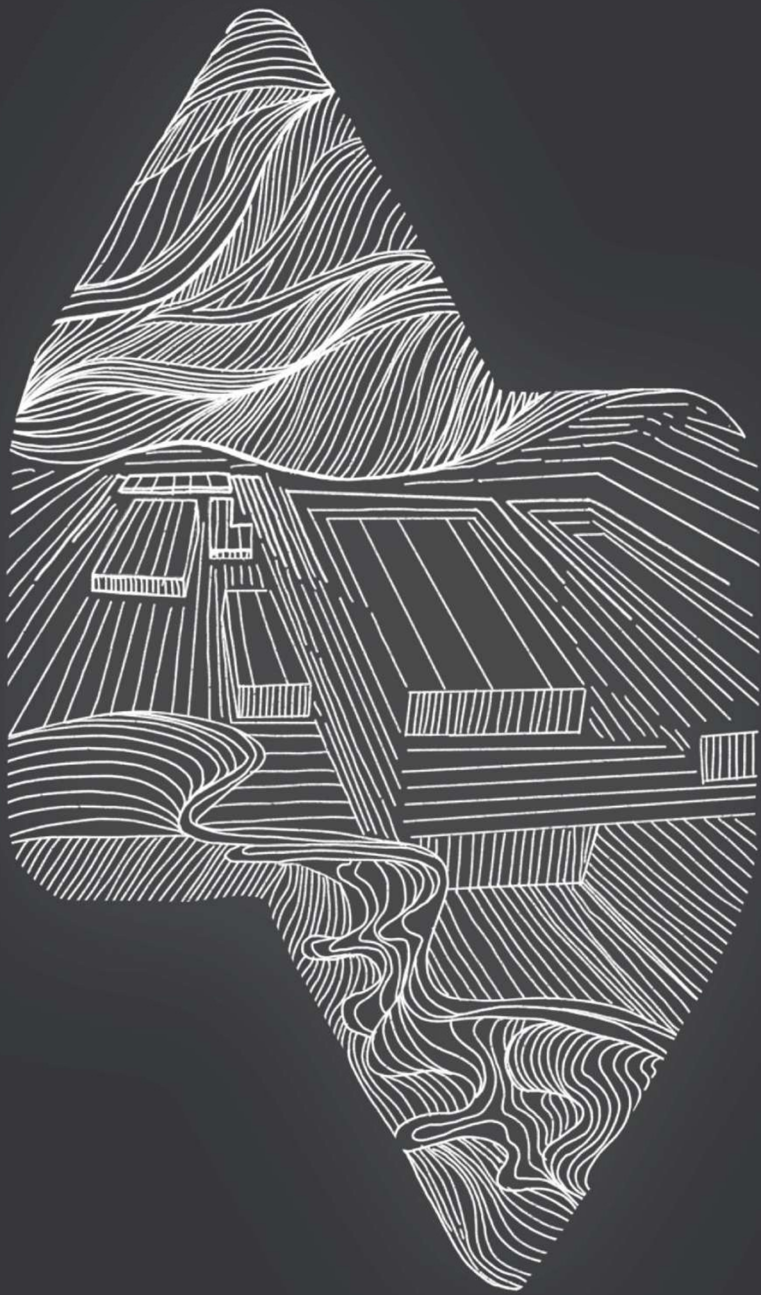

ACCOLADE FINCO CZECH 2, S.R.O.

Opening Balance sheet as at 6 February 2025 prepared in accordance with International Financial Reporting Standards as adopted by EU

STATEMENT OF FINANCIAL POSITION AS AT 6 FEBRUARY 2025

(CZK '000)	Notes	6 FEB 2025
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	6	24
TOTAL CURRENT ASSETS		**24**
TOTAL ASSETS		**24**

(CZK '000)	Notes	6 FEB 2025
LIABILITIES AND EQUITY		
EQUITY		
Share capital	7	24
TOTAL EQUITY		**24**
TOTAL LIABILITIES AND EQUITY		**24**

The notes on pages 3 to 6 are an integral part of these financial statements.

