



Annual Report 2015

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

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.

Key Indicators

(ths. EUR)	2012	2013	2014	2015
Sales revenues, including toll transactions	444,957	507,590	647,805	755,878
Tolls	131,380	154,924	208,297	261,700
Revenues from sale of goods	308,210	346,483	430,709	483,614
Revenues from sale of services	5,367	6,183	8,798	10,564
Value added	10,287	13,525	19,275	25,935
Adjusted EBT	2,928	5,600	7,446	10,544
Adjusted EBITDA	5,739	7,057	10,761	15,134

Adjusted EBT and EBITDA are net of transactions that do not occur in the normal course of business.

All figures are net of Tank and Go – further T&G transactions (non-core activity).

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.

An exchange rate of 27.025 CZK per EUR was applied to the translation of figures for 2015.



New Ideas

We keep a finger on the market pulse and are all ears when it comes to our clients, as reflected in the way we are developing new products and expanding our services. We are transforming ideas into even more effective solutions.

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1. Company Profile

1.1. Company Snapshot

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	Information valid up to 13 January 2016 Martin Vohánka (48.73%) Couverina Business (36.43%) Company Board of Directors (14.84%)

**Information valid
as of 13 January 2016**
Martin Vohánka (24.59%)
Couverina Business (35.52%)
Bock Capital EU Luxembourg
WAG S.a.r.l. (33.24%)
Tomáš Svatoň (2.19%)
Pascal Guyot (2.19%)
David Holý (2.27%)

1.2. Corporate Governance

Board of Directors

Martin Vohánka – Chairman
David Holý – Vice-Chairman
Tomáš Svatoň – Member
Pascal Guyot – Member

Supervisory Board

Petr Husák – Chairman
Hana Hradská – Member
Tomáš Michek – Member
Jana Martínková – Member
Martin Burda – Member
Ajit Nedungadi – Member (became a member
on 13 January 2016)
J. Morgan Seigler – Member (became a member
on 13 January 2016)

1.3. Business Objects

W.A.G. payment solutions, a.s. (“W.A.G.”) is the company behind Eurowag mobility payment solutions. As they travel around Europe, our customers enjoy a simple and completely safe way of making cashless payments for their fuel, toll charges and other services.

W.A.G., an industry leader in technology and innovation, is the fastest growing company on the European market. W.A.G.’s business operations span 25 countries throughout Europe. The company is a member of numerous respected industry associations.

1.4. Company Values

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.

Trust – honesty and reliability are the foundations on which we build confidence and loyalty.

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.

Teamwork – we support each other, because only a well-functioning team can be successful.

Excellence – we strive relentlessly for results that reflect the best in us.

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 emerges.

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.

Joy – a good vibe and solid relations among colleagues are essential for outstanding performance.



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



Innovations

Our status as an industry leader in technology and innovation is propelling us forward as one of the fastest growing companies on the European market.

2. Foreword

Ladies and Gentlemen,
Dear Friends of W.A.G.,

It is my pleasure, once again, to present you with an Annual Report teeming with outstanding figures and achievements. We fulfilled our very ambitious plan of pushing up fuel sales (measured in litres) by 30% year on year. This was accompanied by a significant increase in other revenues. We also kept a tight rein on costs and markedly scaled down the fallout from credit risks. It was against this background that we forged ahead nimbly with new projects and initiatives fuelling future growth. We extended our geographical reach, developed applications, implemented more effective processes and transformed our IT so that we would be better placed to seize commercial opportunities passing our way.

Personally, I am particularly pleased that, despite the plethora of strategic initiatives, we did not lose sight of the most crucial aspect of all – the care we invest in the people who work for W.A.G. Here, we decided to implement a number of human resources projects so that we would be better prepared for our increasingly diverse teams, both geographically and culturally, and for the ever accelerating pace of change and innovation and the complexity of our work. This aspect of our operations was driven by the knowledge that W.A.G.'s success has been and must continue to be steeped in our authentic interest in and care for those who work with us.

I would like to sign off with my heartfelt wish for you to enjoy much personal success and positive inspiration in life.



Martin Vohánka
Founder and Chief Executive Officer

3. 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 2000, the decision was taken to make the step up to a higher legal form. Consequently, on 1 January 2001 the newly formed W.A.G. minerální paliva, a.s. assumed all of the original company's assets and liabilities.

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 massive investment in the construction of a network of Eurowag branded truck parks in the Czech Republic.

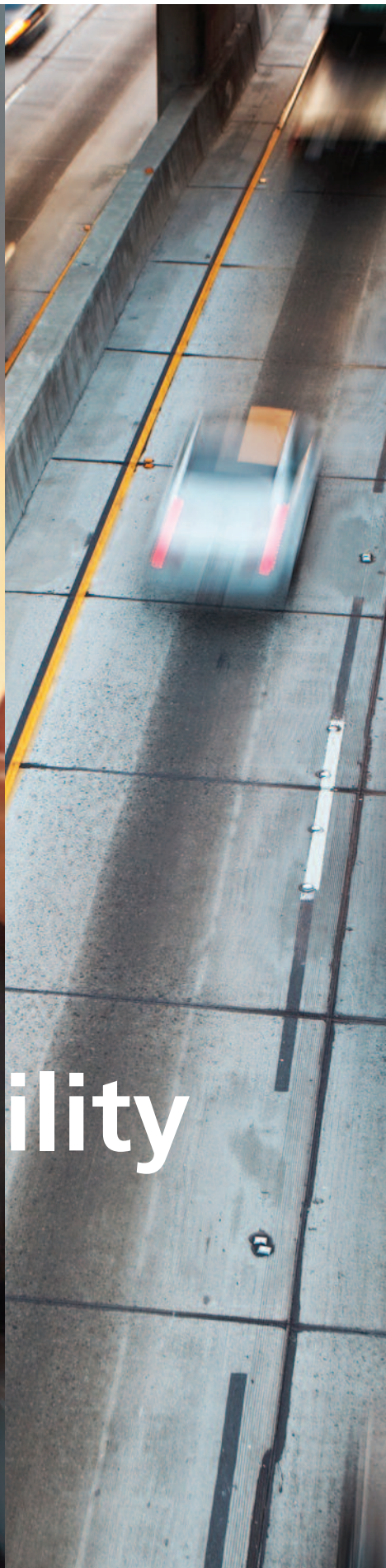
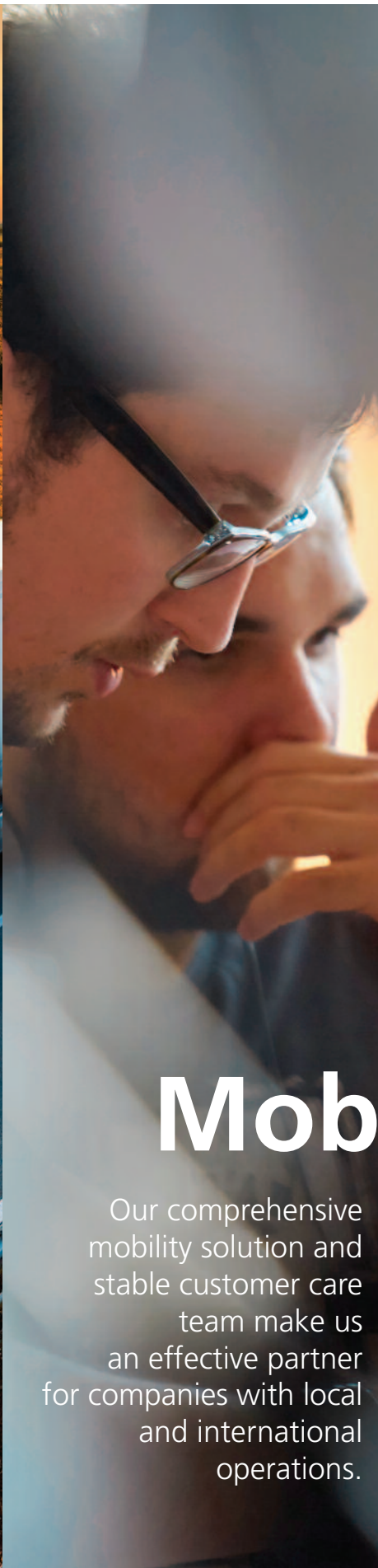
At the end of 2006, W.A.G. prepared for the introduction of tolls on selected roads in the Czech Republic, and in 2007 started expanding the acceptance network to encompass other EU Member States. In late 2008, W.A.G. opened an office in Poland, followed in 2011 by another in Romania, its fifth market 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.

