

s Autoleasing, a.s.
Annual Report 2019

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Introduction by the Chairman of the Board of Directors

Dear Ladies and Gentlemen,

I consider the year 2019 a great success. We managed to achieve excellent business results. Despite rising interest rates and applied prudent risk policy we managed to remain fully competitive in the car financing market and defend our position as one of the leading companies providing financial services independently of a car brand.

In 2019, we have continued our intensive cooperation with a sister company Erste Leasing, a.s. We focused primarily on harmonization of the set processes to ensure maximum efficiency of the performed activities and unified approach to serving customers at Regional Corporate Centres of Česká spořitelna.

We have made every effort to ensure that we are competitive in offering and selling our financial services in the car finance market through a network of business partners. Introduced process and product improvements were necessary to respond to the market and end customers' expectations while meeting prudent risk policy requirements.

We continued to define the requirements for the development of a new IT system that will replace the existing platform of both s Autoleasing, a.s., and its sister company Erste Leasing, a.s. and which will complete the unification of processes and management in both leasing companies of the Česká spořitelna Group.

Last year was successful, but also very challenging. I would like to thank all employees for their hard work, effort and personal commitment.

My thanks also go to all business partners and clients for their cooperation and trust they have put in us and our products.

I believe that, as in previous years, also in 2020, we will defend our position as a trusted partner for clients, business partners, employees and the entire financing market.



Wilfried Elbs
Chairman of the Board of Directors



Wilfried Elbs

Chairman of the Board of Directors

General Information

Company name

s Autoleasing, a.s.

Registered Office

Budějovická 1912/64b, Krč, 140 00 Prague 4
Company Identification Number (IČ): 27089444

Shareholders

Česká spořitelna, a.s., CZK 500 000 000 (100%)

**Members of the Board of Directors
as at 31 December 2019**

Wilfried Elbs, Chairman
Tomáš Veverka, Vice Chairman
Radka Turková, Member

**Members of the Supervisory Board
as at 31 December 2019**

Jan Seger, Chairman
Roman Pařil, Vice Chairman
Petr Vacek, Member
Miloš Toman, Member

Major Business Activities

Provision of leasing services, consumer loans and instalment sale.

Report on Business Activity and Assets Status

Macroeconomic Framework

In 2019, the financial products were offered in the environment of the economic growth which started at the end of 2013. The Czech economy has grown mainly thanks to growth in household consumption, there was also a revival in investment activity, however sale of passenger cars has fallen. Under these circumstances the volume of non-bank financing slightly increased year-on-year.

Information on economic development in the Czech Republic relevant to non-bank financing business:

- GDP grew year-on-year;
- industrial production decreased by 0.1% in October, year-on-year, and further by 3.2% in November;
- gross fixed capital creation in the third quarter fell by 0.3%;
- retail sales grew since the beginning of the year in real terms year-on-year;
- average inflation rate reached 2.8% in 2019;
- the unemployment rate was 2.9% in December (compared to 3.1% at the end of 2018);
- in 2019, sales of vehicles decreased, number of new passenger cars registered was by 4.4% lower compared to 2018. New passenger cars registration decreased to 249,915 pcs. Imports of used passenger cars increased by 0.1% to 177,261 pcs year-on-year;
- CZK/EUR exchange rate of 25.41 as at 31 December 2019, 3M PRIBOR interest rate at 2.18% as at 31 December 2019

The share of credit financing on the leasing companies' transactions increased. The overall volume of consumer financing grew while the volume of consumer loans provided increased and consumer leasing stagnated. The volume of financing provided to entrepreneurs grew. There was a slight decrease in the volume of financing of transportation systems, which was negatively affected by the decrease in sales of new passenger cars. On the contrary, the volume of machinery and equipment financing increased.

Non-bank financing has a significant share of financing for households and businesses. The member companies of the CLFA provided in the 2019 the total financing amount of CZK 157.57 billion (by CZK 5.31 billion more than in 2018 – year-on-year increase of 3.5%) through leasing, factoring, loans for consumers and entrepreneurs. From that amount: CZK 129.62 billion was provided to finance of movable and immovable investments as well as entrepreneurs' operations and CZK 27.95 billion to finance goods and services for households. Road transport vehicles (mostly new ones) were financed by CZK 75.73 billion, of which CZK 46.95 billion was provided for purchase of passenger cars, including CZK 34.35 billion for acquisition of 73,029 new passenger cars (thus financing 29.2% of new passenger cars first registered in the Czech Republic in 2019).

Amount CZK 30.25 billion was provided to finance machinery and equipment. A total of 656,777 new leasing and credit transactions were made by CLFA member companies. At the end of 2019, CLFA member companies managed 1,203,654 active leasing and credit agreements. Receivables from ongoing leasing and credit transactions amounted to CZK 266.61 billion at the end of 2019.

In 2019, the CLFA member companies financed corporates' movable investments (initial debt) amounting to CZK 44.18 billion (total market estimate of CZK 56.5 billion) through leasing. The share of operating leases including short-term leases in total leasing of movable investments decreased to 55.9% year-on-year. 49,594 of new leasing contracts for machinery, equipment and vehicles for entrepreneurs were concluded, of which 13,184 finance lease contracts, 11,135 operating lease contracts, 23,747 full-service leasing contracts and 1,528 short-term lease agreements. Receivables from lease contracts for movable property for entrepreneurs reached CZK 105.32 billion at the end of 2019 (decrease of CZK 5.55 billion compared to 31.12.2018 / 5%).

In 2019, loans and hire-purchase sales for entrepreneurs were provided by 22 member companies of CLFA. Loans in the total of CZK 57.84 billion, which represents a year-on-year increase in loans for entrepreneurs by 3%. In total, 69,450 loans were provided. The number of loans granted increased by 525 contracts (by 0.8%) year-on-year, while the average amount of the loan was CZK 832,828. At the end of 2019 receivables from loans amounted to CZK 111.60 billion.

In 2019, consumer loans were provided by 16 member companies of CLFA. Total loans for personal use amounted to CZK 27.06 billion, which represents a year-on-year increase by 0.4%. Year-on-year, the volume of consumer credit for personal car financing decreased by 15% to CZK 8.3 billion, their number decreased by 10,626 to 39,084 loans. A total of 533,368 consumer credit contracts were concluded (a year-on-year decline of 1.6%). At the end of 2019, the volume of receivables from active credit agreements was CZK 39.37 billion.

In consumer leasing there was a year-on-year increase in both volume and number of new contracts.

The total financed amount (initial amount of debt) of movable assets handed over to consumer leasing and short-term leases in 2019 was CZK (0.89) billion (year-on year decrease by 0.2%). The share of financial leasing in total consumer leasing of movables was 11.2%, the share of operating leasing was 57.5%, the share of full-service leasing was 6.7%, and the share of short-term rentals was 24.6%. 1,994 new contracts on consumer leasing and short-term rentals have been concluded. At the end of 2019, there were consumer leases from 5,354 active contracts concluded by member companies of CLFA. At the end of 2019 receivables from concluded consumer leasing contracts amounted to CZK 1.50 billion.

Report on the Company's operating results

s Autoleasing, a.s. recorded a profit of CZK 116 million and CZK 123 million in 2019 and 2018 respectively.

The development in key financial indicators was as follows.

Table No. 1: Changes in Key Financial Indicators in CZK millions

	2019	2018	2017	2016	2015	2014	2013	2012
Total assets	13,181	12,389	11,273	10,029	9,174	8,559	8,352	8,432
Fixed assets	7,666	7,292	6,426	5,903	5,250	4,930	4,853	4,961
Total revenues	1,425	1,493	1,497	1,470	1,514	1,658	2,036	2,573
Profit before tax	154	160	153	164	179	172	176	144
Profit for the year	116	123	120	125	138	130	128	101
Average number of employees	111	109	110	115	111	110	108	106

Report on the Company's Business Activities

s Autoleasing, a.s. commenced its business activities on 1 October 2004. The Company primarily focuses in top quality services relating to the provision of loans and leases in cooperation with business partners, leased commodity suppliers and sales representatives.

The total amount of input debt on all commodities financed by the members of Czech leasing and financial association and relating to all financial products on the domestic market was CZK 129.39 billion in 2019; the share of s Autoleasing, a.s., and Erste Leasing, a.s. was CZK 8.69 billion, i.e. 6.72% market share.

Table No. 2: Market Share in the Non-bank Financial Product Market in 2019 of the s Autoleasing, a.s. Company:

Company	In CZK million	in %
s Autoleasing, a.s.	5,193.19	7.63%
Market	68,092.65	100.00%

Note: Market share of CLFA member companies by input debt in the sum of all products used to finance passenger and commercial vehicles and motorcycles.

Research and Development Activities

The Company does not carry out any research and development activities.

Acquisition of Own Shares

The Company did not acquire its own shares during that period.

Activities in the Field of Environmental Protection

The activity of the Company has no nature and focus that would have any particular impact on the environment. For this reason, the Company does not have any specific activities in this area.

Information on Organizational Units or Other Parts of the Business in the Abroad

The Company did not have an organizational unit or any other part of the business abroad during the period.

Subsequent Events

The existence of novel coronavirus (COVID-19) was confirmed in early 2020 and has spread across mainland China and beyond, including Czechia, causing disruptions to businesses and economic activity. The Company considers this outbreak to be a non-adjusting post balance sheet event. As the situation is fluid and rapidly evolving, we do not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak on the Company. The impact of this outbreak on the macroeconomic forecasts, our position and results, if any, will be incorporated into our estimates of asset impairment and other provisions in 2020.

On 30 April 2020 Mr Wilfried Elbs will resign from the position of Chairman of the Board of Directors. The successor has not been elected by the date of issue of these financial statements.

No events have occurred subsequent to year-end that would have a material impact on the financial statements as at 31 December 2019.

Future Plans

The year 2020 will be in the spirit of promoting sales, business and the development of an integrated IT platform.

