



**CERTICON a.s.**  
**ANNUAL REPORT**  
**FOR 2023**



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Tax ID No.: CZ25083341

Entered in the Commercial Register maintained by the  
Municipal Court in Prague in Section B, file 4355.

Banking connection: 6042009/2700

# Introduction

Dear shareholders, business partners, employees and friends,

Although challenging, 2023 was nevertheless another successful year in the history to date of CertiCon a.s. The company was completely stable in its operations and displayed modest growth in all key parameters.

CertiCon a.s. operates as an internationally recognized company providing its customers a wide range of services in software design, development, and testing, including of mobile and embedded systems.

CertiCon's work today thus continues to be grounded especially in three types of activities:

- a) co-sourcing in the area of software design, development, and testing, which is distinguished by its great flexibility in deploying the company's capacities and by high-quality work;
- b) its proprietary, in-house research; and
- c) development of its own proprietary products and services.

CertiCon's employees are focused on leading-edge technologies in such areas, among others, as clouds, mobile computing systems, multi-agent systems, embedded systems, and artificial intelligence systems. They endeavour always to combine SW and HW solutions to best advantage and thereby to create substantial added value. The influence of artificial intelligence concepts and algorithms is steadily increasing, and this will become a decisive factor for the efficiency of SW and HW solutions in the coming years.

The company succeeded during 2023 in stabilizing and even expanding its business activities with existing longtime partners (Medtronic, Frequentis, and Bosch), substantially broadening its developing cooperation with the Czech branch of the German ZF Engineering and with Cit-Con, s.r.o., strengthening its work with Frequentis while providing services to additional divisions, and continuing in long-term cooperation with Airbus Group. The year 2023 brought stabilization in the company's activities abroad, both in the USA and within the EU. We achieved overall service and product sales totalling CZK 795.6 million, which is an increase by about CZK 33.7 million over 2022. Meanwhile, total operating revenue rose to ca CZK 844.1 million, which represents a gain of nearly CZK 60 million (7.6%) over 2022.

During 2023, CertiCon a.s. supported its efforts in developing, selling, and distributing its most significant proprietary product, CertiConVis, by providing expert and financial support to its subsidiary CCVis, s.r.o. There, two new versions of CertiConVis were completed, one of which is already fully based in the cloud. CertiCon a.s. continued to support development of its proprietary products, in particular the EPIQA product for optimization of planning and scheduling processes. The company sees long-term promise and business potential in the development of its own proprietary products.

Systems based upon artificial intelligence will play a decisive role not only in our research but also in the development of our proprietary products in the months and years ahead. In developing new artificial intelligence algorithms, we cooperate with CIIRC of the Czech Technical University.

Together with Deutsche Telecom and Trix Connection, CertiCon a.s. prepared a proposal for a European IPCEI project within the field of cloud data storage, wherein the company was to provide the development of a platform for optimizing data flow and computing capacity, especially with regard to the economic aspects of data storage and processing. The project was very well evaluated in the EU, with the governments of Germany and France interested in its implementation. Unfortunately, at a crucial moment the Ministry of Industry and Trade of the Czech Republic abruptly withdrew from the Czech participation in the project.

From a sector viewpoint, CertiCon a.s. has long been focused on the automotive industry, medical technologies, and life-critical applications in communications and transport. Its activities are directed most of all to software for life-critical applications. In this area, CertiCon a.s. is positioned as a leading provider of consulting, outsourcing, and especially co-sourcing services in the Czech Republic. This has been documented, for example, in publications by CzechInvest, a state agency supporting business and investments, as well as by the company's representation of the Czech Republic through lectures at international forums, for example as part of a Czech–Israeli mission

to Israel in May 2023 and to France in October 2023.

A stabilizing factor is the company's continuously developing ECDL (European Computer Driving Licence) activities, carried out in close cooperation with the Czech Society for Cybernetics and Informatics. In this area, CertiCon has prepared wholly unique instructional modules for teaching robotics and artificial intelligence.

In supporting the Czech Technical University Media Lab Foundation, CertiCon a.s. is partnering with an organization that aims to assist the best students at Czech technical universities to work on high-level research projects. In return, among the expected benefits for CertiCon a.s. will be access to the results as well as to young experts who will be crucial for achieving new and innovative solutions in future.

CertiCon a.s. substantially supports also the non-profit organization Institut Equilibrium, z.ú., the activities of which are directed to clarification of the current situation in the Czech Republic as well as prospective trends in the development of Czech society.

Successful implementation of the quality management system in compliance with ISO 9001:2000 and the ISO 13485:2003 quality management system for development of medical devices fundamentally influences the company's internal operations and perceptions among its customers. ISO 13485:2003 certification has been shown to further enhance CertiCon's competitiveness in the SW and HW segment. In 2023, we also received certification for the ISO/ICE 27001:2013 TISAX standard applicable to the automotive industry.

In addition to its high quality standards, another factor unquestionably contributing to CertiCon's international business success is the competitive level of its services. This is achieved especially by continuous education and raising the employees' qualifications through professional training and language courses.

We dedicated extraordinary attention to the processes of managing the growing company, including through a matrix management structure that has been rigorously implemented across the company. CertiCon's management is aware that all the achievements described above have been made possible by the active contributions from all the company's employees. The matrix structure has enabled even better human resources management through the introduction of line managers.

CertiCon a.s. is continuously seeking capable, dynamic, highly qualified professionals. To facilitate this, it operates branches outside of Prague, in regional cities. The branch that was opened in Olomouc in 2018 already began operating from 2023 in expanded and newly equipped premises. Part of that Ostrava branch was reconstructed. After necessary reconstruction, the Prague branch is already fully occupying additional space on the sixth floor of the Blox building.

Very special attention was devoted to CertiCon's foreign subsidiary in Slovakia. Specifically, this is CertiCon SK, s.r.o. in Žilina, which had been established at the end of 2022. This company already had 15 employees at the end of 2023 who are effectively involved in CertiCon projects.

A great deal of work was done by line managers and especially the human resources department in recruiting new employees and dealing with employees' social and personal challenges.

Being aware of its corporate social responsibility, CertiCon has decided to create a Social Responsibility Fund, which is managed by a committee under the leadership of Prof. Ing. Josef Psutka, CSc., from University of West Bohemia. The Social Responsibility Fund supported, for example, the film *Waltzing Matilda*, which addresses the socially very serious problem of the lives of people suffering from Alzheimer's disease. The Fund also supports some activities in relation to students and to the handicapped. We have created a working space and support for a team of students from Johannes Kepler Grammar School in Prague, which was very successful in an international robotics competition for students.

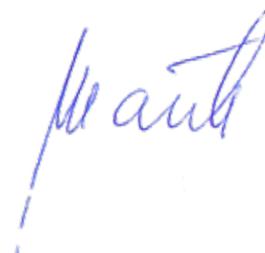
As confirmed by positive evaluations from key partners, we are committed to ensuring our customers' satisfaction. I hope and believe they will continue to view CertiCon a.s. as a stable, enduring, and reliable partner. Our longtime ambition remains to be a Czech company doing extraordinarily high-quality work in areas demanding high professional qualifications and based on research cooperation with universities. We strive to be a company where employees feel satisfied in their work and will envisage their own growth and future prospects. We endeavour to see all share our values and vision for the company, and that includes our vision for social

responsibility. We want to be a company strongly focused not only on customer satisfaction but also on the satisfaction of our own employees. We want them to pride themselves in the fact that, through their efforts, they contribute to building a unique company with strong technological capacities and capabilities.

I believe that once again in 2024 our employees will fulfil the main mission of our company as expressed in the slogan: "We are connecting information technology with the real world to make a better life for all of us!" We believe that with the employees' proactive contributions we will be successful even in economically turbulent times.

Prague, 14 April 2024

Prof. Ing. Vladimír Mařík, DrSc., dr. h. c.  
Chairman of the Board of Directors

A handwritten signature in blue ink, appearing to read 'Mařík', is positioned to the right of the text identifying the Chairman of the Board of Directors.

# Contacts

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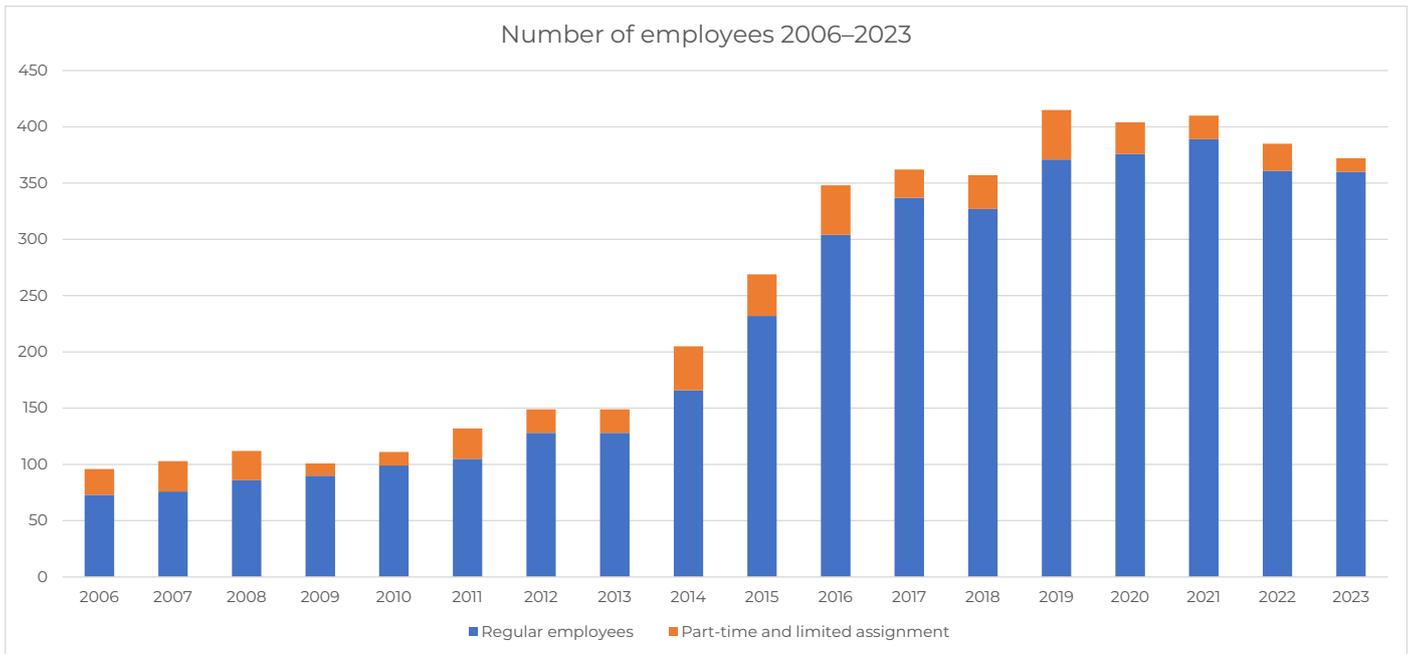
## ŽILINA BRANCH

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Poštová 1  
010 08 Žilina

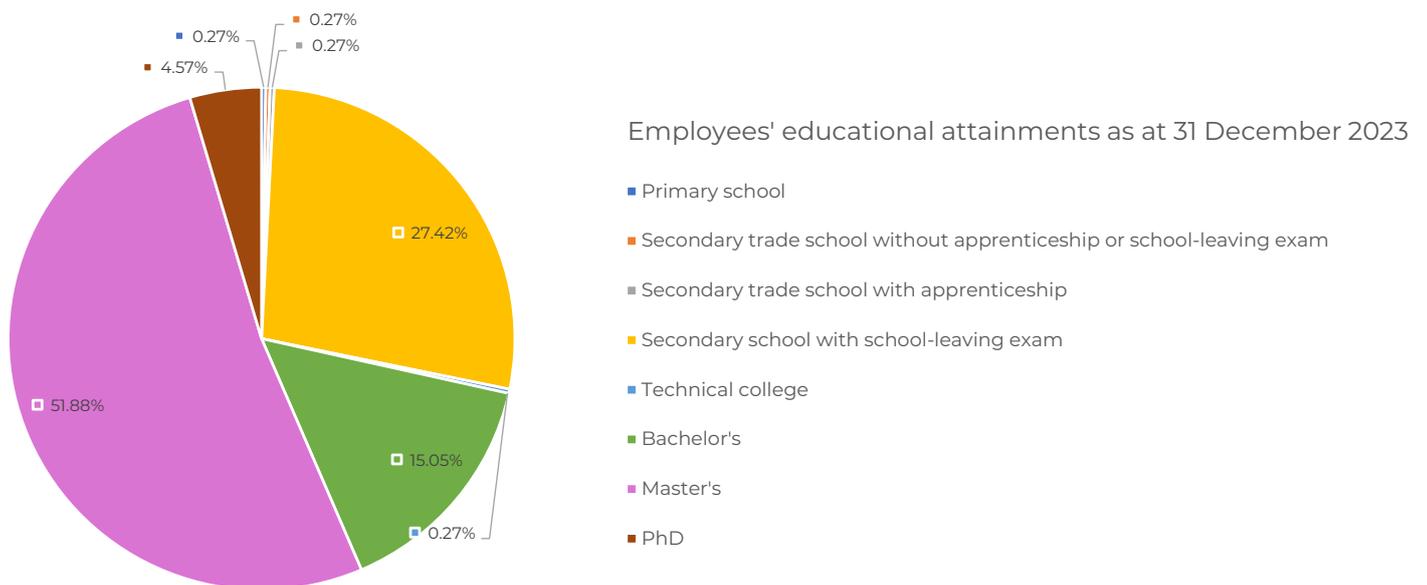
Tel: +421 918 645 756

# The Company's Organization and Personnel

Personnel working for CertiCon as at 31 December 2023 totalled 385. With respect to type of contractual relationship, as at that date there were 361 regular employees under employment contract and 24 personnel under agreements outside an employment relationship (so-called "part-time limited workers" and "limited assignment workers"). The average annual recorded number of personnel was 375. Development in the number of employees through recent years is shown in the bar graph. As can be seen, there was a slight decrease in 2023.

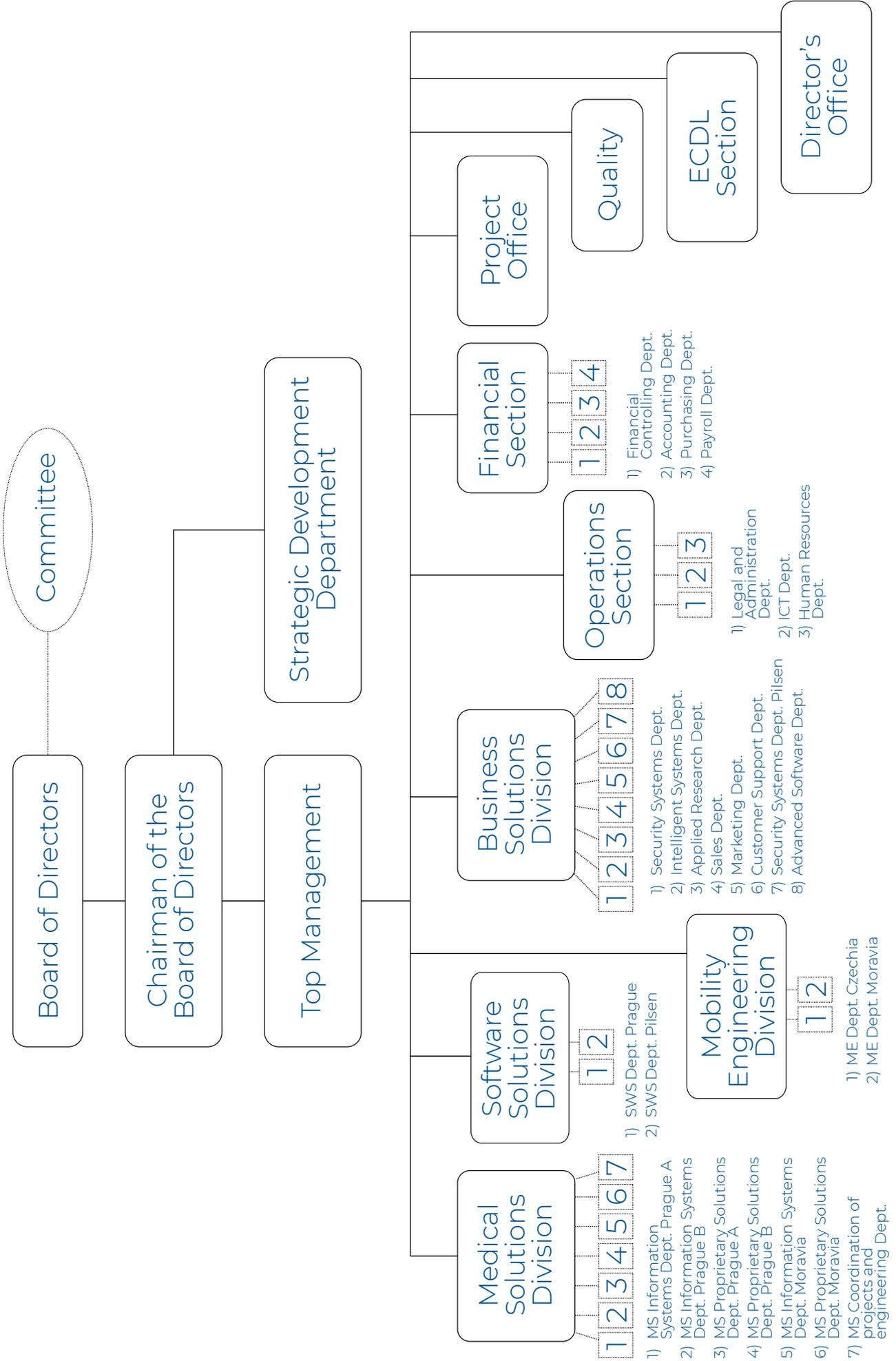


A long-term priority aim of the company is to concentrate capacities for accumulating top-notch technological know-how and therefore to employ in particular highly qualified, individually trained professionals. Such orientation is confirmed by statistics as to the highest levels of educational attainment among the employees and management. As shown in the pie chart, 72% of employees have university educations (Bachelor's degree and higher).



