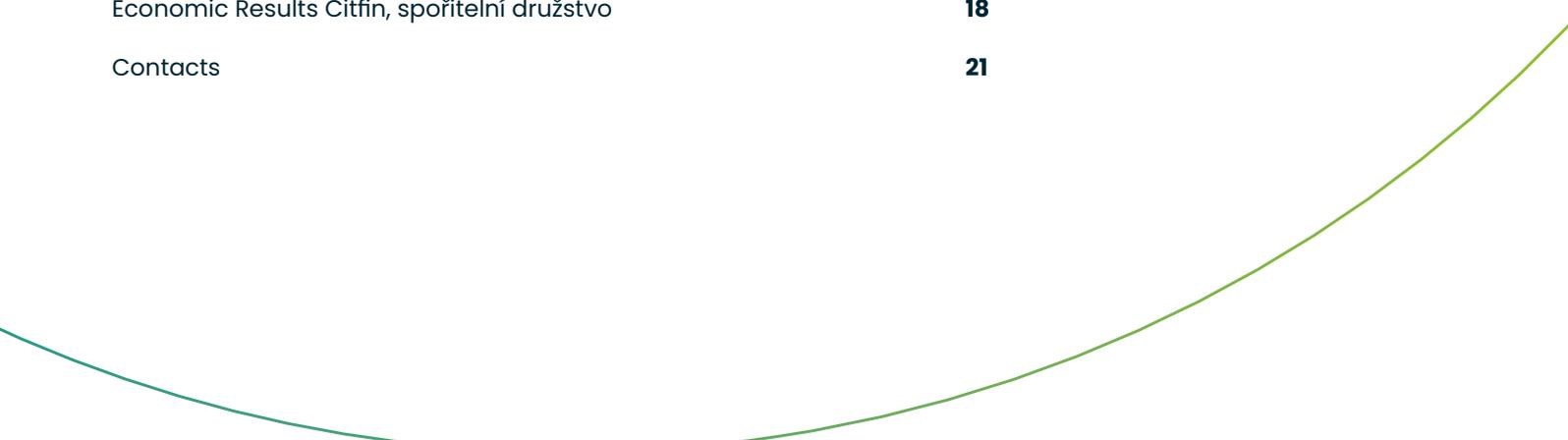


Economic Report



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01

Introductory Word



Dear shareholders, business partners and colleagues,

First of all, it is important to say that 2023 was the second best year in the company's history in terms of economic results. Even though in some areas objectives were only partially achieved, Citfin indeed did very well last year, and I can say on behalf of the entire management that we succeeded.

Citfin's domain is business that is linked to foreign countries, and world affairs that are not favourable to foreign trade are potentially unpleasant for us. The ongoing war in Ukraine is with no doubt one of them. Personally, I hate to admit that we have become accustomed to this reality, but the positive fact is that Citfin has dealt with it in business terms very well.

Economic performance has been particularly affected by persistent robust inflation, which last year reached 10.7%, which would have been hard to believe a few years ago. The increased price of all products across all countries has naturally caused many of our customers to seek savings in order to survive in a competitive environment, and we have had to respond in the same way. It is all the more impressive that even in this situation we have been able to maintain the growth in the number of satisfied Citfin clients, which rose to 19,013 last year.

A very low unemployment rate in the Czech Republic continued last year and resulted in a great 'hunger' of companies for quality employees. I am therefore pleased that we have managed to retain existing key employees and select new ones with high potential. The average employment relationship has risen to 8.2 years. I consider these figures to be an excellent result of our HR policy, and I am pleased that Citfin is perceived as a traditional and reliable employer in a very competitive industry.

The balance sheet total surpassed the CZK 4.2 billion koruna. The capital adequacy ratio of both companies is sound and fully in line with the requirements set by the CNB. In the case of Citfin – Finanční trhy a.s., the capital adequacy ratio reached 322% and for Citfin, spořitelní družstvo it was less than 40%. Both values are safe and far exceed the required levels. The very good financial health of both companies allows Citfin to focus on future investment plans and projects.