NOTES TO THE OPENING BALANCE SHEET AS AT 6 FEBRUARY 2025

CONTENTS

1. REPORTING ENTITY

Company structure and identification

Accolade Finco Czech 2, s.r.o. ("the Company") is a limited liability company incorporated and registered in the Czech Republic, identification No. 22567062, with its registered office at Sokolovská 394/17, Karlín, 186 00 Praha 8. The Company was formed on 6 February 2025 and registered in Commercial Register maintained by the Municipal court in Prague, section C, file 418562.

The principal business activity of the Company is rental of property, residential and non-residential premises. However, currently the Company is not actively involved in this activity and no such transactions are reported.

Ownership

The ownership structure of the Company was as follows:

Company	Registered address	Interest in share capital
Accolade Holding, a.s. IN: 28645065 Section B file 19102 kept by the Municipal court in Prague	Sokolovská 394/17, Karlín, 186 00 Praha 8, Czech Republic	100%

Accolade Holding, a.s. is the parent company of Accolade Finco Czech 2, s.r.o.. The ultimate beneficial owners disclosed in Register of ultimate beneficial owners are Milan Kratina and Zdeněk Šoustal.

Statutory authority

Executive	**Date**
Milan Kratina	6 February 2025
Zdeněk Šoustal	6 February 2025

Information on independent auditor

The Financial Statements of the Company were audited by an independent auditor BDO Audit s.r.o.

2. GOING CONCERN

The company was established to provide financing for the Accolade group through a public issue of debt securities (bonds). At the time of issuing this Opening Balance sheet, the management of the Company is taking active steps to fulfil this purpose. Therefore are no doubts that the Company will operate as a going concern. The Opening Balance sheet as at 6 February 2025 has been prepared based on the going concern assumption.

3. BASIS OF PREPARATION

Statement of compliance

The Company prepares the Opening Balance sheet in accordance with International Financial Reporting Standards (IFRS) as adopted by European Union.

The significant accounting policies adopted in the preparation of the Opening Balance sheet are described in the Note 4.

Basis of measurement

The Opening Balance sheet has been prepared on a historical cost basis. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Functional and presentation currency

The Opening Balance sheet is presented in Czech crowns (CZK), which is the Company's functional and presentation currency. All amounts have been rounded to the nearest thousand (CZK '000), unless otherwise indicated.

Other basis of preparation

This Opening Balance sheet does not constitute the entire financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by European Union and has been prepared solely for the purposes of bond issuance process and is not intended for any other use.

4. APPLICATION OF NEW AND AMENDED STANDARDS

4.1. New standards, interpretations and amendments adopted from 1 January 2025

For annual reporting periods beginning on or after 1 January 2025, the following is newly effective requirement:

- Lack of Exchangeability (Amendment to IAS 21)

This amendment had no effect on the financial statements of the Company.

Lack of Exchangeability (Amendment to IAS 21)

On 15 August 2023, the IASB issued Lack of Exchangeability which amended IAS 21 The Effects of Changes in Foreign Exchange Rates (the Amendments). The Amendments arose as a result of a submission received by the IFRS Interpretations Committee about the determination of the exchange rate when there is a long-term lack of exchangeability. IAS 21, prior to the Amendments, did not include explicit requirements for the determination of the exchange rate when a currency is not exchangeable into another currency, which led to diversity in practice.

The Amendments introduce requirements to assess when a currency is exchangeable into another currency and when it is not. The Amendments require an entity to estimate the spot exchange rate when it concludes that a currency is not exchangeable into another currency.