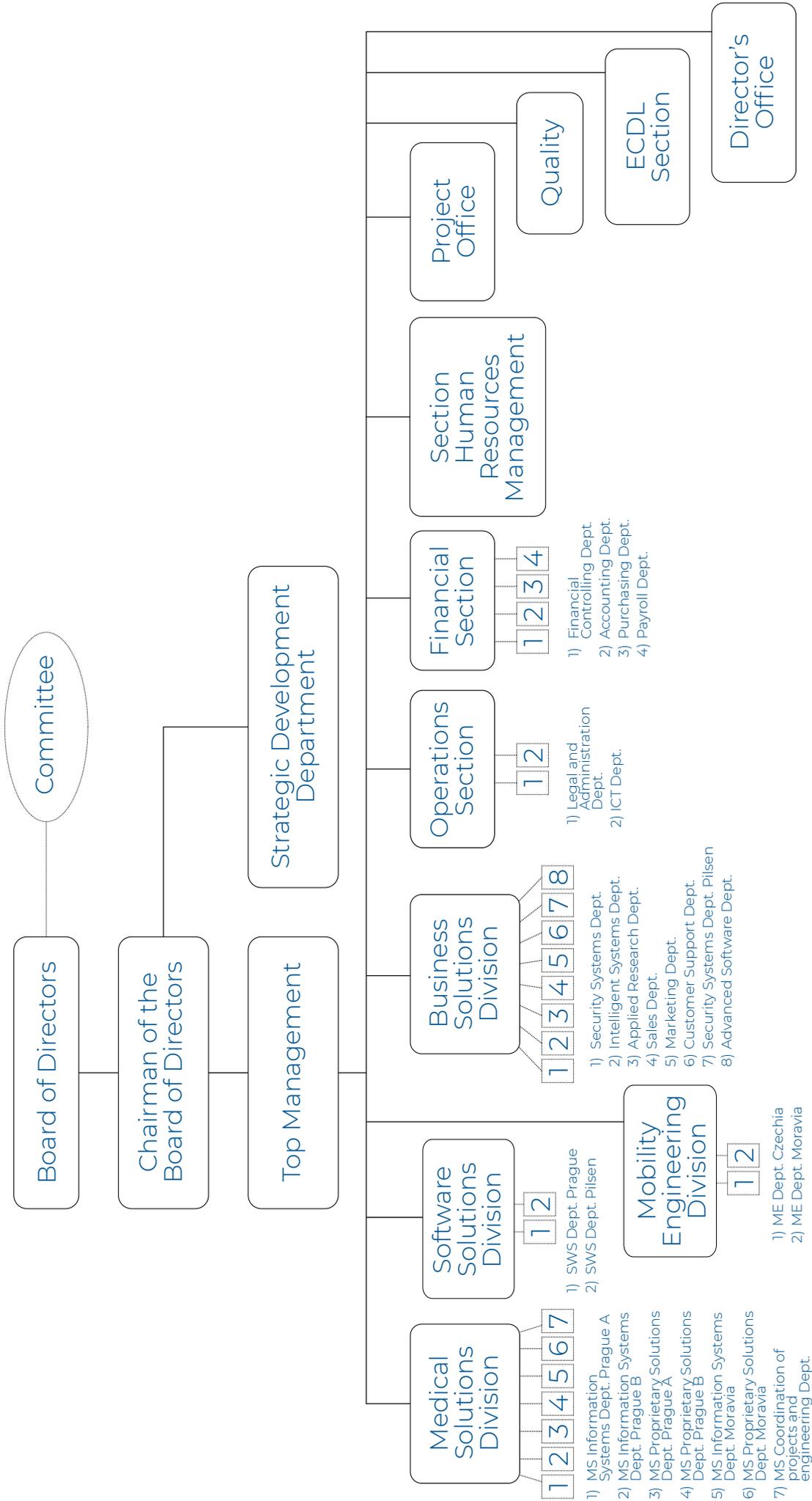
# ORGANIZATIONAL STRUCTURE – LINE CONFIGURATION

valid from 1 January 2023 to 28 February 2023

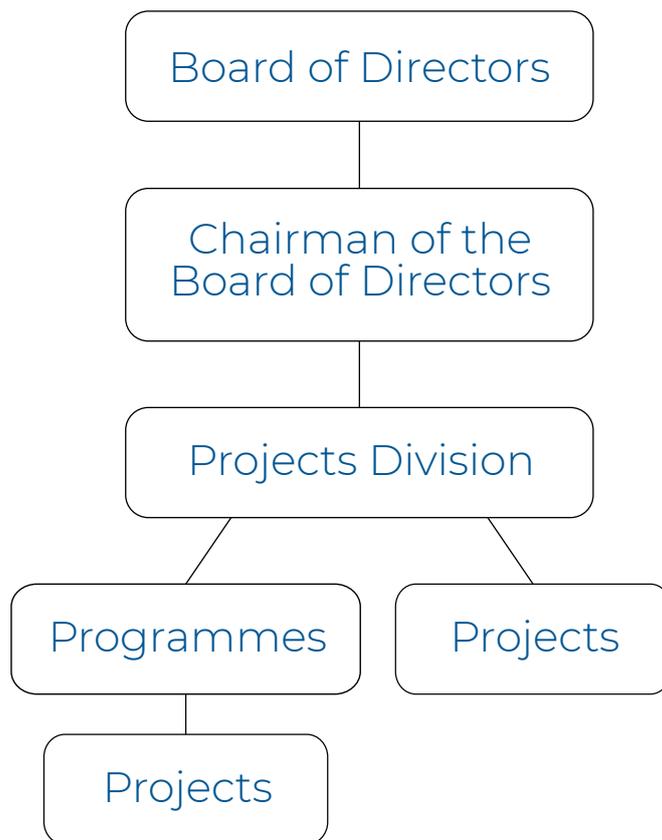


# ORGANIZATIONAL STRUCTURE – LINE CONFIGURATION

valid from 1 March 2023 to 31 December 2023



## Organizational structure valid in 2023 (project-based structure)



# Quality Management Systems

CertiCon has implemented quality management systems in accordance with ČSN EN ISO 9001:2016, ČSN EN ISO 14001:2016, ČSN EN ISO 13485:2016, and ČSN EN ISO 45001.

The following audits were conducted at CertiCon in 2023:

- ISO 9001 and ISO 13485 recertification audit
- ISO 14001 and ISO 18001 surveillance audit
- TISAX® Information Security Certification for Automotive Sector
- ISO 27001 Information Security Management System Certification

## QUALITY MANAGEMENT SYSTEMS ISO 9001:2016 AND ISO 13485:2016 MEDICAL DEVICES

Process management in accordance with ISO 9001 has been an integral part of CertiCon's operations ever since 2006. The company has a clearly defined context. It knows the needs, requirements, and expectations of all stakeholders – including customers – that may impact the organization's performance.

The ISO 13485 quality control system in developing medical devices has been implemented in the company since 2011. At the core of this standard is compliance with law and with relevant technical standards in order to ensure maximum possible safety of the developed medical devices.

All the system's requirements of the company are reasonable and fully supported by CertiCon's management. Compliance with the requirements of ISO 9001 and ISO 13485 is checked annually by means of internal project audits or audits of parts of the company's system of organizational units.



CQS certificates attesting to validity of the ISO 9001:2016 and ISO 13485 ed. 2:2016 certifications

**The scope of ISO 9001 certification** covers design, research and development, testing, software diagnostics, and supply of software products and electronic circuitry, including technical support and provision of related services, consulting services, and outsourcing services.

**The scope of ISO 13485 certification** covers design, research and development, testing, and software and electronic circuitry diagnostics (in the Active Medical Devices area), including related consulting and outsourcing services.

## ISO 45001:2018 OCCUPATIONAL HEALTH AND SAFETY MANAGEMENT SYSTEMS AND ISO 14001:2016 ENVIRONMENTAL MANAGEMENT SYSTEMS

Environmental protection and occupational health and safety are aspects of CertiCon's fulfilling its corporate social responsibility. The company has established procedures not only for handling chemicals but also for separating waste. This applies to the headquarters in Prague as well as to the branches in Pilsen, Ostrava, and Olomouc.

All the system's requirements of the company are reasonable with regard to the company's activities. Compliance with the requirements of ISO 14001 and ISO 45001 is checked annually by internal audits of projects or parts of the company's system of organizational units. Moreover, a compliance check is carried out by the external company CIVOP.



CQS certificates attesting to validity of the ISO 14001:2016 and ISO 45001:2018 certifications

CertiCon a.s. contributes actively to environmental protection. It separates paper, plastic, beverage cartons, end-of-life electrical appliances and devices, and batteries at all its branches. In the Prague branch, there is a system for collection of waste light bulbs and elements as well as sorting of metal waste.

There were no serious work-related injuries or accidents during 2023, nor were there any other such mishaps.

**The scope of ISO 14001 and ISO 45001 certification** covers activities to the same extent as did ISO 9001 certification.

## ISO 27001:2013 INFORMATION SECURITY, CYBERSECURITY AND PRIVACY PROTECTION – INFORMATION SECURITY MANAGEMENT SYSTEMS

The company's long-standing commitment to ensuring the security of its computer networks and of its customers' data culminated in 2023 in successful certification in accordance with ISO 27001. This certification validates the high level of service and security of the ICT services that the company provides to its customers around the world.

# TISAX® INFORMATION SECURITY CERTIFICATION



Automotive industry service providers and suppliers process their partners' and clients' highly sensitive data on a daily basis. Therefore, they require evidence of compliance with strict data and information security requirements. For our customer projects in the automotive sector, we are Tisax certified with the labels "Very High Availability" and "Strictly Confidential" at level 3.



Certificates attesting to validity of the ISO 27001:2013 certification

# The Company's Principal Activities

CertiCon a.s. has long been focused on analysis, design, creation, and testing of software; design, verification, and testing of integrated circuits; and research activities especially in intelligent systems to support decision-making and management. An all-embracing motto pertaining to the company's activities is to provide services with high added value to its long-term customers, doing so comprehensively across the entire life cycle of a product or service. The company is grounded in its own research potential, which was systematically built up during 2015–2021, and on the knowledge of its employees. Such efforts demand in particular qualified experts, superior equipment, and well-managed processes for continuously adopting into practice the fruits of research and development. This strategy is substantially reflected in the cost structure, wherein personnel expenses, hardware and software costs, and outlays on applied research and development constitute the majority of expenditure items.

The principal services customers are foreign European and US firms operating internationally. In the domestic market, the state administration and municipalities are the main customers. In recent years, however, Czech private firms (ProfConsult, Passengera) as well as Czech branches of international firms (IBM, Asekol, ZF, Ingersoll Rand) have begun to feature among domestic customers.

Medtronic (USA), Robert Bosch (UK, Germany), and Frequentis (Austria) remained the largest foreign customers during 2023.

A large proportion of domestic activities consists in organizing the ECDL concept in the Czech Republic along with technical IT support of this concept in the Czech Republic and Slovakia.

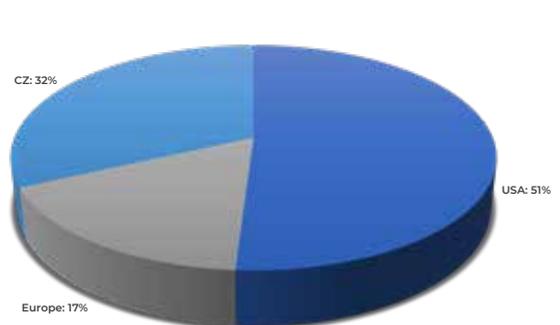
Domestically, the company focuses on such large state administration customers as the General Directorate of Customs (Ministry of Finance) and customers from the private sector, such as IBM Česká republika.

**Research activities**, including participation in applied research within projects co-financed by the Czech Republic and European Union, comprise a considerable part of CertiCon's activities.

CertiCon a.s. has been a full member of the prestigious Christian Doppler Laboratory "Software Engineering Integration for Flexible Automation Systems" in Austria since 1 January 2010, and, together with the Vienna University of Technology and the Austrian firm Logi.cals, it is participating in developing a general tool for design and implementation of SCADA systems. The Laboratory's activities, including CertiCon's participation, are co-financed by the Austrian government. Since 2017, CertiCon a.s. has been a member of another Christian Doppler Laboratory, "Model-Integrated Smart Production".

An indispensable component of technological development on the one hand and **support of technology transfer** on the other is cooperation with the ČVUT Media Lab Foundation, wherein CertiCon a.s. is among the founding partners. So, too, is **support to individual start-up companies**. CertiCon a.s., along with its parent company SynergyCon, a.s., has established a long-term strategy for cooperation with start-ups as well as for supporting them with expertise and investment.

REVENUES BY GEOGRAPHICAL AREA



SWdevelopment



SWtesting



ASICdesign



AppliedResearch

## TECHNICAL DEVELOPMENT – PRODUCTS

**CertiConVis (CCV)** – video analytic software for real-time or recorded-image analysis from a camera system.

The implementation of a major organizational change relating to the CCV product was completed in 2023. The CCV product was finally transferred to the subsidiary CCVis with the aim to streamline the entire process of bringing the product to market, including the complete sales operations. Only technical support (services such as product installation and levels 1 and 2 support) remained allocated within the parent company CertiCon.

Nevertheless, sales activities continued to be run in parallel with those of the sales department of the parent company CertiCon, where we successfully completed the implementation of two large projects for the state administration, i.e. CCV for the Statutory City of Ústí nad Labem and CCV for the University Hospital in Ostrava.

Furthermore, the cooperation with our sales partner, M2C, on further development of custom video-analytics modules (based on our company's VA solution named MultiCameraTracking) has continued successfully. The progressively developed VA modules eventually became the basis for the partner's comprehensive VA system under the trade name Innolytics.

**EPIQA** – online multi-agent production scheduling system.

With a view to continuing cooperation with the important customer Airbus, the customer submitted a request in the first half of 2023 to reduce the volume of cooperation for the months ahead.

Negotiations as to the scope and terms of cooperation for 2024 and 2025 were begun and an agreement was successfully reached at the end of the year.

Specifically, it was possible to negotiate guaranteed invoicing for 2024 and 2025, including updates to the Framework Contract and the Technical Support Contract for the coming period at least until the end of 2025.

These agreements have allowed us to maintain our existing development team for Airbus and, in addition, to start implementation of the EPIQA proprietary licensed product (MVP) project in parallel with acquisition of new clients.

In addition, given the magnitude of the Airbus development requirements queue at the end of 2023, a further additional Airbus order for selected developments beyond the framework agreement mentioned in the paragraphs above can be expected in 2024.

