



**PROFI CREDIT**

Profireal Group

**ANNUAL REPORT**

**2014**

**PROFI CREDIT Czech, a.s.**

**BASIC ECONOMIC FACTS OF PROFIT CREDIT CZECH, A.S**

<b>Loans Provided (Production)</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Number of loans provided	27,483	24,989	26,846
Nominal value of loans provided in current year (in CZK ths)*	2,148,105	2,083,447	1,702,011
Disbursed in total (in CZK ths)	906,328	919,235	691,689
Credit for employees – share in total production	82.94%	72.90%	88.82%
Loans for business persons – share in total production	17.06%	27.10%	11.18%
<b>Human Resources</b>			
Number of external credit advisors	930	908	937
Number of external collectors	58	72	69
Number of employees**	196	182	173
<b>Financial Indicators (in CZK ths)***</b>			
Total assets	5,443,724	5,073,267	4,480,078
Total revenues	1,640,735	1,747,097	1,607,966
Total costs	1,537,166	1,652,295	1,480,665
Profit / Loss before taxation	170,844	155,580	176,600
Income tax****	67,275	60,778	49,299
Profit / Loss after taxation	103,569	94,802	127,301

\* Nominal value of provided loan consists of disturbed amount and future interest revenue. Contains new production and revolving.

\*\* Number of employees at the end of the year

\*\*\* in accordance with Czech Accounting Standards

\*\*\*\* payable, deferred

# CONTENTS

<b>1. FINANCIAL GROUP PROFIREAL GROUP .....</b>	<b>4</b>
<b>2. A WORD OF INTRODUCTION FROM THE CHIEF EXECUTIVE .....</b>	<b>7</b>
<b>3. CHARACTERISTICS OF PROFI CREDIT CZECH, A.S. ....</b>	<b>9</b>
3.1 BODIES OF THE COMPANY.....	9
3.2 COMPANY PROFILE.....	12
3.3 THE PRODUCT RANGE .....	13
3.4 COMMERCIAL RESULTS.....	15
3.5 COMMERCIAL OUTLOOK.....	16
3.6 COMMERCIAL NETWORK .....	17
3.7 EMPLOYEES .....	19
3.8 SPONSORSHIP .....	21
<b>4. REPORT OF THE BOARD OF DIRECTORS .....</b>	<b>23</b>
<b>5. FINAL REPORT OF THE SUPERVISORY BOARD .....</b>	<b>25</b>
<b>6. INDEPENDENT AUDITOR'S REPORT .....</b>	<b>27</b>
<b>7. FINANCIAL STATEMENTS .....</b>	<b>29</b>
7.1 FULL BALANCE SHEET AS AT 31. 12. 2014 (IN CZK THOUSANDS).....	29
7.2 PROFIT AND LOSS STATEMENT, ACCORDING TO THE TYPE OF INCOME AND EXPENDITURES, PERIOD ENDING ON 31.12.2014 (IN CZK THOUSANDS) .....	31
7.3 STATEMENT OF CHANGES IN EQUITY AS AT 31.12.2014 (IN CZK THOUSANDS).....	32
7.4 CASH FLOW STATEMENT AS AT 31.12.2014 (IN CZK THOUSANDS).....	33
7.5. SUPPLEMENT TO THE FINANCIAL STATEMENTS .....	34
<b>8. REPORT ON RELATIONS BETWEEN THE CONTROLLING PARTY AND CONTROLLED PARTY AND BETWEEN A CONTROLLED PARTY AND PARTIES CONTROLLED BY THE SAME CONTROLLING PARTY .....</b>	<b>67</b>
<b>9. CONTACTS .....</b>	<b>72</b>

## **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, were 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 concerned with providing financial loans and credits as early as 2000, when it launched the said project in the Czech Republic and Slovakia.

Over the period of pursuing its business activities, the PROFI CREDIT division has provided more than 930,000 loans and credits, including revolving loans. The division occupies its strongest position in the Czech Republic. Of the overall volume of loans and credits provided, the share accomplished in the Czech Republic stands at 41%. The highest profitability of the division is currently accomplished in Poland.

The companies of the PROFI CREDIT division recorded a year-on-year increase in credit and loans provided of 7% in 2014. This result was supported mainly by an increase in output of PROFI CREDIT Poland by nearly 17%, PROFI CREDIT Slovakia of 7% and the company in the Czech Republic by more than 3%. In addition, the nominal value of loans and credits provided in 2014 by the PROFI CREDIT division topped the CZK 8.3 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.**

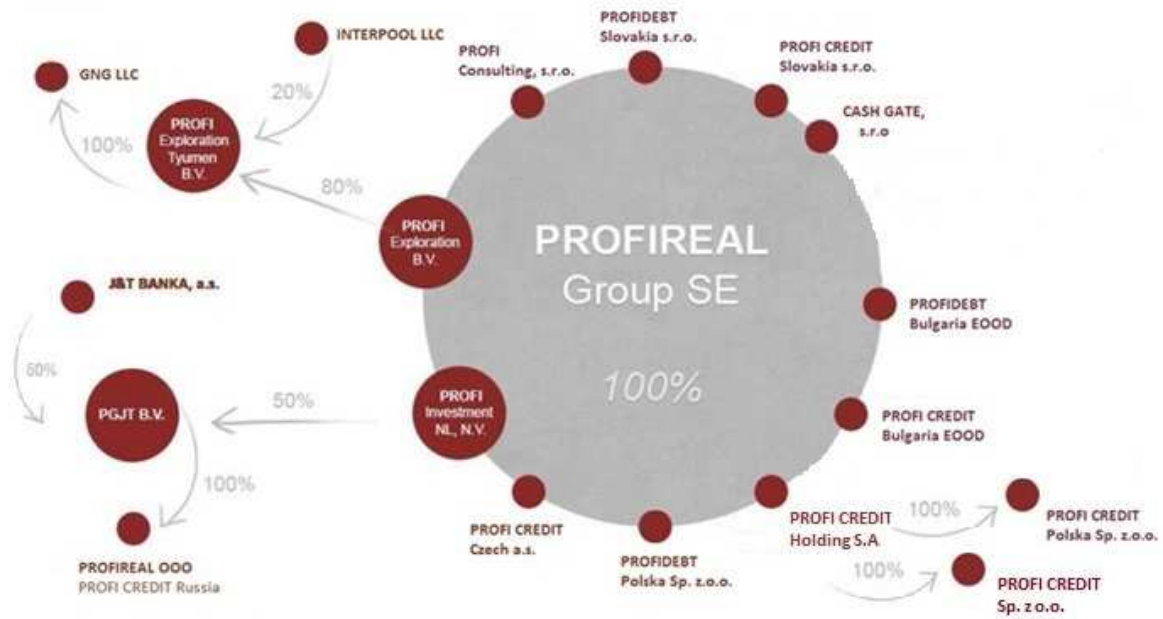


The objective of the newly established PROFI INVESTMENT division is to support business activities. The main activity of PROFI INVESTMENT consists in indentifying investment opportunities and interesting projects with an international overlap and also with local ambitions. Not only does the Company invest 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, the Company also offers capital participation to new, emerging projects.

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

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 31.12.2014.

## **2. A WORD OF INTRODUCTION FROM THE CHIEF EXECUTIVE**

Ladies and gentlemen,

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

2014 was a remarkable year for PROFIT CREDIT chiefly for the reason that it signified the 15-year anniversary of the Company's activities on the market of non-banking loans. I am delighted that it was this celebratory year that the Company gained further economic success and confirmed its stable position on the market. Yet again, we have achieved a year-to-year business increase and intermediated loans and credits in the total nominal value of CZK 2.15 thousand million, out which the volume of new credits was represented by the amount of CZK 1.91 thousand million.

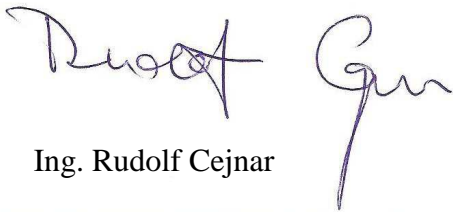
It can be argued that our results of the previous year followed the development on the market of consumer credits, where we offered our products at the beginning of the year in the situation of economic rejuvenation. This fact is prominent mainly in view of the growth of GDP and outgoings of households on the one hand and the simultaneous drop in the rate of unemployment on the other hand. At the same time, the rate of indebtedness of households rose, along with the number personal bankruptcies. As a result, financing of consumer plans was accompanied with significant risks, which may explain the moderate year-to-year growth of this segment.

In addition to business activities, the Company exerted effort to maintain the quality of the portfolio of credits intermediated, like in previous years. At the beginning of the year, we had to modify the product range aimed at business persons in terms of quality, which is reflected in the drop in the volume of sales. A growing number of personal bankruptcies have brought with it a continuously adverse impact on the Company. Accordingly, one of the key priorities of the Company has been to improve an effective risk management and a responsible approach to indebteding our current clients or new prospective clients interested in our products.

The long-term economic stability enables our Company to develop actively its corporate social responsibility. Similarly to the previous year, the most extensive support was provided to the private children's home Markéta, Taťána Kuchařová's Foundation - Beauty of Help, which helps senior citizens, and we also supported the Club of Cystic Fibrosis Patients. As a novelty, we formed a partnership with UNICEF Foundation and supported sports and cultural projects, though to a minor extent.

Our plan for the year 2015 is to concentrate on the optimization of our business network structure, to identify other ways and innovate our products and services, and last but not least, we intend to address an effective management of liquidity and credit risks.

In conclusion, allow me to use this opportunity to thank all our business partners, investors and employees of our company for their support and cooperation in the last year.



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 Bodies of the company**

##### **Board of Directors**



**Ing. David Chour**

Chairman of the Board of Directors

Mr Chour graduated from 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 a university student. He became the Head of the Debt Administration Section and subsequently the Economic Director at the Company. He became a member of the Board of Directors of the Company in July 2001. He currently holds the position of the General Manager and Chairman of the Board of Directors of PROFIREAL Group.



**Ing. Petr Vrba**

Member of the Board of Directors

Mr Vrba graduated from the University of Pardubice, Jan Perner Transport Faculty, majoring in management, marketing and logistics. He joined PROFI CREDIT after completing his studies, taking up a junior management position, and later became the Head of the Debt Administration Section. In 2003, he became a member of the Board of Directors of PROFI CREDIT. He currently holds the position of the General Manager of the PROFI CREDIT division. He is in charge of 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 the Operations Manager of PROFÍ CREDIT division. 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 since October 2012, a role in which he is responsible for coordinating the activities of all sections of PROFÍ CREDIT Czech.



**Ing. Jana Matičková**

Member of the Board of Directors

Ms Matičková graduated from the University of Economics in Prague, Faculty of Business Administration in Prague. She earned much experience in the financial sphere during her studies when she worked for Siemens Engineering as a financial analyst. Having completed her studies in 2007, she joined PROFÍ CREDIT Czech as a financial analyst. She became the Financial Director in 2008. She is in charge of financial management and management of credit risks in the company. She was appointed a member of the Board of Directors of PROFÍ CREDIT Czech.

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

Ing. Zdeněk Lhotský, MBA - Chairman of the Supervisory Board

Ing. Tomáš Rosenberger - Member of the Supervisory Board

Ing. Miroslava Oravcová - Member of the Supervisory Board

**Members of management of Advisory Unit PROFÍ CREDIT Czech, a.s.**

Ing. Jaromír Všečeka - Global Chief Operations Officer

Ing. Petr Vrba – Deputy Global Chief Sales Officer

Ing. Roman Hošek - Global Chief IT Officer

Ing. Marek Štejnár – Global Chief Financial Officer

Ing. Aleš Oborník - Global Chief Collections Officer

Ing. Barbora Biernacki - Global Chief HR Officer

Ing. Ondřej Lokvenc – Global Chief Marketing Officer

Ing. Zdeněk Lhotský, MBA - Strategic Development Manager

Ing. František Tesař - Special Project Manager

Ing. Tomáš Rosenberger - Project Manager Senior

Bc. Jaroslav Ballu Procházka - Business Process Manager

**Members of management of Business Unit PROFÍ CREDIT Czech, a.s.**

Ing. Jana Matičková - Head of Financial Department

Ing. Tomáš Jakoubek – Head of Sales Department

Ing. Ladislav Pavlík - Head of Marketing Department

Mgr. Zdeněk Babička, MBA – Head of Audit Department

Bc. Jakub Dvořák - Head of Collections Department

Jan Matějka - Head of Operations Department

Mgr. Žaneta Nedomová - Head of HR Department

Situation as at 31.12.2014

### **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. PROFI 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, PROFI 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 new company was established in Russia in July 2013.

The basic philosophy at PROFI 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 financial situation.

### 3.3 The product range

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 Specific-purpose loan for business persons. Credits are paid without any fees for approval and set-up. For employee loans, we provide an automatic revolving in case of good payment behaviour. 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. Our loans boast advantages 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** where the fixed payment amount is CZK 4,999. The Loan is offered to clients who earn a stable income. 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).

**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 110,000, with the repayment period of 12 to 48 months.

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.

### 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 nearly CZK 2.15 thousand million in 2014. 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.