Last year we managed to complete several very important projects. By far the most important for us is the launch of the online client registration portal, thanks to which companies can sign a contract with Citfin from beginning to end completely electronically and conveniently from their office. Next is an API for downloading daily turnover and daily statements, which enables automated processing of information in accounting and e-commerce systems. We have implemented a new PTS payment system that will bring our clients even faster and better quality payments than today. We have switched to a new phone system technology, giving us a more flexible tool to communicate across Citfin and with our clients. At the same time, we want to further develop this online. citfin.cz portal to provide our clients with a convenient tool that will enhance our mutual communication.

We continue to make further investments in 2024, particularly in our robust payments infrastructure. We are preparing steps to make payments faster for our customers and are working intensively on our new Internet banking version. We are also preparing to complement our product offering in the area of foreign exchange risk hedging, and are seeking ways to make our services available 24/7. Of course, rapidly developing artificial intelligence is part of the equation, and its future use in the financial sector brings very interesting and exciting challenges for us at Citfin.

Personally, I am very proud that we are also doing well in the key area of HR, that we are a stable part of the Czech market, and our name is synonymous with reliability.

I would like to thank our shareholders for their continued support, our clients for the trust they have placed in Citfin for decades, our business partners for their good and reliable collaboration, and all our employees for their excellent approach to the challenges of their work.



Martina Zvěřinová
CEO Citfin



02

Comment

Dear Clients,

In the past year we again managed to succeed in increasing the number of satisfied clients, and thanks to a number of client-oriented services, we were able to meet their needs.

The economy stagnation over the past year was reflected in our client portfolio across most industries. Our transaction turnover fell by 14% year-on-year to CZK 193.5 billion. One of the reasons for the decline in client transaction turnover was the fact that the previous year brought favourable exchange rate fixing conditions, particularly for export clients, some of which had already secured the 2023 exchange rate in 2022. The number of domestic and foreign payment transactions corresponded with domestic industrial production trends, and above all, foreign consumer demand, which was down over the past year.

One of Citfin's main business objectives for the past year was undoubtedly sufficient awareness of our clients in the area of foreign exchange risk hedging. This was mainly due to that 2023 was the first year in many that the CNB had lowered interest rates.

The easing of monetary policy did not eventually occur until the very end of 2023, so some clients had the opportunity to get acquainted with the Forward hedging product. Although this is still a tough business, I consider it extremely important to place emphasis on quality information about exchange rate risks with the aim of eliminating them.

It was already clear during last year that Czech central bankers would sooner or later ease monetary policy as the economic situation in the Czech Republic improved, and in fact it did so. The weakening of the koruna was thus a challenge for some, a threat for others, but for all a great opportunity to try hedging an exchange rate risk and fully embed it in the company's regular financial operations.

At a time when the koruna was more volatile than usual during the year, many clients relied on some of the exchange rate hedging options. The cascade of these services, ranging from text message notifications to setting up automatic orders to purchase foreign exchange when the desired rate is reached, provides our clients with an opportunity to take advantage of the complexity of these services, while avoiding missing out on a favourable market rate.

