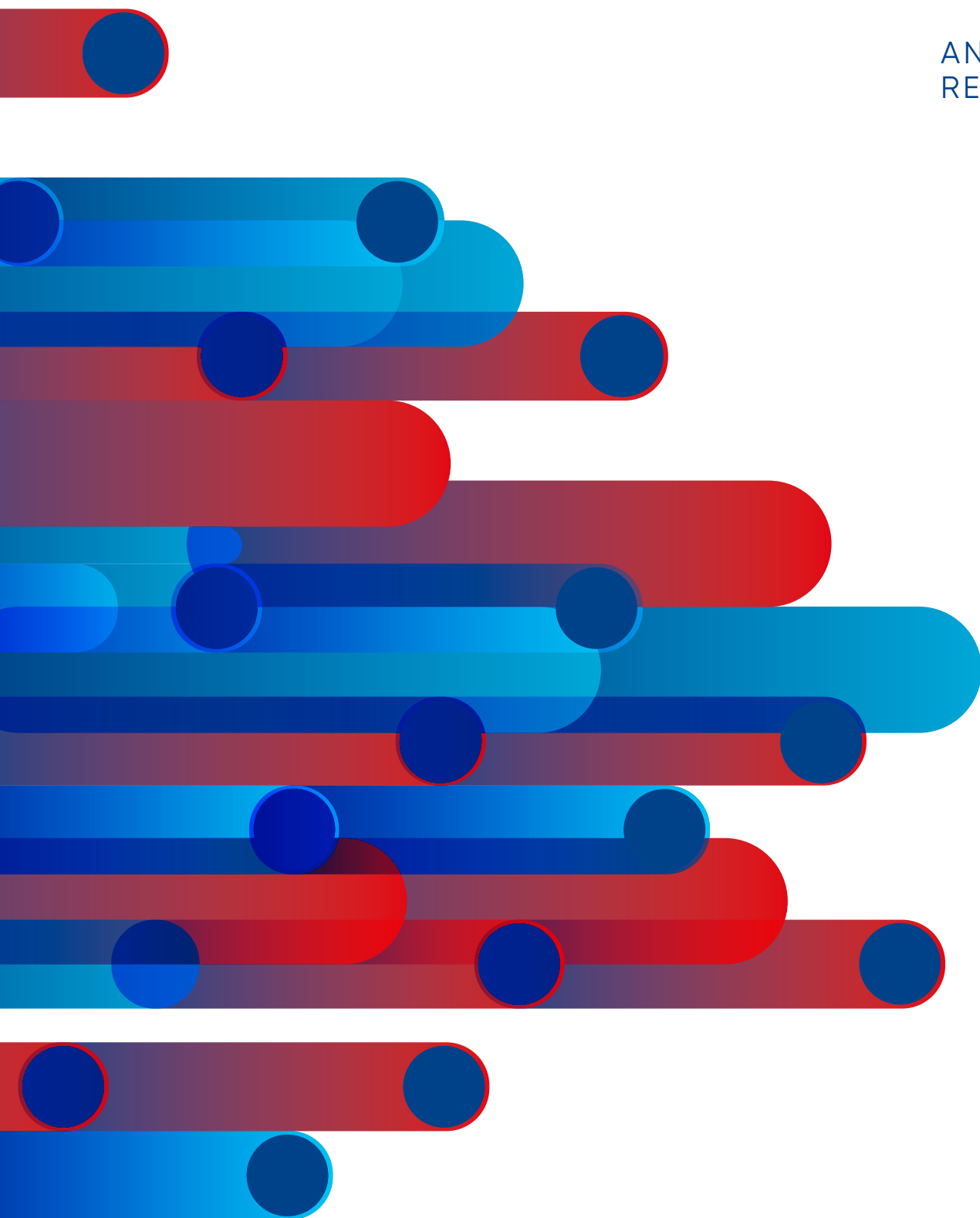


The logo for MS!C, featuring the letters 'MS!C' in a bold, sans-serif font. The exclamation point is replaced by a stylized '!' composed of three colored segments: red, blue, and teal.

ANNUAL
REPORT

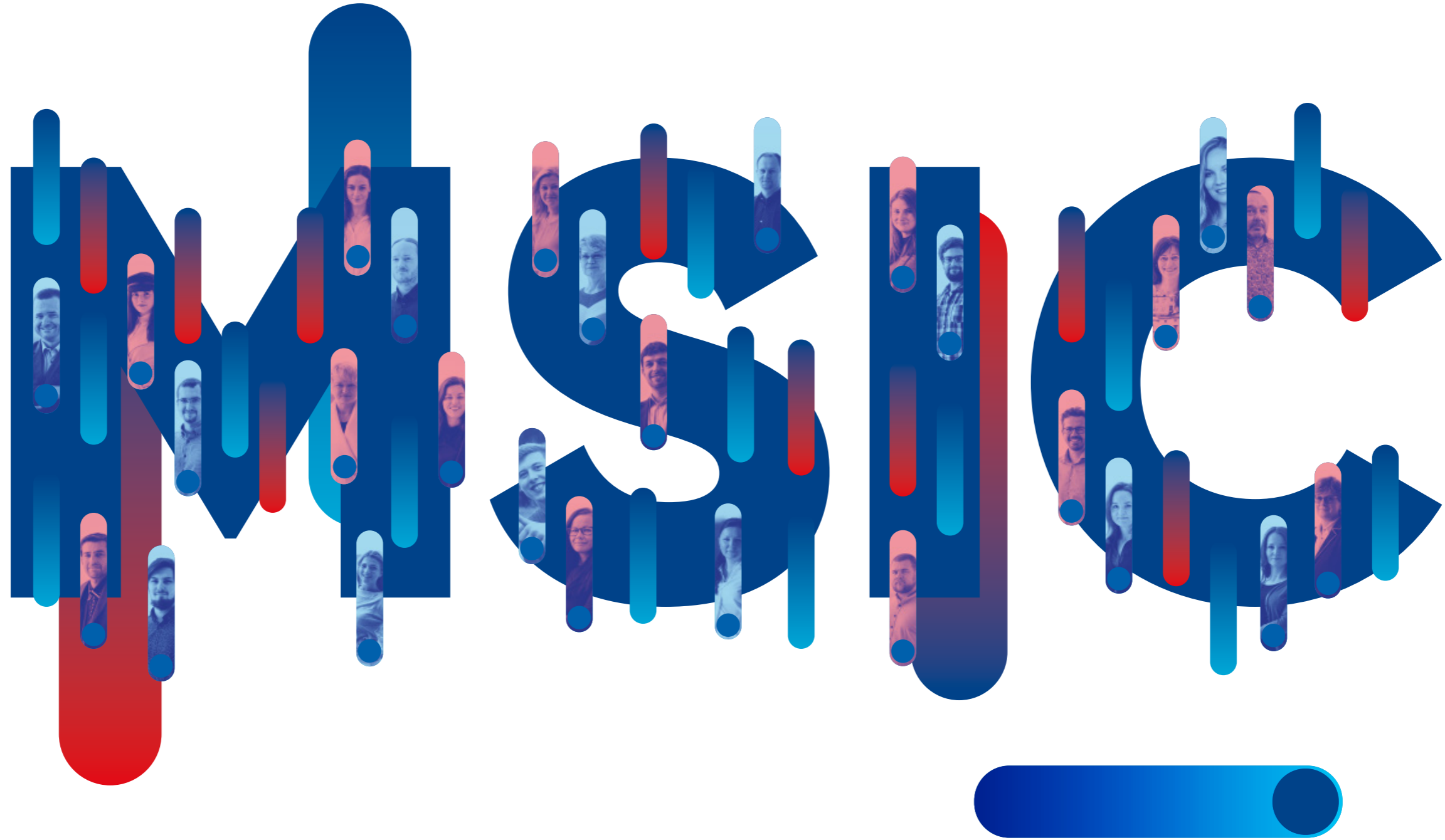


2020

CONTENT

1	EXECUTIVE SUMMARY	2		
2	MSIC RESULTS	8		
3	OVERVIEW OF MSIC'S ACTIVITIES	12		
3.1.	Business Innovation	14		
3.2.	Operation and development of the technology park	18		
3.3.	Implementation of the Regional Innovation Strategy of the Moravian-Silesian Region	23		
4	ECONOMIC MANAGEMENT REPORT	32		
4.1.	Financial results	34		
4.2.	Full balance sheet as at 31 Dec 2020	36		
4.3.	Profit/loss statement as at 31 Dec 2020	42		
4.4.	Notes to the financial statements for the reporting period 1 Jan 2019 to 31 Dec 2019	44		
	I. General information	44		
	II. Information on the general accounting principles and accounting methods applied	46		
	II.II. Changes in valuation, depreciation and accounting policies	46		
	II.III. Provisions for assets	46		
	II.IV. Depreciation	46		
	II.V. Conversion of foreign currencies to the Czech currency	48		
	II.VI. Deferred income tax	48		
	II.VII. Items significant for the assessment of the company's property and financial position	48		
	II.VIII. Additional information on non-current tangible and intangible assets	49		
	III. Equity	50		
	IV. Receivables and payables	51		
	IV.I. Overdue receivables	51		
	IV.II. Overdue payables	51		
	IV.III. Information on receivables from and payables to Group companies	51		
	IV.IV. Information on receivables and payables in connection with the exercise of any pledges and security rights	51		
	IV.V. Payables not reported in the accounts and not presented in the balance sheet	51		
	V. Reserves	52		
	VI. Employees	52		
	VII. Revenue from ordinary activities	52		
	VIII. Research and development expenses incurred during the reporting period	53		
	IX. Audit expenses	53		
	X. Significant events after the balance sheet date	53		
4.5	Auditor's opinion	54		
4.6	Report on the relations between the the controlled entity and entities controlled by the same controlling entity (hereinafter referred to as the "Report on Relations") for the period between 1 Jan 2020 and 31 Dec 2020	56		

Executive Summary



**DEAR BUSINESS FRIENDS,
PARTNERS AND SUPPORTERS
OF BUSINESS AND INNOVATION,
IT IS MY PLEASANT DUTY TO LOOK
BACK AT THE DEVELOPMENT
THE COMPANY HAS UNDERGONE
SO FAR AND SUMMARISE THE MAIN
2020 EVENTS.**

Judging by the results, 2020 was a successful year. Despite the pandemic and the global economic downturn, the interest of companies and individuals in MSIC's services continued to grow. During the spring and summer, it was clear they had turned their attention to the acute problems associated with the pandemic. The turning point arrived in the autumn and in the early months of 2021 with operators starting to look for new business opportunities, a trend that generated interest in MSIC's services.

Companies' altered needs made us introduce new services. The MSIC Impuls programme, piloted in June 2020, proved to be a massive success. Of all the services provided by MSIC, this was the service with the fastest growing demand in the first quarter of 2021. Digital and circular scans are increasingly attracting the attention of clients. These targeted audit services make it easier for SME owners to identify opportunities for cost efficient investments in improving internal processes, technologies and increasing the efficiency of material and waste management.

As for the well-established services, in 2020, we started to systematically monitor how they affect cost efficiency and results on the part of our clients. We have registered

significant employment growth with the supported companies, despite the global economic downturn brought out by the pandemic. The expanding development sites of global companies such as Porsche Engineering, Hella Autotechnik Nova and CGI Group have contributed significantly to the growth in employment. A growing number of supported startups were also very successful. 2020 was the first year in the history of the national startup competitions that startups from the Moravian-Silesian Region have experienced such success. In the most closely followed CzechInvest Startup Challenge competition, MSIC's clients took the first two places. Another client won the national round of the Vodafone Idea of the Year competition. All these startups earned major seed investments during the year. As for the more mature startups, Invent Medical successfully emerged in the US and Asian markets. A more accurate assessment of the economic benefits MSIC's clients have brought to the regional economy will not be possible until the second half 2021. It is already clear however that the overall impact of MSIC's services is growing in strength.

Development of T-Park's physical infrastructure and the affected territory remained the main challenge

for us. Demand for T-Park capacities continues to exceed the available offer. In addition, it accelerates the growth of employment of the settled companies. In the short run, it was possible to fill the premises freed up by several outgoing companies. In the longer run, it will be necessary to speed up the preparatory work for the construction of new capacities and at the same time enhance cooperation with selected developers, otherwise the new capacities will not be available in time to accommodate the needs of the already settled companies. The new construction involves the T-Park UPGRADE and T-Park DEVELOPMENT projects.

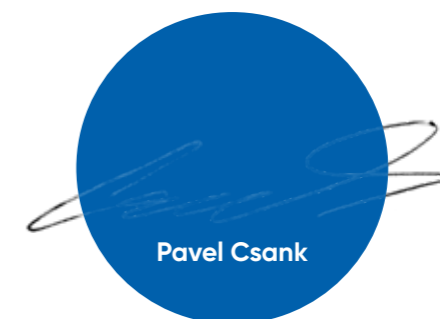
Due to these ongoing developments, there have been slight changes to and strengthening of the entire team comprising MSIC.

