



2014

W.A.G. payment solutions, a.s.
Annual Report 2014



Our efforts are focused on becoming the leading, most profitable supplier of payment solutions for mobility within Europe. Our methodical improvements, passion for innovation, and deep insight into the needs of our customers underpin our success, making W.A.G. an attractive employer, a reliable business partner and a very interesting prospect for investment.

1/ Key Indicators

in EUR	2009	2010	2011	2012*	2013*	2014**
Sales revenues, including toll transactions	203,644,455	284,677,437	367,168,055	459,596,766	521,873,902	661,972,008
Tolls	42,770,154	83,829,233	102,847,784	131,380,384	154,880,347	208,950,980
Sales revenues	158,483,160	197,893,057	260,308,023	322,848,437	360,809,271	444,220,559
Production	2,391,141	2,955,148	4,012,248	5,367,945	6,184,284	8,800,469
Value added	6,199,681	7,815,642	8,847,558	10,830,019	14,081,604	19,844,725
EBITDA	–	–	–	6,037,586	8,956,544	11,450,931
EBIT	–	–	–	4,761,343	7,062,611	9,427,942
EBT	546,808	878,053	1,262,519	2,800,212	6,059,224	7,847,850
EAT	308,061	577,773	877,209	2,064,983	4,618,061	6,076,393

* New methodology of EBITDA and EBIT calculation was introduced in 2013. 2012 was recalculated to provide to comparable figure.

** 2014 EBT, EBIT and EBITDA were cleared from one-off impacts.

An exchange rate of 25.06 CZK per EUR was applied to the translation of figures for 2009 and 2010.

An exchange rate of 25.80 CZK per EUR was applied to the translation of figures for 2011.

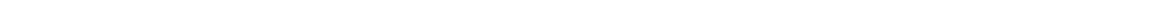
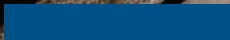
An exchange rate of 25.14 CZK per EUR was applied to the translation of figures for 2012.

An exchange rate of 27.425 CZK per EUR was applied to the translation of figures for 2013.

An exchange rate of 27.725 CZK per EUR was applied to the translation of figures for 2014.

Innovation

Our creativity and willingness to learn enables us to find new paths of development, increasing the value of our work and sharpening our competitiveness.



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2/ Corporate Profile

2.1. General Information

Name	W.A.G. payment solutions, a.s.
Registered office	Na Vítězné pláni 1719/4 140 00 Praha 4 Czech Republic
Registration number	26415623
Share capital	CZK 109,796,000
Shareholders	Martin Vohánka (85.2%) Company Board of Directors (14.8%)

2.2. Corporate Governance

Board of Directors

Martin Vohánka – Chairman
David Holý – Vice-Chairman (appointed to office
on 15 July 2014)
Tomáš Svatoň – Member
Pascal Guyot – Member

Supervisory Board

Petr Husák – Chairman (became a member
on 19 September 2014)
Hana Hradská – Member
Tomáš Michek – Member
Jana Martínková – Member (became a member
on 19 September 2014)
Martin Burda – Member (became a member
on 19 September 2014)



Martin Vohánka
Chairman of the Board
of Directors



David Holý
Vice-Chairman of the Board
of Directors



Tomáš Svatoň
Member of the Board
of Directors



Pascal Guyot
Member of the Board
of Directors



Petr Husák
Chairman of the Supervisory
Board



Trust

Honesty and reliability are the foundations on which we build confidence and loyalty.

3/ Foreword

Ladies and Gentlemen, Dear Friends of W.A.G.,
In 2014, we witnessed a plethora of major changes and paradigm shifts across society which perhaps make the world we live in today seem less orderly than it was before. Yet what actually drives the future forward is not so much events in themselves as our interpretation of those events and, in particular, how we incorporate them into our everyday personal interaction with our surroundings. It is my belief, then, that if we are to forge ahead successfully in building a modern European society, our best bet is not to succumb to doubt but to adhere steadfastly to our core values of respect, solidarity, diligence, creativity and, perhaps recently a little more than we have been used to, consistency and determination, and to defend those values.

We at W.A.G. payment solutions are striving to keep to this path and to accomplish positive sustainable societal development as we progress. I am sure that this has once again served as the bedrock enabling me to present, on the following pages, the company's sound 2014 results, and to shed light on the numerous activities we carry out beyond the confines of our routine agenda in a bid to improve the lives of others. Finally, I would like to take this opportunity to thank you for your cooperation and loyalty, and to express the heartfelt wish of composure, wisdom and happiness for all of us into the future.



Martin Vohánka
Founder and Chief Executive Officer

4/ History

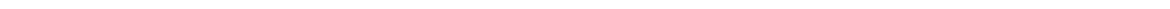
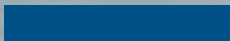
W.A.G. group, spol. s r.o. was formed in 1995 as a petroleum product wholesaler. Initially, it supplied fuel from Czech refineries primarily to agricultural holdings, industrial enterprises and roadside petrol stations. In 1999, W.A.G. became the first privately owned entity in the industry to be ISO 9001 certified as part of its quality-enhancement policy. In the wake of a decision taken in 2000 to move up to a higher form of legal status, the newly formed public limited company W.A.G. minerální paliva, a.s. assumed all of the original company's assets and liabilities on 1 January 2001.

In 2005, there was a change in the ownership structure as the UK-based ENDORSED INVESTMENT invested in the company, providing the share capital injection needed for further development and remaining on-board for the next seven years. By 2005, the W.A.G. portfolio was dominated by Eurowag, a product which had also met with great success in Slovakia and Hungary. It was at this time that W.A.G. was also launching a massive investment in the construction of a network of Eurowag branded truck parks in the Czech Republic.

