

# Independent Auditor's Report

## VIG Asset Management, a.s.

Accounting period  
from 1.1.2017 to 31.12.2017

### Identification of the Accounting Unit

Company:	<b>VIG Asset Management, a.s.</b>
Identification No.:	248 38 233
Registered Office:	Templová 747/5, 110 00 Praha
Legal Form:	Joint Stock Company
File Number:	B.17131, Trade Register Court Prague
Subject of Business:	rent of real estate

## **The auditor's report is determined for shareholders of the company**

### **Auditor's Opinion**

We have audited the accompanying the financial statements of the company VIG Asset Management, a.s. prepared in accordance with accounting principles generally accepted in the Czech Republic, which comprise of the balance sheet as of 31.12.2017, and the income statement, statement of changes in equity, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. For details of the Company VIG Asset Management, a.s. see Note 1 to the financial statements.

**In our opinion, the financial statements give a true and fair view of the financial position of the company VIG Asset Management, a.s. as of 31.12.2017, and of its financial performance for the year then ended in accordance with accounting principles generally accepted in the Czech Republic.**

### **Basis for Opinion**

We conducted our audit in accordance with the Act on Auditors and Auditing Standards of the Chamber of Auditors of the Czech Republic, which are International Standards on Auditing (ISAs), as amended by the related application clauses. Our responsibilities under this law and regulation are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Act on Auditors and the Code of Ethics adopted by the Chamber of Auditors of the Czech Republic and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Responsibility of Board of Directors and Supervisory Board for the Financial Statements**

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the Czech Republic and for such internal control as statutory body determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Supervisory Board is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibility for the Audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the above law or regulation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:



- Identify and assess the risks of material misstatement of financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit 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 Company's internal control.

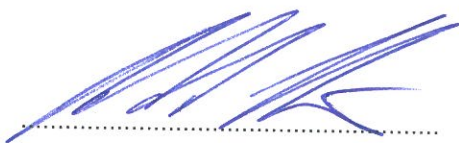
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of financial statements, including the disclosures, and whether financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Board of Directors and Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

In Prague, on 21.3.2018



Auditor:

Ing. Rostislav Kuneš

Certificate No. 1307 KAČR



TPA Audit s.r.o.

Antala Staška 2027/79, Praha 4

Certificate No. 080 KAČR

# FINANCIAL STATEMENTS

from 1.1.2017 to 31.12.2017

**VIG Asset Management, a.s.**

**Date 7.3.2018**

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Statutory body

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DI Caroline Mocker

Dr. MMag. Wolfgang Hajek







## Accounting unit:

VIG Asset Management, a.s.  
 Templová, 11001 Praha 1-Staré Město  
 IČ: 24838233

## BALANCE SHEET

as at 31.12.2017  
 (in thousands of Czech Crowns)

a	ASSETS b	Row c	Current accounting period		Net 3	Previous period Net 4
			Gross 1	Adjustment 2		
1	Cash	001	8	0	8	16
3	Receivables from banks	005	15 780	0	15 780	14 468
a	of which: current accounts	006	15 780	0	15 780	14 468
8	Participations with substantial influence	017	894	0	894	946
11	Other assets	024	1 844	0	1 844	1 350
	TOTAL ASSETS	027	18 526	0	18 526	16 779
a	LIABILITIES b	Row c	Current accounting period		Net 3	Previous period Net 4
			Gross 1	Adjustment 2		
4	Other liabilities	037	4 282	2 030		
6	Provisions	039	1 653	1 794		
c	others	042	1 653	1 794		
8	Capital stock	044	3 300	3 300		
a	in that: paid capital stock	045	3 300	3 300		
10	Reserve funds and other funds from profit	047	307	307		
a	In this: obligatory reserve funds and risk funds	048	307	307		
13	Valuation differences	053	-83	-31		
c	from participations	056	-83	-31		
14	Profit/loss to be approved from previous period	057	9 381	8 157		
15	Profit or loss for the accounting period	058	-313	1 223		
	TOTAL LIABILITIES	059	18 526	16 779		

Date of dispatch: 7.3.2018	Signature of statutory body of the accounting unit 
Legal form of the accounting unit PLC	Person responsible for preparation of financial statements 
	phone number:



## Accounting unit:

VIG Asset Management, a.s.