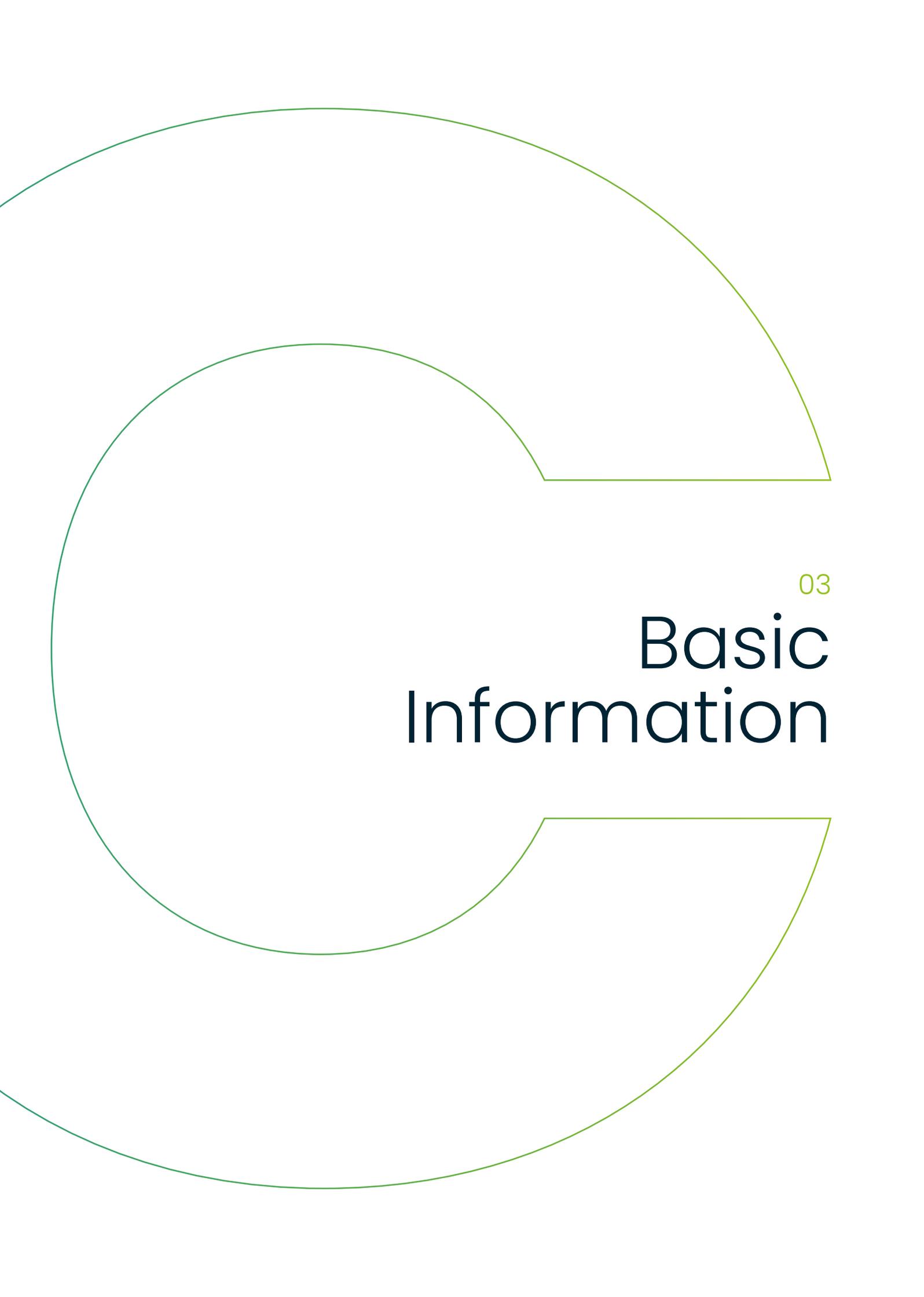
The increasing traffic to our news and economic portal www.edevizy.cz was a logical consequence of the involvement of more Citfin employees in this project. Despite the wide range of topics emphasized, we have managed to maintain the high quality of our articles and the speed and accuracy of our comments on current economic developments in the foreign exchange market at home and abroad.

Over the last year we have been able to launch the Citfin portal for online onboarding of our potential clients, making it possible to sign contractual documentation for a legal entity, including physical verification of identity conveniently from one's office in a matter of minutes. With this new technology, we have been able to speed up the client acquisition process. We see this new portal as an essential and important step in communication with our clients to their full satisfaction. We continue to work on the Citfin portal to prepare further innovations that will increase the convenience and comfort for any future changes in the contractual documentation.

Finally, let me thank all clients for the trust they place in our hands day after day. We appreciate your trust immensely and do our best not to disappoint. Let me as well thank our wonderful staff for choosing to remain part of our great Citfin family in 2023, and of course our partners for the professionalism with which they approach all requests. Let me wish you every success in all areas of life, and I look forward to working with you in 2024.



Ing. Dagmar Rottová, MBA
CSO Citfin



03

Basic Information

Your expert on Foreign currency

We offer solutions to business and corporate needs associated with international payments and foreign exchange services. We are here for you when you need to buy or sell foreign currency conveniently and with favourable terms, to speed up and make lower-cost foreign payments, or to hedge against exchange rate risk.

Why trade with Citfin?



We always find a solution

We are the experts on foreign currencies. Any nonstandard requirements? We can handle it.



We are cool

That's what our clients say about us. We're all ears and like to take an interest in our client's affairs.



We make no distinctions

Even a small trader can experience the comfort of services for large corporations.

