

**J&T SECURITIES MANAGEMENT
LIMITED**

REPORT AND INTERIM UNAUDITED
FINANCIAL STATEMENTS
Period from 1 January to 30 June 2015

J&T SECURITIES MANAGEMENT LIMITED

REPORT AND INTERIM UNAUDITED FINANCIAL STATEMENTS Period from 1 January to 30 June 2015

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J&T SECURITIES MANAGEMENT LIMITED

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Jarmila Janosova
Company Secretary:	PA.TY. Secretarial Limited
Independent Auditors:	KPSA CHARTERED ACCOUNTANTS 15 Themistokli Dervi Street 1st floor, P.O. Box 27040 1641, Nicosia Cyprus
Registered office:	Akropoleos, 59-61 SAVVIDES CENTER, 1st floor, Flat / Office 102 P.C. 2012, Nicosia, Cyprus
Banker:	J&T Banka, a.s.
Registration number:	HE260821

J&T SECURITIES MANAGEMENT LIMITED

REPORT OF THE BOARD OF DIRECTORS

The Board of Directors presents its report and unaudited financial statements of the Company for the period from 1 January 2015 to 30 June 2015.

Principal activities

The principal activities of the Company, which are unchanged from last year, are the holding of investments and trading in listed securities, as well as the provision of financing.

Review of current position, future developments and significant risks

The Company's development to date, financial results and position as presented in the financial statements are not considered satisfactory and the Board of Directors is making an effort to reduce the Company losses.

Results

The Company's results for the period are set out on page 4.

Dividends

The Board of Directors does not recommend the payment of a dividend.

Share capital

There were no changes in the share capital of the Company during the period under review.

Board of Directors

The member of the Company's Board of Directors as at 30 June 2015 and at the date of this report is presented on page 1. The sole director was a member of the Board of Directors throughout the period from 1 January 2015 to 30 June 2015.

In accordance with the Company's Articles of Association the sole director presently member of the Board continues in office.

There were no significant changes in the remuneration of the Board of Directors.

Independent Auditors

The Independent Auditors, KPSA, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,



PA.TY. SECRETARIAL LIMITED
PA.TY. Secretarial Limited
Secretary

Nicosia, 24 August 2015

KPSA

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Cyprus

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Independent auditor's report on review of interim unaudited financial statements

To the Members of J&T Securities Management Limited

Introduction

We have reviewed the accompanying interim condensed financial statements of J&T Securities Management Limited (the "Company"), which comprise the statement of financial position as at 30 June 2015, and the statement of profit or loss and other comprehensive income, statement of changes in equity and cash flow statement for the period from 1 January to 30 June 2015, and a summary of significant accounting policies and other explanatory information. Management is responsible for the preparation and presentation of these interim condensed financial statements in accordance with International Financial Reporting Standards applicable to interim financial reporting as adopted by the European Union ('IAS34 Interim Financial Reporting'). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

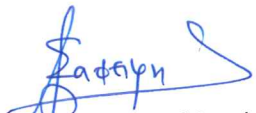
We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed financial statements are not prepared, in all material respects, in accordance with IAS 34 'Interim Financial Reporting'.

Other matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 34 of the Auditors and Statutory Audits of Annual and Consolidated Accounts Laws of 2009 and 2013 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.


Stelios Saphiris
Certified Public Accountant and Registered Auditor
for and on behalf of

KPSA
CHARTERED ACCOUNTANTS

Nicosia, 24 August 2015

J&T SECURITIES MANAGEMENT LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

Period from 1 January to 30 June 2015

	Note	01/01/2015- 30/06/2015 €	01/01/2014- 30/06/2014 €
Revenue	3	1.918.458	2.270.531
Net profit from investing activities	4	2.172.702	748.953
Change in fair value of derivative financial instruments		-	(222.822)
Administration expenses		(90.739)	(17.704)
Other expenses	5	(12.015)	(32.217)
Operating profit	6	3.988.406	2.746.741
Finance costs	7	(4.091.831)	(3.855.301)
Loss before tax		(103.425)	(1.108.560)
Tax	8	(16.617)	(45.789)
Net loss for the period		(120.042)	(1.154.349)
Other comprehensive income		-	-
Total comprehensive (expense) for the period		(120.042)	(1.154.349)

The notes on pages 8 to 23 form an integral part of these financial statements.

J&T SECURITIES MANAGEMENT LIMITED

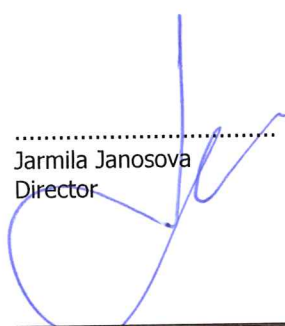
STATEMENT OF FINANCIAL POSITION

30 June 2015

	Note	30 June 2015 €	31 December 2014 €
ASSETS			
Non-current assets			
Non-current loans receivable	10	<u>75.721.627</u>	68.505.571
		<u>75.721.627</u>	<u>68.505.571</u>
Current assets			
Trade and other receivables	11	12.907.913	130.721
Loans receivable	10	5.005.231	4.822.093
Financial assets at fair value through profit or loss	12	27.195.470	40.194.378
Cash at bank and in hand	13	<u>1.509</u>	1.546
		<u>45.110.123</u>	<u>45.148.738</u>
Total assets		<u>120.831.750</u>	<u>113.654.309</u>
EQUITY AND LIABILITIES			
Equity			
Share capital	14	11.000	11.000
Share premium		50.914.000	50.914.000
Retained earnings		<u>4.794.019</u>	<u>4.914.061</u>
Total equity		<u>55.719.019</u>	<u>55.839.061</u>
Non-current liabilities			
Borrowings	15	<u>43.213.124</u>	35.432.860
		<u>43.213.124</u>	<u>35.432.860</u>
Current liabilities			
Trade and other payables	16	579.013	1.355.340
Borrowings	15	21.245.507	20.967.367
Current tax liabilities	17	<u>75.087</u>	59.681
		<u>21.899.607</u>	<u>22.382.388</u>
Total liabilities		<u>65.112.731</u>	<u>57.815.248</u>
Total equity and liabilities		<u>120.831.750</u>	<u>113.654.309</u>

On 24 August 2015 the Board of Directors of J&T Securities Management Limited authorised these financial statements for issue.

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Jarmila Janosova
Director



The notes on pages 8 to 23 form an integral part of these financial statements.

