

ARSM

Audit Account Economy

AUDIT

**of the financial statements prepared in accordance with
International Financial Reporting Standards as adopted by the EU
as of December 31, 2015**

Addressed to the shareholders of the company

IDCC EUROPE Finance, a.s.

ID. No: 247 29 906

**V Lužích 735/6, Praha 4, 142 00
Czech Republic**

- February 2016 -



Audit Account Economy

INDEPENDENT AUDITOR'S REPORT

Addressed to the shareholders

We have audited the accompanying financial statements of IDCC EUROPE Finance, a.s., which comprise the statement of financial position as of 31 December 2015, and the profit and loss account, statement of changes in equity and statement of cash flows for the year then ended, a summary of significant accounting policies and other explanatory notes. Information about IDCC EUROPE Finance, a.s. is presented in Note 1 to these financial statements.

Statutory Body's Responsibility for the Financial Statements

The statutory body of IDCC EUROPE Finance, a.s. is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the EU and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Act on Auditors and International Standards on Auditing and the related application guidelines issued by the Chamber of Auditors of the Czech Republic. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.


We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion – Unqualified:

In our opinion, the financial statements give a true and fair view of the financial position of IDCC EUROPE Finance, a.s. as of 31 December 2015, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU.

ARSM s.r.o.
Audit company, Licence No. 452
Authorized by the Chamber of Auditors
of the Czech Republic




Ing. Ladislav JIRKA
Auditor, Licence CA CR No.61
Executive head of the company

February 23, 2016, Prague

IDCC EUROPE Finance, a.s.

Statement of financial position

as at 31 December 2015

	Notes	2015 KCZK	2014 KCZK
ASSETS			
Non-current assets			
Property, plant and equipment	4	142	145
Loans to customers	5	169 214	148 200
Deferred tax asset	6	7	28
Current assets			
Cash and cash equivalents	7	19 834	32 570
Shares subscriptions receivables	10	-	-
Trade and other receivables	8	393	307
Short-term loans	5	-	1 200
Accrued revenues	9	486	416
Total assets		190 076	182 866
LIABILITIES			
Current liabilities			
Trade liabilities		-	-
Other liabilities	11	982	1 109
Accrued expenses		106	388
Total liabilities		1 088	1 497
Total equity and liabilities		190 076	182 866

Date: 22nd February 2016

Signature

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TRAN Nhuan Tam

.....
NGO Minh Khoa



IDCC EUROPE Finance, a.s.
Statement of comprehensive income
for the year ended 31 December 2015

	Notes	2015 KCZK	2014 KCZK
Interest income	12	12 145	10 801
Interest expenses		(-)	(-)
Net interest income		12 145	10 801
Fee and commission income		1 366	1 286
Fee and commission expenses		(-)	(-)
Net fee and commission income		1 366	1 286
Other financial income		-	-
Deferred income tax	13	(20)	6
Operating income		13 491	12 092
General and administrative expenses	14	(4 110)	(4 532)
Operating expenses		(4 110)	(4 532)
Profit/Loss before tax		9 381	7 560
Income tax expense		(1 761)	(1 445)
Profit/Loss after tax		7 620	6 115
Total comprehensive income for the year		7 620	6 115

Date: 22nd February 2016

Signature

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TRAN Nhuan Tam

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NGO Minh Khoa



IDCC EUROPE Finance, a.s.