4.2. New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early. The summary below lists all pronouncements with a mandatory effective date in future accounting periods:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)
- Annual Improvements to IFRS Accounting Standards Lack of Exchangeability (Amendment to IAS 21)
- Contracts Referencing Nature-dependent Electricity (previously Power Purchase Agreements) (Amendments to IFRS 9 and IFRS 7)
- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

The Company is currently assessing the effect of these new accounting standards and amendments.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

In response to matters that had been raised to the IFRS Interpretations Committee as well as matters that arose during the post-implementation review of classification and measurement requirements of IFRS 9 Financial Instruments, in May 2024, the IASB issued Amendments to the Classification and Measurement of Financial Instruments. The Amendments modify the following requirements in IFRS 9 and IFRS 7:

Derecognition of financial liabilities
- Derecognition of financial liabilities settled through electronic transfers.

Classification of financial assets
- Elements of interest in a basic lending arrangement (the solely payments of principle and interest assessment – 'SPPI test')
- Contractual terms that change the timing or amount of contractual cash flows
- Financial assets with non-recourse features
- Investments in contractually linked instruments.

Disclosures
- Investments in equity instruments designated at fair value through other comprehensive income
- Contractual terms that could change the timing or amount of contractual cash flows.

The Amendments may significantly affect how entities account for the derecognition of financial liabilities and how financial assets are classified.

Annual Improvements to IFRS Accounting Standards Lack of Exchangeability (Amendment to IAS 21)

Annual improvements are limited to changes that either clarify the wording in an IFRS Accounting Standard, or correct relatively minor unintended consequences, oversights or conflicts between requirements of the Accounting Standards. The proposed improvements are packaged together in one document. This cycle of annual improvements addresses the following:
- Hedge Accounting by a First-time Adopter (Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards)
- Disclosure of Deferred Difference between Fair Value and Transaction Price (Amendments to Guidance on implementing IFRS 7)
- Gain or Loss on Derecognition (Amendments to IFRS 7)
- Introduction and Credit Risk Disclosures (Amendments to Guidance on implementing IFRS 7)
- Derecognition of Lease Liabilities (Amendments to IFRS 9)
- Transaction Price (Amendments to IFRS 9)
- Determination of a 'De Facto Agent' (Amendments to IFRS 10)
- Cost Method (Amendments to IAS 7).

Contracts Referencing Nature-dependent Electricity (previously Power Purchase Agreements) (Amendments to IFRS 9 and IFRS 7)

On 18 December 2024 the IASB issued amendments to improve the reporting by companies of the financial effects of nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs).

Nature-dependent electricity contracts assist companies to secure their electricity supply from wind and solar power sources. Since the amount of electricity generated under these contracts may vary based on uncontrollable factors related to weather conditions, current accounting requirements may not adequately capture how these contracts affect a company's performance. In response, the IASB has made targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures to improve the disclosure of these contracts in the financial statements. The amendments include:

- Clarifying the application of the ‘own-use’ requirements;
- Permitting hedge accounting if these contracts are used as hedging instruments; and
- Adding new disclosure requirements to enable investors to understand the effect of these contracts on a company’s financial performance and cash flows.

These amendments are effective for annual reporting periods beginning on or after 1 January 2026.

IFRS 18 Presentation and Disclosure in Financial Statements

IFRS 18 Presentation and Disclosure in Financial Statements replaces IAS 1 Presentation of Financial Statements and is mandatorily effective for annual reporting periods beginning on or after 1 January 2027.

IFRS 18, which was published by the IASB on 9 April 2024, sets out significant new requirements for how financial statements are presented, with particular focus on:

- The statement of profit or loss, including requirements for mandatory sub-totals to be presented. IFRS 18 introduces requirements for items of income and expense to be classified into one of five categories in the statement of profit or loss. This classification results in certain sub-totals being presented, such as the sum of all items of income and expense in the operating category comprising the new mandatory ‘operating profit or loss’ sub-total.
- Aggregation and disaggregation of information, including the introduction of overall principles for how information should be aggregated and disaggregated in financial statements.
- Disclosures related to management-defined performance measures (MPMs), which are measures of financial performance based on a total or sub-total required by IFRS Accounting Standards with adjustments made (e.g. ‘adjusted profit or loss’). Entities will be required to disclose MPMs in the financial statements with disclosures, including reconciliations of MPMs to the nearest total or sub-total calculated in accordance with IFRS Accounting Standards.