J&T SECURITIES MANAGEMENT LIMITED

STATEMENT OF CHANGES IN EQUITY

Period from 1 January to 30 June 2015

	Share capital €	Share premium €	Retained earnings €	Total €
Balance at 1 January 2014	11.000	50.914.000	7.206.375	58.131.375
Comprehensive income				
Net loss for the period	-	-	(1.154.349)	(1.154.349)
Balance at 31 December 2014	11.000	50.914.000	6.052.026	56.977.026
Balance at 1 January 2015	11.000	50.914.000	4.914.061	55.839.061
Comprehensive income				
Net loss for the period	-	-	(120.042)	(120.042)
Balance at 30 June 2015	11.000	50.914.000	4.794.019	55.719.019

Share premium is not available for distribution.

Companies which do not distribute 70% of their profits after tax, as defined by the relevant tax law, within two years after the end of the relevant tax year, will be deemed to have distributed as dividends 70% of these profits. Special contribution for defence at 20% for the tax years 2012 and 2013 and 17% for 2014 and thereafter will be payable on such deemed dividends to the extent that the shareholders (companies and individuals) are Cyprus tax residents. The amount of deemed distribution is reduced by any actual dividends paid out of the profits of the relevant year at any time. This special contribution for defence is payable by the Company for the account of the shareholders.

The notes on pages 8 to 23 form an integral part of these financial statements.

J&T SECURITIES MANAGEMENT LIMITED

CASH FLOW STATEMENT

Period from 1 January to 30 June 2015

	01/01/2015- 30/06/2015	01/01/2014- 30/06/2014
	€	€
CASH FLOWS FROM OPERATING ACTIVITIES		
Loss before tax	(103.425)	(1.108.560)
Adjustments for:		
Exchange difference arising on the translation of non-current assets in foreign currencies	(413.751)	-
Unrealised exchange loss/(profit)	276.894	(7.661)
Profit from the sale of available-for-sale financial assets	(100.000)	(169.123)
(Profit) from the sale of financial assets at fair value through profit or loss	(12.404)	-
Change in fair value of derivative financial instruments	-	222.822
Fair value losses on financial assets at fair value through profit or loss	86.518	1.537.929
Dividend income	(24.180)	-
Interest income	(1.894.278)	(837.845)
Interest expense	1.898.055	689.993
	(286.571)	327.555
Changes in working capital:		
(Increase)/decrease in trade and other receivables	(12.777.192)	14.251.693
Decrease/(increase) in financial assets at fair value through profit or loss	12.928.990	(6.712.410)
Increase in derivative financial instruments	-	(222.822)
(Decrease)/increase in trade and other payables	(776.327)	336.675
Cash (used in)/generated from operations	(911.100)	7.980.691
Interest received	1.313.169	393.992
Dividends received	24.180	-
Tax paid	(1.211)	(163.246)
Net cash generated from operating activities	425.038	8.211.437
CASH FLOWS FROM INVESTING ACTIVITIES		
Payment for purchase of available-for-sale financial assets	(98.676.662)	(30.067.549)
Loans granted	(20.323.722)	(27.259.921)
Loans repayments received	14.023.823	18.064.401
Proceeds from sale of available-for-sale financial assets	99.186.217	66.521.017
Net cash (used in)/generated from investing activities	(5.790.344)	27.257.948
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of borrowings	(174.350.960)	(89.198.132)
Proceeds from borrowings	173.771.883	54.399.924
Unrealised exchange (loss)/profit	181.406	2.190
Interest paid	(1.584.968)	(671.893)
Payments on repurchase of own debentures	(10.335.456)	-
Proceeds from sale of repurchased own debentures	17.684.208	-
Repayment of expenses from issue of debentures	(844)	-
Net cash generated from/(used in) financing activities	5.365.269	(35.467.911)
Net (decrease)/increase in cash and cash equivalents	(37)	1.474
Cash and cash equivalents at beginning of the period	1,546	414
Cash and cash equivalents at end of the period	1,509	1,888

The notes on pages 8 to 23 form an integral part of these financial statements.

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

1. Incorporation and principal activities

Country of incorporation

The Company J&T Securities Management Limited (the "Company") was incorporated in Cyprus on 14 January 2010 as a private limited liability company under the Cyprus Companies Law, Cap. 113. Its registered office is at Akropoleos, 59-61, SAVVIDES CENTER, 1st floor, Flat / Office 102, P.C. 2012, Nicosia, Cyprus.

2. Accounting policies

The condensed interim financial statements, which are presented in Euro, have been prepared in accordance with international Financial Reporting Standards, including IAS 34 "Interim Financial Reporting"

The accounting policies used in the preparation of the interim financial statements are in accordance with those used in the annual financial statements for the year ended 31 December 2014.

Costs that are incurred during the financial year are anticipated or deferred for interim reporting purposes if, and only if, it is also appropriate to anticipate or defer that type of cost at the end of the financial year.

Corporation tax is calculated based on the expected tax rates for the whole financial year.

These interim financial statements must be read in conjunction with the annual financial statements for the year ended 31 December 2014.

3. Revenue

	01/01/2015- 30/06/2015	01/01/2014- 30/06/2014
	€	€
Dividend income	24.180	-
Interest income	152.867	200.919
Loan interest income	1.741.411	636.927
Net gain on trading in financial instruments	-	1.294.346
Net fair value gains on financial assets at fair value through profit or loss	-	138.339
	1.918.458	2.270.531

4. Net profit from investing activities

	01/01/2015- 30/06/2015	01/01/2014- 30/06/2014
	€	€
Profit from sale of available-for-sale financial assets	100.000	169.123
Profit from sale of financial assets at fair value through profit or loss	17.773	-
Exchange profit	2.146.816	2.256.098
Loss from sales of financial assets at fair value through profit or loss	(5.369)	-
Fair value losses on financial assets at fair value through profit or loss	(86.518)	(1.676.268)
	2.172.702	748.953

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

5. Other expenses

	01/01/2015- 30/06/2015 €	01/01/2014- 30/06/2014 €
Broker commission and charges	<u>12.015</u>	<u>32.217</u>
	12.015	32.217

6. Operating profit

	01/01/2015- 30/06/2015 €	01/01/2014- 30/06/2014 €
Operating profit is stated after (crediting)/charging the following items:		
Profit from sale of available-for-sale financial assets (Note 9)	(100.000)	(169.123)
Auditors' remuneration for other assurance services	11.000	-
Auditors' remuneration - prior years	<u>2.470</u>	<u>2.470</u>

7. Finance costs

	01/01/2015- 30/06/2015 €	01/01/2014- 30/06/2014 €
Finance costs		
Interest expense		
Loan interest	275.291	478.640
Bank overdraft interest	8	566
Loan interest on REPO agreements	567.314	210.786
Debenture interest	1.055.442	-
Sundry finance expenses		
Bank charges	7	11
Net foreign exchange transaction losses		
Realised foreign exchange loss	658.143	3.115.475
Unrealised foreign exchange loss	<u>1.535.626</u>	<u>49.823</u>
	4.091.831	3.855.301

8. Tax

	01/01/2015- 30/06/2015 €	01/01/2014- 30/06/2014 €
Corporation tax - current period	15.406	45.789
Overseas tax	<u>1.211</u>	<u>-</u>
Charge for the period	16.617	45.789

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

8. Tax (continued)

The tax on the Company's results before tax differs from the theoretical amount that would arise using the applicable tax rates as follows:

	01/01/2015- 30/06/2015	01/01/2014- 30/06/2014
	€	€
Loss before tax	<u>(103.425)</u>	<u>(1.108.560)</u>
Tax calculated at the applicable tax rates	(12.928)	(138.570)
Tax effect of expenses not deductible for tax purposes	258.333	868.545
Tax effect of allowances and income not subject to tax	(231.400)	(689.612)
10% additional charge	1.401	5.426
Overseas tax in excess of credit claim used during the period	<u>1.211</u>	<u>-</u>
Tax charge	<u>16.617</u>	<u>45.789</u>

The corporation tax rate is 12,5%.

