



LEASING 
České spořitelny

Annual Report 2023

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Introducing by the members of the Board of Directors



From left: Tomáš Veverka, Vice-Chairman of the Board of Directors, Radek Hejna, Member of the Board of Directors, Petr Vacek, Chairman of the Board of Directors

Dear Ladies and Gentlemen,

we have had a successful year, in which we achieved very good financial and business results. We have also worked to improve our customer service and make it more customer friendly.

In the non-bank financing market, we recorded a further increase in the volume of concluded transactions. Compared to last year, we grew by more than 7% in terms of value financed. We performed particularly well in our core market of transport equipment financing, where we grew 29.7% year-on-year, outperforming the market growth in this area.

We placed great emphasis on the development of digital sales. We successfully implemented our car financing offer in George online banking. At the same time, we have fully digitised the application process and the signing of contracts for corporate clients.

We have integrated new online insurance functionality into our core IT system for transport equipment up to 3.5 tonnes. Online insurance brings price savings for our

clients and simplifies the sales process. During 2023, we also began preparing for the online transfer of data relating to the conclusion, amendment and termination of insurance to meet the requirements of the amendment to the Motor Third Party Liability Insurance Act, which will come into force in June 2024.

Another core element of our activities was advising clients, particularly in the area of cash-flow management and the selection of the appropriate financial product for vehicle financing. In addition, we expanded our services to advise clients interested in converting their fleets to carbon-free fleets. As a novelty in this area, in cooperation with Česká spořitelna, we introduced a solution for calculating the costs of purchasing electric vehicles in the form of a smart comparison calculator. We aimed to provide our clients with objective information on cost, range, charging and other specifics.

In 2023, we also focused on Corporate Social Responsibility (CSR) activities in the areas of elderly care and child and youth safety. We directed financial support to the Traffic Foundation for Children, which helps children whose lives have been affected by the tragic consequenc-

es of traffic accidents. The second organisation we financially supported was the International Police Association, an international organisation dedicated to improving the safety of school children and pre-school children.

Our 2023 was a successful year, but it also presented important challenges. Many thanks to our employees for

their work, commitment and loyalty. We would also like to thank our business partners and colleagues from our parent company Česká spořitelna for their cooperation and, last but not least, our clients for the trust they have placed in us.



Petr Vacek
Chairman of the Board
of Directors



Tomáš Veverka
Vice-Chairman of the Board
of Directors



Radek Hejna
Member of the Board
of Directors

General information

Company name

Leasing České spořitelny, 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 2023

Petr Vacek, Chairman
Tomáš Veverka, Vice-Chairman
Radek Hejna, Member

Members of the Supervisory Board as at 31 December 2023

Jan Seger, Chairman
David Mokroš, Vice-Chairman
Andrej Šebeš, Member
Wilhelm Douda, Member

Major business activities

Provision of leasing services, consumer loans and instalment sale

Report on business activity and assets status

Macroeconomic Framework

- Demand for financial products increased in 2023 despite the negative impact of external economic factors
- Gross domestic product decreased by 0.4% in 2023
- The average inflation rate for the entire year 2023 was 10.7%
- The number of new vehicle registrations in 2023 increased by 15.27% compared to 2022 (from 192,087 units to 221,422 units, i.e. by 29,335 units); 6,640 new electric cars were registered, increasing their share of total registrations from 2% to 3% in 2023
- The overall unemployment rate remained virtually unchanged at 3.7% compared to 2022
- CNB maintained a restrictive monetary policy in response to inflation in 2023

A certain part of the demand for the financing of investment or consumer plans was associated with significant risks and could not be accepted when applying prudent criteria for evaluating the customer and the financed commodity. Despite the negative effects of external economic influences, the total volume of financing of business entities and the volume of provided consumer loans increased. Within the financing of business entities, the share of provided loans increased slightly compared to leasing financing. The volume of concluded factoring transactions increased.

In 2023, ČLFA/AFS ČR member companies provided leasing, factoring, and consumer and business loans:

- total amount financed of CZK 188.5 bn (CZK 21.6 bn more than in 2022, year-on-year growth of 12.9%), of which:
 - CZK 158.87 bn to finance movable and immovable investments and the operation of business entities (CZK 19.91 bn more than in the same period of 2022, year-on-year growth of 14.3%) and
 - CZK 29.63 bn to finance goods and services for households (CZK 1.7 bn more than in the same period of 2022, year-on-year growth of 6.1%)
- financed road vehicles (mostly new) in the amount of CZK 90.80 bn (48.2% of the total financed amount), i.e. CZK 16.36 bn more than in 2022, year-on-year growth of 22%).
 - of which CZK 59.27 bn for the acquisition of passenger cars (CZK 13.58 bn more than in 2022, year-on-year growth of 29.7%) including

- CZK 42.68 bn for acquisition of 67,128 new passenger cars (thus financing 30.3% of the number of new passenger cars first registered in the Czech Republic in 2023)
- also provided CZK 33.16 bn to finance machinery and equipment (CZK 0.67 bn more than in 2022, year-on-year growth of 2.1%)
- 566,101 new lease and loan contracts concluded (61,210 more than in the same period of 2022, year-on-year growth of 12.1%)
- 1,036,397 active lease and loan contracts under management at the end of 2023
- receivables from current lease and loan transactions reached amount CZK 300.62 bn at the end of 2023 (CZK 28.83 bn more than in the same period of 2022, year-on-year growth of 10.6%)

Development of non-bank financing of business entities in 2023

For financing of business entities, member companies provided CZK 158.87 bn (CZK 19.91 bn more than in the same period of 2022, year-on-year growth of 14.3%).

Leasing of movable investments (machinery, equipment and means of transport)

- total amount financed (input debt) – CZK 42.48 bn (CZK 6.90 bn more than in 2022, year-on-year growth of 19.4%)
- estimate of the whole market – CZK 49.11 bn (share of the ČLFA 86.5%)
- the share of operating leases in the total leasing of movable investments grew year-on-year – 65.6% (55.4% in 2022)
- 48,466 new contracts for the leasing of machinery, equipment and vehicles for entrepreneurs were concluded, with a year-on-year increase of 11,264 contracts (30.3% more than in 2022)

Loans and instalment sales for entrepreneurs (movable investments)

- total loans amount – CZK 77.92 bn (CZK 9.61 bn than in the same period of 2022, year-on-year growth of 14.1%)
- with domination of loans for passenger cars and commercial vehicles – 44% (40.3% in 2022)
- a total of 70,811 loans were granted, the number of loans granted grew by 6,934 contracts year-on-year (10.9% more than in 2022)

Factoring

- receivables of CZK 288.48 bn were assigned to factoring companies that are members of the Association of Factoring Companies of the Czech Republic (AFS ČR) (CZK 2.53 bn more than in the same period last year, year-on-year increase of 0.9%)
- the volume of funds provided by AFS ČR members to clients as at 31 December 2023 reached CZK 33.97 bn, i.e. an increase of CZK 2.86 bn compared to 31 December 2022 (year-on-year growth of 9.2%)

Development of non-bank consumer financing in 2023

Member companies provided CZK 29.63 bn to finance goods and services for households (CZK 1.70 bn more than in the same period of 2022, year-on-year growth of 6.1%)

Consumer loans

- loans for personal use were provided in the total amount of CZK 28.14 bn (CZK 1.22 bn more than in the same period of 2022, year-on-year growth of 4.5%)
- volume of receivables from active loan contracts at the end of 2023 – CZK 36.04 bn (growth by CZK 2.09 bn compared to balance as at 31 December 2022, year-on-year growth of 6.2%)

Consumer leasing

- total financed amount (input debt) of items transferred to consumer leasing and short-term leases in 2023 – CZK 1.49 bn (CZK 0.48 bn more than in the same period of 2022, year-to-year growth of 47.6%)
- receivables from concluded consumer leasing contracts reached – CZK 1.35 bn at the end of 2023

Report on the Company's operating results

Leasing České spořitelny, a.s. recognised a profit of CZK 278 mil in 2023 and CZK 221 mil in 2022.

The development of key financial indicators is presented in the table below. Data prior to 2021 are separately for Leasing České spořitelny, a.s. before the merger, i.e., without data of Erste Leasing, a.s.

Changes in Key Financial Indicators

in CZK millions	2023	2022	2021	2020	2019	2018	2017	2016
Total assets	32,454	28,103	24,007	12,984	13,181	12,389	11,273	10,029
Fixed assets	20,756	18,527	15,442	7,512	7,666	7,292	6,426	5,903
Total revenues	2,540	2,080	1,927	1,330	1,425	1,493	1,497	1,470
Profit before tax	369	298	199	112	154	160	153	164
Profit for the year	278	221	131	80	116	123	120	125
Average number of employees	166	171	171	114	111	109	110	115

Report on the Company's Business Activities

Leasing České spořitelny, a.s. (at that time named s Autoleasing, a.s.) commenced its business activities on 1 October 2004. The Company primarily focuses on top quality services relating to the provision of loans and leases in cooperation with business partners, leased commodity suppliers, sales representatives and parent company Česká spořitelna, a.s.

The total amount of input debt on all financed commodities and all financial products financed by the members of Czech leasing and financial association on the domestic market was CZK 151.89 bn in 2023, whereas Leasing

České spořitelny, a.s. accounted for CZK 14.66 bn, which represents a 9.65% market share.

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 the 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 Organisational Units or Other Parts of the Business in the Abroad

In the period, the Company had a branch in Znojmo and no part of the business plant abroad.

Subsequent Events

No other events, subsequent to year-end, have occurred that would have a material impact on the financial statements as at 31 December 2023 and/or on the matters stated in this annual report.

Company's plans for the future

During 2024, we will continue to implement our strategy, which is focused on strengthening our position in the non-bank financing market, business development and digital sales support. Our efforts will be directed towards providing high quality services to our clients, including advisory services. At the same time, we will actively work to improve the efficiency of all processes and activities.

One of the key objectives for 2024 is to complete the digital loan arrangement process within George Internet Banking. In parallel, we plan to complete the development of the digital signature to make this key functionality available across all business channels and to all target client groups.

