



PROFI CREDIT

Profireal Group

ANNUAL REPORT

2013

PROFI CREDIT Czech, a.s.

VYBRANÉ UKAZATELE PROFI CREDIT CZECH, A.S.

/BASIC ECONOMIC FACTS OF PROFI CREDIT CZECH, A.S.

Poskytnuté půjčky (produkce)	2013	2012	2011	Loans Provided (Production)
Počet poskytnutých půjček	24 989	26 846	21 181	Number of loans provided
Nominální hodnota poskytnutých půjček (v tis. Kč)*	2 083 447	1 702 011	1 302 628	Nominal value of loans provided (in CZK ths)*
Vyplaceno celkem (v tis. Kč)	919 235	691 689	520 638	Disbursed in total (in CZK ths)
Zaměstnanecké úvěry – Podíl na celkové produkci	72,90 %	88,82 %	94,48 %	Credit for employees – share in total production
Půjčky pro podnikatele – Podíl na celkové produkci	27,10 %	11,18 %	5,52 %	Loans for businessmen – share in total production
Lidské zdroje				
				Human Resources
Počet externích úvěrových pracovníků	908	937	926	Number of external credit advisors
Počet externích inkasních pracovníků	72	69	71	Number of external collectors
Počet zaměstnanců**	182	173	160	Number of employees**
Finanční ukazatele (v tis. Kč)***				
				Financial Indicators (in CZK ths)***
Aktiva celkem	5 073 267	4 480 078	4 092 622	Total assets
Výnosy celkem	1 747 097	1 607 966	1 617 273	Total revenues
Náklady celkem	1 652 295	1 480 665	1 472 576	Total costs
HV před zdaněním	155 580	176 600	188 897	Profit / Loss before taxation
Daň z příjmu****	60 778	49 299	44 200	Income tax****
HV po zdanění	94 802	127 301	144 697	Profit / Loss after taxation

* Nominální hodnota poskytnuté půjčky v sobě zahrnuje vyplacenou částku a budoucí úrokové výnosy

** Počet zaměstnanců ke konci roku

*** Výsledky na základě českých účetních standardů

**** Splatná, odložená

* Nominal value of provided loan consists of the distributed amount and future interest revenue

** Number of employees at the end of the year

*** in accordance with Czech Accounting Standards

**** payable, deferred

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1. FINANCIAL GROUP PROFIREAL GROUP

PROFIREAL Group is a multinational financial group actively operating on financial markets of Central and East Europe. It ranks among significant providers of credits and loans in the Czech Republic, Slovakia, Poland, Bulgaria and now in Russia as well. PROFIREAL Group consists of two divisions: companies of the PROFI CREDIT division operate in the world of financial credit and loans, and those of the PROFI INVESTMENT division are engaged in the development of new investment projects. The PROFIDEBT division, involved in the purchase and enforcement of debts, was a part of the Group until January 2014.

The parent company of the Group is PROFIREAL Group SE, having its registered office in the Netherlands. The Group has been providing financial loans and credits since as early as 2000, when it launched the project in the Czech Republic and Slovakia.

Over the period of pursuing its business activities, the PROFI CREDIT division has provided more than 800,000 loans and credits, including revolving loans. The division has its strongest position in the Czech Republic, where it also achieves its highest profitability. Of the overall volume of loans and credits provided, the share accomplished in the Czech Republic stands at 44%.

The companies of the PROFI CREDIT division recorded a year-on-year increase in credit and loans provided of 40% in 2013. This result was supported mainly by an increase in output of PROFI CREDIT Poland by more than 50%, PROFI CREDIT Czech of 22% and the remaining companies of the division in Slovakia of 19% and in Bulgaria of nearly 23%. In addition, the nominal value of loans and credits provided in 2013 by the PROFI CREDIT division topped the CZK 7.8 thousand million mark.

The priority at the companies of the PROFIREAL Group remains maintaining the quality of its client portfolio. The Group continues to respond to the economic situation in the individual countries in which it is active on an operative basis and to adapt its business, in particular its risk management, to the current situation.

PROFIREAL Group focuses on countries of Central and Eastern Europe.

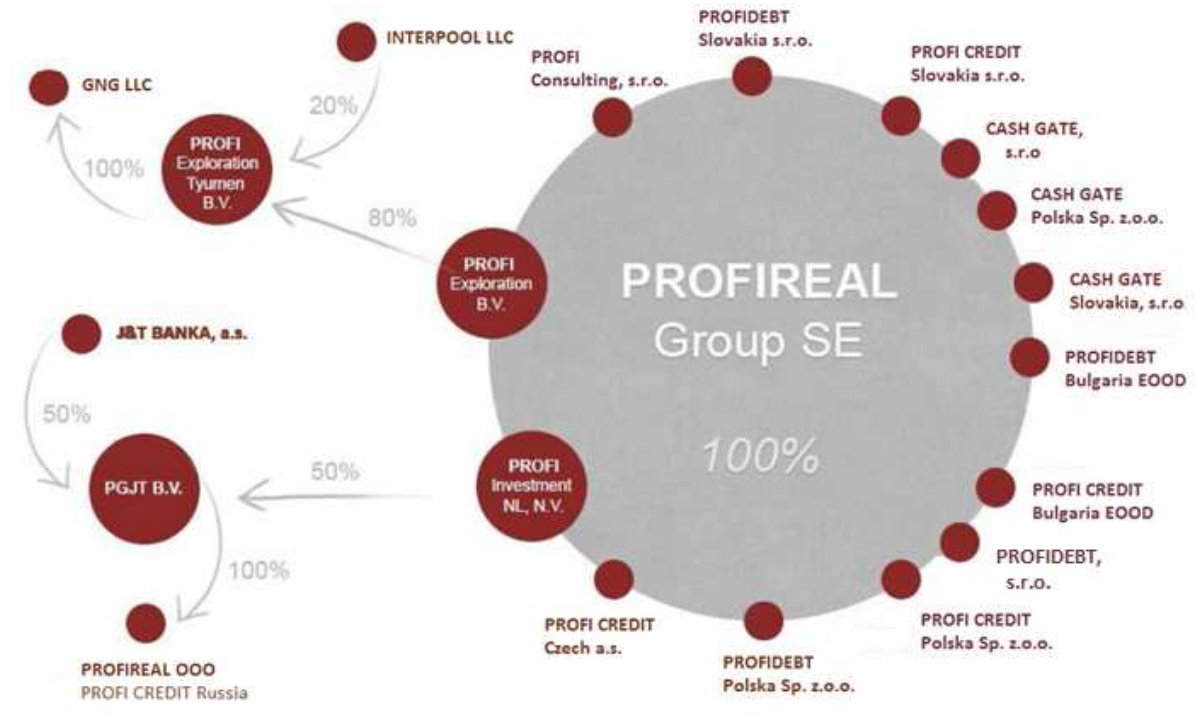


The objective of the newly established PROFI INVESTMENT division is to support business activities. Its main activity consists in searching investment opportunities and interesting projects having an international overlap and local ambitions. Not only does the Company invest its capital in projects that have been operated for some time on the market, are well established and which need a partner to provide a strong capital for their further development, it also offers capital participation to new, emerging projects.

The portfolio of the PROFI INVESTMENT division includes PROFIDEBT Slovakia s.r.o. since February 2014.

The aim of PROFIREAL Group is to develop current activities and continually adapt them to the economic situation in individual countries. Particular emphasis is placed on quality risk management, optimising all processes within individual companies of the Group, cost savings and maintaining shares in the market segment.

Organizational structure of PROFIREAL Group



Situation as at 31. 12. 2013.

2. A WORD OF INTRODUCTION FROM THE CHIEF EXECUTIVE OFFICER

Ladies and gentlemen,

Allow me to take this opportunity to briefly introduce the main events and results of the Company for the year 2013.

From the perspective of PROFIT CREDIT and the area of output, the year 2013 was no less than a successful, even record-breaking year for the whole history of the Company. We provided loans and credits in the total nominal value of CZK 2.083 billion, which represents a 22% increase in production in comparison with the previous year. The new output, the yearly increase of which reached the level of 27% in comparison with 2012, was provided in the nominal value of CZK 1.880 thousand million. Resounding success was attained by our innovation of a number of loans for business persons, conducted in 2012, when, at the dawn of 2013, this innovated product line began to be offered by certified sales representatives from our sales network.

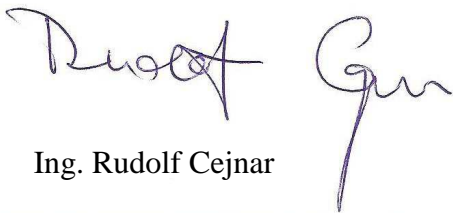
The economic situation in the Czech Republic considered the year 2013 was no different from previous years. Despite a slight growth of the consumer credit market, the main obstructions were formed by uncertainty and fear of job losses, also the ever-worsening payment ethic of our existing clients and increasing numbers of personal household insolvency.

The aforementioned negative factors notwithstanding, we have accomplished continually increasing results, including the sustained quality of our product portfolio. In addition to our stable position in the market of non-bank credits and loans, the Company has met its target of a prudent approach to every client, and by complying with all statutory regulations set forth in the Index of Ethical Lending, the Company is now rated as a fair non-banking company.

Last but not least, let me mention our new activities related to corporate social responsibility. In 2013, apart from our long-term cooperation with the private children's home Markéta, our support was directed, for the second time, at assistance to senior citizens provided by Taťána

Kuchařová Foundation - Beauty of Help. This year, as a novelty, we were delighted to support the Salty Children - Club of Cystic Fibrosis Patients.

In conclusion, allow me to thank all our business partners for their cooperation over the past year. I would also like to use this opportunity to extend my thanks to all employees of PROFÍ CREDIT Czech, a.s.

A handwritten signature in black ink, appearing to read 'Rudolf Cejnar', written in a cursive style.

Ing. Rudolf Cejnar

CEO, Member of the Board of Directors of PROFÍ CREDIT Czech, a.s.

3. CHARACTERISTICS OF PROFI CREDIT CZECH, A.S.

3.1 Company bodies

The Board of Directors



Ing. David Chour

Chairman of the Board of Directors

After graduating from grammar school in Chrudim, he studied at the Faculty of Economics and Administration, University of Pardubice. He joined the Company in 2000, when he began to work as a financial analyst while still studying at university. He graduated in 2001 and then became head of the Debt Administration Section and subsequently Economic Director at the Company, and now he holds the position of CEO of the Administration Section. A Member of the Board of Directors since July 2001 and Chairman of the Board of Directors of the Company since May 2003. Also a Member of the Board of Directors of parent company PROFIREAL Group SE since 2007.



Ing. Petr Vrba

Member of the Board of Directors

After studying at grammar school in Pardubice, with specialization in Mathematics and Physics, he graduated from the University of Pardubice, Faculty of Transport, majoring in management, marketing and logistics. He joined PROFI CREDIT after completing his studies, taking up a junior management position, before becoming Head of the Debt Administration Section. In 2003, he became a Member of the Board of Directors and he currently occupies the position of General Manager of the PROFI CREDIT division. In this role he is fully responsible for coordinating the activities of all companies within the PROFI CREDIT division.



Ing. Rudolf Cejnar

Member of the Board of Directors

After graduating from the University of Economics in Prague, Faculty of Business Administration, he worked for Tesla, a.s., then joined PROFÍ CREDIT Czech, a.s. in 2007 as Operation Manager of PROFÍ CREDIT division Operation Manager. He was appointed a Member of the Board of Directors after working for the Company for four years, and he has occupied the position of Chief Executive Officer since October 2012, a role in which he is responsible for coordinating the activities of all sections of PROFÍ CREDIT Czech.



Ing. Vladimír Michniewicz

Member of the Board of Directors

After completion of grammar school in Medzilaborce in 1982, he continued to study the Faculty of Business at the University of Economics in Bratislava, graduating in 1986. He has many years of experience relating to banking and other financial institutions. He was appointed Chief Executive Officer of PROFÍ CREDIT Slovakia, s.r.o. in May 2003 and Managing Director of the Company in December 2004. He has held the position of Chief Executive of the Short-term Loans Division since October 2012.



Ing. Karol Jurák

Member of the Board of Directors

After graduating from grammar school in Piešťany, he studied at the Faculty of Business Informatics and Accounting, Economic University in Bratislava. He joined PROFI CREDIT Slovakia, s.r.o. as a financial analyst in February 2001. Successively, he was appointed Financial Manager at PROFI CREDIT Slovakia and Managing Director at PROFIDEBT Slovakia. On 01.05.2006, he was appointed to the post of General Manager of PROFIDEBT division and has been a Member of the Board of Directors of PROFI CREDIT Czech, a.s. since the end of June 2006. In this role he is fully responsible for coordinating the activities of all companies within the PROFIDEBT division.

Changes after 31. 12. 2013



Ing. Jana Matičková

Member of the Board of Directors

During her studies on University of Economics in Prague, Faculty of Business Administration, she gained experience in field of finances working for Siemens Engineering as a financial analyst. After graduation in 2007, she joined PROFI CREDIT Czech on position of financial analyst. In 2008 she became Head of Financial Department responsible for financial management and credit risk management of the company. Since 12.02.2014 she has been a Member of the Board of Directors of PROFI CREDIT Czech.

Ing. Karol Jurák and Ing. Vladimír Michniewicz terminated their membership in the Board of Directors on 11.2.2014.

The Supervisory Board of PROFÍ CREDIT Czech, a.s.

Roman Kouba - Chairman of the Supervisory Board

Marian Ganaj - Member of the Supervisory Board

Ing. Miroslava Oravcová - Member of the Supervisory Board

Management of Advisory Unit PROFÍ CREDIT Czech, a.s.

Ing. Jaromír Všeetečka - Chief Operations Officer for Central Europe

Pavel Strnádek, AA - Chief Sales Officer for Central Europe

Ota Hempl - Chief IT Officer for Central Europe

Ing. Marek Štejnár – Chief Financial Director for Central Europe

Ing. Aleš Oborník - Chief Debt Administration Officer for Central Europe

Ing. Barbora Biernacki - Chief Personnel Officer for Central Europe

Ing. Zdeněk Lhotský, MBA - Chief Strategic Development Officer

Ing. František Tesař - Chief Special Project Officer

Management of Business Unit of PROFÍ CREDIT Czech, a.s.

Ing. Jana Matičková - Financial Manager

Ing. Tomáš Jakoubek – Sales Manager

Kateřina Švarcová - Marketing Manager

Mgr. Zdeněk Babička, MBA – Internal Audit Manager

Bc. Jakub Dvořák - Debt Administration Manager

Jan Matějka - Operations Manager

Mgr. Žaneta Nedomová - HR Manager

Situation as at 31. 12. 2013

Changes in the Supervisory Board after 31.12.2013

Ing. Roman Kouba terminated his membership in the Supervisory Board on 11.2.2014 and Ing. Zdeněk Lhotský, MBA was appointed to be the new chairman with validity since 12.2.2014.