The primary objective for 2020 will be to maintain the market share and develop digitisation-related business activities.

We will work to retain our market competitiveness. We want to continue to offer fair financing to our clients while adhering to the principles of responsible financing.

The goal remains to merge and harmonize processes among the leasing companies of the parent bank. We will continue to look for ways to increase cooperation and exploit business potential within the financial group.

In 2020, we will also focus on IT developments. We will continue to implement an integrated IT platform at our company and a sister company, Erste Leasing, a.s. to speed up and make the business process more effective.

We will continue in the current direction to be a trustworthy, helpful and reliable partner of first choice for our partners and clients.



Wilfried Elbs
Chairman of the Board of Directors

Points of Sales

Products of the Company s Autoleasing, a.s. are distributed via a network of business partners.

Direct contact information

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E-mail: info@sautoleasing.cz

Internet: www.sautoleasing.cz

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Independent auditor's report

to the shareholder of s Autoleasing, a.s.

Opinion

We have audited the accompanying financial statements of s Autoleasing, a.s., with its registered office at Budějovická 1912/64b, Krč, Praha 4 ("the Company"), prepared in accordance with Czech accounting legislation, which comprise the balance sheet as at 31 December 2019, the income statement, statement of changes in equity and statement of cash flows for the year ended 31 December 2019 and notes to the financial statements, which include significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2019, of its financial performance and its cash flows for the year ended 31 December 2019 in accordance with Czech accounting legislation.

Basis for Opinion

We conducted our audit in accordance with the Act on Auditors and Standards on Auditing of the Chamber of Auditors of the Czech Republic. These standards consist of International Standards on Auditing (ISAs) which may be supplemented and modified by related application guidance. Our responsibilities under those standards 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 Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA) and accepted by the Chamber of Auditors of the Czech Republic, and we have fulfilled our other ethical responsibilities in accordance with these regulations. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

In compliance with Section 2(b) of the Act on Auditors, the other information comprises the information included in the Annual Report other than the financial statements and auditor's report therein. The Board of Directors is responsible for the other information.

Our opinion on the financial statements does not cover the other information. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge about the Company obtained in the audit or otherwise appears to be materially misstated. In addition, we assess whether the other information has been prepared, in all material respects, in accordance with applicable law and regulation, in particular, whether the other information complies with law and regulation in terms of formal requirements and procedure for preparing the other information in the context of materiality, i.e. whether any non-compliance with these requirements could influence judgments made on the basis of the other information.

Based on the procedures performed, to the extent we are able to assess it, we report that:

- The other information describing the facts that are also presented in the financial statements is, in all material respects, consistent with the financial statements; and
- The other information is prepared in compliance with applicable law and regulation.

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Independent auditor's report

In addition, our responsibility is to report, based on the knowledge and understanding of the Company obtained in the audit, on whether the other information contains any material misstatement of fact. Based on the procedures we have performed on the other information obtained, we have not identified any material misstatement of fact.

Responsibilities of the Board of Directors and Supervisory Board of the Company for the Financial Statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with Czech accounting legislation and for such internal control as the Board of Directors 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 the 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 of the Company is responsible for overseeing the financial reporting process.

Auditor's Responsibilities 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 the above-stated requirements 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-stated requirements, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 controls.
- Obtain an understanding of internal controls 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 controls.
- 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 the 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 the financial statements, including the notes, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



Independent auditor's report

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.

24 March 2020

PricewaterhouseCoopers Audit, s.r.o.
represented by Director

A handwritten signature in blue ink, appearing to read 'Eva Loulová', is written over the printed name.

Eva Loulová
Statutory Auditor, Licence No. 1981

This report is addressed to the shareholder of s Autoleasing, a.s.

Note

Our report has been prepared in the Czech language and in English. In all matters of interpretation of information, views or opinions, the Czech version of our report takes precedence over the English version.

Financial Statements for the Year 2019

Company name: s Autoleasing, a.s.
Registered Office: Budějovická 1912/64b, Krč, 140 00 Prague 4
Legal form: Joint stock company
Identification Number: 27089444

Balance Sheet

for the Year Ended 31 December 2019

CZK ths.				Current year	Prior year 2018
		Gross	Allowances	Net	Net
TOTAL ASSETS		14,371,536	(1,190,201)	13,181,335	12,389,059
B.	FIXED ASSETS	1,919,592	(871,922)	1,047,670	1,081,066
B.I.	Intangible fixed assets	162,701	(132,046)	30,655	35,617
B.I.2.	Royalties	162,701	(132,046)	30,655	35,617
B.I.2.1.	Software	143,130	(116,807)	26,323	31,421
B.I.2.2.	Other royalties	19,571	(15,239)	4,332	4,196
B.II.	Tangible fixed assets	1,635,057	(739,876)	895,181	929,193
B.II.2.	Equipment	1,635,057	(739,876)	895,181	928,605
B.II.5.	Advances paid and tangible fixed assets in the course of construction	0	0	0	588
B.II.5.2.	Tangible fixed assets in the course of construction	0	0	0	588
B.III.	Long-term investments	121,834	0	121,834	116,256
B.III.1.	Investments – subsidiaries and controlling party	121,834	0	121,834	116,256
C.	CURRENT ASSETS	11,680,301	(318,279)	11,362,022	10,435,261
C.II.	Receivables	11,651,487	(318,279)	11,333,208	10,403,391
C.II.1.	Long-term receivables	6,779,836	(68,981)	6,710,855	6,301,433
C.II.1.1.	Trade receivables	6,687,645	(68,981)	6,618,664	6,210,720
C.II.1.4.	Deferred tax asset	92,191	0	92,191	90,713
C.II.2.	Short-term receivables	4,871,651	(249,298)	4,622,353	4,101,958
C.II.2.1.	Trade receivables	3,275,444	(141,643)	3,133,801	2,737,415
C.II.2.4.	Receivables – other	1,596,207	(107,655)	1,488,552	1,364,543
C.II.2.4.3.	Taxes – receivables from the state	9,242	0	9,242	6,843
C.II.2.4.4.	Short-term advances paid	2,255	0	2,255	2,882
C.II.2.4.5.	Estimated receivables	32,539	0	32,539	24,812
C.II.2.4.6.	Other receivables	1,552,171	(107,655)	1,444,516	1,330,006
C.IV.	Cash	28,814	0	28,814	31,870
C.IV.1.	Cash in hand	376	0	376	101
C.IV.2.	Cash at bank	28,438	0	28,438	31,769
D.I.	Prepaid expenses and accrued income	771,643	0	771,643	872,732
D.I.1.	Prepaid expenses	743,160	0	743,160	844,012
D.I.3.	Accrued income	28,483	0	28,483	28,720

CZK ths.	Current year	Prior year 2018
TOTAL EQUITY & LIABILITIES	13,181,335	12,389,059
A. EQUITY	2,486,828	2,365,565
A.I. Share capital	500,000	500,000
A.I.1. Share capital	500,000	500,000
A.II. Share premium and capital contributions	1,799,273	1,794,382
A.II.1. Share premium	256,000	256,000
A.II.2. Capital contributions	1,543,273	1,538,382
A.II.2.1. Other capital contributions	1,556,900	1,556,900
A.II.2.2. Assets and liabilities revaluation	(13,627)	(18,518)
A.III. Other reserves	49,599	43,442
A.III.1. Other reserve funds	49,599	43,442
A.IV. Profit (loss) brought forward (+/-)	21,584	(95,403)
A.IV.1. Retained earnings	21,584	82,293
A.IV.2. Other profit (loss) brought forward (+/-)	0	(177,696)
A.V.1. Profit / (loss) for the current period	116,372	123,144
B. + C. LIABILITIES	10,602,721	9,914,681
B. Provisions	4,041	12,408
B.4. Other provisions	4,041	12,408
C. Liabilities	10,598,680	9,902,273
C.I. Long-term liabilities	6,618,793	5,143,889
C.I.2. Liabilities due to financial institutions	6,618,793	5,143,889
C.II. Short-term liabilities	3,979,887	4,758,384
C.II.2. Liabilities due to financial institutions	3,806,974	4,571,937
C.II.3. Short-term advances received	66,588	64,174
C.II.4. Trade payables	1,196	5,356
C.II.8. Liabilities – other	105,129	116,917
C.II.8.3. Liabilities to employees	5,690	5,432
C.II.8.4. Liabilities for social security and health insurance	2,718	2,745
C.II.8.5. Taxes and state subsidies payable	1,216	1,828
C.II.8.6. Estimated payables	90,228	101,475
C.II.8.7. Other liabilities	5,277	5,437
D. Accruals and deferred income	91,786	108,813
D.1. Accrued expenses	12,973	10,788
D.2. Deferred income	78,813	98,025