In line with our long-term strategic objectives, we will focus on the further development of the core IT system with the aim of achieving a single trading system for all commodities and distribution channels by the end of 2025.

We will continue to develop the online insurance functionality and extend it to other types of transport equipment. We are planning to extend our functionality to include online data transfer on the conclusion, amendment and termination of insurance to meet the requirements of the amendment to the Motor Third Party Liability Insurance

Act. The details on the insurance taken out will be automatically transferred to the vehicle register.

During 2024, we will convert the client zone to a new technology platform and update its design. In the next step, we will focus on improving the user-friendliness of the platform and expanding the self-service features.

We will continue to support the trade as much as possible in the coming year. Our main focus will be on expanding our range of financing products, developing approval powers and digitising our clients' claims processes. In the area of commercial vehicle segment up to 3.5 tonnes, we aim to maintain the positive market trend and consolidate our position as the preferred financial services provider for our business partners.

Providing quality services is an ongoing commitment we have to our clients. In line with Česká spořitelna's strategy, we will continue to strive to provide our clients with added value through quality advisory services and to lead them to prosperity. We will strive to tailor our services even more closely to the individual needs of our clients. We believe that in 2024 we will maintain and strengthen our position as a trusted and valued financial and business partner.



Petr Vacek
Chairman of the Board
of Directors



Tomáš Veverka
Vice-Chairman of the Board
of Directors



Radek Hejna
Member of the Board
of Directors

Points of sales

The products of Leasing České spořitelny, a.s. are distributed via a network of business partners and through the branch network of Česká spořitelna, a.s.

Direct contact information:

Leasing České spořitelny, a.s.
Budějovická 1912/64b
140 00 Praha 4 – headquarters

Telephone: 956 785 111
Fax: 224 646 111

E-mail: info@leasingcs.cz
Internet: www.leasingcs.cz

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Zpráva nezávislého auditora

akcionáři společnosti Leasing České spořitelny, a.s.

Náš výrok

Podle našeho názoru účetní závěrka podává věrný a poctivý obraz finanční pozice společnosti Leasing České spořitelny, a.s., se sídlem Budějovická 1912/64b, Praha 4 („Společnost“) k 31. prosinci 2023 a její finanční výkonnosti a jejích peněžních toků za rok končící 31. prosince 2023 v souladu s českými účetními předpisy.

Předmět auditu

Účetní závěrka Společnosti se skládá z:

- rozvahy k 31. prosinci 2023,
- výkazu zisku a ztráty za rok končící 31. prosince 2023,
- přehledu o změnách vlastního kapitálu za rok končící 31. prosince 2023,
- přehledu o peněžních tocích za rok končící 31. prosince 2023, a
- přílohy účetní závěrky, která obsahuje významné informace o účetních metodách a další vysvětlující informace.

Základ pro výrok

Audit jsme provedli v souladu se zákonem o auditorech a auditorskými standardy Komory auditorů České republiky, kterými jsou Mezinárodní standardy auditu doplněné a upravené souvisejícími aplikačními doložkami (společně „auditorské předpisy“). Naše odpovědnost stanovená těmito předpisy je podrobněji popsána v oddílu Odpovědnost auditora za audit účetní závěrky.

Domníváme se, že důkazní informace, které jsme shromáždili, poskytují dostatečný a vhodný základ pro vyjádření našeho výroku.

Nezávislost

V souladu s Mezinárodním etickým kodexem pro auditory a účetní odborníky (včetně Mezinárodních standardů nezávislosti) vydaným Radou pro mezinárodní etické standardy účetních („kodex IESBA“) a přijatým Komorou auditorů České republiky a se zákonem o auditorech jsme na Společnosti nezávislí a splnili jsme i další etické povinnosti vyplývající z kodexu IESBA a ze zákona o auditorech.

Ostatní informace

Za ostatní informace odpovídá představenstvo Společnosti. Jak je definováno v § 2 písm. b) zákona o auditorech, ostatními informacemi jsou informace uvedené ve výroční zprávě mimo účetní závěrku a naši zprávu auditora.

Náš výrok k účetní závěrce se k ostatním informacím nevztahuje. Přesto je součástí našich povinností souvisejících s auditem účetní závěrky seznámení se s ostatními informacemi a posouzení, zda ostatní informace nejsou ve významném nesouladu s účetní závěrkou či s našimi znalostmi o Společnosti získanými během auditu nebo zda se jinak tyto informace nejeví jako významně nesprávné. Také jsme posoudili, zda ostatní informace byly ve všech významných ohledech vypracovány v souladu s příslušnými právními předpisy. Tímto posouzením se rozumí, zda ostatní informace splňují požadavky právních předpisů na formální náležitosti i na postup vypracování ostatních informací v kontextu významnosti.

PricewaterhouseCoopers Audit, s.r.o., Hvězdova 1734/2c, 140 00 Praha 4, Česká republika
T: +420 251 151 111, www.pwc.com/cz

PricewaterhouseCoopers Audit, s.r.o., se sídlem Hvězdova 1734/2c, 140 00 Praha 4, IČ: 40765521, zapsaná v obchodním rejstříku vedeném Městským soudem v Praze, oddíl C, vložka 3637 a v seznamu auditorských společností u Komory auditorů České republiky pod evidenčním číslem 021.

Na základě provedených postupů v průběhu našeho auditu, do míry, již dokážeme posoudit, jsou dle našeho názoru:

- ostatní informace, které popisují skutečnosti, jež jsou též předmětem zobrazení v účetní závěrce, ve všech významných ohledech v souladu s účetní závěrkou a
- ostatní informace vypracované v souladu s právními předpisy.

Dále jsme povinni uvést, zda na základě poznatků a povědomí o Společnosti a o prostředí, v němž působí, k nimž jsme dospěli při provádění auditu, ostatní informace neobsahují významné nesprávnosti. Žádnou významnou nesprávnost jsme nezjistili.

Odpovědnost představenstva a dozorčí rady Společnosti za účetní závěrku

Představenstvo Společnosti odpovídá za sestavení účetní závěrky podávající věrný a poctivý obraz v souladu s českými účetními předpisy, a za takový vnitřní kontrolní systém, který považuje za nezbytný pro sestavení účetní závěrky tak, aby neobsahovala významné nesprávnosti způsobené podvodem nebo chybou.

Při sestavování účetní závěrky je představenstvo Společnosti povinno posoudit, zda je Společnost schopna nepřetržitě trvat, a pokud je to relevantní, popsat v příloze účetní závěrky záležitosti týkající se jejího nepřetržitého trvání a použití předpokladu nepřetržitého trvání při sestavení účetní závěrky, s výjimkou případů, kdy představenstvo plánuje zrušení Společnosti nebo ukončení její činnosti, resp. kdy nemá jinou reálnou možnost než tak učinit.

Za dohled nad procesem účetního výkaznictví odpovídá dozorčí rada Společnosti.

Odpovědnost auditora za audit účetní závěrky

Naším cílem je získat přiměřenou jistotu, že účetní závěrka jako celek neobsahuje významnou nesprávnost způsobenou podvodem nebo chybou a vydat zprávu auditora obsahující náš výrok. Přiměřená míra jistoty je velká míra jistoty, nicméně není zárukou, že audit provedený v souladu s auditorskými předpisy ve všech případech v účetní závěrce odhalí případnou existující významnou nesprávnost. Nesprávnosti mohou vzniknout v důsledku podvodů nebo chyb a považují se za významné, pokud lze reálně předpokládat, že by jednotlivě nebo v souhrnu mohly ovlivnit ekonomická rozhodnutí, která uživatelé účetní závěrky na jejím základě přijmou.

Při provádění auditu v souladu s auditorskými předpisy je naší povinností uplatňovat během celého auditu odborný úsudek a zachovávat profesní skepticismus. Dále je naší povinností:

- Identifikovat a vyhodnotit rizika významné nesprávnosti účetní závěrky způsobené podvodem nebo chybou, navrhnout a provést auditorské postupy reagující na tato rizika a získat dostatečné a vhodné důkazní informace, abychom na jejich základě mohli vyjádřit výrok. Riziko, že neodhalíme významnou nesprávnost, k níž došlo v důsledku podvodu, je větší než riziko neodhalení významné nesprávnosti způsobené chybou, protože součástí podvodu mohou být tajné dohody, falšování, úmyslná opomenutí, nepravdivá prohlášení nebo obcházení vnitřních kontrol.
- Seznámit se s vnitřním kontrolním systémem Společnosti relevantním pro audit v takovém rozsahu, abychom mohli navrhnout auditorské postupy vhodné s ohledem na dané okolnosti, nikoli abychom mohli vyjádřit názor na účinnost jejího vnitřního kontrolního systému.
- Posoudit vhodnost použitých účetních pravidel, přiměřenost provedených účetních odhadů a informace, které v této souvislosti představenstvo Společnosti uvedlo v příloze účetní závěrky.

- Posoudit vhodnost použití předpokladu nepřetržitého trvání při sestavení účetní závěrky představenstvem, a to, zda s ohledem na shromážděné důkazní informace existuje významná nejistota vyplývající z událostí nebo podmínek, které mohou významně zpochybnit schopnost Společnosti trvat nepřetržitě. Jestliže dojdeme k závěru, že taková významná nejistota existuje, je naší povinností upozornit v naší zprávě na informace uvedené v této souvislosti v příloze účetní závěrky, a pokud tyto informace nejsou dostatečné, vyjádřit modifikovaný výrok. Naše závěry týkající se schopnosti Společnosti trvat nepřetržitě vycházejí z důkazních informací, které jsme získali do data naší zprávy. Nicméně budoucí události nebo podmínky mohou vést k tomu, že Společnost ztratí schopnost trvat nepřetržitě.
- Vyhodnotit celkovou prezentaci, členění a obsah účetní závěrky, včetně přílohy, a dále to, zda účetní závěrka zobrazuje podkladové transakce a události způsobem, který vede k věrnému zobrazení.