**Q-Rune** – solution/product for communication and remote access control within buildings and premises.

In 2023, intensive outreach to both potential end customers and potential integration partners was already underway.

In terms of end customers, the first large product delivery for a major customer, SKANSKA, was successfully completed, negotiations with another interesting customer, PENTA, moved to the bidding phase, and negotiations were initiated with several property owners associations.

Furthermore, potential integration partners such as the companies SOMFY, 2N, ABB, and other similar suppliers of communication platforms were selected and approached. In their cases, the Q-Rune product could be a component or accessory according to their reactions.

Moreover, the product was developed on the basis of specific feedback from customers, i.e. especially regarding production of the administration console and anti-vandal display. Such components should contribute significantly to improving sales of the product.

**4MULCOM NG** – mobile data connection concentrator.

In 2023, this product was finalized, marketing materials were prepared, and basic pricing was set. Preparation of the go-to-market strategy was initiated and we approached our existing partners to gauge their interest in incorporating this technology into the end-to-end platforms/solutions they deliver.

## SUBSIDY PROJECTS IN 2023

### **NCK** – National Centre of Competence – Cybernetics and Artificial Intelligence

The multi-year continuation of the NCK project, prepared for 2023, was cancelled by the Technology Agency of the Czech Republic at the turn of the year (although it had previously been recommended for support). Negotiations were ongoing in 2023 to further utilize the modules and supporting tools already in use. Part of the technology was used to develop the MultiCameraTracking system directed to online solutions for retail research and analysis. The acquired know-how was used in the development of a custom solution for M2C (as part of the Innolytics project). In cooperation with M2C, the deployment into pilot operation continues. Negotiations continued with some of the original NCK partners on offering know-how and SW tools for the creation of urban studies (e.g. for the City of Prague, directly or through IPR), albeit without any tangible commercial output to date.

## MOST SIGNIFICANT FOREIGN REFERENCES

- **Robert Bosch** (UK) – British branch of a leading European supplier of systems for automotive companies' after-sales service. Cooperation is focused on developing, implementing, and testing software for after-sales service of leading global car brands.
- **Medtronic Inc.** (USA, MN) – a global producer and leader in medical electronics. Our cooperation centres upon services for design and implementation of life-critical software.
- **Frequentis GmbH.** (Austria) – a company with an important position on the market for digital systems and devices using the TETRA telecommunications standard for air traffic control. Frequentis has a 30% market share worldwide in the Voice Communication segment and is a renowned technology leader. Cooperation focuses mainly on developing and integrating software for the operationally critical GSM-R and Air Traffic Control applications.
- **Airbus Group** (Germany) – a world leader in aviation technology. Our cooperation is directed especially to smart production planning and scheduling in resolving complicated assembly procedures.

## MOST SIGNIFICANT DOMESTIC REFERENCES, INCLUDING SLOVAKIA

- **Ministry of Finance of the Czech Republic – General Directorate of Customs** – In addition to customs duties, it also administers selected taxes and fees. Cooperation focuses especially on information systems for tax administration and their integration within the EU.
- **Czech Society for Cybernetics and Informatics** – a non-profit organization popularizing cybernetics, informatics, and related disciplines. It is an ECDL (computer literacy certification) pioneer and the ECDL licence holder for the Czech Republic. CertiCon a.s. is the supplier and operator of an information system for administration and management of ECDL testing in the Czech Republic.
- **Slovak Society for Computer Science** – a non-profit organization popularizing computer science and related fields. It is a pioneer in the ECDL (European Computer Driving Licence) concept and holder of the ECDL licence for Slovakia. CertiCon a.s. is the supplier and operator of the information system for administration and management of ECDL.
- **IBM Česká republika spol. s r. o.** – a world-leading IT company. CertiCon a.s. is supplier for the design and implementation of software solutions for a number of customers.
- **ZF Engineering Plzeň s. r. o.** – the Pilsen Branch is one of eight important developmental branches of ZF Friedrichshafen AG. CertiCon a.s. provides services especially in developing embedded SW for control units in the automotive area and furthermore cooperates on developing supporting SW instruments on the Java platform.

# Report on Business Activities and Situation Analysis

CertiCon is a joint-stock company primarily oriented towards comprehensive services in custom design, development, diagnostics, and verification of software, as well as design, verification, and testing of analogue and digital integrated circuitry for challenging applications in information technologies, medical electronics, telecommunication technology, computer vision, and devices for industrial control and decision-making. Modern mobile and cloud applications also are at the centre of its attention.

The company directs its work mainly to fields requiring high-level expertise, knowledge of technologies and processes, flexibility, and an ability to craft new solutions and utilize the potential of proprietary applied research. Therefore, it does not limit itself to any specific industrial sector. Rather, it focuses for the most part on foreign corporate customers seeking solutions with high added-value content based on modern technologies and employing the latest scientific knowledge and research findings, particularly in the areas of cybernetics and artificial intelligence. CertiCon a.s. has substantial capacities in the areas of modern user interfaces and mobile applications. The company also has become a preferred supplier of mobile technologies for the US firm Medtronic Inc. CertiCon is one of the few Czech companies to develop modular software systems utilizing service-oriented architecture, which is of special importance for the development of industrial management, planning, and scheduling systems in accordance with the Industry 4.0 philosophy.

CertiCon places foremost emphasis on developing market-leading, comprehensive systems using innovative, object-oriented software technologies and distributed systems architectures, multi-agent systems, and client/server applications. It is newly orienting itself towards cloud solutions. In the software area, CertiCon offers both comprehensive services taking in all phases of the software development life cycle as well as individual services in areas ranging from consulting, feasibility studies, software architecture designs, analyses and needs specifications to actual implementation and maintenance of software systems (including the necessary training). Prominent customers are listed in the references.

CertiCon a.s. has built considerable capacities in the area of software verification and testing and is progressively switching to automated testing. Its own SW testing methodology serves as a model for implementation of testing in other companies. The employees provide lectures and courses for other experts.

This majority activity in software solutions is complemented by activities in design and testing of integrated circuits and development of embedded systems.

The most important orders are covered by framework agreements on long-term cooperation. The company continues to expand its circle of customers and the range of services it provides.

Activities in designing, developing, and hosting systems for intranet and internet applications (information systems based on the SQL database system, remote access to an application through the internet, security mechanisms) comprise the technical basis for the majority of CertiCon's activities on the domestic market.

In 2023, the company maintained its prestigious position as software solutions supplier for the Ministry of Finance of the Czech Republic – General Directorate of Customs.

CertiCon a.s. offers four products of its own on the market. Among these, especially CertiConVis – a product of CertiCon's proprietary research in security systems based on signals from industrial cameras – has a strong potential for mass application on domestic and foreign markets. This is a key product from which the company expects to earn high returns on investment in coming years. Concurrently with developing the product, therefore, we have established a sales and service base for this product and initiated negotiations with several prominent system integrators, platform owners, and municipalities. We intend to deliver security solutions to the latter directly. We already have successfully implemented prestigious reference projects.

The company has continued working on technologically and technically sophisticated projects in high-tech areas as part of its research and development activities. This orientation has

been successful, and CertiCon's management intends to continue in this direction in future. Cooperation with universities, and particularly within co-organized research projects and using shared laboratories, provides access to the latest scientific knowledge and research findings, which are then applied in commercial projects. The company intends to develop research further in the European space and to expand commercial activities in the US as well as in the Czech Republic and Europe.

CertiCon's overriding aim is to continue concentrating its capacities for accumulating cutting-edge technological know-how and thus to employ especially highly qualified and individually trained and directed experts.

The company achieved a number of successes in 2023, not only in technology areas but also with respect to marketing and sales.

The value of services provided to domestic customers increased to 32%, primarily thanks to ZF. The monetary value of services exported, as expressed in crowns, decreased by about 4% in absolute terms and so the share of exports fell to 68%.

An important factor was further stabilization of our company's longtime customers. Long-term contracts with top foreign technology partners provide CertiCon with financial stability and the necessary economic support for managed growth.

CertiCon a.s. has been evaluated by Dun & Bradstreet, a worldwide leading provider of business information, and given its highest possible rating ("Top Rating"). The detailed business report may be obtained from Dun & Bradstreet. CertiCon a.s. is registered under DUNS: 36-690-9096.

CertiCon a.s. cooperates closely, too, with ProTyS, a.s. That firm is oriented mainly towards research and development of software systems for real-time industrial control. In 2023, CertiCon a.s. transferred its existing 10% stake in that firm to its parent company, SynergyCon, a.s., in order to consolidate cooperation among companies within the CertiCon Group holding.

Since 2020, CertiCon a.s. holds a 10% stake also in Datis s.r.o.

Moreover, CertiCon a.s. is an important co-owner (70% stake) of HydroCon a.s., which reconstructs and automatizes small hydroelectric power plants. In 2014, HydroCon put into service at Hluboká nad Vltavou an entirely reconstructed 300 kW small hydroelectric power plant. In 2023, this stake was sold to its parent company SynergyCon a.s.

During 2023, the company's headquarters and branch offices were located in leased premises of the Blox building in the vicinity of Vítězné náměstí in Prague 6 (the lessor is ČMN Blox s.r.o.), in The Orchard office complex in Ostrava (the lessor is BHS Orchard s.r.o.), in the modern RCO office building in Olomouc, and in premises of the Business Centre Hamburk in Pilsen. Premises in the centre of Pardubice are leased from a private landlord.

CertiCon a.s. has sufficient cash at its disposal. The company meets all its obligations to all its suppliers and employees in a due and timely manner. It has no bank loans, with the exception of an operating capital overdraft with UniCredit. CertiCon a.s. has no debts or borrowings.

# Key Economic Indicators from 2023

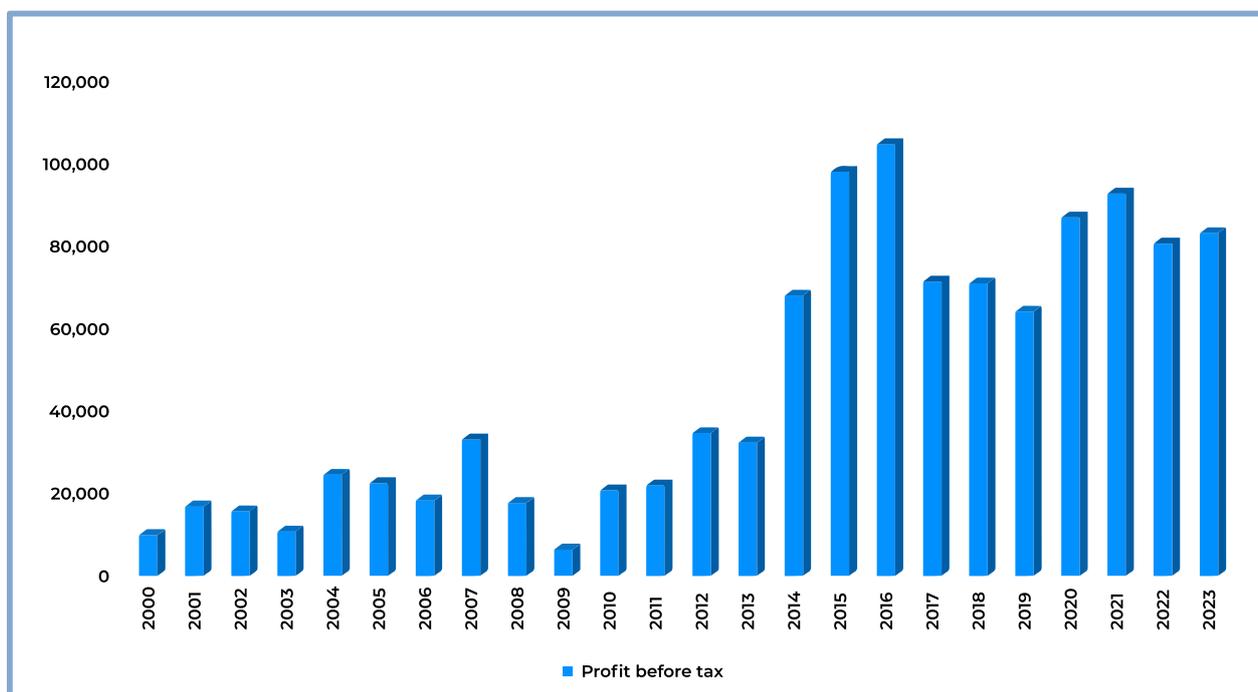
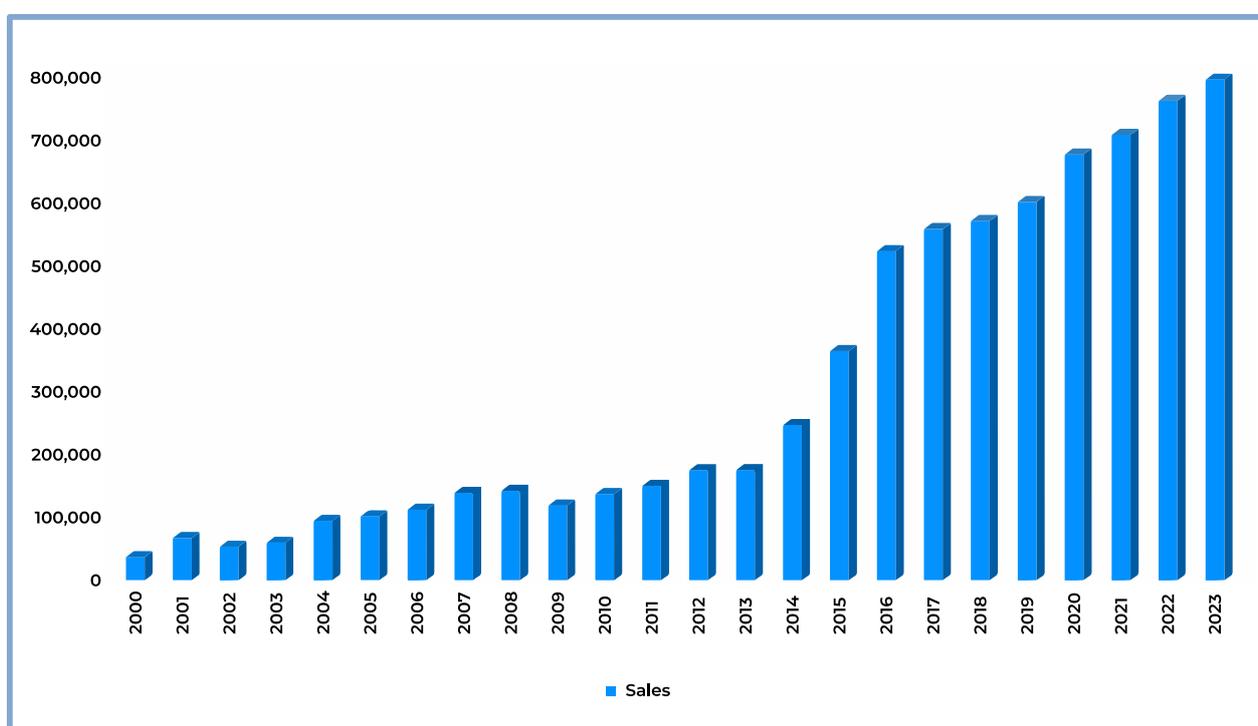
Basic information has been presented already in the Introduction and in the Report on Business Activities. It also is summarized unambiguously in the graphs below. In the year just ended, sales revenues grew by about 4.4%.

Short-term accounts receivable balances consist of receivables both due and past due. Those amounts had been paid as at the date of compiling the financial statements.

