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Seyfor

ANNUAL
REPORT
2023

Seyfor

2023 Consolidated Annual Report
1 January 2023 to 31 December 2023
In Brno on 6 June 2024

Seyfor, a.s.
Drobného 49, 602 00 Brno
Czech Republic

A handwritten signature in blue ink, appearing to be 'Pavel K.', is located in the bottom right corner of the page.

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Editorial



Why isn't Martin Cígler alone in the opening picture of this annual report, and why am I in the picture too? The answer to that question is explained by the origin of the image and my relationship with Seyfor. The company's friendly atmosphere based on mutual respect and equality isn't just a marketing ploy, as Dan Šturm recently convinced me. Last year, we happily completed my first annual report together, but we didn't know each other as well as we do now. When Martin Cígler and I had our first conversation, Dan popped into the conference room, smiled, and said: "Hey, how's it going?" I asked about using the informal form of address in Czech and he said that's the norm at Seyfor. Martin then offered to be on an informal basis with me too, and I became informal with all the heads of individual divisions: Martin Kudrna, Petr Franc, and Tomáš Loukota. The only ones left were Petra Šinigoj, who I never met in person, and Honza Tomíšek. There I realised that the formal also has its charm and doesn't prevent us from being happy to see each other. On the contrary, I was able to

conjure a wry smile from Honza during a photo session.

These are the reasons why the following pages include interviews that are an intrinsic part of the annual report in various forms. There are a few more this year, and most have a QR at the end that lead to the favourite playlists of the CEO and division heads. And you can look forward to Martin Cígler's contribution regarding his annual participation at the Dakar Rally.

We'll see what next year will bring. The atmosphere at Seyfor is positively infectious and most of the company's values have managed to also become my own. I can see a pleasant rapport within the individual team, and I'm no longer surprised that Seyfor manages to grow every year. I've even started to use Seyfor's crazy backpack.

HELENA DOSTALOVÁ
Editor-in-Chief, Luova

Key data

	2020	FY2021	2021/adj.	2022	2023	23/22
Revenues	1,792,902	3,440,882	2,350,214	3,053,323	4,038,300	32.3%
Expenses	1,636,696	3,055,982	2,093,614	2,641,198	3,363,142	27.3%
EBITDA	156,206	384,900	256,600	412,125	675,158	63.8%
EBITDA margin	8.7%	11.2%	10.9%	13.5%	16.7%	23.9%
Personnel Expenses	900,400	1,693,302	1,128,868	1,425,473	1,790,075	25.6%
Profit before tax	38,202	300,889	200,593	223,370	292,023	30.7%
Assets	2,193,859	2,951,642	2,951,642	4,469,385	4,712,778	5.4%
Equity	1,385,186	1,638,685	1,638,685	1,809,293	2,021,631	11.7%
Short-term liabilities	473,807	899,534	899,534	783,676	1,022,763	30.5%
Long-term liabilities	12,676	36,892	36,892	1,452,938	1,301,563	-10.4%
Number of employees	975	1,147	1,147	1,244	1,529	22.9%

2021 figures are audited consolidated data for the extended 18-month fiscal year.

2021/adj. figures are data adjusted to a period of 12 months, to maintain year-on-year comparability. These are data from the audited consolidated financial statements, recalculated to 12 months.

2021/adj. figures are thus unaudited and represent the company's estimate, where figures were recalculated using a simple mathematical calculation from 18 to 12 months as part of consolidation.

Change in % figures compare the data for 2023 to the adjusted data for 2022.

Revenues = net turnover for the accounting period

EBITDA = operating profit + fixed asset depreciation + consolidation difference amortisation

2021/adj. figures reflect the sale of JET ERP Betriebsgesellschaft, at 100% of the transaction value.

For €/CZK currency conversion, the Czech National Bank's exchange rate of 24.725 as at 31 December 2023 was applied.

In the past year,
we generated revenues
of CZK **4.038** billion

Revenues
grew by **32.3%**
year-on-year

EBITDA amounted
to CZK **675.2** million

The number of employees
grew to **1,529**

Company history

1991

Martin Cígler founds CÍGLER SOFTWARE

Just a few days after the Velvet Revolution in Czechoslovakia, Martin Cígler founds CÍGLER SOFTWARE, later renamed Solitea Česká republika.

2013

Merger with Altus software

CÍGLER SOFTWARE acquires Altus software and the foundation of Solitea is formed.

2014

Solitea originates

Solitea is established, and just one month after its foundation it expands its portfolio to the enterprise segment and HR systems by acquiring AQUASOFT (later renamed Solitea Business Solutions) and Vema.

2016

New acquisitions in Czechia and Austria

In the spring, Solitea enters German-speaking markets with the acquisition of JET ERP Betriebsgesellschaft. In December, its position as Czech market leader for ERP systems is further boosted by the purchase of J.K.R., a traditional Czech developer of ERP systems for SMB (later renamed Byznys software).



2016

Solitea enters Balkan markets

Solitea enters the Balkan markets with the acquisition of SAOP, Slovenia's SMB market leader. At the same time, the company starts presenting and strengthening its own brand, and AQUASOFT is rebranded Solitea Business Solutions.

2017

New names, and a contract for Finland's customs administration

Solitea continues to strengthen its brand by renaming CÍGLER SOFTWARE to Solitea Česká republika, and J.K.R. to Byznys software. The Finnish customs administration awards us the biggest ever contract for the export of IT technology from the Czech Republic. The acquisition of CDL SYSTEM (a major Microsoft partner and vendor of infrastructure solutions), now known as Solitea CDL, is completed.

2018

Solitea rated the best employer

Altus software is transferred to Byznys software. Aon Hewitt, a consulting company, declares us the best employer in the Czech Republic in the category of medium-sized companies. SAOP, Vema and Solitea CDL align their fiscal years with Solitea. Solitea Pay is founded with the aim of entering the European market of smart payment terminals.

2019

Solitea strengthens its partnership with Microsoft by acquiring new firms

Solitea finalises several major acquisitions in the Czech Republic, Slovakia, and Serbia, focused primarily on developing its partnership with Microsoft and strengthening its position as a market leader in the segment of cloud software for small businesses. According to Aon Hewitt, the Byznys software subsidiary defends its position as the best employer in the Czech Republic in the category of medium-sized companies. For the first time, the consolidated turnover of the group exceeds CZK 1.3 billion.



2020

2021

More than twenty firms merge to form a single company – Solitea

Solitea undergoes substantial restructuring in preparation for the merger in the Czech Republic and Slovakia, and is newly internally divided into four divisions. The company continues in its strong acquisition activities both in the Czech Republic and abroad. By acquiring AXIOM PROVIS Int. and Clever Decision, it reinforces its position as Microsoft's most significant Czech partner in the business solutions area. By acquiring Dotykačka and Smart software, Solitea becomes the leader of POS systems for the Czech market. The company managed to cope successfully with the COVID-19 pandemic. The holding's consolidated revenues are close to CZK 1.8 billion (growth of 32% compared to fiscal year 2019; EBITDA amounts to CZK 156 million (growth of 20%).

Solitea continues to grow through acquisitions

By acquiring Mainstream Technologies, Solitea becomes Microsoft's only Czech partner, supplying a full range of Microsoft products. With the acquisition of D3Soft, Seyfor enters the utility company market; through the acquisition of PRYTANIS, it gains necessary logistics know-how; and the acquisition of AW Solutions provides Seyfor with low-code know-how. Through the acquisition of MIT Informatika and Opal Informatika, Seyfor strengthens its position in the Balkans. Internal consolidation continues: As of 1 July, all Balkan subsidiaries have been merged. The effect of the consolidation starts to show in the company's financial results: Year-on-year, turnover grew by 31.1% and EBITDA by 64.3%.



2022

2021



Solitea became Seyfor

Outwardly, the most significant event was the rebranding. With the Seyfor brand, we wanted to better express our relationships with customers. Together with the new name, the entire visual design got younger, fresher, and more modern. 2022 was our strongest year of acquisition growth so far. We completed transactions with PROVIS, Pay Solutions, TECHNISERV IT, Besteron, VASCO, and Commander Services. For the fourth time in a row, Seyfor managed to maintain its year-on-year turnover increase at a 30% level. The company is doing well on all markets it operates in. The increase in internal effectiveness is underlined by a year-on-year EBITDA growth of more than 60%.

Seyfor continues to grow and expand

Seyfor continues to grow thanks to mergers and acquisitions, this time focused on strengthening the company's market position and expanding to new markets. The acquisitions of Gesteem, T-Cars System, and KS – program were completed, while consolidation within Seyfor continued with the merger of TECHNISERV IT. The company's rebranding in 2022 proved to be exceptionally successful: The brand has a positive image and it's more well-known than its predecessor. That aides to company's organic project-based growth. Even more impressively, Seyfor managed to achieve a 30% revenue increase for the fifth year in a row and exceeded CZK 4 billion for the first time, while EBITDA jumped by 63.8% year on year to CZK 675 million.

**Technology that
meets people's
needs**

10 years of the company's existence

Revenue over 10 years (in thousands of CZK)

2023		4,038,300
2022		3,053,323
2021		3,440,882**
2020		1,792,902
2019		1,363,403
2018		1,147,429
2017*		858,090
2016*		767,208
2015*		733,099
2014*		510,245

Employee numbers over 10 years

2023		1,529
2022		1,244
2021		1,147
2020		975
2019		743
2018		614
2017*		646
2016*		570
2015*		381
2014*		285

* Data for the Solitea group in years when no consolidated financial statements were prepared (not audited).

** For a period of 18 months (from 1 July 2020 to 31 December 2021).

MARTIN CÍGLER:

We take any necessary painful steps immediately

“The use of artificial intelligence is limited by one thing. And that is the imagination with which it is applied. We can teach it a million things, we just have to think of them first,” Seyfor CEO Martin Cígler said, adding **“AI will bring about changes that we can’t yet fathom.”**

TEXT BY Helena Dostalová
PHOTO BY Petr Kozlík





“ My wife often says that if she didn’t dress me down once in a while, my ego would get so big that I’d be unbearable for those around me.



He wears a watch with a distinctive purple-green strap, the Seyfor colours. His office is adorned with photos from the Dakar, a collection of analogue cameras, and he drives a small blue BMW i3. He believes that a man must remain in permanent puberty, get “grilled” by his staff twice a year, and have his ego tempered by his wife. That’s Martin Cígler in a nutshell. He is the CEO of one of the biggest companies in the Czech Republic. He’s also a successful businessman, which is to be expected. What may be more surprising with a company of Seyfor’s size is that satisfied people are the most important of his priorities.

What’s your evaluation of the past year for Seyfor?

About six months after I sold my 49% stake in Cígler Software, which was my first big transaction, Martin Fedor from Sandberg asked me in a meeting: “Matýsek, where will we be in 10 years?” I told him we’d be ten times bigger. It was actually twenty-five times bigger, and nobody could have predicted what a ride it was going to be. When we finished 2022 with a turnover of three billion, and we managed to grow by a third for the fourth time, I was convinced we wouldn’t achieve that level of success again. But we finished with just over four billion. More importantly for me, we almost doubled EBITDA year-over-year, so thank you all. 2023 was an incredible ride, and I would love to do it again.

What’s behind the continued growth?

The parameters are basically the same. We have an incredible team of the best people at Seyfor, which is something I’m proud of, and has a lot to do with our success. This comes from our efforts to retain executives from Seyfor’s successful acquisitions. That’s not easy, because how do you motivate someone who sold his life’s work for an unbelievable amount of money? The guy definitely doesn’t have to work for the rest of his life. But it’s a different story if you give them a job they enjoy. Sometimes it happens to be a completely different thing. We have a guy who used to run a relatively large company, and now he’s a developer who happens to report to his son. I think the team we managed to put together is unparalleled in the Czech market. That’s why Seyfor is so successful.

Do you have a process for incorporating acquisitions?

Unwrapping the gift of a new company is always difficult because what looks great on the outside can have some blemishes on the inside. Since we’re dealing with companies that have a track record of good accounting, we have fewer problems in theory, and we have been able to gradually develop a process for what needs to happen after an acquisition. I remember when we started our first transactions. The mantra we used to repeat to an acquired company was: Look, nothing is going to change for you. You’ll move on, and everything will be the same. We let processes run for a while. But then there was resistance when we needed to make a change six months or a year later because people had become used to something.

So, you have a new mantra?

Today we know that when a transaction happens, we have about a month to physically change things at the company, so people positively accept the change. If we want to do something that’s going to hurt, we tell them before the transaction. It’s better for us to lose out on a transaction than to do something that can fail after the acquisition. If we explain the negative changes from the companies’ point of view in advance, we can usually work together to resolve any issues before the transaction happens. And that’s fine.

I’ve changed my life a few times

How do you handle delegating work?

Each of the four internal divisions has its own director, and I give them each a great deal of autonomy and trust. I don’t see delegation as a problem; it comes automatically from the division of roles. Trust creates another phenomenon: People aren’t afraid to ask questions or discuss work. They can solve problems in a group. I like to say that every one of our managers should know who can take over for them if they are run over by a tram.

Including you?

Definitely. That’s crucial in my opinion.



What have been the most significant moments for you since you started the company?

I've actually changed my life a few times. I started out as a programmer, and somewhere around '95, or maybe '96, I realised I was either going to run a development company and not move on with my life, or I was going to stop being a programmer and start running a company. That was a pretty tough decision. I left a job I enjoyed. I even went to study marketing at Masaryk University. But I could dump that with the advent of the internet. I was in my forties and instead of development, I started to take care of marketing, business, and finance, and suddenly we started to grow. We got a big boost from the advent of Windows, because we were the first to market double-entry accounting for Windows. People were ripping the product out of our hands, and we doubled in size year-over-year. The next crucial step was when customers started to outgrow us, and we seamlessly transitioned to ERP systems.

Then you went abroad and found an investor... not bad.

I was the sole owner of the company at that time. I know they say a company should have an odd number of owners, and ideally less than three, but sometimes you want to talk to someone who is not a subordinate to discuss strategic-visionary plans. You can do that with a partner. That's something I missed a lot, and I found it in Sandberg. And it's still a real jolt to the system. Then there's the other thing: As a sole owner, you don't have to answer to anybody. The moment you have an investor, and it doesn't matter if they have a majority or a minority stake, you know they can ask you: "Hey Matýsek, why did you do this dumb thing?" That makes you consider each step more meaningfully. That's what motivates me so much. And we really work as partners, which is a total win-win for me. Plus, it started another wild ride because without the know-how and financial backing of an investor, our growth would have been a tenth of what it was.

Do you have similar milestones in your personal life?

They're actually pretty stereotypical. I got married at 20. I have three children with one wife, and they all make me very happy. My wife has always said she has four kids, not three, and I totally agree with

her because once a guy comes out of puberty he might as well call it a day. I have to say my wife went through some unbelievable situations before I turned 40 because it was pretty wild. I'm a settled old grandfather now.

You don't look it. Weren't you planning to pass the business on to your kids?

When they were in college, I came home one day and asked which one of them had the ambition to continue my path. The oldest, who's a psychologist, looked at me like I was crazy, and the youngest, a geologist, isn't interested in anything that isn't at least 200 million years old. My daughter, who studied economics at Masaryk University and marketing in France, was the closest. But she said she was more interested in corporations than in little Cíglér Software, so I was free to sell the company.

I'm trying to be replaceable

Where else does your wife get involved?

In everything of course... My wife often says that if she didn't give me a good dressing down sometimes, my ego would grow to an unbearable size for those around me. That's how she talks about me, and she's not ashamed of it. I think that occasionally taking a good look in the mirror is really important, because quite often I meet people whose egos have grown to an unhealthy size. That's not good, because it's hard to work with them. But it's up to you to decide if my wife has been successful.

So far, so good for me. Where do you see yourself and Seyfor in another ten years?

My wife says I'll work here till I die. She's probably right, but I'm also trying to make myself replaceable if anything happens. I don't see any major change in the next two or three years, but I'll certainly slowly start working on grooming a successor who can take over my hot seat in a few years, and I'll go to work on visions and strategies. It's going to be more profitable for me if someone does it better, because then I'll make more money, right?

How will AI affect the next ten years?

Immensely. It's as much a game changer as the steam engine or the bicycle. It's a huge topic that I think will change things in IT that we can't even





“ Unwrapping a gift box with a new company is always hard, because sometimes what looks really nice on the outside can have blemishes on the inside.

yet imagine. It will accelerate the development of the whole industry in an incredible way. Virtually every day someone announces some new thing in AI, and even major news like the May launch of GPT-4o comes so quickly in succession that it's the second time I've prepared a presentation and then had to change it at the last minute because something fundamentally new has come up in the meantime. I definitely want to be there for any changes with Seyfor. At the same time, I know the first one to blaze the trail is going to have a very difficult position. Maybe it's better to be a close second. Either way, I know the risk of missing out is much greater than spending big money on something that turns out to be a dead end.

How many times have you found yourself lost?

I have a trash can in my office that is filled with several expensive failed products. There are significantly fewer of them than the successful ones. I see them as the cost of wanting to be a leader in the industry. Sometimes we make mistakes. If we don't experiment, we can't be among the leaders of technology. But I don't think that will happen with AI. It will clearly drive business forward.

How do you perceive AI and people outside the industry; people who could potentially be customers, but who are de facto just consumers of products?

Principally, I think it depends on the person and the business, which accurately describes the market situation. If the owner doesn't want to change what's working, then it's tough. If you go and ask business owners what they think of as digital, most will say scanning an invoice into a computer. But that's not what it's about. Most companies have no idea what we're talking about. It's a long process, but at the end of the day it's beneficial for companies. And the later they start, the less of a competitive advantage they will have. And having a competitive advantage is becoming a necessity. For us, this whole digitalisation thing is just a huge opportunity, provided we can explain the benefits to the customer.

It still scares people.

People who can actively use AI will have an advantage in the job market. Artificial intelligence is an incredibly beautiful example of marketing

genius. The word 'intelligence' works wonders. It's not that we have a computer with its own consciousness, but a very well-designed model that has enough data to deliver information to us much faster, more efficiently, and in a much better form than was ever possible before. Steam engines didn't take away people's work. On the contrary, it was possible to do more in less time. Most importantly, it eliminated the work we were tired of and found difficult. Even artificial intelligence can do tasks that hold us back: In ten seconds, it can do research, write text, or draw a picture that would take a graphic designer hours to create. We can then use the time for something more meaningful. New disciplines will emerge, like writing prompts and the like. Only then does the word 'intelligent' begin to be used properly. However, I'm afraid I may not live to see that.

We want to be pioneers

What role does AI play in Seyfor?

It's a definite must-have for us. The sooner we get AI where it belongs and optimise work for our customers, the more of an advantage we will have in the market and the more products we will sell. So, in addition to educating ourselves internally, we are also investing into start-ups that are actively involved in AI. We're buying knowledge and expertise. That's purely because we want to be the pioneers that actually start using AI in their products, just like we were the first in Windows and the first to deliver cloud solutions.

Is that why you acquired Filip Dřímalka's Digitask this March?

Yes. This transaction was not primarily to expand our portfolio or market share, but to acquire know-how and accelerate AI adoption both internally and with our customers. On top of that, Filip and I are on the same wavelength. So there are still many synergies to be mined, believe me.

What specific ways can you use AI?

First of all, AI can optimise the moment when a document arrives by automatically including it in accounting for you, which saves a lot of time. And that's just accounting. We have companies where we run large production operations. That's where





“If we don’t experiment, we can’t be a technology leader.”

we’ve already moved on to things like logistics, purchasing processes, and with the latest acquisitions, telematics and fleet management. And then you take something like technical support. About a year ago, I picked up the phone and it sounded like a young blonde on the other end giving me advice on how to optimise energy costs. Normally, I would have hung up immediately, but after talking to her for a while I asked her: “Are you an artificial intelligence?” And she said: “Yes, I am an artificial intelligence.” Now, compare that to when you call a tech helpline and you have to press one, star, and who knows what else before you can get through to real help. Contrast that with the AI-based support line used by Alza: You call, say what you

need, and in the optimal case the problem is solved immediately, and at worst you’re immediately connected to an operator.

All you do is feed the AI the right information.

Exactly. Now turn it around. Imagine you’re not on the phone with support, but you’re feeding the system data, training it, and thinking about what else a human might need, what questions to ask, and how you’re going to teach the AI all this information. What’s more fun for you? That’s obvious. That’s the beautiful essence of it: You get a job that’s more fun and at the end of the day a happier customer as well. I think we’re in a situation today where

the possibilities of AI are limited by one thing, and that's our imagination for where and how to deploy it. We can teach it a million things. We just have to invent them.

Once I stop learning, I can retire

I think it's going to take a long time for people to accept this. How often do you think about artificial intelligence?

Today and every day. I use it every day, whether for translations, copywriting, or acquisitions where I need to get all the company's information from public sources. It does in a moment what would have otherwise taken half a day. I'm not talking about just Czech acquisitions. I'm always trying to educate myself in this area because once I stop learning, I might as well retire.

Someone complained in a comment under your interview last year that it was a shame you didn't touch on ESG. Let's fix that.

I read somewhere that more people will be doing ESG than IT in two years. But when I looked at how the research was done, it dawned on me the respondents were marketers who can't just toss out the Green Deal. My point is: The topic may be a bit overinflated. However, we are taking steps towards sustainability before we legally have to. We do it willingly and gladly. I personally consider our planet to be important, and I care about what conditions my children will be living in. I am fully aware that compared to Asia and its almost five billion strong, little Europe doesn't have that much influence. But if we have the resources and remain competitive, there is no reason not to go for it. This applies to everything, from human relations to our environmental approach. From my point of view, I don't want to get into any extremes or empty bullshit that doesn't have an effect.

And what makes sense to you?

We try to be green where it makes sense. We build good interpersonal relationships, and we want people to have a good time working at Seyfor. Take a walk around the company and see how we sort waste. I hate to think that it might end up in one incinerator anyway, but at least it makes me feel good. We're also starting to play with electric

cars. I've had one myself for nine years. Of course, I understand that even power plants release emissions, but at least not within cities. I think electric cars are being praised too uncritically nowadays, even though development is just beginning.

You mean various regulations?

This is not just about electric cars. There are regulations that I think are very sensible, but if there is no explanation of the consequences, the impact, and the cost, it's wrong. Everybody has agreed the right thing to do is take certain steps, but nobody has considered how to promote it to people so they will accept it as their own. I think that's the problem with this whole matter. Back to electric cars, we've got two Teslas sitting in the garage and anyone can borrow them. At that point, a car has a lot more use and at the same time it might be nicer and better quality. We want to try and change people's mind-set toward car sharing and electric cars; that they're not just for short trips. It's quite easy to drive from Brno to Prague and back with a Tesla. You just have to treat it the right way. If you try to see how fast it goes from zero to 60, you end up at the charging station in Humpolec.

I just noticed your watch. Interesting accessory...

It's the result of a bet with Dan Šturm, when I said it wouldn't be a problem to get a purple and green strap. And it wasn't. It's a nice little opener for small talk when I forget to take it off and wear it with a suit. I have to say Dan's new branding is amazing, and the colours are just lovely. It's something to be proud of.

I agree. I'm jealous of those crazy backpacks.

You want me to get you one?

Yeah, I'll proudly wear your colours.



**Martin Cígler's
playlist**





Martin Cígler at the Dakar **Seyfor 27**

**MARTIN CÍGLER
AT THE DAKAR:**

How I was part of an historic achievement

TEXT BY Martin Cígler

PHOTO BY Martin Cígler / Michal Baly Vítovec

photo by Michal Baly Vítovec





Martin Cígler at the Dakar **Seyfar 29**



“ *The boys’ return from the stage was one my most meaningful experiences from this year’s Dakar.* ”



I went to the Dakar for the first time seven years ago, when Macík's team MM Technology offered me a position as a member of the media team. Every day, we'd head out to the course early to find the best place to photograph and film the guys. Sometimes we'd get lost; sometimes we dug the car out of the sand. Dakar is not a vacation. I can't take a break during the day to recharge my batteries. I just make sure I arrive on time every night and ideally still manage to eat. I don't have time to think about management or emails. I come back tired, but with a clear head. I reassess my values and spice things up by taking a big step outside my comfort zone.

David Castera, the current race director, promised this year would be the toughest Dakar ever. He's said that every year, but this year he wasn't exaggerating. Even though we thought he burned through the main challenges in the first half, where he served the competitors not just a traditional marathon stage, but also the novelty of the truly super-challenging "48 Chrono" stage, he managed to pull out more traps in the second half of the race. Even though the winners were ultimately decided by the 48 Chrono stage, Castera still managed to take the racers into the dunes and the rocky mountains. The penultimate 11th stage from Al-Ula to Yanbu was the toughest of the Dakar's second half due to its profile.

But first things first. Martin Macík's team had a very poor start. Navigator František did the unthinkable by getting lost in the 21-kilometre prologue that is used to determine the order of the racers at the start. The loss was only 20 seconds, but in a tight field it meant we would start deep in the field of slower competitors. The team didn't do too well in the first leg either, finishing seventh with a 19-minute deficit. And because you usually don't get lost just once at the Dakar, we struggled in the third stage as well. We would have continued to struggle if not for three days in the sands of Rub al-Khali. Last year's biggest dunes were a bit of a warm-up for the 48 Chrono stage. 600 kilometres of dunes awaited the competitors, which journalists rightly described as hell. I managed to take several pictures of tiny cars far below me in the dunes without any problems.

The boys' return from the stage was one my most meaningful experiences from this year's Dakar. We'd been trying to update the app showing riders' actual times beginning in the morning, watching

our truck's lead grow, and hoping. The guys made it to the finish line with an incredible lead, and the emotions that came through were nothing like last year, when they finished second overall.

They described scrambling up the dunes, turning around several times looking for a way up as the truck was very close to tipping over several times. They were happy they could finally rest and bask in the joy of being at their destination. And František enjoyed making up for his earlier mistake, not making a single one this time even in the very difficult sections. Moreover, the car came back completely fine. The equipment held together better than ever this year. The tough Chrono stage had shaken up the starting field, with only nine trucks able to finish out of the 46 that started.

That meant Macík's truck with the Seyfor logo went through the hell of the dunes and led the Dakar Rally. But as last year showed, an hour is no lead as it only takes one mistake or mechanical problem for victory to disappear. My odometer showed over 4,800 kilometres, 1,600 of which had been covered in 24 hours. We thought that with Martin holding such a lead, the ideal strategy would be to hold back a bit, around second to fourth place, and not take any unnecessary risks. But Martin had a completely different opinion. He was still going all out, winning stages seven and eight, and was nipping at Gert Huzink's heels in stages nine and ten where he was a respectable 40 minutes behind second-placed Aleš Loprais. He could have driven relatively calmly in the last two stages, but the Dakar only ends when you cross the finish line. Anything could have happened, and there are more than enough examples of an almost certain winner losing the Dakar in the last stage.

My lifelong dream has come true

I'm sure you already know the result. After 23 long years, Martin Macík Jr. managed to follow in the footsteps of the legendary Karel Loprais and the Czech national anthem was played in the truck category. The atmosphere in the bivouac was unbelievable when we arrived. I don't know where the mechanics dug out a huge speaker from, but the iconic "We Are the Champions" by Queen was playing throughout the bivouac. The MM Technology team was celebrating, and the other teams came to congratulate us.

For the first time since I'd been with the team, we didn't have any problems with the car, not counting punctured tires. It just drove incredibly. We only needed scheduled maintenance, and the only delay during the race was a damaged cab hinge on stage 11. This fact, and Martin's excellent driving skills, were the key factors that led to victory for Macík's team. Aleš Loprais was no match for Martin's driving. Both Janus van Kasteren and Mitchel van den Brink surprisingly dealt with mechanical problems in their new De Rooy race specials and gradually fell back, increasing their deficit.

This massive success is the results of 20 years of work, and the fulfillment of Martin Macík Sr.'s life dream. He bought his first Liaz in 2002, got his truck licence, and set off for the 2003 Dakar. His greatest achievement as a driver was fourth place in 2010. In 2013, Martin Macík Jr. slowly took over. He first worked as a navigator for Vlastimil Vildman for two years before getting behind the wheel himself for the first time in 2015. His father, meanwhile, built a factory for racing trucks from scratch.

I once asked Martin Macík Sr. why he chose the truck category in the first place. He said he wanted to win. When he started, trucks were the only category that didn't have factory teams, which are hard to compete against because they have basically unlimited budgets. Twenty years later, that lifelong dream has come true. And a lifelong dream came true for me, too.

I came to the Dakar completely green when a friend set me up with Macík's team and I drove the support vehicle. That was the first time I went to South America, in 2018. My first Dakar was my longest and maybe the hardest. I was scared. I knew crossing the dunes wouldn't be easy, but I told myself I'd give it a go and at worst I'd just seriously embarrass myself.

I didn't though, although I did get a few hard knocks, like when we spent two hours a day digging the car out of the sand with shovels. Those are the times when thoughts about my business go by the wayside. And that's a good thing. I realised the Dakar is actually a small business. The only difference is that the business has been decades in the making. The Dakar is incredibly simple: You start building the car in February, get the team together, then start the race in January a year later, go through 14 days of horrible shit, and then start over. I watched the guys and the teams motivate

each other, pump each other up, hate each other, but at the same time respect each other and help each other during the race. This is invaluable managerial experience for me. If competing companies treated each other like Dakar racers do, business would be a lot more pleasant.



“ If competing companies treated each other like Dakar racers do, business would be a lot more pleasant.





Seyfor values

Together, we're stronger

We develop enterprise systems that help domestic and foreign companies better manage their routine agenda and legislative obligations. Thanks to our products, small businesses, growing medium-sized enterprises and giant corporations save time and money every day and can invest it in their growth. Above all, we are a mosaic made up of many companies, each with their own culture, customs and rituals.

These are an inexhaustible source of inspiration for us in our approach to both our clients and our employees. We are all united by our common values – stability, expertise, partnership.



Stability

We have been in business for 30 years and are building Seyfor to last for decades. We don't make rash decisions. We're growing, our products are changing, but we're staying the course.

Expertise

We understand IT, data analytics, business, law, and everything else it takes to build great software. We work on ourselves and make sure we understand our customers' trade as well.

Partnership

We keep what we promise. That's a rule we follow in our negotiations with our clients and with each other. We do everything we can to make sure that Seyfor has a welcoming climate and that we enjoy spending time together.

TOMÁŠ LOUKOTA: **I want to give people room to grow**

He started with Money S3, later added iDoklad, and this year introduced Evala. Each product is different, but they have one major thing in common. With Evala, they have managed to fill a gap in the market and be one step ahead of the competition. “What makes it special? What doesn’t?” asked Small Business division Director Tomáš Loukota.

TEXT BY Helena Dostalová
PHOTO BY Petr Kozlík





“You are exactly our client!” Tomáš exclaimed during our interview. That was followed by a few nice words about iDoklad, an app that won me over quite easily. In fact, I installed it on the way to Prague and made my world a little simpler. If there’s one thing I can say about Tomáš, it’s that he’s good at business. And I trusted his claim about client satisfaction without feeling that only the largest customers are cared for.

How long have you been at Seyfor?

I feel like since birth, so a long time. In reality, it’s been about 25 years.

That’s a nice quarter century. How would you sum it up?

I’m very lucky that I came into a company with about 40 people and one product, Money S3. Today we’re in a completely different place, and I’m glad I was able to be part of the whole journey.

What major milestones did you see in that time?

Probably our biggest merger, in 2020. We combined more than two dozen companies into one, then still called Solitea, and internally spun off four divisions. A move like that was completely unthinkable when I joined the company, but we made it happen. Up until then, I was responsible for Money ERP, but that was moved into Medium-Sized Business, so I lost a product and some of my people, which I had to come to terms with. Naturally, the merger affected me as well, in that we as the management board were responsible for the entire process.

You’re probably the first one to talk about the merger as a milestone.

It was something extraordinary that I was there for, so that’s why it’s the one that’s most in my mind. Of course, I also remember other things like the idea of iDoklad, which now has over 45,000 paying customers. That’s a beautiful and surprising result that we certainly didn’t see coming in the early days.

Unlike other divisions, you don’t grow through mergers, but only through your own development. Do you see this as a disadvantage?

As far as the human level is concerned, I think we have it easier because we are always in a relatively constant group of people. We haven’t had to fight

with other corporate cultures and so on. But we don’t shy away from acquisitions. We were first to market with some products, so there was no competition to buy. Of course there are companies on the market that we like, but they’re just not for sale yet. We’ll wait.

There’s a lot of talk at Seyfor about relationships. What’s your opinion? Martin Cígler said he’s learned a lot about approaching people over the years.

I don’t think that’s exactly right. I sat in the same office with Martin for a long time, and I always received a huge amount of trust and space for self-realisation. That’s why I’ve been here so long. For me personally, relationships are very important.

Has Martin inspired you in any way?

Probably the way he approaches his team. I want my co-workers to have the space to choose the right people and grow with that decision. If I get in the way of their decision-making, they lose that opportunity. I have veto power in personnel issues within the division, but in most cases I don’t get involved at all. That wouldn’t work.

That’s a great attitude. How was 2023?

It was a successful one for us, but I wouldn’t say it stood out. iDoklad reached Money S3 levels in terms of sales, but that certainly wasn’t just about last year. The whole journey, and especially the beginning of it, was important too. I think we were able to sense early enough that there is a huge group of clients for whom traditional accounting software is too robust, complex, and has features they will never need. They just want to issue an invoice and have a basic overview of their suppliers, customers, and reimbursements. That’s basically it. So we just filled that gap on the market.

Was 2023 any different for you? Perhaps the mood of the market?

I don’t think we felt any fluctuations. We’re experiencing normal client turnover. Despite the economic situation, we don’t see much change in small clients. That could be because we are gradually taking a bigger bite out of the market, or that more people are getting into the business. What’s happening around us is obviously very key. Doing our work well isn’t enough to be successful. We need

“Doing our work well isn’t enough to be successful. We need our clients to thrive; we need them to enjoy doing their business.”



our clients to thrive. We need them to enjoy doing their business.

Any idea why clients are leaving?

It's very often outside our sphere of influence. Maybe it's because they stop doing business, or they get bigger and move on to bigger solutions. I'm not going to say we only have happy clients. Sometimes someone goes to a competitor.

Evala is an absolutely revolutionary software

It's quite a challenge to keep track of all the divisions and products across Seyfor.

It's true that a lot of people get lost.

To get our bearings: If I'm a small client, I'm in your division. When I grow, I can move on to ERP systems in Martin Kudrna's Medium-Sized Business division, right?

That's actually a pretty ideal scenario. We target small entrepreneurs like those who are just starting out. They just need a simple invoicing solution. Our typical client ends with a turnover of over 50 million and complex processes, and that's when it makes sense for them to get a more complex solution like that from Martin Kudrna.

In addition, you have now focused exclusively on accounting firms and have come up with Evala. What makes it special?

Evala is an absolutely revolutionary software for two reasons. First of all, it's the first solution created primarily for accounting firms, so we are entering a relatively narrow segment; let's say 10,000 potential clients. We also know the number of cases is many times more than that, because each of the firms has other clients for whom they manage accounting. The second thing is that Evala

operates in the cloud, which is uncommon on the Czech market. The advantage is that the client can connect to the program, so there is a common space where they can exchange documents, approve them, and so on.

So it won't be a problem to acquire new clients?

We de facto created the whole program in close cooperation with accounting firms, testing what they need. We give the firms a primary production tool and guarantees that they will be efficient regardless of whether they work fast or slow, in digital or on paper. I wouldn't say there's been a fundamental dissatisfaction with existing software, but everyone is now figuring out how they're going to go digital or work remotely. This is where the existing solutions are starting to have problems, and Evala has the answer. It brings together several tools, such as document approval, document mining, and analytics tools, and creates a modern and progressive accounting office environment. We are just starting sales, but interest is strong.

Can a non-accounting company use Evala?

It can, but not all the tools that companies normally need are there, such as inventory management or purchase orders. Therefore, they're not our primary clients.

Is it worth it?

Yes, it is. That's a good question. Of course, we have a lot of other products for other companies within Seyfor. There's something different for everyone.

Excel invoices aren't extinct yet

So nobody really needs Evala other than accountants?

Basically, yes. It has to do with the fact that a client has some specific needs in a certain situation,

“A happy client is one who recommends us. The most important thing is referrals and to be perceived positively.”

and then some solutions may be more beneficial to them than others. There are other factors like time, acquisition cost, and so on. It's the same when you're choosing a car. There are a lot of offers, but you can't say old models stop selling when a new one is introduced. If a customer chooses Money S3, they'll have a great on-premises solution, but it won't be in the cloud. I guess I would really sum it up by saying that Evala is a unique solution for accounting firms.

Why are you still sticking with an on-premises solution anyway?

Evala is cloud-based, but as I said it's by no means able to replace, say, Money S3, because it has other features available to clients. And converting Money S3 to the cloud is not as easy as it may seem. Moreover, it's possible to use hosting and access the system remotely.

How is artificial intelligence specifically being written into Evala?

One thing is document extraction, i.e., the moment when the client does not receive documents in data form. The AI takes the documents and processes the information when received. This includes the amount, the date of issue, the supplier, and customer identification. The immediate future that lies ahead is that software should help the user, because it knows the data and can suggest what should or should not happen with a given document. A phone bill will come in and it will know exactly where to post it. Or conversely, it will point out that the rent payment hasn't arrived yet. Even in larger companies, invoices still pass through human users all the time.

On paper?

Often, yes. And quite often it's more than one set of hands. We're still in the early days of getting everything digital and then working with it. There's no need for a human to be involved in repetitive operations. Accounting for each document separately burns up an incredible amount of time.

Admittedly, my invoices are still issued by my accountant and it's probably not very economical.

Well then, you're exactly our potential client. It would make sense for you to have iDoklad because you can issue an invoice, send it, and keep track of

whether it's been paid. It has a pleasant interface. You can connect on a train and use your time efficiently. And if your accountant had, say, Money S3 or Evala, it would load everything straight away and they wouldn't have to touch the receipts at all. So, while there's two of you working on the invoice like that, you'd have it done in a minute and it would be completely work-free for the accountant. Maybe she could cut your monthly flat rate?

Hmm, you're obviously good at selling products. But that makes a lot of sense.

And you know what's the worst part? The way you handle invoices is still pretty standard. Some people are still making them in Excel, sending them to an accountant who's retyping them, and a lot of information gets lost. That's unnecessary because there are adequate tools for that.

So invoicing in Excel is still happening?

We've seen Photoshop as well. People can come up with all sorts of things.

