



ANNUAL REPORT
2015

CONTENTS

ANNUAL REPORT AKCENTA CZ a.s.

- 2** Foreword of the CEO
- 3** Key performance indicators
- 4** Major events of 2015
- 4** Significant events occurring after the balance sheet date
- 4** Development of the Company in 2016
- 5** Company Profile
- 6** Products and services
- 7** Organizational Structure – AKCENTA CZ a.s.
- 8** Opinion on the risks undertaken
- 12** The Company as an employer
- 13** Statement on the determination of contributions to the Guarantee Fund of Securities Dealers
- 14** Report on relations between controlling and controlled entities and on relations between the controlled entity and other entities controlled by the same controlling entity for the accounting period 2015
- 16** Supervisory Board Report
- 17** Other
- 18** Auditor's Report on the Annual Report
- 20** Financial statements for the year ended 31 December 2015
- 47** Contact

FOREWORD BY THE CEO



Dear Ladies, Dear Gentlemen,

modesty ranks amongst the virtues, however, allow me to start somewhat immodestly. 2015 was a unique year for our Company. We have recorded significant growth in all performance indicators, be it the volume of sales made, which almost doubled year-on-year, or the customer base growth by 10%. Currency hedging products have also significantly gained in popularity. Their volume also almost doubled year-on-year. All that was crowned by the net profit amounting to over 26 million Czech crowns!

Moreover, we managed to achieve the good results above expectation in a year that was significantly affected by the CNB's intervention resulting in a very low volatility of the key currency pair EUR/CZK, which created pressure on the sales margin. On the other hand, the economic recovery seen in many European countries increased the taste and mainly the need of small and medium-sized enterprises for trading.

We did well also on foreign markets. Apart from the influence of the mentioned economic growth, further improvement of the trading network work efficiency and personnel stabilization had positive impact on the Slovak and Polish markets. We also focused on training and qualification improvement of sales representatives who are the first-line contact with our customers.

The „taking-off“ Hungarian market also recorded very good figures. The volume of sales almost doubled, the number of our clients increased by one-third. Not even Romania, the youngest of the European markets that we have entered in has lagged behind. The first year of operation showed that we managed to successfully gain a foothold and that our product is transmittable, appreciated by entrepreneurs and that we can “sell” it also on other foreign markets.

The very good 2015 result was also due to intensive work on internal processes and the trade management model. By interlinking external acquisition with trade within the matrix organization structure, we increased productivity and are able to respond more flexibly to specific needs of individual markets. We have not rested on our laurels even as regards our internal systems. We keep improving the systems, which will result, for instance, in faster clearing of transactions, increasing of throughput and minimizing of manual processing. Moreover, in August, we offered to clients already the third generation of our OLB internet platform and selected a supplier of the Company's new information system; intensive work is currently underway on the system development.

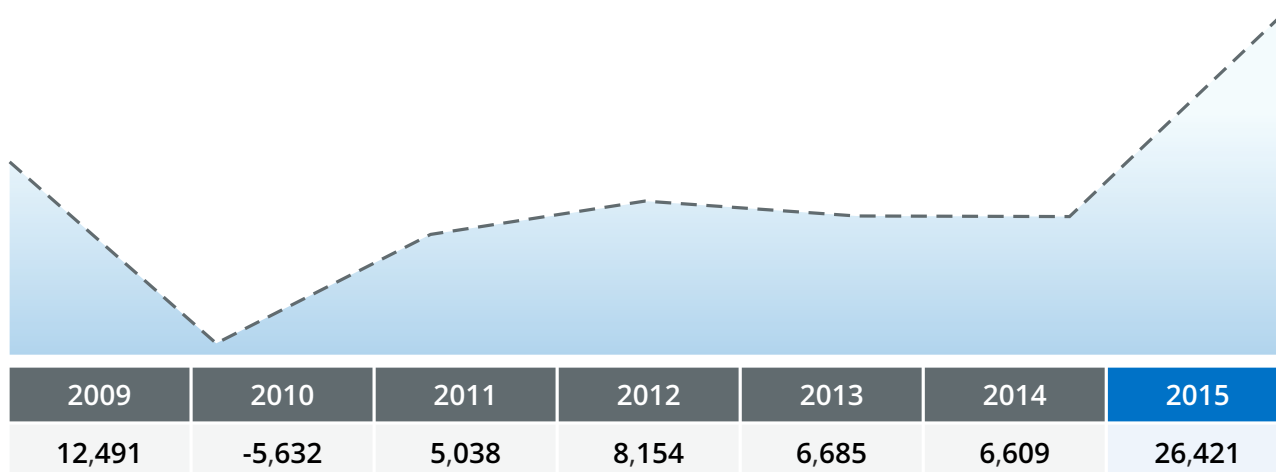
Ladies and Gentlemen, by way of conclusion, allow me to thank all my colleagues for their great work and to our clients for their trust that I appreciate very much. In 2015, we set our sights very high, however, I immodestly hope that we will surpass them in the next year.

Milan Cerman

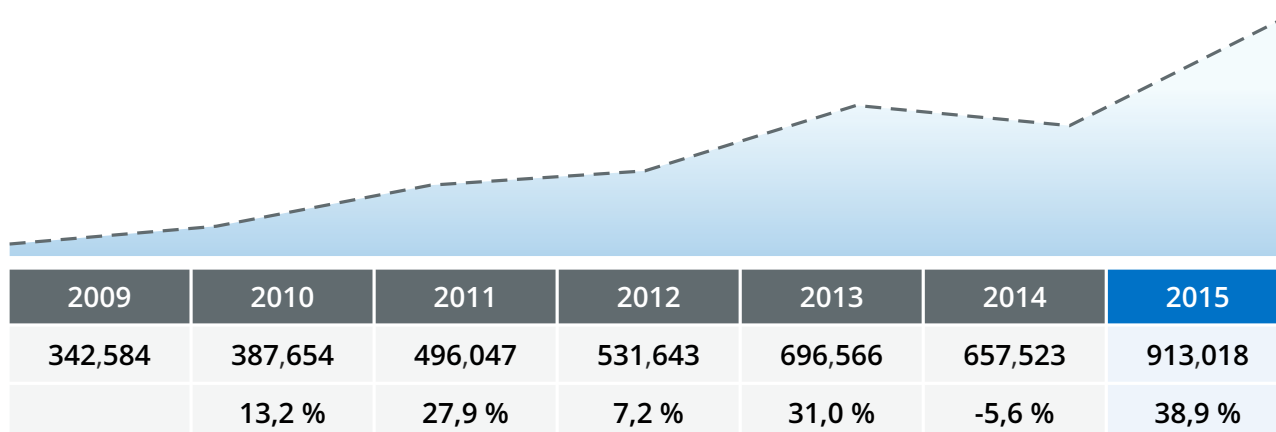
Chairman of the Board of Director
Sales Director

KEY PERFORMANCE INDICATORS

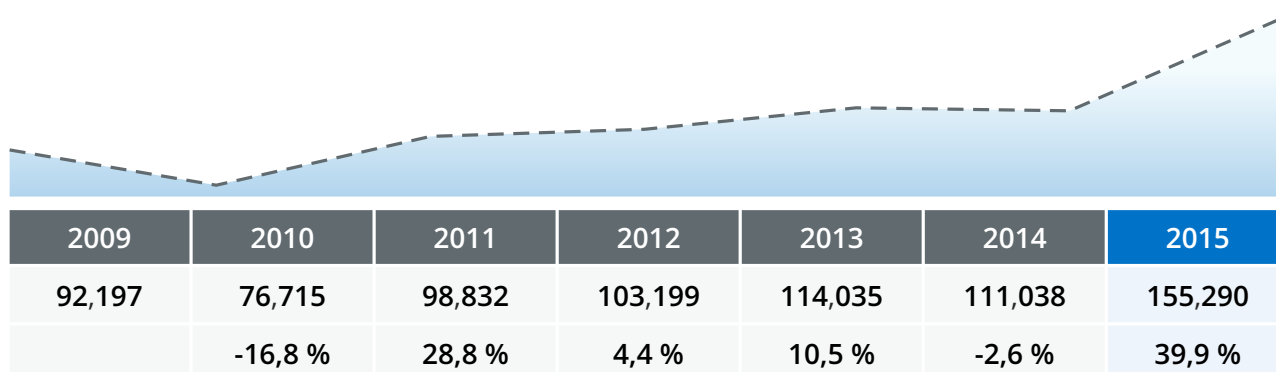
DEVELOPMENT OF PROFIT AFTER TAX (in thousand CZK)



TOTAL ASSETS (in thousand CZK)



THE DEVELOPMENT OF FINANCIAL PROFIT (in thousand CZK)



MAJOR EVENTS

MAJOR EVENTS OF 2015

- Notification of a securities dealer license (OCP) for the German market
- Completion of a tender for the new information system (IS)
- Formation of a subsidiary NERUDOVA property s.r.o.
- Purchase of a building necessary for the Company's activities extension

SIGNIFICANT EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

The Company's management is not aware of any significant subsequent events after the Balance Sheet date.

DEVELOPMENT OF THE COMPANY IN 2016

- Commencement of trading with the TRY currency (Turkish lira)
- Entry of the Company on the German market
- Launching the provision of the Aviso product
- Further expansion and strengthening of the Company's position on the markets of Visegrad countries
- Completion of a new trading software development
- Completion of reconstruction of and moving into new premises

COMPANY PROFILE



BASIC CHARACTERISTICS OF THE COMPANY (valid as at 31 December 2015)

Company name

AKCENTA CZ a.s.

Address

Ovocný trh 575/11
110 00 Praha 1

Branch

Gočárova třída 312/52
500 02 Hradec Králové 2
Czech Republic

ID number / VAT number

251 63 680 / CZ 251 63 680

Registration court

Municipal Court in Prague, Section B, Insert 9662

Date of establishment

16 June 1997

Registered capital

CZK 24,030,000

Shares

Not publicly traded

Statutory body

Board of Directors

Number of employees

64 (average number of employees for 2015)

PRODUCTS AND SERVICES

AKCENTA CZ a.s. provides its clients with services in the following core areas:

PAYMENT TRANSACTIONS WITH CURRENCY EXCHANGE (FOREIGN EXCHANGE TRANSACTIONS)

Spot exchange transactions involving the purchase and sale of foreign exchange with settlement within two working days.

