

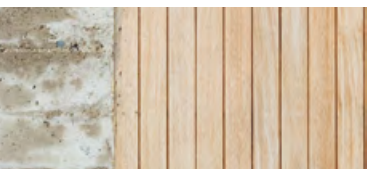
*Turning unique  
places into great  
neighbourhoods*

CRESTYL

# CRESTYL GROWTH MANAGEMENT REPORT



**CRESTYL**



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1

CRESTYL  
IN 2022

# LETTER FROM THE CEO







*Dear stakeholders,  
After believing that COVID-19 created an emotional roller coaster with social distancing and other social damage inflicted on humans by a virus, 2022 saw the unfortunate situation of damage inflicted by people on people. War in Ukraine and, for that matter, no war in any form can bring any good. In a world that is more and more diverse, co-existence in harmony should be the aim of every person, every leader, and every society.*

Naturally, the war in Ukraine created various macro-economic effects including inflation. Whether these were amplified by the damage created during COVID-19 or not is a matter of the past, but what is clear is that 2022 saw a significant impact on the various parts of the real estate development formula and segments.

Unlike the global financial crisis where real estate was impacted only negatively, Crestyl, being a diversified platform, witnessed various opposing pressures this time around. In our standing investments, inflation pushed rents up with no defaulting tenants whatsoever as many expected, improving our rental income. On the other hand, construction costs and the volatility of raw material prices created a significant construction price hike affecting our developments negatively.

The advantage of our diversified strategy is now very relevant on the demand side, since – whilst we see residential demand impacted substantially due to mortgage

rates – both office and particularly retail demand remain robust. In fact, going forward we see the supply-demand imbalance in offices and the post-COVID-19 retail rebound to be key drivers that will help our two largest projects, Dornych in Brno and Savarin.

The next twelve months will bring many opportunities as well as pressure on efficiency. It will test the agility of the company and the effectiveness and ability of the teams to withstand the various pressures.

Liquidity and cash should be the focus, while nevertheless keeping an eye on the opportunities that will stem from the gaps in the market left by the players that will change strategy.

---

**OMAR KOLEILAT**  
Chief Executive Officer

# KEY FIGURES 2022

## ASSETS

### Total assets

EUR 810.9m

+13.7% vs 2021

## RENTAL

### NET asset value

EUR 158.2m

14.9% vs 2021

## PROPERTY

### Property portfolio

EUR 703.7m

+18.8% vs 2021

### Investment property

EUR 656.4m

+23.4% vs 2021

### Trading property

EUR 47.3m

-21.5% vs 2021

(residential)

# 86%

Occupancy

retail\*

\* Investment portfolio

# 82%

Occupancy

office\*

WAULT – office\*

## | 4.062 years

WAULT – retail\*

## | 3.8 years

Rental revenues

EUR 21.4m

+43.6% vs 2021

Compound annual  
growth rate (2018–2021)

## | 57% p.a.

## CERTIFICATIONS

# 100 %

of office buildings (m<sup>2</sup>),  
certified LEED Gold

# HIGHLIGHTS 2022

# 1

First green refinancing  
of DOCK IN FIVE worth  
EUR 63 MIL.



# 2

Receiving a planning  
permit for Šárka.



3

Completion of DOCK IN FIVE as well as the whole DOCK complex after 15 years of development.



4

Completion of first phase of Hagibor residential buildings Alfa and Beta and official construction start of Hagibor offices.

5

Receiving a planning permit for Brno Dornych.







2

CRESTYL  
PROFILE



# CRESTYL IN A NUTSHELL\*



# 12

Projects

# 17

Developments





31

Phases

OVER 100

Seasoned  
professionalsEUR 903<sub>m</sub>Property value under  
management\*\*EUR 811<sub>m</sub>Consolidated total  
assets

\* Numbers are related to Crestyl Holding Limited.

\*\* Property values of joint venture projects are also 100% included, regardless of Crestyl's share. Investment properties (commercial development projects and investment portfolio) are included in property value under our management at fair value. Residential development projects are included in property value under our management at book values (lower of cost valued and net realizable value).

# OUR MISSION

*Our mission is to make  
a lasting positive urban  
impact wherever we invest.*

Crestyl is committed to quality and sustainability. Crestyl develops thoughtfully, in context and with respect for the local environment and public spaces. We pay attention to detail and deliver timeless solutions. Our people bring to bear their enthusiasm, ingenuity and emotions to create an environment of enduring value.



# TRANSFORMING CITIES

**Crestyl's diverse expertise allows it to develop mixed-use projects that include both residential and commercial uses. Hence, we create lively and colorful locations that establish themselves very quickly as prime and well-known addresses. Whilst our acquisition strategies combine both a larger multiphase project and smaller projects, we consider in every project our contribution to its local area and its residents.**

Throughout the years, Crestyl has developed projects in Most, Kladno, Chomutov and Jablonec that have reversed the trend of the hollowing out of their city centers. Crestyl has successfully revived the pedestrian downtowns of these cities and has received recognition specifically hailing the impact these projects have delivered.

Similarly, Crestyl is now constructing another phase of its 8-phase mixed-use Hagibor project, a project development characterized by the abundance of nature and great public space. It is already expanding and enriching the boundaries of the most sought-after residential area in Prague-Vinohrady. In the coming years, we are planning to make another significant impact in Prague and Brno with projects Savarin, Šárka and Dornych.

In 2022 Crestyl received multiple awards locally and internationally. The DOCK IN FIVE received the CIJ Award for the best office development in the Czech Republic as well as the Best of the Best HOF Award for office development in Central Europe. Hagibor has received various awards locally for the finished first phase of residential buildings Alfa and Beta.



# OUR VALUES

We have fully embraced a culture of collaboration and inclusivity within our working environment. We recognize the fundamental importance of our culture in driving our success and aligning with our strategic goals. At Crestyl, culture encompasses how our employees perceive their work, the values they uphold, their vision for Crestyl's future, and the actions they take to bring it to fruition. Our aim is to cultivate a highly engaged employee culture.

## **DESIGN IS WHAT CONNECTS US**

In every aspect of our work, we seek timeless, well-thought-out solutions. What is important to us is the enduring value of our projects being implemented with a feeling of detail and aesthetics. When designing apartment units, we always pay attention to user experience and characteristics to ensure the best living possible.

## **QUALITY IS WHAT DETERMINES US**

We insist that our output is of the highest possible quality, without flaws or shortcomings. Quality remains at the forefront of our focus throughout every stage, ranging from project planning to hand-over. Whether it pertains to project selection, marketing efforts, construction processes, or subsequent customer care, we have a zero-tolerance policy for mediocrity.

## **WE CARE ABOUT EACH OTHER**

Our primary focus revolves around ensuring that our clients have an exceptional experience. Responsibility towards our community and colleagues is a key aspect of our behavior, as we strive to be a respected and reliable partner. Emphasizing a culture of mutual respect, we place great value on actively listening to others.

## **WE PROMOTE TEAM SPIRIT**

Mutual trust and support are integral to our operations. The experiences and opinions of others hold significant value to us, as we acknowledge that our differences enhance our collective capabilities. Our culture fosters care and collaboration within teams.

## **WE ARE TRANSPARENT**

Advocating for open access to information is a core principle we uphold. We strive to provide our colleagues and commercial partners with a comprehensive understanding of the broader context surrounding our actions and activities, enabling them to grasp our intentions and goals. Culture is monitored and assessed by the Officers' Board to ensure alignment with Crestyl's strategy and is reinforced through the decision making of the relevant bodies of the Crestyl companies.



# OUR EMPLOYEES

## OUR EMPLOYEES AND OUR CULTURE ARE VITAL FOR OUR SUCCESS.

**Crestyl is committed to equality of opportunities and diversity. We are an inclusive company, and our ambition is to attract, recruit and promote diverse talent. We believe diversity and an inclusive environment are key for our success.**

We support diversity in terms of gender, age, and type of contract, as we believe that team diversity supports the creativity and unique approach to our business. Crestyl aims to ensure gender equality in management positions – in 2022 42 % of managerial positions were represented by women. We also promote age diversity and are proud that we increased our share of the 55+ age group from 7 % in 2021 to 11 % in 2022.

We aspire to a culture involving the intensive high engagement of our people. We believe that fostering a sense of engagement is achieved through meaningful work, supportive management, opportunities for growth, trust in leadership, and a positive working environment. This is a culture in which everyone brings their best self to work every day, where they enthusiastically embrace CRESTYL strategies, goals and

values, take pride in their work, and learn from mistakes. Caring and collaborative teams-based culture are essential for us.

We focus on mutual trust and relationship-building between teammates. We encourage cross-functional collaboration where people with different skill sets support one another. Furthermore, we are committed to maintaining the professional skills of our employees by offering them the opportunity to participate in tailored training.

### DIVERSITY OF EMPLOYEES



### DIVERSITY OF EXECUTIVE BODIES



## EMPLOYEE AGE STRUCTURE

Employer	Number of employees by age category					Total
	18–24 years	25–34 years	35–44 years	45–54 years	55 years and more	
CRESTYL real estate, s.r.o.	2	32	25	23	10	92
FACILITY PRO s.r.o.	0	0	5	9	2	16
Total by group	2	32	30	32	12	108
	2%	30%	28%	30%	11%	100%
Average age of employees for both companies combined						41

# CORPORATE GOVERNANCE

*Our Code of Conduct is mandatory for all our employees and summarizes the key principles we should adhere to in our day-to-day activities.*



We carefully evaluate our potential clients and business partners for compliance with our anti-money laundering policy and the sanction lists. When there is a change to a sanction list, we review our clients, potential clients, and business partners for compliance with the updated version and undertake all necessary steps to become compliant.

The group organization is matrix based, as this is most suitable for our projects. It is supported by specialized committees, formed in 2021, specifically established to monitor and manage business-specific topics (on top of regular work positions). Each committee consists of employees from different fields and is supervised by a board member:

CFO

Valuations, audit and risk committee

CPO

Culture team

CCRO

ESG committee

COO

Investment committee

# CRESTYL'S FOUNDERS

## AJIT VIRK

Ajit is the architect of Crestyl's dynamic growth strategy. He possesses international investment experience ranging from buyouts to seed-finance across a wide spectrum of sectors, including offshore BPO (a global tech market leader), industrial manufacturing, consumer finance, and renewable energy investments, among others. Ajit's career began in Washington DC where he served with the World Bank Group's International Finance Corporation (IFC) for seven years. Subsequently, he built a start-up with over 1,000 employees, before selling it to Soros Private Equity in 2004. Ajit is an alumnus of Harvard University and St. Stephen's College.

## OMAR KOLEILAT

In the development business in Central Europe since 1998, Omar has worked throughout the years on building a well-balanced property platform, taking advantage of the synergies as well as differences of various real estate sectors as a basis for long-term stability and sustainability, as well as developing a team of professionals to lead it.

He started as a commercial developer developing and exiting institutional products in central locations in the Czech Republic. He then complemented this endeavor by creating a partnership with GE Real Estate for the acquisition and development of a EUR 500 million end-value portfolio of residential projects, thus becoming the main platform through which GE deployed equity into residential development in the Czech Republic. Thereafter, his interests extended into Poland through the acquisition of Budimex Nieruchomosci.

Omar holds a Bachelor of Architecture degree and an RICS Property Investment Graduate degree.

# CRESTYL BOARD



**Omar Koleilat**  
CEO



**Jozef Ďurík**  
Financial Director



**Magda Pokorná**  
Chief Corporate Officer



**Simon Johnson**  
Chief Operations Officer



**Barbora Jančová**  
Chief People Officer



**Viktor Peška**  
Chief Commercial Officer



# CRESTYL'S AWARDS

We are creators. Our mission is not simply to build, it is to create. We strive to bring the very best that we can to the real estate market and to our clients – simply because we also live here. The awards that we receive year after year are proof that we succeed in fulfilling our mission to turn unique places into fantastic neighborhoods.



Winner: Best Upcoming Residential Development



Winner: Best Residential Development

# INVESTMENT PARTNERS

Crestyl has been executing projects together with private equity and institutional investors, including GE Real Estate, ACPI, Cheyne Capital, BXR Real Estate, GEM, UBM, Invesco, EPH and others.



GE  
Real Estate

GE Real Estate – one of the world’s leading commercial real estate corporations. GE operates in 28 countries. Its assets are currently \$59 billion.



Invesco is one of the largest real estate investment management companies globally. Invesco Real Estate manages assets worth \$945.4 billion and has nearly 7,000 employees and operates in 25 countries.



ACPI is an innovative investment company with \$3 billion in assets worldwide.



UBM is a corporation specializing in the development, leasing, and marketing of residential, administrative, and commercial real estate and hotels throughout Europe.



London-based Cheyne Capital currently manages net assets over \$6.5 billion and gross assets worth approximately \$30 billion as part of its CDO and ABS programs.

# PROFESSIONAL ASSOCIATIONS

*We actively communicate with municipalities and other relevant stakeholders with a view to creating a pleasant space for residents and visitors alike.*



## CZGBC – ČESKÁ RADA PRO ŠETRNÉ BUDOVY

Well aware of our responsibility as a developer to the construction industry, we are a member of **the Czech Green Building Council (CzGBC)**.



## ASOCIACE NÁKUPNÍCH CENTER ČR

The Association of Shopping Centres of the Czech Republic is a new platform for bringing together and supporting organizations and individuals from the shopping center sector in the Czech Republic.



## asociace developerů

## AD ASOCIACE DEVELOPERŮ

A platform for a dialog on the responsible role of developers in the development of modern society.

# CRESTYL SUPPORTS:



DIVADLO  
POD PALMOVKOU

We are dedicated to promoting neighborliness in the Prague Borough of Libeň. Supporting the local theater.

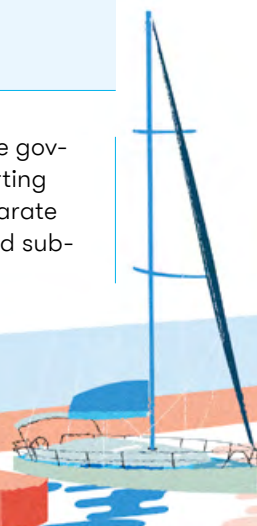
# NON-FINANCIAL REPORTING

## OBLIGATORY REPORTING

We monitor the news and requirements of the European Green Deal and have performed an initial analysis of our future reporting obligation according to the EU Taxonomy. We know that we will be required to report under the Corporate Sustainability Reporting Directive, and we have started to prepare for this also by creating long-term and short-term ESG strategies.

## VOLUNTARY REPORTING

We plan to convert the corporate governance and non-financial reporting sections of this report into a separate non-financial report for 2022 and subsequent years.





# CRESTYL ENDOWMENT FUND



At Crestyl, we believe that corporate social responsibility (CSR) is also a responsibility to oneself. We are part of our environment as we do business here, live here and raise our families here, too. It is in our interest to always do the right thing. Our CSR activities target the areas we are active in, with an emphasis on creating communities, bringing groups and individuals together, as well as helping people who are already at a disadvantage.



#### ASOCIACE SPOLEČENSKÉ ODPOVĚDNOSTI

We support the largest initiative targeting corporate social responsibility and, above all, the UN Sustainable Development Goals for the Czech Republic.



#### VŠE / MBARE (MBA NEMOVITOSTI A JEJICH OCEŇOVÁNÍ)

We support the MBARE program at the University of Economics in Prague. The MBA Real Estate and Valuation Program was created with the full support of the local and European levels of the RICS organization.



#### NEVYPUSŤ DUŠI

We contribute to the operation of the non-profit organization Nevypušť duši which cares for students' mental health.



#### FAKULTNÍ NEMOCNICE BULOVKA

We contribute to the operation of Fakultní nemocnice Bulovka, one of the top healthcare providers in the Czech Republic.