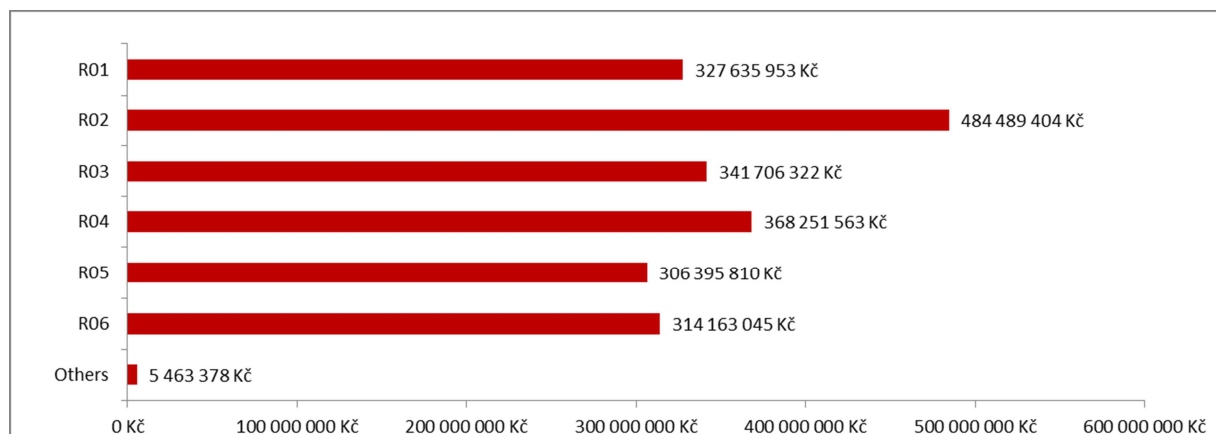
Prague (R 02) was the best region in 2014 for the fourth time in row, providing loans in the Capital City of Prague and the Central Bohemia region in the total annual output of CZK 484 million. Second best was Ostrava region (R 04) with the output of CZK 368 million, which provides loans in the territory of the Moravian and Silesian region and Olomouc region. In the third position we find Brno region (R 03), providing loans in Brno and Zlín regions and partly in Jihlava and Olomouc regions. Its output stands at nearly CZK 342 million. The fourth to sixth positions were accomplished by Pardubice region (R 01), České Budějovice region (R 06) and Mladá Boleslav regions (R 05). The remaining volume of loans was provided by the commercial department at the head office and by alternative distribution channels.

The record month was July 2014, when the Company provided loans valued at a total of CZK 200.7 million. From a regional perspective, the strongest month was September 2014, when the Prague region arranged loans of a nominal value of almost CZK 47.9 million.

During its time on the Czech market, PROFIT CREDIT Czech, a.s. has surpassed a nominal value of newly-provided loans of CZK 17.143 million and the total output, including revolving loans, of CZK 21.238 thousand million.

#### Total output for individual regions in 2014

**Total CZK 2.15 thousand million**



### **3.5 Commercial outlook**

From the commercial point of view, 2014 was a record-breaking year in the whole fifteen-year history of PROFIT CREDIT. In comparison with 2013, the year 2014 saw an increase in the new output by around 1.7%.

We expect an increase in the new output by 12 % in 2015 in comparison with 2014. We would like to achieve this target mainly through products that are targeted at employees more comprehensively and through updated products for business persons and self-employed persons.

Our aim is to offer products to suit clients and loan advisors that are favourable, 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, whether it be 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.

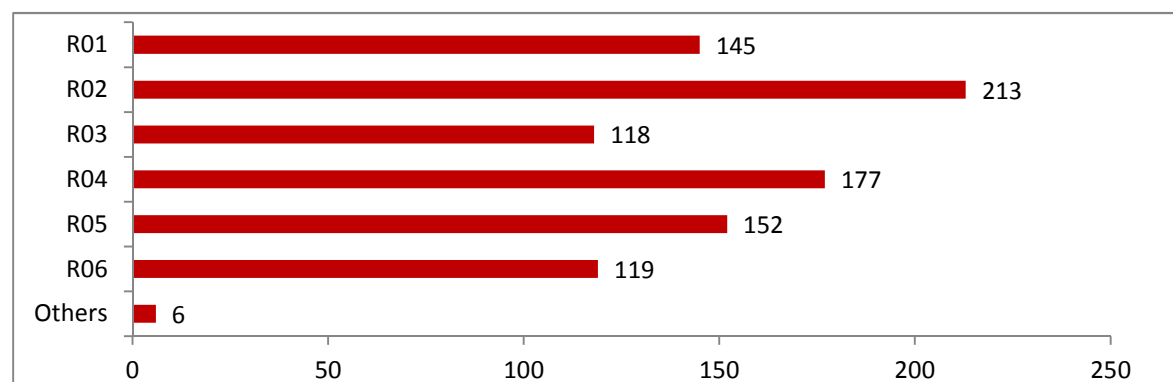
The commercial network in the Czech Republic is divided into six regions: Pardubice (R 01), Prague (R 02), Brno (R 03), Ostrava (R 04), Mladá Boleslav (R 05) and České Budějovice (R 06) regions. Each region has its own head office, which, beside providing the administrative background for commercial 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 71 manager groups in six regions as at 31.12.2014.

Loan advisors work with PROFIT CREDIT based on cooperation contracts, the most important incentive element being the commission paid for loans arranged. 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 930 advisors



As at 31.12.2014, we had a total of 924 loan advisors and 6 external partners. The highest number of loan advisors work in the Prague region (R 02) and Ostrava region (R 04): 213 and 177 loan advisors. The following number of loan advisors operates in the other regions: Pardubice region 145 (R 01), Mladá Boleslav 152 (R 05), České Budějovice region 119 (R 06), Brno region 118 (R 03).

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 2015 to enable it to fully concentrate on commercial activities and so achieve the planned quantitative and qualitative results

### **3.7 Employees**

The essential priority of 2014 in the area of human resources was to stabilize the strategic role of HR Business Partners in all regions of the Czech Republic. Most key decisions on the operation of individual regions were based on mutual agreements between two equal partners - the Regional Director and the HR Business Partner of the given region. In 2015, this strategic partnership will continue to be reinforced. Assignments of the HR Business Partner for the head office will focus on updating of all by-laws in the sphere of HR, associated with the dynamic development of the Company.

At the beginning of 2014, we continued to implement the Development Management Program (a development programme of talent manager education, aimed at preparedness of managers to assume key roles in the Company) by holding the last module directed at chairing meetings and solving problems in groups. In the middle of the year, this two-year programme was completed by an awarding ceremony, when successful participants received certificates of completion.

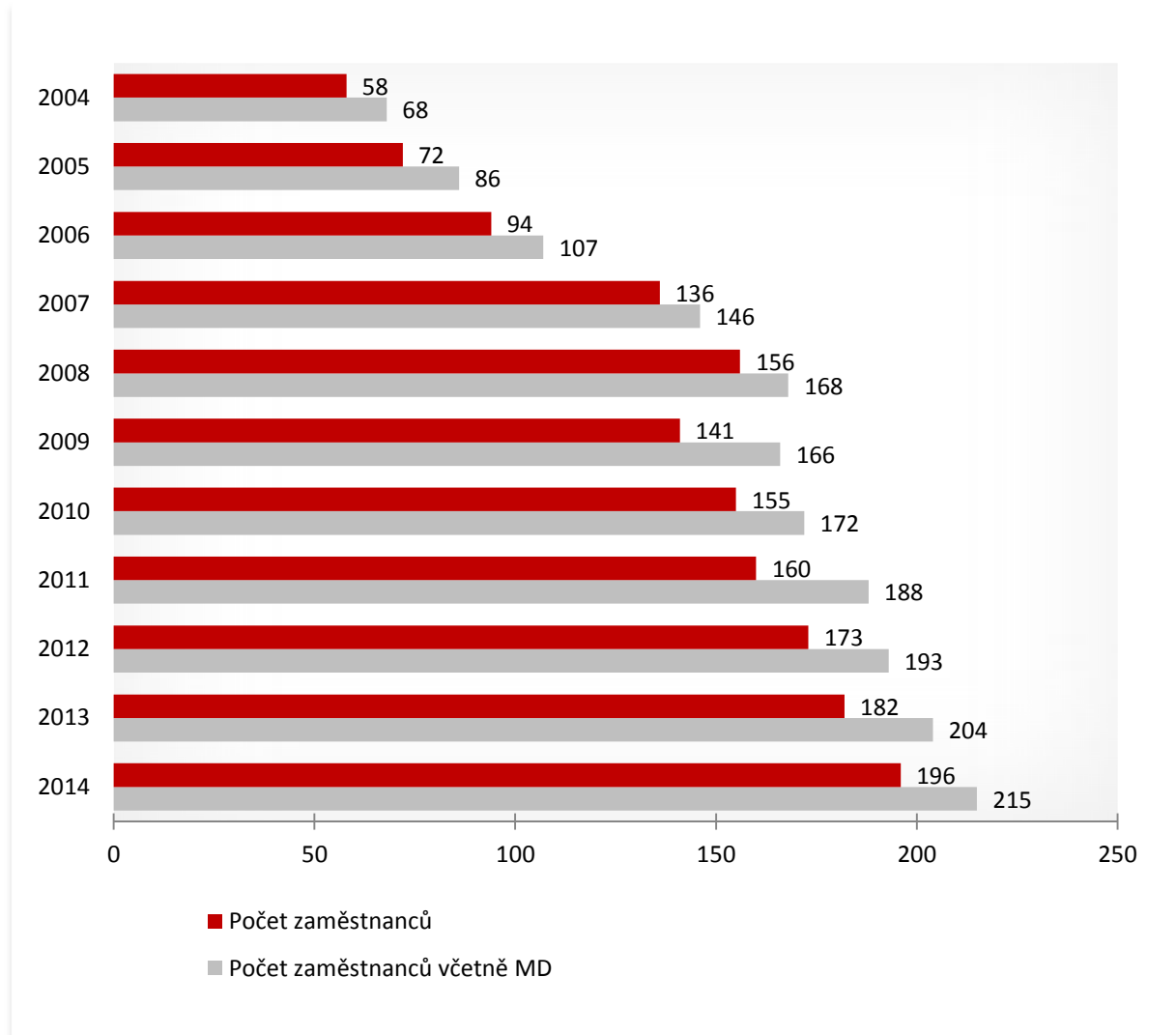
Last year, the support aimed at new employees was extended during their adaptation phase in the Company by regularly held one-day “rotation”, when new employees become acquainted in more detail of all main processes that take place across individual sections. In addition, a regularly updated document “Placebook” was released, which, in fact, is a virtual map of the Company, featuring an overview of all employees at the head office and key workers in individual regions.

The Junior Training Programme, a two-year training programme for university students, continued in 2014. Eight students completed the programme last year, and one of them now works in our Company at a Specialist position in a full-time employment.

In the area of personnel management, all analysed indicators were met in the year 2014. These indicators include HR costs, parameters of estimated stability, fluctuation, mobility, quality of adaptation and development activities.

### The number of employees at PROFÍ CREDIT continued to increase in 2014.

The number of employees in 2014 reflected our increased business plans. We saw a considerable extension of the section of claims and recovering call centre, when the number of employees increased in the international IT department, which worked on the development of a new information system



[Number of employees- Number of employees incl. employees on maternity leave]

### **3.8 Sponsorship**

PROFI CREDIT Czech, a.s. pays full attention to the support and help of the needy. Activities in the spheres of sponsorship and social responsibility have been conducted in form of financial support and also at personal levels.

#### **Projects supported in 2014:**

##### **Private children's home Markéta**

The private children's home Markéta has received our support since 2007. The home is a family establishment managed by husband and wife Hanka and Tomáš Och. This couple has created a loving environment for children who are not lucky enough to grow up in their own families. In addition to our financial support, we invite parents and children from the private children's home Markéta to our in-house events, and traditionally, our employees help prepare the Children's Day, organized in the seat of the children's home in Radhošť. We donated the amount of CZK 100,000 to the private children's home Markéta in 2014.

##### **TK Sparta Praha – support of tennis for children**

In the scope of the international women's tennis tournament Sparta Prague Open, held from 10 to 18 May 2014, we awarded the sports club TK Sparta Praha a cheque in the amount of CZK 400,000 in support of children's tennis. Our donation helps the club to train new tennis talents.

##### **Help for “salty” children**

On 26 June 2014, on the occasion of a beneficial softball match, a member of the Board of Directors of PROFIT CREDIT, Ing. Jana Matičková presented a cheque in the amount of CZK 500,000 to the Director of the Club of Cystic Fibrosis Patients. This amount will be used to provide help to children suffering from this incurable disease. Moreover, participants of the match received material gifts from employees of our Company.

To affirm our support of salty children, we organize “Toy-Windmill Day” every year. On this day, the Czech Republic joins the European Day for Cystic Fibrosis and our employees, along with their children, make toy windmills to support children who are ill.

### **Velká pardubická**

In October 2014, we again sponsored the most important event of the horse-racing season - Velká pardubická, the 124<sup>th</sup> in row. We became a partner of the horse race Popler's trophy of PROFIREAL Group with the donation of CZK 300,000, and this horse race was won by the ten-year old gelding Shaman with Lukáš Matuský in the saddle.