At the end of 2006, W.A.G. was preparing for the introduction of tolls on selected roads in the Czech Republic, and in 2007 started expanding the acceptance network to encompass other EU Member States. In late 2008, W.A.G. opened an office in Poland, followed in 2011 by another in Romania, its fifth market for Eurowag card sales. From 2009 to 2012, the company focused on continuing to expand the network of petrol stations accepting its products. This was accompanied by the development of toll system services and ongoing improvements in ancillary services and internal processes. In 2013, another two unmanned establishments in Poland, built on sections of motorway close to the border with Germany, joined the Eurowag network of branded truck parks.

Flexibility

Flexible responses to market developments and the rapid implementation of innovations are one of our company's particular strengths. We transform risks into opportunities and ideas into products.



Integrity

Ethical values are a natural guide in our everyday decision-making, helping us to stand out as a major constructive factor in the world around us.



5/ Report on Company Activities

5.1. Business Activities in 2014

Introduction

For the company, 2014 was another in its run of highly successful years, in which it reported excellent results in many areas. EBITDA rose by 29% and EBT was up by 37% (or by 29% and 31%, respectively, adjusted for extraordinary revenue). These remarkable figures can be attributed primarily to the relatively favourable macroeconomic environment and, especially, the growth in fuel sales by 29% and in toll transactions by 36%. All this simply illustrates the uniqueness of W.A.G.'s strategy, its well-managed internal processes, the wealth of growth opportunities, and the company's ability to translate them into tangible results. It should be pointed out that, last year, the overall growth was again accompanied by further improvements in risk management, in particular from the perspective of credit risks and debt recovery.

New markets

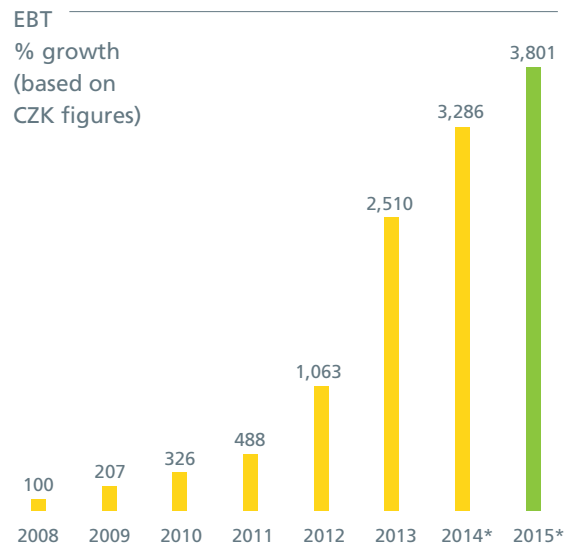
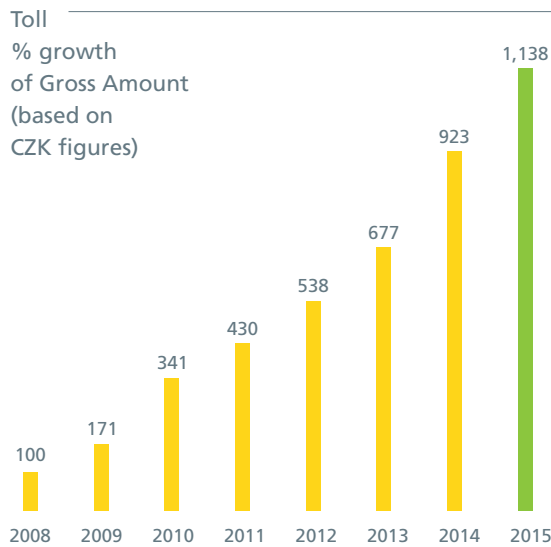
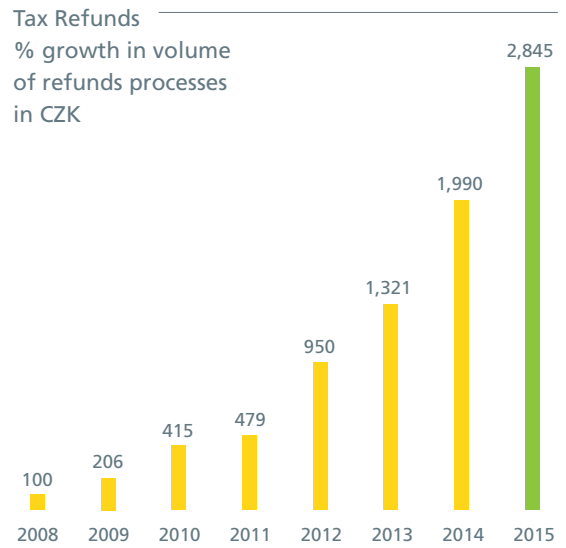
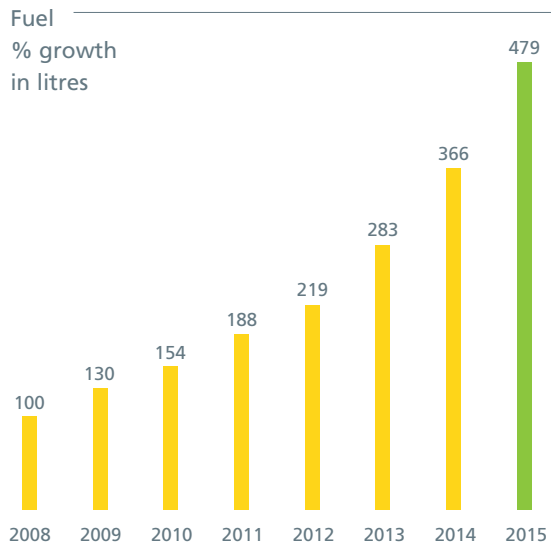
In 2014, W.A.G.'s expansion onto the Bulgarian market remained on track as the company built on an initiative of the Bucharest branch from the previous year.