Let's go back to document mining. Isn't that just a dead end in the digital age?

I agree. I see it as a short interim stage in the digitisation process. The vast majority of documents are created in some kind of software and are therefore already digital. Printing, scanning, and mining these documents doesn't really make sense.

iDoklad also has a free version. Why did you create it? Are you counting on every client to switch to the paid version?

You don't want to pay CZK 250 a month when you're creating your first invoice, especially if you have to create another one in three months. The free version makes it easier to start a business. The app is free for up to five customers. And when there are more, the client probably won't even have a problem paying.

How do you target small customers who, like me, handle invoices on their own?

We do a lot. For example, we have a special academy for them where we educate, and of course, offer adequate services. Furthermore, we use a marketing mix from search engines to targeted advertising. We try to catch the client at the moment when they start looking for billing software, and we



“ I think we were able to sense early on that there is a huge group of clients using traditional accounting that is robust and complex, but it has features they will never need.

offer them more. Not just software, but customer support.

So a hotline? How do you see the role of chatbots?

It's a big topic for us because we get tens of thousands of calls a year to our hotline, not only with questions about products, but often about upcoming legislative changes. The hotline represents significant costs, and the time needed to handle the client's needs. We all know a machine would be faster, available at any time, and offer unlimited capacity. We have a great deal of motivation to move in this direction, but it will take a lot of time. The range of queries being addressed is very broad.

What is your recipe for a happy client?

In my opinion it's one that keeps recommending us. We realise that the most important thing is referrals and to be perceived positively. Our systems have a huge number of features, and it makes me happy when clients can find them. That's why I always say that a wasted hotline call is one where someone asks about something that's in the system, but they don't see it. I understand that it's probably never going to work perfectly. However, we work to make sure the customer is familiar with our programs and can work with them effectively. I think that's the recipe for a happy client. Here again I see the future of artificial intelligence, which can tell the customer whether he or she might have wanted to do something different from what he or she just did based on behavioural patterns.

What do you do to keep yourself happy?

I could list a lot of hobbies, from sports to music. I like going to concerts. I listen to almost everything from classical music to hard rock, and every year I go to Brutal Assault, which is a big metal festival. I spend a lot of time taking pictures. That relaxes me. I'm new to sport shotgun shooting, and of course I spend time with my family, even though both of my daughters are grown. I haven't gone to the pub much in the last year as I have cut down on alcohol considerably, and I have to say it has done me good. I have a lot more energy and I sleep better.

What makes you angry?

What time did I get in today?

One minute to twelve.

That's okay, because tardiness can annoy me, including my own. Fortunately, that doesn't happen much. And then there's lying. I don't understand that at all, privately or at work.

And what's made you happy lately?

I recently came back from a holiday in Malaga where I did a lot of photography, so definitely that. And professionally, I'm pleased with how our teams work and that collaboration between them is improving.

MARTIN KUDRNA:

**It's time to
change our
thinking;
otherwise we
might not be
here in a year**

The less-than-welcomed personnel changes Martin made last year finally allowed him to merge two seemingly incompatible teams and start creating a new product. It also made clear that he could move from various executive roles to strategic planning without having to feel like he wasn't doing enough or delivering immediate results.

TEXT BY Helena Dostalová
PHOTO BY Petr Kozlík



“Growth secures life. There is no future without growth.”

“Could we please meet again ‘after dark’? I need to sort a few things out,” said the text that arrived after Martin and I spent two hours reflecting on the past year at Seyfor. “Sure, no problem.” That gave me the opportunity to find out just what a week of sensory deprivation inside your own mind does, thanks to Director of Medium-Sized Business Martin Kudrna. The result was a pleasure listening to him, because suddenly there was a man absolutely certain of his mission sitting in front of me.

Why did we meet for a second time? What did you think would change?

Even before I went into the dark for a week, I knew I wanted to get rid of my exhaustion and sort out the thoughts that had been in my head for a long time. I guess I would say that nothing fundamental changed, but I realised the direction I was headed in was the right one. I’m sure of what I’m doing here.

Was this related to the changes that happened in your division?

I’m sure of it. We finally made a significant shift in the direction of the part of the division where we develop our ERP products. We have clarity on their future, and we just need to implement it. We currently have four products: Vario, Money ERP (MERP), Prytanis, and Byznys, and we decided to merge Vario and MERP.

So, the plan is to have three ERP products?

Six.

But you said you wanted to reduce the number of products.

Yeah, there will be two, but we had to expand them in the meantime so we can retire the old ones in a few years.

Okay...

No, it makes sense, really. We had to take a round-about way of creating two new products – Byznys Alpha and Mario, which is the working title for the combined Money and Vario. These will be cloud-based, unlike the previous on-premises solutions. Basically, there was no other way to do it. I was significantly pushing to get the products on one platform all last year, but it’s not happening just yet. That’s why there will be two. We’ll gradually acquire new customers, and existing customers will migrate until one day we’ll have just two products.

You said last year that merging the products was almost like a political decision. When did that change come?

The products actually represent the original companies we merged. They became business units with their original management. Then I made a major move at the beginning of last year, when I replaced the management of Vario. Some of my colleagues resented me quite a bit at first, but it was a major game-changer for how the team operated. We removed old habits and dysfunctional approaches. The floodgates opened, the atmosphere changed, and things started to work differently. For me, that confirmed I was once again correct in my judgement of people’s ability and potential, whether it be those that left or those who are now in the right roles. Along those lines, these operational changes allowed us to bring together two teams that were previously incompatible after years of trying. Today, the MERP and Vario teams are largely working together and moving towards a common future, which was completely unimaginable before the big changes.





Is this where you found your place in the company?

I realised my mission is to put the right people in the right places in the company, to make sure they have the right conditions to develop their skills and abilities in the right directions, and to bring the most to the team and the company as a whole. I don't mean just finances. I want to have people in key positions who have the potential to replace or outgrow me, because that's the way to keep this community going.

That sounds like Martin Cígler talking.

I guess we're similar. He also turned his original company over to others, gave them his trust, and started to focus on strategy. That's what Seyfor is all about: We work based on chemistry. It sounds so corny, but our goal is happy people who are grounded, who are at ease with themselves, and who can do a great job and feel good about it.

These are the only people able to convey the same feeling to their customers, who are then happy too. That's the road to long-term sustainability. Because then I'm happy, the owners are happy, the shareholders are happy... And the whole thing comes full circle.

The darkness calmed me down

What did sensory deprivation specifically teach you in this regard?

The shift away from a managerial post was very important for me. With these personnel changes, I was finally able to leave day-to-day operations. It was very challenging at the same time, however, because I was wondering what my role had actually become. I knew I needed to sort everything out. The darkness helped me realise it was okay to move up a rung and talk to executives about strate-

gic aspects. We're no longer discussing what's going to happen in a month or six months; we're talking about years. Of course, managers see their business unit and the pieces around it, but there are things going on that are outside their scope. That's where I come in; not just within the division, but across Seyfor. It was a big change for me to realise that and still feel good about it, because I had to let go of some things. Thanks to everyone. Go ahead and do it.

And the time you spent in the darkness helped?

A week straight is a really long time. When you're contemplating something, you can take all the time you want. You don't even know it's passing. You can't see anything. You hear almost nothing. You don't really have any needs, so you can focus purely on your feelings and thoughts. Take 150 hours. That's a hell of a lot of visits to a therapist. Here you have an incredible amount of time to yourself. You can give 100% to your thoughts, let them flow, dissolve, or follow them down deep and far away.

That sounds great.

We don't have that luxury in everyday life. We have meetings, phone calls, kids. We're distracted, and the whole day is chopped up into tiny little pieces. That's not good. Some things, and I dare say many things, need time to mature. Naturally, I can still make many decisions quickly.

Did anything else mature within you in the darkness?

In addition to the mission of being a boss, I also became clear about the mission of, say, a subordinate accountable to shareholders. That's also important. I realised what they expect from me and what they can get. It's very similar to the boss's mission, because I'm making sure their company has a future. And overall, the darkness was very reassuring.

Do you think it will have a long-term effect?

Cardinal awareness definitely does. The others need to be exercised daily. We have financial plans, acquisition plans, plans for many things. But what



“I want people in key positions who have the potential to replace me or outgrow me.

about plans for life? At work, it's ideal to define what we do and don't do. Bid on a cool project? That's ok, but it's not our field. And it's good to have something similar in your personal life. You have to know what you want and what you don't.

Can you tell me what direction your division is going to take over the next few years?

We're going to grow and expand. Growth... That's something interesting. I thought a lot about that in the darkness, too. Why should we keep growing? It's simple: Growth secures life. There is no future without growth. Naturally, I see the cycle of life. Something is born, it grows, blossoms, dies, and can serve as fertiliser for something new. That's fine too. If we don't want to get to that stage, we still have to grow sustainably at the very least, either organically or by acquiring other companies that make sense. As far as ERP systems are concerned, the direction of our division in the next few years will be in moving customers over to the two new platforms where we can take better care of them. We will certainly expand our portfolio of products and services. Telematics and GPS monitoring are already a significant part of our division, in addition to ERP systems, accounting for the smaller half of the nearly three-quarters of a billion in revenue we plan to generate this year.

Do you plan to move into other areas as well?

We will still focus on information systems and complementary software that logically fit into our portfolio. If I have an information system, there will need to be reporting, for example. Then there are specialised tools that can manage warehousing and logistics, and communicate with production machines and lines. With the acquisition of T-Cars under Commander in November, we have made significant progress in the aforementioned telematics and GPS monitoring segment in just the past year. This portfolio logically

includes mapping or geographic information systems, not to mention AI-related technologies.

What are your plans for telematics?

This segment is absolutely amazing in that it's incredibly well developed in the Czech Republic and Slovakia, but at the same time it's still very fragmented. There are a number of very capable companies, but they don't have the strength to expand on their own. What is also wonderful is that unlike ERP systems, we don't really have to deal with legislative changes and their incorporation into the software. This allows us to expand our cloud-based systems very quickly into neighbouring markets. For example, we recently opened a Commander office in Hungary and acquired our first customers. Our short-term goal is to make the most of the synergies between Commander and T-Cars, and to go from being the market leader in Slovakia to being at least the market leader in the Czech Republic within the next year or two. By combining both our current solutions, we cover the needs of passenger vehicle operators as well as technologically demanding and customised solutions for industries such as waste collectors, road workers, logging, postal services, and emergency services. In the longer term, we want to expand our portfolio with additional products and consolidate the market as significantly as we have done in enterprise information systems. Half a billion in sales in three years may be ambitious, but it's not unrealistic.

We need to give artificial intelligence a high level of importance

When you mentioned expanding your portfolio, were you referring to acquisitions or a development push?

Definitely acquisitions, because we don't have the spare capacity for development, and we lack the

necessary expertise. That doesn't mean we're not doing our own development. As far as the current market is concerned, it will be faster for us to continue to aggressively adopt AI to maintain our prominent position.

What exactly do you mean by that?

We need to give it a huge level of importance and urgency because AI technologies have the potential and power to change everything, our entire society. By that I mean the entire way that countries, businesses, and economies operate. In fact, it can change absolutely everything. And we're very likely going to have to redefine our position and add value for our customers, because what will very likely happen is that a lot of the things we do today that are part of our core business, services, and products will become part of standard tools. It's not going to be the people programming; it's going to be machines. Many industries will see absolutely fundamental changes. The way I see it, AI will mean we won't just have to think about opportunities, but also about our place in the food chain; whether it's still there or if we have to find another position.

And what can you do about that?

I have identified some areas where I would say our expertise and know-how will be needed for a few more years. We get the data to a central location, sort it, and edit it for further use. We're very good at that. We pass on all the relevant information to the user. As technology advances, however, we also need to understand and build on what it enables. One of our roles may be to find out for our customers what AI can do for them, and how to work with it. Because we can already see some people don't want to work with AI, or don't know how to work with it yet.

Are you worried about AI?

I think I wouldn't be seeing reality as it is if I wasn't afraid. That may sound silly, but if you look at various science fiction movies, that's how it could turn out. It won't be the machines to blame, it will be the humans that misuse them. The other thing is the functions we use were known by the secret services years ago. The question is: "Where are they today?" The chimera that we live in a safe world and wars can't break out has already been shattered, I should





“I wouldn’t see reality for what it is if I wasn’t afraid of AI.”

think. Maybe we don't need artificial intelligence for that. We already know it's a good servant but a bad master.

Let's go back to humans for a moment. How deep into the company can you see?

I can see quite far into the vast majority of teams. I don't think people even know I can see to the depth that I can. I know their names, what they do, and what they bring to the whole. The truth is, for example, I was never in a managerial capacity at Commander, and it's quite far from me purely geographically. So, it's more complicated when it comes to the details. I try to see very deeply through managers, and I watch how people operate.

Being able to say goodbye is a skill

Do you measure their results?

I go about it in a way that's harder to measure. I try to see how people work together, if there's chemistry between people. Because that's what teams are built on. I really instil in our managers that if someone doesn't fit, doesn't have the expertise, doesn't know how to talk to customers, then we need to be able to break up with them. Nothing else makes sense, and both sides can get hurt. Being able to say goodbye in a timely manner is a skill. Sometimes I do the other party a huge favour by doing so because they move on to a position that fits them better.

Do you think you have the sense to recognise these things?

I think I do. I try to sense what's working and what's not, find the problem, and then start cutting immediately. And I cut fast. Preferably surgically, but quickly, so the wound starts to heal faster and we can move on.

That sounds pretty fundamental. How does Martin Cíglér respond to these steps?

There were times when he called me and said: "Hello Victor." I was Victor the Cleaner that fired someone again. There were times I said goodbye to people who had been in their positions for a really long time, and others couldn't imagine functioning without them. Maybe even Martin. However, most of the steps I took turned out to be the right ones in hindsight.

Do you clean up the relationships in your personal life?

From a certain age, yes. Why would I want to see someone who makes me uncomfortable and doesn't bring anything to the table? That's the most difficult in my personal life. But I'm certainly not an advocate of mindlessly throwing yourself overboard and burning bridges.

How do you motivate the managers working under you?

Apart from confidence, I try to give them the feeling they can actually make decisions and have the necessary competencies. I give them faith in what we're doing, even though we may not see results tomorrow. I try to get them to think about why they are doing certain things, and whether they can be done in a different way. Only little people have small goals. I'll give you an example: We lacked 10 consultants, and the traditional ways weren't working anymore. I said: "Let's think and do things differently. Let's not look for 10 consultants, but 50, and I want them here within six months." That's a whole different story. Suddenly people start thinking about what they can do. In the end, we were totally fine with 10.

Or you could have had 50, and you could think about what you would be able to do with all of them.

Well done. You've done well. That's exactly how I want people to think. Just because we've worked one way thus far doesn't mean it has to stay that way forever. We have to change our mindsets, or we might not be here in a year.



**Martin Kudrna's
playlist**

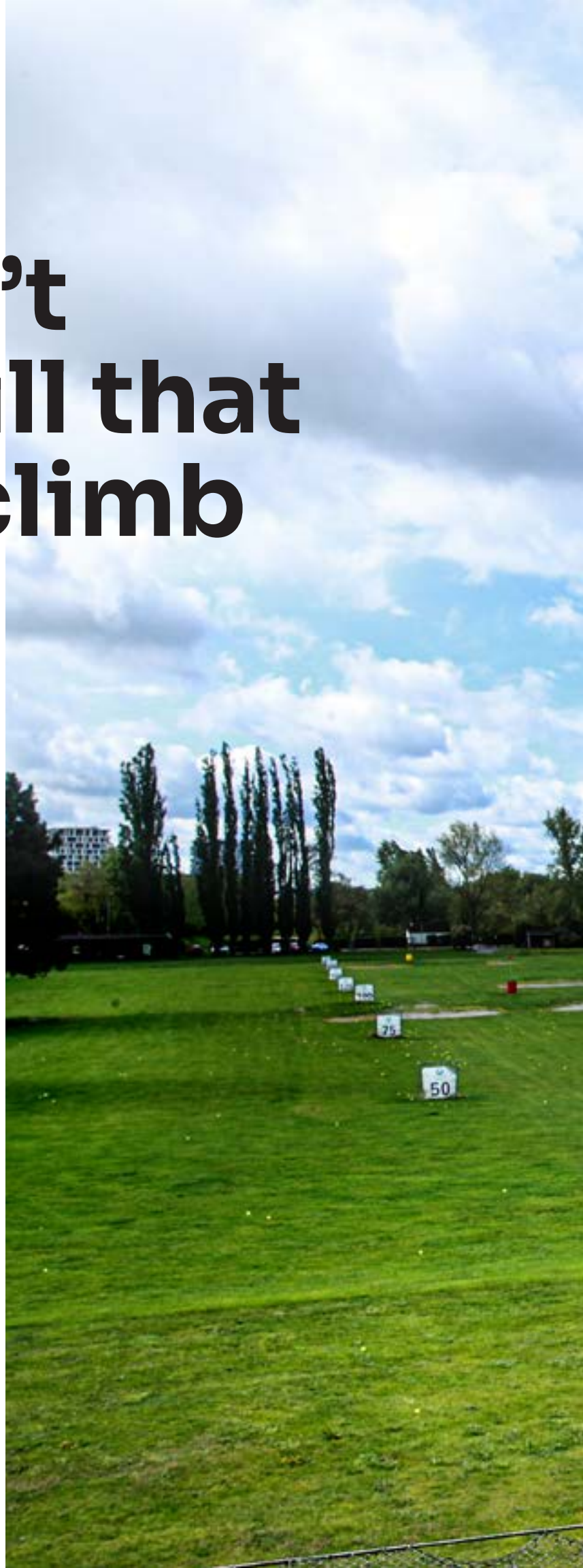


PETR FRANC:

We haven't found a hill that we can't climb

Petr Franc has many plans and visions and knows exactly how to achieve them. That's how he leads his teams. "We've been warming up over the last 10 years and now we're in the best shape to capitalise on all our experience. I certainly don't think Seyfor is at its apex with four billion in sales and 1,600 employees. That's still yet to come."

TEXT BY Helena Dostalová
PHOTO BY Petr Kozlík





“Managers have been pedalling at the front of the peloton all their careers and now they appreciate when they can let someone ride ahead of them for a while.

One day, our avatars may be sitting here discussing an annual report instead of us, Director of Enterprise & Public division Petr Franc says at the beginning of our interview. We both eventually agreed this isn't the last time we'll sit together in the Seyfor office, and we launched into a two-hour chat about artificial intelligence, new acquisitions, working relationships, and who to light up the imaginary windows of the houses that symbolise customers. In fact, Petr describes the world of software several times using concepts from construction, clearly enjoying the comparison.

A year ago, we talked a lot about artificial intelligence. What's changed since then?

I feel like last year we were only talking. It's this year that we've gotten to the point where we're actually actively using it. I use ChatGPT every day, and I don't really google at all anymore. If I need to know something, I ask him... or her.

You don't know if you're asking a man or a woman?

Well, I didn't really specify that. Although, I did tell him... So, I guess it's a man. I did give him some context. I was trying to tell him who I was and how I wanted him to talk to me. I see ChatGPT as an assistant, which is fine and makes my job easier when I can use it properly. However, you have to work your way through it in the beginning. The fact that AI has become more mainstream in our company is also due to the fact that we are in close contact with Filip Dřimalka, who helps companies

with the adoption of digital innovations. Basically not a week goes by without a workshop organised within the company on how to use AI in various situations.

What kind of work are you willing to outsource to AI?

I admit that I sometimes entrust AI with a request that I could easily handle myself, but I'm constantly fascinated by how it can handle things on its own. I enjoy the fact that it might find different words than the ones I normally use, and it actually elevates my communication with colleagues and partners.

But you don't let her decide for herself.

I certainly wouldn't let an automated machine retrieve emails and say, "Respond politely." But lately I've been handing him screenshots of emails and saying: Be polite, write a two-paragraph reply, say we've already handled this thing in another way, and that we'll get back to them if necessary. But like I said, it's not something I necessarily need. You try and learn at the same time. When AI goes further and can work intelligently with corporate data and make the most of it, I imagine people will be able to do their jobs more effectively.

Without boring routines.

Exactly. Thank goodness for technology. The demand for specialists is growing, but the job market is struggling with a shortage. Fortunately, tech-





nologies such as artificial intelligence and robotics offer solutions that not only increase efficiency and productivity, but also enable the automation of routine tasks.

We can stick with humans for now. How do you keep the team's spirits up? You're more of a non-corporate leader according to your colleagues.

I think of corporate as more of a technical term. We try to avoid the negative sense of that term. At the

same time, a large company requires a certain system of operation, organisation, and management. That means I don't want to idealise us completely and say we can get rid of corporate ills without any problems.

How many people do you manage?

A total of 12 teams. We call them business units. They were mostly formed from companies we've acquired. Each one has something between



30 and 80 people. A typical team has, say, 50 people on average. That's still a size where most of them know what the other does, they meet in a common space, and they know each other. From the beginning, it was important for us to allow teams a certain amount of autonomy and to support their culture, even though they have become part of Seyfor. It's in our interest that the person who was at the helm of the acquired company remain there. The companies are only stripped of central processes, IT, or finance, but we see this as an advantage, because they can then focus on the business itself.

And everyone is happy.

I see the fact that we let people do what they are good at as part of our success story. There are investors that buy two or three broken companies, fix them, and link them together. But we acquire companies that are exceptional at something and try not to screw up their business. We buy the number ones, put them in a room together, and let them be inspired by each other. I see barrier-free internal competition as a big plus.

“If someone comes to us and says they want time off to go around the world, we give it to them. We just hope they come back.

It's not Franc or anyone else that determines pay. It's the gross margin

How do you evaluate units against each other, since they each actually do something a little bit different?

We understand the differences; why each is better at something different. It's like having a sprinter and a long-distance runner. They're both runners, but each has different qualities. We look at their specialization, but that doesn't stop us from measuring their times. And it works, because business units look at the comparison of each other and work with that. When you exist independently, you're usually trying to outperform the competition in the market. When you don't have much to compare yourself to, you only get partial data. But with us, suddenly everybody sees more than a year's worth of results.

Was this transparency surprising to anyone?

For many of them. In the beginning, we explained to companies that the cost of employees is based on their productivity. If they bring more money in, then more can be given to them. In fact, it's not Franc nor anyone else who determines pay, but the gross margin. It was quite a novelty to talk about it in such a transparent way.

You don't install egalitarianism in terms of wages?

We are all very much individuals. There have been attempts to make everyone the same and they have

always failed, because even nature doesn't want it that way. We're all different, and we have slightly different roles. Of course, it's appropriate that comparable positions and work should be evaluated similarly. But I don't see the benefit in going by quotas and tables. I don't think that works.

Is there more cooperation between units?

Yes. Sometimes it happens spontaneously, and sometimes we facilitate it. I certainly wouldn't say we've completed this task. For example, we're now working on a project we call "The Little House". It's kind of a weird name, but it sort of caught on, so we kept it. It came from discussions about expanding the portfolio of services we provide to our existing customers. We said each customer is a house, and we should gradually light up the windows on each floor of the house, symbolizing a service or product we provide. Our intention is to gradually light up the house so we are on as many floors as possible.

We're limited by how many people are on the job market

Do you have any idea how many floors you are able to light up given the nature of each unit?

I think the ideal number is around two to three. The important thing right now is that the business units are already working with clients and asking if there are other Seyfor services the customer might not be aware of that they could apply.

Is there a problem if, for example, the client only has funds for one floor?

Sure, units might not be competing on product, but perhaps the customer only wants to address cybersecurity and doesn't have the funds for data analytics, for example. The business unit then tries to consume as much of the client's budget as possible with its services. This is natural, and the way it should be. Right now, we want our units to let their sister units know wherever they think a customer could use a third party. And we want them to do it voluntarily and happily. (laughs) And at the same time, we appreciate information that we don't even have to try sometimes because the client has to have a diversified supplier system in terms of legislation, for example.

So last year at the division was about lighting up houses?

Our ambitions are quite high in this respect. In principle, we wouldn't have to seek out new customers if we lit up a tenth of the floors that are still dark, but we're still looking for new business. All I'm saying is that there is still significant potential. We are talking about hundreds of millions of CZK. I don't see limitations in the number of potential customers, but in the number of staff I need to deliver services.

What kind of people do you lack?

Our business is hard to scale. If you take other Seyfor divisions such as Small Business and the iDoklad product, it doesn't matter as much whether you add two hundred customers or a few thousand. The development team is roughly the same size. But we create tailor-made projects for customers, and we need specialists to take care of them. And those are scarce.

Do you sell ready-made specialists to companies?

Yes, but to a limited extent. Most of our contracts are based on delivering work and guaranteeing results. Whether we need 2 people or 20 is our business. It's like a construction company where our entire success is based on our ability to estimate how laborious building a house will be. Either I can match the estimate and collect the projected profit, or I can be there twice as long and lose money. The key for us is how many people we have on site and how long the excavators stay there.

Does it happen that the excavators leave and don't make money?

Of course. Among the hundreds of projects we continuously work on, we have some that are problematic and fail to make it through the implementation phase with the expected profit. But even that situation doesn't mean the customer is unprofitable. We are building a long-term relationship, and we are looking toward long-term profitability.

To go back: Would you take advantage of more people being on the labour market?

Absolutely, because it often happens that a client would like to strengthen our execution capacity, but the team is on another construction site. Similarly, we need to think carefully about which tenders we will enter, so we'll be able to provide the necessary capacity if we're successful. It's virtually impossible to get ready-made specialists from the market, so we are ready to recruit people to junior positions and nurture them. That can take six months to a year. And then, of course, the question is whether they will burn out. What can we say, it's very rare nowadays to get a person of the same quality that we were able to get out of ourselves before. I'm not blaming anyone. The current generation has been born into abundance and has a different set of values. Maybe they prefer time for personal development instead of a new car. That's what we're trying to enable. If someone comes and says they want time off to go around the world, we give it to them. We just hope they come back.

I don't want to preach water and drink wine

How do you motivate people?

The first thing is: Their work has to be meaningful to them. The second is to not put them in a position where they're not comfortable. That's why we put a massive emphasis on how teams work. I read in a book once that my job is not to motivate people, but to not demotivate them. They know why they want to do their job, and I have to set up an environment that doesn't take away their desire to work. I see myself as an ambassador who communicates on behalf of my teams throughout the company. I don't want to preach water and drink wine, so I try not to just talk. When there's a prob-



” There have been attempts to make everyone the same and they’ve always failed, because even nature doesn’t want it that way.



lem, I don't back away and say it doesn't affect me. There are managers who spent their entire careers at their first company. They've been pedalling at the front of the peloton, and now they appreciate when they can ride in a bigger pack and let someone ride ahead of them for a while.

Whoever I talk to, they agree Seyfor's entire corporate culture runs on relationships. I think I'm starting to believe you.

It really isn't just lip service. We all have a similar mindset, and it works for us. We work on alignment from the moment we acquire a new company. It's not that I evaluate colleagues I play golf with differently than those I don't share a hobby with. In the end, I'm judging job performance. And we're back to trying to set everything up and then measure it. It's far more than just financial results. Nothing happens by directive, it's natural. I don't want to paint it as some kind of ideal, but there really is no single solution that tells us what to do and how to do it. We wouldn't even want anything like that. I don't have a problem with someone telling me: "Hey, there's a mountain we want to climb." That's okay, but they can't tell me HOW to climb it because there's never been a hill we weren't able to climb.

That's a very ambitious statement.

It's been like that thus far. That's why we have bold plans. I think we've warmed up over the past 10 years. We've warmed up, we've learned things we didn't know before, and now we're in good shape to capitalise on them. I certainly don't think Seyfor, with a turnover of 4 billion CZK and 1,600 employees, is at its apex or past it. Not at all. It's clear there's a limit to organic growth. I already said that. My division broke the 2 billion CZK mark in sales last year, and I think a fivefold increase is realistic in the coming years that we can still predict with some accuracy. But we had to grow into this situation. We couldn't have gone into big acquisitions right away. We'd have exhausted ourselves.

I enjoyed the Sparta vs. Liverpool game even as an absolute non-football fan

What makes you angry?

When someone says Seyfor is a Brno-based company. (laughs) No, seriously, apart from my kids,

who sometimes make me feel I can last longer at work than in the car with them, any lies or broken promises get me. I like structure, so when someone says something's going to be done at six, I expect it to be done.

What was the last thing that made you happy?

In the winter, at a business unit's annual meeting, I met a colleague in a Sparta jersey watching a game at the bar. Sparta scored three goals while we were chatting, and he said to me: "Petr, you bring us luck. When we advance, you have to come with us to the next match." I resisted, as I'm an absolute non-fan of football. But I went to Liverpool a few weeks later, where even the die-hard Spartans didn't get to go. I have to say, the experience at Anfield was unreal. I would never have enjoyed it if we didn't have the relationships we have in our teams.

How else do you enjoy life? The money you make?

I invest most of my money into my kids; not housing or cars, but education, which makes the most sense to me. I want to give all four children the opportunity to be prepared for life and to study what they're good at. As for myself... I don't want to say I'm totally frugal, but what I value most is time with family, friends, and on my motorcycle, which is how I solved my mid-life crisis. The thing I still enjoy most, though, is golf. If it didn't take up so much of my time already, I'd certainly devote more time to it. Then again, I wouldn't be at home where I'm glad I get to be with my kids and my wife. I try to combine the two. But I can imagine, health permitting, we'll go out to the golf course at 75 with friends, have a nice meal, and have a great day.

Do you keep yourself in any kind of shape?

I have a gym at home where I go when I get there. I need it for my mental health. Then I take a shower and I'm good again. My wife mostly takes care of my diet. In the beginning, when she used to slice my bread so thin you could see through it, I thought it was weird. But I've gotten used to it. (laughs) And yeah, we try to eat healthy. But when the girls aren't home, I stop on my way home from work for a sausage and a roll and that makes me happy.

JAN TOMÍŠEK:

Don't expect enthusiastic marketing claims from me

While employees used to just get a pay slip, today they need HR systems as technologies that enable communication with the employer, and banks are becoming increasingly vital. HR systems' features have met the challenge, becoming highly sophisticated. "We still have to consider that this is a very conservative industry and adapt our communication towards customers accordingly," Payroll & HR division Director Jan Tomíšek said.

TEXT BY Helena Dostalová
PHOTO BY Petr Kozlík



“Marketing is afraid of me? That’s good,” Jan Tomíšek said with a smile after I confessed that my biggest fear was talking to him. After all, he’s preceded by a reputation that he keeps his cards close to his chest. Fortunately, everything turned out quite differently, and we spent a pleasant two hours talking about the world of HR and Honza’s time at Seyfor. Still, there was one area he avoided, and that was his private life.

Why do all the divisions have an English name but yours doesn’t?

It’s simple. We operate in the Czech and Slovak markets and our customers are often local companies. Users are most often payroll accountants in schools or hospitals, for example, and there is no point in using English with them. We want them to understand us. In this respect, I think being more international is rather off-putting in relation to our customers.

You are an example of someone who was the head of one of the merged companies. How big a change was that for you?

I don’t feel that anything has changed fundamentally. I’m in the same office, in the same chair. I have three Czech directors and one Slovak director reporting to me, and everything is going smoothly. The only difference is that we now have central accounting and marketing. Seyfor tries to preserve

the corporate culture of the acquired companies as much as possible. That’s not to say everything is always the same. The acquisition of KS – program is still something new for me. I’m still learning to remember that every day.

This happened fairly recently; at the end of 2023.

How is the company integrating?

We try not to interfere too much and only improve what doesn’t work. Naturally, some things can’t stay the same, especially when we want to merge the company. It’s just an acquisition for now, so the company remains a separate entity. I still see the whole process as a very pleasant affair. The owners of KS – program have been constructive and helpful. They’re interested in how we are progressing, what makes us so efficient, and why we are doing so well. They want to understand what they should be doing and how they should be doing it. The two main colleagues are our type of people. What surprised me is that for being rather small in terms of turnover, they hold a large part of the market, which is obviously a big shift for us. We now serve a quarter of the market.

How can the Vema and KS – program teams be helpful to one another?

At the beginning, we showed each other how we work, but exactly what I expected happened. To make an informed comparison, we would need



two days of training on each part of the product, which is rather unrealistic. Instead, we're trying to find interesting things in their products and they, as I said, are taking inspiration from our day-to-day operations, because they may not have had the space to think about some things yet given their size.

When do you plan to merge KS – program?

A merger is not on the agenda yet, but it will happen in the near future. However, we will only deal with what legislation dictates and what makes sense. We can unify the mail server and the payroll system, but the helpdesk, for example, is so pervasive in the organisation that it would not make sense to change so many processes. We must either have a good reason to do something that hurts, or there should be a major benefit. We're certainly not going to take a specific step just because it seems like a good idea.

Changing the name hurt less than choosing it

What do you consider to be the greatest accomplishment of your career?

Probably what we've been able to do with Vema over the last eight years. We went from sixteen million EBITDA to exactly a hundred. It's not something I'm patting myself on the back for every day, but if someone had given me similar numbers eight years ago, I wouldn't have believed them just as Martin didn't believe in Seyfor's current revenue ten years ago.

How did you come to terms with the corporate rebranding?

Did anyone tell you how the name came about?

Not yet.

It was preceded by many, many board meetings where all sorts of suggestions were floated. It basically boiled down to the point where even marketing was saying that whatever we picked, they would give the name a story. It's actually quite a complicated process where you have to meet a lot of conditions for a brand to be registerable and have free domains. It was very hard to find something good, and it cost us a lot of unproductive hours. Finally,

we came back to the name that Marketing Director Dan Šturm suggested almost at the very beginning. What I mean is that in the end, the change itself hurt much less than choosing the name. However, I consider the whole process to be very beneficial because it led to better brand awareness.

How do you feel about marketing? I've heard from colleagues you prefer the performance of the company, and you don't like marketing very much.

I probably wouldn't put it quite like that, but given the industry I'm in and how old I am I can't afford to make enthusiastic marketing claims. Our customers expect stability, and if I wrote LinkedIn posts like a teenager, everyone would think I'd lost the plot. (laughs) But I need to add that marketing under Dan Šturm works perfectly. We just use it as we need to. Our customers are extremely conservative. Our system is for the back office, where it isn't crucial that everything be great and the best. What matters is that pay arrives in accounts on time and that we meet all legal obligations.

But the times do lend themselves to more interaction and information.

No doubt about that. The world has changed a lot in the last 10–15 years. HR systems have always been something very much in the background. Most employees would often only see a pay slip from them. But the opposite is true today. The system works for employees. They can look into it, and they can actively interact with it. Companies are beginning to realise that employees also judge an employer by how its internal information systems work. This is a big challenge, and we are working hard at it. The world has moved from where we had records and algorithms, calculated payroll, and handed out paper pay slips, to a state where there is a highly interactive tool that allows two-way interaction with the employee, preferably driven by some sort of workflow.

Yet you still choose a conservative approach.

Employees are, in effect, customers. HR has the chief word on our products, but although they understand the shift in the market, they don't fall for enthusiastic marketing slogans. Our marketer, Lukáš Krifta, is therefore in charge of customer care; making them happy and simplifying their work. Payroll accounting legislation is very com-

plex, and fewer and fewer people want to work in this field. It's almost a problem to find a good payroll accountant, so you need to communicate with them in a friendly and welcoming way. Sometimes Lukáš comes up with something a little too modern, but that's okay. Marketing has to be a bit aspirational.

Someone who thinks they are a world champion doesn't stand a chance with us

Does the choice of consultants match the conservatism?

Of course it does. We have to profile them so they get along with customers. Consultants with huge egos are everywhere, and they are absolutely useless to us. Someone who thinks they are a world champion doesn't stand a chance with our customers.

It's a topic that is brought up every day, but let's talk about artificial intelligence for a moment, in your case specifically in the HR industry.

You're right that it's talked about all the time, but it really is going to increasingly enter a lot of processes. Consider an employee sitting at a computer and wanting to do something that happens rarely in a lifetime. Perhaps like changing their last name after getting married. They need to work through the system to make it happen. This is where artificial intelligence works very well, guiding the poor user to the destination in a kind voice, requiring just a few clicks. I see three directions in the practical use of AI. One is navigation, which I've just talked about. The other is to help with work within the system, where the user needs to filter out all the employees who joined last year and have such and such a salary, for example, but using simple human language. And another thing that is easily achievable with AI is the localisation of HR systems into a variety of languages. All of these are on the way.

So AI is not going to replace payroll accounting anytime soon?

At the appropriate complexity, probably not in the foreseeable three to five years.



“ We must either have a good reason to do something that hurts, or there should be a major benefit. We’re certainly not going to take a specific step just because it seems like a good idea.





“Marketing has to be a bit aspirational.”

But then again, five years is not that long when I am deciding whether I want to be a payroll accountant or be in this segment in any way.

That's assuming people want to do this job. But they don't, and that's what I'm worried about. We're in a very unpopular industry. Few people want to do this job, because it involves a high level of responsibility and requires an incredible amount of knowledge. And then I come back to the conservatism of the industry. That means it's going to take a while for people to stop calculating wages and be replaced with a machine.

Are predictive models used in HR?

They're being tried in the recruitment field where CVs are analysed. But it's not as simple as that because CVs are also already being created by AI. Perhaps AI help can be used for pre-selection, but we can't completely skip the interview and see if a person will fit into an organisation. Personally, I participate in every second round of interviews.

What qualities do you expect in employees?

That's very simple: To be intelligent and creative, and to fit in. The rest will fall into place. In the interview, I find out if the candidate is really good, or if they're just faking it. Sometimes it's difficult, and only the trial period will show the truth. However, we try to eliminate problems at the beginning so we don't waste each other's time. Intelligence is really important to me because our systems are incredibly complex and will only become more so.

What can make you angry?

This might sound generic, but I don't like unfair treatment; or when someone hides from something like a little kid, deliberately so. But I don't get angry in any significant way like raising my voice. Not at all. I don't use directive force. When my colleagues and I are discussing something and we each have a different opinion, we go home, and we all think about how the other side sees it. And in three days the problem is usually easily solved.

It's nice when it works that way in a partnership. You don't argue at home either?

If you care about the other person, you should come away from an argument thinking about what the other person said. But I really don't like to argue.

So you back down?

Not really. I prefer to try to calm my emotions and let the situation go for a while. In a moment of heightened emotion, trying to resolve a problem escalates it rather than de-escalates. When you get a sharp email, it's also better to respond the next day. Few things are as hot as they first appear.

What has made you happy lately?

Hmmmm.

