/09/2023 in thousands CZK	Determined in FVTPL	Accrued value	In total	
4	Other liabilities	28,420	-	28,420
	financial liabilities	28,420	-	28,420

As of 30/09/2022 in thousands CZK	FVTPL	Accrued value	In total	
3	Receivables from banks and credit unions	1,286,562	-	1,286,562
4	Receivables from non-bank entities	1,586,838	-	1,586,838
8	Participations with decisive influence	697,065	-	697,065
11	Other assets – fair value of derivatives	8,397	-	8,397
	Total financial assets	3,578,862	-	3,578,862

As of 30/09/2022 in thousands CZK	Determined in FVTPL	Accrued value	In total	
1	Liabilities to banks and credit unions	358,264	-	358,264
4	Other liabilities	773,326	-	773,326
	Total financial liabilities	1,131,590	-	1,131,590

7. IDENTIFIED MAIN RISKS ACCORDING TO THE STATUTE

Market risk

The risk consists in the risk of losing the value of the investment in the event of a change in market prices resulting from the effect of market development on the value of the assets in the Fund's property. In general, all real estate, securities, book-entry securities, and all other assets that can be acquired as part of the Fund's property are exposed to market risk.

The value of real estate in the portfolio is influenced by the type of real estate acquired (real estate with commercial use, apartment buildings, plots of land), location, technical condition and the ability of the real estate to generate regular income for the Fund. The value of real estate is also influenced by the situation on the real estate market and the demand for them.

In the case of investments in real estate subject to liens or other rights of third parties, there is a risk of limited liquidity of such real estate, there is also a risk of insufficient infrastructure needed to use the real estate and a risk arising from real estate valuation. If a business company in which the Fund has a stake acquires a building as part of its property by construction, there is a risk of their being defective or late completion, as a result of which the trading company may suffer damage. Due to the nature of the property, there is also a risk of destruction of such an asset, either as a result of the actions of a third party or as a result of force majeure.

The market risk was evaluated as medium in the monitored period.

Credit risk

The risk lies in the fact that entities that have debts to the Fund (e.g. borrowers from loans or loans, or borrowers from investment instruments, etc.) will not pay their debt properly and on time. The Investment Company reduces these risks in particular by selecting counterparties and issuers with regard to their creditworthiness, by setting limits on the amount of exposure to individual counterparties and issuers, and by appropriate contractual arrangements.

Credit risk was assessed as low in the monitored period.

Currency risk

Currency risk consists in the risk of affecting the value of the investment due to a change in the exchange rate.

As of 30/09/2023 in thousands CZK	EUR	CZK	In total
Receivables from banks - investment part	310,655	45,075	355,730
Receivables from banks – non-investment part	0	66	66
Receivables from non-bank entities	2,825,390	0	2,825,390
Other assets	0	801	801
Participations with decisive influence	2,280	709,825	712,105
Total assets	3,138,325	755,767	3,894,092

As of 30/09/2023 in thousands CZK	EUR	CZK	In total
Liabilities to banks	0	0	0
Liabilities from underwriting IA	13,044	25	13,069
Net worth of assets belonging to investment share holders	3,622,977	241,600	3,864,577
Equity - non-investment part	0	66	66
DPPO reserve	0	1,029	1,029
Other liabilities	4,035	11,316	15,351
Totally passive	3,640,056	254,036	3,894,092
Net foreign exchange position	-501,731	501,731	0

As of 30/09/2022 in thousands CZK	EUR	CZK	In total
Receivables from banks - investment part	1,280,120	6,376	1,286,496
Receivables from banks – non-investment part	0	66	66
Receivables from non-bank entities	1,586,838	0	1,586,838
Other assets	0	8,794	8,794
Participations with decisive influence	192,155	504,910	697,065
Total assets	3,059,113	520,146	3,579,259

As of 30/09/2022 in thousands CZK	EUR	CZK	In total
Liabilities to banks	358,264	0	358,264
Obligations from underwriting investment shares	748,292	0	748,292
Net worth of assets belonging to investment shares holders	2,103,351	343,766	2,447,117
Equity - non-investment part	0	66	66
Other liabilities	4,682	20,838	25,520
Totally passive	3,214,589	364,670	3,579,259
Net foreign exchange position	-155,476	155,476	0

Currency risk sensitivity analysis

With a net foreign exchange position reaching a value of -501,731 thous. CZK as of 09/30/2023 is the impact of a change in the exchange rate, when the CZK currency strengthens or weakens against the EUR by 5 %, on the economic result and the net value of the assets belonging to investment share holders in the amount of approximately 0.6 % of the Fund's net assets as of 09/30. 2023. The currency risk is further mitigated by the foreign exchange position of companies owned by the Fund.

Risk associated with investments in receivables

Investments in receivables are based on an estimate of the average profitability of acquired receivables, but always assessed in a certain time and value interval. The profitability of a specific claim cannot therefore be individualized. The assumption of an average yield is not only a higher individual yield of a certain claim, but also a lower yield in other cases. Receivables are also acquired at a price lower than their nominal value, commensurate with the risk of their collec-

tion. It is therefore necessary to perceive investments in receivables and loans from the perspective of other risks mentioned in the Fund's statute, in particular the risk of legal defects (there is often a dispute over the existence of the receivable or its security) and the risk of settlement (the debtor may be declared bankrupt).

Risk associated with the provision of loans and advances

With respect to the Fund's ability to provide loans and loans from its assets, there is a risk that the borrower will not honor his commitment and will not repay the loan or loan provided on time, including accruals. The risk is managed by checking the creditworthiness of the future borrower, setting volume limits for claims against individual counterparties and using hedging instruments (promissory note, pledge of securities, real estate, etc.), including appropriate contractual arrangements including penalties for late repayment.

The risk associated with the provision of credits and loans was assessed as low in the monitored period.

Risk of insufficient liquidity

The risk consists in the impossibility of selling an asset owned by the Fund at the required time, or obtaining a reasonable price for an asset owned by the Fund at the required time, which in the extreme case could lead to the suspension of the redemption of share certificates.

In general, real estate investments involve the risk of limited liquidity of the Fund's assets, the risk of investments subject to a lien or other right of third parties, the risk of insufficient infrastructure needed to use the real estate, and the risk arising from the valuation of real estate. The risk of insufficient liquidity may also manifest itself in the inability of the Fund to repay the loans received.