In the first quarter, we made extensive preparations to enter the Turkish market which, on account of the robust momentum of its economy, along with its large population and buoyant trade with the EU, is a significant business opportunity for W.A.G. We launched sales and attracted our first customers in May 2014. Come the end of the year, the Turkish office had a fully functioning base in Istanbul and four area sales managers, and had implemented an ambitious business plan.

New products and services

The newest member of the Eurowag family is the Fleet Card, devised for companies with fleets of cars or vans. This card is used to pay for fuel in the broad-based acceptance network of partner stations and is currently on offer to companies in the Czech Republic and Poland. It is an instrument providing customers with microcredit and, combined with a self-service internet interface, facilitates the efficient acquisition and management of a large portfolio of small-scale clients.

Over the course of the year, two Eurowag branded truck parks were officially opened in Hungary and Slovakia. Both are situated on motorways – the first on the approach to Austria, the second close to the Czech border. These facilities meet the highest possible standards of safety and speed of service.



* 2014 and 2015 EBT are cleared from one-off impacts.

Independence

For us, the freedom of choice means the obligation to make use of our skills and the information available to us whenever an opportunity for improvement crosses our path.





Teamwork

We support each other, because only a well-functioning team can be successful.

Acquisitions

On 6 January 2014, W.A.G. assumed full ownership of its exclusive supplier of services for the mediation of tax refunds from EU Member States – Česká logistická. The tax refund service has long been part and parcel of W.A.G.'s standard offer to international transport companies. It is essential to the consistency of the W.A.G. range and is important in making the company stand out from competitors. The Česká logistická acquisition handed us full control of tax refunds and the opportunity to move forward with our radical expansion in this comprehensive product area. In 2014, we successfully implemented a project to change Česká logistická's registered office and add to the team in a bid to prime this unit for the more substantial process changes and improvements slated for 2015.

A second acquisition in 2014 saw us purchase StarPetrol, a company whose chief asset is an HGV service station at a key transit site between Austria and Germany. This acquisition also included a small portfolio of customers using StarPetrol fuel cards. W.A.G. integrated this service station into its Eurowag acceptance network and drew up a project for the staggered redevelopment of the station to bring it up to Eurowag truck park standards, planned for the following year. The StarPetrol acquisition is pivotal to the company's long-term strategy on German-speaking markets.

Divestment

In late 2014, the company divested itself of non-operating assets – the Jánská underground fuel storage tanks in the north of the Czech Republic. These assets had not been in operation for several years and W.A.G. had been unable to find an alternative use for them that would help to return a profit in the long run. In these circumstances, the company's shareholders decided to hive off the assets to Bitustore, a.s. Consequently, W.A.G. no longer has anything to do with these assets.

Human resources/process optimisation/quality

The development and care of human resources, as the company's most valuable asset, have traditionally been an important consideration. The newly formed Section of the Chief Operating Officer (COO) was placed in charge of this agenda on 1 October 2014. Another area of major importance covered by the COO Section is a project to optimise processes throughout the organisation to enhance quality and efficiency. In 2014, the number of full-time employees rose by 36 to a total of 228 as at 31 December 2014.

Research and development

Product and service development is a key source of the double-digit sales growth reported by W.A.G. every year. Development activities are focused on new payment solution concepts and marketing techniques. One example of the latest product development results to see the light of day is the Eurowag Fleet Card.

5.2. Subsidiaries and Branches

W.A.G. payment solutions SK, s.r.o.

("W.A.G. SK")

Kukučínova 38/A, 831 03 Bratislava, Slovakia
Registration number: 36783277
VAT number: SK2022392944
Established: 29 May 2007

W.A.G. SK currently operates Tank&Go facilities and sells tolls to W.A.G. customers. Development and marketing activities are carried out by the parent company for a fee.

W.A.G. HU, Kft.

Váci út. 22–24. 2. em., 1132 Budapest, Hungary
Registration number: 01-09-952695
VAT number: 23095722-2-41
Established: 3 January 2011

This company was established to set up and run a network of Eurowag truck parks.

W.A.G. payment solutions RO, s.r.l.

24 Paleologu Street, 030552 Bucharest, Romania
Registration number: J40/9928/2010
VAT number: RO27541393
Established: 15 October 2010

This subsidiary, formed in October 2010, manages and does business on the Romanian market. This market is another important region where W.A.G. put down roots in early 2011 and continued to develop its market position very successfully in 2013.

W.A.G. mineral fuels PL, sp.zo.o

Ul. Prosta 69, 00-838 Warsaw, Poland
Registration number: 0000406955
VAT number: 522-29-92-743
Established: 30 December 2011

This subsidiary was originally set up to manage and do business in Poland, but subsequently handed over these activities to the branch the company opened here.

Poland branch

W.A.G. payment solutions, a.s., SA Oddział w Polsce

Ul. Prosta 69, 00-838 Warsaw, Poland
Registration number: 26415623
VAT number: PL5262985241
Established: 6 April 2012

The branch in Poland was set up mainly for legislative reasons and oversees the smooth invoicing of Eurowag products to Polish customers.