With long-term partnerships in mind, we at Crestyl were deeply touched by the war in Ukraine. The Crestyl Endowment Fund contributed by donating CZK 1,500,000 to families who lost their homes and had to flee from their homeland.





# 3

SUSTAINABIL-  
ITY GOVERN-  
ANCE

# SUSTAINABILITY GOVERNANCE

**In our 2021 annual report, we highlighted DOCK, a project in Prague 8-Libeň that transformed an abandoned brownfield into a thriving office, retail, and residential district near the Vltava River. Through extensive efforts including decontamination, increasing retention capacity, planting trees, implementing green roofs, and adding greenery to facades, our vision became a reality in June 2022. DOCK is our flagship project, and we aim to apply the knowledge gained to all our other locations, striving to make each project a flagship project.**

Our business involves much more than just building places to live and work. We design and create spaces in which people can thrive and socialize. Thanks to our extensive experience, partnerships with leading architects and urban planners, and great knowledge of current trends, we deliver high-quality, healthy and socially responsible environments for our clients.

We have striven to be an ESG-driven company long before it became a must. We understand that there is

no planet B, and that is why community and environment are at the center of our philosophy. We enjoy the learning process, allowing us always be on top of the latest trends in development and real estate. We apply the lessons learned, whether they relate to green communities and open space, smart technologies for homes and tenants, or stakeholders' surveys and cooperation with local authorities. We seek inspiration in progressive technologies and the concrete application of circularity principles at the same time. It is thanks to all our colleagues that sustainability is not just another buzzword, but a principle applied in our daily lives – both professional and private.

**In the following pages, we present our ESG strategy for the years ahead. Sustainability is deeply ingrained in our company's values and has always been a fundamental aspect. However, given the current circumstances regarding the protection of our environment and of our people, as well as upholding rights and laws, we have developed distinct, time-bound, and measurable objectives to contribute to the well-being of our planet.**





# LETTER FROM THE ESG MANAGER

---



*A few years ago, only insiders knew the ESG acronym, but today it is a buzzword. The letters ESG, standing for ‘environmental, social, and corporate governance’, cover everything related to sustainability, especially in business.*

---

Some may call it greenwashing, once a company says that sustainability ‘has run in its veins’ since its foundation. But what if it is true and the company can prove it via its standing projects and those under construction? That is truly our case. Whenever we address any of the letters of the ‘alphabet soup’, the umbrella name for the various standards and frameworks for ESG or sustainability data monitoring, evaluation, and reporting, we only describe the reality.

The climate is changing and can threaten our lives, futures, and our business. Many may still question this fact, but it is undeniable. And we have to cope with it – as

individuals and community members in our private lives, as company and institutional leaders and employees.

Customer preferences are changing. They consider many more aspects than just price. In our case, they ask about energy and water efficiency measures, accessibility of the location, greenery, community focus, and much more.

Legislation is changing. It will require or already requires a plethora of players in the markets – varying from investors, banks, and companies to public institutions – to be more sustainable and transparently report on their steps.



Perceptions of sustainability are changing. Introducing and evaluating effective ESG tools are not for free, but they do not cost a fortune. And honestly, there are already studies at hand showing that companies' ESG orientation does not hinder their financial performance – quite the opposite! Similarly, diversity and inclusion in the boardroom were, not long ago, a red flag to many.

We are part of this world, and we do influence its pace towards inevitable and irreversible climate change. And if we wish to be part of it in the coming years, we have to be fast, open, and accurate. The year 2022 has been

a milestone for us. We started the long and often laborious journey towards the first-ever corporate ESG strategy, and we had several eye-opening moments meeting innovators and true game-changers among material producers and product designers. We all took part in a deep-dive discussion on ESG and sustainability, and we did our best in conveying and sharing everything we have learned to our colleagues. And that was just the beginning. We already know it will not be easy. Challenge accepted!

---

**ALENA LÍŠKOVÁ**  
ESG Manager



# OUR ESG STRATEGY

## ENVIRONMENT

**Our commitment to the environment and public space has always been a top priority. We strive to minimize the environmental impact of our buildings throughout their entire life cycle. This begins with our careful selection of locations concentrating on brownfields. At every stage of each project development, we prioritize sustainability by making conscious choices in design, materials, and technology to mitigate greenhouse gas emissions.**

To achieve our goals, we will: incorporate low-carbon technologies into all aspects of our buildings, implement solutions for carbon retention, and prioritize energy, material, and water efficiencies. We will also focus on extending the lifespan of our buildings through renovation and employing

smart demolition practices.

We will actively engage with our communities and tenants, encouraging them to adopt environmentally responsible behaviors and practices. Through various initiatives, such as knowledge sharing, educational content in our community magazine, green leasing, and other activities, we will promote waste reduction, recycling, energy efficiency, water conservation, and pollution reduction. These efforts will not only contribute to the well-being of our communities but also help to reduce the overall environmental impact we make.

At Crestyl, we believe that by prioritizing sustainability and fostering a sense of environmental responsibility, we can create a positive and lasting impact on the world around us.



# ENERGY AND CLIMATE CHANGE

Our main goals are to reduce our carbon footprint and to combat climate change through adherence to Green Building Principles. We prioritize designing low-carbon and resilient buildings as part of our commitment to achieve the full decarbonization of our portfolio by 2050. To ensure energy efficiency, we will monitor and evaluate the carbon footprint for each potential and existing project annually and conduct internal energy efficiency audits.

For example, our commercial project Dornych in Brno demonstrates our focus on sustainable building design. The buildings feature semi-open outdoor spaces between commercial units instead of roofed and heated spaces, reducing energy consumption. Heating will be primarily provided by a groundwater heat pump utilizing multiple ground boreholes on-site. Additionally, photovoltaic solar panels will generate electricity, further reducing the building's carbon footprint. These measures will result in an estimated 40% reduction in operational energy consumption.

We actively explore each new project's potential to meet the EU Taxonomy criteria, striving to increase the number of projects contributing to climate change mitigation. Even when full alignment is not feasible, we assess projects based on EU Taxonomy DNSH criteria to prioritize environmental sustainability. Our approach aligns with the guidelines set by the World Economic Forum, emphasizing a holistic consideration of asset life cycles encompassing construction,

renovation, and operation.

Recognizing the importance of transportation, we incorporate infrastructure that supports electric vehicles and provides ergonomic bicycle parking spaces in all our projects. We place a strong emphasis on selecting sites in close proximity to public transportation, ensuring convenient access for tenants as well as residents. In Prague, our developments are strategically situated within a 5-minute walking distance from metro stations. Through these measures, we are reducing our carbon footprint, embracing renewable energy, addressing climate change risks, and promoting sustainable transportation solutions for a better future.





## RESOURCE USE, CIRCULAR ECONOMY, AND IMPACTS OF MATERIALS

At Crestyl, we are committed to using sustainable material practices and minimizing our reliance on materials that are emissions-intensive. We actively work towards increasing the utilization of recovered or recycled materials, while also promoting material efficiency. Additionally, we focus on designing buildings that are adaptable and easy to deconstruct, ensuring long-term sustainability and reduced environmental impact.

By 2028, our goal is to develop a comprehensive decarbonization strategy that minimizes embodied carbon and addresses the negative impacts across our value chain, emphasizing resource efficiency and material reuse/recycling through circular design and construction techniques, while ensuring our wood is sourced from certified sustainable forests. For instance, our project “Dock V1E”, in collaboration with Ian Bogle Architects, showcases our

commitment to sustainable construction. It will be a carbon-neutral office building and feature a green façade to attract visitors. The design prioritizes environmental impact reduction and user well-being, responding to the climate and the site context.

We are fully dedicated to limiting waste during construction and demolition, following the EU Demolition and Construction Waste Protocol. Our selective demolition practices ensure the safe handling of hazardous substances and facilitate high-quality recycling.

By 2024, we will expand the adoption of circular economy approaches in new projects. Starting in 2025, all new projects will undergo Life Cycle Assessments (LCAs) to evaluate the building’s entire life cycle, with results shared publicly, demonstrating our commitment to a sustainable future.







## LOCAL IMPACTS ON BIODIVERSITY AND ECOSYSTEMS, WATER, AND POLLUTION

**Starting from 2025, we will carry out an Environmental Impact Assessment (EIA) for each new project, including a biodiversity and water impact assessment and measurement to determine any possible need for compensation measures.**

### WATER

At Crestyl, we prioritize the protection and preservation of water resources. Our aim is to prevent the negative impacts on water quality and to mitigate environmental degradation risks, ensuring good water status and ecological potential. To promote sustainable water use, all water appliances in our commercial buildings comply with the EU Taxonomy DNSH criteria, promoting efficient water flow rates. We are already doing this in our DOCK project, and Dornych will not be any different, as water management will also be sophisticated. Recognizing the value of rainwater as a precious resource, we will maximize its utilization. Rainwater will be captured in

a number of retention tanks from which it will be harvested to water the green spaces and also used for toilets.

To assess water-related risks, we will conduct thorough water risk assessments for each new project. This proactive approach will help us identify potential challenges and implement appropriate measures to mitigate them, safeguarding water resources. Monitoring water usage in our commercial buildings during occupancy and development is a key priority. By setting year-on-year reduction targets for water consumption per square meter of standing investments, we are committed to continually improving our water efficiency.



BIODIVERSITY AND LAND USE

At Crestyl, we are dedicated to preserving biodiversity, restoring natural environments, and positively impacting ecosystems in the communities we serve.

Our commitments focus on four key aspects:

- 1

Avoiding major irremediable impacts on species, valuable ecosystems, and protected areas in our development projects.
- 2

Taking responsibility for mitigating adverse effects on biodiversity caused by our operations.
- 3

Minimizing impacts throughout the value chain related to the building materials used.
- 4

Adopting sustainable practices to reduce our ecological footprint.

We prioritize transforming brownfield sites into vibrant and liveable areas, minimizing the conversion of greenfield land. In cases where biodiversity loss occurs during brownfield redevelopment, we measure it and provide compensation. When small-scale conversions are unavoidable, we create equivalent habitats nearby for full compensation.

Our projects integrate green spaces, tree planting, parks, and designed landscapes to preserve the natural environment and enhance the local community. We actively practice water-efficient techniques to limit watering. For example, our Hagibor project involves building residential and commercial buildings within a city forest, with hundreds of newly planted trees and tens of thousands of plants. We collaborate with leading French landscape architect – Michelle Desvigne. The centerpiece of this project is a water feature mitigating the urban heat island effect and promoting biodiversity. Additionally, we educate and engage local users to appreciate and benefit from the green spaces we create.

POLLUTION

We are committed to using asbestos-free components and to avoiding substances of high concern in our construction materials to ensure safeguarding the health and safety of our workers and building occupants.

Furthermore, we take concrete actions to prevent and mitigate air pollution and noise. Our comprehensive policy outlines specific measures and best practices to minimize negative impacts, creating a clean and peaceful environment for our communities.



# SOCIAL ASPECTS

At Crestyl, upholding human rights is an integral part of our values and operations. We maintain a steadfast commitment to respecting human rights across all our activities, leaving no room for trafficking, forced and child labor, or any form of discrimination.

Our focus extends to safeguarding the rights and working conditions of all individuals involved in our value chain, including construction workers, our service providers' workers, and the communities affected by our projects. To ensure the safety and security of

our employees, workers, and service providers, we have implemented a workplace accident prevention management system. This system applies to all individuals within our organization and is also a requirement we impose on our key suppliers.

By upholding these principles and implementing robust systems, we aim to foster a culture of respect, fairness, and dignity for all individuals associated with Crestyl.

## OWN WORKFORCE

At Crestyl, we value our employees as more than just colleagues – we consider them a part of our family. We have created and continue supporting a flexible work environment that promotes work-life balance and personal well-being. We actively support employees' work-life balance, encouraging them to allocate time for themselves, their leisure interests, their families, and friends.

To accommodate diverse needs, we offer various flexible working conditions, such as part-time employment, distance working, and flexible working hours. Additionally, we have shortened work hours on Fridays,

with work ending at 1 p.m. Our offices are thoughtfully designed and aligned with the best practices and market standards to make everyone feel comfortable and fully engaged. We believe in fostering a sense of belonging and ensuring equal treatment and fair access to opportunities and resources for all employees.

The health, safety, and well-being of our employees are of the utmost importance. We have implemented a comprehensive health and safety management system that covers all workers. Professional development is a key focus, with investments made in the continuous growth of employees,





including officers, directors, and team leaders. Various training opportunities, such as the MBA RE (real estate) from the University of Economics in Prague, are offered, with a goal of increasing the annual average hours of training per employee.

Diversity and inclusion are essential values at Crestyl. We are committed to attracting the best professionals, women and men of all age groups and of various backgrounds and expertise to work at Crestyl at all levels of the company and to ensure equal conditions and remuneration for all of them. We have a zero-tolerance policy for discrimination, violence, and harassment in

the workplace. Our Equality, Diversity, and Inclusion Policy, applicable to all employees, sets the foundation for a respectful and inclusive environment.

To continuously improve our work environment, we conduct annual employee satisfaction surveys. The insights gathered guide our “culture team” in suggesting steps, solutions, and measures for enhancement.

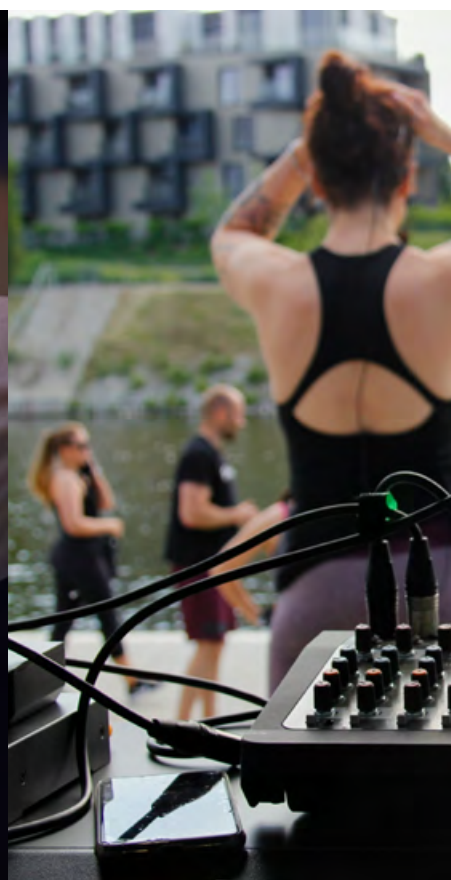
Our ultimate goal is to become an employer of choice in the development, asset management, and property management sectors, attracting and retaining top talent who align with our values and aspirations.

# S COMMUNITIES

Our vision is to foster vibrant and inclusive neighborhoods that significantly improve the lives of residents, tenants, local communities, and municipalities. Beyond focusing on the aesthetics of buildings, we enhance their functional and operational aspects to create neighborhoods that are attractive for living, working, and leisure activities. Our aim is to strengthen the social infrastructure and vitality of our project locations and the surrounding districts.

Cooperating with municipalities is a fundamental commitment for us. We work closely with them to assess the necessary

social and transportation infrastructure for each new project, taking into account the future needs of the local communities. This involves provisions for essential amenities such as kindergartens, schools, shops, healthcare clinics, public transport stops, charging points for electric and hybrid vehicles, bicycle facilities, and many more. By involving municipalities from the early planning phase, we ensure that our projects align with their specifications. To gather insights and independent feedback, we actively engage in stakeholder dialogs and conduct social surveys. This enables us to effectively address the concerns and requirements of various stakeholders.





As part of this vision, we have implemented the role of a community manager in our flagship DOCK project, since 2018. The community manager is responsible for creating a welcoming and inclusive environment for tenants, residents, and visitors, and for building positive relationships between them and CRESTYL. We organize various events for people of all ages, such as the “Open Day on the Water,” morning yoga classes, picnics, exhibitions, outdoor movie nights, and live music. Additionally, the community manager curates and publishes the DOCK magazine in both digital and print editions. The magazine serves as a platform for the DOCK community,

featuring lifestyle articles, practical information, interviews with renowned personalities, and focusing on culture, nature, community news, ESG education, and the local cultural calendar. Starting from 2024, we will employ a community manager for all multipurpose developments to further support this vision.