In 2014, W.A.G. entered the Turkish market, its expansion in Bulgaria remained on track, and it unfurled two new impressive Eurowag truck parks in Hungary and Slovakia. In the same year, two companies were acquired. The first was Austria's StarPetrol, operating service stations for trucks near the motorway border crossing between Germany and Austria. The second acquisition was a 100% shareholding in ČESKÁ LOGISTICKÁ a.s. (subsequently renamed Reamon Tax, a.s.), until then the exclusive supplier of services brokering tax refunds from EU Member States. In late 2014, the Company divested itself of non-operating assets – the Jánská underground fuel storage tanks – which had long ceased contributing to profits.



Efficiency

Robust management, efficient planning and impeccable insight into the Company's activities are tools enabling us to respond flexibly to changes and maintain our position as market leader.



Mobility

Our comprehensive mobility solution and stable customer care team make us an effective partner for companies with local and international operations.

4. Report on Company Activities

4.1. Business Activities in 2015

Introduction

In 2015, we built on previous years' excellent results and significantly improved all operating and economic data. EBITDA rose by 37% and EBT was up by 38%. Fuel sales climbed by 30% year on year, with the volume of toll transactions increasing by 22%. All this simply illustrates the uniqueness of W.A.G.'s strategy, its well-managed internal processes and commercial risks, the wealth of growth opportunities, and the Company's ability to translate them into tangible results.

New markets

In 2014, we entered two new markets – Turkey and Bulgaria. The year that followed showed, without a shadow of doubt, that we had made the right move, with sales spiralling in both countries. We have also been pleased how quickly the Eurowag brand has made itself at home here and earned the trust of swathes of transport businesses.

Ambitious geographical expansion is buried deep in W.A.G.'s genetic code. To enhance capacity in this field, we decided to cluster the various countries together and appoint Cluster Directors, whose main job is to oversee the group of Country Managers in established countries and implement new-market entry projects. Over the course of the year, we filled all Cluster Director positions with a mix of talented external and internal candidates and started laying groundwork on a blanket scale in numerous markets where we did not yet have a presence, spawning the North, Central, Balkan, Alpine and Atlantic Clusters.

New products and services

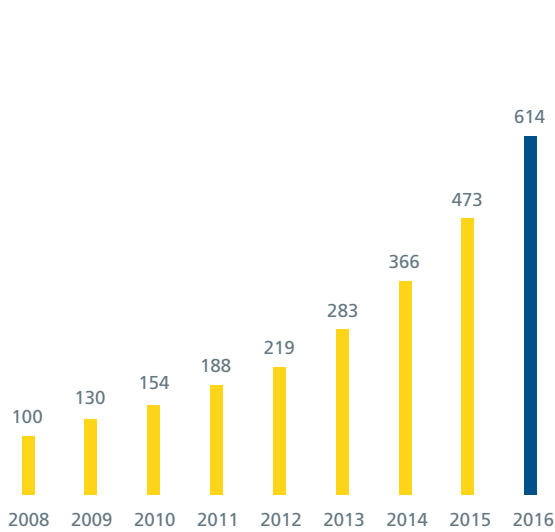
This year, we once again introduced to the market a range of innovations and changes adding value to Eurowag products. We expanded the network with 800 new service stations, rolled out Eurowag card acceptance in the Swiss toll system and played an active role in the European REETS project, a crucial prelude to the implementation of a pan-European toll system. Beyond this, we offered Eurowag card holders a mobile "site locator" app, overhauled the billing system, and ushered in our one-of-a-kind security feature, the "SMS card locking system", safeguarding Eurowag card protection to the maximum possible extent.

Human resources

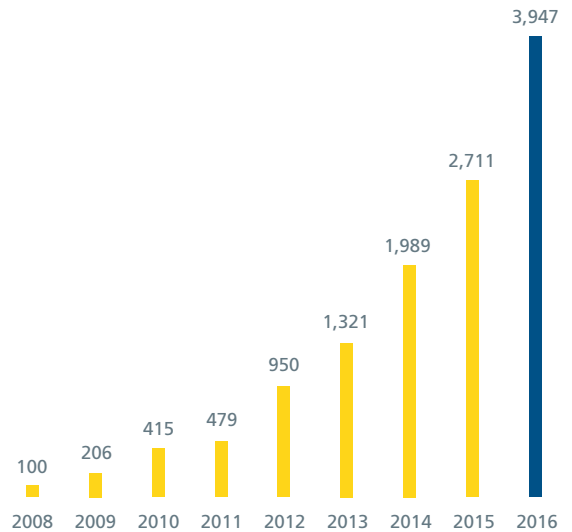
High-quality, well-motivated teams are one of W.A.G.'s core competitive advantages. In 2015, we welcomed an extra two members to the HR unit and set about enhancing our recruitment capacity, developing the middle and senior management skill set, and making further improvements to the induction training received by sales team members. In the final quarter of the year, we researched the Company's HR-related strategic needs and arrived at conclusions that have been taken on board in the Company's targets for 2016.

* The increases in EBITDA and EBT are net of one-off effects.

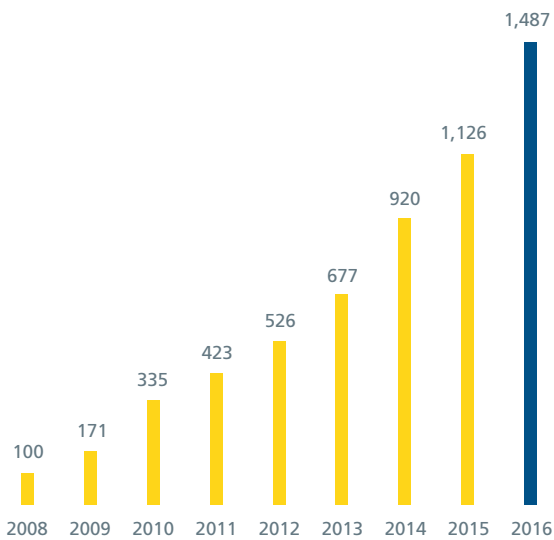
**Fuel: growth (%) in litres
(compared to the 2008 baseline)**



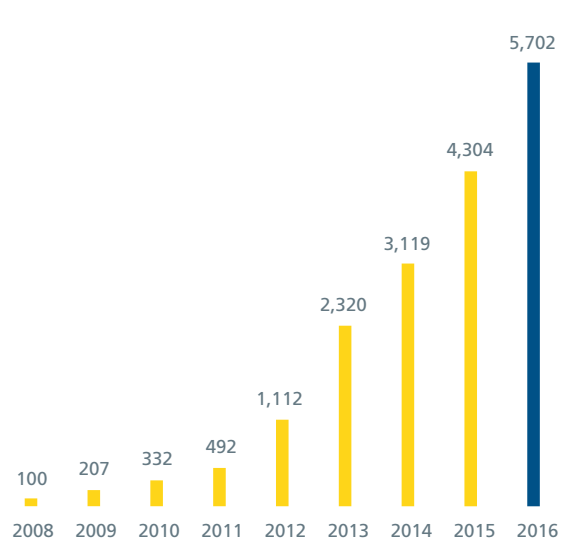
**Tax refunds: growth (%) in volume of refunds
processed in CZK (compared to the 2008 baseline)**



**Toll: growth (%) in gross volume of transactions
(based on CZK figures)
(compared to the 2008 baseline)**



**EBT: growth (%)
(based on CZK figures)
(compared to the 2008 baseline)**



EBT is adjusted for one-off impacts.