Marian Ganaj also terminated his membership on 11.2.2014 and Ing. Tomáš Rosenberger became a new member with validity since 12.2.2014.

3.2 Company profile

PROFI CREDIT Czech, a.s. was founded in 1994 under the trade name Profireal, a. s. The Company's trade name and product brands were changed in February 2008.

Initially, the Company specialised in real estate and purchase and administration of debts. PROFIT CREDIT Czech, a.s. has been involved in the non-banking financial sector since 2000, when it began providing loans to individuals (natural persons) not conducting a business (employees, pensioners). The Company now has a broad portfolio of products intended for natural persons and legal persons alike and is a prominent provider of financial loan services.

PROFI CREDIT Czech, a.s. is part of the multinational PROFIREAL Group SE financial group, with its headquarters in the Netherlands. The Company began expanding into other European markets at the end of the year 2000 by moving into Slovakia. The subsidiary here, PROFIT CREDIT Slovakia, s.r.o., used the know-how of the parent company and very quickly made a mark on the new market. Further expansion followed in 2004, when a subsidiary was set up in Poland. The Company then moved into the Bulgarian market in November 2006, and a branch was established in Russia in July this year.

The basic philosophy at PROFIT CREDIT is to provide a personal approach. Products are offered by way of direct sales through a network of loan advisors that help clients choose the right product according to their individual needs and possibilities.

3.3 The product portfolio

PROFI CREDIT provides credits to employees and business entities. In the area of retail segment, our offer includes the Employee Loan and CZK 4,999 Loan. The sector of products for business persons has been extended by new products as early as in April 2012: Easy Business Loan and the product line Loans for your Business, which is aimed at self-employed persons and small-scale business entities.

The above-mentioned credits are not tied to a specific purpose, excepting the Loan against Security and the Specific Purpose Loan for business persons, without charges for credit approval and set-up, and with the option of automatic revolving for most of them. Money from an approved credit is paid into the client's account by cashless transfer. Credit repayments are also made into the Company's account by cashless transfer (collection from the client's account, standing order from the client's account, cash deposit in the Company's account, etc.). The advantage of our loans lies in their accessibility and speed of provision.

EMPLOYEE LOAN is intended not only for clients that have a regular income, e.g. from employment (after trial period), from annuity, old-age pension or disability pension, but also for clients who receive maternity or parental benefits. The amount of these loans ranges from CZK 10 - 166,000, the repayment period is between 12 to 48 months and the loan is not tied to any specific purpose. Clients can therefore use this loan for whatever they want - such as reconstruction or furnishing of their apartment, to buy a car, electronic appliances and similar.

CZK 4,999 LOAN is provided to the same target group as the Employee Loan and the fixed payment amount is CZK 4,999. This Loan will address small financial needs or unexpected expenditures swiftly, with the advantage of a minimal number of required documents to be submitted. Clients are asked to present only two identity documents.

For clients from the business sphere, our Company offers a comprehensive product line for natural and legal persons in the territory of the Czech Republic.

EASY BUSINESS LOAN is intended chiefly for small-scale business persons and self-employed persons (natural and legal persons) to address their immediate financial needs. This is a short-term loan of CZK 30,000, with the repayment period of 12 months, and only one identity document is required. The basic criterion for determining if the applicant will be provided the loan is information from accessible registers (both public and paid registers).

LOANS FOR YOUR BUSINESS is a series of products aimed at small-scale business persons and self-employed persons, natural and legal persons alike. This product line comprises a Start-up Loan, Bridge Loan and Specific-Purpose Loan, with the payment amount starting from CZK 30,000 to 300,000.

START-UP LOAN is provided to aspiring business persons who have operated their business for at least two years and have a solvent guarantor. The amount of the loan ranges from CZK 30,000 to 100,000 and its repayment period is 12 to 36 months.

BRIDGING LOAN is offered to business persons who have operated their business over a longer period and have found themselves in a secondary financial insolvency or who need to overpass an out-of-season period. This is a short-term loan, with the repayment period from 1 to 11 months, with the amount paid oscillating between CZK 30,000 to 150,000. The client has a bonus of an up to two-month deferment of payment immediately after the loan is provided.

SPECIFIC-PURPOSE LOAN is the only loan for the client to give a specific description of the purpose of the loan to be provided. It is suitable for modernization of establishments, procurement, equipment, machinery and various facilities for business activities. The amount to be provided ranges from CZK 30,000 to 300,000, with the repayment period of 12 to 48 months. As a security, the client may pledge their real estate.

Clients are welcome to use Employee or Business Loans also for refinancing or consolidation of their existing loans provided by banking/non-banking institutions. In case of business loans, we will consolidate liabilities towards the State administration (Social Security Administration, Tax Office). By combining the client's liabilities into one loan, the total monthly expenditures on one instalment are reduced. Arrangement for repayment of a liability with another company is free of charge.

We assess solvency of clients by means of accessible registers administered by the public sector of the Czech Republic, registers SOLUS, NRKI, BRKI, and, as a result, our response to the financial and credit burden of citizens of the Czech Republic is more responsible.

For 2014, with the extension of offer in the area of retail loans now in progress, our Company plans to redesign the product line aimed at business persons.

3.4 Commercial results

PROFI CREDIT Czech, a.s., which has provided non-banking loans and credits on the Czech market since 2000, provided loans and credits of a total value of over CZK 2 thousand million in 2013. In spite of the fact that the Employee Loan was our best-selling product like in previous years, products for the business sector represent a significant potential for the total output.

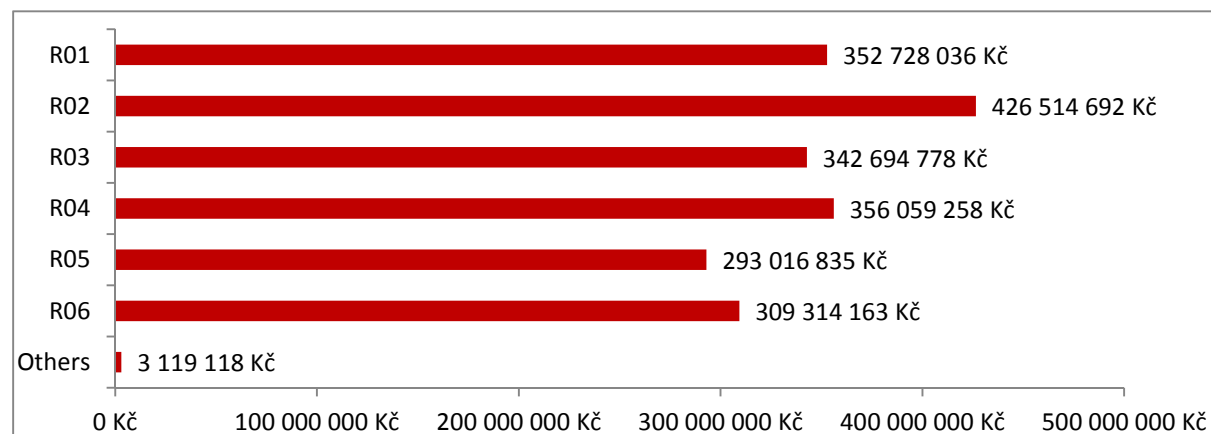
Prague (R 02) was the best region in 2013, providing loans in the Capital City of Prague and the Central Bohemia region in the total annual output of around CZK 427 million. Second best was Ostrava region (R 04), which provides loans in the territory of the Moravian and Silesian region and Olomouc region. Its output stands at the value of CZK 356 million. In the third position with approximately CZK 353 million, we find the Pardubice region (R 01), providing loans in Pardubice, Hradec Králové regions and partly in Liberec region and Vysočina region. The fourth to sixth positions were accomplished by Brno region (R 03), Mladá Boleslav region (R 05) and České Budějovice region (R 06). The remaining volume of loans was provided by the commercial department at the head office and by alternative distribution channels.

The record month was November 2013, when the Company provided loans valued at a total of CZK 207.9 million. From a regional perspective, the strongest month was again November 2013, when the Prague region arranged loans of a nominal value of almost CZK 41 million.

During its time on the Czech market, PROFIT CREDIT Czech, a.s. has surpassed a nominal value of newly-provided loans of CZK 15,223 million and the total output, including revolving loans, of CZK 19.083 thousand million.

Total output for individual regions in 2013

TOTAL CZK 2.08 thousand million



3.5 Commercial outlook

Whereas 2011 was influenced by the financial crisis, the years 2012 and 2013 are dubbed as periods of economic stability. This had a positive effect on prosperity of PROFIT CREDIT. In comparison with 2012, we recorded an increase in the new output by around 27 %.

We expect an increase in the new output by 8 % in 2014 in comparison with 2013. We would like to achieve this target mainly through updated products for business persons and self-employed persons, with products that aim at employees more comprehensively.

Our aim is to offer products to suit clients and loan advisors that are quicker and easier to get.

This, of course, applies to all countries in which PROFIT CREDIT is active. The markets of the Czech Republic, Slovakia, Poland, Bulgaria and newly Russia all have specific characteristics, be it the currency, the population structure or the local legislation. In all these countries, however, PROFIT CREDIT provides its clients with attractive and attainable products.

3.6 Commercial network

PROFI CREDIT Czech, a.s. offers its clients a genuine personal approach. Accordingly, it sells its products directly through a network of external colleagues –loan advisors and partner companies. A quality commercial network is the foundation on which the Company’s success is built and PROFIT CREDIT therefore places great importance on the development of the commercial network. The network of loan advisors ensures contact with the client and provides consistent client care, i.e. from the presentation of a full offer of services to the client, signing a loan contract, to the repayment of the loan.

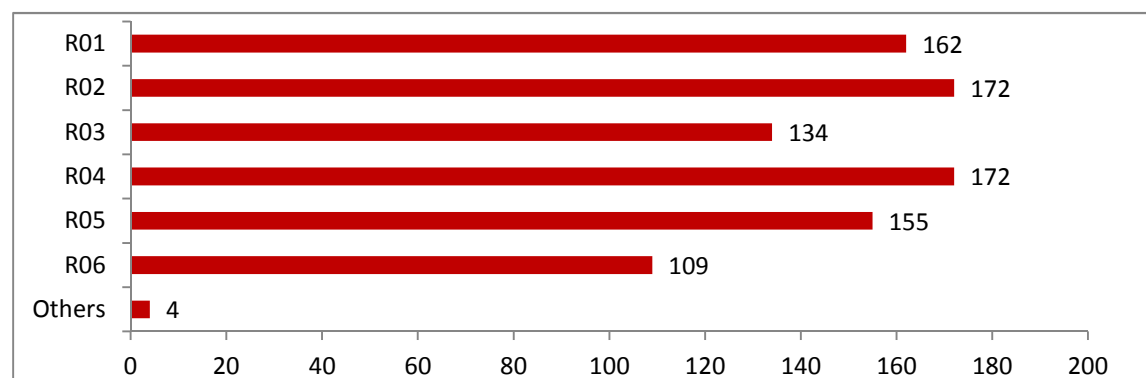
The commercial network in the Czech Republic is divided into six regions: Pardubice (R 01), Prague (R 02), Brno (R 03), Ostrava (R 04), Mladá Boleslav (R 05) and České Budějovice (R 06) regions. Each region has its own headquarters, which, besides providing the administrative background for commercial group managers and loan advisors, also serve as commercial and information points for our clients.

The relevant regional managers are responsible for the quality and volume of output and recruitment of new loan advisors in the region. Each region is further divided into several districts, responsibility for these lying with the competent commercial group managers. We had 64 manager groups in six regions as at 31.12.2013.

Loan advisors work with PROFIT CREDIT based on cooperation contracts, the most important incentive element being the commission paid for loans arranged. PROFIT CREDIT provides an above-standard level of commission, a system that is further supported by incentive competitions. Loan advisors are also offered marketing support and opportunities to attend business conferences and sports or relaxation events.

Total number of loan advisors by region

Total of 908 advisors



As at 31.12.2013, we had a total of 904 loan advisors and 4 external partners. The highest number of loan advisors, 172, work in the Prague region (R 02) and Ostrava region (R 04). The following number of loan advisors operate in the other regions: Pardubice region (R 01) 162, Mladá Boleslav (R 05) 155, Brno 134 (R 03), České Budějovice 109 (R 06).

Since we are aware that a properly-motivated commercial network is the foundation of success, we will continue providing maximum support to the commercial network in 2014 to enable it to fully concentrate on commercial activities and so achieve the planned quantitative and qualitative results.

3.7 Employees

The key priority of 2013 was to reinforce HR Partnership in all regions of the Czech Republic. Three new colleagues joined the team of HR Partners. Through their work, we tackled the shift from an executive to a fully strategic role. Implementation of this new model went according to our expectations and the set-up criteria, leading to an increase in productivity and effectiveness, were met. In 2014, we intend to continue to concentrate on reinforcing the role of HR Business Partner as a strategic partner. At the same time, our plan is to introduce a new position of HR Business Partner for the head office. Our objective here will be to focus, for example, on setting up Adaptation Plans, Performance Management or Talent Management.

Throughout the whole year, we continued to implement the Development Management Programme (a development programme of talent manager education, aimed at preparedness of managers to assume key roles in the Company), the central point of which was to assess the quality of how the programme had progressed so far. By means of an in-house and continuously operated Assessment Centre, we were able to evaluate the shift of level of managerial competences which had been thus far developed by individual participants. Moreover, other educational modules were realised with the focus on delegating, motivation and feedback.