Templlová, 11001 Praha 1-Staré Město

IČ: 24838233

## PROFIT/LOSS ACCOUNT

as at

31.12.2017

(in thousands of Czech Crowns)

PROFIT/LOSS ACCOUNT		row	Current accounting period	Previous period
a	b	c		
1	Interest income and similar income	01	0	0
4	Revenues for fees and commissions	09	16 861	16 561
5	Expenses for fees and commissions	10	12	14
7	Other operating income	12	101	91
9	Administrative expenses	14	17 377	15 155
a	In that: expenses for employees	15	7 380	7 197
	in that: salaries	16	6 160	6 036
	in that: social and health contribution	17	1 220	1 162
b	In that: other administrative expenses	19	9 997	7 958
17	Provisions	27	-140	-32
19	Profit/loss of the year before tax	29	-287	1 514
23	Income Tax	33	27	291
24	Profit/loss of the year after tax	34	-313	1 223

Date of dispatch: 7.3.2018

Signature of statutory body or individual,  
who is the accounting unit

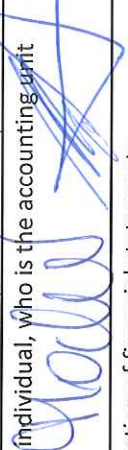
Legal form of the accounting unit  
PLCPerson responsible for preparation of financial statements  
(name and signature)

phone number:

Accounting unit: VIG Asset Management, a.s.  
 Templová, 11001 Praha 1-Staré Město  
 IČ: 24838233

# STATEMENT OF CHANGES IN EQUITY

as at 31.12.2017

		Share capital	Own shares	Share premium	Reserve fund	Capital reserves	Cumulative changes in fair value	P/L for the period	Total equity
a	b	1	2	3	4	5	6	7	8
	<b>Equity as of 31.12.2015</b>	3 300	0	0	307	0	-29	8 157	11 736
	Adjustments for changes in accounting methods								
	Adjustments for errors								
	Exchange and revaluation movements not included to PL								
	Net operating result								
	Dividends								
	Transfers into reserve								
	Transfers out from reserve								
	Issued shares								
	Reduction in capital								
	Purchases of own shares								
	Other changes								
	<b>Equity as of 31.12.2016</b>	3 300	0	0	307	0	-31	9 381	12 956
	Adjustments for changes in accounting methods								
	Adjustments for errors								
	Exchange and revaluation movements not included to PL								
	Net operating result								
	Dividends								
	Transfers into reserve								
	Transfers out from reserve								
	Issued shares								
	Reduction in capital								
	Purchases of own shares								
	Other changes								
	<b>Equity as of 31.12.2017</b>	3 300	0	0	307	0	-83	9 067	12 591
	Date of dispatch: 7.3.2018	Signature of statutory body or individual, who is the accounting unit 							
	Legal form of the accounting unit PLC	Person responsible for preparation of financial statements (name and signature)  phone number:							

## **Commentary on the financial statements of the company**

**VIG Asset Management, a.s.**

**compiled as of 31. 12. 2017**

### **1. Description of the accounting entity**

**Business firm:** VIG Asset Management, a.s.

**Registered office:** Templová 747/5, 11001 Praha 1- Staré Město

**Legal form:** joint stock company

**Identification number:** 24838233

**Balance sheet date:** 31. 12. 2017

**Accounting period:** 01. 01. 2017 – 31. 12. 2017

### **2. Characteristics and main business activity**

VIG Asset Management, a.s. (hereinafter „VIG“ or „the Company“) originated by the entry in the Trade Register kept by the Municipal Court in Prague, section B, file reference number B 17131 dated 27. 04. 2011. On 21. 10. 2011 the Company VIG Asset Management acquired a license for investment activity from the Czech National Bank and changed its name to VIG Asset Management investiční společnost, a.s. With effective date 27. 02. 2017 the Company gave back its licence to carry the business of an investment company granted by Czech National Bank. As a consequence the Company's name was changed from VIG Asset Management investiční společnost, a.s. to VIG Asset Management, a.s. Since 28.02.2017 the business activity has been:

- i. rental of real estate, residential and non-residential premises; and
- ii. production, trade and services not included in annexes 1 to 3 of the Trade Licensing Act.”

#### **Principal business activity:**

The business activity was rent of immovable property, apartments and non-residential premises up to 11. 11. 2011. Since 11. 11. 2011 the business activity has been collective investments including creation and management of mutual funds or management of investment funds in compliance with a contract on management. And due to the adoption of the Act no. 240/2013 Coll., on investment companies and investment funds, the business objectives of VIG AM changed since 07. 08. 2014 to the following:

- a) managing of qualified investors funds and comparable foreign investment funds (with the exception of qualified investors of venture capital and qualified social entrepreneurship funds and comparable foreign investment funds),
- b) implementation of the administration of the activities according to § 38 par. 1 of Act no. 240/2013 Coll., in relation to funds for qualified investors and foreign investment funds with



comparable funds for qualified investors (with the exception of qualified investors of venture capital and qualified social entrepreneurship funds and comparable foreign investment funds).

The Company managed VIG FUND a.s., ID no.: 24838233, with its registered office at Templová 747/5, 110 01 Praha 1 in compliance with a concluded contract on management dated 13. 03. 2012, hereinafter referred to as VIG FUND. Due to the adoption of the Act no. 240/2013 Coll., on investment companies and investment funds, the Supervisory Board of VIG FUND appointed the Company as the sole member of Board of Directors of VIG FUND and the function was filed with the Commercial register on 16. 07. 2014. Based on the appointment of the Company as the sole member of the Board of Directors of VIG FUND the Management contract has been terminated and replaced by the Contract on performance of office. With effective date 01. 01. 2017 VIG Fund a.s. was deregistered from the list of funds kept by CNB. The Contract on performance of office, signed between the Company and VIG Fund a.s. will be adjusted accordingly. The Company will continue to manage VIG Fund's assets.

Since 28. 02. 2017 the business activity has been rent of immovable property, apartments and non-residential premises.

**Shareholders of the Company as of 31. 12. 2017:**

Name of the physical person, name of the legal person	Address, registered office	Ordinary accounting period
VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe	Schottenring 30 1010 Vienna Austria	33 pieces of common stock in the nominal value of 100.000,-CZK a piece (i.e. 100 % shares)

The company VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe is the only shareholder.

**Registered office of the Company:**

VIG Asset Management, a.s.  
Templová 747/5  
110 01  
Prague 1 - Staré Město

**Statutory bodies as of 31. 12. 2016 and overview of changes in 2017:**

**Board of Directors:**

Chairperson of the Board:  
DI Caroline Mocker  
Address: Kaiserstrasse 91/1, 1070 Vienna, Austria  
Duration: since 27. 04. 2011

Member of the Board:  
Ing. Luděk Marek  
Address: Počernická 3226/2g, Prague 10 - Strašnice, 100 00 Czech Republic  
Duration: since 11. 10. 2011

Member of the Board:

Ing. Mag. Christoph Roiser

Address: Schinaweisgasse 52, 1140 Vienna, Austria

Duration: from 11. 10. 2011 to 28. 04. 2016

Member of the Board:

Wolfgang M. Hajek

Address: Argentinierstrasse 29/33, 1040 Vienna, Austria

Duration: since 29. 04. 2016

### **Supervisory Board:**

Chairperson of the Supervisory Board:

Dr. Martin Simhandl

Address: Hiessberggasse 27, 3002 Purkersdorf, Austria

Duration: since 27. 04. 2011 Member of the Supervisory Board, since 01. 04. 2012 Chairperson of the Supervisory Board

Member of the Supervisory Board:

Gary Wheatley Mazzotti

Address: Statenická 365, Statenice, 25 262 Czech Republic

Duration: from 01. 04. 2012 to 01.04.2017

Member of the Supervisory Board:

Mag. Roland Gröll

Address: Spinozagasse 12/25, 1170 Vienna, Austria

Duration: since 27. 04. 2011

Member of the Supervisory Board:

Mag. Gerhard Lahner

Address: Garengasse 21, 2130 Mistelbach, Rakouská republika

Duration: since 24.06.2017

### **3. BASIS FOR COMPILATION OF THE FINANCIAL STATEMENTS**

The financial statements have been compiled under the accounting records maintained in accordance with the Act no. 563/1991 Coll. on Accounting as amended and in the extent defined by the Decree of the Ministry of Finance CR no. 501/2002 Coll. which specifies organization and contents of the items of the financial statements and the extent of data disclosed for banks and other financial institutions, and in accordance with the Czech Accounting Standards for financial institutions.

Figures in the financial statements are expressed in the Czech crowns (CZK).

Figures of the financial statements are based on accounting documents and other documents which are available to the accounting entity.

The financial statements provide all the important information for assessing the financial and asset situation of the Company in terms of external users.

The following accounting principles were used at compilation of the financial statements as of 31. 12. 2017:

- principle of one accounting entity
- principle of the independence of individual accounting periods
- principle of objectivity (completeness, traceability, accuracy)
- principle of balance continuity
- principle of prudence
- prohibition of compensation

Compiled financial statements are based on the accrual principle where transactions and other events are recognized at the time they originated and recorded in the period they are related to both in material and time matter.

Compilation of the financial statements requires the Company to make estimates and assumptions that affect the reported figures of assets and liabilities as of the date of the financial statements and expenses and revenues in the related accounting period. Management of the Company believes that applied estimates and assumptions will not significantly differ from the actual values in the following period.

The financial statements contain balance sheet, profit and loss account and overview on changes in equity capital and commentary on the financial statements. The financial statements have been compiled as of the balance sheet date, i.e. 31. 12. 2017.

The financial statements are not consolidated. The Company is not included in consolidation.

#### **4. APPLIED ACCOUNTING METHODS**

##### **4.1. Share capital**

Share capital of the Company is reported at the value entered in the Trade Register of the Municipal Court in Prague. Share capital is fully paid.

##### **4.2. Methods of appraising of assets and liabilities**

###### **4.2.1. Tangible and intangible assets**

Tangible fixed assets include lands, buildings and structures, sets of movable assets including equipment, vehicles and light advertisements. Tangible fixed assets include its technical appreciation. Tangible fixed assets also include depreciated and non-depreciated assets which are lands, artworks, collections of coins and cash and library collections. Its acquisition cost exceeds 40 thousand CZK with the exception of non-depreciated assets.

Intangible fixed assets include establishment expenditures, intangible results of research and development, software, items which are reported separately: copyright and goodwill with the useful life longer than one year and up to the amount appraised by the accounting entity, with the exception of goodwill whose acquisition cost exceeds 60 thousand CZK.

Low-valued tangible assets are fixed tangible assets with the acquisition cost from 3 thousand CZK to 40 thousand CZK with the useful life longer than one year.

Low-valued intangible assets are fixed tangible assets with the acquisition cost from 3 thousand CZK to 60 thousand CZK with the useful life longer than one year.



The accounting department will account assets into relevant asset accounts on the basis of decision of putting the assets in use. Depreciation of the fixed depreciated assets will be commenced in the following month after putting the asset in use. Accounting depreciation of fixed tangible and intangible assets is performed on the basis of a depreciation plan and tax depreciation is performed according to the Act on Income Tax.