Income Statement

for the Year Ended 31 December 2019

CZK ths.		Current year	Prior year 2018
I.	Sales products and services	425,062	424,280
II.	Sales of goods	833	31
A.	Cost of sales	440,828	449,083
A.1.	Cost of goods sold	3,493	1,700
A.2.	Raw materials and consumables used	4,459	4,428
A.3.	Services	432,876	442,955
D.	Staff costs	124,926	118,147
D.1.	Wages and salaries	90,700	85,673
D.2.	Social security, health insurance costs and other costs	34,226	32,474
D.2.1.	Social security and health insurance costs	28,722	27,203
D.2.2.	Other social costs	5,504	5,271
E.	Value adjustments in operating activities	234,174	287,357
E.1.	Value adjustments of fixed assets	287,600	279,269
E.1.1.	Depreciation, amortisation and write off of fixed assets	291,986	284,529
E.1.2.	Provision for impairment of fixed assets	(4,386)	(5,260)
E.2.	Provision for impairment of inventories	(2,660)	(1,669)
E.3.	Provision for impairment of receivables	(50,766)	9,757
III.	Operating income – other	252,120	344,485
III.1.	Sales of fixed assets	160,942	220,314
III.3.	Other operating income	91,178	124,171
F.	Operating expenses – other	305,849	363,574
F.1.	Net book value of fixed assets sold	190,124	268,280
F.3.	Taxes and charges from operating activities	1,865	1,823
F.4.	Operating provisions and complex prepaid expenses	(8,367)	6,696
F.5.	Other operating expenses	122,227	86,775
*	Operating result	(427,762)	(449,365)
V.	Income from other long-term investments	0	15,000
V.1.	Income from other long-term investments – subsidiaries or controlling party	0	15,000
VI.	Interest and similar income	744,025	708,951
VI.2.	Other interest and similar income	744,025	708,951
J.	Interest and similar expenses	158,498	109,051
J.1.	Interest payable and similar expenses – subsidiaries or controlling party	158,498	98,581
J.2.	Other interest and similar expenses	0	10,470
VII.	Other finance income	2,460	444
K.	Other financial expenses	6,653	6,461
*	Financial result	581,334	608,883
**	Net profit / (loss) before taxation	153,572	159,518
L.	Tax on profit or loss	37,200	36,374
L.1.	Tax on profit or loss – current	39,366	43,434
L.2.	Tax on profit or loss – deferred	(2,166)	(7,060)
**	Net profit / (loss) after taxation	116,372	123,144
***	Net profit / (loss) for the financial period	116,372	123,144
*	Net turnover for the financial period	1,424,500	1,493,191

Cash Flow Statement

for the Year Ended 31 December 2019

CZK ths.	Current year	Prior year 2018
Cash flows from operating activities		
Z. Profit or loss on ordinary activities before taxation (+/-)	153,572	159,518
A.1. Adjustments to reconcile profit or loss to net cash provided by or used in operating activities	(228,542)	(160,983)
A.1.1. Depreciation and amortization of fixed assets and write-off of receivables	393,983	351,425
A.1.2. Change in allowances	(57,813)	2,829
A.1.3. Change in provisions	(8,367)	6,697
A.1.5. (Gain)/Loss on disposal of fixed assets	29,182	62,966
A.1.6. Interest expense and interest income	(585,527)	(599,900)
A.1.7. Other non-cash movements (e.g. revaluation at fair value to profit or loss, dividends received)	0	15,000
A* Net cash from operating activities before taxation, changes in working capital and extraordinary items	(74,970)	(1,465)
A.2. Change in non-cash components of working capital	(875,821)	(1,231,111)
A.2.1. Change in inventory	2,660	1,670
A.2.2. Change in trade receivables	(787,298)	(1,216,768)
A.2.3. Change in other receivables and in prepaid expenses and unbilled revenue	(63,947)	(3,320)
A.2.4. Change in trade payables	(4,160)	3,549
A.2.5. Change in other payables, and in accruals and deferred income	(23,076)	(16,242)
A** Net cash from operating activities before taxation, interest paid and extraordinary items	(950,791)	(1,232,576)
A.3.1. Interest paid	(162,416)	(106,513)
A.3.2. Interest received	743,440	706,358
A.4.1. Income Tax paid	(43,618)	(45,198)
A*** Net cash provided by (used in) operating activities	(413,385)	(677,929)
Cash flows from investing activities		
B.1.1. Purchase of fixed assets	(465,445)	(692,907)
B.2.1. Proceeds from sale of fixed assets	160,942	205,314
B.5.1. Dividends received	0	(15,000)
B*** Net cash provided by (used in) investing activities	(304,503)	(502,593)
Cash flows from financing activities		
C.1. Change in long-term liabilities, and long-term and short-term loans	709,941	880,727
C.2.3. Effect of other changes in own capital on cash	4,891	297,061
C*** Net cash provided by (used in) financing activities	714,832	1,177,788
F. Net increase (decrease) in cash	(3,056)	(2,734)
P. Cash and cash equivalents at beginning of year	31,870	34,604
R. Cash and cash equivalents at end of year	28,814	31,870

Statement of Changes in Shareholders' Equity

as at 31 December 2019

CZK ths.	Share capital	Share premium	Other capital funds	Property revaluation reserve (+/-)	Other reserve funds	Retained earnings	Restatement of retained earnings	Total
As at 1 January 2018	500,000	256,000	1,256,900	(15,579)	37,429	88,306	0	2,123,056
Changes in accounting policies	0	0	0	0	0	0	(177,696)	(177,696)
Fair value gains/(losses) – investments in subsidiaries and associates	0	0	0	(2,939)	0	0	0	(2,939)
Allocation to funds	0	0	300,000	0	6,013	(6,013)	0	300,000
Net profit/loss for the period	0	0	0	0	0	123,144	0	123,144
As at 31 December 2018	500,000	256,000	1,556,900	(18,518)	43,442	205,437	(177,696)	2,365,565
Changes in accounting policies	0	0	0	0	0	(177,696)	177,696	0
Fair value gains/(losses) – investments in subsidiaries and associates	0	0	0	4,891	0	0	0	4,891
Allocation to funds	0	0	0	0	6,157	(6,157)	0	0
Net profit/(loss) for the current period	0	0	0	0	0	116,372	0	116,372
As at 31 December 2019	500,000	256,000	1,556,900	(13,627)	49,599	137,956	0	2,486,828

Prepared on 24 March 2020

Signature of entity's statutory body:



Wilfried Elbs
Chairman of the Board of Directors



Tomáš Veverka
Vice Chairman of the Board of Directors

Person responsible for accounting (name and signature):



Tomáš Veverka
Vice Chairman of the Board of Directors

Person responsible for financial statements (name and signature):



Tomáš Veverka
Vice Chairman of the Board of Directors

Notes to the Financial Statements

for the Year Ended 31 December 2019

1. General Information

1.1 Incorporation and Description of the Business

S Autoleasing, a.s. ("the Company" or "SAL") was created by a Deed of Incorporation as a joint stock company on 15 August 2003 and was incorporated by registration at the Commercial Register kept in the Municipal Court in Prague on 6 October 2003. The principal business activity of the Company is to provide leasing services including instalment sales and providing consumer loans. These activities account for all of the Company's activities and the related revenues are generated in the Czech Republic.

The Company's share capital is CZK 500,000 thousand as at 31 December 2019. The Company's sole shareholder is Česká spořitelna, a.s., holding 100% of the share capital.

The Company has not concluded controlling agreement with the parent company.

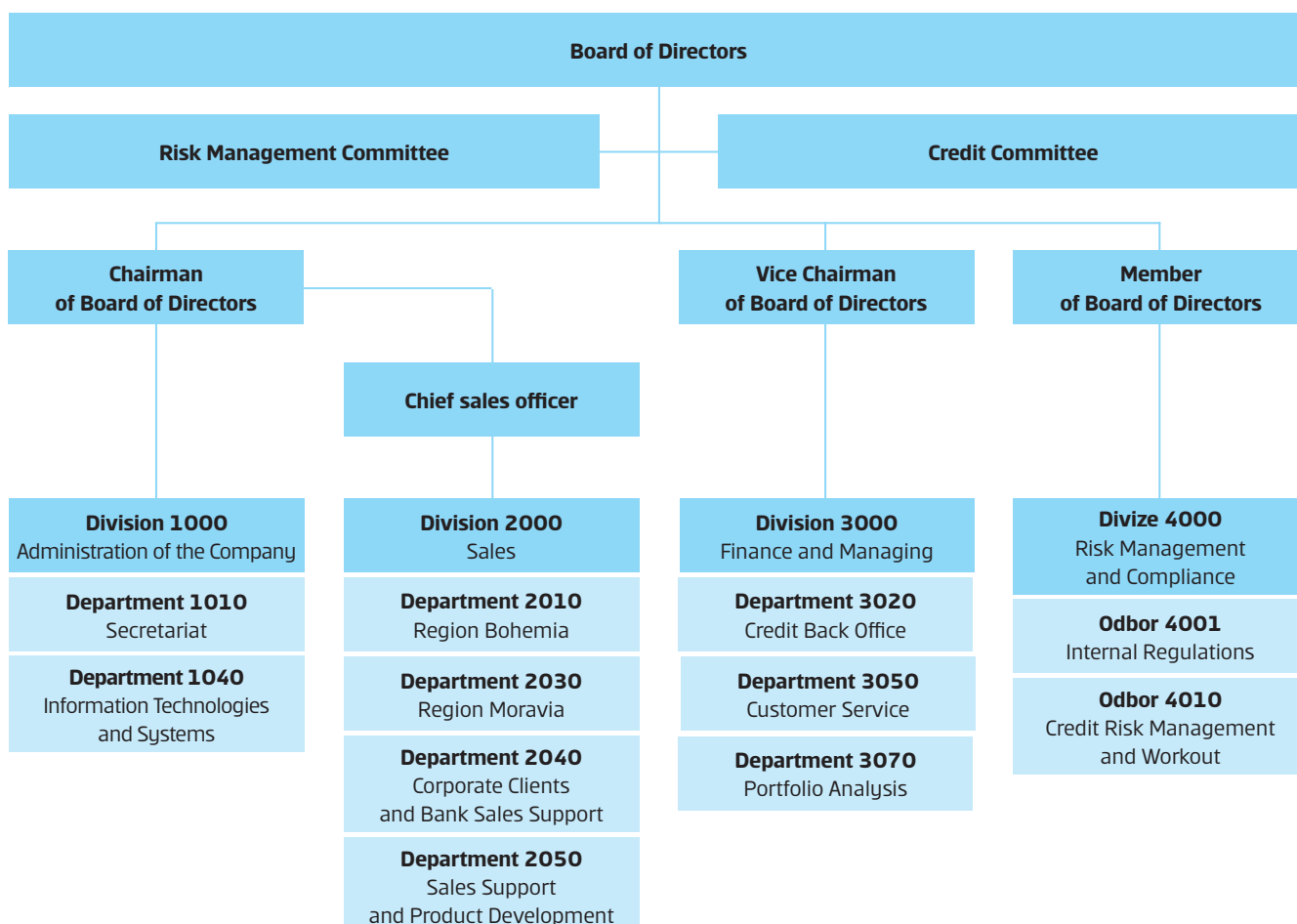
1.3 Organisational Structure of the Company

The Company has no foreign branch.