W.A.G. payment solutions HU, Kft

Váci út. 22–24. 2. em., 1132 Budapest, Hungary
Registration number: 01-09-009042
VAT number: 12515745-2-08
Acquisition: 13 June 2013

W.A.G. payment solutions, a.s. purchased this Hungarian subsidiary as an up-and-running company. A truck centre was built on company-owned land at the Lébény site in Hungary.

Joy

A good vibe and solid relations among colleagues are essential for outstanding performance.



Bulgaria branch

W.A.G. payment solutions – Branch Bulgaria, Branch of Foreign Trader

46–48 Opalchenska Street, fl. 7, Vazrazhdane District,
1303 Sofia, Bulgaria
Registration number: 202869380
VAT number: BG202869380
Established: 21 December 2013

The branch in Bulgaria was set up mainly for legislative reasons and oversees the smooth invoicing of Eurowag products to customers established in the EU.

W.A.G. payment solutions a.s. Merkezi Çek Cumhuriyeti İstanbul Merkez Şubesi

İnönü Caddesi Dilaram Apt. No: 19/9 Gümüşsuyu,
Taksim, 34437 Beyoğlu – İstanbul, Turkey
Beyoglu Tax Office: 788 047 8816
Established: 24 January 2014

The branch in Turkey, our first outside Europe, was set up in early 2014 to manage and do business on the Turkish market.

ČESKÁ LOGISTICKÁ a.s.

Hnojník 27, 739 53 Hnojník, Czech Republic
Registration number: 25538730
VAT number: CZ25538730
Acquisition: 6 January 2014

A subsidiary headquartered in the Czech Republic, offering to mediate refunds of VAT and excise duty from selected EU countries.

W.A.G. payment solutions AT GmbH

Kammer 33/2, A-4974 Ort Im Innkreis, Austria
Registration number: 41-214/6987
VAT number: ATU66106199
Acquisition: 1 April 2014

W.A.G. payment solutions, a.s. purchased this subsidiary as an up-and-running company.



Excellence

We strive relentlessly for results that reflect the best in us.

5.3. Targets for 2015

For the coming year, company shareholders have set the following priorities beyond the company's normal agenda:

- Bolster the acceptance network in selected countries of Western Europe.
- Participate actively in the project to roll out and launch the pilot operation of a single European EETS system.
- Step up research and development of the employee and vehicle mobility product.
- Complete a substantial part of optimisation processes and other instruments with a view to streamlining internal organisation and output quality.
- Prepare to enter other European markets.
- Achieve a year-on-year 31% increase in Eurowag-card fuel sales and a 16% rise in EBT.

5.4. Charity and Support of Civil Society

W.A.G. shareholders find it natural to share a reasonable proportion of the values they have constructed with the community at large and, following this tact, to cultivate the idea of solidarity and fair play. In its sponsorship, W.A.G. picks out low-budget projects and tries to work with them on a regular and long-term basis. Examples of projects sponsored in 2014 are listed below:

- **Růžový panter** – an anti-corruption NGO;
- **Acta Non Verba** – an organisation that seeks to improve public administration and helps to address cases in which citizens have become victims of injustice;
- **Lata** – a civic association providing services for vulnerable children and young people in Prague and the surrounding area;
- **Frank Bold Society** – an initiative by nine non-governmental organisations promoting solutions to societal challenges;
- **Cesta domů** – this association provides professional care to the dying and their loved ones who are looking after them;
- **TruckHelp Foundation** – supporting families who have lost a father during his work as a professional driver;
- **Výbor dobré vůle** – dedicated to the development of education, the protection of human rights and universally recognised humanistic values;
- **Your Chance – Start on the Right Foot (Začni správně)** – the aim of this project is to help young adults adapt to the real world when they leave children's homes;
- **University of Economics, Prague** – competitions promoting student-led business start-ups.



Financial Section



Independent Auditor's Report to the shareholders of W.A.G. payment solutions, a.s.

Report on the audit of the consolidated financial statements

We have audited the accompanying consolidated financial statements of W.A.G. payment solutions, a.s., which comprise the balance sheet as at 31 December 2014, the profit and loss account for the year ended 31 December 2014, and the notes to these financial statements, including a summary of significant accounting policies and other explanatory information. Information about W.A.G. payment solutions, a.s. is set out in Note I to the consolidated financial statements.

Management's responsibility for the consolidated financial statements

The management of W.A.G. payment solutions, a.s. is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Czech accounting legislation and for internal control considered relevant to the preparation of consolidated 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 consolidated 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 whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including 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 preparation and fair presentation of the consolidated 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 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 consolidated financial statements.

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

Auditor's opinion

In our opinion, the consolidated financial statements present fairly in all material respects the assets and liabilities of W.A.G. payment solutions, a.s. as at 31 December 2014, and its expenses, revenues and financial performance for the year then ended in accordance with Czech accounting legislation.

Prague, 5 May 2015

22HLAV s.r.o.

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Všebořická 82/2, 400 01 Ústí nad Labem
Chamber of Auditors Certificate No 277



Miroslava Nebuželská

Chamber of Auditors Certificate No 2092

This Report has been consulted with the Company's governing body and delivered in accordance with contract terms and conditions.

A handwritten signature in black ink, appearing to read 'D. Holý'.

