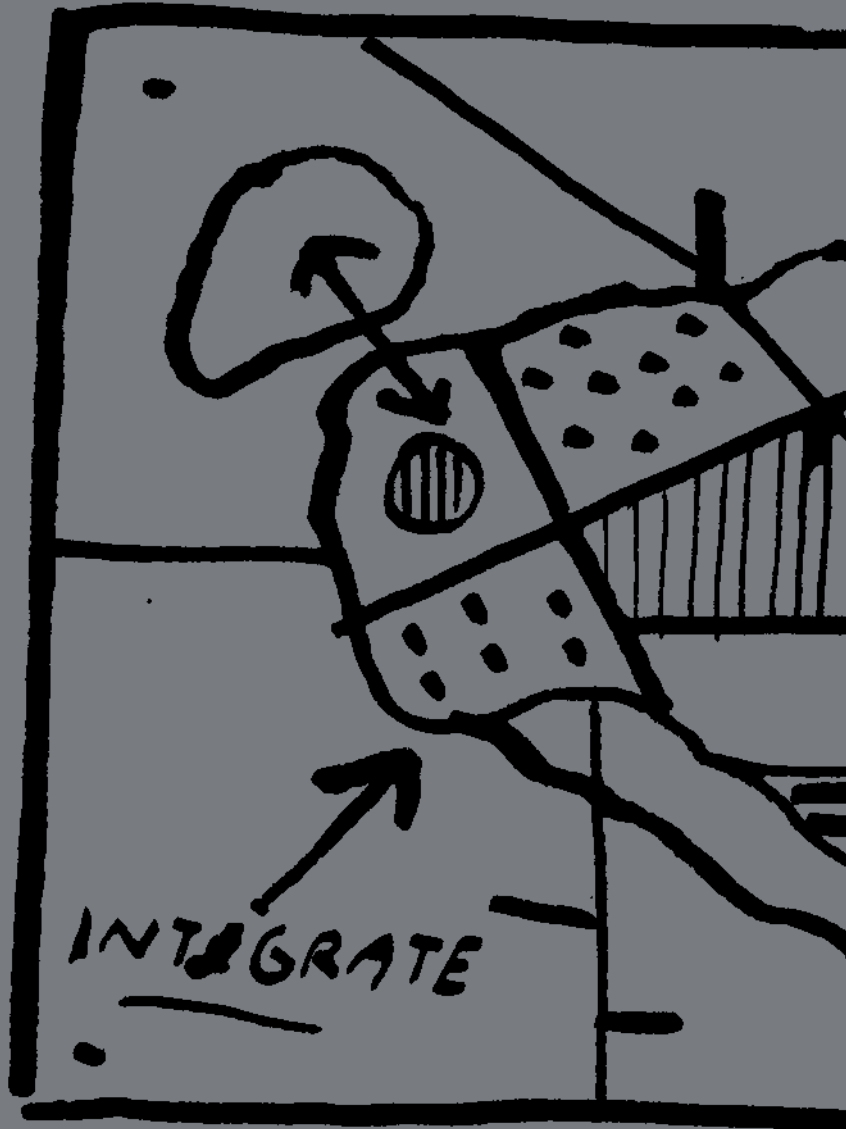


Logport



Annual Report 2023

Logport Annual Report 2023

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Logport's mission is to create and improve critical urban infrastructure by building commercial zones in carefully selected locations that integrate warehouse and manufacturing areas with office and retail spaces into the urban environment.

Our aim is to become a good neighbor and partner for the municipalities, local communities, and residents of our parks. To accomplish this, we enhance transportation networks, utilize alternative energy sources to positively impact the environment, and create spaces for quality jobs. With every project, we are committed to developing civic amenities and public spaces for local residents and improving the overall quality of life in the area.

Letter from the CEO



Logport's journey began in 2018. Fueled by high ambitions and motivations, I set out without a concrete plan. Rather than immediately entering the business world, I dedicated my time to detailed planning, gaining experience, and waiting for the right opportunity.

The year 2020 marked a turning point due to the crisis in the real estate market. The turmoil in the industry created the perfect opportunity for us. Logport sprang to life, and our plan to enter the industrial market focusing on urban logistics began to take shape.

Our first strategic move was to secure funding by selling a 49% share in Logport. Alongside Adam, we began searching for suitable plots of land. Without the funds to buy them outright, we focused on convincing owners that we were the ideal partners for their development. This led to our first project in Uhřetěves, where we crafted the concepts of LogSpace and LogBox buildings – two unique types of halls designed for urban logistics.

The year 2021 was pivotal for Logport. We entered a joint venture with the landowner in Jinočany and laid the groundwork for the Logport Prague West project. This project

would later become our flagship and a benchmark for industrial zone development.

By 2022, the construction market faced supply chain disruptions and rising costs. Recognizing the need for a reliable partner to develop our projects, we established Logport Construct as our own general contractor for all our developments.

Our team began to expand as we welcomed Hanka Lhotská and Josef Lhotský full-time. Invesco Real Estate joined the Logport Prague West project, and by the end of the year, just before Christmas, we started construction. In 2023, we welcomed our first tenants.

In 2023 we also regained full control of our company by buying back the 49% share. We acquired five new plots of land, including Logport Poldi Kladno. And we proudly became the first developer to start the revitalization of one of the largest and most well-known brownfields in the Czech Republic, in Kladno.

Fast forward to 2024. We may not be the largest developer, but our ambitions are still the highest. We have the best team, fully capable of meeting these ambitions. Our journey continues.

I want to extend a heartfelt thank you to our municipalities, tenants, local communities, the entire Logport team, and our partners. Your trust and collaboration have been the bedrock of our success.

With gratitude,

Dávid Vais
CEO, Logport

I Overview

In this chapter, we delve into the notable milestones and significant numbers defining the success of Logport and introduce the dedicated individuals driving our vision forward, from humble beginnings to present accomplishments.

The value of completed and planned projects is €200 million.

Company

history

10

11

and milestones

2018

Logport Development s.r.o. established by Dávid Vais.

2020

EBM Partner acquires a 49% stake in Logport Development s.r.o. This represents a strategic investment intended to cover Logport's operations.

Logport Development initiates the establishment of Logport Uhříněves s.r.o., a purpose-driven company.

Logport oversees its first project, building 23,000 sqm of space.

2021

Logport Jinočany s.r.o. established, a crucial entity for the realization of the Logport Prague West project.

45,000 sqm of built-up space.

2022

Logport acquires land in Poldi Kladno, marking its first project on a brownfield site.

Logport signs its very first lease agreement with Logport Prague West's future tenant, Snowboardel.

Logport establishes Logport Construct as its in-house general contractor for construction projects.

LGP Holding a.s. is formed, serving as the umbrella organization for all Logport entities and subsidiaries.

Invesco Real Estate enters the Logport Prague West project.

2023

The first column is erected for Logport within the Logport Prague West project.

Logport acquires additional land to expand Logport Prague West, totaling 8,000 sqm of built-up area.

Logport acquires land for further expansion of the Logport Prague West project, amounting to 12,000 sqm of built-up area.

Dávid Vais repurchases the 49% stake in Logport from EBM Partner, thereby regaining 100% ownership of all companies within the Logport holding.

Construction begins for Logport Poldi Kladno on the Poldi Kladno brownfield, marking Logport as the first developer to start transforming one of the largest brownfield sites in the Czech Republic.

The first tenant moves to Logport Prague West and begins operations.

Logport purchases an existing hall in Kladno, intending to renovate and complete its construction.

By

numbers

12

Employees

€200 million

Value of completed
and planned projects

400

Planted trees

45,000 sqm

Planned construction

4 years

In business

700 MW/year

Electricity generated from
solar panels

55,000 sqm

Under construction

20

Tenants

5

Locations

100%

BREEAM certified

0%

Loan-to-value

48.4%

Compound Annual
Growth Rate
(CAGR)

14

15

Our

team

16



Dávid Vais
Chief Executive Officer

Dávid founded Logport in 2018 with the idea of revitalizing old and unused city areas by constructing modern commercial zones and supporting the development of key urban infrastructure. His goal is to build a network of multifunctional zones across Europe, connecting industrial and retail spaces and focusing on city logistics. All this is done utilizing the latest building technologies and taking the use of alternative energy sources into account.

17

Jiří Kašek
Chief Financial Officer

Jiří oversees the economic side of projects in preparation and construction. His primary goal is to create a sufficiently diversified and stable financing structure for the implementation of all projects. He bases his decisions on his extensive experience from previous positions in the Czech Republic and abroad, where he has dealt with the financing of real estate projects, preparing financial debt transactions on the capital markets, risk management, and investor relations.



Adam Kudrlička
Development Manager

Adam is in charge of the initial phase of the development process, which includes the initial project analysis, technical and legal due diligence, property relations, purchase agreements, technical preparation of the project, and its negotiation with authorities, neighbors, and network administrators. Once the building permit is granted, he continues to be active in the project until it receives the occupancy permit.

Hana Lhotská
Purchasing Director

Hana is responsible for all tenders and purchases for the parent company and individual development projects. She also manages all operating and construction costs, economic calculations, and project and acquisition control. Hana has been specializing in the construction market for 15 years and is an absolute leader in purchasing. Thanks to her long experience in top management positions, she has a perfect overview of the current trends in the Central European construction industry.



Josef Lhotský
Construction Director

Josef has been Logport's Construction Director since 2021 and is responsible for the preparation and coordination of the permitting and design of individual buildings, overall project execution, deadline control, budgeting, and completion. He also handles all tenant change requests.

Marek Koczúr
Senior Project Manager

Marek's task is to ensure the complete implementation of projects in terms of technical construction and organizational aspects, with an emphasis on adhering to the high standards of their specifications and established schedules until successful delivery to individual end clients.



Eduard Tibitzl
Specialist in HVAC

Eduard is responsible for the complete scope of internal installations, including heating, water, sewage, gas, air conditioning, cooling, and electrical installations including metering and control. He also shares responsibility with colleagues for external infrastructure, focusing primarily on pipeline networks and distribution of all engineering systems.

Marek Volf
Project Manager

Marek oversees construction activities, communicates daily with subcontractors and prospective tenants, manages their requirements and deliveries, coordinates suppliers on-site during inspections, and resolves any discrepancies between the project plans and ongoing construction.



Eva Honsová
Economist

Eva is responsible for all invoicing and maintaining relevant records. In addition to finances, she also handles administrative tasks related to personnel matters and payroll processing.

Petra Herzallah
Office Manager

Petra provides administrative support to the construction team and ensures smooth office operations.



II Our approach

This chapter details our comprehensive approach to real estate development, from start to finish. At Logport, we're hands-on, carefully selecting locations and managing projects throughout, ensuring consistent quality. Our *Manifesto of common sense development* underpins our business model of creating and improving critical urban infrastructure while prioritizing respect towards the environment and well-being of the diverse park communities that surround it.

Open dialogue and solid collaboration with the local municipality underpin each of our development projects.

Development

from

A

to

Z

We're proud of our all-in-one approach to real estate development. Our team knows how to transform city districts into modern, multi-functional commercial areas with a big focus on sustainability. An outstanding aspect of our process is that our team handles everything, from picking the location to managing the building. This ensures consistent, high-quality results, and improves the infrastructure flow that sets the foundation for a modern city.

Selecting the location

Choosing the right location not only determines the project's accessibility and visibility but also its profitability and potential for growth. We meticulously evaluate elements such as existing infrastructure, socio-economic dynamics, and local regulations. Each location is selected based on its suitability for transforming old and unused areas into modern urban neighborhoods connected to the local network of cycle paths and public transportation. It's our goal to listen to the needs of the local municipality, identify any shortcomings, and acknowledge strengths. Open dialogue and solid collaboration with the local municipality underpin each of our development projects.

Rigorous research

Based on aspects such as market demand, financial viability, environmental impact, and overall risks, we assess whether a specific project is realistic and worth pursuing. A thorough and well executed study is crucial; it lays the foundation for the whole project and ensures the final location brings the most benefits. It also sets the stage for great teamwork with our clients and the local government by making sure everyone knows what to expect. Plus, it gives us a window into what the project could become.

Project and design

Creating a detailed design is all about sketching a complete picture of the project. This thorough planning, from the architectural design to the smallest detail, is what makes us stand out from other developers. It ensures that every project lives up to the highest standards and meets the needs of our tenants and the wider community. This focus on detail helps avoid potential issues, smooths the way for efficient execution, and assures a successful finish to the project. Our careful planning not only ensures our projects run smoothly, but also contributes to their long-term success and sustainability.

Permissions

Getting construction permissions is an inevitable but sometimes tricky part of the process. At Logport, we make sure to address all legal and regulatory requirements. Our team has a thorough understanding of zoning laws, building codes, and environmental regulations, which enables us to expedite the process of obtaining permits. We make it a point to keep all parties informed about the progress, contributing to a transparent process. Over the years, we've discovered that building a solid relationship with the local municipality significantly speeds up the permitting process. We always strive to prevent any potential delays or interruptions.

Financing

A great network of financial partners helps us keep things moving smoothly from start to finish. We team up with these partners to get the necessary funding, making the often tricky financial aspect of the project much simpler. Our team's job includes careful budgeting, meticulous risk checking, and ongoing financial management. This way, we ensure our projects are in good financial shape. Moreover, it lets us provide complete property management and on-site services.

Construction

The construction phase is where our plans come to life, turning blueprints into tangible structures. We act as our own general contractor to ensure the highest quality of work, but hire subcontractors for various trades – such as the production of facade panels, doors, or windows. On average there are about 60 contractors at each project. Each brick laid, each beam installed, is done with great care and precision. Beyond building structures, we create spaces that resonate with our clients' visions. After construction, depending on market conditions, we may retain the property and lease it out, or sell. Unlike some companies that keep all their structures or act solely as developers, we adopt a dual approach: our goal is generally to retain ownership, but we remain open to selling.

Asset and property management

Our commitment extends beyond the project's completion. Our duties include regular checks, timely repairs, and strategic upgrades, which enhance the property's value over time. We also monitor market trends and adjust our strategies to ensure that our clients' investments continue to thrive.

**Manifesto
of
common**

sense

development

Our approach to industrial development for the 21st century is rooted in respect for the local community, economy, energy, water, nature, urban connections, and infrastructure. We construct environmentally friendly buildings that add value to all parties involved, guided by principles of common sense, compromise, and collaboration.

Contrary to the conventional perception of logistics infrastructure being inaccessible, uninviting tin boxes outside the city, we believe these centers can and should be as welcoming as they are efficient. By reshaping this idea we create spaces that are not only efficient, but also filled with warmth and friendliness; places that are made for people and nature alike.