The risk of insufficient liquidity was assessed as low in the monitored period. The following tables contain liquidity risk according to the residual maturity of the book values of individual financial instruments, not all cash flows that flow from these instruments.

in thousands CZK - as of 30/09/2023	Within 3 months	3 months - 1 year	1 year - 5 years	Over 5 years	No specification	In total
Receivables from banks - investment part	355,730	0	0	0	0	355,730
Receivables from banks - non-investment part	66	0	0	0	0	66
Receivables from non-bank entities	0	0	2,572,476	252,914	0	2,825,390
Other assets	801	0	0	0	0	801
influence	0	0	0	0	712,105	712,105
Total assets	356,597	0	2,572,476	252,914	712,105	3,894,092
Liabilities to banks	0	0	0	0	0	0
Obligations from underwriting IA	0	13,069	0	0	0	13,069
belonging to investment share holders	0	0	0	0	3,864,577	3,864,577
Equity - non-investment part	0	0	0	0	66	66
Other liabilities not listed above	16,380	0	0	0	0	16,380
Totally passive	16,380	13,069	0	0	3,864,643	3,894,092
Gap	340,217	-13,069	2,572,476	252,914	-3,152,538	0
Cumulative gap	340,217	327,148	2,899,624	3,152,538	0	0

in thousands CZK - as of 30/09/2022	Within 3 months	3 months - 1 year	1 year - 5 years	Over 5 years	No specification	In total
Receivables from banks - investment part	1,286,496	0	0	0	0	1,286,496
Receivables from banks - non-investment part	66	0	0	0	0	66
Receivables from non-bank entities	0	0	1,586,838	0	0	1,586,838
Other assets	378	19	8,397	0	0	8,794
Participations with decisive influence	0	0	0	0	697,065	697,065
Total assets	1,286,940	19	1,595,235	0	697,065	3,579,259
Liabilities to banks	1	0	358,263	0	0	358,264
Obligations from underwriting IA	0	748,292	0	0	0	748,292
Net worth of assets belonging to investment share holders	0	0	0	0	2,447,117	2,447,117
Equity - non-investment part	0	0	0	0	66	66
Other liabilities	25,520	0	0	0	0	25,520
Totally passive	25,521	748,292	358,263	0	2,447,183	3,579,259
Gap	1,261,419	-748,273	1,236,972	0	-1,750,118	0
Cumulative gap	1,261,419	513,146	1,750,118	1,750,118	0	0

Remaining contractual maturity of financial obligations

The following table shows the remaining contractual maturity of the financial liabilities in assumed undiscounted amounts including assumed interest payments:

as of 09/03/2023 in thousands CZK	Book value	undiscounted cash flows	Within 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 year to 5 years	Over 5 years
Non-derivative liabilities							
Liabilities to banks and credit unions	0	0	0	0	0	0	0
Other liabilities not listed above	16,380	0	6,483	9,897	0	0	0
Total financial liabilities	16,380	0	6,483	9,897	0	0	0

as of 30/09/2022 in thousands CZK	Book value	Don't drive cash flows	Within 1 month	From 1 to 3 months	From 3 months to 1 year	From 1 year to 5 years	Over 5 years
Non-derivative liabilities							
Liabilities to banks	358,264	382,517	0	5,642	22,499	354,375	0
Other commitments	25,520	0	0	25,520	0	0	0
Total financial liabilities	383,784	382,517	0	31,162	22,499	354,375	0

The balances shown in the tables above are calculated and reported as follows:

Type of financial instrument	Methods, prerequisites and reasons for determining the remaining contractual maturity
Non-derivative financial instruments	Undiscounted cash flows , which include estimated interest payments
Derivative financial instruments held for risk management purposes	Contractual Undiscounted Cash Flows. The stated values represent gross nominal cash flows from derivatives that are not settled on a net basis (e.g. forwards, currency swaps etc.) and net nominal cash flows that are settled on a net basis.
Trading derivatives that are part of a portfolio, where it is assumed that the given derivative positions will be closed before their contractual maturity	Fair value at the balance sheet date. This is because the contractual maturities do not reflect the liquidity risk from these exposures, as there is an assumption that these derivatives will be closed before their contractual maturity date. These real values are reported in the "less than 1 month" time basket.
Commercial derivatives entered into by the entity with its customers	Contractual Undiscounted Cash Flows. This is because these derivatives are typically not settled before their contractual maturity date, and therefore the entity believes that contractual maturity is key to understanding the timing of the cash flows associated with these derivatives.
Issued financial guarantees and undisclosed credit commitments	The earliest moment/period at which the accounting entity may incur a performance obligation. In the case of financial guarantees, the maximum amount from the financial guarantee is allocated to the earliest period (time basket) in which the financial guarantee can be claimed.

The risk relating to the illiquid part of the managed funds' portfolios is managed by actively monitoring the development of the issuance and redemption of collective investment securities, maintaining so-called liquid cushions and managing the management system and procedures, or contractual agreements with entities that have payment obligations to the fund.

Share of liquid assets in total assets - in thousands CZK	30/09/2023	30/09/2022
Receivables from banks	9,14 %	35,94 %
Share of total assets	9,14 %	35,94 %

Leverage risk

The risk is that even a small movement in the price of the underlying asset can result in a disproportionately larger change in the value of the derivative held in the Fund's assets. This means that with a low investment, it is possible to achieve a large profit, but also a loss. The fund does not use leverage to a large extent.

The risk of leverage was assessed as low in the monitored period.

Settlement Risk

The risk consists in the fact that the settlement of the concluded business transaction will not take place as expected, e.g. due to the fact that the counterparty

does not pay or does not deliver the investment instruments within the specified period and thus does not fulfill its obligation. The risk lies mainly in the possibility of losing an investment opportunity, when considering that almost all transactions take place in the form of DVP (delivery versus payment), the risk of direct loss is small.

Risk of cancellation of the Fund

The risk lies in the fact that the Fund may be canceled for the reasons specified in the ZISIF or for other reasons. For the reasons set out in the ZISIF, the Fund may be canceled, for example, if the Fund does not have a depositary for more than 3 months or if the CNB revokes the Investment Company's license to operate as an investment company.

Interest sensitivity of the Fund's assets and liabilities

in thousand CZK - as of 30/09/2023	Within 3 months	3 months - 1 year	1 year - 5 years	Over 5 years	In total
Receivables from banks	355,796	0	0	0	355,796
Receivables from non-bank entities	2,825,390	0	0	0	2,825,390
Total assets	3,181,186	0	0	0	3,181,186
Liabilities to banks	0	0	0	0	0
Totally passive	0	0	0	0	0
Gap	3,181,186	0	0	0	3,181,186
Cumulative gap	3,181,186	3,181,186	3,181,186	3,181,186	3,181,186

The Fund can be canceled e.g. also by a court decision, due to liquidation or conversion of the Fund etc. With regard to this option, the shareholder is not guaranteed that he will be able to be a shareholder of the Fund for the entire duration of his investment horizon, which may have a negative impact on the expected return investment. Hereby, the investor is explicitly warned that there is no guarantee that the investor will remain in the Fund.