New Market Entries

Ambitious geographical expansion is one of the mainstays behind our growth. With this in mind, entering further markets and then acclimatising what we offer to our new surroundings remains one of the Company's key objectives.



Flexibility

The constantly evolving conditions, our entry onto new markets, our growing client base – all this requires a flexible response and the rapid implementation of changes and innovations.

Quality/risk management

W.A.G. views ISO certification not as some formality, but as a natural way of managing and developing the Company. This was our thinking when we decided to approach the prestigious audit firm Lloyd's Register Quality Assurance to audit and appraise the fruits of our previous 18 months' labours as we sought to sharpen our efficiency and quality. It is a matter of pride for us that, in late 2015, we passed muster and had our ISO 9001 certificate renewed. This recertification spurs us on to further earnest and unremitting work in this area.

As the year came to a close, we embarked on a revolutionary change in credit risk management. The Company switched to excess-of-loss insurance as this will speed up customer-limit approvals and, most importantly, will guarantee enduring continuity and stability on account of the fact that evaluations of customers' individual credit risks will be independent.

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 structured around new payment solution concepts and marketing techniques.

4.2. New Ownership Structure

On 13 January 2016, in the wake of a rigorous selection process, the Company founder and minority shareholders completed a transaction in which a minority stake in the Company was sold to TA Associates, a leading global growth private equity firm. Company shareholders firmly believe that this new partnership, harnessing TA's experience and resources, can make a significant contribution in the pursuit of the Company's ambitious objectives by means of strong organic and acquisition-driven growth.

TA Associates is one of the largest and most experienced global growth private equity firms. The firm has invested in more than 450 companies around the world and has raised \$24 billion in capital. With offices in Boston, Menlo Park, London, Mumbai and Hong Kong, TA Associates leads buyouts and minority recapitalisations of profitable growth companies in the technology, financial services, business services, healthcare and consumer industries.

4.3. Targets for 2016

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

- Implement the initial part of the Customer Communication Excellence Programme.
- Develop and launch social media for W.A.G. employees' internal communication.
- Bolster the acceptance network in selected countries of Western Europe.
- Develop a platform for the European toll system project (EETS).
- Develop and launch a new operational application for Reamon Tax.
- Continue developing the revolutionary Fleet Mobility concept.
- Enter four European markets.
- Develop a new ERP/billing system, due for launch in H1/2017.
- Achieve a year-on-year 30% increase in Eurowag-card fuel sales and a 32% rise in EBT.

4.4. 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 tack, 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 2015 are listed below:

- **Růžový panter** (Pink Panther) – an anti-corruption non-profit organisation;
- **Kverulant** (Grump) – 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 social 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 major societal challenges;
- **Cesta domů** (The Way Home) – this association provides professional care to the dying and their loved ones who are looking after them;
- **TruckHelp Foundation** – a foundation supporting families who have lost a father during his work as a professional driver;
- **Your Chance** – Start on the Right Foot Programme (Začni správně) – this project aims to help young adults to adapt to the real world when they leave children's homes;
- **Spolek Otec vlasti Karel IV.** (Charles IV – Pater Patriae) – the aim of this association is to foster an interest among children and young people in the historical period of Charles VI's reign and give them a deeper insight into the legacy left behind by this monarch of European standing;
- **Innoversity** – a student society that arranges competitions promoting student-led business start-ups;
- **Platform of European Memory and Conscience** – a special-interest association of legal entities grappling with the legacy of 20th-century totalitarian dictatorships;
- **Essentia Family Centre** – an association operating the Sedmikvítek forest nursery school in Mníšek pod Brdy and organising suburban camps, clubs, and cultural and educational events for children and adults;
- **Nový kurz** (New Course) – an association dealing with the health and social sector, contributing to cultural events and actively helping to protect the environment, watercourses and resources.

4.5. 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's operations today are limited to Tank&Go in Slovakia. To improve the quality of customer service, toll sales have been transferred to the parent company.

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, another important region where W.A.G. put down roots in early 2011 and saw its market position continue to flourish in 2015.

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 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. Truck centres were built on Company-owned land in Lébény and Budapest, Hungary.

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.

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

Propa Plaza, Kore Şehitleri Cad. No: 4, Kat: 6
 34394 Zincirlikuyu-Şişli, İstanbul, Turkey
 Beyoğlu 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.

Reamon Tax, a.s.

Göthova 149, Dačice I, 380 01 Dačice, Czech Republic
 Registration number: 25538730
 VAT number: CZ25538730
 Acquisition: 6 January 2014
www.reamon-tax.com

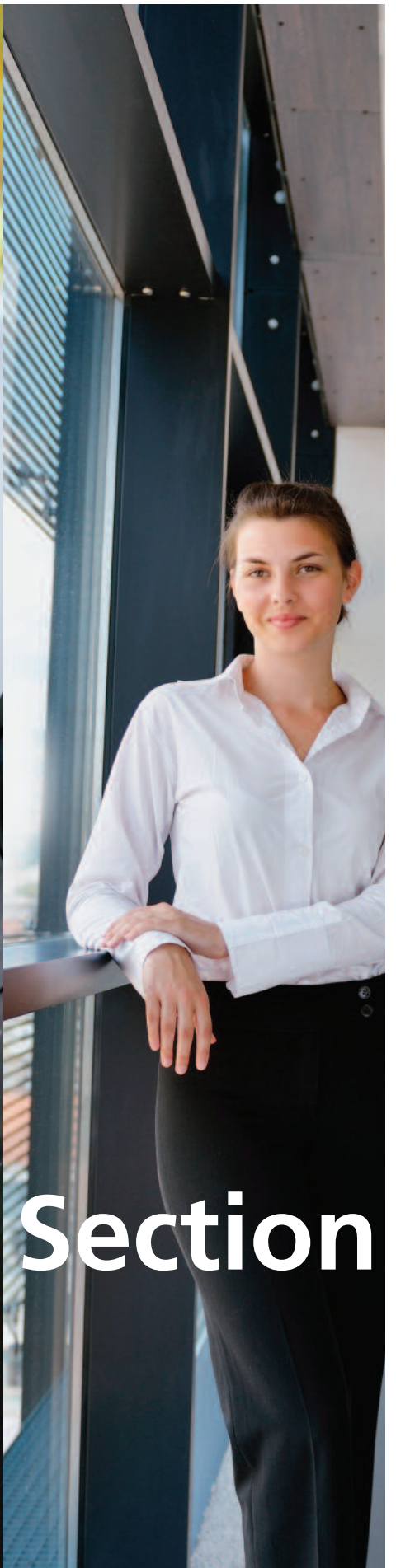
This subsidiary, headquartered in the Czech Republic, offers to mediate refunds of VAT and excise duty from selected EU countries.

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.





Financial Section

(Translation of a report originally issued in Czech.)

Independent Auditor's Report

to the shareholders of W.A.G. payment solutions, a.s.

We have audited the accompanying consolidated financial statements of W.A.G. payment solutions, a.s., and its subsidiaries („W.A.G. payment solutions Group“), which comprise the consolidated balance sheet as at 31 December 2015, and the consolidated income statement and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information. For details of W.A.G. payment solutions Group see Note 1 to the consolidated financial statements.

Management's Responsibilities for the Consolidated Financial Statements

Management is responsible for the preparation and presentation of consolidated financial statements that give a true and fair view in accordance with accounting principles generally accepted in the Czech Republic, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

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 as amended by implementation guidance of the Chamber of Auditors of the Czech Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 an assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the 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 give a true and fair view of the financial position of W.A.G. payment solutions Group as at 31 December 2015, and its financial performance and its cash flows for the year then ended in accordance with accounting principles generally accepted in the Czech Republic.

