

In Prague on December 7, 2023

**DRFG becomes the DRFG Investment Group.
The merger will strengthen the Group economically and allows
further expansion**

This year in November, the merger of DRFG and DRFG Telco was completed. The resulting company named the DRFG Investment Group was founded on December 6, 2023. The company will pursue all existing activities and work even harder on international expansion. In addition, the merger brings a clearer organizational structure, economic strength, and even greater transparency. The change also brings about the transition to IFRS (International Financial Reporting Standards). As part of the merger, which took almost a year to prepare, the assets and liabilities of the new parent company were also valued at their current market value as of the decisive date of July 1, 2023. This resulted in an increase in both the equity capital and equity ratio. David Rusňák and Roman Řezníček are the major shareholders of the DRFG Investment Group. Martin Slaný took the position of the chairman of the Supervisory Board.

“The purpose of the merger process is to consolidate all assets and liabilities into one economic structure. With this step, we will further strengthen economic stability of the entire Group, ensure a higher level of asset diversification, and at the same time we will even be more legible for investors and banks. Thus, the merger is not only an administrative process of merging two companies, moreover, we perceive it as a strategic step to create a stronger, more stable and better diversified business entity,” explains David Rusňák.

Part of the merger process was the valuation of assets and liabilities at the current market value. After an expert, appointed by the court, performed this valuation on July 1, 2023, the equity value of the entire Group increased by CZK 329 million. The equity to assets ratio, called equity ratio, was also increased to the level of 11.4 percent. Over the next year, the Group plans further significant increase in the equity capital, and in 2025 it aims to achieve an equity ratio exceeding 20 percent.

“The DRFG Investment Group, same as its predecessor, will be a financially stable, sound, transparent and investor-friendly financial Group. It was also evidenced by the valuation of assets, performed by a renowned expert as well the assessment conducted by NEXIA AP, a leading auditing company. Even now, we are an international group, operating in six European markets and having ambitions to expand even further. That is also why I see the transition to IFRS, which accompanies the merger, as a significant and qualitative step forward,” says Roman Řezníček, the CEO and Deputy Chairman of the Board.

The merger also brings about a change in the shareholder's structure. The share of Pavel Fráňa, who has been a shareholder of DRFG a.s. since 2019, was bought out by David Rusňák and Roman Řezníček. Thus, both of them increased their shares in the newly

established company. David Rusňák owns 51 percent of the shares, Roman Řezníček 44 percent of the shares and 5 percent of the shares are still held by the Group's key persons. Martin Slaný, the company's chief economist, took the position of the Chairman of the Supervisory Board.

“During those four years at DRFG, I gained valuable experience and also became friends with David Rusňák and Roman Řezníček. At the same time, I had an opportunity to make good use of my professional experience within the corporate structures, processes and changes that resulted in the successful merger. Now I am returning back to advocacy. I am not saying goodbye to the Group, I will continue to cooperate with the company, not just exclusively in the area of legal services,” says Pavel Fráňa.

The DRFG Investment Group will continue to develop its three strategic areas. Real estate segment, which includes everything from property development activities, lease of commercial and logistics space to facility management. Furthermore, telecommunications, where the company provides, in billions of euros, comprehensive services to telecommunications operators that relate to the construction, modernisation and maintenance of telecommunications networks in Switzerland, Germany, Austria, the Czech Republic and Slovakia. The Group's clients include Swisscom, Cellnex, Vodafone, T-Mobile, Ericsson and others. The third segment is financial services with more than 500,000 satisfied customers and hundreds of tied agents.

About the DRFG Investment Group

The DRFG Investment Group was founded in Brno in 2011. As a strategic investor, it has a long-term interest in real estate, telecommunications and financial services. Through its investment activities, it operates on several European markets. DRFG manages real estate and development projects worth over CZK 25 billion in the Czech Republic, Poland and Slovakia. In telecommunications, it is active in five European countries. The Group has 1,000+ employees and associates. DRFG is the founder and asset manager of real estate investment funds under the CZECH FUND brand. For more information, please visit www.drfg.cz/en.

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