The financial statements have been prepared in accordance with the valid Czech accounting legislation as separate financial statements for the year ended 31 December 2019. Consolidated financial statements prepared in accordance with International Financial Reporting Standards for the smallest group of entities within the Erste Bank group (Česká spořitelna Financial Group (CSFG)), the Company being part of it, are prepared by the parent company Česká spořitelna, a.s., and published on its website. Consolidated financial statements for the entire group and the largest group of entities of Erste Group Bank are prepared and published on its website by Erste Group Bank AG, based in Austria.

1.2 Changes and Amendments in the Commercial Register

In the Commercial Register kept at the Municipal Court in Prague, changes in the composition of the Company's Supervisory Board were noted in 2019. On 1 January 2019 Radka Turková became a member of the Board of Directors and Mr. Tomáš Veverka became a vice-chairman. On 3 June 2019 Miloš Toman became a member of the Supervisory Board.



1.4 Group Identification

The Company is part of the Česká spořitelna, a.s., financial group. The Company is included in the consolidated group of Česká spořitelna, a.s.

1.5 Board of Directors and Supervisory Board as at 31 December 2019

	Position	Name
Board of Directors	Chairman	Wilfried Reinhard Elbs
	Vice-Chairman	Tomáš Veverka
	Member	Radka Turková
Supervisory Board	Chairman	Jan Seger
	Vice-Chairman	Roman Pařil
	Member	Petr Vacek
	Member	Miloš Toman

2. Accounting Methods and General Accounting Principles

The Company's accounting is maintained and the financial statements were prepared in accordance with Accounting Act 563/1991 Coll., as amended; Regulation 500/2002 Coll., which provides implementation guidance on certain allowances of the Accounting Act for reporting entities which maintain a double-entry bookkeeping system and Czech Accounting Standards for Businesses, as amended.

The accounting is maintained in compliance with general accounting principles, specifically the historical cost valuation basis, the accrual principle, the prudence concept and the going concern assumption.

These financial statements are presented in thousands of Czech crowns (CZK), unless stated otherwise.

3. Summary of Significant Accounting Policies

3.1 Tangible and Intangible Fixed Assets

Tangible fixed assets include asset for a separate technical-economic purpose with physical substance which have an estimated useful life greater than one year and a cost greater than CZK 40 thousand on an individual basis.

Intangible fixed assets include asset for a separate technical-economic purpose without physical substance which have an estimated useful life greater than one year and a cost greater than CZK 60 thousand.

Purchased tangible and intangible fixed assets are recorded at their acquisition costs, which consist of the purchase price and related costs (assembly, freight, etc.).

The assets acquired based on the collateralized transfer of the ownership right from loan contracts are recorded in tangible fixed assets in the amount of outstanding receivables from customers.

The cost of fixed asset improvements exceeding CZK 40 thousand and CZK 40 thousand in aggregate for individual tangible and intangible fixed assets, respectively for the taxation period increases the acquisition cost of the related fixed asset.

Tangible assets with a cost below CZK 40 thousand which are not included in the selected low value fixed assets, technical improvements and intangible assets with a cost below CZK 60 thousand are charged to expenses in the period in which they were acquired.

Depreciation for accounting purposes

Assets used by the Company

Assets are depreciated using the straight line method over their estimated useful lives.

Irrespective of their value, art works and assets under construction are not depreciated.

The depreciation periods of the individual asset categories are as follows:

Asset category	Depreciation period in years
Machinery and equipment	4–12
Vehicles	4
Furniture and fixtures	4–6
Software, licenses and other intangible assets	4

Commencement of Depreciation

Depreciation of tangible and intangible fixed assets for internal use begins in the month following the month the assets are put into use.

Depreciation of leased movable assets commences in the month following the month the assets are put into use by the lessee, based on a putting-into-use record received.

Impairment of Leased Assets and Receivables

Allowances to impaired tangible and intangible fixed assets are established and updated as the difference between the carrying value of the relevant asset and its market value, based on a review of prematurely terminated contracts. The allowance is created as the full amount of the estimated difference less any underlying collateral.

Allowances to impaired leased tangible and intangible fixed assets for active contracts is calculated based on the exposure level to which a percentage based on the probability of loss of individual contracts is applied.

The impairment is assessed using a statistical model, which determines a specific impairment allowance for each contract. The level of the allowance depends on the category defined by Czech National Bank ("CNB"), the length of collection period and the course of collection.

For reporting purposes, this calculated allowance is then divided into an allowance to assets and an allowance to receivables, based on an analysis of the whole portfolio by commodity, reflecting the share of allowances arising from prematurely terminated transactions which are created separately against assets (see above) and against receivables (see Note 3.3).

An allowance to advances on tangible fixed assets is created on the basis of an analysis of the entity to which the advance was made.

3.2 Long-term financial assets

Long-term financial assets are equity investments.

3.2.1 Ownership Interests in Subsidiaries

Ownership interests are valued at their acquisition cost upon purchase. The acquisition cost of securities and ownership interests includes direct costs related to the acquisition, e.g. fees and commissions paid to agents, advisors and stock exchanges.

At the date of acquisition of securities and ownership interests, the Company classifies these non-current financial assets based on their underlying characteristics as investments in subsidiaries and in associates.

Investments in companies in which the Company has the power to govern the financial and operating policies so as to obtain benefits from their operations are classified as "Subsidiaries".

As at the balance sheet date, investments in subsidiaries are valued as follows:

- Ownership interests in subsidiaries are valued under the equity method,
- Ownership interests recorded at acquisition cost upon acquisition are revalued at the balance sheet date to reflect the value of the Company's share of the subsidiary's equity.

3.3 Receivables

Long-term trade receivables include loans with a maturity of over one year. Long-term trade receivables – represent the principal of consumer loans provided to individuals, entrepreneurs or legal entities.

Long-term receivable is receivable which is payable after more than one year from the balance sheet date.

Upon origination, receivables are stated at their nominal value as subsequently reduced by appropriate allowances against doubtful and bad amounts.

Receivables consist of outstanding lease payments and the aggregate balance of amounts due from instalment sales and granted consumer loans.

For policy for impairment of leased assets and receivables (see Note 3.1).

Allowances to receivables arising from penalties are recognised in respect of the entire carrying value of these receivable balances.

3.4 Inventory

Seized assets from Stock financing are valued on the basis of the estimated net realizable amount and accounted for as Goods.

3.5 Equity

The share capital of the Company is stated at the amount recorded in the Commercial Register maintained in the Municipal Court. Other capital funds consist of monetary contributions in excess of share capital.

General Meeting may decide to establish a reserve fund from profits and to allocate the net income (or part) as reported in the annual financial statements to the reserve fund. The reserve fund can be used to cover the loss or for any other purpose approved by the General Meeting.

3.6 Trade payables

Trade payables are recorded at their nominal values.

3.7 Loans Received

Loans are stated at their outstanding nominal value. Loan interest is recorded on the accrual basis and included in the profit or loss for the period to which it belongs to.

Any portion of long-term debt which is due within one year of the balance sheet date is classified as short-term debt.

3.8 Provisions

Provisions are created in order to cover future payables or expenses the purpose of which is known and is probable that they will arise although their amount and date of arising are usually uncertain.

3.9 Foreign Currency Translation to the Czech Currency

Assets and liabilities acquired in a foreign currency are translated and recorded in CZK at the rate of exchange valid as at the transaction date and at the balance sheet date, the monetary items were translated at the exchange rate valid on 31 December published by the Czech National Bank.

All exchange gains and losses on cash, receivables and liabilities balances are recorded in the income statement all together while in previous years they were reported separately.

3.10 Taxes

3.10.1 Depreciation of Fixed Assets for Tax Purposes

Assets held under finance leases from contracts concluded since 1 January 2008 are depreciated in accordance with § 31 of Act No. 586/1992 Coll., on Income Taxes as amended, as this method appropriately spreads depreciation over the lease term.

3.10.2 Current Tax Payable

The current tax payable is based on taxable profit for the reporting period.

Taxable profit differs from the net profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible, further adjusted by tax allowances and potential credits of tax paid abroad.

The current tax payable is determined using tax rates applicable as at the balance sheet date.

3.10.3 Deferred tax

Deferred tax is accounted for using the balance sheet liability method.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent to which it is no longer probable that sufficient taxable profit will be available to allow all or part of the asset to be recovered.

Deferred tax is charged or credited to the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also included in equity.

Deferred tax assets and liabilities are offset and reported on an aggregate net basis in the balance sheet, except when partial tax assets cannot be offset against partial tax liabilities.

3.11 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of fixed assets are added to the cost of those assets.

3.12 Revenue Recognition

Revenues are divided into operational and financial.

Revenues relating to future periods are recognised on the accrual basis:

- Interest from provided loans is accrued over the loan contract period and is always recognised as at the last day of the month,
- Fees for the processing of contracts are accrued on a straight-line basis over the contract period and are always recognised as at the last day of the month; Other revenues are recognised on an accrual basis into income for the period in which they were earned.

3.13 Costs

Costs are recorded on the accrual basis, i.e. in the period to which they belong to.

Dealer commissions are deferred and amortised over the contract term on a straight-line basis.

3.14 Use of Estimates

The presentation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets (specifically receivables and tangible assets) and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the reporting period. Management of the Company has made these estimates and assumptions on the basis of all the relevant information available.

3.15 Cash Flow Statement

The cash flow statement is prepared using the indirect method. Cash equivalents include current liquid assets which is easily convertible into cash in an amount known in advance.