Other Matters

The prior year consolidated financial statements of W.A.G. payment solutions Group were audited by other auditors whose report dated 5 March 2015 expressed an unqualified opinion on those statements.

Other Information

Other information comprises information included in the consolidated annual report other than the consolidated financial statements and our auditor's report thereon. Management is responsible for the other information.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated and whether the consolidated annual report has been prepared in accordance with applicable law or regulation. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Ernst & Young Audit, s.r.o.
Licence No. 401



Magdalena Soucek, Auditor
Licence No. 1291

4 May 2016
Prague, Czech Republic

Consolidated Balance Sheet for the year ended 31 December 2015

(CZK thousands)

	Gross	2015 Adjustment	Net	2014 Net
TOTAL ASSETS	3,340,827	411,885	2,928,942	2,307,843
A. Subscribed registered capital unpaid	0	0	0	0
B. Fixed assets	853,607	298,448	555,159	530,899
B. I. Intangible fixed assets	103,639	84,890	18,749	17,028
B. I. 1. Formation expenses	321	64	257	0
2. Research and development	0	0	0	0
3. Software	97,787	83,954	13,833	14,674
4. Royalties	2,279	737	1,542	1,661
5. Goodwill	0	0	0	0
6. Other intangible fixed assets	135	135	0	0
7. Intangible fixed assets under construction	3,117	0	3,117	694
8. Advances provided for intangible fixed assets	0	0	0	0
B. II. Tangible fixed assets	705,796	209,506	496,290	470,805
B. II. 1. Land	117,958	10,000	107,958	102,139
2. Buildings	270,252	59,400	210,852	201,155
3. Plant and equipment	222,414	106,123	116,291	86,789
4. Perennial crops	0	0	0	0
5. Livestock	0	0	0	0
6. Other tangible fixed assets	1,103	1,044	59	84
7. Tangible fixed assets under construction	12,332	0	12,332	25,825
8. Advances provided for tangible fixed assets	612	0	612	1,219
9. Adjustments to asset acquisitions	81,125	32,939	48,186	53,595
B. III. Long-term financial investments	20	0	20	20
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	0
7. Advances provided for long-term investments	0	0	0	0
B. IV. Positive consolidation difference	44,152	4,052	40,100	43,045
B. V. Securities and investments in associates	0	0	0	0

		Gross	2015 Adjustment	Net	2014 Net
C.	Current assets	2,462,618	113,437	2,349,181	1,748,428
C. I.	Inventories	46,333	0	46,333	49,652
C. I. 1.	Raw materials	1,247	0	1,247	1,315
	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	45,086	0	45,086	48,338
	6. Advances provided for inventories	0	0	0	0
C. II.	Non-current receivables	6,813	0	6,813	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	6,813	0	6,813	0
C. III.	Current receivables	1,490,085	113,437	1,376,648	1,537,848
C. III. 1.	Trade receivables	1,337,373	108,466	1,228,907	1,163,602
	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. Social security and health insurance	0	0	0	0
	6. State – tax receivables	20,438	0	20,438	23,949
	7. Short-term advances provided	32,538	0	32,538	34,144
	8. Estimated receivables	23,273	0	23,273	9,519
	9. Other receivables	76,463	4,971	71,492	306,634
C. IV.	Short-term financial assets	919,387	0	919,387	160,928
C. IV. 1.	Cash in hand	4,437	0	4,437	4,817
	2. Cash at bank	914,950	0	914,950	156,111
	3. Short-term securities and ownership interests	0	0	0	0
	4. Short-term investments (provisional value)	0	0	0	0
D. I.	Deferrals	24,602	0	24,602	28,516
D. I. 1.	Prepaid expenses	24,521	0	24,521	21,722
	2. Complex prepaid expenses	0	0	0	0
	3. Accrued revenues	81	0	81	6,794

		2015	2014
TOTAL LIABILITIES AND EQUITY		2,928,942	2,307,843
A.	Shareholders' equity	553,886	348,224
	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	9,144	10,058
A. II. 1.	Share premium	9,500	9,500
	2. Other capital funds	(356)	558
	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.	Funds created from profit	10,440	10,239
A. III. 1.	Reserve fund	10,440	10,239
	2. Statutory and other funds	0	0
A. IV.	Retained earnings/accumulated losses	217,262	49,663
A. IV. 1.	Retained earnings	239,457	66,432
	2. Accumulated losses	(21,326)	(16,440)
	3. Other profit (loss)	(869)	(329)
A. V.	Profit (loss) for the current period (net of minority interests)	207,244	168,468
	1. Profit (loss) for the current period (+/-)	207,244	168,468
	2. Advances decided	0	0
A. VI.	Consolidation reserve fund	0	0
VII.	Exchange difference on translation of foreign investment	0	0
B.	Liabilities (borrowed capital)	2,353,177	1,945,487
B. I.	Provisions	37,504	31,635
B. I. 1.	Tax-deductible provisions	487	349
	2. Provision for pensions and other similar payables	0	0
	3. Income tax provision	18,812	26,448
	4. Other provisions	18,205	4,838
B. II.	Non-current payables	1,442	2,845
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	125	402
	10. Deferred tax liability	1,317	2,443

		2015	2014
B. III.	Current payables	2,170,653	1,690,967
B. III. 1.	Trade payables	1,848,698	1,468,501
	2. Payables to subsidiaries	0	0
	3. Payables to associates	0	0
	4. Payables to members	0	492
	5. Payables to employees	10,231	7,494
	6. Payables to social security and health insurance	5,416	5,320
	7. State – tax liabilities and subsidies	28,342	7,505
	8. Short-term advances received	155,125	120,939
	9. Debentures and bonds issued	0	0
	10. Estimated payables	84,103	40,973
	11. Other payables	38,738	39,743
B. IV.	Bank loans and overdrafts	143,578	220,040
B. IV. 1.	Long-term bank loans	94,565	110,112
	2. Short-term bank loans	49,013	109,928
	3. Short-term borrowings	0	0
C. I.	Deferrals	21,879	14,132
C. I. 1.	Accrued expenses	8,053	7,369
	2. Deferred income	13,826	6,763
D.	Minority equity	0	0
D. I.	Minority share capital	0	0
D. II.	Minority capital reserves	0	0
D. III.	Minority reserve funds, including retained earnings and accumulated losses	0	0
D. IV.	Minority profit (loss) for the current period	0	0

Consolidated Profit and Loss Account for the year ended 31 December 2015

(CZK thousands)

		Accounting period	
		2015	2014
I.	Revenue from sales of goods	13,399,142	12,316,015
A.	Cost of goods sold	12,732,534	11,830,374
+	Gross profit	666,608	485,641
II.	Production	285,578	243,993
II.	1. Revenue from own products and services	285,575	243,993
	2. Change in internal inventory of own production	0	0
	3. Capitalisation	3	0
B.	Cost of goods sold	233,676	179,439
B.	1. Raw materials and consumables	19,426	18,236
B.	2. Services	214,250	161,203
+	Value added	718,510	550,195
C.	Staff costs	264,835	216,082
C.	1. Wages and salaries	188,068	155,792
C.	2. Remuneration of board members	17,172	13,326
C.	3. Social security and health insurance expenses	50,900	42,173
C.	4. Social expenses	8,695	4,791
D.	Taxes and charges	3,254	2,857
E.	Depreciation of assets and consolidation difference	63,019	52,426
E.	1. Depreciation of intangible and tangible fixed assets	60,811	50,544
E.	2. Depreciation of negative consolidation difference	0	0
E.	3. Depreciation of consolidation difference	2,208	1,882
III.	Disposals of fixed assets and raw materials	1,294	2,053
III.	1. Proceeds from disposals of fixed assets	1,181	362
	2. Proceeds from disposals of raw material	113	1,691
F.	Net book value of fixed assets and raw materials sold	509	723
F.	1. Net book value of fixed assets sold	509	723
F.	2. Raw materials sold	0	0
G.	Change in provisions and adjustments relating to operating activities and complex prepaid expenses	2,372	17,675
IV.	Other operating revenue	902,620	492,167
H.	Other operating expenses	954,773	503,972
V.	Transfer of operating revenue	0	0
I.	Transfer of operating expenses	0	0
*	Operating profit	333,662	250,680