Statement of changes in equity

for the year ended 31 December 2015

	Share capital KCZK	Share premium KCZK	Reserve funds KCZK	Retained earnings KCZK	Total equity KCZK
Balance as at 1 January 2015	170 000	-	528	10 841	181 369
Issue of share capital	-	-	-	-	-
Dividends	-	-	-	-	-
Increase in reserve funds	-	-	305	(305)	-
Total comprehensive income for the year	-	-	-	7 620	7 620
Balance as at 31 December 2015	170 000	-	833	18 156	188 989

	Share capital KCZK	Share premium KCZK	Reserve funds KCZK	Retained earnings KCZK	Total equity KCZK
Balance as at 1 January 2014	170 000	-	315	4 939	175 254
Issue of share capital	-	-	-	-	-
Dividends	-	-	-	-	-
Increase in reserve funds	-	-	213	(213)	-
Total comprehensive income for the year	-	-	-	6 115	6 115
Balance as at 31 December 2014	170 000	-	528	10 841	181 369

Date: 22nd February 2016
Signature

TRAM Nhuan Tam

Signature
NGO Minh Khoa



Signature

IDCC EUROPE Finance, a.s.

Statement of cash flow

for the year ended 31 December 2015

	Notes	2015 KCZK	2014 KCZK
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/Loss before tax		9 381	7 560
Adjustments for non-cash transactions	15	(12 089)	(10 773)
Changes in assets and liabilities:			
Increase in receivables		1 045	4 315
Increase in liabilities		(2 185)	(1 216)
Increase in financial assets		(21 014)	(26 261)
Cash used in operations		(24 862)	(26 375)
Interests received		12 145	10 801
Income taxes paid		(14)	6
Net cash used in operating activities		(12 703)	(15 568)
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment		-	-
Net cash used in investing activities		(33)	-
CASH FLOWS FROM FINANCING ACTIVITIES			
Payments of shareholders for subscribed share capital		-	-
Net cash generated from investing activities		-	-
Net decrease/increase in cash and cash equivalents		(12 736)	(15 568)
Cash and cash equivalents at the beginning of the year		32 570	48 138
Cash and cash equivalents at the end of the year		19 834	32 570

Date: 22nd February 2016

Signature

TRAN Nhuan Tam

NGO Minh Khoa



1. Description of the Company

IDCC EUROPE Finance, a.s. (“the Company”) was established and registered in the Commercial Register on 30th August 2010. Its registration number is 247 29 906, tax identification number (TAX ID) and value added tax identification number (VAT) is CZ24729906.

The Company has 4 employees, 2 of them work as executive employee.
(2014: 4 employees, 2 of them work as executive employee).

The company address

IDCC EUROPE Finance, a.s.
V Lužich 735/6
142 00 Praha 4
Czech Republic

Shareholders

The shareholders of the Company are as follows:

<i>Shareholders</i>	<i>Address</i>	<i>Capital contribution ratios</i>	<i>Contributed capital</i>
I.D.C.C. CAMBODIAN INVESTMENT AND DEVELOPMENT Co., Ltd. (“IDCC”)	No. 27 Preah Suramarit Blvd, Sangkat Chaktomuk, Khan Daun Penh, Phnom Penh, Kingdom of Cambodia	67%	CZK113,900,000
SPORTISIMO, s.r.o.	Revnicka 121/1, 155 00 Praha 5 - Zlicin	19%	CZK32,300,000
Mr. Tran Nhuan Tam	Nad Rokoskou 1302/41, 18200 Praha 8 - Liben	7%	CZK11,900,000
Mr. Trinh Viet Dung	U Javoru 1476/19, 148 00 Praha 4 - Kunratice	7%	CZK11,900,000

Board of Directors (Statutory Board)

The Board of Directors for the year ended of 31 December 2015 and at the date of this report includes:

<i>Name</i>	<i>Position</i>	<i>Date of appointment/resignation</i>
Mr. Quach Hung Hiep	Chairman	Appointed on 26 November 2013
Mr. Tran Nhuan Tam	Vice Chairman	Appointed on 25 October 2013
Mr. Ngo Minh Khoa	Vice Chairman	Appointed on 3 June 2013
Mr. Do Hong Son	Member	Appointed on 30 August 2013
Mr. Nguyen Dinh Duong	Member	Appointed on 31 August 2011 to 30 August 2014, then appointed on 13 November 2014

Supervisory Board

The Board of Supervision for the year ended 31 December 2015 and at the date of this report includes:

<i>Name</i>	<i>Position</i>	<i>Date of appointment/resignation</i>
Mr. Nguyen Thieu Son	Chairman	Appointed on 11 October 2013
Ms. To Ngoc Bich	Member	Appointed on 1 June 2013
Mr. Nguyen Thai Ngoc	Member	Appointed on 30 August 2013

Shares: 1 700 pieces of ordinary registered shares with a nominal value of 100 000 CZK

Share capital: 170 000 000,- CZK.