Under certain conditions interest income may be subject to defence contribution at the rate of 30%. In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 20% for the tax years 2012 and 2013 and 17% for 2014 and thereafter.

9. Available-for-sale financial assets

	2015	2014
	€	€
Balance at 1 January	-	36.284.345
Additions	98.676.662	30.067.549
Disposals	(99.239.084)	(66.552.813)
Interest for the year	152.867	200.919
Exchange differences	<u>409.555</u>	<u>-</u>
Balance at 30 June 2015 / 31 December 2014	<u>-</u>	<u>-</u>
Current portion	<u>-</u>	<u>-</u>

Available-for-sale financial assets, comprising principally marketable equity securities, are fair valued annually at the close of business on 30 June. For investments traded in active markets, fair value is determined by reference to Stock Exchange quoted bid prices. For other investments, fair value is estimated by reference to the current market value of similar instruments or by reference to the discounted cash flows of the underlying assets. Equity investments for which fair values cannot be measured reliably are recognised at cost less impairment.

Available-for-sale financial assets are classified as non-current assets, unless they are expected to be realised within twelve months from the reporting date or unless they will need to be sold to raise operating capital.

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

9. Available-for-sale financial assets (continued)

The following are included in profit or loss with respect to available-for-sale financial assets:

	01/01/2015- 30/06/2015	01/01/2014- 30/06/2014
	€	€
Profit from sale of available-for-sale financial assets	<u>100.000</u>	<u>169.123</u>
Net profit on available-for-sale financial assets	<u>100.000</u>	<u>169.123</u>

(A) During 2015, the following significant transactions were concluded:

(i) On 11 February 2015, the Company acquired 440 pieces of the bonds JTFG IV 5,20/17 for CZK 1.320.000.000, which were disposed off on 03 March 2015.

(ii) On 27 March 2015, the Company ("Purchaser") entered into an Agreement on purchase of bonds for consideration with a third party ("Seller") for the acquisition of 135 bonds in CPI Finance Netherlands B.V. for a purchase price of €49.900.000. The bonds bear interest at the rate of 5% per annum and are due on 15 December 2021. The purchase price is payable until 27 March 2015. The purchase price was indeed settled on 27 March 2015.

On 27 March 2015, the Company ("Seller") entered into an Agreement on transfer of the bonds for consideration with a third party ("Purchaser") for the disposal of 135 bonds in CPI Finance Netherlands B.V. for a purchase price of €50.000.000. The bonds bear interest at the rate of 5% per annum and are due on 15 December 2021. The purchase price is payable until 30 March 2015. The purchase price was indeed received on 30 March 2015.

(B) During 2013, the following significant transactions were concluded:

(i) On 13 September 2013, the Company ("Purchaser") entered into a "Contract on Purchase of Securities" with a third party ("Seller"), for the acquisition of 12.000 bonds in Istrokapital, CZ a.s., of nominal value of €500,00 per bond. The purchase consideration for the bonds acquired is €6.455.000.

(ii) On 31 December 2013, the Company ("Seller") entered into a "Contract on Purchase of Securities" with a third party ("Purchaser"), for the disposal of 15.850 bonds in Istrokapital, CZ a.s., of nominal value of €500,00 per bond. The purchase consideration for the bonds disposed is €7.969.027,78.

On 31 December 2013, the Company held 22.474 listed coupon bonds in J&T Global Finance III, s.r.o. held with a regulated financial institution and 13.756 bonds in J&T Global Finance III, s.r.o. held with another regulated financial institution.

The 13.756 bonds in J&T Global Finance III, s.r.o. are used as a pledge on the REPO agreement with a regulated financial institution. Based on the agreement, the Company sold and agreed to purchase back these bonds for a total of €10.999.297,60 plus interest.

During 2014, the Company disposed all listed coupon bonds held.

10. Non-current loans receivable

	2015	2014
	€	€
Balance at 1 January	73.327.664	34.130.682
New loans granted	20.324.218	85.389.495
Repayments	(15.184.621)	(39.677.696)
Interest charged	1.741.411	1.775.356
Assignment of loans	-	(8.312.242)
Exchange differences	518.186	22.069
Balance at 30 June 2015 / 31 December 2014	80.726.858	73.327.664

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

10. Non-current loans receivable (continued)

	30 June 2015	31 December 2014
	€	€
Loans receivable	2.012.087	-
Loans to related companies (Note 18.1)	78.714.771	73.327.664
	80.726.858	73.327.664
Less current portion	(5.005.231)	(4.822.093)
Non-current portion	75.721.627	68.505.571

The loans are repayable as follows:

	30 June 2015	31 December 2014
	€	€
Within one year	5.005.231	4.822.093
Between one and five years	75.721.627	68.505.571
	80.726.858	73.327.664

The fair values of non-current receivables approximate to their carrying amounts as presented above.

Loans receivable relate to the following:

(i) On 26 November 2012, the Company ("Creditor") entered into a Credit Contract with J&T Private Equity B.V. ("Debtor") for the provision of a loan with a credit limit in the amount of €20.000.000, which bears interest at the rate of 4% per annum and is repayable until 30 December 2013.

Per Amendment No.1 signed on 1st January 2013, the credit limit increased to €35.000.000. The parties have agreed that part of the amount by which the credit limit is increased by this Amendment No.1, is represented by the amount of €17.104.403,71 which is deemed as provided by signing the Credit Contract 07/JSML/2013 by both parties on 1st January 2013. The parties confirm that the provided principal of the loan is in the amount of €28.121.290,29 on the date of signing of Amendment No.1, i.e. 1st January 2013.

According to Amendment No.2 signed on 17 May 2013, the credit limit increased to €44.000.000.

Per Amendment No.3 signed on 30 December 2013, the repayment date was extended until 31 December 2014.