		Accounting period	
		2015	2014
VI.	Proceeds from sale of securities and ownership interests	0	0
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	13,518	4,391
L.	Loss on revaluation of equity securities and derivatives	15,481	6,610
M.	Change in provisions and adjustments relating to financial activity	0	0
X.	Interest income	135	297
N.	Interest expense	8,209	9,661
XI.	Other financial revenue	112,073	73,471
O.	Other finance expenses	165,088	85,268
XII.	Transfer of financial revenue	0	0
P.	Transfer of financial expenses	0	0
*	Financial profit (loss)	(63,052)	(23,380)
Q.	Income tax on ordinary profit (loss)	63,366	58,832
Q. 1.	– current	71,242	57,951
Q. 2.	– deferred	(7,876)	881
**	Profit (loss) on ordinary activities	207,244	168,468
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	207,244	168,468
	Profit (loss) before tax	270,610	227,300
****	Check number	0	0

Cash Flow Statement as at 31 December 2015

(CZK thousands)

	2015	2014
P. Cash and cash equivalents, beginning of year	160,928	325,989
Net operating cash flow		
From: Accounting profit (loss) from ordinary activities before tax	333,662	250,680
A.1. Non-cash adjustments	61,206	67,899
A.1.1. Depreciation and amortisation of non-current assets	57,610	45,135
A.1.2. Change:	7,780	24,893
A.1.2.1. goodwill and adjustments to acquired assets	5,409	7,290
A.1.2.2. provisions and adjustments relating to operating activity	2,372	17,603
A.1.3. Gain(-)/loss (+) on sale of fixed assets	(672)	361
A.1.4. Adjustments for other non-cash transactions	(3,513)	(2,491)
A*. Net operating cash flow before tax, changes in working capital, financial and extraordinary items	394,868	318,579
A.2. Change in working capital requirement	667,736	(103,318)
A.2.1. Change in receivables from operating activities and deferrals	176,952	(312,330)
A.2.2. Change in short-term liabilities from operating activities and accruals	487,465	212,705
A.2.3. Change in inventories	3,319	(3,693)
A.2.4. Change in short-term financial assets, other than cash and cash equivalents	0	0
A.** Net operating cash flow before tax, financial and extraordinary items	1,062,605	215,261
A.3. Interest paid excluding amounts capitalised	(8,209)	(9,661)
A.4. Interest received	135	297
A.5. Income tax paid on ordinary income and adjustments to tax for previous periods	(76,631)	(57,887)
A.6. Receipts and disbursement from extraordinary items	0	0
A.7. Other financial receipts and disbursement	(53,015)	(11,797)
A.8. Receipts from dividends and profit shares	0	0
A.*** Net operating cash flow	924,885	136,212
Cash flows from investing activities		
B.1. Acquisition of fixed assets	(90,868)	(165,371)
B.1.1. Acquisition of tangible fixed assets	(72,293)	(110,216)
B.1.2. Acquisition of intangible fixed assets	(18,575)	(55,155)
B.1.3. Acquisition of financial investments	0	0
B.2. Proceeds from sale of fixed assets	1,181	362
B.2.1. Proceeds from sale of tangible and intangible fixed assets	1,181	362
B.2.2. Proceeds from sale of financial investments	0	0
B.3. Loans and other borrowings to related entities	0	0
B.*** Net cash flow from investing activities	(89,687)	(165,009)
Cash flow from financing activities		
C.1. Change in non-current and current liabilities relating to financing activities	(76,739)	(96,263)
C.2. Changes in equity – effects on cash	0	(40,000)
C.2.1. Increase in registered capital, share premium or reserve fund	0	0
C.2.2. Equity paid to shareholders	0	0
C.2.3. Other cash contributions from partners and shareholders	0	0
C.2.4. Loss settlement by shareholders	0	0
C.2.5. Payments from funds created from profit	0	0
C.2.6. Dividends and profit shares paid, including withholding tax paid, and profit-related management bonuses	0	(40,000)
C.*** Net cash flow from financing activities	(76,739)	(136,263)
F. Net increase or decrease in cash balance	758,459	(165,060)
R. Cash and cash equivalents, end of period	919,387	160,928

Notes to the Consolidated Financial Statements for the year ended 31 December 2015

1. Company description and Group definition

1.1. Company description

W.A.G. payment solutions, a.s. (the “Parent Company” or the “Company”) is a public limited company incorporated on 4 December 2000, having its registered office at Na Vítězné pláni 1719/4, Praha 4, 140 00, Czech Republic, with registration number 26415623. Its principal objects of business are the provision of payment solutions for fleets of professional transport and freight forwarding companies and the operation of a network of express service stations for cars.

There were no significant changes to the Company’s entry in the Commercial Register in 2015.

Entities holding an interest of 10% of more in the Company’s share capital:

Martin Vohánka 85.16%

Corporate governance as at 31 December 2015:

Board of Directors	
Chairman	Martin Vohánka
Vice-Chairman	David Holý
Member	Tomáš Svatoň
Member	Pascal Guyot
Supervisory Board	
Chairman	Petr Husák
Member	Hana Hradská
Member	Jana Martínková
Member	Martin Burda

1.2. Group

The Group comprises the Parent Company and Group Companies included in the Group on account of the significance attached to their share in the overall balance sheet and turnover within the Group.

Name	Registered office	Level of dependence	Stake in share capital	Method of consolidation
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, Slovak Republic	Decisive influence	100 %	Full method
W.A.G. payment solutions RO, s.r.l.	Sector 3, Str. Paleologu, Nr. 24, Bucharest, Romania	Decisive influence	100 %	Full method
W.A.G. mineral fuels PL, sp.zo.o.	Ul. Prosta 69, 00-838 Warsaw, Poland	Decisive influence	100 %	Full method
W.A.G. payment solutions HU, Kft.	Váci út 22–24, 1132 Budapest, Hungary	Decisive influence	100 %	Full method
W.A.G. HU, Kft.	Váci út 22–24, 1132 Budapest, Hungary	Decisive influence	100 %	Full method
W.A.G. payment solutions AT GmbH	Kammer 33/2, A-4974 Ort im Innkreis, Austria	Decisive influence	100 %	Full method
Reamon Tax, a.s.	Göthova 149, 380 01 Dačice, Czech Republic	Decisive influence	100 %	Full method
CONSORZIO EUROWAG S.C. A R.L	Via Giolitti n. 55, 10123 Torino, Italy	Decisive 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.

The share in CONSORZIO EUROWAG S.C. A R.L. is split evenly between the Parent Company, W.A.G. payment solutions, a.s., and the subsidiary W.A.G. payment solutions SK, s.r.o.

The Company 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 Warszawa, 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, Company number / ЕИК 202869380

Turkey: W.A.G. PAYMENT SOLUTIONS A. S. MERKEZİ ÇEK CUMHURİYETİ İSTANBUL MERKEZ ŞUBESİ, Propa Plaza, Kore Şehitleri Cad. No: 4, Kat 6, 34394 Zircirlikuyu-Şişli, İstanbul, Beyoğlu Tax Office: 788 047 8816.