Naší povinností je informovat představenstvo a dozorčí radu mimo jiné o plánovaném rozsahu a načasování auditu a o významných zjištěních, která jsme v jeho průběhu učinili, včetně zjištěných významných nedostatků ve vnitřním kontrolním systému.

2. dubna 2024

PricewaterhouseCoopers Audit, s.r.o.
zastoupená partnerkou



Ing. Eva Loulová
statutární auditorka, evidenční č. 1981

Financial Statements for the Year 2023

Company Name

Leasing České spořitelny, a.s.

Registered Office

Budějovická 1912/64b, Krč, 140 00 Praha 4

Legal Form

Joint stock company

Identification Number

27089444

Balance Sheet

for the Year Ended 31 December 2023

Assets

			31. 12. 2023	31. 12. 2022
Czech Statutory Financial Statement Forms (in thousands of Czech crowns)	Gross	Provision	Net	Net
Total Assets	34,534,499	(2,080,455)	32,454,044	28,102,525
B. Fixed Assets	2,817,861	(1,116,908)	1,700,953	1,771,765
B. I. Intangible fixed assets	223,513	(164,332)	59,181	43,835
B. I. 2. Royalties	220,085	(164,332)	55,753	41,483
B. I. 2. 1. Software	209,258	(154,129)	55,129	40,421
B. I. 2. 2. Other royalties	10,827	(10,203)	624	1,062
B. I. 5. Advances paid and intangible fixed assets in the course of construction	3,428	0	3,428	2,352
B. I. 5. 2. Intangible fixed assets in the course of construction	3,428	0	3,428	2,352
B. II. Tangible fixed assets	2,445,139	(952,576)	1,492,563	1,547,340
B. II. 1. Land and constructions	28,082	(27,422)	660	3,679
B. II. 1. 2. Constructions	28,082	(27,422)	660	3,679
B. II. 2. Equipment	2,416,997	(925,154)	1,491,843	1,543,601
B. II. 4. Other tangible fixed assets	60	0	60	60
B. II. 4. 3. Tangible fixed assets – other	60	0	60	60
B. III. Long-term investments	149,209	0	149,209	180,590
B. III. 1. Investments – subsidiaries and controlling party	149,209	0	149,209	142,752
B. III. 7. Other long-term investments	0	0	0	37,838
B. III. 7. 2. Advances paid for long-term investments	0	0	0	37,838
C. Current Assets	31,096,774	(963,547)	30,133,227	25,754,942
C. II. Receivables	31,078,153	(963,547)	30,114,606	25,683,718
C. II. 1. Long-term receivables	19,566,173	(510,391)	19,055,782	16,777,347
C. II. 1. 1. Trade receivables	19,556,577	(510,391)	19,046,186	16,755,783
C. II. 1. 4. Deferred tax asset	9,596	0	9,596	21,564
C. II. 2. Short-term receivables	11,511,980	(453,156)	11,058,824	8,906,371
C. II. 2. 1. Trade receivables	8,499,308	(379,915)	8,119,393	6,616,687
C. II. 2. 4. Receivables – other	3,012,672	(73,241)	2,939,431	2,289,684
C. II. 2. 4. 3. Taxes – receivables from the state	646	0	646	5,829
C. II. 2. 4. 4. Short-term advances paid	287,486	0	287,486	2,086

		31. 12. 2023			31. 12. 2022
Czech Statutory Financial Statement Forms (in thousands of Czech crowns)		Gross	Provision	Net	Net
C. II. 2. 4. 5.	Estimated receivables	77,224	0	77,224	55,013
C. II. 2. 4. 6.	Other receivables	2,647,316	(73,241)	2,574,075	2,226,756
C. IV.	Cash	18,621	0	18,621	71,224
C. IV. 1.	Cash in hand	651	0	651	332
C. IV. 2.	Cash at bank	17,970	0	17,970	70,892
D.	Prepayments and accrued income	619,864	0	619,864	575,818
D. 1.	Prepaid expenses	550,620	0	550,620	524,284
D. 3.	Accrued income	69,244	0	69,244	51,534

Prepared on: 2 April 2024

Total Liabilities and Equity

Czech Statutory Financial Statement Forms (in thousands of Czech crowns)	31. 12. 2023	31. 12. 2022
Total Liabilities and Equity	32,454,044	28,102,525
A. Equity	4,770,717	4,488,639
A. I. Share capital	500,000	500,000
A. I. 1. Share capital	500,000	500,000
A. II. Share premium and capital contributions	2,811,027	2,806,991
A. II. 1. Share premium	256,000	256,000
A. II. 2. Capital contributions	2,555,027	2,550,991
A. II. 2. 1. Other capital contributions	2,550,900	2,550,900
A. II. 2. 2. Assets and liabilities revaluation	4,127	91
A. III. Reserves from profit	86,415	75,368
A. III. 1. Other reserve funds	86,415	75,368
A. IV. Retained earnings / Accumulated losses	1,095,233	885,332
A. IV. 1. Retained earnings or (accumulated losses)	1,311,695	1,101,794
A. IV. 2. Restatements of retained earnings	(216,462)	(216,462)
A. V. Profit / (loss) for the current period	278,042	220,948
B. + C. Liabilities	27,490,217	23,420,220
B. Provisions	8,563	5,203
B. 4. Other provisions	8,563	5,203
C. Payables	27,481,654	23,415,017
C. I. Long-term payables	18,339,008	15,601,348
C. I. 2. Liabilities due to financial institutions	18,339,008	15,601,348
C. II. Short-term payables	9,142,646	7,813,669
C. II. 2. Liabilities due to financial institutions	8,921,247	7,631,713
C. II. 3. Short-term advances received	58	17
C. II. 4. Trade payables	10,956	9,870
C. II. 8. Liabilities – other	210,385	172,069
C. II. 8. 3. Liabilities to employees	11,278	11,101
C. II. 8. 4. Liabilities for social security and health insurance	4,856	4,872
C. II. 8. 5. Taxes and state subsidies payable	9,111	6,880
C. II. 8. 6. Estimated payables	177,353	135,714
C. II. 8. 7. Other liabilities	7,787	13,502
D. Accruals and deferred income	193,110	193,666
D. 1. Accrued expenses	56,422	34,009
D. 2. Deferred income	136,688	159,657

Prepared on: 2 April 2024

Income Statement

for the Year Ended 31 December 2023

Czech Statutory Financial Statement Forms (in thousands of Czech crowns)	2023	2022
I. Sales of products and services	488,152	521,717
II. Sales of goods	156	366
A. Cost of sales	416,327	401,272
A. 1. Cost of goods sold	156	366
A. 2. Raw materials and consumables used	8,713	9,089
A. 3. Services	407,458	391,817
D. Staff costs	215,786	203,858
D. 1. Wages and salaries	150,152	142,784
D. 2. Social security, health insurance and other costs	65,634	61,074
D. 2. 1. Social security and health insurance costs	53,415	50,558
D. 2. 2. Other costs	12,219	10,516
E. Value adjustments in operating activities	437,421	528,829
E. 1. Value adjustments of fixed assets	501,302	417,885
E. 1. 1. Depreciation, amortisation and write off of fixed assets	394,422	430,075
E. 1. 2. Provision for impairment of fixed assets	106,880	(12,190)
E. 3. Provision for impairment of receivables	(63,881)	110,944
III. Other operating income	326,267	285,477
III. 1. Income from sale of fixed assets	195,441	149,667
III. 3. Miscellaneous operating income	130,826	135,810
F. Operating expenses – other	325,258	205,750
F. 1. Net book value of fixed assets sold	214,240	163,228
F. 3. Taxes and charges	93	447
F. 4. Operating provisions and complex prepaid expenses	3,360	(34,202)
F. 5. Other operating expenses	107,565	76,277
* Operating result	(580,217)	(532,149)
VI. Interest and similar income	1,724,864	1,245,346
VI. 1. Interest and similar income - subsidiaries or controlling party	0	1
VI. 2. Other interest and similar income	1,724,864	1,245,345
J. Interest and similar expenses	735,154	432,395
J. 1. Interest and similar expenses – subsidiaries or controlling party	367,770	332,884
J. 2. Other interest and similar expenses	367,384	99,511
VII. Other financial income	582	27,134
K. Other financial expenses	41,506	9,668

Czech Statutory Financial Statement Forms (in thousands of Czech crowns)	2023	2022
* Financial result	948,786	830,417
** Net profit / (loss) before tax	368,569	298,268
L. Tax on profit or loss	90,527	77,320
L. 1. Tax on profit or loss – current	80,985	75,008
L. 2. Tax on profit or loss – deferred	9,542	2,312
** Net profit / (loss) after tax	278,042	220,948
*** Net profit / (loss) for the financial period	278,042	220,948
* Net turnover for the financial period	2,540,021	2,080,040

Prepared on: 2 April 2024

Cash Flow Statement

for the Year Ended 31 December 2023

Czech Statutory Financial Statement Forms (in thousands of Czech crowns)	2023	2022
Cash flows from operating activities		
Z. Profit or loss on ordinary activities before taxation	368,569	298,268
A. 1. Adjustments for non-cash movements	(470,243)	(296,105)
A. 1. 1. Depreciation and amortisation of fixed assets	455,965	438,741
A. 1. 2. Change in allowances	41,343	98,754
A. 1. 3. Change in provisions	3,360	(34,210)
A. 1. 5. (Gain)/Loss on disposal of fixed assets	18,799	13,561
A. 1. 6. Interest expense and interest income	(989,710)	(812,951)
A* Net cash flow from operating activities before taxation, changes in working capital and extraordinary items	(101,674)	2,163
A. 2. Change in non-cash components of working capital	(4,999,818)	(4,715,518)
A. 2. 2. Change in trade receivables	(4,466,453)	(4,443,534)
A. 2. 3. Change in other receivables and in prepaid expenses and unbilled revenue	(649,750)	(439,793)
A. 2. 4. Change in trade payables	1,086	(1,517)
A. 2. 5. Change in other payables, and in accruals and deferred income	115,298	169,325
A** Net cash from operating activities before taxation, interest paid and extraordinary items	(5,101,492)	(4,713,356)
A. 3. 1. Interest paid excl. interest included in the long-term assets valuation	(763,378)	(460,619)
A. 4. 1. Interest received	1,712,856	1,233,338
A. 5. 1. Income tax paid	(80,522)	(65,037)
A*** Net cash used in operating activities	(4,232,536)	(4,005,674)
Cash flows from investing activities		
B. 1. 1. Acquisition of fixed assets	(46,738)	(89,799)
B. 2. 1. Proceeds from sale of fixed assets	195,441	149,667
B*** Net cash provided by (used in) investing activities	148,703	59,868
Cash flows from financing activities		
C. 1. Change in long-term liabilities, and long-term and short-term loans	4,027,194	3,916,555
C. 2. 3. Effect of other changes in own capital on cash	4,036	(4,696)
C. *** Net cash provided by financing activities	4,031,230	3,911,860
F. Net increase (decrease) in cash	(52,603)	(33,946)
P. Cash and cash equivalents at beginning of year	71,224	105,170
R. Cash and cash equivalents at end of year	18,621	71,224