David Holý

Vice-Chairman of the Board of Directors

The following annexes constitute an integral part of this Report:

1. Consolidated Balance Sheet as at 31 December 2014
 2. Consolidated Profit and Loss Account for the period from 1 January 2014 to 31 December 2014
 3. Notes to the Consolidated Financial Statements for the period from 1 January 2014 to 31 December 2014
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Consolidated Balance Sheet as at 31 December 2014

(in CZK thousands)

		Gross	2014 Adjustment	Net	2013 Net
TOTAL ASSETS		2,670,491	362,648	2,307,843	2,213,081
A.	Subscribed registered capital unpaid	0	0	0	0
B.	Fixed assets	768,272	237,373	530,899	578,602
B. I.	Intangible fixed assets	129,489	69,415	60,074	23,032
B. I. 1.	Formation expenses	0	0	0	0
	2. Research and development	0	0	0	0
	3. Software	81,434	66,760	14,674	20,401
	4. Royalties	2,259	598	1,661	1,719
	5. Goodwill	44,967	1,922	43,045	247
	6. Other intangible fixed assets	135	135	0	42
	7. Intangible fixed assets under construction	694	0	694	623
	8. Advance payments provided for intangible fixed assets	0	0	0	0
B. II.	Tangible fixed assets	638,763	167,958	470,805	555,146
B. II. 1.	Land	112,139	10,000	102,139	96,663
	2. Buildings	249,358	48,204	201,154	314,628
	3. Plant and equipment	168,010	81,221	86,789	62,771
	4. Perennial crops	0	0	0	0
	5. Livestock	0	0	0	0
	6. Other tangible fixed assets	1,087	1,003	84	208
	7. Tangible fixed assets under construction	25,825	0	25,825	21,458
	8. Advance payments provided for tangible fixed assets	1,219	0	1,219	415
	9. Adjustments to asset acquisitions	81,125	27,530	53,595	59,003
B. III.	Long-term financial investments	20	0	20	424
B. III. 1.	Investments in controlled entities	0	0	0	0
	2. Investments in associated companies	0	0	0	0
	3. Other securities and investments	20	0	20	20
	4. Loans – group undertakings, associated companies	0	0	0	0
	5. Other long-term investments	0	0	0	0
	6. Long-term investments (provisional value)	0	0	0	404
	7. Advances provided for long-term investments	0	0	0	0

		Gross	2014 Adjustment	Net	2013 Net
C.	Current assets	1,873,703	125,275	1,748,428	1,612,341
C. I.	Inventories	49,652	0	49,652	45,960
C. I. 1.	Raw materials	1,315	0	1,315	809
	2. Work-in-progress and semi-finished products	0	0	0	0
	3. Finished products	0	0	0	0
	4. Livestock	0	0	0	0
	5. Goods	48,338	0	48,338	45,151
	6. Advances provided for inventories	0	0	0	0
C. II.	Non-current receivables	0	0	0	0
C. II. 1.	Trade receivables	0	0	0	0
	2. Receivables – controlling entity	0	0	0	0
	3. Receivables – associated companies	0	0	0	0
	4. Receivables from shareholders/owners and alliance partners	0	0	0	0
	5. Long-term advances paid	0	0	0	0
	6. Estimated receivables	0	0	0	0
	7. Other receivables	0	0	0	0
	8. Deferred tax asset	0	0	0	0
C. III.	Current receivables	1,663,123	125,275	1,537,848	1,240,392
C. III. 1.	Trade receivables	1,288,877	125,275	1,163,602	1,031,127
	2. Receivables – controlling entity	0	0	0	0
	3. Receivables – associated companies	0	0	0	0
	4. Receivables from shareholders/owners and alliance partners	0	0	0	3,448
	5. Social security and health insurance	0	0	0	0
	6. State – tax receivables	23,949	0	23,949	2,546
	7. Short-term advances provided	34,144	0	34,144	20,235
	8. Estimated receivables	9,519	0	9,519	1,590
	9. Other receivables	306,634	0	306,634	181,446
C. IV.	Short-term financial assets	160,928	0	160,928	325,989
C. IV. 1.	Cash in hand	4,817	0	4,817	4,751
	2. Cash at bank	156,111	0	156,111	321,238
	3. Short-term securities and ownership interests	0	0	0	0
	4. Short-term investments (provisional value)	0	0	0	0
D. I.	Deferrals	28,516	0	28,516	22,138
D. I. 1.	Prepaid expenses	21,722	0	21,722	22,003
	2. Complex prepaid expenses	0	0	0	0
	3. Accrued revenues	6,794	0	6,794	135

		2014	2013
TOTAL LIABILITIES AND EQUITY		2,307,843	2,213,081
A.	Shareholders' equity	348,224	371,669
A. I.	Share capital	109,796	109,796
A. I. 1.	Share capital	109,796	109,796
	2. Own shares and ownership interests (-)	0	0
	3. Changes in share capital	0	0
A. II.	Capital contributions	10,058	58,971
A. II. 1.	Share premium	9,500	9,500
	2. Other capital funds	558	49,471
	3. Gain or loss on revaluation of assets and liabilities	0	0
	4. Revaluation reserve on transformations	0	0
	5. Gain or loss from business corporation transformations	0	0
	6. Gain or loss from valuation on business corporation transformations	0	0
A. III.	Reserve funds, indivisible fund and other funds created from profit	10,239	10,440
A. III. 1.	Statutory reserve fund/Indivisible fund	10,239	10,440
	2. Statutory and other funds	0	0
A. IV.	Retained earnings/accumulated losses	49,663	65,812
A. IV. 1.	Retained earnings	66,432	83,435
	2. Accumulated losses	(16,440)	(17,456)
	3. Other profit (loss)	(329)	(167)
A. V. 1.	Profit (loss) for the current period (+/-)	168,468	126,650
	2. Decisions on advances for profit-sharing payments (-)	0	0
B.	Liabilities (debt)	1,945,487	1,839,435
B. I.	Provisions	31,635	25,038
B. I. 1.	Tax-deductible provisions	349	211
	2. Provision for pensions and other similar payables	0	433
	3. Income tax provision	26,448	19,927
	4. Other provisions	4,838	4,467
B. II.	Non-current payables	2,845	2,384
B. II. 1.	Trade payables	0	0
	2. Payables – controlling entity	0	0
	3. Payables – associated companies	0	0
	4. Payables to members	0	0
	5. Long-term advances received	0	0
	6. Debentures and bonds issued	0	0
	7. Long-term bills of exchange payable	0	0
	8. Estimated payables	0	0
	9. Other payables	402	850
	10. Deferred tax liability	2,443	1,534