Focus on urban sites and brownfields



In our development projects, location selection is a critical step. We have a strong preference for brownfields, which are often underutilized and visually unappealing areas. Even though developing on brownfields is more complex and challenging than on greenfields, especially during the permitting, infrastructure, and construction phases, we're not discouraged. Our motivation is not about choosing the easiest path but the most sensible one. We consider the perspectives of both the developer and local residents. Our choice of brownfields for new developments is based on the potential to transform old industrial zones into attractive, revitalized spaces fit for the 21st century. We believe in the unique value of these brownfields, especially those situated in large cities.

Create economic benefits for the local municipality



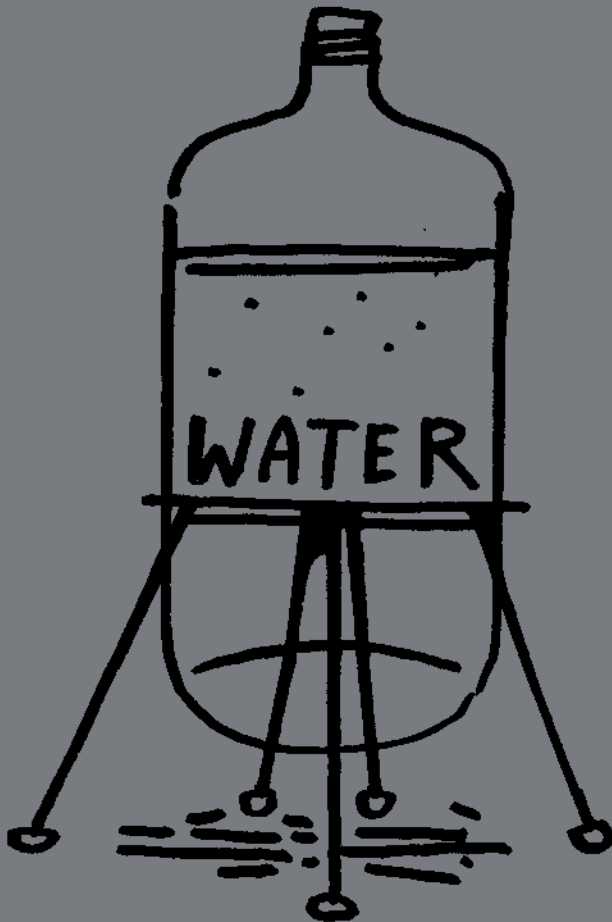
With each project, we bring economic benefits to local governments and citizens. Our work involves investing in local infrastructure. This boosts the quality of life for everyone and also raises property values in the area. We don't just build buildings. We create thriving communities by adding new amenities like restaurants and green public spaces. These make the neighborhood more appealing and livable. In every area, we work with local governments to make investments that improve citizens' quality of life. If we are present in a city or town, we are committed to its sustainable development. On every project, we strive to make a difference in the community as a reliable and wanted neighbor.

Use renewable energy



Our commitment to use renewable energy sources in Logport projects is now more relevant than ever. We're reducing dependence on foreign energy sources and turning towards renewables. This approach is beneficial for everyone involved. Our tenants are seeing savings and there is a rising demand for our spaces. The solar panels on our roofs generate electricity that covers 100% of the unit operation costs, and we provide this energy free of charge to our tenants. We also use green facades that naturally insulate our buildings, reducing energy consumption significantly and lowering ambient temperature by up to 3°C. Our commitment to renewable energy is not just about being environmentally responsible – it's a common-sense approach that benefits us all.

Conserve water



We understand the importance of conserving water, especially drinking water. In our Logport Prague West project, we take great pride in our exemplary practices concerning sustainable water usage. We've set up our own wells which cover 100% of our drinking water consumption. It doesn't stop there. We've implemented a system that uses rainwater for flushing, replacing 33% of our drinking water. Additionally, we've installed rainwater retention tanks that not only assist in flushing, but also in watering green areas. This approach allows us to reduce our reliance on the main water supply.

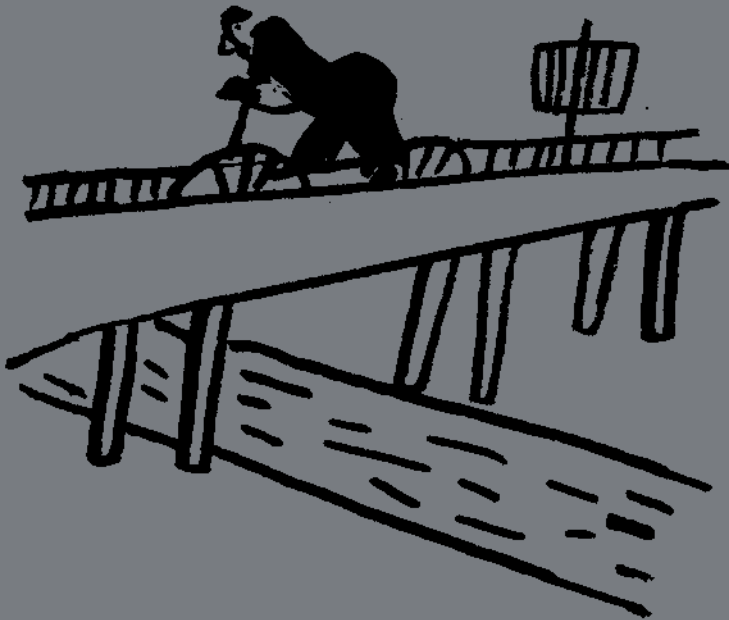
Enhance the natural environment



We place great importance on harmony between our parks and their surrounding public spaces. This means working closely with the existing natural elements, such as the lay of the land and vegetation. In our project in Jinočany, for example, we transformed the landscape by planting 270 trees and 2,700 shrubs. This not only beautifies the area but also fosters biodiversity. We've also added hundreds more trees and shrubs to our Logport Prague West site, along with green facades adorned with climbing plants. All of this contributes to a pleasant environment for everyone. For us, paying close attention to landscaping and site setting isn't an afterthought – it's a critical part of our work.

Create better connections

By situating our projects near urban centers, we significantly reduce transportation time and costs. This makes commuting easier for our tenants and their employees and minimizes the environmental impact. Our approach is about creating opportunities and fostering local economic development. Proximity to cities means access to a larger workforce, which translates into more jobs and better career prospects for the community. In essence, by building close to cities, we're building connections that matter.



Build infrastructure



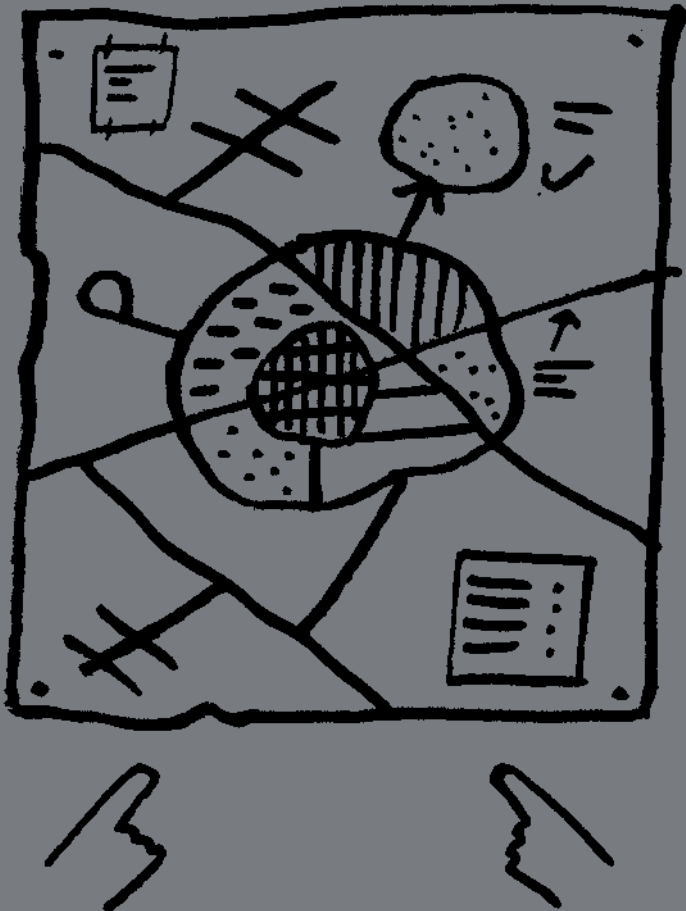
We strategically place bus stops near our projects to make transportation more convenient for local residents. In Jinočany, for example, a new bus stop has slashed commuting time to the nearest metro station from 20 minutes to a mere three. In our commitment to eco-friendly transport, we've also expanded the infrastructure for cyclists. We've built a new cycle path that is linked to the main route, facilitating a convenient journey from Jinočany to the center of Prague, and to accommodate cyclists we aim to feature bicycle and electric bike racks. In addition, recognizing the shift towards electric vehicles, our goal is to keep installing fast-charging stations for electric cars and scooters.

Embed parks in communities



Welcoming public spaces are an integral part of our parks. More than just industrial spaces, we envision our parks as inclusive spaces that welcome various activities for people living nearby. We're not just about erecting industrial halls and leasing them out. Our approach is broader and more community-oriented. We see our projects as potential sites for student dormitories or research centers. Locals can enjoy relaxing in the on-site areas of our parks as long as the parks remain open to our neighbors. This approach eases traffic, creates a more vibrant, multi-functional space that adds value to the community, and fosters our philosophy of making more sensible, community-centric decisions.

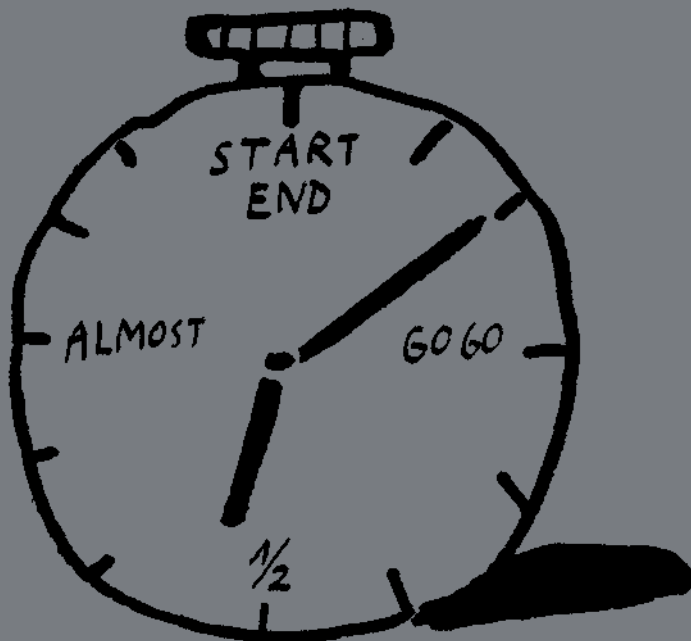
Cooperate with the municipality



From the inception of each project, we engage with the local government and seek ways to understand and integrate our project with the municipality's plans. We consider every detail from architecture to infrastructure, aiming for minimal disruption and maximum benefit to the community. Even though this thorough preparation extends our timelines, it also accelerates permitting and ensures that our projects enhance, rather than hinder, local life. We equally value the input from residents, responding to their suggestions and taking action, like the extension of the cycle path we've pursued in our Jinočany project. Our collaboration with the local government isn't a mere step in our process – it's a part of our commitment to improving lives and communities.

Ensure safety and speedy delivery

We have intricate processes and operations in place, and good communication with subcontractors, which results in each project gaining momentum quickly and without compromising safety standards. Our Jinočany project stands as a testament to this, having been built in under 12 months. This was achieved through efficient project management, strict adherence to safety protocols, and close collaboration with our team and partners. Thanks to the good relationships we always strive to build with the local government, we usually manage to get projects approved without problems, allowing us to build quickly.



Introducing

critical

64

65

urban

infrastructure

Our *Manifesto of common sense development* translates into our business model of building critical urban infrastructure in carefully selected locations while cultivating each park's surroundings. This involves enhancing civic amenities, adopting environmentally friendly practices, creating employment opportunities, enhancing transportation, and boosting the local economy. Through these initiatives, we improve local urban infrastructure and the quality of life for everyone around it.

- **Civic amenities**

The diversity and multifunctionality of our commercial zones enrich local areas by introducing new services and enhancing civic amenities.

- **Environment**

Our buildings are designed according to the strictest sustainable development criteria and certified by the highest levels of BREEAM certification. This includes rainwater management, rooftop solar panels, green facades, LED lighting, outdoor public area landscaping, electromobility promotion, and more.

- **Employment opportunities**

In collaboration with our partners and tenants, we generate new, high-quality employment opportunities across diverse sectors.

- **Infrastructure**

We modify our commercial zones to integrate with the public environment. Our efforts are focused on building links between local transport infrastructure, bike paths, and public transit, thereby significantly reducing commuting times. In every park we build, we strategize the development of outdoor spaces that are available for public leisure activities.

- **Economy**

Our presence in each city and village yields positive economic impacts for both citizens and local governments. We are dedicated to backing investments that enhance citizens' quality of life. Enhanced infrastructure and civic amenities naturally boost the value of all properties in the area.

Building

types

In our quest to redefine industrial and commercial spaces, we've pioneered two unique building types: *LogBox* and *LogSpace*. Each serves different business needs, and together they provide all-in-one modern and multi-functional areas for conducting business.

LogBox

A small business unit designed for enterprises of all sizes. Imagine a setup with showrooms on the first floor, offices on the second, and a flexible space in the back for storage, selling, or production. Each *LogBox* is fully customizable to fit the needs of our tenants, whether they're a small enterprise or a larger operation. Our aim is to place these buildings strategically closer to residential areas because they cause less noise and disruption compared to the operations in other building types.

LogBox caters to a diverse range of clientele – from retail stores requiring a showroom and storage space to manufacturing companies needing a production hub or research centers requiring a flexible workspace. This versatile design expands our client base and gives us an edge.

Usage	Production, warehouse, retail-warehouse, shop, showroom, office
Size	600–1,000 sqm
Height	8 m usable height
Tenants	Hafele, Snowboardel, Yaskawa, World Courier, Semax, Kawasaki Robotics, Taun, Autohaus



LogSpace

LogSpace is a go-to for businesses that need more room to breathe. These buildings are all about size and functionality. They're perfect for big operations, especially those that rely on logistics and warehousing. We provide loading docks for trucks and offer a generous height of ten meters, among other features. Whether it's accommodating a bustling production line on the ground floor or providing a spacious, modern office space upstairs, our *LogSpace* buildings can be tailored to fit a variety of business needs. In the end, it's all about the flexibility and scale to suit the unique operations of our tenants.