Paid: 100%

Subject of business

Subject of business of the Company is to provide or to mediate consumer loans to individual clients in the Czech Republic.

2. Basis of preparation of the financial statements

a) Statement of compliance

The accompanying financial statements of the Company have been prepared in accordance with International Financial Reporting Standards ('IFRS') and interpretations (IFRICs) issued by the Interpretations Committee, as adopted by the EU. IFRS as adopted by the EU which are relevant to and used by the Company do not currently differ from IFRS as issued by the International Accounting Standards Board (IASB).

The Czech financial statements for the year ended 31 December 2014 were approved by the Company's General Meeting on 30 June 2015. The company also prepared Czech financial statements for the year ended 31 December 2015 and continues preparing financial statements for the purposes of Czech accounting and tax regulations.

b) Measurement method

The financial statements was prepared based on historical costs basis. The Company does not hold or emit financial instruments measured at fair value. The financial assets and liabilities are measured at amortised cost reduced by any possible reduction for impairment or uncollectibility.

c) Functional and presentation currency

All the amounts in the financial statements are presented in Czech crowns (CZK), which is functional currency of the Company as well. The amounts are reported and rounded to the nearest thousands of Czech crowns (K CZK).

d) Estimates and assumptions

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the reporting period. These estimates and assumptions are based on past experience as well as other factors, including expectations as to future events that appear reasonable under the given circumstances. Actual results could differ from those estimates, so the estimates and assumptions are continuously revised.

3. Significant accounting policies

a) Transactions in foreign currency

Transaction in foreign currency is a transaction that is denominated or requires settlement in different currencies other than the functional currency of the Company (CZK). Functional currency is a currency of the primary economic environment in which the Company operates. For purposes of initial measurement, transactions in foreign currency are translated into Czech crowns using the exchange rate prevailing at the date of the transaction, as published by the National Bank of Czech. In the accompanying financial statements, monetary assets and liabilities denominated or requires settlement in a foreign currency are translated at the rate of exchange ruling at December 31. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the Statement of comprehensive income.

b) Cash and cash equivalents

Cash and cash equivalents include petty cash, current bank accounts and other bank accounts, where money can be withdrawn from account within 3 months without any penalties.

c) Financial assets and liabilities

- **Classification**

The Company classifies all of its financial assets as loans and receivables. Loans and receivables are non-derivative financial asset with fixed or determinable payments, that are not quoted in an active market and are different from ones that the Company intends to sell immediately or in the near term, or are different from ones that the Company upon initial recognition designates as at fair value through profit or loss.

The Company does not hold or emit financial instruments measured at fair value, neither held-to-maturity investments, neither available-for-sale financial assets

- **Recognition**

The Company recognises a financial asset or a financial liability in its statement of financial position when, and only when, the entity becomes a party to the contractual provisions of the instrument.

- **Measurement**

When a financial asset or financial liability is recognised initially, the Company measures it at its fair value plus transaction costs that are directly

attributable to the acquisition or issue of the financial asset or financial liability. After initial recognition loans and receivables are measured at amortised cost using the effective interest method.

d) Property, plant and equipment

The Company uses cost model. Property, plant and equipment are recorded at cost, net of accumulated depreciation and impairment in value. Tangible asset is recognised if its acquisition costs are more than 15 000 CZK. Tangible assets with acquisition costs up to 40 000 CZK will be classified as small tangible assets and will be recorded as assets with the expected useful life:

- land – unlimited, not depreciated
- communications technology – 24 months
- PC – 24 months
- tools – 24 months
- vehicles – 36 months
- other office equipment – 48 months
- inventory – 48 months
- other machines and equipments – 48 months
- buildings and other constructions – 60 months

Tangible assets with acquisition costs over 40 000 CZK will be classified and recorded as tangible assets.