Some positions have disappeared due to the ongoing developments in the organisational structure, while other have been re-evaluated and restored. Newly created positions,

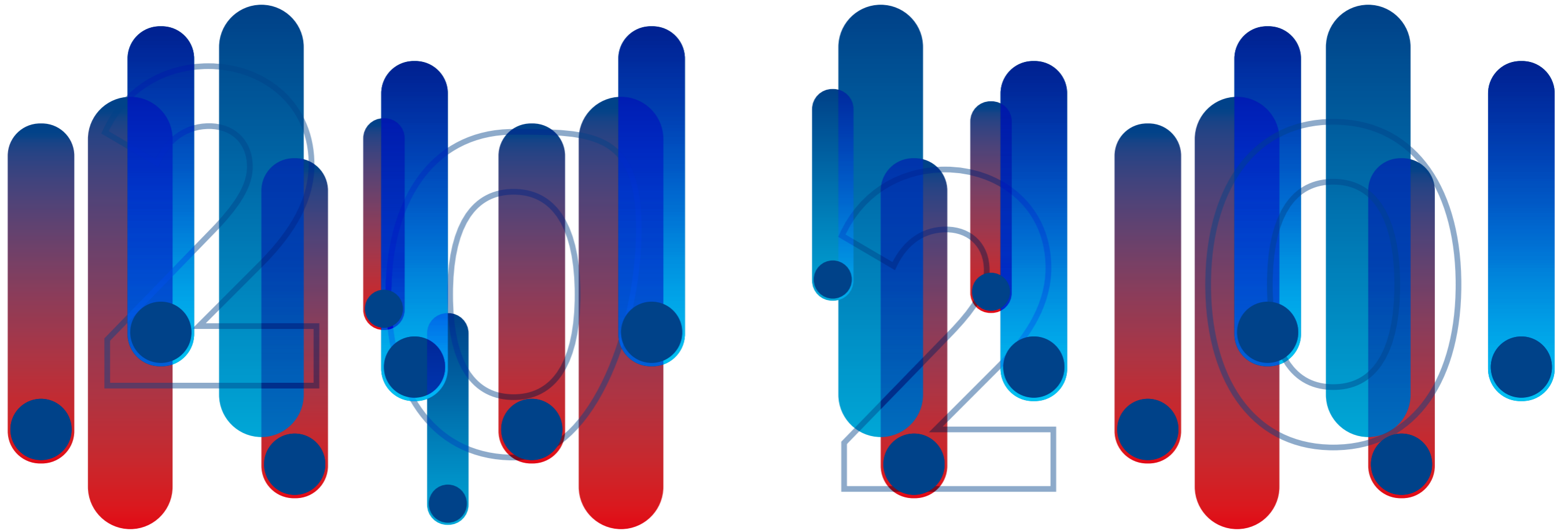


responding to the need to strengthen specific teams of the company, accounted for a large part of the changes. Four colleagues left the company during the year, we welcomed 7 new people on board, and 6 new positions were set up to strengthen the growth and development of the company. The positions will be filled during the upcoming period. In addition to internal employees, the company only grows and carefully builds network of verified external experts. This year, there have been a significant number of additions to the network of collaborating experts yet again. They are people with highly valuable business and managerial experience who pass on their knowledge, as part of MSIC's services, to future generations of entrepreneurs.

We are at an end of yet another period in the life of the company and we thought it would be a good idea to also look back at 2020 and the period before that in facts and figures.



MSIC Results



TOTAL NUMBER OF CHANGE PROJECTS

	2019	2020
TOTAL NUMBER OF CHANGE PROJECTS	77	175

NUMBER OF ONE-2-ONE SERVICES FOR BUSINESS OWNERS

	2019	2020
Number of changes supported in mature companies	63	112
Number of startups supported	14	63
Expand	36	24

COMPANY'S PROFIT/LOSS

	2019	2020
COMPANY'S PROFIT/LOSS	-368.000	500.236

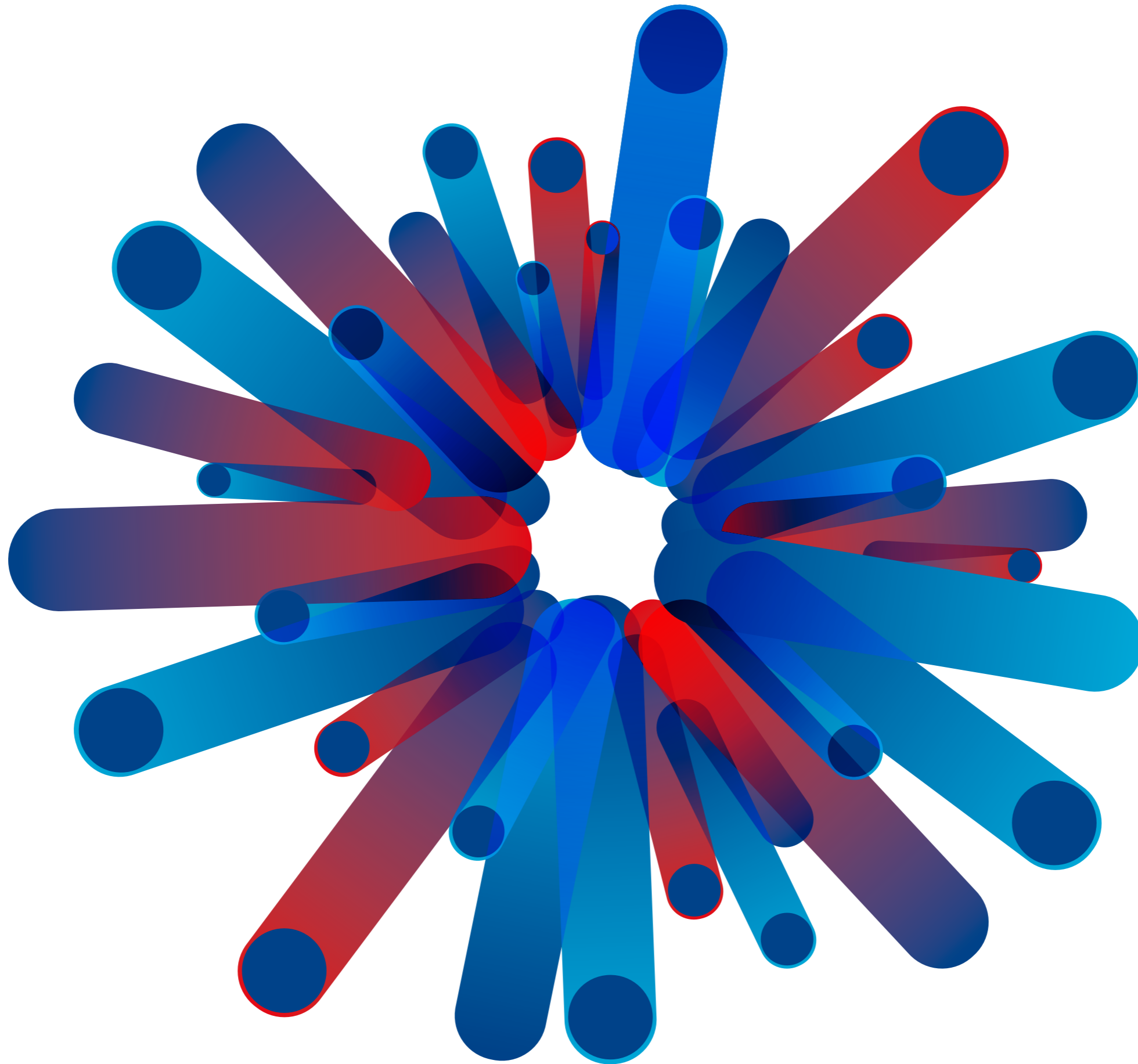
REGIONAL INNOVATION STRATEGY

	2019	2020
Business vouchers (IBV, TAV, VZF) – number of applications	74	74
Business vouchers (IBV, TAV, VZF) – number of businesses supported by business vouchers	19	31
Number of foreigners using the OEC services		213
Number of people participating in the PS RIS		83
Match-making		43

T-PARK

	2019	2020
Number of settlement applicants		14
Number of settled business as at 31 December 2020/2019	69	73
Number of businesses operating their own R/D at the T- Park	44	49
Number of T-Park businesses collaborating with universities	51	34
Number of employees of all T-Park businesses as at 31 December 2020/2019	634	677

Overview of MSIC's activities



3. Overview of MSIC's activities

In accordance with its mission, MSIC conducted the following activities in 2020:

Business Innovation – supporting innovation through personalised services for small and medium-sized enterprises (BI)

Operation and development of the Technology Park (T-Park) infrastructure

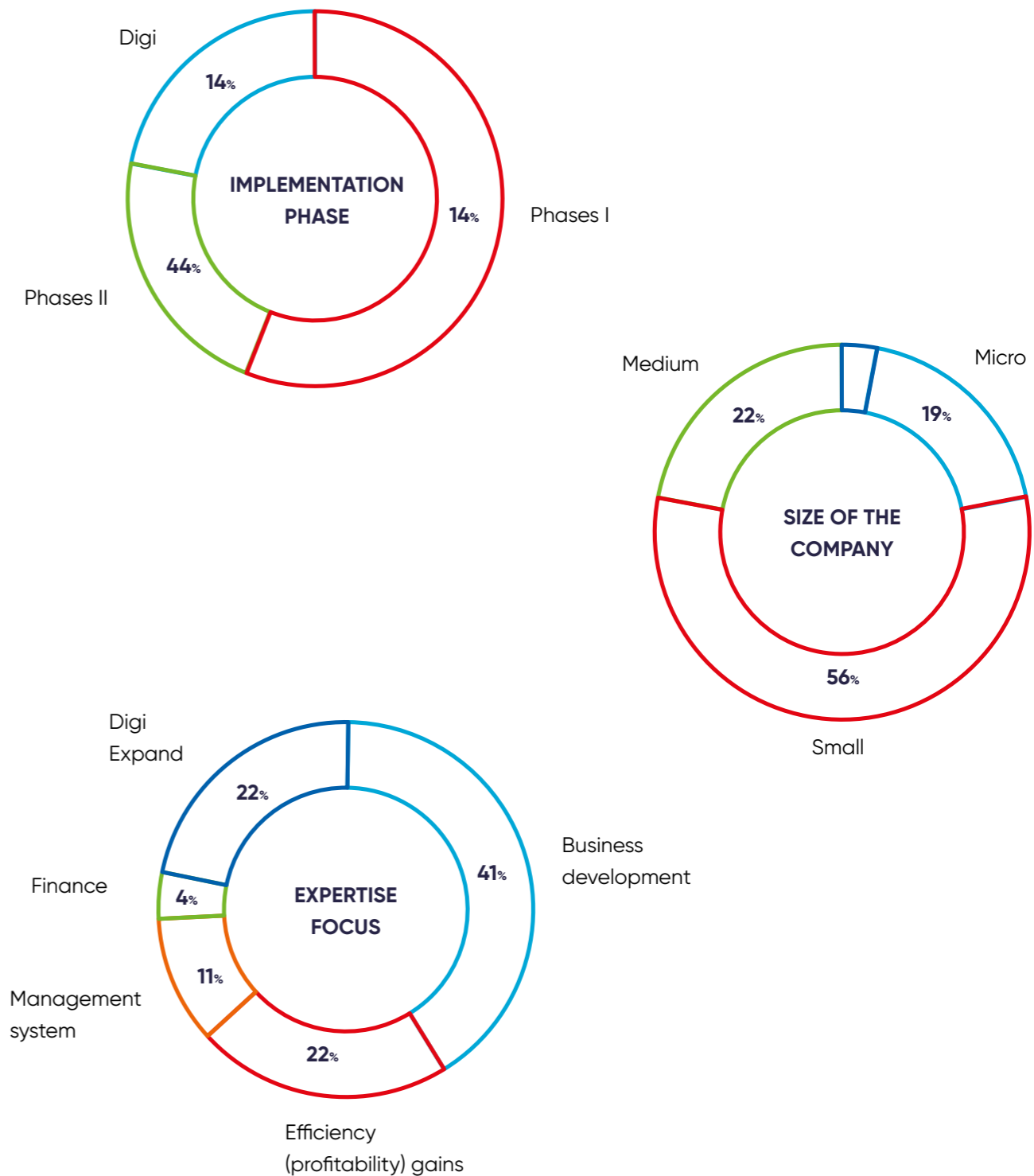
Implementing the Moravian-Silesian Regional Innovation Strategy (RIS MSK)

3.1. Business Innovation

During 2020, the number of businesses using MSIC's services grew despite the omnipresent Covid-19 pandemic. There have been additions to the businesses that reach out to MSIC repeatedly with their further needs. During the time between its formation (7/2017) and the end of 2020, MSIC assisted companies in the execution of almost **400** change projects. The client businesses' supported innovative projects are very diverse in terms of their focus and the amount of time and finance required.

The largest number of clients and supported innovation projects fall on the MSIC Expand service designed for small and medium-sized enterprises (SMEs) operating in the MS region. By the end of 2020, we completed a total of **24** innovative projects with clients under the MSIC Expand programme. Most of them fell under business development or process innovation.

Charts showing selected project indicators



To illustrate the nature of the projects under the MSIC Expand programme, please find below a selection of specific stories of businesses that joined the programme:

TINT s.r.o.

is an IT company from Frýdek-Místek that believes in innovation. Their R&D department was behind the 24 Vision System (24VS) technology idea, i.e., video image analysis based on detection using neural networks. TINT successfully presented this technology, for example, at the CES 2020 - The Global Stage for Innovation, a global technology conference held in Las Vegas. As part of the MSIC Expand programme, our expert, Jiří Kocich, helped the company set up a business strategy allowing TINT to sell its new outgoing quality inspection product (based on 24VS) in the B2B segment, not only in the Czech Republic but also in European and global markets.

For the company's full story of the company go to:
<https://www.youtube.com/watch?v=i6UMJLoo50Q>

WORKOUT CLUB PARKS s.r.o.

is an Ostrava-based company building outdoor workout venues. To date, they have built more than 150 of them throughout the Czech Republic. The driving force behind the company's formation was the founders' passion for metalworking, sports and architecture. Indeed, the story was so powerful EY chose it as the 2019 Business Story of the Year! As part of the MSIC Expand programme, our expert, Jiří Kratochvíl, assisted the company in transforming its online marketing strategy as the initial driving force behind a several-fold increase in sales generated by the company's e-shop.

For the company's full story go to:
<https://www.youtube.com/watch?v=hkzpO14JnGs&t=8s>

Hlimont s.r.o.

is an engineering company from Havířov, focusing on metalworking, welding and assembly. Involvement in the MSIC Expand project meant the company could proceed to the development and subsequent production of their own product – a loader trailer for tractors. Our expert, Mr David Otruba, helped the company with their cash-flow and management plan and prepared order books in cooperation with the company, which led to production efficiency gains. At the same time, the company started to work with the risks that emerge, which was not entirely the case before that.

For the company's full story go to:
<https://www.youtube.com/watch?v=RsRdSx7YyXk>

BeWooden Company s.r.o.

is a company from the Beskydy Region. Established in 2013, it mainly produces fashion accessories. It has become famous for its wooden bow ties, but also for other products. As part of the support rendered under the MSIC Expand programme, our expert, Mr. Pavel Sládek, helped the company with financial management; more specifically, a change was designed in sales planning and inventory management. The result was a significant production optimisation.