1.3. Balance sheet date of Group entities

Entity	Balance sheet date
W.A.G. payment solutions, a.s.	31 December 2015
W.A.G. payment solutions SK, s.r.o.	31 December 2015
W.A.G. payment solutions RO, s.r.l.	31 December 2015
W.A.G. mineral fuels PL, sp.zo.o.	31 December 2015
W.A.G. payment solutions HU, Kft.	31 December 2015
W.A.G. HU, Kft.	31 December 2015
W.A.G. payment solutions AT GmbH	31 December 2015
Reamon Tax, a.s.	31 December 2015
CONSORZIO EUROWAG S.C. A R.L.	31 December 2015

1.4. Undertakings not included in the Group

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

1.5. Basis of preparation of the consolidated financial statements and the system of consolidation

The consolidated financial statements have been prepared in accordance with the Accounting Act and the attendant implementing decrees, as applicable for 2015 and 2014.

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

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., Reamon Tax, a.s., and CONSORZIO EUROWAG S.C. A R.L. 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.

In 2015, CONSORZIO EUROWAG S.C. A R.L. was included in the Group. Only the share in the cooperative Klub investorů T&G continues to be excluded from the Group.

2. General accounting policies

The accounting policies applied by the Group in preparing the financial statements for 2015 and 2014 are as follows:

2.1. Intangible fixed assets

Intangible fixed assets are measured at cost, which includes the purchase price and related costs.

Intangible fixed assets over CZK 10,000 in 2015 and 2014 are amortised over their estimated useful lives.

Amortisation

Amortisation is calculated on the basis of cost and the estimated useful life of the asset. Estimated useful lives are as follows:

Class	Amortisation period
Low-value intangible fixed assets	2 years
Intangible assets, except Navision and ZAP software	3 years
Navision, ZAP software	10 years

2.2. Tangible fixed assets

Tangible fixed assets are measured at cost, which includes the purchase price, shipping, customs duty and other related costs.

Tangible fixed assets over CZK 10,000 in 2015 and 2014 are depreciated over their economic life.

The costs of technical improvements to tangible fixed assets are capitalised. Repairs and maintenance are expensed as incurred.

Adjustments to asset acquisitions are the difference between a valuation of an undertaking (or part thereof) acquired in particular in the form of a purchase or contribution, or a valuation of assets and liabilities within the scope of company transformations (other than changes of legal form), and the sum of valuations of individual components of assets in the accounts of the selling company, contributing company, company being acquired or company being divided by spin-off, net of liabilities assumed.

Depreciation

Depreciation is calculated on the basis of cost and the estimated useful life of the asset. Estimated useful lives are as follows:

Class	Depreciation period
Buildings and structures	10–30 years
Machinery and equipment	3–20 years
Vehicles	3–4 years
Fixtures and fittings	5 years
Low-value tangible fixed assets	2 years

2.3. Financial assets

Short-term financial assets comprise cash equivalents, cash in hand, cash in bank, held-for-trading securities, debt securities that are redeemable within one year and are held to maturity, treasury stock, own shareholdings and other ownership interests, own bonds, and other available-for-sale securities.

Cash and cash equivalents

The WAG Group has introduced a cash-pool system for the use of individual Group Companies' available cash funds. As at the balance sheet date, this system's incoming and outgoing funds are reported in the balance sheet under "Current receivables – group undertakings" and "Current payables – group undertakings".

Long-term financial assets consist primarily of participating interests. Shares are measured at cost, including the purchase price and costs directly incurred in connection with the acquisition, e.g. fees and commissions paid to brokers and stock exchanges.

If there is a decrease in the carrying value of long-term financial assets not re-measured at the end of the balance sheet date, the difference is considered a temporary impairment and recorded as an adjustment.

2.4. Consolidation difference

The consolidation difference is the difference between the cost of Group Companies' securities and contributions and their valuation based on the Parent Company's stake in their equity, expressed as fair value determined as the difference between the fair values of assets and the fair values of liabilities as at the acquisition date or date of the subsequent increase in participation. The acquisition date is taken to be the date as of which a Group Company effectively begins to exercise influence. For an associated company or joint venture, this date is determined by analogy. The consolidation difference is amortised over 20 years on a straight-line basis. The consolidation difference is charged to expenses from ordinary activities under "depreciation of consolidation difference".

2.5. Inventories

Inventories are stated at cost determined using the "first in, first out" (FIFO) method (the initial price in the measurement of inventory additions is used as the initial price in the measurement of inventory disposals). The cost of inventories includes the purchase price and other attendant costs (shipping, customs duty, commission, etc.).

2.6. Receivables

Receivables are measured at nominal value. Adjustments are established to reduce the value of doubtful receivables to their realisable value.

Receivables from Group Companies are mutually exclusive.

2.7. Derivatives

Derivatives are initially measured at cost. In the accompanying balance sheet, derivatives are reflected in other current receivables and payables.

Derivatives are classified as derivatives held for trading or hedging derivatives. Hedging derivatives are negotiated for purposes of fair value hedging or cash flow hedging. In order to qualify as a hedging derivative, changes in fair value or cash flows arising from hedging derivatives must offset in whole or in part changes in the fair value of the hedged item or changes in cash flows derived from the hedged item, and the Company must document and demonstrate the existence of hedging and the high efficiency of hedging. In other cases, derivatives are classified as held for trading.

Derivatives are re-measured at fair value as at the balance sheet date. Changes in the fair value of derivatives held for trading are reported under financial expenses or revenues. Changes in the fair value of derivatives which are classified as fair value hedges are also recognised in financial expenses or revenues together with the corresponding change in the fair value of the hedged asset or liability associated with the hedged risk. Changes in the fair value of derivatives that are designated as cash flow hedges are recognised in equity and reflected in the balance sheet through a gain or loss on the revaluation of assets and liabilities. The ineffective part of hedging is recognised directly in financial expenses or revenues.

2.8. Equity

The Parent Company's share capital is stated at the amount recorded in the Commercial Register maintained by the Municipal Court in Prague. Any increase or decrease in the share capital further to a decision of the General Meeting which has not been registered at the balance sheet date is reported as a change in share capital. Any capital surplus is recorded as additional paid-in capital. Other capital funds are created by cash or in-kind contributions in excess of the share capital.

2.9. Liabilities (borrowed capital)

The Group creates provisions for losses and risks if the related purpose, amount and timing can be reliably estimated and the accrual and matching principles are observed.

Both long- and short-term liabilities are carried at their nominal values. Other liabilities also recognise the result of the fair-valuing of financial derivatives.

Payables to Group Companies are mutually exclusive.

Short- and long-term loans are recorded at their nominal values. Any portion of long-term debt which is payable within one year from the balance sheet date is treated as short-term debt.

2.10. Foreign-currency transactions

W.A.G. payment solutions, a.s. and Reamon Tax, a.s.

Assets and liabilities denominated in foreign currencies are measured in Czech crowns at the fixed rate prevailing on the last day of the previous month; at the balance sheet date, monetary items were measured at the Czech National Bank exchange rate prevailing on 31 December.

Realised and unrealised foreign exchange gains and loss are recognised in current-year financial expenses or revenues.

Foreign subsidiaries

Assets and liabilities denominated in foreign currencies are measured in local currency at the daily exchange rate; at the balance sheet date, monetary items were measured at the exchange rate of the local national bank or European Central Bank prevailing on 31 December.

Realised and unrealised foreign exchange gains and loss are recognised in current-year financial expenses or revenues.

Balance sheet and profit and loss account items were translated from local currencies into Czech crowns at the Czech National Bank exchange rate prevailing on 31 December.

2.11. Use of estimates

The preparation of the financial statements requires that the management of each Company apply estimates and assumptions influencing the reported values of assets and liabilities as at the balance sheet date and the reported amounts of revenues and costs in the reporting period. The management of each Company made these estimates and assumptions on the basis of all relevant information available. Nevertheless, given the nature of estimates, the actual results in the future may differ from these estimates.

2.12. Cost and revenue recognition

Revenues and costs are recognised on an accrual basis; that is, they are recognised in the period to which they relate.