Prepared on: 2 April 2024

Statements of Changes in Equity

as at 31 December 2022

(in thousands of Czech crowns)	Share capital	Share premium	Other capital contributions	Assets and liabilities revaluation	Other reserve funds	Statutory and other	Retained earnings or (accumulated losses)	Restatement of retained earnings	Total
Balance as at 1 January 2022	500,000	256,000	2,550,900	4,787	68,799	4,447	1,103,916	(216,462)	4,272,387
Changes in accounting policies	0	0	0	(4,696)	0	0	0	0	(4,696)
Fair value gains/ (losses) – investments in subsidiaries and associates	0	0	0	0	0	(4,447)	4,447	0	0
Allocation to funds	0	0	0	0	6,569	0	(6,569)	0	0
Net profit/loss for the period	0	0	0	0	0	0	220,948	0	220,948
Balance as at 31 December 2022	500,000	256,000	2,550,900	91	75,368	0	1,322,743	(216,462)	4,488,639
Valuation difference from investment revaluation	0	0	0	4,036	0	0	0	0	4,036
Increase in other funds	0	0	0	0	11,047	0	(11,047)	0	0
Net profit/loss for the period	0	0	0	0	0	0	278,042	0	278,042
Balance as at 31 December 2023	500,000	256,000	2,550,900	4,127	86,415	0	1,589,738	(216,462)	4,770,717

Prepared on: 2 April 2024

Notes to the Financial Statements

for the Year Ended 31 December 2023

1. General Information

1.1 Incorporation and description of the business

Leasing České spořitelny, a.s. („the Company“ or „LČS“) 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.

On 3 May 2021, the statutory bodies of Leasing České spořitelny, a.s. and Erste Leasing, a.s. concluded Merger by acquisition project, on the basis of which the above-mentioned companies merge into Leasing České spořitelny, a.s. The subject of the Merger by acquisition project is in accordance with the provisions of § 61 par. 1 et seq. Act No. 125/2008 Coll., on transformations of companies and cooperatives, as amended (hereinafter referred to as the “Transformations Act”):

- the acquiring company Leasing České spořitelny, a.s. with its registered office at Budějovická 1912/ 64b, Krč, 140 00 Prague 4, ID 270 89 444, entered in the Commercial Register kept by the Municipal Court in Prague, Section B, Insert 8912, it's registered capital is fully paid and amounts to CZK 500,000 thousand (hereinafter referred to as „Acquiring company“); and
- the dissolving company Erste Leasing, a.s., with its registered office at Horní náměstí 264/18, 669 02 Znojmo, ID 163 25 460, entered in the Commercial Register kept by the Regional Court in Brno, Section B, Insert 3745, it's registered capital is fully paid and amounts to CZK 200,000 thousand (hereinafter referred to as the “Dissolving Company”).

The reason for the merger was the decision to simplify the functioning of the group, especially its organisational and administrative structure.

Detailed information on the merger is included in the Merger Project and the opening balance sheet as at 1 January 2021, i.e., as of the decisive date of the merger published in the Commercial Register.

The Company's share capital is CZK 500,000 thousand as at 31 December 2023. 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.

The financial statements have been prepared in accordance with the valid Czech accounting legislation as separate financial statements for the year ended 31 December 2023. 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), “Group”), 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.

The Group regularly reviews impairment indicators for tangible and intangible fixed assets and the right-of-use assets.

The current economic situation remains sensitive to geopolitical developments around the world. The impact on financial and commodity markets, supply chains and key macroeconomic indicators impacting business, such as inflation rates, interest rate levels, currency rates volatility and others, is still significant.

The Company's management has evaluated the impact of the current economic situation on its business with the following conclusion: the Company has not experienced any significant limitations in its economic activities in connection with the current geopolitical developments and their impact on the economic situation in the Czech Republic and the world.

1.2 Changes and amendments in the Commercial Register in the past accounting period

There were no changes recorded in 2023 in the Commercial Register kept by the Municipal Court in Prague.

Board of Directors and Supervisory Board as at 31 December 2023:

	Position	Name
Board of Director	Chairman	Petr Vacek
	Vice-Chairman	Tomáš Veverka
	Member	Radek Hejna
	Position	Name
Supervisory Board	Chairman	Jan Seger
	Vice-Chairman	David Mokroš
	Member	Wilhelm Douda

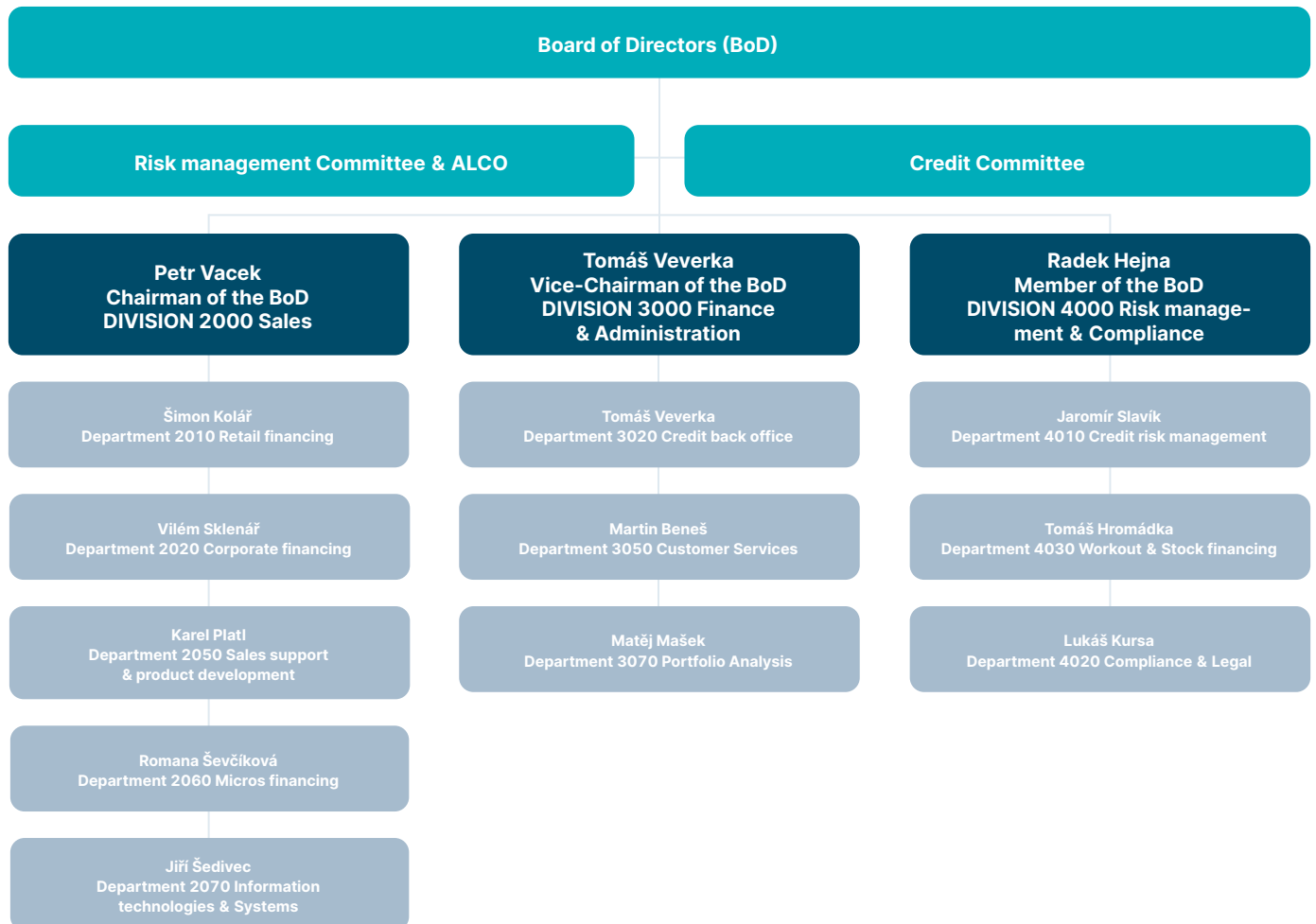
	Position	Name
	Member	Andrej Šebeš

1.3 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.

1.4 Organisational structure of the Company

The Company has no foreign branch.



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 collateralised transfer of the ownership right from loan contracts are recorded in tangible fixed assets in the amount of outstanding receivables from customers.

Technical improvement, if it exceeded the amount of CZK 40 thousand for an individual tangible asset or CZK 60 thousand for an individual intangible asset in total for the tax period, increases the acquisition cost of the fixed asset.

Tangible assets with a cost below CZK 40 thousand 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
Constructions	30
Machinery and equipment	4–12
Vehicles	5
Furniture and fixtures	4–6
Software, licenses and other intangible assets	4–12

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 3.4).

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.

Portfolio allowances are not created for active contracts under the guarantee of Česká spořitelna, a.s.

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 long-term 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 Investments in 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 and associate's equity.

3.3 Cash

Cash include stamps, vouchers and money in bank accounts.