### **Talented pianist Tomáš Kačo**

In autumn 2014, we presented the young talented pianist Tomáš Kačo with the amount of CZK 100,000. Tomáš was admitted for study at the Berklee College of Music in Boston for his talent. Our gift will help him finance costs associated with his studies.

### **Foundation "Beauty of Help"**

In the social responsibility sphere, our Company performs charitable activities by helping the project of Taťána Kuchařová's Foundation "Beauty of Help". This project focuses on programmes for senior citizens, and supports voluntary activities in facilities for senior citizens or home-care establishments. The Foundation supports activities that provide old-aged people with modern social services. In 2014, our Company helped improve the quality of life of many a senior citizen with the amount of CZK 1,000,000.

### **Epidermolysis bullosa ("Butterfly" children)**

PROFI CREDIT makes effort to help where help is needed. Rebeka is a girl who was born with the disease of Epidermolysis bullosa. We were told of her disease by our employees, and we simply decided to support Rebeka and her family with the amount of CZK 50,000 in December 2014. We intend to continue to help in the future.

### **UNICEF**

We became a strategic partner of UNICEF in December 2014. Our first initiative in the scope of this collaboration was to present a cheque of CZK 100,000 to support regions affected by Ebola. We will cooperate with this prestigious company in our joint activities also in 2015.

## **4. REPORT OF THE BOARD OF DIRECTORS**

**Report of the Board of Directors on balance of assets for 2014, annual financial statements for 2014 and proposal for distribution of profit of PROFIT CREDIT Czech, a.s. for 2014.**

**Dated: 04.05.2015**

**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 2014, the Company's main scope of business was provision of credits and loans.

The total assets of the Company achieved the value of CZK 5,443,724 thousand for the accounting period of 2014. The share of current assets was 97.13 % and their total volume reached CZK 5,287,591 thousand in 2014, while trade receivables amounted to CZK 5,171,280 thousand. The proportion of fixed assets to the Company's total assets stood at 1.86% and their total amount in 2014 was CZK 101,269 thousand.

The Company's external resources reached CZK 2,776,168 thousand, of which long-term loans amounted to CZK 1,509,990 thousand.

The main components of the Company's total revenues, in 2014 reaching the amount of CZK 1,640,736 thousand, were represented by financial revenues from provided loans and credits in the amount of CZK 1,064,858 thousand, contractual penalties, fines and interest on overdue payment of CZK 396,915 thousand, other operating revenues (court fees, fees for legal representation, etc.) of CZK 119,083 thousand.

Costs in 2014 reached the total amount of CZK 1,537,166 thousand, whereas the main cost items were represented by value adjustments and creation of reserves in the operations area in the amount of CZK 485,800 thousand, receivables written off for the reason of unsuccessful execution of CZK 39,742 thousand, interests on credits amounting to CZK 339,008 thousand, costs related to commissions paid to external loan and debt-collecting workers of CZK 142,973 thousand and wage costs of CZK 108,866 thousand.

As at 31.12.2014, the accounting unit recognized the accounting economic result before tax in the amount of CZK 170,844,186.34. After including the deferred tax (CZK 2,848,589.95) and tax liabilities, the Company earned a profit in 2014 in the amount of CZK 103,569,092.61. When taking into account the adjustments related to additional and deductible items, the income tax base for the relevant accounting period reached CZK 366,703,033. Tax liabilities for 2014, including the withholding tax, amount to CZK 70,123,683.68.

In accordance with the business plan, PROFIT CREDIT Czech, a.s. gained an accounting profit in 2014. The Company's net accounting profit in 2014 is CZK 103,569,092.61. In compliance with the Company's Statutes, it is proposed that the profit be distributed as follows:

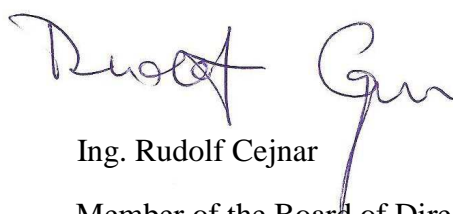
- the payment of dividend of CZK 25,000,000;
- the amount of CZK 78,569,092.61 to be transferred to the retained profit account.

The accounting unit dissolved the statutory reserve fund in the amount of CZK 53,449,066.48 as at 31.12.2014, and the whole amount was transferred to the retained profit account.

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

- Full balance sheet,
- Full profit and loss statement,
- Cash flow statement,
- Supplements 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 13.05.2015, 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 2014, specifically:

1. Financial statements of the Company for 2014
2. Report of the Board of Directors on business activities of the Company for 2014
3. Report of the Board of Directors on the Company's assets, financial statements and proposal for profit distribution for 2014
4. Independent Auditor's Report on verification of the financial statements as at 31.12.2014
5. Report on relations between related parties for 2014

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 2014 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 2014 shows a profit in the amount of CZK 103,569,092.61. In compliance with the Statutes of the Company, the following distribution of the profit is proposed:

- the payment of dividend of CZK 25,000,000;
- the amount of CZK 78,569,092.61 to be transferred to the retained profit account.

The Supervisory Board considered the economic result for 2014, acknowledged the content of the Auditor's Report on verification of the ordinary financial statements, discussed and reviewed the ordinary financial statements for 2014, 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 82 of Act No. 90/2012. 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 2014, the aforementioned proposal of the Board of Directors for distribution of the Company's profit for 2014 and the Report on relations between related parties for 2014.



Ing. Zdeněk Lhotský, MBA

Chairman of the Supervisory Board of PROFIT 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

Tel: +420 246 042 500  
Fax: +420 246 042 555  
DeloitteCZ@deloitteCE.com  
www.deloitte.cz

### INDEPENDENT AUDITOR'S REPORT To the Shareholders of PROFÍ CREDIT Czech, a.s.

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

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

#### Report on the Financial Statements

Based upon our audit, we issued the following audit report dated 4 May 2015 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 2014, 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 2014, 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 PROFÍ CREDIT Czech, a.s. for the year ended 31 December 2014 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 PROFÍ CREDIT Czech, a.s. for the year ended 31 December 2014 contains material factual misstatements.

The Company has decided not to disclose amounts under related party contracts citing business secrecy restriction.

**Report on the Annual Report**

We have also audited the annual report of the Company as of 31 December 2014 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 18 June 2015

Audit firm:

Statutory auditor:

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

Diana RádĹ Rogerov  
certificate no. 2045



## 7. FINANCIAL STATEMENTS

### 7.1 Full Balance Sheet as at 31. 12. 2014 (in CZK thousands)

	31.12.2014			31.12.2013
	Gross	Adjustment	Net	Net
<b>TOTAL ASSETS</b>	<b>10,087,155</b>	<b>4,643,431</b>	<b>5,443,724</b>	<b>5,073,267</b>
<b>B. Fixed assets</b>	<b>164,743</b>	<b>63,474</b>	<b>101,269</b>	<b>85,869</b>
<b>B.I. Intangible fixed assets</b>	<b>76,323</b>	<b>19,321</b>	<b>57,002</b>	<b>40,705</b>
B.I.2. Research and development	984	878	106	244
B.I.3. Software	21,169	18,004	3,165	3,609
B.I.6. Other intangible fixed assets	2,661	439	2,222	2,158
B.I.7. Intangible fixed assets under construction	51,509		51,509	34,694
<b>B.II. Tangible fixed assets</b>	<b>88,240</b>	<b>44,153</b>	<b>44,087</b>	<b>44,984</b>
B.II.1. Land	2,635		2,635	2,635
B.II.2. Structures	48,740	20,426	28,314	28,128
B.II.3. Machinery, equip., vehicles, furniture and fixtures	34,644	23,727	10,917	11,478
B.II.7. Tangible fixed assets under construction	2,221		2,221	2,743
<b>B.III. Financial fixed assets</b>	<b>180</b>		<b>180</b>	<b>180</b>
B.III.5. Other financial fixed assets	180		180	180
<b>C. Current assets</b>	<b>9,867,548</b>	<b>4,579,957</b>	<b>5,287,591</b>	<b>4,934,771</b>
<b>C.I. Inventory</b>	<b>706</b>		<b>706</b>	<b>313</b>
C.I.5. Merchandise	706		706	313
<b>C.II. Long-term receivables</b>	<b>1,289,079</b>		<b>1,289,079</b>	<b>1,371,460</b>
C.II.1. Trade receivables	1,289,079		1,289,079	1,371,460
<b>C.III. Short-term receivables</b>	<b>8,537,842</b>	<b>4,579,957</b>	<b>3,957,885</b>	<b>3,517,602</b>
C.III.1. Trade receivables	8,462,158	4,579,957	3,882,201	3,453,751
C.III.2. Receivables - controlled or controlling entity	8,635		8,635	7,220
C.III.6. Due from state - tax receivables	54,413		54,413	46,792
C.III.7. Short-term advance payments	12,397		12,397	9,642
C.III.8. Estimated accrued revenues	64		64	232
C.III.9. Other receivables	175		175	-35
<b>C.IV. Short-term financial assets</b>	<b>39,921</b>		<b>39,921</b>	<b>45,396</b>
C.IV.1. Cash	480		480	515
C.IV.2. Cash in bank	39,441		39,441	44,881
<b>D. I. Accruals</b>	<b>54,864</b>		<b>54,864</b>	<b>52,627</b>
D.I.1. Deferred expenses	48,792		48,792	47,634
D.I.3. Accrued revenues	6,072		6,072	4,993

	31.12.2014	31.12.2013
<b>TOTAL LIABILITIES</b>	<b>5,443,724</b>	<b>5,073,267</b>
<b>A. Equity</b>	<b>1,263,663</b>	<b>1,205,230</b>
<b>A.I. Registered capital</b>	<b>232,650</b>	<b>232,650</b>
A.I.1. Registered capital	232,650	232,650
<b>A.III. Reserve funds, indivisible fund and other funds from profit</b>		<b>53,449</b>
A.III.1. Statutory reserve fund/Indivisible fund		53,449
<b>A.IV. Profit (loss) of previous years</b>	<b>927,444</b>	<b>824,329</b>
A.IV.1. Retained earnings from previous years	972,446	869,268
A.IV.3. Other profit (loss) of previous years	-45,002	-44,939
<b>A.V. Profit (loss) of current accounting period (+ - )</b>	<b>103,569</b>	<b>94,802</b>
<b>B. Liabilities</b>	<b>2,776,168</b>	<b>2,527,363</b>
<b>B.I. Reserves</b>	<b>116,328</b>	<b>105,170</b>
B.I.3. Reserve for income tax	114,454	103,362
B.I.4. Other reserves	1,874	1,808
<b>B.II. Long-term payables</b>	<b>1,911,027</b>	<b>1,953,504</b>
B.II.1. Trade payables	89,822	93,835
B.II.6. Bonds issued	144,757	
B.II.7. Long-term notes payable	24,155	24,155
B.II.9. Other payables	1,472,083	1,652,455
B.II.10. Due to state - deferred taxes	180,210	183,059
<b>B.III. Short-term payables</b>	<b>599,759</b>	<b>355,756</b>
B.III.1. Trade payables	46,064	47,330
B.III.2. Payables - controlled or controlling person	230,440	3,951
B.III.5. Payables to employees	8,087	7,094
B.III.6. Payables to social security and health insurance	4,183	3,984
B.III.7. Due to state - taxes and subsidies	1,593	1,445
B.III.8. Short-term advance payments received	34	58
B.III.10. Estimated accrued expenses	12,405	24,555
B.III.11. Other payables	296,953	267,339
<b>B.IV. Bank loans and assistance</b>	<b>149,054</b>	<b>112,933</b>
B.IV.2. Long-term bank loans	54,993	
B.IV.2. Short-term bank loans	85,061	103,933
B.IV.3. Short-term financial assistance	9,000	9,000
<b>C. I. Accruals</b>	<b>1,403,893</b>	<b>1,340,674</b>
C.I.1. Accrued expenses	47,081	57,472
C.I.2. Deferred revenues	1,356,812	1,283,202

## 7.2 Profit and Loss Statement, according to the type of income and expenditures, period ending on 31.12.2014 (in CZK thousands)