According to the Novation Agreement signed on 1st January 2014, the parties agree to replace the outstanding obligations originating from the Credit Contract.

On the date of signing the Novation Agreement, the Debtor owes to the Creditor the amount of €26.160.343,58 ("Obligation 1"), consisting of principal €26.106.503,89 and accrued interest €53.839,69.

The Parties have agreed that Obligation 1 becomes extinct on the day of signing the Novation Agreement, and the total amount owed shall be replaced by four new loans according to New Credit Contracts between the Parties as follows:

- (1) Credit Contract 8/JSML/2014 with the principal amount of €18.628.341,45;
- (2) Credit Contract 9/JSML/2014 with the principal amount of €1.459.654,98;
- (3) Credit Contract 10/JSML/2014 with the principal amount of €2.488.377,23; and
- (4) Credit Contract 11/JSML/2014 with the principal amount of €3.583.969,92.

(ii) On 31 December 2013, the Company ("Seller") entered into a "Contract on Purchase of Securities" with a third party ("Purchaser"), for the disposal of 15.850 bonds in Istrokapital, CZ a.s., of nominal value of €500,00 per bond. The purchase consideration for the bonds disposed is €7.969.027,78, bears interest at the rate of 6% per annum and is payable until 30 June 2014.

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

10. Non-current loans receivable (continued)

On 31 December 2013, the Company concluded a "Subordination Agreement" with a third party ("Debtor") and other Senior Creditors and Subordinated Creditors, according to which out of the total balance of €7.970.337,76 on 31 December 2013 (principal €7.969.027,78 and accrued interest €1.309,98) due by the Debtor, the amount of €7.900.000 is considered to be subordinated debt.

Therefore, the Debtor and Subordinated Creditors (with the Company being one of them) agree that any discharge of all or any part of the subordinated obligations shall be deferred and subordinated to a full and complete discharge of all of the priority obligations.

The subordination of the subordinated obligations shall apply until the full and complete discharge of all priority obligations.

However, on 19 September 2014, the Company ("Assignor") assigned the loan receivable from a third party ("Debtor") to another third party ("Assignee"), amounting to €8.312,241,80 (outstanding principal €7.969.027,78 and accrued interest €343.214,02), for the remuneration of €8.312,241,80.

The remuneration was received on 19 September 2014.

(iii) On 1st January 2014, the Company ("Creditor") concluded the following Credit Contracts with J&T Private Equity B.V. ("Debtor"):

(1) Credit Contract 8/JSML/2014 for a loan with a credit limit of €38.000.000, bearing interest at the 2 weekly repo announced by the European Central Bank (ECB) plus a margin of 1% per annum, which is repayable until 31 December 2016.

The amount of €18.628.341,45 arising from the Termination Agreement signed on 1st January 2014 is part of this loan.

(2) Credit Contract 9/JSML/2014 for a loan with a credit limit of €5.000.000, bearing interest at 4,75% per annum, which is repayable until 31 December 2016.

The amount of €1.459.654,98 arising from the Termination Agreement signed on 1st January 2014 is part of this loan.

(3) Credit Contract 10/JSML/2014 for a loan with a credit limit of €5.000.000, bearing interest at 6,15% per annum, which is repayable until 31 December 2016.

The amount of €2.488.377,23 arising from the Termination Agreement signed on 1st January 2014 is part of this loan.

(4) Credit Contract 11/JSML/2014 for a loan with a credit limit of €5.000.000, bearing interest at 6,95% per annum, which is repayable until 31 December 2016.

The amount of €3.583.969,92 arising from the Termination Agreement signed on 1st January 2014 is part of this loan.

(iv) Additional Agreements concluded during 2014 relate to the following:

(1) On 31 January 2014, the Company ("Creditor") concluded Credit Contract 12/JSML/2014 with J&T Private Equity B.V. ("Debtor") for a loan with a credit limit of €2.500.000, bearing interest at 2,80% per annum, which is repayable until 31 December 2016.

The loan was fully settled on 06 June 2014.

(2) On 10 March 2014, the Company ("Creditor") concluded Credit Contract 13/JSML/2014 with J&T Private Equity B.V. ("Debtor") for a loan with a credit limit of €2.000.000, bearing interest at 6,75% per annum, which is repayable until 31 December 2016.

(3) On 12 March 2014, the Company ("Creditor") concluded Credit Contract 14/JSML/2014 with J&T Private Equity B.V. ("Debtor") for a loan with a credit limit of €5.000.000, bearing interest at 4,05% per annum, which is repayable until 31 December 2016.

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

10. Non-current loans receivable (continued)

The loan was fully settled on 01 August 2014.

(4) On 27 June 2014, the Company ("Creditor") concluded Credit Contract 16/JSML/2014 with J&T Private Equity B.V. ("Debtor") for a loan with a credit limit of CZK 100.000.000, bearing interest at 4,85% per annum, which is repayable until 27 December 2014.

Per Amendment No.1 signed on 02 September 2014, the credit limit increased to CZK 104.650.000.

Per Amendment No.2 signed on 10 December 2014, the repayment date has been extended until 01 June 2015.

Per Amendment No.3 signed on 01 June 2015, the repayment date has been extended until 01 December 2015.

(5) On 08 July 2014, the Company ("Creditor") concluded Credit Contract 18/JSML/2014 with J&T Private Equity B.V. ("Debtor") for a loan with a credit limit of €934.093,18, bearing interest at 4,85% per annum, which is repayable until 08 January 2015.

Per Amendment No.1 signed on 02 January 2015, the repayment date has been extended until 01 June 2015.

Per Amendment No.2 signed on 01 June 2015, the repayment date has been extended until 01 December 2015.

(6) On 10 September 2014, the Company ("Creditor") concluded Credit Contract 19/JSML/2014 with J&T Private Equity B.V. ("Debtor") for a loan with a credit limit of €11.500.000, bearing interest at 8,35% per annum, which is repayable until 31 December 2016.

(7) On 19 September 2014, the Company ("Creditor") concluded Credit Contract 20/JSML/2014 with J&T Private Equity B.V. ("Debtor") for a loan with a credit limit of €1.000.000, bearing interest at the 2 weekly repo announced by the European Central Bank (ECB) plus a margin of 1% per annum, which is repayable until 31 December 2016.

(8) On 19 September 2014, the Company ("Assignor") entered into an Assignment Agreement with a third party ("Assignee") for the assignment of the receivable from a third party amounting to €8.312.241,80, which consists of principal in the amount of €7.969.027,78 and accrued interest in the amount of €343.214,02, which results from the Contract on Purchase of Securities signed on 31 December 2013. The remuneration for the assignment of the receivable amounts to €8.312.241,80 and it is payable on the same day.
The amount was indeed settled on the same day.