In the accounting period, there was no indication that the risk of cancellation of the Fund should be increased, so it was evaluated as low.

The list of risks arising from the Fund's activities in this appendix to the financial statements is not exhaustive and only covers the main risks. The remaining risks are described in more detail in the Fund's statute.

The following table is based on interest rate exposure for derivative and non-derivative instruments as of the balance sheet date. The model assumes a fixed balance sheet structure according to interest sensitivity. The specified changes that occurred at the beginning of the year are constant during the reporting period, i.e. the model is based on the assumption that the funds released by the repayment or sale of interest-bearing assets and liabilities will be reinvested in assets and liabilities with the same interest rate sensitivity and residual maturity. The table below shows the impact on the profit and loss statement and on the net asset value of the entity's investment share holders if the crown and euro yield curves jump/decrease by 100 basis points at the beginning of the relevant year and assuming that other interest rates remain unchanged unchanged.

as of 30/09/2023 in thousand CZK	Interest rate increase by 100 basis points	A 100 basis point drop in interest rates
Impact on the income statement	31,811	-31,811
Impact on the Net Asset Value contributed to the share holders	31,811	-31,811

as of 30/09/2022 in thousand CZK	Interest rate increase by 100 basis points	A 100 basis point drop in interest rates
Impact on the income statement	25,151	-25,151
Impact on the Net Asset Value contributed to the share holders	25,151	-25,151

The above overview includes only interest-sensitive assets and liabilities and is therefore not identical to the values presented in the Fund's balance sheet.

Operational risks

As part of operational risk management, the Fund applies a system of permanent supervision consisting of regular checks, the setting and performance of which are verified and evaluated by the risk department. The knowledge gained is regularly evaluated and provided to the Fund's statutory body, which makes strategic decisions in the field of operational risk management. Operational risk assessment is also part of the process of approving new projects.

8. FAIR VALUE MEASUREMENT, FINANCIAL INSTRUMENTS

1) Financial instruments that are reported in the balance sheet at fair value

The following table shows the individual levels of fair values of financial assets and financial liabilities that are reported at fair value in the balance sheet:

Financial assets - as of 30/09/2023 in thousands CZK	level 1	level 2	level 3
Receivables from banks	-	355,796	-
Receivables from non-bank entities	-	-	2,825,390
Participations with decisive influence	-	-	712,105

Financial obligations - as of 30/09/2023 in thousands CZK	level 1	level 2	level 3
Liabilities to banks and cooperatives. pawn shops	-	-	-

Financial assets - as of 30/09/2022 in thousands CZK	level 1	level 2	level 3
Receivables from banks	-	1,286,562	-
Receivables from non-bank entities	-	-	1,586,838
Participations with decisive influence	-	-	697,065

Financial obligations - as of 30/09/2022 in thousands CZK	level 1	level 2	level 3
Liabilities to banks and cooperatives. pawn shops	-	358,264	-

a) Conversions between level 1 and level 2

There were no moves between Tier 1 and Tier 2 during 2023.

b) Appraisal techniques and input quantities used

The accounting unit uses the following valuation techniques and input quantities to determine the fair value:

Receivables from banks

Due to the short maturity of these receivables, the book value is close to their fair value. These financial assets are classified as level 2 in the fair value hierarchy. During the current accounting period, there was no change in the used valuation technique or inputs.

Receivables from non-bank entities

Estimates of the fair value of granted loans are based on discounted future expected cash flows using the interest rate as the discount rate applicable to loans associated with similar credit risk, interest rate risk and similar maturity. Impaired loans are based on the current value of future expected cash flows, including the expected income from the eventual realization of collateral.

When determining the estimate of cash flows used for discounting, assumptions are made and the expected course of repayment is taken into account for a specific loan or group of loans. These financial assets are classified as level 3 in the fair value hierarchy.

During the current accounting period, there was no change in the used valuation technique or inputs.

Participations with decisive influence

The fair value is derived from the net assets (equity) of the given participation and the ownership interest in the given participation. These financial assets are classified as level 3 in the fair value hierarchy.

In other cases, fair value is determined by applying a market comparison technique using comparable market multiples for revenue and EBITDA. The valuation model is based on market multipliers derived from the quoted prices of comparable companies for the given investment and the expected returns and EBITDA of the given investment. The estimate is adjusted for the effect of the non-tradability of the given investment and the net debt of the given investment.

During the current accounting period, there was no change in the used valuation technique or inputs.

Liabilities to banks and cooperatives

Due to the short maturity of the liabilities, the book value is close to their fair value. These financial liabilities are classified as level 2 in the fair value hierarchy.

During the current accounting period, there was no change in the used valuation technique or inputs.

c) Quantitative information on significant unobservable inputs for level 3

The table below shows information on significant unobservable inputs used in the valuation of financial instruments classified at level 3 within the fair value hierarchy:

Investment level 3	Fair value as of 09/30/2023	Valuation method	Key unobservable input	Range for unobservable input
Receivables from non-bank entities	2,825,390	Discounted cash flows	Margin	3 - 3,5 %
Participations with decisive influence	712,105	Income method	Rate of return, rent	5 - 7 %

Investment level 3	Fairvalue as of 30/09/2022	Valuation method	Key unobservable input	Range for unobservable input
Receivables from non-bank entities	1,586,838	Discounted cash flows	Margin	3 - 3,5 %
Participations with decisive influence	697,065	Income method	Rate of return, rent	5 - 7 %

d) Sensitivity of fair value to changes in unobservable inputs

Although the Fund believes that fair value estimates are reasonably accurate, the use of different methodologies and assumptions could result in a different determination of fair value. For level 3 valuations, changing one or more assumptions to reasonably possible alternative assumptions could lead to the following effects on the result of operations and the net asset value of the holders of investment shares:

a. Receivables from non-bank entities

Sensitivity in thousand CZK as of 30/09/2023	Margin 3 - 3,5%	Margin +1%	Margin -1%
Claims for non-bank entities	2,825,390	145,417	-145,417

Sensitivity in thousand CZK as of 30/09/2022	Margin 3 - 3,5%	Margin +1%	Margin -1%
Claims for non-bank entities	1,586,838	76,423	-100,732

b. Participations with decisive influence

The sensitivity of the value of real estate owned by equity interests due to changes in the amount of rent, or changes in the rate of return in thous. CZK

Change in rent amount

Change in fair value amount	-5.00%	-2.50%	0.00%	2.50%	5.00%
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Change in rate of return real estate	-0.50%	190,461	256,909	322,870	389,294	456,229
	-0.25%	190,461	91,908	154,291	216,650	279,496
	0.00%	29,232	-59,195	0	58,805	117,587
	0.25%	-118,049	-189,633	-133,967	-78,107	-22,466
	0.50%	-369,968	-317,710	-264,965	-212,123	-159,841

Reconciliation of opening and closing balances for level 3

	Claims for non-banks. subj.	Equity participation
Balance as of 09/30/2022	1,586,838	697,065
Profits and losses for the period reported in the income statement	- 50,236	- 130,800
Profits and losses for the period reported in equity	-	-
Increase	5,009,640	145,840
Decrease	3,720,852	0
Emission	-	-
Transfer to level 3	-	-
Transfer from level 3	-	-
Balance as of 09/30/2023	2,825,390	712,105

2) Financial instruments that are not reported in the balance sheet at fair value

As of 30/09/2023 or as of 30/09/2022, there is no financial instrument that is not reported in the balance sheet at fair value.