Through our Crestyl Endowment Fund, we provide support to specific projects involving non-profit organizations, charitable institutions, and individuals. This reinforces our commitment to the community and contributes to the broader well-being of society.

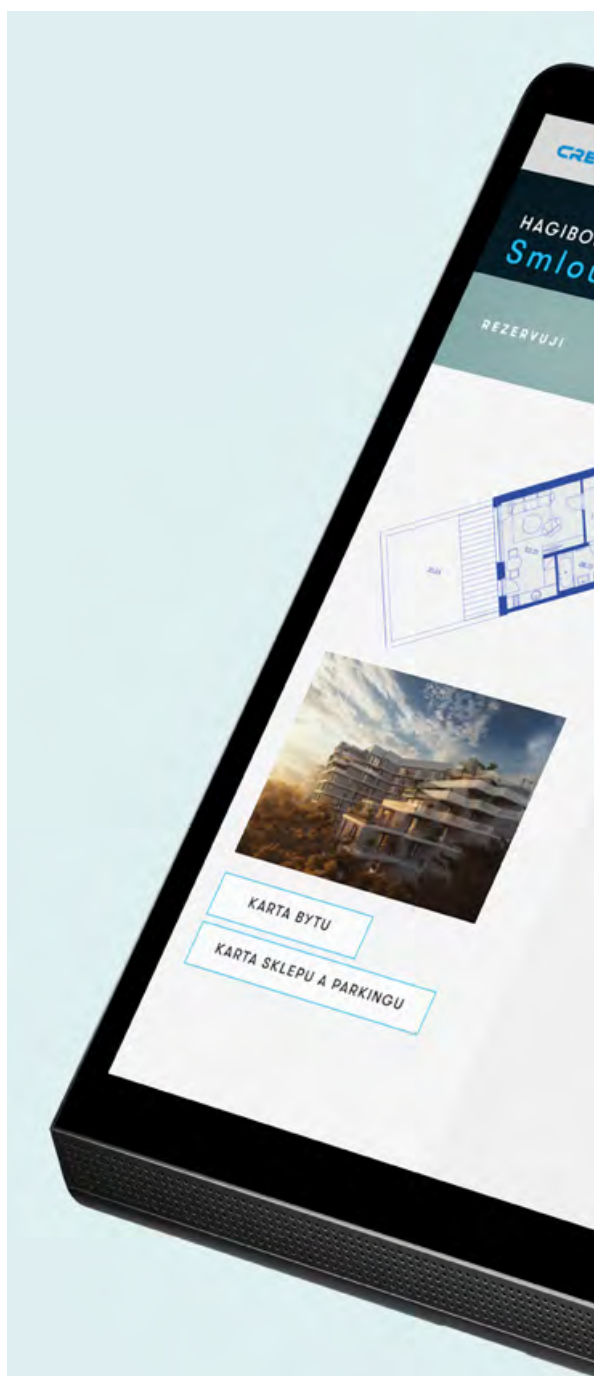


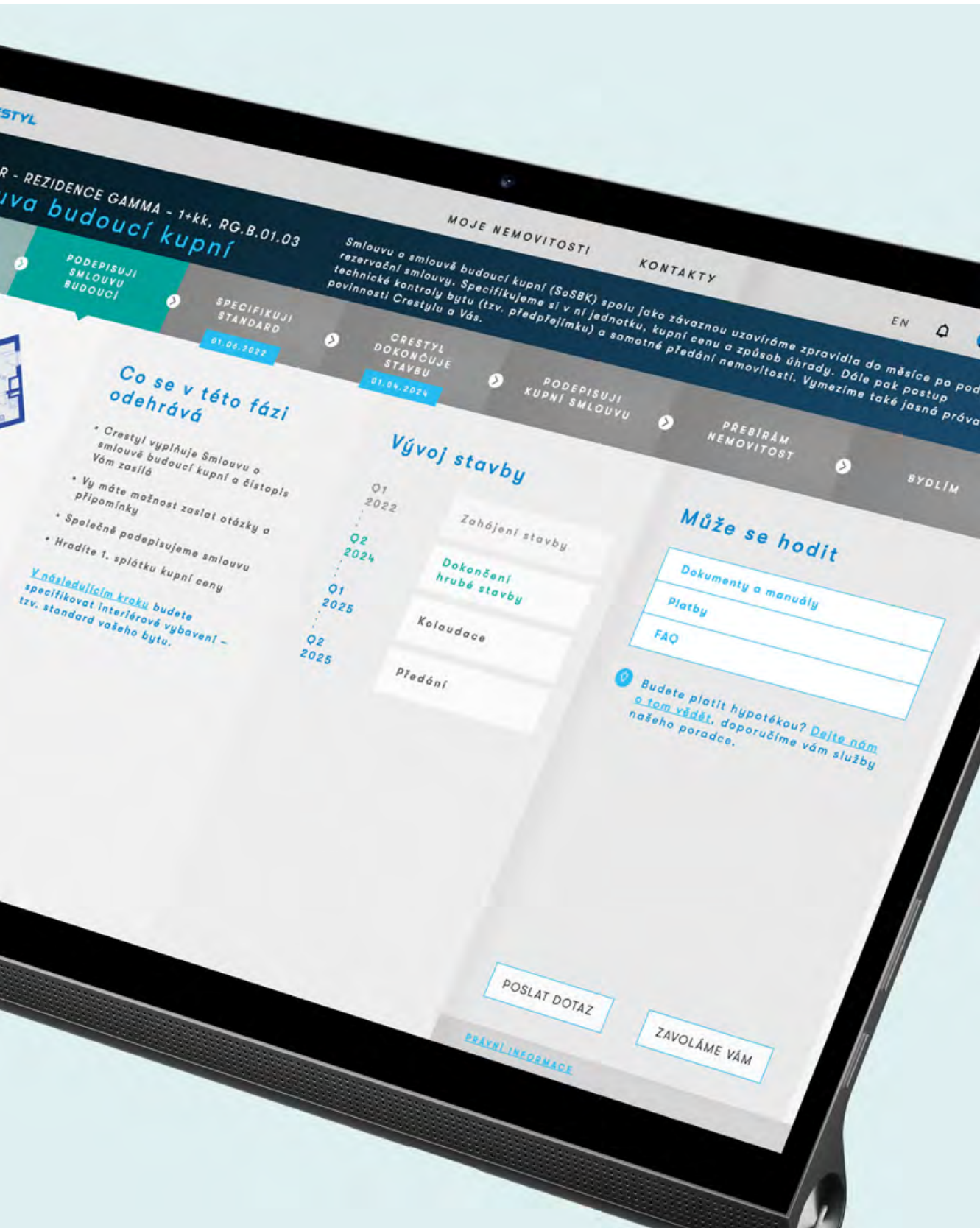
## END USERS AND CONSUMERS

**We strive to create inspiring living and working environments that cater to the needs of residents, commercial users, and the general public. Our developments are designed to be open and accessible to the public, offering welcoming spaces that everyone can enjoy.**

We recognize the importance of minimizing the negative environmental and social impacts of our tenants' activities while enhancing their overall user experience. To facilitate this, we have introduced a new client portal and mobile application that combines technical support services for the building with valuable community information. This includes details on local restaurant menus, community events, and other services available in the neighborhood.

Maintaining our market leadership as a preferred landlord in the commercial leasing sector is a key goal for us. We build upon long-term relationships with our tenants and ensure a high level of tenant satisfaction. The well-being, health, and safety of our tenants' employees within our office and mixed-use assets are of the utmost importance. We employ modern technologies and well-trained personnel to manage and monitor health, safety, and privacy in our leased buildings. Additionally, we conduct health and safety inspections of our owned properties twice a year, demonstrating our commitment to maintaining a secure environment for all occupants.







# GOVERNANCE

Our commitment to integrity and business ethics is anchored in the Ethical Codex, a binding set of principles for all employees. In 2023, Crestyl will adopt a revised version of the Ethical Codex, encompassing key areas such as business partnerships, interactions with public authorities and regulators, competition, bribery and gifts, conflict of interests, personal data protection, social responsibility, inclusion and diversity, and environmental protection. These guidelines will extend not only to our employees but also to our business partners and agents.

Bribery, corruption, and compliance violations are strictly prohibited, reflecting our zero-tolerance stance. Lobbying and hospitality activities are conducted within clear ethical rules and guidelines outlined in the Ethical Codex. To ensure adherence, all employees receive training and updates in the areas of data privacy and anti-money laundering screening, maintaining full compliance with GDPR rules and other regulatives.

In our communication and PR activities, we are committed to avoiding any form of greenwashing. To formalize this commitment, we have developed anti-greenwashing measures. Furthermore, we actively seek partnerships with other companies, NGOs, and business partners to collectively combat greenwashing in the real estate sector.

We continuously review and update our internal processes related to integrity and business ethics. In 2023, we will establish the role of Head of Compliance to oversee the effective functioning of the Compliance program within the Crestyl Group.

Our employees receive comprehensive training on compliance to prevent illegal actions. They are familiarized with the Crestyl Compliance program and the mechanisms available to report any violations, ensuring a culture of transparency and accountability throughout the organization.







# 4

## FINANCIAL INFORMATION



# LETTER FROM THE FINANCIAL DIRECTOR

“*Dear stakeholders,  
The financial results for 2022 represent another very successful year in Crestyl history, despite the very volatile environment. Besides many commercial and strategic achievements, which have set a path for Crestyl’s future growth, we present superior 2022 financial results as well.*

---

The year 2022 underscored Crestyl’s well-executed strategy of maintaining a diversified portfolio, a core element ingrained in its approach for over a decade. Despite significant challenges arising from subdued demand in the residential real estate market, Crestyl demonstrated remarkable resilience. Notably, demand within the office and retail segments remained robust. This translated into a two-fold surge in rental revenues within our portfolio as compared to the figures from 2020, reflecting an annual growth rate of 50 %, culminating in a total of € 21 million in 2022.

During the course of 2022, the successful completion of DOCK IN FIVE bolstered Crestyl’s position. This phase’s integration into cross-border financing, facilitated by Deutsche Pfandbriefbank and Helaba, yielded a slight year-on-year reduction in the loan-to-value (LTV) ratio, concurrently driving a significant reduction in funding costs. While net valuation gains experienced a year-on-year decline, the positive impact of DOCK IN FIVE’s completion and a consistent upswing in Estimated Rental Values (ERVs) offset this trend. The combination of robust occupancy levels anchored by well-recognized brands, a lengthy weighted average unexpired lease term (WAULT), and fixed-rate financing forms a robust foundation for prospective growth.





Within the Residential portfolio, Crestyl recorded substantial expansion, realizing over CZK 1 billion in revenue. This performance exceeds the annual average for the preceding three years by more than sixfold. Notably, our outlook suggests that this revenue achievement will be surpassed over the next three years, even in the face of weakened demand experienced during the 2019–2021 period.

Our enduring and productive relationships with the full spectrum of banks active within the Czech market were evident in 2022. We successfully navigated the refinancing of both residential and commercial projects, culminating in a robust debt-to-maturity indicator surpassing 1,000 days.

Collectively, these factors coalesced to propel a striking 14 % upswing in our consolidated balance sheet vis-à-vis 2021. Moreover, this growth is even more striking when juxtaposed against the figures from 2019, wherein the balance sheet surged by over 100 %. This growth is mirrored in our capacity to generate value, as evidenced by the nearly twofold increase in Equity throughout 2022 relative to 2019.

---

**JOZEF ĎURÍK**  
Financial Director

# KEY FINANCIAL INFORMATION

## ASSETS

\*Value of shares on net assets of the projects

IN THOUSANDS OF EUR	31 DEC 2022	31 DEC 2021	31 DEC 2020	31 DEC 2019
Property portfolio	703,713	592,187	315,702	317,109
Investment property (office and shopping malls)	656,371	531,912	296,187	305,974
Trading property (residential)	47,342	60,275	19,515	11,135
Joint venture investments in real estate projects*	9,083	6,072	27,326	27,385
Provided loans	32,656	35,354	34,521	28,89
Other assets	91,000	79,868	34,213	24,897
<b>Total assets</b>	<b>810,853</b>	<b>713,481</b>	<b>411,762</b>	<b>398,281</b>

## LIABILITIES

IN THOUSANDS OF EUR	31 DEC 2022	31 DEC 2021	31 DEC 2020	31 DEC 2019
Equity	158,236	137,658	100,595	79,759
Equity attributable to Owners of the Group	145,518	127,345	100,595	79,759
Bonds issued	72,920	65,725	–	–
Financing loans, borrowing and overdraft*	448,996	402,905	245,742	250,764
Other liabilities**	130,701	107,193	65,425	67,758
<b>Total liabilities and equity</b>	<b>810,853</b>	<b>713,481</b>	<b>411,762</b>	<b>398,281</b>

\* Financing loans, borrowing and overdraft include: Secured bank loans and borrowings, Bank overdraft, Loans from third parties, Loans from shareholders, Loans from other related parties and Loans from equity-accounted investees.

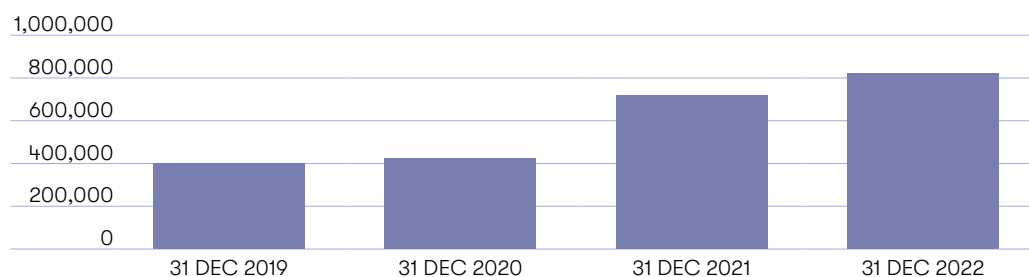
\*\* Other liabilities include: Trade payables and other liabilities, Deferred tax liability, Advances received and contract liabilities, Financial instruments – derivatives, Other financial liabilities at FVTPL – contingent consideration, Income tax liabilities, Deferred income, Provisions.