		Period until 31.12.2014	Period until 31.12.2013
I.	Revenues from goods		3
<b>+</b>	<b>Sale margin</b>		<b>3</b>
II.	Production	55,211	18,068
II.1.	Revenues from own products and services	55,211	18,068
B.	Production consumption	136,745	129,511
B.1.	Consumed material and utilities expenses	11,771	12,394
B.2.	Services	124,974	117,117
<b>+</b>	<b>Added value</b>	<b>-81,534</b>	<b>-111,440</b>
C.	Personnel expenses	152,630	143,730
C.1.	Wages and salaries	108,866	92,384
C.2.	Remuneration of board members	4,239	18,017
C.3.	Social security and health insurance expenses	37,701	31,713
C.4.	Social security expenses	1,824	1,616
D.	Tax and fees	37,290	16,434
E.	Depreciation of intangible and tangible fixed assets	6,611	5,959
III.	Revenues from disposals of fixed assets and materials	4,057	881
III.1.	Revenues from disposals of fixed assets	4,057	881
F.	Net book value of fixed assets and materials sold	2,884	2,460
F.1.	Net book value of fixed assets sold	2,884	2,460
G.	Change in reserves and adjustments relating to operating activity and change in complex prepaid expenses	485,800	700,310
IV.	Other operating revenues	515,997	791,575
H.	Other operating expenses	128,742	125,045
<b>*</b>	<b>Operating profit (loss)</b>	<b>-375,437</b>	<b>-312,922</b>
VI.	Proceeds from sales of securities and ownership interests	1	1
J.	Securities and ownership interests sold	5	534
X.	Interest received	8	34
N.	Interest paid	339,008	298,770
XI.	Other financial revenues	1,065,461	936,535
O.	Other financial expenses	180,176	168,764
<b>*</b>	<b>Profit (loss) from financial operations</b>	<b>546,281</b>	<b>468,502</b>
Q.	Income tax on ordinary income	67,275	60,778
Q.1.	- due	70,124	58,473
Q.2.	- deferred	-2,849	2,305
<b>**</b>	<b>Profit (loss) on ordinary activities</b>	<b>103,569</b>	<b>94,802</b>
<b>***</b>	<b>Profit (loss) for the accounting period (+/-)</b>	<b>103,569</b>	<b>94,802</b>
<b>****</b>	<b>Profit (loss) before tax</b>	<b>170,844</b>	<b>155,580</b>

### 7.3 Statement of changes in equity as at 31.12.2014 (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
<b>Balance as at 31.12.2011</b>	<b>232,650</b>	<b>-620</b>	<b>53,449</b>	<b>697,270</b>		<b>144,697</b>	<b>1,127,446</b>
Profit (loss) distribution				144,697		-144,697	
Revaluation of capital participations		138					138
Profit (loss) for the current period						127,301	127,301
<b>Balance as at 31.12.2012</b>	<b>232,650</b>	<b>-482</b>	<b>53,449</b>	<b>841,967</b>		<b>127,301</b>	<b>1,254,885</b>
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
<b>Balance as at 31.12.2013</b>	<b>232,650</b>		<b>53,449</b>	<b>824,329</b>		<b>94,802</b>	<b>1,205,230</b>
Profit (loss) distribution				94,802		-94,802	
Dissolution of statutory reserve fund			-53,449	53,449			
Other profit (loss) of previous years				-45,136			-45,136
Profit (loss) of current accounting period						103,569	103,569
<b>Balance as at 31.12.2014</b>	<b>232,650</b>			<b>927,444</b>		<b>103,569</b>	<b>1,263,663</b>



## 7.4 Cash flow statement as at 31.12.2014 (in CZK thousands)

	Period until 31.12.2014	Period until 31.12.2013
<b>P.</b>	<b>Opening balance of financial means</b>	
	<b>45,396</b>	<b>22,764</b>
Z.	Profit (loss) for regular activities before tax	
	170,844	155,580
A.1.	Adjustments related to non-monetary operations	
	678,649	446,248
A.1.1.	Depreciation of fixed assets	
	6,611	5,959
A.1.2.	Change in balance of provisions and reserves	
	485,800	700,310
A.1.3.	Profit (loss) from the sale of fixed assets	
	-1,173	1,579
A.1.5.	Interest on costs and income	
	339,000	298,736
A.1.6.	Adjustments related to other non-monetary operations	
	-151,589	-560,336
<b>A.*</b>	<b>Net operating cash flow before changes in the working capital</b>	
	<b>849,493</b>	<b>601,828</b>
A.2.	Change in balance of the working capital	
	-278,303	-329,920
A.2.1.	Change in balance of receivables and accrued assets	
	-436,017	-483,713
A.2.2.	Change in balance and liabilities and accrued liabilities	
	158,108	153,735
A.2.3.	Change in inventory	
	-393	58
<b>A.**</b>	<b>Net operating cash flow before tax and extraordinary items</b>	
	<b>571,190</b>	<b>271,907</b>
A.3.	Interest paid	
	-338,984	-296,845
A.4.	Interest received	
	8	34
A.5.	Income tax for regular activities paid	
	-66,239	-51,915
<b>A.***</b>	<b>Net cash flow from operating activities</b>	
	<b>165,975</b>	<b>-76,819</b>
B.1.	Expenditures related to acquisition of fixed assets	
	-17,442	-26,295
B.2.	Income on sale of fixed assets	
	4,057	881
<b>B.***</b>	<b>Net cash flow from investment activities</b>	
	<b>-13,385</b>	<b>-31,464</b>
	<b>Cash flows from financial activities</b>	
C.1.	Change in balance of liabilities from financing activities	
	-158,066	230,915
C.2.	Effect of changes in equity	
		-100,000
C.2.6.	Dividends paid	
		-100,000
<b>C.***</b>	<b>Net cash flow from financial activities</b>	
	<b>-158,066</b>	<b>130,915</b>
<b>F.</b>	<b>Net change in balance of financial means</b>	
	<b>-5,475</b>	<b>22,632</b>
<b>R.</b>	<b>Closing balance of financial means</b>	
	<b>39,921</b>	<b>45,396</b>

## 7.5. Supplement to the financial statements

BASIC ECONOMIC FACTS OF PROFI CREDIT CZECH, A.S .....	2
CONTENTS.....	3
1. GENERAL FACTS .....	36
1.1. ESTABLISHMENT AND CHARACTERISTICS OF THE COMPANY .....	36
1.2. ORGANIZATIONAL STRUCTURE OF THE COMPANY.....	37
1.3. IDENTIFICATION OF THE GROUP .....	37
1.4. BOARD OF DIRECTORS AND SUPERVISORY BOARD AS AT 31.12.2014 .....	37
1.5. SIGNIFICANT EVENTS IN 2014.....	37
2. ACCOUNTING METHODS AND GENERAL ACCOUNTING PRINCIPLES .....	38
3. OVERVIEW OF SIGNIFICANT ACCOUNTING RULES AND PROCEDURES .....	39
3.1. TANGIBLE FIXED ASSETS .....	39
3.2. INTANGIBLE FIXED ASSETS .....	40
3.3. FINANCIAL FIXED ASSETS .....	41
3.4. INVENTORY .....	41
3.5. RECEIVABLES.....	41
3.6. TRADE LIABILITIES.....	42
3.7. ISSUED BONDS.....	42
3.8. CREDITS AND LOANS .....	42
3.9. RESERVES .....	42
3.10. DEFERRED INCOME.....	43
3.11. CONVERSION OF DATA IN FOREIGN CURRENCIES TO THE CZECH CURENCY .....	43
3.12. FINANCIAL LEASING .....	43
3.13. TAXES.....	43
3.14. IMPAIRMENT LOSSES.....	44
3.15. REVENUES .....	45
3.16. USE OF ESTIMATES .....	45
3.17. RELATED PARTIES .....	45
3.18. CHANGES IN VALUATION METHODS, DEPRECIATION PROCEDURES AND ACCOUNTING METHODS IN COMPARISON WITH THE PREVIOUS ACCOUNTING PERIOD.....	46
3.19. CASH FLOW STATEMENT .....	46
4. ADDITIONAL DATA REGARDING THE BALANCE SHEET AND THE PROFIT AND LOSS STATEMENT.....	47
4.1. FIXED ASSETS.....	47
4.2. FINANCIAL FIXED ASSETS .....	51
4.3. RECEIVABLES.....	51

4.4.	SHORT-TERM RECEIVABLES.....	52
4.5.	DEFERRED CHARGES .....	53
4.6.	EQUITY .....	53
4.7.	RESERVES .....	54
4.8.	LIABILITIES .....	54
4.9.	SHORT-TERM LIABILITIES.....	55
4.10.	BANK CREDITS .....	56
4.11.	ESTIMATED ACCOUNTS PAYABLE - SHORT-TERM.....	57
4.12.	DEFERRED REVENUES AND ACCRUED EXPENSES.....	57
4.13.	INCOME TAX.....	57
4.14.	DEFERRED TAX.....	57
4.15.	PROCEEDS FROM SALE OF SERVICES.....	59
4.16.	TRANSACTIONS WITH RELATED PARTIES.....	59
4.17.	CONSUMED PURCHASES .....	61
4.18.	SERVICES .....	61
4.19.	OTHER OPERATING REVENUES.....	62
4.20.	OTHER OPERATING COSTS .....	62
4.21.	OTHER FINANCIAL REVENUES .....	63
4.22.	INTEREST ON COSTS .....	63
4.23.	OTHER FINANCIAL COSTS .....	63
5.	EMPLOYEES, COMPANY MANAGEMENT AND STATUTORY BODIES .....	64
5.1.	PERSONNEL COSTS AND NUMBER OF EMPLOYEES .....	64
5.2.	PROVIDED LOANS, CREDITS OR OTHER PERFORMANCE.....	64
6.	LIABILITIES NOT RECORDED IN ACCOUNTING.....	66
7.	EVENTS OCCURRING AFTER THE DATE OF FINANCIAL STATEMENTS.....	67

## 1. GENERAL FACTS

### 1.1. Establishment and characteristics of the Company

PROFI CREDIT Czech, a.s. (formerly PROFIREAL, a.s.) (the “Company” henceforth) was established by the Memorandum of Association as a joint-stock company on 21 November 1994 and was incorporated by its registration in the Commercial Register administered by the Court in Hradec Králové on 05 December 1994; currently, the Company is registered with the Municipal Court in Prague, Section B, Insert 2892.

The scope of business of the Company is:

- Production, trade and services not listed in Annexes 1 to 3 to the Trade Licensing Act;
- Provision or intermediation of consumer credits.

In 2014, the amount of registered capital remained unchanged and stands at CZK 232,650 thousand (63 shares in the total nominal amount of CZK 232,650 thousand).

The financial statements of the Company are prepared as at 31.12.2014.

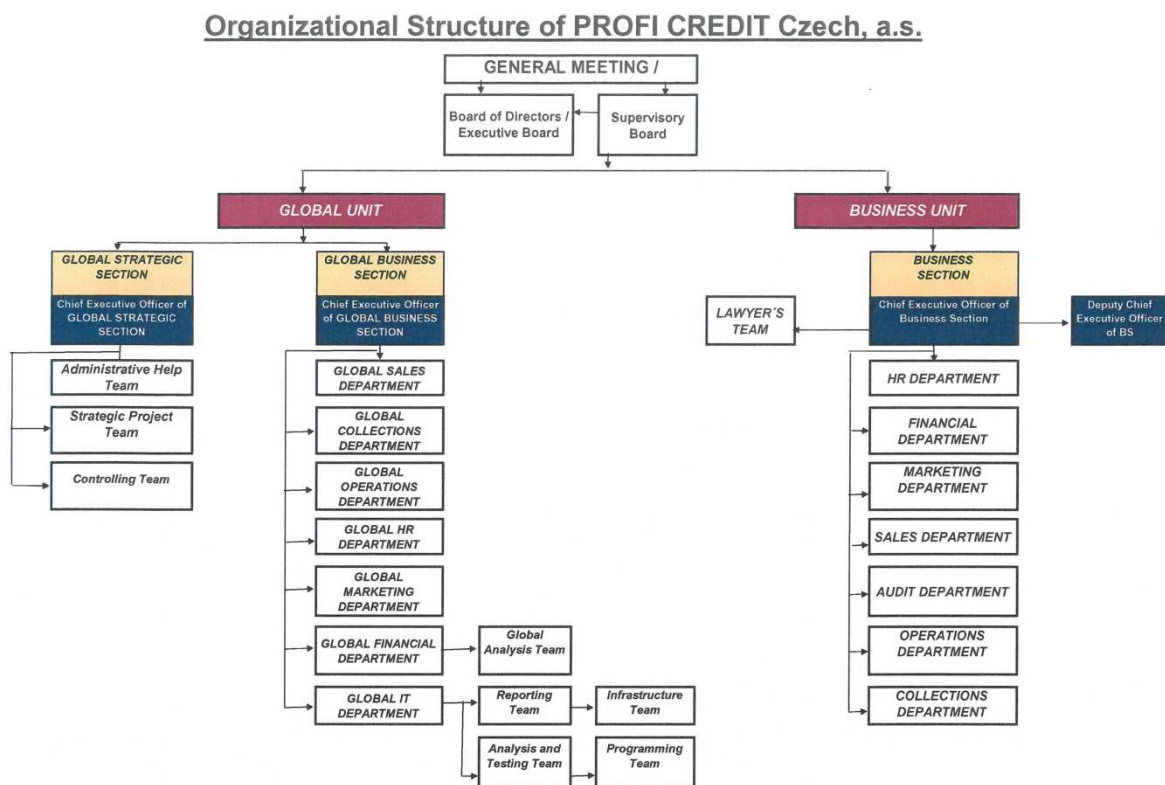
The accounting period corresponds to the calendar year - from 01.01.2014 to 31.12.2014.

These financial statements represent ordinary financial statements prepared for no specific purpose, transaction or user. When making their decision, users should not rely on these financial statements exclusively and they are advised to conduct further appropriate questioning.