4. Balance Sheet and Income Statement – Additional Information

4.1 Fixed assets

4.1.1 Intangible Fixed Assets

Acquisition cost

CZK ths.	As at 1 January 2018	Additions	Disposals	As at 31 December 2018	Additions	Disposals	As at 31 December 2019
Royalties	18,836	1,352	–	20,188	875	(1,492)	19,571
Software	143,948	11,499	–	155,447	3,597	(15,914)	143,130
Total	162,784	12,851	–	175,635	4,472	(17,406)	162,701

Accumulated amortisation

CZK ths.	As at 1 January 2018	Additions	Disposals	As at 31 December 2018	Additions	Disposals	As at 31 December 2019
Royalties	(14,960)	(1,032)	-	(15,992)	(738)	1,491	(15,239)
Software	(116,916)	(7,110)	-	(124,026)	(8,695)	15,914	(116,807)
Total	(131,876)	(8,142)	-	(140,018)	(9,433)	17,405	(132,046)

Net book value

CZK ths.	As at 1 January 2018	As at 31 December 2018	As at 31 December 2019
Royalties		3,876	4,332
Software		27,032	26,323
Total, incl. allowances		30,908	30,655

All the intangible fixed assets are used by the Company.

Amortisation of intangible fixed assets.

CZK ths.	2018	2019
Total	8,142	9,433

4.1.2 Tangible Fixed Assets

4.1.2.1 Own Tangible Fixed Assets

Acquisition costs

CZK ths.	As at 1 January 2018	Additions	Disposals	As at 31 December 2018	Additions	Disposals	As at 31 December 2019
Individual movable assets	34,179	6,619	(2,344)	38,454	24,041	(24,431)	38,064
- Machinery and equipment	20,576	2,067	(95)	22,548	-	(22,118)	430
- Vehicles	13,603	4,552	(2,249)	15,906	1,997	(2,313)	15,590
- IT equipment	-	-	-	-	22,044	-	22,044
Tangible fixed assets in the course of construction	-	589	-	589	1,616	(2,205)	-
Total	34,179	7,208	(2,344)	39,043	25,657	(26,636)	38,064

Accumulated depreciation

CZK ths.	As at 1 January 2018	Additions	Disposals	As at 31 December 2018	Additions	Disposals	As at 31 December 2019
Individual movable assets	(18,166)	(4,633)	1,650	(21,149)	(21,037)	17,083	(25,103)
- Machinery and equipment	(14,160)	(2,048)	95	(16,113)	(6)	15,768	(351)
- Vehicles	(4,006)	(2,585)	1,555	(5,036)	(3,154)	1,315	(6,875)
- IT equipment	-	-	-	-	(17,877)	-	(17,877)
Total	(18,166)	(4,633)	1,650	(21,149)	(21,037)	17,083	(25,103)

*Additions and disposals to accumulated depreciation include both the additions and disposals to accumulated depreciation and the net book value of fixed assets sold and/or damaged.

Net book value

CZK ths.	As at 1 January 2018	As at 31 December 2018	As at 31 December 2019
Individual movable assets	16,013	17,305	12,961
– Machinery and equipment	6,416	6,435	79
– Vehicles	9,597	10,870	8,715
– IT equipment	–	–	4,167
Tangible fixed assets in the course of construction	–	589	–
Total	16,013	17,894	12,961

Depreciation of tangible fixed assets

	31 December 2018	31 December 2019
Total	4,633	5,552

4.1.2.2 Tangible Leased Fixed Assets and Seized Assets

Acquisition cost

CZK ths.	As at 1 January 2018	Additions	Disposals	As at 31 December 2018	Additions	Disposals	As at 31 December 2019
Individual movable assets	1,577,309	678,328	(603,938)	1,651,699	454,148	(508,854)	1,596,993
– Machinery and equipment	145,356	–	(52,380)	92,976	–	(53,255)	39,721
– Vehicles	1,370,622	586,301	(437,227)	1,519,696	390,180	(387,560)	1,522,316
– Furniture and fixtures	5,126	–	(3,215)	1,911	–	–	1,911
– Seized assets from client loans	56,205	92,027	(111,116)	37,116	63,968	(68,039)	33,045
Tangible fixed assets in the course of construction	–	586,291	(586,291)	–	390,279	(390,279)	–
Advances paid for tangible fixed assets	–	4,265	(4,265)	–	–	–	–
Total	1,577,309	1,268,884	(1,194,494)	1,651,699	844,427	(899,133)	1,596,993

Accumulated depreciation

CZK ths.	As at 1 January 2018	Additions	Disposals	As at 31 December 2018	Additions	Disposals	As at 31 December 2019
Individual movable assets	(717,981)	(567,865)	603,928	(681,917)	(492,133)	508,485	(665,566)
– Machinery and equipment	(118,492)	(11,941)	52,379	(78,054)	(6,755)	53,256	(31,553)
– Vehicles	(595,270)	(444,409)	437,217	(602,462)	(417,502)	387,544	(632,420)
– Furniture and fixtures	(4,219)	(398)	3,215	(1,402)	(191)	–	(1,593)
– Seized assets from client loans	–	(111,117)	111,117	–	(67,685)	67,685	–
Total	(717,981)	(567,865)	603,928	(681,917)	(492,133)	508,485	(665,566)

* Additions and disposals to accumulated depreciation include both the additions and disposals to accumulated depreciation and the net book value of fixed assets sold and/or damaged.

Allowances

CZK ths.	As at 1 January 2018	Additions	Disposals	As at 31 December 2018	Additions	Disposals	As at 31 December 2019
Allowances to equipment	(47,526)	(136,092)	125,135	(58,483)	(85,376)	94,652	(49,207)
– Allowances to tangible fixed assets	(8,648)	(66,501)	48,355	(26,794)	(42,217)	47,107	(21,904)
– Allowances to seized assets from client loans	(38,878)	(69,591)	76,780	(31,689)	(43,159)	47,545	(27,303)
Total	(47,526)	(136,092)	125,135	(58,483)	(85,376)	94,652	(49,207)

Net book value

CZK ths.	As at 1 January 2018	As at 31 December 2018	As at 31 December 2019
Individual movable assets	811,802	911,299	882,220
– Machinery and equipment	26,864	14,923	8,168
– Vehicles	766,703	890,440	867,992
– Furniture and fixtures	908	509	318
– Seized assets from client loans	17,327	5,427	5,742
Total	811,802	911,299	882,220

Depreciation of tangible fixed assets

CZK ths.	31 December 2018	31 December 2019
Total	276,387	277,002

Leasing portfolio structure

Commodity	Portfolio share in % 2018	Portfolio share in % 2019
Passenger cars	60.83%	60.28%
Commercial vehicles	14.62%	19.89%
Trucks	18.48%	17.47%
Trailer and semi-trailer	1.07%	0.00%
Tractor units	1.17%	0.00%
Buses	1.73%	1.15%
Ship and railway technology	0.41%	0.26%
Total traffic engineering	98.31%	99.05%
Machinery	0.40%	0.29%
Interior and service equipment	0.57%	0.17%
Other purpose machines	0.26%	0.00%
Energy machines	0.24%	0.00%
Other machinery and equipment	0.22%	0.49%
Total machinery and equipment	1.69%	0.95%
Total net book value excl. allowances	100.00%	100.00%

4.1.3 Long-term Investments

Ownership Interests in Subsidiaries

As at 31 December 2019, the Company holds 100% ownership interest in DINESIA a.s. (former Leasing České spořitelny, a.s.). The ownership interest in DINESIA a.s. was acquired based on a contract, from Česká spořitelna, a.s., in 2008.

As at 31 December 2019, the Company holds 100% ownership interest in s Autoleasing SK, s. r. o.; the ownership interest was acquired through establishing a subsidiary in 2012.

2019

Subsidiaries CZK ths.	As at 1 January 2019	Additions	Revaluation	As at 31 December 2019
DINESIA a.s.	6,932	–	3,620	10,552
s Autoleasing SK, s.r.o.	109,324	1,958	–	111,282
Total	116,256	1,958	3,620	121,834

2018

Subsidiaries CZK ths.	As at 1 January 2018	Additions	Revaluation	As at 31 December 2018
DINESIA a.s.	20,250	–	(13,318)	6,932
s Autoleasing SK, s.r.o.	101,475	7,849	–	109,324
Total	121,725	7,849	(13,318)	116,256

Acquisition cost

Name CZK ths.	Registered office	Acquisition price	Voting rights	Equity	Profit for the year	Dividends and other income per year	Valuation as at 31 December 2019
DINESIA a.s.	Střelničná 8/1680, Prague 8	2,105	100%	10,552	3,620	–	10,552
s Autoleasing SK, s.r.o.	Vajnorská 100/A, Bratislava	40,538	100%	111,282	3,297	–	111,282
Total		42,643		121,834	6,917	–	121,834

*Data for the year 2019 are based on audited Financial Statements.

4.2 Inventory

4.2.1 Goods

Acquisition cost

CZK ths.	As at 31 December 2018	As at 31 December 2019
Seized assets from stock financing	2,660	–
Total	2,660	–

Changes in allowances

CZK ths.	As at 1 January 2018	Additions	Disposals	As at 31 December 2018	Additions	Disposals	As at 31 December 2019
Allowance – Seized assets from stock financing	(4,330)	–	1,670	(2,660)	–	2,660	–
Total	(4,330)	–	1,670	(2,660)	–	2,660	–

4.3 Long-term Receivables

The Company records long-term trade receivables from loan contracts with maturity over one year. These receivables are all due to be paid.