Usage	Production, Warehouse, Office
Size	From 2,000 sqm
Height	10.5 m usable height
Tenants	Fresenius Medical Care, Leifheit, Cosentino, Fany Gastro, Bropack, Nielsen, Comp Alfa



III Our work

In this chapter, we showcase our commitment to applying each of the five principles of our business model to every project we undertake. Through our efforts, we aim to create parks that are not only welcoming, but that also add significant value to their inhabitants while prioritizing solutions for the environment.

**Our aim is to transform
old industrial zones into
attractive spaces fit for
the 21st century.**

1

Logport Prague West

Mezi Stromy, 252 25 Jinočany
50.0321733N, 14.2779917E

2

Logport Poldi Kladno

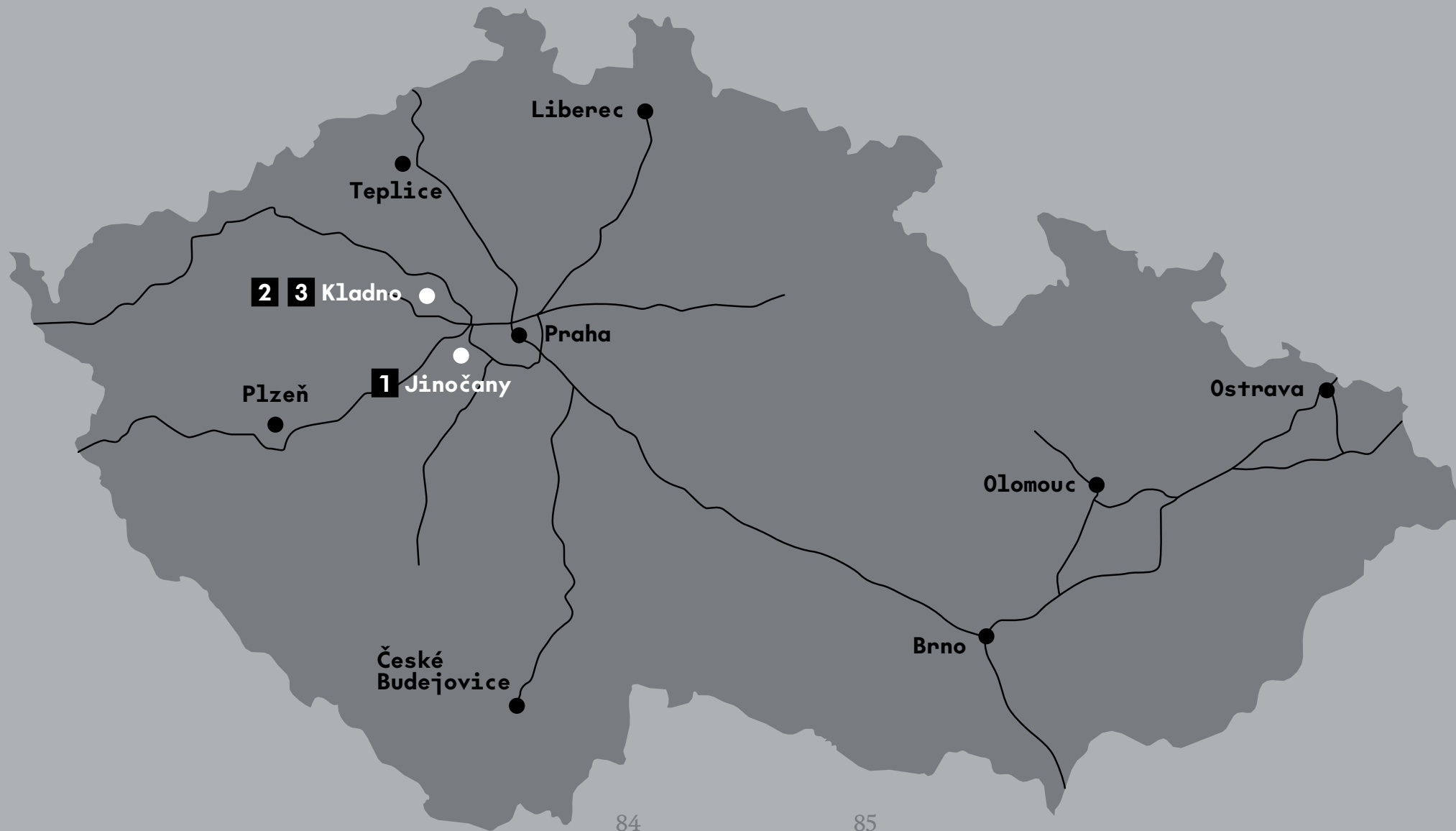
Dubská, 272 03 Kladno
50.1541206N, 14.1254792E

Future project:

3

Logport Kladno South

50.1219906N, 14.1252603E



**Logport
Prague
West**

**A story of
sustainable
development**

Project highlights

Location: Jinočany, western outskirts of Prague

Total land area: 200,000 sqm

Total built-up area of buildings: 65,000 sqm

Number of properties: 10 LogSpace halls + 5 LogBox halls + retail park

Start of construction: October 2022

End of construction: Phase I. Q2 2024; Phase II. Q4 2024; Phase III. 2026

In 2022, we embarked on a journey to redefine industrial real estate development in Jinočany, on the western outskirts of Prague. Our vision for the area was to establish industrial and commercial zones that would provide significant business opportunities and enhance the quality of life for the local community.

Partnership with the municipality

Our first steps were towards the municipality, where we opened discussions regarding their vision for the area. We took great care to show that we were human above all, and wanted to enhance the lives of the local community. This marked the beginning of a strong relationship that would be the backbone of our project.

We organized several roundtable discussions where we worked closely with the local residents, addressing over 70 queries related to our project. We also introduced beneficial developments for both the local residents and park tenants, such as a new public transportation stop that connects to the subway in just three minutes, a state-of-the-art pump track, a conveniently located supermarket, and several restaurants.

An unusual yet very important aspect of the Logport Prague West was the creation of a public park. We promised our neighbors that the park would be open to everyone, allowing locals to also relax in the area.

A novel approach to industrial buildings

Logport Prague West consists of five *LogBox* halls and ten *LogSpace* halls. The *LogBox* buildings in Jinočany offer a flexible working space with a showroom on the ground floor, offices upstairs, and a free space at the back for various business activities. This innovative design is particularly attractive to businesses like Snowboardel, a company selling paddle boards and kayaks, and the robotics company Yaskawa, with each utilizing the space in unique ways. We believe that the future of industrial parks lies in incorporating retail space, as Snowboardel has demonstrated by successfully operating within our Logport Prague West project.

When designing the area, priority was given to the concerns of local residents and their concerns about noise and dust from trucks. Smaller *LogBox* units were therefore built closer to the town of Jinočany, while the larger industrial spaces (*LogSpace*) were placed nearer to the highway. This strategic positioning of the buildings helped win the local community's backing for the project.

However, the diverse use of the *LogBox* buildings also presented a unique challenge for us as developers: managing multiple tenants within the same space. For example, a 3,200-sqm *LogBox* space could accommodate three different tenants, in contrast to just one tenant occupying a 3,500-sqm *LogSpace* hall. Although this increases complexity, the benefits of the *LogBox* layout, such as enhancing community ties and providing adaptable business spaces, made it a worthwhile strategy for industrial development.

Logport Prague West now consists of 11 smaller units, which are all leased at present. Our project has already become home to several businesses, including companies such as Snowboardel s.r.o, Häfele Czech & Slovakia s.r.o., YASKAWA Czech s.r.o, Bropack Solution s.r.o., Nielsen CZ s.r.o., Fresenius Medical Care – ČR, s.r.o., LEIFHEIT CZ a.s. and others.

Green spaces

During construction, which lasted for 12 months, we made extensive efforts to prioritize the environment. Logport Prague West was built to high technical standards, aiming for minimal environmental impact. We ensured that all our buildings are certified by the two highest levels of BREEAM certification: Excellent and Outstanding. This included both the building process and its operation.

We designed the project to harmonize with the existing development. With 48% of the site area planned as green space and 30% of the individual halls covered with greenery, the entire zone blends visually with the residential surroundings. A natural grassy mound with mature trees serves as a separation.

“At Nielsen CZ, we see the environment of Logport Prague West as a major asset. It’s fresh and modern, harmonizing well with the natural surroundings while also being environmentally conscious and lush with greenery. These qualities are quite rare in similar complexes, which is why we hold them in high regard at Logport.”

Overall, we enhanced the town's surroundings with 180 traditional landscape trees, 212 avenue trees, and 3,640 ornamental and utility shrubs. The park's buildings now have green facades adorned with 674 climbing plants and hundreds of additional perennials, creating a pleasant and cooling environment.

Energy and water

A key aspect of our approach involves using renewable energy. Solar panels on the building roofs generate all the electricity needed for the operation of the industrial park. The green facades help insulate the buildings, reducing heat and cooling the area by up to 3°C.

“We believe in building industrial parks that have a lasting positive impact on the environment. We want local residents to say ‘If there should be an industrial park, let Logport build it!’”

Dávid Vais, CEO of Logport Development

We implemented a sustainable water-management system, using collected rainwater for flushing and irrigation, reducing our drinking water usage by 33%. The property's wells supply all the necessary drinking water, which is treated in an on-site storage tank.

Accessibility

Logport Prague West offers many public transport and bike path connections. The park features 77 racks for bicycles and electric bikes, and 30% of the parking spots have fast chargers for electric cars. Transportation to and from the site is directed outside the village to prevent disturbance to local residents. To enhance accessibility, we also constructed three cycle paths and four new bus stops, connecting Prague with the Central Bohemia region.

Our strategy led to significant financial gains and showed our commitment to protecting the environment.

Job opportunities and economy

Upon completion, the Logport Prague West project created 400 new jobs across various sectors. This positive economic effect was not only beneficial to the employees, but also the local government.

Our goal was to improve city structures by linking city logistics, distribution, final delivery, drop-off points, shops, and offices in business areas. We wanted to tailor these spaces to their needs while carefully fitting them into the city layout.

We incorporated popular establishments such as Lidl, KFC, and Burger King into the vicinity of the industrial park, providing locals with convenient shopping and dining options while stimulating the local economy through increased consumer spending and job creation.

Our journey with Logport Prague West is a testament to our commitment to sustainable development. We believe that commercial zones can be built with respect for the environment, the local community, and the economy. We pride ourselves on this, and hope our story serves as an inspiration for future developers.

Future plans

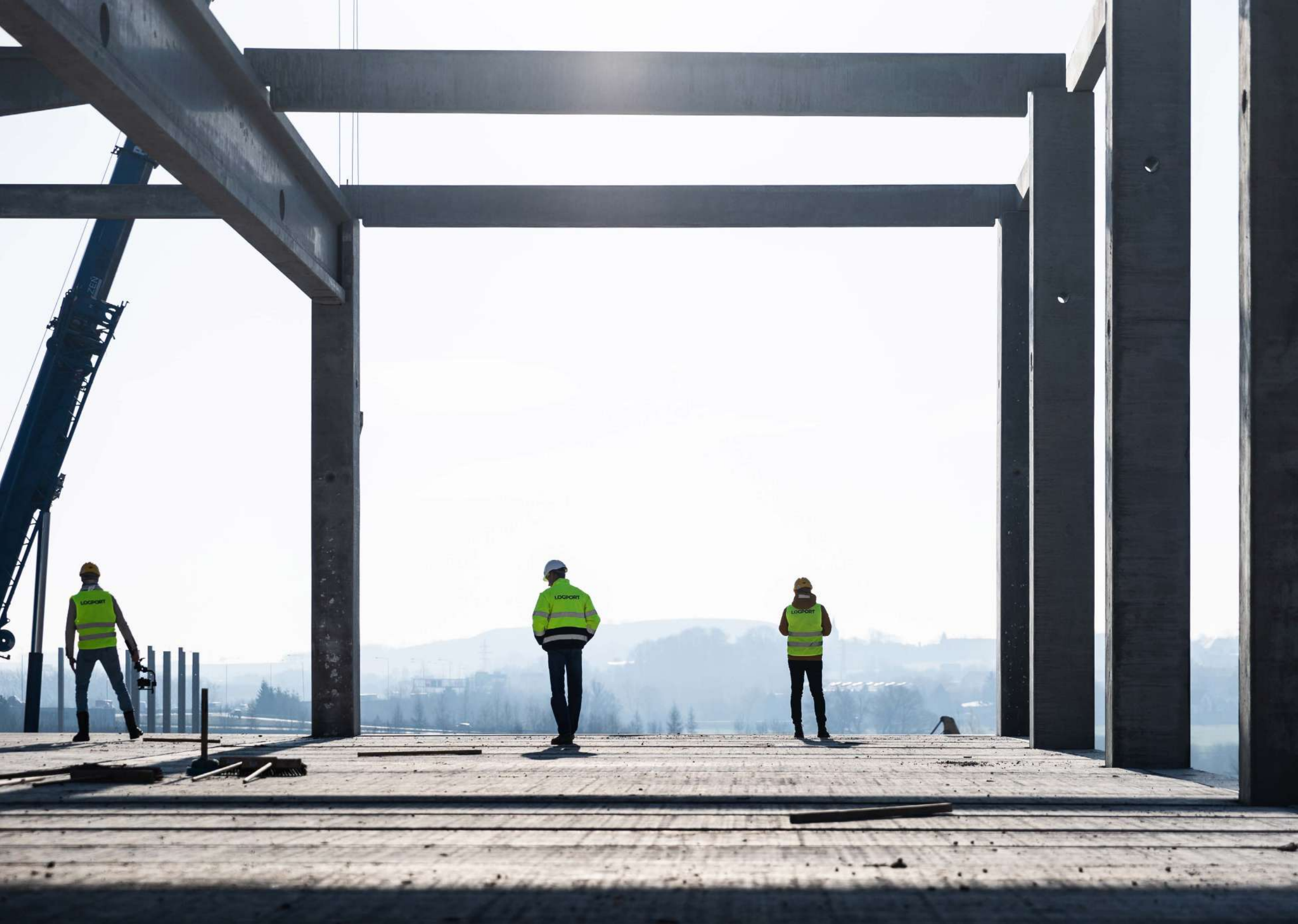
We have ambitious plans for the future, including the construction of a research and development pharmaceutical campus and Logport Prague West II, located to the north of Prague. The construction of the area, which will be over 12,000 sqm, will take place during the next 3–4 years.