Depreciation

Each part of an item of property, plant and equipment with a cost that is significant in relation to the total cost of the item is depreciated separately. The depreciation charge for each period is recognised in profit or loss unless it is included in the carrying amount of another asset. The Company uses straight-line depreciation method to allocate the depreciable amount of an asset on a systematic basis over its useful life.

The residual value and the useful life of an asset are reviewed at least at each financial year-end and, if expectations differ from previous estimates, the change(s) are accounted for as a change in an accounting estimate in accordance with IAS 8.

e) Provisions

Provisions are reported in the Statement of financial position when the Company has present obligation of past event, which will probably cause a decrease of economic resources and the Company is able to make an estimate of the amount of the obligation. The Company has not recognised any provisions.

f) Share capital and legal reserve fund

Share capital consists of 1 700 shares issued by the Company with a nominal value of 100 000 CZK.

In accordance with the company's statutes the Company shall create legal reserve fund for covering the possible future losses. Contributions to the reserve fund must be a minimum of 20% of profit after tax in the first year in which profit is made, but not more than 10% of the share capital. This fund is supplemented 5% of profit after tax each year thereafter, until the fund reaches at least 20% of the share capital. The fund can only be used to offset losses.

The Company contributed to the legal reserve fund in financial year 2015 from the profit after tax of financial year 2014 in the amount of 306 KCZK.

g) Interest income and expenses

Interest income and expenses are recognised in the Statement of comprehensive income on accrual basis while using effective interest method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial assets and liabilities.

The effective interest rate calculation includes all paid and received fees and points, transaction costs and all discounts and premiums.

h) Contractual penalties

Contractual penalties are reported in the Statement of comprehensive income at a moment, when they are prescribed to the customer, and their enforcement is taken into account.

i) Income taxes

Income tax expenses are calculated in accordance with the Czech tax regulations and are based on the income or loss reported under the Czech accounting regulations, increased or decreased by the appropriate permanent and temporary tax differences. The Czech corporate income tax rate for 2011, 2012, 2013, 2014 and 2015 were 19%.

Deferred income tax is provided, using the liability method, on all temporary differences at the closing date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred income tax is calculated as the product of the tax rate that is expected to apply to the year when the asset is realized or the liability is settled. Deferred tax assets and liabilities are not discounted. Deferred tax assets are recognized when it is probable that sufficient taxable profits

will be available against which the deferred tax assets can be utilized. The carrying amount of a deferred tax asset are reviewed at the end of each reporting period. Deferred tax is recognise as income or an expense and included in profit or loss for the period or outside profit or loss, either in other comprehensive income or directly in equity according to items to which deferred tax relates.

j) New IFRS Standards and Interpretations IFRIC not yet effective or not yet adopted by the EU

During the year there were issued new standards, amendments and interpretations of the current standards, which are not yet effective or not yet adopted by the EU and which the Company will apply when they become mandatory. The Company assumes that these new standards, amendments and interpretations will not have material impact on the financial statements of the company.

4. Property, plant and equipment

2015

	Fire-resistant deposit box (11IM_002)	Switch HP ProCurve
Historical cost at 31 December 2015	79	20
Additions	0	0
Accumulated depreciation and impairment at 1 January 2015	34	19
Depreciation	8	1
Net book value at 31 December 2015	37	0

	Fire-resistant deposit box (13IM_003)	Billboard
Historical cost at 31 December 2015	69	47
Additions	0	0
Accumulated depreciation and impairment at 1 January 2015	11	15
Depreciation	7	11
Net book value at 31 December 2015	51	21