9. RELATIONSHIPS WITH RELATED PERSONS

The Fund has defined its related parties in accordance with IAS 24 Related Party Disclosures as follows:

A party is related to an accounting entity when the following conditions are met:

- page
 - controls the accounting entity, is controlled by the accounting entity or is under common control with the accounting entity (parent companies, subsidiaries and sister companies);
 - has an interest in the entity that gives it significant influence; or
 - co-controls such entity;
- the party is an affiliate of the entity;
- the party is a joint venture in which the entity is a joint owner;
- the party is a member of key management of the accounting entity or its parent company;
- the party is a close family member of the individual who falls under letter a) or d);
- a party is an accounting entity that is controlled, co-controlled or has a significant influence on it, directly or indirectly, by any individual falling under letter d) or e) or a significant voting right in a given party is held directly or indirectly by such an individual.

A related party transaction is a transfer of resources, services or liabilities between related parties, regardless of whether a price is charged.

In the accounting period, the Fund registered the following significant relationships with the related parties listed below:

Relations with related parties in thousand CZK - as of September 30, 2023	30/09/2023
Loans provided	2,825,390
Equity participation	712,105
Investment shares issued	0
Other liabilities	11,492
in thousand CZK - as of September 30, 2023	30/09/2023
Interest yield	131,931
Cost of fees and commissions, Administrative costs	-75,191
Deduction costs for providing collateral	-106
Relations with related parties in thousand CZK - as of September 30, 2022	30/09/2023
Loans provided	1,586,838
Equity participation	697,065
Investment shares issued	0
Other liabilities	6,158
in thousand CZK - as of September 30, 2022	30/09/2023
Interest yield	32,987
Cost of fees and commissions, Administrative costs	-47,649
Promises made in thousand CZK - as of September 30, 2023	Final state
ARETE CZ 1 s.r.o.	19,472
ARETE CZ 2 s.r.o.	21,906
ARETE CZ 4 s.r.o.	21,906
ARETE Zeta s.r.o.	20,689
ARETE Milovice s.r.o.	98,512
ARETE HoldCo 1 a. s.	2,357,825
Promises in total	2,540,310

Development of receivables in thous. CZK - as of September 30, 2023	Initial condition	Increments	Losses	Exchange rate differences	Final state
ARETE Kezmarok s.r.o.	197,571	1,796	196,822	-2,545	0
ARETE Plzen s.r.o.	215,628	46,163	234,494	-27,297	0
ARETE Zdice s.r.o.	170,719	47,984	216,322	-2,381	0
ARETE Valmez s.r.o.	216,270	44,889	258,000	-3,159	0
ARETE Trencin s.r.o.	25,548	19,784	37,637	-7,695	0
ARETE Property s.r.o.	24,698	739	21,519	-969	2,949
ARETE Dunajska Streda s.r.o.	0	531,865	525,247	-6,618	0
ARETE CZ 1 s.r.o.	0	4,920	4,597	31	354
ARETE CZ 2 s.r.o.	0	2,494	449	64	2,109
ARETE Milovice s.r.o.	0	332,707	94,196	9,831	248,342
ARETE CZ 4 s.r.o.	0	2,494	449	64	2,109
ARETE Capital s.r.o.	0	2,422	23	86	2,485
ARETE RE s.r.o.	0	7,179	1,851	213	5,541
ARETE GLP s.r.o.	0	7,179	1,851	213	5,541
ARETE Property SK s.r.o.	0	4,786	1,236	144	3,694
ARETE Vrabce s.r.o.	222,555	2,067	221,755	-2,867	0
ARETE Puchov s.r.o.	211,770	1,969	211,010	-2,728	0
ARETE Rokycany s.r.o.	301,118	86,136	382,858	-4,396	0
ARETE HoldCo 1 a.s.	0	3,859,513	1,309,986	-291	2,549,236
ARETE Omikron s.r.o.	481	5	480	-6	0
ARETE Zeta s.r.o.	481	2,549	70	70	3,030
Total receivables development	1,586,838	5,009,640	3,720,852	-50,236	2,825,390

Development of receivables in thous. CZK - as of September 30, 2022	Initial condition	Increments	Losses	Exchange rate differences	Final state
ARETE Kezmarok s.r.o.	254,893	6,564	63,379	-508	197,571
ARETE Plzen s.r.o.	152,109	89,417	23,748	-2,150	215,628
ARETE Zdice s.r.o.	177,534	7,090	12,100	-1,805	170,719
ARETE Valmez s.r.o.	119,626	147,102	47,800	-2,658	216,270
ARETE Trencin s.r.o.	2,534	46,616	24,205	603	25,548
ARETE Property s.r.o.	19,898	5,172	96	-277	24,698
ARETE Vrabce s.r.o.	92,130	194,740	61,899	-2,417	222,555
ARETE Puchov s.r.o.	-	309,005	89,295	-7,940	211,770
ARETE Rokycany s.r.o.	-	323,113	22,162	167	301,118
ARETE Omikron s.r.o.	-	1,228	750	3	481
ARETE Zeta s.r.o.	-	1,228	750	3	481
Total receivables development	818,726	1,131,275	346,184	-16,979	1,586,838

Based on the relationship with the financing institutions, the Fund also entered into a pledge agreement for the collective share of the company ARETE HoldCo 1 a.s. The amount of pledged assets as of September 30, 2023 was 658,113,000 CZK (2022: 0 CZK).

10. SIGNIFICANT EVENTS DURING THE ACCOUNTING PERIOD

The war in Ukraine

In February 2022, following the recognition of the self-proclaimed Donetsk People's Republic and the Luhansk People's Republic by the Russian Federation and its subsequent invasion of Ukraine, the military conflict escalated and spread to other regions of the country. In response to the Russian Federation's hostile actions against Ukraine, a number of countries, including the United States of America, the United Kingdom and the European Union, have imposed and/or expanded economic sanctions against a number of Russian individuals and entities.