2.13. Income tax

The income tax expense is calculated separately for each Group Company based on the statutory tax rate on accounting profit increased or decreased by permanently and temporarily non-tax-deductible costs and untaxed revenues (e.g. the creation and charging of other provisions and adjustments, entertainment expenses, differences between book and tax depreciation, etc.). Furthermore, items reducing the tax base (donations), deductibles and discounts on income tax are taken into account. Income tax expense in the consolidated profit and loss account is the sum of income tax expense of the Parent Company and other Group Companies using the full consolidation method.

Deferred tax liability is calculated for each Group Company and reflects the tax effects of temporary differences between the carrying amounts of assets and liabilities for accounting purposes and the income tax base with respect to the time of realisation. The consolidated deferred tax liability is the sum of the deferred tax liabilities of the Parent Company and other Group Companies using the full consolidation method; this sum is adjusted for the effects of temporary differences arising from transactions between Group Companies.

2.14. Subsequent events

The impact of events occurring between the balance sheet date and the date on which the financial statements are prepared is reflected in the financial statements where these events provide additional information about conditions existing at the balance sheet date.

3. General information contained in the Notes

3.1. 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.	196	26	219,500	60,963
W.A.G. payment solutions SK, s.r.o.	21	0	16,790	0
W.A.G. payment solutions RO, s.r.l.	14	0	11,528	0
W.A.G. mineral fuels PL, sp.zo.o.	0	0	0	0
W.A.G. payment solutions HU, Kft.	2	0	3,068	0
W.A.G. HU, Kft.	0	0	0	0
W.A.G. payment solutions AT GmbH	1	0	1,166	0
Reamon Tax, a.s.	25	0	12,784	0
CONSORZIO EUROWAG S.C. A R.L.	0	0	0	0
Total	259	26	264,836	60,963

3.2. 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.	Remuneration of members of bodies	16,458
Reamon Tax, a.s.	Remuneration of members of bodies	714

Selected Group employees receive benefits consisting of the private use of company cars, meal voucher allowances, life assurance policy contributions, cultural allowances and MultiSport card contributions.

3.3. 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.

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

4.1. Securities and participating interests – owned by a subsidiary

The subsidiary W.A.G. mineral fuels SK, s.r.o. holds a 47.16% interest in the consortium CONSORZIO EUROWAG S.C. A R.L. Other subsidiaries hold no securities or participating interests.

4.2. Comments on selected balance sheet and profit and loss account data:

a) Past-due trade receivables and payables

Entity	Receivables more than 180 days past due (CZK thousands)
W.A.G. payment solutions, a.s.	84,185
W.A.G. payment solutions SK, s.r.o.	6,433
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
Reamon Tax, a.s.	21
CONSORZIO EUROWAG S.C. A R.L.	0
Total	90,639

Entity	Payables more than 180 days past due (CZK thousands)
W.A.G. payment solutions, a.s.	3,036
W.A.G. payment solutions SK, s.r.o.	46
W.A.G. payment solutions RO, s.r.l.	53
W.A.G. mineral fuels PL, sp.zo.o.	0
W.A.G. payment solutions HU, Kft.	5
W.A.G. HU, Kft.	0
W.A.G. payment solutions AT GmbH	22
Reamon Tax, a.s.	0
CONSORZIO EUROWAG S.C. A R.L.	0
Total	3,162

b) Intra-Group receivables and payables falling due after more than five years

Entity	Receivables falling 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
Reamon Tax, a.s.	0
CONSORZIO EUROWAG S.C. A R.L.	0
Total	0

Entity	Payables falling 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
Reamon Tax, a.s.	0
CONSORZIO EUROWAG S.C. A R.L.	0
Total	0

c) Bank loans

Financing bank	Investment financing	Loan currency	Original loan amount (thousands)	Loan balance at 31 December 2015 (CZK thousands)	Annual repayments 2016 (CZK thousands)	Final maturity (month/year)
ČSOB, a.s.	Průhonice service station	CZK	30,000	18,500	6,000	1/2019
ČSOB, a.s.	Průhonice service station	EUR	500	8,318	2,702	1/2019
Česká spořitelna, a.s.	Ústí n L. service station	CZK	14,580	4,954	2,458	12/2018
ERSTE LEASING	Rozvadov service station	CZK	13,000	802	802	5/2016
ERSTE LEASING	Rozvadov service station	CZK	10,000	493	493	4/2016
ERSTE LEASING	Rozvadov service station	CZK	40,000	2,452	2,452	5/2016
Česká spořitelna, a.s.	Modletice land	CZK	45,000	9,412	9,412	7/2016
Raiffeisenbank a.s.	Stubice service station	EUR	800	15,069	2,621	9/2021
Raiffeisenbank a.s.	Gromadka service station	EUR	800	15,069	2,621	9/2021
Raiffeisenbank a.s.	Lébény service station	EUR	800	15,540	2,702	9/2021
s Autoleasing	passenger car	CZK	591	366	198	10/2017
s Autoleasing	passenger car	CZK	891	553	294	10/2017
s Autoleasing	passenger car	CZK	603	341	204	8/2017
s Autoleasing	passenger car	CZK	906	512	300	8/2017
s Autoleasing	passenger car	CZK	543	292	180	7/2017
s Autoleasing	passenger car	CZK	604	325	204	7/2017
s Autoleasing	passenger car	CZK	2,823	1,362	942	6/2017
s Autoleasing	passenger car	CZK	3,743	1,805	1,248	5/2017
s Autoleasing	passenger car	CZK	499	130	130	9/2016
s Autoleasing	passenger car	CZK	400	115	115	12/2016
s Autoleasing	passenger car	CZK	1,966	734	666	1/2017
s Autoleasing	passenger car	CZK	605	375	200	10/2017
s Autoleasing	passenger car	CZK	1,384	859	456	10/2017
s Autoleasing	passenger car	CZK	578	374	192	11/2017
s Autoleasing	passenger car	CZK	593	384	198	11/2017
s Autoleasing	passenger car	CZK	600	389	198	11/2017
s Autoleasing	passenger car	CZK	891	650	294	2/2018
ČSOB Leasing	passenger car	CZK	1,772	1,436	582	5/2018
s Autoleasing	passenger car	CZK	607	507	198	6/2018
s Autoleasing	passenger car	CZK	775	648	258	6/2018
ČSOB Leasing	passenger car	CZK	1,186	993	390	6/2018
ČSOB Leasing	passenger car	CZK	2,089	1,750	684	6/2018
ČSOB Leasing	passenger car	CZK	1,515	1,310	498	7/2018
s Autoleasing	passenger car	CZK	638	551	210	7/2018
s Autoleasing	passenger car	CZK	639	552	210	7/2018
s Autoleasing	passenger car	CZK	898	824	288	8/2018
s Autoleasing	passenger car	CZK	899	824	288	8/2018
s Autoleasing	passenger car	CZK	649	596	210	8/2018
s Autoleasing	passenger car	CZK	683	627	222	10/2018
s Autoleasing	passenger car	CZK	683	627	222	9/2018
ČSOB Leasing	passenger car	CZK	945	893	312	10/2018
ČSOB Leasing	passenger car	CZK	1,232	1,232	408	12/2018
ČSOB Leasing	passenger car	CZK	951	951	312	12/2018
ČSOB Leasing	passenger car	CZK	1,196	1,196	396	12/2018
T-Mobile Polska	mobile telephone	PLN	3	7	7	10/2016
T-Mobile Polska	mobile telephone	PLN	2	2	2	5/2016
T-Mobile Polska	mobile telephone	PLN	2	3	3	7/2016
T-Mobile Polska	mobile telephone	PLN	2	3	3	7/2016
T-Mobile Polska	mobile telephone	PLN	3	7	7	10/2016
T-Mobile Polska	mobile telephone	PLN	3	11	8	3/2017
	WAG CZ	CZK		115,725	44,000	
S Slovensko, s. r.o.	Lamač	EUR	450	5,868	1,349	12/2019
ČSOB	Malacky	EUR	870	21,985	3,664	12/2021
	WAG SK	CZK		27,853	5,013	
	Total	CZK		143,578	49,013	

As at 31 December 2015, the following pledges have been made to cover the aforementioned loans:

- pledge of receivables;
- pledge of current accounts;
- blank bills issued;
- pledge of real estate.