PAYMENT SERVICES (DOMESTIC AND FOREIGN PAYMENTS)

These include the preparation and implementation of domestic and foreign payments according to the requirements of our clients. The particular advantages for our clients are cost-effectiveness of services, processing speed and reliability.

EXCHANGE RATE HEDGING THROUGH FORWARD TRANSACTIONS

Forward, swap and option transactions – transactions with longer maturities than the foreign currency spot transactions for hedging risks arising from future movements in exchange rates.

OTHER SERVICES

■ Internet platform for online broker trading (OLB)

Offers clients the option to convert the funds at online exchange rates, enter and modify the orders for guarding fixed rates and their nonstop automatic executions, to send and receive payments to and from foreign countries on favourable terms, to enter a permanent and mass payment order, to manage trading partners, to generate ongoing listings, etc.

■ Dealing limit

Based on the evaluation of financial statements, it is possible to establish a framework of zero security, partial or complete replacement of blocking the funds needed to close forward transactions.

■ Orders

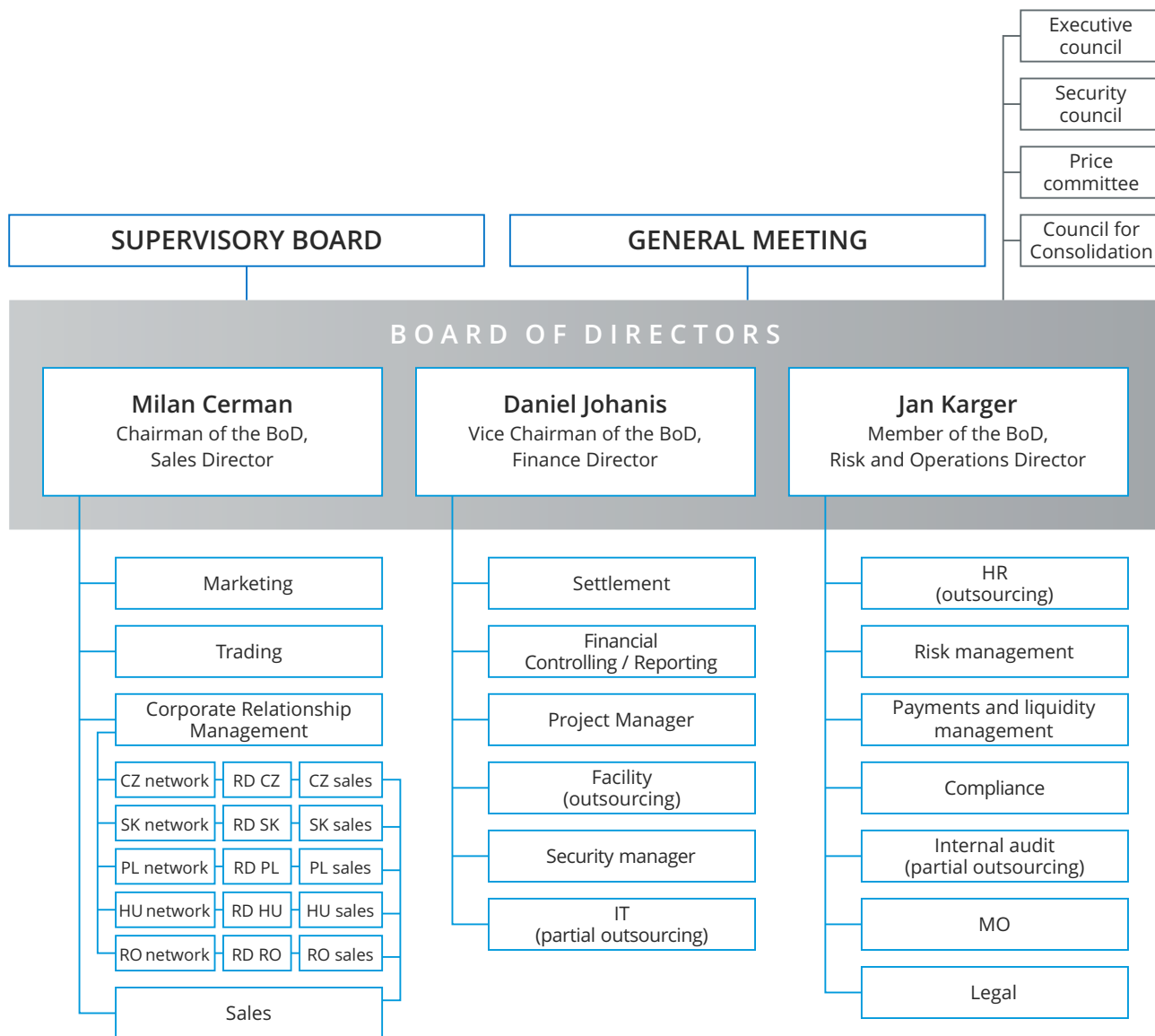
Tentative (call orders) or automated trading after reaching a fixed rate (fix orders).

■ Other services

Other services include a free information service to clients (Research) – sending daily and weekly reports, sending current exchange rates of more significant movements.

ORGANIZATIONAL STRUCTURE

ORGANIZATIONAL STRUCTURE OF AKCENTA CZ A.S. (valid as at 31 December 2015)



OPINION ON THE RISKS UNDERTAKEN

1 OPINION ON THE RISKS UNDERTAKEN

AKCENTA CZ a.s. (hereinafter the "Company") is a hybrid institution as defined by CNB Decree no. 141/2011 Coll. thus has been entrusted with the license of a payment institution and also the license of a securities dealer pursuant to Act no. 256/2004 Coll. On the basis of this authorization, the Company is obliged to respect all the risks associated with doing business in the environment in which the Company operates. The Company diligently complies with all applicable regulatory requirements for hybrid institutions based on relevant legal and regulatory requirements for risk management. The Company constantly compares the risk management system with the newly received relevant laws of the Czech Republic as well as all new legislation and recommendations of the CNB, it ensures its topicality and ensures its further development and improvement in line with the development of its business activities. According to the amendments for payment institutions (Decree no. 141/2011 Coll.), the Company uses access C to calculate the capital requirement.

According to CNB Decree no. 163/2014 Coll. the Company uses the following methods and ways of determining capital requirements:

Credit Risk

The Company is not exposed to any significant credit risk arising from its activities. The Company is not exposed to the settlement risk as the settlement of foreign exchange transactions agreed with clients occurs always only after crediting funds from clients to the Company's accounts. The counterparty credit risk arising from derivatives transactions is eliminated by consistent application of collateral management processes, which is required in the form of a deposit of funds in the Company's account. With credible clients, the financial security may not be required to a certain extent. The Company evaluates its clients based on an integrated scoring model and sets dealing limits (zero security frameworks) for them.

For the calculation of the counterparty credit risk capital requirement the Company has chosen the market assessment method. This risk arises from futures trading; in most cases, the Company requires security from the clients, especially in the form of cash deposits, whereby the risk is considerably reduced.

The Company's credit risk is to a certain extent related also to deposits of own or clients' money in banks.

Market risk

In a corporate environment the most important market risk is currency risk. The Company does not deal with instruments that generate equity, commodity and other market risks. For market risk management the Company has chosen the standardized approach.

Currency risk is managed in the following ways:

- a) prudent and efficient management of open foreign exchange positions (ODP),
- b) determining the so called stop loss limits,
- c) establishment and control of internal limits for the maximum amount of open foreign exchange positions.

For currency risk, the defined limits and restrictions apply:

- a) the establishment and control of internal limits for the maximum amount of ODP,
- b) setting the maximum allowable daily limit loss (Stop Loss limit).

Operational risks

The Company defines operational risk as the risk of loss arising from inadequate or failed internal processes, human factor, or systems and the risk of loss due to external factors, including risks arising from the breach or non-fulfilment of the requirements of the legislation.

As part of the operational risk management process, the Company has used procedures that can be characterized by stages of operational risk identification, assessment, communication, management and monitoring.

Namely the following processes serve for operational risk identification:

- a) Management and control system;
- b) Risk map;
- c) Operational incidents database;
- d) Internal and external audit.

The Company has used the following methods for operational risk reduction:

- process system support;
- consistent separation of the roles of transaction negotiation, transaction settlement and transaction accounting;
- user rights setup;
- standard operating procedures;
- multiple control of processes with high quantitative impact to the income statement;
- application of the four eyes principle;
- professional supervision of the Compliance, Internal Audit and Risk Management units;
- backup plans for extraordinary events solution;

The Company has determined the operational risk capital requirement based on overhead expenses.

Liquidity risk

The Company defines liquidity risk as its ability to timely and properly fulfil the commitments of clients in terms of the realization of currency conversions and the associated payment transactions. The Company has established mechanisms that separate client funds from the operating funds of the Company.

The Company is not exposed to liquidity risk, because all trades are settled through the Company after the Company receives financial coverage of the trade by the client.

2 DEVELOPMENT OF CAPITAL ADEQUACY AND FINANCIAL RATIOS

According to effective regulations, the Company has a duty to inform the regulator. The Company has to record information regarding management, client assets qualifying as holdings and other additional information on a monthly or quarterly basis.

The Company also quantifies its capital adequacy, which it regularly presents to the CNB, by regular comparisons of the aggregate amount of capital requirements with the capital. The capital adequacy ratio of the Company indicates sufficient capital to ensure the Company's business.

Summary of information on conditions and main characteristics of capital and its components

Data on equity (31 December 2015)	in thousand CZK
Total original capital (Tier 1)	70,385
Share capital	24,030
Share premium	140
Reserve funds, Sunday fund and other funds from profit	28,002
Retained profit/loss from previous periods – audited	28,587
Intangible assets (except goodwill) reduces the tier 1	-10,353
Total additional capital (tier 2)	0
Total capital mated market risk (tier 3)	0
The aggregate amount of deductible items from original and additional capital	0
AVA – prudential filters	-21
Total capital after deductible items	70,385

All items of regulatory capital are part of the audited financial statements and the prudential filter exhibits show fair value adjustments of the tool.