Sometimes, you take these long breaks.

You're asking questions I don't like at all. They make it seem like I'm not happy about anything. I'm probably going to disappoint you, but I'm not going to tell you any of the joys of this spring or this year. Maybe that's how kids are when they get caught up by a gift, but the older you get, the harder it is. I try to notice the little joys and whether I'm content.

Are you?

I am. I have been my entire life.



**Jan Tomíšek's
playlist**

PETRA ŠINIGOJ:

Success comes from adapting to change

Instead of letting a colleague leave to pursue business intelligence, a field Seyfor hadn't been involved in, they created a department for it. The Adriatic arm of Seyfor, headed by the charming Petra Šinigoj, is passionate about the importance of people.

TEXT BY Helena Dostalová
PHOTO BY Klemen Batagelj







“ I consider our rebranding to be a very interesting period that was quite a wild ride, especially for marketing.



Seyfor Adriatic includes Seyfor Slovenia, Serbia, and Croatia. It has grown year after year under Petra's leadership, and she has built a natural rapport with her colleagues due to her ability to listen and her years of experience. But Petra does not see her role as a woman as exceptional. "I have absolutely no gender prejudices. I've never thought my gender offers any advantages or disadvantages. I work with men perfectly. I even consider my time working exclusively with male colleagues to be one of the most enjoyable periods of my professional journey."

How was your day today?

Today was significantly different than my normal office routine. My sales director and I visited four major accounting firms and introduced them to our new business model for them, which includes a pricing update.

Do you often visit clients in person?

In important situations, yes. I want to know how they react and how satisfied they are. We can see how clients accept changes, and they can discuss any topics they want with us. Today underlined the value of face-to-face meetings in business, especially when implementing significant changes.

What else is important to you in your client relationships?

We want to be seen as a reliable partner. Therefore, it's important for clients to know we will respond quickly and efficiently to problems they encounter, and that they can rely on us whenever they need help. We're also constantly upgrading our solutions to achieve this. We want to meet their changing needs. Our goal is to offer a user-friendly interface that increases productivity and efficiency, and allows users to navigate tasks independently. And of course, responsive customer support plays a key role in ensuring client satisfaction.

You underwent a rebranding at Seyfor Adriatic. How did it go?

I consider the rebranding to be a very interesting period that was quite a wild ride, especially for marketing. It included a number of challenges, from the creation of the website and new product logos to the redesign of all the text materials. When I looked at the list of tasks, it seemed endless. In

retrospect, thanks again to the entire team for a job well done.

Were there employees who weren't happy?

Of course. Change always brings its fair share of opposition. Naturally there were some reservations about whether a rebranding is necessary. After all, we were already solidly represented in the market under the name SAOP. But it helped to explain that SAOP, MIT, and Opal would remain in the product names, and we thus completely adopted the name Seyfor within a short while.

Do you see any advantages?

The most important advantage is that we can more easily make contacts and convince new companies to join our group. By presenting ourselves as a large international corporation, we boost our own attractiveness and credibility in the market. On the other hand, we understand it would be quite uncomfortable for those from the acquired companies if they were under our original name after the merger, which until recently, meant their direct competition. But back to the rebranding. Have you seen the great video presenting the change?

Yes, I did.

I think this video full of energy, youth, and vibrant colours has already made a great impression not only on my colleagues but also on our customers. The name seems to have caught on, and we're gradually becoming more recognisable under this identity. That's very pleasing. I look forward to the further development of the brand.

Our autonomy is not just a privilege, but also a strategic advantage

What's it like to be under a large company like Seyfor?

Although we're part of a larger group, we also value that feeling of autonomy. It's not just a privilege, but also a strategic advantage. Thanks to our unrivalled insight into our market, we can chart our own path and adapt our development strategies to the latest market demands. This autonomy boosts our competitiveness, and we are driven by an unwavering desire to excel and become leaders in our industry. That makes us extremely grateful for this opportunity.

I cannot help but mention Martin Cígler in this context. What's he like?

Martin is an exceptional person and entrepreneur who has a remarkable ability to bring people together. This has allowed him to convince many entrepreneurs in Czechia and other countries to trust and join him. Moreover, he exudes charisma and can tell a great story.

I completely agree. It's a pleasure to have met him.

As my supervisor, he's always very respectful and attentive. I'm glad he entrusted me with the management of Seyfor Adriatic years ago, and I try not to let him down.

How did you maintain your determination not to let him down over the past year? What have you achieved?

Like every year, last year brought a range of challenges that revealed many wonderful opportunities. Even the rebranding itself reassured me that success lies in adapting to change. However, I would highlight one moment where we managed to keep two key team members. One of them was keen to leave for a career in business intelligence. It seemed obvious to me that I needed to keep such a valuable person on the team.

What did you do?

The simplest thing possible. We created a new department dedicated to business intelligence. It just recently introduced a standard solution for our users, including financial, HR, manufacturing, and sales metrics. It brings customers an innovative and novel approach that we can implement in just eight hours. A significant advantage of this tool is its applicability across all our ERP systems.

And before I forget, there is one more achievement worth mentioning. We have been nominated for the Gazelle Award, which is given to growing companies in our region.

What's it like to be at the head of a growing company?

Challenging, but very rewarding. Leading a growing company is a journey that is characterised by constant change and significant responsibility. And because I work with great people, they make the journey so much richer and more meaningful.

Are you a good boss?

I never refer to my people as subordinates, but always as colleagues. I firmly believe success is not a result from one person, but the entire team. But perhaps a better answer would be provided by my colleagues.

I think if you uphold Seyfor's values as you said, your colleagues must be happy.

It's true that my approach coming from my position as director is quite demanding and perhaps even strict, but at the same time I try to be fair and understanding. I'm quick to notice irregularities and address them. I would note that I sometimes take good things for granted. As we're constantly dealing with difficult situations, I sometimes forget to highlight the great moments we experience together as well. That's why I try to strike a balance between chasing perfection and celebrating our team's successes at the same time.

A person's character is not determined by his gender

The board of the Adriatic part of the company is made up of women, which is a stark difference to the Czech Republic. How are women different in your opinion?

Some researchers suggest that we are more inclined to empathy, while men are more inclined to analytical thinking. And yes, I do recognise that women are indeed more emotionally attuned while men often tend to be more practical. I have noticed similar tendencies in my children. I have two boys and two girls. Girls tend to navigate situations more complexly and have a harder time when their feelings are hurt, while boys tend to respond more directly. But it's difficult to generalise differences strictly based on gender, because individual temperaments and personal characteristics play a significant role. In some cases, these characteristics may be reversed. Ultimately, the effectiveness of individuals in work roles is determined by their unique personalities and abilities rather than just their gender. That is why I interact with all colleagues equally. I believe in honesty above all else. At the same time, I believe that fairness, diligence, and exemplarity are essential aspects of good leadership, and these values have nothing to do with gender.



“ I would love to give my children the tools they need to face life’s challenges with confidence and grow into resilient individuals able to chart their own path to success.





You don't feel that you've been treated any differently, better or worse, because you're a woman?

I can honestly say that I've never felt that my gender influenced how people treat or perceive me. However, this view is personal and may not correspond with reality. Incidentally, it does raise an interesting question for my superiors: Do they treat me differently than my male colleagues? (laughs)

I'll ask Martin. Let's get back to business. I assume you still have an appetite for acquisitions. How was last year in that respect and what are you planning?

Although there were no new acquisitions last year, we're still dealing with the major expansion from the year before. One of the largest accounting solution providers joined our group, which gave us a dominant market share. It also strengthened our position in the education sector, with tailor-made solutions for schools and kindergartens, as well as bolstering our market share in the SME segment in Slovenia.

Are you planning to buy companies from outside the region?

We have focused on integration and cooperation since the acquisition of VASCO. We have made significant efforts to get to know our new colleagues, align our strategies, and strengthen relationships. Now that we've built a solid foundation, we believe it's time to continue to look for new opportunities. Our main focus will be on expansion in Slovenia and Croatia.

An assistant for \$20 a month

Last year, you worked on a system that would bring together only Adriatic ERP systems. How are you progressing?

We're moving forward, but I must admit that maybe we're a little slower than originally planned. We focused on building a platform that will allow us to develop content faster for areas such as payroll, sales, and manufacturing.

Which, ironically, has slowed you down.

Exactly. This phase just took longer. But I'm confident we're moving in the right direction. A huge benefit has been the addition of a new key member to our team; a product manager who used to run Minimax. We have high hopes for him and our

entire group. We realise how important this new online solution is to our long-term existence and growth.

Technology is evolving at an incredible pace. Is there anything else that's new?

You're right, the speed of change is unprecedented and we're trying to keep up. I consider ChatGPT to be the miracle of the past year. It's truly revolutionised the way we work and communicate. It's become an indispensable tool for me personally, whether it's preparing emails, brainstorming ideas, dealing with customer complaints, or handling various tasks. It's basically like my personal assistant for \$20 a month. That's a bargain, right?

You mentioned your four kids. What would you like to pass on to them?

As a parent of four children, my first hope is to give them a solid set of core values that will serve as a compass throughout their lives. To teach them honesty and hard work. I try to instil a deep sense of responsibility in them and teach them that achieving goals requires sacrifice. I would love to equip them to face life's challenges with confidence and grow into resilient individuals able to chart their own path to success.

What do you have planned for this summer?

We're planning a trip to the United States, but it will just be me, my husband, and our two youngest children. The older kids are grown and decided not to travel with us this time. My husband will be attending a conference, so we took the opportunity to accompany him. After the conference, we'll travel around the country exploring the famous parks and visiting the big cities. We haven't finalised an exact itinerary yet, but we're looking forward to the opportunity to explore new places, enjoy unforgettable experiences and especially just be together.

SEYFOR
SOLUTIONS
for



SEYFOR SOLUTIONS FOR

self-employed and small businesses

Software is going to play an increasingly more strategic role in the self-employed and small business segment. From being the necessary evil needed to submit an income tax return, it will transform itself into the role of a significant business facilitator. At the same time, the cloud as a method of software development, distribution, and application is changing the paradigm and established practices. It enables companies to utilise a new way of working with data, simplifies communication, and brings a competitive edge.

It is now beyond any doubt that cloud architecture will bring about a revolution in the field of software applications, similar to the launch of Microsoft Windows. Historically speaking, technology has shown itself capable of relieving human hands and performing certain tasks faster and better. To support administrative processes, work more effectively and support decision-making, information systems will quickly acquire the capabilities of new technologies such as machine learning, big data, and artificial intelligence.

Seyfor wants to be present when this happens, and wants to be one of the market leaders of cloud invoicing and accounting software for the self-employed and small businesses. With iDoklad, Minimax and Money S3 products and services, we belong among the accounting software market

leaders in the Czech Republic, Slovakia, and Slovenia, and we have a strong position in Balkan countries. Our software is used by hundreds of thousands of self-employed and small businesses. We benefit from high functionality combined with an agreeable user interface.

A significant part of our customers consists of accounting companies and their clients, very often cooperating in a hybrid regime when the customer uses one of our cloud solutions (iDoklad, Minimax), and a full accounting or even robust ERP software (Money, Vario, Byznys, Minimax, SAOP) is run on the part of the accounting office. Thanks to this, even the smallest clients are able not only to communicate online with their accountants, often through a mobile application, but also to have a constant online overview of their company. This

also saves time for the accounting office, as copying original documents is no longer necessary in this regime.

ELDAx MC

ELDAx MC cloud services are primarily designed for small businesses or users for whom building an eIDAS platform for electronic signing, sealing, and trusted storage of electronic documents in their own environment is cost-prohibitive in terms of investment or ensuring the necessary level of service.

iDoklad

iDoklad is the most popular online invoicing service on the Czech market. It is a progressive cloud service that has transformed itself into a modern business SaaS model since it began to charge fees for its use (1 June 2017). The service can be used in freemium mode, which allows free use with some limitations of functionality. iDoklad also offers three paid tariff options for users requiring more advanced features. To date, over 80,000 entities use iDoklad actively, with approx. 50% using one of the paid tariffs.

iDoklad accommodates its potential users in many areas. New users benefit from two free months to try out the full range of features, see which of them they will actually use, and decide on the right plan. In addition, each customer who purchases any of the paid tariffs has a 30-day period during which they can request a refund.

iDoklad makes life easier for entrepreneurs by automating tasks such as periodic invoicing, pairing incoming payments with bank transactions, automatic reminders, or linking to accounting office software. An equally important benefit is the clear and transparent record of documents and quick preparation of outputs for accounting, whether double-entry or tax records.

iDoklad's utility value is enhanced by a mobile application which allows the user to perform the most necessary billing tasks wherever the internet is available. The mobile application is available for iOS and Android.

Use of communication with other API extensions is increasing. This enables the user to easily integrate the services they use into their own business ecosystem. For easier orientation in the range of accessories, iDoklad published a clear catalogue

where interested parties can find all available extensions in one place.

iDoklad monitors market developments and the needs of its existing and potential users. Its growth is ensured by an experienced team of developers who understand the product down to the last detail. iDoklad works on the Microsoft Azure platform, which guarantees data security for users and offers opportunities for the future growth of the service.

Minimax

Minimax is the leading online accounting software used by more than 12,000 users in Slovenia, Croatia, and Serbia. It runs in the cloud and allows entrepreneurs, accountants, and consultants to cooperate in one system regardless of the time and location.

Thanks to many easy-to-use, intuitive functions and strong accounting, Minimax is the perfect solution for small and medium-sized companies. Easy integration of third parties' applications removes manual data entry from CRM, POS and other solutions commonly used by small businesses.

Minimax is not only accounting software, but over time it has also become a community that helps build loyal business relationships through knowledge base and high-quality electronic books, articles, webinars, and events.

Money S3

Money S3 is the second most used on-premises accounting software in the Czech Republic and has a similar position in Slovakia. The product's paid version is used by more than 22,000 companies. Its users include entrepreneurs, and small and medium-sized companies. Additionally, tens of thousands of entities use the free version, Money S3 Start.

Similarly to iDoklad, Money S3 can be used in freemium mode. The free version, Start, is not limited in time, has all the functions of the paid version and is always maintained in accordance with the currently valid legislation. This version's only limitation is in the maximum possible number of records: stock movements or journal entries. Paid sets then remove these quantitative restrictions, and their users also receive customer support, a pillar of their satisfaction.



The big advantage of Money S3 is its easy operation based on MS Outlook standards. Another advantage is the system's comprehensiveness. Its functions cover the needs of users with tax records and double-entry bookkeeping, and contain accounting framework, bank and cash registers, closing operations, home banking, and financial statements. The system also offers functions necessary for keeping asset records, warehousing, order management, basic functions for payroll and human resources, logbooks, and servicing.

Another significant advantage of the system is its modularity. The optional module structure allows the system to adapt to the needs of users with completely different requirements. The modules can be combined into convenient packages, and thus handle the more complex requirements of e-shop operators and brick-and-mortar retailers. In addition, customers can analyse their data and get a more complete view of their accounting or warehouse management.

Evala

Evala is the latest addition to the Small Business division's product portfolio. It is the first accounting software developed specifically for accounting firms and independent contractors. It fills a space next to Money S3, which is designed for the accounting needs of SMBs, and iDoklad, which

is aimed at self-employed individuals who need a simple tool for invoicing.

Evala brings a range of accounting functionalities that other apps need to integrate from external vendors. This saves accountants not only a lot of work, but most importantly time.

Evala collects, sorts, and reads documents in electronic form. Firms can send documents directly to their accounting offices via a secure channel through the customer portal. It can approve third-party invoices, which the accountant includes in the system only after approval. At the same time, every action is audited so both the accountant and the customer have a detailed overview.

Many functions are completed automatically, such as recalculating depreciation on technical revaluations, creating accrual plans, or accounting for more complex VAT cases such as self-assessment and the reverse charge.

Evala can easily be run in a browser without installing anything, and it works on a monthly subscription basis. Not only do accountants have no upfront costs for the software, but the first month is also completely free.

A payroll accounting module is currently in development and will be available by the end of 2024.



SEYFOR SOLUTIONS FOR

medium-sized businesses

Companies look for ways to maintain their operations and competitiveness. They improve and accelerate their internal processes. This is the reason behind Seyfor's vision, not only in the segment of solutions for medium-sized companies: Seyfor wants to provide its customers with solutions which enable them to be at the cutting edge of data processing effectiveness and internal process control worldwide.

Software plays an increasingly strategic role in business. The cloud, a manner of developing, distributing, and using software, changes paradigms and established practices. It enables companies to utilise a new way of working with data, simplifies communication, and brings a competitive edge. Labour forms an increasing portion of companies' total costs, and this trend may be reversed by the automation of key business processes.

The rise of cloud services is now unstoppable. Companies and institutions are increasingly aware of their benefits and advantages. In particular, cloud services eliminate the necessity of investment in infrastructure and platforms, as well as their management and maintenance costs. Transparent costs, access anytime and anywhere, user-friendliness, and support for collaboration are also important advantages.

The long-term trend shows that cloud solutions are being adopted even in medium-sized companies: running ERP systems internally, i.e. on-premises, will be gradually replaced by using cloud-based applications on the infrastructure of software providers such as Seyfor. New and modern applications with an intuitive user interface enable companies to respond aggressively to market developments and customer preferences, and even to introduce new business models. Seyfor is adapting to this trend through its products, preparing the transition to a fully cloud-based operation of ERP systems in the next few years. At the end of 2023, we worked with several clients to pilot test the first functional modules of the new generation of cloud ERP systems. Our ambition is to set the direction in the development of ERP systems in the Czech and Slovak markets and beyond, to apply new pro-

cedures and technologies, and to include elements of AI and machine learning in the standard of our products.

Seyfor provides advanced and highly scalable ERP systems to companies for which tailor-made internal process solutions are the key requirement. It offers solutions for companies doing business in the trade and services segment (Money ERP, SAOP), as well as solutions for manufacturing and servicing companies (Vario, Byznys, SAOP) or transportation and forwarding companies (PRYTANIS). Seyfor also has a strong position in information systems for government and budgetary organisations (SAOP, Vema Ekos) in all regions.

More than a quarter of a century of experience in the development and implementation of ERP systems is yielding benefits today thanks to the exchange of know-how across the entire Seyfor Group. The result is implementation satisfaction and measurable customer savings. We help our customers increase their growth and profitability through the automation of business processes. The full range of Seyfor's ERP portfolio is complemented by DMS, BI, RPA, and workflow solutions.

Vario Portal

Vario Portal is an intuitive enterprise intranet system designed to record and organise internal and external company documentation. The system enables electronic document approvals and workflow activity management. It is integrated with Vario and Money ERP systems (as Money portal). The system is used by companies in the Czech Republic and Slovakia, with Czech, Slovak and English versions of the software available.

Vario Portal provides safe storage of documents in an encrypted database, easy search, versioning, and authorisation-controlled access. It can be run in any internet browser without having to install client workstations; working with the system and approving documents is possible wherever internet access is available.

The system allows users to easily define the workflows of individual documents on a user level, and thus offers its users an efficient tool for approving documents. All workflow steps are confirmed by the authorised person's electronic signature. As encrypted information, the electronic signature becomes an integral part of the signed document

and remains in that document even if the signatory is no longer a user of the system.

Vario Portal can track who needs to sign a document, notify and remind signatories, and appoint a substitute for periods of absence. Each document can have a pre-set validity and an appointed individual responsible for its revision. In the document control management, the individuals responsible for approval and issuance, as well as for the entire distribution list, are linked to the documents.

Companies most often acquire Vario Portal to keep records in accordance with quality standards, approve electronic documents, holidays, requests for repair or purchase of materials, and as a comprehensive corporate intranet. By integrating with Vario Portal, users of Vario and Money ERP systems can approve documents directly from their ERP systems. Customers appreciate the intuitive user interface, easy accessibility via web browser, ability to connect to the company information system, and security of data storage, which follows GDPR regulations.

Byznys

Byznys is a robust ERP system for medium-sized and large companies with a wide range of available modules. The average cost of a new implementation is roughly CZK 3,000,000. The software is used by 1,000 customers in the Czech Republic and Slovakia. The Byznys enterprise resource planning is designed for the comprehensive management of companies that want to unify their business agenda with one tool. It offers solutions for monitoring, planning, and managing all key business processes at all levels of enterprise architecture. The system variability allows solutions within individual modules or interconnection to other specialised systems.

The Byznys online web client enables full access to all ERP functionalities via any web browser. The unique data model solution and its implementation teams' experience allow Byznys to provide an extremely high level of customisation without the need for further programming. The result is a surprising system launch speed, even for very extensive implementations.

Given the range of modules offered and high variability in deployment, the Byznys system can meet the needs of organisations in various sectors; from trading companies to accounting and logistics

transport companies, to manufacturing companies operating in various areas. The system can find solutions for companies that have extensive and specific functionality requirements, as well as companies that have to process large volumes of data due to the nature of their operations. These companies can cut business costs by setting up automated workflows for key processes.

Byznys is an effective tool for production management in most sectors. Its comprehensive production control solution consists of a relatively easy-to-modify universal system that can be used to automate production control in a variety of industries, such as engineering, electrical engineering, paper, furniture, prefabricated construction, foundry, and more. The system is suitable for single and serial production and supports custom production. It provides transparency and automation in all production processes and integration with supporting activities (trade, construction, technology, and others).

Byznys is also a suitable tool for the construction sector and for the management of development projects. It covers a wide range of activities in the construction industry in the design, supply, and realisation of projects for companies from subcontractors up to developers.

Companies providing transport services use the Byznys system for planning and subsequent accounting of transport services. The Transport Byznys module is based on these companies' basic needs and offers them support tools aimed at optimising internal processes connected with order processing. The system offers many functions that address this area, from scheduling individual trips according to a given assignment, to comprehensive reporting within the company and its business partners.

Byznys ERP is a suitable tool not only for handling a company's own bookkeeping and related tasks, but also for bookkeeping in specialised accounting companies. Multiple companies can be processed under one access account.

ELDAx eIDAS SMART TRUST eELECTRONIC PLATFORM

A robust modular tool for the comprehensive digitalisation of processes in accordance with the eIDAS regulation, it comprises several independent modules. The platform has many additional

modules and components to facilitate working with trusted documents in an ELDAx environment. It also has over 180 on-premises implementations. In addition, hundreds of customers use services from the cloud environment designated as ELDAx MC.

Services and platform modules

ELDAx LTA: Functions as long-term trusted storage of electronic documents in accordance with the eIDAS regulation, Czech and EU legislation. The long-term storage has several regimes, including a records office in accordance with Act No. 499/2004 Coll. on the Archives and Records Management, and Regulation No. 259/2012 Coll., on Details of the Performance of the Records Management, and the national standard for electronic filing systems NSESSS. Thanks to its integration interface, it can be used as CAS storage, etc.

ELDAx Q-Validation: Electronic document validation service in accordance with the eIDAS regulation, Czech and EU legislation. The validation supports all CAdES, PAdES, XAdES and ASiC formats. Validation reports in a trusted format are the output of the validation, which is provided as a qualified service.

ELDAx (Q)SS Sealing and Signing: Seals and signs electronic documents using a qualified seal or other levels of seals and signatures. It can be integrated with various types of cryptographic means, including QSCD equipment supporting work with qualified seals.

ELDAx PORTAL: A portal platform, including a smart form solution, designed for the implementation of robust portal solutions with support for external electronic identities, complete electronic submission, workflow, internal portal, CMS, with an interface for both authorised and unauthorised users, several integration connectors to state and local government systems.

SAOP

SAOP (previously iCenter) is a high-performance ERP system designed for the efficient management of small- and medium-sized companies or public institutions. It is currently used by more than 15,000 customers in Slovenia, Croatia, and Serbia.



Customers of the SAOP system are guaranteed to be able to do their business more efficiently. The intelligent system gathers all important data, providing users with a complete overview of the business and detailed reports. In particular, it also offers a wide range of advanced functions in the warehouse management, business intelligence and document management area, enabling process automation and simplifying report preparation for management.

The development of the SAOP system is based not only on SAOP's 35 years of experience, but also on user practice that is a key part of the extensive development process. Our goal is to improve SAOP using the latest development methods, with special emphasis on user environment design. An innovated SAOP will continue its mission of 'simplifying business for customers for many years to come'.

Money ERP (Money S4 and Money S5)

Money S4 and Money S5 are advanced ERP systems based on state-of-the-art technologies, which are used more than 1,000 companies on the Czech

and Slovak markets, mainly from the SMB segment. They offer solutions to companies who want to fully master their internal processes and manage their resources efficiently. Money ERP systems are especially beneficial to businesses, as they provide the companies with sufficient functions for modern management.

Money S4 is an enterprise resource planning especially suitable for companies that appreciate a comprehensive ERP system at a bargain price. It offers tools for financials, cost and managerial accounting, supplier-customer relationship management, payment automation, trading via e-shop, workflow, wages, BI, logbooks, and property records. The accounting can be linked to other company products, such as iDoklad or POS systems. The system has several functions that are part of the system core and additional functions can be purchased in the form of various functional modules. Some of the most interesting options include the cloud tool for management and the management of business documents – Money portal, or the tool for data evaluation – Microsoft Power BI. If the

user's company grows over time and there is a need to customise some of the functions to its in-house processes, they may switch to Money S5 at any time by simply changing their licencing terms to take full advantage of a robust, fully customisable ERP system.

Money S5 is an ERP system that will be especially appreciated by companies with a high demand for adaptability to their needs. Precision analysis of internal requirements and internal company processes precedes the deployment of the system to the company.

Users may customise all system areas and tailor their business processes and management outputs, or handle integration with other systems in the company. The software is designed for companies that work with hundreds of thousands of documents per year.

Vario

Vario is an ERP system designed for comprehensive management of business agendas for small and medium-sized enterprises. It is used by over 1,700 customers in the Czech Republic. The typical price ranges from CZK 300,000 to 1,000,000.

The Vario system is designed for companies who want to manage everything efficiently and in one place, and process the entire corporate agenda from the procurement and sale of goods, through warehousing, and service procurement, to accounting, payroll, and human resources. It provides clear access to all business and economic information and the ability to view their interactions with just a few clicks of the mouse. The system is user-friendly, ensures lower management costs, and offers an efficient way to obtain information relevant to process and enterprise management. The option to select only the system modules a company needs for its business, along with a wide range of system scalability and specific customer solutions, ensures that Vario fully adapts to all business processes. In addition, the system follows the look and feel of Office, allowing users to work intuitively and efficiently in a familiar environment. At the same time, it maintains compatibility with international standards and data formats, and application interfaces respect the most common standards.

Start-ups with fewer documents will take advantage of start-up categories that are cost-effective while maintaining comprehensive system

functionality. The system then grows with the company, and all the company must do is buy a higher licence.

Businesses will appreciate an unlimited number of managed warehouses, supplier and customer price lists, and the ability to connect to any e-shop, dispatch solutions, or connect payment terminals to a retail store; a simple yet full-value solution for retail counter sales.

Vario also offers industry solutions for companies operating in the service field, with a focus on service activities or equipment rental, and delivers specific solutions for car service stations. All solutions enable the automation of processes and the regular inspection thereof, bookkeeping and audit tools, and management data evaluation. The number of recorded entities is not limited, a point which will be appreciated by corporations and accounting companies. Regular updates are available to ensure compliance of documents and accounting with current Czech and European legislation.

The Vario system also offers the Vario online web client to access much of its extensive functionality.

Prytanis

The Prytanis information system meets all requirements for modern information systems and is a solid basis for management and growth in successful transportation and forwarding companies. The typical price of the implementation is between CZK 500,000 and CZK 1,000,000.

The Prytanis comprehensive ERP information system has been on the market for almost 30 years and has been developed in accordance with current Czech and Slovak legislation. The system reflects not only the necessary requirements of legislation, but also modern trends in IT for customers in the field of transport, forwarding, logistics and car servicing.

Prytanis offers its users the following modules: Economics, Commerce, Human Resources and Wages, Freight Transport, Passenger Transport, Logistics and Orders.

The Freight Transport module is key for transport and forwarding companies. It works on a common main numeric code list of all vehicles, which allows users to schedule individual vehicle maintenance and calculate road tax, lease instalments, or car insurance. The Freight Transport module is

further divided into forwarding, freight transport, pick-up service, and vehicle data sheets. The Passenger Transport module contains all the functions for managing the comprehensive agenda associated with the operation of regular and non-scheduled passenger transport. The Logistics module (WMS – warehouse management system) allows companies to monitor and record the movement of goods, including returnable packaging, in a logistics warehouse, and to ensure all necessary administration. All movements can be controlled via online terminals, using barcode scanners. By connecting to the Forwarding module, it is possible to arrange for goods forwarding. The Orders module is intended for companies engaged in the servicing of all types of vehicles.

A separate functional part of the system is KYBOS, a strong reporting tool allowing for easy and fast compilation of outputs for managers. It contains a set of tools for generating spreadsheets and data outputs.

IS Prytanis is currently used by thousands of satisfied users in the Czech Republic and Slovakia (Slovak version) who appreciate its openness, flexibility, and simple, well-arranged interface. Its modular architecture allows for the creation of an information system specifically tailored to the needs of an organisation by selecting individual modules while maintaining certain minimum configurations. IS Prytanis can be linked with large accounting systems such as SAP, Dynamics NAV, and others, thus providing an opportunity for the complete utilisation of high-quality, industry-specific solutions for transport, forwarding and logistics even for large companies.

Commander Services

As of November 2022, the Seyfor Group also includes Commander Services s.r.o., a Slovak company whose product is strongly complementary to the existing Seyfor product portfolio.

Since its establishment in 2005, Commander Services s.r.o. has worked hard to become a leader in GPS vehicle monitoring on the Slovak market, with a share of over 30%. It is currently very successful in expanding to the Czech market, where it is continuously increasing its market share.

It provides and operates its own comprehensive CCC (Commander Control Car) solution, built on its unique know-how, cutting-edge vehicle hard-

ware, and specific expertise in GPS vehicle monitoring and fleet management.

Services rendered also include a 24/7 information hotline and an extensive service and assembly network in Slovakia and the Czech Republic. Commander primarily serves corporate customers. Although the customer base mainly consists of business, construction, logistics and transportation companies, municipal technical services and road maintenance companies, private persons are not an exception either.

By the end of 2023, the number of objects monitored in CCC exceeded 60,000.

The main products and services offered by the company include:

- GPS vehicle monitoring in real time, enabling customers to monitor vehicle location, speed, direction, current and average fuel consumption, refuelling, fuel decreases and other information.
- Automatic journey logbook with automatic refuelling reports.
- Securing vehicles or other movable objects from theft.
- Vehicle fleet management, which includes downloading truck tachographs, activity monitoring, route planning, cost optimisation, vehicle administration and servicing.
- Solutions for road safety improvements, such as speed limit notifications, driver behaviour alerts, and more.
- Other services, such as fuel card provision, people movement monitoring solutions, monitoring of machinery, motorcycles or boats, and other specialised services.

T-Cars

In November 2023, we expanded our GPS monitoring and telematics portfolio with technology-intensive solutions from the Uherské Hradiště-based T-Cars System, which is now 100% owned through Commander Services.

Like Commander, T-Cars provides advanced SaaS solutions for GPS monitoring of vehicles and other objects using highly advanced and comprehensive fleet management functionality. However, T-Cars is a solution primarily focused on larger implementations, requiring broad experience and a project-based approach.

The T-Cars solution is specifically designed for more technologically demanding customers, with custom implementations of advanced functionalities selected according to specific customer requirements. In addition to the Commander offer, T-Cars also provides functionalities such as route optimization, fuel consumption monitoring using CAN/FMS and level probes (evaluation of sudden losses during theft), monitoring of high-volume waste containers, engine hours in construction, forestry and agricultural machinery, and other advanced functionalities including those for road management and maintenance fleets, or emergency and security services. The T-Cars solution is also used by the Czech Post, which is the largest fleet in the Czech Republic.

Vema Ekos

Vema Ekos is an economic system especially suitable for budgetary and contributory organisations. It is used by more than 1,200 clients, and its typical price ranges from CZK 10,000 to 250,000.

The information system offers a set of applications for processing a wide range of economic and logistics agendas. It is integrated ERP software that handles the needs of organisations of all types and sizes, and offers them reliable and comprehensive

business management solutions. With an evolution that has been ongoing for almost three decades, one of its main advantages is the continuous development of technologies, and the routine incorporation of ever-changing legislation.

Ekos offers a wide range of tools for financial, cost and managerial accounting, supplier/customer document solutions, cashless payments automation, and asset recording, including the use of bar codes.

In general, the system specialises in the non-commercial segment, especially in budgetary and contributory organisations. It therefore supports the specificities of this segment, such as the creation of all accounting and financial statements, direct communication with CSÚIS and IISSP systems, budget monitoring, and the handling of subsidies and grants under multi-source financing.

Conversion modules may also be used as a comprehensive solution, since they secure items such as electronic communication with banks, outputs required by the state administration, communication with asset or stock bar code readers, connection with the Tax Portal of the Czech Financial Administration for EET, and communication with special data boxes for publishing orders in the Register of Contracts.





SEYFOR SOLUTIONS FOR

large companies and the public sector

Seyfor is a traditional and reliable partner for large enterprises and the public sector. Our ambition is to develop our position as the preferred partner for solutions that further the continuous development of digital companies in the countries where we operate. In the eGovernment area, Seyfor focuses on supporting the performance of the state institutions' specific agendas.

eGovernment

Our portfolio of solutions for government institutions includes systems for conducting administrative proceedings and processing electronic files, applications supporting compliance with legislative procedures, and maintaining legal registers. Our key segment specialisations comprise customs duties, agriculture, and health care. In customs duties, we offer comprehensive process support and solutions for customs procedure automation. Our long-term customers include the General Directorate of Customs of the Czech Republic, and over the last decade grew to also include customs administrators in Serbia (where we were awarded with a second significant project in 2023), Montenegro, and Finland. In agriculture, we provide agricultural registers, systems supporting the processing of applications for agriculture subsidies,

and monitoring and information systems for the supervisory bodies of the Ministry of Agriculture, primarily in the Czech Republic, with an ambition to gradually penetrate other markets. For instance, we implemented a system for the identification and registration of animals in Azerbaijan. In healthcare, we offer systems for ePrescription of medicines and medical devices, information systems for health insurance companies, and Access Points – an information system for cross-border exchange of health insurance and social security information.

In 2023, we completed the implementation and commissioning of two large eGovernment systems in the Czech Republic:

- eSbírka (eCollection) and eLegislative (eLegislation), one of the biggest IT projects in modern history, where Asseco is the main supplier and Seyfor supplies the key part of the eLegislative

solution, providing complete support to all legislative processes in electronic form.

- A criminal records information system recording all judicial decisions for individuals and legal entities, which can be connected to similar systems EU-wide, e.g., to the ECRIS module.

We are also servicing, developing, and supporting the public registers information system, and managing infrastructure for the population registry as well as the register of rights and obligations.

All of these projects form the cornerstones of eGovernment in the Czech Republic, and are among our most important references.

Customised software solutions

Seyfor helps public and private companies design, develop, modernise, and maintain software. As part of this strategy, the company develops tailor-made software solutions and implements commercial products. Our software helps customers increase labour productivity and the rate of digitisation, automation, and in-house process integration. Seyfor then provides the services necessary to maintain and further develop the solution. As a result, our customers achieve greater efficiency and profitability.

Collaboration with customers

Agile principles of development and close cooperation with customers are at the core of Seyfor's development of customised software solutions. With professional skills employing the latest technology, tools, and development methods, we strive to maximise the added value of our software. Many of our solutions have an impact on society as a whole and affect the competitiveness of businesses.

Data analytics

Transforming companies into efficient, data-driven organisations.

We provide solutions to support management decision-making processes for medium-sized and large businesses. We offer comprehensive services and products for data analytics, from strategic consultations to business requirements analysis, solution proposals, implementation, training and support. Our solutions comprise all key areas of data analytics: data warehousing and data integration, business intelligence, advanced analytics and data visualisation, reporting portals, self-service BI,

master data management, managing data quality, applications for planning and forecasting, and data science. We provide both on-premises and cloud solutions.

Infor

Infor is a world leader in creating software for deployment at industrial companies, building comprehensive cloud solutions for various segments of industry and efficiently using advanced technologies to provide extensive functionality, quality, user friendly design and wide integration possibilities. Infor has 17,000 employees and offices in 47 countries worldwide. Infor solutions are used by over 65,000 companies worldwide.

Seyfor is exceptional in its long-term and deep knowledge of Infor ERP solutions, local legislation, and business processes and practices on the client side. We have one of the most stable and experienced Infor LN teams among Infor partners worldwide.

Infor LN

Infor LN is a comprehensive ERP system designed for medium and large industrial enterprises with discrete production types. It allows for deployment in multi-company, multi-site, multi-currency and multi-language regimes. Infor LN has a long history and is still known on the Czech market under its original name, Baan. Infor LN is one of Infor's flagship products. Our portfolio is dominated by engineering companies, who mostly use Infor LN in the on-premises licence model.

In the cloud environment, the product is part of a wider software solution under the name Infor CloudSuite Industrial Enterprise, and industry-specific solutions Infor CloudSuite Automotive, Infor CloudSuite Aerospace and Defense, and Infor CloudSuite High-Tech and Electronics. Cloud-based versions of these solutions use the AWS (Amazon Web Services) platform.

Seyfor is virtually the exclusive supplier of Infor LN solutions in the Czech and Slovak markets. Though some components originate abroad, in most cases we are the provider of Czech and Slovak localisations and related services. As for new customers, our current focus is on delivering solutions for the engineering, automotive, aerospace and defence segments.

We are also developing our own application, Seyfor Mobility, for our customers, enabling automation of work with warehousing and production data.

Infor Visual

Infor Visual is an ERP system designed for small- and medium-sized manufacturing companies with a discrete type of production.

The portfolio is dominated by engineering companies. Infor Visual has unique functionality in production planning and regulation based on the theory of constraints. Customers in the Czech Republic mainly include local companies. We have been localising and implementing Infor Visual software for almost 20 years.

Infor OS

Infor OS is an integration platform for an enterprise information system built on Infor products, with optional use of products from other vendors. It enables integration of individual parts of the information system without any complex programming, and expands the basic ERP functionalities with a wide range of tools, including workflow, DMS, mobile client, web-portal interface, etc.

Infor CPQ

Infor CPQ is a top product and price configuration tool, enabling customers to adapt the required product maximally to their individual needs. Infor CPQ is an ideal tool for anyone offering their products or services to customers, online or through authorised distributors, who needs an automatic and seamless order transfer to the ERP of the production company.