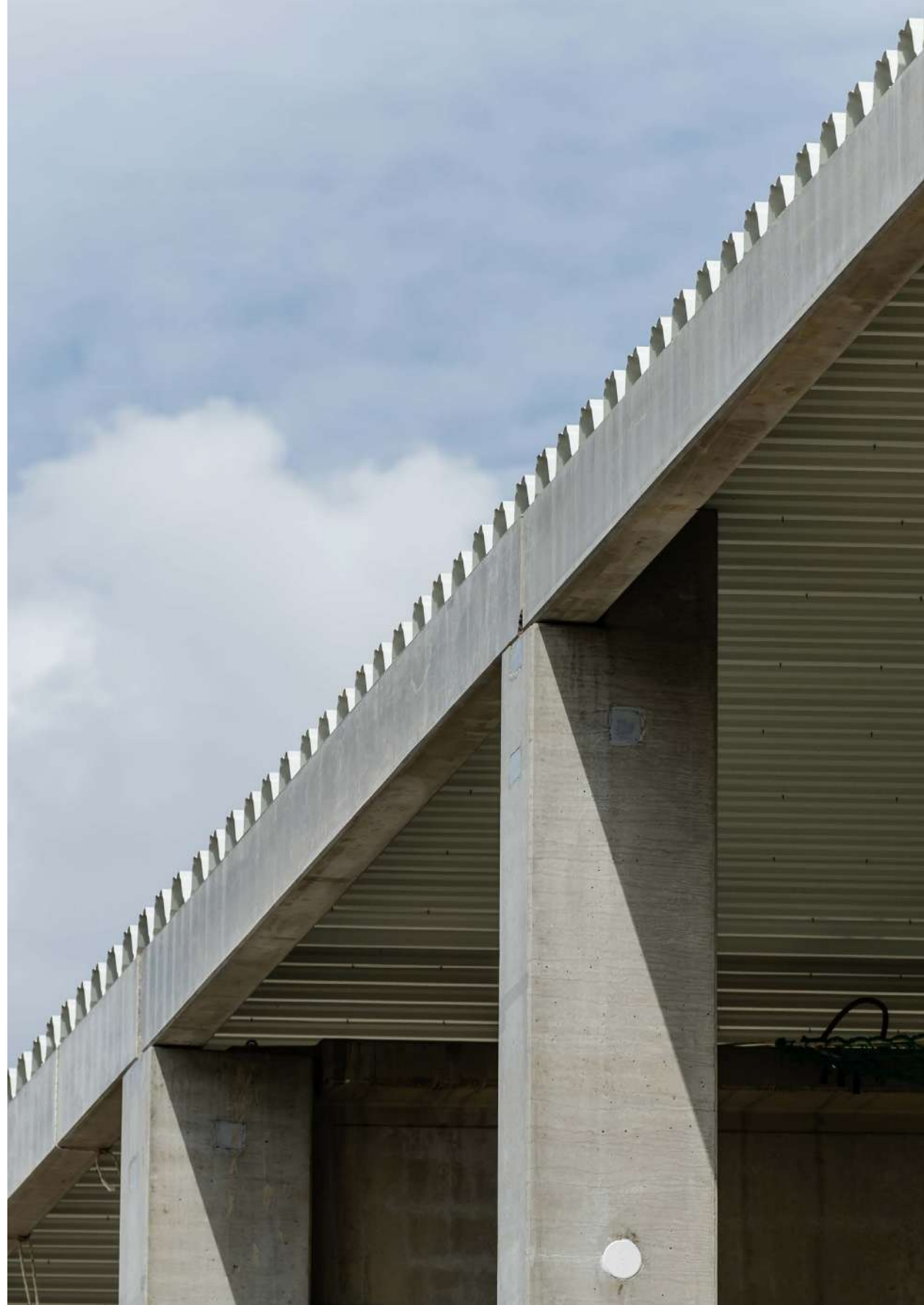
Logport Prague West III, an additional project in the vicinity of Prague, will be an innovative blend of *LogSpace* and *LogBox* buildings, designed to cater to the needs of multiple tenants. This unique setup will provide flexible workspaces suitable for various business activities, aligning with our vision of industrial parks of the future. Logport Prague West III will continue our commitment to sustainable development, community engagement, and economic growth.

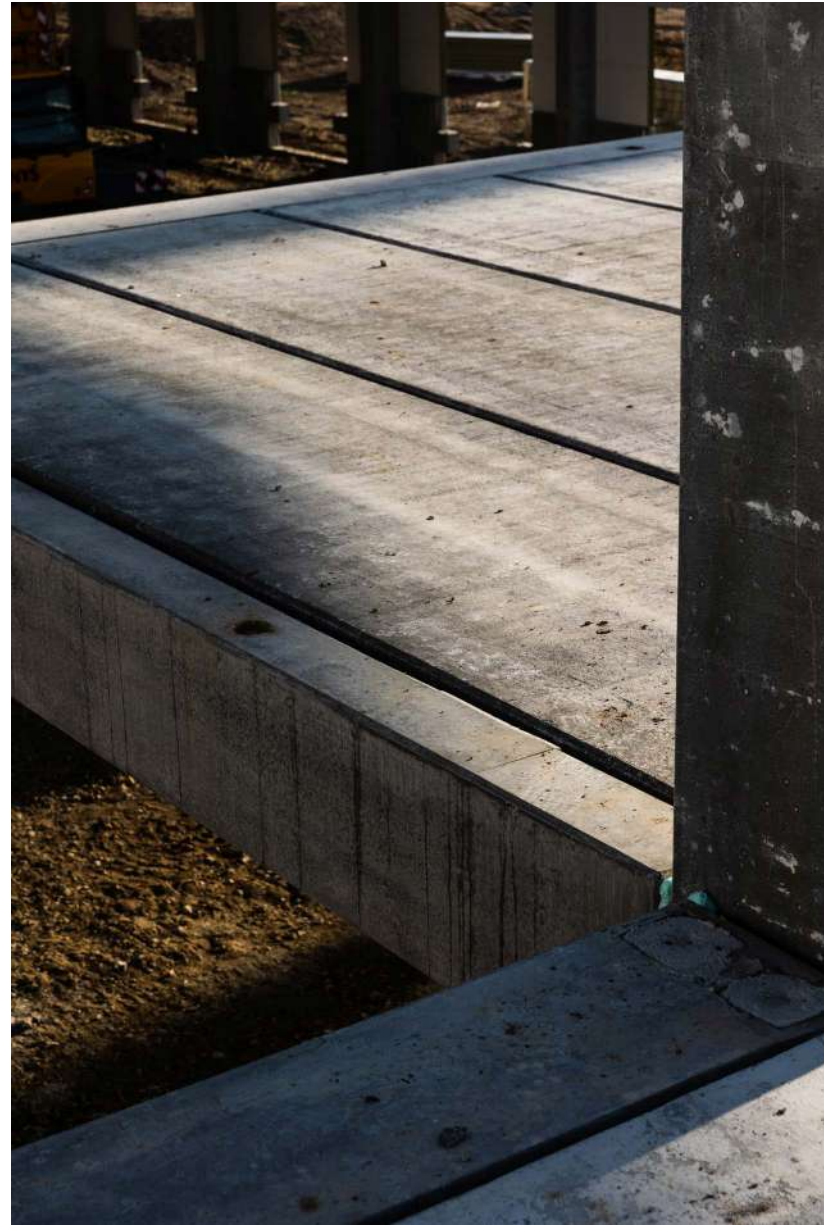
Application of our principles in Logport Prague West

▪ Civic amenities	We introduced beneficial developments like a Lidl supermarket, multiple restaurants, and a state-of-the-art pump track.
▪ Environment	We used collected rainwater for flushing and irrigation, reducing drinking water usage by 33%. We also planted hundreds of new trees.
▪ Job opportunities	Our project in Prague West created 400 new jobs, supporting various sectors.
▪ Infrastructure	We built a new public transport stop, connecting to the subway line in just three minutes.
▪ Economy	Our project brought positive economic effects to the local government and improved city structures.

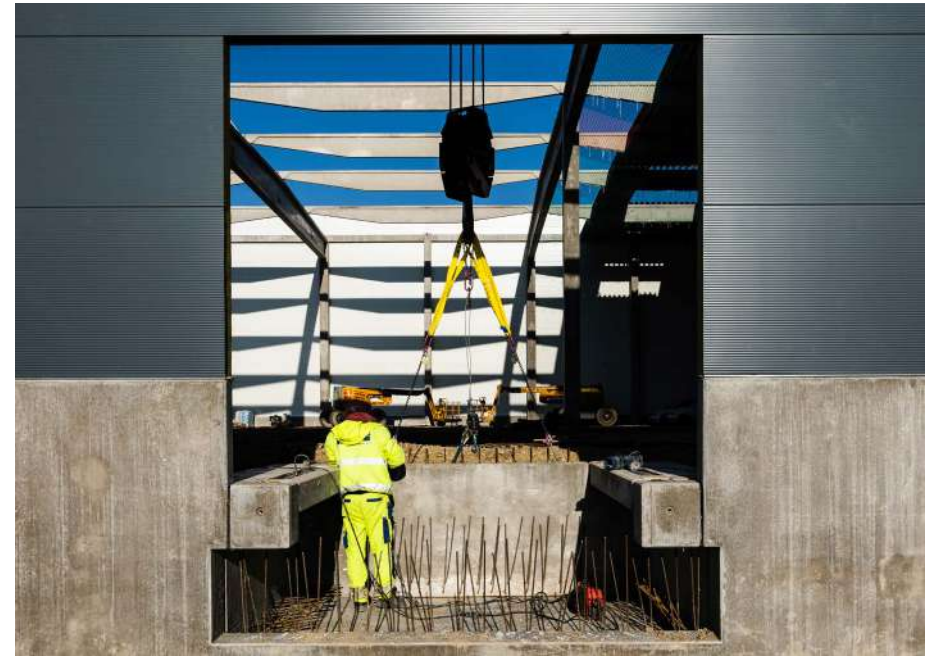
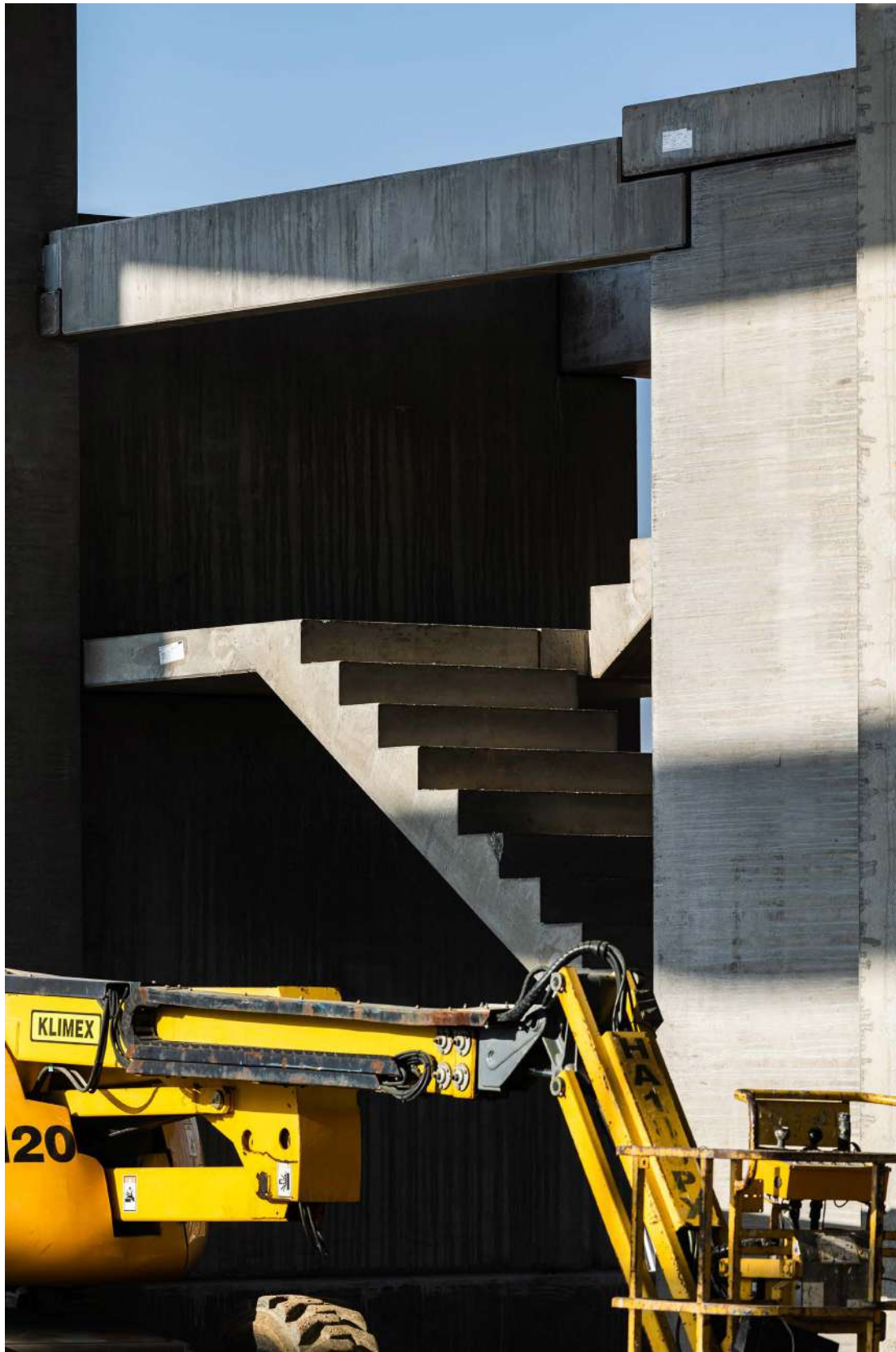