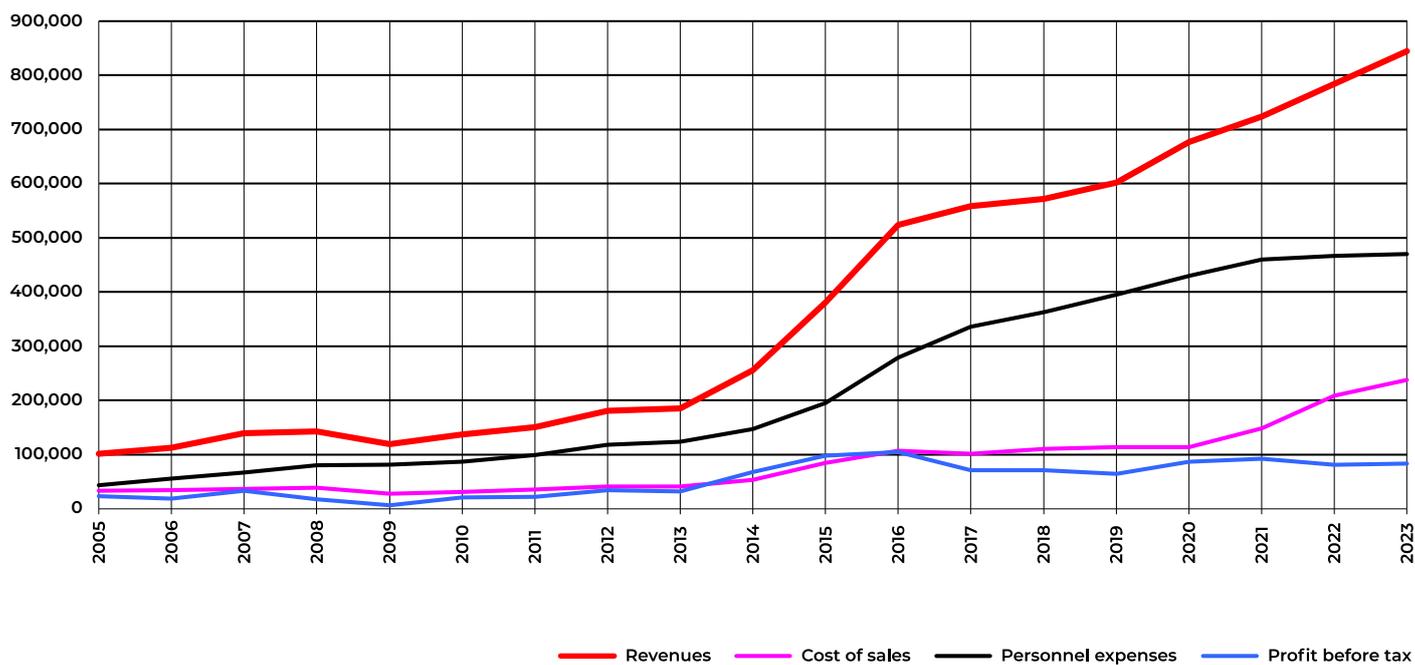
Short-term accounts payable balances consist primarily of trade payables and unpaid wages for December 2023, inclusive of insurance contributions. All reported payables had been settled as at the date of compiling the financial statements.

Provisions totalling CZK 7,618,000 were drawn during 2023, and new provisions totalling CZK 14,367,000 were created (see the attached financial statements).

The following graphs show the development of selected financial and performance indicators (in CZK thousands) for the period 2000–2023:



## Development of key performance indicators during 2005 – 2023 in CZK '000



Detailed data are presented in the financial statements, which constitute an integral part of this Annual Report.

# Outlook for 2024

Our outlook for 2023 had proceeded from cautiously optimistic assumptions and anticipated the company's further stabilization and development. CertiCon achieved its main business objective of growing its turnover and sales. We succeeded gradually to concentrate resources and capacities for our own research and development with the aim of growing the percentage share of our own products' sales within total revenues in future. Despite the persisting unfavourable exchange rate changes, strong inflation rate, investments into proprietary research, and an extremely unstable labour market situation, we succeeded to maintain profitability at a very respectable level.

The management is aware that the company is growing quickly, and it is adopting specific measures for corresponding changes in CertiCon's structure and in its management methods. In 2024, further strengthening of the matrix management structure can be expected, as facilitated by the completed ERP system. With support of the continuously strengthening services unit, sale volumes of proprietary products will grow. More vigorous promotion of proprietary products and their growing sales constitute – alongside the expansion of co-sourcing cooperation – one of the company's key goals for 2024.



From an economic perspective, we proceed from a view that the economic situation in the US and EU is developing not too positively in 2024 – especially in the automotive sector. It is to be expected that we will be exposed to impacts of the war in Ukraine, as well as unstable energy prices. One must also count upon fluctuations in the crown exchange rate, and we stand ready to address these with economizing measures, by revising contracts with our customers, and potentially also utilizing efficient financial instruments. Inflation, rising energy prices, and consequent increase in the prices of a number of services may present a serious problem for achieving profitability.

CertiCon a.s. thus enters the coming period as a stable company, with long-term experience in its business relationships with foreign entities and in providing services to EU member states, and with modestly optimistic expectations. The main business objectives for 2024 are to achieve sales from commercial activities exceeding CZK 800 million and total revenues around CZK 840 million (budget figures), all while growing profitability. This can be facilitated in particular by developing sales of proprietary products, offers to assist in implementing Industry 4.0 within Czech businesses, and also by providing innovative solutions based on artificial intelligence to our existing long-standing clients. We want to become leaders in the use and application of AI-based software. The company will fully concentrate on quality of work, quality of all processes, and quality of products. Quality remains our main differentiator in rather demanding markets. May our ability to apply AI effectively also contribute to our success.

We expect to be successful during 2024 in further extending cooperation with existing long-term partners and expanding activities particularly in developing software for sophisticated life-critical and mission-critical applications by developing long-term partnerships and co-sourcing. We also anticipate growth in contracts for the automotive industry even despite a crisis in this industrial segment. We expect heightened effort in completing and distributing proprietary

products based on our own research and development. Among other goals, an objective is to boost the volume of research and development work not financed by public funds.

We also intend to continue supporting or creating promising start-up companies and teams, as well as to support activities of the ČVUT Media Lab Foundation and the Institut Equilibrium, z.ú.

We will strive also to further expand the company's activities in implementing state-of-the-art ECDL concepts in the Czech Republic.

CertiCon a.s. will undertake to implement audits focused not only on financial activities but particularly on organizational, managerial, and scientific research activities. We have, of course, implemented data protection pursuant to EU's GDPR. A group subordinated directly to the respective director is focused on strengthening computer and system security. The objective is to support the company's all-round development by pursuing modern organizational and managerial approaches and with the aim to maximize management effectiveness in upholding security principles.

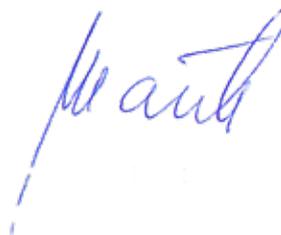
In the IT area, we are building upon a substantial modernization of infrastructure, specifically by way of constructing a back-up server room at the Pilsen premises within the Hamburk building at a cost of CZK 15 million. We will develop this even further. In 2024, development and implementation of the remaining ERP modules will be completed. Already in routine operation, the system is nevertheless still being improved.

Our company's fundamental value remains in the expert and human quality of our employees, their abilities to respond to customers' requirements, and their abilities to think independently and creatively about optimal solutions and innovative processes. That is why we shall continue also to devote extraordinary attention to the education and training of our staff. We will rigorously implement agile management in production and development projects while directly connecting into the agile practices of our customers. We also are counting upon stabilization of personnel and an increase in the qualifications of employees at all our branches, cautious growth in the number of IT professionals, and efforts to optimize capacities in non-production professions.

To strengthen and secure staffing in 2024, we count on growing support for our CertiCon SK subsidiary in Žilina, and we stand ready to help in the field of human resources methodology, testing methodology, and software development in the form of training and internships.

In line with European directives, we also will be attentive to ESG issues, which we take very seriously. By means of the ESG Fund, we will support the efforts of non-profit organisations in the ESG field while creating conditions appropriate for the promotion of ESG thinking and concepts within society.

Further strengthening of capacities is embodied in CIT-Con, s.r.o., a company that already today is fully owned by our parent company, SynergyCon, a.s. CIT-Con, s.r.o., operates mainly in Slovakia and supports our projects with ZF.



# Additional Information

Other specific information as required by Section 21 (2) of Act No. 563/1991 Coll.:

## RESEARCH AND DEVELOPMENT ACTIVITIES

The main scope of business activities at CertiCon a.s. is development of life-critical and mission-critical applications tailored to the needs of its customers. The company conducts applied research and development for its own needs as part of domestic and foreign grant projects. We anticipate extensive tendering of additional projects within the European research space.

## ENVIRONMENTAL PROTECTION ACTIVITIES

Given the nature of its business activities, CertiCon a.s. in no way adversely affects the environment. Internally, the company complies with the proper disposal of waste through entities authorized to undertake such activities. CertiCon a.s. discharges its obligation to collect and utilize packaging materials waste through EKO-KOM, a company authorized by the Ministry of the Environment for jointly fulfilling the obligation to collect and utilize packaging materials waste.

## EVENTS AFTER THE BALANCE SHEET DATE

Material events as at the Annual Report date having influence on the company's profitability are discussed within the notes to the financial statements, which constitute a part of this Annual Report.

## BRANCHES OR OTHER PARTS OF A BUSINESS ESTABLISHED ABROAD

CertiCon a.s. has not established any branch or other part of a business abroad.

## ACQUIRING OF OWN SHARES

CertiCon a.s. did not acquire any of its own shares in 2023.

## **Report on Relations between the Controlling, Controlled and Related Entities for 2023**

prepared in accordance with provisions of Sections 82 et seq. of Act No. 90/2012 Coll.,  
on Business Corporations and Cooperatives (the Business Corporations Act)

### **Section I. – Structure of relations between the controlling entity and the controlled entity and between the controlled entity and other entities controlled by the same controlling entity**

#### **Controlled Entity:**

Business name: CertiCon a.s.  
Registered office: Evropská 2758/11, 160 00 Prague 6  
Company ID Number: 25083341

#### **Controlling Entity:**

Business name: SynergyCon a.s.  
Registered office: Václavské nám. 808/66, 110 00 Prague 1  
Company ID Number: 24764264  
100% ownership share in the controlled entity

#### **Related Entities (other entities controlled by the Controlling Entity):**

Business name: EnergyCon s.r.o.  
Registered office: Evropská 2758/11, 160 00 Prague 6  
Company ID Number: 24247065

Business name: nova-met s.r.o., v likvidaci  
Registered office: Šumavská 530/8, 787 01 Šumperk  
Company ID Number: 02431572

Business name: EMBITRON s.r.o.  
Registered office: č. p. 290, 330 23 Vochov  
Company ID Number: 26361175

Business name: CIT-Con s.r.o.  
Registered office: Evropská 2758/11, 160 00 Prague 6  
Company ID Number: 14047039

Business name: HydroCon a.s.  
Registered office: Evropská 2758/11, 160 00 Prague 6  
Company ID Number: 24808202  
The business share was transferred to the controlling entity at 18 October 2023, prior to which date the business share had belonged to the controlled entity.

Business name: ProTyS, a.s.  
Registered office: Evropská 2758/11, 160 00 Prague 6  
Company ID Number: 63077795  
The business share was transferred to the controlling entity at 14 June 2023, prior to which date the business share had belonged to the controlled entity.

#### **Related Entities (subsidiaries and associates):**

Business name: Datis s.r.o.  
Registered office: Chvalova 1577/12, 130 00 Prague 3  
Company ID Number: 27630790  
Owned share: 10%

Business name: CCVis s.r.o.  
Registered office: Evropská 2758/11, Dejvice, 160 00 Prague 6  
Company ID Number: 14327341  
Owned share: 100%

Business name: CertiCon SK s. r. o.  
Registered office: Poštová ulica 1, 010 08 Žilina, Slovak Republic  
Company ID Number: 54474400  
Owned share: 70%

Business name: HydroCon a.s.  
Registered office: Evropská 2758/11, 160 00 Prague 6  
Company ID Number: 24808202  
Owned share: 70%  
The business share was transferred to the controlling entity at 18 October 2023, prior to which date the business share had belonged to the controlled entity.

Business name: ProTyS, a.s.  
Registered office: Evropská 2758/11, 160 00 Prague 6  
Company ID Number: 63077795  
Owned share: 100%  
The business share was transferred to the controlling entity at 14 June 2023, prior to which date the business share had belonged to the controlled entity.

## **Section II. – The controlled entity’s role in relations among entities stated in Section I**

The entities stated in Section I operate independently but may utilize the research and development capacity of the controlled entity.

## **Section III. – Method and means of control**

Decisive influence is exerted in particular by appointing and recalling members of the statutory body and of the supervisory body in accordance with valid legal regulations and the company’s Articles of Association, as well as by participating in and voting at the company’s General Meetings.

## **Section IV. – Overview of acts effected during the most recent accounting period at the initiative or in the interest of the controlling entity or of entities controlled by the controlling entity (relating to assets exceeding 10% of the controlled entity’s shareholders’ equity as determined according to the most recent financial statements)**

As at 14 June 2023, the business share of the controlled entity in ProTyS, a.s. was transferred to the controlling entity.

As at 18 October 2023, the business share of the controlled entity in HydroCon a.s. was transferred to the controlling entity.

## **Section V. – Overview of mutual contracts between the controlled entity and the controlling entity or between controlled entities**

In the year ending 31 December 2023, no contracts were in force between the controlling and controlled entities.

In the year ending 31 December 2023, three (3) contracts with the associate Datis s.r.o. were in force. These were a sublease contract (as amended by a valid annex), one non-disclosure agreement, and one framework agreement on providing services. The contracts were concluded under standard market conditions.

In addition, during the year ending 31 December 2023, seventeen (17) contracts with the related entity CCVis s.r.o. were in force. These included a non-disclosure and confidentiality agreement, an agreement on providing services, a sublease contract I (as amended by eight valid annexes), a sublease contract II, a lease contract relating to movable assets I (as amended by 14 valid annexes), a lease contract relating to movable assets II, a loan agreement (as amended by two valid annexes), an agreement on transfer of trade marks, two agreements on in-kind provision of additional paid in capital, an agreement on providing usage rights for software products of other services, a licensing agreement I (as amended by a valid annex), a licensing agreement II, a licensing agreement III, a framework agreement on providing services I, (as amended by two valid annexes), a framework agreement on providing services II, a framework agreement on providing services III. The contracts were concluded under standard market conditions.

In addition, during the year ending 31 December 2023, eleven (11) contracts were in force with the related entity CertiCon SK s. r. o. These included a framework agreement on business cooperation, three loan contracts, a lease contract relating to movable assets (as amended by 13 valid annexes), an agreement on providing services, an agreement on offsetting of accounts receivable, three framework agreements on providing services (each as amended by valid annex), and an agreement on providing usage rights for software products. The contracts were concluded under standard market conditions.

In addition, during the year ending 31 December 2023, three (3) contracts with the connected company ProTyS a.s. were in force. These included a sublease contract (as amended by 3 valid annexes) and two agreements on providing consulting services. The contracts were concluded under standard market conditions.

In addition, during the year ending 31 December 2023, one (1) contract was in force with the connected company HydroCon a.s. This was a sublease contract (as amended by a valid annex). The contract was concluded under standard market conditions.

For reasons of trade secrecy, the values of performance and consideration in relation to the contracts stated above are not provided.

**Section VI. – Assessment of whether a controlled entity incurred any detriment, and assessment of its settlement pursuant to Sections 71 and 72**

During the year ending 31 December 2023, none of the related entities incurred detriment related to relationships between related entities.

**Section VII. – Assessment of advantages and disadvantages, specification of risks**

All of the company's contractual relationships with related entities were concluded under customary contractual terms and conditions. The contractual consideration agreed and provided corresponded to the conditions of customary business relationships, and the company incurred no detriment, substantial risk, or disadvantage from these contractual relationships.

This report was prepared by the Board of Directors as the statutory body of the controlled entity on the basis of data known to Members of the Board of Directors as persons acting with due managerial care.

Prague, 31 March 2024

Prof. Ing. Vladimír Mařík, DrSc., dr. h. c.  
Chairman of the Board of Directors



# Basic Data about the Company

## HEADQUARTERS AND OTHER PREMISES

### Headquarters:

Prague 6, The Blox, Evropská 2758/11 (registered on 12 March 2015)

### Other premises:

Pilsen, Hamburk Business Center, U Prazdroje 2807/8

Ostrava, The Orchard III, Hornopolní 3322/34

Olomouc, RCO, Jeremenkova 40B

Pardubice, Třída Míru 62

## INFORMATION ABOUT SHARES

**Share capital:** CZK 10,000,000, fully paid up

**Shares:** 100 ordinary, registered shares in documentary form, each with a nominal value of CZK 100,000  
The shares are not publicly traded.