Gross value

CZK ths.	As at 1 January 2018	Change in loans	As at 31 December 2018	Change in loans	As at 31 December 2019
Loans granted – private person	1,806,710	172,436	1,979,146	(120,466)	1,858,680
Loans granted – entrepreneur / legal entity	3,650,539	685,951	4,336,490	492,475	4,828,965
Total	5,457,249	858,387	6,315,636	372,009	6,687,645

Allowances

CZK ths.	As at 1 January 2018	Additions	Disposals	As at 31 December 2018	Additions	Disposals	As at 31 December 2019
Allowance – private person	(2,733)	(43,250)	24,639	(21,344)	(23,718)	34,320	(10,742)
Allowance – Entrepreneur / legal entity	(9,343)	(233,003)	158,775	(83,572)	(155,272)	180,605	(58,239)
Total	(12,076)	(276,253)	183,414	(104,916)	(178,990)	214,925	(68,981)

Net value

CZK ths.	As at 1 January 2018	As at 31 December 2018	As at 31 December 2019
Loans granted – private person	1,803,977	1,957,802	1,847,938
Loans granted – entrepreneur / legal entity	3,641,196	4,252,918	4,770,726
Total	5,445,173	6,210,720	6,618,664

4.4 Short-term Receivables

4.4.1 Aging of Trade Receivables

Trade receivables represent the aggregate of receivables arising from lease instalments, instalment sales and loan contracts.

CZK ths.	As at 31 December 2018	As at 31 December 2019
Receivables from instalment sales	10,827	10,823
Receivables from lease instalments	12,602	7,983
Receivables from consumer loans	2,912,580	3,254,750
Other receivables	136	1,888
Total receivables	2,936,145	3,275,444

Year CZK ths.	Before due date	Past due					Total
		0–90 days	91–180 days	181–360 days	1–2 years	More than 2 years	
2019							
Gross	3,168,723	25,054	9,730	15,256	17,558	39,123	3,275,444
Allowance							(141,643)
Net							3,133,801
2018							
Gross	2,781,085	29,410	30,636	43,692	14,930	36,394	2,936,147
Allowance							(198,730)
Net							2,737,417

4.4.2 Allowances to Short-term Receivables

CZK ths.	As at 1 January 2018	Additions	Disposals	As at 31 December 2018	Additions	Disposals	As at 31 December 2019
Current contracts	(5,644)	(125,882)	84,077	(47,449)	(93,347)	104,821	(35,975)
Prematurely terminated contracts	(72,629)	(164,677)	148,688	(88,618)	(133,683)	161,778	(60,523)
Contractual penalties	(24,965)	(24,770)	22,429	(27,306)	(15,096)	23,225	(19,177)
Bankruptcy	(27,463)	(18,590)	10,697	(35,356)	(7,811)	17,199	(25,968)
Total allowances to receivables	(130,701)	(333,919)	265,892	(198,730)	(249,937)	307,023	(141,643)
Stock financing	(47,108)	(87,167)	73,765	(60,510)	(171,127)	123,982	(107,655)
Total allowances to receivables	(177,809)	(421,086)	339,656	(259,240)	(421,064)	431,005	(249,298)

4.4.3 Short-term Receivables including Intercompany Receivables

Company name CZK ths.	As at 31 December 2018	As at 31 December 2019
Česká spořitelna, a.s.	1,136	1,144
s Autoleasing SK, s.r.o.	–	1,888
Total short-term intercompany receivables	1,136	3,032
Receivables to third parties	4,360,062	4,868,619
Total short-term receivables (gross)	4,361,198	4,871,651

4.5 Other receivables

4.5.1 Tax receivables and Short-term Advances Paid

Tax receivables include receivables arising from income tax and VAT.

The advance payments include in particular items related to facility management and advances paid to suppliers in the ordinary course of business.

4.5.2 Estimated receivables

CZK ths.	As at 31 December 2018	As at 31 December 2019
Insurance commissions	8,640	11,990
Other	1,038	832
Interest income on dealer loans	15,134	18,517
Unbilled receivables	–	1,200
Total estimated receivables	24,812	32,539

4.5.3 Other receivables

CZK ths.	As at 31 December 2018	As at 31 December 2019
Short-term loan to suppliers – Gross	1,390,512	1,552,167
Loan allowances	(60,510)	(107,655)
Short-term loan to suppliers – Net	1,330,002	1,444,512
Other receivables	4	4
Total other receivables	1,330,006	1,444,516

Other receivables include short-term loans provided to the suppliers of leased assets.

4.6 Cash

CZK ths.	As at 31 December 2018	As at 31 December 2019
Cash in hand	101	376
Cash at bank	31,769	28,438
Total cash	31,870	28,814

4.7 Prepaid expenses

Prepaid expenses include supplied services invoiced in the current period but related partially to the subsequent period. These expenses will be charged against income in the period to which they relate on the accrual basis.

Prepaid expenses include commissions for the mediation of business transactions. The commission expenses are charged against income over the term of the lease and loan contract.

Accrued income include unbilled lease revenues and unbilled interest on loans granted, which are recognized into income in the year in which they were earned.

4.8 Deferred tax

Deferred tax asset can be analysed as follows:

Deferred tax arising from CZK ths.	As at 1 January 2018	Additions	Disposals	As at 31 December 2018	Additions	Disposals	As at 31 December 2019
Net book value of fixed assets	60,677	7,088	–	67,765	8,075	–	75,840
Non-current financial assets	(3,447)	2,530	–	(917)	–	(688)	(1,605)
Allowances to fixed assets	9,853	–	(3,327)	6,526	2,823	–	9,349
Allowances to receivables	8,229	6,076	–	14,305	–	(14,305)	–
Reserves and allowances for loans	–	–	–	–	5,382	–	5,382
Unpaid social security and health insurance	2,778	3,034	(2,778)	3,034	191	–	3,225
Total	78,090	18,728	(6,105)	90,713	16,471	(14,993)	92,191

The increase of deferred tax asset in the year 2019 of CZK 1,478 thousand (2018: CZK 12,623 thousand) was recognized in the amount of CZK (688) thousand (2018: (5,563) thousand) in equity and in the amount of CZK 2,166 thousand (2018: (7,060) thousand) as income tax.

4.9 Equity

The Annual General Meetings held on 24 June 2019 approved the profit distribution for 2018 (see Statement of Changes in Shareholders' Equity). In accordance with its Articles of Association, the Company allocated a portion of profit to the reserve fund in amount of CZK 6,157 thousand.

Disposable profit for year 2018 in amount CZK 116,987 thousand, was transferred into the retained earnings account.

The Company expects to use the profit of 2019 to allocation to reserve fund and retained earnings.

4.9.1 Differences Arising from Revaluation of Assets and Liabilities

Ownership interest CZK ths.	Revaluation as at 1 January 2018	Additions	Disposals	Revaluation as at 31 December 2018	Additions	Disposals	Revaluation as at 31 December 2019
DINESIA a.s.	18,145	–	(13,318)	4,827	3,620	–	8,447
s Autoleasing SK, s.r.o.	(30,277)	7,849	–	(22,428)	1,959	–	(20,469)
Deferred tax arising from revaluation differences	(3,447)	2,530	–	(917)	–	(688)	(1,605)
Total revaluation	(15,579)	10,379	(13,318)	(18,518)	5,579	(688)	(13,627)

4.10 Provisions

In the 2019 the Company used part of the provision for litigation in amount of CZK 8,367 thousand. At the end of 2019, the provision amounted to CZK 4,041 thousand (2018: CZK 12,408 thousand).

4.11 Bank loans and Borrowings

4.11.1 Bank Loans

CZK ths.	As at 31 December 2018	As at 31 December 2019
Long-term bank loans	5,143,889	6,618,793
Short-term bank loans	4,571,937	3,806,974
Total bank loans	9,715,826	10,425,767

2019

Bank/Creditor CZK ths.	As at 31 December 2019	Type of collateral	Currency
Česká spořitelna, a.s.	9,514,089	no collateral	CZK
Česká spořitelna, a.s.	308,305	no collateral	EUR
Raiffeisenbank a.s.	308,506	bank guarantee	CZK
UniCredit Bank Praha	128,472	bank guarantee	CZK
UniCredit Bank Praha	86,395	bank guarantee	EUR
ING Bank	80,000	no collateral	CZK
	10,425,767		

2018

Bank/Creditor CZK ths.	As at 31 December 2018	Type of collateral	Currency
Česká spořitelna, a.s.	7,792,338	no collateral	CZK
Česká spořitelna, a.s.	232,028	no collateral	EUR
Raiffeisenbank a.s.	556,899	bank guarantee	CZK
ING Bank N.V.	800,000	no collateral	CZK
UniCredit Bank Praha	236,806	bank guarantee	CZK
UniCredit Bank Praha	97,755	bank guarantee	EUR
	9,715,826		

4.11.2 Payment Schedule of Bank Loans as at 31 December 2019

Bank/Creditor CZK ths.	2020	2021	2022	2023	2024	2025	2026	2027	Total
Raiffeisenbank a.s.	159,423	91,917	38,833	15,000	3,333	-	-	-	308,506
UniCredit Bank Praha	165,561	38,889	10,417	-	-	-	-	-	214,867
ING	80,000	-	-	-	-	-	-	-	80,000
Česká spořitelna, a.s.	3,401,990	2,551,064	1,824,489	1,144,400	612,361	206,527	61,522	20,041	9,822,394
Total	3,806,974	2,681,870	1,873,739	1,159,400	615,694	206,527	61,522	20,041	10,425,767

In accordance with applicable accounting standards, a portion of loans due by 31 December 2019 is presented in short-term bank loans.

Based on existing framework agreements with banks, the Company anticipates ongoing re-financing of the current portions of loans with new sources on a short- or medium-term basis. Management of cash flow is carried out on a regular short- and medium-term basis in cooperation with the parent bank.

4.12 Current Liabilities

4.12.1 Short-term Advances Received

Short-term advances received totalling CZK 66,588 thousand (31 December 2018: CZK 64,174 thousand) include in particular payments received before the receivable due date.

4.12.2 Aging of Current Trade Payables

Before due date CZK ths.	As at 31 December 2018	As at 31 December 2019
Current trade payables	5,356	1,196

The Company has no overdue trade payables.

Current trade payables comprise payables to suppliers.