The aim of the IASB in publishing IFRS 18 is to improve comparability and transparency of companies’ performance reporting. IFRS 18 has also resulted in narrow changes to the statement of cash flows.

IFRS 18 Presentation and Disclosure in Financial Statements will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements. Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items. These changes include categorization and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

On 9 May 2024, the International Accounting Standards Board (IASB) issued IFRS 19 Subsidiaries without Public Accountability: Disclosures.

Stakeholders have asked the IASB to permit a subsidiary reporting to a parent applying IFRS Accounting Standards in its consolidated financial statements to apply IFRS Accounting Standards with reduced disclosure requirements in its own financial statements. Considering this feedback, the IASB added a project to its research pipeline to provide reduced disclosure requirements for subsidiaries without public accountability. The project has culminated in the issuance of IFRS 19, which permits eligible subsidiaries to apply reduced disclosure requirements while applying the recognition, measurement and presentation requirements in IFRS Accounting Standards.

For example, under IFRS 19, an entity that has transactions within the scope of IFRS 2 Share-based Payment would not apply the disclosure requirements in IFRS 2.44-52, which are extensive. Instead, an entity would disclose only the information contained in paragraphs 31-34 of IFRS 19, which include a description of share-based payment arrangements, the number and weighted average exercise prices of share options, how an entity measures the fair value of equity-settled share-based payment transactions and other general information about transactions in the scope of IFRS 2.

As an indication of the scope of the reduction in disclosure requirements, IFRS 2 currently contains 991 words in its disclosure requirements, whereas IFRS 19 contains only 250 words relating to IFRS 2 disclosures.

The eligibility criteria for an entity to apply IFRS 19 are:

- The entity is a subsidiary (as defined in Appendix A of IFRS 10 Consolidated Financial Statements);
- The entity does not have public accountability; and
- The entity has an ultimate or intermediate parent that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.

An entity has public accountability if:

- Its debt or equity instruments are traded in a public market or it is in the process of issuing such instruments for trading in a public market; or
- It holds assets in a fiduciary capacity for a broad group of outsiders as one of its primary businesses.

5. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of Financial Statements in accordance with IFRS requires the directors to make critical accounting estimates and judgments that affect the amounts reported in the financial statements and accompanying notes. These estimates and judgments are continually evaluated and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The preparation of financial statements in accordance with IFRS requires the use of estimates and assumptions that affect the reported amount of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

There are no estimates and assumptions that have significant effect on the amounts recognized in the Opening Balance sheet or risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period.

6. SIGNIFICANT ACCOUNTING POLICIES

6.1. Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits held with banks. The carrying amount approximates to fair value because of the short-term maturity of these instruments.

6.2. Equity

Issued capital

Issued capital represents the amount of capital registered in the Shareholders Register and is classified as equity. External costs directly attributable to the issuance of share capital, other than upon a business combination, are shown as a deduction from the proceeds, net of tax, in equity.

As of 6 February 2025, the Company’s equity consisted only of basic capital in the amount of 24 ths. CZK.

6.3. Current versus non-current classification

The Company presents assets and liabilities in statement of financial position based on current/non-current classification. An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current. A liability is current when:

- It is expected to be settled in a normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

6.4. Foreign currency transactions

There were no transactions denominated in foreign currencies.

6. CASH AND CASH EQUIVALENTS

CZK '000	6 FEB 2025
Cash at bank	24
Total Cash and cash equivalents	**24**

Bank balances are available on demand.