## COMPANY BODIES

### BOARD OF DIRECTORS

**Chairman:** Prof. Ing. Vladimír Mařík, DrSc., dr. h. c.

**Vice-chairman:** Ing. Karel Kraus, MBA

**Member:** Prof. Ing. Josef Psutka, CSc.

### SUPERVISORY BOARD

**Chairman:** Doc. Ing. Jiří Lažanský, CSc.

**Member:** Prof. RNDr. Olga Štěpánková, CSc.

**Member:** Ing. Michal Paulíček, until 28 June 2023

**Member:** Ing. Jakub Mařík, from 28 June 2023

# Extract from the Commercial Register

This extract was electronically signed by "MĚSTSKÝ SOUD V PRAZE" on 27 March 2024 at 11:44:02 am. EPVid: +O5cmrdYuNz9o2aRCR7aoQ

## Extract

from the Commercial Register, maintained  
by the Municipal Court in Prague  
Section B, file 4355

This extract is a  
translation from  
the Czech original.

Date of incorporation:	20 November 1996
File designation:	B 4355 maintained by the Municipal Court in Prague
Company:	CertiCon a.s.
Headquarters:	Evropská 2758/11, Dejvice, Postal Code 160 00, Prague 6
Identification number:	250 83 341
Legal form:	Joint-stock company

Subject of business:	Production, trade and services not listed in Annexes 1 to 3 of the Trade Licensing Act
Statutory body – Board of Directors:	
Chairman of the Board of Directors:	
	Prof. Ing. VLADIMÍR MAŘÍK, DrSc., date of birth: 25 June 1952
	Na Křemínku 664/2, Slivenec, 154 00 Prague 5
	Date of assuming office: 25 June 2018
	Date of assuming membership: 25 June 2018
Vice-Chairman of the Board of Directors:	
	Ing. KAREL KRAUS, MBA, date of birth: 27 August 1964
	Velká Skála 678/2, Troja, 181 00 Prague 8
	Date of assuming office: 25 June 2018
	Date of assuming membership: 25 June 2018
Member of the Board of Directors:	
	Prof. Ing. JOSEF PSUTKA, CSc., date of birth: 20 February 1951
	Plaská 1346/55, Bolevec, 323 00 Pilsen
	Date of assuming membership: 25 June 2018
Manner of transacting:	On behalf of the Board of Directors, the Chairman or Vice-Chairman act externally in the name of the company.
Company Secretary:	
	Ing. PAVEL MAREK, date of birth: 29 September 1968 Prague 9 – Prosek, Litoměřická 405/9, Postal Code 19000
	The Company Secretary is authorized to act independently on behalf of the company.
Supervisory Board:	
Chairman of the Supervisory Board:	
	Doc. Ing. JIŘÍ LAŽANSKÝ, CSc., date of birth: 3 March 1947
	Třeboradická 1075/47, Kobylisy, 182 00 Prague 8
	Date of assuming office: 25 June 2018
	Date of assuming membership: 25 June 2018
Member of the Supervisory Board:	
	Prof. RNDr. OLGA ŠTĚPÁNKOVÁ, CSc., date of birth: 23 December 1949 Lukešova 1612/73, Krč, 142 00, Prague 4 Date of assuming membership: 25 June 2018

Member of the Supervisory Board:	
	Ing. Jakub Mařík, Ph.D., date of birth: 29 March 1983 U smolnic 169/18, Holyně, 154 00, Prague 5
	Date of assuming membership: 28 June 2023
Shares:	100 common bearer shares in documentary form, each with a nominal value of CZK 100,000
Share capital:	CZK 10,000,000
	Paid-up: 100%
Other information:	
	The registered capital is fully paid up.  The business corporation wholly conforms to law by proceeding according to Section 777(5) of Act No. 90/2012 Coll., on Business Corporations and Cooperatives.

Data valid as at: 27 March 2024 03:56

# Financial Statements

<b>BALANCE SHEET</b> full version		CertiCon a.s. Company ID 250 83 341			
		Evropská 2758/11, Dejvice 160 Prague 6 Czech Republic			
As at 31 December 2023 (in CZK thousands)		<b>31 December 2022</b>			<b>31 December 2021</b>
		<b>Gross</b>	<b>Adjustment</b>	<b>Net</b>	<b>Net</b>
	<b>TOTAL ASSETS</b>	<b>485,918</b>	<b>-122,709</b>	<b>363,209</b>	<b>325,818</b>
<b>B.</b>	<b>Fixed assets</b>	<b>222,233</b>	<b>-122,709</b>	<b>99,524</b>	<b>102,411</b>
<b>B.I.</b>	<b>Intangible fixed assets</b>	<b>78,058</b>	<b>-40,490</b>	<b>37,568</b>	<b>45,161</b>
B.I.1.	Intangible research and development outputs	59,081	-23,775	35,306	17,434
B.I.2.	Valuable rights	6,861	-6,029	832	1,223
<i>B.I.2.1.</i>	<i>Software</i>	<i>6,771</i>	<i>-5,939</i>	<i>832</i>	<i>1,223</i>
<i>B.I.2.2.</i>	<i>Other valuable rights</i>	<i>90</i>	<i>-90</i>		
B.I.4.	Other intangible fixed assets	5,450	-5,450		
B.I.5.	Advances provided on intangible fixed assets and intangible fixed assets under construction	6,666	-5,236	1,430	26,504
<i>B.I.5.2.</i>	<i>Intangible fixed assets under construction</i>	<i>6,666</i>	<i>-5,236</i>	<i>1,430</i>	<i>26,504</i>
<b>B.II.</b>	<b>Tangible fixed assets</b>	<b>94,662</b>	<b>-82,219</b>	<b>12,443</b>	<b>20,727</b>
B.II.1.	Land and buildings	17,761	-11,860	5,901	8,268
<i>B.II.1.2.</i>	<i>Buildings</i>	<i>17,761</i>	<i>-11,860</i>	<i>5,901</i>	<i>8,268</i>
B.II.2.	Individual tangible movable assets and sets of tangible movable assets	76,901	-70,359	6,542	12,459
<b>B.III.</b>	<b>Long-term financial assets</b>	<b>49,513</b>		<b>49,513</b>	<b>36,523</b>
B.III.1.	Equity investments in subsidiaries and associates	18,782		18,782	27,312
B.III.2.	Loans and credits to subsidiaries and associates	30,531		30,531	6,511
B.III.5.	Other securities and investments	200		200	2,700
<b>C.</b>	<b>Current assets</b>	<b>245,967</b>		<b>245,967</b>	<b>201,843</b>
<b>C.I.</b>	<b>Inventories</b>	<b>95</b>		<b>95</b>	<b>249</b>
C.I.1.	Material	52		52	52
C.I.3.	Finished products and merchandise	43		43	197
<i>C.I.3.1.</i>	<i>Finished products</i>	<i>43</i>		<i>43</i>	<i>43</i>
<i>C.I.3.2.</i>	<i>Merchandise</i>				<i>154</i>
<b>C.II.</b>	<b>Receivables</b>	<b>202,550</b>		<b>202,550</b>	<b>152,768</b>
C.II.1.	Long-term receivables	4,917		4,917	5,786
<i>C.II.1.4.</i>	<i>Deferred tax asset</i>	<i>4,754</i>		<i>4,754</i>	<i>2,293</i>
<i>C.II.1.5.</i>	<i>Other receivables</i>	<i>163</i>		<i>163</i>	<i>3,493</i>
<i>C.II.1.5.2.</i>	<i>Long-term advances made</i>	<i>163</i>		<i>163</i>	<i>3,493</i>
C.II.2.	Short-term receivables	197,633		197,633	146,982
<i>C.II.2.1.</i>	<i>Trade receivables</i>	<i>193,300</i>		<i>193,300</i>	<i>144,621</i>
<i>C.II.2.2.</i>	<i>Trade receivables – controlled or controlling person</i>	<i>2,176</i>		<i>2,176</i>	
<i>C.II.2.4.</i>	<i>Other receivables</i>	<i>2,157</i>		<i>2,157</i>	<i>2,361</i>
<i>C.II.2.4.3.</i>	<i>Tax receivables due from state</i>	<i>1,406</i>		<i>1,406</i>	<i>2,141</i>
<i>C.II.2.4.4.</i>	<i>Short-term advances made</i>	<i>314</i>		<i>314</i>	<i>220</i>
<i>C.II.2.4.6.</i>	<i>Sundry receivables</i>	<i>437</i>		<i>437</i>	
<b>C.IV.</b>	<b>Cash and equivalents</b>	<b>43,322</b>		<b>43,322</b>	<b>48,826</b>
C.IV.1.	Cash on hand	318		318	479
C.IV.2.	Cash at bank	43,004		43,004	48,347
<b>D.</b>	<b>Accruals and deferrals</b>	<b>17,718</b>		<b>17,718</b>	<b>21,564</b>
D.1.	Deferred expenses	17,359		17,359	17,998
D.3.	Accrued income	359		359	3,566

		31 December 2023	31 December 2022
	<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>363,209</b>	<b>325,818</b>
<b>A.</b>	<b>Equity</b>	<b>196,167</b>	<b>189,295</b>
<b>A.I.</b>	<b>Share capital</b>	<b>10,000</b>	<b>10,000</b>
A.I.1.	Share capital	10,000	10,000
<b>A.III.</b>	<b>Funds from profit</b>	<b>8,088</b>	<b>4,760</b>
A.III.1.	Reserve fund	2,000	2,000
A.III.2.	Statutory and other funds	6,088	2,760
<b>A.IV.</b>	<b>Retained earnings (accumulated losses) (+/-)</b>	<b>97,535</b>	<b>96,697</b>
A.IV.1.	Undistributed earnings or unsettled losses	97,535	96,697
<b>A.V.</b>	<b>Profit or loss for the current period (+/-)</b>	<b>80,544</b>	<b>77,838</b>
<b>B.+C.</b>	<b>Liabilities and provisions</b>	<b>158,275</b>	<b>127,291</b>
<b>B.</b>	<b>Provisions</b>	<b>18,584</b>	<b>11,630</b>
<b>B.IV.</b>	<b>Other provisions</b>	<b>18,584</b>	<b>11,630</b>
<b>C.</b>	<b>Liabilities</b>	<b>139,691</b>	<b>115,661</b>
<b>C.II.</b>	<b>Short-term liabilities</b>	<b>139,691</b>	<b>115,661</b>
C.II.3.	Short-term advances received	1	
C.II.4.	Trade payables	32,415	31,622
C.II.8.	Other liabilities	107,275	84,039
C.II.8.1.	Payables to partners	62,247	40,000
C.II.8.3.	Payables to employees	25,082	26,706
C.II.8.4.	Payables to social security and health insurance	12,124	12,179
C.II.8.5.	Taxes and subsidies due to state	7,805	4,154
C.II.8.6.	Estimated payables		1,000
C.II.8.7.	Sundry liabilities	17	
<b>D.</b>	<b>Accruals and deferrals</b>	<b>8,767</b>	<b>9,232</b>
D.1.	Accrued expenses	3,231	2,324
D.2.	Deferred income	5,536	6,908

## PROFIT AND LOSS ACCOUNT

structured by the nature of expense method

Year ended

31 December 2023

(in CZK thousands)

CertiCon a.s.  
Company ID 250 83 341  
Evropská 2758/11, Dejvice  
160 00 Prague 6  
Czech Republic

		Year ended 31 December 2023	Year ended 31 December 2022
<b>I.</b>	<b>Sales of goods and services</b>	<b>795,621</b>	<b>761,930</b>
<b>II.</b>	<b>Merchandise sales</b>	<b>3,409</b>	<b>143</b>
<b>A.</b>	<b>Cost of sales</b>	<b>237,087</b>	<b>208,106</b>
A.1.	Cost of merchandise	3,043	120
A.2.	Materials and energy	7,942	8,041
A.3.	Services	226,102	199,945
<b>C.</b>	<b>Own work capitalized</b>	<b>-11,036</b>	<b>-17,174</b>
<b>D.</b>	<b>Personnel expenses</b>	<b>469,549</b>	<b>466,039</b>
D.1.	Wages and salaries	344,517	342,556
D.2.	Social security, health insurance, and other expenses	125,032	123,483
D.2.1.	<i>Social security and health insurance expenses</i>	<i>117,660</i>	<i>116,639</i>
D.2.2.	<i>Other personnel expenses</i>	<i>7,372</i>	<i>6,844</i>
<b>E.</b>	<b>Depreciation, amortization, and impairments</b>	<b>17,799</b>	<b>26,049</b>
E.1.	Depreciation, amortization, and impairments of fixed assets	17,919	30,458
E.1.1.	<i>Depreciation, amortization, and permanent impairments of fixed assets</i>	<i>17,919</i>	<i>30,458</i>
E.3.	Adjustments to values of receivables	-120	-4,409
<b>III.</b>	<b>Other operating income</b>	<b>13,041</b>	<b>8,735</b>
III.1.	Sales of fixed assets	635	445
III.3.	Miscellaneous operating income	12,406	8,290
<b>F.</b>	<b>Other operating expenses</b>	<b>11,638</b>	<b>7,307</b>
F.3.	Taxes and fees	149	143
F.4.	Provisions and adjustments relating to operating activities and complex deferred expenses	6,954	-4,708
F.5.	Miscellaneous operating expenses	4,535	11,872
*	<b>Operating profit or loss</b>	<b>87,034</b>	<b>80,481</b>
<b>IV.</b>	<b>Income from long-term financial assets</b>	<b>22,753</b>	
IV.1.	Income from equity investments	22,753	
<b>G.</b>	<b>Expenses incurred on shares sold</b>	<b>25,627</b>	
<b>V.</b>	<b>Income from other long-term financial assets</b>		<b>125</b>
V.2.	Other income from other long-term financial assets		125
<b>VI.</b>	<b>Interest income and similar income</b>	<b>1,082</b>	<b>91</b>
VI.1.	Interest income and similar income from subsidiaries and associates	1,082	91
<b>I.</b>	<b>Adjustments to values and provisions relating to financial activities</b>		<b>-16,563</b>
<b>J.</b>	<b>Interest expense and similar expenses</b>	<b>957</b>	<b>388</b>
J.2.	Other interest expense and similar expenses	957	388
<b>VII.</b>	<b>Other financial income</b>	<b>8,205</b>	<b>13,117</b>
<b>K.</b>	<b>Other financial expenses</b>	<b>9,301</b>	<b>29,316</b>
*	<b>Profit or loss from financial operations</b>	<b>-3,845</b>	<b>192</b>
**	<b>Profit or loss before tax</b>	<b>83,189</b>	<b>80,673</b>
<b>L.</b>	<b>Income tax</b>	<b>2,645</b>	<b>2,835</b>
L.1.	Income tax due	5,106	1,464
L.2.	Income tax deferred	-2,461	1,371
**	<b>Profit or loss from ordinary activities after tax (+/-)</b>	<b>80,544</b>	<b>77,838</b>
***	<b>Profit or loss for the current period (+/-)</b>	<b>80,544</b>	<b>77,838</b>
*	<b>Net turnover for the current period</b>	<b>844,111</b>	<b>784,141</b>

## CASH FLOW STATEMENT

Year ended  
31 December 2023  
(in CZK thousands)