(9) On 22 October 2014, the Company ("Creditor") concluded Credit Contract 21/JSML/2014 with J&T Private Equity B.V. ("Debtor") for a loan with a credit limit of CZK 600.000.000, bearing interest at 7,35% per annum, which is repayable until 22 October 2018.

(10) On 05 November 2014, the Company ("Creditor") concluded Credit Contract 22/JSML/2014 with J&T Private Equity B.V. ("Debtor") for a loan with a credit limit of CZK 601.350.000, bearing interest at 2,50% per annum, which is repayable until 22 October 2018.

(v) Additional Agreements concluded during 2015 relate to the following:

(1) On 21 January 2015, the Company ("Creditor") entered into a Loan Contract with a third party individual ("Debtor") for the granting of a loan in the amount of CZK 53.316.562,50, which bears interest at 6,5% per annum and is repayable until 15 February 2017. The interest is payable annually on the 21st of January of each year.

The effective interest rates on receivables (current and non-current) were as follows:

	30 June 2015	31 December 2014
Loans receivable	6,5%	-

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

10. Non-current loans receivable (continued)

Loans to related companies

2weekly Repo
+ 1% / 2weekly Repo
2,50% - + 1% / 2,50% -
8,35% 8,35%

11. Trade and other receivables

	30 June 2015	31 December 2014
	€	€
Trade receivables	13.029	68.059
Deposits and prepayments	-	62.662
Accrued income	3.654	-
Other receivables	12.891.230	-
	12.907.913	130.721

The fair values of trade and other receivables due within one year approximate to their carrying amounts as presented above.

On 30 June 2015 and 31 December 2014, Trade receivables relate to the balances of broker accounts held with a regulated financial institution.

As at 30 June 2015, Other receivables relate to the following:

(I) Per the Resolution signed on 30 April 2015, the shareholders of Best Hotel Properties a.s. ("BHP") decided to decrease the share capital of the BHP by €315.225.000 to €35.025.000, by decrease of the nominal value from €10,00 to €1,00. The proceeds from the decrease of the share capital will be distributed to the shareholders in the sum of €313.128.242 and the remaining amount of €2.096.758 will be used to cover the accumulated losses of previous years.

During 2014, the following took place:

(I) Derivative financial instruments relate to the following: On 20 January 2012, the Company ("Transferor") entered into an Option Contract to sell securities with a third party ("Transferee") according to which, the Transferee is obliged to buy 15.000 JOJ Media House, a.s. bonds of nominal value of €1.000 from the Transferor upon payment. The Transferor may exercise the Put option until 31 December 2014, after which, the Contract will be terminated. The Transferor did not exercise the Put option until the agreed date and the Contract was terminated.

(II) Deposits and prepayments relate to the Special Arrangement to the Agreement with the Administrator signed on 23 September 2014 relating to the issue of the Company's debentures, according to which, the Company agrees to pay to the Administrator an annual remuneration of 0,15% of the overall volume of the issue of bonds, which is payable on the issue date for the first year and for each subsequent year, on the anniversary thereof.

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

12. Financial assets at fair value through profit or loss

	2015	2014
	€	€
Balance at 1 January	40.194.378	24.239.826
Additions	1.708.301	23.387.389
Disposals	(1.733.657)	(5.004.143)
Change in fair value	(86.518)	(2.424.260)
Exchange differences	4.196	-
Difference from decrease of share capital of BHP	(12.891.230)	(4.434)
Balance at 30 June 2015 / 31 December 2014	27.195.470	40.194.378
Less non-current portion	-	-
Current portion	<u>27.195.470</u>	<u>40.194.378</u>

	Fair values	Cost	Fair values	Cost
	30 June 2015	30 June 2015	31 December 2014	31 December 2014
	€	€	€	€
Securities listed on a Stock Exchange	<u>27.195.470</u>	<u>25.155.605</u>	40.194.378	38.067.995
	<u>27.195.470</u>	<u>25.155.605</u>	40.194.378	38.067.995

The financial assets at fair value through profit or loss are marketable securities and are valued at market value at the close of business on 30 June by reference to Stock Exchange quoted bid prices. Financial assets at fair value through profit or loss are classified as current assets because they are expected to be realised within twelve months from the reporting date.

In the cash flow statement, financial assets at fair value through profit or loss are presented within the section on operating activities as part of changes in working capital. In the statement of profit or loss and other comprehensive income, changes in fair values of financial assets at fair value through profit or loss are recorded in operating income.

The Company's investments which exceeded 5% of the class "Securities listed on a Stock Exchange" and/or 5% of net assets are shown below:

Investment	Type of investment	Percentage in the investment category	Percentage of net assets	30 June 2015	31 December 2014
				€	€
Tatry mountain resorts, a.s.	Security	16,40%	40,08%	<u>22.332.176</u>	22.332.176
				<u>22.332.176</u>	<u>22.332.176</u>

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

12. Financial assets at fair value through profit or loss (continued)

(A) During 2014, the following were the most significant transactions concluded:

(a) On 5 March 2014, the Company ("Seller") concluded an "Agreement on Purchase of Securities" with a third party ("Purchaser") for the sale of 52.400 shares in Tatry mountain resorts, a.s. (TMR) for the price of €1.129.220, which is payable not later than 7 March 2014.

The consideration was received on 6 March 2014.

(b) On 3 April 2014, the Company ("Seller") concluded an "Agreement on Purchase of Securities" with a third party ("Purchaser") for the sale of 139.595 shares in Tatry mountain resorts, a.s. (TMR) for the price of €2.980.353,25, which is payable not later than 7 April 2014.

The consideration was received on 4 April 2014.

(c) On 09 June 2014, the Company ("Purchaser") entered into a Contract on purchase of securities with a third party ("Seller") for the acquisition of 4.117 securities in the share capital of Tatry mountain resorts, a.s. for the purchase price of €84.604,35.

(d) On 09 June 2014, the Company ("Purchaser") entered into an Agreement on purchase of securities with a third party ("Seller") for the acquisition of 37.617 securities in the share capital of Tatry mountain resorts, a.s. for the purchase price of €773.029,35.

(e) On 09 June 2014, the Company ("Purchaser") entered into a Contract on purchase of securities with a third party ("Seller") for the acquisition of 212.429 securities in the share capital of Tatry mountain resorts, a.s. for the purchase price of €4.365.415,95.

(f) On 09 June 2014, the Company ("Purchaser") entered into an Agreement on purchase of securities with a third party ("Seller") for the acquisition of 27.851 securities in the share capital of Tatry mountain resorts, a.s. for the purchase price of €572.338,05.

(g) On 10 June 2014, the Company ("Purchaser") entered into a Contract on purchase of securities with a third party ("Seller") for the acquisition of 216.917 securities in the share capital of Tatry mountain resorts, a.s. for the purchase price of €4.457.644,35.