3.4 Receivables

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

Receivables are presented as short-term and long-term according to the maturity date.

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

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.

3.5 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. Other liabilities also include values hedged as a result of the measurement of derivative financial instruments at fair value.

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 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 and presented net.

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.

Leasing České spořitelny, a.s. belongs to the Česká spořitelna Group. Česká spořitelna expects to become a taxpayer of the top-up tax pursuant to the Act No. 416/2023 on top-up taxes for large multinational groups and large domestic groups implementing the European Directive No. 2022/2523 of 14 December 2022. Česká spořitelna has made an assessment of its potential exposure to the top-up tax and does not expect the top-up tax to have an impact on its overall tax liability and therefore on its future profit or loss. From the perspective of the top-up tax, Česká spořitelna belongs to the Erste Group, where the ultimate parent entity is the Austrian Erste Group Bank AG. As at 31 December 2023, Erste Group has applied a temporary exemption from the requirements of IAS 12 under which the company does not account for or disclose information on deferred tax assets and liabilities related to the proposed OECD/G20 Pillar 2 BEPS model rules. Legislation relating to Pillar 2 has been enacted or substantively enacted in certain jurisdictions in which the Erste Group operates. The legislation will be effective for the Erste Group's financial year commencing 1 January 2024. Erste Group is subject to the legislation enacted or substantively enacted and has made an assessment of the Group's potential exposure to income taxes under Pillar 2. This assessment is based on the latest available information regarding the financial performance of the Group's member entities. Based on the assessment, the effective Pillar 2 tax rates in the majority of jurisdictions in which the Group operates are above 15%. However, there are a limited number of jurisdictions where the effective Pillar 2 tax rate is close to 15%. The Group does not expect significant exposure to Pillar 2 income taxes in these jurisdictions.

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.

Changes arising from temporary differences are recognised in the income statement as deferred income tax. The Company in order to ensure true and fair view of financial statements recognises change of the deferred tax asset or liability from revaluation of investments by using the equity method on the appropriate account in equity, on which is recognised also the revaluation itself.

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.

The Company settles the received rents under financial and operating leases using the straight-line method for the lease period from the month following its conclusion. For the same period, it depreciates leased fixed assets. Differences between equally recognised rental income and lease payments are included in deferred income.

The Company accounts for income from prematurely terminated contracts when the receivable arises in accordance with the general terms and conditions.

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.

The Company also differentiates any commissions to suppliers for the duration of the lease agreement. The Company recognises uncommitted commissions in prepaid expenses.

Interest on business loans is recognised when a specific amount is prescribed. At the end of 2023, accrued income or estimated receivable include interest that is recognised

for the period from the last instalment prescription to the balance sheet date.

3.14 Use of estimates

The presentation of financial statements requires the Company's management to make estimates and assumptions that affect the reported amounts of 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. However, as the nature of the estimate suggests, the actual values in the future may differ from these estimates.

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. To improve the true and fair view of the financial statements, the Company has decided to include

interest received in 2023 within cash flows from investing activities and to disclose expenses related to the acquisition of lease assets along with the change in trade receivables. The Company has restated the comparative figures for 2022.

3.16 Related parties

The Company's related parties are considered to be the following:

- parties, which directly or indirectly control the Company, their subsidiaries and associates,
- parties, which have directly or indirectly significant influence on the Company,
- members of the Company's or parent company's statutory and supervisory boards and management and parties close to such members, including entities in which they have a controlling or significant influence,
- subsidiaries and associates and joint-venture companies.

4. Balance Sheet and Income Statement – Additional Information

4.1 Fixed assets

4.1.1 Intangible fixed assets

Acquisition cost

(CZK ths.)	As at 31 December 2021	Additions	Disposals	As at 31 December 2022	Additions	Disposals	As at 31 December 2023
Royalties	11,331	0	0	11,331	0	(504)	10,827
Software	179,863	17,726	0	197,589	25,775	(14,106)	209,258
Intangibles under construction	1,802	2,352	(1,802)	2,352	3,428	(2,352)	3,428
Total	192,996	20,078	(1,802)	211,272	29,203	(16,962)	223,513

Accumulated amortisation

(CZK ths.)	As at 31 December 2021	Additions	Disposals	As at 31 December 2022	Additions	Disposals	As at 31 December 2023
Royalties	(9,824)	(445)	0	(10,269)	(438)	504	(10,203)
Software	(149,791)	(7,377)	0	(157,168)	(11,067)	14,106	(154,129)
Total	(159,615)	(7,822)	0	(167,437)	(11,505)	14,610	(164,332)

Net book value

(CZK ths.)	As at 31 December 2022	As at 31 December 2023
Royalties	1,062	624
Software	40,421	55,129
Intangibles under construction	2,352	3,428
Total	43,835	59,181

All the intangible fixed assets are used by the Company.

4.1.2 Tangible fixed assets**4.1.2.1 Own tangible fixed assets****Acquisition costs**

(CZK ths.)	As at 31 December 2021	Additions	Disposals	As at 31 December 2022	Additions	Disposals	As at 31 December 2023
Constructions	244	573	(261)	556	0	0	556
Individual movable assets, of which:	66,338	7,758	(18,678)	55,418	13,738	(12,751)	56,405
Plant, machinery and equipment	7,153	582	(6,155)	1,580	240	0	1,820
Vehicles	21,465	7,176	(5,730)	22,911	8,551	(3,978)	27,484
IT equipment	37,720	0	(6,793)	30,927	4,947	(8,773)	27,101
Other tangible fixed assets, of which:	60	0	0	60	0	0	60
Artworks	60	0	0	60	0	0	60
Total	66,642	8,331	(18,939)	56,034	13,738	(12,751)	57,021

Accumulated depreciation

(CZK ths.)	As at 31 December 2021	Additions	Disposals	As at 31 December 2022	Additions	Disposals	As at 31 December 2023
Constructions	(106)	(16)	113	(9)	(113)	0	(122)
Individual movable assets, of which:	(49,456)	(5,869)	14,785	(40,540)	(5,358)	12,442	(33,456)
Plant, machinery and equipment	(3,935)	(64)	3,286	(713)	(124)	0	(837)
Vehicles	(13,034)	(4,156)	4,707	(12,483)	(3,937)	3,669	(12,751)
IT equipment	(32,487)	(1,649)	6,792	(27,344)	(1,297)	8,773	(19,868)
Total	(49,562)	(5,885)	14,898	(40,549)	(5,471)	12,442	(33,578)

* 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 31 December 2022	As at 31 December 2023
Constructions	547	434
Individual movable assets, of which:	14,878	22,949
Machinery and equipment	867	983
Vehicles	10,428	14,733
IT equipment	3,583	7,233
Other tangible fixed assets, of which:	60	60
Artworks	60	60
Total	15,485	23,443

4.1.2.2 Leased tangible leased fixed assets and seized assets

Acquisition cost

(CZK ths.)	As at 31 December 2021	Additions	Disposals	As at 31 December 2022	Additions	Disposals	As at 31 December 2023
Immovable assets, of which:	27,526	0	0	27,526	0	0	27,526
Constructions	27,526	0	0	27,526	0	0	27,526
Land	0	0	0	0	0	0	0
Individual movable assets, of which:	2,579,012	1,139,595	(725,606)	2,993,001	590,923	(1,223,332)	2,360,592
Machinery and equipment	1,302,021	847,556	(249,704)	1,899,873	87,581	(611,581)	1,375,873
Vehicles	1,215,122	213,765	(372,276)	1,056,611	329,006	(461,300)	924,317
Furniture and fixtures	793	0	0	793	0	0	793
Seized assets from client loans	61,076	78,274	(103,626)	35,724	174,336	(150,451)	59,609
Other tangible fixed assets, of which:	0	0	0	0	0	0	0
Other tangible fixed assets	0	0	0	0	0	0	0
Total	2,606,538	1,139,595	(725,606)	3,020,527	590,923	(1,223,332)	2,388,118

Accumulated depreciation

(CZK ths.)	As at 31 December 2021	Additions	Disposals	As at 31 December 2022	Additions	Disposals	As at 31 December 2023
Constructions	(23,133)	(1,255)	0	(24,388)	(1,255)	0	(25,643)
Individual movable assets, of which:	(1,486,737)	(569,368)	675,965	(1,380,140)	(583,589)	1,152,171	(811,558)
Machinery and equipment	(801,140)	(227,155)	249,704	(778,591)	(210,858)	526,834	(462,615)
Vehicles	(685,041)	(288,106)	372,237	(600,910)	(291,578)	543,813	(348,675)
Furniture and fixtures	(556)	(83)	0	(639)	(65)	435	(269)
Seized assets from client loans	0	(54,024)	54,024	0	(81,088)	81,088	0
Total	(1,509,870)	(570,623)	675,965	(1,404,528)	(584,844)	1,152,171	(837,201)

Allowances

(CZK ths.)	As at 31 December 2021	Additions	Disposals	As at 31 December 2022	Additions	Disposals	As at 31 December 2023
Constructions	(13)	0	7	(6)	(1,651)	0	(1,657)
Allowance to individual movable assets, of which:	(71,940)	(91,527)	79,329	(84,138)	(94,423)	98,420	(80,141)
Allowance to machinery and equipment	(18,528)	(26,322)	9,139	(35,711)	(5,286)	19,357	(21,640)
Allowance to vehicles	(21,395)	(19,072)	19,805	(20,662)	(13,295)	24,397	(9,560)
Allowance to seized assets from client loans	(32,017)	(46,133)	50,385	(27,765)	(75,842)	54,668	(48,939)
Total	(71,953)	(91,527)	79,336	(84,144)	(96,074)	98,420	(81,798)

Net book value

(CZK ths.)	As at 31 December 2022	As at 31 December 2023
Immovable assets, of which:	3,132	226
Constructions	3,132	226
Land	0	0
Individual movable assets, of which:	1,528,723	1,468,894
Machinery and equipment	1,085,571	891,618
Vehicles	435,039	566,082
Furniture and fixtures	154	524
Seized assets from client loans	7,959	10,670
Total	1,531,855	1,469,120

4.1.3 Long-term investments

Ownership interests in subsidiaries

As at 31 December 2023, the Company holds 100% ownership interest in DINESIA a.s., v likvidaci. The ownership interest in DINESIA a.s., v likvidaci was acquired based on a contract, from Česká spořitelna, a.s., in 2008. As at 1 January 2023, DINESIA entered into liquidation.