Under some of the aforementioned loan agreements, the Parent Company undertook to meet certain financial indicators. As at 31 December 2015, the Parent Company was satisfying those ratios.

4.3. Consolidation difference

Figures are stated in CZK:

Company name	Cost	Fair value	Consolidation difference	Number of months of depreciation	Date of acquisition
W.A.G. payment solutions HU, Kft.	515,790	304,701	211,089	240	13 June 2013
Reamon Tax, a.s.	28,205,442	6,506,805	21,698,637	240	6 January 2014
W.A.G. payment solutions AT GmbH	16,014,798	(6,227,111)	22,241,909	240	31 March 2014
Total	44,736,030	584,395	44,151,635	x	x

4.4. Derivatives

Derivative	Currency I	Currency II	EUR (PLN)	Expiry	Revaluation as at 31 December 2015
FW	EUR	CZK	230,000.00	7 January 2016	135,562.28
FW	EUR	CZK	207,500.00	11 January 2016	38,418.00
FW	EUR	CZK	50,000.00	11 January 2016	(3,447.78)
FW	EUR	CZK	50,000.00	18 January 2016	(7,083.53)
FW	EUR	CZK	210,000.00	10 February 2016	38,228.00
FW	EUR	CZK	225,000.00	10 March 2016	41,932.00
FW	EUR	CZK	212,500.00	11 April 2016	43,752.00
FW	EUR	CZK	225,000.00	10 May 2016	51,589.00
FW	EUR	CZK	225,000.00	10 June 2016	57,190.00
FW	EUR	CZK	250,000.00	11 July 2016	69,207.00
FW	EUR	CZK	225,000.00	10 August 2016	69,082.00
FW	EUR	CZK	250,000.00	12 September 2016	85,661.00
FW	EUR	CZK	275,000.00	10 October 2016	100,001.00
FW	EUR	CZK	275,000.00	10 November 2016	99,681.00
FW	EUR	CZK	200,000.00	12 December 2016	71,606.00
Option	EUR	CZK	7,425,000.00	10 January 2017	(93,040.38)
Option	EUR	CZK	7,425,000.00	10 January 2017	165,070.01
Option	EUR	CZK	7,762,500.00	10 February 2017	(103,508.43)
Option	EUR	CZK	7,762,500.00	10 February 2017	182,395.79
Option	EUR	CZK	8,100,000.00	10 March 2017	(113,108.08)
Option	EUR	CZK	8,100,000.00	10 March 2017	199,358.09
Option	EUR	CZK	7,762,500.00	10 April 2017	(113,151.89)
Option	EUR	CZK	7,762,500.00	10 April 2017	200,212.45
Option	EUR	CZK	8,100,000.00	10 May 2017	(123,133.10)
Option	EUR	CZK	8,100,000.00	10 May 2017	218,423.42
Option	EUR	CZK	8,100,000.00	12 June 2017	(128,265.76)
Option	EUR	CZK	8,100,000.00	12 June 2017	228,358.74
Option	EUR	CZK	8,775,000.00	10 July 2017	(143,755.93)
Option	EUR	CZK	8,775,000.00	10 July 2017	256,514.25
Option	EUR	CZK	7,425,000.00	10 August 2017	(126,230.37)
Option	EUR	CZK	7,425,000.00	10 August 2017	225,890.06

Derivative	Currency I	Currency II	EUR (PLN)	Expiry	Revaluation as at 31 December 2015
Option	EUR	CZK	9,450,000.00	11 September 2017	(166,519.89)
Option	EUR	CZK	9,450,000.00	11 September 2017	297,991.78
Option	EUR	CZK	9,450,000.00	10 October 2017	(172,221.11)
Option	EUR	CZK	9,450,000.00	10 October 2017	307,809.69
Option	EUR	CZK	8,775,000.00	10 November 2017	(165,893.88)
Option	EUR	CZK	8,775,000.00	10 November 2017	295,674.87
Option	EUR	CZK	6,750,000.00	11 December 2017	(132,094.49)
Option	EUR	CZK	6,750,000.00	11 December 2017	234,231.58
Interest swap	EUR		18,000,000.00	31 December 2018	(7,135,373.90)
Interest swap	CZK		22,500,000.00	18 January 2019	(50,733.26)
Interest swap	EUR		375,000.00	18 January 2019	(42,349.00)
Interest swap	EUR		597,979.83	30 September 2021	(168,485.74)
Interest swap	EUR		597,979.83	30 September 2021	(168,485.74)
Interest swap	EUR		616,666.67	30 September 2021	(173,748.32)
Interest swap	EUR		870,000.00	31 December 2021	(240,011.21)

4.5. 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.

Group Companies have signed long-term contracts for office space.

4.6. Pledges

Receivables pledged

W.A.G. payment solutions, a.s. pledges trade receivables, further to which it draws on short-term bank loans. The balance of receivables pledged at 31 December 2015 was as follows:

Financing bank	Volume of receivables pledged
ČSOB, a.s.	CZK 125,629,000
UniCredit Bank Czech Republic and Slovakia, a.s.	CZK 79,486,000
Česká spořitelna, a.s.	CZK 109,450,000
Raiffeisenbank a.s.	CZK 69,591,000
Tatra banka, a.s.	CZK 119,031,000
Citibank Europe	CZK 61,126,000

W.A.G. payment solutions SK, s.r.o. pledges trade receivables, further to which it draws on short-term bank loans. The balance of receivables pledged at 31 December 2015 was as follows:

Financing bank	Volume of receivables pledged
Tatra banka, a.s.	CZK 7,533,000

Other entities have no receivables covered by a lien.

Pledges of tangible fixed assets

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
Real estate, Ústí nad Labem	Lien, ČS, a.s.	CZK 17,000,000
Service station, T&G, Průhonice	Lien, ČSOB, a.s.	CZK 30,000,000
Service station, T&G, Průhonice	Lien, ČSOB, a.s.	EUR 500,000
Land, Jazlovce	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
Service station, Slubice	Lien, Raiffeisenbank a.s.	EUR 1,000,000
Service station, Gromadka	Lien, Raiffeisenbank a.s.	EUR 1,000,000

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

Tangible fixed assets	Lien, easement	Amount pledged
Service station, Lamač	Lien, S Slovensko	EUR 450,000
Service station, Malacky	Lien, ČSOB, a.s.	EUR 870,000

Other entities have no tangible fixed assets covered by a lien.

4.7. 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	432	0
Revenues from services	149,811	135,335
Sales of goods	4,623,186	8,775,956
Total	4,773,429	8,911,291

4.8. Transactions with related parties

Other than the information contained in points 3.1., 3.2. and 3.3., we have no transactions, receivables or payables with non-Group Companies.

5. Significant events after the balance sheet date

On 13 January 2016, a minority stake in W.A.G. payment solutions, a.s. was sold to TA Associates, a leading global investment company. Shareholders in W.A.G. payment solutions, a.s. have high hopes that the newly formed partnership can tap into the experience and resources wielded by TA Associates in order to make significant progress towards meeting ambitious goals, harnessing strong organic growth on the one hand and growth driven by new acquisitions on the other.

The following were appointed as new members of the Supervisory Board as of 13 January 2016:

- Ajit Nedungadi – member
- J. Morgan Seigler – member

Prepared by: Martina Kudrnová

Prague, 8 April 2016


David Holý

Vice-Chairman of the Board of Directors

Contact Details

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maintained by the Municipal Court in Prague,
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