Natural and legal persons with a share in the Company’s registered capital exceeding 20% and their respective shares are indicated in the following table:

Shareholder	% share in registered capital
PROFIREAL Group SE	100 %
<b>Total</b>	<b>100 %</b>

## 1.2. Organizational structure of the Company



## 1.3. Identification of the group

The Company is a member of the financial group PROFIREAL Group SE.

## 1.4. Board of Directors and Supervisory Board as at 31.12.2014

	Position	Name
<b>Board of Directors</b>	Chairman	David Chour
	Member	Petr Vrba
	Member	Rudolf Cejnar
	Member	Jana Matičková
<b>Supervisory Board</b>	Chairman	Zdeněk Lhotský
	Member	Tomáš Rosenberger
	Member	Miroslava Oravcová

## 1.5. Significant events in 2014

No significant events occurred in 2014.

## **2. ACCOUNTING METHODS AND GENERAL ACCOUNTING PRINCIPLES**

Accountancy of the Company is kept and the financial statements have been prepared in compliance with Act No. 563/1991 Coll., on Accountancy, as amended, Decree No. 500/2002 Coll., implementing certain provisions of Act No. 563/1991 Coll., on Accountancy, for business accounting units maintaining double-entry accounting, as amended, and the Czech Accounting Standards for business persons, as amended.

Accountancy respects general accountancy principles, in particular the principle of valuation of assets at historical costs, the principle of accruals-based accounting, the precautionary principle and the assumption that the accounting unit will be able to continue on the going concern principle.

Data in these financial reports are shown in thousands Czech crowns (CZK thousands).

### 3. OVERVIEW OF SIGNIFICANT ACCOUNTING RULES AND PROCEDURES

#### 3.1. Tangible fixed assets

Tangible fixed assets are understood as assets the useful life of which exceeds one year and whose value is higher than CZK 5 thousand in each individual case.

The depreciation schedule (accounting depreciation) is determined on the basis of determination of the period of use of an asset in the Company and the estimated residual cost. The residual cost is the price for which an asset can be sold after it was used.

Monthly depreciation is determined according to the following formula:

$$MO = \frac{PC - ZC}{D}$$

PC acquisition cost

ZC residual cost

D period of use in months

MO monthly depreciation

Purchased tangible fixed assets are evaluated at acquisition cost less accumulated depreciation and impairment losses ensuing from a write-down adjustment.

Evaluation of tangible fixed assets generated internally includes direct costs, indirect costs imminently related to the internal generation of the particular asset (production overheads) or indirect administrative costs if the time of generation of the asset exceeded a single accounting period.

Current replacement cost is used to evaluate tangible fixed assets acquired as a gift, fixed assets newly recorded on the accounts (recognized as a corresponding entry on the relevant accumulated depreciation account) and deposited tangible fixed assets.

Technical upgrading of each asset exceeding CZK 5 thousand per one tax period increases the acquisition cost of tangible fixed assets.

Acquisition cost of tangible fixed assets, except for plots of land and uncompleted investments, is amortized during the estimated lifetime of the individual asset by the straight-line method.

Assets acquired in the form of a financial lease are depreciated by the lessor.

Technical upgrading of leased tangible fixed assets is depreciated by the linear method for the term stipulated by the Act on Income Tax upon the classification of assets in groups.

Profit or loss from the sale or disposal of assets is determined as a difference between revenues from sales and the book residual cost of assets as at the date of sale and it is recognized in the profit and loss statement.

#### Method of creation of value adjustments

Book residual cost of an asset is compared to its value in use. In case that the book value is higher, value adjustments are constituted in the amount of the difference.

### **3.2. Intangible fixed assets**

Intangible fixed assets are assets the useful life of which exceeds one year and whose value in case of generation expenses is higher than CZK 5 thousand in each individual case.

Intangible fixed assets are, inter alia, intangible results of research and development with the useful life exceeding one year, which are activated only in case of use for resale. Intangible results of research and development, SW and measurable rights generated internally for private consumption are not activated. Evaluation is carried out at own cost or current replacement cost, if lower.

Purchased intangible fixed assets are evaluated at acquisition cost less accumulated depreciation and impairment losses ensuing from the write-down adjustment.

Expenditures related to research and development are recognised on the costs account in the year when they occurred.

Technical upgrading of a particular asset exceeding in aggregate the amount of CZK 5 thousand within a single tax period increases the acquisition cost of intangible fixed assets.



Intangible fixed assets are amortized by the straight-line method on the basis of their estimated lifetime. Most of intangible fixed assets are depreciated for 5 years.

#### Method of creation of value adjustments

The Company created no value adjustments for intangible assets.

### **3.3. Financial fixed assets**

Financial fixed assets are mainly loans with maturity exceeding one year and participating interests. Upon their acquisition, participating interests are evaluated at acquisition cost.

Shares in the companies in which financial flows and operating processes can be managed by the Company with the aim to gain other benefits from their activities are classified as Shares in controlled and managed entities.

Value adjustments are constituted on the basis of a depreciation analysis of loans and participating interests.

### **3.4. Inventory**

Purchased inventory is evaluated at acquisition cost. The acquisition cost includes the cost of procurement and additional acquisition costs - mainly customs fees, freight and storage charges, commissions, insurance premium and discounts. The Company's inventory includes small advertising and promotional items only.

### **3.5. Receivables**

When incurred, receivables are evaluated at their nominal value, subsequently reduced by the relevant value adjustments for questionable and uncollectible amounts. Receivables acquired for consideration or as a deposit are evaluated at acquisition cost less value adjustments for questionable and uncollectible amounts.

In accordance with the Memorandum, the nominal value also includes the amount of future proceeds that the Company recognizes on the deferred income account (see paragraph 3.10.).

### Method of creation of value adjustments

The Company constitutes value adjustments for the receivables incurred by virtue of credit agreements and accessories to such receivables. The amount of value adjustments is determined on the basis of an analysis of enforceability of overdue receivables in the previous periods.

On the basis of historical data, the Company estimates all future cash flows related to individual types of receivables. Value adjustments are then represented by the difference between the prescribed receivables and the executed or expected settlements.

### **3.6. Trade liabilities**

Trade liabilities are evaluated at their nominal value.

The Company recognizes depreciation of liabilities ensuing from unidentifiable received payments older than five years within other financial revenues.

### **3.7. Issued bonds**

The Company recognises issued bonds as a liability from issued bonds in the amount of their nominal value increased by incurred interest costs. The value of issued bonds is decreased by the value of own bonds.

### **3.8. Credits and loans**

Credits and loans are recognized in their nominal value. Short-term credits/loans also include a part of long-term credits/loans payable within one year from the date of the financial statements. Interests are recorded on an accrual basis and are included in the profit (loss) for the given accounting period.

### **3.9. Reserves**

Reserves are created to cover future risks and expenditures the purpose of which is known, and which are characterized with a high probability to occur but their value or date when they will be settled are uncertain. The Company constitutes reserves for the leave untaken by its employees and for legal person income tax.

Reserves for untaken leave are created on the basis of an untaken leave analysis on the date of the financial statements and average wage costs including social security and health insurance costs of individual employees.

Reserves for legal person income tax are constituted on grounds of the payable tax calculation.

### **3.10. Deferred income**

Deferred income mainly includes contractual remuneration from loans provided, which is gradually released to income during the term of the loan.

### **3.11. Conversion of data in foreign currencies to the Czech currency**

Accounting operations in foreign currencies carried out during the year are translated at daily exchange rate of the Czech National Bank [ČNB].

As at the date of the financial statements, relevant assets and liabilities are translated at the exchange rate of the Czech National Bank prevailing on the date the financial statements are prepared.

### **3.12. Financial leasing**

Financial leasing means acquisition of tangible fixed assets when after the lapse of in the course of the agreed period of use of an asset by a particular user for consideration, the ownership of the asset is transferred from the owner to the user and until the transfer is completed, the user settles the acquisition cost as a part of their costs.

The total value of financial leasing is recorded on an accrual basis and released to costs during the lease. The total financial leasing liability with subsequent purchase is recognized on the liabilities account and is gradually decreased in accordance with repayments of this liability.

### **3.13. Taxes**

#### **3.13.1. Tax depreciation of fixed assets**

The accelerated depreciation method is used for the calculation of tax depreciations.

### **3.13.2. Payable tax**

Payable tax for the given accounting period is based on taxable profit. Taxable profit differs from the net profit shown in the profit and loss statement as it does not include the revenue or cost items taxable or recognisable in other periods or the items which are not subject to tax or deductible. The Company's liabilities ensuing from payable taxes are calculated with use of tax rates valid on the date of the financial statements.

### **3.13.3. Deferred tax**

Deferred tax is calculated by the liability method ensuing from the balance-sheet approach.

As at the date of the financial statements, the book value of a deferred-tax receivable is assessed and reduced to the extent in which it is no longer probable that a sufficient taxable profit will be available against which such receivable or its part could be set off.

Deferred tax is included in the profit and loss statement, with the exception of cases when it relates to items recognized directly in the equity, in which case the related deferred tax is also included in the equity.

Deferred tax receivables and liabilities are mutually recognized and shown in the balance sheet in the total net value, with the exception of cases when certain partial tax receivables cannot be set off against partial tax liabilities.

### **3.14. Impairment losses**

On each balance sheet date, the Company verifies the book value of its assets to find any indication of the impairment loss of assets. If such signals occur, the Company estimates the recoverable amount of assets, and the Company determines the extent of impairment loss. In case a recoverable amount of individual asset items cannot be estimated, the Company establishes the recoverable amount of the cash-generating unit to which such asset is related.

The recoverable amount represents the higher of the net selling price of the given asset and its value in use. When determining the value in use, estimated future cash flows are discounted to their current value through the discount rate before tax, which takes into account the current market assessment of the time value of money and risks specifically related to the given asset.

If according to an estimate the recoverable amount of an asset (or cash-generating unit) is lower than its book value, the book value of such asset (cash-generating unit) is decreased to equal the relevant recoverable amount.

### **3.15. Revenues**

Revenues are recognized in the value of the consideration received or the consideration that is to be received, and represent receivables for goods and services provided in the course of regular activities less discounts, value added tax and other taxes related to sales.

Contractual remuneration is accrued on the basis of the outstanding part of the principal and is recognized in the row "Other financial revenues". Charges and interest on overdue payment are recognized in the row "Other operating revenues".

Dividend income is recognized upon announcement of the right to accept dividends.

### **3.16. Use of estimates**

Preparation of financial statements requires that the Company management uses estimates and assumptions influencing the value of assets and liabilities shown as at the date of financial statements and the shown amount of revenues and costs for the period analysed. The Company management determined these estimates and assumptions based on all available relevant information and the management believes that the used estimates and assumptions will not significantly differ from actual values in the following accounting periods. Nevertheless, the current global economic crisis, its acceleration and turbulences in the markets increase the risk that the actual results may differ from the estimates to a considerable extent. The main areas where significant differences between actual results and estimates can occur are mainly value adjustments of receivables.

### **3.17. Related parties**

A related party is a party related to a particular accounting unit, provided that such party, directly or indirectly, through one or more agents, controls the given accounting unit, is controlled by the accounting unit or is controlled jointly with the given accounting unit (this concerns parent companies, subsidiaries and sister companies), or provided that the party is a member of the key management of the given accounting unit or its parent company.

Transactions between related parties represent a transfer of resources, services or liabilities between the related parties regardless of the fact whether prices are charged.

The Company management defined related parties specified in the financial statements and the transactions between them on grounds of the last known data.

### **3.18. Changes in valuation methods, depreciation procedures and accounting methods in comparison with the previous accounting period**

No changes regarding valuation methods and depreciation procedures during 2014. However, the Company decided to change the accounting method with respect to interest on overdue payments, which are accounted for only in assumed enforceable amounts from 01.01.2014. The reason for the change is a more accurate reflection of revenues, which were considerably corrected by related adjustments in case of accounting of fully claimable amounts of interest. In comparison with the original accounting method, CZK 301 million were not recognized in revenues, which amount would otherwise be provided adjustments of CZK 277 million. This change of accounting has no significant impact on the economic result.

### **3.19. Cash flow statement**

The cash flow statement was prepared using the indirect method. Cash equivalents represent short-term liquid assets, which can be easily and readily transferred to a previously known amount in cash. Funds and cash equivalents can be analysed as follows:

	(data in CZK thousands)	
	<b>31.12.2014</b>	<b>31.12.2013</b>
Cash balance and cash in transit + valuables	480	515
Accounts in banks	39,441	44,881
<b>Funds and cash equivalents in total</b>	<b>39,921</b>	<b>45,396</b>

Cash flows from operating, investment or financial activities are provided in the cash flow statement as uncompensated cash flows.