Data on capital requirements (31 December 2015)	in thousand CZK
Sum of the capital requirements for credit risk	19,727
exposures to institutions	16,225
corporate exposures	2,062
retail exposures	1,335
other exposures	105
Sum of the capital requirements for settlement risk	0
Sum of the capital requirements for foreign exchange and commodities risk	1,456
Sum of the capital requirements for operational risk	0
Sum of the capital requirements based on overheads	23,332
Sum of the capital requirements for valuation adjustments for credit risk	326
Sum of the capital requirements for exposure risk in the trading portfolio	0
Sum of the capital requirements for other instruments in the trading portfolio	0
Sum of the capital requirements – other and transition	0
Aggregate amount of capital requirements	44,841

Capital ratios (31 December 2015)	
Capital ratio of common equity tier 1 (CET1)	12,56%
Capital ratio of tier 1 (T1)	12,56%
Capital ratio of total capital	12,56%

Ratios OCP (31 December 2015)	
Indebtedness I (total debt without customers' assets/assets without client property)	5,05%
Indebtedness II (total debt without client assets/equity)	6,77%
Return on average assets (ROAA, assets without client assets)	19,52%
Return on average equity tier 1 (ROAE)	34,77%
Return on sales (profit after tax/ income from investment services)	15,73%
Administrative costs per employee	CZK 1,830,000

THE COMPANY AS AN EMPLOYER



AKCENTA CZ builds its business success on professional services and an individual approach to all its clients. These clients expect superior service and solutions tailored specifically to their needs. Fulfilling those expectations requires a high quality, well-motivated team of employees at all positions throughout the company. Of course we are aware of this; therefore, we consistently work on building our team.

Our employees enhance their expertise through regular training sessions; they are regularly informed about the Company's goals and are motivated not only to achieve them but also to participate in setting them. The philosophy of our Company is to build long-term relationships with our clients; this would not be possible without loyal employees that think positively. Therefore, employees are the most precious human capital.

STATEMENT

ON THE DETERMINATION OF CONTRIBUTIONS TO THE GUARANTEE FUND OF SECURITIES DEALERS

In the framework of the provision of investment services AKCENTA CZ a.s. (hereinafter "AKCENTA CZ") offers its customers exclusive services of trading currency forwards, swaps and options. When concluding these contracts AKCENTA CZ acts as the counterparty of the customer. We believe that customer property under Section 128 paragraph 12 of Act no. 256/2004 Coll., on Business Activities on the Capital Market, as amended (the "Act", "the CMA") is cash deposited as collateral to cover market risk ("Collateral") and the principal forward paid by the customer to the appropriate bank account during the settlement forward.

In connection with entering into forward contracts with customers AKCENTA CZ does not collect any fees or commissions from its customers. Revenues, which AKCENTA CZ realizes in connection with the arrangement forwards to customers, are derived from the margin (spread) between the exchange rate, which is agreed with the customer within the agreed forward with him and the exchange, which AKCENTA CZ manages to receive on the interbank market pursuant to transactions which are entered into open positions during the negotiation of forward contracts with customers.

Under Section 129 paragraph 1 of the CMA the securities dealer is obliged to pay to the Guarantee Fund an annual contribution of 2% of the proceeds of fees and commissions received for providing investment services for the last calendar year. Given the above facts that AKCENTA CZ does not collect any fees or commissions received for providing investment services from its customers nor are fees for providing investment services recorded in the accounting, the basis for determining the amount of contribution under Section 129 paragraph 1 shall be zero. AKCENTA CZ therefore pays an annual contribution of CZK 10 thousand in accordance with Section 129 paragraph 2 of the CMA.

Due to the nature of forwards as derivative transactions, the volumes deposited by customers as collateral to the customer's bank account are very small and the period for which they are deposited to the account for the settlement of forward contracts is also minimal. For these reasons, we believe that the risk of failure of a particular dealer within the sense of Section 130 of the CMA and the impossibility of restitution of customers' property is relatively low - especially compared to trading in securities and portfolio management. For this reason is the contribution to the Guarantee Fund established in the minimum amount allowable under Section 129 paragraph 2 of the CMA and matches the low risk of the inability to release client's assets within the sense of Section 130 of the CMA.

AKCENTA CZ duly pays contributions to the Guarantee Fund of Securities Dealers under Section 129 paragraph 2 of Act no. 256/2004 Coll.

REPORT ON RELATIONS

BETWEEN CONTROLLING AND CONTROLLED ENTITIES AND BETWEEN THE CONTROLLED ENTITY AND OTHER ENTITIES CONTROLLED BY THE SAME ENTITY FOR THE ACCOUNTING PERIOD 2015

The Board of Directors of AKCENTA CZ a.s. draws up this report on relations between **the controlling entity, Mr. Milan Lacina**, born on 3 June 1956, residing at Čekanická 325, 391 56 Tábor (hereinafter the "Controlling Entity")

and

Controlled Entity, AKCENTA CZ a.s. seated in Prague 1, Ovocný trh 572/11, post code 110 00, ID No. 25163680, registered in the Commercial Register maintained by the Municipal Court in Prague, Section B, Insert 9662 (hereinafter the "Controlled Entity" or "ACZ") for the financial year 2015, in accordance with the requirement of Section 82 paragraph of Act no. 90/2012 Coll., on Business Companies and Cooperatives, as amended.

Related Parties as at 31 December 2015 are the Controlled Entity, the Controlling Entity and the following entities:

- **AKCENTA, spořitelní a úvěrní družstvo**, ID 649 46 851, with the registered office at Gočárova třída 312/52, 500 02 Hradec Králové – Pražské předměstí (hereinafter the "ASUD").
- **AKCENTA finanční a investiční a.s.**, ID 273 81 471, with its registered office at Gočárova třída 312/52, 500 02 Hradec Králové – Pražské předměstí (hereinafter the "AFI").
- **AKCENTA GROUP SE**, ID 282 52 900, with its registered office at Gočárova třída 312/52, 500 02 Hradec Králové – Pražské předměstí (hereinafter the "AG").
- **AKCENTA LOGISTIC a.s.**, ID 288 07 588, with its registered office at Gočárova třída 312/52, 500 02 Hradec Králové – Pražské předměstí (hereinafter the "AL").
- **METROPOL SERVICES s.r.o.** ID 024 04 958, with its registered office at Gočárova třída 227/50, 500 02 Hradec Králové – Pražské předměstí (hereinafter the "MS").
- **NERUDOVA property s.r.o.**, ID 041 51 640, with its registered office at Gočárova třída 227/50, 500 02 Hradec Králové (hereinafter the "NP").
- **PROAKCENT a.s.**, ID 288 07 596, with its registered office at Gočárova třída 312/52, 500 02 Hradec Králové – Pražské předměstí (hereinafter the "P").

The interest of the Controlling Entity as at 31 December 2015 in the companies listed is as follows: ASUD 51.52% (indirect interest), AFI 51.54% (indirect interest), AG 90.42%, AL 100%, MS 90.42% (indirect interest), NP 90.42% (indirect interest), P 100%.

The report contains information on what contracts were concluded between the Controlled Entity and the Related Parties in the reporting period of 2015, what other legal acts were made between the Related Parties in their interest, and information on all other measures taken or implemented in the interest or at the instigation of these entities by the Controlled Entity.

The report is issued in writing and is part of the annual report under special legislation.

Concluded contracts and agreements

Trade relations between the Controlled Entity and the Related Parties for year 2015 were set by the following agreements:

Contracts and agreements in force during the financial year 2015

AKCENTA CZ x ASUD	Lease of commercial premises, as amended by the Amendments no. 8, 9
-------------------	---

AKCENTA CZ x ASUD	Framework Agreement for forward foreign exchange business no. 25087
AKCENTA CZ x ASUD	Agency Contract (16 November 2015)
AKCENTA CZ x ASUD	Agency Contract of (1 April 2015)
AKCENTA CZ x ASUD	Framework Agreement for the Provision of Selected Services, current account management
AKCENTA CZ x AG	Contract to Borrow
AKCENTA CZ x AG	Framework Agreement, foreign currency exchange no. 23560
AKCENTA CZ x AL	Contract for the Provision of (Outsourcing) Services
AKCENTA CZ x AL	Amendment no. 1 to the Contract for the Provision of (Outsourcing) Services
AKCENTA CZ x AL	Agreement on Termination of the Contract on (Škoda Octavia) Passenger Car Lease
AKCENTA CZ x AL	Contract on (SUZUKI GRAND VITARA) Passenger Car Lease
AKCENTA CZ x AL	Contract on (Subaru Outback) Passenger Car Lease
AKCENTA CZ x AL	Contract on (Volkswagen Sharan) Passenger Car Lease
AKCENTA CZ x AL	Framework Agreement, foreign currency exchange no. 41147
AKCENTA CZ x AL	Contract on Personal Data Processing
AKCENTA CZ x Milan Lacina	Contract on Entrusting (Subaru Outback) Passenger Car for Usage to Employee for Business and Private Purposes
AKCENTA CZ x Milan Lacina	Framework Agreement, ACZ as the supplier and ML as the buyer – the subject of the Agreement is the exchange of foreign currency
AKCENTA CZ x NP	Lease Agreement
AKCENTA CZ x NP	Contract to Borrow (8 July 2015)
AKCENTA CZ x NP	Contract to Borrow (3 November 2015)
AKCENTA CZ x P	Lease Agreement no. 4 as amended by the Amendment no. 1

Performance and consideration

Performance and consideration of the abovementioned contracts were made at prices customary in trade relations as well as in relations with other non-related parties.

No legal actions other than the abovementioned contracts were performed in the interest of the Controlling Entity, nor has the Controlled Entity at the instigation of the Controlling Entity taken any significant measures.

The Board of Directors of the Controlled Entity declares that the Controlled Entity has not suffered any damages from the abovementioned contracts, other measures and actions taken, or from provided services.