**CertiCon a.s.**  
**Company ID 250 83 341**  
Evropská 2758/11, Dejvice  
160 00 Prague 6  
Czech Republic

		Year ended 31 December 2023	Year ended 31 December 2022
<b>P.</b>	<b>Opening balance of cash and cash equivalents</b>	<b>48,826</b>	<b>58,988</b>
	<i>Cash flows from main activity (operating activity)</i>		
Z.	Profit or loss from operating activities before tax	83,189	80,673
A.1.	Adjustments for non-cash operations	26,988	20,993
A.1.1.	Depreciation and amortization	17,919	30,458
A.1.2.	Change in:	6,954	-25,680
A.1.2.2.	<i>Adjustments and provisions</i>	6,954	-25,680
A.1.3.	Profit or loss from sale of fixed assets	2,239	-445
A.1.5.	Net interest expense	-125	297
A.1.6.	Adjustments for other non-cash operations	1	16,363
<b>A.*</b>	<b>Net operating cash flow before changes in working capital</b>	<b>110,177</b>	<b>101,666</b>
A.2.	Change in working capital	-43,774	-7,255
A.2.1.	Change in accounts receivable, accruals, and deferrals	-43,475	-28,039
A.2.2.	Change in accounts payable, accruals, and deferrals	-860	20,463
A.2.3.	Change in inventories	154	321
<b>A.**</b>	<b>Net cash flow from operations before tax</b>	<b>66,403</b>	<b>94,411</b>
A.3.	Interest paid – except for interest capitalized	-957	-388
A.4.	Interest received	1,082	91
A.5.	Income tax paid from ordinary operations and from previous periods	-2,928	-2,024
<b>A.***</b>	<b>Net operating cash flows</b>	<b>63,193</b>	<b>92,090</b>
	<i>Cash flows from investing activities</i>		
B.1.	Fixed assets expenditures	-12,138	-23,896
B.1.1.	Acquisition of tangible fixed assets	-328	-23,896
B.1.2.	Acquisition of intangible fixed assets	-11,810	
B.2.	Proceeds from fixed assets sold	3,635	445
B.2.1.	Income from the sale of tangible and intangible fixed assets	635	445
B.2.2.	Income from the sale of long-term financial assets	3,000	
B.3.	Loans and credits to related parties	-28,522	-6,511
<b>B.***</b>	<b>Net investment cash flows</b>	<b>-37,025</b>	<b>-29,962</b>
	<i>Cash flows from financing activities</i>		
C.1.	Change in payables from financing		-31,489
C.2.	Impact of changes in equity	-31,672	-40,801
C.2.5.	Direct payments by debit from funds	328	-801
C.2.6.	Profit shares paid out	-32,000	-40,000
<b>C.***</b>	<b>Net financial cash flows</b>	<b>-31,672</b>	<b>-72,290</b>
<b>F.</b>	<b>Net increase or decrease in cash and cash equivalents</b>	<b>-5,504</b>	<b>-10,162</b>
<b>R.</b>	<b>Closing balance of cash and cash equivalents</b>	<b>43,322</b>	<b>48,826</b>

**STATEMENT OF  
CHANGES IN EQUITY**

Year ended  
31 December 2023  
(in CZK thousands)

**CertiCon a.s.**  
**Company ID 250 83 341**

Evropská 2758/11, Dejvice  
160 00 Prague 6  
Czech Republic

	Share capital	Other reserve funds	Statutory and other funds	Undistributed profit or loss carried forward from previous years	Profit or loss of the current period	TOTAL EQUITY
<b>Balance at 1 January 2023</b>	<b>10,000</b>	<b>2,000</b>	<b>2,760</b>	<b>96,697</b>	<b>77,838</b>	<b>189,295</b>
Transfer of profit or loss	–	–	–	77,838	–77,838	–
Allocation to funds	–	–	3,000	–3,000	–	–
Drawing from funds	–	–	328	–	–	328
Shares in profits	–	–	–	–74,000	–	–74,000
Profit or loss for the current period	–	–	–	–	80,544	80,544
<b>Balance at 31 December 2023</b>	<b>10,000</b>	<b>2,000</b>	<b>6,088</b>	<b>97,535</b>	<b>80,544</b>	<b>196,167</b>

	Share capital	Other reserve funds	Statutory and other funds	Undistributed profit or loss carried forward from previous years	Profit or loss of the current period	TOTAL EQUITY
<b>Balance at 1 January 2022</b>	<b>10,000</b>	<b>2,000</b>	<b>3,029</b>	<b>56,197</b>	<b>91,032</b>	<b>162,258</b>
Transfer of profit or loss	–	–	–	91,032	–91,032	–
Allocation to funds	–	–	532	–532	–	–
Drawing from funds	–	–	–801	–	–	–801
Shares in profits	–	–	–	–50,000	–	–50,000
Profit or loss for the current period	–	–	–	–	77,838	77,838
<b>Balance at 31 December 2022</b>	<b>10,000</b>	<b>2,000</b>	<b>2,760</b>	<b>96,697</b>	<b>77,838</b>	<b>189,295</b>

# CertiCon a.s.

## Notes to the Financial Statements as at 31 December 2023

Prepared in accordance with § 18 of Act No. 563/1991 Coll., on Accounting, and § 39 of Decree No. 500/2002 Coll.

### 1. Reporting entity

Company Name:	<b>CertiCon a.s.</b>
Registered Office:	<b>160 00 Prague 6 – Evropská 2758/11</b>
Legal Form:	<b>Joint-stock company</b> Company ID No.: <b>25083341</b>
Subject of Business:	<b>Production, Trade, and Services not Listed in Appendices 1–3 of the Trade Licensing Act</b>
Incorporation date:	<b>20 November 1996 by entry into the Commercial Register maintained by the Municipal Court in Prague, Section B, file 4355.</b>

In addition to its headquarters, the company has four branches, which are located in Pilsen at Hamburk Business Center, U Prazdroje 2807/8; in Ostrava at The Orchard, Hornopolní 3322/34; in Olomouc at RCO – Regional Centre Olomouc, Jeremenkova 40B; and in Pardubice at tř. Míru 62. Furthermore, the accounting entity has a permanent tax-paying operation in Austria.

Shares: **100 ordinary registered shares in dematerialized form, each with a nominal value of CZK 100,000.**

Persons and entities holding equity in the company:

By a decision from 26 September 2016, the company's General Meeting changed the form of all shares issued by the company from certificate form to dematerialized form.

Information regarding individuals and legal entities having decisive influence on the accounting entity:  
SynergyCon a.s., Company ID No. 24764264 – 100%.

Consolidated financial statements of the broadest and narrowest group of accounting units to which the company as a consolidated accounting unit belongs are prepared by SynergyCon a.s., having its seat at Václavské náměstí 808/66, Prague 1 – Nové Město, Czech Republic.

#### **Changes in and additions to the Commercial Register:**

Change in the Supervisory Board member, Ing. Jakub Mařík was newly elected to replace Ing. Michal Paulíček.

## **Statutory and supervisory bodies of the company:**

### **Board of Directors:**

Chairman: Prof. Ing. Vladimír Mařík, DrSc

Vice-Chairman: Ing. Karel Kraus, MBA

Member: Prof. Ing. Josef Psutka, CSc.

### **Supervisory Board:**

Chairman: Doc. Ing. Jiří Lažanský, CSc.

Member: Prof. RNDr. Olga Štěpánková, CSc.

Member: Ing. Jakub Mařík

## **Organizational structure**

The company is managed under a matrix management structure. The basic organizational tree is the line management structure wherein each employee belongs to a single organizational line department and has a single line manager. An additional organizational tree is a project-based structure operating on the principle of creating goal-directed groups (programmes, projects, groups). In this project-based structure, each employee may be a part of “n” project-based groups and may have “n” managers (programme and project managers).

### **Basic line management structure**

The company's management structure has three levels:

- a) The Board of Directors – determines the strategy of the organization.
- b) The top management comprises directors of divisions, sections, and selected departments who are responsible for the running of the organization as a whole. The top management is directed by the Chairman of the Board of Directors.
- c) The middle-level management comprises department managers who ensure fulfilment of tasks and goals as defined by the top management. The middle management level is directed by the top management.

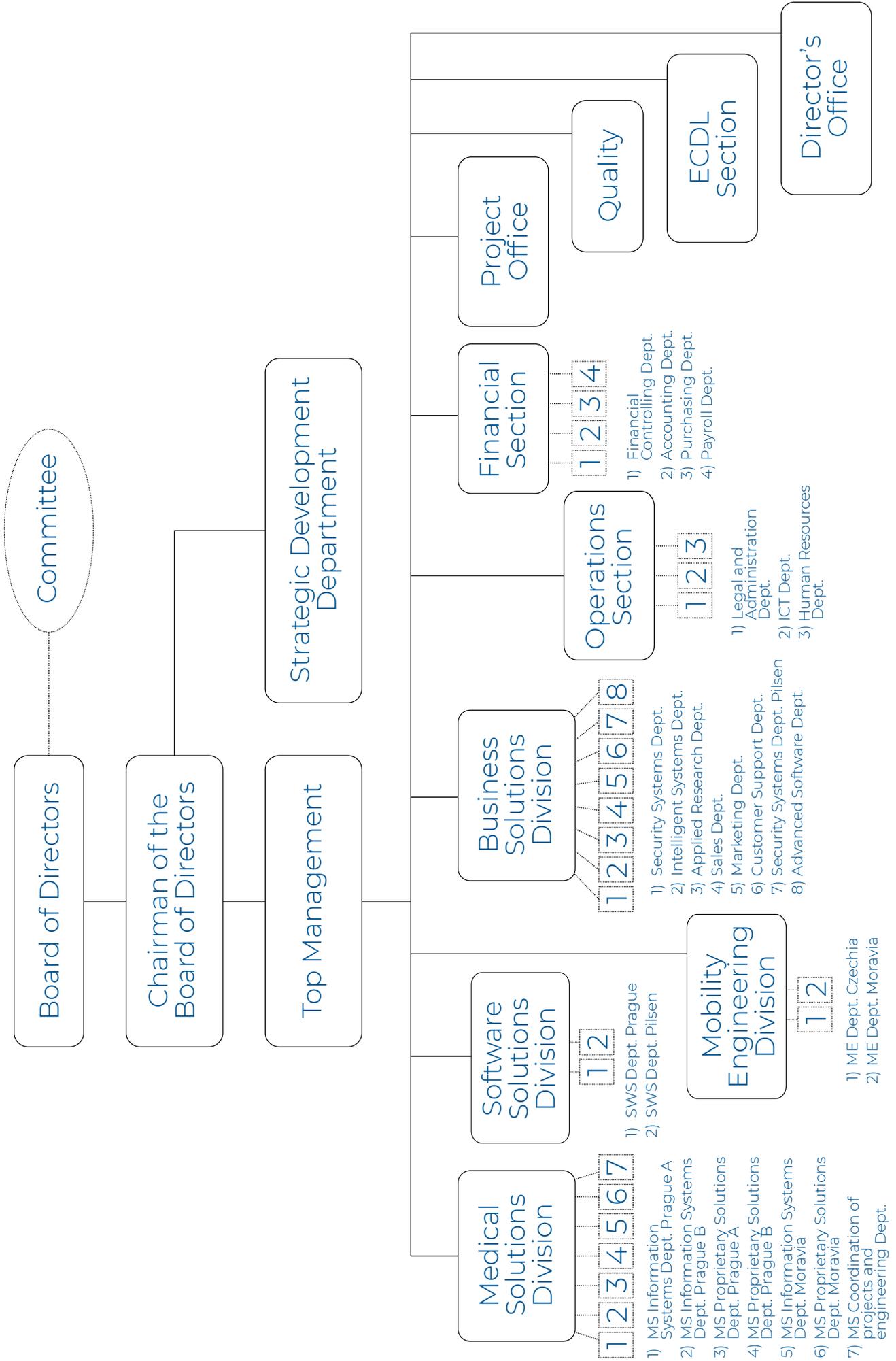
### **Basic structure of project-based management**

The project-based structure operating on the principle of creating project-based groups (programmes, projects, groups, and other specialized groups) has three levels:

- a) Project-based division – a specific division responsible for carrying out selected programmes and projects. A division director is responsible for achieving objectives of the respective project-based division.
- b) Programme – consists in a group of projects. An appointed programme manager directed by the respective project-based division director is responsible for managing the programme and achieving its objectives.
- c) Project – a basic implementation unit. An appointed project manager directed by a superior programme manager or, alternatively, directly by the project-based division director is responsible for managing the project and achieving its objectives.

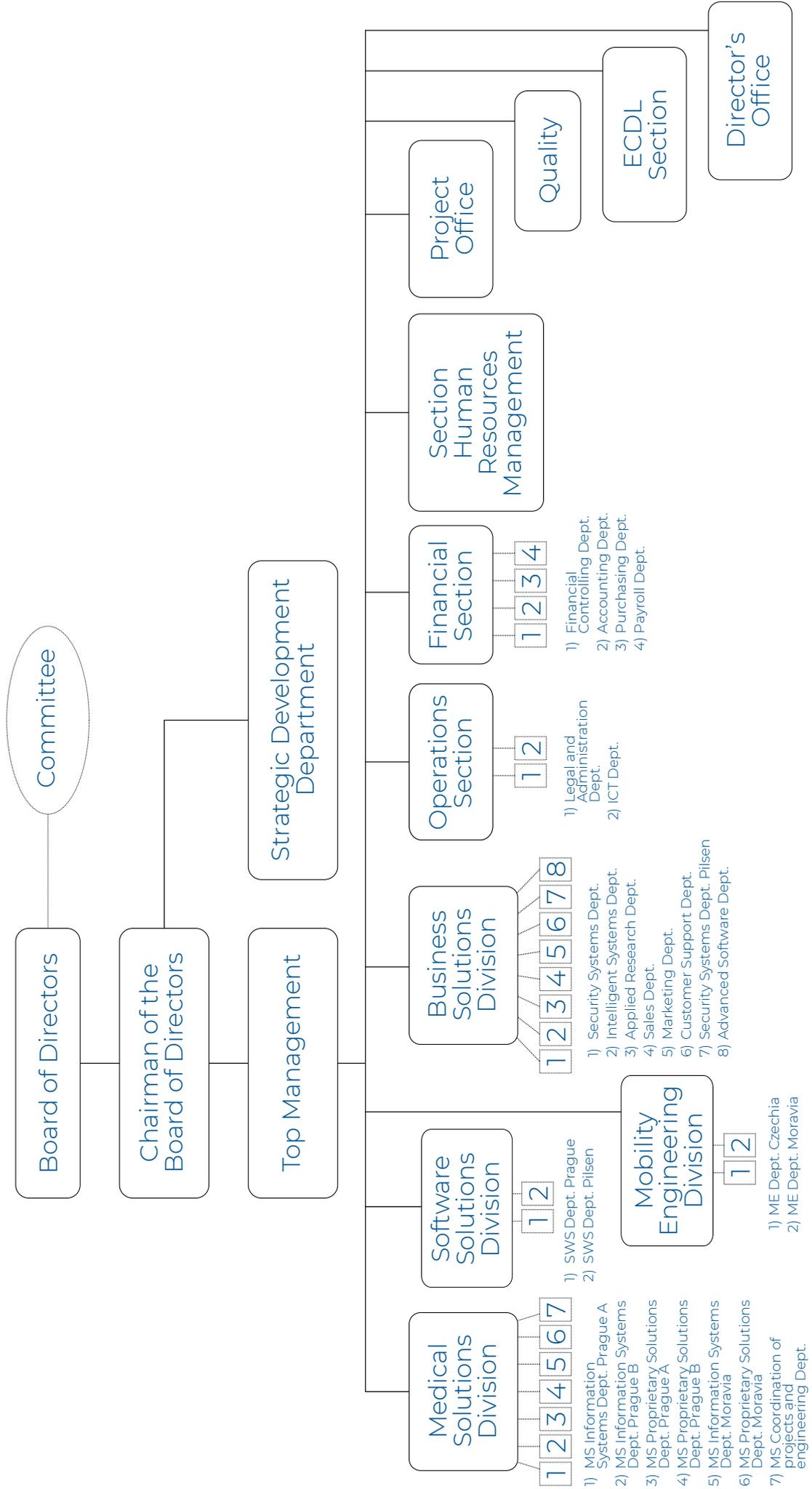
**Organizational structure valid from 1 January 2023 to 28 February 2023 (line structure)**

Change: Creation of new Mobility Engineering Division

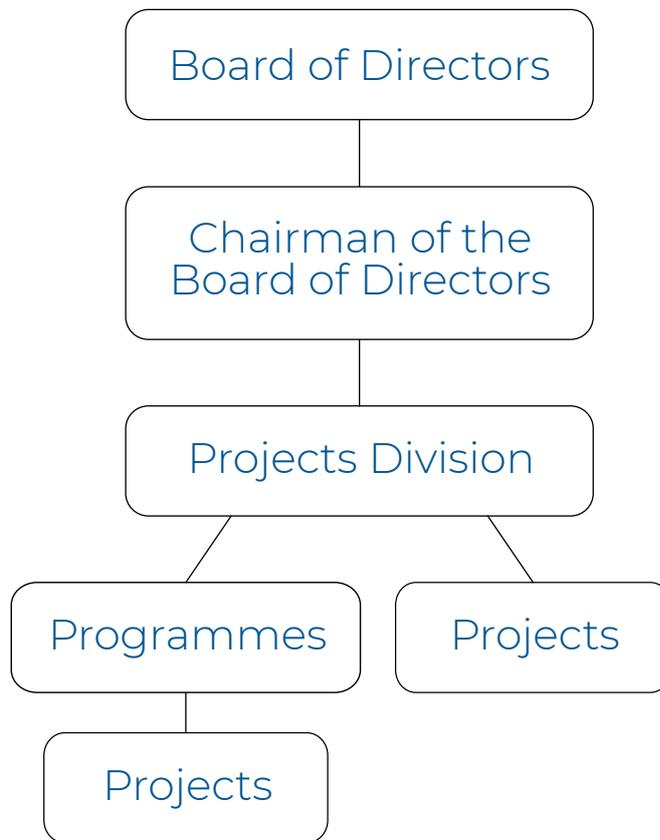


**Organizational structure valid from 1 March 2023 to 31 December 2023 (line structure)**

Change: Creation of Human Resources Section



**Organizational structure valid from 1 January 2023 to 31 December 2023 (project-based structure)**



## **2. Basis of accounting, accounting principles, and valuation and depreciation policies**

- a/ The company's accounting is maintained and the financial statements were prepared in accordance with Act No. 563/1991 Coll., on Accounting, as amended; Decree No. 500/2002 Coll., implementing certain provisions of Act No. 563/1991 Coll. for accounting units that are entrepreneurs keeping accounts in a double-entry bookkeeping system, as amended; and Czech Accounting Standards for Entrepreneurs, as amended.