#### 4. ADDITIONAL DATA REGARDING THE BALANCE SHEET AND THE PROFIT AND LOSS STATEMENT

##### 4.1. Fixed assets

##### 4.1.1. Intangible fixed assets

###### Acquisition cost

(data in CZK thousands)

	Balance as at 31.12.2012	Additions	Disposals	Bal. as at 31.12.2013	Additions	Disposals	Bal. as at 31.12.2014
Research and development	984	0	0	984	0	0	984
Software	18,643	1,170	29	19,784	1,385	0	21,169
Other intangible fixed assets	0	2 218	0	2,218	443	0	2,661
In. fixed assets under construction	15,756	22,326	3 388	34,694	18,772	1 957	51,509
<b>Total</b>	<b>35,383</b>	<b>25,714</b>	<b>3,417</b>	<b>57,680</b>	<b>20,600</b>	<b>1,957</b>	<b>76,323</b>

###### Depreciation

(data in CZK thousands)

	Balance as at 31.12.2012	Additions	Disposals	Balance as at 31.12.2013	Additions	Disposals	Balance as at 31.12.2014
Research and development	601	139	0	740	138	0	878
Software	14,578	1,597	0	16,175	1,829	0	18,004
Other intangible fixed assets	0	60	0	60	379	0	439
<b>Total</b>	<b>15,179</b>	<b>1,796</b>	<b>0</b>	<b>16,975</b>	<b>2,346</b>	<b>0</b>	<b>19,321</b>

###### Residual value

(data in CZK thousands)

	Balance as at 31.12.2013	Balance as at 31.12.2014
Research and development	244	106
Software	3,609	3,165
Other intangible fixed assets	2,158	2,222
In. fixed assets under construction	34,694	51,509
<b>Total</b>	<b>40,705</b>	<b>57,002</b>

Intangible fixed assets under construction include costs amounting to CZK 49,538 thousand expended on development of new information and managerial systems, which are planned to be put into operation in 2015.

#### 4.1.2. Tangible fixed assets

##### Acquisition cost

(data in CZK thousands)

	Balance as at 31.12.2012	Additions	Disposals	Balance as at 31.12.2013	Additions	Disposals	Balance as at 31.12.2014
Land	2,635	0	0	2,635	0	0	2,635
Structures	47,948	124	577	47,495	1,245	0	48,740
Individual tangible assets	41,386	3,874	4,975	40,285	3,599	9,240	34,644
- <i>Machinery and equipment</i>	6,819	1,751	385	8,185	535	450	8,270
- <i>Vehicles</i>	12,404	540	3,414	9,530	0	8,226	1,304
- <i>Furniture and fixtures</i>	22,163	1,583	1,176	22,570	3,064	564	25,070
Tan. fixed assets under constr.	1,615	4,586	3,458	2,743	4,353	4,875	2,221
<b>Total</b>	<b>93,584</b>	<b>8,584</b>	<b>9,010</b>	<b>93,158</b>	<b>9,197</b>	<b>14,115</b>	<b>88,240</b>

##### Depreciation and adjustments

(data in CZK thousands)

	Balance as at 31.12.2012	Additions	Disposals	Balance as at 31.12.2013	Additions	Disposals	Balance as at 31.12.2014
Structures	18,386	1,558	577	19,367	1,059	0	20,426
Individual tangible assets	27,639	5,615	4,447	28,807	3,581	8,661	23,727
- <i>Machinery and equipment</i>	3,512	1,229	296	4,445	1,249	448	5,246
- <i>Vehicles</i>	9,133	2,553	3,414	8,272	390	7,658	1,004
- <i>Furniture and fixtures</i>	14,994	1,833	737	16,090	1,942	555	17,477
<b>Total</b>	<b>46,025</b>	<b>7,173</b>	<b>5,024</b>	<b>48,174</b>	<b>4,640</b>	<b>8,661</b>	<b>44,153</b>

##### Residual value

(data in CZK thousands)

	Balance as at 31.12.2013	Balance as at 31.12.2014
Land	2,635	2,635
Structures	28,128	28,314
Individual tangible assets	11,478	10,917
- <i>Machinery and equipment</i>	3,740	3,024
- <i>Vehicles</i>	1,258	300
- <i>Furniture and fixtures</i>	6,480	7,593
Tan. fixed assets under constr.	2,743	2,221
<b>Total</b>	<b>44 984</b>	<b>44 087</b>



In 2014, the Company procured low-value tangible assets at the acquisition cost amounting up to CZK 5 thousand, which was recognized directly on the costs account in the total amount of CZK 1,406 thousand, and in the total amount of CZK 590 thousand in 2013. Fixed assets under construction include IT equipment purchased under implementation of the new information system, which the Company plans to put into operation in 2015.

#### 4.1.3. Pledged assets

2014

(data in CZK thousands)

Asset description	Net book value	Description, scope and purpose of pledge / lien	Value of secured liability
Receivables	7,381,580	All receivables from clients exceeding the pledge of another creditor	1,135,730
Receivables	2,186,319	Fulfilling terms for pledging	608,927
Accounts	36,653	Balances on Collection and Blocked accounts	
Receivables	183,338	Minimum of 180% of credit amount	100,355
<b>Total</b>	<b>9,787,890</b>		<b>1,845,012</b>

2013

(data in CZK thousands)

Asset description	Net book value	Description, scope and purpose of pledge / lien	Value of secured liability
Receivables	7,033,131	All receivables from clients exceeding the pledge of another creditor	1,313,730
Receivables	106,193	Minimum of 200 % of credit amount	
Real estate	27,483	Building at Pernštýnské nám. 80, Pardubice	50,000
Receivables	1,735,099	Fulfilling terms for pledging	
Accounts	30,183	Balances on Collection and Blocked accounts	586,040
Receivables	45,010	Minimum of 180% of credit amount	25,000
<b>Total</b>	<b>8,977,099</b>		<b>1,974,770</b>

**4.1.4. Assets acquired through financial leasing**Financial leasing with subsequent purchase of the leased asset

(data in CZK thousands)

Description of item/group of items	Initiation date	Duration in months	Total leasing value	Instalments actually paid as at 31.12.2013	Instalments actually paid as at 31.12.2014	Payable in 2015	Payable in following years
Passenger cars	31.7.2008	60	647	56	0	0	0
Passenger cars	07.10.2010	54	1,270	239	239	61	0
Passenger cars	03.02.2011	60	968	162	162	162	15
Passenger cars	26.05.2011	60	1648	276	276	276	97
Passenger cars	01.08.2011	60	738	124	124	124	63
Passenger cars	14.12.2011	60	995	167	167	167	140
Passenger cars	28.12.2011	60	1,269	214	214	214	197
Passenger cars	30.04.2012	60	3,100	518	529	529	711
Passenger cars	13.06.2012	60	375	63	63	63	90
Passenger cars	27.09.2012	60	3,284	,533	556	556	980
Passenger cars	22.03.2013	60	797	223	134	136	308
Passenger cars	06.06.2013	60	3,151	,868	517	517	1,258
IT solution - HW	31.07.2013	60	7,555	629	1,511	1,511	3,905
Passenger cars	31.10.2013	60	613	,135	100	100	277
Passenger cars	27.11.2013	60	1,074	,223	176	176	503
Passenger cars	01.12.2013	60	1,127	0	402	185	542
Passenger cars	15.05.2014	60	7,946	0	2,225	1,295	4,426
Passenger cars	30.05.2014	60	606	0	159	101	347
Passenger cars	05.06.2014	60	839	0	222	140	479
IT solution - HW	30.06.2014	60	1,413	0	141	283	992
Passenger cars	21.07.2014	60	2,965	0	769	447	1,756
<b>Total</b>			<b>42,380</b>	<b>4,430</b>	<b>8,686</b>	<b>7,043</b>	<b>17,086</b>

The data are excluding value added tax provided that the tax can be claimed as a deduction at the input.

## 4.2. Financial fixed assets

### Book value

(data in CZK thousands)

	Balance as at 31.12.2012	Additions	Disposals	Revaluation as at 31.12.2013	Balance as at 31.12.2013	Additions	Disposals	Revaluation as at 31.12.2014	Balance as at 31.12.2014
Shares in controlled and managed parties	0	0	0	0	0	0	0	0	0
Shares in related parties	50	0	50	0	0	0	0	0	0
Other loans	180	0	0	0	180	0	0	0	180
<b>Total</b>	<b>230</b>	<b>0</b>	<b>50</b>	<b>0</b>	<b>180</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>180</b>

### 4.2.1. Loans and credits received – controlling party

#### 2014

(data in CZK thousands)

Company	Interest rate	Security	Maturity date	Currency	Residual value
PROFIREAL Group SE	18% p.a.	Blank bill	Demand + 90 days	CKZ	223,500
<b>Total</b>					<b>223,500</b>

#### 2013

(data in CZK thousands)

Company	Interest rate	Security	Maturity date	Currency	Residual value
PROFIREAL Group SE	15.5% p.a.	Blank bill	Demand + 30 days	CKZ	0
<b>Total</b>					<b>0</b>

## 4.3. Receivables

### 4.3.1. Long-term receivables

Long-term receivables amounted to CZK 1,289,079 thousand and CZK 1,371,460 thousand as at 31.12.2014 and 31.12.2013, respectively. These items include long-term receivables ensuing from credits and loans provided with the maturity exceeding one year at the moment when the financial statements were prepared. The Company has no receivables the maturity of which exceeds 5 years.

#### 4.4. Short-term receivables

##### 4.4.1. Maturity structure of trade receivables

(data in CZK thousands)

Years	Category	Unspecified	Due	Overdue					Overdue in total	Total
				0 - 90	91 - 180	181 - 360	1 - 2	2 and		
				days	days	days	years	more yrs		
<b>2014</b>	Gross	1,177,788	1,680,592	331,486	276,785	510,239	835,536	3,649,732	5,603,778	<b>8,462,158</b>
	Value adjust.	988,325	23,761	126,358	147,180	286,750	538,924	2,468,659	3,567,871	<b>4,579,957</b>
	Net	189,463	1,656,831	205,128	129,605	223,489	296,612	1,181,073	2,035,907	<b>3,882,201</b>
<b>2013</b>	Gross	1,159,001	1,439,554	274,254	240,615	455,605	851,101	3,127,843	4,949,418	<b>7,547,973</b>
	Value adjust.	1,049,592	19,678	108,172	130,434	260,472	651,618	1,874,256	3,024,952	<b>4,094,222</b>
	Net	109,409	1,419,876	166,082	110,181	195,133	199,483	1,253,587	1,924,466	<b>3,453,751</b>

Interest on contractual penalties cannot be classified within the particular categories in the table as there is no governing date before the Court issues its decision (this interest is therefore included in the Unspecified category).

As at 31.12.2014, receivables (long-term and short-term) serving as security for accepted bank loans amounted to CZK 183,338 thousand, and for accepted non-bank loans to CZK 9,567,899 thousand CZK.

Changes in the value adjustments regarding receivables can be classified as follows:

(data in CZK thousands)

	2014	2013
Opening balance as at 01 January	4,094,222	3,390,331
Creation	528,159	774,800
Use	-42,424	-70,909
<b>Ending balance as at 31 December</b>	<b>4,579,957</b>	<b>4,094,222</b>

#### 4.4.2. Receivables from group members

##### Short-term trade receivables

(data in CZK thousands)

Name of company	Balance as at 31.12.2014	Balance as at 31.12.2013
Profidebt Slovakia, s.r.o.	0	27
Profidebt, s.r.o.	0	133
Cash Gate, s.r.o.	11	56
PROFI CREDIT Bulgaria EOOD	1,297	1,729
PROFI CREDIT Slovakia,s.r.o.	1,341	1,041
PROFI CREDIT Poland Sp.z. o.o.	71	578
PROFI CREDIT Sp.z o.o.	1,392	0
Profi Consulting s.r.o.	22	22
PROFIREAL LLC	4,359	3,296
Profi Investment NL N.V.	0	3
Silversouth, a.s.	9	9
Southstream, a.s.	9	9
Strongwest, a.s.	9	9
TH Real, a.s.	9	23
PROFIREAL Group SE	106	285
<b>Total short-term receivables after Group members</b>	<b>8,635</b>	<b>7,220</b>

The Company provided no credits to group members in 2014.

#### 4.5. Deferred charges

The most significant item is the fee for credit provision from two non-banking entities amounting to CZK 9,326 thousand and CZK 3,342 thousand. Other deferred charges items include deferred costs related to the financial leasing of cars and IT that reaches CZK 27,658 thousand as at 31.12.2014 (CZK 13,134 thousand as at 31.12.2013). On 31.12.2014, the total amount of deferred costs amounts to CZK 48,792 thousand (CZK 47,634 thousand as at 31.12.2013).

#### 4.6. Equity

At the end of 2014, the equity reaches CZK 1,263,663 thousand (on 31.12.2013 it was CZK 1,205,230 thousand as at 31.12.2013). In 2014, the Company dissolved a reserve for the recalculated tax liability for 2006, which was paid. Another tax obligation was assessed in connection with the same tax liability; however, since the company does not consider this

obligation justifiable, an appeal has been filed against this obligation. The amount assessed was accounted for as a reserve from retain profits of previous years against other profit (loss) of previous years.

The capital stock amounts to CZK 232,650 thousand and consists of 40 shares with the nominal value of CZK 5,500 thousand and 23 shares with the nominal value of CZK 550 thousand.