The Fund's management analyzed the impact of this event and as of the date of approval of these financial statements, the Fund's management concluded that the going concern assumption is still appropriate and that this event does not have a significant impact on the financial statements.

The management of the Fund also does not expect cash-flow problems.

In the monitored accounting period, the Fund founded the holding company ARETE HoldCo 1 a.s., where it continuously holds a 100 % ownership stake. On December 19, 2022, the Fund transferred ten business shares in the companies it had held until then to the property of this company. The purpose of the move was to create a holding structure acceptable to the bank from which the holding company drew a bank loan in the monitored accounting period.

In September 2023, the Fund reflected the development of the real estate market, including the movement of the yield rate of logistics premises (logistics prime yield), which has a major impact on the current market valuation of existing or newly built real estate. As analyzed in detail in Chapter 6 "Macroeconomic situation", specifically Table 3 and Graph 9, in the course of 2023 we observe a year-on-year increase in prime yields and the associated pressure for a decrease in real estate values. Renowned expert CUSHMAN & WAKEFIELD prepared the valuation of the portfolio according to international professional standards (RICS rules). The revaluation reduced the value of the portfolio. It should be emphasized that this is a valuation as of September 30, 2023, i.e. unrealized gain or loss at the time of valuation. The fund is only in the middle of its investment cycle, and there are many more revaluations of

the portfolio by the connoisseur in the coming years. The Fund's valuation approach is conservative, ascertaining the current fair value of assets is important to us and allows us to anticipate the current or future development of the portfolio value.

These financial statements have therefore been prepared on the assumption that the Fund will continue to be able to continue its activities.

11. EVENTS BETWEEN THE EFFECTIVE AND COMPLETION DATE OF THE FINANCIAL STATEMENTS

The Fund has successfully implemented an ESG strategy since October 2023. As a participant in the financial market, it is governed by the European SFDR directive, and according to Article 8, the Fund has become a "light green fund", which claims to support the policy of permanent sustainability. The fund is one of the first real estate investment funds to implement an ESG strategy in the Czech Republic. In the following year, the Fund plans to further refine or expand the criteria it takes into account when making investment decisions, in accordance with European legislation. There were no other events after the date of the financial statements until the date of their compilation that would need to be disclosed in the notes to the financial statements.

In Prague,
on 31 January 2023



Ing. Rostislav Plíva, PhD.

Chairman of the board of directors
Winstor investiční společnosti a.s.



Appendix No. 4

RELATIONSHIP REPORT

For the accounting period from 1/10/2022 to 30/09/2023

12 RELATIONS BETWEEN PERSONS ACCORDING TO § 82 PARAGRAPH 1 ZOK (§ 82 PARAGRAPH 2 LETTERS A) TO C) ZOK)

A controlled person

Fund name	ARETE INDUSTRIAL SICAV a.s.
ID number	08031444
Registered office	náměstí 14. října 642/17, Prague, 150 00, Czech Republic

The role of the controlled person in the structure of relations between persons according to § 82 paragraph 1 ZOK

The controlled person is autonomous in relation to other persons according to § 82, paragraph 1 ZOK. Its goal is the fulfillment of the strategy specified in the statute of the controlled entity. The company is managed by Winstor investiční společnost a.s. in the sense of § 9 paragraph 1 ZISIF.

Controlling persons

Controlling person	Mgr. Lubor Svoboda, MBA
Date of birth	May 31, 1975
By apartment	Holubova 2524/7, Smichov, 150 00, Prague 5
Method of control	50 % share in the subscribed share capital of the controlled entity

Controlling person	Róbert Idés
Date of birth	April 21, 1976
By	Ráztočno, Remeta 751, Slovak Republic
Method of control	50 % share in the subscribed share capital of the controlled person

Persons controlled by a controlled person

Controlled person	ARETE Zeta s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	116 76 493
Control method	direct - share 100 %
Period	the entire accounting period

Controlled person	ARETE CZ 1 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	172 42 258
Control method	direct - share 100 %
Period	the entire accounting period

Controlled person	ARETE CZ 2 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	172 42 321
Control method	direct - share 100 %
Period	the entire accounting period

Controlled person	ARETE CZ 4 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	172 42 428
Control method	direct - share 100 %
Period	the entire accounting period

Controlled person	ARETE CZ 5 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	193 71 497
Control method	direct - share 100 %
Period	from May 24, 2023 - until the end of the accounting period

Controlled person	ARETE CZ 6 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	193 71 535
Control method	direct - share 100 %
Period	from May 24, 2023 - until the end of the accounting period

Controlled person	ARETE CZ 7 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	193 71 543
Control method	direct - share 100 %
Period	from May 24, 2023 - until the end of the accounting period

Controlled person	ARETE CZ 8 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	193 71 551
Control method	direct - share 100 %
Period	from May 24, 2023 - until the end of the accounting period

Controlled person	ARETE SK 1 s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré město district 811 09
ID number	555 11 376
Control method	direct - share 100 %
Period	June 9, 2023 - until the end of the accounting period

Controlled person	ARETE SK 2 s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré město district 811 09
ID number	555 12 089
Control method	direct - share 100 %
Period	June 23, 2023 - until the end of the accounting period

Controlled person	ARETE SK 3 s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	555 13 221
Control method	direct - share 100 %
Period	June 24, 2023 - until the end of the accounting period

Controlled person	ARETE SK 4 s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	555 16 688
Control method	direct - share 100 %
Period	June 21, 2023 - until the end of the accounting period

Controlled person	ARETE Milovice s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	172 42 371
Control method	direct - share 100 %
Period	the entire accounting period

Controlled person	ARETE HoldCo 1 a.s.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	178 43 553
Control method	direct - share 100 %
Period	December 16, 2022 - until the end of the accounting period

Controlled person	ARETE Rokycany s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	116 76 698
Control method	direct - share 100 %
Period	October 1, 2022 - December 19, 2022
Control method	indirect - share 100 %
Period	19, 2022 - until the end of the accounting period

Controlled person	ARETE Omikron s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	116 76 744
Control method	direct - share 100 %
Period	October 1, 2022 - December 19, 2022
Control method	indirect - share 100 %
Period	December 19, 2022 - until the end of the accounting period

Controlled person	ARETE ARETE Valmez s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	053 45 197
Control method	direct - share 100 %
Period	October 1, 2022 - December 19, 2022
Control method	indirect - share 100 %
Period	December 19, 2022 - until the end of the accounting period

Controlled person	ARETE Zdice s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smichov
ID number	053 45 936
Control method	direct - share 100 %
Period	October 1, 2022 - December 19, 2022
Control method	indirect - share 100 %
Period	December 19, 2022 - until the end of the accounting period