In Hradec Králové on 16 March 2016



Milan Cerman
Chairman of the Board of Directors
Sales Director



Daniel Johanis
Vice-Chairman of the Board of Directors
Finance Director

SUPERVISORY BOARD REPORT

SUPERVISORY BOARD

The Supervisory Board had the following members: Ing. Milan Lacina, born on 8 October 1977 - Chairman of the Supervisory Board, further the member Bc. Jiří Macek. In May 2015 there was a change in the members of the Supervisory Board. Since 1 May 2015 the Board has consisted of Milan Lacina, born on 3 June 1956 and Bc. Jiří Macek. The Board has met with both at regular quarterly intervals and at extraordinary meetings, all in accordance with the Company Articles of Association.

THE SUPERVISORY BOARD'S ACTIVITIES

The Supervisory Board participated in meetings of the Board of Directors, the Board of Directors regularly provided the Supervisory Board with information on economy, the Supervisory Board checked information on setting financial and strategic plans and it addressed controls of its performance, including indicators set by current legislation. Furthermore, it focused on examining the management and control system, particularly through the internal audit findings and the remuneration system in the Company. Further inspections were focused on fulfilling resolutions of the Board of Directors, compliance with the Articles of Association and compliance checks of indicators established by the legislation on the basis of documents supplied by the Compliance unit.

IDENTIFIED SHORTCOMINGS AND THEIR ELIMINATION

The Board did not find any facts that would contradict the approved Articles of Association or applicable legal standards.

FINANCIAL STATEMENTS, MANAGEMENT AND PROPOSAL OF PROFIT DISTRIBUTION

Financial Statements, management and proposal of profit distribution

The Board discussed the financial statements for 2015 and familiarized itself with the report and the auditor's statement on these Financial Statements delivered by KPMG Česká republika Audit, s.r.o. On the basis of these documents, the Commission states that it does not have any objections on the submitted financial statements.

The Supervisory Board recommends that the General Meeting of AKCENTA CZ a.s. approves the ordinary annual financial statements of AKCENTA CZ a.s. for the year 2015.

In Prague on 28 April 2016



Milan Lacina
Chairman of the Supervisory Board

OTHER

The activities of AKCENTA CZ a.s. have no influence on the environment. The Company is not active in the field of environment or in research and development.

As part of our strategy, we meet the obligations imposed by legislation. The Company complies with all legal standards in accordance with Czech law in all labour relations.

INDEPENDENT AUDITOR'S REPORT

KPMG

KPMG Česká republika Audit, s.r.o.
Pobřežní 648/1a
186 00 Prague 8
Czech Republic

Telephone: +420 222 123 111
Fax: +420 222 123 100
Internet: www.kpmg.cz

Independent Auditor's Report to the Shareholders of AKCENTA CZ a.s.

We have audited the attached financial statements of AKCENTA CZ a.s. drawn up based on the Czech accounting regulations, i.e. the balance sheet as at 31 December 2015, income statement and statement of changes in equity for 2015 and notes to these financial statements including a summary of significant accounting policies and other explanatory notes. Information about AKCENTA CZ a.s. is presented in Note 1 to the financial statements.

Statutory Body's Responsibility for the Financial Statements

The statutory body of AKCENTA CZ a.s. is responsible for the preparation of financial statements that give a true and fair view in accordance with the Czech accounting regulations and for such an internal controlling system as to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on the performed audit. We conducted our audit in accordance with the Act on Auditors and International Standards on Auditing and related application guidance of the Chamber of Auditors of the Czech Republic. In accordance with these regulations, we are required to comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing auditing 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 if the financial statements contain material misstatements due to fraud or error. While making those risks assessments, the auditor assesses whether the internal control system is relevant to the financial statements and gives a true and fair view. The purpose of this assessment is to propose appropriate auditing procedures, not to express the effectiveness of internal control system of the entity. 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 evidence obtained provides a reasonable and adequate basis for our opinion.

KPMG Česká republika Audit, s.r.o., and Czech limited liability company and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International", a Swiss entity.

Companies Register kept by the Municipal Court in Prague Section C, Insert 24185
Company ID 49619187

KPMG

Auditor's Report

In our opinion the financial statements give a true and fair view of the assets and liabilities of AKCENTA CZ a.s. as at 31 December 2015, and its expenses, revenues and financial performance for year 2015 in accordance with the Czech accounting regulations.

Other Information

Information disclosed in the Annual Report outside the financial statements and our Auditor's Report is regarded as other information. The statutory body of the Company is responsible for the other information.

Our opinion on the financial statements of AKCENTA CZ a.s. as at 31 December 2015 neither involves the other information, nor do we express any special opinion thereon. It is, however, a part of our obligations relating to the audit of financial statements to acquaint ourselves with the other information and to consider whether the other information disclosed in the Annual Report is not contrary to the financial statements or our knowledge about the financial statements obtained during the audit of the financial statements, whether the Annual Report has been prepared in compliance with legal regulations or whether the information is otherwise free of material misstatement. If we find out otherwise based on our audit work, we are obliged to disclose the ascertained facts in our Auditor's Report.

Having applied the above procedures, we have not established any such fact from the obtained other information.

In Prague on 28 April 2016

KPMG Česká republika Audit

KPMG Česká republika Audit, s.r.o.
Registration no.71



Ing. Vladimír Dvořáček
Partner
Registration no. 2332

FINANCIAL STATEMENTS

AKCENTA CZ a.s.

**Financial Statements
for the year ended 31 December 2015**

Company name: AKCENTA CZ a.s.

Registered office: Ovocný trh 572/11, Staré Město, 110 00 Prague 1

ID no.: 25163680

Business activity: Securities Dealer

Date of preparation of the financial statements: 19 April 2016

**BALANCE SHEET
as at 31 December 2015**

TCZK	Note	31/12/2015	31/12/2014
ASSETS			
1	Cash in hand and balances with central banks	82	56
3	Receivables from banks and credit unions	14	865,191
	<i>of which: a) repayable on demand</i>	<i>865,191</i>	<i>625,139</i>
	<i>b) other receivables</i>	<i>-</i>	<i>-</i>
4	Receivables from non-banks	15	12,843
	<i>of which: a) repayable on demand</i>	<i>-</i>	<i>-</i>
	<i>b) other receivables</i>	<i>12,843</i>	<i>5,171</i>
8	Ownership interests with controlling influence	16	4,700
	<i>of which: in banks</i>	<i>-</i>	<i>-</i>
9	Intangible fixed assets	17	10,353
10	Tangible fixed assets	18	413
	<i>of which: land and buildings for operating activities</i>	<i>20</i>	<i>20</i>
11	Other assets	19	18,633
13	Prepaid expenses and accrued income	803	826
Total assets		913,018	657,523

The notes on pages 27 to 50 are an integral part of these financial statements.

TCZK		Note	31/12/2015	31/12/2014
LIABILITIES				
2	Payables to non-banks	21	769,186	543,856
	<i>of which: a) repayable on demand</i>		<i>769,186</i>	<i>543,856</i>
4	Other liabilities	24	33,633	24,937
5	Deferred income and accrued expenses		529	371
6	Provisions		2,490	1,000
	<i>c) other</i>	28	<i>2,490</i>	<i>1,000</i>
8	Registered capital	26	24,030	24,030
	<i>of which: a) paid-up registered capital</i>		<i>24,030</i>	<i>24,030</i>
9	Share premium		140	140
10	Reserve funds and other funds from profit	29	28,002	28,002
	<i>c) other funds from profit</i>		<i>28,002</i>	<i>28,002</i>
14	Retained profits (or accumulated losses)	29	28,587	28,578
15	Profit (loss) for the accounting period	29	26,421	6,609
Total liabilities			913,018	657,523

The notes on pages 27 to 50 are an integral part of these financial statements.

TCZK	Note	31/12/2015	31/12/2014	
OFF-BALANCE SHEET ITEMS				
Off-balance sheet assets				
1	Commitments and guarantees provided	31	4,500	-
2	Collaterals provided	31	23,054	12,000
3	Receivables from spot transactions	31	92,531	249,962
4	Receivables from fixed term transactions	31	3,558,790	2,103,237
Off-balance sheet liabilities				
9	Commitments and guarantees received	20, 31	20,000	10,000
11	Liabilities from spot transactions	31	92,318	249,634
12	Liabilities from fixed term transactions	31	3,554,501	2,009,796

The notes on pages 27 to 50 are an integral part of these financial statements.

INCOME STATEMENT
for the year ended 31 December 2015

TCZK	Note	2014	2013
1 Interest income and similar income	5	583	267
2 Interest expense and similar expense	5	(114)	(47)
4 Commission and fee income	6	12,073	10,640
5 Commission and fee expense	6	(11,172)	(10,281)
6 Gain or loss from financial operations	7	155,290	111,038
7 Other operating income	8	969	881
8 Other operating expenses	8	1,518	(925)
9 Administrative expenses	9	(117,113)	(101,150)
<i>of which: a) employee expenses</i>		(49,770)	(43,412)
<i>of which: aa) wages and salaries</i>		(36,787)	(32,394)
<i>ab) social and health insurance</i>		(12,983)	(11,018)
<i>b) other administrative expenses</i>		(67,343)	(57,738)
11 Depreciation, establishment and utilisation of provisions and adjustments for tangible and intangible fixed assets	17, 18	(2,719)	(6,801)
12 Release of adjustments and provisions for receivables and guarantees, income from written-off receivables	28	-	23
13 Write-offs, establishment and utilisation of adjustments and provisions for receivables and guarantees	28	(123)	(231)
16 Release of other provisions	28	537	4,144
17 Establishment and utilisation of other provisions	28	(2,027)	1,939
19 Current year profit (loss) from ordinary activities before tax		34,666	9,497
23 Income tax	30	(8,245)	(2,888)
24 Net profit (loss) for the period after tax		26,421	6,609

The notes on pages 27 to 50 are an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY
for the year ended 31 December 2015

TCZK	Registered capital	Share premium	Statutory reserve funds	Other funds from profit	Revaluation gains (losses)	Profit (loss)	Total
Balance at 1/1/2014	24,030	140	4,084	28,002	-	24,494	80,750
Release of reserve fund	-	-	(4,084)	-	-	4,084	-
Dividends	-	-	-	-	-	-	-
Net profit/loss for the accounting period	-	-	-	-	-	6,609	6,609
Balance at 31/12/2014	24,030	140	-	28,002	-	35,187	87,359
					-		
Balance at 1/1/2015	24,030	140	-	28,002		35,187	87,359
Dividends	-	-	-	-	-	(6,600)	(6,600)
Net profit/loss for the accounting period	-	-	-	-	-	26,421	
Balance at 31/12/2015	24,030	140	-	28,002	-	55,008	107,180

The notes on pages 27 to 50 are an integral part of these financial statements.