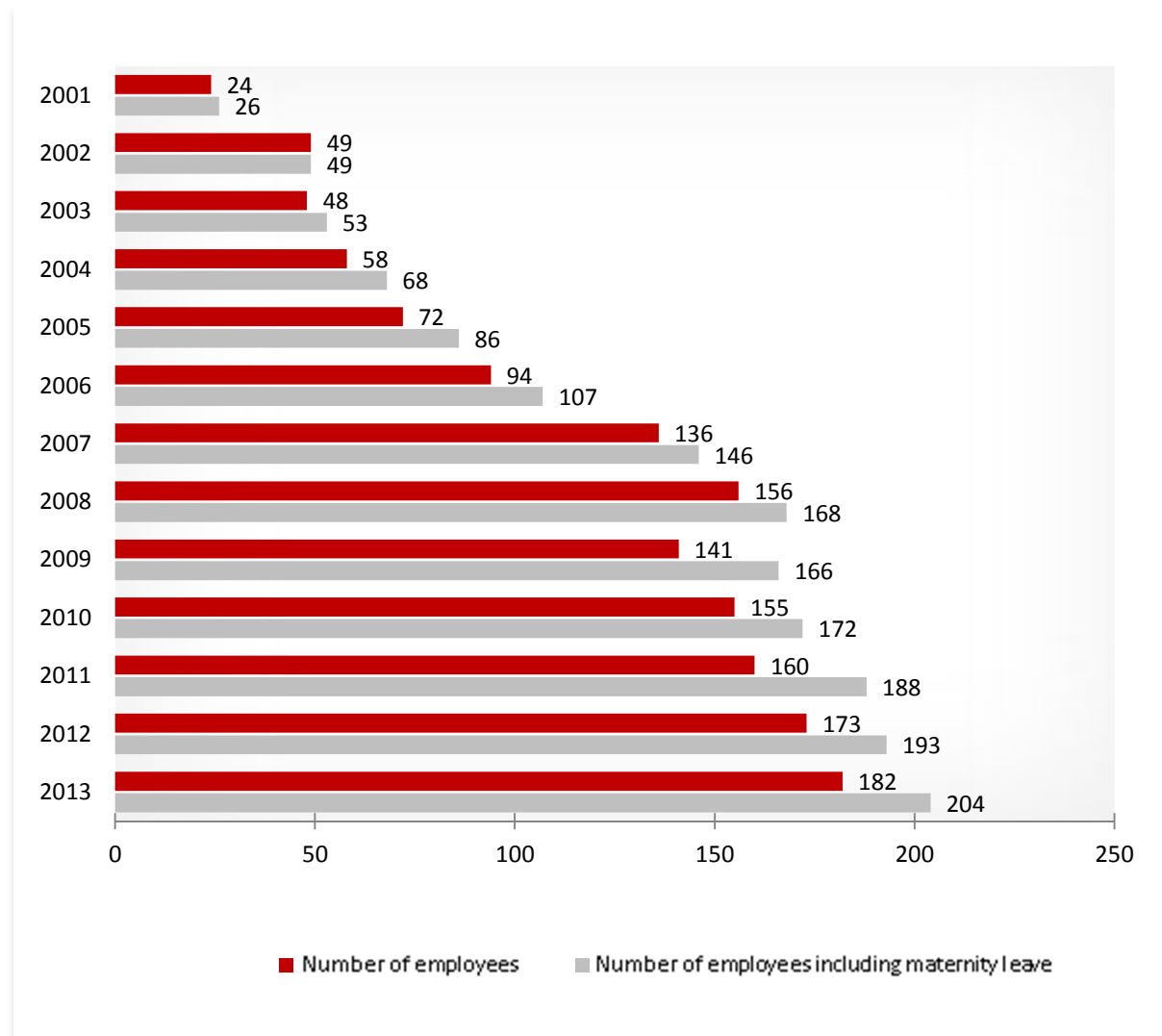
In the sphere of supportive processes in HR, we went on developing computer literacy, which activity will continue in 2014. Within the recruitment process targeted at hiring employees for specialized positions, our attention was directed at use of professional social networks.

The Junior Training Programme, a two-year training programme for university students, continued in 2013 in support of young people on the labour market. Five students completed the programme last year, and two of them have stayed in our Company at Specialist positions.

In the area of personnel management, all analysed indicators were met in the year 2013 - HR costs, parameters of estimated stability, fluctuation, mobility, quality of adaptation and development activities.

The number of employees at PROFIT CREDIT increased in 2013.

The number of employees in 2013 reflected our increased business plans. We saw a considerable extension of the international IT department, which worked on the development of a new information system.



3.8 Sponsorship

The private children's home Markéta has been sponsored by the PROFIT CREDIT Czech, a.s. as early as since 2000. In addition to financial support, we invite parents and children from Markéta to our in-house events. Our employees by tradition help to prepare the Children's Day, which is held in the seat of the children's home in Radhošť. As we are aware that looking after the children from Markéta requires a special and individual approach, we therefore hold in high esteem the work of Mr and Mrs Och, who have created a loving home for the children and do their best for the children to move forward in their life successfully.

In the area of corporate social responsibility, the Company performs charity activities in the project of Taťána Kuchařová Foundation known as "Beauty of Help." This project focuses on programmes for seniors, support of volunteering programmes in facilities for senior citizens and care services for the old. The Foundation supports tried-and-trusted activities that provide senior citizens with modern social services. These respect their needs, prevent them from being excluded from society and allow them to live a full life in a natural environment. PROFIT CREDIT Czech, a.s., contributed with the amount of CZK 1,000,000.00 to improvement of quality of life of many senior citizens. Together with the Taťána Kuchařová Foundation, we were able to improve life conditions of those in need and the people who should not be left uncared for.

The Company supports, inter alia, projects targeted at patients suffering from cystic fibrosis. This serious disease affects mainly the breathing and digestive systems. Children who are ill with this disease are known as "Salty Children" for the reason that their sweat is excessively salty, and due to their disease, they need to be treated intensively every year during their whole life. The Company has supported Salty Children for the second year in row and, for the second year again, the Company participated in the "Toy-Windmill Day", which is organized in the scope of the European Day for Cystic Fibrosis. The aim is a manual production of toy windmills and the proceeds from sale of the toys is used to support Salty Children. The Company's employees took part in the event and made toy windmills from various materials.

On 16.07.2013, a benefit softball match was organized under the auspices of PROFIT CREDIT Czech, a.s., on the Eagles stadium in Prague, under the participation of well-known personalities, led by Salty Children's patron Ivan Trojan. During the tournament, the director of Cystic Fibrosis Club was presented with a cheque in the value of CZK 500,000.00 by the

Marketing Director of the Company's Strategic Section. PROFIT CREDIT Czech, a.s. can thus help children and their families to fight the disease.

In 2013, PROFIT CREDIT became a sponsor of the most important event of horse-racing season - Velká Pardubická. The brand of PROFIREAL Group was on frequent display during the horse-racing day, since the Company provided funds in amount CZK 230,000 for the horse race titled "Crystal Cup of PROFIREAL Group", which was won by the five-year old sorrel Luminator, with Jaroslav Břečka in the saddle.

4. REPORT OF THE BOARD OF DIRECTORS

Report of the Board of Directors on the balance of assets for 2013, annual financial statements for 2013 and proposal for the distribution of profit of PROFIT CREDIT Czech, a.s. for 2013.

Dated: 28.03.2014

Prepared by: Ing. Rudolf Cejnar CEO BS, PROFIT CREDIT Czech, a.s.

This Report is submitted to the sole shareholder upon exercise of powers of the General Meeting by the Board of Directors of PROFIT CREDIT Czech, a.s., a company established on 05 December 1994, with its registered office at Klimentská 1216/46, 110 00 Prague 1. In 2013, the Company's main scope of business was provision of credits and loans.

The total assets of the Company achieved the value of CZK 5,073,267 thousand for the accounting period of 2013. The share of current assets was 97.27 % and their total volume reached CZK 4,934,771 thousand in 2013, while trade receivables amounted to CZK 4,825,211 thousand. The proportion of fixed assets to the Company's total assets stood at 1.69 % and their total amount in 2013 was CZK 85,689 thousand.

The Company's loan capital reached CZK 2,527,363 thousand, of which long-term loans amounted to CZK 1,634,550 thousand.

The main components of the Company's total revenues, in 2013 reaching the amount of CZK 1,747,097 thousand, were represented by financial revenues from provided loans and credits in the amount of CZK 936,291 thousand, contractual penalties, fines and interest on overdue payment of CZK 660,763 thousand, other operating revenues (court fees, fees for legal representation, etc.) of CZK 130,812 thousand.

Costs in 2013 reached the total amount of CZK 1,652,295 thousand, the main cost items were represented by operating provisions and reserves in the amount of CZK 700,310 thousand, receivables written off for the reason of unsuccessful distraint of CZK 71,267 thousand, interests on credits amounting to CZK 298,770 thousand, costs related to commissions paid to external loan and debt-collecting workers of CZK 139,416 thousand and payroll costs of CZK 92,384 thousand.

As at 31.12.2013, the reporting entity recognized an accounting economic result before tax in the amount of CZK 155,580,464.69. After including the deferred tax (CZK 2,305,346.01) and tax liabilities, the Company earned a profit in 2013 in the amount of CZK 94,801,834.42. When taking into account the adjustments related to additional and deductible items, the income tax base for the relevant accounting period reached CZK 308,813,621. Tax liabilities for 2013, including the withholding tax, amount to CZK 58,473,284.26.

In accordance with the business plan, PROFI CREDIT Czech, a.s. gained an accounting profit in 2013. The Company's net accounting profit in 2013 is CZK 94,801,834.42. In compliance with the Company's Statutes, it is proposed that the whole amount of profit be transferred to the retained earnings account.

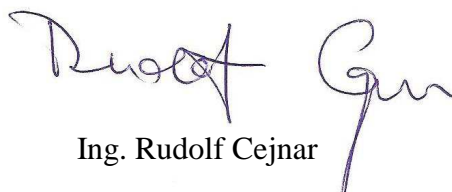
The reporting entity augmented the statutory reserve fund so that it reached the amount of CZK 53,449,066.48 as at 31.12.2013. As the obligation to create a statutory reserve fund has been abolished, and in compliance with the Statutes, the Company suggests that the reserve fund be terminated and its whole amount be transferred to the retained earnings account.

Economic results with a detailed break-down are contained in the statements attached herein below:

- Full balance sheet,
- Full profit and loss statement,
- Cash flow statement,
- Footnotes to the complete financial statements,
- Report on relations between related parties.



Ing. David Chour
Chairman of the Board of Directors



Ing. Rudolf Cejnar
Member of the Board of Directors

5. FINAL REPORT OF THE SUPERVISORY BOARD

Final Report of the Supervisory Board of PROFÍ CREDIT CZECH, a.s. for consideration of the General Meeting of the Company.

At its session held on 28.04.2013, the Supervisory Board of PROFÍ CREDIT Czech, a.s., discussed documents related to the Company's economic result submitted by the Board of Directors for the accounting period and tax period 2013, specifically:

1. Financial statements of the Company for 2013
2. Report of the Board of Directors on business activities of the Company for 2013
3. Report of the Board of Directors on the Company's assets, financial statements and proposal for profit distribution for 2013
4. Independent Auditor's Report on verification of the financial statements as at 31.12.2013
5. Report on relations between related parties for 2013

In accordance with the provisions of Section 198 of the Commercial Code, the Supervisory Board reviews, inter alia, the ordinary financial statements and the proposal of the Board of Directors for profit distribution or loss settlement and submits its opinion to the General Meeting. The ordinary financial statements of PROFÍ CREDIT Czech, a.s. for 2013 was verified by the auditing company Deloitte Audit s.r.o. with its registered office in Karolinská 654/2, 186 00 Prague 8. The auditing company also verified the correctness of data specified in the Report on relations between related parties.

The Company's economic result for 2013 shows a profit in the amount of CZK 94,801,834.42. In accordance with the Company's Statutes, it is proposed that the profit be distributed as follows:


- **the amount of CZK 94,801,834.42 is to be transferred to the retained earnings account.**

The created statutory reserve fund as at 31.12.2013 amounts to CZK 53,449,066.48. Since the obligation to create a statutory reserve fund has been abolished, and in compliance with the Company's Statutes, it is suggested that the fund be disposed of as follows:

- **the amount of CZK 53,449,066.48 is to be transferred to the retained earnings account.**

The Supervisory Board considered the economic result for 2013, acknowledged the content of the Auditor's Report on verification of the ordinary financial statements, discussed and reviewed the ordinary financial statements for 2013, discussed and reviewed the proposal of the Board of Directors for distribution of the Company's profit and reviewed and granted its consent as regards the Report on relations between related parties according to Section 66a (10) of the Commercial Code. The Supervisory Board states that the financial statements were prepared on grounds of a duly conducted bookkeeping and that the proposal of the Board of Directors on profit distribution complies with legal regulations.

The Supervisory Board recommends that the General Meeting approve the Company's ordinary financial statements for 2013, the aforementioned proposal of the Board of Directors for distribution of the Company's profit for 2013 and the Report on relations between related parties for 2013.



Ing. Zdeněk Lhotský

Chairman of the Supervisory Board of PROFÍ CREDIT Czech, a.s.

6. INDEPENDENT AUDITOR'S REPORT



Deloitte Audit s.r.o.
Nile House
Karolinská 654/2
186 00 Praha 8 - Karlín
Czech Republic

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DeloitteCZ@deloitteCE.com
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INDEPENDENT AUDITOR'S REPORT To the Shareholders of PROFÍ CREDIT Czech, a.s.

Having its registered office at: Klimentská 1216/46, 110 00 Praha 1 - Nové Město
Identification number: 618 60 069

Registered at the Municipal Court
in Prague, Section C, File 24349
Id. Nr.: 49620592
Tax Id. Nr.: CZ49620592

Report on the Financial Statements

Based upon our audit, we issued the following audit report dated 28 March 2014 on the financial statements which are included in this annual report in chapter 7.

"We have audited the accompanying financial statements of PROFÍ CREDIT Czech, a.s., which comprise the balance sheet as of 31 December 2013, and the profit and loss account, statement of changes in equity and cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory notes.

Statutory Body's Responsibility for the Financial Statements

The Statutory Body is responsible for the preparation and fair presentation of these financial statements in accordance with accounting regulations applicable in the Czech Republic, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Act on Auditors and International Standards on Auditing and the related application guidelines issued by the Chamber of Auditors of the Czech Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of PROFÍ CREDIT Czech, a.s. as of 31 December 2013, and of its financial performance and its cash flows for the year then ended in accordance with accounting regulations applicable in the Czech Republic."

Report on the Related Party Transactions Report

We have also reviewed the factual accuracy of the information included in the related party transactions report of PROFIT CREDIT Czech, a.s. for the year ended 31 December 2013 which is included in this annual report in chapter 8. This related party transactions report is the responsibility of the Company's Statutory Body. Our responsibility is to express our view on the related party transactions report based on our review.

We conducted our review in accordance with Auditing Standard 56 issued by the Chamber of Auditors of the Czech Republic. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the related party transactions report is free of material factual misstatements. A review is limited primarily to inquiries of Company personnel and analytical procedures and examination, on a test basis, of the factual accuracy of information, and thus provides less assurance than an audit. We have not performed an audit of the related party transactions report and, accordingly, we do not express an audit opinion.

Nothing has come to our attention based on our review that indicates that the information contained in the related party transactions report of PROFIT CREDIT Czech, a.s. for the year ended 31 December 2013 contains material factual misstatements.

The related party transactions report was prepared in accordance with Section 66a of Act No. 513/1991 Coll., the Commercial Code.

Report on the Annual Report

We have also audited the annual report of the Company as of 31 December 2013 for consistency with the financial statements referred to above. This annual report is the responsibility of the Company's Statutory Body. Our responsibility is to express an opinion on the consistency of the annual report and the financial statements based on our audit.