## PERFORMANCE OF THE GROUP

1) – 6) refer to the Appendix

IN THOUSANDS OF EUR	2022	2021	2020	2019
Rental revenues	21,431	14,891	10,894	11,715
Revenue from contracts with customers	46,839	7,288	7,737	7,813
Cost of trading properties sold	29,320	–	–	–
Net valuation gain on investment property	8,639	48,016	39,45	42,688
Operating profit	24,327	53,354	41,334	46,062
Net finance expense	-5,672	-5,978	-14,057	-3,637
Share on profit of equity accounted investees	782	-3,741	-40	9,665
Gain on disposal of subsidiaries	7,681	201	2,575	4
Profit for the year (net income)	19,739	31,298	22,376	43,997
Profit for the year attributable to the Owners of the Company	18,624	21,333	22,376	43,997
IN THOUSANDS OF EUR	2022	2021	2020	2019
EBIT 1)	32,790	49,814	43,869	55,731
EBITDA 2)	33,305	50,233	44,419	81
ROE (net income/equity) 3)	12.47%	22.74%	22.24%	55.16%
ROE attributable to Owners of the Group 4)	12.80%	16.75%	22.24%	55.16%
ROA (net income/total assets) 5)	2.43%	4.39%	5.43%	11.05%
ROA attributable to Owners of the Group 6)	2.30%	2.99%	5.43%	11.05%

## TOTAL ASSETS IN THOUSANDS OF EUR



# GENERAL FINANCING STRUCTURE

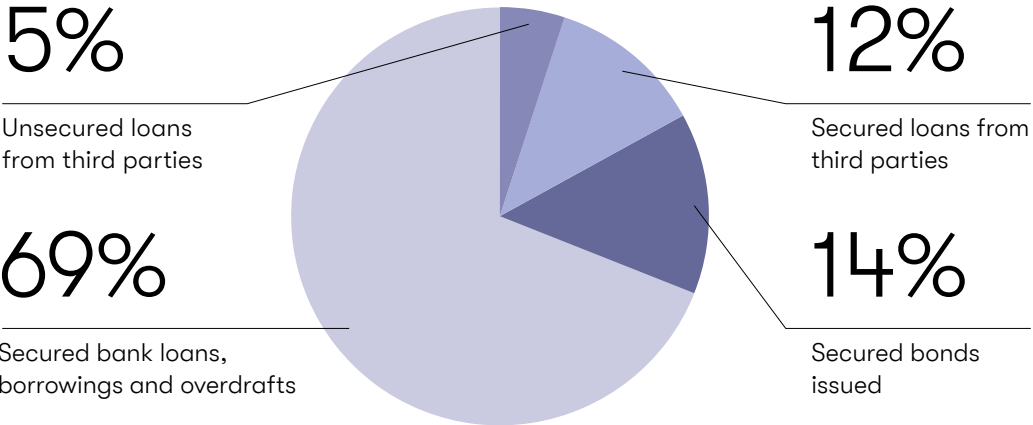
## EXTERNAL FINANCING

IN TEUR	31 DEC 2022	31 DEC 2021	31 DEC 2020	31 DEC 2019
Secured bank loans and borrowings	352,150	319,998	172,219	182,999
Secured bonds issued	72,920	65,725	0	0
Secured bank overdraft	1,688	858	537	0
Loans from third parties – secured	63,484	23,517	14,792	8,768
Loans from third parties – unsecured	24,267	51,096	48,357	44,417
Loans from shareholders	6,099	5,725	7,485	10,150
Loans from other related parties	1,654	1,711	2,352	2,356
Loans from equity-accounted investees	0	0	0	2,074
<b>Total</b>	<b>522,262</b>	<b>468,630</b>	<b>245,742</b>	<b>250,764</b>
<b>Total excluding shareholder loan</b>	<b>516,163</b>	<b>462,905</b>	<b>238,257</b>	<b>240,614</b>



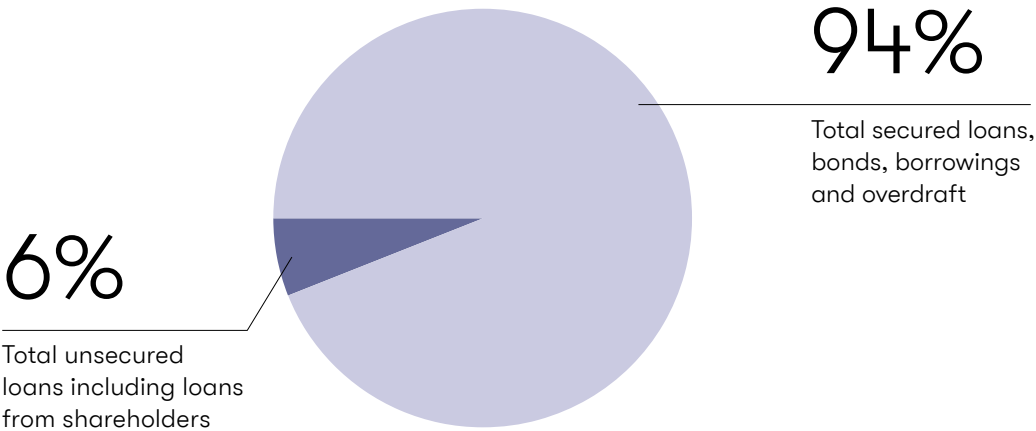
# EXTERNAL FINANCING

Excluding loans from shareholders' structure as at 31 December 2022



# LOAN STRUCTURE

Secured debt to total debt as at 31 December 2022



The loan-to-value percentage has slightly improved during 2022 and is being reported at 71%. Crestyl has systematically been decreasing its leverage since 2018, from 81% to the current 71%.

In 2022, the Crestyl Group has refinanced a general contractor loan by bank financing on the DOCK 05 project in the amount of EUR 31m and raised non-bank financing of EUR 19m, mainly for land bank acquisitions.

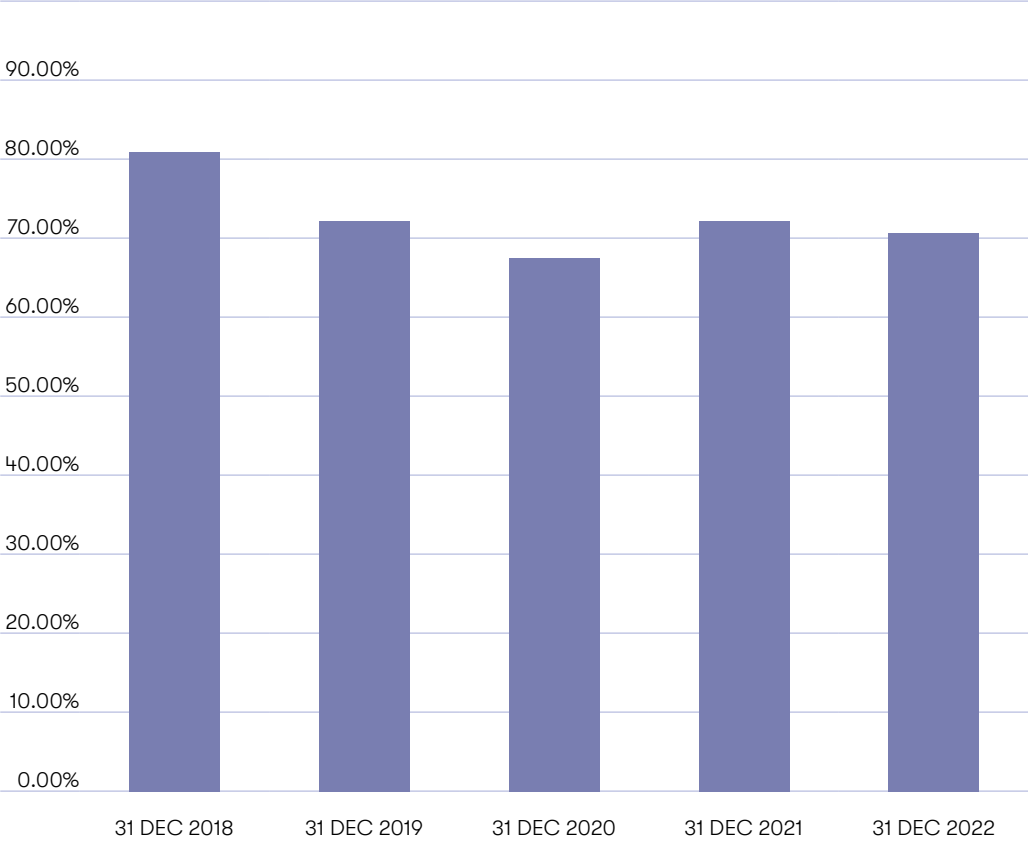


KEY FINANCIAL PERFORMANCE INDICATORS

IN THOUSANDS OF EUR	31 DEC 2022	31 DEC 2021	31 DEC 2020	31 DEC 2019
Net debt 7)	503,338	439,932	222,098	240,531
LTV 8)	70.73%	71.88%	67.48%	72.81%
Debt to maturity 9)	1,085	1,261	848	1,482
Net interest coverage ratio 10)	1.10	2.5	3.68	5.34
Secured consolidated leverage ratio 11)	60.46%	57.48%	45.55%	48.15%
Secured debt to total debt 12)	93.87%	87.51%	76.32%	76.47%

For notes 7)– 12) refer to the Appendix

LOAN-TO-VALUE PERCENTAGE



# FINANCING STRATEGY

The financing of the Group consists of financing at the group level, financing on the portfolio streams level, as well as at the project levels. Crestyl takes extra care in ring fencing financing that relates to the early stage of projects, where risk is increased, and uses broader financing at the more mature level. Group-level debt financing is primarily done with very limited recourse in order to avoid any financing that can create ripple effects. LTV limits are set depending on the potential value add of the projects within the streams. This blend does not exceed 75%

LTV, taking into consideration that the residential stream is valued at cost. Crestyl works with a variety of financing institutions, and at the project level it spreads itself across the vast majority of the banks operating in the Czech Republic and Germany. This limits its vulnerability and increases its options. As of 31 December 2022, we have a total committed pipeline of financing (including JV companies) of EUR 172 m, out of which EUR 161 m represents the committed pipeline of bank financing and EUR 11 m the committed pipeline of financing from other sources.

## KEY FINANCIAL PERFORMANCE INDICATORS

	Balance as at 31 December 2022*	%
Deutsche Pfandbriefbank AG	190,074	33%
J & T BANKA, a.s.	97,369	17%
Česká spořitelna, a.s.	34,871	6%
TRINITY BANK a.s.	20,499	4%
UniCredit Bank Czech Republic and Slovakia, a.s.	19,476	3%
Helaba Landesbank Hessen – Thüringen Girozentrale	17,045	3%
PPF banka a.s.	9,918	2%
Raiffeisenbank a.s.	8,999	2%
Československá obchodní banka, a. s.	425	0%
Total bank loans and borrowings	398,677	69%
Bonds issued	72,920	13%
Other loans and borrowings**	103,521	18%
<b>TOTAL</b>	<b>575,118</b>	<b>100%</b>

\* Bank and other loans and borrowings provided to joint venture companies are also 100% included in the chart regardless of Crestyl's share.

\*\* Loans and borrowings provided by shareholders and JV partners are excluded.





# 5

OUR  
PORTFOLIO  
OF BUSINESS  
STREAMS



# PORTFOLIO OF BUSINESS STREAMS

## CRESTYL STRATEGY

*The main parameter of the Crestyl platform is diversity as a means to achieving financial stability. This diversity is a keystone for the ability to achieve our goals stated above.*

**This diversity arises from the following aspects:**

Diversity of the development portfolio, comprising upper-middle-market to high-end residential and downtown mixed-use and office development;

Diversity of income stemming from residential apartment sales (i.e. a B2C product), sale of institutional income-generating assets to institutional investors, and long-term rental income from commercial and mixed-use properties;

Diversity of geography and urban areas, covering both capital cities and regional towns and cities, while always focusing on class A locations.



*Bearing in mind the proceeding, our current portfolio streams are divided into three silos: Commercial Development, Investment Portfolio and Residential Development.*

## COMMERCIAL DEVELOPMENT



## INVESTMENT PORTFOLIO



## RESIDENTIAL DEVELOPMENT



## COMMERCIAL DEVELOPMENT

All within unique locations, the commercial development stream includes an overview of all commercial development projects in their various phases. Crestyl aims to transfer its commercial projects after completion into its investment portfolio stream. In various cases, especially joint ventures, Crestyl exits its commercial development projects.

### HIGHLIGHTS:

- 5 projects acquired representing 168,000 m<sup>2</sup>, in various development stages;
- 84,000 m<sup>2</sup> pipeline secured through future purchase contracts.

## INVESTMENT PORTFOLIO

Made up of projects developed by Crestyl within the commercial development stream, Crestyl holds and manages assets and property on various projects within the Czech Republic until such projects reach a level of maturity, robustness and stability that would secure Crestyl a worthy premium at exit.

- 94,730 m<sup>2</sup> of income-generating assets;
- 113 tenants.

## RESIDENTIAL DEVELOPMENT

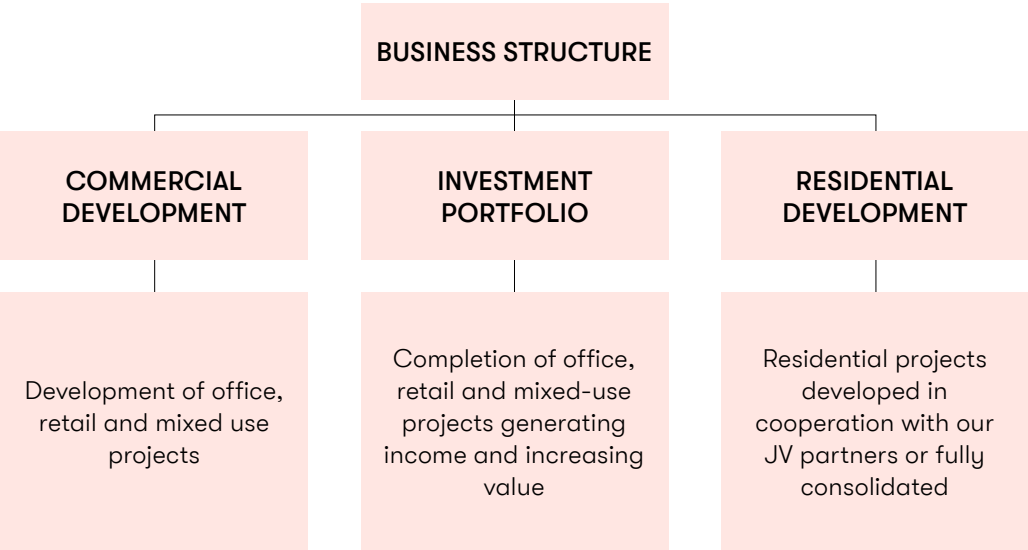
The residential development stream includes all the “build to sell” residential projects within the Crestyl portfolio. Crestyl is the market leader in the upper-middle markets residential segment in the Czech Republic.

### HIGHLIGHTS

- 110 units and 81 land plots in stock in 13 completed projects;
- 6 projects at different stages of development, representing 735 units.

# BUSINESS STRUCTURE

CRESTYL BUSINESS STRUCTURE CONSISTS OF THE SILOS:







A large, stylized white '5A' is centered on a coral-colored background. The '5' is a classic serif with a thick stroke and a curved bottom. The 'A' is also a serif, with a thin horizontal bar and a slightly flared base. The overall design is clean and modern.

COMMERCIAL  
DEVELOPMENT

# COMMERCIAL DEVELOPMENT

## PROJECTS UNDER DEVELOPMENT

**NR 7 (fully consolidated)**Leasable area: 5,545 m<sup>2</sup>

Expected year of completion: 2024

**NR<sub>7</sub>****Savarin (in 2021 fully consolidated, in 2020 JV)**Leasable area: 60,934 m<sup>2</sup>

Expected year of completion: Palace Savarin – 2024

Savarin Vnitroblok – 2028

**® Savarin****Hagibor O2 (JV)**Leasable area: 20,666 m<sup>2</sup>

Expected year of completion: 2023

**HAGIBOR****Hagibor O1 (JV)**Leasable area: 16,294 m<sup>2</sup>

Expected year of completion: 2023

**HAGIBOR****Dornych Brno (JV)**Leasable area: 65,620 m<sup>2</sup>

Expected year of completion: 2027

**DORNYCH**

## PROJECTS IN PIPELINE

## Hagibor – future stages

4 separate commercial buildings

Leasable area planned: 69,593 m<sup>2</sup>

Expected year of completion: 2026 – 2028 depending on phases

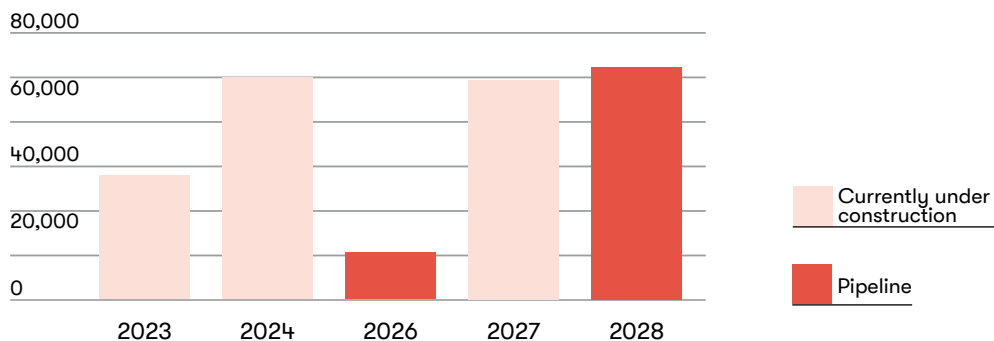
## Commercial development project in Prague 4

Leasable area planned: 14,069 m<sup>2</sup>

Expected year of completion: 2026

## COMMERCIAL PROJECTS

## LEASABLE AREA TO BE DELIVERED TO MARKET IN M<sup>2</sup>





# COMMITMENT TO QUALITY

**Crestyl's commercial developments strategically focus on prime locations, either in central areas or with exceptional transportation connections, to deliver premium A-class products. As a dedicated long-term investor, Crestyl places a strong emphasis on quality across all aspects of its projects. This commitment to quality begins from the early design stages and involves close collaboration with property managers and asset managers. Their valuable input ensures that the developments meet the highest standards and fulfill the evolving needs of the market.**

Five projects are currently in various development stages. A further 5 projects are in the acquisition stage. Crestyl diligently

selects architects for each project, whether it involves a single architect or a collaboration of multiple talents. Our expertise lies in effectively coordinating these architects to bring the Crestyl vision to life and to achieve the desired impact. We carefully consider the selection of architects, ranging from talented smaller architectural studios to globally recognized ateliers like Heatherwick Studios, renowned for their exceptional work on iconic projects, such as the Vessel in Hudson Yards and the Coal Drop Yards at King's Cross.