Controlled person	ARETE Kezmarok s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	51 968 029
Control method	direct - share 100 %
Period	October 1, 2022 - December 19, 2022
Control method	indirect - share 100 %
Period	December 19, 2022 - until the end of the accounting period

Controlled person	ARETE Plzen s.r.o.
Registered office	Na Roudné 443/18, Severní Předměstí, 301 00 Plzen
ID number	053 46 096
Control method	direct - share 100 %
Period	October 1, 2022 - December 19, 2022
Control method	indirect - share 100 %
Period	December 19, 2022 - until the end of the accounting period

Controlled person	ARETE Vrable s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	519 69 424
Control method	direct - share 100 %
Period	October 1, 2022 - December 19, 2022
Control method	indirect - share 100 %
Period	December 19, 2022 - until the end of the accounting period

Controlled person	ARETE Trenčín s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	519 67 871
Control method	direct - share 100 %
Period	October 1, 2022 - December 19, 2022
Control method	indirect - share 100 %
Period	December 19, 2022 - until the end of the accounting period

Controlled person	ARETE Puchov s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	505 91 240
Control method	direct - share 100 %
Period	October 1, 2022 - December 19, 2022
Control method	indirect - share 100 %
Period	December 19, 2022 - until the end of the accounting period

Controlled person	ARETE Dunajska Streda s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	519 67 375
Control method	direct - share 100 %
Period	October 1, 2022 - December 19, 2022
Control method	indirect - share 100 %
Period	December 19, 2022 - until the end of the accounting period

Persons controlled by the same controlling person

Mgr. Lubor Svoboda, MBA

Controlled person	ARETE Capital s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	088 29420
Control method	direct - share 50 %
Period	the entire accounting period

Controlled person	ARETE GLP s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	118 62 530
Control method	direct - share 50 %
Period	the entire accounting period

Controlled person	ARETE Property s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00 Prague 5
ID number	040 22 521
Control method	direct - share 50 %
Period	the entire accounting period

Controlled person	ARETE RE s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00 Prague 5
ID number	118 62 327
Control method	direct - share 42,5 %
Period	October 1, 2022 - March 27, 2023
Control method	direct - share 50 %
Period	March 28, 2023 - until the end of the accounting period

Controlled person	ARETE RE SK s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A Bratislava - Staré Mesto district 811 09
ID number	521 00 316
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	STRATOS INVESTMENT s.r.o.
Registered office	Holubova 2524/7, Smíchov, 150 00 Prague 5
ID number	035 15 770
Control method	direct - share 100 %
Period	the entire accounting period

Controlled person	ARETE INVEST s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	195 62 012
Control method	direct - share 50 %
Period	July 26, 2023 - until the end of the accounting period

Controlled person	Energy Balance s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	177 16 781
Control method	direct - share 40 %
Period	November 7, 2022 - until the end of the accounting period

Controlled person	Green Energy Plzeň s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	141 83 773
Control method	direct - share 40 %
Period	the entire accounting period

Controlled person	Green Energy Rokycany s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	143 58 395
Control method	direct - share 40 %
Period	the entire accounting period

Controlled person	Green Energy Valmez s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	141 83 625
Control method	direct - share 40 %
Period	the entire accounting period

Controlled person	Green Energy Zdice s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	141 83 919
Control method	direct - share 40 %
Period	the entire accounting period

Controlled person	Sustainable Energy CZ s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	195 61 806
Control method	direct - share 50 %
Period	July 26, 2023 - until the end of the accounting period

Controlled person	Sustainable Energy SK s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A Bratislava - Staré Mesto district 811 09
ID number	55 635 041
Control method	direct - share 50 %
Period	August 2, 2023 - until the end of the accounting period

Controlled person	ARETE Zeta s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	116 76 493
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE CZ 1 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	172 42 258
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE CZ 2 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	172 42 321
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE CZ 4 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	172 42 428
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE CZ 5 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	193 71 497
Control method	indirect - share 50 %
Period	from May 24, 2023 - until the end of the accounting period

Controlled person	ARETE CZ 6 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	193 71 535
Control method	indirect - share 50 %
Period	from May 24, 2023 - until the end of the accounting period

Controlled person	ARETE CZ 7 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	193 71 543
Control method	indirect - share 50 %
Period	from May 24, 2023 - until the end of the accounting period

Controlled person	ARETE CZ 8 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	193 71 551
Control method	indirect - share 50 %
Period	from May 24, 2023 - until the end of the accounting period

Controlled person	ARETE SK 1 s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	555 11 376
Control method	indirect - share 50 %
Period	June 9, 2023 - until the end of the accounting period

Controlled person	ARETE SK 2 s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	555 12 089
Control method	indirect - share 50 %
Period	June 23, 2023 - until the end of the accounting period

Controlled person	ARETE SK 3 s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	555 13 221
Control method	indirect - share 50 %
Period	June 24, 2023 - until the end of the accounting period

Controlled person	ARETE SK 4 s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	555 16 688
Control method	indirect - share 50 %
Period	June 21, 2023 - until the end of the accounting period

Controlled person	ARETE Milovice s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	172 42 371
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE HoldCo 1 a.s.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	178 43 553
Control method	indirect - share 50 %
Period	December 16, 2022 - until the end of the accounting period

Controlled person	ARETE Rokycany s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	116 76 698
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Omikron s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	116 76 744
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE ARETE Valmez s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	053 45 197
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Zdice s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	053 45 936
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Kezmarok s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	51 968 029
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Plzen s.r.o.
Registered office	Na Roudné 443/18, Severní Předměstí, 301 00 Plzeň
ID number	053 46 096
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Vrable s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	519 69 424
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Trenčín s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	519 67 871
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Puchov s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	505 91 240
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Dunajská Streda s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	519 67 375
Control method	indirect - share 50 %
Period	the entire accounting period

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Controlled person	ARETE Capital s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	088 29420
Control method	direct - share 50 %
Period	the entire accounting period

Controlled person	ARETE GLP s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	118 62 530
Control method	direct - share 50 %
Period	the entire accounting period

Controlled person	ARETE Property s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00 Prague 5
ID number	040 22 521
Control method	direct - share 50 %
Period	the entire accounting period

Controlled person	ARETE RE s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00 Prague 5
ID number	118 62 327
Control method	direct - share 42.5 %
Period	October 1, 2022 - March 27, 2023
Control method	direct - share 50 %
Period	March 28, 2023 - until the end of the accounting period

Controlled person	ARETE RE SK s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A Bratislava - Staré Mesto district 811 09
ID number	521 00 316
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE INVEST s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	195 62 012
Control method	direct - share 50 %
Period	July 26, 2023 - until the end of the accounting period