Licences acquired for PC software are capitalized as intangible depreciated assets based on costs incurred to acquire specific software and putting it in use. These costs are depreciated for the period of their estimated useful life from the following month after putting them in use.

Consequent costs are included in the accounting value of the relevant asset or are reported as an individual asset but only in case if it is probable that economic profit connected with the relevant item will be gained by the accounting entity and that the acquisition cost of the item can be reliably measured. All the repairs and maintenance are accounted into "other administration costs" within the accounting period when they originate.

Residual value of an asset and its useful life is assessed and if needed it is adjusted as of each balance sheet date.

Profits and losses resulted from decrease of assets will be determined as the difference between revenues and their residual value and are included in "other operational revenues" or "other operational expenses" in net profit.

#### **4.2.2. Income tax**

Income tax base is calculation from profit/loss of ordinary accounting period adding tax non-deductible items and deducting revenues that are not subject to income tax, and other items affecting the tax base. Calculation of tax liability is done in the end of taxation period according to Act no. 586/1992 Coll. on Income Tax as later amended.

The Company reported a loss for the year 2017.

#### **Deferred tax**

Deferred income tax is accounted in the full amount, using the liability method, from temporary differences arising between tax value of assets and liabilities and their accounting value in the financial statements. Deferred income tax is stipulated using the tax rate and tax laws that were enacted or the process of enacting was finished as of the balance sheet date and which are supposed to be effective in the period when the relevant tax receivable will be implemented, or the deferred income tax payable will be settled.

Deferred tax receivables are reported in the extent of probable future taxable profit which will allow application of these temporary differences.

Tax effects of tax losses of previous years are accounted as an asset if it is probable that there will be taxable profit in the future which will allow application of these losses.

#### **4.2.3. Adjustments**

Adjustments are created to the accounts of assets which are not re-valued for a fair value or are not valued by equivalency, in case when decreasing of the asset value in the accounting is proved based on data detected during stock-taking and is not of permanent character.

Creation of adjustments is accounted to the debit of the account of expenses and to the credit of relevant account of adjustments. Using of adjustments is accounted to the credit of revenues and to the debit of relevant account of adjustments.

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Adjustments are subject to document inventory check when their value and legitimacy are assessed.

#### **4.2.4. Provisions**

Provisions represent probable fulfilment with uncertain time schedule and amount. Provisions are created in case a) there is a liability to fulfil, which is a result of past events, b) it is probable that fulfilment will occur and will demand outflow of means representing an economic profit. "Probable" is understood as exceeding probability higher than 50 %, c) it is possible to perform a reliable estimation of fulfilment.

Provisions are created to the debit of expenses in the amount which is the best estimation of costs needed for settlement of an existing payable. To get the best estimation of a provision all the risks and uncertainties are taken into consideration which inevitably surround many relating events and circumstances.

#### **4.2.5. Conversion of foreign currency**

In 2017 the Company used an exchange rate of foreign exchange market announced by the Czech National Bank for conversion of foreign currencies and assets and liabilities in foreign currencies.

The Company used an exchange rate of foreign exchange market announced by the Czech National Bank effective as of 31. 12. 2017 for conversion of foreign currencies and assets and liabilities registered in foreign currencies as of the balance sheet date.

#### **4.2.6. Receivables**

Receivables are valued at their origin by a nominal value. Doubtful and bad debts are subsequently decreased by relevant adjustments.

#### **4.3. Policy of cost and revenue accounting**

Costs and revenues are accounted in the period which they relate to in material and time matter. Costs and expenditures, revenues and incomes which relate to future periods are accrued. Criteria for accounting of accrual accounting are the fact that the following is known:

- a) title (material specification),
- b) amount in CZK,
- c) period they are related with

##### **4.3.1. Interest gains**

Interest gains from current accounts are accounted on the basis of the bank statement into revenues against relevant balance sheet account.