(h) On 09 September 2014, the Company ("Purchaser") entered into an Agreement on purchase of securities with a third party ("Seller") for the acquisition of 157.900 securities in the share capital of Tatry mountain resorts, a.s. for the purchase price of €3.795.916.

(i) On 09 September 2014, the Company ("Purchaser") entered into an Agreement on purchase of securities with a third party ("Seller") for the acquisition of 105.257 securities in the share capital of Tatry mountain resorts, a.s. for the purchase price of €2.530.378,28.

(j) On 11 September 2014, the Company ("Purchaser") entered into an Agreement on purchase of securities with a third party ("Seller") for the acquisition of 350.000 securities in the share capital of Best Hotel Properties a.s. for the purchase price of €5.113.500.

(k) On 31 December 2014, the Company holds 148.476 shares in Tatry mountain resorts, a.s. (TMR) and 1.291.872 in Best Hotel Properties a.s. (BHP).

In addition, the Company also holds 899.983 shares in TMR and 150.100 in BHP, which are used as a pledge on the various REPO agreements with other financial institutions. Based on the various agreements, the Company sold and agreed to purchase back the above shares for a total of €3.812.863,54 (CZK 87.279.525,02 and €665.913) plus interest (with various parties) and also sold and agreed to purchase back the above shares for a total of €11.488.853,48 plus interest with a regulated financial institution.

Finally, the Company holds 71 pieces of fixed rate perpetual notes of J&T Banka 10% PERP, which were acquired during the year.

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

12. Financial assets at fair value through profit or loss (continued)

(B) During 2015, the following were the most significant transaction:

(a) Per the Resolution signed on 30 April 2015, the shareholders of Best Hotel Properties a.s. ("BHP") decided to decrease the share capital of the BHP by €315.225.000 to €35.025.000, by decrease of the nominal value from €10,00 to €1,00. The proceeds from the decrease of the share capital will be distributed to the shareholders in the sum of €313.128.242 and the remaining amount of €2.096.758 will be used to cover the accumulated losses of previous years.

(b) On 30 June 2015, the Company holds 151.534 shares in Tetry mountain resorts, a.s. (TMR) and 1.291.872 in Best Hotel Properties a.s. (BHP).

In addition, the Company holds 896.925 shares in TMR and 150.100 in BHP, which are used as a pledge on the various REPO agreements with other financial institutions. Based on the various agreements, the Company sold and agreed to purchase back the above shares for a total of €3.871.879,79 (CZK 86.339.081,09 and €703.839,88) plus interest (with various parties).

From the 896.925 shares held in TMR, 762.113 shares are used as a pledge on the REPO agreement with a regulated financial institution. Based on the agreement, the Company sold and agreed to purchase back these shares for a total of €11.488.853,48 plus interest.

Finally, the Company holds 64 pieces of fixed rate perpetual notes of J&T Banka 10% PERP on 30 June 2015.

13. Cash at bank and in hand

Cash balances are analysed as follows:

	30 June 2015	31 December 2014
	€	€
Cash at bank and in hand	<u>1.509</u>	<u>1.546</u>
	1.509	1.546

Currency:	30 June 2015	31 December 2014
	€	€
United States Dollars	16	15
Euro	1.194	1.197
Czech koruna	<u>299</u>	<u>334</u>
	1.509	1.546

14. Share capital

	2015	2015	2014	2014
	Number of shares	€	Number of shares	€
Authorised				
Ordinary shares of €1 each	<u>11.000</u>	<u>11.000</u>	<u>11.000</u>	<u>11.000</u>
Issued and fully paid				
Balance at 1 January	<u>11.000</u>	<u>11.000</u>	<u>11.000</u>	<u>11.000</u>
Balance at 30 June 2015 / 31 December 2014	11.000	11.000	11.000	11.000

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

15. Borrowings

	2015	2014
	€	€
Balance at 1 January	56.400.227	51.176.150
Additions	191.456.551	149.636.005
Repayments	(186.271.837)	(138.289.447)
Interest for the year	1.898.047	1.784.523
Exchange differences	976.487	(73.177)
Capitalised expenses	(844)	(802.907)
Repurchase of own long term debentures	-	(7.030.920)
Balance at 30 June 2015 / 31 December 2014	64.458.631	56.400.227

	30 June 2015	31 December 2014
	€	€

Current borrowings

Bank loans	15.435.882	15.433.023
Debentures	603.253	464.453
Other loans	4.988.630	4.813.913
Loans from related companies (Note 18.2)	217.742	255.978
	<u>21.245.507</u>	<u>20.967.367</u>

Non-current borrowings

Debentures	<u>43.213.124</u>	<u>35.432.860</u>
	<u>43.213.124</u>	<u>35.432.860</u>

Total

	<u>64.458.631</u>	<u>56.400.227</u>
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Maturity of non-current borrowings:

	30 June 2015	31 December 2014
	€	€
Between two and five years	<u>43.213.124</u>	<u>35.432.860</u>
	<u>43.213.124</u>	<u>35.432.860</u>

On 30 June 2015, the bank loans are secured as follows:

- By a pledge of 896.925 shares in Tatry mountain resorts, a.s. (TMR) and 150.100 in Best Hotel Properties a.s. (BHP) (2014: 137.870 shares in TMR and 150.100 shares in BHP).
- By a pledge of 762.113 shares in Tatry mountain resorts, a.s. (TMR) (2014: 762.113 shares in TMR).

The weighted average effective interest rates at the reporting date were as follows:

	30 June 2015	31 December 2014
Bank loans	5,20%-8%	4%-8%
Debentures	6,25%	6,25%
Other loans	4,50%	4,50%
Loans from related companies	9%	9%

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

15. Borrowings (continued)

(A) Loans from related parties

(i) On 1st January 2013, the Company ("Debtor") entered into Credit Contract 07/JSML/2013 with J&T Private Equity B.V. ("Creditor") for the provision of a loan with a credit limit in the amount of €30.000.000, which bears interest at the rate of 6% per annum and is repayable on 15 December 2014.

Per Amendment No.1 to the Credit Contract concluded on 26 November 2012 between the Company ("Creditor") and J&T Private Equity B.V. ("Debtor"), signed on 1st January 2013, according to which the credit limit increased to €35.000.000, the parties have agreed that part of the amount by which the credit limit is increased by this Amendment No.1, is represented by the amount of €17.104.403,71 which is deemed as provided by signing the Credit Contract 07/JSML/2013 by both parties on 1st January 2013.

Per Amendment No.1 to the Credit Contract 07/JSML/2013 signed on 21 June 2013, the credit limit increased up to the amount of €110.000.000 and is repayable until 15 December 2014.

According to Amendment No.2 to the Credit Contract 07/JSML/2013 signed on 03 July 2013, the credit limit increased up to the amount of €122.000.000 and is still repayable until 15 December 2014.