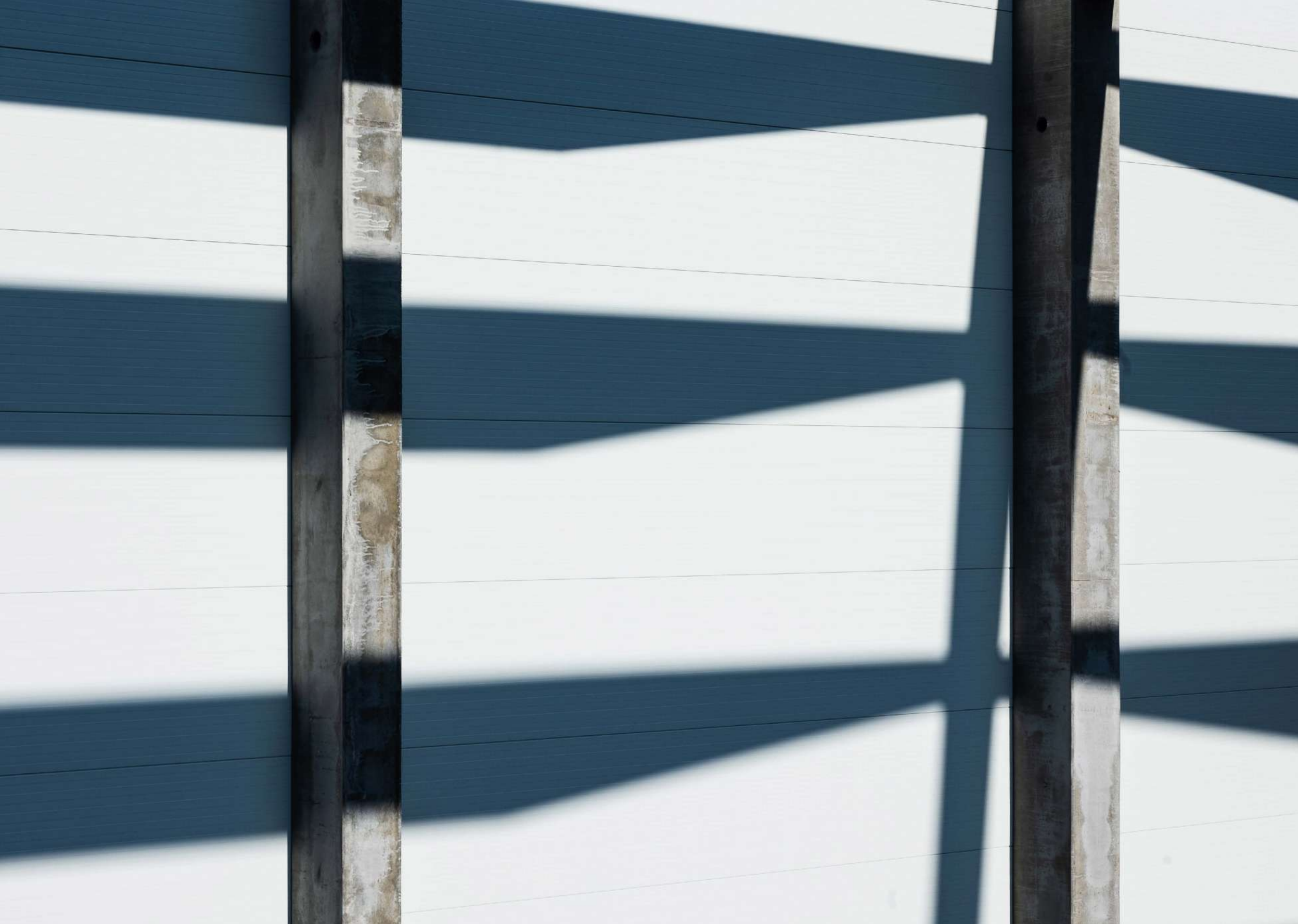














LEIFHEIT

03







HÄFELE

09

LOOPPORT





07

LOCKPORT

LOCKPORT

Blue circular traffic sign with a white arrow pointing right.

Blue rectangular traffic sign with a white arrow pointing right.

White text on the road surface: 'BUS STOP' and 'BUS STOP'.











**Logport
Poľdi
Kladno**

Revitalizing

a Legacy

Project highlights

Location: Former Poldi Kladno
steelworks area

Total built-up area of buildings:
6,000 sqm

Number of properties: 1 Logspace hall

Start of construction: Q2 2023

End of construction: Q2 2024

In the heart of Czechia, a historic industrial site is getting a new lease of life. We have transformed the former steel mill in Kladno, a once flourishing steel producer, into a thriving and sustainable industrial zone. The land, situated within the city limits, remained entirely undeveloped for many decades.

“With our pioneering project in this area – Logport Poldi Kladno – we want to encourage other developers to join us and start working with us in revitalizing and rejuvenating not only the former Poldovka area but also other abandoned or underutilized areas.”

Dávid Vais, CEO of Logport Development

An unusual approach

Established in 1889, the Poldi steel plant in Kladno, a mere 30 km from the heart of Prague, was the brainchild of Austrian steel tycoon Karl Wittgenstein. Throughout the 20th century, the venture held paramount importance as one of Czechoslovakia's largest employers. However, the fall of communism in 1989 marked a downturn in Czech steel production, pushing the once bustling Poldi steel plant, which had a workforce of 20,000 people at the beginning of the '90s, into a decline, substantially trimming down its production capacity.

When we were approached by the owner of the Poldi steel plant, the largest brownfield in Czechia, to revitalize this area, we did not see a daunting challenge; we saw a unique opportunity. Our goal was to build upon the past and transform the formerly glorious industrial heartland into a thriving hub fit for the 21st century. This project involves a brownfield where an existing building stands. A fascinating feature of this site is the 400 sqm atomic shelter we found underground and decided to keep as a part of our portfolio.

In the initial phase of the project, we revitalized a brownfield area encompassing 15,000 sqm. From this, we created 6,000 sqm of modern and sustainable spaces, with 1,000 sqm designated for office use after thoroughly renovating an existing building on the premises. The rest of the area has been set aside for light manufacturing, distribution, and warehousing.

Renovating both the site and the existing building was part of our strategy to restore the surrounding environment.

Collaboration with the community

Our aim extends beyond merely being developers; we strive to be considerate neighbors. Our excellent communication with the Kladno municipality fostered a positive atmosphere, with all parties excited about the prospect of revitalizing an otherwise idle land.

In addition to preserving the original building, we also made a commitment to honor the local art scene. This was demonstrated when we preserved a mural created by an artist often referred to as the “Czech Banksy”. This action demonstrates our appreciation for local traditions and our commitment to merging history with modernity.

A commitment to sustainability

During construction, we placed particular focus on the environment and local economy. The site now uses alternative energy sources, including solar panels and rainwater harvesting, and excess heat from a neighboring heating plant. The result is a self-sufficient industrial park that is in harmony with its surroundings.

In this development, we focused on building one large *LogSpace* unit, taking into account the concerns of local residents. This strategic positioning has garnered significant support from the community. Our *LogSpace* buildings are designed to high environmental standards, including eco-friendly features such as rainwater harvesting systems and solar panels. These aspects not only enhance the appeal of our developments but also distinguish us from other developers by emphasizing our commitment to sustainability.

The future

The tenant who has already agreed to rent all the offices and halls will help with the plan to restore the area. This company stores solar products, solar panels, and batteries for electric cars and scooters.

The Logport Poldi Kladno project is a shining example of how industrial development can be done humanely, with respect for others and the environment. As the project continues to evolve, one thing is clear: we are not just building industrial zones; we are building a better infrastructure for the communities we serve.

Application of our principles in the Logport Poldi Kladno Project

▪ Civic amenities	Multifunctional spaces were developed, attracting diverse tenants and enriching community services.
▪ Environment	Solar panels, rainwater harvesting, and green facades were used in the buildings, promoting eco-friendly practices.
▪ Job opportunities	The project attracted a high-quality tenant, creating over 50 new jobs.
▪ Infrastructure	The project connected to public transport and cycle paths, while external areas were used for public leisure activities.
▪ Economy	The project had a positive economic effect on the city, with investments improving infrastructure and amenities.



LOGPORT















Future project

Logport Kladno South

Project highlights

Location: Kladno, Czech Republic

Total land area: 15,000 sqm

Total built-up area of buildings:
8,500 sqm

Start of construction: Q1 2025

End of construction: Q1 2026

We have an exciting project underway in Kladno South, a location rich in industrial tradition. The hall, currently standing and unoccupied, was constructed by a Dutch company back in the 1990s. They used materials and technologies that have stood the test of time, making the building quite remarkable. After a major renovation and expansion of the premises, we plan to put it up for rent. It's a versatile space, suitable for light manufacturing or storage.

We're also expanding our footprint by building on the adjacent land. The land area is 15,000 sqm, with the current hall spanning 5,000 sqm. We're adding another 3,000 sqm to it. The project is located in the industrial zone of Kladno, nestled among other big names like Lego and Lorein.

Sustainability is key for us, so we're incorporating solar panels with storage batteries into the design. Another eco-friendly feature we're excited about is the rainwater management system. We're looking forward to creating an ecosystem that's in harmony with the environment and saves costs for our tenants.

IV Logport communities

In this chapter, we highlight the initiatives we undertake to integrate our parks within different communities. From partnering with local municipalities and supporting non-profit projects to fostering a dynamic work environment for our team, we want to improve both the local urban infrastructure and the quality of life for everyone around it. As one of our local partners has said: “It’s good to have Logport in your backyard.”

**We believe that by working
together, we can achieve
greater success.**

The background of the page features abstract black line art. In the upper left, there are several irregular, overlapping shapes that resemble torn paper or organic forms. In the lower half, a single, continuous line starts from the left, dips down, then rises to a peak before dipping again towards the right. Another line starts from the bottom left, goes up, then down, then up again towards the right. These lines are thin and black, set against a plain white background.

Integrating parks within communities

Logport builds and manages logistic parks within established towns and functioning communities. This means that we understand the importance of building long-lasting relationships with our neighbors and the environment.

Through collaboration with local municipalities and communities, we create opportunities for both the parks and their tenants to expand. Whether it's planting trees with the mayor, constructing sidewalks and public transport facilities in the municipality, or building bike paths and recreational spaces outside our designated zones, we're dedicated to enhancing the local environment. The installation of a pump track and a multifunctional playground at Logport Prague West further emphasizes Logport's commitment to promoting sports and active lifestyles among both local residents and neighboring communities.

Reconnecting community life

To create the anti-noise barrier at the Logport Prague West site, we will plant 270 trees and 2,700 shrubs, creating a new park and significantly transforming the environment. The green areas will serve as leisure spaces and help to reconnect the more distant parts of the town.

Green mobility

We put up bike racks so our tenants can cycle to work, cutting down on car use. By building new bike paths, we connect our parks to nearby neighborhoods.

Involving local communities

Logport actively engages with local communities by organizing various events and picnics where town residents can participate in decision-making processes. These gatherings provide opportunities for residents to witness the proposed construction plans and visualizations firsthand and share feedback and suggestions for adjustments or expansions of proposed solutions.

Promoting sport and active lifestyles

As our parks are open to everyone, we want to make them as appealing as possible to the town residents. For example, at Logport Prague West, in addition to creating relaxation zones all around the park, we're building a brand new pump track for cyclists, offering fun for riders of all skill levels. Additionally, we're creating a multifunctional playground where children and families can play and socialize.

Public accessibility

In Jinočany, we built a new public transport stop, which connects to Prague's Stodulky metro station in just three minutes instead of the original 20 minutes it took without this new bus stop.

Electric charging stations

We promote green electromobility by providing at least 30% of parking spots with fast chargers for electric cars, and making Logport-branded electric scooters available to the park tenants.



Extending support beyond park communities

At Logport, we are about more than just business. We believe in supporting non-profit projects as a fundamental ethical value. Our team at Logport is composed of driven individuals who set high standards in both their professional and sporting pursuits, and it is our keen interest in sports that led us to dive into sports sponsorship.

Not only do we support semi-professionals on their path to victory, but also professional athletes representing the Czech Republic on the international stage. We made this choice because we fully grasp the importance of nurturing the dreams of sporting triumphs that inspire thousands to achieve their goals.

Logport Cycling Team

In addition to being specialists in developing modern park buildings, we are also a team of sports enthusiasts and successful amateur athletes. Some of our colleagues represent Logport at top-level competitions, thanks to the full support we provide them.

One of our greatest successes is the performance of our colleague Marek Volf, who defended first place at the Czech Republic Track Cycling Championship under the Logport banner. This is a significant achievement not only for Marek but also for our entire Logport Cycling Team. Although some of our colleagues achieve championship-level results, our doors are always open to anyone who has the desire to improve, push their limits, and be part of our team.



Martina Dubovská

We also don't shy away from supporting professional athletes, and so in the fall of 2023, we became a part of Martina Dubovská's team, a Czech alpine skier. Martina has been competing in the World Cup since 2011, with her biggest success being a 6th place in slalom at the Finnish Levi. In 2014, she participated in the Olympics in Sochi, and in 2018, she represented the Czech Republic in Pyeongchang.

To achieve victory in world competitions, it is necessary to dedicate maximum time to training and preparation rather than worrying about finances. We believe that with our support, Martina will reach her greatest sporting dreams and continue to successfully represent the Czech Republic at international competitions.





Company culture and employees

Our company culture is built upon a foundation of community, innovation, and sustainability. We foster a dynamic and inclusive work environment where every employee is valued for their unique skills and perspectives. Teamwork is at the heart of everything we do, as we believe that by working together, we can achieve greater success.

Logport has three deeply rooted values that inspire us to do what we do best: transform urban areas into modern, multifunctional commercial zones with an emphasis on sustainable development:

Community

Our parks bring together many different people: our team, clients, and locals. That's why we work to make these areas better by inviting everyone in and creating spaces for them all to enjoy. Whether it's adding convenient shops or relaxing spots, our aim is to improve everyone's quality of life.

Innovation

Through innovation, we're empowered to tackle complex challenges, such as environmental sustainability and critical urban development, by exploring creative solutions and pioneering best practices. Ultimately, innovation enables us to remain agile, responsive, and future-ready, ensuring its long-term success and making a positive impact on the logistics landscape.

Sustainability

We understand the importance of balancing economic growth with environmental stewardship and social responsibility. From energy-efficient solutions across our parks to rainwater harvesting, green facades, and sustainable transportation options, we are committed to minimizing our environmental footprint and creating a positive impact on the planet for future generations.