Crestyl has always delivered a minimum of LEED Gold-certified buildings and focuses on constructing sustainable, innovative, and water- and energy-efficient buildings made of recycled content from regional materials.



# KEY PERFORMANCE INDICATORS

## METHOD

To illustrate the scope of our activities, we provide full disclosure on activities under our management in all indicators. This means that joint venture companies are also 100% included in the KPIs presented below, regardless of Crestyl’s share. The division into fully consolidated and JV projects is presented in the organigram at the beginning of this chapter. For information reflecting the consolidated results from the accounting point of view, please refer to Sections 3 and 4.

## ANNUAL INVESTMENT VOLUME SPENT

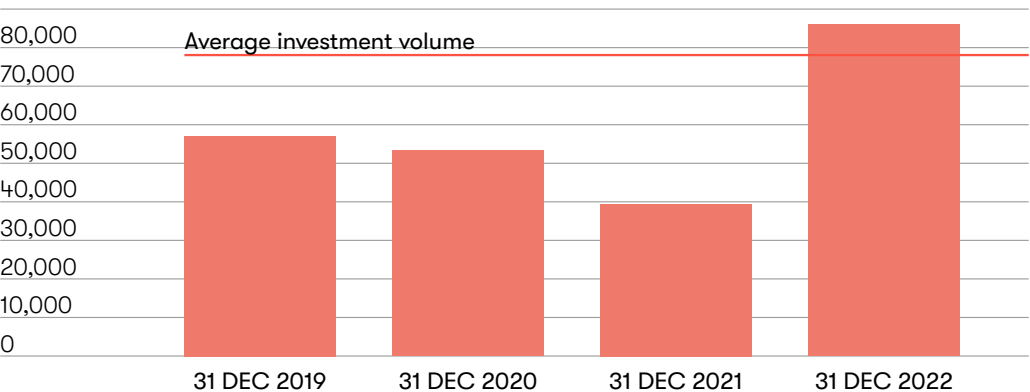
Our annual investment volume spent on commercial development projects was in the range of EUR 40–86 m yearly during the years 2019 – 2022. Our four-year investment volume annual average is EUR 59 m, with a steady increase in expectations as Hagibor O3-O6 and Dornych Brno as they approach completion.

## LEASABLE AREA UNDER DEVELOPMENT

The leasable area of commercial projects under development under our management (excluding pipeline) amounted to 168,000 m<sup>2</sup> as at 31 December 2022.

## COMMERCIAL DEVELOPMENT

### ANNUAL INVESTMENT VOLUME SPENT IN THOUSANDS OF EUR



## FAIR VALUE OF COMMERCIAL PROPERTY UNDER DEVELOPMENT UNDER OUR MANAGEMENT

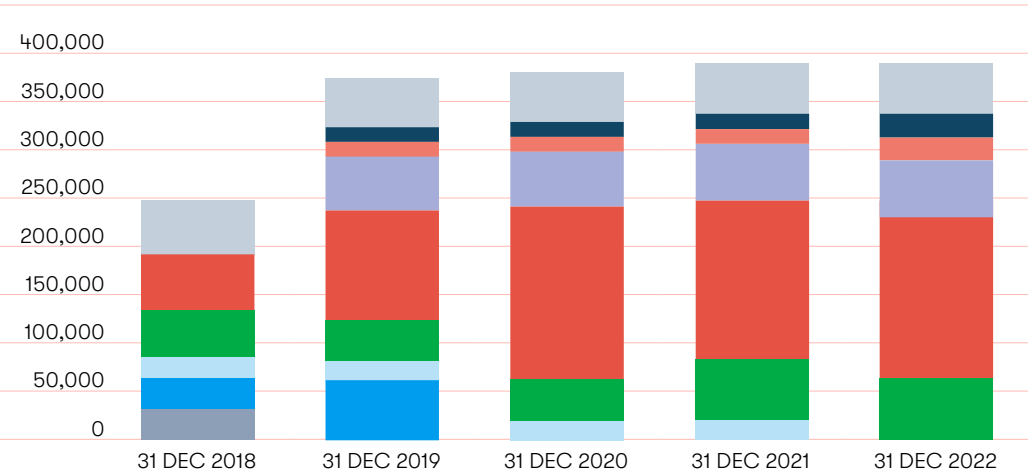
The fair value of commercial property under development under our management has remained stable at EUR 313–354 m in the past four years. After completion, the projects are transferred to our investment portfolio (refer to chapter 8.2) and replaced by new development projects. The average yearly valuation gain of commercial property under development under our management in the years 2018–2022 was EUR 38 m.

## DEVELOPER’S MARGIN

The fair value of commercial property under development under our management was determined based on valuation reports prepared by external independent valuers. The developer’s margin (profit on total cost) calculated in the valuation reports represents 10% – 30% of total costs depending on current market conditions, location, specifications of the property, and the stage of the project. Typical spreads between the development yields targeted by Crestyl and the exit yields of similar products are in excess of 150 basis points (bps). including pipeline) amounted to 168,000 m<sup>2</sup> as at 31 December 2022.

## FAIR VALUE OF COMMERCIAL PROPERTY UNDER DEVELOPMENT UNDER OUR MANAGEMENT IN THOUSANDS OF EUR

ANNUAL INVESTMENT VOLUME SPENT IN THOUSANDS OF EUR



GDV

The gross development value of commercial property under development under our management (excluding pipeline) stated based on valuation reports prepared by an external independent valuator amounted to EUR 1,054,864 as at 31 December 2022.

ERV

The estimated recovery value (ERV) of commercial development projects under our management (excluding pipeline) was calculated in valuation reports prepared by external independent valutors for office premises in the range of EUR 16 – 30/m<sup>2</sup> and for retail premises in the range of EUR 12–120/m<sup>2</sup>. These figures depend on location, as these vary from ground floor retail units within office projects to high street retail units on the most prominent streets of Prague. These ERV ranges place Crestyl as a developer of attractive and sought-after locations by tenants.

OUR PIPELINE

Crestyl has currently secured the future stages of the Hagibor complex. We are planning a further 4 separate office buildings in this location with a leasable area around 70,000 m<sup>2</sup> with a total gross development value (stated based on our internal calculations) of EUR 253,644,000. Another secured project is in Prague 4 with a leasable area around 14,000 m<sup>2</sup> with a gross development value (stated based on our internal calculations) of EUR 59,520,000. This gives Crestyl the benefit of offering to the market the option to lease in 4 excellent districts in Prague- Prague 1,4,8 and 10. This leaves out only Prague 5 as a major district that Crestyl has no activity in.

 DOCK In Three       DOCK In Four       DOCK In Five

 Savarin       Hagibor O2       Nr 7

 Palac Savarin       Hagibor O1       Dornych Brno



# FINANCING STRATEGY

We finance our projects in the commercial development stream from diverse sources. The main financing source is represented by German and Czech bank financing. Our projects are further financed by shareholder loans (provided either by Crestyl or our joint venture partners) or by external non-bank lenders.

## METHOD

Consistent with our key performance indicators, we provide full disclosure on the financing of projects under our management. This means that joint venture companies are also 100% included in the loans presented below, regardless of Crestyl's share. The division into fully consolidated and JV projects is presented in the organigram at the beginning of this chapter. For information reflecting the consolidated results from the accounting point of view, please refer to Sections 6 and 7.

### THE FOLLOWING CRITERIA ARE USED TO ASSIGN LOANS TO THE STREAMS:

- Loans provided directly to the project or holding company in the stream;
- Loans provided to Crestyl Holding Limited, where the contract directly states that these should be used to finance projects in the commercial stream;
- Shareholder loans and loans provided by joint venture partners are excluded, because these are seen as an equity equivalent.

## VOLUME OF SECURED AND UNSECURED DEBT

As at 31 December 2022, secured financing (secured bonds, secured bank and other loans) represented 94% of all external financing sources used for financing our commercial development portfolio.

LTC/LTV

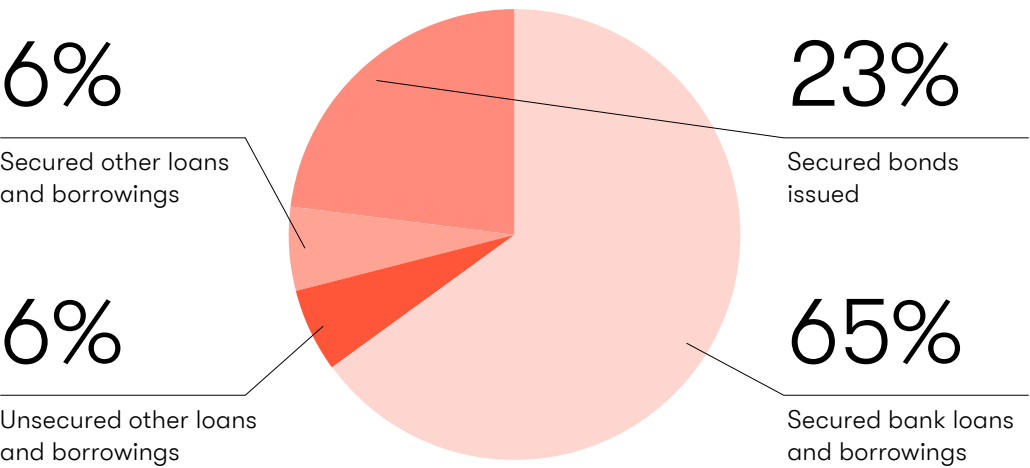
The average financing provided by banks amounted to 75% of the total costs for the commercial development stream, bearing in mind that the average margin was up to 20%. At the completion of the projects, the loan to value (LTV) is typically around 60–65%.

IN THOUSANDS OF EUR	31 DEC 2022	31 DEC 2021	31 DEC 2020
Secured bank loans and borrowings	206,854	153,990	129,991
Secured bonds issued*	72,920	65,725	0
Secured other loans and borrowings*	18,971	6,830	8,230
Unsecured other loans and borrowings*	17,793	32,865	16,817
Total external financing	316,538	259,410	155,038

\* Secured/unsecured other loans and borrowings excluding loans provided by JV partners and shareholders. Secured/unsecured other loans and borrowings include loans drawn directly by companies in the stream and allocated directly attributable loans to projects in the stream drawn by Crestyl Holding Ltd.

COMMERCIAL DEVELOPMENT

FINANCING STRUCTURE AS AT 31 DECEMBER 2022



## AVERAGE FINANCING RATE

The overall weighted average financing rate of our commercial development stream amounted to 4.8% p.a. as at 31 December 2022.

INTEREST RATE *	Balance as at 31 Dec 2022
7.25%	72,920
Euro Swap Rate	62,999
3M EURIBOR + 6%	52,795
3M EURIBOR + 2.5%	19,476
3M EURIBOR + 3.99%	18,431
3M EURIBOR + 4%	17,374
4.39%	17,045
1M PRIBOR + 2.8%	16,376
12M PRIBOR + 6%	9,791
7%	9,180
12M PRIBOR + 5%	8,513
8%	6,663
3M PRIBOR + 3.2%	2,067
9%	534
1M PRIBOR + 2.2%	291
6%	83

\* Secured/unsecured other loans and borrowings excluding loans provided by JV partners and shareholders. Secured/unsecured other loans and borrowings include loans drawn directly by companies in the stream and allocated directly attributable loans to projects in the stream drawn by Crestyl Holding Ltd.

# MATURITY STRUCTURE OF BANK AND OTHER LOANS AND BONDS ISSUED

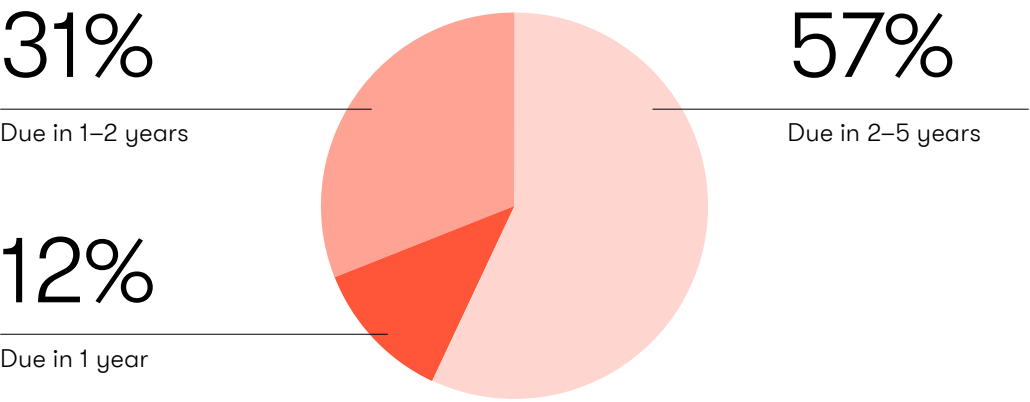
The maturity structure of financing sources of the commercial development stream corresponds to the development cycle of our commercial properties.

IN THOUSANDS OF EUR	Balance as at 31 Dec 2022	Due within 1 year	Due within 1–2 years	Due within 2–5 years
Secured bank loans and borrowings	206,854	19,965	89,358	97,530
Secured other loans and borrowings	18,971	9,791	9,180	-
Unsecured other loans and borrowings	15,793	6,746	534	8,513
Secured bonds issued	72,920	-	-	72,920
Total sum	314,538	36,503	99,072	178,963

\* Secured/unsecured other loans and borrowings excluding loans provided by JV partners and shareholders. Secured/unsecured other loans and borrowings include loans drawn directly by companies in the stream and allocated directly attributable loans to projects in the stream drawn by Crestyl Holding Ltd.

# COMMERCIAL DEVELOPMENT MATURITY STRUCTURE

OF EXTERNAL FINANCING SOURCES AS AT 31 DECEMBER 2022



# KEY COMMERCIAL PROJECTS

## ® Savarin

The Savarin project is designed by contemporary architecture and design icon Thomas Heatherwick and his studio. The Czech metropolis will thus become home to world-class architecture. The Savarin project is situated right in the heart of Prague on Wenceslas Square. It comprises a careful restoration of the current historical buildings and the establishment of an entirely new public space with greenery, an open area in the inner courtyard and commercial areas. The project will include a unique cultural element, Alfons Mucha's Slav Epic, which is the most valuable Czech national art piece and a national heritage. Publicly accessible roof gardens and terraces will offer views of the Prague panorama.