Licenses of Citfin



Authorization to operate payment institution



Securities brokerage license



Savings cooperative license

Significant business entities of Citfin

ADET

Citfin is a founding member of the Association for the foreign exchange market, the professional association of the leading non-bank currency traders in the Czech Republic.

ADZ

As a member of the Association of Cooperative Savings Unions, Citfin represents the Czech cooperative monetary sector.

CERTIS

Citfin is a participant in the CNB's interbank payment clearing system (Czech Express Real Time Interbank Gross Settlement System). Citfin's assigned bank code is 2060.

SEPA

Citfin is a full member of the Single Euro Payment Area, SEPA, and offers its clients the wire transfer of money in Euros in the same manner and under the same conditions for both internal and international payments.

SWIFT

Citfin is a member of the SWIFT global communications network of financial institutions. This membership enables Citfin to carry out all types of international payment transactions rapidly and efficiently.

The background of the page is a white canvas with abstract, thin green line art. The lines form various geometric and organic shapes, including rectangles, circles, and curved paths, some of which overlap. The overall style is minimalist and modern.

04

Products and Services

Products and Services



Foreign Exchange

- Attractive exchange rates
- Reduction of costs when compared with foreign exchange services of other financial institutions
- Individual approach to our clients, phone consultations
- Foreign exchange news



EASY Corporate Multi-Currency Account

- Outgoing Europayments only for 2 CZK.
- Incoming foreign and domestic payments free of charge
- Free account in 27 currencies
- Attractive exchange rates without limit



Forwards

- Leverage against exchange rate fluctuations
- Fixed-term cross trades without CZK
- Term/settlement duration up to 2 years
- Low limits for Forward trades already from EUR 10,000 or USD 10,000



BankServis

- Our internet banking is user-friendly
- Perfectly secured



www.eDevizy.cz

- wide range of currency pairs shown instantly and clearly in charts
- economic analyses, articles, commentaries and valuable information for your business
- overview of the most important macroeconomic indicators of the Czech Republic, domestic and global rates and CNB rates



Online Exchange

- Possibility of independent trading
- Exchange without phone contact
- Exchange transactions in CZK, EUR, USD, CHF, GBP, PLN, HUF and RON
- Individual offer of exchange rates



Foreign Payments

- Reduction of foreign payments fees
- Easy payment orders through BankServis
- Easy payment orders through Phonebanking
- Payments quickly and securely



Currency Order

- Automatic exchange rate watch
- 24 hours a day, 5 days a week
- New space for foreign exchange trading
- Low limits for Order trades already from EUR 10,000 or USD 10,000



Exchange Rate Monitoring via SMS

- Non-binding monitoring of the exchange course for entrepreneurs and companies
- When the desired rate is reached, we send a text message to our client's mobile phone
- Multiple levels of exchange rate monitoring of different currency pairs
- Simple and free-of-charge



Exchange rate website

- Clear information about currencies EUR, USD, GBP, PLN, HUF
- Prediction of selected currency pairs EURCZK, USDCZK, GBPCZK, PLNCZK
- Selected currency pairs graphs
- Regular events in a foreign exchange market



Currency Calculator

- Possibility to calculate exchange rate savings quickly and transparently
- Combination of 16 selected currencies and currency pairs in one place



Register online

- Instant opening of payment account
- Identity verification using bank ID
- Signing contracts remotely