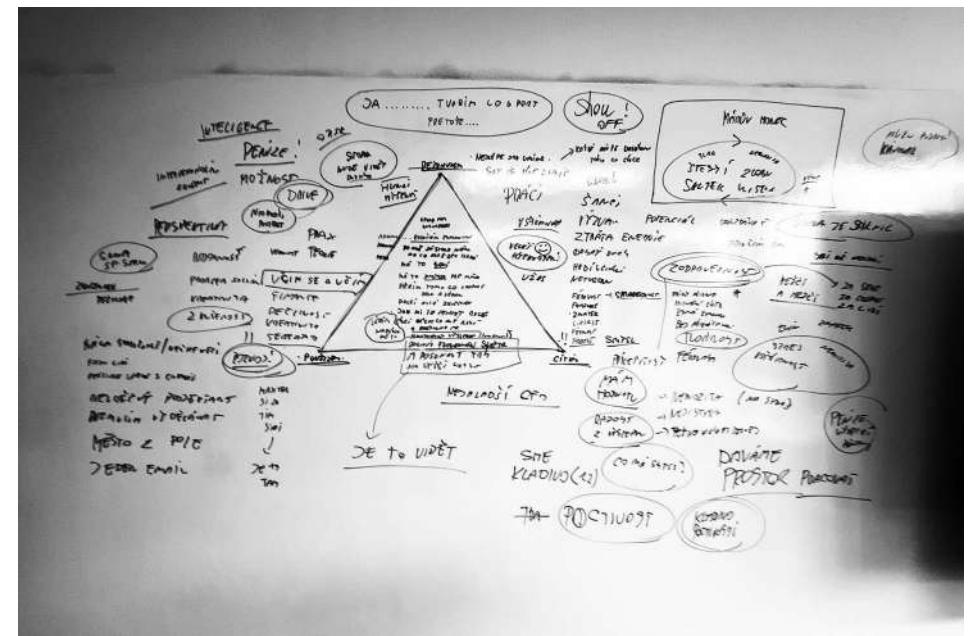
Team-building activities

Through regular hang-outs in and outside of work, we enable our team to develop a deeper understanding of each other's strengths and working styles. By engaging in collaborative tasks, such as problem-solving internal sessions or outdoor adventures like the Lapland trip, we learn to communicate, trust one another, and work towards common goals.

The Logport team recently embarked on an unforgettable Arctic adventure in Lapland, where we experienced thrilling snowmobiling, soothing sauna sessions, and exhilarating husky rides. Our many thanks go out to the remarkable team for making this journey unforgettable.



Our internal team gatherings provide opportunities for knowledge sharing, skill development, and alignment among team members. These sessions allow employees to stay updated on company goals, strategies, and best practices, fostering a sense of unity and direction within Logport.



Cooking classes bring our team together in a fun and tasty way. As we cook and eat together, we bond and learn to work better as a team. It's a chance for everyone to enjoy each other's company outside of work and build stronger relationships.



Thank You

To the Logport team, municipalities, tenants, residents, and our partners, your trust in our vision and commitment has been the cornerstone of our success. It is your belief in our shared values that drives us forward, propelling us to create spaces that not only thrive but also foster community and healthy growth.

As we look ahead, we remain dedicated to upholding the trust you have placed in us, striving to exceed your expectations and continue building a future where innovation, collaboration, and sustainability are at the forefront.

V Financial statements

Translation of the Auditor's Report to the authorisation of the consolidated financial statements as of 31 December 2023 and of its financial performance for the year then ended as of 31 December 2023 of the Company Logport Development s.r.o.

According to International Financial Reporting Standards as adopted by the European Union (IFRS)

Identification items

Name of the accounting unit:
Logport Development s.r.o.

Registration number: 071 46 400

Company address: Na Valentince 3336/4,
Smíchov, 150 00 Praha 5

Audited period: from 1 January 2023 to
31 December 2023

Date of issue: 28 June 2024

Auditors: Schaffer
& Partner Audit s.r.o.
(license No. 292),
Martin Felenda
(license No. 1871)



Translation of the independent auditor's report for associates of Logport Development s.r.o.

Opinion

We have audited the accompanying consolidated financial statements of the company Logport Development s.r.o. (hereinafter also the "Company") prepared in accordance with IFRS Accounting Standards as adopted by the European Union, which comprise the consolidated balance sheet as of 31 December 2023, and the consolidated income statement, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information. For details of the Company, see point 1 of the Notes to the consolidated financial statements.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the company Logport Development s.r.o. as of 31 December 2023, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the consolidated 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.

Responsibilities of the Company's statutory body for the consolidated Financial Statements

The statutory body of the Company is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union and for such internal control as the statutory body determines is necessary to enable the preparation of consolidated

financial statements that are free from material misstatement, whether due to fraud or error.

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

The statutory body is responsible for overseeing the financial reporting process in the Company.

Auditor's Responsibilities for the Audit of the consolidated Financial Statements

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

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

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

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

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



Martin Felenda, managing partner at Schaffer & Partner Audit s. r. o. (license No. 292), Vodičkova 710/31, Prague 1



Martin Felenda, statutory auditor responsible for the audit resulting in this independent auditor's report (license No. 1871)

Consolidated financial statements of Logport Development Group for the year ending 31 December 2023

Consolidated income statement as of 31 December 2023

	Note	2023 (CZK '000)	2022 (CZK '000)
Revenues	1	315,479	10,518
Changes in inventory	2	-5,901	4,112
Consumption of material and energy	3	-95,590	-566
Services	4	-31,487	-16,014
Personnel expenses	5	-1,162	-1,228
Depreciation of fixed assets	6	-1,176	-356
Inventory provisions	7	0	-2,150
Other operating revenues	8	33	52,555
Other operating expenses	9	-2,840	-186
Operating profit/loss		177,356	46,686
Financial revenues	10	2,906	892
Financial expenses	11	-2,781	-5,299
Profit/loss from financial operations		125	-4,407
Profit/loss before tax (+/-)		177,481	42,279
Income tax	12	-37,332	-5,007
Profit/loss after tax (+/-)		140,149	37,273
Minority interest		1,267	9
Share of the economic result in equivalence		0	-49
Profit/loss for current accounting period (+/-)		141,416	37,233

**Consolidated balance sheet
as of 31 December 2023**

	Note	2023 (CZK '000)	2022 (CZK '000)
ASSETS			
Property, plant and equipment	13	2,505	106
Investment property	14	235,481	0
Right-of-use asset	15	3,785	4,818
Long-term loans	16	15,056	2,126
Fixed assets		256,827	7,050
Inventory	17	0	35,734
Trade receivables	18	2,708	1,230
Loans and borrowings	19	1,439	3,432
Deferred expenses	20	759	573
Due from state - tax receivables	21	1,367	1,329
Advances	22	119	100
Cash and cash equivalents	23	20,030	2,329
Current assets		26,421	44,728
Total assets		283,249	51,778
LIABILITIES AND STOCKHOLDERS' EQUITY			
Registered capital	24	100	100
Retained earnings	25	170,007	24,952
Stockholders' equity		170,107	25,052
Non-controlling interest		-1,246	22
Total equity		168,861	25,074

	Note	2023 (CZK '000)	2022 (CZK '000)
Long-term borrowings	26	819	0
Non-bank borrowings	27	29,148	6
Lease liability IFRS 16	28	3,007	3,980
Deferred tax liabilities	29	30,605	0
Total long-term payables		63,580	3,986
Trade and other payables	30	14,391	1,675
Tax liabilities	31	4,226	5,011
Short-term lease liability IFRS 16	32	973	898
Short-term borrowings	33	263	0
Short-term non-bank borrowings	34	30,955	15,134
Total current liabilities		50,808	22,718
Total liabilities		114,388	26,704
Total liabilities and stockholders' equity		283,249	51,778

**Consolidated cash flow statement
as of 31 December 2023**

	Note	2023 (CZK '000)	2022 (CZK '000)
OPERATING ACTIVITIES			
Consolidated profit/loss before tax		177,481	0
Depreciation of fixed assets	35	1,176	0
Interest income and expenses	36	512	0
Other non-monetary operations	37	-165,914	0
Adjustments for non-monetary operations		-164,226	0
Changes in trade and other receivables	38	-12,107	0
Change in trade and other payables	39	26,764	0
Change in inventory	40	5,967	0
Changes in the non-monetary components of working capital		20,624	0
Net cash flow from operations before interest and taxes		33,879	0
Income tax paid	41	-6,258	0
Paid interests	42	-383	0
Received interests	43	176	0
Net cash flow from operations		27,414	0
INVESTING ACTIVITIES			
Purchase of fixed assets	44	-2,164	0
Purchase of business shares	45	-37,346	0
Net cash flow from investment activities		-39,510	0

	Note	2023 (CZK '000)	2022 (CZK '000)
FINANCIAL ACTIVITIES			
Repayment of financial leasing liabilities	46	-973	0
Change in financing liabilities	47	29,961	0
Net cash flow from financial activities		28,988	0
Net increase or decrease in cash and cash equivalents		16,892	0
Opening balance of cash and cash equivalents		2,329	2,329
FX changes		809	0
Closing balance of cash and cash equivalents		20,030	2,329

**Consolidated statement of changes in equity
as of 31 December 2023**

	Share capital	Reserve funds	Valuation differences from revaluation of assets and liabilities	Accumulated other comprehensive income	Retained earnings	Total equity attributable to shareholders of the company	Minority interests	Equity total
	(CZK '000)	(CZK '000)	(CZK '000)	(CZK '000)	(CZK '000)	(CZK '000)	(CZK '000)	(CZK '000)
Balance as at 31 December 2022	100	0	0	0	24,952	25,052	22	25,074
Profit/loss for current accounting period	0	0	0	0	30,566	30,566	-1,268	29,299
Other profit or loss of previous years	0	0	0	0	0	0	0	0
Minority interest	0	0	0	0	0	0	0	0
Profit/loss of the subsidiary at the date of acquisition	0	0	0	0	-647	-647	0	-647
Revaluation of long-term assets	0	0	145,740	0	0	145,740	0	145,740
Deferred tax from revaluation of long-term assets	0	0	-30,605	0	0	-30,605	0	-30,605
Profit shares paid	0	0	0	0	0	0	0	0
Balance as at 31 December 2023	100	0	115,135	0	54,871	170,107	-1,246	168,861

Annex to the consolidated financial statements of Logport Development Group for the year ending 31 December 2023

GENERAL INFORMATION

Principles and methods

Logport Development s.r.o. is the parent company of the Logport Development group, that includes also companies Spiritia s.r.o., TRANSITO PROPERTIES CZECH s.r.o., Logport Uhříněves, s.r.o., NOVIZ GLOBAL s.r.o. and SP Kappa s.r.o.

The company Logport Development s.r.o. was established on 23 May 2018 and is registered in the Commercial Register maintained by the Municipal Court in Prague under file No. 295410. The company's registered office is Na Valentince 3336/4, 150 00 Prague 5 – Smíchov. ID: 07146400.

The company's share capital is CZK 100,000.

51% share is held by Mr. Dávid Vais and 49% share is held by the company LGP Holding a.s.

The company Logport Development s.r.o. prepares and develops mainly commercial real estate development projects, with a focus on key urban infrastructure and services.

Logport Development s.r.o. purchased (as a 100% subsidiary) the company Spiritia s.r.o. for the construction of the "Logport Kladno Poldi" development project.

Logport Development s.r.o. purchased (as a 100% subsidiary) the company TRANSITO PROPERTIES CZECH s.r.o. for the construction of the "Logport Kladno South" development project.

Logport Development s.r.o. purchased 50% share in NOVIZ GLOBAL s.r.o. for the construction of the "Logport Prague West II" development project.

Logport Development s.r.o. purchased 30% share in SP Kappa s.r.o. for the construction of the "Logport Prague West III" development project.

The company Logport Uhříněves, s.r.o., as a subsidiary of Logport Development s.r.o., was established as an SPV for the construction needs of one of the future development projects.

The company Logport Development s.r.o. as the parent company of the Logport Development group, prepared its consolidated financial statements.

Consolidated financial statements of the Logport Development group have been prepared in accordance with the International Financial Reporting Standards (IFRS). The standards of the International Accounting Standards Board (IASB) applied at the

date of the financial statements have been applied. The conditions of the applied standards were met without exception.

Financial statements of individual subsidiaries were compiled as at the same date as the consolidated financial statements.

Consolidated financial statements were prepared on the basis of the going concern assumption. As at the date of the consolidated financial statements, no events have occurred that would have a significant impact on the group's assets and financial position.

Financial year of the Logport Development group covers the period from 1 January until 31 December 2023. Consolidated financial statements were compiled in thousands of CZK. Data in the Notes to the consolidated financial statements are presented in thousands of CZK, unless stated otherwise.

Scope of consolidation

The following companies were included in the consolidated accounts of Logport Development group: Logport Development s.r.o. as the parent company, Spiritia s.r.o., TRANSITO PROPERTIES CZECH s.r.o., NOVIZ GLOBAL s.r.o., SP Kappa s.r.o., and Logport Uhříněves, s.r.o.

The company Logport Development s.r.o. holds a 100% share of voting rights in the companies Spiritia s.r.o. and TRANSITO PROPERTIES CZECH s.r.o. and reports these as financial investments.

The company Logport Development s.r.o. holds a 50% share of voting rights in the company NOVIZ GLOBAL s.r.o. and reports it as a financial investment. The remaining share of 50% is owned by the company PMP investment group s.r.o., ID: 020 44 854.

The company Logport Development s.r.o. holds a 50% share of voting rights in the company Logport Uhříněves, s.r.o. and reports it as a financial investment. The remaining 50% share is owned by Mr. Martin Pumr and Mr. Zbyněk Ryba.

The company Logport Development s.r.o. holds a 30% share of voting rights in the company SP Kappa s.r.o. and reports it as a financial investment. The remaining 70% share is owned by the company JP Park a.s., ID: 432 24 792.

Company name	Registered seat	Share on voting rights (%)	Level of dependency	Consolidation method
Logport Development s.r.o.	Na Valentince 3336/4, 150 00 Praha 5	n/a	n/a	n/a
Spiritia s.r.o.	Na Valentince 3336/4, 150 00 Praha 5	100	decisive	full
TRANSITO PROPERTIES CZECH s.r.o.	Na Valentince 3336/4, 150 00 Praha 5	100	decisive	full
NOVIZ GLOBAL s.r.o.	Na Valentince 3336/4, 150 00 Praha 5	50	substantial	proportional (joint venture)
Logport Uhříněves, s.r.o.	Na Valentince 3336/4, 150 00 Praha 5	50	decisive	full
SP Kappa s.r.o.	Na Valentince 3336/4, 150 00 Praha 5	30	substantial	proportional (joint venture)

Consolidation principles

The company Logport Uhříněves, s.r.o. was founded by Logport Development s.r.o. and two other shareholders. The company Logport Development s.r.o. is its 50% shareholder with decisive influence. The company was fully consolidated, taking into account non-controlling interests in the profit and loss and equity statements.