Controlled person	IMCR s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00 Prague 5
ID number	290 54 729
Control method	direct - share 100 %
Period	the entire accounting period

Controlled person	Energy Balance s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	177 16 781
Control method	direct - share 40 %
Period	November 7, 2022 - until the end of the accounting period

Controlled person	Green Energy Plzeň s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	141 83 773
Control method	direct - share 40 %
Period	the entire accounting period

Controlled person	Green Energy Rokycany s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	143 58 395
Control method	direct - share 40 %
Period	the entire accounting period

Controlled person	Green Energy Valmez s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	141 83 625
Control method	direct - share 40 %
Period	the entire accounting period

Controlled person	Green Energy Zdice s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	141 83 919
Control method	direct - share 40 %
Period	the entire accounting period

Controlled person	Sustainable Energy CZ s.r.o.
Registered office	náměstí 14. října 642/17, Smíchov, 150 00, Prague 5
ID number	195 61 806
Control method	direct - share 50 %
Period	July 26, 2023 - until the end of the accounting period

Controlled person	Sustainable Energy SK s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A Bratislava - Staré Mesto district 811 09
ID number	55 635 041
Control method	direct - share 50 %
Period	August 2, 2023 - until the end of the accounting period

Controlled person	ARETE Zeta s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	116 76 493
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE CZ 1 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	172 42 258
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE CZ 2 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	172 42 321
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE CZ 4 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	172 42 428
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE CZ 5 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	193 71 497
Control method	indirect - share 50 %
Period	from May 24, 2023 - until the end of the accounting period

Controlled person	ARETE CZ 6 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	193 71 535
Control method	indirect - share 50 %
Period	from May 24, 2023 - until the end of the accounting period

Controlled person	ARETE CZ 7 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	193 71 543
Control method	indirect - share 50 %
Period	from May 24, 2023 - until the end of the accounting period

Controlled person	ARETE CZ 8 s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	193 71 551
Control method	indirect – share 50 %
Period	from May 24, 2023 - until the end of the accounting period

Controlled person	ARETE SK 1 s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	555 11 376
Control method	indirect – share 50 %
Period	June 9, 2023 - until the end of the accounting period

Controlled person	ARETE SK 2 s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	555 12 089
Control method	indirect – share 50 %
Period	June 23, 2023 - until the end of the accounting period

Controlled person	ARETE SK 3 s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	555 13 221
Control method	indirect – share 50 %
Period	June 24, 2023 - until the end of the accounting period

Controlled person	ARETE SK 4 s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	555 16 688
Control method	indirect – share 50 %
Period	June 21, 2023 - until the end of the accounting period

Controlled person	ARETE Milovice s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	172 42 371
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE HoldCo 1 a.s.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	178 43 553
Control method	indirect - share 50 %
Period	December 16, 2022 - until the end of the accounting period

Controlled person	ARETE Rokycany s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	116 76 698
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Omikron s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	116 76 744
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Valmez s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	053 45 197
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Zdice s.r.o.
Registered office	náměstí 14. října 642/17, 150 00 Prague 5 - Smíchov
ID number	053 45 936
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Kezmarok s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	51 968 029
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Plzeň s.r.o.
Registered office	Na Roudné 443/18, Severní Předměstí, 301 00 Plzeň
ID number	053 46 096
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Vrable s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	519 69 424
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Trenčín s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	519 67 871
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Puchov s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	505 91 240
Control method	indirect - share 50 %
Period	the entire accounting period

Controlled person	ARETE Dunajská Streda s.r.o.
Registered office	SKY PARK OFFICES 1, Bottova 2A, Bratislava - Staré Mesto district 811 09
ID number	519 67 375
Control method	indirect - share 50 %
Period	the entire accounting period

Method and means of control

The Fund (the reporting entity) is controlled through the board of directors. The above-mentioned controlling persons own founding shares representing a 50 % share in the subscribed share capital of the Fund for each member.

13. OVERVIEW OF ACTIONS TAKEN IN THE LAST ACCOUNTING PERIOD AT THE INSTIGATION OR IN THE INTEREST OF THE CONTROLLING PERSON OR PERSONS CONTROLLED BY IT, IF SUCH ACTIONS RELATED TO ASSETS THAT EXCEED 10 % OF THE CONTROLLED PERSON'S EQUITY DETERMINED ACCORDING TO THE LAST FINANCIAL STATEMENT

Counterparty	Contract type	Closing date	Fulfillment provided	Fulfillment received
ARETE HoldCo 1 a.s.	Credit agreement	19/12/2022	Credit	Interest
ARETE HoldCo 1 a.s.	Set-off agreement	19/12/2022	Credit	Interest
ARETE Omikron s.r.o.	Addendum No. 1 to the loan agreement	15/12/2022	Credit	Interest
ARETE HoldCo 1 a.s.	Agreement on assignment of loan agreement_ARETE Omikron s.r.o.	19/12/2022	Claim	Payment
ARETE HoldCo 1 a.s.	Agreement on assignment of loan agreement_ARETE Lambda SK s.r.o.	19/12/2022	Claim	Payment

14. OVERVIEW OF MUTUAL CONTRACTS BETWEEN THE CONTROLLED ENTITY AND PERSONS ACCORDING TO § 82 PARAGRAPH 1 ZOK (§ 82 PARAGRAPH 2 LETTER E) ZOK)

Counterparty	Contract type	Closing date
ARETE Milovice s.r.o.	Agreement on set-off of mutual claims	30/09/2023
ARETE Milovice s.r.o.	Agreement on the provision of additional payment outside share capital	30/09/2023
ARETE CZ 5 s.r.o.	Agreement on the provision of additional payment outside share capital	21/08/2023
ARETE CZ 6 s.r.o.	Agreement on the provision of additional payment outside share capital	21/08/2023
ARETE CZ 7 s.r.o.	Agreement on the provision of additional payment outside share capital	21/08/2023
ARETE CZ 8 s.r.o.	Agreement on the provision of additional payment outside share capital	21/08/2023
ARETE CZ 1 s.r.o.	Agreement on the provision of additional payment outside share capital	30/06/2023
ARETE CZ 2 s.r.o.	Agreement on the provision of additional payment outside share capital	30/06/2023
ARETE CZ 4 s.r.o.	Agreement on the provision of additional payment outside share capital	30/06/2023
ARETE CZ 1 s.r.o.	Agreement on set-off of mutual claims	30/06/2023
ARETE CZ 2 s.r.o.	Agreement on set-off of mutual claims	30/06/2023
ARETE CZ 4 s.r.o.	Agreement on set-off of mutual claims	30/06/2023
ARETE Milovice s.r.o.	Agreement on set-off of mutual claims	31/05/2023
ARETE Milovice s.r.o.	Agreement on the provision of additional payment outside share capital	31/05/2023
ARETE Milovice s.r.o.	Credit agreement	8/03/2023
ARETE CZ 1 s.r.o.	Credit agreement	8/03/2023
ARETE CZ 2 s.r.o.	Credit agreement	8/03/2023
ARETE CZ 4 s.r.o.	Credit agreement	8/03/2023