For the company's full story go to:
<https://www.youtube.com/watch?v=Z9VPIHQQLT0&t=9s>

iDevBand s.r.o.

is a Třinec-based company creating customised digital solutions. Under the MSIC Expand programme, the company also won a contract with a leading supplier of primary health care in the Czech Republic last year. Our expert, Mr. Cyril Klepek, was instrumental in raising the company's awareness of design thinking and innovation methods, expanding the competencies of the staff and allowing the company to emerge in the global market.

For the company's full story go to:
<https://www.youtube.com/watch?v=HTwnNTKyaMk>

CADservis s.r.o.

is an Ostrava-based company whose final product involves fully functional computer-aided design and production technologies, i.e., not only CAD software, but also computers, peripherals, user training, development of special applications and assistance in the implementation and operation of these solutions. Our expert, Mrs. Lenka Pavelková-Šnyrch, assisted the company in enhancing the visibility of the CADservis brand as an employer in the MS region. The highlights of the change project included employer branding, internal HR (reduced staff turnover, career growth in individual positions), corporate culture and corporate organisation and management – delegation of the operative management from the company's executives to other employees. The project brought a number of insights for the company and, among other things, it resulted in the creation of the company's mascots, CADman and CADwoman. And why did the company's investment in people pay off? Perhaps because CADservis met the Q1/2020 plan at 105.2% despite the onset of the Covid-19 pandemic.

In response to the Covid-19 pandemic and the major business constraints caused by the emergency, the Business Innovation (BI) team conducted the "Survey of Covid-19 Impacts on Entrepreneurs" in March 2020. They also took an active part in the Region-managed "Quick Council" action, which consisted of consultations for small and medium-sized companies in the Region.

Based on the needs identified in the survey, MSIC put in place the following direct actions:

MSIC Hours – individual consultations for local SMEs, lasting for 1 - 2 hours, based on prior time window reservations by employees of the BI team

MSIC Impuls – a newly developed support programme as part of which companies can take advantage of up to 10-hour consultations with MSIC experts. Once tested by actual customers, Impuls became part of MSIC's product portfolio not only in 2020.

One important service for companies focusing on technology innovation is assistance in participating in selected international grant competitions **within the framework of grant consultancy for innovation programs (EU Grants)**. During 2020, MSIC helped **4 high-tech businesses** to prepare and **submit 6 open call applications**. This year, support aimed at companies operating in the Moravian and Silesian Region (MSK) revolved mainly around the Horizon Europe programmes – EIC Accelerator, TAČR and Country4Future

During the year, companies reached out to MSIC with applications for support under the MSK Business Support Programme. In 2020, a total of **74** companies signed up for the programme calls. **31** of them received support in the form of vouchers financed by the MSK in the overall amount of CZK

9.9 mil. Many other companies took advantage of the consultancy or match-making with new potential partners.

3.2. Operation and development of the technology park

We continue to work on streamlining the operation of T-Park and its development. Expanding its capacities and functions with new premises, we are adding more suitable areas, increasing the functionality of the entire complex and enhancing the capacity for selected areas of **future mobility, digital UP, EnviTech or eHealth** adhering to the principles of **shared OLL laboratories** (open living labs) for our clients.

Through these ventures, the range of activities associated with the technology park has broadened significantly. The MSIC team was joined by colleagues with expertise in various fields related to development. As a result, we are now capable of preparing feasibility studies for development projects, including all necessary surveys and measurements to satisfy the needs of future use of each project concerned (e.g., special laboratories, shared workplaces, facilities for startups, R&D workplaces). **We have our "T-Park Master Plan"**, which will be used to plan the development of the campus in terms of time and money and to support cooperation with universities. The Master Plan is the initial policy document underlying the upcoming stages of construction design documentation.

A development task was defined based on a thorough analysis of the existing campus the technology park resulting in the identification of areas suited to the future construction. We also took into account the current needs of clients. We identified synergies with the VŠB-TU Ostrava's master plan and incorporated them into the draft of the T-Park's Development Master Plan. The presented devel-

opment plan is divided into two projects. The first project is entitled **"T-Park Upgrade"**, addressing the increase of the existing campus's capacity. It also envisages the addition of required spaces for corporate research and development in the field of industry. The other project is SMART AND GREEN DISTRICT (SMARAGD), which combines applied research and development activity with upstream production capacities within the broader territory of the MSK as **T-park Development** in the region's major locations addressing decentralisation.

As we know the structural and engineering requirements of the new construction and as a description of the required functionality of the area concerned and the individual sites is available, the results of the planned capacity are available with estimates of the cost and time requirements of the structures. We also conducted a series of meetings with representatives of the interested city boroughs.

The requirements for additions of various types of areas are based on questionnaires, negotiations with existing T-Park clients and internal workshops.

As far as the operation of the existing campus is concerned, we focused on improving the quality and efficiency of the services already provided with the guarantee of multidisciplinary facility management conceived as "global services".

On 31 December 2020, the four buildings managed by the company were occupied by **69** companies. The companies then employed **869** people and the occupancy of the individual buildings was as follows:

Piano	93%
Trident	97%
Viva	99%
Tandem	85% (including the Idea Hub and COBOTI shared workshops and labs)

In 2020, we managed to fill the complex with major companies, including, for example:

PLACEMENT.cz s.r.o., whose business plan involves online marketing specializing in PPC advertising using the Google Ads, Sklik and Facebook Ads systems and RTB campaigns.

RHEA System CZ s.r.o. operating in the sector of space engineering and cyber security. The company cooperates with ESA (European Space Agency), GSA, NATO, the European Commission, the Ministry of Defence of Belgium, Canada, the Netherlands, etc. At the same time, it also creates its own products in cyber security and space engineering.

Another company is **Mebster s.r.o.**, developing innovative assistive technologies in the areas of rehabilitation and compensation of mobility disorders. In the development, they work directly with the users, with whom they test all products thoroughly to make their use as simple and comfortable as

Summary for the buildings and spaces within the T-Park campus:

BUILDINGS



Trident

IT, virtual reality,
artificial intelligence,
SW development,
automotive



Viva

Medical
a Health tech.



Tandem

14F + automotive IT,
virtual reality



Piano

No specific specialisation;
considering the condition and age
of the building, the spaces there will
be rented out to larger client with
an ambition to rent out coherent
parts (floors)

SPACES



Standard
commercial
premises
designed for
business, including
discounted spaces
for start-ups"



Shared spaces,
labs, and business
support facilities



Conference room



Additional services
such as catering,
server rooms,
meeting points ..

possible.

Achievements and awards received by companies settled in the T-Park campus:

SPRAYVISION

The company has invented a technology to reduce the amount of paint used and increase the quality of the resulting car surface. The ingenious system has become popular with car makers such as Porsche, Volkswagen and Fiat Chrysler.

Award:
Winner of the **Vodafone Idea of the Year**

ULLMANNA

A company developing smart agricultural machines that detect and eliminate weeds from the very onset. The machine allows organic farmers to grow crops on larger areas with no added manual labour. To traditional farmers it also helps reduce the amount of pesticides and chemicals used by up to 40%. The result is greener and cheaper agriculture.

Award:
2nd place at **CzechInvest Startup Challenge 2020**

24 VISION SYSTEMS

The company provides quality inspections for manufacturing companies using neural networks and artificial intelligence. AI detects 99.9% of manufacturing defects, while people overlook a full one third of them. This ultimate solution was developed and deployed by the start-up in a record-breaking time of twelve months.

Awards:
1st place at **CzechInvest Startup Challenge 2020**
3rd place at **Startup World Cup & Summit Europe 2020**

SKLADON

A company that provides comprehensive services for e-commerce operators.

Award:
Listed in the **Deloitte Technology ranking of the top 50** fastest growing companies in Europe and the 15th fastest growing company in the Czech Republic (fastest growing in the MS Region) in 2020

MEBSTER

A company that develops smart and affordable assistive technologies that allow people in wheelchairs to walk again.

Award:
1st place at **ČSOB Start It Demo Day 2020**

3.3. Implementation of the Regional Innovation Strategy of the Moravian-Silesian Region

In 2020, the highlights were once again the continued piloting and implementation of programmes, projects and activities as part of the approved RIS MSK strategic projects, i.e. PODREG (Entrepreneurial Region), TAM (Talent Attraction Management), Technical and Business Academy (TPA), MSK Digital (Digitisation of the MSK), ENVI BIC - CECI (Circular Economy) and Grant Consultancy for Innovation Programmes (EU Grants). Each of these strategic projects has its own working group composed of relevant experts from the MSK, which, in 2020, jointly submitted proposals for new activities and evaluated the executed interventions. In addition to the aforementioned strategic projects, the Innovation Council tasked MSIC with the preparation of the plans for and piloting of other project.

ENTREPRENEURIAL REGION (PODREG)

The PODREG strategy project is a system of services that helps support the start-up and development of business in the entire MS Region. In addition to targeted acceleration programmes and business incubation services, it also includes services designed to motivate MSK residents to take up business, regardless of the target and age group, education background, discipline, etc. The project increases the rate at which companies are formed, including top-notch technological and innovative businesses, which we can support. In 2020, the following services were piloted in connection with the outcomes and results of individual calls under the Start Up Voucher programme:

- personal consultancy and coaching for those interested in starting their own business
- matching for people with new business projects with experts, managers and/or mature companies aimed at (i) accelerating the process of introducing products/services in the market, (ii) the growth of sales, or (iii) revision of the business plans
- reviews of business plans and establishment of new business models
- setting up, developing and making additions to the founding teams
- technical consultancy relating to the development and production of functional samples and prototypes

These services, in various mutual combinations, fell under the following activities:

Work on the [Entrepreneurial Region website](#) created in response to the persistent need for comprehensive information for the Start Up Community and the business ecosystem in the MSK. Now, you will find in the one-stop-shop, for example, a map

as a signpost between MSK institutions that provide help in all stages of your business; description of the strategic objectives of the Entrepreneurial Region project; information on the business support provided in the MSK; space for publishing information on events dedicated to business support; space for sharing acceleration programmes, courses and educational activities related to business support and entrepreneurship; motivational stories and so-called “fuck-ups”; presentation of the TOP 10 Startups (also as one of platforms for investors) and more.

Piloting a new service referred to as **“Design Sprint”**, whose benefit involves speedy business plan validation during a week-long intensive beneficiary camp. It includes a guide tailored to the client and implies the possibility to take advantage of the expertise of a number of proven experts.

By spring 2020, it was clear that the government COVID-19 restrictions would bring an end changes in society towards the end of Q3 and during Q4 and there would be an increase in the number of the unemployed. Therefore, we decided to make the best out of this and present (not only) to the laid-off employees business as an alternative to job seeking. To this end, we developed the **Start Again, Start Different!** marketing campaign with the objective to join forces across the entire SUC in presenting the activities offered by the MSK to entrepreneurs with the help of Start Up Community members.

The **MSIC InnoLab** service was there to assist small- and medium-sized enterprises looking for a change of direction in their business or a radical change in the way they had operated until then. The service would help SME owners find a conceptual solution to the challenging change in the form of co-creative workshops with other entrepreneurs and experts suited to their needs. During these workshops, purposefully selected entrepreneurs and experts were brought together to work for a single business owner who had defined the problem to

be addressed. As part of the service, the innovation potential of SMEs is opened up and know-how and experience are transferred from the participating companies and experts involved in the joint search for the conceptual solution. As part of the service, the innovation potential of SMEs is opened up and know-how and experience are transferred from the participating companies and experts involved in the joint search for the conceptual solution. It was this service, which depends on the mutual trust of all the partners involved, that was to be tested in 2020. We were curious whether and how the target groups of **MSIC will accept it**. The original plan envisaged the installation of at least 10 InnoLabs. However, with the onset of the COVID-19 pandemic, it was impossible to stick to this plan, as companies reconsidered their current strategies. Finally, during this period, we succeeded in commissioning 2 InnoLabs with Lakum and Bonatrans. Revenues generated by these two business cases amounted to CZK 110,000. The feedback from both clients confirms the need for and the benefit of this new service. The unintended result in both cases was the initiation of new business opportunities between the client business and external MSIC partners who were involved in the co-creative workshops. During the year, we continued to look for the optimal set-up of the comprehensive acceleration service referred to as MSIC Accelerate for startup project owners with high barriers to market entry. Finally, we selected Yakna and Elite Timber Construction. For Yakna, the barriers to entry involved increasingly demanding requirements for the safety of medical devices. Achieving compliance with the strict regulatory requirements requires considerable investment and very specific expertise to bring the product to market. The other company came up with a project of a buried ecological MIR Design-brand house. It is a futuristic venture that aspires to offer a unique way of living. To check whether customers are interested and to assess the size of the market, it was first necessary to build the actual houses in order to test the technology and the assumptions behind the uniqueness offered to customers.

In both pilot projects, the barriers to market entry associated with the absence of personal business experience of the founders of these businesses were described. MSIC’s goal was to validate a service based on the mediation of a team of interim managers in exchange for a share in the revenues to be generated by the future sales. Neither test case made it possible to establish a relevant model of setting the mutual obligations acceptable to both parties. Public fund management rules ultimately proved to be a significant barrier on the part of MSIC. The main takeaway from the piloting of the MSIC Accelerate service is the definition of its alternative. The alternative is the **Investor Club**, which will be built on the following elements:

- it will be a registered association bringing together the members’ funds and investing them in services to be agreed with MSIC (especially active scouting and validation of start-up projects and preparation for negotiations with the so-called angel investors)
- Investor Club members will be experienced entrepreneurs interested in assuming the role of so-called angel investors (business angels), who support promising start-up projects with the initial high-risk money; the members will at once share their own business experience
- the association members will invest their own funds in concert or separately in projects to be developed by the project owners in cooperation with MSIC
- In start-up projects, MSIC gathers the synergies between the services offered by the technology part, Expand and personal relationships with a number of experienced entrepreneurs from the MS Region and employs them in favour of start-up projects.