Shares in the companies Spiritia s.r.o. and TRANSITO PROPERTIES CZECH s.r.o. were acquired as an "asset acquisition", with the net assets of the subsidiaries being valued at the acquisition price. No goodwill arose from the acquisition of the assets. Both companies were fully consolidated.

Logport Development s.r.o. bought a 100% share in Spiritia s.r.o. for CZK 26,500,000 and became the sole shareholder. The parent company acquired land via acquisition of the company Spiritia s.r.o.

In 2023, Logport Development s.r.o. bought 100% share in TRANSITO PROPERTIES CZECH s.r.o. for CZK 67,903,000. The parent company acquired real estate and land via acquisition of the company TRANSITO PROPERTIES CZECH s.r.o.

Shares in NOVIZ GLOBAL s.r.o. and SP Kappa s.r.o. were acquired as a joint venture according to IFRS 11. In accordance with this standard they were included in the consolidated financial statements proportionally. Shares of both companies were acquired at their nominal value. Logport Development s.r.o. thus entered as an investor in projects where both partners have interest in the project, its construction, and subsequent sale.

As part of the consolidation adjustments, values of acquired shares were netted against equity components. Furthermore, mutual costs and revenues, as well as receivables and liabilities between consolidated companies were excluded. On the basis of management's decision and signing of the lease agreement, assets (inventories) were reclassified into investment in real estate at Spiritia s.r.o. in 2023. Assets at TRANSITO PROPERTIES CZECH s.r.o. were reclassified in the same manner.

Accounting principles

Assets and liabilities of the company Logport Development s.r.o. and fully consolidated subsidiaries are reported and measured by uniform accounting policies applied across the Logport Development group.

Consolidated financial statements were prepared on the basis of historical cost.

IAS 2 – Inventories

The company Logport Development s.r.o. prepared consolidated financial statements in accordance with IAS 2 – Inventories.

The objective of this Standard is to prescribe the accounting treatment for inventories. A primary issue in accounting for inventories is the amount of cost to be recognised as an asset and carried forward until the related revenues are recognised. This Standard provides guidance on the determination of cost and its subsequent recognition as an expense, including any write-down to

net realisable value. It also provides guidance on the cost formulas that are used to assign costs to inventories.

Inventories shall be measured at the lower of cost and net realisable value. The cost of inventories shall comprise all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

When inventories are sold, the carrying amount of those inventories shall be recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories shall be recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, shall be recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

IAS 40 – Investment Property

The company Logport Development s.r.o. prepared consolidated financial statements in accordance with IAS 40 Investment Property.

This Standard shall be applied in the recognition, measurement and disclosure of investment property. Investment property is held to earn rentals or for capital appreciation or both. Therefore, an investment property generates cash flows largely independently of the other assets held by an entity. This distinguishes investment property from owner-occupied property. The production or supply of goods or services (or the use of property for administrative purposes) generates cash flows that are attributable not only to property, but also to other assets used in the production or supply process.

Judgement is needed to determine whether a property qualifies as investment property. An entity develops criteria so that it can exercise that judgement consistently in accordance with the definition of investment property.

An owned investment property shall be recognised as an asset when, and only when it is probable that the future economic benefits that are associated with the investment property will flow to the entity and the cost of the investment property can be measured reliably.

An owned investment property shall be measured initially at its cost. Transaction costs shall be included in the initial measurement.

An entity may choose either the fair value model or the cost model for all investment property backing liabilities that pay a

return linked directly to the fair value of, or returns from, specified assets including that investment property and choose either the fair value model or the cost model for all other investment property, regardless of the choice made in previous sentence.

Fair value model

After initial recognition, an entity that chooses the fair value model shall measure all of its investment property at fair value. A gain or loss arising from a change in the fair value of investment property shall be recognised in profit or loss for the period in which it arises.

Transfers

An entity shall transfer a property to, or from, investment property when, and only when, there is a change in use. A change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use.

For a transfer from inventories to investment property that will be carried at fair value, any difference between the fair value of the property at that date and its previous carrying amount shall be recognised in profit or loss. The treatment of transfers from inventories to investment property that will be carried at fair value is consistent with the treatment of sales of inventories.

When an entity completes the construction or development of a self-constructed investment property that will be carried at fair value, any difference between the fair value of the property at that date and its previous carrying amount shall be recognised in profit or loss.

IFRS 11 - Joint Arrangements

The company Logport Development s.r.o. prepared consolidated financial statements in accordance with IFRS 11 Joint Arrangement.

This IFRS shall be applied by all entities that are a party to a joint arrangement. A joint arrangement is an arrangement of which two or more parties have joint control. The parties are bound by a contractual arrangement and the contractual arrangement gives two or more of those parties joint control of the arrangement. A joint arrangement is either a joint operation or a joint venture.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

Types of joint arrangement

An entity shall determine the type of joint arrangement in which it is involved. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement.

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement. Those parties are called joint operators.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement. Those parties are called joint venturers.

Joint operations

A joint operator shall recognise in relation to its interest in a joint operation its assets, including its share of any assets held jointly, liabilities, including its share of any liabilities incurred jointly, its revenue from the sale of its share of the output arising from the joint operation, its share of the revenue from the sale of the output by the joint operation and its expenses, including its share of any expenses incurred jointly.

IFRS 16 - Leases

The company Logport Development s.r.o. prepared consolidated financial statements in accordance with IFRS 16 Leases.

This Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases. The objective is to ensure that lessees and lessors provide relevant information in a manner that faithfully represents those transactions. This information gives a basis for users of financial statements to assess the effect that leases have on the financial position, financial performance and cash flows of an entity.

The date of recognition of the lease is considered to be the day that occurs earlier from the following options: the day of signing the leasing contract, or the day from which the lessee and the lessor are bound by the terms of the lease.

At the commencement date, a lessee shall recognise a right-of-use asset and a lease liability, and shall measure the right-of-use asset at cost. The cost of the right-of-use asset shall comprise the amount of the initial measurement of the lease liability, any lease payments made at or before the commencement date, less any lease

incentives received, any initial direct costs incurred by the lessee and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period. A lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. The accounting unit chooses the period and depreciation method with the depreciation of other asset periods.

At the commencement date, a lessee shall measure the lease liability at the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the lessee shall use the lessee's incremental borrowing rate.

The implicit interest rate is the interest rate at which the sum of the discounted lease payments and the discounted unguaranteed residual value of the asset equals the sum of the fair value of the leased asset and the lessor's initial direct leasing costs.

The incremental interest rate for the lessee is the interest rate that the lessee would receive if he took out a loan under similar conditions and risks to finance the management of an asset of similar value as he has the right to use the asset under similar economic conditions.

A lessee may elect not to apply the requirements short-term leases and leases for which the underlying asset is of low value and also asset that the lessee intends to sublease or is already subleasing.

The Logport Development group has prepared consolidated Balance Sheet in accordance with the above standards.

Deferred Tax

Deferred tax is based on the balance sheet approach.

Deferred tax is calculated using tax rates that are expected to be valid when the assets are realised or the liability is settled.

This approach is based on temporary differences between the tax bases of assets/liabilities and their value recognised in the balance sheet. The tax base of these assets/liabilities is a deductible expense for tax purposes in the future.

As of the balance sheet date the carrying amount of deferred tax assets is assessed and reduced to the extent that it is no longer probable that sufficient taxable profit will be available against which this receivable or its part can be utilised.

Deferred tax is recognised in the income statement except when it relates to items charged directly to equity and the related deferred tax is also charged directly into equity.

Tangible movable assets and their sets

Tangible movable assets and sets of movable assets are recorded at cost, which is gradually reduced by depreciation to reflect wear and tear of the assets or accumulated impairment losses.

Tangible fixed assets are depreciated over their estimated lifespan.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
AS AT 31 DECEMBER 2023**

1. Revenues

Revenues comprised mainly of services provided (project management, leasing fees) by the consolidating company Logport Development, as well as revenues from concluded leases or similar contracts in individual subsidiaries.

Revenues (CZK '000)	31/12/2023	31/12/2022
Services	75,225	10,518
Transfer of inventories into real estate investments	240,254	0
Total revenues	315,479	10,518

2. Changes in inventory

These include capitalized historical pre-acquisition costs and/or preparation of unrealized development projects of the consolidating company Logport Development, which were written off in 2023:

Project/company (CZK '000)	31/12/2023	31/12/2022
Logport Development	-5,901	4,112
Total	-5,901	4,112

3. Consumption of material and energy

As at 31 December 2023, inventory cost in the amount of CZK 94,819,000 had the largest share of these costs; they were transferred in 2023 into investments in real estate. Expenses for direct consumption of materials and energy amounted to CZK 771,000.

In 2022, direct consumption of materials and energy amounted to CZK 566,000.

4. Services

As at December 31, 2023 these expenses consisted of costs related to lease of the Logport Prague West project (i.e. leasing fees), accounting costs, financial leasing, legal and other consulting services, marketing, etc.

5. Personal expenses

Personal expenses of Logport Development, s.r.o. amounted to CZK 1,162,000 (31 December 2022: CZK 1,228,000).

6. Depreciation of fixed assets

Accounting depreciation of long-term tangible assets and rights of use are determined on the basis of their useful life and inclusion in the relevant depreciation group for tax depreciation, recalculated to months of possible use starting from the month of acquisition.

Depreciation for 2023 amounts to CZK 1,176,000 (31 December 2022: CZK 356,000).

7. Inventory provisions

In 2022, a provision was created for the capitalized costs of the Logport Uhříněves project. The project was not implemented and was written off as a wasted investment in 2023.

8. Other operating revenues

As at 31 December 2023, other operating revenues amounted to CZK 33,000; mainly re-invoicing of costs.

As at 31 December 2022, other operating revenues amounted to CZK 52,555,000. This was mainly the first payment for the sale of a stake in the company Logport Jinočany, s.r.o., as well as compensation for non-implementation of the Logport Uhříněves project.

9. Other operating expenses

The largest share of other operating costs is the write-off of the wasted investment of the Logport Uhříněves project, amounting to CZK 2,364,000. The remainder was mainly insurance costs.

In 2022, these are insurance costs.

10. Financial revenues

Financial revenues (CZK '000)	31/12/2023	31/12/2022
Interest income from loans and borrowings	727	888
Other financial revenues	2,179	4
Total	2,906	892

11. Financial expenses

Financial expenses (CZK '000)	31/12/2023	31/12/2022
Interest on loans and borrowings	1,239	5,272
Other financial expenses	1,542	27
Total	2,781	5,299

12. Income tax

For the year 2023, tax payable amounted to CZK 6,726,000, while deferred tax amounted to CZK 30,605,000 (calculated from revaluation of assets to fair value).

For the year 2022, tax payable amounted to CZK 5,007,000, while deferred tax was zero.

13. Property, plant and equipment

Property type (CZK '000)	31/12/2023	31/12/2022
Motor vehicle, equipment	2,505	106
Total	2,505	106

14. Investment property

In 2023, the consolidating company transferred projects Logport Kladno Poldi (Spiritia s.r.o.) and Logport Kladno South (TRANSITO PROPERTIES CZECH s.r.o.) from the Inventory

category to the Investment property category. Title for the transfer to another category was the management's decision on the intention of a long-term lease of these projects and signing of the lease agreement.

Project/company (CZK '000)	31/12/2023	31/12/2022
Logport Kladno Poldi (Spiritia s.r.o.)	90,493	0
Logport Kladno South (TRANSITO PROPERTIES CZECH s.r.o.)	144,988	0
Total	235,481	0

In accordance with the application of the IFRS 11 standard, the company has not reported in 2023 investments in real estate in the project companies in the following amount:

NOVIZ GLOBAL s.r.o.: CZK 104,419,000

SP Kappa s.r.o.: CZK 44,442,000

15. Right-of-use asset

For 2023, this is the calculation of the long-term leasing of a motor vehicle in the amount of CZK 3,785,000 (31 December 2022: CZK 4,818,000).

16. Long-term loans

Receivable type (CZK '000)	31/12/2023	31/12/2022
Loan to a shareholder of the consolidating company (incl. interest)	6,037	2,126
Loan to LGP Holding a.s. (incl. interest)	10	0
Loan to a third party (incl. interest)	9,009	0
Total	15,056	2,126

17. Inventory

In 2022, the consolidating company reported the Logport Kladno Poldi (Spiritia s.r.o.) project as the inventory. In 2023, these were transferred to real estate investments in line with the management's decision and signing of the lease agreement.

Work-in-progress reported as at 31 December 2022 was written off; selected prospective development projects whose acquisition had been prepared by the consolidating company Logport Development in the past will not be implemented.

Project/company (CZK '000)	31/12/2023	31/12/2022
Logport Kladno Poldi (Spiritia s.r.o.)	0	29,767
Logport Development s.r.o.	0	5,967
Total	0	35,734

18. Trade receivables

As at 31 December 2023, these included trade receivables and accruals in the amount of CZK 2,708,000 (31 December 2022: CZK 1,230,000).

19. Loans and borrowings

Receivable type (CZK '000)	31/12/2023	31/12/2022
Loan to EBM Partner a.s. (interest)	0	37
Loan to LOGPORT CONSTRUCT s.r.o. (incl. interest)	60	3,395
Third party loan (incl. interest)	1,379	0
Total	1,439	3,432

20. Deferred expenses

As at 31 December 2023 deferred costs amounted to CZK 759,000; these are operating costs (mainly subscriptions) and future lease installments (short-term).

As at 31 December 2022, deferred costs amounted to CZK 573,000.

21. Due from state - tax receivables

As at 31 December 2023, VAT receivables amounted to CZK 1,367,000.

As at 31 December 2022, VAT receivables amounted to CZK 1,329,000.

22. Advances

As at 31 December 2023, operational advances and deposits amounted to CZK 119,000 (31 December 2022: CZK 100,000).

23. Cash and cash equivalents

As at 31 December 2023, cash amounted to CZK 22,000 while balances in bank accounts amounted to CZK 20,008,000.

As at 31 December 2022, cash amounted to CZK 30,000 while balances in bank accounts amounted to CZK 2,299,000.

24. Registered capital

Registered capital of the consolidating company amounted to CZK 100,000.

25. Retained earnings

This is the aggregated value of other operating results, retained earnings from previous years and operating results of the current period of the group, adjusted by the relevant consolidation adjustments:

As at 31 December 2023, these included exclusion of equity items of subsidiaries, value of excluded intra-group interest from loans at subsidiaries, adjustments related to the revaluation of real estate investments to fair value, and adjustments of reporting of long-term leasing.