AKCENTA CZ a.s.
Annex to the Financial Statements
Year ended 31 December 2015

1. GENERAL INFORMATION

(a) Company Description

AKCENTA CZ a.s. was established on 16 June 1997.

Name and address of the Company

AKCENTA CZ a.s.
Ovocný trh 572/11
110 00 Prague 1 – Staré Město
Czech Republic

ID no.: 25163680

Tax ID no.: CZ25163680

hereinafter the (“company” or “Company”)

Members of the Board of Directors and the Supervisory Board as at 31 December 2015

Members of the Board of Directors

Milan Cerman (*Chairman*)
Bc. Daniel Johanis, MBA (*Vice-Chairman*)
Jan Karger

Members of the Supervisory Board

Milan Lacina, born on 3 June 1956 (*Chairman*)
Bc. Jiří Macek

Changes in the Companies Register

During 2015 the following changes were made in the Companies Register:

- On 30 April 2015 Ing. Milan Lacina, born on 8 November 1977, resigned as Chairman of the Supervisory Board.
- On 1 May 2015 Milan Lacina, born on 3 June 1956, was appointed Chairman of the Supervisory Board.

These changes were recorded in the Companies Register on 28 May 2015.

On 28 May 2015 a change about the sole shareholder was entered in the Companies Register:

- **Mr. Milan Lacina, born on 3 June 1956**, was substituted by AKCENTA GROUP SE, ID no. 282 52 900, Gočárova třída 312/52, Pražské předměstí, 500 02 Hradec Králové.

Scope of business:

AKCENTA CZ a.s., on the basis of its certificate of incorporation, is authorized within its normal business activities to provide the following services:

- a) Production, trade and services not listed in Annexes 1 to 3 to the Trade Licensing Act.

AKCENTA CZ a.s. is listed in the registry kept by the Czech National Bank (CNB), in the following sectors:

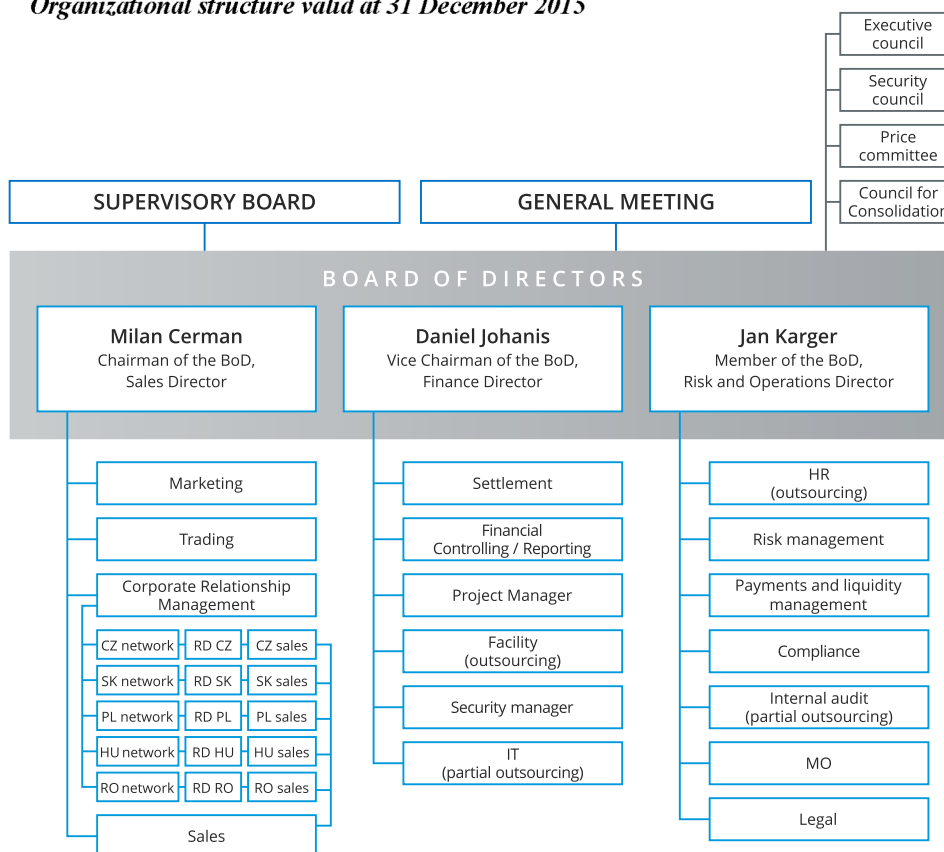
- Payment institutions and branches of foreign payment institutions
- Securities Dealers and branches of a foreign securities dealer

AKCENTA CZ a.s., based on a decision of the CNB to grant permission to carry out the activities of a payment institution dated 22 February 2011 and the license for securities trading dated 15 July 2011, is authorized to provide:

- Payment services pursuant to Act. No. 284/2009 Coll.
 - Cash deposits into a current account held by the Company according to Section 3 paragraph 1(a) of that Act,
 - Cash withdrawals from a current account held by the Company according to Section 3 paragraph 1(b) of that Act,
 - Implementing the transfer of funds according to Section 3 paragraph 1(c) of that Act,
 - Issuing payment instruments, and devices for accepting payment instruments according to Section 3 paragraph 1(e) of that Act,
 - Transfers of funds according to Section 3 paragraph 1(f) of that Act.

- Activities of a securities dealer pursuant to Act. No. 256/2004 Coll. in the range of main investment services, i.e. ..:
 - Receiving and transmitting instructions concerning investment instruments,
 - Execution of instructions relating to investment instruments on the customer's account,
 - Trading investment instruments on own account,
 - Ancillary services of safekeeping and administration of investment instruments, including related services, all in relation to investment instruments under Section 3 paragraph 1(d) of that Act.

Organizational structure valid at 31 December 2015



(b) Basis of preparation of financial statements

The financial statements have been prepared on the basis of accounting maintained in accordance with the Accounting Act No. 563/1991 Coll. and relevant regulations and decrees of the Czech Republic. They have

been prepared on the accrual of revenues and expenses at historical cost, except for certain financial instruments at fair value.

These financial statements have been prepared in accordance with Decree no. 501 of the Ministry of Finance of the Czech Republic, dated 6 November 2002, as amended by subsequent regulations, which provides for the classification and identification of the financial statements and the content of the statements, and the accounting methods and their use for the bank and other financial institutions.

2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with the following significant accounting policies:

(a) Transaction date

Depending on the type of transaction, the transaction time is set to the date of payment or receipt of cash, or the date of purchase or sale of foreign currency; for securities, the date of payment or debits from the account of the client, the date of order to a correspondent to make a payment, the day of crediting (foreign), according to a statement received from a company correspondent (statement means SWIFT statement, bank's notice, statement, or other documents), and the trade date and settlement date of transactions in foreign exchange, other derivatives, the date of issue or receipt of a guarantee, the day the service is provided.

For incoming invoices in foreign currency, the taxable date is considered the day of service, specifically the invoice date, unless the day of the services is strictly set, specifically, the day of payment in the case of advance overhead invoices from European Community countries. For incoming invoices from sales representatives, the taxable date is the last day of the month for which the service is provided.

Accounting transactions involving the purchase and sale of financial assets with a usual delivery term (spot transactions) are recognized directly under the corresponding item of assets or liabilities on the day of the trade settlement. Unsettled spot transactions at the reporting date are recognized in off-balance sheet accounts.

Fixed-term operations are recorded on the balance sheet accounts from the trade date to the settlement date, and the fair value of outstanding derivatives is recorded on the balance sheet and income statement.

(b) Debt securities, shares, share certificates and other shares

AKCENTA CZ a.s. does not perform operations with debt securities, shares, units and other interests.

(c) Transactions with securities for clients

AKCENTA CZ a.s. does not perform securities transactions for clients.

(d) Subsidiaries and associates

Ownership interest with controlling influence means participation in a subsidiary in which AKCENTA CZ a.s. factually or legally exercises, directly or indirectly, controlling influence (control) over the subsidiary's management or operations.

Controlling influence means the ability to manage the financial and operational policy of such company and thus gain benefit from its activities.

AKCENTA CZ a.s. exercises controlling influence whenever it meets at least one of the following conditions:

- a) it is a majority shareholder; or
- b) it holds a majority of voting rights based on an agreement concluded with another shareholder or shareholders; or
- c) it may push through appointment or election or revocation of a majority of persons who are the statutory body or a member of the statutory body, or a majority of persons, who are members of the supervisory body of a legal entity whose shareholder it is.

Valuation

Ownership interests with controlling influence are valued at acquisition cost.

Valuation at acquisition cost

Ownership interests with controlling influence are valued at acquisition cost that is reduced by adjustments on grounds of temporary reduction of the ownership interest value, individually for each ownership interest. Establishment, release and utilisation of relating adjustments is shown in the income statement in items "Release of adjustments for ownership interests with controlling and substantial influence" and "Losses from transfer of ownership interests with controlling and substantial influence, establishment and utilisation of adjustments for ownership interests with controlling and substantial influence".

(e) Receivables from clients from financial operations

Receivables from financial transactions are recorded at cost. In the case of debts in foreign currencies, the debts are recalculated by a contracted rate agreed on the trade date (the exchange rate is determined based on current supply and demand of the currency pair in the interbank foreign exchange market). Unsettled trades on the last day of the month are recalculated by the CNB exchange rate prevailing on the last day of that month. Receivables as at the balance sheet day are recalculated by the CNB exchange rate valid as at the balance sheet day. Receivables and payables from unrealized trading as at the balance sheet day are recognized in off-balance sheet items and as at the balance sheet day they are not included in the balance sheet.