7. SHARE CAPITAL

Name of parent company	Interest on share capital	6 FEB 2025
Accolade Holding, a.s.	100%	24

The Company issued single equity share, which is held by the parent company Accolade Holding, a.s. The nominal value of this share is 24 000 CZK and has been paid in full.

There are no capital requirements imposed on the Company.

8. SUBSEQUENT EVENTS

There have been no events between the balance sheet date and the date of preparation of the Opening Balance sheet that would significantly affect the financial position of the Company. Therefore, there are no adjustments of the Opening Balance sheet and/or disclosures necessary.

9. FINANCIAL RISK MANAGEMENT

The Company's operations are not exposed to significant financial risks:

- Currency risk is not relevant. The Company's transactions are in CZK.
- Credit risk is not relevant. The Company has no receivable and the cash is deposited by a creditable bank.
- Interest risk is not relevant. The Company has no loan.
- Liquidity risk is not relevant. The Company reports no liability.
- Market risk is not relevant. The Company has no financial instruments.

10. MANAGING DIRECTOR DECLARATION

The Company's managing director declares that, according to the best of his knowledge, the Opening Balance sheet as at 6 February 2025 of Accolade Finco Czech 2, s.r.o. provides a true and fair view of the financial position and business activities of the Company and of the outlook for its future development.

Date:

Milan Kratina Digitally signed by Milan Kratina
Date: 2025.02.20 13:31:20
+01'00'

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Milan Kratina

Tel: +420 241 046 111
www.bdo.cz

BDO Audit s.r.o.
V parku 2316/12
Prague 4
148 00

Independent Auditor's Report

to the Sole Shareholder of Accolade Finco Czech 2, s.r.o.

Opinion

We have audited the accompanying Opening Balance sheet of Accolade Finco Czech 2, s.r.o., with its headquarters at Sokolovská 394/17, Karlín, 186 00 Praha 8, IC (Registration Number) 225 67 062, (hereafter the "Company") which comprise the opening balance sheet as at 6 February 2025, and Notes to the Opening Balance sheet, including a summary of significant accounting policies and other explanatory information (hereafter the "Opening Balance sheet").

In our opinion, the accompanying Opening Balance sheet of the Company as at 6 February 2025 in all material respects, in accordance with the basis of Opening Balance sheet preparation of Company as is stated in section 3 of Notes to the Opening Balance sheet.

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 these regulations are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the 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 regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - basis of preparation of Opening Balance sheet

We draw your attention to the point in the section 3 of Notes to the Opening Balance sheet where is stated that the Opening Balance sheet is prepared in accordance with International Financial Reporting Standards as adopted by European Union (hereafter "IFRS EU"), and does not constitute the entire financial statements in accordance with IFRS EU.

Our opinion is not modified in respect of this matter.

Responsibilities of the Company's Statutory Body for the Opening Balance sheet

The Company's Statutory Body is responsible for the preparation of the Opening balance sheet in accordance with accounting basis of preparation of the Opening Balance sheet of Company that is specified in section 3 of Notes to the Opening Balance sheet, and for such internal control as the Statutory Body determines is necessary to enable the preparation of Opening Balance sheet that is free from material misstatement, whether due to fraud or error.

In preparing the Opening Balance sheet, the Statutory Body is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to the 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.

Auditor's Responsibilities for the Audit of the Opening Balance sheet

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

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

- Identify and assess the risks of material misstatement of the Opening Balance sheet, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Statutory Body.

- Conclude on the appropriateness of the Statutory Body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Opening Balance sheet 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.

We communicate with the Company's Statutory Body 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.

In Prague, 20 February 2025

Audit firm:

BDO Audit s. r. o.

Certificate No. 018

Engagement Partner:

Ing. Jana Hubáčková

Certificate No. 2501

Accolade

ACCOLADE FINCO CZECH 2, S.R.O.

Sokolovská 394/17

186 00 Prague 8

Czech Republic

www.accolade.eu