In response to the COVID-19 pandemic, the new **MSIC Impuls** programme was also piloted, aiming

to provide fast, flexible and effective assistance to companies, in the form of cooperation with experts/mentors/coaches. The target group is MSK-based micro-, small- and medium-sized enterprises, whose owners want to pro-actively address the situation rather than passively rely on the problems disappearing. Under MSIC Impuls, clients were looking for solutions with the help of proven experts from the MSIC Expand programme. The maximum quantity of the consultancy services was set at 10 hours. The programme is subject to the de minimis mode and is fully covered by the MSIC. Eight companies were involved in the project piloting. Based on positive feedback from both the companies involved and the experts, the decision was made in September 2020 to retain the programme.

TALENT ATTRACTION MANAGEMENT (TAM)

As part of the Talent Attraction Management priority area, which aims at putting an end to the brain drain of talented students/people from the MSK, enticing talented natives currently living outside the MSK back to the region and also attracting residents from other regions (or states) to the MSK, the following activities in particular were prepared and conducted in 2020:

This included the piloting of the **Ostrava Expat Centre** (OEC) project where, on 1 March, an office was opened at Českoobratriá Street in the centre of Ostrava, acting as a contact point for expats (foreign workers, entrepreneurs and their families) and as an assistive environment for community gatherings. English was chosen as the communication language. Five part-time workers were involved in the piloting (project manager + community manager, One-Stop-Shop service specialist, 2 event managers, 1 brand manager); overall, they accounted for 2 full-time FTEs. 5 people with part-time jobs worked on the pilot verification (project manager + community manager, One-Stop-Shop service specialist, 2 event managers, 1 brand manager), these total 2 full-time FTEs. Throughout the piloting, Newsletter came out every month bringing expats news on the goings-on in Ostrava (including the Covid-19 situation) as well as partner events and events organised by the centre. The expats were the most interested (150 inquiries in half a year) in information on changing jobs, setting up the self-employed person status, as well as visas and permanent stays.

Thanks to the established community, two expats teach foreign languages at primary schools, some take advantage of the creative workshops or improve their mastery of Power Point. Three expats (native speakers of English) got a job at a primary school as foreign language teachers. Ten expats

doing business in Ostrava received the SMO or government support in connection with Covid-19. The activities of the Expat Centre are paid exclusively under a contract concluded between MSIC Ostrava and the Statutory City of Ostrava.

TECHNICAL AND BUSINESS ACADEMY (TPA)

This is a strategic change project in human resources, the aim of which is to generate outcomes in the sense of educational modules for teachers and students.

As part of the TPA pilot phase, an online application (library germ) was created with 5 training modules in August 2020 (New Pneumatic Circuits, Smart Home, Bevel Gearbox, Internal Combustion Engine, Automated Manufacturing). Each module contains materials for teachers of vocational subjects helping them teach the theory and organise the practical tuition. Each of them includes a presentation of the topic, methodology instructions and practical examples - animations, videos, or AR. The practical training module includes tasks that make the teaching easier and more attractive (e.g., assembling and setting a machine in motion, including the indication of components, data for printing the components on a 3D printer, verification of students' knowledge)

Teachers of vocational subjects as well as students tested the first modules during workshops. Based on this, a method was defined of creating a mechanism of developing new modules. We succeeded in attracting the interest of innovative companies, which contributed to both the module creation and offering excursions for principals, teachers and students. As part of this activity, the pilot run of the **Business Camp** project was also organised in August. The four-day event was intended for entrepreneurial secondary students. During the camp, attractive workshops and consultations were organised, led by young entrepreneurs; the participants developed their communication and presentation and argumentation skills, learned to turn their ideas into business plans and to present the plan to investors. The camp was managed by Institut Euroscola and 12 students took part in it.

MSK DIGITAL

The strategic **MSK Digital** project, which primarily aims at providing help with the digitisation, automation and robotisation of small and medium-sized companies in the MSK, primarily further developed the **SMEdigi** activities. This mainly involved the preparation and execution of professional workshops and training courses (especially "Basic"), expansion of the database of experts, etc. We offered coaching and mentoring services small and medium-sized enterprises within the Expand and **DigiExpand** services (see the chapter above). Due to the circumstances and the related financial and personnel crises in the companies taking part in the programme, DigiExpand had to be postponed by about 6 months. In 2020, we were planning on involving 10 companies in the programme; eventually 7 of them were piloted. The three remaining companies' turn will come in the following period. During the period under evaluation, three digital audits were conducted. In addition to working with specific companies, cooperation with the INTEMAC competence centre was established and commenced, and we agree with them to share the aggregated data from digital audits in order to benchmark results across the region and the Czech Republic. In addition to data sharing, we also agreed we would share some experts.

The 6 scheduled specialised seminars on digitisation were postponed to the autumn of the same year due to the emergency state and the quarantine imposed. Holding the seminars online was not an option as they included numerous interactions, workshop parts and excursions.

In cooperation with IT4Innovation, we developed a pilot call for a grant program to match SMEs with research infrastructure. Intensive negotiations took place to prepare projects under the Digital Europe programme and MSIC's cooperation with IT4I as part of DIH was presented on national and international

platforms. The result is a project prepared for the Digital Europe programme and 4 supported projects under the regional scheme's pilot call.

Cooperation with IdeaHub and the Faculty of Electrical Engineering and Computer Science of the Technical University of Ostrava was further developed under the "Small Business of the Future" project. This also included the execution of the **Praxe2** project, which, in 2020, envisaged the involvement of at least 10 students. The flow of development projects in the process of educating students in digital development through Praxe2 was somewhat halted as a large number of cooperating companies were temporarily closed due to the circumstances surrounding the Covid-19 pandemic. However, IdeaHUB and the students involved in the project developed their own product (an innovative version of a fast production protective shield), so the project continued more or less smoothly. Within the space of 24 hours, the students managed to design and test (= develop) the product, of which 20,000 units were manufactured in the end, and helped to respond to the surge in local hospitals' demand for this type of protective equipment. The alternative (a shield made of 3D printed components) took about a hundred times longer to produce and would not meet the demand even with a larger number of free 3D printers. As part of the cooperation with and support of other sectors affected by the Covid-19 crisis, production data for this product was made available free of charge. Other companies and organisations from all over the world took advantage of the data and produced their shields according to them. Shields were produced with this data in EU countries, but also in Mexico. This shield model even began to be used in TV Nova's news programmes. Thanks to this, another 100,000 shields were created. This gave the students their first great practical experience already during their studies.

CIRCULAR ECONOMY (ENVI BIC – CECI)

As part of the Czech Republic's national innovation strategy, the plan is to create 7 so-called "business innovation hubs" as the venues of institutionalised cooperation between elite companies in the field and experts and startups. "Envitech" is one of these seven preferred areas. During the proceeding period, the Innovation Council tasked MSIC to prepare and coordinate the **ENVI BIC** strategic project in the MSK. In 2020, the following sub-actions were developed in particular:

The **CECI project** was implemented in the field of circular economy (the project is co-financed under the Interreg Europe programme), which proceeded according to the schedule. The outcome in 2020 involved mapping the state of circular economy in the MSK.

A report was produced covering the period between August 2019 and January 2020. All costs were recognised during the reporting period and the corresponding amount of EUR 14,667.80 was reimbursed. In addition, an interim report was drawn up, covering February to July 2020 and submitted for approval. Furthermore, the second stakeholder group was held in the premises of MSIC, attended by 14 representatives of companies, organisations, the Region and Ministries. Subsequently, the third stakeholder group was organised, but unfortunately with regard to the developments in the Covid-19 pandemic, it had to be held online. Each semester is conditional upon an interregional meeting with one of the partners involved in the project. The meeting was to take place in Marseille, France in the spring. Due to the global pandemic, however, the meeting had to be cancelled, and all activities had to move online as per the project schedule. MSIC held an online international meeting presenting Ostrava and the MSK and the activities conducted in the area of circular economy. The partners share between them examples of good practice. For the Czech Republic,

we chose the CreoKit project as an example. It is a kit made of wooden arrows that do not comply with the quality standards and would otherwise end up as waste. Another example are the reusable NICKNACK cups and we have introduced ReKola as one of the ways to achieve sustainable transport. Go to <https://www.interregeurope.eu/ceci/good-practices/> to read more on examples of good practice from other regions of France, Spain, Belgium, Finland and Bulgaria. Thanks to sharing we can implement these good practices or be inspired by them in our country as well.

The main goal of the CECI project is to raise awareness of the **circular economy** among the population. In order to achieve this goal, zones of awareness-raising workshops on various topics related to the circular economy have been created. Since July 2020, interesting workshops, events for the public and discussions on various topics have been held regularly every month, designed to help spread the concept of the circular economy.

The one circular economy activity we have started to pilot, are Circular Scans – i.e., assessing companies' readiness for the circular economy. This assessment consists of an analysis of material flows, waste, free material and unused stocks. The outcome is a proposal for optimisation, change recommendations and space for further cooperation. During the period under consideration, a circular scan was conducted for 5 companies. This made it possible to test and add to the methodology of circular scans.

The meetings held on the Platform for Circular Economy opened up new opportunities for our cooperation. During the year, there were regular online meetings with BeePartner, MSID and representatives of other companies/organisations from the MSK. The meetings revolved around the potentials of circular economy in the region. Specifically, the Trinec CYRK Arena visions were presented and funding opportunities were looked for.

MSIC was also involved in the preparation of the full application for the "COALA" project (formerly POCOMLAND) under the LIFE – Integrated Projects programme call. The project was prepared by the Moravian-Silesian Region, which involved more than a dozen partners from the MSK in the project. MSIC redefined its actions and agreed with the project coordinator to include the key action, namely the Support to Start-ups and SMEs Related to Climate Change Adaptation. The key action consists of three sub-actions that are mutually complementary. As part of the COALA project, a feasibility study will be prepared in the upcoming period for the transformation of the existing technology park campus into a modern space integrating the latest technology. The second sub-action in the future will involve the design, pilot testing and implementation of an acceleration programme for technology start-ups with products, services and technologies on TRL 6-7. The start-ups will then be able to use the adapted technology park spaces for piloting their products, services and technologies. The third sub-action will involve the preparation, pilot testing and execution of the ENVI Expand coaching programme. As the project was not successful in the past, the plan is to present a modified version, probably in early 2021.

Also during the period under consideration, the first actions were launched under the "Start-up City Europe" initiative, which is aimed at building innovation ecosystems in "second" cities in European countries and eventually interconnecting these "urban" innovation ecosystems. In February 2020, Ostrava and its Fajnova's strategy were presented to representatives of the European Commission. In September, following consultations with representatives of the City of Ostrava, an "Innovation Strategy Officer" was appointed, tasked with creating a so-called Innovation team by the end of the period and identifying one barrier to the development of Ostrava's innovation ecosystem. The City of Ostrava was also involved in the preparation of the "Global

Start-up City Summit"; the event took place online at the end of the year. Ten Ostrava-based start-ups were presented at the summit.

Unfortunately, the PRIMER accelerator programme could not be executed due to the complications surrounding the Covid-19 pandemic. Still, MSIC launched cooperation with Climate KIC, joining the "Pioneers into practice" programme aimed at matching institutions from the MSK with foreign experts and vice versa. As a result, MSIC included 5 institutions from the MSK and 2 experts in the programme. Presently, foreign experts are doing their online "internships" at three institutions from the MSK.

MSK BUSINESS SUPPORT GRANT PROGRAMMES

In this services segment, MSIC actively reached out to potential clients under the existing programmes, which had already been piloted and were open to other applicants for support, including MSIC consultancy support services in the preparation of applications. In 2020, the activities revolved around support to the StartUp Voucher, Voucher for Starting Entrepreneurs, InnoBooster Voucher and TechArt Voucher - Industrial Design. In 2020, the Voucher sub-programme for start-ups was piloted. In addition, the expert databases for all programs and sub-programs were expanded.