We conducted our audit in accordance with International Standards on Auditing and the related application guidelines issued by the Chamber of Auditors of the Czech Republic. Those standards require that the auditor plan and perform the audit to obtain reasonable assurance about whether the information included in the annual report describing matters that are also presented in the financial statements is, in all material respects, consistent with the relevant financial statements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the information included in the annual report of the Company is consistent, in all material respects, with the financial statements referred to above.

In Prague on 5 June 2014

Audit firm:

Statutory auditor:

Deloitte Audit s.r.o.
certificate no. 79

Diana Rádł Rogerová
certificate no. 2045



7. FINANCIAL STATEMENTS

7.1 Full Balance Sheet as at 31. 12. 2013 (in CZK thousands)

	31.12.2013			31.12.2012
	Gross	Adjustment	Net	Net
TOTAL ASSETS	9,232,638	4,159,371	5,073,267	4,480,078
B. Fixed assets	151,018	65,149	85,869	67,993
B.I. Intangible fixed assets	57,680	16,975	40,705	20,204
B.I.2. Research and development	984	740	244	383
B.I.3. Software	19,784	16,175	3,609	4,065
B.I.6. Other intangible fixed assets	2,218	60	2,158	0
B.I.7. Intangible fixed assets under construction	34,694		34,694	15,756
B.II. Tangible fixed assets	93,158	48,174	44,984	47,559
B.II.1. Land	2,635		2,635	2,635
B.II.2. Structures	47,495	19,367	28,128	29,562
B.II.3. Machinery, equip., vehicles, furniture and fixtures	40,285	28,807	11,478	13,747
B.II.7. Tangible fixed assets under construction	2,743		2,743	1,615
B.III. Financial fixed assets	180		180	230
B.III.1. Shares in controlled and managed entities				0
B.III.3. Other long-term securities and shares				50
B.III.5. Other financial fixed assets	180		180	180
C. Current assets	9,028,993	4,094,222	4,934,771	4,366,219
C.I. Inventory	313		313	371
C.I.5. Merchandise	313		313	371
C.II. Long-term receivables	1,371,460		1,371,460	1,223,699
C.II.1. Trade receivables	1,371,460		1,371,460	1,223,699
C.III. Short-term receivables	7,611,824	4,094,222	3,517,602	3,119,384
C.III.1. Trade receivables	7,547,973	4,094,222	3,453,751	3,055,091
C.III.2. Receivables - controlled or controlling entity	7,220		7,220	13,889
C.III.6. Due from state - tax receivables	46,792		46,792	43,643
C.III.7. Short-term advance payments	9,642		9,642	6,455
C.III.8. Estimated accrued revenues	232		232	269
C.III.9. Other receivables	-35		-35	38
C.IV. Short-term financial assets	45,396		45,396	22,764
C.IV.1. Cash	515		515	470
C.IV.2. Cash in bank	44,881		44,881	22,294
D. I. Accruals	52,627		52,627	45,866
D.I.1. Deferred expenses	47,634		47,634	42,674
D.I.3. Accrued revenues	4,993		4,993	3,192

	31.12.2013	31.12.2012
TOTAL LIABILITIES	5,073,267	4,480,078
A. Equity	1,205,230	1,254,885
A.I. Registered capital	232,650	232,650
A.I.1. Registered capital	232,650	232,650
A.II. Capital funds		-482
A.II.3. Gains or losses from revaluation of assets and payables		-482
A.III. Reserves, indivisible fund and other reserves from income	53,449	53,449
A.III.1. Legal reserve fund / Indivisible fund	53,449	53,449
A.IV. Profit (loss) of previous years	824,329	841,967
A.IV.1. Retained earnings from previous years	869,268	841,967
A.IV.3. Other profit (loss) of previous years	-44,939	
A.V. Profit (loss) of current accounting period (+ -)	94,802	127,301
B. Liabilities	2,527,363	2,053,382
B.I. Reserves	105,170	54,190
B.I.3. Reserve for income tax	103,362	48,801
B.I.4. Other reserves	1,808	5,389
B.II. Long-term payables	1,953,504	1,666,508
B.II.1. Trade payables	93,835	98,471
B.II.7. Long-term notes payable	24,155	
B.II.9. Other payables	1,652,455	1,387,283
B.II.10. Due to state - deferred taxes	183,059	180,754
B.III. Short-term payables	355,756	223,684
B.III.1. Trade payables	47,330	30,662
B.III.2. Payables - controlled or controlling person	3,951	2,427
B.III.5. Payables to employees	7,094	14,480
B.III.6. Payables to social security and health insurance	3,984	4,233
B.III.7. Due to state - taxes and subsidies	1,445	2,894
B.III.8. Short-term advance payments received	58	49
B.III.10. Estimated accrued expenses	24,555	5,334
B.III.11. Other payables	267,339	163,605
B.IV. Bank loans and assistance	112,933	109,000
B.IV.2. Short-term bank loans	103,933	100,000
B.IV.3. Short-term financial assistance	9,000	9,000
C. I. Accruals	1,340,674	1,171,811
C.I.1. Accrued expenses	57,472	49,479
C.I.2. Deferred revenues	1,283,202	1,122,332

7.2 Profit and Loss Statement, according to the type of income and expenditures, period ending on 31. 12. 2013 (in CZK thousands)

	Period until 31.12.2013	Period until 31.12.2012
I. Revenues from goods	3	5
+ Sale margin	3	5
II. Production	18,068	14,277
II.1. Revenues from own products and services	18,068	14,277
B. Production consumption	129,511	109,928
B.1. Consumed material and utilities expenses	12,394	14,355
B.2. Services	117,117	95,573
+ Added value	-111,440	-95,646
C. Personnel expenses	143,730	140,685
C.1. Wages and salaries	92,384	89,596
C.2. Remuneration of board members	18,017	20,001
C.3. Social security and health insurance expenses	31,713	29,493
C.4. Social security expenses	1,616	1,595
D. Tax and fees	16,434	15,803
E. Depreciation of intangible and tangible fixed assets	5,959	5,629
III. Revenues from disposals of fixed assets and materials	881	610
III.1. Revenues from disposals of fixed assets	881	610
F. Net book value of fixed assets and materials sold	2,460	204
F.1. Net book value of fixed assets sold	2,460	204
G. Change in reserves and adjustments relating to operating activity and change in complex prepaid expenses	700,310	546,025
IV. Other operating revenues	791,575	782,693
H. Other operating expenses	125,045	208,408
* Operating profit (loss)	-312,922	-229,097
VI. Proceeds from sales of securities and ownership interests	1	25
J. Securities and ownership interests sold	534	1,299
M. Change in provisions and adjustments relating to financial activity		-1,688
X. Interest received	34	14
N. Interest paid	298,770	264,342
XI. Other financial revenues	936,535	810,342
O. Other financial expenses	168,764	140,731
* Profit (loss) from financial operations	468,502	405,697
Q. Income tax on ordinary income	60,778	49,299
Q.1. - due	58,473	49,151
Q.2. - deferred	2,305	148
** Profit (loss) on ordinary activities	94,802	127,301
*** Profit (loss) for the accounting period (+/-)	94,802	127,301
**** Profit (loss) before tax	155,580	176,600

7.3 Statement of changes in equity as at 31.12.2013 (in CZK thousands)

	Registered capital	Capital funds	Reserve funds, indivisible fund and other revenue reserves	Retained earnings from previous years	Unsettled loss from previous years	Operating profit (loss) for the accounting period	TOTAL EQUITY
Balance as of 31.12.2011	232,650	-620	53,449	697,270		144,697	1,127,446
Profit (loss) distribution				144,697		-144,697	
Revaluation of capital participations		138					138
Profit (loss) for the current period						127,301	127,301
Balance as at 31.12.2012	232,650	-482	53,449	841,967		127,301	1,254,885
Profit (loss) distribution				127,301		-127,301	
Revaluation of capital participations		482					482
Dividends paid				-100,000			-100,000
Other profit (loss) of previous years				-44,939			-44,939
Profit (loss) for the current period						94,802	94,802
Balance as at 31.12.2013	232,650		53,449	824,329		94,802	1,205,230

7.4 Cash flow statement as at 31. 12. 2013 (in CZK thousands)

		Period until 31.12.2013	Period until 31.12.2012
P.	Opening balance of financial means	22,764	13,704
	Cash flows from the main profitable activities (operating activities)		
Z.	Profit (loss) for regular activities before tax	155,580	176,600
A.1.	Adjustments related to non-monetary operations	-625,179	-586,923
A.1.1.	Depreciation of fixed assets	5,959	5,629
A.1.2.	Change in balance of provisions and reserves	700,310	546,025
A.1.3.	Profit (loss) from the sale of fixed assets	1,579	-406
A.1.5.	Interest on costs and income	298,736	264,328
A.1.6.	Adjustments related to other non-monetary operations	-560,336	-453,829
A.*	Net operating cash flow before changes in the working capital	-469,599	-410,323
A.2.	Change in balance of the working capital	741,507	729,124
A.2.1.	Change in balance of receivables and accrued assets	-483,713	-327,431
A.2.2.	Change in balance and liabilities and accrued liabilities	153,735	107,820
A.2.3.	Change in inventory	58	66
A.**	Net operating cash flow before tax and extraordinary items	271,907	318,801
A.3.	Interest paid	-296,845	-261,973
A.4.	Interest received	34	14
A.5.	Income tax for regular activities paid	-51,915	-35,945
A.***	Net cash flow from operating activities	-76,819	20,897
B.1.	Expenditures related to acquisition of fixed assets	-26,295	-19,656
B.2.	Income on sale of fixed assets	881	610
B.3.	Loans and credits to related parties	-6,050	-6,642
B.***	Net cash flow from investment activities	-31,464	-25,688
	Cash flows from financial activities		
C.1.	Change in balance of liabilities from financing activities	230,915	13,851
C.2.	Effect of changes in equity	-100,000	
C.2.6.	Dividends paid	-100,000	
C.***	Net cash flow from financial activities	130,915	13,851
F.	Net change in balance of financial means	22,632	9,060
R.	Closing balance of financial means	45,396	22,764

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1. GENERAL INFORMATION

1.1. Incorporation and Description of the Business

PROFI CREDIT Czech, a.s. (formerly Profireal, a.s.) (hereinafter the “Company”) was formed by a Memorandum of Association as a joint stock company on 21 November 1994 and was incorporated following its registration in the Register of Companies held by the Court in Hradec Králové on 5 December 1994. At present, the Company is recorded in the Register of Companies held by the Municipal Court in Prague, File B, Insert 2892.

The principal activities of the Company are as follows:

- Administrative services and services of an organisational and economic character for individuals and legal entities;
- Provision of loans and borrowings from own funds;
- Administration of real estate;
- Lease of real estate associated with other services;
- Real estate agency;
- Pawnshop;
- Trading with receivables and debts - factoring and forfeiting;
- Organisation of social events;
- Mediation activities in business;
- Lease and lending of movable assets;
- Wholesale; and
- Specialised retail.

In 2013, the Company’s registered office changed. Currently, it is located in Prague 1, Klimentská 1216/46, 110 00.

In the year ended 31 December 2013, the amount of the Company’s issued share capital of CZK 232,650 thousand did not change (63 shares in the aggregate nominal value of CZK 232,650 thousand).

The Company’s financial statements have been prepared as of and for the year ended 31 December 2013.

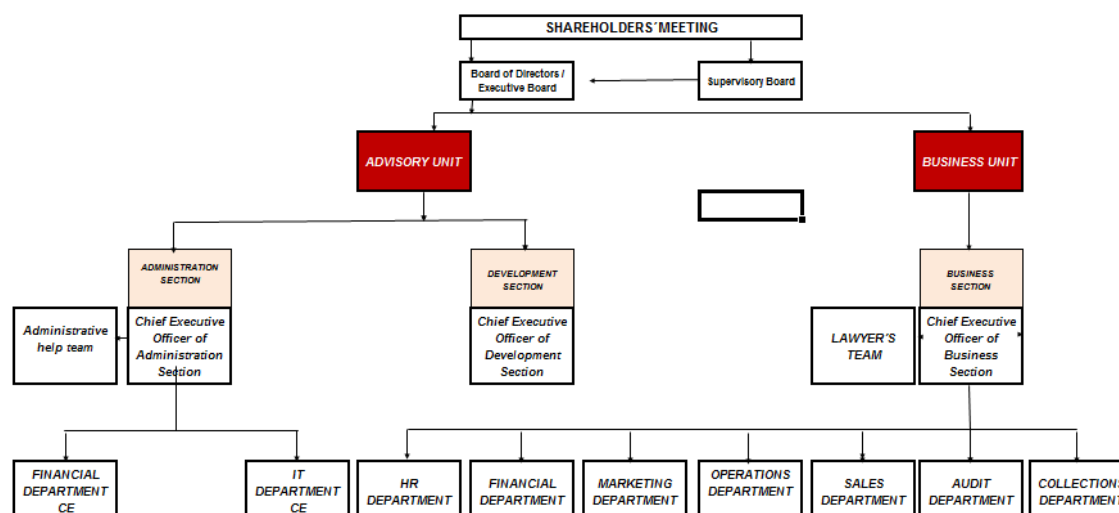
The reporting period is the calendar year from 1 January 2013 to 31 December 2013.

The financial statements are general-purpose financial statements and have not been prepared for any special purpose, transaction or user. Users should not rely exclusively on these financial statements in making decisions and should undertake other appropriate inquiries before making decisions.

The following table shows individuals and legal entities with an equity interest greater than 20 % and the amount of their equity interest:

Shareholder	Ownership percentage
PROFIREAL Group SE	100 %
Total	100 %

1.2. Organisational Structure



1.3. Group Identification

The Company is included in the financial group of PROFIREAL Group SE.

1.4. Board of Directors and Supervisory Board as of 31 December 2013

	Position	Name
Board of Directors	Chairman	David Chour
	Member	Petr Vrba
	Member	Rudolf Cejnar
	Member	Vladimír Michniewicz
	Member	Karol Jurák
Supervisory Board	Chairman	Roman Kouba
	Member	Marian Ganaj
	Member	Miroslava Oravcová

1.5. Significant Events in 2013

No significant events occurred in the year ended 31 December 2013.

1.6. Uncertainty about the Impact of the Global Financial Crisis

The Company might continue to be influenced by the global financial and economic crisis. As a result, the Company might be exposed to an increased risk specifically due to the high volatility and uncertainty regarding the valuation, possible impairment of assets, contingent liabilities and future developments of the markets. Those potential risks may have an impact on the Company's financial statements in the future.

The presented financial statements for the year ended 31 December 2013 are based on the current best estimates and management of the Company believes that they give a true and fair view of the Company's financial position and financial performance using all relevant and available information at the financial statements date.

2. BASIS OF ACCOUNTING AND GENERAL ACCOUNTING PRINCIPLES

The Company's accounting books and records are maintained and the financial statements were prepared in accordance with Accounting Act 563/1991 Coll., as amended; Regulation 500/2002 Coll. which provides implementation guidance on certain provisions of the Accounting Act for reporting entities that are businesses maintaining double-entry accounting records, as amended; and Czech Accounting Standards for Businesses, as amended.