# HAGIBOR

The future of our commercial development stream can be seen in the future stages of the Hagibor complex. The currently neglected area neighboring the Želivského metro station will be replaced with the new, lively Hagibor neighborhood. In this unique place, a total of five residential buildings will be constructed together with six administrative buildings. Everything is to be interconnected by a pedestrian boulevard with shops and restaurants starting at the metro station exit. The commercial part of the project is being created under the supervision of Bogle Architects. Hagibor provides spaces for not only housing and work, but also for cultural and public spaces as well. In the heart of the new neighborhood, there is a public area whose central location will make it a natural place for meetings and events. The project also includes a cultural and social center with a multifunctional hall, café, bar and underground public parking. The extensive public area, forming a quarter of the whole project, is the responsibility of world-famous landscape architect Michel Desvigne.









# DORNYCH BRNO

Dornych in Brno is Crestyl's new, innovative development. It is designed as a new urban fabric catalyst for changing the new part of town, adjacent to the existing main train station in the very center of town. Diversified forms of offices, residential, hospitality, and commercial retail buildings surround a multilevel central public plaza, covered by an iconic, organically shaped form of the roof structure. Dornych is designed by the international architectural team of MTDI Group led by architect Marek Tryzybowicz. The design architects are closely collaborating with the Czech firm ArchDesign.









# NR<sub>7</sub>

NR7 is located on the corner of Králodvorská Street and Náměstí Republiky Square, right in the center of Prague. This landmark building was completed in 1905 in neoclassical style based on a design by architects Adolf Foehr and Alfons Wertmüller (the designer of the State Opera building). The NR7 building is about to be reconstructed. This building with its prestigious address will offer a total of nine floors. Three floors will be dedicated to retail and six floors to offices available for rent. As a matter of course, these offices will be of the highest quality, combining historic spaces with all modern furnishings. The top floor will offer a terrace with a panoramic view of Prague.











# 5B

INVESTMENT  
PORTFOLIO

# INVESTMENT PORTFOLIO

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# FOCUS ON THE COMMUNITY

## ALL PROJECTS IN THE INVESTMENT PORTFOLIO STREAM ARE DEVELOPED BY CRESTYL

Crestyl currently holds 76,215 m<sup>2</sup> of A-class income-generating assets. Crestyl aims to maintain rental income from its investment portfolio in excess of EUR 12 mil p.a. and to achieve EUR 40 mil by 2026. Meanwhile, at various stages, it will exit assets that have reached full maturity and replace them by projects being completed in the commercial development portfolio.

Crestyl, as a long-term investor in its assets, actively engages its property and asset managers from the early stages of the building design process. This strategic involvement aims to create the optimal environment for tenants, ensuring the sustainability of asset value and fostering

a sense of continuity and tenant retention. Crestyl communities offer much more than just buildings. We prioritize the development of vibrant and holistic living environments that support healthy lifestyles. Our projects incorporate amenities such as running tracks, playgrounds, and bike rooms with showers, catering to the diverse needs of our tenants.

To further enhance the sense of community, Crestyl appoints a dedicated community manager who works closely with all stakeholders to improve the surrounding area. This collaborative approach aims to make the wider community a better place to live and work.



*“I genuinely appreciate the cooperative spirit and helpfulness of Crestyl as our landlord. I see a clear commitment to finding solutions and supporting us, which makes our partnership really valuable.*

*Also, their team’s responsiveness and assistance with both small and bigger operative challenges have made our experience as a tenant incredibly positive.”*

**JAN RŮŽIČKA**

Lego, tenant of building DOCK IN THREE

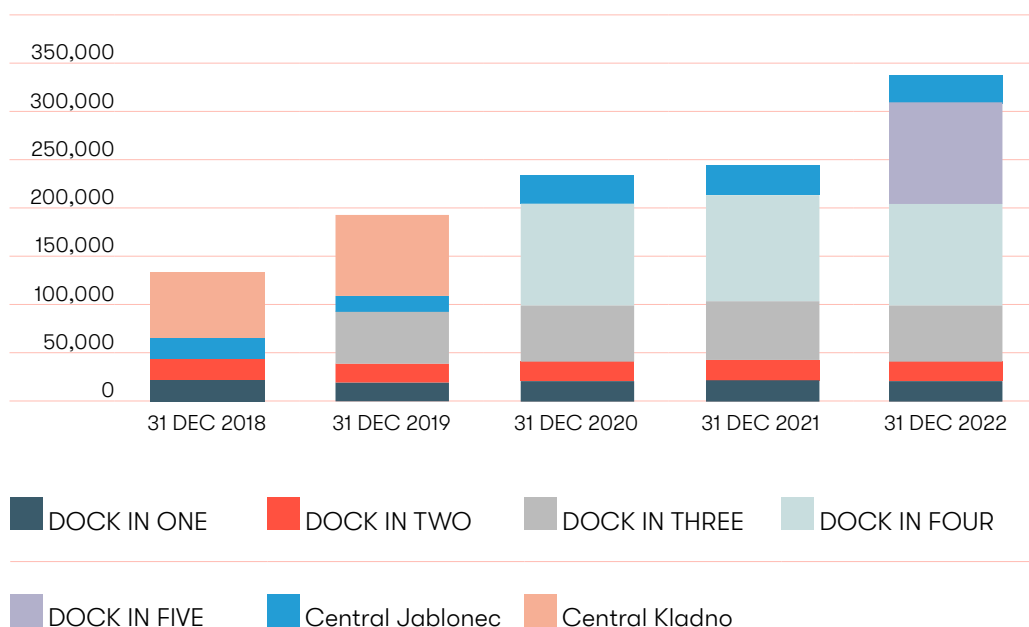
# KEY PERFORMANCE INDICATORS

## FAIR VALUE OF INVESTMENT PORTFOLIO

The fair value of our investment portfolio has been continuously increasing in the past years. This is due to the completion of our commercial development projects and their transfer to the investment portfolio and due to the capital appreciation of our current projects as well. Our projects are located in excellent locations with stable occupancy. Our average yearly valuation gain in the years 2018–2022 was EUR 5 m.

## FAIR VALUE OF COMMERCIAL PROPERTY

### UNDER DEVELOPMENT UNDER OUR MANAGEMENT IN THOUSANDS OF EUR



The value of the investment property portfolio increased in 2022 by 38% compared to 2021 due to another completed DOCK 05 office building in the city of Prague.

## YIELD

The fair value of our investment projects was determined based on valuation reports prepared by an external independent valuator. The following yield was used for investment property projects, depending on current market conditions, location and specifications of the property: DOCK projects equivalent yield ranges from 4.73% to 5.07% and Central Jablonec equivalent yield 7.32 %.

## PROFIT FOR THE PERIOD

IN THOUSANDS OF EUR	31 DEC 2022	31 DEC 2021	31 DEC 2020
Profit /(loss) for the year	12,609	5,177	13,392
ROE (net income/equity) 13)	14.30%	6.84%	18.74%

13) refer to the Appendix

## OCCUPANCY

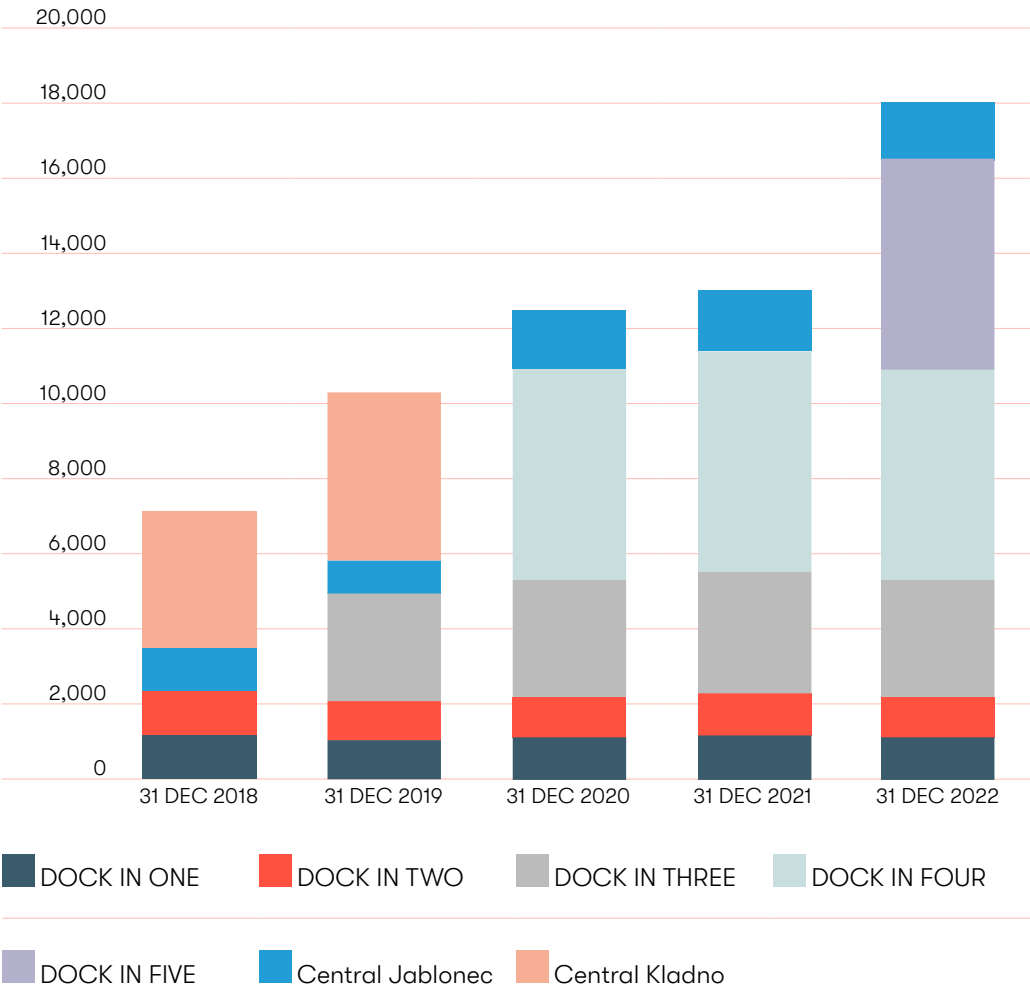
Our investment portfolio has a total leasable area of around 94,700 m<sup>2</sup>. The high occupancy of our investment projects is one of our key indicators. The total occupancy of our investment portfolio as at 31 December 2022 was as follows: office portfolio 86%, retail portfolio 82%.

## RENTAL INCOME

The rental income of our investment portfolio in 2022 increased by 35% compared to 2021 and amounted to EUR 19m (2021 – EUR 12m). The decrease in rental income from the successful exit of Central Kladno in 2020 was fully covered by an increase of rental income from DOCK IN THREE (construction completed in 2019), DOCK IN FOUR (construction completed in 2020) and DOCK IN FIVE (completed in 2022). We are successfully diversifying rental income from our investment portfolio. After the development of our commercial buildings is completed, we keep the projects in the investment portfolio. This allows us to diversify rental income from various projects. As you can see below, the income stream has been coming from an increasing number of assets to create higher diversity over time. The weighting of a single asset, like Kladno in 2018, has been diluted.

RENTAL INCOME OF INVESTMENT PORTFOLIO

IN THOUSANDS OF EUR



WAULT

The weighted average unexpired lease term calculated in valuation reports prepared by the external independent valuator for IFRS consolidation purposes was as follows: office portfolio 4.62 years and retail portfolio 3.8 years.

The portfolio includes 113 tenants across 6 assets.



# FINANCING STRATEGY

## METHOD

THE FOLLOWING CRITERIA ARE USED TO ASSIGN LOANS TO THE STREAMS:

- Loans provided directly to the project or holding company in the stream;
- Loans provided to Crestyl Holding Limited, where the contract directly states that these should be used to finance projects in the investment stream;
- Shareholder loans and loans provided by joint venture partners are excluded, because these are seen as an equity equivalent.

Crestyl successfully refinanced a variety of senior and junior loans in the investment portfolio provided from, amongst others, Oberbank, Moneta and Unicredit. There was also a single cross-border EUR 130 million loan from a syndicate of Helaba and Deutsche Pfandbriefbank, substantially decreasing the cost of funding and creating higher excess cash for Crestyl.

## LTV

IN THOUSANDS OF EUR	31 DEC 2022	31 DEC 2021	31 DEC 2020
Net debt 14)	234,388	170,686	132,520
LTV 15)	69.32%	70.32%	56.51%

14) –15) refer to the Appendix

## VOLUME OF SECURED AND UNSECURED DEBT

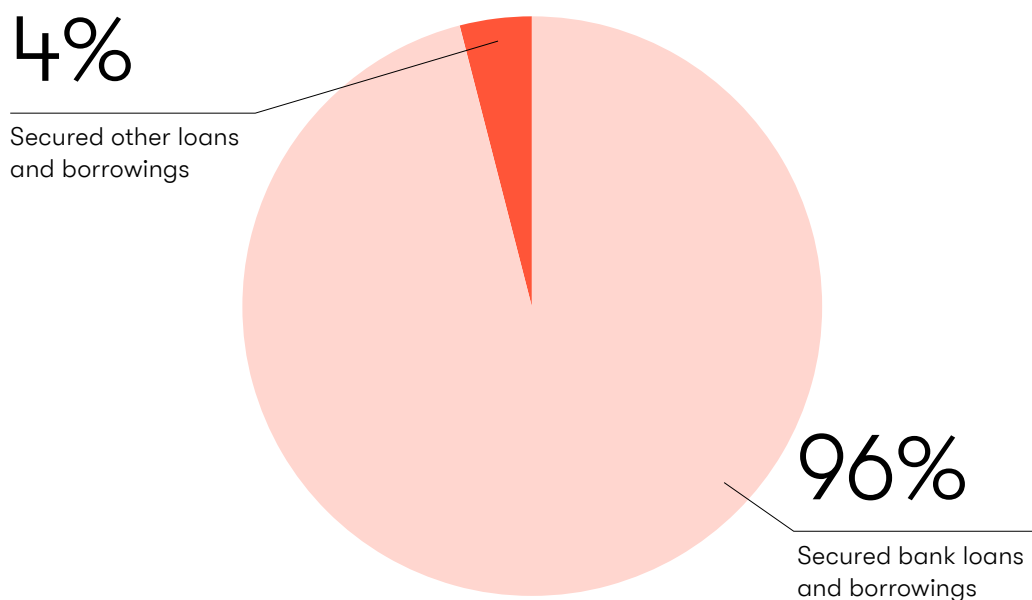
OUR INVESTMENT PORTFOLIO IS FINANCED MAINLY BY SECURED BANK LOANS AND BORROWINGS

IN THOUSANDS OF EUR	31 Dec 2022	31 Dec 2021	31 Dec 2020
Secured bank loans and borrowings	230,064	167,957	131,226
Secured other loans and borrowings*	7,088	6,098	5,379
Unsecured other loans and borrowings*	–	–	8,816
<b>Total external financing</b>	<b>237,152</b>	<b>174,055</b>	<b>145,421</b>

\*Secured/unsecured other loans and borrowings excluding loans provided by shareholders. Secured/unsecured other loans and borrowings include loans drawn directly by companies in the stream.