The accounting respects general accounting principles, in particular the historical-cost convention, the accruals principle, the prudence concept, and the going-concern assumption.

The information in these notes is based on accounting records of the accounting unit and other documents at the disposal of the accounting entity. The notes include only information significant for assessing the financial, property, and income situation of the company from the perspective of external users.

Information in these financial statements is expressed in CZK thousands.

- b/ **Departures** from the policies determined in accordance with § 7 (5) of the Accounting Act were not applied. There occurred no changes to the accounting principles and methods applied.

- c/ **Valuation** of individual assets and liabilities is made using the methods defined in § 25 of the Accounting Act.

- d/ **Tangible fixed assets** are assets with useful lives exceeding 1 year and value greater than CZK 80,000 in each individual case.

Any cost of fixed asset improvements exceeding CZK 80,000 for the taxation period increases the acquisition cost of the related tangible fixed asset.

Purchased tangible fixed assets are stated at acquisition cost.

Tangible fixed assets developed internally are valued at direct costs plus indirect costs directly attributable to the internal production of those assets (production overheads).

- e/ **Intangible fixed assets** are assets with useful lives exceeding 1 year and value greater than CZK 60,000 in respect of start-up costs on an individual basis.

Purchased intangible fixed assets are stated at acquisition cost.

Intangible fixed assets developed internally are valued at direct costs plus indirect costs directly attributable to the internal production of those assets (production overheads).

- f/ **Research and development**

Research and development costs are incurred with the view of obtaining completely new technical knowledge that may lead to future improvement of products or entire processes the economic utilization of which, however, has not yet been established. These costs are recognized in the profit and loss account for the period in which they were incurred.

Development costs incurred represent the transformation of new technical knowledge or methods into new or substantially better-quality products and production processes. These costs are accounted for as expense in the period within which they are incurred.

- g/ Depreciation or amortization of fixed assets for accounting purposes is carried out according to the method established by the depreciation and amortization plan. Straight-line accounting depreciation or amortization is used and is reported on a monthly basis. The depreciation or amortization period is determined according to the useful lives of fixed assets as follows:

Intangible fixed assets:	- software, intangible assets in use	36 months
	- audio-visual work	18 months
Individual movable assets:	- computers, office technology	36 months
	- other devices and equipment, vehicles	60 months
	- technical improvements of real property	72 months

- h/ **Receivables** are stated upon their origination at nominal value, which is subsequently reduced by adjustments.
- i/ **Adjustments** to asset accounts are created if an asset's accounting value is substantially different from its market value. The depreciation of fixed assets for accounting purposes determined in the depreciation and amortization plan reflects the wear and tear on such assets.
- j/ **Merchandise inventories** are accounted for using method B upon the purchase for each specific order. Purchased inventories are valued at acquisition cost.
- k/ **Liabilities** are stated at their nominal values. The company classifies as short-term that portion of long-term liabilities, bank loans, and financial assistance payable in less than 1 year from the balance sheet date.
- l/ **Cash and cash equivalents** are stated at their nominal values.
- m/ **Long-term financial assets** principally consist of loans with maturities exceeding 1 year, equity investments, securities and equity investments available for sale, and debt securities with maturities exceeding 1 year held to maturity.

As at the balance sheet date, equity investments are valued at acquisition cost less adjustments.

- n/ **Revenues** are recognized as at the date when services are rendered or goods received or delivered and accepted by the customer or at the date when title has passed to the customer. They are reported net of discounts and VAT.
- Revenues are recognized on an accrual basis (i.e. in the period to which they relate).
- o/ **Use of estimates** – Preparation of the financial statements requires management to make estimates and assumptions that influence the reported values of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses in the current period. The company's management believes that the estimates and assumptions used will not differ markedly from the actual values in the succeeding accounting periods.
- p/ **Government grants** for offsetting costs are recognized as other operating and financial income over the period necessary to match them with costs relating to the defined purpose. Grants received to acquire intangible and tangible fixed assets and technical improvements and grants towards interest expenses included in the acquisition cost are deducted in reporting their acquisition costs or internal costs.
- q/ **Foreign currency translation** is carried out during the accounting period and as at 31 December using the foreign exchange rate announced by the Czech National Bank as at the specific date.
- r/ **Income tax** for the current period consists of tax payable and change in deferred tax. Tax payable consists of estimated tax calculated from the tax base using the tax rate valid as at the first day of the accounting period and all additional charges and refunds from previous periods.

The company creates an income tax liability in light of the fact that the time of compiling the financial statements is similar to that of establishing the amount of the tax obligation. The company therefore does not create income tax provisions.

On the balance sheet, the income tax liability is decreased by income tax advances paid and is recognized in the line item "Taxes and subsidies due to state". In case of an outstanding amount receivable, that is recorded in the line item "Tax receivables due from state".

Deferred tax arises from all temporary differences between accounting and tax values of assets and liabilities or other temporary differences (tax loss) using the tax rate expected to be valid for the period in which the tax liability or receivable will be applied.

A deferred tax asset is recorded only in cases when it is probable that it will be applied in subsequent accounting periods.

**s/ Provisions**

Provisions for unused vacation are created as at the balance sheet date based on an analysis of unused vacation for the given accounting period and average wage expenses inclusive of costs for social security and health insurance according to individual employees.

Provisions for bonuses inclusive of costs for social security and health insurance are created based on internal rules.

**t/ Leased assets**

The company recognizes leased assets by including lease payments into expenses on a straight-line basis over the term of the lease.

**u/ Cash flow statement** – The statement was prepared using the indirect method. Cash equivalents consist of current liquid assets that can easily and readily be converted into an amount of cash that is known in advance.

Cash and cash equivalents can be broken out as follows:

(in CZK thousands)

	31 Dec 2023	31 Dec 2022
Cash on hand and cash in transit	318	479
Bank accounts	43,004	48,347
Current account debit balance included in current bank loans	0	0
Cash equivalents included in current financial assets	0	0
<b>Total cash and cash equivalents</b>	<b>43,322</b>	<b>48,826</b>

**v/ Consolidation** – In accordance with the provisions of § 22aa of Act No. 563/1991 Coll., on Accounting, the financial statements of the company and all its consolidated accounting units are included into the consolidated financial statements of the company SynergyCon a.s., having its seat at Václavské náměstí 808/66 Prague 1 – Nové Město, Czech Republic. Its consolidated financial statements will be published in accordance with § 22aa (2c) and § 21a of Act No. 563/1991 Coll., on Accounting.

**3. Equity investments or contract-based ownership interests in other companies**

At 17 December 2009, the company purchased 50 bearer shares each with nominal value of CZK 10,000 of ProTyS, a.s., Company ID No. 63077795, for CZK 5,000,000, which constituted a 20% ownership interest. At 22 December 2014, a contract on transfer of the shares of ProTyS a.s. was concluded, and, on its basis, 25 shares were sold and the company's ownership interest in ProTyS a.s. decreased.

At 14 June 2023, a contract on transfer of shares in the form of security certificates was concluded by means of which 25 ordinary shares were sold and thereby the ownership interest in ProTyS, a.s. was sold. The total nominal value of the ownership interest as at 31 December 2023 is CZK 0 (31 December 2022: CZK 2,500,000).

At 15 June 2012, the company purchased 210 registered shares in certificate form in the nominal value of CZK 100,000 of HydroCon a.s., Company ID No. 24808202, which constitute a 70% ownership interest.

At 26 September 2023, a contract on transfer of book-entry securities (shares) was concluded and the entire ownership interest in HydroCon a.s. was sold. The total nominal value of the ownership interest as at 31 December 2023 is CZK 0 (31 December 2022: CZK 23,127,000).

At 14 January 2020, a contract on transferring a partial ownership interest of Datis s.r.o. was concluded. Transferred to CertiCon a.s. was a 10% interest in Datis s.r.o., the accounting value of which is CZK 200,000. Total value of the ownership interest as at 31 December 2023 is CZK 200,000 (31 December 2022: CZK 200,000).

At 16 February 2022, a memorandum of association establishing CCVis s.r.o., and with CertiCon a.s. having 100% ownership, was signed by notarial deed. Entry into the Commercial Register was made on 8 March 2022. The registered capital of CCVis s.r.o. totals CZK 100,000. During 2022, agreements on providing additional paid-in capital were concluded and the value of the ownership interest was increased by these additions in the amount of CZK 4,000,000. At 31 January 2023, an agreement to provide an in-kind addition to paid-in capital was concluded and the ownership share in CCVis s.r.o. was increased by the amount of CZK 10,096,000. The total value of the ownership interest as at 31 December 2023 is CZK 14,196,000 (31 December 2022: CZK 4,100,000).

As at 15 March 2022, the new company CertiCon SK s.r.o. was entered into the Commercial Register of the District Court of Žilina, with CertiCon a.s. having an ownership interest of 70%. At 13 November 2023, an extraordinary general meeting took place and the ownership interest in CertiCon SK s.r.o. was increased by EUR 182,000. The total value of the ownership interest at 31 December 2023 is EUR 185,500 (31 December 2022: EUR 3,500). As expressed in Czech crowns, it is CZK 4,586,000 as at 31 December 2023 (31 December 2022: CZK 84,000).

Company	Registered office	Equity investment at net book value	Ownership percentage at 31 Dec 2023	Shareholders' equity at 31 Dec 2023	Profit/loss for 2023
Datis s.r.o.	Chvalova 1577/12, 130 00 Prague 3	CZK 200,000	10%	CZK 3,348,000	CZK 69,000
CCVis s.r.o.	Evropská 2758/11, 160 00 Prague 6	CZK 14,196,000	100%	CZK -22,489,000	CZK -34,590,000
CertiCon SK s.r.o.	Poštová ulica 1, 010 08 Žilina	CZK 4,586,000	70%	EUR 16,000	EUR -119,000

Company	Registered office	Equity investment at net book value	Ownership percentage at 31 Dec 2022	Shareholders' equity at 31 Dec 2022	Profit/loss for 2022
HydroCon a.s.	Evropská 2758/11, 160 00 Prague 6	CZK 23,127,000	70%	CZK 21,240,000	CZK -815,000
ProTyS, a.s.	Evropská 2758/11, 160 00 Prague 6	CZK 2,500,000	10%	CZK 28,093,000	CZK 6,782,000
Health Helm Inc.	51 Melcher Street, Boston, MA 02210	CZK 0	0%	USD 0	USD 0
Datis s.r.o.	Chvalova 1577/12, 130 00 Prague 3	CZK 200,000	10%	CZK 3,279,000	CZK 122,000

CCVis s.r.o.	Evropská 2758/11, 160 00 Praha 6	CZK 4,100,000	100%	CZK 2,005,000	CZK -2,095,000
CertiCon SK s.r.o.	Poštová ulica 1, 010 08 Žilina	CZK 84,000	70%	EUR -126,000	EUR -131,000

#### 4. Fixed assets

##### Intangible fixed assets (IFA)

###### Acquisition cost

(in CZK thousands)

	Starting balance	Additions	Disposals	Transfers	Ending balance
Intangible results of R&D	106,316	11,089	83,770	25,466	59,081
Software	6,422	41	0	308	6,771
Valuable rights	90	0	0	0	90
Other IFA	5,450	0	0	0	5,450
Advances provided and IFA under construction	31,740	680	0	-25,754	6,666
<b>Total 2023</b>	<b>150,018</b>	<b>11,810</b>	<b>83,770</b>	<b>0</b>	<b>78,058</b>
<b>Total 2022</b>	<b>135,687</b>	<b>18,388</b>	<b>4,057</b>	<b>0</b>	<b>150,018</b>

###### Adjustments and amortization

(in CZK thousands)

	Starting balance	Additions	Disposals	Transfers	Ending balance	Adjustments	Book value
Intangible results of R&D	88,882	8,566	73,673	0	23,775	0	35,306
Software	5,199	740	0	0	5,939	0	832
Valuable rights	90	0	0	0	90	0	0
Other IFA	5,450	0	0	0	5,450	0	0
Advances provided and IFA under construction	0	0	0	0	0	5,236	1,430
<b>Total 2023</b>	<b>99,621</b>	<b>9,306</b>	<b>73,673</b>	<b>0</b>	<b>35,254</b>	<b>5,236</b>	<b>37,569</b>
<b>Total 2022</b>	<b>83,439</b>	<b>20,239</b>	<b>4,057</b>	<b>0</b>	<b>99,621</b>	<b>5,236</b>	<b>45,161</b>

Intangible fixed assets comprise software, copyrights (logo), audio-visual work, and results of research and development. Additions to intangible fixed assets and classifications for their use in 2023 were:

- SW licences for CZK 349,000,
- proprietary products EPIQA, Q-Rune, and the internal ERP information system in the amount of CZK 36,535,000

## Tangible fixed assets (TFA)

### Acquisition cost

(in CZK thousands)

	Starting balance	Additions	Disposals	Transfers	Ending balance
Buildings	17,677	84	0	0	17,761
Tangible movables and sets of tangible movables	78,733	244	2,076	0	76,901
<b>Total 2023</b>	<b>96,410</b>	<b>328</b>	<b>2,076</b>	<b>0</b>	<b>94,662</b>
<b>Total 2022</b>	<b>96,585</b>	<b>1,322</b>	<b>1,497</b>	<b>0</b>	<b>96,410</b>

### Adjustments and depreciation

(in CZK thousands)

	Starting balance	Additions	Disposals	Transfers	Ending balance	Adjustments	Book value
Buildings	9,409	2,452	0	0	11,860	0	5,900
Tangible movables and sets of tangible movables	66,274	6,161	2,076	0	70,359	0	6,542
<b>Total 2023</b>	<b>75,683</b>	<b>8,613</b>	<b>2,076</b>	<b>0</b>	<b>82,219</b>	<b>0</b>	<b>12,442</b>
<b>Total 2022</b>	<b>66,961</b>	<b>10,219</b>	<b>1,497</b>	<b>0</b>	<b>75,683</b>	<b>0</b>	<b>20,727</b>

Tangible fixed assets comprise IT equipment, devices, vehicles, office furniture (furnishing of office spaces), and technical improvements to leased real property.

Additions to tangible fixed assets in 2023 were:

- IT hardware with acquisition cost of CZK 244,000,
- technical improvement of leased property with acquisition cost of CZK 84,000.

A physical inventory-taking as at 31 December 2023 was made at all workplaces and no differences were found between the physical situation and the accounting records.

### **Assets under pledge or encumbered by lien**

Except for the collateral stated in Notes 7 and 8, no assets of the company were encumbered by lien or subject to easement.

### **Assets maintained off-balance sheet**

In 2023, transactions related to import of components from the US company Medtronic were recorded to off-balance sheet accounts.

These were components and devices necessary to software development for Medtronic. The company did not become their owners and did not pay for them. In accordance with the contract on cooperation, if the owner, Medtronic, requests that these components be returned, CertiCon a.s. is obliged to return or to destroy them.

The balance of the off-balance sheet account "Assets held for safekeeping" was CZK 11,210,000 as at 31 December 2023 (CZK 10,049,000 as at 31 December 2022).

### **Third-party assets maintained on the balance sheet**

The company holds no third-party assets.

## **Leased assets and assets under lease**

The company leases out moveable assets – computing and small office technology. Revenues for 2023 were CZK 1,233,000 (CZK 182,000 in 2022).

The company had no assets during 2023 or 2022 that had been acquired by financial leasing.