The accounting records are maintained in compliance with general accounting principles, specifically the historical cost valuation basis, the accruals principle, the prudence concept and the going concern assumption.

These financial statements are presented in thousands of Czech crowns ("CZK thousand").

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

3.1. Tangible Fixed Assets

Tangible fixed assets include assets with an estimated useful life greater than one year and an acquisition cost greater than CZK 5 thousand on an individual basis.

The depreciation plan (depreciation for accounting purposes) is determined on the basis of the period of use in the Company and the estimated net book value. The net book value is the value for which the assets can be sold when they are no longer used by the Company.

The monthly depreciation charge is determined using the following formula:

$$MD = \frac{AC - NBV}{M}$$

AC acquisition cost

NBV net book value

M period of use in months

MD monthly depreciation

Purchased tangible fixed assets are stated at cost less accumulated depreciation and any recognised impairment losses.

Tangible fixed assets developed internally are valued at direct costs, incidental costs directly attributable to the internal production of assets (production overheads), or alternatively incidental costs of an administrative character if the production period of the assets exceeds one accounting period.

The following tangible fixed assets are stated at replacement cost: tangible fixed assets acquired through donation, fixed assets recently entered in the accounting records (accounted for by a corresponding entry in the relevant accumulated depreciation account), and an investment of tangible fixed assets.

The cost of fixed asset improvements exceeding CZK 5 thousand for the taxation period increases the acquisition cost of the related tangible fixed asset.

Depreciation is charged so as to write off the cost of tangible fixed assets, other than land and assets under construction, over their estimated useful lives, using the straight-line method.

Assets held under finance leases are depreciated by the lessor.

Technical improvements on leasehold tangible fixed assets are depreciated on a straight line basis over the shorter of the lease term or the estimated useful life.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sales proceeds and the net book value of the asset at the sale date and is recognised through the profit and loss account.

Provisioning

The carrying value of assets is compared to their value in use. If the carrying amount exceeds the value in use, the difference is provisioned.

3.2. Intangible Fixed Assets

Intangible fixed assets include assets with an estimated useful life greater than one year and an acquisition cost greater than CZK 5 thousand in respect of start-up costs on an individual basis.

Intangible fixed assets also comprise development activities with an estimated useful life greater than one year. Assets arising from development activities are capitalised only if utilised for repeated sale. Intangible assets arising from research and development, software and valuable rights generated internally for the Company's internal needs are not capitalised. Internally generated intangible assets are stated at the lower of internal production costs and replacement cost.

Purchased intangible fixed assets are stated at cost less accumulated amortisation and any recognised impairment losses.

Expenditures on research activities are recognised as expenses in the period in which they are incurred.

The cost of fixed asset improvements exceeding CZK 5 thousand for the taxation period increases the acquisition cost of the related intangible fixed asset.

Amortisation of intangible fixed assets is recorded on a straight line basis over their estimated useful lives. Most of intangible fixed assets are amortised over five years.

Provisioning

The Company recognised no provisions against intangible assets.

3.3. Non-Current Financial Assets

Non-current financial assets principally consist of loans with maturity exceeding one year and equity investments. Upon acquisition, equity investments are carried at cost.

Investments in enterprises in which the Company has the power to govern the financial and operating policies so as to obtain benefits from their operations are treated as 'Equity investment in subsidiaries'.

As of the financial statements date, equity investments are carried at cost less provisions. Equity investments denominated in foreign currencies are re-valued using the foreign exchange rate of the Czech National Bank as of 31 December.

Provisions are recognised based on an analysis of the loan and equity investment impairment.

3.4. Inventory

Purchased inventory is valued at cost. Acquisition costs include the purchase cost and indirect acquisition costs - customs fees, transportation and storage costs, commissions, insurance costs and discounts. The Company only carries the inventory of low-value advertising and promotional objects.

3.5. Receivables

Upon origination, receivables are stated at their nominal value as subsequently reduced by appropriate provisions for doubtful and bad amounts. Receivables acquired for consideration or through an investment are stated at cost less provisions for doubtful and bad amounts.

In accordance with the contract, the nominal value also includes the amount of future revenues which is accounted for as part of deferred income (refer to Note 3.10.).

Provisioning

The Company recognises provisions against receivables arising from loan contracts and accrued interest attached to these receivables. The amount of provisions is determined based on an analysis of the recovery of receivables past their due dates in prior years.

The Company estimates future cash flows for individual types of receivables on the basis of historical data. The provision is then recognised as equal to the difference between the amount of the receivable and the made or anticipated payments.

3.6. Trade Payables

Trade payables are stated at their nominal value.

The Company writes off payables arising from unidentified received payments older than five years through other financial income.

3.7. Issued Debt Securities

The Company reports debt securities issued as a payable arising from issued debt securities in an amount equalling their nominal value increased by accrued interest expenses. The value of the debt securities issued is decreased by the value of own debt securities.

3.8. Loans and Borrowings

Loans and borrowings are stated at their nominal value. The portion of long-term loans/borrowings maturing within one year from the balance sheet date is included in short-term loans/borrowings. Interest is accrued and recognised in the profit or loss for the period.

3.9. Reserves

Reserves are intended to cover future risks and expenditure, the nature of which are clearly defined and which are likely to be incurred, but which are uncertain as to the amount or the date on which they will arise.

The Company recognises reserves for outstanding vacation days of employees and the corporate income tax.

The reserve for outstanding vacation days is recognised based on an analysis of outstanding vacation days as of the balance sheet date and the average payroll costs including expenses for social security and health insurance by individual employees.

The reserve for the corporate income tax is recognised based on the calculation of the tax payable.

3.10. Deferred Income

Deferred income predominantly includes a contractual bonus provided after the expiration of the term in which the loan can be returned. This contractual bonus is gradually released into income over the loan term.

3.11. Foreign Currency Translation

Transactions denominated in foreign currencies during the year are translated using the daily exchange rate of the Czech National Bank.

At the balance sheet date, the relevant assets and liabilities are translated at the Czech National Bank's exchange rate prevailing as of that date.

3.12. Finance Leases

A finance lease is the acquisition of a tangible fixed asset such that, over or after the contractual lease term, the ownership title to the asset transfers from the lessor to the lessee; pending the transfer of the title, the lessee makes lease payments to the lessor for the asset that are charged to expenses.

Aggregate amounts related to fixed assets acquired under finance leases are amortised and expensed over the lease period. Aggregate future lease payments are recorded as accounts payable and are reduced as the liability is relieved.

3.13. Taxation

3.13.1. DEPRECIATION OF FIXED ASSETS FOR TAX PURPOSES

Depreciation of fixed assets is calculated using the accelerated method for tax purposes.

3.13.2. CURRENT TAX PAYABLE

The tax currently payable is based on taxable profit for the reporting period. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted by the balance sheet date.

3.13.3. DEFERRED TAX

Deferred tax is accounted for using the balance sheet liability method.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is charged or credited to the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset and reported on an aggregate net basis in the balance sheet, except when partial tax assets cannot be offset against partial tax liabilities.

3.14. Impairment

At each balance sheet date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount is the greater of the net selling price and the value in use. In assessing the value in use, estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is thus reduced to its recoverable amount.

3.15. Revenue Recognition

Revenue is measured at the value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business, net of discounts, value added tax and other sales-related taxes.

Contractual bonuses are accrued based on the amount of the outstanding portion of the principal and are reported in the line "Other financial income". Penalties and default interest are reported in the line "Other operating income".

Dividend income is recognised when the shareholders' rights to receive payment have been established.

3.16. Use of Estimates

The presentation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Management of the Company has made these estimates and assumptions on the basis of all the relevant information available to it and believes that the used estimates and assumptions will not significantly differ from the actual values in future reporting periods. Nevertheless, the current global economic crisis, its acceleration and market turbulence increase the risk that the actual results and outcomes may significantly differ from these estimates. Key areas with a potential for significant differences between the actual results and the estimates principally include provisioning for receivables.

3.17. Related Parties

A party is related to the Company if it, either directly or indirectly through one or more agents, controls the Company, is controlled by the Company or is under joint control with the Company (parent companies, subsidiaries, fellow subsidiaries) or if it is a member of the key management of the Company or its parent company.

Related party transactions include transferring resources, services or obligations between related parties irrespective of whether a price is charged.

Management of the Company has defined related parties disclosed in the financial statements and related party transactions on the basis of the most recent information available to it.

3.18. Year-on-Year Changes in Valuation, Depreciation or Accounting Policies

During the year ended 31 December 2013, the Company made no changes in valuation, depreciation or accounting policies.

3.19. Cash Flow Statement

The cash flow statement is prepared using the indirect method. Cash equivalents include current liquid assets easily convertible into cash in an amount agreed in advance. Cash and cash equivalents can be analysed as follows:

	(data in CZK thousands)	
	31.12.2013	31.12.2012
Cash on hand and cash in transit + cash equivalents	515	470
Cash at bank	44,881	22,294
Total cash and cash equivalents	45,396	22,764

Cash flows from operating, investment and financial activities presented in the cash flow statement are not offset.

4. ADDITIONAL INFORMATION ON THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT

4.1. Fixed assets

4.1.1. Intangible fixed assets

Cost

(data in CZK thousands)

	Bal. as at 31.12.2011	Additions	Disposals	Bal. as at 31.12.2012	Additions	Disposals	Bal. as at 31.12.2013
Research and development	644	340	0	984	0	0	984
Software	16,683	1,960	0	18,643	1,170	29	19,784
Other intangible fixed assets	0	0	0	0	2,218	0	2,218
In. fixed assets under construction	3,551	14,505	2,300	15,756	22,326	3,388	34,694
Total	20,878	16,805	2,300	35,383	25,714	3,417	57,680

Accumulated Amortisation

(data in CZK thousands)

	Bal. as at 31.12.2011	Additions	Disposals	Bal. as at 31.12.2012	Additions	Disposals	Bal. as at 31.12.2013
Research and development	446	155	0	601	139	0	740
Software	13,018	1,560	0	14,578	1,597	0	16,175
Other intangible fixed assets	0	0	0	0	60	0	60
Total	13,464	1,715	0	15,179	1,796	0	16,975

Net Book Value

(data in CZK thousands)

	Balance as at 31.12.2012	Balance as at 31.12.2013
Research and development	383	244
Software	4,065	3,609
Other intangible fixed assets	0	2,158
In. fixed assets under construction	15,756	34,694
Total	20,204	40,705

Intangible fixed assets under construction reported by the Company include expenses in the amount of CZK 33,181 thousand incurred on the development of a new information system and a management system that is planned to be put into use in 2014.

4.1.2. Tangible fixed assetsCost

(data in CZK thousands)

	Bal. as at 31.12.2011	Additions	Disposals	Bal. as at 31.12.2012	Additions	Disposals	Bal. as at 31.12.2013
Land	2,635	0	0	2,635	0	0	2,635
Buildings	47,948	0	0	47,948	124	577	47,495
Individual movable assets	39,004	5,680	3,298	41,386	3,874	4,975	40,285
- <i>Machinery and equipment</i>	5,272	2,268	721	6,819	1,751	385	8,185
- <i>Vehicles</i>	12,959	0	555	12,404	540	3,414	9,530
- <i>Furniture and fixtures</i>	20,773	3,412	2,022	22,163	1,583	1,176	22,570
Tan. fixed assets under construction	958	6,338	5,681	1,615	4,586	3,458	2,743
Total	90,545	12,018	8,979	93,584	8,584	9,010	93,158

Accumulated Depreciation and Provisions

(data in CZK thousands)

	Bal. as at 31.12.2011	Additions	Disposals	Bal. as at 31.12.2012	Additions	Disposals	Bal. as at 31.12.2013
Land	17,328	1,058	0	18,386	1,558	577	19,367
Individual movable assets	27,855	2,856	3,072	27,639	5,615	4,447	28,807
- <i>Machinery and equipment</i>	3,237	996	721	3,512	1,229	296	4,445
- <i>Vehicles</i>	9,458	231	556	9,133	2,553	3,414	8,272
- <i>Furniture and fixtures</i>	15,160	1,629	1,795	14,994	1,833	737	16,090
Total	45,183	3,914	3,072	46,025	7,173	5,024	48,174

Net Book Value

(data in CZK thousands)

	Balance as at 31.12.2012	Balance as at 31.12.2013
Land	2,635	2,635
Buildings	29,562	28,128
Individual movable assets	13,747	11,478
- <i>Machinery and equipment</i>	3,307	3,740
- <i>Vehicles</i>	3,271	1,258
- <i>Furniture and fixtures</i>	7,169	6,480
Tan. fixed assets under construction	1,615	2,743
Total	47,559	44,984

The Company acquired low-value tangible assets with the acquisition cost of less than CZK 5 thousand that were charged directly to expenses in the amounts of CZK 590 thousand and CZK 366 thousand for the years ended 31 December 2013 and 2012, respectively. In fixed assets under construction, the Company reports IT equipment purchased under the implementation of the new information system, which is planned to be put into use in 2014.

4.1.3. Fixed Assets Pledged as Security

2013

(data in CZK thousands)

Description of assets	Net book value	Description, extent and purpose of pledge/charge	Balance of secured liability
Receivables	7,033,131	All receivables from clients exceeding the pledge of another creditor	1,313,730
Receivables	106,193	Not less than 200 % of the loan balance	
Real estate	27,483	Building on Pernštýnské nám. 80, Pardubice	50,000
Receivables	1,735,099	Meeting the conditions for being pledged as security	
Accounts	30,183	Balances on the aggregate and escrow accounts	586,040
Receivables	45,010	Not less than 180% of the credit	25,000
Total	8,977,099		1,974,770

2012

(data in CZK thousands)

Description of assets	Net book value	Description, extent and purpose of pledge/charge	Balance of secured liability
Receivables	6,442,438	All receivables from clients exceeding the pledge of another creditor	1,164,885
Receivables	215,867	Not less than 200 % of the loan balance	
Real estate	28,424	Building on Pernštýnské nám. 80, Pardubice	100,000
Receivables	1,010,816	Meeting the conditions for being pledged as security	
Accounts	14,306	Balances on the aggregate and escrow accounts	376,753
Total	7,711,851		1,641,638

4.1.4. Assets Held under Finance LeasesFinance Leases

(data in CZK thousands)

Description	Date of inception	Term in months	Total lease value	Payments made at 31 Dec 2012	Payments made at 31 Dec 2013	Due in 2014	Due in the following years
Passenger cars	11.07.2008	60	2,187	371,	190	0	0
Passenger cars	31.07.2008	60	647	110	56	0	0
Passenger cars	07.10.2010	54	1,270	237	239	239	60
Passenger cars	03.02.2011	60	968	161	162	162	176
Passenger cars	26.05.2011	60	1648	274	276	276	368
Passenger cars	01.08.2011	60	738	123	124	124	186
Passenger cars	14.12.2011	60	995	166	167	167	306
Passenger cars	28.12.2011	60	1,269	213	214	291	410
Passenger cars	30.04.2012	60	3,100	819	518	529	1,235
Passenger cars	13.06.2012	60	375	96	63	63	152
Passenger cars	27.09.2012	60	3,284	667	533	556	1,528
Passenger cars	22.03.2013	60	797	0	223	134	441
Passenger cars	06.06.2013	60	3,151	0	868	517	1,766
IT - HW solution	31.07.2013	60	7,555	0	629	1,511	5,415
Passenger cars	31.10.2013	60	613	0	135	100	377
Passenger cars	27.11.2013	60	1,074	0	223	176	675
Total			29,671	3,237	4,620	4,845	13,095

The figures above are net of VAT if input VAT recovery is possible.