## INVESTMENT PORTFOLIO

FINANCING STRUCTURE AS AT 31 DECEMBER 2022



## ADJUSTED NET INTEREST COVERAGE RATIO

IN THOUSANDS OF EUR	31 Dec 2022	31 Dec 2021	31 Dec 2020
Adjusted EBIT (+) 16)	12,961	8,255	8,749
Interest expense (+)	5,503	4,336	4,848
ADJUSTED NICR = Adjusted EBIT / Interest expense	2.36	1.9	1.8

16) refer to the Appendix

## AVERAGE FINANCING RATE

IN THOUSANDS OF EUR	Interest rate as at 31 December 2022	Total balance as at 31 December 2022
Secured bank loans and borrowings	EURO SWAP RATE + 1.75% p.a.*	190,073
Secured bank loans and borrowings	3M EURIBOR + 1.7% p.a.**	12,365
Secured bank loans and borrowings	3M EURIBOR + 7% p.a.	27,200
Secured other loans and borrowings***	12M PRIBOR + 6% p.a.	7,283
Unsecured other loans and borrowings***	—	—
<b>WEIGHTED AVERAGE INTEREST RATE</b>		<b>2.74% p.a.</b>

\*Euro swap rate hedged under interest swap rate

\*\*3M EURIBOR base rate hedged under interest swap rate

\*\*\* Secured/unsecured other loans and borrowings excluding loans provided by shareholders.

Secured/unsecured other loans and borrowings include loans drawn directly by companies in the stream.

## MATURITY STRUCTURE OF BANK AND OTHER LOANS

IN THOUSANDS OF EUR	Balance as at 31 December 2022	Due within 1 year	Due in 1 – 5 years	Due in more than 5 years
Secured bank loans and borrowings	237,153	9,615	227,244	294
Secured other loans and borrowings*	7,088	7,088	–	–
<b>Total</b>	<b>244,241</b>	<b>16,703</b>	<b>227,244</b>	<b>294</b>

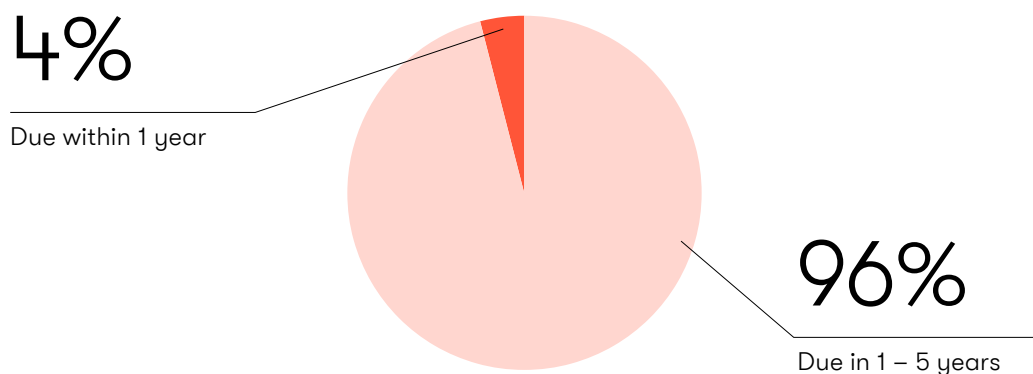
\* Secured/unsecured other loans and borrowings excluding loans provided shareholders.  
Secured/unsecured other loans and borrowings include loans drawn directly by companies in the stream.

IN THOUSANDS OF EUR	Balance as at 31 December 2022	Due within 1 year	Due in 1 – 5 years	Due in more than 5 years
Secured bank loans and borrowings	167,957	2,052	165,905	–
Secured other loans and borrowings*	6,098	6,098	–	–
<b>Total</b>	<b>174,055</b>	<b>8,150</b>	<b>165,905</b>	<b>–</b>

\* Secured/unsecured other loans and borrowings excluding loans provided shareholders.  
Secured/unsecured other loans and borrowings include loans drawn directly by companies in the stream.

## INVESTMENT PORTFOLIO

### MATURITY STRUCTURE OF EXTERNAL FINANCING SOURCES AS AT 31 DECEMBER 2021



# KEY INVESTMENT PROJECTS

All projects in the investment portfolio stream are developed by Crestyl. The investment portfolio consists of the office and commercial sectors.

## DOCK IN

The office sector currently comprises DOCK IN ONE, DOCK IN TWO, DOCK IN THREE, DOCK IN FOUR and DOCK IN FIVE – all located in Prague 8.

The new Prague DOCK neighborhood is located in an attractive area on the border between Libeň, Karlín and Holešovice, around two oxbow lakes of the Vltava River. The DOCK project is being constructed in several phases and includes a total of 150,000 m<sup>2</sup> of commercial and residential space. The campus also includes a private yacht club with a marina, park, restaurants, cafés and other services. DOCK IN is the commercial part of DOCK, and it is divided into five stages. Four have already been completed – the DOCK IN ONE, DOCK IN TWO, DOCK IN THREE, DOCK IN FOUR AND DOCK IN FIVE office buildings. The total floor area of the DOCK IN commercial premises is around 87,000 m<sup>2</sup>. The majority of the area is taken up by offices, but the zone also includes shops, cafés and restaurants. Despite its serene environment, DOCK has excellent metro and tram connections. The Palmovka metro station is less than a 4-minute walk away.





# CENTRAL JABLONEC

The investment portfolio also includes Central Jablonec. Central Jablonec opened to the public at the end of March 2017. This project brought a wider selection of shops and services to the city center of Jablonec nad Nisou in the Liberec region (approximately 100 km from Prague). Before that, Jablonec residents previously had to travel much further away for such shopping and services. Central Jablonec offers a varied selection of international flavors, places for relaxation and entertainment, services and shops, all located within 13,000 m<sup>2</sup> of retail space. This new, modern shopping mall replaced a dilapidated communist-era convenience center and contributed to the overall revitalization of the city center, connecting it to the pedestrian zone. The building has excellent visibility, and the internal space is finished to very high standards previously unseen in Jablonec nad Nisou.











# 50

## RESIDENTIAL DEVELOPMENT



# RESIDENTIAL DEVELOPMENT

## PROJECTS UNDER MANAGEMENT





## PROJECTS UNDER DEVELOPMENT

**ZÁMECKÉ ZAHRADY 3 – 53 VILLAS (JV)**

**HAGIBOR GAMMA (fully consolidated)**

**ŠÁRKA VALLEY (JV)**

**SEMERÍNKA (fully consolidated)**

## PROJECTS IN PIPELINE

**HAGIBOR RESIDENTIAL – future stages**

**ZÁMECKÉ ZAHRADY 3 – 33 VILLAS (JV)**

**RESIDENTIAL PROJECTS IN BRNO**

**RESIDENTIAL PROJECT IN PRAGUE 8**

**Residential project in Prague 12**

**Residential project in Prague 9**

**Land plan outside of Prague**

# CUSTOMER EXPERIENCE AS THE PRIORITY

**Crestyl's revenue-driven approach has been a proven strategy, consistently delivering higher premiums even during challenging times, such as the Global Financial Crisis. We firmly believe that generosity and a focus on quality contribute to our success. This belief is deeply ingrained in our DNA, as we understand that the quality of life and well-being begins at one's home.**

From the moment our clients approach their residences, whether through the garage or the main entrance, they experience the human scale, lush greenery, and meticulous attention to detail that define us. Our apartments surpass market standards, featuring exquisite ceiling and lighting details, floor heating, meticulously designed bathrooms, and numerous other features that elevate the living experience. Our dedicated employees provide exceptional service, ensuring our clients receive the highest level of care from the first meeting to the final apartment hand-over. In line with our commitment to excellence, we have expanded our

customer care to the digital realm. Together we developed a web portal specifically designed to embody our values of design, quality, comfort, teamwork, care, and transparency. This innovative online client portal has been successfully launched for five of our current residential projects.

To further enhance communication and support, we introduced a dedicated client helpline. Available from Monday to Friday, between 9 am and 5 pm, our knowledgeable team stands ready to assist clients with any inquiries or guidance they may require.

Through our client portal, clients have the flexibility to schedule calls at their convenience, selecting a date and time that suits their preferences. This personalized approach ensures that our interactions are tailored to meet each client's individual needs.

In our commitment to transparency and convenience, we have introduced an online selection of standards and client packages. Our clients can now explore various options through

detailed descriptions, captivating photographs, and comprehensive price previews. Eliminating the need for office visits, this online platform allows clients to make informed decisions from the comfort of their own homes. Upon finalizing their choices, clients receive a PDF confirmation delivered directly to their email inbox, providing clarity and peace of mind.

At Crestyl, we value feedback and continuously strive for excellence. To measure and improve our services, we have implemented Net Promoter Score (NPS) evaluations throughout the entire client journey.

The remarkable NPS score of 81.4% reflects our unwavering dedication to continuous improvement.

Recognizing the significance of keeping our clients well-informed, the client portal provides regular updates on construction progress. Clients have real-time access to information and project milestones, ensuring they are always up to date. To further enrich the visual experience, we have created a photo gallery within the client portal. This allows our clients to witness the evolution of their projects, stage by stage, capturing the excitement of their future homes taking shape.



# KEY PERFORMANCE INDICATORS

## METHOD

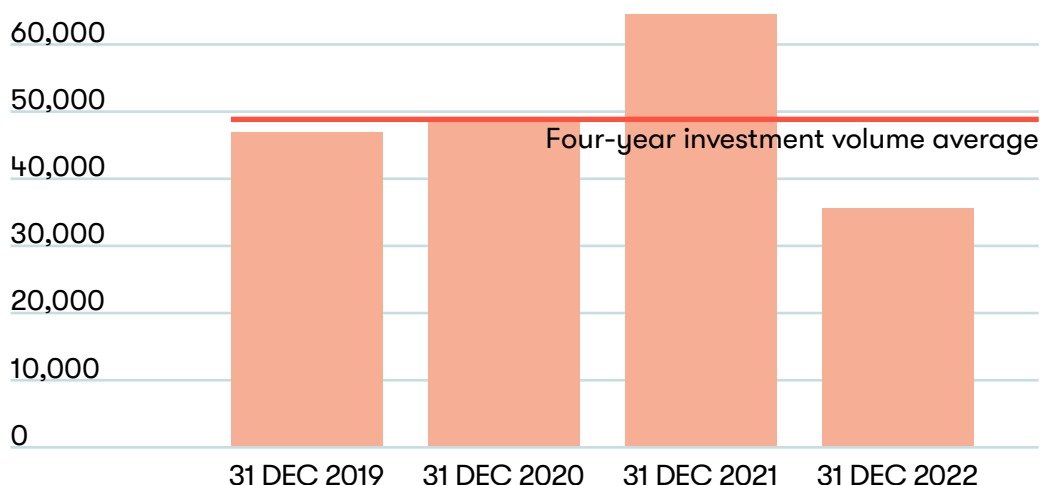
To illustrate the scope of our activities, we provide full disclosure on activities under our management in all indicators. This means that joint venture companies are also 100% included in the KPIs presented below, regardless of Crestyl's share. The division into fully consolidated and JV projects is presented in the organigram at the beginning of this chapter. For information reflecting the consolidated information from the accounting point of view, please refer to Sections 6 and 7.

## INVESTMENT VOLUME SPENT

Our annual investment volume spent on residential development projects was in the range of EUR 35–64 m yearly during the years 2019 – 2022. Our 4-year investment volume annual average is EUR 49 m.

## RESIDENTIAL DEVELOPMENT

### ANNUAL INVESTMENT VOLUME SPENT IN THOUSANDS OF EUR



**Crestyl currently has units on offer in more than 8 phases of projects and future revenues (including pipeline) in excess of EUR 800 m\* and has achieved an excellent year in sales in 2022 of EUR 70 m.**

After having acquired a mixed-use project in Brno and established an office there, Crestyl marked a milestone in 2021–2022 by entering the Brno residential market. We secured 6 sites through a strategic deal with Ahold. This deal will generate revenues in excess of EUR 265 m for the Crestyl residential development stream in the years to come, making Crestyl overnight the largest residential developer in Brno and in the years to come.

## SALES STATUS

The average yearly sales of the residential development portfolio under our management in the years 2019–2022 amounted to EUR 66 m. The average yearly pre-sales of the residential development portfolio under our management in the years 2019–2022 amounted to EUR 47 m.

### IN THOUSANDS OF EUR

	1 Jan–31 Dec 2019	1 Jan–31 Dec 2020	1 Jan–31 Dec 2021	1 Jan–31 Dec 2022
<b>Yearly sales</b>	24,409	89,002	83,924	69,500
<b>Yearly pre-sales</b>	59,107	46,892	61,719	21,181

\* 100% of sales regardless of the amount of Crestyl's share Sales are booked when a proposal for the change of ownership in the real estate cadastre has been submitted.

\*\* Pre-sales are booked when a purchase agreement or future purchase agreement (SOBSK) or booking agreement has been signed.

### NOTE:

**In case the unit is sold in the respective period, the unit is included only in the Sales category and not in the Pre-sales category in the respective period. The Czech National Bank (ČNB) average CZK/EUR rate for the respective period has been used.**

If we consider only developers with more than CZK 1 BIL in sales, Crestyl is the developer with the largest average size of apartments. The average size is 81.3 m<sup>2</sup>.



## MARGIN

The margin of our residential projects was between 12% and 20%.

## COMPLETED PROJECTS – PROFIT

In 2022 we achieved excellent total profit without interest on shareholder loans on completed residential projects under our management and Hagibor Delta project divestment in the amount of EUR **16,350,000** (2021 – EUR 17,900,000). The 2022 figure was significantly impacted by the following projects: REZIDENCE VINOHRADSKÁ, NEUGRAF and ZÁMECKÉ ZAHRADY 3 – land plots. In 2021, our profit was mainly impacted by completion of the NEUGRAF and ZÁMECKÉ ZAHRADY 3 and 4 – land plots.



PROJECT	Details	Average price Flat or land plot/sqm	Project status	Year completed
ZÁMECKÉ ZAHRADY CENTRUM	3 land plots + 63 units	Land plots: 226 EUR/sqm Units: 1,820 EUR/sqm	Completed	2019
ZÁMECKÉ ZAHRADY 1	245 land plots	90 EUR/sqm	Completed	2010
ZÁMECKÉ ZAHRADY 2-land plots	115 land plots	107 EUR/sqm	Completed	2017
ZÁMECKÉ ZAHRADY 2- villas	32 villas	1,658 ER/sqm	Completed	2020
ZÁMECKÉ ZAHRADY 3-land plots	123 land plots	172 ER/sqm	Completed	2021
ZÁMECKÉ ZAHRADY 4	154 land plots	173 EUR/sqm	Completed	2021
NEUGRAF	184 units	4,272 EUR/sqm	Completed	2021
BEROUNSKÁ BRÁNA	188 units	2,086 EUR/sqm	Completed	Phase 1 – 2019 Phase 2 – 2020
ŠÁRECKÝ DVŮR	56 units	4,639 EUR/sqm	Completed	2018
DOCK RIVER VIEW	61 units	3,189 EUR/sqm	Completed – sold	2012
RIVER WATCH 1	65 units	3,283 EUR/sqm	Completed – sold	2015
RIVER WATCH 2	72 units	3,504 EUR/sqm	Completed	2016
RIVER WATCH 3	84 units	3,617 EUR/sqm	Completed – sold	2018
MARINA BOULEVARD	149 units	3,983 EUR/sqm	Completed	2020
4 BLOK	215 units	2,468 EUR/sqm	Completed	2017
BARRANDOV HILLS	227 units	2,053 EUR/sqm	Completed – sold	Phase 1 – 2008 Phase 2 – 2011 Phase 3 – 2013
PODBABA Západ	128 units	2,697 EUR/sqm	Completed – sold	2009
PODBABA Jih	137 units	2,278 EUR/sqm	Completed – sold	2013
PODOLSKÉ SCHODY	20 units	3,063 EUR/sqm	Completed – sold	2016
HAGIBOR ALFA&BETA	169 units	4,639 EUR/sqm	Completed	2022

\*ČNB CZK/EUR average FX rate in the year of completion used

## PROJECTS UNDER DEVELOPMENT AND IN THE PIPELINE

PROJECT	Details	Average price Flat or land plot/sqm	Permission status	Planned year of completion
ZÁMECKÉ ZAHRADY 3 – 53 villas	53 villas	2,885 EUR/sqm	Under construction	2023
SEMERÍNKA	170 units	4,784 EUR/sqm	Under construction	2025
HAGIBOR GAMMA	138 units	4,563 EUR/sqm	Under construction	2024
SARKA VALLEY	220+ units	Planning stage	Planning permit legal valid	Phase 1 – 2026 Phase 2 – 2027
HAGIBOR RESIDENTIAL – FUTURE STAGES	250+ units	Planning stage	Waiting for planning permit	2026–2027
ZÁMECKÉ ZAHRADY 3 – 33 villas	33 villas	Planning stage	Waiting for planning permit	2025
RESIDENTIAL PROJECTS IN BRNO	1000+ units	Planning stage	Waiting for planning permit	2027–2028
RESIDENTIAL PROJECT IN PRAGUE 8	200 units	Planning stage	Waiting for planning permit	2027

\*CZK/EUR exchange rate as of 31 Dec 2022 = 24.115

## OUR PIPELINE

We are still seeking new opportunities for our business development in residential project development. The pipeline of our residential development stream currently comprises the next stages of the Hagibor complex and the residential project in Prague 8, 6 residential projects in Brno, and land plots in the Central Bohemian Region. Thanks to these projects, we plan to develop 25,500 m<sup>2</sup> of flats in Prague and 74,500 m<sup>2</sup> of flats in Brno, now making Crestyl the largest residential developer in Brno and in the years to come.