		2014	2013
B. III.	Current payables	1,690,967	1,496,157
B. III. 1.	Trade payables	1,468,501	1,325,584
	2. Payables to subsidiaries	0	0
	3. Payables to associates	0	0
	4. Payables to members	492	0
	5. Payables to employees	7,494	9,262
	6. Payables to social security and health insurance	5,320	3,833
	7. State – tax liabilities and subsidies	7,505	8,949
	8. Short-term advances received	120,939	79,689
	9. Debentures and bonds issued	0	0
	10. Estimated payables	40,973	31,214
	11. Other payables	39,743	37,626
B. IV.	Bank loans and overdrafts	220,040	315,856
B. IV. 1.	Long-term bank loans	110,112	111,115
	2. Short-term bank loans	109,928	204,741
	3. Short-term borrowings	0	0
C. I.	Deferrals	14,132	1,977
C. I. 1.	Accrued expenses	7,369	1,823
	2. Deferred income	6,763	154

Consolidated Profit and Loss Account as at 31 December 2014

(in CZK thousands)

		Accounting period	
		2014	2013
I.	Revenue from sales of goods	12,316,015	9,895,194
A.	Cost of goods sold	11,830,374	9,534,067
+	Gross profit	485,641	361,127
II.	Production	243,993	169,639
II.	1. Revenue from own products and services	243,993	169,604
	2. Change in internal inventory of own production	0	0
	3. Capitalisation	0	35
B.	Cost of sales	179,439	144,578
B.	1. Raw materials and consumables	18,236	15,888
B.	2. Services	161,203	128,690
+	Value added	550,195	386,188
C.	Staff costs	216,082	145,719
C.	1. Wages and salaries	155,792	111,522
C.	2. Remuneration of board members	13,326	798
C.	3. Social security and health insurance expenses	42,173	30,068
C.	4. Social expenses	4,791	3,331
D.	Taxes and charges	2,857	362
E.	Depreciation of intangible and tangible fixed assets	52,426	48,618
III.	Disposals of fixed assets and raw materials	2,053	214
III.	1. Proceeds from disposals of fixed assets	362	35
	2. Proceeds from disposals of raw material	1,691	179
F.	Net book value of fixed assets and raw materials sold	723	17
F.	1. Net book value of fixed assets sold	723	13
F.	2. Raw materials sold	0	4
G.	Change in provisions and adjustments relating to operating activities and complex prepaid expenses	17,675	17,453
IV.	Other operating revenue	492,167	266,512
H.	Other operating expenses	503,972	281,460
V.	Transfer of operating revenue	0	0
I.	Transfer of operating expenses	0	0
*	Operating profit (loss)	250,680	159,285
VI.	Proceeds from sale of securities and ownership interests	0	0

		Accounting period	
		2014	2013
J.	Securities and ownership interests sold	0	0
VII.	Revenue from long-term investments	0	0
VII. 1.	Revenue from investments in controlled entities and associated companies	0	0
2.	Revenue from other long-term securities and ownership interests	0	0
3.	Revenue from other long-term investments	0	0
VIII.	Revenue from current financial assets	0	0
K.	Financial asset expenses	0	0
IX.	Gain on revaluation of securities and derivatives	4,391	2,745
L.	Loss on revaluation of equity securities and derivatives	6,610	1,917
M.	Change in provisions and adjustments relating to financial activity	0	0
X.	Interest income	297	506
N.	Interest expense	9,661	10,720
XI.	Other financial revenue	73,471	127,672
O.	Other finance expenses	85,268	111,397
XII.	Transfer of financial revenue	0	0
P.	Transfer of financial expenses	0	0
*	Financial profit (loss)	(23,380)	6,889
Q.	Income tax on ordinary profit (loss)	58,832	39,524
Q. 1.	– current	57,951	38,964
Q. 2.	– deferred	881	560
**	Profit (loss) on ordinary activities	168,468	126,650
XIII.	Extraordinary revenue	0	0
R.	Extraordinary costs	0	0
S.	Tax on extraordinary profit (loss)	0	0
S. 1.	– current	0	0
S. 2.	– deferred	0	0
*	Extraordinary profit (loss)	0	0
T.	Transfer of profit (loss) to partners (+/-)	0	0
***	Net profit (loss) for the period	168,468	126,650
	Profit (loss) before tax	227,300	166,174
****	Check number	0	0

Notes to the Consolidated Financial Statements for the year ended 31 December 2014