The Company creates accounting adjustments and reserves and writes off receivables. Adjustments and write-offs of receivables are shown in the item „Depreciation, establishment and utilisation of adjustments and provisions for receivables and guarantees“.

Adjustments for paid receivables were released to expenses. Adjustments to written off receivables were utilised.

The Company establishes adjustments to non-statute barred receivables from fees.

(f) Creation of reserves

A reserve represents probable performance with uncertain time schedule and amount. A reserve is debited to expenses in an amount equal to the best estimate of expenses necessary for the settlement of an existing debt.

A reserve is created subject to meeting the following criteria:

- a) an obligation (legal or factual) to perform exists, which is the result of past events;
- b) it is likely or certain that the performance will occur and will require outflow of funds representing economic benefit, whereas "likely" means probability over 50%;
- c) it is possible to make a reasonably reliable estimate of performance.

AKCENTA CZ a.s. creates a non-tax reserve for annual bonuses that are paid in the following year; the reserve is created including the relating social and health insurance contribution.

(g) Long-term tangible and intangible assets

Tangible and intangible assets are stated at historical cost and depreciated evenly (except the "TZ software" and "Royalties") according to Sections 31 and 32 of Act no. 586/1992 Coll.

Depreciation periods for individual categories of tangible and intangible assets are as follows:

Software	36 months
Royalties	72 months
Computers	3 years (depreciation group 1)
Inventory	3-10 years (depreciation groups 1, 2, 3)

Other	3 years
Vehicles	5 years

Accounting and tax depreciation are consistent with tangible assets.

Intangible fixed assets and the items "TZ software" and "Royalties" have different tax and accounting depreciation. TZ software is depreciated over 36 months (18 months for tax purposes) and that applies to each change in TZ. The item "Royalties" is depreciated for accounting purposes from the price based on an expert opinion (tax depreciation of reduced prices).

Small Assets

Intangible assets costing less than CZK 60 thousand and small tangible assets costing less than CZK 40 thousand are expensed in the period in which they are acquired, with usability no longer than one year. Small tangible assets worth over CZK 1 thousand are kept in the operational records of minor assets and according to location.

(h) Valuation of assets and liabilities

The accounting unit uses the following for valuation of assets and liabilities:

Purchase price – i.e. the price at which the assets were acquired, including costs related to their acquisition,

Par value - for the award of cash and valuables, receivables and payables incurred.

For the conversion of foreign currencies to CZK, the CNB exchange rates listed on the date of the financial statements were used.

(i) Derivative financial instruments and spot transactions

As part of its activities, the Company concludes spot, forward, swap and option transactions.

Currency Spot

Buying or selling a certain amount of funds in one currency for a certain amount of funds in another currency at a fixed exchange rate; the rate is set based on the current supply and demand situation of the currency pair in the interbank foreign exchange market (contractual rate).

When concluding the trade, the exchange rate of the CNB on the settlement date is used. For the accounting of profit or loss on foreign exchange transactions, the settlement date is used, i.e. the time of payment of the liability or receivable. Profits and losses from the settlement of foreign exchange transactions are recognized in the income statement in "Gain or loss from financial operations".

Currency forward

Buying or selling a certain amount of funds in one currency for a certain amount of funds in another currency at a fixed exchange rate; the exchange rate is determined based on the current supply and demand situation in the forex market and the values of interest rates of participating currencies.

The settlement of currency forwards occurs in the future, on the sixth working day at the earliest and one year after the conclusion of the transaction at the latest.

The Forward rate and settlement date are set as binding, i.e. no changes can be made after closing a deal.

Currency Swap

The exchange of funds in one currency for another currency for a fixed term. If this period begins in the future, it is referred to as Forward FX Swap.

The settlement will take place as two independent conversions, which means the initial sale performed by the client to the Company for the current spot (or, as the case may be, for the Forward rate in the case of Forward FX swaps) rate and future course of their repurchase by the client from the Company for the Forward rate.

Options

The right (but not the obligation) to purchase/sell one currency for another at a pre-agreed exchange rate – the strike price, and in a pre-agreed date in the future – maturity, or expiration date. For this right, the buyer pays the seller an option premium.

The market price of an option (Premium) is payable immediately or the next working day, subject to prior approval of the Risk Management department. The market price is determined based on current supply and demand in the market.

If the option is exercised by the client or the Company, the settlement will take place as a "spot," in the system.

Unsettled derivatives are recognized at fair value. Positive fair value of derivatives is recognized in assets in "Other assets". Negative fair value of unsettled derivatives is recognized in liabilities under "Other liabilities".

The fair value of financial derivatives is determined as the present value of expected cash flows from these transactions. To determine the present value the market as exchange rates, interest rates for a given maturity based on the yield curve, etc., are used.

Unsettled derivatives are recorded among off-balance sheet items in the contractual undiscounted value of the underlying instrument in "Receivables from fixed term operations", "Liabilities from fixed term operations."

Unrealized gains and losses arising from changes in the fair value of outstanding derivatives, as well as realized gains and losses on settled derivatives, are recognized in the income statement in "Gain or loss from financial operations".

(j) Taxation

The tax base for income tax is calculated from the profit for the period by adding non-deductible expenses and deducting non-taxable income, which is further adjusted by tax allowances and relevant tax credits paid abroad.

Deferred tax is provided on all temporary differences between the accounting and tax values of assets and liabilities using the expected tax rate for the next period. A deferred tax asset is recognized only when there is no doubt that it will be realized in subsequent accounting periods.

(k) Asset Securitization

AKCENTA CZ a.s. does not securitize assets.

3. CHANGES IN ACCOUNTING POLICIES

In 2015, there were no significant changes in accounting methods.

4. CORRECTIONS TO PREVIOUS PERIODS

There were no corrections to previous periods and there were no additional corporate income tax returns.

5. NET INTEREST INCOME

TCZK	2015	2014
Interest income and similar income		
Interest income on bank accounts	583	267
Total	583	267
Interest expense and similar expense		
Other	114	47
Total	114	47
Net interest income	469	220

Other interest expense includes interest paid on deposits of clients on internal payment subaccounts.

6. INCOME AND EXPENSES FROM FEES AND COMMISSION

TCZK	2015	2014
Income from fees and commission		
from spot transactions, derivative transactions and transfers	12,073	10,640
Total	12,073	10,640
Expenses from Fees and commission		
from spot transactions, derivative transactions and transfers	11,172	10,281
Total	11,172	10,281
Net income from fees and commission	901	359

7. PROFIT OR LOSS ON FINANCIAL OPERATIONS

TCZK	2015	2014
Profit / (loss) on derivative transactions	12,874	(5,837)
Profit / (loss) on foreign exchange operations	115,029	113,295
Other exchange differences	27,387	3,580
Total	155,290	111,038

8. OTHER OPERATING INCOME AND EXPENSES

TCZK	2015	2014
Income from services	165	78
Income from sales of long-term fixed assets	804	803
Total	969	881
Expenses - Other operating expenses	1,518	925
Total	1,518	925

Other operating income includes contractual penalties and fines, received damage compensation and other operating revenues.

Other operating expenses consist mainly of unclaimed deductions on VAT and other operating expenses.

9. ADMINISTRATIVE EXPENSES

TCZK	2015	2014
Wages and salaries	31,904	26,934
Social and health insurance	12,983	11,018
Wages and salaries paid to:		
Board members	4,883	5,460
Employee expenses	49,770	43,412
Other administrative expenses	67,343	57,738
of which: commission paid to consultants	28,908	24,509
of which: outsourcing costs	3,434	7,331
of which: expenses for audit, legal and tax advisory	2,398	1,597
Total	117,113	101,150

Average headcount was as follows:

	2015	2014
Employees	64	62
Board members	3	3
Members of the Supervisory Board	2	2

10. EXTRAORDINARY INCOME AND EXPENSES

AKCENTA CZ a.s. did not recognize any extraordinary income and expenses in 2015 and 2014.

11. INCOME AND EXPENSES FROM OPERATIONS WITH PARTICIPATION IN SUBSIDIARY AND SUBSIDIARIES

AKCENTA CZ a.s. has recorded income from a loan provided to NERUDOVA property s.r.o., Company ID No.: 04151640 in the amount of CZK 11 thousand (2014: CZK 0). The expenses relating to the formation of NERUDOVA property s.r.o. (incorporation expenses) were re-invoiced to the Company.

12. INCOME AND EXPENSE ACCORDING TO SEGMENTS

(a) Geographic areas

TCZK	Czech Republic		Central and Eastern Europe	
	2015	2014	2015	2014
Interest income and similar income	343	75	240	192
Interest expense and similar charges	114	47	0	0
Net fee and commission income	5,499	5,756	6,574	4,884
Fees and commission	7,469	6,662	3,703	3,619
Gain or loss from financial operations	115,963	76,801	39,327	34,237

13. TRANSACTIONS WITH RELATED PARTIES

TCZK	2015	2014
Receivables	8,678	4,980
Liabilities	4,224	2,815
Revenue	7,357	209
Expenses	17,234	14,882

Receivables from related parties consists of advances paid for services related to the lease of the building and advances to members of the VAT group for December 2015, the loan in the amount of CZK 5,665 thousand to AKCENTA GROUP SE and of CZK 511 thousand to NERUDOVA property s.r.o. The positive fair value of unsettled derivatives as at 31 December 2015 amounting to 1,696 thousand. CZK (2014: CZK 1,434 thousand).

Payables to related parties represent liabilities for VAT deductions of the VAT group members for the months of November and December 2015, which the Company received from the Tax Office in January 2016 and February 2016. Other liabilities represent outstanding invoices for services purchased from related parties, which are on schedule for maturity, and negative fair value of unsettled derivatives as at 31 December 2015 in the amount of CZK 0 (2014: CZK 902 thousand).

Revenues are the interest on loans, exchange rate differences from business transactions, and the dissolution of unused accruals from 2014.

Costs from related parties mainly represent costs resulting from outsourcing services in the amount of CZK 7,793 thousand (2014: CZK 11,389 thousand), the costs arising from the lease of space in the amount of

CZK 1,279 thousand (2014: CZK 1,338 thousand) and related services, costs related to lease cars in the amount of CZK 396 thousand (2014: CZK 905 thousand).