As at 31 December 2023, the Company holds 100% ownership interest in s Autoleasing SK, s. r. o.; the ownership interest was acquired through establishing a subsidiary in 2012.

As at 31 December 2023, the Company holds 100% ownership interest in S SERVIS, s.r.o. This equity interest was created through the merger on 1 January 2021.

2023

Subsidiaries	As at 1 January 2023	Additions/ Disposals	Revaluation	As at 1 December 2023
DINESIA a.s., v likvidaci	12,785	0	(515)	12,270
s Autoleasing SK, s. r. o.	110,935	0	(2,123)	108,812
S SERVIS, s.r.o.	19,032	0	9,095	28,127
Total	142,752	0	6,457	149,209

2022

Subsidiaries	As at 1 January 2022	Additions/ Disposals	Revaluation	As at 1 December 2022
DINESIA a.s.	12,118	0	667	12,785
s Autoleasing SK, s. r. o.	115,033	0	(4,098)	110,935
S SERVIS, s.r.o.	17,295	0	1,737	19,032
Total	144,446	0	(1,694)	142,752

* Data for the year 2022 are based on audited financial statements.

Acquisition cost

Company name (CZK ths.)	Registered office	Acquisition cost	Voting rights	Equity	Profit/loss for the year	Dividends and other income per year 2023	Valuation as at 31 December 2023
DINESIA a.s., v likvidaci	Střelničná 8/1680, Praha 8	2,105	100 %	12,270	(380)	0	12,270
s Autoleasing SK, s. r. o.	Vajnorská 100/A, Bratislava	40,538	100 %	108,812	(4,929)	0	108,812
S SERVIS, s.r.o.	Kosmákova 3952/2, Znojmo	3,900	100 %	28,127	9,164	0	28,127
Total		46,543		149,209	3,855	0	149,209

4.2 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 31 December 2021	Change in loans	As at 31 December 2022	Change in loans	As at 31 December 2023
Loans granted – private persons	1,477,132	(342,798)	1,134,334	92,983	1,227,317
Loans granted- entrepreneurs / legal entities	13,160,987	2,920,437	16,081,424	2,247,836	18,329,260
Total	14,638,119	2,577,639	17,215,758	2,340,819	19,556,577

Allowances

(CZK ths.)	As at 31 December 2021	Additions	Disposals	As at 31 December 2022	Additions	Disposals	As at 31 December 2023
Allowance to principal – private person	(21,094)	(46,338)	55,391	(12,041)	(55,557)	54,831	(12,767)
Allowance to principal – entrepreneurs / legal entities	(398,470)	(404,061)	354,597	(447,934)	(643,187)	593,496	(497,624)
Total	(419,564)	(450,399)	409,988	(459,975)	(698,744)	648,327	(510,391)

Net book value

(CZK ths.)	As at 31 December 2022	As at 31 December 2023
Loans granted – private persons	1,122,293	1,214,550
Loans granted- entrepreneurs / legal entities	15,633,490	17,831,636
Total	16,755,783	19,046,186

4.3 Short-term receivables**4.3.1 Aging of trade receivables**

Trade receivables represent the aggregate of receivables arising from lease instalments, instalment sales and loan contracts reduced by payments received before the receivable is due.

(CZK ths.)	As at 31 December 2022	As at 31 December 2023
Receivables from instalment sales	10,547	0
Receivables from lease instalments	39,929	37,363
Receivables from consumer loans	4,431,256	6,278,268
Receivables from client loans	2,482,076	2,183,677
Total receivables	6,963,808	8,499,308

Year / Category (CZK ths.)	Before due date	Past due					Total
		0–90 days	91–180 days	181–360 days	1–2 years	More than 2 years	
2023							
Gross	8,322,615	67,559	35,997	20,189	18,912	34,036	8,499,308
Allowance							(379,915)
Net							8,119,393
2022							
Gross	6,783,323	58,083	43,668	27,187	13,384	38,163	6,963,808
Allowance							(347,121)
Net							6,616,687

4.3.2 Allowances to short-term receivables

(CZK ths.)	As at 31 December 2021	Additions	Disposals	As at 31 December 2022	Additions	Disposals	As at 31 December 2023
Current contracts	(207,506)	(189,628)	201,084	(196,050)	(297,219)	263,317	(229,952)
Prematurely terminated contracts	(61,724)	(118,903)	87,034	(93,593)	(166,742)	161,947	(98,388)
Bankruptcy	(18,499)	(30,998)	13,570	(35,927)	(21,277)	33,050	(24,154)
Contractual penalties	(38,277)	(12,025)	28,751	(21,551)	(21,415)	15,545	(27,421)
Total allowances to trade receivables	(326,006)	(351,554)	330,439	(347,121)	(506,653)	473,859	(379,915)
Stock financing	(9,234)	(250,303)	148,432	(111,105)	(93,994)	131,859	(73,241)
Other receivables	(76,833)	0	76,833	0	0	0	0
Total allowances to receivables	(412,073)	(601,857)	555,704	(458,226)	(600,647)	605,718	(453,156)

4.3.3 Short-term receivables including intercompany receivables

Company name (CZK ths.)	As at 31 December 2022	As at 31 December 2023
Česká spořitelna, a.s.	1,305	0
s Autoleasing SK, s. r. o	702	0
Total short-term intercompany receivables	2,007	0
Receivables to third parties	9,504,772	11,226,604
Total short-term receivables (gross)	9,506,779	11,226,604

Short-term receivables consist of trade receivables, including intercompany receivables, tax receivables, short-term advances paid, estimated receivable and other short-term receivables.

4.4 Other receivables

4.4.1 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.

4.4.2 Estimated receivables

(CZK ths.)	As at 31 December 2022	As at 31 December 2023
Insurance commissions	7,382	8,080
Other	556	680
Interest income on dealer loans	45,795	64,433
Unbilled receivables	1,280	4,031
Total estimated receivables	55,013	77,224

4.4.3 Other receivables

(CZK ths.)	As at 31 December 2022	As at 31 December 2023
Short-term loan to suppliers – gross	2,337,861	2,647,316
Loan allowances	(111,105)	(73,241)
Total other receivables	2,226,756	2,574,075

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

4.5 Cash

(CZK ths.)	As at 31 December 2022	As at 31 December 2023
Cash in hand	332	651
Cash at bank	70,892	17,970
Total cash	71,224	18,621

4.6 Prepayments and accrued income

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. Commission expenses are accrued on a straight-line basis over the term of the lease and loan agreement.

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

4.7 Equity

The Annual General Meetings held on 28 June 2023 approved the profit distribution for 2022 (see Statement of Changes in Equity). In accordance with its Articles of Association, the Company allocated a part of the profit to the reserve fund in the amount of CZK 11,047 thousand. The Statutory reserve funds thus increased to the amount of CZK 86,415 thousand.

Disposable profit for year 2022 in the amount CZK 209,900 thousand and Social fund balance in the amount of CZK 11,047 thousand were transferred into the retained earnings account. The retained earnings thus increased to the amount of CZK 1,312 thousand.

The Company expects to use the profit of 2023 to allocation to retained earnings.

4.7.1 Assets and liabilities revaluation

Ownership interest

(CZK ths.)	Revaluation as at 31 December 2021	Additions	Disposals	Revaluation as at 31 December 2022	Additions	Disposals	Revaluation as at 31 December 2023
DINESIA a.s., v likvidaci	10,013	668	0	10,681	0	(515)	10,166
s Autoleasing SK, s. r. o.	(16,718)	0	(4,099)	(20,817)	0	(2,118)	(22,935)
S SERVIS, s.r.o.	13,394	1,737	0	15,131	9,095	0	24,226
Deferred tax arising from revaluation differences	(1,902)	0	(3,002)	(4,904)	0	(2,426)	(7,330)
Total revaluation	4,787	2,405	(7,101)	91	9,095	(5,059)	4,127

4.8 Provisions

In the end of 2023, provision balance was in the amount of CZK 8,563 thousand (in 2022: CZK 5,203 thousand). These reserves are created mainly for litigation.

4.9 Bank loans and borrowings

4.9.1 Bank loans

(CZK ths.)	As at 31 December 2022	As at 31 December 2023
Long-term bank loans	15,601,348	18,339,008
Short-term bank loans	7,631,713	8,921,247
Total bank loans	23,233,061	27,260,255

2023

Bank/Creditor (CZK ths.)	Type of collateral	Currency	As at 31 December 2023
Česká spořitelna, a.s.	no collateral	CZK	11,056,292
Česká spořitelna, a.s.	no collateral	EUR	6,085,480
Raiffeisenbank a.s.	bank guarantee	CZK	2,969,102
Raiffeisenbank a.s.	bank guarantee	EUR	715,819
UniCredit Bank Czech Republic and Slovakia, a.s.	bank guarantee	CZK	138,793
UniCredit Bank Czech Republic and Slovakia, a.s.	bank guarantee	EUR	449,532
ING Bank N.V.	bank guarantee	CZK	3,901,500
Komerční banka, a.s.	bank guarantee	CZK	1,943,737
			27,260,255

2022

Bank/Creditor (CZK ths.)	Type of collateral	Currency	As at 31 December 2023
Česká spořitelna, a.s.	no collateral	CZK	15,495,028
Česká spořitelna, a.s.	no collateral	EUR	4,065,874
Raiffeisenbank a.s.	bank guarantee	CZK	2,037,056
Raiffeisenbank a.s.	bank guarantee	EUR	784,759
UniCredit Bank Czech Republic and Slovakia, a.s.	bank guarantee	CZK	100,000
UniCredit Bank Czech Republic and Slovakia, a.s.	bank guarantee	EUR	250,344
ING Bank N.V.	no collateral	CZK	500,000
			23,233,061

4.9.2 Payment schedule of bank loans as at 31 December 2023

Bank/Creditor (CZK ths.)	2024	2025	2026	2027	2028	2029	2030	2031+	Total
Česká spořitelna, a.s.	5,980,816	4,261,434	2,930,307	1,944,625	959,191	546,703	280,118	238,577	17,141,771
Raiffeisenbank a.s.	1,166,572	999,481	814,138	545,733	158,998	0	0	0	3,684,922
UniCredit Bank Czech Republic and Slovakia, a.s.	244,201	158,745	151,101	34,278	0	0	0	0	588,325
ING Bank N.V.	1,088,500	1,088,500	1,088,500	636,000	0	0	0	0	3,901,500
Komerční banka, a.s.	441,158	441,158	441,158	403,658	216,605	0	0	0	1,943,737
Total	8,921,247	6,949,318	5,425,204	3,564,294	1,334,794	546,703	280,118	238,577	27,260,255

Accrued interest on received loans are included in accrued expenses. Interest is charged to the expenses of the current year.