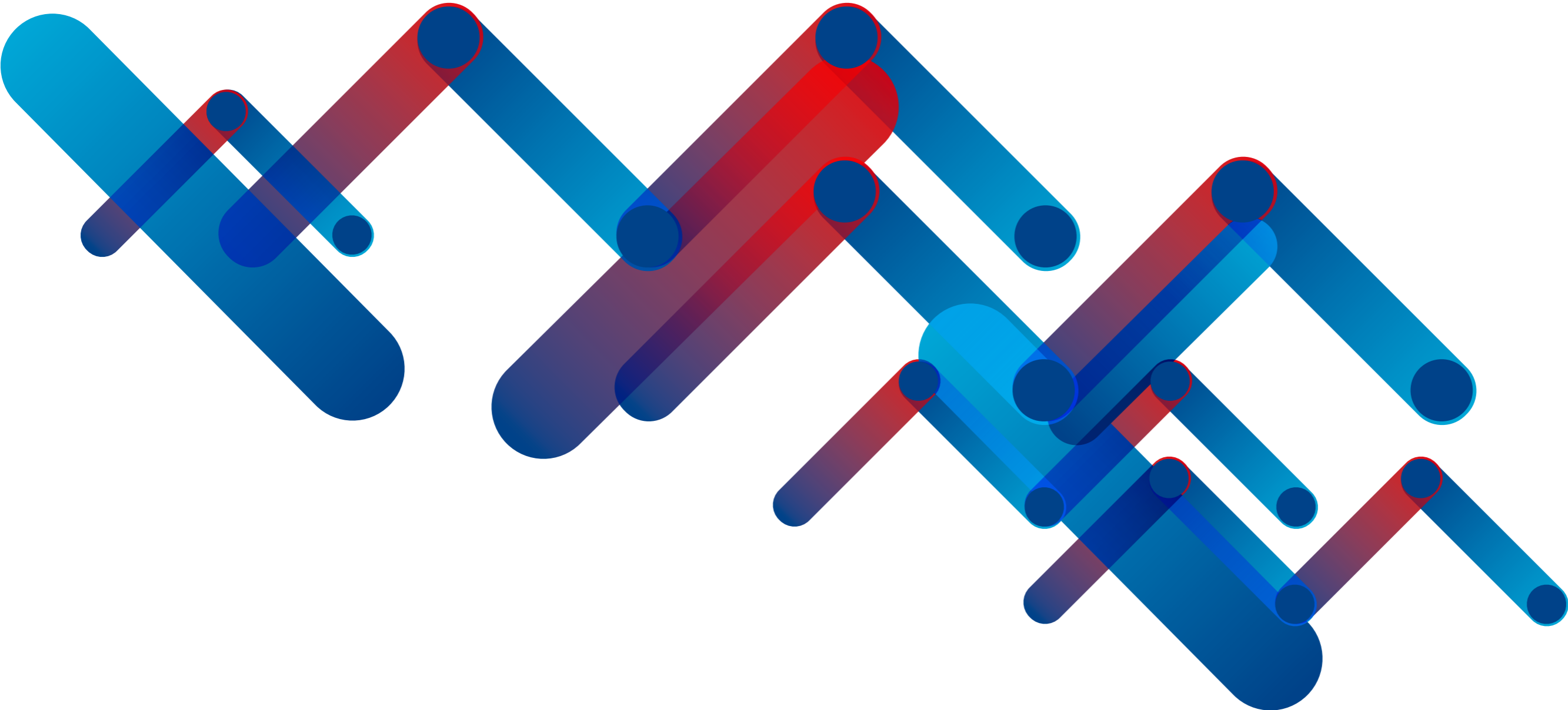
The **Start Up Voucher** grant programme is the most sought-for form of support among start-ups in the MSK and in terms of the Entrepreneurial Region, it is a key tool in encouraging people to take up business. The Start Up Voucher grant programme headed into 2020 divided into two separate grant programmes: Start Up Voucher (SUV) with the aid amount of up to CZK 500,000 and **Voucher for Start-ups** (VZF) with the aid amount of up to CZK 150,000. In January 2020, several events transpired, including the announcement of the grant programmes, support to applicants in preparing their applications, collection of applications and preparation and actual process of assessing the applications in the first round. As for DP SUV, the second round of assessments was also prepared and completed with personal presentations of the projects that had progressed from the first round. The unsuccessful applicants received feedback on their applications. A total of **31** projects were entered in the DP SUV, **five** of which were supported. These 5 successful business then chose their coaches from the 15 coaches we had proposed bearing in mind the ideal combination of the project focus, coach focus, start-up phase and experience of each particular coach. The supported businesses include: FreOn Services s.r.o., Daniel Lazar, Oktarina TR s.r.o., Theosun technologies s.r.o., Václav Fischer.

A total of **15** projects were entered in the DP VZF, of which **7** were supported. The supported businesses include: Lukáš Lindner, MISTKA SEWING s.r.o., NAVZDORY s.r.o., pošli RADOST s.r.o., Sandra Čermáková, Sidonie Design s.r.o., Tereza Kosáková.

At the beginning of the year, applications for the **TechArt Voucher** programme were also collected. A total of **13** small and medium-sized enterprises from the MSK signed up for the programme, which meant an increase in interest by more than **50%**. After the second round of the call, a total of **11** companies were supported. The list of the supported companies in TechArt Voucher include: Struzkopal s.r.o., AVANCE EUROPE s.r.o., Nacity Facility s.r.o., MEBSTER s.r.o., Railsformers s.r.o., Jiří Vrba, YAKNA s.r.o., Patizon 2.0 s.r.o., Tesla Medical s.r.o., Slamka Consulting s.r.o., ULLMAN-NA s.r.o.

14 projects were entered in the **InnoBooster Voucher** grant programme. Based on predetermined evaluation criteria (the main evaluation indicators being 1. product innovation, 2. creation of new jobs within the space of 3 years, 3. new jobs created in R&D), a total of **8** business from the Moravian-Silesian Region received aid in the amount of CZK 3,230,700. The list of companies supported under the InnoBooster Voucher programme include: ApeSight s.r.o., 24VS s.r.o., Cieslar, s.r.o., DAP Services a.s., Hofri s.r.o. (Kvikymart), MOS technik s.r.o., Progres Ekotech, s.r.o., VIRTUAL REAL LIFE s.r.o..

**Economic
Management
Report**



4.1. Financial results

IN 2020, MSIC REPORTED A PROFIT AFTER TAX OF CZK 500,000. THE PROFIT/LOSS FIGURE CAN BE CONSIDERED AS

A **GREAT SUCCESS** AS IT WAS

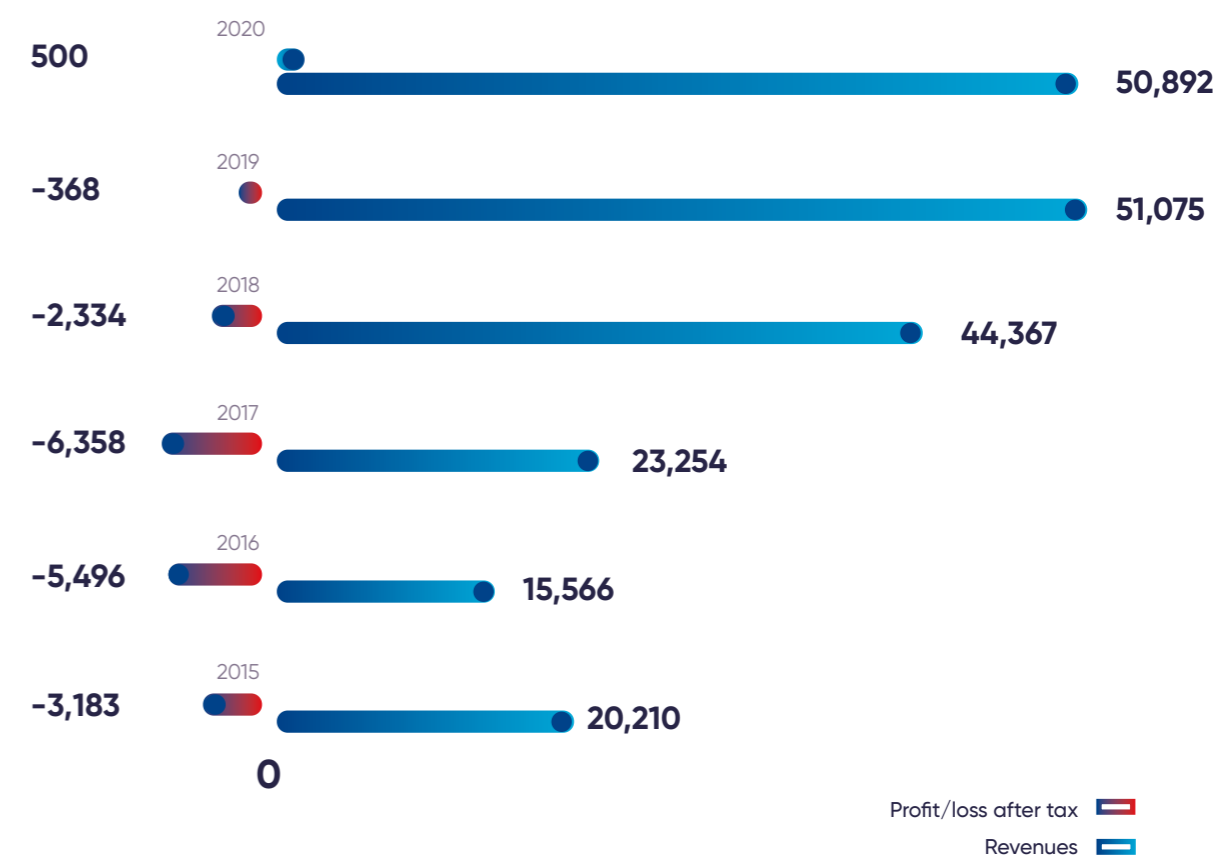
FOR THE FIRST TIME SINCE THE TRANSFORMATION THAT THE COMPANY

HAS TURNED A PROFIT.

THE MAIN REASON BEHIND THE POSITIVE PROFIT/LOSS WAS STABLE

YEAR-ON-YEAR GROWTH IN REVENUES, ESPECIALLY THOSE ON SUBLEASES AND SERVICES.

Trends in revenues and profit/loss
(2016-2020)



Year	2015	2016	2017	2018	2019	2020
Profit/loss after tax	-3,183	-5,496	-6,358	-2,334	-368	500
Revenues	20,210	15,566	23,254	44,367	51,075	50,892

4.2 Full balance sheet as at 31 Dec 2020

Year: 2020
ID No: 25379631

Trade name or other name of the entity:

Moravskoslezské inovační centrum Ostrava, a.s.

Registered office or residence of the business unit and place of business if different from residence:

Technologická 372/2, 708 00 Ostrava-Pustkovec

(in full thousands of CZK)

Designation a	ASSETS b	Line No. c	Current reporting period			Last reporting period	
			Gross 1	Correction 2	Net 3	Net 4	
	TOTAL ASSETS	Sum of A to D 1	90,235	8,644	81,591	54,954	
A.	Receivable for subscribed capital	2					
B.	Non-current assets	Sum 3 B.I. to B.III.	15,456	8,517	6,939	7,405	
B.I.	Non-current intangible assets	Sum of 1.1. to 1.5. 4	421	421			
B.I.1.	Intangible results of research and development	5					
B.I.2.	Valuable rights	6	421	421			
B.I.2.1.	Software	7	181	181			
B.I.2.2.	Other valuable rights	8	240	240			
B.I.3.	Goodwill	9					
B.I.4.	Other non-current intangible assets	10					
B.I.5.	Advances paid on non-current intangible assets and non-current intangible assets in progress	11					
B.I.5.1.	Advances paid on non-current intangible assets	12					
B.I.5.2.	Non-current intangible assets in progress	13					
B.II.	Non-current tangible assets	Sum of 1.11. to 11 5. 14	15,035	8,096	6,939	7,405	
B.II.1.	Land and structures	15	6,198	552	5,646	5,701	
B.II.1.1.	Land	16					
B.II.1.2.	Structures	17	6,198	552	5,646	5,701	
B.II.2.	Tangible movable things and their groups	18	8,036	7,544	492	903	
B.II.3.	Valuation differences on acquired assets	19					
B.II.4.	Other non-current tangible assets	20	109		109	109	
B.II.4.1.	Orchards and vineyards	21					
B.II.4.2.	Breeding and draught animals	22					
B.II.4.3.	Other non-current tangible assets	23	109		109	109	

Designation a	ASSETS b	Line No. c	Current reporting period			Last reporting period	
			Gross 1	Correction 2	Net 3	Net 4	
B.II.5.	Deposits paid on tangible fixed assets and tangible fixed assets under construction	24	692		692		
B.II.5.1.	Deposits paid on non-current tangible assets	25					
B.II.5.2.	Non-current tangible assets in progress	26	692		692		
B.III.	Non-current financial assets	Sum of 111.1 to II 1.7. 27					
B.III.1.	Ownership interests - controlled or controlling entity	28					
B.III.2.	Loans and credits - controlled or controlling entity	29					
B.III.3.	Ownership interest- significant influence	30					
B.III.4.	Loans and credits - significant influence	31					
B.III.5.	Other non-current securities and shares	32					
B.III.6.	Loans and credits - other	33					
B.III.7.	Other non-current financial assets	34					
B.III.7.1.	Other non-current financial assets	35					
B.III.7.2.	Deposits paid on non-current financial assets	36					
C.	Floating assets Sum of	C.I. to C.IV. 37	71,821	127	71,694	45,385	
C.I.	Inventory	Sum of 1.1. to 1.5. 38	20		20	42	
C.I.1.	Material	39	20		20	42	
C.I.2.	Work-in-progress and semi-finished products	40					
C.I.3.	Products and goods	41					
C.I.3.1.	Products	42					
C.I.3.2.	Goods	43					
C.I.4.	Young and other animals and groups thereof	44					
C.I.5.	Advances paid on inventory	45					
C.II.	Receivables	Sum of 11.1. to 11.3. 46	43,973	127	43,846	25,468	
C.II.1.	Non-current receivables	47	2,380		2,380	2,328	
C.II.1.1.	Trade receivables	48					
C.II.1.2.	Receivables - controlling or controlled entity	49					
C.II.1.3.	Receivables - significant influence	50					
C.II.1.4.	Deferred tax asset	51					
C.II.1.5.	Receivables - other	52	2,380		2,380	2,328	
C.II.1.5.1.	Receivables from partners	53					
C.II.1.5.2.	Non-current advances paid	54	2		2	2	
C.II.1.5.3.	Estimated accounts receivable	55					
C.II.1.5.4.	Other receivables	56	2,378		2,378	2,326	
C.II.2.	Current receivables	57	41,593	127	41,466	23,140	

Designation a	ASSETS b	Line No. c	Current reporting period			Last reporting period
			Gross 1	Correction 2	Net 3	Net 4
C.II.2.1.	Trade receivables	58	1,864	127	1,737	1,394
C.II.2.2.	Receivables - controlling or controlled entity	59				
C.II.2.3.	Receivables - significant influence	60				
C.II.2.4.	Receivables - other	61	39,729		39,729	21,746
C.II.2.4.1.	Receivables from partners	62				
C.II.2.4.2.	Social security and health insurance	63				
C.II.2.4.3.	State - tax assets	64	435		435	401
C.II.2.4.4.	Current advances paid	65	46		46	
C.II.2.4.5.	Estimated accounts receivable	66	39,248		39,248	21,340
C.II.2.4.6.	Other receivables	67				5
C.II.3.	Accruals for assets	144				
C.II.3.1.	Deferred expenses	145				
C.II.3.2.	Comprehensive deferred expenses	146				
C.II.3.3.	Accrued revenue	147				
C.III.	Current financial assets	Sum of III.1. to III.2.	68			
C.III.1.	Ownership interests - controlled or controlling entity	69				
C.III.2.	Other current financial assets	70				
C.IV.	Cash	Sum of IV.1. to IV.2.	71	27,828	27,828	19,875
C.IV.1.	Cash in hand	72	54		54	27
C.IV.2.	Cash on accounts	73	27,774		27,774	19,848
D.	Accruals for assets	Sum of D.1. to D.3.	74	2,958	2,958	2,164
D.1.	Deferred expenses	75	474		474	176
D.2.	Comprehensive deferred expenses	76				
D.3.	Accrued revenue	77	2,484		2,484	1,988