#### **4.4. Participation with significant or substantial influence**

The Company is the sole shareholder of VIG AM Services GmbH with a share capital of EUR 35 000.

### **5. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS**

#### **5.1. Tangible and intangible assets**

The Company did not acquire any tangible, intangible or financial assets in 2017.

**5.2. Receivables to banks** All receivables to banks are due on request. Accounts are kept at Česká spořitelna, a.s.

The Company recorded receivables to banks in the total amount of 14 468 441,31 CZK by reason of current account as of 31. 12. 2016. The Company recorded receivables to banks in the total amount of 15 779 688,83 CZK by reason of current account as of 31. 12. 2017.

### **5.3. Share capital**

Share capital represents 33 pieces of ordinary shares in certificated form, not publicly traded, in the nominal value of 100 thousand CZK a piece. i.e. in total 3 300 thousand CZK. Share capital is fully paid-up.

### **5.4. Profit / loss of the period**

Total profit as of 31. 12. 2016: 1 223 314,39 CZK

Total loss as of 31. 12. 2017: -313 262,10 CZK.

### **5.5. Other assets**

Total amount of receivables as of 31. 12. 2016 amounts to 0,- CZK.

Total value of receivables as of 31. 12. 2017 amounted to 472 976,53 CZK.

Estimated items active as of 31. 12. 2016 in the amount of 810 600,01 CZK, as of 31. 12. 2017 0,- CZK.

Other assets (items above included) as of 31. 12. 2016 in the amount of 1 349 562,35 CZK, as of 31. 12. 2017 in the amount 1 844 318,56 CZK.

### **5.6. Other liabilities**

Total amount of payables as of 31. 12. 2016 amounts to 1 369 435,90 CZK. Total amount of payables as of 31. 12. 2017 amounts to 3 736 529,08 CZK. As of the date of compilation of the financial statements all these payables have been settled.

Estimated items passive as of 31. 12. 2016 amount to 0,- CZK. Estimated items passive as of 31. 12. 2017 amount to 67 392,33 CZK.

Other liabilities (items above included) as of 31. 12. 2016 in the amount of 2 029 515,29 CZK. Other liabilities as of 31. 12. 2017 in the amount of 4 281 753,41 CZK.

### **5.7. Revenues from concluded contracts on management / on performance of office**

Revenues from management amounted to 16 561 318,16 CZK as of 31. 12. 2016 and amounted to 16 861 385,12 CZK as of 31. 12. 2017.

### **5.8. Interest revenues and similar revenues**

Interest revenues consist of interests of current accounts at Česká spořitelna, a.s.

Interest revenues as of 31. 12. 2016 were in the amount of 0,- CZK.

Interest revenues as of 31. 12. 2017 were in the amount of 0,- CZK.

### **5.9. Administration costs**

Administration costs as of 31. 12. 2016 consist of expenses for:

- rental payments in the amount of 195 771,95 CZK,
- personal costs in the amount of 7 197 487 CZK,
- audit and accounting in the amount of 302 027,84 CZK,
- legal consultancy services in the amount of 790 638,- CZK,
- Service Fees 4 549 577,12 CZK,
- other costs in the amount of 2 119 570,87.

Administration costs as of 31. 12. 2017 consist of expenses for:

- rental payments in the amount of 115 968,99 CZK,
- personal costs in the amount of 7 380 031,- CZK,
- audit and accounting in the amount of 252 477,14 CZK,
- legal consultancy services in the amount of 164 141,- CZK,
- Service Fees 5 756 640,26 CZK,
- other costs in the amount of 3 707 942,41.

#### **5.10. Employees**

Number of employees as of 31. 12. 2016: 6.

Social insurance in 2016 was in the amount of: 306 019, - CZK.

Health insurance in 2016 was in the amount of: 110 167, - CZK.