Infor d/EPM

Infor d/EPM (Enterprise Performance Management) is a key tool for monitoring and managing corporate performance. It combines BI tools for transforming business process data into key information and business indicators using financial planning, budgeting, and financial consolidation tools. With the ability to connect to multiple data sources, it provides a comprehensive view of the entire company. d/EPM streamlines work for its users through a unified and intuitive environment, eliminating errors that typically occur when manually preparing and processing data in spreadsheets.

Microsoft Dynamics 365

Microsoft Dynamics 365 is a global company software by Microsoft including all tools for medium and large company management. Microsoft Dynamics 365 is a combination of CRM and ERP systems and other practical applications in both online and on-premises environments. Microsoft Dynamics 365 consists of smart applications, each of which covers a specific group of business processes. The new customer-oriented model enables the creation of an information system according to the needs of specific customers. The platform routinely works with Office 365 and allows for integration with third-party solutions.

Dynamics 365 for Finance & Supply Chain Management

Currently, the state-of-the-art Microsoft ERP platform is available in an on-premises version combined with cloud tools (hybrid implementation), but primarily utilised in a progressive online environment, i.e., the cloud. Seyfor uses it to implement robust solutions for the banking sector, in international and large companies with exceptional demands of robust systems with a broad range of functionalities. It offers strong vertical solutions for professional services provisions (project-oriented companies) in both production and retail. The platform is implemented on Microsoft – LCS Portal (Lifecycle Services) modern technologies and DevOps, thus offering maximum quality for required adjustments, implementation documentation for any customer changes, and the option for process review.

Thanks to a wide portfolio of Microsoft-certified partner solutions presented on a Microsoft partner portal (AppSource), it is possible to design effective solutions for specific customers with minimal demands to customer modifications, thus simplifying all subsequent system upgrades. New versions of the system are currently being released every month, bringing new functionalities and capabilities. All modifications are developed outside the core system, which can then be easily upgraded to a higher version.

Microsoft Dynamics Finance & Supply Chain Management helps increase productivity and competitiveness by consolidating and standardising key business processes, providing an overview of all financial and accounting data and information

on customer activity, and simplifying basic HR administration. It also includes marketing support tools and many other functionalities for modern company management.

Dynamics 365 Business Central

The online version of the highly successful Microsoft Dynamics NAV product has become part of the Microsoft Dynamics 365 cloud family under the name Microsoft Dynamics 365 Business Central. The application is also available for on-premises environments, namely for extensive and intensely customised projects. In the Czech Republic and Slovakia, Seyfor implemented this application for more than 400 customers, becoming one of Microsoft's most significant partners in the region.

Microsoft Dynamics 365 Business Central is a comprehensive localised software ERP solution for medium-sized organisation all-in-one, comprising company activities in logistics, finance, production, and even HR if required. It can be speedily implemented, and easily configured and used.

Microsoft Dynamics 365 Business Central attributes help managers identify new profit opportunities and respond accordingly and quickly. At any moment, the system provides up-to-date information on the company so that business and financial information is always linked to all sales and marketing data. Microsoft Dynamics 365 Business Central helps companies understand what the figures mean, thus helping with business management. It also helps recognise trends and identify new business opportunities. It is successfully deployed in an international environment.

Dynamics 365 for Sales

Based on the original Microsoft Dynamics CRM product, this application is a tool for efficient business planning and management. It focuses on 360° customer insight, timely detection of business opportunities, bid creation, monitoring and evaluating sales volumes and sales team performance. Dynamics 365 for Sales CRM solutions improve the efficiency of business processes and help reduce operating costs. Customer relationship management provides an organisation with necessary information about each customer and helps automate business processes. CRM through Microsoft Dynamics 365 for Sales results in improving customer experience and increasing loyalty. Microsoft





To make technology fit human needs

Dynamics 365 for Sales also enables comprehensive customer relationship management, provides comprehensive CRM, tools, and functionalities necessary to maintain a complete overview from first contact, through the contractual relationship and business activities, to after-sale services in all fundamental areas including sales, marketing, and services.

Dynamics 365 for Customer Service

The Dynamics 365 for Customer Service application focuses on agendas related to seamless and proactive customer service.

Dynamics 365 for Field Service

This application is designed to manage field services such as maintenance, repairs, etc. It creates an information service for operators and field workers.

Dynamics 365 for Project Service Automation

This is a support tool for creating, planning, and managing projects and maximising a team's awareness of implementation status and progress.

Dynamics 365 for Marketing

This is a marketing automation application that enables the creation of graphical email messages and online support for marketing incentives, as well as event management, and the creation and administration of customer surveys.

Dynamics 365 Talent

This application supports HR departments and recruitment agencies. It helps select new employees and enables the complete management of a company's HR agenda. It also links to LinkedIn.

Seyfor OneCore

The Seyfor OneCore family of products for Microsoft Dynamics 365 Business Central is designed as a comprehensive solution for companies providing financing. We can primarily service the following financial products: financing and operating leases, borrowings, loans, insurance, vehicle fleet management and more. Most importantly, it is our own product, prepared as an extension to the Dynamics 365 Business Central system. The Seyfor OneCore product family comprises the following separate applications:

- **OneCore** – a robust core system for large lease and credit institutions covering the entire life cycle of a lease and loan contract with a customer.
- **OneCore Calculation Engine** – a cloud-based service/tool that can calculate an instalment amount, a payment schedule, and other financial indicators for customers through a standardised API.
- **OneCore Business Portal** – a tool for the fast preparation of calculations and offers for financial leasing, operating leasing and loans. It is our own web application.
- **OneCore Client Zone** – a web-based application that allows customers of a lease or lending company to access the data they need.

OneCore Apps

Individual applications originated from the large Seyfor OneCore system and are meant for customers from the financial services and rental services segment. The applications are, again, built on Dynamics 365 Business Central, in the SaaS model. All applications have passed a complex Microsoft certification and are available on Microsoft AppSource, where customers may purchase them as add-ons to Dynamics 365 Business Central. These are:

- **Loans app** – an application for companies providing loans.
- **Financial Leasing app** – an application for companies providing finance leases.
- **Rental app** – an application for companies renting various items.

Incadea

Incadea.dms (dealer management system) is a product from our partner Incadea GmbH based on the Microsoft Dynamics NAV (now Business Central) platform and adjusted for the needs of car sales. This solution is international, flexible and can easily be adjusted to the requirements of each customer. Individual modules in the Incadea.dms system are interconnected in order to prevent duplication and reduce error rate, providing dealership management with comprehensive financial information on their company operations. Another benefit is developed integration for BMW, DAF, Jaguar, and Mercedes-Benz vehicles.

D3Energy

An information system for comprehensive customer service in the energy sector. The solution consists of separate modules which are interconnected in terms of processes, and can thus form one unit in the energy environment. D3Energy can be implemented thoroughly in the proposed scope, or by separate modules: CRM, Pricing, Trading, Billing, Balance, Customer and Partner Portals, Business Connector, and Reporting.

FLEXI IT

A key billing module of D3Energy focusing on energy traders, alternative suppliers and distributors. FLEXI IT supports processes associated with customer acquisition (CRM Utility), billing, communication with the market operator and subsequent communication with the customer through a web portal. FLEXI IT is a market leader among billing systems supporting the sale of electricity, gas, water, heat, CNG and recently estations.

CRM Leonardo

A CRM system intended primarily for large enterprises. In line with current trends, it is designed for work with large volumes of data and extensive communication with external systems through API interfaces to transfer business, financial or technical data. Its outputs are structured and optimised to preserve all information while making the displayed data meaningful, clear, and easy to read.

MLM Leonardo

A CRM solution for multi-level marketing, which works with a business strategy based on direct sales, where the sale of products and services is provided by contractual distributors who have further resellers linked to them. Thanks to the process-sophisticated commission CRM system, a network of distributors is created with differently set incentive and remuneration systems. Part of the MLM system is also a CRM solution for field work on Smart devices.

Microsoft 365

The M365 platform is now a standard for internal communication and process management. We guide our customers through the entire cloud transformation, starting with an initial environ-

ment analysis, solution design, project migration, and ending in an adoption campaign, governance model, exit strategy, and tools to help users with M365 applications. We have managed the successful migration of large banks, insurance companies, manufacturing companies, and public administration organisations.

The ever-growing trend of the cloud environment moves our DMS, workflow, HR app, and Intranet portal solutions from the MS SharePoint on-premises platform into the Microsoft 365 cloud environment, which offers expansion of the SharePoint functionalities in file management and information, adding communication tools for team cooperation and other application functionalities.

Cooperation support products

Within Microsoft technologies and others, we are building Intranet portals, process applications, applications for document management and data-sharing with customers, knowledge bases, and other solutions. Our teams serve companies with customers in the lower hundreds, as well as larger companies who see this platform as critical for cooperation.

We offer DMS 365, a ready-made solution for processing large numbers of documents such as invoices, contracts, correspondence, and the like. In addition, we also offer Controlled Documents 365, an application for managing policies, procedures, standards and similar document libraries, which provides approval, publishing, revision of, and familiarisation with management documents in organisations.

For larger organisations, we develop tailored document and process management applications for internal processes in a Microsoft environment. The implementation is usually preceded by an analysis of these processes and a recommendation of tools most suitable for specific areas and processes. We also set up advanced security management focused on documents and information (printing restrictions, forwarding, categorisation, etc.).

Microsoft Azure

Large customers transfer to the Microsoft Azure platform for several reasons, primarily its flexibility and scalability, enabling customers to adapt its infrastructure to changing needs speedily and

effectively. Another important factor is the security provided by Microsoft Azure. The platform has a wide range of tools for data management and protection, which is crucial for large organisations with high demands on their data security. Microsoft Azure is also integrated with other tools and services from Microsoft, such as Office 365, which makes work easier and increases employee productivity. These are just some of the factors leading to the growing number of large customers transferring to the Microsoft Azure platform.

We have implemented one of the first large migrations of local datacentres to the MS Azure environment in Central and Eastern Europe. Apart from the technical aspects, we assist customers with analysis, preparation of ROI, and the entire change-management of such a project, including the adoption campaign, using our experience and unique know-how.

Knowee

Knowee is a modern learning management system (LMS) enabling quick, effective, and online employee learning. The heart of the solution is microlearning – dividing the learning process into small units and short-term lessons. It runs completely in the MS Teams environment.

Knowee contains courses for working with M365 on cybersecurity and AI. In addition to the courses already included, your own content can easily be downloaded to Knowee using an intuitive editor, including the option to insert videos and other multimedia. It is therefore possible to have complete access to corporate learning in MS Teams.

The system contains clear reporting to allow for employee learning assessments. It also monitors which employee has covered which content.

Seyfor solutions for infrastructure

The ICT infrastructure, i.e., the sum of information and communication technologies used by a company to ensure the smooth running of its IT, is one of the most important strategic resources of every business. Its quality is essential for collecting, analysing, and disseminating information across the organisation. The goal of Seyfor solutions is to deliver (or otherwise provide) and consequently maintain ICT infrastructure that is always reliable, accessible and operable, and to facilitate the seamless operation of all important applications.

Today, this does not involve just an on-premises solution. Cloud services are becoming more and more suitable for certain tasks, also allowing for simple scalability of performance while maintaining the above-mentioned basic characteristics of a properly designed ICT infrastructure.

Customers rely on us for projects such as building datacentres, deploying server technologies and building computer networks. We take pride in being not just a vendor, but a consultant who accompanies the customer throughout the life cycle of IT infrastructure, i.e., from analysis of the current state, through planning and implementation, to long-term support.

Outsourcing contracts and contracts on the provision of IT infrastructure support are an integral part of our long-term cooperation with key customers. Our customers may use consulting teams, a non-stop hotline, permanent remote supervision of their IT operations, and advisers in operations financing.

Cybersecurity

Cybersecurity has become increasingly important in recent years. The Cybersecurity Act stipulates the rules for the public sector, but in the near future it will also impose obligations on the private sector. For our customers, we provide consulting services to assess the current state of security in relation to standards such as NIS2, ISO 27001, TISAX, GxP, and others, including vulnerability tests in both on-premises and cloud environments. This ensures protection in network security, application security, access and identity management, and endpoint security. In the area of security incident detection, we provide SIEM (Security Information and Event Management) services and regular reporting. Subsequently, we help customers with designing corrective measures and optimising the setup of safety tools and measures.







SEYFOR SOLUTIONS FOR **HR management**

Seyfor has a strong position in the Czech Republic and Slovakia in the supply of payroll and human resources management systems. Vema HR's capabilities cover the needs of both small corporate clients and non-profit organisations, as well as large corporations and governments. KS – program also covers similar market segments. Measured in both sales and the number of employees receiving their salaries through IS Vema and KS – program, we are the clear leader on the market.

Vema

The Vema payroll and HR system is suitable for all organisation types and sizes in the Czech Republic and Slovakia, as it supports all valid versions of applicable payroll legislation. The system is currently used by over 7,500 clients, and the typical price ranges from CZK 20,000 to CZK 500,000.

The Vema payroll and HR management system offers a comprehensive solution to support human resource management processes. The system provides its users with a wide range of functionalities for payroll and human resources management, from the process of hiring new employees, through comprehensive employee training agendas, to regular employee evaluation. Everything is supported by several automated functions, such as tracking personnel events, online communication with authorities, and electronic approval within defined processes (workflow).

Major emphasis is placed on high system performance, maximum data security, high availability, and provability of all tasks in accordance with current cybersecurity requirements. In 2023, we obtained an ISO 27000 certification for the Vema system and all related processes.

In addition to the core functionality, Vema delivers additional applications and modules from various areas of human resources management. Examples include attendance systems, benefits management, meal records, business trips, links to the insolvency register, shift planning, and performance records planning. The GDPR module is used to facilitate the fulfilment of requirements stipulated by the General Data Protection Regulation (GDPR). Highly automated interfaces to government systems are a significant part of the Vema systems, including for example, eNeschopenka (e-sick note) and the sickness insurance register.

All Vema payroll and HR system applications can be installed on your own IT infrastructure by purchasing a licence or using the Vema Cloud service. Many customers also use external payroll processing and other components of the HR IS on Vema Cloud.

The Vema product family expands every year with new modules reflecting current trends and the wishes of our customers. In the past fiscal year, these were mainly modules using the Vema web portal to facilitate the payroll staff's communication with employees, circulate and confirm documents, and significantly reduce the administrative burden associated with issuing certified documents and confirmations. We have also added a component to reflect changes in the Labour Code, which enables easy electronic communication between employers and employees, including electronic signature of documents.

As part of a continuous product modernisation, emphasis has been placed on the development of a new web platform, which will open up the possibility of using the entire family of products on mobile devices as well.

Vema Cloud

The Vema V4 Cloud service has been operated by us since 2005. All products from the Vema family are architecturally tailored for both on-premises and cloud operations. From a product control point of view, both solutions are identical and the customer can decide whether to use the products locally or use Vema V4 Cloud services.

The Vema V4 Cloud service has nearly 1,700 customers in the Czech Republic and Slovakia. Cloud users represent a wide range of businesses, from the smallest with only a few employees, to the largest with 10,000 employees.

KS – program

In December 2023, we acquired a 100% stake in KS – program. With the acquisition of this Vsetín-based company, we increased our market share in payroll and HR systems for medium- and large-sized enterprises. Thanks to the merger with Vema, one-fourth of the payrolls in the Czech Republic and Slovakia will pass through Seyfor's technologies.

KS – program, spol.s.r.o. is a leading provider of software solutions for payroll and HR, with a focus on innovation, quality and customer satisfaction. Since its establishment, KS – program has built a reputation as a reliable partner for organisations of all sizes looking for modern and efficient software solutions tailored to their needs. KS – program's customer portfolio currently numbers 2,700 companies in the Czech Republic and Slovakia, including many government entities.

KS payroll PROFi and KS HR

The comprehensive payroll and HR solutions offered by KS – program are suitable for companies and organisations of various sizes, as well as for payroll outsourcing specialists. It includes solutions ranging from onboarding, employee training, evaluation, medical examination scheduling, and finally payroll calculation. As in the case of other programs, we always guarantee a version aligned with valid legislation in the Czech Republic and Slovakia. Electronic communication with the authorities is naturally also available to customers. The work of payroll accountants and HR specialists is facilitated by a range of automated processes. Web services and KS WebAPI connectors facilitate interconnection within all company and third-party systems.



KS Portal

Employees can also use a modern web-based environment to communicate and address their HR and payroll needs. Employees can electronically sign, receive and approve documents, deal with business travel, make changes to personal details, request leave, schedule shifts, conduct appraisals, complete income tax return, and much more. Meanwhile, managers have a constant and complete overview of their subordinates and can promptly address their requirements.

KS mobiAPP

The same benefits are also provided by our mobile app, which is designed for employees to easily manage HR processes and create reports. For example, employees can access pay slips, enter leave and absence requests, fill out business trip requests, and check the calendar, while managers can have an instant overview of their subordinates.



SEYFOR POS SYSTEMS FOR

gastro, retail and services

The world of restaurants, retail and services is changing with the digitisation of processes on the part of end-customers, entrepreneurs and their supply chains. Retailers and service providers in the hotel, restaurant and catering industry need new tools to remain competitive and provide their customers with modern access to services or shopping. The pandemic has further increased the pressure for small enterprise digitisation. Automation and artificial intelligence working with online information gathered through data analysis have entered the process. Market opportunities are also accelerated by legislative changes in the Czech Republic, Poland, Slovenia, Germany, and Slovakia. Seyfor's portfolio currently includes POS solutions for all customer sizes and verticals. The company is the Czech market leader in POS solutions for SMEs, and also operates in Poland, Slovakia, Germany, and Slovenia.

POS Solutions for Medium and Large Corporations and Chains

SmartPOS

SmartPOS is a robust and customisable POS system, with a unique data replication system that makes it suitable for managing retail or food chains and franchise retail concepts. The system is designed to be deployed in companies with hundreds of units of centrally controlled establishments while maintaining the full functionality of an offline point of sale, i.e., in the event of an internet connection outage.

The entire SmartPOS system is designed to be decentralised, with each branch containing the option of full-value coordination not only with the cash register, but also with the warehouse. In addition, SmartPOS allows customer clubs to synchronise earned points and credits, as well as online customer validation.

An ecosystem of applications, such as loyalty applications, booking, employee administration, and online orders, stems from SmartPOS. Over the course of 2019, self-service kiosks were also installed in live operation by customers, along with the linked order delivery systems. The Fruitissimo mobile application, which in addition to identifying customers at branches also allows personalised campaigns and discount vouchers to be sent directly to the customer's mobile phone, ranked high in the Food category on the Apple Store soon after its release.

Cloud POS systems for SMEs

Cloud POS systems are modern "boxed" versions of POS platforms designed for small- and medium-sized businesses.

The systems are provided to clients as a recurring paid service in the SaaS model. Data is replicated to the cloud where it can be further processed to provide users with information through reports and automated recommendations to streamline their business. Big data analysis also enables the provision of information services, marketing and market reports for manufacturers and wholesalers. The systems also facilitate integration with



a wide range of third-party products through open APIs, thus moving into the role of a business digitisation platform for SMEs. A major opportunity for these systems is the development of fintech services in connection with the acceptance of various payment instruments, such as credit cards, meal vouchers or closed mobile payment schemes. Their development will allow the self-employed and small and medium-sized businesses access to digitised credit services.

Dotykačka

Over 11,000 paying clients in the Czech Republic and Poland currently use the Dotykačka solution, and over 75,000 users have already downloaded it on Google Play. The solution was created in 2014, and through a wide range of functions and services for individual verticals, today it represents a full-fledged POS system for the gastronomy segment, small retailers, and services.

Services are provided on a commitment-free subscription basis with three monthly tariffs, each differing from the others in features, integration options, and support service levels. The Dotykačka POS solution is implemented on the Android platform, either on supplied hardware or with the option of using one's own device. The system replicates data to the cloud and may also be used offline

without a stable internet connection. It offers the benefits of a cloud-based solution where data is stored over the internet, and POS can be set up centrally from anywhere via remote management. This includes uploading items into the system, managing stock, and adjusting the system from anywhere, as well as securing offline operations in case of an internet connection outage. The product is designed to be unpacked from the box and launched by anybody, without the need for complex implementation. Users have long appreciated its reliability and ease of use. The Dotykačka application provides a large public API on its remote cloud management where several integrations are implemented, such as CCTV and the Uber Eats delivery service among others.

Markeeta

Markeeta is a state-of-the-art POS system built on a cloud-based platform and simple Android OS devices, providing entrepreneurs and small businesses with functionality previously reserved for complex and cost-intensive systems for just a fraction of the financial investment.

The Markeeta system was founded on 20 years of experience in the development and implementation of the SmartPOS system. It is characterised by features such as speed, ease of use, intuiti-

tive operation, and high data security. Experience with the operations of large chains has facilitated the creation of a fully digitised solution for certain verticals such as press dealers, where EDI communication automatically retrieves documents, creates sales items (including prices), and suggests orders or remittances (returns of printed materials). Markeeta allows the entrepreneur to obtain a comprehensive overview of the business, including both sales and stock management.

A superstructure was built above the Markeeta system for the full-fledged handling of events such as concerts or festivals in the so-called cashless mode. Customers top up funds onto electronic identifiers (cards, bracelets, etc.), which are used to make cashless payments at all points of sale. The festival operator thus obtains a detailed overview of the revenues of all locations and can accurately calculate turnover rates.

Markeeta has become one of the most widely used POS systems in the Czech Republic in the first two waves of the introduction of the electronic reporting of sales (EET), with around 10,000 active customers.

Dotypay

Dotypay introduces payment solutions at POS terminals running on Android. In the first half of 2020, Dotypay successfully certified the Landi Android terminal for Visa and Mastercard payment cards, and separate from payment functions, also launched integration with the Dotykačka and Markeeta POS systems and the Profi Účtenka application.

Dotypay offers payment solutions within the group, as well as independently and to third parties. Its offer currently comprises the Landi A8 terminal, and in cooperation with Dotykačka and Smart software, offers both standard sale and lease of the payment terminal. Under the auspices of the Czech Ministry of Industry and Trade, and in cooperation with Mastercard and Visa, it offers discounted payment terminals for SMEs in the “Czech Republic pays by card” project. Dotypay is an Independent Sales Organisation (ISO) partner of SIA Central Europe, and as such may offer its services on the Czech and Slovak market. In 2020 and 2021, the company further built its customer portfolio in the Czech Republic and Slovakia, expanded into Poland and Germany, and offered new terminals.

Besteron

Besteron is an internet payment gateway for payments by card or by bank button. It offers a comprehensive solution for online card payments, with the possibility to accept payments from all over the world or online bank transfers from Slovak and Czech banks.

Tapeon

Tapeon is a brand name of POS terminals for outlets, retail networks, self-service kiosks, and e-shops. It operates in the market as an official ISO certified partner of Visa and Mastercard.

Multi-Platform EET Applications for Mobile Devices

Profi Účtenka

This multiplatform POS application for iOS, Android and Windows, with 20,000 downloads, is available for free from the Apple Store, Google Play and the Microsoft Store.

The application was launched by Seyfor in response to the Act on Electronic Reporting of Sales, which came into effect in the Czech Republic in November 2016. It allows the simple issuance of a receipt, and its automatic forwarding (individually or in batches) to the Financial Administration's server. It also supports printing receipts on WiFi or Bluetooth printers, as well as the ability to send them via email or social networks. Monetisation is indirect, and it is possible to use iDoklad for archiving issued receipts.

The application has basic cash register functionality. It allows users to create returns and work with price lists, discounts, and addresses. The app boasts user-friendly operation and an attractive user interface, both of which make it one of the most popular POS mobile applications in the Czech Republic. Support for the visually impaired was also taken into account during development, with voice-over functions to make reading the application easier.

ESG Report 2023

The human aspect we cherish at Seyfor is not only reflected in our relationship with our employees, but also in our relationship with the environment. Here's what we're doing to make life better for everyone, everywhere.

ENVIRONMENT

Environment

Resources and Circular Economy

We take a responsible approach to waste management, making sure we do not produce unnecessary waste. Furthermore, we separate waste at all our branches so recyclable materials can be further processed.

We also regularly educate our employees about how to dispose of waste, and make it as easy as possible for them to sort waste at all our branches.

Since Seyfor produces cutting-edge IT technologies, we use in-house solutions that have significantly reduced our paper consumption over the past three years by moving to digital documentation.

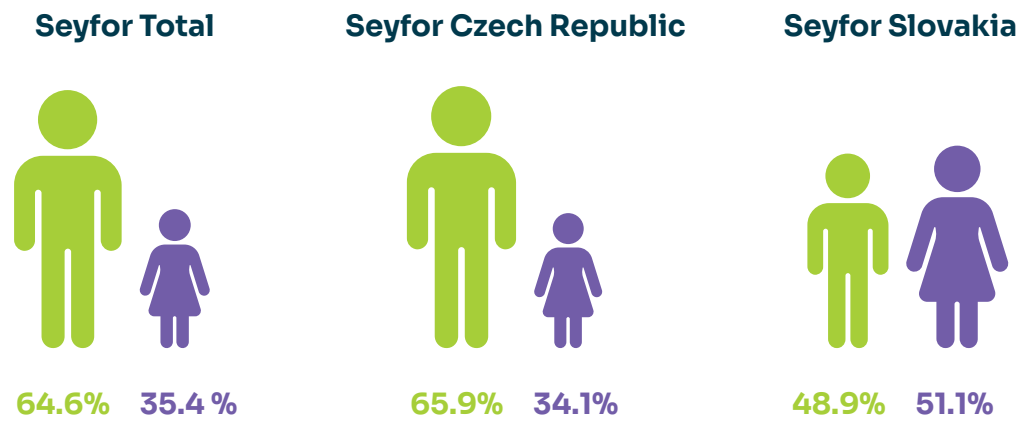
We have also purchased new EVs, which are mostly used for official errands and travel between branches.

At the same time, we are developing a concept to introduce electric bicycles at Seyfor. This would enable easy and environmentally friendly transportation to our offices for those who live within a convenient commuting distance, thus significantly reducing the use of vehicles with internal combustion engines.

Combating Climate Change

The effects of climate change are being increasingly felt, even in our own temperate zone, and we at Seyfor are not indifferent to this situation.

That is why we are currently preparing steps to closely monitor our carbon footprint and systematically reduce it. As a tenant, we are unable to influence the origin of the electricity we use, but we have installed heat pumps for heating and cooling in some of our more modern buildings (e.g. at our office in Příbram).



SOCIAL

Gender Equality

At Seyfor, we offer equal opportunities to both men and women, as seen in the high percentage of women in our company: 35% in the Czech Republic and 52% in Slovakia, both exceptionally high for the IT sector.

As part of our support of women in IT, we have a **partnership with Czechitas, a non-profit organisation** that opens IT to women. We attended the Czechitas Job Fair for the first time in November 2023 to introduce female graduates of IT development courses to career opportunities at Seyfor. Women from our offices who graduated from one of Czechitas' programmes took part in the presentation, describing our company to perspective candidates at the job fair.

Establishing a Work-Life Balance

Work-life balance is essential for us at Seyfor. In addition to **flexible working hours**, we have also introduced **unlimited holidays**, so each employee can take time off more freely and not be tied down by having to save their holidays. We want our people to be mentally relaxed and able to take time off when they need it.

According to statistics, 197 employees took unlimited leave, with each taking an average of 3.5 days, and the highest number of days taken by an employee in 2023 was 15.

We encourage our employees to work remotely, even after the COVID-19 pandemic. We do not have uniform **work-from-home rules**, and we leave this decision up to individual team leaders.

Wellbeing

At Seyfor, we increasingly recognise that personal wellbeing among employees can positively influence their engagement and productivity. That's why we strive to make our working environment and conditions as pleasant as possible.

Work Environment

Seyfor was formed through the merger of nearly three dozen different companies, but we don't seek to unify corporate cultures or work environments. That's why we maintain many of the original offices, retaining their family-like atmosphere. But we modernise these locations so that employees can have pleasant and chiefly functional offices.

At the Drobného office in Brno, we prepared new offices for the Money S3 marketing and customer support departments.

At the Brno Automeia site, we opened another part of the offices for our colleagues from what was previously TECHNISERV IT (now the Tech Solutions business unit) and the finance department.

People in the Bratislava office on Pluhová Street were moved into our main Slovak office on Plynárenská Street, and our Banská Bystrica office changed addresses.

Local Specifics

We do not try to force our branches into uniformity. On the contrary, we are happy if they retain the atmosphere employees are used to. For example, our people in Ústí nad Labem can use the local sauna. Some branches like fruit boxes. Drobného hosts great barbecues on their terrace, while the Money ERP team at Automedia serves different styles of breakfast.

There are also regular ice cream days in the summer, St. Nicholas brings gifts every year at some branches, and we celebrate International Women's Day.

Remuneration

In cooperation with the Korn Ferry agency, we have prepared a market survey on salaries in the IT sector to better evaluate and set remuneration for employees that corresponds to trends in the labour market. We can then compare salaries on the market and across Seyfor.

Benefits

At Seyfor, we offer employees a range of benefits they can take advantage of throughout the year. We want to create an offer that allows everyone to choose the combination of benefits that best suits them and that they will actually use. We thus offer both common fixed benefits and a set of optional ones that each employee can choose according to their preferences.

Fixed benefits include:

- Unlimited holidays
- Sick days
- Unpaid time off
- Home office
- Meal allowances
- Flexible working hours
- Gifts marking major events in life
- Rewards for employee referrals

Optional benefits are then selected by each employee once a year in an application where they can choose where to allocate CZK 8,000.

Employees choose from a range of optional benefits:

- Benefit Plus top-up (cafeteria)
- MultiSport card

- Long-term investment product (DIP) allowance
- Pension and life insurance contribution
- Tuition fees for language classes
- Contributions towards devices of choice
- Mobile subscription plan upgrades

We provide aid to a number of groups as part of our CSR activities

Seyfor employees are regularly involved in various fundraisers and charity events, regularly lending their time as volunteers. Most of these activities are local and often have a direct link to our employees, and we have supported many of them for years.

Krabice od bot (Shoebbox)

Over the past few years, Seyfor has participated in the Krabice od bot (Shoebbox) event, which is the largest Czech Christmas gift collection drive for children in need. In 2023, individual collections were organised at several of our branches, and volunteers subsequently wrapped more than a hundred beautiful gifts that went directly to children.

Seyfor Helps Child Cancer Patients

At Seyfor, we always give our employees a little gift at Christmas. Last year, every employee received a softshell jacket. However, some of our colleagues



instead decided to donate the financial value of this gift to charity.

Those who chose this option worked together to select the cause, and in the end CZK 49,623 was sent to the Krtek Children's Oncology Foundation.

Helping Employees in Need

In Slovakia, we use the opportunity to donate 2% of our taxes to non-profit organisations or civic association. We regularly send part of this amount to our employees who are in need, have suffered a serious illness, or are facing tough times. In 2023, we supported the civic association Living with Children, which supports one of our colleagues. After contracting COVID-19, he was afflicted with a chronic illness that now severely limits his ability to work.

Supporting Talented Children in Need

Another part of the 2% of 2023 taxes donated from Seyfor Slovensko, a.s. supported the floorball club in Modra, which helps develop athletic and character values in children from socially disadvantaged families and actively supports them financially.

The non-profit organisation Plamienok – Development of a Children's Hospice

Since 2022, we have been involved in the 24-hour Ultralanovka ultra-trail run charity in Slovakia. Proceeds from this event go towards the operation of a mobile children's hospice, supporting home-based hospice care and providing therapies for children and their families.

Collection for the Betánia Asylum Centre

In recent years, we have initiated a Christmas collection for the Betánia Asylum Centre in Slovakia, which provides aid and shelter to abused women and children. Our employees regularly contribute whatever is most needed, usually school supplies, cosmetics, and toys as there are many children between the ages of six months and 14 years at the centre.

Malacky Animal Shelter

As animals cannot help themselves, we have decided to help them. We have many dog lovers at our Slovak branch, and together we supported

this good cause and helped comfort the dogs in the shelter with food and warmth.

Running for the Memory of Nations

In 2023, Seyfor took part in the Run for the Memory of Nations sports and charity event for the first time. The proceeds from this event went towards filming historical testimonies and preserving the memories of people who lived through major historical events. Employees from all corners of the country took part in the run, and we had our race teams at the start in Prague, Brno, Olomouc, Ústí nad Labem, and Bratislava, all running as a team for a good cause.



Collections at Christmas Parties

Christmas parties are one of the most popular events at all Seyfor locations. In addition to entertainment, these events are traditionally associated with various Christmas collections or other forms of support for selected charities.

We supported two organizations at the Christmas party in Brno: Employees raised CZK 19,000 in a fundraiser to support the organisation Take Courage and Act, which helps fight domestic violence, and the Small Business division raised CZK 20,000 to support a family with two autistic sons.

Employee Training and Development

Our expertise is our strength. It is the only way we can offer the best solutions to our customers and give them the assurances that they can always rely on us for the right advice.

Continuous learning, growth, and improvement are key for us. That's why we encourage our people to further develop their knowledge and skills, and we use several different approaches to achieve this end.

Language Courses

Although a large part of the staff at Seyfor communicates with clients in Czech or Slovak, some of our projects go beyond the borders of both countries. We thus offer English courses so that anyone at Seyfor can communicate with colleagues or customers abroad or be able to draw knowledge from foreign sources.

We had 200 people studying English at Seyfor in 2023. Classes are normally held once a week for 60 or 90 minutes. In addition to English, we also provide Serbian courses for project needs, and we have two cases of individual Czech language instruction for our foreign colleagues. Lessons are held at our branches and online, and instruction is in small groups or individually.

Leadership Programme

In 2023, we launched a leadership and management development programme for the first time, working in cooperation with lecturers from the Eschola Training Academy. They worked with selected managers throughout the year to deliver tailored, face-to-face workshops focusing on developing managerial skills in areas such as situational leadership, negotiation, feedback, motivation, and more.

The added value of these management programmes includes the sharing of experiences between team leaders and a better understanding of how they operate across all Seyfor divisions.

We have developed our Leadership Academy as one of the first initiatives under the Talent Program for managers from the Small Business division. We approached Image Lab, a Slovak training company, to develop the programme, and the curriculum was built on four basic pillars: a leader's personality, motivation and commitment, time management,

and feedback. Six managers participated over four days, as well as attending two individual consultations.

The topics that resonated the most among the participants were giving feedback to employees, handling development conversations, and time management.

We will continue this program in 2024, and eight more individuals from the junior management team have been nominated for the Leadership Academy. They will focus on giving feedback, deepening collaboration, and installing productive atmospheres within teams. The program is scheduled for the fall of 2024.

Seduo for the whole year

We have annual licences for the Seduo learning portal available to Seyfor employees, allowing them to study any of the courses on offer throughout the year. We use selected Seduo courses to support stand-alone training programs (such as Employment Law for Managers and other courses within the Management Academy), as well as to expand our knowledge base in various fields.

Support for Universities and Internships

The Enterprise & Public division has been a partner of the Faculty of Informatics and Statistics at the Prague University of Economics and Business since 2022. As partners, we are involved in teaching several courses, and can also assign topics for bachelor's or master's theses. We have also launched an internship program for students to gain practical experience in our Data Analytics business unit, which every year offers new jobs to those earning their Master's degrees in data and analytics.

Our Data Analytics colleagues co-teach the Data Science & Business Intelligence Academy course, which runs in blocks of 13 weeks. They are responsible for four teaching blocks, during which they specifically focus on the full lifecycle of implementing a business intelligence solution, including the Power BI platform. This course is open to both students and external attendees. Some of our colleagues attended this course as students, and now return to their alma mater to pass on insights from their practical experience.



In data analytics, we provide paid internships to students in the MSc Data and Analytics for Business programme (replaced by the Applied Data Analytics and Artificial Intelligence programme in 2024). Based on an agreement with the school, we list three to five places per year. Students in this programme receive 550 hours of work experience for the successful completion of their studies.

We have taken advantage of the opportunity to recruit interns from the beginning of our cooperation with the school. The good news is that six students have already decided to continue with us after the end of their internships, and they are now full-fledged team members and great colleagues.

Participation in Job and Student Fairs

Šance (Chance) job fair

The Šance (Chance) job fair at the Prague University of Economics and Business has been a tradition among students and future employers for many years. At Seyfor, we have cooperated with the university for a very long time, and our teams include former graduates of the school who now work as analysts, consultants, and even developers. That is why we did not miss the opportunity to present

Seyfor as an attractive employer in the IT field at this fair, and we introduced the company and its opportunities either after graduation, or immediately in the form of internships.

Visitors to the fair had the opportunity to vote for best exhibitor on the basis of the appearance of the stand, the overall impression of the visit, and the helpfulness of the exhibitors. Seyfor finished a phenomenal second, with many of its votes coming because of the friendliness our staff displayed. Students praised them for being very pleasant to talk to, presenting the company, answering questions quickly and concisely, and providing useful information. Those interested were provided with information on various opportunities in IT, analytics, and marketing.

IAESTE Days of Opportunities

IAESTE creates space for companies to directly contact students. It is organised at the technical universities in Bratislava, Košice, and Žilina.

We participated in the April 2023 event in Bratislava, presenting our stand to students and offering paid summer internships for those interested. We also presented vacancies at our Slovak branches to graduates.



GOVERNANCE

Code of Conduct and Compliance Guidelines

In 2023, we updated our Code of Conduct and Compliance Guidelines, which we consider to be key documents that show us how to act responsibly and how to be good colleagues.

These documents reflect our values and how we want to act. It's not just about what is legal, but how to be fair and treat others with respect; not just our business partners, but also each other within Seyfor. Although we have many different roles and positions, these documents apply equally to all employees.

Whistleblowing

The new Whistleblower Protection Act came into effect in the second half of 2023.

In connection with this law, employers are obligated to have an independent and secure whistleblowing system in place where violations can be reported. Seyfor has a Don't Let It Happen form set up for this purpose, which employees can find on the homepage of our SharePoint internal communications system. The app itself is very simple: Just choose between the categories and then describe the issue you want to address.

Workplace Safety

Even though working in offices is one of the less risky jobs in terms of potential injuries, we do not neglect safety in the workplace.

All employees are required to undergo occupational safety training and pass a prescribed test on the day they start.

Where necessary, employees are provided with equipment to help ensure workplace safety.