	Laser printer Xerox	Aluminium advertising banners Debond
Historical cost at 31 December 2015	15	33
Additions	0	
Accumulated depreciation and impairment at 1 January 2015	6	0
Depreciation	4	5
Net book value at 31 December 2015	5	28

2014

	Fire-resistant deposit box (111M_002)	Switch HP ProCurve
Historical cost at 31 December 2014	79	20
Additions	0	0
Accumulated depreciation and impairment at 1 January 2014	27	14
Depreciation	7	5
Net book value at 31 December 2014	45	1

	Fire-resistant deposit box (131M_003)	Billboard
Historical cost at 31 December 2014	69	47
Additions	0	0
Accumulated depreciation and impairment at 1 January 2014	4	5
Depreciation	7	10
Net book value at 31 December 2014	58	31

	Laser printer Xerox
Historical cost at 31 December 2014	15
Additions	0
Accumulated depreciation and impairment at 1 January 2014	2
Depreciation	4
Net book value at 31 December 2014	9

5. Loans to customers

	2015	2014
	KCZK	KCZK
Loans to customers	169 214	148 200
Short-time loans to customers	-	1 200

All clients, to which money were loaned, has paid properly and on time and the Company presumes the similar trend in the future.

6. Deferred tax asset

For the deferred tax calculation the Company used the rate 19%, which is effective for 2015. Deferred tax asset is related to the untaken vacation in the amount of 38 KCZK.

7. Cash and cash equivalent

	2015	2014
	KCZK	KCZK
Cash	8	35
Current bank accounts	19 826	32 535

8. Trade receivables

Most of the trade receivables are towards majority shareholder. The company provided some operation for the majority shareholder and all invoices, which were paid by the Company, were billed to the shareholder.

9. Accrued revenues

Accrued revenues consists of interests, fees and commissions, which are related to the year 2015, but they have not yet been invoiced.

10. Share Capital

Share capital consists of 1 700 shares issued by the Company with a nominal value of 100 000 CZK.

11. Other liabilities

	2015	2014
	KCZK	KCZK
VAT liabilities	-	-
Corporate income tax	536	812
Liabilities towards employees	235	150
Social security and health insurance	100	92
Income tax on employees	49	35
Short-term advances received	47	20

12. Interest income

	2015	2014
	KCZK	KCZK
Interests from loans	12 065	10 618
Interest from current bank accounts	80	183

13. Deferred income tax

The company recognised the income, because deferred tax asset was created (see note 6).

14. General and administrative expenses

	2015	2014
	KCZK	KCZK
Wages and salaries	2 338	2 533
Social security and health insurance	750	812
Consulting	125	121
Phone and post expenses	45	84
Internet	27	12
Advertising	27	107
Rent	278	121
Depreciation	36	34
Travelling expenses	55	72
Other expenses	456	636

The expenses on auditing services are 68 KCZK and they will be invoiced and billed in 2016.

15. Adjustments for non-cash transactions

	2015 KCZK	2014 KCZK
Depreciation	36	34
Deferred tax	20	(6)
Interests income	(12 145)	(10 801)

16. Transactions with related parties

Between the Company and the shareholders have been made transactions only on terms equivalent to those that prevail in arm's length transactions.

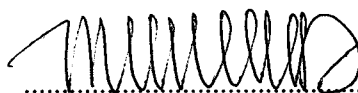
17. Owners' equity

	Ending balance KCZK	Beginning balance KCZK
I.D.C.C. CAMBODIAN INVESTMENT AND DEVELOPMENT Co., Ltd. ("IDCC")	113 900	113 900
SPORTISIMO, s.r.o.	32 300	32 300
Mr. Tran Nhuan Tam	11 900	11 900
Mr. Trinh Viet Dung	11 900	11 900
INVESTMENT LOFIDAMI GROUP a.s.	-	-
	170 000	170 000

Date: 22nd February 2016

Signature

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TRAN Nhuan Tam



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NGO Minh Khoa