4.10 Short-term liabilities

4.10.1 Short-term advances received

Short-term advances received totalling CZK 58 thousand as at 31 December 2023 (as at 31 December 2022: CZK 17 thousand). The Company has decided to recognise advances received as a reduction of accounts receivable in 2023 and has reflected this fact through 2022 to maintain comparability of the data.

4.10.2 Short-term trade payables

Before due date (CZK ths.)	As at 31 December 2022	As at 31 December 2023
Short-term trade payables	9,870	10,956

The Company has no overdue trade payables. Short-term trade payables comprise payables to suppliers.

4.10.3 Other short-term liabilities

(CZK ths.)	As at 31 December 2022	As at 31 December 2023
Liabilities to employees	11,101	11,278
Liabilities from social security	4,872	4,856
Due to government – taxes	6,880	9,111
Estimated payables	135,714	177,353
– unbilled deliveries	89,630	120,711
– other	46,084	56,642
Other liabilities	13,502	7,787
Total other short-term liabilities	172,069	210,385

Estimated payables include mainly payables from unbilled deliveries of services and energy and fees for guarantees of Česká spořitelna, a.s. to the provided loans. No liabilities are overdue.

Overview of short-term liabilities from the perspective of related parties

Company name	As at 31 December 2022	As at 31 December 2023
Česká spořitelna, a.s. – loan interest	22,806	25,419
Česká spořitelna, a.s. – risk participation	1,505	1,505
Česká spořitelna, a.s. – payables	5,079	1,944
Total short-term intercompany payables	29,390	28,868

Guarantees received from Česká spořitelna, a.s., due to participation in the risk related to business transactions concluded which will be offset with receivables from clients from prematurely terminated contracts once final settlement with the customer is completed.

Total non-cancellable future commitments in respect of operating leases (not recorded in the balance sheet) amounted to CZK 2,458 thousand as at 31 December 2023 (as at 31 December 2022: CZK 2,578 thousand).

4.11 Deferred income

(CZK ths.)	As at 31 December 2022	As at 31 December 2023
Lease instalments	159,149	135,438
Fee for entering into agreements	508	1,250
Total deferred income	159,657	136,688
Total accrued expenses	34,009	56,422

The Company presents as deferred income the share of the first increased instalment (advance payment) attributable to the subsequent period.

4.12 Revenues from ordinary activities by principal activity

(CZK ths.)	2022	2023
Loan item sales (sales of goods)	366	156
Total sales of goods	366	156
Finance lease	375,774	360,221
Operating lease	70,189	49,952
Other	5,338	6,396
Total lease (sales of own products and services)	451,301	416,569
Commissions for the mediation of insurance	44,983	46,241
Revenues from fees for loan agreements conclusion and processing	995	364
Revenues from other fees	22,221	23,706
Other revenues	2,217	1,272
Total sales of own products and services	521,717	488,152
Total sales of goods, own products and services	522,083	488,308

All revenues from ordinary activities were generated on the Czech market. Related revenues are contract fees collected, commissions and the effects of prematurely terminated contracts.

4.13 Related party transactions

4.13.1 Revenues generated from related party transactions

Entity (CZK ths.)	Relation to company	2022	2023
Česká spořitelna, a.s.	Parent company	112	150
s Autoleasing SK, s. r. o.	Subsidiary	1,105	381
S SERVIS, s.r.o.	Subsidiary	974	3,873
Total		2,191	4,404

4.13.2 Expenses incurred from related party transactions

2023 (CZK ths.)

Entity	Relation to company	Services	Operating expenses – other	Interest expense	Other financial expenses	Total
Česká spořitelna, a.s.	Parent company	67,414	385	367,770	17,847	453,416
S SERVIS, s.r.o.	Subsidiary	22,084	0	0	0	22,084
Procurement Services CZ, s.r.o.	Other related party	515	0	0	0	515
Total		90,013	385	367,770	17,847	476,015

2022 (CZK ths.)

Entity	Relation to company	Services	Operating expenses – other	Interest expense	Other financial expenses	Total
Česká spořitelna, a.s.	Parent company	53,820	2,428	332,884	9,638	398,770
S SERVIS, s.r.o.	Subsidiary	6,800	0	0	0	6,800
Slovenská sporiteľňa, a.s.	Other related party	2	0	0	0	2
Procurement Services CZ, s.r.o.	Other related party	374	0	0	0	374
Total		60,996	2,428	332,884	9,638	405,946

4.14 Consumption

(CZK ths.)	2022	2023
Consumed material	6,121	7,212
Energy and fuel consumption	2,968	1,502
Total consumption of material and energy	9,089	8,714

4.15 Services

(CZK ths.)	2022	2023
Sales support and marketing	15,814	14,036
Statutory auditor's fees	2,943	3,064
Legal and consulting services	229	269
Services related to the extraordinary termination of contracts	26,736	36,644
Professional services – agreements	43,830	71,371
Training	1,090	1,217
Telephone, fax, postal charges	2,489	1,799
Repairs and maintenance	15,349	4,543
Travel expenses	1,164	1,582
Outsourcing	7,219	7,865
Commissions for trade partners	228,197	216,057
Rental	11,307	12,628
Other services related to leasing	8,529	6,627
Other	26,921	29,754
Total	391,817	407,456

4.16 Staff costs and number of employees

The recalculated average number of employees and staff costs in 2023 and 2022 are as follows:

2023

(CZK ths.)	Number	Wages and salaries	Bonuses to members of statutory bodies	Social security and health insurance	Other costs	Total staff costs
Employees	150	118,334	0	39,526	15,120	172,980
Management	16	22,840	8,721	9,434	1,810	42,805
Total	166	141,174	8,721	48,960	16,930	215,785

2022

(CZK ths.)	Number	Wages and salaries	Bonuses to members of statutory bodies	Social security and health insurance	Other costs	Total staff costs
Employees	155	109,799	0	37,082	13,033	159,914
Management	16	24,074	8,911	9,321	1,638	43,944
Total	171	133,873	8,911	46,403	14,671	203,858

Management includes the Board of Directors and executive management.

In 2021, the Company entered a new Erste employee share program, where each employee will be provided with a number of Erste bank AG shares. In this context, the Company recognised an accrual of CZK 1,857 thousand in 2023 (in 2022: CZK 1,329 thousand).

4.16.1 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.)	2022	2023
Contribution to life and pension insurance	53	52
Passenger cars / other movable and immovable items with the possibility of personal use*	980	244
Other items (personal fuel consumption)*	256	48
Total	1,289	344

* data represent an amount by which the tax base of employees is increased

4.17 Other operating income

(CZK ths.)	2022	2023
Fixed assets sold	149,667	195,441
Other operating income, of which:	135,810	130,826
Contractual fines and interest on late payments	19,038	25,516
Loss compensation	82,237	88,644
Re-charge and insurance premium proceeds	4,485	8,393

(CZK ths.)	2022	2023
Income from ceded and written-off receivables	28,696	4,074
Other income except for leases	1,354	4,199
Total other operating income	285,477	326,267

4.18 Other operating expenses

(CZK ths.)	2022	2023
Net book value of sold fixed assets	163,228	214,240
Taxes and fees	447	93
Provisions from operating activities	(34,202)	3,360
Other operating expenses, of which:	76,277	107,565
Other operating expenses	15,126	20,041
Costs of ceded receivables	28,706	61,837
Write-off of receivables	8,656	3,780
Insurance premium cost	6,250	5,807
Shortages and losses in operating activities	17,539	16,100
	205,750	325,258

4.19 Interest income

(CZK ths.)	2022	2023
Interest on loans granted to private persons (non-entrepreneurs)	165,971	165,220
Interest on loans granted to private persons (entrepreneurs) and legal entities	971,478	1,398,860
Interest – other debtors	107,897	160,784
Total	1,245,346	1,724,864

4.20 Interest expenses

(CZK ths.)	2022	2023
Interest on loans	432,337	734,958
Interest on overdrafts	58	196
Total	432,395	735,154

4.21 Other financial income

(CZK ths.)	2022	2023
Foreign exchange gains	26,590	0
Other	544	582
Total	27,134	582

4.22 Other financial expenses

(CZK ths.)	2022	2023
Foreign exchange loss	0	20,051
Bank fees	9,666	21,455
Other financial cost, including revaluation of derivatives	2	0
Total	9,668	41,506

Foreign exchange differences arise due to the different accounting treatment of leases under Czech Accounting Standards (CAS) and International Financial Reporting Standards (IFRS). From an IFRS perspective, foreign exchange differences on foreign currency leases do not arise as the foreign currency asset and liability balances are almost equal.