The loan was repaid in full by 19 September 2014.

(ii) On 11 June 2014, the Company ("Debtor") entered into Credit Contract 15/JSML/2014 with J&T Private Equity B.V. ("Creditor") for the granting of a loan with a credit limit in the amount of €30.000.000, which bears interest at the rate of 16,40% per annum and is repayable on 25 June 2014.
The loan was settled on 24 June 2014.

(iii) On 30 June 2014, the Company ("Debtor") entered into Credit Contract 17/JSML/2014 with J&T Private Equity B.V. ("Creditor") for the granting of a loan with a credit limit in the amount of CZK 10.005.000, which bears interest at the rate of 9% per annum and is repayable on 30 June 2015.

Per Amendment No.1 signed on 07 July 2014, the principal amount was increased up to the amount of CZK 20.000.000.

Per Amendment No.2 signed on 29 June 2015, the repayment date has been extended until 31 July 2015.

However, the loan was repaid in full on 15 July 2015.

(iv) On 11 February 2015, the Company ("Debtor") entered into Credit Contract 23/JSML/2015 with J&T Private Equity B.V. ("Creditor") for the granting of a loan with a credit limit in the amount of CZK 1.348.000.000, which bears interest at 4,85% per annum and is repayable until 31 March 2015.
The loan was partially settled on 03 March 2015 and fully settled on 16 March 2015.

(v) On 27 March 2015, the Company ("Debtor") entered into Credit Contract 24/JSML/2015 with J&T Private Equity B.V. ("Creditor") for the granting of a loan with credit limit in the amount of €49.900.000, which bears interest at 5% per annum and is repayable until 31 March 2015.
The loan was fully settled on 30 March 2015.

(B) Bank Loans

Bank loans represent REPO agreements with financial institutions.

On 06 May 2013, the Company entered into an Agreement on the Exercise of Voting Rights Associated with Shares with a reregulated financial institution for the security of loans by transfer of securities.

On 31 December 2014, the bank loans represent REPO agreements for 137.870 shares in Tatry mountain resorts, a.s.

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

15. Borrowings (continued)

and 150.100 in Best Hotel Properties a.s. Based on the various agreements, the Company sold and agreed to purchase back the above shares for a total of €3.812.863,54 (CZK 87.279.525,02 and €665.913) plus interest.

On 31 December 2014, the bank loans also represent a REPO agreement with another regulated financial institution for 762.113 shares in Tatry mountain resorts, a.s. Based on the agreement, the Company sold and agreed to purchase back these bonds for a total of €11.488.853,48 plus interest.

On 30 June 2015, the bank loans represent REPO agreements for 896.925 shares in Tatry mountain resorts, a.s. and 150.100 in Best Hotel Properties a.s. Based on the various agreements, the Company sold and agreed to purchase back the above shares for a total of €3.871.879,79 (CZK 86.339.081,09 and €703.839,88) plus interest.

On 30 June 2015, the bank loans also represent a REPO agreement with a regulated financial institution for 762.113 shares in Tatry mountain resorts, a.s. Based on the agreement, the Company sold and agreed to purchase back these bonds for a total of €11.488.853,48 plus interest.

(C) Debentures

(i) On 17 July 2014, the Company ("Issuer") entered into a Mandate Agreement on provision of services related to the issue of the bonds with a third party ("Arranger"), for the issue of 400 fixed rate bonds of 6,25% per annum, with an interest period of 6 months, in the total principal amount of CZK 1.200.000.000, due in 2018.

The Company authorises the Arranger to proceed with various of services, since the Arranger is equipped with required experience for the provision of support to the Issuer.

On the issue date, the Company shall pay to the Arranger a remuneration of CZK 600.000 for the assistance to the Company within preparation of the documentation and CZK 3.000.000 for the intermediation of subscribers to the Company.

The remuneration shall be payable 7 days after the issue date.

Additionally, the Company is entitled to issue additional bonds up to the principal amount of CZK 600.000.000 during the issue period or in the additional issue period.

In addition to the remuneration, the Company shall pay to the Arranger all the documented costs connected with the issue of the bonds, legal costs, the costs of communication, notarial fees, costs of copying, costs of executing a final summary of documentation and the administrative costs of the Czech National Bank (CNB).

(ii) On 23 September 2014, the Company ("Issuer") entered into an Agreement with the a regulated financial institution ("Administrator"), according to which the Administrator agrees that in relation to the issue of the bonds, it will act as an administrator, a listing agent and a calculation agent. The Administrator shall notify the Company of the total amount of financial means, which are to be remitted to the internal account of the Administrator.

The Company shall pay remuneration to the Administrator, in the manner and the maturity dates agreed by and between the Company and the Administrator in a Special Arrangement to this Agreement.

(iii) According to the Special Arrangement with the Administrator signed on the same date, the Company agrees to pay to the Administrator an annual remuneration of 0,15% of the overall volume of the issue of bonds, which is payable on the issue date for the first year and for each subsequent year, on the anniversary thereof.

(iv) Per the Agreement on Placement of Bonds signed on the same date between the Company ("Issuer") and a regulated financial institution ("Lead Manager"), the Lead Manager intends to ensure the process of the subscription and purchase of bonds and to identify proper subscribers who will subscribe the entire issue of bonds. The remuneration for the services provided shall be agreed in the Special Arrangement to this Agreement.

(v) According to the Special Arrangement to the Agreement on Placement of Bonds signed on the same date, the Company agrees to pay to the Lead Manager a remuneration of 1,50% of the overall volume of the bonds subscribed during the issue period or additional issue period, which is payable retrospectively on a monthly basis against an invoice issued by the Manager after the end of each calendar month of its activity as Manager for the previous calendar month.

The remuneration specified above is exclusive of the value added tax.

(vi) The Company has made the following two issues of bonds which are listed on the Prague Stock Exchange (PSE):

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

15. Borrowings (continued)

(1) On 22 October 2014, the Company issued 200 fixed rate bonds with the nominal value of each bond amounting to CZK 3.000.000, for the total amount of CZK 600.000.000. The maturity date is 22 October 2018. The interest payments are semi-annually with the first due on 22 April 2015.

(2) On 05 November 2014, the Company issued additionally 200 fixed rate bonds with the nominal value of each bond amounting to CZK 3.000.000, for the total amount of CZK 600.000.000. The maturity date is 22 October 2018. The interest payments are semi-annually with the first due on 22 April 2015.

(vii) However, on 10 December 2014, the Company has bought back 65 pieces of the bonds issued with nominal value of CZK 3.000.000 each, for the total amount of CZK 196.625.000 (CZK 195.000.000 plus accrued interest CZK 1.625.000).