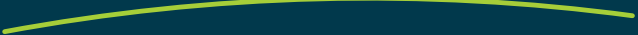
Seyfor's Cybersecurity

We base our cybersecurity measures on the regulations and standards that apply to us, in particular:

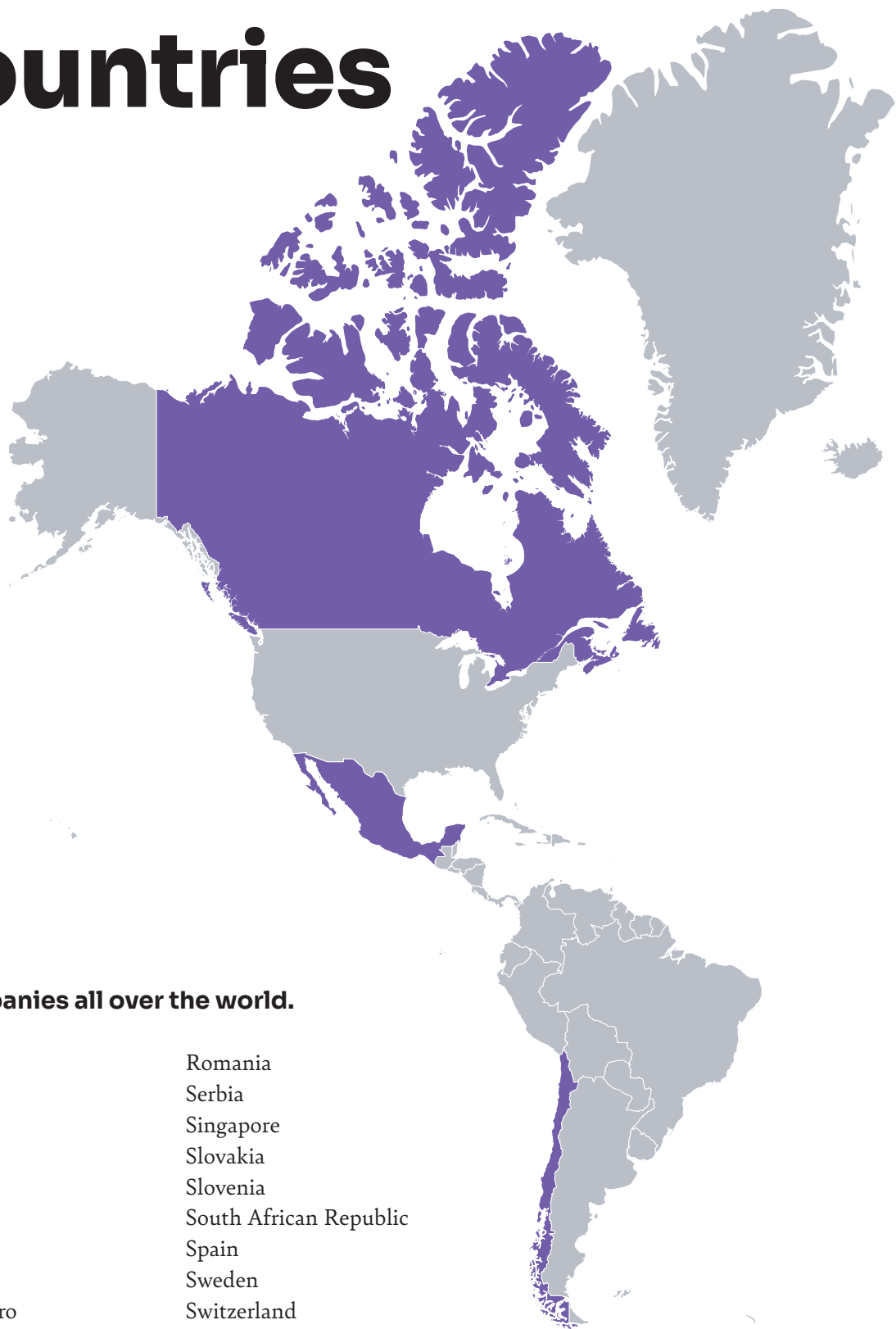
- The Cybersecurity Act and associated regulations
- ISO 27001 standards
- The current situation and needs
- Best practices and experience

All internal regulations in the field of cybersecurity are available for employees in the list of company directives.

**We listen to more
than just IT needs**

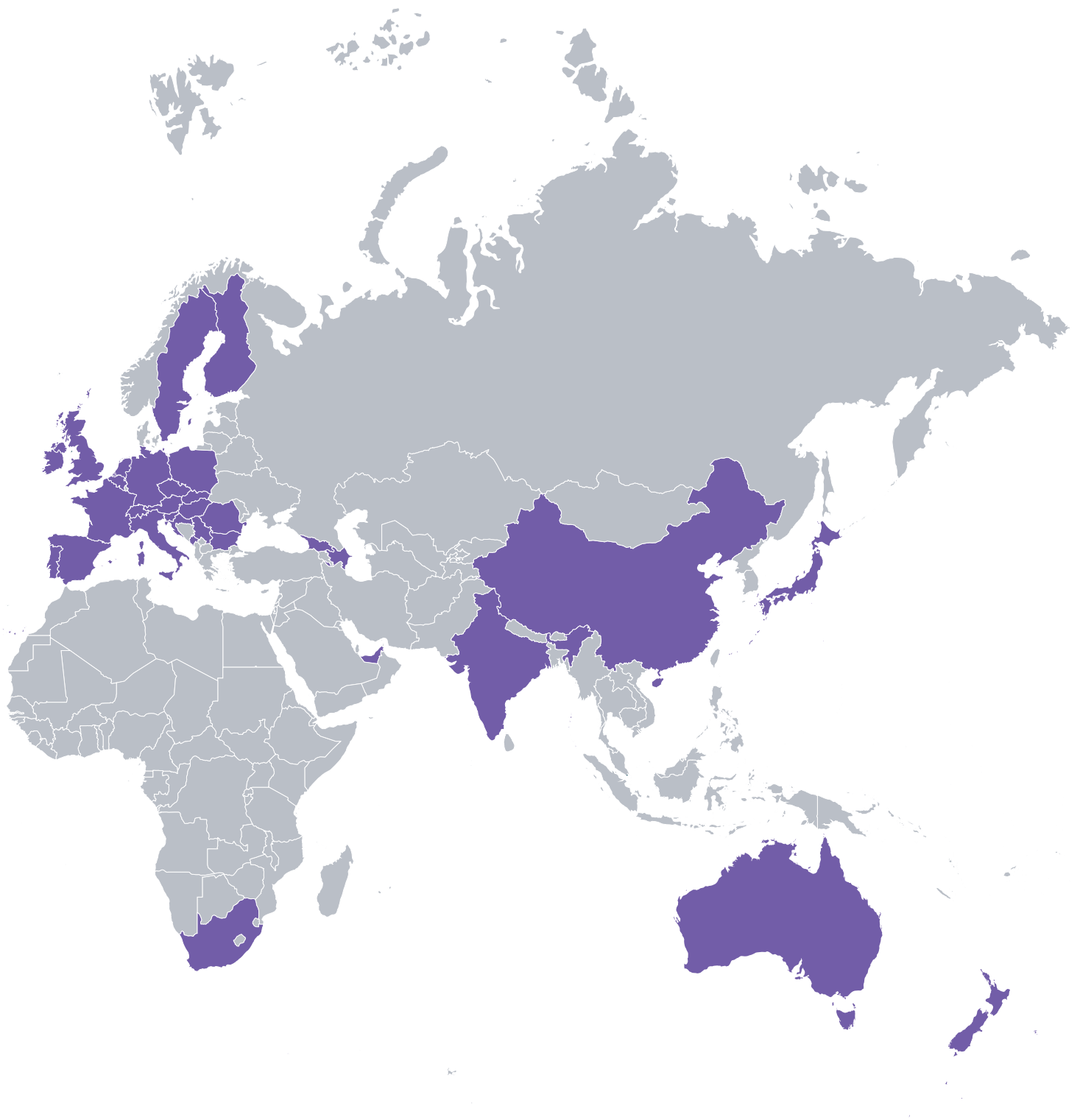


We serve customers in 38 countries



Our solutions are used by companies all over the world.

Australia	Germany	Romania
Austria	Hungary	Serbia
Azerbaijan	India	Singapore
Belgium	Ireland	Slovakia
Bulgaria	Italy	Slovenia
Canada	Japan	South African Republic
Chile	Maldives	Spain
China	Mexico	Sweden
Croatia	Montenegro	Switzerland
Czech Republic	Netherlands	UAE
Finland	New Zealand	United Kingdom
France	Poland	USA
Georgia	Portugal	



We serve customers in 38 countries **Seyfor 121**

Board of Directors



Martin Cígler
Chairman of the Board &
Chief Executive Officer

Martin founded CÍGLER SOFTWARE in January 1990. Under his leadership, the company became one of the most respected and innovative manufacturers of information systems in the Czech Republic and Slovakia. In 2013, he founded the Solitea holding group and has participated in all subsequent acquisitions. In June 2020, he led the Czech and Slovak companies to a merger, making Solitea one of the biggest regional software producers. Under his leadership the company continued to grow this year and achieved a turnover of CZK 4 billion. In 2007, Martin was awarded Czech IT Person of the Year. In 2019, he received an award from the Faculty of Information Technology of Brno University of Technology for the development of information technologies in the Czech Republic. In 2020, he received the Manager in the Digital Age award from the Czech Management Association. And in 2021, he was a finalist in the EY Entrepreneur of The Year competition.



Michal Rybovič
Vice Chairman

Michal takes advantage of M&A managerial experience gained as a partner in Sandberg Capital. He participated in Solitea's founding and in all major acquisitions. He is also involved in all decisions that affect the holding group's financial results.



Petr Franc
Executive Director, Enterprise
& Public, Member of the Board
of Directors

Petr is a manager with more than twenty years of experience in ICT. Since 2002 he has been with Solitea Business Solutions (formerly AQUASOFT). Nowadays, he is responsible for defining and meeting key strategic goals in the preparation of solutions for large enterprises and the public sector.

**Tomáš Loukota**

Executive Director, Small Business, Member of the Board of Directors

Tomáš started his career in technical support, working his way up to the position of sales director and then later executive director. He stood behind the successful market launch of the new Money S5 ERP system and the monetisation of iDoklad. He has been promoting a pro-customer approach in Seyfor.

**Martin Kudrna**

Executive Director, Medium-sized Business, Member of the Board of Directors

Martin gained professional experience during almost twenty years outside the Czech Republic, both in Europe and overseas. After returning to his native country, he began to work in the Czech IT business sphere. In Seyfor, he is responsible for the strategic development of the solution segment for medium-sized businesses.

**Jan Tomíšek**

Executive Director, Payroll & Human Resources, Member of the Board of Directors

Jan took advantage of the tech experience he gained at the Department of Computer Science of Brno University of Technology, and in 1995 became co-founder and director of Vema Computers and Systems. From 2000, he served as director of the Services Division, and in 2006 was behind Vema's expansion into the cloud world. He has capitalised on his vast experience, and since 2016 has focused on strengthening the company's position on the Czech and Slovak markets as executive director.

Supervisory board



Michal Máčel
Chairman of the Supervisory Board

In July 1990, Michal co-founded Vema, which under his leadership became the Czech market leader in personnel/HR information systems.



Táňa Šuláková
Member of the Supervisory Board

Táňa is a graduate of theatre management at the Theatre Faculty of Janáček Academy of Performing Arts. During her studies she focused on marketing, which she has been engaged in throughout her professional career. She worked for 3 years in the Brno branch of the Ogilvy advertising agency, from which she then moved to Seyfor as a marketing specialist and currently leads the marketing content team.



Milan Smutný
Member of the Supervisory Board

Milan has more than eighteen years of experience in top management positions, including ten years as the finance director of Seznam. Before joining Seyfor, he was also involved in the management of software projects, including the payroll and HR system Nugget. Since 2020, he has been in charge of the financial agenda of the entire Seyfor group.



Top management



Boris Bělousov
Chief Information Officer

In 1994, Boris founded PVT.net, an internet service provider where he later held the position of product manager. He then served as a member of the executive committee at NIX.CZ, led a technical group in GEMMA Systems, and managed Dynamica until 2018. He has been with Seyfor since 2019, serving as its CIO.



Miroslav Říha
Internal Services Director

Mirek is a software manager and businessman who co-founded Byznys Software and developed the Byznys ERP system. After the merger, he became the director of SMB development and then head of internal services in 2021 where he cares for the company's operations.





Milan Smutný
Group Chief Financial Officer

Milan has more than eighteen years of experience in top management positions, including ten years as the finance director of Seznam. Before joining Seyfor, he was also involved in the management of software projects, including the payroll and HR system Nugget. Since 2020, he has been in charge of the financial agenda of the entire Seyfor group.



Daniel Šturm
Chief Marketing Officer

Daniel has 25+ years of experience in the management of B2B and B2C sales and marketing. In the past, he worked at Česká spořitelna, Home Credit, and AAA Auto. At Seyfor, he has launched the rebranding and centralisation of individual sub-brands, finding ways to maximise the strength of the common brand.

Report of the Board of Directors on the company's business activities and the state of its assets

Just sey it!



Fiscal year 2023 (1 January 2023–31 December 2023) was another strong year for Seyfor. Organic growth was again supported by expansion through acquisitions, the larger ones completed in 2023 were the acquisition of gesteem society a.s. (including its subsidiaries gesteem CZ a.s., Gesteem Slovakia, s.r.o., and gesteem B.V.), KS – program, spol.s r.o., T-Cars System s.r.o., and Besteron d.o.o. The merger of TECHNISERV IT, spol.s r.o., TECHNISERV IT SOFTWARE DEVELOPMENT, spol.s r.o., and Solitea West, s.r.o., was prepared during 2023 and set to be completed on 1 January 2024.

The group's 2023 revenue reached CZK 4 billion, which is a year-on-year increase of 32.3%, and EBITDA jumped by 63.8% to CZK 675 million. This exceptional performance is the result of expansion through acquisitions as well as organic growth fuelled by cloud services in line with the company's strategic plans.

HUMAN RESOURCES

Human resources at the parent company are managed using our in-house Vema system. Some subsidiaries use other HR systems, either because they

are legacy systems from before their acquisition or they use local solutions in other territories.

Employee costs are the majority of Seyfor's overall expenditures, and we strive to be among the most prestigious employers on the market. We are able to fulfil this goal with significantly lower employee turnover than the average among IT companies. We also strive to attract the best talents among IT experts. We regularly monitor our employees' satisfaction and actively react to ideas to improve the working environment. We also offer a modern palette of employee benefits to motivate employees, such as unlimited holidays and a pro-active approach to remote work.

We place an emphasis on stability and retaining key employees as well as supporting a results-oriented, friendly, and creative atmosphere. Individual teams are strongly associated with the products they work on, and their loyalty is to customers and their colleagues in building Seyfor's reputation as a reliable business partner and employer.

Seyfor ownership structure

State as of 31 December 2023

Seyfor, a.s. Czech Republic	72.7%	LIGELTA HOLDINGS LTD. Cyprus
	20.1%	CSW HOLDING s.r.o. Czech Republic
	4.2%	Ing. MICHAL MÁČEL, CSc. Czech Republic
	3.0%	Ing. JAN TOMÍŠEK Czech Republic



100%

SANDBERG INVESTMENT FUND SICAV PLC
Malta

100%

MARTIN CÍGLER
Czech Republic

Seyfor is not a publicly traded company. It is owned by Czech and Slovak individuals, either directly or indirectly.

LIGELTA HOLDINGS LTD

LIGELTA HOLDINGS LTD with its registered office at 1061 Nicosia, Klimentos, 41–43, Klimentos Tower, 2nd floor, Office 24C, Republic of Cyprus, holding a 72.7% stake. LIGELTA HOLDINGS LTD is fully owned by Sandberg Investment Fund SICAV PLC, with its registered office on 475 Triq il-Kbira, San Guzepp, Santa Venera, SVR 1011, Republic of Malta. Sandberg Investment Fund SICAV PLC is managed by Sandberg Capital, správ. spol., a.s., a Slovak management company with registered office at Dvořákovo nábrežie 8, Bratislava 811 02, Slovakia, with permission from the National Bank of Slovakia to establish and man-

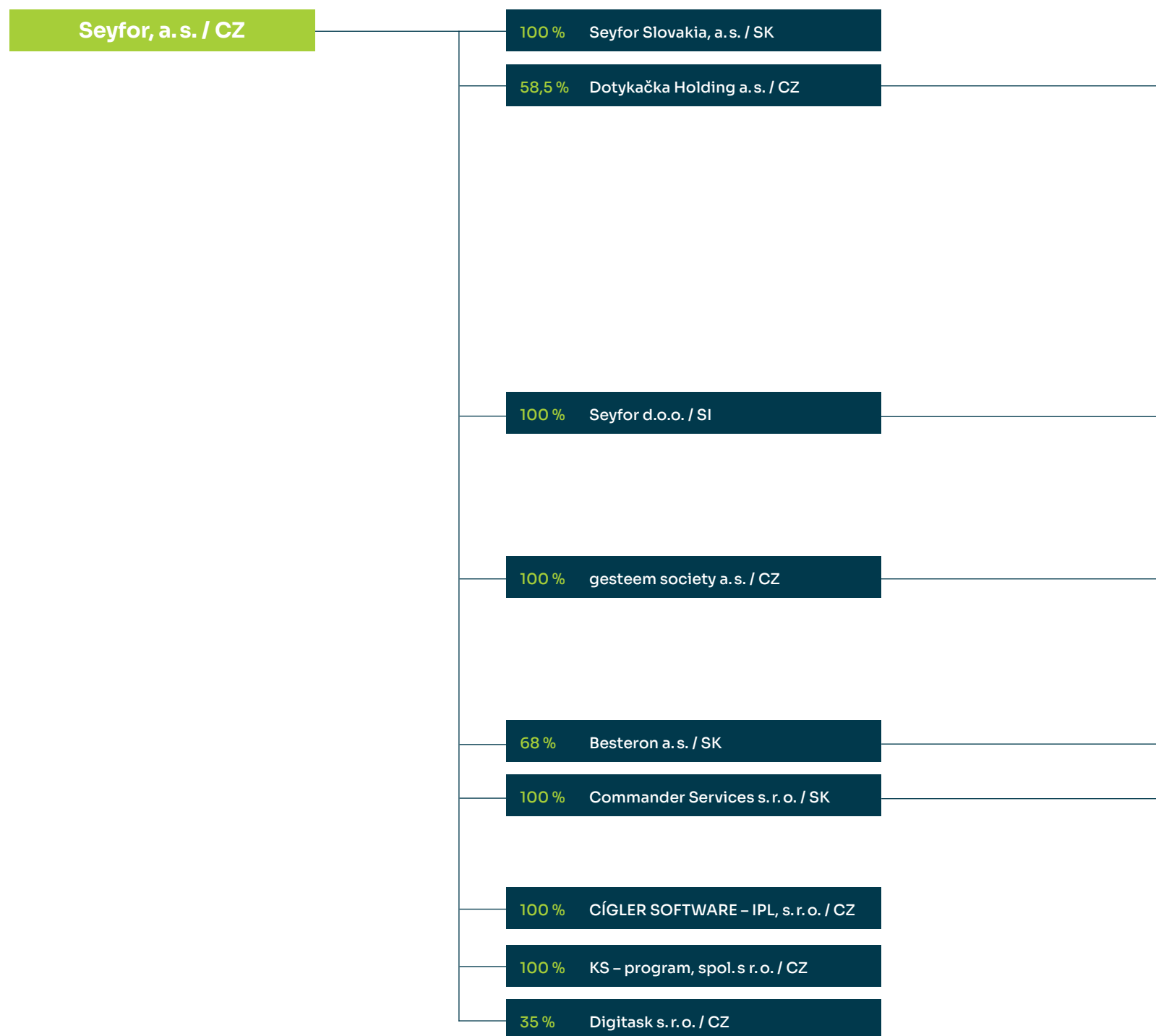
age domestic and foreign alternative investment funds. Sandberg Capital's portfolio currently includes investments in IT, agriculture, telecommunications, education, and retail. The value of its assets under management exceeds EUR 340 million.

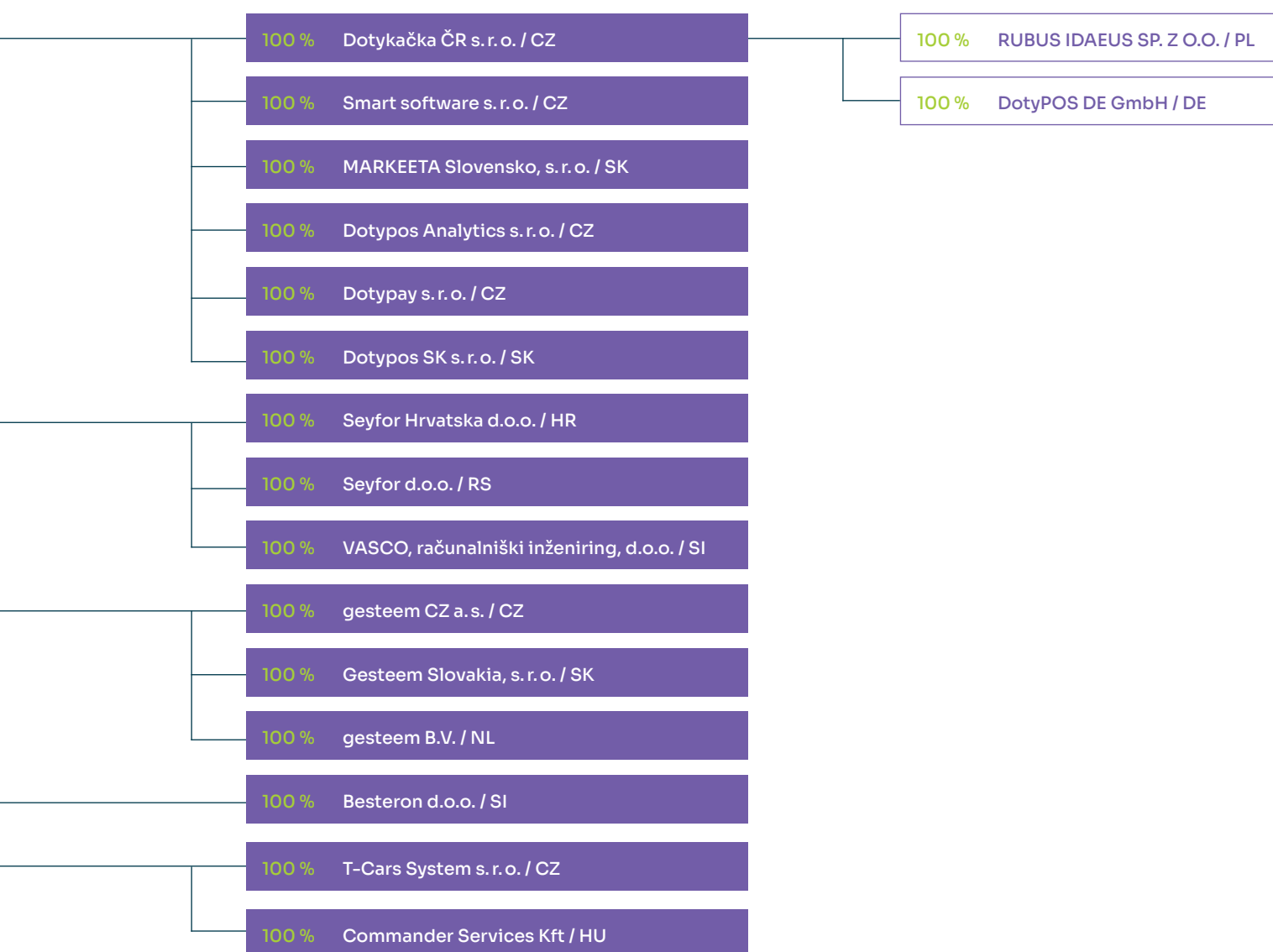
CSW Holding s.r.o.

with its registered office at Drobného 555/49, 602 00 Brno, Czech Republic, holding a 20.1% stake. CSW Holding is an investment company fully owned by Martin Cígler, former owner of CÍGLER SOFTWARE and founder and CEO of Seyfor (for more information, please see the chapter Boards of Directors). Apart from investing in the IT sector, the holding company also invests in real property via its subsidiary, Office Buildings s.r.o.

Global structure of Seyfor

State as of 16 April 2024





Other information

Other information

The company complies with all applicable legal requirements of the Czech Republic and internal regulations concerning health and environmental protection and occupational safety.

In the area of labour relations, the company proceeds in accordance with labour legislation and its internal rules.

The Group complies with all requirements arising from the applicable legislation of the respective countries and the company's internal rules on health, environment, and occupational safety management.

In the area of labour relations, the Group proceeds in accordance with the locally applicable labour legislation and internal rules of the individual companies and the Group.

The company does not have any branch or other part of a business establishment abroad.

Subsequent Events

On 3 November 2023, the company approved the merger of TECHNISERV IT, spol.s r.o., TECHNISERV IT SOFTWARE DEVELOPMENT, spol.s r.o., and Solitea West, s.r.o. as of 1 January 2024. The successor company is Seyfor, a.s.

Successor company:

- Seyfor, a.s., with its registered office at Drobného 555/49, Ponava, 602 00 Brno, ID No.: 01572377

Merged companies:

- TECHNISERV IT, spol.s r.o. with its registered office at Traťová 574/1, Horní Heršpice, 619 00 Brno, ID No.: 26298953
- TECHNISERV IT SOFTWARE DEVELOPMENT, spol.s r.o., Traťová 1, Horní Heršpice, 619 00 Brno, ID No.: 28331982
- Solitea West, s.r.o. with its registered office at Drobného 555/49, Ponava, 602 00 Brno, ID No.: 25246241

On 21 March 2024, the company acquired a 35% stake in Digitask s.r.o.

The company's management evaluated the effects of the war in Ukraine and concluded that it does not pose any significant risks for the company.

The group's management does not register any other significant events as of the finalization of this annual report that would influence the consolidated and separate financial statements as of 31 December 2023.



Financial part

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Consolidated Financial statements

Consolidated Balance sheet in full format

as of 31 December 2023 (in TCZK)

Translated from the Czech original

Name and registr. office

of the Company: Seyfor, a. s.

Drobného 555/49, Ponava

602 00 Brno, Czech Republic

ID No.: 015 72 377

ASSETS

Ident.	ASSETS	Line	Current period	Prior period
			Net	Net
a	b	c	1	2
	TOTAL ASSETS	1	4,712,778	4,469,385
B.	Fixed assets	3	3,245,921	3,037,491
B.I.	Intangible fixed assets	4	386,279	276,097
B.I.2.	Intellectual property rights	6	118,756	107,646
B.I.2.1.	Software	7	112,129	99,164
B.I.2.2.	Other intellectual property rights	8	6,627	8,482
B.I.3.	Goodwill	9	3,402	1,844
B.I.4.	Other intangible fixed assets	10	7,203	4,186
B.I.5.	Advance payments for intangible fixed assets and intangible fixed assets under construction	11	256,918	162,421
B.I.5.1.	Advance payments for intangible fixed assets	12	-	2,408
B.I.5.2.	Intangible fixed assets under construction	13	256,918	160,013
B.II.	Tangible fixed assets	14	213,340	190,177
B.II.1.	Land and buildings	15	21,364	17,522
B.II.1.1.	Land	16	3,047	809
B.II.1.2.	Buildings	17	18,317	16,712
B.II.2.	Plant and equipment	18	150,995	128,951
B.II.3.	Adjustments to acquired fixed assets	19	30,644	34,179
B.II.4.	Other tangible fixed assets	20	7,207	4,039
B.II.4.3.	Other tangible fixed assets	23	7,207	4,039
B.II.5.	Advance payments for tangible fixed assets and tangible fixed assets under construction	24	3,130	5,486
B.II.5.1.	Advance payments for tangible fixed assets	25	-	82
B.II.5.2.	Tangible fixed assets under construction	26	3,130	5,404
B.III.	Long-term investments	27	377,674	376,220
B.III.1.	Equity investments - group undertakings	28	1,286	5,177
B.III.2.	Loans - group undertakings	29	372,433	344,759
B.III.4.	Loans - associated companies	31	8	-
B.III.5.	Other long-term securities and equity investments	32	-	1,947
B.III.6.	Loans - other	33	3,300	23,828
B.III.7.	Other long-term investments	34	647	509
B.III.7.1.	Other long-term investments	35	400	509
B.III.7.2.	Advance payments for long-term investments	36	247	-
B.IV.	Consolidation difference	37	2,268,629	2,194,997
B.IV.1.	Positive consolidation difference	38	2,271,177	2,198,311
B.IV.2.	Negative consolidation difference	39	-2,548	-3,314

Consolidated Balance sheet in full format
as of 31 December 2023 (in TCZK)
Translated from the Czech original

Name and registr. office
of the Company: Seyfor, a. s.
Drobného 555/49, Ponava
602 00 Brno, Czech Republic
ID No.: 015 72 377

ASSETS

Ident.	ASSETS	Line	Current period	Prior period
			Net	Net
a	b	c	1	2
C.	Current assets	42	1,379,868	1,311,603
C.I.	Inventories	43	180,479	211,169
C.I.1.	Raw materials	44	6,009	18,570
C.I.2.	Work-in-progress and semi-finished products	45	122,873	137,579
C.I.3.	Finished goods and goods for resale	46	48,530	54,119
C.I.3.2.	Goods for resale	48	48,530	54,119
C.I.5.	Advance payments for inventories	50	3,066	901
C.II.	Receivables	51	622,310	562,964
C.II.1.	Long-term receivables	52	34,657	13,566
C.II.1.1.	Trade receivables	53	-	5,379
C.II.1.2.	Receivables - group undertakings	54	-	-
C.II.1.4.	Deferred tax assets	56	6,237	4,238
C.II.1.5.	Receivables - other	57	28,420	3,949
C.II.1.5.2.	Long-term advances paid	59	3,280	3,949
C.II.1.5.3.	Estimated receivables	60	377	-
C.II.1.5.4.	Other receivables	61	24,763	-
C.II.2.	Short-term receivables	62	587,653	549,398
C.II.2.1.	Trade receivables	63	535,835	477,628
C.II.2.2.	Receivables - group undertakings	64	-	-
C.II.2.4.	Receivables - other	66	51,817	71,770
C.II.2.4.3.	Tax receivables	69	4,100	16,682
C.II.2.4.4.	Short-term advances paid	70	5,915	5,649
C.II.2.4.5.	Estimated receivables	71	8,167	9,819
C.II.2.4.6.	Other receivables	72	33,636	39,621
C.III.	Short-term financial assets	77	-	15,071
C.III.2.	Other short-term financial assets	79	-	15,071
C.IV.	Cash	80	577,079	522,399
C.IV.1.	Cash in hand	81	1,214	2,623
C.IV.2.	Bank accounts	82	575,865	519,776
D.	Deferrals	83	86,988	120,291
D.1.	Prepaid expenses	84	80,995	119,131
D.2.	Complex prepaid expenses	85	-	43
D.3.	Accrued revenues	86	5,994	1,117

Consolidated Balance sheet in full format

as of 31 December 2023 (in TCZK)

Translated from the Czech original

Name and registr. office

of the Company: Seyfor, a. s.

Drobného 555/49, Ponava

602 00 Brno, Czech Republic

ID No.: 015 72 377

LIABILITIES

Ident.	LIABILITIES	line	Current period	Prior period
a	b	c	3	4
	TOTAL LIABILITIES AND EQUITY	83	4,712,778	4,469,385
A (A.I.-A.VII.)	Equity	84	2,021,631	1,809,293
A.I.	Registered capital	85	815,000	814,000
A.I.1.	Registered capital	86	815,000	814,000
A.II.	Premium and capital contributions	89	384,048	391,094
A.II.1.	Premium	90	6,128	6,128
A.II.2.	Capital contributions	91	377,920	384,965
A.II.2.1.	Other capital contributions	92	412,799	414,102
A.II.2.2.	Revaluation of assets and liabilities (+/-)	93	-25,158	-24,215
A.II.2.3.	Revaluation reserve on transformations (+/-)	94	233	233
A.II.2.4.	Differences resulting from transformations (+/-)	95	-8,955	-5,155
A.II.2.5.	Change in revaluation reserve on transformations (+/-)	96	-1,000	-
A.III.	Funds from profit	97	20,766	20,486
A.III.1.	Other reserve funds	98	-20,193	-11,673
A.III.2.	Statutory and other funds	99	40,959	32,159
A.IV.	Retained earnings (+/-)	101	528,551	350,888
A.IV.1.	Retained profits (+/-)	102	523,797	345,417
A.IV.2.	Other retained earnings (+/-)	103	4,754	5,470
A.V.1.	Profit (loss) for the current period (+/-)	104	218,404	174,949
A.VII.	Minority equity	107	54,863	57,876
A.VII.1.	Minority registered capital	108	6,645	6,763
A.VII.2.	Minority capital contributions	109	214,047	216,148
A.VII.3.	Minority funds from profit including retained profits and accumulated losses	110	-163,562	-148,421
A.VII.4.	Minority profit (loss) for the current period (+/-)	111	-2,268	-16,614
B. + C.	Liabilities	112	2,378,132	2,319,369
B.	Provisions	113	53,806	82,754
B.2.	Income tax provisions	115	8,585	29,961
B.3.	Tax-deductible provisions	116	3,183	-
B.4.	Other provisions	117	42,037	52,793

Consolidated Balance sheet in full format
as of 31 December 2023 (in TCZK)
Translated from the Czech original

Name and registr. office
of the Company: Seyfor, a. s.
Drobného 555/49, Ponava
602 00 Brno, Czech Republic
ID No.: 015 72 377

LIABILITIES

Ident.	LIABILITIES	line	Current period	Prior period
a	b	c	3	4
C.	Liabilities	118	2,324,326	2,236,614
C.I.	Long-term liabilities	119	1,301,563	1,452,938
C.I.2.	Liabilities to credit institutions	123	1,265,469	1,360,322
C.I.4.	Trade payables	125	301	–
C.I.7.	Liabilities – associated companies	128	303	231
C.I.8.	Deferred tax liability	129	4,679	3,190
C.I.9.	Liabilities – other	130	30,812	89,195
C.I.9.1.	Liabilities to shareholders/members	131	34	–
C.I.9.2.	Estimated payables	132	242	–
C.I.9.3.	Other payables	133	30,536	89,195
C.II.	Short-term liabilities	134	1,022,763	783,676
C.II.2.	Liabilities to credit institutions	134	221,970	201,759
C.II.3.	Short-term advances received	135	53,755	51,448
C.II.4.	Trade payables	136	276,280	242,379
C.II.8.	Liabilities – other	140	470,759	288,090
C.II.8.2.	Short-term financial liabilities	142	–	–
C.II.8.3.	Payables to employees	143	121,484	120,224
C.II.8.4.	Social security and health insurance liabilities	144	70,530	50,453
C.II.8.5.	Tax liabilities and subsidies	145	76,738	55,771
C.II.8.6.	Estimated payables	146	60,291	36,148
C.II.8.7.	Other payables	147	141,716	25,494
D.	Accruals	148	313,015	340,723
D.1.	Accrued expenses	149	13,503	16,317
D.2.	Deferred revenues	150	299,512	324,405

Consolidated Income statement classified by nature for the year ended 31 December 2023 (in TCZK)

Translated from the Czech original

Name and registr. office
of the Company: Seyfor, a. s.
Drobného 555/49, Ponava
602 00 Brno, Czech Republic
ID No.: 015 72 377

INCOME STATEMENT

Ident.		line	Current period	Prior period
a	b	c	1	2
I.	Revenue from products and services	1	3,750,911	2,589,276
II.	Revenue from goods	2	202,245	357,931
A.	Cost of sales	3	1,595,223	1,242,980
A.1.	Cost of goods sold	4	143,235	315,130
A.2.	Materials and consumables	5	55,494	52,484
A.3.	Services	6	1,396,493	875,366
B.	Change in inventory of own production (+/-)	7	13,445	- 56,635
C.	Own work capitalised (-)	8	- 137,845	- 83,786
D.	Personnel expenses	9	1,790,075	1,425,473
D.1.	Wages and salaries	10	1,338,126	1,064,175
D.2.	Social security, health insurance and other expenses	11	451,950	361,299
D.2.1.	Social security and health insurance expenses	12	404,957	321,834
D.2.2.	Other expenses	13	46,993	39,464
E.	Adjustments relating to operating activities	14	250,262	206,867
E.1.	Adjustments to intangible and tangible fixed assets	15	115,102	89,361
E.1.1.	Depreciation and amortisation of intangible and tangible fixed assets	16	115,102	89,361
E.2.	Adjustments to inventories	18	- 2,478	10,923
E.3.	Impairment of intangible and tangible fixed assets	19	2,564	2,578
E.4.	Settlement of positive consolidation difference	20	135,839	104,771
E.5.	Settlement of negative consolidation difference	21	- 766	- 766
III.	Other operating revenues	22	16,813	28,516
III.1.	Proceeds from disposals of fixed assets	23	5,683	16,126
III.2.	Proceeds from disposals of raw materials	24	240	31
III.3.	Other operating revenues	25	10,890	12,359
F.	Other operating expenses	26	33,827	22,064
F.1.	Net book value of fixed assets sold	27	1,266	2,185
F.2.	Net book value of raw materials sold	28	-	20
F.3.	Taxes and charges	29	2,869	1,605
F.4.	Provisions related to operating activities and complex prepaid expenses	30	1,906	-6,631
F.5.	Other operating expenses	31	27,786	24,885
*	Operating profit (loss) (+/-)	32	424,983	218,759

Consolidated Income statement
for the year ended 31 December 2023 (in TCZK)

Name and registr. office
of the Company: Seyfor, a. s.
Drobného 555/49, Ponava
602 00 Brno, Czech Republic
ID No.: 015 72 377