**At the moment, Crestyl is analyzing further land area around 100,000 m<sup>2</sup> for acquisitions.**

# FINANCING STRATEGY

## METHOD

Consistent with our key performance indicators, we provide full disclosure on the financing of projects under our management. This means that joint venture companies are also 100% included in the loans presented below, regardless of Crestyl's share. The division into fully consolidated and JV projects are presented in the organigram at the beginning of this chapter. For information reflecting the consolidated information from the accounting point of view, please refer to Sections 6 and 7.

### THE FOLLOWING CRITERIA ARE USED TO ASSIGN LOANS TO THE STREAMS:

- Loans provided directly to the project or holding company in the stream;
- Loans provided to Crestyl Holding Limited, where the contract directly states that these should be used to finance projects in the residential stream;
- Shareholder loans and loans provided by joint venture partners are excluded, because these are seen as an equity equivalent.

## LTC

In the initial phase, our residential projects are financed from loans provided by shareholders, JV partners and other non-bank lenders. In the next phases, we use acquisition and construction loans provided by banks, because banks trust in the delivery of our residential projects. Therefore, we are able to achieve high average financing provided by banks amounting to 80% – 90% of total costs.

## VOLUME OF SECURED AND UNSECURED DEBT

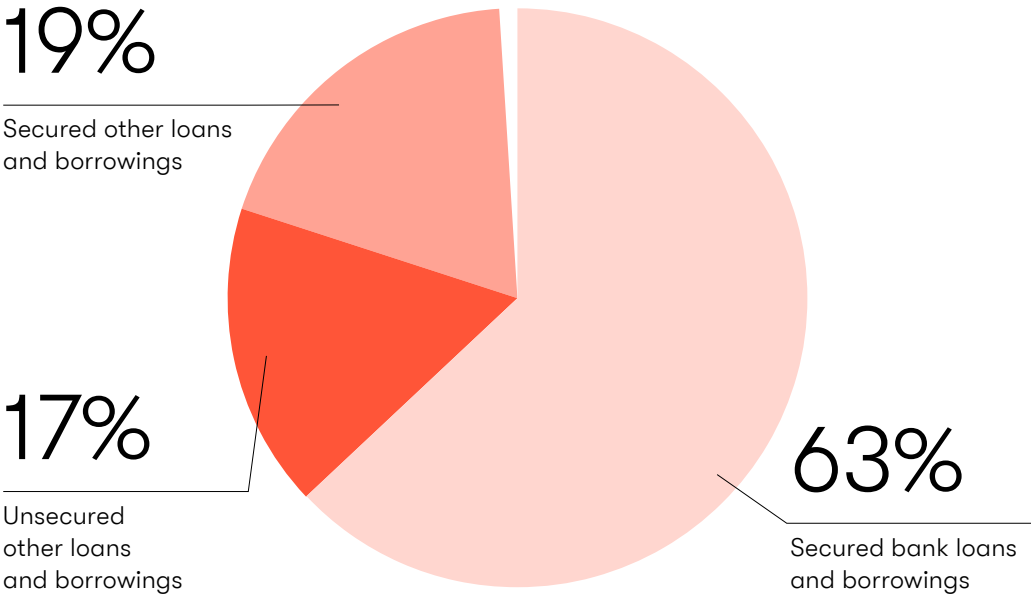
As at 31 December 2022 secured financing (secured bank and other loans) represented 83% of all external financing sources used for financing our residential development portfolio.

IN THOUSANDS OF EUR	31 Dec 2022	31 Dec 2021	31 Dec 2020
Secured bank loans and borrowings	24,757	69,895	70,291
Secured other loans and borrowings*	7,599	12,286	4,324
Unsecured other loans and borrowings*	6,763	10,449	8,921
TOTAL EXTERNAL FINANCING	39,119	92,630	83,536

Secured/unsecured other loans and borrowings excluding loans provided by JV partners and shareholders. Secured/unsecured other loans and borrowings include loans drawn directly by companies in the stream and allocated directly attributable loans to projects in the stream drawn by Crestyl Holding Ltd.

## RESIDENTIAL DEVELOPMENT

### FINANCING STRUCTURE AS AT 31 DECEMBER 2022





## AVERAGE FINANCING RATE

The overall weighted average financing rate of our residential development stream amounted to 9.42% p.a. as at 31 December 2022.

IN THOUSANDS OF EUR	Interest rate	Loan balance as at 31 December 2022
Secured bank loans and borrowings	3M PRIBOR + 3.25%	9,918
Secured bank loans and borrowings	1M PRIBOR + 3.5%	8,999
Secured bank loans and borrowings	1M PRIBOR + 2.25%	5,840
Secured bank loans and borrowings*	7.5%	4,915
Secured bank loans and borrowings*	13.5%	3,668
Secured bank loans and borrowings*	8.5%	2,685
Secured bank loans and borrowings*	4.5%	2,189
Secured bank loans and borrowings*	9.00%	906
<b>WEIGHTED AVERAGE</b>	<b>9.42%</b>	<b>—</b>

16) refer to the Appendix

## MATURITY STRUCTURE OF BANK AND OTHER LOANS

IN THOUSANDS OF EUR	Balance as at 31 December 2022	Due within 1 year	Due in 1–5 years	Due in more than 5 years
Secured bank loans and borrowings	—	—	24,757	—
Secured bank loans and borrowings*	—	—	7,599	—
Unsecured other loans and borrowings*	5,856	—	907	—
<b>TOTAL</b>	<b>5,856</b>	<b>—</b>	<b>33,263</b>	<b>—</b>

IN THOUSANDS OF EUR	Balance as at 31 December 2022	Due within 1 year	Due in 1 – 5 years	Due in more than 5 years
Secured bank loans and borrowings	69,895	41,188	28,707	—
Secured bank loans and borrowings*	12,286	4,926	7,360	—
Unsecured other loans and borrowings*	10,449	5,966	4,483	—
<b>TOTAL</b>	<b>92,630</b>	<b>52,080</b>	<b>40,550</b>	<b>—</b>

\* Secured/unsecured other loans and borrowings excluding loans provided by JV partners and shareholders. Secured/unsecured other loans and borrowings include loans drawn directly by companies in the stream and allocated directly attributable loans to projects in the stream drawn by Crestyl Holding Ltd.

# KEY RESIDENTIAL PROJECTS

## HAGIBOR

HAGIBOR is a multi-stage project rising on the border between two trendy Prague residential districts, Vinohrady and Strašnice, and is located at the end of Vinohradská třída near a metro station and tram stop. Hagibor provides space not only for housing and work, but also for cultural and public spaces. The project also includes a cultural and social center with a multifunctional hall, café, bar and underground parking. The extensive public area, forming a quarter of the whole project, is the responsibility of world-famous landscape architect Michel Desvigne. Everything is very cleverly designed, with respect for the surroundings and with a focus on the privacy of its future inhabitants.









**VYSOKÝ ÚJEZD**  
U PRAHY



**U KŮLEN**

In our VYSOKÝ ÚJEZD project, we are building a new village, including infrastructure, which sensitively connects it to the original village and complements it in many ways. The division into several residential parts naturally underlines the character of individual localities. We support the development of local services. Construction in the village maintains its standard and character. The built-up area is up to 30% on each plot, the streets are wide, clear and lined with grass strips and tree lines among plots and villa houses.







# Semerínka

SEMERÍNKA provides modern living surrounded by nature. SEMERÍNKA is close to Jinonice metro station and the Waltrovka area in Prague 5. SEMERÍNKA has 155 apartments, some of them with large gardens and amazing city views. The enclosed and safe area offers a sufficient number of parking spaces and a location with a lot of outdoor activities to enjoy. The roof full of greenery perfectly fits into the project's natural surroundings.









# Šárka

The ŠÁRKA residential project is being prepared to replace the current industrial premises. This quiet and open residential neighbourhood with parking zones will offer 18 luxury residential buildings with more than 220 apartments and six detached houses. There will also be a new kindergarten and spaces for businesses and services. The architectural solution for the public space will focus on the connection with Šárka Forest. The internal parterre will visually “grow” from them being part of the surroundings, and the newly planted trees and plants will be native to the locale, with a majority of them being pines.









# NEUGRAF

NEUGRAF provides stylish living on Grafická Street in Smíchov. NEUGRAF has it all: a roomy loft, a rooftop penthouse with a large patio and a gorgeous view of Prague, and a cosy apartment. The enclosed and safe area offers a sufficient number of parking spaces and a relaxation area in both NEUGRAF and nearby parks. The terraced roof full of greenery is an urban oasis where one can sit with friends, enjoy sunsets over Prague every day, and find inner peace in a busy city.







# Šárecký dvůr

ŠÁRECKÝ DVŮR is located in the prestigious location of Prague 6, where contemporary architecture meets historic value. The heart of the complex is the enclosed courtyard, which connects a Baroque building with 7 townhouses, newly built villa houses with 44 elegant apartments, and a historic building with 5 studios. The development lies just a few steps from the Divoká Šárka Nature Reserve. A short walk in the opposite direction brings one to the Nádraží Veleslavín metro station in 3 minutes and in 12 more minutes right to the center of Prague.
















# 6

## APPENDIX – EXPLANATION OF CALCULA- TIONS



## 1. EBIT

IN TEUR	2022	2021	2020	2019
Profit for the year (+)	19,739	31,298	22,376	43,997
Net finance expense (+)	5,672	5,978	14,057	3,637
Income tax expense (+)	7,379	12,538	7,436	8,097
EBIT	<b>32,790</b>	<b>49,814</b>	<b>43,869</b>	<b>55,731</b>

## 2. EBITDA

IN TEUR	2022	2021	2020	2019
EBIT	32,790	49,814	43,869	55,731
Depreciation (+)	515	419	550	350
EBITDA	<b>33,305</b>	<b>50,233</b>	<b>44,419</b>	<b>56,081</b>

## 3. ROE

IN TEUR	2022	2021	2020	2019
Profit /(loss) for the year	19,739	31,298	22,376	43,997
Equity	158,236	137,658	100,595	79,759
ROE (net income/equity)	12.47%	22.74%	22.24%	55.16%

## 4. ROE ATTRIBUTABLE TO OWNERS

IN TEUR	2022	2021	2020	2019
Profit for the year attributable to the Owners of the Group	18,624	21,333	22,376	43,997
Equity attributable to the Owners of the Group	145,518	127,345	100,595	79,759
ROE attributable to Owners of the Group	12.80%	16.75%	22.24%	55.16%

## 5. ROA

IN TEUR	2022	2021	2020	2019
Profit /(loss) for the year	19,739	31,298	22,376	43,997
Total assets	810,853	713,481	411,762	398,281
ROA (net income/total assets)	2,.43%	4.39%	5.43%	11.05%

## 6. ROA ATTRIBUTABLE TO OWNERS

IN TEUR	2022	2021	2020	2019
Profit (loss) for the year attributable to the Owners of the Group	18,624	21,333	22,376	43,997
Total assets	810,853	713,481	411,762	398,281
ROA attributable to the Owners of the Group (net income attributable to the Owners of the Group /total assets)	2.30%	2.99%	5.43%	11.05%

## 7. NET DEBT

IN TEUR	2022	2021	2020	2019
External financing (+)	522,262	468,630	245,742	250,764
Cash and equivalents (-)	-7,411	-13,427	-14,291	-3,565
Restricted cash (-)	-11,513	-15,271	-9,353	-6,668
Net debt = External financing - Cash equivalents - Restricted cash	503 338	439 932	222 098	240 531

## 8. LTV

IN TEUR	2022	2021	2020	2019
Net debt excluding shareholder loan (+)	497,613	434,207	214,613	230,381
Fair value of investment property portfolio (+)	656,258	531,912	296,187	305,974
Fair value of trading property portfolio (+)	47,288	72,162	21,865	10,432
LTV = net debt excluding shareholder loan / fair value of property portfolio	70.73%	71.88%	67.48%	72.81%

## 9. DEBT TO MATURITY

Weighted average remaining debt maturity

IN DAYS	2022	2021	2020	2019
Debt to maturity	1,085	1,261	848	1,482

## 10. NET INTEREST COVERAGE RATIO

IN TEUR	2022	2021	2020	2019
EBIT (+)	32,790	49,814	43,869	55,731
Interest expense (incl. capitalized) (+)	29,737	19,889	11,931	10,439
NICR = EBIT / Interest expense (incl. capitalized)	1.10	2.5	3.68	5.34

## 11. SECURED CONSOLIDATED LEVERAGE RATIO

IN TEUR	2022	2021	2020	2019
Secured loans, borrowings, bonds issued and overdraft (+)	490,242	410,098	187,548	191,767
Consolidated assets (+)	810,853	713,481	411,762	398,281
Secured consolidated leverage ratio = Secured loans, borrowings, bonds issued and overdraft / Consolidated assets	60.46%	57.48%	45.55%	48.15%

## 12. SECURED DEBT TO TOTAL DEBT

IN TEUR	2022	2021	2020	2019
Secured loans, borrowings, bonds issued and overdraft (+)	490,242	410,098	187,548	191,767
External financing (+)	522,262	468,630	245,742	250,764
Secured debt to total debt = Secured loans, borrowings, bonds issued and overdraft / External financing	93.87%	87.51%	76.32%	76.47%



### 13. NET DEBT – INVESTMENT PORTFOLIO

IN TEUR	2022	2021	2020
External financing (+)	237,152	174,055	145,421
Cash and equivalents (-)	-2,037	-2,648	-7,530
Restricted cash (-)	-728	-721	-5,371
Net debt = External financing - Cash equivalents - Restricted cash	234,388	170,686	132,520

### 14. LTV – INVESTMENT PORTFOLIO

IN TEUR	2022	2021	2020
Net debt (+)	234,388	170,686	132,520
Fair value of investment property portfolio (+)	335,579	242,717	234,506
LTV = net debt / fair value of property portfolio	69.85%	70.32%	56.51%

### 15. ADJUSTED EBIT – INVESTMENT PORTFOLIO

IN TEUR	2022	2021	2020
Profit for the year (+)	10,131	5,177	13,392
Net finance expense (+) Net finance income (-)	2,255	-2,252	10,291
Income tax expense (+)	3,247	840	3,051
EBIT	15,633	3,765	26,734
Valuation gain (-) Valuation loss (+)	-2,671	4,490	-17,985
Adjusted EBIT	12,961	8,255	8,749

**Company Registration Number**

B 274403

**Company Name**

Crestyl Holding CZ S.à r.l.

**Incorporation Date**

21 May 2015

**Registered Office**

12C, rue Guillaume J.Kroll

**City/Locality**

Luxembourg

**Country**

Luxembourg