1. Definition of the Group

1.1. Group

Name	Registered office	Level of dependence	Share in registered capital	Consolidation method
W.A.G. payment solutions, a.s.	Na Vítězné pláni 1719/4, 140 00 Prague 4, Czech Republic	parent company	–	–
W.A.G. payment solutions SK, s.r.o.	Kukučínova 38/A, 831 03 Bratislava, Slovakia	dominant influence	100%	full method
W.A.G. payment solutions RO, s.r.l.	Sector 3, Str. Paleologu, Nr. 24, Bucarest, Romania	dominant influence	100%	full method
W.A.G. mineral fuels PL, sp.zo.o.	ul. Prosta 69, 00-838 Warsaw, Poland	dominant influence	100%	full method
W.A.G. payment solutions HU, Kft.	Váci út. 22-24, 1132 Budapest, Hungary	dominant influence	100%	full method
W.A.G. HU, Kft.	Váci út 22-24, 1132 Budapest, Hungary	dominant influence	100%	full method
W.A.G. payment solutions AT GmbH	Kammer 33/2, A-4974 Ort im Innkreis, Austria	dominant influence	100%	full method
ČESKÁ LOGISTICKÁ a.s.	Hnojník 27, 739 53 Hnojník, Czech Republic	dominant influence	100%	full method

W.A.G. payment solutions, a.s. also holds a 12.5% share in the cooperative Klub investorů T&G (T&G Investors Club). However, Klub investorů T&G is an entirely inactive entity.

W.A.G. payment solutions, a.s., has also set up the following organisational units:

Poland: W.A.G. payment solutions, a.s., SA Oddział w Polsce, ul. Prosta 69, 00-838 Warsaw, company number 417267

Bulgaria: W.A.G. payment solutions – Branch Bulgaria Branch of Foreign Trader, Bulgaria, 46–48' Opalchenska Street, fl. 7, City of Sofia, 1303, Vazrazhdane District, Reg. No 202869380

Turkey: W.A.G. PAYMENT SOLUTIONS A.S. MERKEZİ ÇEK CUMHURİYETİ İSTANBUL MERKEZ ŞUBESİ, İnönü Caddesi Dilaram Apt. No: 19/9 Gümüşsuyu, Taksim, 34437 Beyoğlu – İstanbul, Beyoglu Tax Office: 788 047 8816

1.2. Balance-sheet date of Group entities

Entity	Balance-sheet date
W.A.G. payment solutions, a.s.	31 December 2014
W.A.G. payment solutions SK, s.r.o.	31 December 2014
W.A.G. payment solutions RO, s.r.l.	31 December 2014
W.A.G. mineral fuels PL, sp.zo.o.	31 December 2014
W.A.G. payment solutions HU, Kft.	31 December 2014
W.A.G. HU, Kft.	31 December 2014
W.A.G. payment solutions AT GmbH	31 December 2014
ČESKÁ LOGISTICKÁ a.s.	31 December 2014

1.3. Undertakings not included in the Group

The share in the cooperative Klub investorů T&G is not included in the Group.

1.4. Consolidation system

The system of direct consolidation was applied, i.e. all Group undertakings were consolidated at once, without the use of consolidated financial statements prepared for sub-groups.

2. General information contained in the Notes

2.1. Average number of employees (FTE) and staff costs

Entity	Average number of employees	Of which executives	Staff costs (CZK thousands)	Of which executives (CZK thousands)
W.A.G. payment solutions, a.s.	165	23	174,247	49,764
W.A.G. payment solutions SK, s.r.o.	19	0	17,194	0
W.A.G. payment solutions RO, s.r.l.	9	0	10,132	0
W.A.G. mineral fuels PL, sp.zo.o.	0	0	0	0
W.A.G. payment solutions HU, Kft.	0	0	0	0
W.A.G. HU, Kft.	0	0	0	0
W.A.G. payment solutions AT GmbH	5	0	3,689	0
ČESKÁ LOGISTICKÁ a.s.	21	0	10,820	0
Total	219	23	216,082	49,764

2.2. Fees paid in the reporting period in cash or in kind to persons constituting the governing body, members of governing bodies or other management and supervisory bodies, pension liabilities of former members of these bodies incurred or agreed

Company	Type of fee	Amount (CZK thousands)
W.A.G. payment solutions, a.s.	payment for holding office	13,326

2.3. Advances, loans and other assets provided to persons constituting the governing body, members of governing bodies or other management and supervisory bodies

No loans, credit, security or other benefits in either monetary or in-kind form were provided to persons who are the governing body, or to members of governing or other management and supervisory bodies, including former officers and members of those bodies.

2.4. Summary of the method for transforming information from Group undertakings' individual financial statements into disclosures in the consolidated financial statements

Consolidation using the full method:

The individual balance sheet and profit and loss account components of the subsidiaries W.A.G. payment solutions SK, s.r.o., W.A.G. payment solutions RO, s.r.l., W.A.G. mineral fuels PL, sp.zo.o., W.A.G. payment solutions HU, Kft., W.A.G. HU, Kft., W.A.G. payment solutions AT GmbH and ČESKÁ LOGISTICKÁ a.s., following reclassification and the exclusion of mutual receivables, payables, costs and revenues, were incorporated into the parent company's balance sheet and profit and loss account. The equity of the subsidiary tied to eliminated shares and similar securities was excluded.

2.5. Changes in valuation, accounting procedures, the layout of the consolidated financial statements and definition of items compared with the previous reporting period, the reasons for such changes and financial quantification of those changes affecting the amount of assets, liabilities and profit of the Group

Change	Reason	Financial quantification of changes affecting Group assets, liabilities and profit
None	–	–

3. Additional information on the balance sheet and profit and loss account

3.1. Securities and participations – owned by the subsidiary

Subsidiaries have no securities or equity interests.

3.2. Comments on and justification for a change in Group equity between two sets of consolidation, particularly when there is a change in the scale of the Group and settlement of securities and contributions with feedback

In 2014, all companies apart from the share in Klub investorů T&G were included in the Group.