4.2. Non-Current Financial AssetsNet Book Value

(data in CZK thousands)

	Balance as at 31.12.2011	Additions	Disposals	Revaluation as of 31.12.2012	Balance as of 31.12.2012	Additions	Disposals	Revaluation as at 31.12.2013	Balance as at 31.12.2013
Equity investments									
in subsidiaries	1,161	0	1,161	0	0	0	0	0	0
Equity investments									
in related parties	52	0	2	0	50	0	50	0	0
Other loans	180	0	0	0	180	0	0	0	180
Total	1,393	0	1,163	0	230	0	50	0	180

4.2.1. Equity Investments in Subsidiaries

2013

As of 27 June 2013, Profi Credit Expert SRL was dissolved through liquidation. As of this date, the company was deleted from the Register of Companies.

2012

In July 2012, Profi Investment NL N.V. was sold to PROFIREAL Group SE.

4.2.2. Loans and Borrowings Received – Controlling Entity

2013

(data in CZK thousands)

Company	Interest rate	Security	Maturity date	Currency	Residual value
PROFIREAL Group SE	15.5% p.a.	Blank bill of exchange	Collection call + 30 days	CZK	0
Total					0

2012

(data in CZK thousands)

Company	Interest rate	Security	Maturity date	Currency	Residual value
PROFIREAL Group SE	15.5% p.a.	Blank bill of exchange	Collection call + 30 days	CZK	7
Total					7

4.3. Receivables

4.3.1. Long-Term Receivables

As of 31 December 2013 and 2012, long-term receivables amounted to CZK 1,371,460 thousand and CZK 1,223,699 thousand, respectively. These items include long-term receivables from provided loans and borrowings maturing within more than one year as of the balance sheet date. The Company carries no receivables maturing within more than five years.

4.4. Short-Term Receivables

4.4.1. Aging of Trade Receivables

(data in CZK thousands)

Years	Category	Undefined	Before due date	Past due date					Total past due date	Total
				0 - 90 days	91 - 180 days	181 – 360 days	1 - 2 years	2 and more years		
2013	Gross	1,159,001	1,439,554	274,254	240,615	455,605	851,101	3,127,843	4,949,418	7,547,973
	Provisions	1,049,592	19,678	108,172	130,434	260,472	651,618	1,874,256	3,024,952	4,094,222
	Net	109,409	1,419,876	166,082	110,181	195,133	199,483	1,253,587	1,924,466	3,453,751
2012	Gross	860,417	1,169,346	268,810	241,998	464,587	944,347	2,495,917	4,415,659	6,445,422
	Provisions	802,744	16,834	114,462	132,043	266,162	557,848	1,500,238	2,570,753	3,390,331
	Net	57,673	1,152,512	154,348	109,955	198,425	386,499	995,679	1,844,906	3,055,091

The exchange interest, statutory interest and accruing contractual penalty cannot be classified into individual categories in the table, as the effective date does not exist before the court's ruling (as such, the relevant interest amounts were included in the "undefined" category).

As of 31 December 2013, the receivables (both long-term and short-term) that are used as collateral for the received bank and non-bank loans amounted to CZK 151,203 thousand and CZK 8,768,230 thousand, respectively.

The change in provisions against receivables can be analysed as follows:

(data in CZK thousands)

	2013	2012
Balance at 1 January	3,390,331	2,846,030
Charge	774,800	728,323
Use	-70,909	-184,022
Balance at 31 December	4,094,222	3,390,331

4.4.2. Intercompany Receivables

Short-Term Trade Receivables

(data in CZK thousands)

Name of the entity	Balance as of 31.12.2013	Balance as of 31.12.2012
Profidebt, s.r.o.	133	105
Profidebt Slovakia, s.r.o.	27	31
Cash Gate, s.r.o.	56	135

Profiserwis Polska Sp.z. o.o.	0	5
PROFI CREDIT Bulgaria EOOD	1,729	3,294
PROFI CREDIT Slovakia,s.r.o.	1,041	703
PROFI CREDIT Poland Sp.z. o.o.	578	684
PROFI CREDIT EXPERT S.R.L.	0	2
Profi Consulting s.r.o.	22	22
OOO Profireal	3,296	0
Profi Investment NL N.V.	3	0
Profi Financial s.r.o.	0	31
Silversouth, a.s.	9	9
Southstream, a.s.	9	9
Strongwest, a.s.	9	9
TH Real, a.s.	23	23
PROFIREAL Group SE	285	8,827
Total Short-term intercompany receivables	7,220	13,889

The loans and borrowings provided to group entities that are part of the above-presented receivables were as follows:

2013

(data in CZK thousands)

Entity	Interest rate	Collateral	Maturity date	Currency	Net book value
PROFIREAL Group SE.		Blank bill of exchange	Collection call	CZK	0
PROFI CREDIT EXPERT S.R.L.		Blank bill of exchange	31.12.2010	CZK	0
Total					0

2012

(data in CZK thousands)

Entity	Interest rate	Collateral	Maturity date	Currency	Net book value
PROFIREAL Group SE.	15.5% p.a.	Blank bill of exchange	Collection call	CZK	8,048
PROFI CREDIT EXPERT S.R.L.	7.5% p.a.	Blank bill of exchange	31.12.2010	CZK	2
Total					8,050

4.5. Deferred Expenses

Deferred expenses predominantly include a fee for a loan provided by a non-banking entity in the amount of CZK 18,659 thousand. Additional items of deferred expenses include the

deferred second portions of commissions to loan officers which amounted to CZK 1,040 thousand and CZK 3,580 thousand as of 31 December 2013 and 2012, respectively, and deferred expenses relating to finance leases of cars in the amounts of CZK 13,134 thousand and CZK 11,022 thousand as of 31 December 2013 and 2012, respectively. As of 31 December 2013 and 2012, deferred expenses totalled CZK 47,634 thousand and CZK 42,674 thousand, respectively.

4.6. Equity

Equity amounts to CZK 1,205,230 thousand as of 31 December 2013 (as of 31 December 2012: CZK 1,254,885 thousand). As of 31 December 2013, a reserve was established from accumulated profits brought forward for an additional assessment of a tax liability in 2006. The Company recorded this reserve against 'Other profit or loss from prior years' because it represents a correction of the prior period's error. The share capital amounts to CZK 232,650 thousand and is composed of 40 shares with a nominal value of CZK 5,500 thousand and 23 shares with a nominal value of CZK 550 thousand.

4.7. Reserves

(data in CZK thousands)

	Reserve for outstanding vacation days	Income tax reserve	Total reserves
Balance as at 31.12.2012	5,389	48,801	54,190
Charge for reserves	1,808	103,362	105,170
Use of reserves	5,389	48,801	54,190
Balance as at 31.12.2013	1,808	103,362	105,170

4.8. Payables

4.8.1. Long-term trade payables

(data in CZK thousands)

Type of payable	Balance as at 31. 12. 2013	Balance as at 31. 12. 2012
Commissions to loan officers	93,835	98,471
Total	93,835	98,471

4.8.2. Issued Debt Securities

In December 2012 the Company issued debt securities in the book-entry form in the total value of CZK 3,000,000 thousand (with the nominal value of individual debt securities amounting to CZK 1) which will mature in ten years from the issuance date. The interest rate on the securities is 18.5 % p.a. and the debt security interest accrued as of 31 December 2013 amounts to CZK 1,542 thousand. As of 31 December 2013, no debt securities were placed; for this reason, no debt securities issued were reported in the Company's financial statements.

4.8.3. Other Long-Term Payables and Long-term Bills of Exchange to be Paid

(data in CZK thousands)

Type of payables	Currency	Balance at 31.12.2013	Balance at 31.12.2012	Interest rate 2013	Form of collateral 2013
Borrowing from non-banking entity	a CZK	1,313,730	1,164,884	19%	Blank bill of exchange + the aggregate receivables pledged as security in excess of the security pledged to other creditors as based on loans, refer to Note 4.10.
Borrowing from non-banking entity	a CZK	320,820	213,148	8.18%	Blank bill of exchange + pledged contractual receivables that meet the conditions to be pledged as security. Pledge in form of the aggregate and escrow account, guarantee provided by the parent company
Payables arising from leases	CZK	17,905	9,251	-	-
Total		1,652,455	1,387,283		

Type of payables	Currency	Balance as at 31. 12. 2013	Balance as at 31. 12. 2012
Long-term bill of exchange	CZK	24,155	0
Total		24,155	0

Long-term payables include payables with maturity exceeding one year as of the balance sheet date.

4.8.4. Collateralised Long-Term Payables or Otherwise Secured

Refer to Note 4.1.3 "Fixed Assets Pledged as Security".

4.9. Short-Term Payables

The Company reports the short-term portion of a loan provided by a non-banking entity in the amount of CZK 267,339 thousand (as of 31 December 2012: CZK 163,605 thousand).

Aging of Short-Term Trade Payables

(data in CZK thousands)

Year	Category	Before Due Date	Past due date					Total past due date	Total
			0 – 90	91 - 180	181 – 360	1 - 2	2 and more		
			days	days	days	years	years		
2013	Short-term	33,688	9,369	4,272	1	0	0	13,642	47,330
2012	Short-term	25,441	5,215	0	6	0	0	5,221	30,662

4.9.1. Intercompany Payables

Short-Term Trade Payables

(data in CZK thousands)

Entity	Balance as at 31.12.2013	Balance as at 31.12.2012
Profidebt,s.r.o.	569	539
Profireal Group SE	1,099	1,727
Profi Consulting s.r.o.	283	161
Silversouth, a.s.	2,000	0
Total short-term intercompany payables	3,951	2,427

4.10. Bank Loans

4.10.1. Short-Term Bank Loans and Financial Borrowings

2013

(data in CZK thousands)

Bank	Balance at 31. 12. 2013	Interest rate	Form of collateral
Banking entity	50,000	10% p.a.	Real estate, pledged receivables of 200 % of the loan, issued guarantees, current account balances, blank bill of exchange
Non-banking entity	9,000	15 % p.a.	Blank bill of exchange
Banking entity	29,115	10% p.a.	Blank bill of exchange
Banking entity	24,818	9.7% p.a.	Blank bill of exchange Pledged receivables of 180 % of the loan
Total	112,933		

2012

(data in CZK thousands)

Bank	Balance at 31. 12. 2012	Interest rate	Form of collateral
Banking entity	100,000	10% p.a.	Real estate, pledged receivables of 180 % of the loan, issued guarantee, balances on current accounts, blank bill of exchange
Non-banking entity	9,000	15 % p.a.	Blank bill of exchange
Total	109,000		

4.11. Estimated Payables – Short-Term

As of 31 December 2013 and 2012, estimated short-term payables amounted to CZK 24,555 thousand and CZK 5,334 thousand, respectively.

4.12. Deferred Income and Accrued Expenses

As of 31 December 2013 and 2012, deferred income amounted to CZK 1,283,202 thousand and CZK 1,122,332 thousand, respectively, and included the deferred contractual bonus recognised after the expiration of the term in which the loan can be returned and is gradually released into income.

As of 31 December 2013 and 2012, accrued expenses amounted to CZK 57,472 thousand and CZK 49,479 thousand, respectively, and included predominantly commissions to loan officers in the amounts of CZK 18,654 thousand and CZK 20,487 thousand as of 31 December 2013 and 2012, respectively, and interest on a loan provided by a non-banking entity in the amount of CZK 22,039 thousand and CZK 20,114 thousand as of 31 December 2013 and 2012, respectively.

4.13. Income Taxation

4.14. Deferred Tax

The deferred tax liability is analysed as follows:

	(data in CZK thousands)	
	Balance at 31. 12. 2013	Balance at 31. 12. 2012
Tax liability		
Difference between accounting and tax carrying value	23,605	23,487
Balance of customers – penalty	2,192,500	2,060,333
Balance of customers – penalty – others	6,954	7,051
Balance of customers – accruing contractual penalty	78,640	16,469
Non-withheld fines of sales representatives for the first repayment	177	177
Balance of other receivables – exchange interest	846,574	728,737
Balance of other receivables – statutory interest	233,787	115,211
Balance of other receivables – debt acknowledgement agreement penalty	283,865	280,806
Total deferred tax liability – total basis	3,666,102	3,232,271
Tax asset		
Charge of provisions against contractual penalties	1,411,555	1,271,077
Charge of provisions against the exchange and statutory interest	982,748	788,052
Charge of provisions against debt acknowledgement agreements	239,677	202,418
Charge of provisions against accruing contractual penalty	66,844	13,998
Reserve for outstanding vacation days	1,808	5,389
Total deferred tax asset - total basis	2,702,632	2,280,934
Resulting deferred tax basis	963,470	951,337
Deferred tax – liability (2013: 19 %, 2014: 19 %)	183,059	180,754
Already recognised deferred tax	180,754	180,606
Deferred tax for recognition in the profit and loss account	2,305	148

4.14.1. Income Tax Charge

The charge for the year can be reconciled to the profit per the profit and loss account as follows:

	(data in CZK thousands)	
	Balance at 31. 12. 2013	Balance at 31. 12. 2012
Profit before tax	155,580	176,600
Income tax rate	19%	19%
Tax at the domestic income tax rate	29,560	33,554

Tax effect of expenses/income that are not allowable in determining taxable profit	28,664	15,369
Tax payable for the current period	58,224	48,923
Withholding tax for the current period	249	228
Change in the deferred tax liability	2,305	148
Total income tax on ordinary and extraordinary activities	60,778	49,299

4.15. Sales of Services

(data in CZK thousands)

	Year ended 31.12.2013			Year ended 31.12.2012		
	In-country	Cross-border	Total	In-country	Cross-border	Total
Sales of services (advisory)	279	10,796	11,075	342	8,873	9,215
Sales from the provision of a trademark	3	4,780	4,783	-131	3,065	2,934
Sales – lease of real estate	1,365	0	1,365	1,575	0	1,575
Sales – cleaning of premises	21	0	21	20	0	20
Sales – operation of the Internet	28	0	28	28	0	28
Sales – lease of movable assets	462	0	462	339	0	339
Sales – water, sewage charges	5	0	5	4	0	4
Sales - other	165	164	329	162	0	162
Total sales of services	2,328	15,740	18,068	2,339	11,938	14,277

4.16. Related-Party Transactions

4.16.1. Income Generated with Related Parties

2013

(data in CZK thousands)

Entity	Other income	Services	Total
Profidebt, s.r.o.	958	283	1,241
Cash gate, s.r.o.	453	0	453
PROFI CREDIT Slovakia s.r.o.	2,182	3,551	5,733
PROFI CREDIT Polska Sp.z.o.o.	1,783	3,905	5,688
PROFI CREDIT Bulgaria EOOD	803	2,890	3,693
Profidebt Slovakia, s.r.o.	0	261	261
Profi Financial, s.r.o.	0	0	0
Silversouth, a.s.	17	0	17
Southstream, a.s.	17	0	17
Strongwest, a.s.	17	0	17

TH Real, a.s.	76	0	76
Profi Consulting, s.r.o.	70	0	70
PROFI CREDIT EXPERT S.R.L.	0	0	0
Profireal Group SE	1,346	202	1,548
OOO Profireal	124	41	165
Total	7,846	11,133	18,979

2012

(data in CZK thousands)

Entity	Other income	Services	Total
Profidebt, s.r.o.	1,141	279	1,420
Cash gate, s.r.o.	341	4	345
PROFI CREDIT Slovakia s.r.o.	1,330	3,185	4,515
PROFI CREDIT Polska Sp.z.o.o.	1,154	2,850	4,004
PROFI CREDIT Bulgaria EOOD	594	2,367	2,961
Profidebt Slovakia, s.r.o.	0	274	274
Profi Financial, s.r.o.	245	0	245
Silversouth, a.s.	17	0	17
Southstream, a.s.	17	0	17
Strongwest, a.s.	17	0	17
TH Real, a.s.	72	0	72
Profi Consulting, s.r.o.	67	0	67
PROFI CREDIT EXPERT S.R.L.	0	67	67
Profireal Group SE	82	176	258
Total	5,077	9,202	14,279

All related-party proceeds were generated on an arm's length basis.