Designation a	LIABILITIES b	čís. řád. c	Figure during the	Figure during the	
			current reporting period 5	last reporting period 6	
	TOTAL LIABILITIES	Sum of A to D	78	81,591	54,954
A.	Equity	Sum of A.I. to A.VI.	79	14,536	14,035
A.I.	Registered capital	Sum of I.1. to I.3.	80	14,000	14,000
A.I.1.	Registered capital		81	14,000	14,000
A.I.2.	Equity shares (-)		82		
A.I.3.	Changes in registered capital		83		
A.II.	Share premium and equity funds	Sum of II.1. to II.2.	84		
A.II.1.	Share premium		85		
A.II.2.	Capital funds		86		
A.II.2.1.	Other capital funds		87		
A.II.2.2.	Gains or losses on revaluation of assets and liabilities (+/-)		88		
A.II.2.3.	Gains or losses on revaluation through conversion (+/-)		89		
A.II.2.4.	Gains or losses on conversions (+/-)		90		
A.II.2.5.	Gains or losses on revaluation on conversions (+/-)		91		
A.III.	Revenue reserves	Sum of III.1. to III.2.	92		
A.III.1.	Other revenue reserves		93		
A.III.2.	Statutory and other reserves		94		
A.IV.	Profit/loss brought forward (+/-)	Sum of IV.1. to IV.2.	95	36	403
A.IV.1.	Profit or loss brought forward (+/-)		96	36	403
A.IV.2.	Other profit/loss brought forward (+/-)		98		
A.V.	Profit/loss for the current reporting period (+/-)		99	500	-368
A.VI.	Advance on the share in profit granted (-)		100		

Designation a	LIABILITIES b	čís. řád. c	Figure during the current reporting period 5	Figure during the last reporting period 6	
B. + C.	External sources	Sum of B. + C.	101	66,911	40,861
B.	Reserves	Sum of B.1. to B.4.	102	2,088	1,060
B.1.	Pension and similar payables reserve	103	2,088	1,080	
B.2.	Income tax reserve	104			
B.3.	Reserves pursuant to special laws	105			
B.4.	Other reserves	106			
C.	Payables	Sum of C.I. to C.III.	107	64,823	39,801
C.I.	Non-current payables	Sum of I.1. to I.9.	108		
C.I.1.	Issued bonds	109			
C.I.1.1.	Convertible bonds	110			
C.I.1.2.	Other bonds	111			
C.I.2.	Payables to credit institutions	112			
C.I.3.	Non-current advances received	113			
C.I.4.	Trade payables	114			
C.I.5.	Non-current notes payable	115			
C.I.6.	Payables - controlled or controlling entity	116			
C.I.7.	Payables - significant influence	117			
C.I.8.	Deferred tax liability	118		95	
C.I.9.	Payables - other	119			
C.I.9.1.	Payables to partners	120			
C.I.9.2.	Estimated accounts payable	121			
C.I.9.3.	Other payables	122			
C.II.	Current payables	Sum of II.1. to II.8.	123	64,823	39,801
C.II.1.	Issued bonds	124			
C.II.1.1.	Convertible bonds	125			
C.II.1.2.	Other bonds	126			
C.II.2.	Payables to credit institutions	127			
C.II.3.	Current advances received	128	2,185	1,168	
C.II.4.	Trade payables	129	2,467	2,246	
C.II.5.	Current notes payable	130			
C.II.6.	Payables - controlled or controlling entity	131			
C.II.7.	Payables - significant influence	132			
C.II.8.	Other payables	133	60,171	36,387	
C.II.8.1.	Payables to partners	134			

Designation a	LIABILITIES b	čís. řád. c	Figure during the current reporting period 5	Figure during the last reporting period 6
C.II.8.2.	Current financial assistance	135		
C.II.8.3.	Payables to employees	136	963	1,462
C.II.8.4.	Payables under social security and health insurance	137	805	924
C.II.8.5.	State - tax liabilities and grants	138	52,745	29,775
C.II.8.6.	Estimated accounts payable	139	5,633	4,205
C.II.8.7.	Other payables	140	25	21

4.3 Profit/loss statement as at 31 Dec 2020

(in full thousands of CZK)

Year: 2020
ID No. : 25379631

Trade name or other name of the entity:

Moravskoslezské inovační centrum Ostrava, a.s.

Registered office or residence of the business unit and place of business if different from residence:

Technologická 372/2, 708 00 Ostrava-Pustkovec

De-signation a	TEXT b	Line No. c	Actual figure in reporting period	
			Current 1	Last 2
I.	Sales of goods and services	1	32,090	29,816
II.	Sales of goods	2		
A.	Production consumption	Sum A.1. to A.3.	28,346	27,335
A.1.	Cost of goods sold	4		
A.2.	Material and energy consumption	5	6,486	6,006
A.3.	Services	6	21,880	21,329
B.	Change in inventory of own production (+/-)	7		
C.	Capitalisation (-)	8		
D.	Personnel expenses	Sum D.1. to D.2.	18,831	20,098
D.1.	Wage expenses	10	13,983	15,019
D.2.	Social security, health insurance and other expenses	11	4,848	5,079
D.2.1.	Social security and health insurance expenses	12	4,616	4,861
D.2.2.	Other expenses	13	232	218
E.	Adjustments to values in the operations	Sum E.1. to E.3.	466	652
E.1.	Adjustments to non-current intangible and tangible assets	15	466	652
E.1.1.	- Adjustments to non-current intangible and tangible assets - permanent	16	466	652
E.1.2.	- Adjustments to non-current intangible and tangible assets - temporary	17		
E.2.	Adjustments to inventories	18		
E.3.	Adjustments to receivables	19		
III.	Other operating revenues	Sum III.1. to III.3.	18,693	21,152
III.	Revenue from non-current assets sold	21	149	
III.	Revenues from material sold	22	21	103
III.	Other operating revenues	23	18,523	21,049

De-signation	TEXT b	Line No. c	Actual figure in reporting period		
			Current 1	Last 2	
F.	Other operating expenses	Sum F.1. to F.5.	24	2,720	3,425
F.1.	Book value of non-current assets sold	25			
F.2.	Material sold	26			
F.3.	Taxes and charges	27	16	14	
F.4.	Reserves in the operating area and comprehensive deferred expenses	28	954	1,128	
F.5.	Other operating expenses	29	1,750	2,283	
*	Operating profit/loss (+/-)	I. + II. - A. - B. - C. - D. - E. + III. - F.	30	420	-542
IV.	Revenue from non-current financial assets - ownership interests	Sum IV.1. to IV.2.	31		
IV.	Revenues from ownership interests - controlled or controlling entity	32			
IV.	Other revenues from ownership interests	33			
G.	Costs of ownership interests sold	34			
V.	Revenues from other non-current financial assets	Sum V.1. to V.2.	35		
V.	Revenues from other non-current financial assets - controlled or controlling entity	36			
V.	Other revenues from other non-current financial assets	37			
H.	Expenses related to other non-current financial assets	38			
VI.	Interest income and similar income	Sum VI.1. to VI.2.	39	108	106
VI.	Interest income and similar income - controlled or controlling entity	40	108	106	
VI.	Other Interest income and similar income	41			
I.	Adjustments to values and reserves in the financial area	42			
J.	Interest expense and similar expenses	Sum J.1. to J.2.	43		
J.1.	Interest expense and similar expenses - controlled or controlling entity	44			
J.2.	Other interest expense and similar expenses	45			
VII.	Other financial revenues	46	1	1	
K.	Other financial expenses	47	29	28	
*	Financial profit/loss (+/-)	IV. - G. + V. - H. + VI. - I. - J. + VII. - K.	48	80	79
**	Profit/loss before tax (+/-)	*(line. 30) + *(line	49	500	-463
L.	Income tax	Sum L.1. to L.2.	50		-95
L.1.	Payable income tax	51			
L.2.	Deferred income tax (+/-)	52			-95
**	Profit/loss after tax (+/-)	** (line. 49) - L.	53	500	-368
M.	Transfer of share in the profit/loss to partners (+/-)	54			
***	Profit/loss for the reporting period (+/-)	** (line 53) - M.	55	500	-368
*	Net turnover for the reporting	I. + II. + III. + IV. + V. + VI. + VII.	56	50,892	51,075

Compiled on: 22 Apr 2021

4.4 Notes to the financial statements for the reporting period 1 Jan 2019 to 31 Dec 2019

The notes have been compiled in accordance with Decree No. 500/2002 Coll., as amended, in a descriptive manner ensuring transparency and comprehensibility of the information provided. Information in the notes is based on the entity's accounting documents and other paperwork available to the entity. Individual points have been compiled with reference to the relevant paragraph of Section 39 of Decree No. 500/2002 Coll., laying down the the content of the notes.

The figures are indicated in full thousands of CZK.

I. General information

Trade Name:	Moravskoslezské inovační centrum Ostrava, a.s.
Registered office:	Technologická 372/2, 708 00 Ostrava
ID No.:	25379631
	A company registered in the Commercial Register maintained by the Regional Court in Ostrava, File No. B 1686
Legal form:	joint-stock company
Date of incorporation:	19 August 1997
Line of business:	Production, trade and services not listed in Annexes 1 to 3 of the Trade Licensing Act, Provision of telecommunications services
Business purpose:	The company is called upon to: (i) coordinate, in the interest of its shareholders, the cultivation of a business and innovation environment in the Moravian-Silesian Region through the administration of the Moravian-Silesian Regional Innovation Strategy and (ii) provide high-quality services supporting growth and innovation in business. The services add to the existing range of services available in the market. They respond to specific needs of entrepreneurs that the market spontaneously only meets at an unsatisfactory standard or not at all.

Shareholders as at 31 Dec 2019:

Shareholder (trade name, ID No., registered office/place of business)	Type of shares	Form of shares	Num- ber of shares	Nominal value	Total	Owner- ship interest
Ostravská univerzita 61988987, Dvořákova 138/7, Ostrava, Moravská Ostrava a Přívoz,	ordinary	registered	8	CZK 50,000	CZK 400,000	1/35
Slezská univerzita 47813059, Na Rybníčku 626/1, Opava, Předměstí	ordinary	registered	8	CZK 50,000	CZK 400,000	1/35
Vysoká škola báňská - Technická univerzita 61989100, 17. listopadu 2172/15, Ostrava, Poruba	ordinary	registered	12	CZK 50,000	CZK 600,000	3/70
Statutory City of Ostrava 00845451, Prokešovo náměstí 1803/8, Ostrava, Moravská Ostrava a Přívoz	ordinary	registered	126	CZK 50,000	CZK 6,300.000	9/20
Moravian-Silesian Region 70890692, 28. října 2771/117, Ostrava - Moravská Ostrava	ordinary	registered	126	CZK 50,000	CZK 6,300.000	9/20

Members of statutory and supervisory bodies:

Composition of the Board of Directors as at 31 Dec 2020:

Pavel Csank	Chairman of the Board of Directors
Rostislav Lapčik	Mem. of the Board of Directors

Composition of the Supervisory Board as at 31 Dec 2020:

Michaela Roubíčková	Chairwoman of the Supervisory Board
Zdeněk Karásek	Vice Chairman of the Supervisory Board
Igor Ivan	Mem. of the Supervisory Board
Pavel Drozd	Mem. of the Supervisory Board
Robert Čep	Mem. of the Supervisory Board
Ivana Růžičková	Mem. of the Supervisory Board
Kateřina Dostálová	Mem. of the Supervisory Board

II. Information on the general accounting principles and accounting methods applied

II.I. Asset valuation method

In the conditions surrounding the company, all accounting valuation events are recognised at cost.

II.I.I. Inventories

In accordance with Guideline No. 08-2-01-11, Material and Operative Records, the entity recognises in the inventories account in the analytical records the unused promotional items and hygienic assets. Inventories are recognised at the acquisition cost in stock. Other inventories are recognised directly to consumption.

II.I.II. Valuation of tangible and intangible self-produced assets

The entity has no self-produced assets.

II.I.III. Valuation of securities and ownership interests

During the reporting period under consideration, the entity did not own any securities or ownership interests.

II.II. Changes in valuation, depreciation and accounting policies

Classification and depreciation are carried out in accordance with internal Guideline No. 08-2-01-09 Assets – Recognition, Registration, Valuation and Depreciation Plan.

The entity did not use the replacement cost during the 2019 reporting period.

II.III. Provisions for assets

The company has created provisions for receivables in the amount of CZK 127,207.00. In 2020, a provision of CZK 79,233.90 relating to insignificant receivables was dissolved. In accordance with Sections 8 – 8c of the Reserves Act provisions were created in the total amount of CZK 4,707.00.

II.IV. Depreciation

The depreciation plan for non-current tangible assets was prepared by the entity as part of an internal guideline, which was based on the anticipated wear and tear of the classified assets corresponding to the regular conditions of use thereof. The entity employs accelerated tax write-downs for non-current tangible assets and book value write-downs for non-current tangible assets on a straight-line basis. No tax write-downs were applied this year.

The entity's decision on non-current intangible assets.

Reporting period	Decision
	The entity treats as class 01 non-current intangible assets with a useful life of more than 1 year intangible assets with an acquisition cost (excluding VAT) of CZK 60,000 or more.
	The entity will not recognise non-current intangible assets with a useful life of more than 1 year, the acquisition cost of which (excluding VAT) does not exceed CZK 60,000, as non-current assets in 2020, i.e.:
2020	<ul style="list-style-type: none">• acquisition cost from CZK 1,000 to 59,999,999, inclusive,• recognised as expenses (account 518 AN),• at the end of the reporting period, 50% of the acquisition cost to be reclassified as accruals and deferrals – account 381• will be followed, until disposed of in the operative records, on off-balance sheet accounts and presented in the notes to the financial statements.

The entity's decision on non-current tangible assets.