14. RECEIVABLES FROM BANKS

(a) Classification of receivables from banks

TCZK	2015	2014
Standard	865,191	625,139
Receivables from banks, gross amount	865,191	625,139
Net receivables from banks	865,191	625,139

AKCENTA CZ a.s. records all receivables from banks as standard.

(b) Receivables from banks by residual maturity

All claims towards banks are due within one month.

(c) Analysis of receivables from banks by type of collateral

Receivables from banks in the balance sheet (note 14 a) represent funds deposited in the accounts of banks and timing mismatch between payments sent from a foreign bank and credited to the account of AKCENTA CZ a.s. It is a standard claim and as such these are not specifically provided for.

(d) Loans of special nature (subordinated loans)

In 2015 no loans were provided to AKCENTA CZ a.s.

(e) Receivables from investments in subsidiaries with significant influence

As at 31 December 2015, AKCENTA CZ a.s. has recorded receivables from NERUDOVA property s.r.o. in the amount of CZK 1,011 thousand, of which CZK 500 thousand is an advance provided for the lease of non-residential premises and CZK 511 thousand is a receivable from a loan under an agreement dated 8 July 2015.

15. RECEIVABLES FROM NON-BANK ENTITIES

(a) Evaluation of receivables from non-bank entities

TCZK	2015	2014
Receivables from customers	5,064	537
Deposits - stores	1,689	1,449
Receivables from related parties	6,294	3,346
Adjustments	(204)	(161)
Total	12,843	5,171

AKCENTA CZ a.s. has no obligation to categorize receivables from customers and these receivables are not interest bearing.

Receivables from clients consisted namely in a receivable from an unpaid transaction in the amount of CZK 4,336 thousand and the rest are receivables from invoiced transactions fees.

(b) Special loans (subordinated)

AKCENTA CZ a.s. does not provide loans of special nature.

(c) Analysis of receivables from non-bank entities by sector and type of collateral

Receivables from non-banking entities were primarily receivables from non-financial organizations, which are not specifically secured.

(d) Bad debts from non-bank entities and costs of unrecoverable receivables

Bad debts are described in the Note 28 hereof.

(e) Syndicated Loans

AKCENTA CZ a.s. has no syndicated loans.

(f) Receivables from related parties to the Company and receivables from investments in subsidiaries and associates

AKCENTA CZ a.s. Company records show receivables in the amount of CZK 5,665 thousand towards AKCENTA GROUP SE on the basis of a Contract to Borrow, debt maturity is 31 December 2018 and bears a fixed interest rate and in the amount of CZK 511 thousand towards NERUDOVA property s.r.o. on the basis of a Contract to Borrow, debt maturity is 9 July 2025 and also bears a fixed interest rate.

16. OWNERSHIP INTERESTS WITH CONTROLLING INFLUENCE

Starting from 10 June 2015, AKCENTA CZ a.s. holds a 100% ownership interest in NERUDOVA property s.r.o., Company ID No.: 04151640.

Basic information

CZK thousand							
Trade name	Reg.office	Objects of business	Registered capital	Other branches VK	Share in VK	Share in voting rights	Accounting value
As at 31 December 2015							
Nerudova property s.r.o.	Gočárova třída 227/50, Hradec Králové	Lease of real property, flats and non-residential premises	200	4,500	100%	100%	4,700
Total			200	4,500			4,700

17. INTANGIBLE ASSETS

(a) Changes in intangible assets

TCZK	Software	Valuable Rights	Unfiled assets	Total
Purchase price				
As at 1 January 2014	10,388	32,540	385	43,313
Additions	0	0	4,103	4,103
Other changes	2,854	0	(2,854)	0
As at 31 December 2014	13,242	32,540	1,634	47,416
As at 1 January 2015	13,242	32,540	1,634	47,416
Additions	0	0	5,800	5,800
Other changes	734	0	(734)	0
As at 31 December 2015	13,976	32,540	6,700	53,216
Accumulated depreciation and provisions				
As at 1 January 2014	5,507	28,020	0	33,527
Annual depreciation	2,216	4,520	0	6,736
As at 31 December 2014	7,723	32,540	0	40,263
As at 1 January 2015	7,723	32,540	0	40,263
Annual depreciation	2,600	0	0	2,600
As at 31 December 2015	10,323	32,540	0	42,863
Net book value				
As at 31 December 2014	5,519	0	1,634	7,153
As at 31 December 2015	3,653	0	6,700	10,353

(b) Incorporation expenses

In the accounting of AKCENTA CZ a.s. there are no registered incorporation expenses.

18. TANGIBLE ASSETS

(a) Changes in tangible fixed assets

TCZK	Land and buildings	Machinery and equipment	Vehicles	Total
Purchase price				
As at 1 January 2014	15	8,187	0	8,202
Disposals	5	0	536	541
As at 31 December 2014	20	8,187	536	8,743
As at 1 January 2015	20	8,187	536	8,743
Additions	0	0	0	0
As at 31 December 2015	20	8,187	536	8,743
Accumulated depreciation and provisions				
As at 1 January 2014	0	8,146	0	8,146
Annual depreciation	0	12	53	65
Disposals	0	0	0	0
As at 31 December 2014	0	8,158	53	8,211
As at 1 January 2015	0	8,158	53	8,211
Annual depreciation	0	12	107	119
As at 31 December 2015	0	8,170	160	8,330
Net book value				
As at 31 December 2014	20	29	483	532
As at 31 December 2015	20	17	376	413

(b) Tangible fixed assets purchased under finance leases

In 2015, tangible fixed assets were purchased under finance lease in the amount of CZK 901 thousand (2014: CZK 0) and are recorded on an off-balance-sheet account.

19. OTHER ASSETS

TCZK	2015	2014
Positive fair value of derivatives	12,907	14,367
Other assets	5,726	4,088
Deferred tax assets	0	191
Total	18,633	18,646

Positive fair value of derivatives

Derivatives are secured by cash collateral with an initial value of 10% of the transaction nominal value. From a transaction conclusion to the transaction maturity, the fair value of the transaction is monitored using the Market to Market (MTM) method. If the value of a MTM transaction achieves 80% of the value of the cash collateral deposited, the client is asked to replenish the collateral so that the MTM value decreases below 60% of the collateral value.

Other assets

Other assets represent provided operating advances in the amount of CZK 1,143 thousand (2014: CZK 232 thousand), receivables from employees in the amount of CZK 165 thousand (2014: CZK 203 thousand), receivables from the State Budget on grounds of paid advances for 2015 income tax and VAT deduction in the amount of CZK 4, 410 thousand (2014: CZK 3,645 thousand) and other receivables in the amount of CZK 8 thousand (2014: CZK 8)

20. PAYABLE TO BANKS/COMMITMENTS AND GUARANTEES

An overdraft loan facility with a nominal value of CZK 20,000 thousand was not drawn as at 31 December 2015 and was recorded as a contingent liability in Commitments and guarantees.

TCZK	2015	2014
Type of credit	overdraft	overdraft
Nominal value	20,000	10,000
Maturity	January 2016	January 2015
Repayment schedule	One-time lump sum renewal	One-time lump sum renewal
Balance drawdown	0	0
Maturity under 1 year	0	0
Maturity of 1-5 years	0	0

21. PAYABLE TO NON-BANK ENTITIES**(a) Analysis of liabilities to non-bank entities, by maturity**

TCZK	2014	2014
Repayable on demand	769,186	543,856
Total	769,186	543,856

(b) Payable to persons with a special relationship and commitments to investments in subsidiaries and associates

AKCENTA CZ a.s. has no payables to persons with a special relationship and commitments to investments in subsidiaries and associates.

22. LIABILITIES FROM DEBT SECURITIES

AKCENTA CZ a.s. did not carry out any operations with bond securities, deposit bills, mortgage bonds and other debt or securities in 2015 or 2014.

23. SUBORDINATED LIABILITIES

AKCENTA CZ a.s. had no subordinated liabilities in 2015 or 2014.

24. OTHER LIABILITIES

TCZK	2015	2014
Negative fair value of derivatives	7,872	10,738
Suppliers	6,736	3,181
Payables to employees	3,952	2,462
Payables to funds of health and social insurance	2,329	1,346
Payables to the state budget	4,233	558
Payables to members of the group VAT	4,496	1,687
Payables arising from transactions	1,654	3,098
Estimated receivables	1,592	1,867
Deferred tax liability	769	0
Total	33,633	24,937

25. INCOME AND ACCRUALS

The Company has accruals totalling CZK 529 thousand (2014: CZK 371 thousand).

26. SHARE CAPITAL

The registered capital in the amount of CZK 24,030 thousand consists of 21 ordinary registered shares with a nominal value of CZK 450 thousand and 162 registered ordinary shares with a nominal value of CZK 90 thousand.

Shareholders of the Company on 31 December 2015:

Name	Location	Number of shares (pcs)	Proportion of share capital (%)
AKCENTA GROUP SE, ID 28252900	Hradec Králové	183	100%
Total		183	100%

27. BONUSES TIED TO EQUITY

AKCENTA CZ a.s. does not have any bonuses tied to equity.

28. ADJUSTMENTS FOR RESERVES FOR RECEIVABLES

Development of adjustments for receivables from non-bank entities

TCZK	OP		Total
	Tax	Accounting	
Balance as at 1 January 2014	21	107	128
Creation	1	87	88
Release	(1)	(22)	(23)
Use	0	(32)	(32)
Balance adjustments			
As at 31 December 2014	21	140	161
Balance at 1 January 2015	21	140	161
Creation	2	104	106
Release	0	0	0
Use	(7)	(56)	(63)
Balance of adjustments			
as at 31 December 2015	16	188	204

In 2015, adjustments in the amount of CZK 106 thousand were established.

In 2015, receivables were written off in a total amount of CZK 80 thousand (2014: CZK 175 thousand) and at the same time utilisation of adjustments established for such receivables was accounted for in the amount of CZK 63 thousand (2014: CZK 32 thousand).