INCOME STATEMENT

Ident.		line	Current period	Prior period
a	b	c	1	2
IV.	Revenue from long-term investments – equity investments	33	14,155	33
IV.1.	Revenue from equity investments – group undertakings	34	–	32
IV.2.	Other revenue from equity investments	35	14,155	
G.	Cost of equity investments sold	36	719	–
V.	Revenue from other long-term investments	37	134	–
V.2.	Other revenue from other long-term investments	39	134	–
H.	Expenses related to other long-term investments	40	–	1
VI.	Interest revenue and similar revenue	41	18,622	12,296
VI.1.	Interest revenue and similar revenue – group undertakings	42	14,737	11,242
VI.2.	Other interest revenue and similar revenue	43	3,885	1,054
I.	Adjustments and provisions relating to financial activity	44	771	3,240
J.	Interest expenses and similar expenses	45	81,958	39,129
J.1.	Interest expenses and similar expenses – group undertakings	46	–	–
J.2.	Other interest expenses and similar expenses	47	81,957	39,129
VII.	Other financial revenues	48	35,420	65,271
K.	Other financial expenses	49	117,844	30,619
*	Profit (loss) from financial operations	50	- 132,960	4,611
**	Profit (loss) before tax (+/-)	51	292,023	223,370
L.	Income tax	52	75,887	65,036
L.1.	Current tax	53	76,446	63,857
L.2.	Deferred tax (+/-)	54	- 559	1,179
**	Profit (loss) after tax (+/-)	55	216,135	158,334
***	Profit (loss) for the accounting period (+/-)	57	216,135	158,334
	Profit (loss) for the accounting period without minority interest (+/-)	58	218,404	174,948
	Minority interest in profit (loss) for the current period (+/-)	59	- 2,268	- 16,614
*	Net turnover for the accounting period = I. + II. + III. + IV. + V. + VI. + VII.	61	4,038,300	3,053,323

Consolidated Cash flow statement
for the year ended 31 December 2023 (in TCZK)
Translated from the Czech original

Name and registr. office
of the Company: Seyfor, a. s.
Drobného 555/49, Ponava
602 00 Brno, Czech Republic
ID No.: 015 72 377

CASH FLOW STATEMENT

		Current period	Prior period
P.	Cash and cash equivalents, beginning of period	522,399	572,179
Net operating cash flow			
Z:	Accounting profit (loss) from ordinary activities	292,023	223,370
A.1.	Non-cash transactions	320,140	413,466
A.1.1.	Depreciation and amortisation of fixed assets	250,175	193,359
A.1.2.	Change in:	1,193	6,871
A.1.2.2.	Provisions and other adjustments	1,193	6,871
A.1.3.	Profit(+) Loss(-) on sale of fixed assets	-4,416	-13,941
A.1.5.	Expense and revenue interests accounted for	-18,622	26,832
A.1.6.	Other non-cash transactions	91,811	200,344
A.*	Net operating cash flow before taxation and changes in working capital	612,163	636,835
A.2.	Change in working capital	161,845	-218,447
A.2.1.	Change in receivables from operating activities, estimated receivables and deferrals	-26,610	-255,468
A.2.2.	Change in short-term liabilities from operating activities, estimated payables and accruals	155,287	147,045
A.2.3.	Change in inventories	33,168	-110,024
A.**	Net operating cash flow before taxation	774,008	418,388
A.3.	Interest paid excluding amounts capitalised	-81,958	-39,129
A.4.	Interest received	18,622	12,296
A.5.	Income tax paid on ordinary income and income tax relating to prior periods	-107,132	-45,061
A.***	Net operating cash flow Investing activities	603,541	346,495
Investing activities			
B.1.	Acquisition of fixed assets	-248,063	-275,673
B.1.1.	Acquisition of tangible fixed assets	-92,068	-85,471
B.1.2.	Acquisition of intangible fixed assets	-155,567	-187,675
B.1.3.	Acquisition of long-term investments	-428	-2,528
B.2.	Proceeds from sales of fixed assets	5,683	16,126
B.2.1.	Proceeds from sales of tangible and intangible fixed assets	5,683	16,126
B.3.	Advances and loans to related parties	20,592	-618,400
B.4.	Acquisition of subsidiaries, net of cash received	-251,431	-1,091,248
B.***	Net cash flow from investing activities	-473,219	-1,969,196
Financing activities			
C.1.	Change in long-term resp. short-term liabilities from financing	-74,642	1,560,462
C.2.	Increase and decrease in equity from cash transactions	-1,000	12,460
C.2.2.	Equity paid to shareholders	-1,000	-
C.2.3.	Other cash contributions from partners and shareholders	-	12,460
C.***	Net cash flow from financing activities		1,572,922
F.	Net increase or decrease in cash balance	54,680	-49,779
R.	Cash and cash equivalents, end of period	577,079	522,399

Consolidated Statement of changes in equity
for the year ended 31 December 2023 (in TCZK)

Name and registr. office
of the Company: Seyfor, a. s.
Drobného 555/49, Ponava
602 00 Brno, Czech Republic
ID No.: 015 72 377

STATEMENT OF CHANGES IN EQUITY

	Registered capital	Capital contributions and funds from profit	Retained profits	Profit (loss) for the current period	Share of profit (loss) of equity-accounted investees	Total equity attributable to owners of the Company	Non-controlling interests	Total
Balance as of 31/12/2022	814,000	411,580	350,888	174,949	-	1,751,417	57,876	1,809,293
Profit or loss for the period	-	-	-	218,404	-	218,404	-2,268	216,135
Revaluation reserve	-	-928	-323	-	-	-1,251	-	-1,251
Other comprehensive	1,000	-4,801	1,827	-	-	-1,974	-	-1,974
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Effect of new acquisitions	-	-	-	-	-	-	-745	-745
Capital contributions	-	-	-	-	-	-	-	-
Other movements	-	-	-1,000	-	-	-1,000	-	-1,000
Transfers to (from) retained earnings	-	-	174,949	-174,949	-	-	-	-
Translation reserve Royalties	-	-1,037	2,210	-	-	1,173	-	1,173
Royalties	-	-	-	-	-	-	-	-
Balance as of 31/12/2023	815,000	404,814	528,551	218,404	-	1,966,769	54,863	2,021,632

	Registered capital	Capital contributions and funds from profit	Retained profits	Profit (loss) for the current period	Share of profit (loss) of equity-accounted investees	Total equity attributable to owners of the Company	Non-controlling interests	Total
Balance as of 31/12/2021	814,000	402,488	71,033	285,378	-	1,572,899	65,785	1,638,685
Profit or loss for the period	-	-	-	174,949	-	174,949	-16,614	158,334
Revaluation reserve	-	-	-	-	-	-	-	-
Other comprehensive	-	-	-	-	-	-	-	-
Other comprehensive income for the period	-	-	-	-	-	-	-	-
Effect of new acquisitions	-	-	-	-	-	-	8,705	8,705
Capital contributions	-	12,460	-	-	-	12,460	-	12,460
Other movements	-	-	-	-	-	-	-	-
Transfers to (from) retained earnings	-	-	285,378	-285,378	-	-1	-	-1
Translation reserve Royalties	-	-3,368	-5,523	-	-	-8,890	-	-8,890
Royalties	-	-	-	-	-	-	-	-
Balance as of 31/12/2022	814,000	411,580	350,888	174,949	-	1,751,417	57,876	1,809,293

Notes to Consolidated Financial statements

1. Description and principal activities

Establishment and description of the Company

Seyfor, a. s. (“the Company” or “the Parent Company”) was incorporated on 10 April 2013 by being recorded in the Commercial Register maintained by the Municipal Court in Prague, under file number 19061, section B. On 14 May 2014, the Company was deleted and again recorded in the Commercial Register maintained by the Regional Court in Brno under file number 7072, section B.

The principal activities of the Company are:

- manufacturing, trade and services not specified in appendixes 1 to 3 of the Trade Licensing Act
- own assets administration
- lease of property, residential and non-residential premises

Ownership structure

The shareholders of the Company as of 31 December 2023 were:

LIGELTA HOLDINGS LTD	72.7%
CSW Holding s. r. o.	20.1%
Other	7.2%

Registered office

Seyfor, a. s.
Drobného 555/49
Brno
Czech Republic

Identification number

015 72 377

Members of the board of directors and supervisory board as of 31 December 2023

Members of the board of directors

Martin Cígler (chairman)
Michal Rybovič (vice-chairman)
Tomáš Loukota
Petr Franc
Martin Kudrna
Jan Tomíšek

Members of the supervisory board

Michal Máčel (chairman)
Táňa Šuláková
Milan Smutný

Consolidated financial statements

The consolidated financial statements of the Company as of 31 December 2023 have been prepared for the Parent Company and its subsidiaries (“the Group”) – see note 5. The consolidated financial statements have been prepared for the period from 1 January 2023 to 31 December 2023 (“2023”).

Changes in the Commercial Register

In 2023, the following changes were made in the Commercial Register for the Parent Company:

New entry:

Shares:

- 1,000 registered book shares in with a nominal value of CZK 1,000 (registered on 1 January 2023)

Share capital:

- TCZK 815,000 paid: 100% (registered on 1 January 2023)

Other facts:

- As a result of the merger by amalgamation that was carried out, the company as the successor received the assets of the merging companies according to the merger plan drawn up on 9 November 2022. These companies are: P R O V I S s.r.o. with its registered office at Jiráskova 1127, 755 01 Vsetín, ID No.: 45195129; PRYTANIS a.s. with its registered office at Jundrovská 618/31, Komín, 624 00 Brno, ID No.: 08942625; Powerstream, a.s., with its registered office at Hvězdova 1734/2c, Nusle, 140 00 Prague 4, ID No.: 28479637; and Mainstream Technologies, s.r.o., with its registered office at Na strži 2097/63, Krč, 140 00 Praha 4, ID No.: 27404978 (registered on 1 January 2023).

New deletion:

Share capital:

- TCZK 814,000 paid: 100% (deleted on 1 January 2023)

2. Manner and method of consolidation

Manner of consolidation

The consolidated financial statements have been prepared using direct consolidation.

Method of consolidation

The financial statements of the companies included in the consolidated group are consolidated in line with consolidation methods, considering the level of the Parent Company's influence. The financial statements of the companies in which the Parent Company has controlling influence and which are material are consolidated using the full consolidation method.

The full consolidation method includes items of the consolidated entities' balance sheets, income statements, cash flow statements, and statements of changes in equity in full, eliminating any material intra-group transactions, their reclassifications and adjustments in the consolidating entity's balance sheet, income statement, cash flow statement and statement of changes in equity.

Consolidation process

Consolidation was carried out on the Parent Company level without creating individual sub-units, and all consolidated entities were included using the full consolidation method. Items in the consolidated entities' financial statements were reclassified and adjusted in accordance with the principles stated in the consolidation rules.

Intra-group transactions relating to the sale of inventories, fixed assets and services within the consolidated group are eliminated from the preparation of the consolidated balance sheet, consolidated income statement and cash flow statement if the amounts are material.

The consolidation difference created in a new acquisition is amortised to the profit and loss account on a straight-line basis over a maximum of 20 years. The consolidation difference is presented in the "Settlement of a positive (negative) consolidation difference" item and debited to expenses or credited to revenues from ordinary activities.

Goodwill results from the difference between the measurement of a business enterprise (or its part) acquired by transfers for consideration or by contributions to a company or by measuring assets and liabilities as part of business corporation transformations except for changes in the legal form, and the sum of individually revalued asset items reduced by transferred debts.

Positive goodwill is amortised as a debit to expenses, while negative goodwill is amortised as a credit to revenues.

The influence of received and paid-out dividends or shares of profit between the Parent Company and controlled and managed companies is eliminated in consolidation.

Items presented in the consolidated financial statements that are or were originally stated in foreign currency translated into Czech crowns (the currency in which the consolidated financial statements are prepared) at the exchange rate official and valid as at the day of preparation of the consolidated financial statements.

Consolidated entities that do not prepare ordinary financial statements as of 31 December 2023 provided the required data in the form of interim financial statements and other information required by the consolidating entity.

3. General accounting principles, accounting policies and their changes and deviations

These consolidated financial statements have been prepared in compliance with Act No. 563/1991 Coll., on Accounting, as amended, (“the Act on Accounting”) and Decree of the Czech Ministry of Finance No. 500/2002 Coll., implementing certain provisions of the Act on Accounting, as amended, for business entities using double-entry bookkeeping, (“the Decree”) as amended for 2023.

The consolidated financial statements have been prepared on a going concern basis.

All amounts in these financial statements and the related notes are reported in thousands of Czech crowns (TCZK).

a) Tangible and intangible fixed assets

Tangible and intangible fixed assets are stated at acquisition cost. Tangible fixed assets costing up to TCZK 20 are not recognised in the balance sheet and are expensed in the year that they are acquired.

The cost of internally produced fixed assets includes direct materials, direct wages and overheads directly related to the creation of the asset until it is put into use.

Assets are depreciated using the following methods over the following periods:

Assets	Method	Period
Buildings	Straight-line	40–50 years
Hardware (servers, projectors, etc.)	Straight-line	3–5 years
Furniture	Straight-line	5 years
Cars (up to TCZK 1,500)	Straight-line	4 years
Cars (over TCZK 1,500)	Straight-line	6 years
Security systems	Straight-line	5 years
Patents and other intangibles (know-how)	Straight-line	6 years
Software	Straight-line	3 years
Adjustments to acquired fixed assets	Straight-line	15 years
Low value tangible fixed assets (TCZK 20–40)	Straight-line	2 years
Low value tangible fixed assets (TCZK 20–60)	Straight-line	2 years

In the income statement, depreciation is presented in “Adjustments relating to operating activities”.

b) Long-term investments

Long-term investments comprise equity investments in subsidiaries and associated companies, debt securities that the Group has the intent and ability to hold to maturity, and other long-term securities for which the Group’s intent is not known upon acquisition. Long-term investments also include long-term loans provided to group undertakings and associated companies and other long-term loans granted.

Long-term investments are stated at acquisition cost, which includes expenses directly incurred in connection with the acquisition, such as fees and commissions paid to brokers, advisors and stock exchanges.

c) Inventories

Raw materials are stated at cost, which includes the purchase price of the materials and related customs duties and in-transit storage and freight costs incurred in delivering the materials to the manufacturing facility. Cost is determined using the weighted average method.

Work-in-progress and finished goods inventories are stated at actual cost, which includes direct production costs and, where applicable, allocable indirect production costs. Direct costs include the cost of materials and consumables, and other costs directly incurred in connection with the production process. The cost of work-in-progress and finished goods is determined using standard cost.

Goods for resale are stated at cost, which includes the purchase price of the goods and related customs duties and in-transit storage and freight costs incurred in delivering the goods to the warehouse. Cost is determined using the weighted average method.

d) Establishment of adjustments and provisions

Tangible fixed assets

The Group establishes adjustments to tangible fixed assets to reduce the net book value of buildings and land to their recoverable amount. In the income statement, the establishment and release of adjustments is presented in “Adjustments relating to operating activities”.

Receivables

The Group establishes adjustments for doubtful receivables based on an analysis of the credit status of customers and the ageing structure of receivables. In the income statement, the establishment and release of adjustments is presented in “Adjustments relating to operating activities”.

Inventories

Adjustments are established to reduce the cost of inventory to net realisable value.

An adjustment to slow-moving, obsolete and otherwise impaired inventory is established based on an analysis of inventory turnover and an assessment of each inventory item.

In the income statement, the establishment and release of adjustments is presented in “Adjustments relating to operating activities”.

Provisions

As of the balance sheet date, a provision for untaken holidays is established based on an analysis of untaken holidays in the past calendar year (i.e. as of 31 December) and average payroll expenses, including social security and health insurance expenses per employee.

If employees are entitled to annual or other annually paid-out bonuses, a provision for employee bonuses is recorded in the full amount of payroll expenses, including social security and health insurance expenses as of the balance sheet date.

An income tax provision is established as the financial statements are prepared before the tax liability is determined. In the subsequent accounting period, the Group releases this provision and records the actual tax liability determined.

In the balance sheet, the income tax provision is reduced by income tax prepayments, and the net receivable (if any) is recorded in tax receivables.

e) Foreign currency translation

Assets and liabilities acquired in foreign currency are measured in CZK based on the exchange rate as of the date of their realisation.

As of the balance sheet date, foreign currency monetary assets and liabilities are translated at the prevailing Czech National Bank official rates. Unrealised foreign exchange gains and losses are recognised in profit or loss in financial expenses or revenues.

f) Derivatives

A derivative is a financial instrument that meets all of the following conditions.

- Its fair value changes in response to the change in a specified interest rate, price of a security, commodity price, foreign exchange rate, price index, credit rating or credit index, or other variable (“the underlying asset”).
- It requires a small or no initial net investment compared with other types of contract based on a similar response to changes in market factors.
- It is settled at a future date, with the period from the trade date to the settlement date exceeding that of a spot transaction.

Derivatives are recognised in the balance sheet at fair value. Positive fair values of derivatives are recognised in assets under “Other receivables”. Negative fair values of derivatives are recognised in liabilities under “Other payables”. The fair value of financial derivatives is the present value of expected cash flows from these transactions.

Fair value hedges

Changes in the fair value of derivatives that are classified as fair value hedges are recorded in financial expenses or revenues together with the relevant change in the fair value of the hedged asset or liability that relates to the hedged risk.

Cash flow hedges

Changes in the fair value of derivatives that are classified as cash flow hedges are recorded in equity under “Revaluation of assets and liabilities” in the balance sheet. The ineffective hedge portion is recognised directly in financial expenses or revenues.

Trading derivatives

Derivatives held for trading are recognised in the balance sheet at fair value. Gains/losses from changes in fair value are recorded in the income statement under “Other financial revenues”/“Other financial expenses”.

g) Leased assets

Lease payments are expensed on a straight-line basis over the lease term. Where an asset is purchased at the end of the lease, it is recorded at its purchase price.

h) Recognition of revenues and expenses

Revenues and expenses are recognised on an accrual basis, i.e. in the period to which they relate in terms of substance and timing.

Expenses lower than TCZK 5 are not accrued and are recognised in the year they were expended.

i) Income tax

Income tax for the period comprises current tax and the change in deferred tax.

Current tax comprises an estimate of tax payable calculated based on the taxable income, using the tax rate valid as at the first day of the accounting period, and any adjustments to taxes payable for previous periods.

Deferred tax is based on all temporary differences between the carrying and tax value of assets and liabilities, and other temporary differences (tax losses carried forward, if any), multiplied by the tax rate expected to be valid for the period in which the tax asset/liability is utilised.

A deferred tax asset is recognised only if it is probable that it will be utilised in future accounting periods.

j) **Classification of liabilities**

The Group classifies as short-term any part of long-term liabilities, bank loans and overdrafts that is due within one year of the balance sheet date.

k) **Subsidies / Investment incentives**

A subsidy is recorded at the moment when the entitlement to its receipt unquestionably arises. A subsidy received for the payment of expenses is recorded in operating revenues. A subsidy received for the acquisition of fixed assets, including technical improvement and the payment of interest included in the acquisition cost of assets, reduces the acquisition cost or own acquisition expenses.

l) **Use of estimates**

In preparing the financial statements, the Group's management uses estimates and makes assumptions that affect the application of accounting policies and the valuation of assets, liabilities, income and expenses recognised in the financial statements. These estimates and assumptions are based on past experience and various other factors considered reasonable as of the date of preparation of the financial statements and are used where the carrying amounts of assets and liabilities are not readily available from other sources or where uncertainty exists in applying of the individual accounting policies. Actual results may differ from the estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised either in the period in which the estimate is revised, providing that the revision relates only to the current accounting period, or in the revision period and future periods, providing the revision affects both the current and future periods.

4. **Change in accounting policies and procedures**

In the period from 1 January 2023 to 31 December 2023, no significant changes were made to accounting policies and procedures.

5. Definition of the consolidated group

Entities included in the consolidated group

Company name	Registered office	Share in equity	Method of consolidation
Parent company			
Seyfor, a. s.	Drobného 555/49, Ponava, 602 00, Brno, Czech Republic	–	–
Controlled and managed companies			
Seyfor Slovakia, a. s.	Plynárenská 7/C, Ružinov, 821 09, Bratislava, Slovakia	100%	Full
Seyfor d. o. o. (SI)	Cesta Goriške fronte 46, 5290 Šempeter pri Gorici, Slovenia	100%	Full
Seyfor d. o. o. (RS)	Valentina Vodnika 21A, Novi Sad 21 000, Serbia	100%	Full
Seyfor Hrvatska d. o. o.	Puževa ulica 13, Zagreb 100 00, Croatia	100%	Full
Techniserv IT, spol. s r.o.	Traťová 574/1, Horní Heršpice, 619 00, Brno, Czech Republic	100%	Full
VASCO, računaIniški inženiring, d. o. o.	Poslovna cona A 21, 4208, Šenčur, Slovenia	100%	Full
Commander Services s. r. o.	Žitná 7213/23, Rača, 831 06, Bratislava, Slovakia	100%	Full
Besteron a. s.	Teslova 20/33, Ružinov, 821 02 Bratislava, Slovakia	68%	Full
gesteem society a.s.	Na strži 2097/63, Krč, 140 00 Praha 4, Czech Republic	100%	Full
gesteem CZ a.s.	Nové sady 988/2, Staré Brno, 602 00 Brno, Czech Republic	100%	Full
Gesteem Slovakia s.r.o.	Žižkova 7803/9, 811 02 Bratislava, Slovakia	100%	Full
Dotykačka Holding a.s.	Pižeňská 3217/16, Smíchov, 150 00 Praha 5, Czech Republic	58.50%	Full
Dotykačka ČR s. r. o.	Pižeňská 3217/16, Smíchov, 150 00 Praha 5, Czech Republic	58.50%	Full
RUBUS IDAEUS SP Z O O	Grzybowska 87, 00–844 Warszawa, Poland	58.50%	Full
Dotypay s. r. o.	Pižeňská 3217/16, Smíchov, 150 00 Praha 5, Czech Republic	58.50%	Full
Smart software s. r. o.	Závodu míru 435/40, Stará Role, 360 17 Karlovy Vary, Czech Republic	58.50%	Full
MARKEETA Slovensko, s. r. o.	Plynárenská 7/C, Ružinov, 821 09 Bratislava, Slovakia	58.50%	Full
KS – program, spol. s r.o.	Rokytnice 153, Rokytnice, 755 01 Vsetín, Czech Republic	100%	Full
T-Cars System s. r. o.	Stojanova 1335, 686 05 Uherské Hradiště, Czech Republic	100%	Full

In the current financial year, gesteem society a.s., gesteem CZ a.s., Gesteem Slovakia, s.r.o., KS – program, spol. s r.o., and T-Cars System s.r.o. became part of the consolidated group.

As of 1 January 2023, P R O V I S s.r.o., PRYTANIS a.s., Powerstream, a.s., Mainstream Technologies, s.r.o. merged. The successor company is Seyfor, a. s.

On 4 April 2023, the ownership stake in Besteron a.s. was increased to 68%.

Seyfor, a. s., has a 100% stake in all subsidiaries, except Besteron a.s., where it has a 68% stake, and Dotykačka Holding a.s., Smart software s.r.o., Dotykačka ČR s.r.o., MARKEETA Slovensko, s.r.o., Dotypay s.r.o. and RUBUS IDAEUS SP Z O O (court proceedings for liquidation of this company are pending), where it has a 58.50% stake. For this reason, the equity of these consolidated entities and their operating results have been divided into the share attributable to the controlling company and the share of minority shareholders.

Entities not included in the consolidated group and reasons for their non-inclusion

Based on the parent company's decision, the below-mentioned companies did not enter the consolidated group and consolidation. Their share in the total of the balance sheet, net turnover and equity of the consolidated group was immaterial, and, at the same time, information necessary for consolidation could not be obtained without an undue delay or excessive costs (the companies were considered as a whole in the assessment of materiality).

The following subsidiaries were eliminated from consolidation in the current accounting period:

- CÍGLER SOFTWARE – IPL, s.r.o., 1. máje 97/25, 460 01 Liberec III, Czech Republic, ID No.: 25045041
- Besteron d.o.o., Slovenska ulica 34, Maribor, 2000 Maribor, Slovenia, ID No.: 8535981
- Gesteem B.V., Keizersgracht 391A, Noord-Holland, 1016 EJ Amsterdam, Netherlands, ID No.: L858880878B01
- Commander Services Kft, Montevideo utca 3/A, 1037 Budapest, Hungary, ID No.: 32307791241
- DotyPOS DE GmbH, Tauentzienstr. 13, 10789 Berlin, Deutschland, ID No.: DE 321055043
- Dotypos SK, s.r.o., 28. októbra 7689/2A, 911 01 Trenčín, Slovakia, ID No.: 52528766
- Solitea West, s.r.o., Drobného 555/49, Ponava, 602 00 Brno, Czech Republic, ID No.: 25246241
- Dotypos Analytics s.r.o., Plzeňská 3217/16, Smíchov, 150 00 Praha 5, Czech Republic, ID No.: 08155402
- TECHNISERV IT SOFTWARE DEVELOPMENT, spol. s r.o., Traťová 574/1, Horní Heršpice, 619 00 Brno, Czech Republic, ID No.: 28331982

In the financial statements, equity investments in these companies remained recognised in long-term investments at acquisition cost of TCZK 1,286.

6. Consolidation difference

The consolidation difference in the gross amount of TCZK 2,844,847 as of 31 December 2023 (TCZK 2,636,142 as of 31 December 2022) arising from the acquisition of all subsidiaries included in the consolidation consists of a positive consolidation difference of TCZK 2,860,167 (TCZK 2,651,462 as of 31 December 2022) and a negative consolidation difference of TCZK 15,320 (TCZK 15,320 as of 31 December 2022).

The increase of TCZK 208,705 (gross) consists of the consolidation difference arising from the acquisition of gesteem society a.s., gesteem CZ a.s., Gesteem Slovakia, s.r.o., KS – program, spol. s r.o., T-cars System s.r.o., and the increase of the stake owned in Besteron a.s.

The Group decided to amortise the consolidation difference over a period of 20 years. The amortisation of a positive (or negative) consolidation difference is recognised in “Adjustments relating to operating activities” in the consolidated income statement.

The annual amortisation of the positive consolidation difference amounts to TCZK 135,839 (TCZK 104,771 as of 31 December 2022) and accumulated amortisation amounts to TCZK 588,990 (TCZK 453,151 as of 31 December 2022). The annual amortisation of the negative consolidation difference amounts to TCZK 766 (TCZK 766 as of 31 December 2022) and accumulated amortisation amounts to TCZK 12,771 (TCZK 12,005 as of 31 December 2022).

The net amount of the positive consolidation difference is TCZK 2,271,177 (TCZK 2,198,311 as of 31 December 2022) and the net amount of the negative consolidation difference is TCZK 2,548 (TCZK 3,314 as of 31 December 2022).

7. Intangible and tangible fixed assets

a) Intangible fixed assets

	Software	Other intellectual property rights	Intangible fixed assets under construction and advances	Goodwill	Other intangible fixed assets	Total
Acquisition cost						
Opening balance as of 1/1/2023	403,561	14,392	162,421	42,261	5,395	628,027
Additions	46,316	-	104,468	-	1,187	151,971
Disposals	-19,993	-1,220	-2,135	-	-	-23,348
Effect of acquisitions	5,212	-	-	-	758	5,970
Transfers	5,683	-	-8,359	-	2,675	-
Foreign exchange difference	1,890	124	523	4,403	194	7,134
Closing balance as of 31/12/2023	442,670	13,296	256,918	46,664	10,209	769,754
Adjustments and accumulated amortisation						
Opening balance as of 1/1/2023	-304,397	-5,910	-	-40,417	-1,208	-351,932
Amortisation expense	-42,986	-1,913	-	-1,491	-1,709	-48,099
Disposals	19,666	1,219	-	-	-	20,885
Effect of acquisitions	-2,374	-	-	-	-	-2,374
Transfers	-	-	-	-	-	-
Foreign exchange difference	-450	-65	-	-1,354	-88	-1,956
Closing balance as of 31/12/2023	-330,541	-6,669	-	-43,262	-3,005	-383,476
Net book value 1/1/2023	99,164	8,482	162,421	1,844	4,186	276,097
Net book value 31/12/2023	112,129	6,627	256,918	3,402	7,203	386,279

The main part of intangible assets is internally produced software. In the period under review, the Group incurred expenditures on further software development. The Group continues to develop this software.

	Software	Other intellectual property rights	Intangible fixed assets under construction	Goodwill	Other intangible fixed assets	Total
Acquisition cost						
Opening balance as of 1/1/2022	304,217	6,879	83,921	39,794	331	435,140
Additions	59,907	4,013	85,975	7,174	814	157,883
Disposals	-1,203	-	-4,797	-	-	-6,000
Effect of acquisitions	40,708	3,634	1,101	157	4,250	49,851
Transfers	134	-134	-3,575	-	-	-3,575
Foreign exchange difference	-202	-	-205	-4,865	-	-5,272
Closing balance as of 31/12/2022	403,561	14,392	162,421	42,261	5,395	628,027
Adjustments and accumulated amortisation						
Opening balance as of 1/1/2022	-250,777	-3,927	-	-39,717	-296	-294,717
Amortisation expense	-38,514	-401	1,101	-1,612	31	-39,394
Disposals	1,202	-	-	-	-	1,202
Effect of acquisitions	-16,298	-1,716	-1,101	-	-944	-20,060
Transfers	-134	134	-	-	-	-
Foreign exchange difference	124	-	-	912	-	1,036
Closing balance as of 31/12/2022	-304,397	-5,910	-	-40,417	-1,208	-351,932
Net book value 1/1/2022	53,440	2,952	83,921	77	35	140,425
Net book value 31/12/2022	99,164	8,482	162,421	1,844	4,186	276,097

b) Tangible fixed assets

	Land and buildings	Machin. and equip.	Other tangible fixed assets	Adjustments to acquired fixed assets	Advance payments and tang. fixed assets under construction	Total
Acquisition cost						
Opening balance as of 1/1/2023	39,381	332,898	13,621	56,113	5,486	447,499
Additions	3,013	78,261	–	–	831	82,105
Disposals	–912	–30,936	–	–	–849	–32,697
Effect of acquisitions	1,462	38,737	–	–	–	40,199
Transfers	1,782	–2,452	3,196	–	–2,526	–
Foreign exchange difference	1,040	2,341	–	–	75	3,456
Closing balance as of 31/12/2023	45,765	418,849	16,817	56,113	3,017	540,562
Adjustments and accumulated depreciation						
Opening balance as of 1/1/2023	–21,859	–203,947	–9,582	–21,934	–	–257,323
Depreciation expense	–2,144	–61,409	–28	–3,555	113	–67,003
Disposals	240	29,252	–	–	–	29,492
Effect of acquisitions	–	–30,235	–	–	–	–30,235
Foreign exchange difference	–638	–1,515	–	–	–	–2,153
Closing balance as of 31/12/2023	–24,401	–267,854	–9,610	–25,469	113	–327,222
Net book value 1/1/2023	17,522	128,951	4,039	34,179	5,486	190,177
Net book value 31/12/2023	21,364	150,995	7,207	30,644	3,130	213,340

In 2023, additions to fixed assets primarily comprised the purchase of cars and IT equipment and putting assets into use as an effect of new acquisitions.

	Land and buildings	Machin. and equip.	Other tangible fixed assets	Adjustments to acquired fixed assets	Advance payments and tang. fixed assets under construction	Total
Acquisition cost						
Opening balance as of 1/1/2022	9,015	265,368	12,267	56,113	7,884	350,647
Additions	1,723	55,068	3,373	–	4,717	64,881
Disposals	–	–30,766	–2,019	–	–7,050	–39,835
Effect of acquisitions	28,974	44,354	–	–	–	73,327
Transfers	–	4,263	–	–	–	–
Foreign exchange difference	–330	–1,126	–	–	–65	–1,521
Closing balance as of 31/12/2022	39,381	332,898	13,621	56,113	5,486	447,499
Adjustments and accumulated depreciation						
Opening balance as of 1/1/2022	–1,850	–159,877	–7,515	–18,394	–	–187,636
Depreciation expense	–1,103	–41,394	–3,929	–3,540	–	–49,967
Disposals	–	23,234	1,862	–	–	25,096
Effect of acquisitions	–19,079	–26,582	–	–	–	–45,661
Foreign exchange difference	174	672	–	–	–	846
Closing balance as of 31/12/2022	–21,859	–203,947	–9,582	–21,934	–	–257,323
Net book value 1/1/2022	7,165	105,491	4,752	37,719	7,884	163,011
Net book value 31/12/2022	17,522	128,951	4,039	34,179	5,486	190,177

The Company has fixed tangible assets encumbered by a pledge as of the reporting date in the amount of TCZK 5,237 (TCZK 7,829 as of 31 December 2022) in favour of the lending bank and TCZK 6,553 (TCZK 8,773 as of December 2022) in favour of a supplier based on a supplier loan.

8. Investments

Long-term investments

The Group records long-term investments totalling TCZK 377,674 (TCZK 376,220 as of 31 December 2022). These include equity investments in subsidiaries of TCZK 1,286 (TCZK 5,177 as of 31 December 2022), loans and borrowings to group undertakings of TCZK 372,433 (TCZK 344,759 as of 31 December 2022), equity investments in associated companies of TCZK 8 (TCZK 0 as of 31 December 2022), other long-term securities and equity investments of TCZK 0 (TCZK 1,947 as of 31 December 2022), loans and borrowings – other of TCZK 3,300 (TCZK 23,828 as of 31 December 2022), and other long-term investments of TCZK 647 (TCZK 509 as of 31 December 2022).

Short-term financial assets

The Group does not report any short-term financial assets (TCZK 15,071 as of 31 December 2022 from an investment note with an interest rate of 6.9% and maturity on 24 January 2023).

9. Inventories

Inventories	as of 31/12/2022	as of 31/12/2023
Raw materials	18,570	6,009
Goods for resale	54,119	48,530
Work-in-progress	137,579	122,873
Advances provided for inventories	901	3,066
Total	211,169	180,479

Work-in-progress primarily comprises capitalised expenses relating to customer orders that are still in progress.

As of 31 December 2023, the Group created an adjustment to inventories of TCZK 22,401 (TCZK 24,865 as of 31 December 2022).

10. Investment incentives and subsidies

The Group received no investment incentives and subsidies in 2023 and 2022.

11. Long-term receivables

The Group's long-term receivables primarily comprise long-term advances provided of TCZK 3,280 (TCZK 3,949 as of 31 December 2022), estimated receivables of TCZK 377 (TCZK 0 as of 31 December 2022) and other receivables of TCZK 24,763 (TCZK 0 as of 31 December 2022).

Other long-term receivables comprise a deferred tax asset.

The Group does not record any long-term receivables with a due date longer than 5 years (TCZK 0 as of 31 December 2022).

12. Short-term receivables

Short-term receivables primarily comprise short-term trade receivables of TCZK 535,835 (TCZK 477,628 as of 31 December 2022), of which TCZK 18,137 (TCZK 61,922 as of 31 December 2022) are overdue. An adjustment for doubtful receivables of TCZK 23,623 was established as of 31 December 2023 (TCZK 19,573 as of 31 December 2022).

Short-term receivables further comprise short-term advances provided of TCZK 5,915 (TCZK 5,649 as of 31 December 2022).

Other short-term receivables primarily comprise tax receivables of TCZK 4,100 (TCZK 16,682 as of 31 December 2022) and estimated receivables of TCZK 8,167 (TCZK 9,819 as of 31 December 2022).

Other receivables amount to TCZK 33,636 (TCZK 39,621 as of 31 December 2022) and comprise mainly revaluation of derivatives.

13. Deferrals

Deferrals primarily consist of prepaid expenses of TCZK 80,995 (TCZK 119,131 as of 31 December 2022). Prepaid expenses primarily include purchase costs of customer licences, subscription fees, insurance premiums, maintenance support and rent.

14. Derivatives

As of the balance sheet date, the Group held the following derivatives for trading:

	Fair value on 31/12/2023		Fair value on 1/1/2023	
	Positive	Negative	Positive	Negative
Interest rate contracts				
Swaps	11,509	26	26,422	54
Total derivatives for trading	11,509	26	26,422	54

The interest rate swap contract is covered by collateral of TEUR 2,000.

Positive value of derivatives is presented in Other receivables. Negative value of derivatives is presented in Other payables.

15. Equity

Movements in the equity account are presented in the Statement of changes in equity.

16. Provision under special legal regulations

	Income tax provision	Provision under special legal regulations	Other provisions	Total
Balance on 1/1/2023	29,961	–	52,793	82,754
Change	–21,376	3,183	–10,756	–28,949
Closing balance as of 31/12/2023	8,585	3,183	42,037	53,806

	Income tax provision	Provision under special legal regulations	Other provisions	Total
Balance on 1/1/2022	9,296	–	53,121	62,417
Change	20,665	–	–328	20,337
Closing balance as of 31/12/2022	29,961	–	52,793	82,754

Other provisions primarily include a provision for bonuses, a pension provision, a provision for untaken holiday and a guarantee provision. In 2023, the income tax provision of TCZK 76,446 (TCZK 63,857 for 2022) was reduced by income tax prepayments of TCZK 67,861 (TCZK 33,895 for 2022). The resulting liability of TCZK 8,585 was recognised in Income tax provision (the resulting liability for 2022 of TCZK 29,961 was recognised in Income tax provisions).

A change in provisions comprises the creation of provisions for the period, their release and use, as well as the effect of acquiring new companies (TCZK 3,460 for 2023, TCZK 7,042 for 2022).

17. Long-term liabilities

Long-term liabilities primarily comprise other liabilities of TCZK 30,536 (2022 – TCZK 89,195), which include unpaid parts of the purchase price of long-term investments of TCZK 18,695 (TCZK 83,832 as of 31 December 2022).

Other long-term liabilities primarily comprise deferred tax liabilities of TCZK 4,679 (TCZK 3,190 at 31 December 2022) and liabilities – group undertakings of TCZK 303 (trade payables of TCZK 231 as of 31 December 2022), trade payables in the amount of TCZK 301 (TCZK 0 as of 31 December 2022) and estimated payables in the amount of TCZK 242 (TCZK 0 as of 31 December 2022), and liabilities to shareholders in the amount of TCZK 34 (TCZK 0 as of 31 December 2022).

Long-term liabilities to credit institutions are described in note 19.

The Group does not record any long-term liabilities with a due date longer than 5 years (CZK 0 as of 31 December 2022).

18. Short-term liabilities

Short-term trade payables total TCZK 276,280 (TCZK 242,379 as of 31 December 2022), of which TCZK 580 (TCZK 26,923 as of 31 December 2022) is overdue.

Tax liabilities of TCZK 76,738 mainly comprise VAT (TCZK 55,771 as of 31 December 2022).

Liabilities to employees and social security and health insurance liabilities total TCZK 192,014 (TCZK 170,676 as of 31 December 2022).

Other payables amount to TCZK 141,716 (TCZK 25,496 as of 31 December 2022) and primarily comprise short-term payables relating to unpaid parts of the purchase price of investments of TCZK 62,957 (TCZK 10,664 as of 31 December 2022).