4.16.2. Purchases with related parties2013

(data in CZK thousands)

Entity	Services	Other expenses	Total
PROFI CREDIT Poland Sp.z.o.o.	0	119	119
PROFI CREDIT Slovakia, s.r.o.	0	130	130
PROFI CREDIT Bulgaria EOOD	0	0	0
PROFIREAL Group SE	0	10,630	10,630
Profi Financial s.r.o.	0	0	0
Profi Consulting s.r.o.	1,420	0	1,420

Profidebt, s.r.o.	6,134	0	6,134
Silversouth, a.s.	0	2,120	2,120
Total	7,554	12,999	20,553

2012

(data in CZK thousands)

Entity	Services	Other expenses	Total
PROFI CREDIT Poland Sp.z.o.o.	0	41	41
PROFI CREDIT Slovakia, s.r.o.	0	113	113
PROFI CREDIT Bulgaria EOOD	0	74	74
PROFIREAL Group SE	0	9,400	9,400
Profi Financial s.r.o.	610	0	610
Profi Consulting s.r.o.	1,457	0	1,457
Profidebt, s.r.o.	5,538	219	5,757
Total	7,605	9,847	17,452

4.16.3. Other Related-Party Transactions

In the year ended 31 December 2013, the Company granted two short-term loans to Profidebt s.r.o. The loans were advanced based on Framework Loan Contract No. 01/12/2009 signed on 1 December 2009 and bearing interest at 9.5 % p.a. with the loan facility determined at CZK 5 million. The aggregate principal of both loans provided amounted to CZK 7 million and was repaid in 2013 including accrued interest in the amount of CZK 34 thousand.

In the year ended 31 December 2009, the Company advanced a loan to PROFIT CREDIT Romania, IFN S.A. The loan was advanced on the basis of Framework Loan Contract No. 01/11/2007, signed on 21 November 2007, bearing interest at 7.5 % p.a., and a loan facility of CZK 8 million with maturity on 31 December 2010. The company paid the total principal. As of 31 December 2013, the outstanding interest of CZK 2 thousand was written off due to the liquidation of PROFIT CREDIT Romania, INF S.A.

In the year ended 31 December 2012, the Company provided a loan to Profireal Group SE. The loan was provided based on Framework Loan Contract No. PG/PRC/01/2010 that was signed on 19 January 2010, bearing interest at 10 % p.a. and the loan facility determined at CZK 5,000 thousand. Based on Amendment 1 to this Contract, in 2012 the loan facility was increased to CZK 10 million and the interest rate was changed to 15.5 % p.a. As of 31

December 2013, the aggregate loan principal in the amount of CZK 15 million was repaid including accrued interest in the amount of CZK 1,394 thousand.

In the year ended 31 December 2013, the Company was provided with four short-term loans from Profidebt s.r.o. The loans were advanced based on Amendment 2 to Framework Loan Contract No. 27/12/2007 that was signed on 27 December 2007. The interest rate was determined at 10 % p.a. and the loan facility continued to amount to CZK 10 million. The aggregate principal of all loans provided amounted to CZK 14.5 million and was repaid in 2013 including the accrued interest in the amount of CZK 29 thousand.

In the year ended 31 December 2012, the Company was provided with a loan from Profireal Group SE. The loan was advanced based on Framework Loan Contract No. PCT/PG/11/2011 that was signed on 16 November 2011, bearing interest at 15.5 % p.a. and the loan facility determined at CZK 50,000 thousand. The Company paid the whole principal and as of 31 December 2012 it reported an interest balance of CZK 6 thousand. The balance was repaid in early 2013.

In the year ended 31 December 2013, the Company was provided with a loan from Silversouth, a.s. The loan was advanced based on Framework Contract No. 06/08/2009 signed on 7 August 2009, bearing interest at 7.5% p.a., with a loan facility determined at CZK 2 million. As of 31 December 2013, the Company paid interest in the amount of CZK 120 thousand.

4.17. Consumed Purchases

	(data in CZK thousands)	
	Year ended 31. 12. 2013	Year ended 31. 12. 2012
Consumed material	9,526	11,701
Consumed energy	2,868	2,654
Total consumed purchases	12,394	14,355

4.18. Services

(data in CZK thousands)

	Year ended 31. 12. 2013	Year ended 31. 12. 2012
Repairs and maintenance	2,660	1,864
Travel expenses	3,787	4,054
Representation costs	4,398	3,266
Telephone, fax, internet, postal fees	9,126	9,089
Advisory services	11,169	8,767
<i>Fee paid to the audit company for the obligatory audit</i>	<i>3,568</i>	<i>2,241</i>
Rental	8,406	9,428
Leasing	4,432	2,801
Mediation of workforce	1,192	1,149
Notary and legal services	11,242	10,676
Advertising and promotion	34,515	28,157
Translations	309	371
Other services	25,881	15,951
Total	117,117	95,573

4.19. Other Operating Income

(data in CZK thousands)

	Year ended 31. 12. 2013	Year ended 31. 12. 2012
Contractual fines and default interest	660,763	648,438
Sundry operating income	130,812	134,255
Total	791,575	782,693

Sundry operating income principally includes expenses for legal representation in debt collection that was transferred to the Company's debtors in 2013 in the amount of CZK 93,640 thousand.

4.20. Other Operating Expenses

(data in CZK thousands)

	Year ended 31. 12. 2013	Year ended 31. 12. 2012
Gifts	1,070	1,089
Other penalties and fines	7	1
Write-offs of receivables and transferred receivables	89,956	197,340
Deficits and damage relating to operating activities	0	4,682
Sundry operating expenses	34,012	5,296
Total	125,045	208,408

In the year ended 31 December 2013, the Company wrote off receivables following the confirmation of the court bailiff regarding the ineffective recovery of the amount of CZK 71,267 thousand. In the year ended 31 December 2012, the Company wrote off receivables following the confirmation of the court bailiff regarding the amount of CZK 184,067 thousand.

4.21. Interest Income

	(data in CZK thousands)	
	Year ended 31. 12. 2013	Year ended 31. 12. 2012
Interest on current bank accounts	34	12
Interest on deposit bank accounts	0	2
Total	34	14

4.22. Other Financial Income

	(data in CZK thousands)	
	Year ended 31. 12. 2013	Year ended 31. 12. 2012
Foreign exchange rate gains	244	82
Sundry financial income	936,291	810,260
Total	936,535	810,342

Sundry financial income includes common bonuses for the provision of loans or borrowings (the principal income of the Company).

4.23. Interest Expenses

	(data in CZK thousands)	
	Year ended 31. 12. 2013	Year ended 31. 12. 2012
Interest on current bank accounts	3,455	10,576
Other interest to other creditors	295,315	253,766
Total	298,770	264,342

4.24. Other Financial Expenses

(data in CZK thousands)

	Year ended 31. 12. 2013	Year ended 31. 12. 2012
Foreign exchange rate losses	294	277
Interest – bill of exchange	94	0
Other financial expenses – fee for the provision of a bank loan	8,682	498
Sundry financial expenses	159,694	139,956
Total	168,764	140,731

Sundry financial expenses principally include commissions to mediators of loans in the amount of CZK 140,493 thousand (2012: CZK 124,659 thousand).

5. EMPLOYEES, MANAGEMENT AND STATUTORY BODIES

5.1. Staff Costs and Number of Employees

The following tables summarise the average number of the Company's employees and managers for the years ended 31 December 2013 and 2012.

2013

(data in CZK thousands)

	Number of staff	Payroll costs	Social security and health insurance	Other costs	Total staff costs
Staff	165	71,741	26,093	1,499	99,333
Managers	15	20,643	5,620	117	26,380
Total	180	92,384	31,713	1,616	125,713

2012

(data in CZK thousands)

	Number of staff	Payroll costs	Social security and health insurance	Other costs	Total staff costs
Staff	169	66,645	23,061	1,457	91,163
Managers	18	22,951	6,432	138	29,521
Total	187	89,596	29,493	1,595	120,684

Bonuses to the members of the Company's bodies, including the members of the Supervisory Board, for holding the office amounted to CZK 18,017 thousand and CZK 20,001 thousand in the years ended 31 December 2013 and 2012, respectively. The number of employees is based on the average recalculated headcount. The category of "managers" includes top management.

5.2. Loans, Borrowings, and Other Benefits Provided

In the years ended 31 December 2013 and 2012, members of the Board of Directors and the Supervisory Board received the following loans and benefits in addition to their basic salaries:

2013

	(data in CZK thousands)	
	Board of Directors	Supervisory Board
Bonuses	17,680	1,233
Cars/other movable and immovable assets to be used for private purposes (the figure increases the tax base of employees)	337	0
Total	18,017	1,233

2012

	(data in CZK thousands)	
	Board of Directors	Supervisory Board
Bonuses	19,664	180
Cars/other movable and immovable assets to be used for private purposes (the figure increases the tax base of employees)	337	0
Total	20,001	180

6. OFF BALANCE SHEET COMMITMENTS

The Company records no off balance sheet commitments and is not aware of any contingent losses.

Bills of Exchange Issued

The Company has issued blank bills of exchange to providers of bank and non-bank loans.

Legal Disputes

As of 31 December 2013, the Company was involved in no legal dispute the outcome of which would significantly impact the Company.

Third-Party Guarantees

As of 31 December 2013, the Company was a guarantor of a loan provided to its fellow subsidiary, Profidebt, s.r.o., by WPB Capital, a savings association. As of 31 December 2013, the guarantee for the loan provided amounted to CZK 43,000 thousand.

7. POST BALANCE SHEET EVENTS

No events occurred subsequent to the balance sheet date that would have a significant impact on the financial statements.

8. REPORT ON RELATIONS WITH RELATED PARTIES IN 2013

Drawn up pursuant to provision of section 66a paragraph 9 - 11 of Act no. 513/1991 Coll., Commercial Code as amended

Trade name: PROFIT CREDIT Czech, a.s.
Registered office: Prague 1, Klimentská 1216/46, 110 00
Corporate ID: 61 86 00 69
Registered in the Commercial Register on: 05.12.1994
Administered by: Municipal Court in Prague, Section B, Insert 2892

A. List of related parties

1. List of controlling parties and their relation to the Company

Company (trade name, name) and registered office of controlling party	Reason for controlling party's status*	Number of voting rights
PROFIREAL Group SE Martinus Nijhofflaan 2, Delft, post code 2624ES, Kingdom of the Netherlands	A	100%
David Beran, birth reg. no. 670926/0393, Authority of Municipal District Prague 1, Vodičkova 18, 110 00 Prague 1 Execution through PROFIREAL Group SE		

* Alternatives:

- A Majority shareholder – direct participation (in case of an unclear structure of shareholders, a 40% share is sufficient (Section 66a (5) of the Commercial Code)
- B Majority shareholder – indirect exercise of rights (please specify the party through the mediation of which the rights are exercised)
- C Participating in concerted practices with other shareholders; joint disposing of most of the voting rights (please specify all shareholders participating in concerted practices)

2. List of other entities controlled by the controlling parties

Company (trade name, name) and registered office of the controlling party	Trade name and registered office of other companies controlled by the given controlling party
PROFIREAL Group SE, Martinus Nijhofflaan 2, Delft, 2624ES, Kingdom of the Netherlands	PROFI CREDIT Slovakia, s.r.o. Pribinova 25, Bratislava, post code 824 96
	PROFI CREDIT Bulgaria EOOD 49 Bulgaria Blvd., 1404 Sofia
	PROFI CREDIT Poland Sp. z o.o., Browarna 2, 43-300 Bielsko-Biala
	PROFIDEBT, s.r.o. Praha 1, Klimenstská 1216/46, post code 110 00
	PROFIDEBT Slovakia, s.r.o. Mliekarenská 10, Bratislava 26, post code 824 96
	PROFIDEBT Polska Sp. z o.o., Browarna 2, 43-300 Bielsko-Biala
	PROFIDEBT Bulgaria EOOD 49 Bulgaria Blvd., 1404 Sofia
	OOO PROFIREAL 4 Grivtsova Pereulok, Office 501, 190000 Saint-Petersburg
	Cash Gate Slovakia, s.r.o. Pribinova 25, Bratislava 811 09
	Cash Gate Poland Sp. z o.o. Browarna 2, 43-300 Bielsko-Biala
	PROFI Consulting, s.r.o. Pernštýnské nám. čp. 80, 530 02 Pardubice
	PROFI Investment NL N.V. Saturnusstraat 25j, 2132HB Hoofddorp
	PROFI Exploration B.V. Delft, Martinus Nijhofflaan 2, post code 2624 ES
	PROFI Exploration Tyumen B.V. Delft, Martinus Nijhofflaan 2, post code 2624 ES
	Limited Liability Company Golyschmanovoneftegaz Tyumen Volodarskovo str. 14, post code 625003
	PGJT B.V. Delft, Martinus Nijhofflaan 2, post code 2624 ES
	Cash Gate, s.r.o. Klimentská 1216/46, 110 00 Prague 1
	Strongwest, a.s. Pernštýnské nám.80, 530 02 Pardubice - Staré Město
	Southstream, a.s. Pernštýnské nám.80, 530 02 Pardubice - Staré Město
	Silversouth, a.s. Pernštýnské nám.80, 530 02 Pardubice - Staré Město
	TH Real, a. s. Thunovská 192/27, 118 00 Prague 1

B. Overview of transactions, receivables and liabilities between related parties**1. Purchase transactions (from the Company's perspective) for the whole accounting period**

Company	Description of transaction, contract, consideration, measures - benefits and disadvantages	Financial volume incl. VAT
Profidebt,s.r.o.	Mandate Agreement dated 01.07.2006	CZK 6,110 thousand
Profidebt,s.r.o.	Re-invoicing - representation	CZK 24 thousand
Profi Consulting,s.r.o.	Economic consultancy, services, gatehouse	CZK 1,420 thousand
Silversouth, a.s.	Loan	CZK 2,000 thousand
Silversouth, a.s.	Loan interest	CZK 120 thousand
PROFIREAL Group SE	Guarantee remuneration	CZK 10,630 thousand
PROFI CREDIT Slovakia, s.r.o.	Withholding tax	CZK 130 thousand
PROFI CREDIT Poland Sp.z.o.o.	Withholding tax	CZK 119 thousand

In the year ended 31 December 2013, the Company was provided with four short-term loans from Profidebt s.r.o. The loans were advanced based on Amendment 2 to Framework Loan Contract No. 27/12/2007 that was signed on 27 December 2007. The interest rate was determined at 10 % p.a. and the loan facility continued to amount to CZK 10 million. The aggregate principal of all loans provided amounted to CZK 14.5 million and was repaid in 2013 including the accrued interest in the amount of CZK 29 thousand.