(viii) On 08 January 2015, the Company has bought back 96 pieces of the bonds issued with nominal value of CZK 3.000.000 each, for the total amount of CZK 291.800.000 (CZK 288.000.000 plus accrued interest CZK 3.800.000).

During the period, the Company sold all bonds repurchased.

(D) Other loans

(i) On 27 June 2014, the Company ("Debtor") entered into a Loan Contract with a third party ("Creditor") for the granting of a loan in the amount of CZK 100.000.000, which bears interest at the rate of 4,50% per annum and is repayable on 27 December 2014.

Per Amendment No.1 signed on 28 August 2014, the principal amount was increased up to the amount of CZK 104.650.000.

Per Amendment No.2 signed on 26 December 2014, the repayment date has been extended until 01 June 2015.

Per Amendment No.3 signed on 01 June 2015, the repayment date has been extended until 01 October 2015.

(ii) On 08 July 2014, the Company ("Debtor") entered into a Loan Contract with a third party ("Creditor") for the granting of a loan in the amount of €934.093,18, which bears interest at the rate of 4,50% per annum and is repayable on 08 January 2015.

Per Amendment No.1 signed on 02 January 2015, the repayment date has been extended until 01 June 2015.

Per Amendment No.2 signed on 01 June 2015, the repayment date has been extended until 01 October 2015.

16. Trade and other payables

	30 June 2015	31 December 2014
	€	€
Trade payables	559.518	559.518
VAT	5.175	2.169
Derivative financial instruments	-	7.686
Accruals	11.002	13.270
Other creditors	3.318	772.697
	579.013	1.355.340

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

J&T SECURITIES MANAGEMENT LIMITED

NOTES TO THE UNAUDITED FINANCIAL STATEMENTS

Period from 1 January to 30 June 2015

17. Current tax liabilities

	30 June 2015	31 December 2014
	€	€
Corporation tax	<u>75.087</u>	<u>59.681</u>
	<u>75.087</u>	<u>59.681</u>

18. Related party transactions

The Company is controlled by J&T Private Equity Group Limited, incorporated in Cyprus, which owns 100% of the Company's shares. The ultimate controlling parties are nine non resident individuals and one resident individual.

The following transactions were carried out with related parties:

18.1 Loans to associates (Note 10)

	30 June 2015	31 December 2014
	€	€
J&T Private Equity B.V.	<u>78.714.771</u>	<u>73.327.664</u>
	<u>78.714.771</u>	<u>73.327.664</u>

18.2 Loans from related undertakings (Note 15)

	30 June 2015	31 December 2014
	€	€
J&T Private Equity B.V.	<u>217.742</u>	<u>255.978</u>
	<u>217.742</u>	<u>255.978</u>

19. Contingent liabilities

The Company had no contingent liabilities as at 30 June 2015.

20. Commitments

The Company had no capital or other commitments as at 30 June 2015.

21. Events after the reporting period

There were no material events after the reporting period, which have a bearing on the understanding of the financial statements.

Independent auditor's report on page 3

J&T SECURITIES MANAGEMENT LIMITED

DETAILED INCOME STATEMENT

Period from 1 January to 30 June 2015

	Page	01/01/2015- 30/06/2015 €	01/01/2014- 30/06/2014 €
Revenue		24.180	-
Dividend income		152.867	200.919
Interest income		1.741.411	636.927
Loan interest income		-	1.294.346
Net gain on trading in financial instruments		-	138.339
Net fair value gains on financial assets at fair value through profit or loss		-	
Other operating income		-	(222.822)
Change in fair value of derivative financial instruments		100.000	169.123
Profit from sale of available-for-sale financial assets		17.773	-
Profit from sale of financial assets at fair value through profit or loss		2.146.816	2.256.098
Exchange profit		4.183.047	4.472.930
Operating expenses		(90.739)	(17.704)
Administration expenses	25	4.092.308	4.455.226
Other operating expenses		(12.015)	(32.217)
Broker commission and charges		(5.369)	-
Loss from sales of financial assets at fair value through profit or loss		(86.518)	(1.676.268)
Fair value losses on financial assets at fair value through profit or loss			
Operating profit		3.988.406	2.746.741
Finance costs	26	(4.091.831)	(3.855.301)
Net loss for the period before tax		(103.425)	(1.108.560)

J&T SECURITIES MANAGEMENT LIMITED

OPERATING EXPENSES

Period from 1 January to 30 June 2015

	01/01/2015- 30/06/2015	01/01/2014- 30/06/2014
	€	€
Administration expenses		
Annual levy	350	350
Courier expenses	536	36
Certification and legalisation expenses	11	45
Auditors' remuneration for other assurance services	11.000	-
Auditors' remuneration - prior years	2.470	2.470
Accounting fees	5.950	5.950
Other professional fees	7.503	8.497
Translation fees	174	261
Administration and fees for bonds	62.745	95
	90.739	17.704

J&T SECURITIES MANAGEMENT LIMITED

FINANCE COSTS

Period from 1 January to 30 June 2015

	01/01/2015- 30/06/2015	01/01/2014- 30/06/2014
	€	€
Finance costs		
Interest expense		
Loan interest	275.291	478.640
Bank overdraft interest	8	566
Other interest	567.314	210.786
Debenture interest	1.055.442	-
Sundry finance expenses		
Bank charges	7	11
Net foreign exchange transaction losses		
Realised foreign exchange loss	658.143	3.115.475
Unrealised foreign exchange loss	1.535.626	49.823
	<u>4.091.831</u>	<u>3.855.301</u>

J&T SECURITIES MANAGEMENT LIMITED

COMPUTATION OF CORPORATION TAX

Period from 1 January 2015 to 30 June 2015

Net loss per income statement	Page 24	€	€ (103.425)
<u>Add:</u>			
Broker commission and charges		12.015	
Loss from sales of financial assets at fair value through profit or loss		5.369	
Fair value losses on financial assets at fair value through profit or loss		86.518	
Unrealised foreign exchange loss		1.535.626	
Annual levy		350	
Disallowed interest		217.750	
Realised exchange loss relating to trading in securities		<u>209.039</u>	
			<u>2.066.667</u>
			1.963.242
<u>Less:</u>			
Profit from sale of available-for-sale financial assets		100.000	
Profit from sale of financial assets at fair value through profit or loss		17.773	
Dividends received		24.180	
Unrealised foreign exchange profit		1.258.732	
Realised exchange gain relating to trading in securities		<u>450.515</u>	
			<u>(1.851.200)</u>
Chargeable income for the year			<u><u>112.042</u></u>

Calculation of corporation tax

	Income €	Rate %	Total € c
Tax at normal rates:			
Chargeable income as above	<u>112.042</u>	12,50	14.005,25
10% additional charge			<u>1.400,53</u>
TAX PAYABLE			<u><u>15.405,78</u></u>