The Development of the Selected Economic Indicators

Data as of 31.12.2023

The exchange trade turnover in CZK billions



The number of foreign payment transactions executed in thousands



The Development of the Selected Economic Indicators

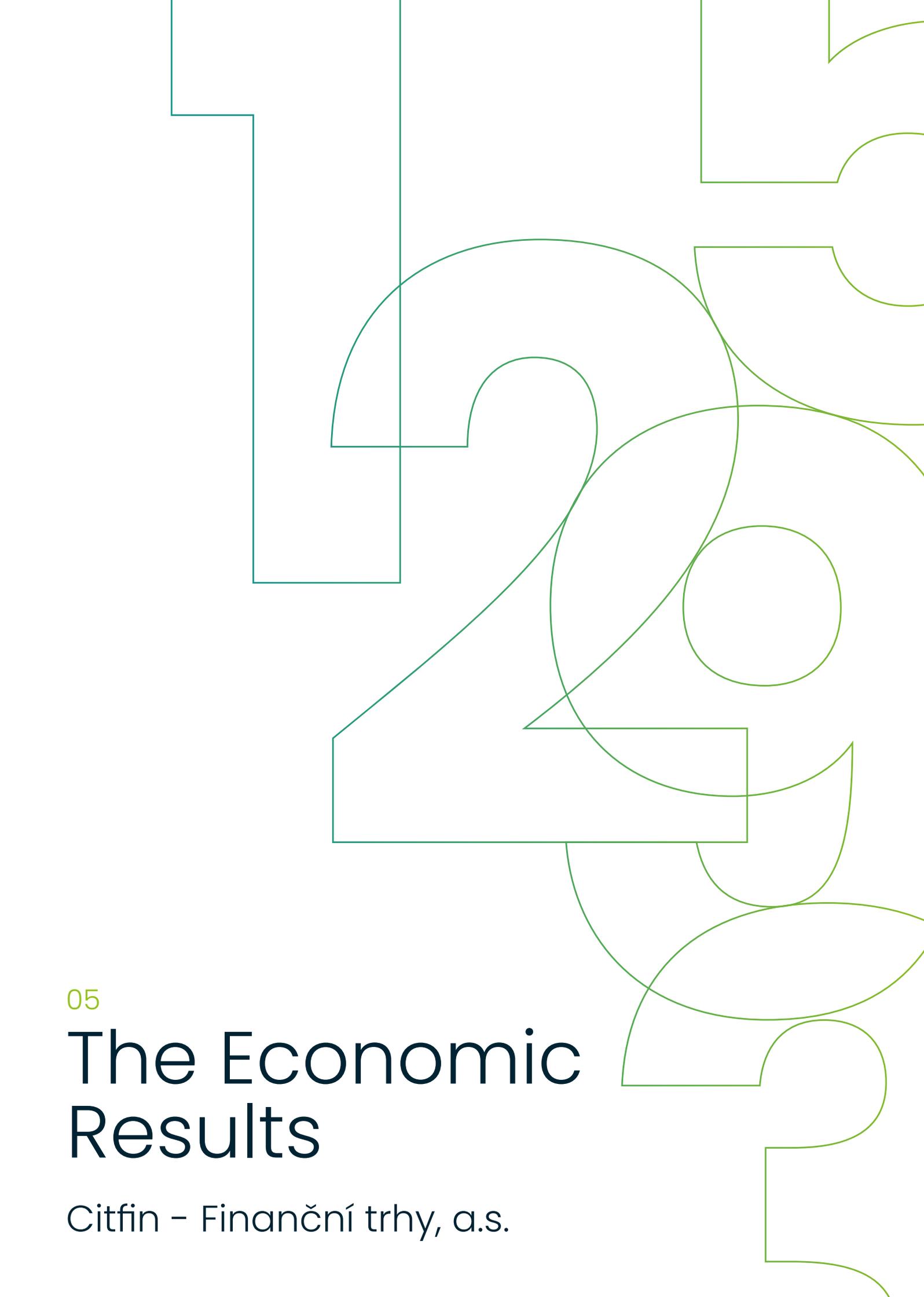
Data as of 31.12.2023

The number of clients



The balance amount in CZK millions





05

The Economic Results

Citfin – Finanční trhy, a.s.

The Balance Sheet

Citfin - Finanční trhy, a.s.

(in thousands of CZK)	2023	2022	2021
TOTAL ASSETS	734 316	745 513	698 918
FIXED ASSETS	52 896	53 127	1 746
Intangible fixed assets	1 581	1 464	818
Tangible fixed assets	314	662	927
Long-term financial assets	51 001	51 001	1
CURRENT ASSETS	681 198	692 021	696 669
Short-term receivables	53 073	94 091	35 985
Financial assets	628 125	597 931	660 684
ACCRUALS	222	364	503
	2023	2022	2021
TOTAL LIABILITIES	734 316	745 513	698 918
EQUITY	141 251	150 847	149 528
Registered capital	22 000	22 000	22 000
Retained earnings	4 400	4 400	4 400
Profits / losses from previous years	64 488	85 778	111 754
Profit / loss for the current accounting period	50 363	38 668	11 374
LONG-TERM LIABILITIES	0	0	0
CURRENT LIABILITIES	592 995	594 563	549 146
ACCRUALS	70	103	244

The Profit and Loss Statement

Citfin - Finanční trhy, a.s.