#### 4.7. Reserves

	(data in CZK thousands)		
	Reserves for untaken leave	Income tax reserve	Reserves in total
Balance as at 31.12.2013	1,808	103,362	105,170
Creation of reserves	1,874	121,475	123,349
Use of reserves	1,808	110,383	112,191
<b>Balance as at 31.12.2014</b>	<b>1,874</b>	<b>114,454</b>	<b>116,328</b>

#### 4.8. Liabilities

##### 4.8.1. Long-term trade liabilities

	(data in CZK thousands)	
Type of liability	Balance as at 31. 12. 2014	Balance as at 31. 12. 2013
Commission to staff providing credits	89,822	93,835
<b>Total</b>	<b>89,822</b>	<b>93,835</b>

##### 4.8.2. Issued bonds

In December 2012, the Company issued book-entry bonds with the total amount of CZK 3,000,000 thousand (the nominal value of each particular bond is CZK 1). The interest accrued as at 31.12.2014 amounts to CZK 557,000 thousand. In 2014, the Company placed 114,200 thousand bonds with the interest rate of 7.5% p.a.

**4.8.3. Other long-term liabilities and long-term notes**

(data in CZK thousands)

Type of liability	Currency	Balance as at 31.12.2014	Balance as at 31.12.2013	Interest rate 2014	Form of security 2014
Loan from non-banking entity	CZK	1,135,730	1,313,730	19%	Blank bill + all pledged receivables exceeding the security towards other creditors as specified in par. 4.10.
Loan from non-banking entity	CZK	319,267	320,820	8%	Blank bill + right of lien to receivables from contracts fulfilling all terms for pledging. Pledging of collection and blocked accounts. Guarantee by parent company.
Liabilities from leasing*	CZK	17,086	13,060		
<b>Total</b>		<b>1,472,083</b>	<b>1,647,610</b>		

\*Data for 2013 were modified

Type of liability	Currency	Balance as at 31.12.2014	Balance as at 31.12.2013
Long-term note	CZK	24,155	24,155
<b>Total</b>		<b>24,155</b>	<b>24,155</b>

Long-term liabilities include liabilities with maturity exceeding one year on the date of the financial statements.

**4.8.4. Long-term liabilities secured according to the right of lien or in another manner**

See paragraph 4.1.3. Pledged fixed assets.

**4.9. Short-term liabilities**

On the account of other short-term liabilities, the Company recognizes a short-term part of the credit obtained from a non-banking entity and amounting to CZK 289,660 thousand (CZK 267,339 thousand on 31.12.2013) and a liability by virtue of leasing in the amount of CZK 7,043 thousand (CZK 4,845 thousand was recognized as a part of long-term liabilities last year).

Maturity structure of short-term receivables

(data in CZK thousands)

Year	Category	Due	Overdue					Total overdue	Total
			0 – 90 days	91 - 180 days	181 – 360 days	1 - 2 days	2 and more yrs		
2014	Short-term	37,574	4,065	234	4,101	90	0	8,490	46,064
2013	Short-term	33,688	9,369	4,272	1	0	0	13,642	47,330

**4.9.1. Liabilities towards group members**Short-term trade liabilities

(data in CZK thousands)

Name of company	Balance as at 31.12.2014	Balance as at 31.12.2013
Profidebt s.r.o.	0	569
PROFIREAL Group SE	228,112	1,099
Profi Consulting s.r.o.	328	283
Silversouth, a.s.	2,000	2,000
<b>Total short-term liabilities towards group members</b>	<b>230,440</b>	<b>3,951</b>

**4.10. Bank credits****4.10.1. Long-term bank credits**

(data in CZK thousands)

Banka	Balance as at 31. 12. 2014	Interest rate	Forma of security
Banking entity	5,826	6.35% p.a.	Blank bill
Banking entity	49,167	9.7% p.a.	Blank bill Pledged receivables in 180% of credit
<b>Total</b>	<b>54,993</b>		

**4.10.2. Short-term bank credits, loans and financial assistance**2014

(data in CZK thousands)

Banka	Balance as at 31. 12. 2014	Interest rate	Form of security
Non-banking entity	9,000	15% p.a.	Blank bill
Banking entity	28,868	10% p.a.	Blank bill
Banking entity	5,004	6.35% p.a.	Blank bill



Banking entity	51,189	9.7% p.a.	Blank bill Pledged receivables in 180% of credit
<b>Total</b>	<b>94,061</b>		

2013

Bank	Balance as at 31. 12. 2013	Interest rate	(data in CZK thousands) Form of security
Banking entity	50,000	10% p.a.	Real estate, pledged receivables in 200% of credit, issued guarantees, current account balances, blank bill
Non-banking entity	9,000	15 % p.a.	Blank bill
Banking entity	29,115	10% p.a.	Blank bill
Banking entity	24,818	9.7% p.a.	Blank bill Pledged receivables in 180% of credit
<b>Total</b>	<b>112 933</b>		

**4.11. Estimated accounts payable - short-term**

As at 31.12.2014, estimated accounts payable - short term amount to CZK 12,405 thousand (CZK 24,555 thousand as at k 31.12.2013).

**4.12. Deferred revenues and accrued expenses**

As at 31.12.2014, deferred revenues amount to CZK 1,356,812 thousand (CZK 1,283,202 thousand as at 31.12.2013) and are represented by deferred contractual remuneration gradually released to revenues.

Accrued expenses amount to CZK 47,081 thousand as at 31.12.2014 (CZK 57,472 thousand as at 31.12.2013) and are represented mainly by commissions paid to the staff providing credits at the amount of CZK 19,674 thousand (CZK 18,654 thousand as at 31.12.2013) and an interest on the non-banking credit amounting to CZK 18,591 thousand (CZK 22,039 thousand as at 31.12.2013).

**4.13. Income tax****4.14. Deferred tax**

The deferred tax liability can be analysed as follows:

(data in CZK thousands)

	Balance as at 31. 12. 2014	Balance as at 31. 12. 2013
Tax liability		
Difference between account and tax residual costs	23,344	23,605
Balance - customers - penalties	2,348,251	2,192,500
Balance - customers - other penalties	5,979	6,954
Balance - customers - unsettled contractual penalties	105,560	78,640
Non-deducted penalties of trade agents for 1 <sup>st</sup> instalment		177
Balance - other liabilities - bill of exchange interest	815,506	846,574
Balance - other liabilities - statutory interest	256,694	233,787
Balance - other liabilities - DUD penalties	269,686	283,865
<b>Deferred tax liability - base in total</b>	<b>3,825,020</b>	<b>3,666,102</b>
Tax receivable		
Creation of value adjustments to contractual penalties	1,646,876	1,411,555
Creation of value adjustments to bill of exchange and statutory interest	937,056	982,748
Creation of value adjustments to DUD	239,467	239,677
Creation of value adjustments to unsettled contractual penalties	51,269	66,844
Reserve for untaken leave	1,874	1,808
<b>Deferred tax liability - base in total</b>	<b>2,876,542</b>	<b>2,702,632</b>
Resultant base of deferred tax	948,478	963,470
Deferred tax - liability (2014: 19%, 2015: 19%)	180,210	183,059
Deferred tax already recognized	183,059	180,754
<b>Deferred tax to be recognized in the profit and loss statement</b>	<b>-2,849</b>	<b>2,305</b>

#### 4.14.1. Tax expenses

The amount of taxes can be compared to the profit according to the profit and loss statement as follows:

(data in CZK thousands)

	Balance as at 31. 12. 2014	Balance as at 31. 12. 2013
Profit before tax	170,844	155,580
Income tax rate	19%	19%
Tax under local income tax rate	32,460	29,560
Tax impact of non-deductible costs/revenues	37,442	28,664
Payable tax for current accounting period	69,902	58,224
Withholding tax for current accounting period	222	249
Changes in deferred tax liability	-2,849	2,305
<b>Total income tax for regular activities and for extraordinary activities</b>	<b>67,275</b>	<b>60,778</b>

**4.15. Proceeds from sale of services**

(data in CZK thousands)

	Period until 31.12.2014			Period until 31.12.2013		
	Domestic	Foreign	In total	Domestic	Foreign	In total
Revenues from sale of services (consulting services)	23	48,076	48,099	279	10,796	11,075
Revenues from provided trademarks	0	5,783	5,783	3	4,780	4,783
Revenues - renting of real estate	891	0	891	1,365	0	1,365
Revenues - cleaning of premises	20	0	20	21	0	21
Revenues - operation of the Internet	28	0	28	28	0	28
Revenues - lease of movables	257	0	257	462	0	462
Revenues - water, sewerage fees	4	0	4	5	0	5
Revenues - other	129	0	129	165	164	329
<b>Total proceeds from sales of services</b>	<b>1,352</b>	<b>53,859</b>	<b>55,211</b>	<b>2,328</b>	<b>15,740</b>	<b>18,068</b>

**4.16. Transactions with related parties****4.16.1. Revenues from transactions with related parties**2014

(data in CZK thousands)

Entity	Other revenues	Services	Total
Cash Gate, s.r.o.	112	0	112
PROFI CREDIT Slovakia, s.r.o.	2,802	13,736	16,538
PROFI CREDIT Poland Sp.z.o.o.	0	13,507	13,507
PROFI CREDIT Sp.z o.o.	2,060	951	3,011
PROFI CREDIT Bulgaria, EOOD	912	13,274	14,186
Golyschmanovoneftegas LLC	0	1,392	1,392
Profidebt Slovakia, s.r.o.	0	11	11
Silversouth, a.s.	18	0	18
Southstream, a.s.	18	0	18
Strongwest, a.s.	18	0	18
TH Real, a.s.	94	0	94
Profi Consulting s.r.o.	71	0	71
PROFIREAL Group SE	0	386	386
PROFIREAL LLC	0	4,828	4,828
<b>Total</b>	<b>6,105</b>	<b>48,085</b>	<b>54,190</b>

2013

(data in CZK thousands)

Entity	Other revenues	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 Poland 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	1548
PROFIREAL LLC	124	41	165
<b>Total</b>	<b>7,846</b>	<b>11,133</b>	<b>18,979</b>

All revenues from transactions with related parties were obtained at arm's length prices.

#### 4.16.2. Purchases with related parties

2014

(data in CZK thousands)

Entity	Services	Other costs	Total
PROFI CREDIT Poland Sp.z.o.o.	0	3	3
PROFI CREDIT Slovakia, s.r.o.	0	218	218
PROFIREAL Group SE	0	40,339	40,339
Profi Consulting s.r.o.	2,360	0	2,360
Silversouth, a.s.	0	152	152
<b>Total</b>	<b>2,360</b>	<b>40,712</b>	<b>43,072</b>

2013

(data in CZK thousands)

Entity	Services	Other costs	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
<b>Total</b>	<b>7,554</b>	<b>12,999</b>	<b>20,553</b>

#### 4.16.3. Other transactions with related parties

The Company was provided a loan by PROFIREAL Group SE in 2014. The loan was provided pursuant to General Credit Agreement no. PCT/PG/11/2011, executed on 16.11.2011, and the interest rate stood at 15.5 % p.a., with the line of credit stipulated at CZK 50 million. By virtue of Amendment No. 1 to this Agreement, the line of credit was increased to CZK 250 million and the interest rate increased to 18% p.a. in 2014. The Company owes a principal of CZK 223,500 thousand as at 31.12.2014. The Company paid interest in the amount of CZK 25,466 thousand as at 31.12.2014.

The Company was provided a loan from Silversouth, a.s. in 2013. The loan was provided pursuant to General Credit Agreement No. 06/08/2009, signed on 07.08.2009, with the interest rate of 7.5 % p.a. and the line of credit stipulated at CZK 2 million. The Company paid interest in the amount of CZK 152 thousand as at 31.12.2014.

#### 4.17. Consumed purchases

(data in CZK thousands)

	Period until 31. 12. 2014	Period until 31. 12. 2013
Material consumption	8,169	9,526
Energy consumption	3,602	2,868
<b>Total consumed purchases</b>	<b>11,771</b>	<b>12,394</b>

#### 4.18. Services

(data in CZK thousands)

	Period until 31. 12. 2014	Period until 31. 12. 2013
Repairs and maintenance	2,649	2,660
Travelling expenses	4,271	3,787
Costs of representation	6,631	4,398
Telephone, fax, Internet, postage	9,279	9,126
Consultancy services	8,145	11,169

Remuneration to auditors for mandatory audit	2,150	3,568
Rent	11,419	8,406
Leasing	7,343	4,432
Intermediation of employees	1,384	1,192
Notary and legal services	12,218	11,242
Advertisements, commercials	34,239	34,515
Language translations	159	309
Other services	27,237	25,881
<b>Total</b>	<b>124,974</b>	<b>117,117</b>

#### 4.19. Other operating revenues

(data in CZK thousands)

	Period until 31. 12. 2014	Period until 31. 12. 2013
Contractual penalties and interest on overdue payment	396,914	660,763
Other operating revenues	119,083	130,812
<b>Total</b>	<b>515,997</b>	<b>791,575</b>

Other operating revenues chiefly consist of costs of legal representation related to enforcement of receivables from debtors, transferred by the Company to its debtors in the total amount of CZK 79,202 thousand in 2014. Revenues from contractual penalties and interest on overdue payment experienced a considerable drop due to the change of the accounting method, see 3.18.