4.12.3 Other Short-term Liabilities

CZK ths.	As at 31 December 2018	As at 31 December 2019
Liabilities to employees	5,432	5,690
Liabilities from social security	2,745	2,718
Due to government – taxes	1,828	1,216
Estimated payables	101,475	90,228
– unbilled deliveries	78,884	67,213
– other	22,591	23,015
Other liabilities	5,437	5,277
Total Short-term liabilities	116,917	105,129

Overview of short-term liabilities from the perspective of related parties is disclosed in the following table:

Company name CZK ths.	As at 31 December 2018	As at 31 December 2019
Česká spořitelna, a.s. – loan interest	7,594	12,149
Česká spořitelna, a.s. – risk participation	1,748	1,731
Total short-term intercompany payables	9,342	13,880

Other liabilities include fees for guarantees received from Česká spořitelna, a.s., due to participation in the risk related to business transactions concluded which will be offset with outstanding receivables from prematurely terminated contracts once final settlement with the customer is completed.

4.13 Deferred Income

CZK ths.	As at 31 December 2018	As at 31 December 2019
Lease instalments	81,258	70,749
Fee for entering into agreements	16,767	8,064
Total deferred income	98,025	78,813

4.14 Revenues from Ordinary Activities by Principal Activity

CZK ths.	2018	2019
Loan item sales (sales of goods)	31	833
Sales of goods total	31	833
Finance lease	202,518	192,996
Operating lease	108,571	127,055
Other	15,202	18,007
Total lease (sales of own products and services)	326,291	338,058
Commissions for the mediation of insurance	50,064	52,092
Revenues from fees for loan agreements conclusion and processing	15,738	8,754
Revenues from other fees	27,786	25,589
Other revenues	4,401	569
Total revenues from the sale of products and services	424,280	425,062
Total revenues from the sale of goods, products and services	424,311	425,895

All revenues from ordinary activities come from the Czech Republic market.

4.15 Related Party Transactions

4.15.1 Revenues Generated from Related Party Transaction

Entity CZK ths.	Relation to company	2018	2019
Česká spořitelna, a.s.	Parent company	79	3,419
s Autoleasing SK, s.r.o.	Subsidiary	5,031	1,761
Stavební spořitelna, a.s.	Sister company	96	49
Erste Leasing, a.s.	Sister company	172	12
Factoring České spořitelny, a.s.	Sister company	9	30
Česká spořitelna – penzijní společnost, a.s.	Sister company	18	12
Erste Grantika advisory, a.s.	Sister company	15	10
Věrnostní program iBOD, a.s.	Sister company	154	122
Procurement Services CZ, s.r.o.	Other related party	1,099	188
Total		6,713	5,603

4.15.2 Expenses Incurred from Related Party Transactions

2019

Entity CZK ths.	Relation to Company	Services	Other costs	Finance cost	Total
Česká spořitelna, a.s.	Parent company	16,319	4,941	133,427	154,687
S Autoleasing SK, s.r.o.	Subsidiary	–	9	–	9
Procurement Services CZ, s.r.o.	Other related party	234	–	–	234
Total		16,553	4,950	133,427	154,930

2018

Entity CZK ths.	Relation to Company	Services	Other costs	Finance cost	Total
Erste Group Bank AG	Other related party	355	–	–	355
Česká spořitelna, a.s.	Parent company	21,629	966	105,845	128,440
Procurement Services CZ, s.r.o.	Other related party	69	(413)	–	(344)
Total		22,053	553	105,845	128,451

4.16 Consumption

CZK ths.	2018	2019
Consumed material	1,687	3,536
Energy and fuel consumption	2,741	923
Total consumption of material and energy	4,428	4,459

4.17 Services

CZK ths.	2018	2019
Marketing	26,587	25,773
Statutory auditor's fees	1,650	1,442
Services related to the extraordinary termination of contracts	9,485	8,191
Professional services – agreements	13,969	14,624
Training	1,050	1,015
Telephone, fax, postal charges	2,316	2,072
Repairs and maintenance	3,712	4,758
Travel expenses	465	683
Outsourcing	4,324	4,316
Commissions for trade partners	342,198	321,470
Rental	7,682	7,919
Other services related to leasing	15,022	20,063
Other	14,494	20,550
Total	442,955	432,876

4.18 Staff Costs and Number of Employees

The average number of employees and staff costs in 2019 and 2018 are as follows:

2019

CZK ths.	Number	Wages and salaries	Bonuses to members of statutory bodies	Social security and health insurance	Other costs	Total staff costs
Employees	101	63,610	–	21,895	4,961	90,466
Management	10	17,535	9,555	6,827	543	34,460
Total	111	81,145	9,555	28,722	5,504	124,926

2018

CZK ths.	Number	Wages and salaries	Bonuses to members of statutory bodies	Social security and health insurance	Other costs	Total staff costs
Employees	100	60,302	–	20,915	4,732	85,949
Management	9	17,536	7,835	6,288	539	32,198
Total	109	77,838	7,835	27,203	5,271	118,147

Management includes the Board of Directors and executive management.

4.18.1 Provided Loans, Credits and other Items

Members of the Board of Directors received the following loans and compensation in excess of their base salaries:

CZK ths.	2018	2019
Contribution to life and pension insurance	64	55
Passenger cars / other movable and immovable items with the possibility of personal use (data represent an amount by which the tax base of employees is increased)	823	282
Other items (increase of tax base – personal fuel consumption)	174	50
Total	1,061	387

4.19 Other Operating Income

CZK ths.	2018	2019
Fixed assets sold	220,314	160,942
Other operating income: of which	124,171	91,178
Contractual fines and interest on late payments	25,530	14,955
Loss compensation	89,003	65,182
Re-charge and insurance premium proceeds	2,897	1,946
Income from ceded and written-off receivables	4,691	5,972
Other income except for leases	2,050	3,123
Total other operating income	344,485	252,120

4.20 Other Operating Expense

CZK ths.	2018	2019
Net book value of sold fixed assets	268,280	190,124
Taxes and fees	1,823	1,865
Provisions from operating activities	6,696	(8,367)
Other operating expenses, of which:	86,775	122,227
Other operating expenses	9,124	8,618
Costs of ceded receivables	40,122	79,832
Write off of receivables	2,942	2,131
Insurance premium cost	6,064	5,639
Shortages and losses in operating activities	28,523	26,007
Total other operating expenses	363,574	305,849

4.21 Revenue from Other Long-Term Financial Assets

CZK ths.	2018	2019
Revenue from profit share (DINESIA,a.s.)	15,000	–
Total	15,000	–

4.22 Interest Income

CZK ths.	2018	2019
Interest on loans granted to private persons (non-entrepreneurs)	303,505	282,187
Interest on loans granted to private persons (entrepreneurs) and legal entities	374,293	415,189
Interest – other debtors	31,153	46,649
Total	708,951	744,025

4.23 Interest Expense

CZK ths.	2018	2019
Interest on loans	108,133	158,495
Interest on overdrafts	918	3
Total	109,051	158,498

4.24 Other Finance Income

CZK ths.	2018	2019
Foreign exchange gains	–	2,007
Other	444	453
Total	444	2,460

4.25 Other Finance Cost

CZK ths.	2018	2019
Bank fees	5,191	6,653
Other exchange losses	1,270	–
Total	6,461	6,653

4.26 Tax on Ordinary Activities

The tax charge for the year can be reconciled to the result per the income statement as follows:

CZK ths.	As at 31 December 2018	As at 31 December 2019
Profit before taxes	159,518	153,572
Tax non-deductible items	244,647	209,159
Tax deductible items	(172,841)	(158,223)
Tax base	231,324	204,508
Tax base decrease – gifts	–	–
Tax base adjusted	231,324	204,508
Tax at local income tax rate of 19% (2018: 19%)	43,951	38,857
Additional tax assessment/refund	(517)	509
Tax current	43,434	39,366
Tax deferred	(7,060)	(2,166)
Total tax on ordinary activities	36,374	37,200

5. Contingent Assets and Liabilities

As at 31 December 2019, the Company was not party to any litigation whose outcome would have a material impact on the Company.

As at the balance sheet date, the Company has no contractual commitments comprising investment expenses from signed contracts.

6. Statement of Cash Flows

The cash flow statement was prepared under the indirect method. Cash and cash equivalents can be analysed as follows:

CZK ths.	31 December 2018	+ / - 2019	31 December 2019
Cash in bank	31,769	(3,331)	28,438
Liquid valuables	101	275	376
Total cash and cash equivalents	31,870	(3,056)	28,814

Cash flows from investing and financing activities are presented in the cash flow statement as uncompensated.

7. Subsequent Events

The existence of novel coronavirus (COVID-19) was confirmed in early 2020 and has spread across mainland China and beyond, including Czechia, causing disruptions to businesses and economic activity. The Company considers this outbreak to be a non-adjusting post balance sheet event. As the situation is fluid and rapidly evolving, we do not consider it practicable to provide a quantitative estimate of the potential impact of this outbreak on the Company. The impact of this outbreak on the macroeconomic forecasts, our position and results, if any, will be incorporated into our estimates of asset impairment and other provisions in 2020.

On 30 April 2020 Mr Wilfried Elbs will resign from the position of Chairman of the Board of Directors. The successor has not been elected by the date of issue of these financial statements.

No other events have occurred subsequent to year-end that would have a material impact on the financial statements as at 31 December 2019.

Prepared on 24. March 2020



Wilfried Elbs
Chairman of the Board of Directors



Tomáš Veverka
Vice Chairman of the Board of Directors

Person responsible for accounting (name, signature):



Tomáš Veverka
Vice Chairman of the Board of Directors

Person responsible for financial statements (name, signature):



Tomáš Veverka
Vice Chairman of the Board of Directors

Report on Relations between Related Parties

pursuant to Section 82 of Act No. 90/2012 Coll., the Corporations Act for the Accounting Period 2019

s Autoleasing, a. s., with its registered seat Prague 4, Budějovická 1912/64B, 140 00, Identification Number (IČ) 27 08 94 44, incorporated in the Commercial Register, Section B, File No. 8912, maintained in the Municipal court in Prague (hereinafter the "Submitter") is a member of a group (concern) in which the following relations exist between the Submitter and the controlling persons and between the Submitter and other persons controlled by the same controlling persons (hereinafter the "Related Parties").