(in thousands of CZK)	2023	2022	2021
FINANCIAL RESULTS	106 366	117 352	77 491
Interest	6 129	4 765	-137
Income from shares and interest	12 259	8 658	0
Fees	-385	-2 267	-1 501
Foreign exchange operations	88 363	106 195	79 128
Other operating income	45	628	991
Other operating expenses	75	112	46
STAFF EXPENSES	18 679	31 744	42 765
Labour costs	14 018	23 427	31 390
Social security and health insurance costs	4 660	8 317	11 375
Other administrative costs	28 810	32 829	26 278
Depreciation of fixed assets and receivables	717	782	1 457
Provisioning and use of other reserves	-3 342	3 744	-6 398
Extraordinary profit	0	0	0
EARNINGS BEFORE TAX	61 472	48 769	14 333
Income tax	11 109	10 100	2 959
EARNINGS FOR THE ACCOUNTING PERIOD	50 363	38 668	11 374



06

The Economic Results

Citfin – spořitelní družstvo

The Balance Sheet

Citfin - spořitelní družstvo

(in thousands of CZK)	2023	2022	2021
TOTAL ASSETS	3 465 775	3 167 802	3 171 893
FIXED ASSETS	13 512	4 394	4 397
Intangible fixed assets	11 312	1 080	1 521
Tangible fixed assets	1 087	2 202	1 764
Long-term financial assets	1 112	1 112	1 112
CURRENT ASSETS	3 451 198	3 162 138	3 167 076
Short-term receivables	183 195	86 493	88 341
Financial assets	3 268 003	3 075 645	3 078 735
ACCRUALS	1 066	1 270	420
	2023	2022	2021
TOTAL LIABILITIES	3 465 775	3 167 802	3 171 893
EQUITY	180 990	155 238	123 467
Registered capital	107 553	107 426	95 650
Retained earnings	7 090	6 615	5 715
Profits / losses from previous years	11 669	0	13 108
Profit / loss for the current accounting period	54 677	41 197	8 994
LONG-TERM LIABILITIES	0	99	155
CURRENT LIABILITIES	3 284 767	3 012 050	3 048 251
ACCRUALS	19	416	21

The Profit and Loss Statement

Citfin - spořitelní družstvo

(in thousands of CZK)	2023	2022	2021
FINANCIAL RESULTS	181 413	132 997	74 834
Interest	167 716	111 145	10 786
Fees	2 835	6 045	5 365
Foreign exchange operations	10 863	15 807	58 683
Other operating income	13	28	741
Other operating expenses	134	106	761
STAFF EXPENSES	66 265	46 508	27 289
Labour costs	49 628	34 672	20 261
Social security and health insurance costs	16 637	11 836	7 028
Other administrative costs	48 507	31 783	23 571
Depreciation of fixed assets and receivables	2 925	2 203	3 063
Provisioning and use of other reserves	-3 522	1 157	7 795
Extraordinary profit	0	0	0
EARNINGS BEFORE TAX	67 117	51 268	13 096
Income tax	12 440	10 072	4 102
EARNINGS FOR THE ACCOUNTING PERIOD	54 677	41 197	8 994

Contacts



Citfin – Finanční trhy, a.s.

Radlická 751/113e, 158 00 Prague 5 – Jinonice

Company ID: 250 79 069
VAT reg. no.: CZ25079069

Registered in Commercial Register kept
by Municipal Court in Prague, Section B, File 4313

Account number: 1002091/2060
BIC/SWIFT: CITFCZPPXXX
LEI: 213800BVHZ8XUCN63U23
GIIN Citfin FT: PRDZKH.99999.SL.203

Citfin, spořitelní družstvo

Radlická 751/113e, 158 00 Prague 5 – Jinonice

Company ID: 257 83 301
VAT reg. no.: CZ25783301

Registered in Commercial Register kept
by Municipal Court in Prague, Section Dr, File 4607

Account number: 1002083/2060
BIC/SWIFT: CITFCZPPXXX
LEI: 2138007WKF5CM2EUM824
GIIN Citfin SD: F7TPN5.99999.SL.203

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