In the year ended 31 December 2012, the Company was provided with a loan from Profireal Group SE. The loan was advanced based on Framework Loan Contract No. PCT/PG/11/2011 that was signed on 16 November 2011, bearing interest at 15.5 % p.a. and the loan facility determined at CZK 50,000 thousand. The Company paid the whole principal and as of 31 December 2012 it reported an interest balance of CZK 6 thousand. The balance was repaid in early 2013.

In the year ended 31 December 2013, the Company was provided with a loan from Silversouth, a.s. The loan was advanced based on Framework Contract No. 06/08/2009 signed on 7 August 2009, bearing interest at 7.5% p.a., with a loan facility determined at CZK 2 million. As of 31 December 2013, the Company paid interest in the amount of CZK 120 thousand.

2. Sale transactions (from the Company's perspective) for the whole accounting period

Company	Description of transaction, contract, consideration, measures - benefits and disadvantages	Financial volume excl. VAT
Profidebt,s.r.o.	Sublease Agreement Palác Karlín - rent	CZK 32 thousand
Profidebt,s.r.o.	Sublease Agreement Palác Karlín - services	CZK 11 thousand
Profidebt,s.r.o.	General Agreement for Provision of Consultancy Services	CZK 280 thousand
Profidebt,s.r.o.	Guarantee remuneration	CZK 559 thousand
Profidebt,s.r.o.	Loan interest	CZK 34 thousand
Profidebt,s.r.o.	Sublease Agreement Jindřišská - rent	CZK 56 thousand
Profidebt,s.r.o.	Sublease Agreement Jindřišská - services	CZK 41 thousand
Profidebt,s.r.o.	Sublease Agreement Klimentská	CZK 225 thousand
Profidebt,s.r.o.	Services related to operation and administration of MIS	CZK 3 thousand
Cash Gate, s.r.o.	Sublease Agreement Pernštýnské nám. - rent	CZK 88 thousand
Cash Gate, s.r.o.	Sublease Agreement Jindřišská - rent	CZK 15 thousand
Cash Gate, s.r.o.	Sublease Agreement Jindřišská - services	CZK 3 thousand
Cash Gate, s.r.o.	Sublease Agreement Klimentská	CZK 41 thousand
Cash Gate, s.r.o.	Lease of transport vehicles	CZK 278 thousand
Cash Gate, s.r.o.	Sale of laptops and mobile telephones	CZK 28 thousand
Profidebt Slovakia,s.r.o.	Agreement for Provision of Consultancy Services	CZK 258 thousand
Profidebt Slovakia,s.r.o.	Services related to operation and administration of MIS	CZK 3 thousand
OOO Profireal	Re-invoicing of consultancy services	CZK 41 thousand
OOO Profireal	Re-invoicing of costs of incorporating the Company	CZK 124 thousand
PROFI CREDIT Slovakia,s.r.o.	Agreement for Provision of Consultancy Services	CZK 3,548 thousand
PROFI CREDIT Slovakia, s.r.o.	Services related to operation and administration of MIS	CZK 3 thousand
PROFI CREDIT Slovakia, s.r.o.	Use of trademark	CZK 2,182 thousand
PROFI CREDIT Poland Sp.z.o.o.	Agreement for Provision of Consultancy Services	CZK 3,902 thousand
PROFI CREDIT Poland Sp.z.o.o.	Use of trademark	CZK 1,783 thousand
PROFI CREDIT Poland Sp.z.o.o.	Services related to operation and administration of MIS	CZK 3 thousand
PROFI CREDIT Bulgaria, EOOD	Agreement for Provision of Consultancy Services	CZK 2,886 thousand
PROFI CREDIT Bulgaria, EOOD	Use of trademark	CZK 803 thousand
PROFI CREDIT Bulgaria, EOOD	Services related to operation and administration of MIS	CZK 4 thousand
PROFIREAL Group SE	Agreement for Provision of Consultancy Services	CZK 202 thousand
PROFIREAL Group SE	Loan interest	CZK 1,346 thousand
Silversouth, a.s.	Agreement for Lease of Non-Residential Premises - rent	CZK 15 thousand
Silversouth, a.s.	Agreement for Lease of Non-Residential Premises - services	CZK 2 thousand
Southstream, a.s.	Agreement for Lease of Non-Residential Premises - rent	CZK 15 thousand
Southstream, a.s.	Agreement for Lease of Non-Residential Premises - services	CZK 2 thousand

Strongwest, a.s.	Agreement for Lease of Non-Residential Premises - rent	CZK 15 thousand
Strongwest, a.s.	Agreement for Lease of Non-Residential Premises - services	CZK 2 thousand
TH Real, a. s.	Lease of transport vehicles	CZK 76 thousand
Profi Consulting,s.r.o.	Agreement for Lease of Non-Residential Premises - rent	CZK 38 thousand
Profi Consulting,s.r.o.	Agreement for Lease of Non-Residential Premises - services	CZK 32 thousand

In the year ended 31 December 2013, the Company granted two short-term loans to Profidebt s.r.o. The loans were advanced based on Framework Loan Contract No. 01/12/2009 signed on 1 December 2009 and bearing interest at 9.5 % p.a. with the loan facility determined at CZK 5 million. The aggregate principal of both loans provided amounted to CZK 7 million and was repaid in 2013 including accrued interest in the amount of CZK 34 thousand.

In the year ended 31 December 2009, the Company advanced a loan to PROFI CREDIT Romania, IFN S.A. The loan was advanced on the basis of Framework Loan Contract No. 01/11/2007, signed on 21 November 2007, bearing interest at 7.5 % p.a., and a loan facility of CZK 8 million with maturity on 31 December 2010. The company paid the total principal. As of 31 December 2013, the outstanding interest of CZK 2 thousand was written off due to the liquidation of PROFI CREDIT Romania, INF S.A.

In the year ended 31 December 2012, the Company provided a loan to Profireal Group SE. The loan was provided based on Framework Loan Contract No. PG/PRC/01/2010 that was signed on 19 January 2010, bearing interest at 10 % p.a. and the loan facility determined at CZK 5,000 thousand. Based on Amendment 1 to this Contract, in 2012 the loan facility was increased to CZK 10 million and the interest rate was changed to 15.5 % p.a. As of 31 December 2013, the aggregate loan principal in the amount of CZK 15 million was repaid including accrued interest in the amount of CZK 1,394 thousand.

3. List of recognized receivables from related parties

Company	Type of receivable, description	Net balance of receivable as at 31.12.2013
Profidebt,s.r.o.	Agreement for Lease of Non-Residential Premises	CZK 26 thousand
Profidebt,s.r.o.	Agreement for Provision of Consultancy Services	CZK 19 thousand
Profidebt,s.r.o.	Insurance of statutory bodies	CZK 36 thousand
Profidebt,s.r.o.	Re-invoicing of domains	CZK 3 thousand
Profidebt,s.r.o.	Services	CZK 11 thousand

Profidebt,s.r.o.	Guarantee remuneration	CZK 38 thousand
Cash Gate, s.r.o.	Agreement for Lease of Non-Residential Premises	CZK 10 thousand
Cash Gate, s.r.o.	Services	CZK 2 thousand
Cash Gate, s.r.o.	Car rental	CZK 21 thousand
Cash Gate, s.r.o.	Re-invoicing of legal services	CZK 2 thousand
Cash Gate, s.r.o.	Re-invoicing of use of Shell card	CZK 16 thousand
Cash Gate, s.r.o.	Re-invoicing - webhosting for	CZK 3 thousand
Cash Gate, s.r.o.	Re-invoicing of el. energy	CZK 1 thousand
Cash Gate, s.r.o.	Re-invoicing of replacement of tyres	CZK 2 thousand
Silversouth, a.s.	Agreement for Lease of Non-Residential Premises	CZK 8 thousand
Silversouth, a.s.	Services	CZK 1 thousand
Southstream, a.s.	Agreement for Lease of Non-Residential Premises	CZK 8 thousand
Southstream, a.s.	Services	CZK 1 thousand
Strongwest, a.s.	Agreement for Lease of Non-Residential Premises	CZK 8 thousand
Strongwest, a.s.	Services	CZK 1 thousand
TH Real, a. s.	Car rental	CZK 9 thousand
TH Real, a. s.	Re-invoicing of winter tyres and wheel covers	CZK 13 thousand
Profidebt Slovakia,s.r.o.	Agreement for Provision of Consultancy Services	CZK 21 thousand
Profidebt Slovakia,s.r.o.	Re-invoicing of domain	CZK 2 thousand
Profidebt Slovakia,s.r.o.	Insurance of statutory bodies	CZK 4 thousand
PROFI CREDIT Bulgaria,EOOD	Agreement for Provision of Consultancy Services	CZK 1,533 thousand
PROFI CREDIT Bulgaria,EOOD	Re-invoicing – consultancy services	CZK 71 thousand
PROFI CREDIT Bulgaria,EOOD	Services related to MIS	CZK 43 thousand
PROFI CREDIT Bulgaria,EOOD	Re-invoicing - segmentation of customers	CZK 24 thousand
PROFI CREDIT Bulgaria,EOOD	Re-invoicing - taxi	CZK 5 thousand
PROFI CREDIT Bulgaria,EOOD	Re-invoicing – graphic work	CZK 38 thousand
PROFI CREDIT Bulgaria,EOOD	Insurance of statutory bodies	CZK 15 thousand
PROFI CREDIT Slovakia,s.r.o.	Agreement for Provision of Consultancy Services	CZK 767 thousand
PROFI CREDIT Slovakia,s.r.o.	Re-invoicing – consultancy services	CZK 112 thousand
PROFI CREDIT Slovakia,s.r.o.	Re-invoicing – score card	CZK 105 thousand
PROFI CREDIT Slovakia,s.r.o.	Insurance of statutory bodies	CZK 49 thousand
PROFI CREDIT Slovakia,s.r.o.	Services related to MIS	CZK 9 thousand
PROFI CREDIT Poland,Sp.z.o.o.	Agreement for Provision of Consultancy Services	CZK 392 thousand
PROFI CREDIT Poland,Sp.z.o.o.	Insurance of statutory bodies	CZK 80 thousand
PROFI CREDIT Poland,Sp.z.o.o.	Re-invoicing – score card	CZK 105 thousand
Profi Consulting,s.r.o.	Services	CZK 3 thousand
Profi Consulting,s.r.o.	Agreement for Lease of Non-Residential Premises	CZK 19 thousand

Profi Investment NL N.V.	Re-invoicing of domains	CZK 3 thousand
OOO PROFIREAL	Re-invoicing of costs of incorporating the Company	CZK 2,476 thousand
OOO PROFIREAL	Re-invoicing of consultancy services	CZK 820 thousand
PROFIREAL Group SE	Agreement for Provision of Consultancy Services	CZK 19 thousand
PROFIREAL Group SE	Re-inv.: air ticket+travel allowance+travel insurance+visa	CZK 251 thousand
PROFIREAL Group SE	Re-invoicing of domains	CZK 15 thousand

4. List of recognized liabilities towards related parties


Company	Type of liability, description	Outstanding balance of liability
PROFIREAL Group SE	Guarantee remuneration	1,099 thousand
Profidebt,s.r.o.	Mandate Agreement dated 01.07..2006	569 thousand
Profi Consulting,s.r.o.	IT services	194 thousand
Profi Consulting,s.r.o.	Tax consultancy - re-invoicing	61 thousand
Profi Consulting,s.r.o.	Consultancy	29 thousand
Silversouth, a.s.	Loan	2,000 thousand

5. Contracts concluded in 2013

PROFI CREDIT Czech, a.s. concluded no contracts or agreements with the aforementioned related parties in 2013.

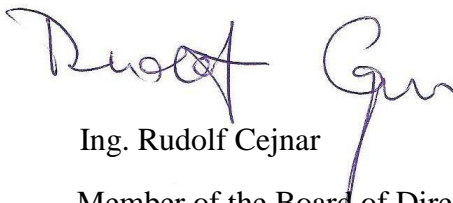
Comments: The contracts and agreements concluded by PROFIT CREDIT Czech, a.s. with the aforementioned related parties were signed under arm's length terms and conditions common under the ordinary course of trade in the particular location and time. On the grounds of the foregoing it can be claimed that based on the concluded contracts none of the contractual parties incurred any property or other damage that would need to be compensated.

In Pardubice, 11 March 2014



Ing. David Chour

Chairman of the Board of Directors



Ing. Rudolf Cejnar

Member of the Board of Directors

9. CONTACTS

Trade name of the Company:

PROFI CREDIT Czech, a.s.

Registered office of the Company:

Klimentská 1216/46

post code 110 00 Prague 1

Mailing address:

nábřeží Závodu míru 2738–9

post code 530 02, Pardubice

Legal form:

joint-stock company [akciová společnost]

Company Identification Number:

61860069

Tax Identification Number:

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