Foreign country insurance – Austria in 2016 was in the amount: 955 168,- CZK.

Wages in 2016 were in the amount of: 6 035 664,- CZK.

Number of employees as of 31. 12. 2017: 5.

Social insurance in 2017 was in the amount of: 377 089, - CZK.

Health insurance in 2017 was in the amount of: 121 352, - CZK.

Foreign country insurance – Austria in 2017 was in the amount: 761 135,- CZK.

Wages in 2017 were in the amount of: 6 160 455,- CZK.

#### **5.11. Income tax**

In 2016 the Company reported a taxable profit in the amount of 1 498 540 CZK. 2016 income tax was calculated in the amount of 284 620, - CZK.

In 2017 the Company reported a tax loss in the amount of 325 424,- CZK. 2017 income tax was calculated in the amount of 0, - CZK.

#### **5.12. Deferred income tax**

In 2016 deferred income tax (receivable) was calculated in the amount 340 781,64 CZK.

In 2017 deferred income tax (receivable) was calculated in the amount 314 129,33 CZK.

#### **5.13. Tax receivables and payables**

The Company recorded an Income tax receivable in the amount of 198 180 CZK and VAT tax liability in the amount of 154 050 CZK as of 31.12.2016.

The Company recorded an Income tax receivable in the amount of 142 400 CZK and VAT tax receivable in the amount of 914 812 CZK.



#### **5.14. Provisions**

Provision on remunerations including social and health insurance 2016 is created in the amount of 1 726 037,60 CZK and provision on audit in the amount 67 550,- CZK.

Provision on remunerations including social and health insurance 2017 is created in the amount of 1 589 462,31 CZK and provision on audit in the amount 63 850,- CZK.

#### **5.15. Other**

The accounting entity does not have any other payables than those given in the accounting. In its balance sheet the accounting entity does not report any external assets (e.g. within the rented business).

The audit fee of TPA Audit s.r.o. is 63 850,- Kč.

### **6. RELATIONS WITH RELATED PERSONS**

VIENNA INSURANCE GROUP AG Wiener Versicherung Gruppe, and the Company can be considered as related persons.

In 2016 the Company accounted costs in relation to the company Kooperativa pojišťovna, a.s., Vienna Insurance Group in the total amount 212 196,13 CZK. These costs represented rental payments.

In 2017 the Company accounted costs in relation to the company Kooperativa pojišťovna, a.s., Vienna Insurance Group in the total amount 207 185,45 CZK. These costs represented rental payments.

In 2016 the Company accounted costs in relation to the company Vienna Insurance Group AG Wiener Versicherung Gruppe in the total amount 743 860,60 CZK. These costs represented recharging of travel costs and project management.

In 2017 the Company accounted costs in relation to the company Vienna Insurance Group AG Wiener Versicherung Gruppe in the total amount 1 908 680,82 CZK. These costs represented legal and advisory fee.

In 2016 the Company accounted costs in relation to the company VIG AM Services, GmbH, in the total amount 4 549 577,12 CZK.

In 2017 the Company accounted costs in relation to the company VIG AM Services, GmbH, in the total amount 5 756 640,26 CZK.

In 2016 the Company accounted revenues in relation to VIG FUND according to concluded contract on performance of office in the total amount of 16 561 318,16 CZK and rental payments in the amount of 66 482,61 CZK. The Company provided a fulfilment to VIG FUND in total amount of 16 627 800,18 CZK in the year 2016.

In 2017 the Company accounted revenues in relation to VIG FUND according to concluded contract on performance of office in the total amount of 16 958 089,70 CZK and rental payments in the amount



of 20 280,- CZK. The Company provided a fulfilment to VIG FUND in total amount of 16 978 369,70 CZK in the year 2017.

No party sustained any damage resulting from the above mentioned transactions and concluded contracts.

#### **7. SIGNIFIKANT EVENTS AFTER FINANCIAL STATEMENTS DATE**

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