Reporting period	Decision
	The entity treats as class 02 non-current tangible assets with a useful life of more than 1 year tangible assets with an acquisition cost (excluding VAT) of CZK 40,000 or more.
	The entity will not recognise non-current tangible assets with a useful life of more than 1 year, the acquisition cost of which (excluding VAT) does not exceed CZK 40,000, as non-current assets, in , i.e.:
2020	<ul style="list-style-type: none">• acquisition cost from CZK 5,000 to 39,999,999, inclusive,• recognised as expenses (account 501 AN),• at the end of the reporting period, 50% of the acquisition cost will be reclassified as accruals and deferrals – account 381• will be followed, until disposed of in the operative records, on off-balance sheet accounts and presented in the notes to the financial statements.

II.V. Conversion of foreign currencies to the Czech currency

The entity uses the current monthly exchange rate promulgated by the Czech National Bank to convert foreign currencies to the Czech currency.

II.VI. Deferred income tax

In accordance with Decree of the Ministry of Finance No. 500/2002 Coll. and Section 59, the entity has analysed any possible grounds of taxable and deductible temporary differences evolving.

The entity has identified temporary differences on the following grounds:

- differences in assets' carrying and tax residual values
- creation of a provision for compensation to members of the Board of Directors and related expenses

The company has become entitled to a deferred tax asset on the ground of the aforementioned temporary differences, which the company decided not to recognise.

Additional information on the Balance Sheet and to the Profit/Loss Statement

II.VII. Items significant for the assessment of the company's property and financial position

II.VII.I. Additional income tax brought forward

Not applicable.

II.VII.II. Non-current bank credits

Not applicable.

II.VII.III. Breakdown of grants received

Purpose of the grant:	Provision of services subject to the public service commitment mode
Grant provider:	Moravian-Silesian Region, ID No. 70890692 and the Statutory City of Ostrava, ID No. 00845451
Grant amount:	CZK 39,500,000 from the MSK over 4 years, with an increase by CZK 4,036,000 in 2019 with an increase by CZK 1,500,000 in 2020 CZK 39,500,000 from SMO over 4 years
Nature of the grant:	Not specified
Period of application:	from the date of authorisation to 31 Dec 2021

II.VIII. Additional information on non-current tangible and intangible assets

II.VIII.I. Main groups of non-current tangible assets

a) Breakdown of specific movable things and groups of movable things - non-current tangible assets

(in thousands of CZK)

	Acquisition cost 2020	Accumulated depreciation 2020	Acquisition cost 2019	Accumulated depreciation 2019
Structures	6198	552	6198	497
Furniture, fixture and equipment	8,036	7,544	8,506	7,603
out of which: machinery, instrumentation, equipment	XXX	XXX	XXX	XXX
out of which: means of transport	XXX	XXX	XXX	XXX
Other non-current tangible assets	109	0	109	0
Advances paid on non-current tangible assets	0	0	0	0
Non-current tangible assets in progress	692	0	692	0
Total	15,035	8,096	15,505	8,100

b) Arrivals (acquisitions) and departures (disposals) of non-current tangible assets

Asset title	Balance as at 1 Jan 2020	Arrival	Departure	Balance as at 31 Dec 2020
Structures	6198	0	0	6198
Furniture, fixture and equipment	8,506	0	470	8,036
out of which: machinery, instrumentation, equipment	0	0	0	0
out of which: means of transport	0	0	0	0
Non-current tangible assets in progress	692	0	0	692
Other non-current tangible assets	109	0	0	109
Advances paid on non-current tangible assets	-	-	-	-
TOTAL	15,505	0	470	15,035

II.VIII.II. Main groups of non-current intangible assets

(in thousands of CZK)

	Acquisition cost 2020	Accumulated depreciation 2020	Acquisition cost 2019	Accumulated depreciation 2019
Software	181	181	181	181
Intangible fixed assets under construction	0	0	0	0
Other rights assessable in monetary terms	240	240	240	160
Total	421	421	421	261

II.VIII.III. Tangible assets acquired through financial lease

The entity does not record any tangible assets acquired through financial lease.

II.VIII.IV. Breakdown of tangible assets subject to a pledge

There are no pledged assets or assets encumbered by other easement.

II.VIII.V. Statement of assets with significantly different market and carrying values

There are no significant differences between the market and carrying valuations of the assets.

II.VIII.VI. Equity securities and ownership interests

The entity does not hold any equity securities or ownership interests in the Czech Republic and abroad.

III. Equity

Increase or decrease of equity	(in thousands of CZK)			
	Balance	Arrival	Departure	Balance as at
	as at 1 Jan 2020	+	-	31 Dec 2020
Registered capital	14,000	0	0	14,000
Provisioning fund	0	0	0	0
Statutory and other reserves	0	0	0	0
Previous years retained earnings	403	0	-367	36
Previous years losses	0	0	0	0
Profit/loss for the current reporting period after tax	-368	868	0	500
Total equity	14,035	868	-367	14,536

III.I. Registered capital

The registered capital of the joint-stock company consists of 280 not publicly traded shares at a nominal value of CZK 50,000. The registered capital is paid up.

IV. Receivables and payables

IV.I. Overdue receivables

Number of days	2020 reporting period		2019 reporting period	
	Trade receivables	Other	Trade receivables	Other
up to 30 days overdue	20	0	258	0
up to 90 days overdue	434	0	380	0
up to 180 days overdue	201	0	54	0
180 and more days overdue	198	0	253	0

IV.II. Overdue payables

Number of days	2020 reporting period		2019 reporting period	
	Trade receivables	Other	Trade receivables	Other
up to 30 days overdue	8	0	284	0
up to 90 days overdue	0	0	0	0
up to 180 days overdue	0	0	0	0
180 and more days overdue	0	0	0	0

The aforementioned overdue payables were settled as at the date of the financial statements.

The entity does not register any payables related to social security premiums and contributions to the state employment policy, or any payables related to the public health insurance system, and it registers no tax arrears with the locally competent financial authorities.

IV.III. Information on receivables from and payables to Group companies

The entity does not register any payables to and receivables from Group companies.

IV.IV. Information on receivables and payables in connection with the exercise of any pledges and security rights

The entity does not register any payables and receivables in connection with the exercise of any lien or security right.

IV.V. Payables not reported in the accounts and not presented in the balance sheet

The entity does not register any payables not presented in the balance sheet

V. Reserves

The entity has created a book reserve in the amount of CZK 1,060,000 covering the remuneration granted to members of the Board of Directors, including related expenses, which are subject to approval by the Supervisory Board in 2021 and are materially related to 2020.

VI. Employees

	2020	2019
Full-time equivalents	20.49	20.42
Structure of personnel expenses:		
Total personnel expenses	18,831	20,098
of which remuneration granted to the Board of Directors and Supervisory Board	3193	2,410
of which wage expenses, principal employment	10,204	11,686
of which wage expenses, Agreements to Complete a Job, Agreements to Perform Work	586	923
of which statutory insurance	4,616	4,861
of which statutory social expenses	232	218

VII. Revenue from ordinary activities

	Reporting period 2020	Reporting period 2019
Sales of goods	0	0
Sales of own products	0	0
Sales of services	32,090	29,816
Other revenues	18,802	21,259
- of which sales of DM and material	21	103
- of which other operating revenue	18,672	21,049
- of which contractual penalties and interest	0	106
- of which interest income and FX gains	109	1
Total	50,892	51,075

VIII. Research and development expenses incurred during the reporting period

The entity did not incur any research and development expenses in 2020.

IX. Audit expenses

The entity spent CZK 36 thousand on auditing.

X. Significant events after the balance sheet date

Not applicable.

Compiled on: 22.4.2021

Compiled by:


Renata Sedmáková

Signature Statutory Representative:


Mgr. Pavel Csank

4.5 Auditor's opinion

INDEPENDENT AUDITOR REPORT

Auditor's opinion

We have audited the financial statements of Moravskoslezské inovační centrum Ostrava, a.s. (hereinafter also referred to as „the Company“) affixed hereto, which have been prepared on the basis of Czech accounting laws and consist of the balance sheet as at 31 Dec 2020, income statement for the year ended 31 Dec 2020, statement of changes in equity for the year ended 31 Dec 2020 and notes to the financial statements, which describe the major accounting policies used and provides other clarifications. For information on Moravskoslezské inovační centrum Ostrava, a.s. see the notes to the financial statements. In our opinion, the financial statements give a true and fair view of the assets and liabilities of Moravskoslezské inovační centrum Ostrava, a.s. as at 31 Dec 2020 and of the costs and revenues and the company's profit/loss for the year ended 31 Dec 2020 in accordance with Czech accounting laws.

Basis for the audit opinion

We conducted our audit in accordance with the Auditors Act and Auditing Standards of the Chamber of Auditors of the Czech Republic, namely the International Standards on Auditing (ISA), as supplemented and modified, where relevant, by the related application clauses. Our responsibility under the above laws is detailed in the section on the Auditor's Responsibility for the Audit of Financial Statements. In accordance with the Auditors Act and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic, we are independent from the Company and we have also complied with the other ethical duties arising from the above laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Other information

In accordance with Section 2(b) of the Auditors Act, other information denotes the information provided in the Annual Report outside the financial statements and our auditor's report. The Board of Directors of the Company is responsible for the other information. Our opinion on the financial statements does not cover the other information. Nevertheless, our responsibilities for auditing the financial statements include reviewing the other information and assessing whether or not the other information is materially consistent with the financial statements or with our knowledge of the entity obtained during the audit, or whether or not the information otherwise appears materially incorrect. We also assess whether the other information has been prepared in accordance with applicable law in all material respects. This assessment requires that we establish whether the other information meets the legal formal requirements and those for the procedure for preparing the other information in the context of materiality, i.e., whether or not any non-compliance with these requirements would be capable of affecting the assumptions made on the basis of the other information.

Based on the procedures performed, and as far as we can tell, we conclude that

- the other information that describes matters that are also disclosed in the financial statements is consistent in all material respects with the financial statements; and
- the other information has been prepared in accordance with the applicable law.

Furthermore, we are required to state whether or not, based on the knowledge of the Company we obtained during the audit, the other information contains material inaccuracies. As part of the above procedures, we did not identify any material inaccuracies in the other information received.

Responsibility of the entity, s statutory body for the financial statements

The Board of Directors of the Company is responsible for the compilation of financial statements giving a true and fair view in accordance with Czech accounting laws, and for putting in place such an internal control system as it deems necessary for the financial statements to be free from material misstatement due to fraud or error. In compiling the financial statements, the Board of Directors of the Company is required to assess whether or not the Company is able to continue as a going concern and, if relevant, describe in the notes to the financial statements matters relating to its going concern and the use of the going concern assumption in compiling the financial statements, except where the Board of Directors is planning on liquidating the Company or terminating its operations, or where the Board of Directors realistically has no other option but to do so.

The Supervisory Board is responsible for overseeing the financial reporting process in the Company.

Auditor, s responsibility

Our objective is to obtain reasonable assurance as to whether or not the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report containing our opinion. Reasonable assurance implies a high level of assurance, however, it does not guarantee that an audit conducted in accordance with the above laws will in all cases reveal any existing material misstatement in the financial statements. Irregularities may arise as a result of fraud or error and they are considered material if it can be reasonably assumed that they, individually or collectively, could influence the economic decisions made by users on the basis of the financial statements. When conducting an audit in accordance with the above laws, it is our responsibility to exercise professional judgement and maintain professional scepticism throughout the audit. It is also our duty to:

- identify and evaluate any risks of material misstatement in the financial statements due to fraud or error, design and perform audit procedures that respond to those risks, and obtain sufficient and appropriate audit evidence for us to formulate an opinion based on the evidence. The risk that we will fail to detect a material misstatement

due to fraud is greater than the risk of us not detecting a material misstatement due to error, as fraud may include collusion, falsification, intentional omissions, false statements or circumvention of internal controls.

- review the Company's internal control system relevant to the audit so as to be able to design audit procedures appropriate to the circumstances, as opposed to expressing an opinion on the efficiency of its internal control system.
- assess the appropriateness of the accounting policies used, the reasonableness of the accounting estimates made and the information provided by the Board of Directors in this connection in the notes to the financial statements.

- assess the appropriateness of the use, by the Board of Directors, of the going concern assumption in compiling the financial statements and whether or not there is material uncertainty with respect to the evidence gathered arising from events or conditions that may materially impair the Company's ability to continue as a going concern. If we conclude that such material uncertainty exists, it is our responsibility to draw attention in our report to the information set out in this respect in the notes to the financial statements and, if the information is insufficient, express a modified opinion. Our conclusions regarding the Company's ability to continue as a going concern are based on the audit evidence we obtained up to the date of our report. However, future events or conditions may result in the Company losing its ability to continue as a going concern.

- evaluate the overall presentation, breakdown and content of the financial statements, including the notes, and whether or not the financial statements present the underlying transactions and events in a manner that results in a fair presentation.

Our responsibility is to inform the Board of Directors, among other things, of the planned scope and timing of the audit and of any major findings made during the audit, including material irregularities identified in the internal control system.

AUDIT COMPANY

Trade Name:	CMC Audit, s. r. o.
Registered office:	Martinovská 3168/48 Martinov 723 00 Ostrava
Audit company's Auditor authorisation number:	352
Names and surnames of the auditors who drew up the report on behalf of:	Ing. Martin Coufal 1428
Date of the Audit Report	23. 4. 2021

Signature Auditor:



4.6 Report on the relations between the the controlled entity and entities and entities controlled by the same controlling entity (hereinafter referred to as the "Report on Relations") for the period between 1 Jan 2020 and 31 Dec 2020

pursuant to Section 82 of Act No. 90/2012 Coll., on business companies and cooperatives (Business Corporations Act), as amended

The report is drawn up on behalf of:

Moravskoslezské inovační centrum Ostrava, a.s.