#### 4.20. Other operating costs

(data in CZK thousands)

	Period until 31. 12. 2014	Period until 31. 12. 2013
Gifts	2,055	1,070
Other penalties and sanctions	36	7
Depreciation of receivables and assigned receivables	80,872	89,956
Deficits and damages in operation	0	0
Other operating costs	45,779	34,012
<b>Total</b>	<b>128,742</b>	<b>125,045</b>

In 2014, the Company wrote off receivables in the amount of CZK 39,742 thousand upon ineffective result of execution proceedings, and receivables in the amount of CZK 17,593 thousand based on verdicts of insolvency proceedings.

**4.21. Other financial revenues**

(data in CZK thousands)

	Period until 31. 12. 2014	Period until 31. 12. 2013
Exchange rate profits	602	244
Other financial revenues	1,064,859	936,291
<b>Total</b>	<b>1,065,461</b>	<b>936,535</b>

Other financial revenues include regular remunerations for the provision of credits or loans (the main revenues of the Company).

**4.22. Interest on costs**

(data in CZK thousands)

	Period until 31. 12. 2014	Period until 31. 12. 2013
Interest on bank credits	8,392	3,455
Other interest payable to other creditors	330,616	295,315
<b>Total</b>	<b>339,008</b>	<b>298,770</b>

**4.23. Other financial costs**

(data in CZK thousands)

	Period until 31. 12. 2014	Period until 31. 12. 2013
Exchange rate losses	1,403	294
Interest - promissory note	3,382	94
Other financial costs – fee for provision of a bank loan	11,381	8,682
Other financial costs	164,010	159,694
<b>Total</b>	<b>180,176</b>	<b>168,764</b>

Other financial costs mainly include commissions for loan agents amounting to CZK 142,973 thousand (CZK 140,493 thousand in 2013).

## 5. EMPLOYEES, COMPANY MANAGEMENT AND STATUTORY BODIES

### 5.1. Personnel costs and number of employees

The average recalculated number of employees and Company management members in 2014 and in 2013 is as follows:

2014

	(data in CZK thousands)				
	Number	Wages	Social and health security	Other costs	Personnel costs in total
Employees	174	86 737	29 647	1 709	102 964
Company management	16	22 129	8 054	115	45 427
<b>Total</b>	<b>190</b>	<b>108 866</b>	<b>37 701</b>	<b>1 824</b>	<b>148 391</b>

2013

	(data in CZK thousands)				
	Number	Wages	Social and health security	Other costs	Personnel costs in total
Employees	165	71 741	26 093	1 499	99 333
Company management	15	20 643	5 620	117	26 380
<b>Total</b>	<b>180</b>	<b>92 384</b>	<b>31 713</b>	<b>1 616</b>	<b>125 713</b>

Remunerations paid to members of the Company's statutory bodies, including members of the Supervisory Board, amount to CZK 4,239 thousand and CZK 18,017 thousand in 2014 and 2013, respectively. The number of employees is based on the average recalculated amount of employees. The term "Company management" is understood as its top management.

### 5.2. Provided loans, credits or other performance

In 2014 and 2013, members of the Board of Directors and Supervisory Board received the following remuneration beyond the scope of their basic salaries:

2014

	(data in CZK thousands)	
	Board of Directors	Supervisory Board
Remuneration	3 836	403
Cars / other movable and immovable items that might be used for private purposes (amounts increasing the employees' tax base)	364	0
<b>Total</b>	<b>4 200</b>	<b>403</b>



2013

(data in CZK thousands)

	<b>Board of Directors</b>	<b>Supervisory Board</b>
Remuneration	17,680	1,233
Cars / other movable and immovable items that might be used for private purposes (amounts increasing the employees' tax base)	337	0
<b>Total</b>	<b>18,017</b>	<b>1,233</b>

## **6. LIABILITIES NOT RECORDED IN ACCOUNTING**

The Company has no liabilities not included in the books and is not aware of any potential losses.

### **Collateral acceptances issued**

The Company has issued blank bills for providers of bank and non-bank credits.

### **Litigations**

The Company participates as a plaintiff in the proceedings conducted before the Municipal Court in Prague as regards the tax liability related to previous accounting periods. The disputable amount was paid in full within a statutory period in 2014. The action has not been heard yet, and so far no order has been issued for the first hearing. Based on a legal analysis, the Company's management is of the opinion that the proceedings will be closed upon a judgement in favour of the Company. In connection with the aforementioned tax liability, interest and penalty on overdue payment was assessed to the Company in 2015, which amounts, however, had been paid in full, and accordingly, an appeal has been lodged by the Company. In case the appeal is declined, the Company is ready to settle the matter in Court, and based on a legal analysis, the Company believes that the result of the proceedings will be favourable for the Company. The amount of the interest and penalty on overdue payment linked to previous accounting periods is accounted for against other profit (loss) of previous years.

## 7. EVENTS OCCURRING AFTER THE DATE OF FINANCIAL STATEMENTS

No events having a significant impact on the annual report occurred after the date of the financial statements.

## 8. REPORT ON RELATIONS BETWEEN THE CONTROLLING PARTY AND CONTROLLED PARTY AND BETWEEN A CONTROLLED PARTY AND PARTIES CONTROLLED BY THE SAME CONTROLLING PARTY

for the accounting period from 01 January 2014 to 31 December 2014

### (Report on Relations)

This Report on Relations was prepared in conformity with Section 82 of Act No. 90/2012 Coll., on Commercial Corporations and Cooperatives (the Act on Commercial Corporations), as amended (the “Act on Commercial Corporations” henceforth).

**PROFI CREDIT, a.s.**, with registered office at Praha 1, Klimentská 1216/46, post code 110 00, Company ID: 61 86 00 69, registered on 05.12.1994 in the Commercial Code administered by the Municipal Court in Prague, Section B, Insert 2892 (the “Company” henceforth), is a member company of the commercial group PROFIREAL Group and is engaged in provision of consumer credits.

The company has a sole shareholder, i.e. **PROFIREAL Group SE, with registered office at Martinus Nijhofflaan 2, 2624 ES Delft**, which is the Company’s controlling party having a decisive influence on managing the Company. In relation to this shareholder, the Company is a party controlled through decisions made at the General Meeting.

Other parties directly controlled by the controlling party are: **PROFI CREDIT Slovakia, s.r.o.**, with registered office at Pribinova 25, 824 96 Bratislava, **PROFI CREDIT Bulgaria EOOD**, with registered office at 49 Bulgaria Blvd., 1404 Sofia, **Profi Credit Holding S.A.**, with registered office at Browarna 2, 43-300 Bielsko-Biala, **PROFIDEBT Slovakia, s.r.o.**, with registered office at Mliekarenská 10, 821 09 Bratislava 2, **PROFIDEBT Polska Sp. z o.o.**, with registered office at Browarna 2, 43-300 Bielsko-Biala, **PROFIDEBT Bulgaria**

**EOOD**, with registered office at 49 Bulgaria Blvd., 1404 Sofia, **PROFI Consulting s.r.o.**, with registered office at Pernštýnské nám. 80, 530 02 Pardubice - Staré Město, **PROFI Investment NL N.V.**, with registered office at Martinus Nijhofflaan 2, 2624 ES Delft, **PROFI Exploration B.V.**, with registered office at Martinus Nijhofflaan 2, 2624 ES Delft, **Cash Gate, s.r.o.**, with registered office at Klimentská 1216/46, 110 00 Praha 1.

Other parties indirectly controlled by the controlling party are: **Profi Credit Sp. z o.o.**, with registered office at Browarna 2, 43-300 Bielsko-Biala, **PROFI CREDIT Poland Sp. z o.o.**, with registered office at Browarna 2, 43-300 Bielsko-Biala, **PROFI Exploration Tyumen B.V.**, with registered office at Kabelweg 37, 1014 BA Amsterdam, **PGJT B.V.**, with registered office at Martinus Nijhofflaan 2, 2624 ES Delft. In addition, parties indirectly controlled and having external equity participation are: **PROFIREAL LLC**, with registered office at Ligovsky prospect Office 266, 196084 Saint-Petersburg and **Golyschmanovoneftegaz LLC**, with registered office at Volodarskovo str. 14, 625003 Tyumen.

Other parties related to the controlling party are: Southstream, a.s., with registered office at Pernštýnské nám. 80, 530 02 Pardubice - Staré Město, Silversouth, a.s., with registered office at Pernštýnské nám. 80, 530 02 Pardubice - Staré Město, Strongwest, a.s., with registered office at Pernštýnské nám. 80, 530 02 Pardubice - Staré Město and TH Real, a.s., with registered office at Thunovská 192/27, 118 00 Praha 1 – Malá Strana.

During the accounting period concerned, i.e. from 01 January 2014 to 31 December 2014, no acts were performed at the instigation or in the interest of the controlling party or parties controlled by the controlling party in relation to assets exceeding 10% of the Company's equity as determined according to the last financial statements.

**Overview of agreements concluded between the Company and PROFIREAL Group SE or between parties controlled by the controlling party:**

In the accounting period 2014, the Company performed the following agreements concluded **with PROFIREAL Group SE** as a party controlling the Company:

General agreement for consultancy services I. of 21 December 2007

General agreement for consultancy services II. of 21 April 2008

General credit agreement no. PCT/PG/11/2011 of 16 November 2011, as amended by later amendments

Agreement on remuneration for guarantee Solarex of 30 September 2010

Remuneration agreement for the guarantee Dairewa I. of 23 June 2011, as amended by later amendments

Remuneration agreement for the guarantee Dairewa II. of 16 September 2013

Remuneration agreement for the guarantee Dairewa III. of 24 October 2014

In the accounting period 2014, the following agreements were concluded or performed by the Company and other parties controlled by the controlling party:

**with PROFIDEBT Slovakia, s.r.o.**

General agreement for consultancy services of 15 January 2006

**with PROFI CREDIT Slovakia, s.r.o.**

General agreement for consultancy services of 15 January 2006

General agreement for consultancy services of 31 December 2014

General agreement for services related to the operation and development of MIS of 01 February 2010, as amended by later amendments

Licence agreement for use of a trademark of 09 February 2009, as amended by later amendments

**with PROFI CREDIT Sp. z o.o., whose legal successor is since 18 December 2014 Profi Credit Poland Sp.z o.o.**

Licence agreement for use of a trademark of 18 December 2008, as amended by later amendments

General agreement for consultancy services of 15 January 2006, as amended by later amendments

General agreement for services related to the operation and development of MIS of 01 August 2010, as amended by later amendments

**with PROFI CREDIT Bulgaria EOOD**

Licence agreement for use of a trademark of 22. December 2008, as amended by later amendments

General agreement for consultancy services 15 January 2006, as amended by later amendments

General agreement for services related to the operation and development of MIS of 26 May 2010, as amended by later amendments

**with Cash Gate, s.r.o.**

Agreement of sublease of 15. June 2013

Agreement of lease of 11. June 2012

Agreement of lease of a transport vehicle of 30 March 2012

Agreement of lease of a transport vehicle of 02 April 2013

Agreement of lease of a transport vehicle of 02 April 2013

**with PROFI Consulting, s.r.o.**

Agreement of lease non-residential premises of 04 September 2001

Agreement for services of 04 September 2001, as amended by later amendments

Agreement for services of 01 September 2006

**with PROFIREAL LLC**

IT service agreement of 31. March 2013

Master service agreement of 1. January 2014

**with Golyschmanovoneftegaz LLC**

Master service agreement of 1. January 2014

**with Strongwest, a.s.**

Agreement of lease non-residential premises of 01 January 2009

**with Silversouth, a.s.**

Agreement of lease non-residential premises of 01 January 2009

General credit agreement no. 06/08/2009 of 06 August 2009

**with Southstream, a.s.**

Agreement of lease non-residential premises of 01 January 2009

**with TH Real, a. s.**

Agreement of lease of a transport vehicle of 13 November 2013

Applicable legal regulations were observed upon the execution of the above-mentioned agreements. The agreements were concluded for prices and under conditions customary in business relations in the given place and time. No loss was incurred to the Company on account of concluding these agreements.

The Company has assumed a key role in PROFIREAL group chiefly as a result of providing the other companies with the trademark PROFI CREDIT and consultancy services, along with the effective management of cash flows within the whole group.

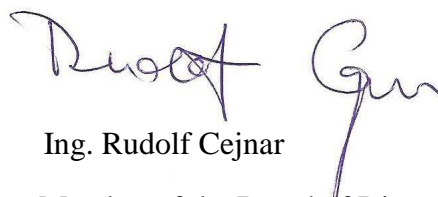
In the relations between the aforesaid parties, advantages prevail thanks to the membership in the internationally operating PROFIREAL Group. The most important advantages include: unified conceptual management and unified policy designed for business activities, exchange of know-how, methodology, control mechanisms and collaboration between individual member companies. The long-term collaboration, thorough knowledge of the given sphere and quality of services provided by PROFIREAL Group all contribute to reaffirming the trust in the market of consumer credits. The Company suffered no loss from the above relations.

V Prague, on 31 March 2015



Ing. Jana Matičková

Member 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:**

Klimentská 1216/46

post code 110 00 Praha 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:**

CZ61860069

Tel.: +420 466 741 417

Fax.: +420 466 741 440

e-mail: proficredit@proficredit.cz