3.3. Comments on disclosures

a) Past-due receivables and payables

Entity	Receivables more than 180 days past due (CZK thousands)
W.A.G. payment solutions, a.s.	99,661
W.A.G. payment solutions SK, s.r.o.	6,860
W.A.G. payment solutions RO, s.r.l.	0
W.A.G. mineral fuels PL, sp.zo.o.	0
W.A.G. payment solutions HU, Kft.	0
W.A.G. HU, Kft.	0
W.A.G. payment solutions AT GmbH	0
ČESKÁ LOGISTICKÁ a.s.	39
Total	106,560

Entity	Payables more than 180 days past due (CZK thousands)
W.A.G. payment solutions, a.s.	948
W.A.G. payment solutions SK, s.r.o.	0
W.A.G. payment solutions RO, s.r.l.	0
W.A.G. mineral fuels PL, sp.zo.o.	0
W.A.G. payment solutions HU, Kft.	0
W.A.G. HU, Kft.	0
W.A.G. payment solutions AT GmbH	0
ČESKÁ LOGISTICKÁ a.s.	10
Total	958

b) Intra-group receivables and payables becoming due after more than five years

Entity	Receivables becoming due after more than five years (CZK thousands)
W.A.G. payment solutions, a.s.	0
W.A.G. payment solutions SK, s.r.o.	0
W.A.G. payment solutions RO, s.r.l.	0
W.A.G. mineral fuels PL, sp.zo.o.	0
W.A.G. payment solutions HU, Kft.	0
W.A.G. HU, Kft.	0
W.A.G. payment solutions AT GmbH	0
ČESKÁ LOGISTICKÁ a.s.	0
Total	0

Entity	Payables becoming due after more than five years (CZK thousands)
W.A.G. payment solutions, a.s.	0
W.A.G. payment solutions SK, s.r.o.	0
W.A.G. payment solutions RO, s.r.l.	0
W.A.G. mineral fuels PL, sp.zo.o.	0
W.A.G. payment solutions HU, Kft.	0
W.A.G. HU, Kft.	0
W.A.G. payment solutions AT GmbH	0
ČESKÁ LOGISTICKÁ a.s.	0
Total	0

c) Receivables and payables secured by a lien, indication of the nature and form of such security in case of default

Receivables

W.A.G. payment solutions, a.s. pledges trade receivables, further to which it draws on short-term bank loans. The level of receivables pledged and loans drawn at 31 December 2014 was as follows:

Financing bank	Volume of receivables pledged (CZK thousands)	Volume of loans drawn (CZK thousands)
ČSOB	123,228	56,868
Unicredit bank	91,846	0
Česká spořitelna	121,389	0
Raiffeisenbank	71,716	0
Tatrabanka	117,376	0

W.A.G. payment solutions SK, s.r.o. pledges trade receivables, further to which it draws on short-term bank loans. The level of receivables pledged and loans drawn at 31 December 2014 was as follows:

Financing bank	Volume of receivables pledged (CZK thousands)	Volume of loans drawn (CZK thousands)
Tatrabanka	195,640	0

Payables

W.A.G. payment solutions, a.s.

Tangible fixed assets	Lien, easement	Amount pledged
Svatá Kateřina u Rozvadova	lien, municipality of Rozvadov	CZK 5,000,000
Truck park and truck wash, Modletice	lien, KB, a.s.	CZK 10,204,750
Truck park and truck wash, Modletice	lien, KB, a.s.	CZK 44,062,000
Real estate, Ústí nad Labem	lien, ČS, a.s.	CZK 17,000,000
Service station, T&G, Průhonice	lien, ČS, a.s.	CZK 30,000,000
Service station, T&G, Průhonice	lien, ČS, a.s.	EUR 500,000
Land, Jažlovice	lien, ČS, a.s.	CZK 45,000,000
Real estate, Cheb	lien, Erste Leasing	CZK 13,000,000
Real estate, Cheb	lien, Erste Leasing	CZK 40,000,000

W.A.G. payment solutions SK, s.r.o.

Tangible fixed assets	Lien, easement	Loan balance (CZK thousands)
Service station, Lamač	lien, S Slovensko, spol. s r.o.	7,330

Other entities have no liabilities secured by a lien.

3.4. Summary of any other liabilities (non-monetary and monetary) not reported in the ordinary accounting of individual Group undertakings and not included in the consolidated balance sheet

Entity	Type of liability	Amount of liability (CZK thousands)
W.A.G. payment solutions, a.s.	–	0
W.A.G. payment solutions SK, s.r.o.	–	0
W.A.G. payment solutions RO, s.r.l.	–	0
W.A.G. mineral fuels PL, sp.zo.o.	–	0
W.A.G. payment solutions HU, Kft.	–	0
W.A.G. HU, Kft.	–	0
W.A.G. payment solutions AT GmbH	–	0
ČESKÁ LOGISTICKÁ a.s.	–	0
TOTAL	–	0

3.5. Revenues from ordinary activities by principal activity of the Group, broken down into domestic and foreign

Revenue	Czech Republic (CZK thousands)	Foreign (CZK thousands)
Revenues from finished products	474	0
Revenues from services	34,537	208,982
Sales of goods	4,416,085	7,899,930
TOTAL	4,451,096	8,108,912

Prague, 20 April 2015



David Holý
Vice-Chairman of the Board of Directors



Contacts



W.A.G. payment solutions, a.s.

Na Vítězné pláni 1719/4, 140 00 Prague 4, Czech Republic

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