ARETE Zeta s.r.o.	Addendum No. 1 to the loan agreement	8/03/2023
ARETE HoldCo 1 a.s.	Agreement on the subordination of receivables	12/01/2023
ARETE HoldCo 1 a.s.	Agreement on the transfer of a business share in ARETE Kezmarok s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the transfer of a business share in Arete Lambda SK s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the transfer of a business share in ARETE Puchov s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the transfer of a business share in ARETE Trencin s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the transfer of a business share in ARETE Vrable s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the provision of a non-monetary supplement outside share capital	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the provision of a non-monetary supplement outside share capital	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the provision of a non-monetary supplement outside share capital	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the provision of a non-monetary supplement outside share capital	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the provision of a non-monetary supplement outside share capital	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the provision of a non-monetary supplement outside share capital	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the provision of a non-monetary supplement outside share capital	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the provision of a non-monetary supplement outside share capital	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the provision of a non-monetary supplement outside share capital	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the provision of a non-monetary supplement outside share capital	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the provision of a non-monetary supplement outside share capital	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on the assignment of the loan agreement with Arete Zdice s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on assignment of loan agreement with ARETE Kezmarok s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on assignment of loan agreement with Arete Lambda SK s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on assignment of loan agreement with Arete Omikron s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on assignment of loan agreement with Arete Plzen s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on assignment of loan agreement with ARETE Puchov s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on assignment of loan agreement with Arete Rokycany s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on assignment of loan agreement with ARETE Trencin s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on assignment of loan agreement with ARETE Valmez s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on assignment of loan agreement with ARETE Vrable s.r.o.	19/12/2022
ARETE HoldCo 1 a.s.	Agreement on drawdown and offsetting of receivables	19/12/2022

ARETE HoldCo 1 a.s.	Contract on the performance of the function	19/12/2022
ARETE HoldCo 1 a.s.	Credit agreement	19/12/2022
ARETE Omikron s.r.o.	Addendum to Loan Agreement No. 1	15/12/2022
ARETE Lambda SK s.r.o.	Agreement on set-off of receivables	31/10/2022
ARETE Rokycany s.r.o.	Agreement on the provision of additional payment outside share capital	30/09/2022
ARETE Valmez s.r.o.	Agreement on the provision of additional payment outside share capital	30/09/2022
ARETE Zeta s.r.o.	Agreement on the provision of additional payment outside share capital	30/09/2022
ARETE Lambda SK s.r.o.	Credit agreement	21/09/2022
ARETE CZ 1 s.r.o.	Agreement on the provision of additional payment outside share capital	31/08/2022
ARETE CZ 2 s.r.o.	Agreement on the provision of additional payment outside share capital	31/08/2022
ARETE CZ 3 s.r.o.	Agreement on the provision of additional payment outside share capital	31/08/2022
ARETE CZ 4 s.r.o.	Agreement on the provision of additional payment outside share capital	31/08/2022
ARETE HoldCo 1 s.r.o.	Notarial deed	15/08/2022
ARETE Beta SK s.r.o.	Credit agreement	30/06/2022
ARETE Beta SK s.r.o.	Agreement on set-off of mutual claims	30/06/2022
ARETE Rokycany s.r.o.	Agreement on the provision of additional payment outside share capital	30/06/2022
ARETE Rokycany s.r.o.	Agreement on set-off of receivables	30/06/2022
ARETE Valmez s.r.o.	Agreement on the provision of additional payment outside share capital	30/06/2022
ARETE Valmez s.r.o.	Agreement on set-off of mutual claims	30/06/2022
ARETE Trenčín s.r.o.	Agreement on set-off of mutual claims	27/06/2022
ARETE Plzeň s.r.o.	Addendum No. 1 to the Loan Agreement	24/06/2022
ARETE Valmez s.r.o.	Addendum No. 1 to the Loan Agreement	24/06/2022
ARETE Plzeň s.r.o.	Addendum No. 1 to the Loan Agreement	24/06/2022
ARETE Valmez s.r.o.	Addendum No. 1 to the Loan Agreement	24/06/2022
ARETE Valmez s.r.o.	Addendum No. 1 to the Loan Agreement	24/06/2022
ARETE Beta SK s.r.o.	Set-off agreement	31/03/2022
ARETE Zdice s.r.o.	Credit agreement	10/03/2022
ARETE Beta SK s.r.o.	Credit agreement	03/07/2022
ARETE Theta s.r.o.	Addendum No. 1 to the Loan Agreement	03/02/2022

15. ASSESSMENT OF WHETHER THE CONTROLLED PERSON SUFFERED DAMAGE AND ASSESSMENT OF ITS COMPENSATION PURSUANT TO § 71 AND § 72 ZOK (§ 82 PARA. 2 LETTER F) ZOK)

The controlled person did not suffer any damage from a relationship with the controlling person, or by persons according to § 82 paragraph 1 ZOK, no harm.

16. EVALUATION OF THE RELATIONSHIP BETWEEN THE CONTROLLED PERSON AND THE CONTROLLING PERSON, OR PERSONS ACCORDING TO § 82 PARAGRAPH 1 ZOK (§ 82 PARAGRAPH 4 ZOK)

A controlled entity is an investment fund in the regime of § 9, paragraph 1 of the Act on Investment Companies and Investment Funds, where the investment company as a statutory body cannot be directly bound by the instructions of shareholders in relation to individual business transactions, but primarily has an obligation of professional care in the sense of the provisions of the Act on investment companies and investment funds. Due to this fact, no risks arise from the formal existence of a control relationship for the controlled person. It is also not possible to define the advantages or disadvantages arising from the controlling relationship, since the behavior of the controlled person in individual business transactions is not effectively influenced.

17. DECLARATION OF THE STATUTORY BODY

The statutory body of the Company hereby declares that:

- The information provided in this report on relations is processed according to information that comes from the own activities of the statutory body of the controlled entity, or that the statutory body of the controlled entity procured for this purpose from public sources, or from other persons; and
- The statutory body of the controlled entity is not aware of any facts that should be part of the report on the relations of the controlled entity and are not listed in this report.

In Prague, on 30 December 2023

Ing. Rostislav Plíva, PhD.

Chairman of the board of directors

Winstor investiční společnosti a.s.



ARETE