This Report on relations between the persons listed below has been prepared in compliance with the provisions of Section 82 of Act No. 90/2012 Coll., Business Corporations, as amended, for the period from 1 January 2019 till 31 December 2019 (hereinafter the "fiscal year"). The Submitter and the persons listed below entered into the following contracts and received or made the following legal acts and other distinct measures:

A. Overview of the Group and/or Persons Whose Relations are Described (see Notes B and C below)



B. Controlling Persons

- **Česká spořitelna, a.s.**
with its registered address located in Prague 4, Olbrachtova 1929/62, 140 00, Identification No. (IČ) 45 24 47 82
Relation to the Company: directly controlling person
Description of relations – see Annex 1

- **Erste Group Bank AG**,
with its registered address located in Vienna, Am Belvedere 1, A-1100, Austria
Relation to the Company: indirectly controlling person

C. Other Related Parties

- **DINESIA a. s.**
with its registered address located in Prague 8, Střelnická 8/1680, 182 00, Identification No. (IČ) 63 99 95 79
Relation to the Company: a company directly controlled by the Submitter (subsidiary)
Description of relations – see Annex 2
- **s Autoleasing SK, s.r.o.**
with its registered address located in Bratislava, Tomášikova 48, 842 24, Identification No. (IČ) 46 806 491
Relation to the Company: a company directly controlled by the Submitter (subsidiary)
Description of relations – see Annex 3
- **Erste Leasing, a. s.**
with its registered address located in Znojmo, Horní náměstí 264/18, 669 02, Identification No. (IČ) 163 25 460
Relation to the Company: a company directly controlled by Česká spořitelna (sister company)
Description of relations – see Annex 4
- **Procurement Services CZ, s.r.o.,**
with its registered address located in Prague 4- Krč, Budějovická 1912/64b, 140 00, Identification No. (IČ) 27 63 16 21
Relation to the Company: a company directly controlled by Procurement Services GmbH
Description of relations – see Annex 4
- **Česká spořitelna – penzijní společnost, a. s.**
with its registered address located in Prague 4, Poláčkova 1976/2, postal code 140 21
Relation to the Company: a company directly controlled by Česká spořitelna (sister company)
Description of relations – see Annex 4
- **Stavební spořitelna České spořitelny, a. s.**
with its registered address located in Prague 3 Vinohradská 1632/180, 130 11
Relation to the Company: a company directly controlled by Česká spořitelna (sister company)
Description of relations – see Annex 4

- **Věrnostní program iBod, a. s.**
with its registered address located in Prague 4,
Olbrachtova 1929/62, 140 00
Relation to the Company: a company directly controlled by
Česká spořitelna (sister company)
Description of relations – see Annex 4
- **Erste Grantika Advisory, a. s.**
with its registered address located in Brno,
Jánská 448/10, 602 00
Relation to the Company: a company directly controlled by
Česká spořitelna (sister company)
Description of relations – see Annex 4

D. Other Legal Acts

During the accounting period, the Company initiated at the instigation or in the interest of the controlling party or other parties controlled by the controlling party the following legal acts and other measures related to assets exceeding 10% of the Company's equity as determined according to the last financial statements as at 31 December 2019 i.e. the amount CZK 248 683 thousand:

- The Company increased the total drawdown of loans from its parent company, Česká spořitelna, by CZK 1,798,028 thousand, from the closing balance as at 31 December 2018 CZK 8,024,366 thousand to the amount of 9,822,394 thousand as at 31 December 2019.

E. Other Factual Arrangement

s Autoleasing cooperates on group projects within Erste Group Bank. Cooperation on these group projects did not cause any harm to the Submitter. With respect to close relations within the field of providing loans and other outsourcing activities the Submitter has evaluated the relations among related parties as favorable for s Autoleasing, a.s. with low risk.

Conclusion

Considering the relations between the Submitter and the Related Parties reviewed by us it is obvious that the Submitter has not suffered any detriment from the contracts, other legal acts or other measures entered into, made or received by the Submitter in the interest or at the instigation of the Related Parties in the 2019 fiscal year.

Annex No.1 to the Related Party Report

Description of Relations to České spořitelna, a. s.

Performance received from contracts entered into in prior years:

Contract name	Contracting party	Year of conclusion	Performance description and quantity	Detriment, if any
Current account contract	Česká spořitelna, a. s.	2004	Current account maintenance	None incurred
Business cooperation contract	Česká spořitelna, a. s.	2006	Commission	None incurred
Master agency agreement on receivable portfolio administration	Česká spořitelna, a. s.	2006	Administration of receivable portfolio	None incurred
Business cooperation contract	Česká spořitelna, a. s.	2006	Participation in risk	None incurred
Contract of cooperation for securing of funds	Česká spořitelna, a. s.	2007	Patronage statement	None incurred
Credit line agreement no. 839/09/LCD	Česká spořitelna, a. s.	2009	Granting of loans	None incurred
Agreement on interrelated exchange of information throughout application KLIENT	Česká spořitelna, a. s.	2008	Use of application KLIENT	None incurred
Agreement on lease of non-residential premises	Česká spořitelna, a. s.	2012	Lease of non-residential premises in Brno, Jánská	None incurred
Agreement on lease of business premises	Česká spořitelna, a.s.	2014	Lease of non-residential premises in Prague 4, Antala Staška	None incurred
Agreement on IT services provision	Česká spořitelna, a.s.	2014	Provision of HW and SW infrastructure	None incurred
General mandate agreement on receivable portfolio	Česká spořitelna, a.s.	2014	Administration of receivable portfolio	None incurred

Agreement on lease of non-residential premises	Česká spořitelna, a. s.	2014	Lease of non-residential premises in Prague 4, Budějovická, Trianon 13B	None incurred
Agreement on lease of non-residential premises	Česká spořitelna, a. s.	2016	Lease of non-residential premises in Prague 4, Budějovická 1912/64b	None incurred
Outsourcing service contract (as amended)	Česká spořitelna, a.s.	2019	Outsourcing contract	None incurred
Agreement on lease of safe deposit boxes	Česká spořitelna, a.s.	2013 až 2015	Lease of a safe deposit box	None incurred

Summary of transactions with Českou spořitelnou, a. s. for fiscal year from 1. 1. –31. 12. 2019 (in CZK thousands):

Revenues	3,419
Costs	154,687

Other liabilities include in particular guarantees received from Česká spořitelna due to participation in the risk related to business transactions concluded which will be offset with outstanding receivables from prematurely terminated contracts once final settlement with the customer is done.

In the fiscal year, the Submitter did not pay any dividends, profit shares or equity interests.

Annex No. 2 to the Related Party Report

Description of Relations to DINESIA a. s.

Ownership interest

The Submitter is the sole shareholder of DINESIA a. s. The share capital of DINESIA a. s. as at 1.1.2019 was CZK 15,000 thousand. The Submitter reported the net value of the investment of CZK 10,552 thousand as at 31.12.2019.

Summary of transactions with DINESIA, a.s. for fiscal year 1. 1. –31. 12. 2019 (in CZK thousands):

Revenues	0
Costs	0

Annex No. 3 to the Related Party Report

Description of Relations to s Autoleasing SK, s.r.o.

Ownership interest

The Submitter is the sole shareholder of s Autoleasing SK, s.r.o. The registered capital of s Autoleasing SK, s. r.o. is CZK 127,050 thousand. The Submitter reported net value of the investment of CZK 111,282 thousand in respect of the above ownership interest.

Performance rendered in relation to contracts:

Contract name	Contracting party	Year of conclusion	Performance description and quantity	Detriment, if any
Consignment contract	s Autoleasing SK, s.r.o.	2012	Purchase of hardware, software and movable items (cars; IT technology)	None incurred
Provision of professional services contract	s Autoleasing SK, s.r.o.	2012	Provision of professional services	None incurred
Provision of services contract	s Autoleasing SK, s.r.o.	2018	Provision of IT support and services	None incurred

Summary of transactions with s Autoleasing SK, s.r.o. for fiscal year 1. 1. –31. 12. 2019 (in CZK thousands):

Revenues	1,761
Costs	9

Annex No.4 to the Related Party Report

Description of Relations to other Related Parties

Performance rendered in relation to contracts entered into in prior years:

Contract name	Contracting party	Year of conclusion	Performance description and quantity	Detriment, if any
Operating lease agreement incl. follow-up contract	Procurement Service CZ, s.r.o.	2016 až 2018	Operative leasing of transport equipment	None incurred
Leasing contracts	Stavební spořitelna, a. s.	2014	Leasing of transportation technology	None incurred
Operating lease agreement incl. follow-up contracts	Věrnostní program iBod, a. s.	2015	Operative leasing of transport equipment	None incurred
Loan agreement	Erste Grantika advisory, a.s.	2015 až 2016	Agreement on loan provision	None incurred
Mandate contract	Erste Leasing, a.s.	2018	Provision of professional services	None incurred

Performance received from contracts entered into in prior years:

Contract name	Contracting party	Year of conclusion	Performance description and quantity	Detriment, if any
Provision of services contract	Procurement Services CZ, s.r.o.	2018	Provision of services framework agreement (purchase of assets)	None incurred

Summary of other related party transactions for fiscal year 1. 1. –31. 12. 2019 (in CZK thousands):

Costs	234
Revenues	423

This report was discussed with and approved by the Company's Board of Directors on 24 March 2020.



Wilfried Elbs
Chairman of the Board of Directors



Ing. Tomáš Veverka
Vice Chairman of the Board of Directors

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