26. Long-term borrowings

As at 31 December 2023, these included the long-term portion of a loan for the purchase of a motor vehicle amounting to CZK 819,000 (31 December 2022: zero).

27. Non-bank loans

Liability type (CZK '000)	31/12/2023	31/12/2022
Loan from the shareholder of the consolidating company (incl. interest)	6	6
Long term loan from LOGPORT CONSTRUCT s.r.o. (incl. interest)	29,142	0
Total	29,148	6

28. Leasing liabilities IFRS 16

These include recalculation of long-term leases for the purchase of motor vehicles in accordance with IFRS 16.

29. Deferred tax liabilities

These include deferred tax arising from the revaluation of the value of individual projects:

Project/company (CZK '000)	31/12/2023	31/12/2022
Logport Kladno Poldi (Spiritia s.r.o.)	12,637	0
Logport Kladno South (TRANSITO PROPERTIES CZECH s.r.o.)	17,968	0
Total	30,605	0

30. Trade and other payables

Payable type (CZK '000)	31/12/2023	31/12/2022
Trade payables	13,327	245
Other payables	1,064	1,430
Total	14,391	1,675

31. Tax liabilities

These include mainly 2023 income tax liability.

32. Short-term lease liability IFRS 16

These include recalculation of long-term leases for the purchase of motor vehicles in accordance with IFRS 16.

33. Short-term borrowings

As at 31 December 2023, these included short-term part of the loan for the purchase of a motor vehicle in the amount of CZK 255,000 and other short-term loans (31 December 2022: zero).

34. Short-term non-bank borrowings

Liability type (CZK '000)	31/12/2023	31/12/2022
Loan from EBM Partner a.s. (incl. interest)	0	14,655
Loan from LGP Holding a.s. (incl. interest)	0	479
Unpaid portion of purchase price for acquisition of TRANSITO PROPERTIES CZECH s.r.o.	30,563	0
Other payables	392	0
Total	30,955	15,134

35. Depreciation of fixed assets

Depreciation for the year 2023 amounted to CZK 1,176,000. These related to fixed assets in the ownership of the consolidating company.

36. Interest income and expenses

As at 31 December 2023, interest income and expense within the Logport Development group amounted to CZK 512,000.

37. Other non-monetary operations

As at 31 December 2023, other non-monetary operations are related to transfers and revaluation of assets to fair value amounted to CZK 165,914,000.

38. Changes in trade and other receivables

As at 31 December 2023, year-on-year change in trade and other receivables was CZK 12,107,000.

39. Change in trade and other payables

As at 31 December 2023, year-on-year change in trade and other payables amounted to CZK 26,764,000.

40. Change in inventory

As at 31 December 2023, year-on-year change in inventory amounted to CZK 5,967,000.

41. Income tax paid

As at 31 December 2023, income tax paid amounted to CZK 6,258,000.

42. Paid interests

Paid interest on loans and credits for the year 2023 amounted to CZK 383,000.

43. Received interests

Received interest from loans provided by the consolidating company and term deposits for the year 2023 amounted to CZK 176,000.

44. Purchase of fixed assets

Acquisition costs for long-term tangible assets amounted to CZK 2,164,000 in 2023; these are movable things.

45. Purchase of business shares

In 2023 Logport Development s.r.o. purchased 100% share in TRANSITO PROPERTIES CZECH s.r.o., as well as 50% share in NOVIZ GLOBAL s.r.o. and 30% share in SP Kappa s.r.o.

Payment of portion of the purchase price for TRANSITO PROPERTIES CZECH s.r.o. is postponed to October 2024.

46. Repayment of financial leasing liabilities

As at 31 December 2023, the year-on-year change in long-term lease liabilities was CZK 973,000.

47. Change in financing liabilities

As at 31 December 2023, the year-on-year change in payables from financing was CZK 29,961,000. This is the change in long-term borrowings.

EVENTS OCCURRING AFTER THE REPORTING DATE OF LOGPORT DEVELOPMENT GROUP

The project company Spiritia s.r.o. started drawing development loan for financing of the project Logport Kladno Poldi in Q1 2024. Final use permit and effective start of the rent is scheduled for July 2024.

Logport Development s.r.o. purchased the remaining 50% stake in Logport Uhříněves, s.r.o. in Q2 2024; the purchase price was CZK 50,000.

Change in the ownership structure of Logport Development s.r.o. occurred in Q2 2024; LGP Holding a.s. became the 100% shareholder.

Leasing of the premises owned by TRANSITO PROPERTIES CZECH s.r.o. started in Q2 2024.

Conditions for the receipt of the supplementary payment (Early Top Up) for the share in company Logport Jinočany, s.r.o. (project Logport Prague West) sold in Q4 2022 were fulfilled in Q2 2024.

There were no other significant events between the date of the consolidated financial statements and the date of their approval.



David Vais, executive director

In Prague on 28 June 2024

Financial statements of Logport Construct for the year ending 31 December 2023

Balance sheet as at 31 December 2023

	Note	2023 (CZK '000)	2022 (CZK '000)
ASSETS			
Property, plant and equipment	1 a)	1,259	0
Right-of-use asset	1 b)	816	1,147
Fixed assets		2,075	1,147
Trade receivables	2 a)	138,531	18,501
Loans and borrowings	2 b)	84,528	0
Deferred expenses		9	8
Advances paid		68	0
Due from state - tax receivables	2 c)	5,762	0
Cash and cash equivalents		57,916	6,516
Current assets		286,813	25,024
Total assets		288,889	26,171
LIABILITIES AND STOCKHOLDERS' EQUITY			
Registered capital		100	100
Retained earnings		57,794	7,090
Stockholders' equity		57,894	7,190
Total equity		57,894	7,190

	Note	2023 (CZK '000)	2022 (CZK '000)
Lease liability IFRS 16	3	527	854
Total long-term payables		527	854
Trade payables	4 a)	219,673	12,754
Tax payables and subsidies	4 b)	10,408	1,676
Short-term lease liability IFRS 16	4 c)	327	302
Short-term non-bank loans		60	3,395
Total current liabilities		230,468	18,126
Total liabilities		230,995	18,980
Total liabilities and stockholders' equity		288,889	26,171

Income statement as at 31 December 2023

	Note	2023 (CZK '000)	2022 (CZK '000)
Revenues	5	1,052,140	24,626
Consumption of material and energy		-2,953	-399
Services	6	-994,073	-14,903
Personnel expenses		-749	-181
Value adjustments relating to intangible and tangible assets		-331	-73
Other operating revenues		81	0
Other operating expenses		-202	-261
Operating profit/loss		53,913	8,809
Financial revenues	7	9,002	0
Financial expenses		-133	-48
Profit/loss from financial operations		8,869	-48
Profit/loss before tax (+/-)		62,781	8,760
Income tax		-12,078	-1,670
Profit/loss after tax (+/-)		50,704	7,090
Profit/loss of current accounting period (+/-)		50,704	7,090

Statements of cash flow as at 31 December 2023

	2023	2022
	(CZK '000)	(CZK '000)
OPERATING ACTIVITIES		
Net profit before tax	62,781	8,760
Depreciation of fixed assets	0	0
Depreciation of right-of-use	331	73
Change in provisions and reserves	0	0
Profit/loss on the sale of fixed assets	0	0
Interest expense and interest income	-8,967	25
Interest expense from right-of-use	79	20
Other non-cash transactions	-381	-84
Adjustments for non-cash transactions	-8,938	34
Change in operating receivables and other assets	-170,128	-18,508
Change in operating payables and other liabilities	206,249	12,760
Change in inventories	0	0
Change in working capital	36,121	-5,748
Net cash flow from operations before tax	89,964	3,046
Income tax paid from ordinary operations	-3,340	0
Interest paid	-35	-25
Interest received	9,003	0
Net operating cash flows	95,591	3,021

	2023	2022
	(CZK '000)	(CZK '000)
INVESTING ACTIVITIES		
Fixed assets expenditures	-1,259	0
Loans and borrowings to related parties	-39,597	0
Net investment cash flows	-40,856	0
FINANCIAL ACTIVITIES		
Cash increase in share capital	0	100
Change in payables from financing	-3,335	3,395
Net financial cash flows	-3,335	3,495
Net increase or decrease in cash and cash equivalents	51,401	6,516
Opening balance of cash and cash equivalents	6,516	0
Closing balance of cash and cash equivalents	57,916	6,516

**Statement of changes in stockholders' equity
as at 31 December 2023**

	Registered capital	Reserve funds	Accumulated other com- prehensive income	Retained earnings	Total equity
	(CZK '000)	(CZK '000)	(CZK '000)	(CZK '000)	(CZK '000)
Balance as at 31 December 2021	0	0	0	0	0
Change in share capital	100	0	0	0	100
Profit or loss for the current period	0	0	0	7,090	7,090
Other profit or loss of previous years (+/-)	0	0	0	0	0
Profit shares paid	0	0	0	0	0
Balance as at 31 December 2022	100	0	0	7,090	7,190
Change in share capital	0	0	0	0	0
Profit or loss for the current period	0	0	0	50,704	50,704
Other profit or loss of previous years (+/-)	0	0	0	0	0
Profit shares paid	0	0	0	0	0
Balance as at 31 December 2023	100	0	0	57,794	57,894

**Annex to the financial statements
of Logport Construct for the year
ending 31 December 2023**

GENERAL INFORMATION

Description of the company

LOGPORT CONSTRUCT s.r.o. (hereinafter referred to as the “company”) is a limited liability company based in Prague, Na Valentince 3336/4, Smíchov, ZIP code: 150 00, The Czech Republic, Id. No. 17365902. The company is registered in the Commercial Register maintained by the Municipal Court in Prague under file No. C 370674.

The main subject of its activity is production, trade and services not listed in Appendices 1 to 3 of the Trade Act, in particular the execution of buildings, their changes and removals.

The company’s share capital of CZK 100,000 is held by the following company: LGP Holding a.s., share 100%, CZK 100,000.

The company’s statutory body as at 31 December 2023 is the Executive: Dávid Vais, born 3 July 1989.

In 2023, no significant changes were made to the entry in the Commercial Register.

Basis for preparation of financial statements

The attached individual financial statements (non-consolidated) were prepared in accordance with Act No. 563/1991 Coll., on Accounting, as amended (hereinafter referred to as the “Accounting Act”) and the implementing decree No. 500/2002 Coll., which implements some provisions of Act No. 563/1991 Coll., on accounting, as amended, for accounting units that are entrepreneurs accounting in the double-entry accounting system, as amended, valid for the years 2023 and 2022 (hereinafter referred to as the “implementing decree on the Accounting Act”).

General accounting principles, accounting methods and their changes and deviations

The company LOGPORT CONSTRUCT s.r.o. prepared financial statements in accordance with IFRS 16 – Leases. In the case of the company, it is a lease of vehicles from a leasing company.

This standard distinguishes a lease from a service contract and ensures that companies report all lease-related liabilities and assets on the balance sheet.

The date of origination of the lease is considered to be the day that occurs earlier from the following options: the day of signing the leasing contract, or the day from which the lessee and the lessor are bound by the terms of the lease.

On the lease commencement date, the lessee will value the right to use the asset on the basis of acquisition costs, which must include: the value of the lease liability – in the amount of the current value of the lease payments; all leasing payments made by the lessee before the lease commencement date less leasing incentives (discounts); the initial direct costs of the lease paid by the lessee; costs incurred by the lessee in acquiring the identified asset. The accounting unit chooses the period and method of depreciation in line with the depreciation of other similar assets.

Furthermore, on the lease commencement date, the lessee will value the lease liability in the amount of the present value of future lease payments that have not been paid on the lease commencement date. The lease liability is increased by the relevant unpaid interest at the time, calculated on the basis of the implicit interest rate of the lease, or the incremental interest rate, and decreased by the lease payments made. The interest rate does not change during the lease unless the interest rate has been revised.

The implied interest rate is the interest rate at which the sum of the discounted lease payments and the discounted unguaranteed residual value of the asset equals the sum of the fair value of the leased asset and the lessor’s initial direct leasing costs.

The incremental interest rate for the lessee is the interest rate that the lessee would receive if he took out a loan under similar conditions and risks to finance the acquisition of an asset of similar value as he has the right to use the asset under similar economic conditions.

A lessee need not apply the standard to: short-term leases; leases of assets with insignificant value; it must not be an asset that the lessee intends to sublet or is already subletting.

**NOTES TO THE FINANCIAL STATEMENTS AS AT
31 DECEMBER 2023**

1. Long term assets

a) Property, plant and equipment

Purchase price	Starting balance	Increase	Disposal	Transfers	Ending balance
	(CZK '000)	(CZK '000)	(CZK '000)	(CZK '000)	(CZK '000)
Land					
Buildings					
Tangible movable things and their sets (car)	0	1,259	0	0	1,259
Valuation difference to acquired assets					
Cultivation units of permanent stands					
Livestock					
Other tangible fixed assets					
Advances provided for long-term tangible assets					
Work in progress					
Total 2023	0	1,259	0	0	1,259
Total 2022	0	0	0	0	0

b) Right-of-use asset

This is the sum of the discounted payments for the lease of three vehicles from the leasing company, minus total depreciation.

2. Current assets

a) Trade receivables

These include receivables from business relations, from the economic activity of the company.

b) Loans and borrowings

These are loans granted to LGP Holding a.s., Logport Development, s.r.o. and EBM Partner a.s.

c) Due from state - tax receivables

These tax receivables include excess VAT from received invoices stemming from taxable operations.

3. Long-term liabilities

These include liabilities from financial leasing for the purchase of vehicles, payable in 2025–2027.

4. Current liabilities

a) Trade payables

These include trade payables from the economic activity of the company's construction projects.

b) Due from state - tax payables and subsidies

This is the corporate income tax payable for the year 2023.

c) Short-term lease liability IFRS 16

Liabilities from financial leasing for the purchase of vehicles due in the following year (2024).

5. Revenues

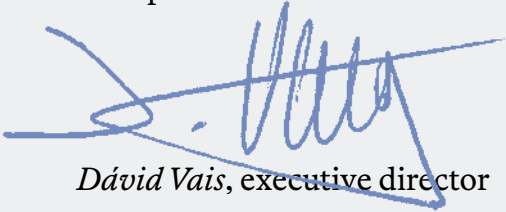
Revenues were generated mainly from the provision of construction work for the Logport Prague West commercial project.

6. Services

These include mainly purchased construction works related, and also the costs of accounting, administrative and project activities.

7. Financial revenues

These represent interest from term deposits with a bank, as well as from provided loans.



Dávid Vais, executive director

In Prague on 28 June 2024

LOGPORT

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