ID No. 25379631, with their registered office at Technologická 372/2, Pustkovec, 708 00 Ostrava, entered in the Commercial Register maintained by the Regional Court in Ostrava, Section B, Entry 1686 (hereinafter referred to as "MSIC Ostrava")

Controlling entities:

a) Statutory City of Ostrava

ID No. 00845451, with its registered office at Prokešovo náměstí 1803/8, Moravská Ostrava a Přívoz, Ostrava (hereinafter referred to as the "City of Ostrava")

b) Moravian-Silesian Region

ID No. 70890692, with its registered office at 28. října 2771/117, Moravská Ostrava a Přívoz, Ostrava (hereinafter referred to as the "Moravian-Silesian Region")

Related entities:

a) On 31 Dec 2020, the City of Ostrava holds an ownership interest in the below business companies:

Trade name	ID No.	Registered office	Ownership interest % *
OZO Ostrava s.r.o.	62300920	Ostrava-Kunčice, Frýdecká 680/444, 719 00	100
Dopravní podnik Ostrava a.s.	61974757	Ostrava-Moravská Ostrava, Poděbradova 494/2, 702 00	100
Sportovní a rekreační zařízení města Ostravy, s.r.o.	25385691	Ostrava-Poruba, Čkalovova 6144/20, 708 00	100
Ostravské komunikace, a.s.	25396544	Ostrava-Mariánské Hory, Novoveská 25/1266, 709 00	100
Krematorium Ostrava, a.s.	25393430	Ostrava-Slezská Ostrava, Těšínská 710, 710 07	100
Ostravské městské lesy a zeleň, s.r.o.	25816977	Ostrava-Zábřeh, A. Brože 2/3124, 700 30	100
Technické služby, a.s. Slezská Ostrava	47674725	Ostrava-Slezská Ostrava, Čs. armády 877/20, 710 00	100
OVANET a.s.	25857568	Ostrava-Přívoz, Hájkova 1100/13, 702 00	100
Dům kultury města Ostravy, a.s.	47151595	Ostrava-Moravská Ostrava, 28. října 124/2556, 709 24	100
AKORD & POKLAD, s.r.o.	47973145	Ostrava-Zábřeh, náměstí SNP 1, 700 30	100
Černá louka s.r.o.	26879280	Černá louka 3235, Moravská Ostrava, 702 00	100
VÍTKOVICE ARÉNA, a.s.	25911368	Ostrava-Zábřeh, Ruská 3077/135, 700 30	100
Dům seniorů v Krásném Poli s.r.o.	04707214	Družební 576, Krásné Pole, Ostrava, 725 26	100
Opravy a údržba komunikací Ostrava, s.r.o.	6094899	Ostrava-Mariánské Hory, Novoveská 25/1266, 709 00	100
Garáže Ostrava, a.s.	25360817	Ostrava-Moravská Ostrava, Havlíčkovo nábřeží 1167/12, 702 00	50,97
Koordinátor ODIS s.r.o.	64613895	Ostrava-Moravská Ostrava, 28. října 3388/111, 702 00	50
Společnost pro využití letiště Ostrava-Mošnov, a.s.	60792914	Mošnov 316, 742 51	55
Ostravské vodárny a kanalizace a.s.	45193673	Ostrava-Moravská Ostrava, Nádražní 28/3114, 729 71	28,55
Union Group, a.s.	64609952	Ostrava-Moravská Ostrava, 30. dubna 635, 702 00	0,53
EKOVA ELECTRIC a.s.	28642457	Ostrava-Martinov, Martinovská 3244/42, 723 00	ve 100% vlastnictví společnosti Dopravní podnik Ostrava a.s.

b) On 31 Dec 2020, the Moravian-Silesian Region holds an ownership interest in the below business companies:

Trade name	ID No.	Registered office	Ownership interest % *
Moravskoslezské Investice a Development, a.s.	47673168	Ostrava, Na Jízdárně 1245/7, 702 00	100
Letiště Ostrava, a.s.	26827719	Mošnov, Letiště Ostrava 401, 742 51	100
Sanatorium Jablunkov, a.s.	27835545	Jablunkov, Alej míru 442, 739 91	100
Bílovecká nemocnice, a.s.	26865858	Bílovec, 17. listopadu 538/57, 743 01	100
Koordinátor ODIS s.r.o.	64613895	Ostrava – Moravská Ostrava, Na Hradbách 1440/16, 702 00, Ostrava – Moravská Ostrava, Na Hradbách 1440/16, 702 00,	50
Moravian-Silesian Tourism, s.r.o.	02995832	Ostrava – Moravská Ostrava, Vítkovická 3335/15, 702 00	100

Role of the controlled person, method and means of control

MSIC Ostrava's controlling entities are the City of Ostrava and the Moravian-Silesian Region, both holding 45% stakes and the same number of voting rights. The controlling persons are no longer controlled by anyone. The task of the controlled entity is to provide services in the following three areas:

- Business Innovation - the clients for this range of services originate from selected segments of companies. The selection of specific business segments and the specific set-up of the services is the subject of the company's own management strategy, which responds to the constantly changing economic environment. At the heart of the operations is a coaching programme set to generate strategic information on the development of the needs of target customer groups on an ongoing basis. In this way, more specific services will be gradually added and modified in this part of the product portfolio.
- Moravian-Silesian Regional Innovation Strategy (hereinafter referred to as the „RIS MSK“) - the clients for this range of services are, on the one hand, the company's shareholders, the City of Ostrava and the Moravian-Silesian Region, and, on the other, major and relevant actors in the Region's innovation ecosystem and, in terms of the number, mainly entrepreneurs. The core activities in this area are related to the special community planning methodology. As part of the RIS, the company will have a dual role: (i) management and coordination of the implementation of the RIS MSK; (ii) execution of specific RIS MSK services and programmes to be entrusted to the company by the shareholders or the RIS MSK Steering Committee.
- Development and use of the company's physical infrastructure - the entrusted physical infrastructure will be managed for the owner with due care and used as efficiently as possible in order to provide top-notch services in the two areas referred to above. The aim is for the managed buildings to

be used primarily by technology businesses that have gone through or are undergoing programmes organised or coordinated by the company, and by organisations that support research, development and people's advancement in selected topics defined together with the innovation leaders of the Region's corporate sphere, including representatives of global technology leaders operating research and development activities within the Region or nearby. In addition to providing high-quality office spaces and related services, the managed campus will be conceived as a zone making it possible for clients to achieve an effective work/life balance and which will be offering valuable educational and inspiring events on an ongoing basis. The common result will be a unique atmosphere fostering creativity, cooperation and innovation.

List of contracts, other legal actions and actions pursuant to Section 82 of the Business Corporations Act

a) Relationships between MSIC Ostrava and the City of Ostrava:

- Lease Agreement No. 1177/2009/MJ of 27 March 2009 (PIANO), Lease Agreement No. 1176/2009/MJ of 27 March 2009 (TANDEM)
- Immovable Property Lease Agreement No. 0733/2006/MJ of 27 March 2006,
- Loan Contract No. 1661/2003/MJ of 5 Jan 2004
- Easement Contract No. 2773/2009/MJ of 18 November 2009
- Lease Agreement No. 2591/2010/MJ of 14 October 2010
- Amendment 1 to Lease Agreement No. 1176/2009/MJ of 19 October 2011
- Amendment 1 to Lease Agreement No. 1177/2009/MJ of 19 October 2011

- Easement Contract-2908_2011_MJ of 12 December 2011
- Lease Agreement No. 0022/2013/MJ of 9 January 2013 (parking lot)
- Easement Contract No. 2344/2013/MJ of 4 September 2013 (barrier)
- Contract of Mandate concerning the provision of "Technical Support-MFB III and IV" services No. 1662/2014/OI/LPO, IVZ:P14V00000153, entered into on 30 June 2014
- Administration Contract No. 2575/2014/OI/LPO, IVZ:P14V00000261, entered into on 31 October 2014
- Usufructuary Lease Agreement No. 2100/2015/MJ of 13 July 2015
- Amendment 1 to Usufructuary Lease Agreement No. 2100D1/2016/MJ of 5 May 2016
- Public Contract concerning a Special-Purpose Grant from the Budget of the Statutory City of Ostrava No. 2326/2016/ŠaS of 19 September 2016
- Amendment 2 to Lease Agreement No. 1176/2009/MJ of 22/05/2017
- Amendment 2 to Lease Agreement No. 1177/2009/MJ of 22/05/2017
- Contract of Mandate concerning activities associated with participation in the In Focus project co-funded by the ERDF under the URBACT III Operational Programme of 18 October 2017
- Contract for a Compensatory Payment for the Provision of Services in General Economic Interest No. 1453-2018 OSR of 20 April 2018
- Amendment 1 to Contract for a Compensatory Payment for the Provision of Services in General Economic Interest of 10 July 2019
- Contract for the Provision of Services (EXPAT Centre) of 30 January 2020

- Amendment 2 to the Contract for a Compensatory Payment for the Provision of Services in General Economic Interest of 16 March 2020

b) Relationships between MSIC Ostrava and entities controlled by the City of Ostrava:

- OZO Ostrava s.r.o. – Amendment 5 of 20 December 2017 to Contract No. P-020-205987 concerning the Collection, Disposal, Recovery and Disposal of Waste of 30 November 2010
- OVANET a.s. – Co-Owners' Agreement on the Management of a Co-Owned Thing of 30 May 2007
- OVANET a.s. – Contract for the Provision of Electronic Communication Services of 22 October 2008 (Internet)
- i. Amendment No. 3 of 21 December 2015
- OVANET a.s. – Co-Owners' Agreement on the Management of a Co-Owned Thing of 22 October 2008
- OVANET a.s. – Contract for the Provision of IT Outsourcing Services (Piano, Tandem) of 13 March 2014
- OVANET a.s. – Contract for the Provision of IT Outsourcing Services (Triden, Viva) of 2 October 2015
- OZO Ostrava s.r.o. – Amendment 2 to Contract No. P-020-211154 concerning the Collection, Recovery and Disposal of Waste of 20 December 2017
- OVANET a.s. – Agreement to Sublet Placed Equipment of 3 March 2016
- OVANET a.s. – Contract for the Provision of Services – IS Profile of the awarding authority of 1 August 2016
- OVANET a.s. – Optical Fibres Lease Agreement of 21 February 2017
- OVANET a.s. – Data Circuit Lease Agreement of 2 March 2017

- OZO Ostrava s.r.o. – Amendment 1 to Contract No. P020211154 concerning the Collection, Recovery and Disposal of Waste of 3 October 2017
- OZO Ostrava s.r.o. – Amendment 2 to Contract No. P020211154 concerning the Collection, Recovery and Disposal of Waste of 20/12/2017
- OZO Ostrava s.r.o. – Amendment 5 to Contract No. P020205987 concerning the Collection, Recovery and Disposal of Waste of 20/12/2017
- Ostravské vodárny a kanalizace a.s. – Contract for Water Supplies and Drainage of Wastewater No. 18161/31220 of 30 November 2017
- Ostravské vodárny a kanalizace a.s. – Contract for Water Supplies and Drainage of Wastewater No. 48160/31220 of 30 November 2017
- Ostravské vodárny a kanalizace a.s. – Contract for Water Supplies and Drainage of Wastewater No. 56026/30543 of 30 November 2017
- Ostravské vodárny a kanalizace a.s. – Contract for Water Supplies and Drainage of Wastewater No. 56025/30542 of 30 November 2017

c) Relationships between MSIC Ostrava and the Moravian-Silesian Region:

- Contract concerning a Grant from the Budget of the Moravian-Silesian Region No. 03416/2017/RRC of 26 September 2017
- Amendment 1 to Contract concerning a Grant from the Budget of the Moravian-Silesian Region No. 03416/03416/2017/RRC of 10 January 2018
- Contract for a Compensatory Payment for the Provision of Services in General Economic Interest No. 1453-2018 OSR of 20 April 2018
- Business Support Cooperation Contract No. 05501/2018/RRC of 28 May 2018
- Contract on the Use of Shared Services No. 05599/2018/KON of 7 June 2018

- Contract concerning a Grant from the Budget of the Moravian-Silesian Region No. 07833/2018/RRC of 17/10/2018
- Contract for a Compensatory Payment for the Provision of Services in General Economic Interest No. 04321-2018 RRC of 20 April 2018
- Contract of Mandate No. 05228/2018/KŘ of 21 May 2018
- Amendment 1 to Contract of Mandate No. 05228/2018/KŘ of 19 December 2018
- Agreement on the Joint Procedure of Awarding Authorities in Centralised Procurement No. 00058/2019/KŘ of 7 February 2019
- Amendment 1 to Contract for a Compensatory Payment for the Provision of Services in General Economic Interest No. 04321/04321/D1/2018/RRC of 10 July 2019
- Sublicence Agreement concerning Objects Protected under the Copyright Act No. 02054/2019/RRC of 5 August 2019
- Amendment 2 to Contract for a Compensatory Payment for the Provision of Services in General Economic Interest of 16/03/2020

d) Relationships between MSIC Ostrava and entities controlled by the Moravian-Silesian Region:

- Agentura pro regionální rozvoj, a.s. – Contract for Work of 4 December 2017
- Moravskoslezské Investice a Development, a.s. – Contract for Advisory and Consultancy Services of 22 May 2018
- Moravskoslezské Investice a Development, a.s. – Amendment 1 to Contract for Advisory and Consultancy Services of 22 May 2018
- Moravskoslezské Investice a Development, a.s. – Amendment 2 to Lease Agreement No. 1176/2009/MJ of 22/05/2018

Assessment as to whether or not the controlled entity has suffered any harm, and assessment of its compensation

The controlled entity did not suffer any harm on account of the aforementioned contracts pursuant to Sections 71-72 of Act No. 90/2012 Coll., on business corporations. The contracts entered into fulfil the mission of the Moravskoslezské inovační centrum Ostrava, a.s., with the relationships with the controlling entities generating benefits for the entity.

Conclusion

The Board of Directors of MSIC Ostrava declare they have prepared this Report on Relations with due care and included in it all relations between the related parties they are aware of. All business relations were carried at arm's length and the controlled entity did not sustain any harm, for which it would have to be compensated by the controlling entity.



.....
for Moravskoslezské inovační centrum Ostrava, a.s.

Mgr. Pavel Csank

Chairman of the Board of Directors

MS!C

Technologická 372/2, 708 00

Ostrava-Pustkovec

ms-ic.cz

graphic design:  [Matera grafické studio](#)