Other short-term liabilities primarily comprise short-term advances received of TCZK 53,755 (TCZK 51,448 as of 31 December 2022) and estimated payables of TCZK 60,291 (TCZK 36,148 as of 31 December 2022).

19. Liabilities to credit institutions

As of 31 December 2023, the Group records a liability to credit institutions of TCZK 1,487,439 (TCZK 1,562,081 as of 31 December 2022), while TCZK 221,970 (TCZK 201,759 as of 31 December 2022) comprises a short-term portion due within one year, and TCZK 1,265,469 (TCZK 1,360,322 as of 31 December 2022) are due within 5 years.

Interest expenses relating to the loans received amounts to TCZK 81,957 for 2023 (2022 – TCZK 39,129).

The loans are secured by:

- The pledge of tangible fixed assets (see note 7b);
- The pledge of receivables;
- The pledge of own shares and shares of significant subsidiaries;
- Guaranteed agreements with Seyfor Slovakia, a.s., Seyfor d. o. o. and VASCO, računalniški inženiring, d. o. o.

On 22 December 2021, a framework agreement was concluded for the provision of long-term multi-currency bank financing, with credit facility of TEUR 63,500 and TCZK 165,750, to finance future strategic development and the refinancing of loans. There were drawdowns from this credit framework in 2022 and 2023. In 2023, an amendment to this loan agreement was signed and the total credit facility was increased by TEUR 20,000. The loan is due on 30 September 2026.

20. Accruals

Accruals of TCZK 313,015 (TCZK 340,723 as of 31 December 2022) mainly comprise deferred revenues of TCZK 299,512 (TCZK 324,405 as of 31 December 2022) and accrued expenses of TCZK 13,503 (TCZK 16,317 as of 31 December 2022). Deferred revenues comprise revenues from fees for software use, system maintenance fees and fees for services rendered.

21. Segment information

An overview of the Group's revenue from the sale of goods, products and services from regular business activities (in TCZK).

Revenues	2022	2023
Sale of products and services	2,589,276	3,750,911
Domestic sales	1,680,281	2,404,356
Exports	908,995	1,346,555
Sale of goods	357,931	202,245
Domestic sales	327,617	149,284
Exports	30,313	52,961
Total	2,947,206	3,953,156

22. Cost of sales

Cost of sales primarily comprises services of TCZK 1,396,493 (TCZK 875,366 for 2022), costs of goods sold and the cost of materials and energy consumables of TCZK 198,729 (TCZK 367,614 for 2022).

The major items of services are subcontracts in the total amount of TCZK 441,661 (advisory services in the total amount of TCZK 438,000 for 2022) and purchased licenses and their maintenance, for a total of TCZK 507,065 (TCZK 51,119 in 2022). Other significant services comprise rental expenses, facility management and marketing of TCZK 195,113 (TCZK 203,754 for 2022). Other services in the total amount of TCZK 252,654 (TCZK 132,895 for 2022) primarily comprise advisory services, telecommunication services, repair and maintenance expenses and entertainment expenses.

23. Other operating revenues and expenses

a) Other operating revenues

Other operating revenues total TCZK 16,813 (TCZK 28,516 for 2022), of which TCZK 5,683 (TCZK 16,126 for 2022) are proceeds from sale of fixed assets. Other operating income represents mainly insurance claims and commissions.

b) Other operating expenses

Other operating expenses total TCZK 33,827 (TCZK 22,064 for 2022), arising mainly from the use of provisions relating to operating activity, sale of fixed assets, and insurance expenses.

24. Other financial revenues and expenses

Other financial revenues of TCZK 35,420 (TCZK 65,271 for 2022) primarily comprise foreign exchange gains of TCZK 34,321 (TCZK 40,580 for 2022).

Other financial expenses of TCZK 117,844 (TCZK 30,619 for 2022) primarily comprise foreign exchange losses of TCZK 53,640 (TCZK 24,073 for 2022).

25. Fees payable to statutory auditors

in TCZK	2022	2023
Statutory audit	2,200	3,592
Other assurance services	-	-
Tax advisory	-	-
Other non-audit services	-	-
Total	2,200	3,592

26. Employees and members of management, supervisory and administrative bodies

2023	Average FTE number	Wages and salaries	Statutory social security and health insurance	Other social expenses	Total
Employees	1,505	1,302,691	397,044	44,471	1,744,205
Executives*	24	35,435	7,913	2,522	45,870
Total	1,529	1,338,126	404,957	46,993	1,790,075

* Wages and salaries of members of management, supervisory and administrative bodies represent the members' remuneration attributable to their function.

2022	Average FTE number	Wages and salaries	Statutory social security and health insurance	Other social expenses	Total
Employees	1,222	1,038,476	315,380	391,133	1,392,989
Executives*	22	25,699	6,454	331	32,484
Total	1,244	1,064,175	321,834	391,464	1,425,473

* Wages and salaries of members of management, supervisory and administrative bodies represent the members' remuneration attributable to their function.

Remuneration to members of management, supervisory and administrative bodies attributable to their function are paid out based on concluded and approved contracts.

The Group has no pension obligations to former members of the management, supervisory or administrative bodies.

27. Income tax

a) Current tax

Current income tax comprises tax for the taxable period ended 31 December 2023 of TCZK 76,446 (TCZK 63,857 for 2022).

b) Deferred tax

In accordance with the accounting policy described in note 3i), a tax rate of 19% was used to calculate deferred tax (2022 – 19%). Tax rates valid in the respective countries were used for foreign companies. The Group records a net deferred tax asset of TCZK 1,558. As of 31 December 2022, the Group recognised a deferred tax asset of TCZK 1,048. Income tax in the income statement comprises the expense relating to a change in deferred tax of TCZK –559 (TCZK 1,179 for 2022).

28. Related parties

The following table shows the Group's relations to members of management, supervisory and administrative bodies and other related parties:

in TCZK	Shareholders	Other related parties	Shareholders	Other related parties
	2022	2022	2023	2023
Revenues	–	1,225	–	361
Expenses	–	79	–	2,464
Receivables	–	92	–	2,186
Payables	–	–	–	1,829

The Group provided a loan to the shareholder of the Company and a group company not included in the consolidation in the total amount of TCZK 372,433 (TCZK 344,759 as of 31 December 2022). Interest income on the loans provided amounts to TCZK 14,737 for 2023 (2021 – TCZK 11,242).

29. Leased assets

a) Finance leases

The Group is committed to payments under finance leases for motor vehicles and IT equipment as follows:

	Total lease payments	Paid as of 31/12	Due within 1 year	Due in 1 to 5 years	Due in subsequent years
2023 Cars	2,664	1,103	819	742	-
2023 IT equipment	25,763	7,524	6,270	11,969	-
2022 Cars	2,987	1,633	154	1,200	-
2022 IT equipment	12,675	3,884	1,389	3,014	4,388

b) Operating lease

The Group has concluded leases for real estate and cars. Costs relating to these contracts for 2023 totalled TCZK 115,602 (2022 – TCZK 94,757).

30. Own work capitalised

The Company recognised TCZK 137,845 (TCZK 83,786 as of 31 December 2022) in Own work capitalised. The item comprises the capitalisation of expenses incurred for intangible fixed assets under construction (new software).

31. Research and development

The Group incurred research and development expenses of TCZK 40,417 in 2023 (TCZK 62,902 as of 31 December 2022).

32. Contingencies and commitments

As of 31 December 2023, the Group had a guaranteed agreement between Seyfor d.o.o. and Seyfor, a. s. entered into on 29 May 2023, under which Seyfor, a. s. guarantees the repayment of the loan obligations of Seyfor d.o.o. (SI) up to the amount of the annual capital of Seyfor d.o.o. (SI). The total amount of the commitment is EUR 66 million.

In addition, as of 31 December 2023 the Group had a guaranteed agreement between VASCO, računalniški inženiring, d.o.o. and Seyfor, a. s., which was concluded on 29 May 2023, under which Seyfor, a. s. guarantees the repayment of the loan obligations of VASCO, računalniški inženiring, d.o.o. up to the amount of the annual capital of VASCO, računalniški inženiring, d.o.o. The total amount of the commitment is EUR 66 million.

As of 31 December 2023 or 31 December 2022, the Group had no other material liabilities not recorded in the balance sheet, except for liabilities arising from the contracts mentioned in note 29.

33. Cash flow statement

For the purposes of the cash flow statement, cash and cash equivalents are defined to include cash in hand, cash in transit, cash at the bank and other financial assets whose valuation can be reliably determined and that can be readily converted to cash. Cash and cash equivalents as of the year-end are as follows:

in TCZK	2022	2023
Cash in hand	2,623	1,214
Bank accounts	519,776	575,865
Cash and cash equivalents	522,399	577,079

The cash flow statement was prepared using the indirect method and is part of the financial statements as a separate statement. Cash flows from operating, investing or financing activities are reported on a gross basis in the cash flow statement.

34. Material subsequent events

On 3 November 2023, the Company approved the project by merging the companies in the TECHNISERV IT, spol. s r.o. group, TECHNISERV IT SOFTWARE DEVELOPMENT, spol. s r.o., and Solitea West, s.r.o., effective from 1 January 2024. The successor company will be Seyfor, a. s.

Successor Company:

Seyfor, a. s., with its registered office at Drobného 555/49, Ponava, 602 00 Brno, ID No.: 015 72 377

Dissolved companies:

TECHNISERV IT, spol. s r.o., with its registered office at Traťová 574/1, Horní Heršpice, 619 00 Brno, ID No.: 26298953

TECHNISERV IT SOFTWARE DEVELOPMENT, spol. s r.o., with its registered office at Traťová 574/1, Horní Heršpice, 619 00 Brno, ID No.: 26298953

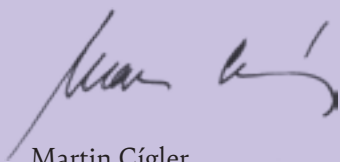
Solitea West, s.r.o., with its registered office at Drobného 555/49, Ponava, 602 00 Brno, ID No.: 25246241

On 21 March 2024, the company purchased a 35% stake in Digitask s.r.o. and at the same time committed to an additional contribution to other capital funds (investment of TCZK 5,000).

The Company is also actively seeking other potential investment opportunities within the European market.

At the date of the financial statements, the Group's management is not aware of any other significant subsequent events that would affect the financial statements as of 31 December 2023.

In Brno on 6 June 2024



Martin Cígler
Chairman of the Board of Directors
Seyfor, a. s.

Independent Auditor's Report

Board of Directors of:

Seyfor, a. s.

Joint-stock with registered capital of 815,000 TCZK

Registered Address: Drobného 555/49, Ponava, 602 00 Brno

Company Identification Number (ID No.): 015 72 377

Auditor's Opinion

We have audited the accompanying consolidated financial statements of Seyfor, a. s. and its subsidiaries (hereinafter the "Group") prepared in accordance with accounting principles generally accepted in the Czech Republic, showing a consolidated balance sheet total of 4,712,778 TCZK and a consolidated profit of 218,404 TCZK. These consolidated financial statements comprise the consolidated balance sheet as of 31 December 2023, and the consolidated income statement, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended 31 December 2023, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information. Group information is disclosed in Section 5 of the Notes to the consolidated financial statements.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as of 31 December 2023, and of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with accounting principles generally accepted in the Czech Republic.

Basis for Opinion

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

Other Information presented in the Consolidated Annual Report

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the consolidated Annual Report other than the financial statements and auditor's report thereon. Board of Directors is responsible for the other information.

Our opinion on the consolidated financial statements does not cover other information. In connection with our audit of the consolidated financial statements, our responsibility is to read the other

information and, in doing so, consider whether the other information is materially consistent with the consolidated financial statements or with our knowledge obtained in the audit of consolidated financial statements or whether the information appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material aspects, in accordance with applicable law or regulation, in particular, whether the other information complies with law or regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgements made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess, we report that:

- The other information describing the facts that are also presented in the consolidated financial statements is, in all material aspects, consistent with the consolidated financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

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

Responsibilities of the Company's Board of Directors (hereinafter the "Company's statutory body") for the Consolidated Financial Statements

Company's statutory body is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the Czech Republic, and for such internal control as the statutory body determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Company's statutory body is responsible for assessing the Group's ability to continue as a going concern, disclosing in the notes to the consolidated financial statements, as applicable, matters related to going concern and using the going concern basis of accounting unless the Company's statutory body either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control by the statutory body of the Group.
- Obtain an understanding of internal Group control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's statutory body in the notes to the consolidated financial statements.
- Conclude on the appropriateness of the statutory body's use of the going concern basis of accounting during preparation of the consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions regarding the Group's ability to continue as going concern are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures. Evaluate whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- To obtain sufficient and appropriate evidence on the financial information of the entities included in the Group and on the Group's business activity in order to express an opinion on the consolidated financial statements. We are responsible for the Group audit management, its supervision and its performance. The auditor's opinion on the consolidated financial statement is our sole responsibility.

We communicate with the Company's statutory body regarding, among other matters, the planned scope and timing of the audit and our significant audit findings, including any significant deficiencies identified in the internal controls.

Grant Thornton Audit s.r.o.
Audit Firm
Pujmanové 1753/10a, Praha 4
Licence No. 603

Prague on 6 June 2024



Ing. Milan Pašek
Auditor, Licence No. 2112
Managing Director



Individual Financial statements

Balance sheet in full format
as of 31 December 2023 (in TCZK)
Translated from the Czech original

Name and registr. office
of the Company: Seyfor, a. s.
Drobného 555/49, Ponava
602 00 Brno, Czech Republic
ID No.: 015 72 377

ASSETS

Ident.	ASSETS	Line	Current period		Prior period	
			Gross	Adjust.	Net	Net
a	b	c	1	2	3	4
	TOTAL ASSETS	1	3,930,450	-432,555	3,497,895	3,295,713
B.	Fixed assets	2	2,872,364	-427,288	2,445,076	2,426,185
B.I.	Intangible fixed assets	3	403,689	-176,454	227,235	155,045
B.I.2.	Intellectual property rights	4	184,611	-176,391	8,220	13,201
B.I.2.1.	Software	5	174,392	-171,639	2,753	7,044
B.I.2.2.	Other intellectual property rights	6	10,219	-4,752	5,467	6,157
B.I.3.	Goodwill	7	100	-63	37	57
B.I.5.	Advance payments for intangible fixed assets and intangible fixed assets under construction	8	218,978	-	218,978	141,787
B.I.5.1.	Advance payments for intangible fixed assets	9	-	-	-	43
B.I.5.2.	Intangible fixed assets under construction	10	218,978	-	218,978	141,744
B.II.	Tangible fixed assets	11	526,815	-177,894	348,921	369,918
B.II.1.	Land and buildings	12	1,872	-1,124	748	1,037
B.II.1.2.	Buildings	13	1,872	-1,124	748	1,037
B.II.2.	Plant and equipment	14	229,115	-148,289	80,826	85,914
B.II.3.	Adjustments to acquired fixed assets	15	279,449	-21,514	257,935	276,365
B.II.4.	Other tangible fixed assets	16	14,174	-6,967	7,207	4,010
B.II.4.3.	Other tangible fixed assets	17	14,174	-6,967	7,207	4,010
B.II.5.	Advance payments for tangible fixed assets and tangible fixed assets under construction	18	2,205	-	2,205	2,592
B.II.5.2.	Tangible fixed assets under construction	19	2,205	-	2,205	2,592
B.III.	Long-term investments	20	1,941,860	-72,940	1,868,920	1,901,222
B.III.1.	Equity investments - group undertakings	21	1,583,796	-72,940	1,510,856	1,572,062
B.III.2.	Loans - group undertakings	22	357,417	-	357,417	328,760
B.III.7.	Other long-term investments	23	647	-	647	400
B.III.7.1.	Other long-term investments	24	400	-	400	400
B.III.7.2.	Advance payments for long-term investments	25	247	-	247	-

Balance sheet in full format
as of 31 December 2023 (in TCZK)
Translated from the Czech original

Name and registr. office
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Drobného 555/49, Ponava
602 00 Brno, Czech Republic
ID No.: 015 72 377

ASSETS

Ident.	ASSETS	Line	Current period		Prior period	
			Gross	Adjust.	Net	Net
a	b	c	1	2	3	4
C.	Current assets	26	1,004,619	-5,267	999,352	797,808
C.I.	Inventories	27	116,356	-	116,356	97,569
C.I.1.	Raw materials	28	202	-	202	126
C.I.2.	Work-in-progress and semi-finished products	29	111,086	-	111,086	84,913
C.I.3.	Finished goods and goods for resale	30	5,068	-	5,068	12,530
C.I.3.2.	Goods for resale	31	5,068	-	5,068	12,530
C.II.	Receivables	32	643,984	-5,267	638,717	496,712
C.II.1.	Long-term receivables	33	4,234	-	4,234	5,718
C.II.1.4.	Deferred tax asset	34	4,234	-	4,234	2,564
C.II.1.5.	Receivables - other	35	-	-	-	3,154
C.II.1.5.2.	Long-term advances paid	36	-	-	-	70
C.II.1.5.4.	Other receivables	37	-	-	-	3,084
C.II.2.	Short-term receivables	38	639,750	-5,267	634,483	490,994
C.II.2.1.	Trade receivables	39	291,287	-5,267	286,020	296,227
C.II.2.2.	Receivables - group undertakings	40	309,573	-	309,573	-
C.II.2.4.	Receivables - other	41	38,890	-	38,890	194,767
C.II.2.4.3.	Tax receivables	42	-	-	-	10,097
C.II.2.4.4.	Short-term advances paid	43	2,774	-	2,774	4,725
C.II.2.4.5.	Estimated receivables	44	13,471	-	13,471	9,831
C.II.2.4.6.	Other receivables	45	22,645	-	22,645	170,114
C.IV.	Cash	46	244,279	-	244,279	203,527
C.IV.1.	Cash in hand	47	131	-	131	208
C.IV.2.	Bank accounts	48	244,148	-	244,148	203,319
D.	Deferrals	49	53,467	-	53,467	71,720
D.1.	Prepaid expenses	50	53,467	-	53,467	71,720

Balance sheet in full format
as of 31 December 2023 (in TCZK)
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LIABILITIES

Ident.	LIABILITIES	line	Current period	Prior period
a	b	c	1	2
	TOTAL LIABILITIES AND EQUITY	51	3,497,895	3,295,713
A.	Equity	52	1,231,355	1,007,295
A.I.	Registered capital	53	815,000	815,000
A.I.1.	Registered capital	54	815,000	815,000
A.II.	Premium and capital contributions	55	-1,125,537	-1,147,108
A.II.1.	Premium	56	6,128	6,128
A.II.2.	Capital contributions	57	-1,131,665	-1,153,236
A.II.2.1.	Other capital contributions	58	380,076	380,076
A.II.2.2.	Revaluation of assets and liabilities (+/-)	59	-30,782	-52,353
A.II.2.3.	Revaluation reserve on transformations (+/-)	60	56,065	56,065
A.II.2.4.	Differences resulting from transformations (+/-)	61	-1,428,549	-1,428,549
A.II.2.5.	Change in revaluation reserve on transformations (+/-)	62	-108,475	-108,475
A.III.	Funds from profit	63	15,342	15,342
A.III.1.	Other reserve funds	64	416	416
A.III.2.	Statutory and other funds	65	14,926	14,926
A.IV.	Retained earnings (+/-)	66	1,324,061	1,324,061
A.IV.1.	Retained profits (+/-)	67	1,324,061	1,324,061
A.V.	Profit (loss) for the current period (+/-)	68	202,489	-
B. + C.	Liabilities	69	2,058,906	2,066,491
B.	Provision	70	27,048	44,746
B.2.	Income tax provision	71	4,550	26,103
B.4.	Other provisions	72	22,498	18,643

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as of 31 December 2023 (in TCZK)
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LIABILITIES

Ident.	LIABILITIES	line	Current period	Prior period
a	b	c	1	2
C.	Liabilities	73	2,031,858	2,021,745
C.I.	Long-term liabilities	74	1,283,054	1,374,814
C.I.2.	Liabilities to credit institutions	75	1,264,359	1,360,322
C.I.9.	Liabilities - other	76	18,695	14,492
C.I.9.3.	Other payables	77	18,695	14,492
C.II.	Short-term liabilities	78	748,804	646,931
C.II.2.	Short-term financial liabilities	79	221,853	201,660
C.II.3.	Short-term advances received	80	50,488	49,500
C.II.4.	Trade payables	81	131,317	121,000
C.II.6.	Liabilities – group undertakings	82	76,784	76,044
C.II.8.	Liabilities – other	83	268,362	198,727
C.II.8.3.	Payables to employees	84	76,827	74,922
C.II.8.4.	Social security and health insurance liabilities	85	41,655	39,020
C.II.8.5.	Tax liabilities and subsidies	86	42,911	39,696
C.II.8.6.	Estimated payables	87	44,012	32,196
C.II.8.7.	Other payables	88	62,957	12,893
D.	Accruals	89	207,634	221,927
D.1.	Accrued expenses	90	4,375	7,565
D.2.	Deferred revenues	91	203,259	214,362

Income statement

classification by nature for the year ended 31 December 2023

(in TCZK)

Translated from the Czech original

Name and registr. office
of the Company: Seyfor, a. s.
Drobného 555/49, Ponava
602 00 Brno, Czech Republic
ID No.: 015 72 377

Ident.		line	Current period	Prior period
a	b	c	1	2
I.	Revenue from products and services	1	2,115,509	1,421,837
II.	Revenue from goods	2	81,211	153,201
A.	Cost of sales	3	873,274	591,654
A.1.	Cost of goods sold	4	60,228	101,553
A.2.	Materials and consumables	5	32,569	27,872
A.3.	Services	6	780,477	462,229
B.	Change in inventory of own production (+/-)	7	-26,174	-43,423
C.	Own work capitalised (-)	8	-80,197	-61,808
D.	Personnel expenses	9	1,102,077	860,002
D.1.	Wages and salaries	10	799,846	626,909
D.2.	Social security, health insurance and other expenses	11	302,231	233,093
D.2.1.	Social security and health insurance expenses	12	267,431	208,678
D.2.2.	Other expenses	13	34,800	24,415
E.	Adjustments relating to operating activities	14	62,603	35,061
E.1.	Adjustments to intangible and tangible fixed assets	15	63,415	35,851
E.1.1.	Depreciation and amortisation of intangible and tangible fixed assets	16	63,415	35,851
E.2.	Adjustments to inventories	17	-236	-
E.3.	Impairment of intangible and tangible fixed assets	18	-576	-790
III.	Other operating revenues	19	7,541	9,260
III.1.	Proceeds from disposals of fixed assets	20	4,145	4,654
III.2.	Proceeds from disposals of raw materials	21	239	20
III.3.	Miscellaneous operating revenues	22	3,157	4,586
F.	Other operating expenses	23	21,199	14,735
F.1.	Net book value of fixed assets sold	24	499	1,287
F.2.	Net book value of raw materials sold	25	-	20
F.3.	Taxes and charges	26	1,631	1,082
F.4.	Provisions relating to operating activity and complex prepaid expenses	27	3,854	4,018
F.5.	Miscellaneous operating expenses	28	15,215	8,328
*	Operating profit (loss) (+/-)	29	251,479	188,077

Income statement

classification by nature for the year ended 31 December 2023

(in TCZK)

Translated from the Czech original

Name and registr. office
of the Company: Seyfor, a. s.
Drobného 555/49, Ponava
602 00 Brno, Czech Republic
ID No.: 015 72 377

Ident.		line	Current period	Prior period
a	b	c	1	2
IV.	Revenue from long-term investments - equity investments	30	32,950	32
IV.1.	Revenue from equity investments - group undertakings	31	32,950	32
G.	Cost of equity investments sold	32	-	2,106
VI.	Interest revenue and similar revenue	33	16,040	13,708
VI.1.	Interest revenue and similar revenue - group undertakings	34	14,930	13,466
VI.2.	Other interest revenue and similar revenue	35	1,110	242
I.	Adjustments and provisions relating to financial activity	36	-57,060	15,000
J.	Interest expenses and similar expenses	37	82,038	42,722
J.1.	Interest expenses and similar expenses – group undertakings	38	2,266	2,226
J.2.	Other interest expenses and similar expenses	39	79,772	40,496
VII.	Other financial revenues	40	31,305	62,572
K.	Other financial expenses	41	69,840	20,461
*	Profit (loss) from financial operations	42	-14,523	-3,977
**	Profit (loss) before tax (+/-)	43	236,956	184,100
L.	Income tax	44	34,467	38,776
L.1.	Current tax	45	36,137	38,747
L.2.	Deferred tax (+/-)	46	-1,670	29
**	Profit (loss) after tax (+/-)	47	202,489	145,324
***	Profit (loss) for the accounting period (+/-)	48	202,489	145,324
*	Net turnover for the accounting period = I. + II. + III. + IV. + V. + VI. + VII.	49	2,284,556	1,660,610

Cash flow statement

for the year ended 31 December 2023 (in TCZK)

Translated from the Czech original

Name and registr. office
of the Company: Seyfor, a. s.
Drobného 555/49, Ponava
602 00 Brno, Czech Republic
ID No.: 015 72 377

CASH FLOW STATEMENT

		Current period	Prior period
P.	Cash and cash equivalents, beginning of period	168,411	303,048
	Merger impact	35,116	23,852
P.	Cash and cash equivalents, beginning of period	203,527	326,900
Net operating cash flow			
Z:	Operating profit (loss) before tax	251,479	188,077
A.1.	Non-cash transactions	63,927	36,552
A.1.1.	Depreciation and amortisation of fixed assets	44,965	35,825
A.1.2.	Change in:	21,493	3,254
A.1.2.1.	Goodwill and adjustments to acquired assets	18,450	26
A.1.2.2.	Provisions and adjustments relating to operating activity	3,043	3,228
A.1.3.	Profit(-) Loss(+) on sale of fixed assets	-3,646	-3,367
A.1.4.	Other non-cash transactions	1,115	840
A.*	Net operating cash flow before taxation and changes in working capital	315,406	224,629
A.2.	Changes in working capital	283,071	-260,442
A.2.1.	Change in receivables from operating activities, estimated receivables and deferrals	174,477	74,566
A.2.2.	Change in short-term liabilities from operating activities, estimated payables and accruals	127,145	-287,975
A.2.3.	Change in inventories	-18,551	-47,033
A.**	Net operating cash flow before taxation	598,477	-35,813
A.3.	Interest paid excluding amounts capitalised	-79,812	-40,496
A.4.	Interest received	1,249	13,708
A.5.	Income tax paid on ordinary income and income tax relating to prior periods	-57,690	-15,718
A.6.	Other financial receipts and disbursement	-23,594	15,745
A.7.	Dividends received	20,955	-
A.***	Net operating cash flow	459,585	-62,574

Cash flow statement
for the year ended 31 December 2023 (in TCZK)
Translated from the Czech original

Name and registr. office
of the Company: Seyfor, a. s.
Drobného 555/49, Ponava
602 00 Brno, Czech Republic
ID No.: 015 72 377

CASH FLOW STATEMENT

		Current period	Prior period
Investing activities			
B.1.	Acquisition of fixed assets	-356,262	-927,051
B.1.1.	Acquisition of tangible fixed assets	-38,719	-27,369
B.1.2.	Acquisition of intangible fixed assets	-79,772	-68,266
B.1.3.	Acquisition of long-term investments	-237,771	-831,416
B.2.	Proceeds from sale of fixed assets	16,140	4,686
B.2.1.	Proceeds from sale of tangible and intangible fixed assets	4,145	4,654
B.2.2.	Proceeds from sale of long-term investments	11,995	32
B.3.	Advances and loans to related parties	-5,619	-327,278
B.***	Net cash flow from investing activities	-345,741	-1,249,643
Financing activities			
C.1.	Change in long-term resp. short-term liabilities from financing	-73,092	1,153,728
C.***	Net cash flow from financing activities	-73,092	1,153,728
F.	Net increase or decrease in cash balance	40,752	-158,489
R.	Cash and cash equivalents, end of period	244,279	168,411

Statement of changes in equity
for the year ended 31 December 2023 (in TCZK)

**Name and registr. office
of the Company: Seyfor, a. s.**
Drobného 555/49, Ponava
602 00 Brno, Czech Republic
ID No.: 015 72 377

STATEMENT OF CHANGES IN EQUITY

	Registered capital	Premium	Other capital contributions	Revaluation of assets and liabilities	Revaluation reserve on transformations	Differences resulting from transformations	Change in revaluation reserve on transformations	Other retained earnings	Statutory and other funds	Profit (loss) for the current period	Other retained earnings	Profit (loss) for the current period	Total
Balance as of 1.1.2023	815,000	6,128	380,076	-52,353	56,065	-1,428,549	-108,475	416	14,926	1,324,061	-	-	1,007,295
Change in revaluation	-	-	-	21,571	-	-	-	-	-	-	-	-	21,571
Profit (loss) for the current period	-	-	-	-	-	-	-	-	-	-	-	202,489	202,489
Balance as of 31.12.2023	815,000	6,128	380,076	-30,782	56,065	-1,428,549	-108,475	416	14,926	1,324,061	-	202,489	1,231,355

Notes to Financial statements

1. Description and principal activities

Establishment and description of the Company

Seyfor, a. s. (previously Solitea, a. s.; hereinafter the “Company”) is a joint stock company with its registered office in Brno, Drobného 555/49, Czech Republic, ID No.: 015 72 377. The Company is registered in the Commercial Register of the Regional Court in Brno under file number 7072, section B.

On 1 December 2022, the name of the Company changed from Solitea, a. s. to Seyfor, a. s.

The principal activities of the Company include:

Manufacturing, trade and services not specified in appendixes 1 to 3 of the Trade Licensing Act, and within them the following fields of activities:

- a) Provision of software, information technology consulting, data processing, hosting and related activities and web portals
- b) Guidance and consulting activities, production of expert studies and opinions
- c) Publishing, printing, binding and copying
- d) Manufacture, reproduction, distribution, sale, rental of audio and audio-visual recordings, and manufacture of blank data and recording carriers
- e) Extra-curricular education, organisation of courses, training, including instructor services
- f) Advertising, marketing, media representation
- g) Translation and interpreting
- h) Operation of cultural, educational and entertainment facilities, organisation of cultural productions, events, exhibitions, fairs, festivals, sales and similar events
- i) Intermediation in trade and services
- j) Purchase, sale, management and maintenance of real estate
- k) Leasing and loaning of movables
- l) Administrative services and services of an organisational and economic nature
- m) Wholesale and retail trade
- n) Testing, measurement, analysis and inspections
- o) Research and development in the field of natural and technical sciences or social sciences
- p) Operation of a travel agency and guide services in the field of tourism

Ownership structure

As of 31 December 2023, shareholders of the Company with shares exceeding 20% were:

LIGELTA HOLDINGS LTD

with its registered office at 1061 Nicosia, Klimentos, 41–43, Klimentos Tower, 2nd floor, Office 24C, Republic of Cyprus, holding a 72.7% share.

CSW Holding s.r.o.

with its registered office at Brno, Drobného 555/49, 602 00, Czech Republic, ID No.: 29258367, holding a 20.1% share.

Changes in the Commercial Register

The following changes were recorded in the Commercial Register in 2023:

- On 1 January 2023, the company's share capital was increased by TCZK 1,000 to TCZK 815,000. The ratio of individual owners' stakes remained unchanged.
- The merger carried out according to the project drawn up on 9 November 2022 was registered as of 1 January 2023. The assets of the merging companies were: P R O V I S s.r.o. with its registered office at Jiráskova 1127, 755 01 Vsetín, ID No.: 45195129; PRYTANIS a.s. with its registered office at Jundrovská 618/31, Komín, 624 00 Brno, ID No.: 08942625; Powerstream, a.s. with its registered office at Hvězdova 1734/2c, Nusle, 140 00 Praha 4, ID No.: 28479637, and Mainstream Technologies, s.r.o. with its registered office at Na strži 2097/63, Krč, 140 00 Praha 4, ID No.: 27404978.

The following changes were recorded in the Commercial Register in 2022:

- On 1 July 2022, the merger by acquisition as of 1 January 2022 was recorded based on a merger project prepared on 23 May 2022.
- On 21 September 2021, Jana Šufajzlová was removed as a member of the supervisory board and Táňa Šuláková was appointed a new member of the board. The change was recorded in the Commercial Register on 12 January 2022.
- On 30 September 2022, a change in principal business activities was recorded.
- On 1 December 2022, a change in the Company name from Solitea, a.s. to Seyfor, a.s. was recorded.

Members of the board of directors and supervisory board as of 31 December 2023

Members of the board of directors

Martin Cígler (chairman)
Michal Rybovič (vice-chairman)
Tomáš Loukota (member)
Petr Franc (member)
Martin Kudrna (member)
Jan Tomíšek (member)

Members of the supervisory board

Michal Máčel (chairman)
Milan Smutný (member)
Táňa Šuláková (member)

The Company does not prepare an annual report, as the information shall be included in the consolidated annual report.

The Company also prepares consolidated financial statements in accordance with Czech Accounting Standards. The consolidated financial statements are available at the consolidating entity's registered office.

The Company is the parent of Seyfor, and these financial statements have been prepared as unconsolidated. The consolidated financial statements of the widest group of entities to which the Company as a consolidated entity belongs are prepared by LIGELTA HOLDINGS, LTD, with its registered office in the Republic of Cyprus. The consolidated financial statements are available at the consolidating entity's registered office.

2. General accounting principles, accounting policies and their changes and deviations

These individual financial statements have been prepared in compliance with Act No. 563/1991 Coll., on Accounting, as amended, (“the Act on Accounting”) and Decree of the Czech Ministry of Finance No. 500/2002 Coll., implementing certain provisions of the Act on Accounting, as amended, for business entities using double-entry bookkeeping, (“the Decree”) as amended for 2023.

The financial statements have been prepared on a going concern basis.

a) Tangible and intangible fixed assets

Tangible and intangible fixed assets are stated at acquisition cost. Tangible fixed assets costing up to TCZK 20 and intangible fixed assets costing up to TCZK 20 are not recognised in the balance sheet and are expensed in the year that they are acquired.

The cost of internally produced fixed assets includes direct materials, direct wages and overheads directly related to the creation of the asset until it is put into use.

Depreciation and amortisation of assets commences in the month following the month the assets are put in use. Depreciation and amortisation are recorded monthly, including low-value assets.

Assets are depreciated using the following methods over the following periods:

Assets	Method	Period
Buildings	Straight-line	40–50 years
Hardware (servers, projectors, etc.) (up to MCZK 1–3 years; over MCZK 1 – 5 years)	Straight-line	3–5 years
Furniture	Straight-line	5 years
Cars (up to TCZK 1,500)	Straight-line	5 years
Cars (over TCZK 1,500)	Straight-line	6 years
Security systems	Straight-line	5 years
Patents and other intangibles (know-how)	Straight-line	6 years
Software	Straight-line	3 years
Adjustments to acquired fixed assets	Straight-line	15 years
Low value tangible fixed assets (TCZK 20–40)	Straight-line	2 years
Low value intangible fixed assets (TCZK 20–60)	Straight-line	2 years

In the income statement, depreciation is presented in the Depreciation and amortisation of intangible and tangible fixed assets.

Improvement costs increase the acquisition cost of fixed assets. Repairs and maintenance are expensed.

b) Long-term investments

Long-term investments comprise equity investments in subsidiaries and associated companies, debt securities that the Company has the intent and ability to hold to maturity, and other long-term securities for which the Company’s intent is not known upon acquisition. Long-term investments also include long-term loans provided to group undertakings and associated companies, and other long-term loans granted. Long-term investments are stated at acquisition cost, which includes expenses directly incurred in connection with the acquisition, such as fees and commissions paid to brokers, advisors and stock exchanges. As of the balance sheet date, investments in subsidiaries and associates were recognised at acquisition cost, and if a particular investment has been impaired, an adjustment has been established.

Investments in subsidiaries denominated in foreign currency are translated to CZK based on the current exchange rate published by the CNB as of the day of the financial statements, and the appropriate exchange rate difference is recognised in equity as Revaluation of assets and liabilities.

c) **Cash**

Cash comprises fee stamps, cash in hand and cash at the bank. A cash pool system has been introduced within the Seyfor group to utilise the disposable cash of individual group companies. Due to the nature of the system, cash deposited/ utilised under the system as of the reporting date is recorded in “Short-term receivables – group undertakings”/ “Short-term liabilities – group undertakings” in the balance sheet, with any change in the respective cash balance recorded in “Advances and loans to related parties” or in “Change in long-term or short-term liabilities from financing” in the cash flow statement.

d) **Foreign currency translation**

The Company applies the Czech National Bank official daily rate to foreign currency transactions.

Assets and liabilities acquired in foreign currency are measured in CZK based on the exchange rate as of the date of their realisation.

As of the balance sheet date, foreign currency monetary assets and liabilities are translated at the prevailing Czech National Bank official rates. Realised and unrealised foreign exchange gains and losses are recognised in profit or loss in financial expenses or revenues.

e) **Recognition of revenues and expenses**

Revenues and expenses are recognised on an accrual basis, i.e., in the period to which they relate in terms of substance and timing.

Expenses lower than TCZK 5 are not accrued and are recognised in the period they were actually expended.

The Company recognises revenues on an accrual basis for the period they belong to on a daily/monthly basis if applicable and relevant.

Suppliers’ bonuses for licenses sold are recognised in the period in which the bonus is granted to the supplier. In the income statement, the bonuses are reported as other operating revenues.

f) **Income tax**

Income tax for the period comprises current tax and the change in deferred tax.

Current tax comprises an estimate of tax payable calculated based on the taxable income, using the tax rate valid as at the first day of the accounting period, and any adjustments to taxes payable for previous periods.

Deferred tax is based on all temporary differences between the carrying and tax value of assets and liabilities, and other temporary differences (tax losses carried forward, if any), multiplied by the tax rate expected to be valid for the period in which the tax asset/liability is utilised.

A deferred tax asset is recognised only if it is probable that it will be utilised in future accounting periods.

g) **Subsequent events**

The effects of events which occurred between the balance sheet date and the date of preparation of the financial statements, are recognised in the financial statements in the case that these events provide further evidence of conditions that existed as of the balance sheet date.

Where significant events occur subsequent to the balance sheet date but prior to the preparation of the financial statements, which are indicative of conditions that arose subsequent to the balance sheet date, the effects of these events are quantified and disclosed, but are not themselves recognised in the financial statements.

h) **Classification of liabilities**

The Company classifies as short-term any part of long-term liabilities, bank loans and overdrafts that is due within one year of the balance sheet date.

i) Establishment of adjustments

Receivables

The Company establishes adjustments for doubtful receivables based on an analysis of the credit status of customers and the ageing structure of receivables. In the income statement, the establishment and release of adjustments is presented in “Adjustments to receivables”.