Development of reserves

TCZK	Provision for bonuses		Total
Balance at 1 January 2014	7,083	7,083	
Creation	1,000	1,000	
Release of unneeded reserves	(4,144)	(4,144)	
Use during the year	(2,939)	(2,939)	
Balance of reserves			
as at 31 December 2014	1,000	1,000	
Balance at 1 January 2015	1,000	1,000	
Creation	2,490	2,490	
Release of unneeded reserves	(537)	(537)	
Use during the year	(463)	(463)	
Balance of reserves			
as at 31 December 2015	2,490	2,490	

AKCENTA CZ a.s. created in 2015 a provision for annual bonuses of CZK 2,490 thousand (2014: CZK 1,000 thousand).

29. RETAINED EARNINGS OR ACCUMULATED LOSSES FROM PREVIOUS PERIODS, RESERVE FUNDS AND OTHER FUNDS FROM PROFIT

The Company proposes to distribute the profit of 2015 as follows:

TCZK	Profit / Loss	Retained earnings or accumulated losses from previous periods	Other profit funds
Balance as at 31 December 2015 before profit distribution for the year 2015		28,587	28,002
Profit for the year 2015	26,421	-	-
Proposed profit distribution for the year 2015	(26,421)	26,421	-
	-	55,008	28,002

30. INCOME TAX AND DEFERRED TAX ASSET/LIABILITY

(a) Current income tax

TCZK	2015	2014
Profit or loss for the period before taxes	34,666	9,497
Non-tax deductible expenses increasing the tax base	3,967	4,724
Other items reducing the tax base	(1,663)	(7,537)
Subtotal	36,970	6,684
Tax calculated at the rate of 19%	7,024	1,270
Tax paid abroad	1,740	1,129
Balance of tax paid abroad	(1,479)	(974)
Total tax liability	7,285	1,425

The total cost of current income taxes payable in 2015 amounted to CZK 7,285 thousand (2014: CZK 1,425 thousand).

The Company had no additional tax calculated for the previous period in 2015 or 2014.

(b) Deferred tax liability

As at 31 December 2015, the Company has recorded a deferred tax liability in other liabilities in the amount of CZK 769 thousand (31 December 2014: deferred tax receivable in the amount of CZK 191 thousand) calculated using the 19% income tax rate. The impact of the deferred tax on the income statement item 2015 Income tax amounted to CZK 960 thousand (2014: CZK 1,463 thousand).

31. OFF-BALANCE SHEET ITEMS

Receivables / payables from spot and fixed-term operations

AKCENTA CZ a.s. charges forward and swap transactions with clients as off-balance sheet items and treats them as such until settlement.

Furthermore, the off-balance sheet items converted the spot, which is not settled on the asset or the liability side.

Off-balance sheet receivables and payables represent the nominal (contractual) undiscounted value.

Pledges granted

The item Collateral represents amounts that serve as collateral for derivative transactions.

Received commitments and guarantees

The item Received commitments and guarantees shows the accounted for unused credit line of an overdraft facility. This overdraft facility was recorded as an off-balance-sheet liability in the item Received commitments and guarantees.

Provided commitments and guarantees

The item Provided commitments and guarantees shows the accounted for unused credit by NERUDOVA property s.r.o. in the amount of CZK 4,500 thousand (2014: CZK 0 thousand).

32. FINANCIAL INSTRUMENTS - Risk Management

(a) Credit risk

Within the scope of its activities, AKCENTA CZ a.s. is exposed to a substantial degree of credit risk.

The settlement of payment transactions and futures in foreign currencies contracted with clients always occurs after receiving funds from client accounts kept by the Company AKCENTA CZ a.s. In addition, AKCENTA CZ a.s. requests from the majority of clients with which it concludes forward and swap transactions that the client's funds are blocked in order to cover potential losses from these transactions in the future (cash collateral). In the event of negative developments in the duration of the transaction the company AKCENTA CZ requests that the guarantee is fulfilled.

AKCENTA CZ a.s. also bears credit risk associated with storing uncommitted funds of the Company and entrusting client funds in bank accounts. The Company mitigates this risk by selecting only correspondent banks that have a rating assigned by international rating agencies, especially Moody's Investors Service and Standard & Poor's Corporation, which reflects the fact that these institutions are sufficiently able to meet their financial commitments.

(b) Market risk

Currency risk is the most significant market risk faced by the Company in respect of its principal activities. Currency risk is managed by:

- Prudent and efficient management of open foreign exchange positions
- Determination of the so-called. Stop / loss limits
- The establishment and control of internal limits for the maximum amount of total open foreign exchange position.

Exchange position and off-balance sheet items to the main currencies are as follows:

TCZK	EUR	USD	PLN	HUF	CZK	Others	Total
As at 31 December 2015							
Cash and balances with central banks	9	-	1	7	62	3	82
Amounts due from banks	319,942	145,258	48,117	66,917	230,580	54,377	865,191
Receivables from non-bank entities	1,750	-	161	43	10,883	6	12,843
Ownership interests with controlling influence					4,700		4,700
Tangible and intangible assets	-	-	-	-	10,766	-	10,766
Other assets		-		15	18,413	205	18,633
Prepayments and accrued income	-	-	-	-	803	-	803
Total	321,701	145,258	48,279	66,982	276,207	54,591	913,018
Liabilities to non-bank entities	459,125	126,482	60,434	26,223	60,740	36,182	769,186
Other liabilities	2,382	133	916	372	29,821	9	33,633
Deferred income and accrued expenses	-	-	-	-	529	-	529
Reserves	-	-	-	-	2,490	-	2,490
Equity	-	-	-	-	107,180	-	107,180
Total	461,507	126,615	61,350	26,595	200,760	36,191	913,018
Long positions in FX spots and derivatives	1,591,709	196,598	176,654	43,050	1,402,025	241,285	3,651,321
Short positions of FX spots and derivatives	1,440,236	213,425	162,024	84,216	1,485,372	261,546	3,646,819
Net foreign currency position	11,667	1,816	1,559	(779)	(7,900)	(1,861)	4,502

Exchange position and off-balance sheet items to the main currencies are as follows (continued):

TCZK	EUR	USD	PLN	HUF	CZK	Others	Total
As at 31 December 2014							
Cash and balances with central banks	9	-	12	6	26	3	56
Amounts due from banks	262,769	125,221	65,232	28,094	83,323	60,500	625,139
Receivables from non-bank entities	1,484	-	101	26	3,551	9	5,171
Tangible and intangible assets	-	-	-	-	7,685	-	7,685
Other assets	9	-	346	0	18,291	-	18,646
Prepayments and accrued income	-	-	-	-	826	-	826
Total	264,271	125,221	65,691	28,126	113,702	60,512	657,523
Liabilities to non-bank entities	297,310	68,847	54,936	20,059	55,256	47,448	543,856
Other liabilities	725	-	3,724	229	20,211	48	24,937
Deferred income and accrued expenses	-	-	-	-	371	-	371
Reserves	-	-	-	-	1,000	-	1,000
Equity	-	-	-	-	87,359	-	87,359
Total	298,035	68,847	58,660	20,288	164,197	47,496	657,523
Long positions in FX spots and derivatives	900,867	196,092	129,020	27,963	984,415	114,842	2,353,199
Short positions of FX spots and derivatives	842,782	268,902	140,140	41,170	928,621	127,815	2,349,430
Net foreign currency position	24,321	(16,436)	(4,089)	(5,369)	5,299	43	3,769

The Others column includes the currencies GBP, CHF, SEK, AUD, JPY, CAD, DKK, RUB, NOK, CNY and RON.

AKCENTA CZ a.s. does not perceive interest rate risk as a significant risk, especially considering that spot trades account for about 95% of the total volume of client transactions concluded. Forward contracts are generally payable within three months.

(c) Liquidity risk

Liquidity in the case of the Company is defined as the Company's ability to fulfil clients' commitments arising from the realization of currency conversions and the associated payment transactions.

AKCENTA CZ a.s. has established mechanisms that separate client funds from the operating funds of the Company.

Closed spot/forward transactions are AKCENTA CZ a.s. settled only after AKCENTA CZ a.s. receives financial coverage of the trade by the client. This means that no trade is settled if it is not covered, by which the Company actually guards against liquidity risk.

(d) Operational risk

The operational risk of AKCENTA CZ a.s. is defined as the risk of loss due to inadequate or failed internal processes, the human factor or systems, and the risk of loss due to external factors, including risks arising from the breach or non-fulfilment of legal requirements.


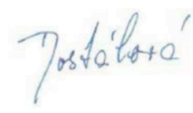
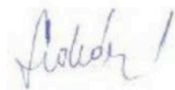
The process of managing operational risk in the terms of the Company is presented by a summary of its activities on a quarterly basis, in particular to identify, assess and monitor risks, including controls over the implementation of preventive and other measures to mitigate various types of risks. The results of these

activities are recorded in an internal Risk Matrix document. AKCENTA CZ mitigates operational risks associated with its activities as follows:

- Systemic support for all processes,
- Consistent separation of roles of trade-trade settlement and trade accounting,
- Setting user rights on all systems,
- Standardized work procedures,
- Multiple control for processes quantitatively with high impact on the income statement,
- Controls using the four eyes principle
- Professional supervision of Compliance, Internal Audit and Risk,
- Back-up plans for dealing with emergencies.

33. SIGNIFICANT EVENTS AFTER THE BALANCE SHEET DATE

At the time of preparing the financial statements, the Company management is not aware of any significant subsequent events that would impact the financial statements as at 31 December 2015.

<p>Submitted On:</p> <p>19 April 2016</p>	<p>Stamp and signature of the statutory representative</p>  <p>Milan Cerman</p>	<p>Person responsible for the accounting</p> <p>Name and signature:</p>  <p>Eva Dostálová</p> <p>tel.: +420 498 777 823</p>	<p>Person responsible for the Final Accounts</p> <p>Name and signature:</p>  <p>Dana Sedláková</p> <p>tel.:+420 498 777 766</p>
---	---	--	---

CONTACT



Registered office of the Company: Ovocný trh 575/11, 110 00 Praha 1, Czech Republic
Contact address: Gočárova třída 312/52, 500 02 Hradec Králové 2, Czech Republic



Tel.: +420 498 777 770
Fax: +420 498 777 750



E-mail: info@akcenta.eu
Web: www.akcenta.com