The company concluded an operating lease contract during 2019 with the lessor UniCredit Fleet Management, s.r.o. The subject of the lease was a Mazda passenger car, for duration of 48 months, with lease beginning 2 July 2019. The monthly lease payment exclusive of VAT is CZK 11,000. The contract ended in 2023.

The company concluded a framework agreement on motor vehicles lease in 2020 with the lessor ARVAL CZ s.r.o. The subject of lease was long-term lease of motor vehicles for indefinite period. As at 31 December 2023, the company had leased 10 vehicles based on this agreement. Monthly lease payment for all vehicles was CZK 132,000 exclusive of VAT.

As at 31 December 2022, the company had leased 6 vehicles based on this agreement. Monthly lease payment for all vehicles was CZK 78,000 exclusive of VAT.

Total annual costs related to vehicles lease were CZK 1,443,000 in 2023 (CZK 989,000 in 2022).

The company leases office space for all its branches for defined time periods (expiration of individual contracts ranges between 2025 and 2027). Total annual expenses for these leases were CZK 67,893,000 in 2023 (CZK 62,138,000 in 2022).

The company leases IT technology and office equipment. Total annual costs for these were CZK 15,672,000 in 2023 (CZK 9,849,000 in 2022).

## **5. Trade receivables and trade payables**

Short-term trade receivables not past due as at 31 December 2023 total CZK 189,884,000 (CZK 142,172,000 as at 31 December 2022) and receivables past due total CZK 3,416,000 (CZK 2,569,000 as at 31 December 2022). The company did not create any new adjustment in 2023 (CZK 120,000 as at 31 December 2022).

The company recorded short-term trade payables past due in the amount of CZK 373,000 as at 31 December 2023 (CZK 1,471,000 as at 31 December 2022). These were fully paid in 2024 (or 2023).

The company records no long-term accounts receivable or payable with payment due dates longer than 5 years.

## **6. Long-term advances made**

Long-term advances as at 31 December 2023 consist mainly of lease deposits, CCS card guarantees, or parking cards in the amount of CZK 163,000 (CZK 3,493,000 as at 31 December 2022).

Lease contracts are backed by bank guarantees, and there occurred no change in their amounts during 2023. A term deposit in the amount of 10% of the value of the bank guarantee totals CZK 1,562,000 (CZK 1,562,000 as at 31 December 2022).

## **7. Off-balance sheet commitments**

As stated in Note 4, transactions related to import of components from the US company Medtronic were recorded to off-balance sheet accounts during 2023. The balance of the off-balance sheet account “Commitment for assets held for safekeeping” totals CZK 11,210,000 as at 31 December 2023 (CZK 10,049,000 as at 31 December 2022).

## **8. Bank loans**

At 26 July 2016, the company concluded a loan contract with UniCredit Bank Czech Republic and Slovakia, a.s. for an authorized overdraft in an amount up to CZK 35,000,000. As a result of extending Medtronic's invoice payable dates from 30 to 90 days, the credit facility was increased at 23 April 2021 from CZK 35,000,000 to CZK 70,000,000. At 1 February 2023, an amendment to the loan agreement was concluded and the credit facility was reduced from CZK 70,000,000 to CZK 35,000,000. Furthermore, a new amendment was concluded on 28 July 2023, increasing the credit facility to CZK 50,000,000. The company drew upon the credit facility in 2023, specifically in the amount of CZK 35,005,000. As at 31 December 2023, CZK 0 was drawn (CZK 0 as at 31 December 2022).

To secure this credit, the company concluded a contract on security assignment of receivables with UniCredit Bank Czech Republic and Slovakia, a.s. on 26 July 2016. On the basis of this contract, the company assigns to the bank all its existing and future receivables from all sub-debtors in an amount up to CZK 35,000,000, or CZK 50,000,000 respectively, plus appurtenances ensuing from the loan contract.

## **9. Accrued Income**

Accrued income comprises primarily programming work not yet invoiced.

## **10. Deferred expenses**

Deferred expenses include mainly invoiced services, especially services related to lease of office spaces at Evropská 11, insurance, and SW licences related to future reporting periods.

## **11. Other provisions**

In the 2023 accounting period, a provision was created for payment of bonuses for 2023 to be made in 2024 in the amount of CZK 14,367,000 and a provision for payment of bonuses in the amount of CZK 8,701,000 from 2022 was utilized in part. In 2023, CZK 7,618,000 was utilized and the remaining CZK 1,201,000 from 2022 and 2021 will be dissolved in 2024.

An important part of other provisions is also provision for outstanding vacation, which as at 31 December 2023 comes to CZK 3,016,000 (CZK 2,811,000 as at 31 December 2022).

## **12. Income tax**

### **Income tax payable**

Income tax payable for 2023 paid in the Czech Republic totals CZK 4,746,000 (CZK 929,000 as at 31 December 2022).

Income tax payable for 2023 paid in Austria totals CZK 344,000 (CZK 535,000 as at 31 December 2022).

Income tax payable for 2023 paid in Slovakia totals CZK 17,000 (CZK 0 as at 31 December 2022).

In 2023, income tax liability totalling CZK 5,106,000 was decreased by income tax advances paid totalling CZK 1,465,000 and the amount payable of CZK 3,641,000 was recognized in the line item "Tax and subsidies due to state".

In 2022, income tax liability totalling CZK 1,464,000 was decreased by income tax advances paid totalling CZK 1,474,000 and the amount receivable of CZK 10,000 was recognized in the line item "Tax receivables due from state".

## Deferred taxation

A deferred tax asset in the amount of CZK 4,754,000 (CZK 2,293,000 as at 31 December 2022) arises from a difference between the accounting and tax net book values of fixed assets of CZK 4,055,000 (CZK 317,000 as at 31 December 2022), provisions for management bonuses and for undrawn vacation totalling CZK 18,584,000 (CZK 11,630,000 as at 31 December 2022).

In compliance with accounting methods stated in Note 2r/, the deferred taxation amount was calculated using a tax rate of 21% (19% for 2022).

## 13. Employees, personnel expenses, cash and non-cash benefits provided

	Total	
	Current period	Previous period
Average recalculated number of employees	350	360
<i>of which average recalculated number of managers</i>	12	11
Total personnel expenses, including insurance and social expenses	469,549	466,039

Gross remuneration to board members exclusive of health and social insurance was CZK 14,237,000 in 2023 (CZK 14,411,000 in 2022).

Seven members of the executive management use company cars also for private purposes. Therefore, 1% of the vehicles' initial costs is charged monthly to their salaries.

No loans or other remuneration in kind were provided to members of the company's Board of Directors, the Supervisory Board, or the managing bodies.

In accordance with internal regulations, the company contributes regularly to supplementary pension savings and loans for housing purposes for its employees. In 2023, 7 new loans were provided (18 in 2022) in the total amount of CZK 1,400,000 (CZK 3,260,000 in 2022). Repayment of existing loans is being made in accordance with the repayment schedules. A total of CZK 2,487,000 was repaid in 2023 (CZK 2,460,000 in 2022).

## 14. Information on costs for fees to the audit company

The costs for KPMG's auditing of the 2023 financial statements were CZK 627,000, inclusive of a preliminary audit for 2023 (CZK 570,000 for 2022).

## 15. Equity

Changes in equity are described in the "Statement of changes in equity" within the financial statements.

The share capital of CZK 10,000,000 comprises 100 shares in the value of CZK 100,000 per share. The share capital has been fully paid up. The company has established a reserve fund from its profits. The reserve fund has been fully paid in and totals 20% of the company's share capital.

The company decided on paying out dividends as described in Note 18.

On the basis of the company's Articles of Association and a resolution of the General Meeting from 29 June 2001, the company established a social motivation fund from its net profits used in providing for the social, cultural, educational, sports, and health needs of its employees in the extent defined by the rules for the use of and drawing from the social motivation fund. The fund was not added to during 2023, and its value as at the date of a Decision of the Sole Shareholder had not fallen below CZK 3,000,000. In 2022, the fund was replenished in the amount of CZK 531,000.

No decision about the distribution of net profit for 2023 had yet been made as at the date of preparing the financial statements.

## **16. Sales of products and services**

Sales of the company's own products and services grew by CZK 33,691,000 as compared to 2022.

Activity	Current period			Previous period		
	Total	Domestic	Foreign	Total	Domestic	Foreign
Sales of own products	20	20	0	0	0	0
Merchandise sales	3,409	3,409	0	143	143	0
Sales of services	795,601	251,814	543,787	761,930	195,065	566,865
Other income	45,081	45,081	0	22,068	22,068	0

## **17. Services costs**

Services costs during 2023 consisted primarily of travel expenses in the amount of CZK 4,699,000 (CZK 4,992,000 in 2022); leases of CZK 85,008,000 (CZK 72,976,000 in 2022); building cleaning, security, and maintenance of CZK 3,956,000 (CZK 3,269,000 in 2022); other services of CZK 23,726,000 (30,558,000 in 2022); IT services and other overheads related to projects of CZK 98,990,000 (CZK 78,541,000 in 2022); internet, telephones, and postal fees of CZK 5,005,000 (CZK 4,570,000 in 2022); as well as marketing and recruitment of employees of CZK 4,718,000 (CZK 5,039,000 in 2022).

## **18. Transactions with related parties**

In the 2023 accounting period, the following accounting operations were recorded between the majority shareholder SynergyCon a.s. and CertiCon a.s.: Based on profit generated in the previous year, the parent company decided in 2023 on paying out a dividend in the total amount of CZK 74,000,000 (50,000,000 in 2022). As at 31 December 2023, the company is recording a payable in the amount of CZK 62,247,000 reflecting an unpaid share in the company's profit (CZK 40,000,000 as at 31 December 2022).

During the 2023 accounting period, consulting services were invoiced to the related company ProTyS in the total amount of CZK 31,000 exclusive of VAT (CZK 51,000 exclusive of VAT in 2022). In 2023, the company recognized revenues from services rendered to ProTyS totalling CZK 475,000 (CZK 819,000 in 2022). No dividend was received in 2023 (CZK 125,000 in 2022).

As at 31 December 2023, the company records liabilities to ProTyS totalling CZK 0 (CZK 36,000 as at 31 December 2022).

The company records no amounts receivable from or payable to the related company HydroCon a.s. as at 31 December 2023. During 2023, the company recorded revenues for services rendered to HydroCon a.s. in the amount of CZK 177,000 (CZK 199,000 in 2022).

During the 2023 accounting period, software services were invoiced to the related company Datis s.r.o. in the total amount of CZK 0 exclusive of VAT (CZK 65,000 exclusive of VAT in 2022). During 2023, the company recorded revenues for services rendered to Datis s.r.o. in the amount of CZK 192,000 (CZK 165,000 in 2022).

The company records no payables to the related company Datis s.r.o. as at 31 December 2023 (CZK 0 as at 31 December 2022). As at 31 December 2023, the company records receivables from the related company Datis s.r.o. in the amount of CZK 1,000 (CZK 66,000 as at 31 December 2022).

During the 2023 accounting period, software services were invoiced to the related company CCVis s.r.o. in the total amount of CZK 2,433,000 exclusive of VAT (CZK 9,350,000 exclusive of VAT in 2022). During 2023, the company recorded revenues for services rendered to CCVis s.r.o. in the amount of CZK 9,102,000 (CZK 963,000 in 2022).

The company records payables to the related company CCVis s.r.o. totalling CZK 0 as at 31 December 2023 (CZK 3,879,000 as at 31 December 2022). As at 31 December 2023, the company records receivables from the related company CCVis s.r.o. in the amount of CZK 30,785,000 (CZK 100,000 as at 31 December 2022). The amount receivable includes a loan provided in the amount of CZK 28,800,000.

During the 2023 accounting period, software services were invoiced to the related company CertiCon SK s.r.o. in the total amount of CZK 16,389,000 (CZK 798,000 in 2022). During 2023, the company recorded revenues for services rendered to CertiCon SK s.r.o. in the amount of CZK 942,000 (CZK 289,000 in 2022).

The company records payables to the related company CertiCon SK s.r.o. totalling CZK 1,808,000 as at 31 December 2023 (CZK 796,000 as at 31 December 2022). As at 31 December 2023, the company records receivables from the related company CertiCon SK s.r.o. in the amount of CZK 4,233,000 (CZK 6,655,000 as at 31 December 2022). The amount receivable includes a loan in the amount of CZK 3,907,000, of which CZK 2,167,000 due within 1 year from the date of compiling the financial statements is recognized as a short-term receivable from a controlled entity.

In 2023, the related company CIT-Con s.r.o. invoiced sub-deliveries totalling CZK 66,374,000 (CZK 54,929,000 in 2022). Conversely, we recorded revenues in the amount of CZK 6,632,000 (CZK 4,419,000 in 2022) for IT services. As at 31 December 2023, amounts payable totalled CZK 19,996,000 (CZK 17,002,000 as at 31 December 2022) and receivables totalled CZK 1,288,000 (CZK 822,000 as at 31 December 2022).

No transactions (direct or indirect) were entered into between the reporting entity and the members of its managing and supervisory bodies.

As at 31 December 2023, the company had no pension liabilities to former members of managing, supervisory, or administrative bodies.

## **19. Cash flow statement**

The cash flow statement is a separate annex to the financial statements.

## **20. Research and development costs**

Research and development costs totalled CZK 86,328,000 (CZK 91,691,000 in 2022).

## **21. Significant post-balance sheet events**

Two major decisions were made after the balance sheet date to dispose of shares (ownership interests) in subsidiaries:

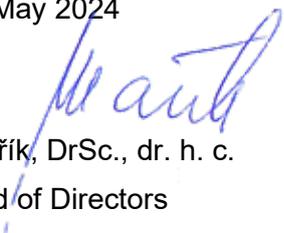
1. A decision to sell 100% of the ownership interest in CCVis s.r.o. to the parent company SynergyCon a.s.
2. A decision to buy back 10% of the owners' equity in Datis s.r.o.

Ten percent of the owners' equity in Datis, s.r.o. will be sold on the basis of a contract for transfer of an ownership interest from 28 May 2024 at a price of CZK 300,000.

A contract for transfer of the ownership interest in CCVis, s.r.o. (100%) to the parent company SynergyCon, a.s. for the price of CZK 57,500,000 has been prepared for signing. Payment will be effected as a credit for unpaid dividends.

As at the date of compiling the financial statements, the company's management is aware of no other significant subsequent events that would affect the financial statements as at 31 December 2023.

Compilation date: 14 May 2024



Prof. Ing. Vladimír Mařík, DrSc., dr. h. c.  
Chairman of the Board of Directors



Ing. Karel Kraus, MBA  
Vice-Chairman of the Board of Directors

## **Independent Auditor's Report to the Shareholder of CertiCon a.s.**

### **Opinion**

We have audited the accompanying financial statements of CertiCon a.s. (hereinafter also the "Company") prepared on the basis of accounting regulations applicable in the Czech Republic, which comprise the balance sheet as at 31 December 2023, and the profit and loss account, statement of changes in equity and cash flow statement for the year ended on 31 December 2023, and notes to the financial statements, including material information about the accounting policies used. Data about the Company are stated in Note 1 to these financial statements.

In our opinion, the accompanying financial statements give a true and fair view of the assets, liabilities and owner's equity of the Company as at 31 December 2023, and of its costs and revenues and net income and cash flows for the year ended on 31 December 2023 in accordance with accounting regulations applicable in the Czech Republic.

### **Basis for Opinion**

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

### **Other Information**

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. The Company's 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, however, it is our responsibility to read the other information and, in doing so, consider whether the other information is materially consistent with the financial statements and 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 law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgements 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 the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

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

### **Responsibilities of the Company's Statutory Body and Company's Supervisory Board for the Financial Statements**

The statutory body of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with accounting regulations applicable in the Czech Republic 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 of the Company is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the statutory body intends either to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

### **Auditor's 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 it is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

expressing an opinion on the effectiveness of the Company's system of 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. Nevertheless, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with persons entrusted with administration and management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in the internal control system that we identify during our audit.

#### **Statutory Auditor Responsible for Audit**

Ing. Karel Charvát is the statutory auditor responsible for audit of the financial statements of CertiCon a.s. as at 31 December 2023 based on which this independent auditor's report was prepared.

In Prague on 10 June 2024

Audit firm:  
KPMG Česká republika Audit s.r.o.  
Registration no. 71

Statutory auditor:  
Ing. Karel Charvát  
Partner  
Registration no. 2032



[www.certicon.cz](http://www.certicon.cz)