Inventories

Adjustments are established to reduce the cost of inventory to net realisable value.

An adjustment to slow-moving, obsolete and otherwise impaired inventory is established based on an analysis of inventory turnover and an assessment of each inventory item.

In the income statement, the establishment and release of adjustments is presented in “Adjustments to inventories”.

j) Inventories

Raw materials are stated at cost, which includes the purchase price of the goods and related customs duties, and in-transit storage and freight costs incurred in delivering the goods to the production site. Cost is determined using the first-in, first-out method.

Work-in-progress and finished goods inventories are stated at actual cost (based on a production cost estimate), which includes direct production costs and, where applicable, allocable indirect production costs. Direct costs include the cost of materials and consumables, and other costs directly incurred in connection with the production process. The cost of work-in-progress and finished goods is determined using standard cost.

Goods for resale are stated at acquisition cost, which includes the purchase price of the goods and related customs duties, and in-transit storage and freight costs incurred in delivering the goods to the warehouse. Cost of goods for resale is determined using the first-in, first-out method, and cost of some specific goods is determined using the arithmetic mean.

k) Provisions

The Company establishes a provision for untaken holidays, a provision for bonuses, and an income tax provision, or if appropriate, a provision for other expected risks which have been substantially quantified as of the reporting date.

As of the balance sheet date, a provision for untaken holidays is established based on an analysis of untaken holidays in the accounting period and average payroll expenses, including social security and health insurance expenses per employee.

An income tax provision is established as the financial statements are prepared before the tax liability is determined. In the subsequent accounting period, the Company releases this provision and records the actual tax liability determined.

In the balance sheet, the income tax provision is reduced by income tax prepayments, and the net receivable (if any) is recorded in tax receivables.

Furthermore, the Company establishes a provision for outstanding bonuses.

l) Research and development

Research costs are incurred for the purpose of acquiring new technical knowledge which may lead to improved products or processes in the future, but for which economic viability has not been established. Research costs are charged to the income statement in the period in which they are incurred.

Development costs are incurred to convert new technical knowledge or methods into new or substantially improved products or production processes. These costs are recorded in intangible assets under construction. After having finalised the development phase, they are capitalised and amortised as internally produced intangible assets. Development costs that do not meet these criteria are expensed in the year in which they are incurred.

m) **Leased assets**

Lease payments are expensed on a straight-line basis over the lease term. Where an asset is purchased at the end of the lease, it is recorded at its purchase price.

n) **Derivatives**

A derivative is a financial instrument that meets all of the following conditions:

- Its fair value changes in response to the change in a specified interest rate, price of a security, commodity price, foreign exchange rate, price index, credit rating or credit index, or other variable (“the underlying asset”).
- It requires a small or no initial net investment compared with other types of contract based on a similar response to changes in market factors.
- It is settled at a future date, with the period from the trade date to the settlement date exceeding that of a spot transaction.

Derivatives are recognised in the balance sheet at fair value. Positive fair values of derivatives are recognised in assets under “Other receivables”. Negative fair values of derivatives are recognised in liabilities under “Other payables”. The fair value of financial derivatives is the present value of expected cash flows from these transactions.

Trading derivatives

Derivatives held for trading are recognised in the balance sheet at fair value. Gains/losses from changes in fair value are recorded in the income statement under “Other financial revenues”/“Other financial expenses”.

o) **Data comparability**

As of 1 January 2023 Seyfor merged with the below listed subsidiaries. Seyfor, a. s. became the successor company.

Prior period information in the balance sheet was taken over from the opening balance sheet as of 1 January 2023.

The data in the profit and loss statement were taken from the individual financial statements of Solitea, a.s., (now Seyfor, a. s.) for the previous accounting period ending on December 31, 2022. For this reason, the reported data are not comparable with the previous period.

Successor company:

Seyfor, a. s., ID No.: 01572377; registered office at Drobného 555/49, Brno.

Dissolving companies:

P R O V I S s.r.o. with its registered office at Jiráskova 1127, 755 01 Vsetín, ID No.: 45195129,

PRYTANIS a.s. with its registered office at Jundrovská 618/31, Komín, 624 00 Brno, ID No.: 08942625,

Powerstream, a.s. with its registered office at Hvězdova 1734/2c, Nusle, 140 00 Praha 4, ID No.: 28479637,

Mainstream Technologies, s.r.o. with its registered office at Na strži 2097/63, Krč, 140 00 Praha 4, ID No.: 27404978.

3. Intangible and tangible fixed assets

a) Intangible fixed assets

	Development	Software	Other intellectual property rights	Other intangible fixed assets	Goodwill	Intangible fixed assets under construction	Total 2023	Total 2022
Acquisition cost								
Opening balance 31/12/2022	257	168,798	11,439	-	100	140,816	321,409	225,634
Effect of merger	-	21,955	-	-	-	971	22,926	28,596
Opening balance 1/1/2023	257	190,752	11,439	-	100	141,787	344,335	254,230
Additions	-	2,581	-	-	-	80,461	83,042	68,266
Disposals	-257	-18,941	-1,220	-	-	-3,270	-23,688	-1,086
Transfers	-	-	-	-	-	-	-	-
Closing balance	-	174,392	10,219	-	100	218,978	403,689	321,410
Accumulated amortisation								
Opening balance 31/12/2022	257	165,791	5,282	-	43	-	171,373	139,651
Effect of merger	-	17,917	-	-	-	-	17,917	27,131
Opening balance 1/1/2023	257	183,708	5,282	-	43	-	189,290	166,782
Amortisation expense	-	6,872	689	-	20	-	7,581	5,677
Disposals	-257	-18,941	-1,219	-	-	-	-20,417	-1,086
Transfers	-	-	-	-	-	-	-	-
Closing balance	-	171,639	4,752	-	63	-	176,454	171,373
Net book value 1/1/2023	-	7,044	6,157	-	57	141,787	155,045	87,448
Net book value 31/12/2023	-	2,753	5,467	-	37	218,978	227,235	150,037

The Company does not own any assets not stated in the balance sheet.

The Company did not acquire any assets free of charge.

The Company did not include interest in the measurement of fixed intangible assets. The main part of intangible assets is internally produced software. In the accounting period, the Company incurred expenses on the development of further software of TCZK 79,564 (as of 1 January 2023 – TCZK 136,943), which were capitalised as fixed assets under construction. The Company continues developing this software.

b) Tangible fixed assets

	Buildings	Plant and equipment	Other tangible fixed assets	Adjustments to acquired fixed assets	Tangible fixed assets under construction	Advance payments for tangible fixed assets	Total 2023	Total 2022
Acquisition cost								
Opening balance 31/12/2022	1,872	214,163	623	3,097	2,592	–	222,347	208,379
Effect of merger	–	11,280	5,429	276,352	–	–	293,061	12,034
Opening balance 1/1/2023	1,872	225,443	6,052	279,449	2,592	–	515,408	220,413
Additions	–	33,051	2,692	–	2,205	–	37,948	27,369
Disposals	–	–23,951	–	–	–2,592	–	–26,543	–25,435
Transfers	–	–	–	–	–	–	–	–
Closing balance 31/12/2023	1,872	234,543	8,744	279,449	2,205	–	526,815	222,347
Accumulated depreciation								
Opening balance 31/12/2022	–	133,726	9	3,084	–	–	136,819	120,817
Effect of merger	–	5,803	2,033	–	–	–	7,836	10,696
Opening balance 1/1/2023	835	139,529	2,042	3,084	–	–	145,490	131,513
Depreciation expense	289	35,576	1,538	18,430	–	–	55,833	30,174
Disposals	–	–23,429	–	–	–	–	–23,429	–24,033
Transfers	–	–	–	–	–	–	–	–
Closing balance	1,124	151,676	3,580	21,514	–	–	177,894	137,654
Net book value 1/1/2023	1,037	85,914	4,010	276,365	2,592	–	369,918	88,900
Net book value 31/12/2023	748	82,826	7,207	257,935	2,205	–	348,921	84,693

The Company did not acquire any assets free of charge.

As of the reporting date, the Company has pledged tangible fixed assets of TCZK 5,237 (as of 31 December 2022 – TCZK 7,829) in favour of the lending bank and TCZK 6,533 (as of 31 December 2022 – TCZK 8,773) in favour of a supplier with respect to a supplier loan.

The Company did not include interest in the measurement of fixed tangible assets.

The Company recognises furniture purchased for the Rustonka and Automedia premises as accruals. This purchase has been accrued for lease – i.e., the period of the lease. Asset records and their monitoring are kept on account “Accrued expenses”. Release into expenses is carried out monthly through account “Material consumption”.

4. Investments

a) Long-term investments

Changes in long-term investments:

	Equity investments – group undertakings	Loans – group undertakings	Equity investments – associated companies	Other long-term securities and equity investments	Total
Balance on 31/12/2022	2,037,824	328,760	-	400	2,366,984
Effect of merger	-335,762	-	-	-	-335,762
Balance on 1/1/2023	1,702,063	328,760	-	400	2,031,222
Additions	223,207	9,890	-	247	248,281
Disposals	-363,045	-4,409	-	-	-369,120
Revaluation	21,572	8,247	-	-	31,516
Interests	-	14,929	-	-	-
Balance on 31/12/2023	1,583,796	357,417	-	647	1,941,860

Additions to long-term investments assets in 2023 consisted of the purchase of 100% of the shares in gesteem group; the purchase of 100% of the shares in KS – program; and the increase of the stake in Besteron by exercising an option (where the Company acquired a 68% stake), with a total value of TCZK 167,845. In addition, there was an increase in other capital funds in the Commander services s.r.o. fund totaling TCZK 55,362.

The disposals from financial investments represent the return of part of the surcharge to other capital funds in Seyfor d.o.o. (formerly SAOP) totaling TCZK 363,045.

As of the balance sheet date, the Company reduced the allowance for the financial investment in the Dotykačka group by TCZK 76,000 and created an allowance for the financial investment in Besteron amounting to TCZK 18,940 (2022 – total allowance of TCZK 130,000) due to positive developments in the Dotykačka group in 2023 and expected growth in the coming years.

In 2023, the Company had dividend income totaling TCZK 20,955 (TCZK 0 in the form of dividends as of 31 December 2022). Another TCZK 11,995 from a payment installment from the sale of JET ERP Betriebsgesellschaft.

	Equity investments – group undertakings	Loans – group undertakings	Equity investments – associated companies	Other long-term securities and equity investments	Total 2022
Balance on 31/12/2021	1,275,887	-	1,380	400	1,277,667
Effect of merger	-162,176	-	-	-	-162,176
Balance on 1/1/2022	1,113,711	-	1,380	400	1,115,491
Additions	949,141	328,760	-	-	1,277,901
Disposals	-2,104	-	-	-	-2,104
Revaluation	-24,304	-	-	-	-24,304
Transfers	1,380	-	-1,380	-	-
Balance on 31/12/2022	2,037,824	328,760	-	400	2,366,984

An addition to fixed financial assets in 2022 consisted of the purchase of 100% of shares in TECHNISERV IT, spol. s r.o. and Commander services s.r.o., as well as the purchase of the remaining stake in P R O V I S s.r.o. (where the company acquired 100% of shares), for a total value of TCZK 424,712. The acquisitions also included additional payments outside the share capital to Besteron a.s., Seyfor d.o.o., and Dotykačka Holding, a.s. totalling TCZK 501,505.

The decrease in non-current financial assets in 2022 consisted of the sale of shares in D3Soft s.r.o. (Slovakia).

Controlled and controlling entities and associates as of 31 December 2023 (in TCZK):

	Interest	Total assets	Equity	Profit (+) loss (-) for 2023	Carrying amount
Seyfor d.o.o.	100%	813,922	493,486	131,957	402,457
Seyfor Slovakia, a.s.	100%	232,984	67,697	11,126	30,867
Dotykačka Holding a.s.	58.5%	373,238	365,968	-35,942	429,697
gesteem society a.s.	100%	87,083	81,015	1,632	60,513
KS – program, spol. s r.o.	100%	14,754	9,100	8,324	102,684
Besteron a.s.	68%	21,041	17,495	-4,648	73,080
TECHNISERV IT, spol. s r.o.	100%	278,572	85,621	15,003	144,721
Commander Services s.r.o.	100%	237,484	162,394	26,926	339,380
Total	-	-	-	-	1,583,399

The data has been taken over from unaudited financial statements.

The reported values relate to significant companies from the group. In addition to the above-mentioned companies, the Company also holds share in Solitea West, s.r.o., CÍGLER SOFTWARE – IPL, s.r.o. The value of their assets is negligible.

Long-term investments include acquired securities of TCZK 400 (1 January 2023 – TCZK 400).

Registered offices of subsidiaries:

Seyfor d.o.o. Cesta Goriške fronte 46, Šempeter pri Gorici Slovenia	Solitea West, s.r.o. Drobného 555/49 602 00 Brno Czech Republic	Seyfor Slovakia, a.s. Plynárenská 7/C 821 09 Bratislava Slovakia
CÍGLER SOFTWARE – IPL, s.r.o. I. máje 97/25, Liberec III-Jeřáb 460 07 Liberec Czech Republic	Dotykačka Holding, a.s. Plzeňská 3217/16 150 00 Praha 5 – Smíchov Czech Republic	Besteron a.s. Teslova 20 821 02 Bratislava – Ružinov Slovakia
TECHNISERV IT, spol. s r.o. Traťová 574/1 619 00 Brno – Horní Heršpice Czech Republic	Commander Services s.r.o. Žitná 23 831 06 Bratislava Slovakia	gesteem society a.s. Na strži 2097/63 140 00 Praha 4 Czech Republic
KS – program, spol. s r.o. Rokytnice 153 755 01 Vsetín Czech Republic		

Controlled and controlling entities and associates as of 31 December 2022 (in TCZK):

	Interest	Total assets	Equity	Profit (+) loss (-) for 2022	Carrying amount
Seyfor d o.o.	100%	889,667	253,966	103,865	754,255
Seyfor Slovakia, a. s.	100%	270,376	60,518	27,077	30,105
Dotykačka Holding a. s.	58.5%	598,587	505,870	-704	429,697
Powerstream, a. s.	100%	44,025	43,923	-3,893	304,269
PRYTANIS a. s.	100%	14,531	8,111	994	27,493
Besteron a. s.	64%	26,165	21,535	-13,577	66,896
TECHNISERV IT, spol. s r.o.	100%	222,533	74,237	11,159	144,721
Commander Services s. r. o.	100%	124,040	98,540	21,099	275,991
Total	-	-	-	-	2,033,427

b) Short-term investments

A deposit totalling TCZK 247 is also noted for financial investment. The Company registered no short-term financial assets as of 1 January 2023.

5. Receivables and liabilities

- a) Short-term trade receivables total TCZK 291,287 (as of 1 January 2023 – TCZK 302,042), of which TCZK 39,286 (as of 1 January 2023 – TCZK 49,621) is overdue. As of 31 December 2023, the Company established adjustments to receivables of TCZK 5,267 (as of 1 January 2023 – TCZK 5,816).

Other receivables of TCZK 309,573 (as of 1 January 2023 – TCZK 170,114) mainly comprise short-term receivables from the sale of ownership interests between the Company and its subsidiary Seyfor Slovakia, a. s. before the merger of the former subsidiaries AXIOM Slovakia s. r. o., WBI, s. r. o., Solitea CDL, s. r. o., and Solitea Gemma, s. r. o. as of 1 July 2020, and dividends of Commander Services s. r. o.

The total maturity of the receivable is contractually set for the latest deadline by the end of 2028 with the possibility of gradual repayment.

However, since the receivable can be repaid in full even within 1 year, it is reported as short-term. In 2022, these were reported under other receivables.

Estimated receivables represent custom implementations totaling TCZK 13,471 (TCZK 9,831 in 2022).

- b) Short-term trade payables total TCZK 131,317 (as of 1 January 2023 – TCZK 121,000), of which TCZK 15,159 (as of 1 January 2023 – TCZK 5,726) consist of overdue liabilities.

Related party receivables / payables are listed in note 16.

- c) The Company reports other short-term payables of TCZK 62,957 (TCZK 12,893 as of 1 January 2023).

These are non-interest-bearing liabilities with a maturity of up to one year, mainly the unpaid part of the purchase price of investments in fixed financial assets pursuant to contracts for the sale and purchase of shares in a commercial company (KS – program and gesteem). Liabilities related to the acquisition of shares in PRYTANIS were settled in 2023.

- d) Other long-term liabilities comprise the liabilities to former owners of newly acquired companies with maturity extending one year. As of the reporting date, these other long-term liabilities totalled TCZK 18,695 (as of 1 January 2023 – TCZK 14,492).

- e) Short-term advances received of TCZK 50,488 (as of 1 January 2023 – TCZK 49,500) consist of advances received from customers under agreed contractual terms. A deposit totalling TCZK 49,620 was invoiced in February 2024.

- f) Tax liabilities and subsidies total TCZK 42,911 (as of 1 January 2023 – TCZK 39,696) and primarily include personal income tax prepayments and a liability arising from VAT.

- g) No loans from non-related companies were recorded as of December 31, 2023.

- h) Estimated payables comprise TCZK 44,012 (as of 1 January 2023 – TCZK 32,196) and primarily include estimates of employee remuneration and estimates of unbilled energy and services.
- i) Deferrals mainly include prepaid expenses, comprising deferred licences and expenses connected with the lease of office premises of TCZK 53,467 (as of 1 January 2023 – TCZK 71,720).
- j) Accruals include accrued expenses, comprising accrued discount on the rent for office premises of TCZK 4,375 (as of 1 January 2023 – TCZK 7,565).
- k) Deferred revenues comprise revenues connected with the updates of the provided software and services to be implemented in 2024 of TCZK 203,259 (as of 1 January 2023 – TCZK 214,362).

6. Liabilities to credit institutions

2023	Due date	Payment schedule	Interest rate	Balance on 31/12/2023	Due within 1 year	Due in 1 to 5 years	Due in more than 5 years
Tatra banka CZK loan	30/9/2026	Quarterly	9.48% p.a.	55,818	8,269	47,549	–
Tatra banka EUR loan	30/9/2026	Quarterly	6.325% p.a.	760,033	113,971	646,062	–
Raiffeisenbank CZK loan	30/9/2026	Quarterly	9.48% p.a.	37,212	5,513	31,699	–
Raiffeisenbank EUR loan	30/9/2026	Quarterly	6.325% p.a.	506,689	75,981	430,708	–
Tatra EUR new loan	30/9/2026	Quarterly	6.575% p.a.	75,876	10,872	65,004	–
Raiffeisenbank new loan	30/9/2026	Quarterly	6.575% p.a.	50,584	7,248	43,336	–
Total				1,486,212	221,854	1,264,358	–

The syndicated loans listed in the table are secured by:

- The pledge of tangible fixed assets (see note 3b)
- The pledge of receivables
- The pledge of own shares and shares of significant subsidiaries
- Guaranteed agreements with Seyfor Slovakia, a. s., Seyfor d.o.o. and VASCO, računalniški inženiring, d.o.o.

7. Registered capital

On the basis of the project, the share capital of the successor company was increased by TCZK 1,000 from the capital of the dissolving company PRYTANIS, the dissolving company Powerstream, and the dissolving company Mainstream Technologies, for a total amount of TCZK 815,000.

The resulting companies participated in the increase in the share capital of the successor company as follows:

- from the assets of PRYTANIS, the share capital of the successor company was increased by TCZK 400;
- from the assets of Powerstream, the share capital of the successor company was increased by TCZK 400;
- from the assets of Mainstream Technologies, the share capital of the successor company was increased by TCZK 200.
- The company's share capital in 2023 and as of January 1, 2023 consisted of (values are given in CZK due to the precision required for expressing the nominal value of shares): fourteen ordinary registered shares in book-entry form at a nominal value of TCZK 100 per share (in words: one hundred thousand Czech crowns);
- one ordinary registered share in book-entered form at a nominal value of CZK 99,424,809 (in words: ninety-nine million four hundred and twenty-four thousand eight hundred and nine Czech crowns);

- eight registered shares in book-entered form at a nominal value of CZK 28,000,000 per share (in words: twenty-eight million Czech crowns);
 - eight registered shares in book-entered form at a nominal value of CZK 5,600,000 per share (in words: five million six hundred thousand Czech crowns);
 - one registered share in book-entered form at a nominal value of CZK 5,575,191 (in words: five million five hundred and seventy-five thousand one hundred and ninety-one Czech crowns);
 - one registered share in book-entered form at a nominal value of CZK 170,180,000 per share (in words: one hundred and seventy million one hundred and eighty thousand Czech crowns);
 - one registered share in book-entered form at a nominal value of CZK 40,700,000 (in words: forty million seven hundred thousand Czech crowns);
 - one registered share in book-entered form at a nominal value of CZK 2,442,000 (in words: two million four hundred and forty-two thousand Czech crowns);
 - one ordinary registered share in book-entered form at a nominal value of CZK 3,256,000 (in words: three million two hundred and fifty-six thousand Czech crowns);
 - two hundred and seventy-three registered shares in book-entered form at a nominal value of CZK 814,000 per share (in words: eight hundred and fourteen thousand Czech crowns);
 - 1,000 registered shares on book-entry form at a nominal value of CZK 1,000,
- in the form of participating securities not accepted for trading on the European regulated stock market or on a foreign market similar to a regulated market under special regulations.

8. Equity

The statement of changes in equity is an independent part of the financial statements.

In 2023 and 2022, no contributions were made outside registered capital and the capital contributions did not change.

No decision about the distribution of the profit of the current period has been made as of the date of preparation of these financial statements.

9. Provisions

	Provisions for untaken holidays	Other provisions	Income tax provisions	Total
Balance on 31/12/2022	7,663	7,511	26,103	41,277
Effect of merger	2,071	1,398	–	3,469
Balance on 1/1/2023	9,734	8,909	26,103	44,746
Additions	10,166	12,332	34,000	163,427
Utilisation / Release	–9,734	–8,909	–26,103	–163,029
Balance on 31/12/2023	10,166	12,332	34,000	56,498
Income tax prepayments, including overpaid tax	–	–	–29,450	–29,450
Balance of provisions less income tax prepayments (as of 31 December 2023: net provision)	10,166	12,332	4,550	27,048

As of 31 December 2023, the income tax provision of TCZK 34,000 was reduced by income tax prepayments and overpaid income tax of TCZK 29,450, and the net liability of TCZK 4,550 was recorded in Income tax provision.

As of 1 January 2023, the income tax provision of TCZK 37,000 was reduced by income tax prepayments and overpaid income tax of TCZK 10,897, and the net liability of TCZK 26,103 was recorded in Income tax provision.

10. Derivatives

As of the balance sheet date, the Company held the following derivatives for trading:

	Fair value on 31/12/2023		Fair value on 1/1/2023	
	Positive	Negative	Positive	Negative
Interest rate contracts				
Swaps	11,509	26	26,422	54
Total derivatives for trading	11,509	26	26,422	54

The interest rate swap contract is covered by collateral of TEUR 2,000.

11. Employees and members of management, supervisory and administrative bodies

	Average FTE number		Personnel expenses*	
	2023	2022	2023	2022
Employees	870	774	1,102,077	860,002
Total	870	774	1,102,077	860,002

* Employee personnel expenses comprise salaries and bonuses of the members of the board of directors as well. In 2022 and 2021, members of supervisory bodies received no remuneration relating to their function.

12. Segment information

		Domestic sales	Foreign sales	Total
Sale of products and services	2023	1,814,287	300,922	2,115,509
Goods sold	2023	73,383	7,828	81,211
Total	2023	1,887,670	308,750	2,196,720

		Domestic sales	Foreign sales	Total
Sale of products and services	2022	1,130,201	291,636	1,421,837
Goods sold	2022	153,201	–	153,201
Total	2022	1,283,402	291,636	1,575,038

13. Services

	2023	2022
Repairs and maintenance	7,970	6,867
Travel expenses	7,455	5,607
Entertainment expenses	10,936	5,746
Rental expenses and facility management	69,248	51,967
Marketing services	47,163	36,077
Telecommunications services	6,158	6,132
Advisory, audit and accounting services	37,052	20,993
Sub-supplies	233,931	147,208
Consultants	100,535	118,966
Licences	224,349	42,123
Other	35,680	20,543
Total	780,477	462,229

14. Leased assets

a) Office lease

The Company leases offices in several towns across the Czech Republic, with the largest offices in Prague and Brno. The total cost of office lease amounted to TCZK 58,427 (2022 – TCZK 43,412) and lease-related services totalled TCZK 9,912 in 2023 (2022 – TCZK 7,127). The office lease is usually for 5 years, with the possibility of extension for another five years.

The Company also uses car and office equipment leases totalling TCZK 909 in 2023 (2022 – TCZK 1,428).

15. Income tax

a) Current tax

Current income tax comprises the tax estimate of TCZK 34,000 (2022 – TCZK 37,000) and an adjustment to the tax estimate for prior periods of TCZK 2,137 (2022 – TCZK 1,747).

b) Deferred tax

	Assets		Payables		Net	
	2023	1/1/2023	2023	1/1/2023	2023	1/1/2023
Tangible fixed assets	–	–	–2,026	–1,759	–2,026	–1,759
Provisions and adjustments	6,260	4,323	–	–	6,260	4,323
Deferred tax assets/(liabilities)	6,260	4,323	–2,026	–1,759	4,234	2,564

In accordance with the accounting policy described in note 2f), a tax rate of 21% was used to calculate deferred tax (as of 1 January 2023 – 19%).

16. Related party transactions

Transactions with related parties

	Volume of mutual transactions		Receivables/Payables on	
	2023	2022	31/12/2023	1/1/2023
Sale of goods and services				
Shareholders of the Company	–	–	–	–
Other group entities	52,264	41,168	14,147	6,606
Purchase of goods and services				
Shareholders of the Company	–	–	–	–
Other group entities	37,825	39,819	17,132	1,646
Loans provided				
Shareholders of the Company	14,736	13,466	347,333	324,392
Other group entities	193	–	309,573	170,114
Loans received				
Shareholders of the Company	–	–	–	–
Other group entities	2,265	2,226	76,926	76,044

Receivables and payables relating to the sale and purchase of goods and services are included in trade receivables and payables described in note 5.

The Company generally provides services to controlled entities.

The Company receives services from related parties in the ordinary course of business.

In 2023, the Company received profit shares from controlled persons in the amount of TCZK 20,955 (CZK 0 in 2022).

Loans provided are recognised in long-term investments and comprise loans provided to Besteron and LIGELTA. A change in the provided loans is recorded under Advances and loans to related parties in the cash flow statement.

Loans received are recognised in short-term liabilities and comprise loans received from Seyfor d.o.o. and Seyfor Slovakia, a. s.

The Company and its subsidiaries lease office premises in Prague in the Rustonka building. The lease has been concluded for a period of 84 months. The contracting parties agreed on a rent-free period from the start of the lease until 31 August 2020, i.e. for eight calendar months. The discount is provided under an assumed lease period of at least until December 2026. The rent is allocated on a straight-line basis for 84 months and is recognised as prepaid expenses.

In 2023 and 2022, members of management, supervisory and administrative bodies received no advances, deposits, loans, guarantees or other benefits, nor did they hold any shares/equity investments in the Company.

As of 31 December 2023, the Company had incurred no pension liabilities to former members of management, supervisory and administrative bodies.

17. Other financial revenues and expenses

As of the reporting date, the Company recognised other financial expenses of TCZK 69,840 (as of 31 December 2022 – TCZK 20,461) and other financial revenues of TCZK 31,305 (as of 31 December 2022 – TCZK 62,572), the majority of which represent foreign exchange differences connected with revaluation of the Company's assets and liabilities as of the reporting date, including the revaluation of financial derivatives.

18. Own work capitalised

As of the reporting date, the Company recognised TCZK 80,197 (as of 31 December 2022 – TCZK 61,808) under Own work capitalised. The item comprises the capitalisation of expenses expended for intangible fixed assets under construction (new software).

19. Contingencies and commitments

The Company was provided with the following guarantees:

- in favour of Rustonka Office Park s.r.o. valid until 31 March 2027 (TCZK 5,805)
- in favour of Raiffeisen Banka A.D. valid until 15 February 2024 (TEUR 2,205)
- in favour of Health Insurance Bureau valid until 28 February 2023 (TCZK 4,810)

20. Cash flow statement

For the purposes of the cash flow statement, cash and cash equivalents are defined to include cash in hand, cash in transit, cash at the bank and other financial assets whose valuation can be reliably determined and that can be readily converted to cash. Cash and cash equivalents as of the year-end are as follows:

	Balance on	
	31/12/2023	1/1/2023
Cash	244,279	203,527
Cash and cash equivalents	244,279	203,527

21. Fees payable to statutory auditors

The information is disclosed in the notes to the consolidated financial statements prepared for the consolidated group in which the Company is included.

22. Research and development

In the reporting period, the Company incurred development costs of TCZK 40,417 (2022 – TCZK 62,902), representing transformation of new technical knowledge in the field of software development). The development costs do not include the costs of creating customised applications for customers incorporating novelty and innovation elements as required by specific customers.

23. Material subsequent events – merger

On 3 November 2023, the company approved the merger of the companies in the Group to take effect as of 1 January 2024.

The merger by acquisition became effective on 1 January 2024, with legal effects as of 1 January 2024.

Successor company:

Seyfor, a. s., ID No.: 01572377, with its registered office at Drobného 555/49, Brno

Dissolving companies:

TECHNISERV IT, spol. s r.o. with its registered office at Traťová 574/1, Horní Heršpice, 619 00 Brno, ID No.: 26298953

TECHNISERV IT SOFTWARE DEVELOPMENT, spol. s r.o. with its registered office at Brno – Horní Heršpice, Traťová 1, PSČ 61900, ID No.: 28331982

Solitea West, s.r.o. with its registered office at Drobného 555/49, Ponava, 602 00 Brno, ID No.: 25246241

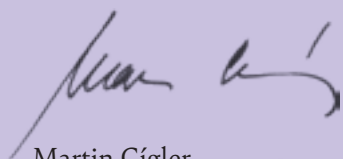
On 21 March 2024, Seyfor purchased a 35% stake in Digitask s.r.o. and at the same time committed to an additional contribution to other capital funds (investment of TCZK 5,000).

The company is also actively seeking other potential investment opportunities within the European market.

24. Material subsequent events

As of the date of the financial statements, management is not aware of any other material subsequent events that would affect the financial statements as of 31 December 2023.

On 23 April 2024



Martin Cígler

Chairman of the Board of Directors

Independent auditor's report

To the Shareholders,

Seyfor, a. s.

Registered Address: Drobného 555/49, Ponava, 602 00 Brno

Company Identification Number (ID No.): 015 72 377

Auditor's Opinion

We have audited the accompanying financial statements of Seyfor, a. s. (hereinafter also the "Company") prepared in accordance with accounting principles generally accepted in the Czech Republic, showing a balance sheet total of 3,497,895 TCZK and a profit of 202,489 TCZK. These financial statements comprise the balance sheet as of 31 December 2023, and the income statement, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including significant (material) information on accounting methods used.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as of 31 December 2023, and of its financial performance and its cash flows for the year then ended, in accordance with accounting principles generally accepted in the Czech Republic.

Basis for Opinion

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

Other Information presented in the Annual Report

In compliance with Section 2(b) of the Act on Auditors, other information comprises the information included in the Annual Report other than the financial statements and auditor's report thereon. The Board of Directors is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material aspects, in accordance with applicable law or regulation, in particular, whether the other information complies with laws or regulations in terms of formal requirements and procedures for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgements made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the financial statements is, in all material aspects, consistent with the financial statements; and
- The other information is prepared in compliance with applicable law or regulation.

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

Responsibilities of the Company's Board of Directors (hereinafter also "Company's statutory body") and Supervisory Board for the Financial Statements

Company's statutory body is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the Czech Republic, and for such internal control as the statutory body determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Company's statutory body is responsible for assessing the Company's ability to continue as a going concern, disclosing in the notes to the financial statements, as applicable, matters related to going concern and using the going concern basis of accounting unless the Company's statutory body either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the above mentioned regulations will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

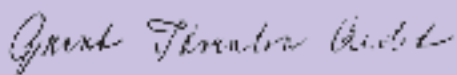
As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting methods used and the reasonableness of accounting estimates and related disclosures made by the Company's statutory body in the notes to the financial statements.
- Conclude on the appropriateness of the statutory body's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Company's statutory body and the Supervisory Board, among other matters, the planned scope and timing of the audit and our significant audit findings, including any significant deficiencies identified in the internal controls.

Prague on 23 April 2024



Grant Thornton Audit s. r. o.

Pujmanové 1753/10a, 140 00 Praha 4 – Nusle
Licence No. 603



Ing. Milan Pašek

Auditor, evidenční číslo oprávnění 2112

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Report on relations between the controlling and controlled entities and between the other related entities

Prepared as of 31 December 2023

The report has been prepared in accordance with Section 82 et seq. of Act No. 90/2012 Coll. on Business Corporations. The report's data is based on the accounting documents of the entity (accounting documents, accounting books, and other accounting records) and documents available to the entity. The report has been prepared for the accounting period ended 31 December 2023..

1. Structure of relations between the controlling entity and the controlled entity and between the controlled entity and entities controlled by the same controlling entity

1.1. Basic data on the entity

Name of the controlled entity:	Seyfor, a. s.
Registered office:	Drobného 555/49, Ponava, 602 00 Brno
Identification number:	015 72 377
Legal form:	joint-stock company
Recorded in:	Commercial Register maintained by the Regional Court in Brno, file no. B 7072
Principal business activities:	manufacture, trade and services not listed in appendixes 1 to 3 of the Trades Licensing Act
Company registration date:	10. 4. 2013

1.2. Structure of the Seyfor group

The diagram of the Seyfor group is set out on pages 132–133 of this Annual Report.

Company name:	LIGELTA HOLDINGS LTD
Identification number:	HE 315 086
Registered office:	1061 Nicosia, Klimentos, 41–43, Klimentos Tower, 2nd floor, Office 24C, Republic of Cyprus

The controlling entity LIGELTA HOLDINGS LTD (ID No.: HE 315 086) is part of the Sandberg Capital investment fund.

Other related parties

CSW Holding s.r.o., ID No.: 29258367
CÍGLER SOFTWARE – IPL, s.r.o., ID No.: 25045041
Solitea West, s.r.o., ID No.: 25246241
Dotypay s.r.o., ID No.: 25595091
Dotypos SK s.r.o., ID No.: 52528766
Seyfor Slovakia, a.s., ID No.: 36237337
Seyfor d.o.o., ID No.: 5383129
Dotykačka Holding a.s., ID No.: 06270611
Dotykačka ČR s.r.o., ID No.: 06290914
RUBUS IDAEUS SP.Z.O.O., ID No.: 368504764
DotyPOS DE GmbH, ID No.: 27/265/50073
Dotypos Analytics s.r.o., ID No.: 08155402
Smart software s.r.o., ID No.: 252 92 498
MARKEETA Slovensko, s.r.o., ID No.: 52346277
Besteron a.s., ID No.: 47866233
VASCO, računalniški inženiring, d.o.o., ID No.: 56041039
TECHNISERV IT, spol.s r.o., ID No.: 26298953
TECHNISERV IT SOFTWARE DEVELOPMENT, spol.s r.o., ID No.: 28331982
InQool, a.s., ID No.: 29222389
Commander Services s.r.o., ID No.: 51183455
gesteem society a.s., ID No.: 08231371
gestem CZ a.s., ID No.: 05155975
Gesteem Slovakia, s.r.o., ID No.: 47548321
Gesteem B. V., ID No.: 71868224
KS – program, spol.s r.o., ID No.: 43963617

2. Mutual relationships and agreements, and overview of actions taken in the latest financial year at the instigation or in the interest of the controlling entity or entities controlled by the controlling entity, if such conduct was related to assets exceeding 10% of the controlled entity's equity as determined in the last financial statements

The controlled entity Seyfor, a.s. received dividends from Commander Services in 2023. The amount is disclosed in the notes to the financial statements.

The controlled entity Seyfor, a.s. entered into loan agreements with the controlling entity in accordance with the arm's length principle.

The controlled entity Seyfor, a.s. entered into loan agreements with related parties in accordance with the arm's length principle.

The controlled entity Seyfor, a.s. did not enter into other agreements with the controlling entities during the latest period.

In the accounting period, supplies and considerations were provided between the controlled entity and related parties in the group. All transactions were undertaken based on agreements in force or partial orders in accordance with the arm's length principle.

The controlled entity provides consulting services, marketing support and related hardware purchases to related parties and their subsidiaries. Furthermore, it mediates the employee benefits programme for the Seyfor group employees. The controlled entity also mediates the lease of office premises and lease-related services for the related parties. These transactions were undertaken based on agreements in force in accordance with the arm's length principle.

During the accounting period, the controlled entity did not receive any revenues from the sale of securities and ownership interests in the Seyfor group. The controlled entity entered into a share purchase agreement with a related entity. The prices were determined by an expert opinion as of 31 December 2019. Under this agreement Seyfor, a.s. and Seyfor Slovakia, a.s. record mutual receivables and payables recognised as other receivables and payables and their current amount is presented in the notes to the financial statements.

No other legal acts were effected. The above relationship indicates that the controlled entity or the controlling entity did not incur any damage.

The mutual transactions will be disclosed in the notes to the financial statements.

3. Method of control and role of the controlled entity

The controlled entity's task is to manage long-term financial assets in individual holding companies. The Company is controlled through voting at the general meeting.

4. Advantages and disadvantages from mutual relations

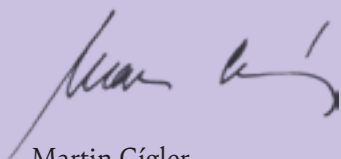
The controlled entity further states that based on the assessment conducted, the advantages resulting from the relationships between the entities prevail. The controlled entity is not aware of any disadvantages arising from the above relationships.

At the same time, the controlled entity states that the above relationships do not entail any material risks to it, except for normal business risks.

5. Statutory body's declaration

The controlled entity did not incur any detriment as a result of the conclusion of the above-mentioned agreements, the above-mentioned other legal acts, other measures and provided supplies and considerations. The amount of received and provided supplies corresponds to the considerations provided and received.

31 March 2024



Martin Cígler
Chairman of the Board of Directors

Notes