5. Tax Analysis

5.1 Tax on ordinary activities

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

(CZK ths.)	2022	2023
Profit before taxes	298,268	368,569
Tax non-deductible items	186,330	248,332
Tax deductible items	(87,488)	(190,324)
Tax base	397,110	426,577
Tax base decrease – gifts	0	0
Tax base adjusted	397,110	426,577
Tax at local income tax rate of 19 % (2022: 19 %)	75,451	81,050
Additional tax assessment/refund	(443)	0
Tax current	75,008	81,050
Tax deferred	2,312	9,542
Total tax on ordinary activities	77,320	90,592

5.2 Deferred tax

The deferred tax asset analysis:

Deferred tax from (CZK ths.)	As at 31 December 2021	Additions	Disposals	As at 31 December 2022	Additions	Disposals	As at 31 December 2023
Net book value of fixed assets	(3,579)	0	(2,134)	(5,713)	0	(10,349)	(16,062)
Impairment to long-term assets – leasing	10,246	0	(1,043)	9,203	1,443	0	10,646
Impairment to property and goods – credit and stock financing	3,425	0	(1,768)	1,657	4,875	0	6,532
Impairment to receivables	6,511	9,663	0	16,174	0	(6,185)	9,989
Provisions and impairment to loans	7,489	0	(6,500)	989	809	0	1,798

Deferred tax from (CZK ths.)	As at 31 December 2021	Additions	Disposals	As at 31 December 2022	Additions	Disposals	As at 31 December 2023
Unpaid social and health insurance	4,688	0	(530)	4,158	0	(135)	4,023
Valuation differences on equity interests	(1,902)	0	(3,002)	(4,904)	0	(2,426)	(7,330)
Total	26,878	9,663	(14,977)	21,564	7,127	(19,095)	9,596

The deferred tax was calculated at 21% (as at 31 December 2022: 19%). The top-up tax is not taken into account in the calculation of deferred tax.

Decrease of deferred tax asset in 2023 in the amount of CZK 11,968 thousand was partially recorded against equity in the amount of CZK 2,426 thousand and against profit for the year in the amount of CZK 9,542 thousand.

6. Contingent Assets and Liabilities

As at 31 December 2023, the Company was not party to any litigation whose outcome would have a material impact on the Company, and which is not reflected in the reserves.

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

7. 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 2022	+ / - 2023	31 December 2023
Cash in bank	70,892	(52,932)	17,970
Liquid valuables	332	319	651
Total cash and cash equivalents	71,224	(52,613)	18,621

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

8. Subsequent Events

No other events have occurred subsequent to year-end that would have a material impact on the financial statements as at 31 December 2023.

Prepared on: 2 April 2024

Signature of accounting unit's statutory body:	Person responsible for accounting	Person responsible for financial statements
		
Petr Vacek Chairman of the Board of Directors	Tomáš Veverka Vice-Chairman of the Board of Directors	Tomáš Veverka

Report on Relations

Between Related Parties pursuant to Section 82 of Act No. 90/2012 Coll., the Corporations Act for the accounting period 2023

Leasing České spořitelny, a.s., with its registered seat Prague 4, Budějovická 1912/64B, 140 00, Identification Number (IČO) 27089444, 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 parties and between the Submitter and other parties controlled by the same controlling parties (hereinafter the „Related Parties“).

This Report on relations between the parties 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 2023 till 31 December 2023 (hereinafter the „fiscal year“). The Submitter and the parties listed below entered into the following contracts and received or made the following legal acts and other distinct measures:

A. Overview of the Group / or parties whose relations are described (see notes B., C. and D. below)

- Erste Group Bank AG
- Česká spořitelna, a.s.
- s Autoleasing SK, s. r. o
- S SERVIS, s.r.o.
- Dinesia a.s., v likvidaci
- Procurement Services CZ, s.r.o.

B. Controlling Parties

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

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

C. Controlled Parties

s Autoleasing SK, s. r. o. with its registered address located in Bratislava, Vajnorská 100/A, 831 04, Slovak Republic, Identification No. (IČ) 46 806 491

Relation to the Company: a company directly controlled by the Submitter (subsidiary)

Description of relations - see Annex 2

S SERVIS, s.r.o. with its registered address located in Znojmo, Kosmákova 3952/2, Czech Republic, Identification No. (IČ) 26 30 72 01

Relation to the Company: a company directly controlled by the Submitter (subsidiary)

Description of relations – see Annex 3

Dinesia a.s., v likvidaci with its registered address located in Prague 8, Střelničná 8, Czech Republic, Identification No. (IČ) 63 99 95 79

Relation to the Company: a company directly controlled by the Submitter (subsidiary)

Description of relations – see Annex 4

D. Other Related Parties

Procurement Services CZ, s.r.o., with its registered address located in Prague 4 Krč, Budějovická 1912/64b, Czech Republic, 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 5

E. Other Legal Acts

During the accounting period, Submitter carried out the following transactions with Related Party which involve assets exceeding in value 10% of the processor's equity determined according to the financial statements for the fiscal year 2022, represented by amount of CZK 448,864 thousand:

- Česká spořitelna, a.s. – drawing loans in the amount of: CZK 4,540,417 thousand,
- Česká spořitelna, a.s. – repayment of loans in the amount of: CZK 6,959,547 thousand.

F. Other Factual Arrangement

Leasing České spořitelny, a.s. 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 favourable for Leasing České spořitelny, 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 2023 fiscal year.

Annex No. 1 to the Related Party Report – Description of Relations to Česká spořitelna, a.s.

Performance received from contracts entered into in prior years

Contract name	Contracting party	Year of conclusion	Performance description	Detriment, if any
Current account contract	Česká spořitelna, a.s.	2004	Current account maintenance	None incurred
Business cooperation contract	Česká spořitelna, a.s.	2021	Participation in risk	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 (FSCS risk management system)	None incurred
Agreement on IT services provision	Česká spořitelna, a.s.	2014	Provision of HW and SW infrastructure	None incurred
Agreement on cooperation in monitoring the receivables portfolio	Česká spořitelna, a.s.	2023	Administration of receivable portfolio	None incurred
Outsourcing service contract (as amended)	Česká spořitelna, a.s.	2023	Outsourcing contract	None incurred
Agreement on lease of safe deposit boxes	Česká spořitelna, a.s.	2013–2015	Lease of a safe deposit box	None incurred
License and support agreement for ORACLE products	Česká spořitelna, a.s.	2019	ORACLE support	None incurred
Agreement on lease of business premises	Česká spořitelna, a.s.	2017	Lease of business premises – Prague	None incurred
Premises sub-lease agreement – TRIANON building	Česká spořitelna, a.s.	2018	Rental of parking spaces	None incurred
Agreement on the provision of electricity	Česká spořitelna, a.s.	2023	Electricity Znojmo branch	None incurred
Framework agreement on trading on the financial market	Česká spořitelna, a.s.	2014	Financial market trading	None incurred
Agreement on the lease of a means of transport	Česká spořitelna, a.s.	2023	Car rental	None incurred
Agreement on the provision of services during the implementation of the employee share program	Česká spořitelna, a.s.	2023	Purchase and administration of employee shares	None incurred
Agreement on the IT costs sharing for the supply of data to Erste Group, the processing of related calculations at the Group level, the provision of data Discovery services and statutory and risk reporting	Česká spořitelna, a.s.	2020	Cost of implementation and operation of services	None incurred
Software license and support terms of use agreement	Česká spořitelna, a.s.	2021	Software usage and maintenance	None incurred

Summary of transactions with Česká spořitelna, a.s. as at the balance sheet date (in CZK thousands)

Receivables	0
Current accounts	791
Other assets	10,030
Liabilities	1,944
Loans	17,141,771
Other liabilities	144
Revenues	150
Costs	453,417

Other liabilities include guarantees from Česká spořitelna due to participation in the risk arising from closed business cases, which will be offset against receivables from clients from prematurely terminated contracts at the time of final settlement with the client and current accounts with Česká spořitelna.

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 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 EUR 5,000 thousand. The Submitter reported net value of the investment of CZK 108,812 thousand in respect of the above ownership interest.

Performance rendered in relation to contracts entered into in prior years

Contract name	Contracting party	Year of conclusion	Performance description	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. as at balance sheet date (in CZK thousands)

Receivables	0
Other assets	0
Liabilities	0
Revenues	381

Annex No. 3 to the Related Party Report – Description of Relations to S SERVIS, s.r.o.

Ownership interest

The Submitter is the sole shareholder of S SERVIS, s.r.o. The registered capital S SERVIS, s.r.o. is CZK 3,000 thousand. The Submitter reported net value of the investment of CZK 28,127 thousand.

Performance rendered in relation to contracts entered into in prior years

Contract name	Contracting party	Year of conclusion	Performance description	Detriment, if any
Service agreement (Agreement)	S SERVIS, s.r.o.	2020	IT services	None incurred
Agreement on sublease of business premises and parking spaces	S SERVIS, s.r.o.	2023	Sublease of business premises and parking space – Znojmo	None incurred

Performance received in relation to contracts entered into in prior years

Contract name	Contracting party	Year of conclusion	Performance description	Detriment, if any
Agreement on insurance mediation and administration and provision of consulting services	S SERVIS, s.r.o.	2021	Insurance mediation and administration	None incurred

Summary of transactions with S SERVIS, s.r.o. as at balance sheet date (in CZK thousands)

Receivables	0
Revenues	3,873
Costs	22,084

Annex No. 4 to the Related Party Report – Description of Relations to DINESIA a.s., v likvidaci

Ownership interest

The Submitter is the sole shareholder of DINESIA a.s., v likvidaci. The share capital of DINESIA a.s., v likvidaci as at 1 January 2023 was CZK 15,000 thousand. The Submitter reported the net value of the investment of CZK 12,270 thousand as at 31 December 2023.

Annex No. 5 to the Related Party Report – Description of Relations to other Related Parties

Performance received in relation to contracts entered into in prior years

Contract name	Contracting party	Year of conclusion	Performance description	Detriment, if any
Master Agreement for the Provision of Services	Procurement Services CZ, s.r.o.	2018	Providing shopping services	None incurred

Summary of other related parties transactions as at balance sheet date (in CZK thousands)

Costs	515
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Prepared on: 2 April 2024

Signature of the statutory body of the entity:



Petr Vacek
Chairman of the Board
of Directors



Tomáš Veverka
Vice-Chairman of the Board
of directors

Leasing České spořitelny, a.s.

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