

CONSOLIDATED ANNUAL REPORT

beginning of financial year: 01.01.2017

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Management report

Introduction

The Placet Group is an international group whose parent company is Placet Group OÜ, whose main office is located in Estonia. The principal activity of this group is the issuing of express and consumer loans.

As of 31.12.2017, the group had the following structure:

Placet Group OÜ (Estonia) is the group's parent company

Company	State of registry	Investor's holding	Principal activity
Placet Group OÜ subsidiaries			
UAB Nordecum	Lithuania	100%	Issuing of express and consumer loans
Nordecum Sp. Z o.o.	Poland	100%	Issuing of express and consumer loans
UAB Nordecum subsidiary			
ITM Inkasso UAB	Lithuania	100%	Collection agency services

At the beginning of 2017, the Placet Group migrated to new software which speeds up service processes, including the processing of client data by staff, and also make it possible to better protect and preserve client-related data.

In the summer of 2017, the Placet Group began to offer a new product – a line of credit. This new product is similar to a credit card, where the client uses part of the total limit, to the extent of his or her needs, and pays interest only on the part of the limit used. The line of credit is offered at a lower interest rate than that for consumer loans. By December 2017 loans issued on the basis of a line of credit contract made up 30% of the total loan portfolio.

In the fall of 2017, the Placet Group entered into an investment loan agreement with one of the largest banks in Estonia.

Revenue, expenses, and profit

In 2017, sales revenue for the group amounted to 11,572 thousand euros, which consist of general activity interest and service fee income, increasing in both Estonia and Poland. In 2017, consolidated net income was 3,014 thousand euros. Profit increased by almost 100%. In 2017, interest income reached 8,810 thousand euros, an increase of 490 thousand euros from the previous year. In 2017, interest cost were 1,197 thousand euros, compared with 1,418 thousand euros in the previous year. The loan portfolio increased by 1,5% compared to the previous year.

Key financial indicators and ratios

	2017	2016
Sales revenue (thousands of euros)	11,572	10,672
Earnings rate (%)	35.65%	27.51%
Current ratio	6.65	1.74
ROA	11.68%	6.98%
ROE	23.64%	16.47%

Formulas used in ration calculations:

Earnings rate (%) = earnings/sales revenue*100

Current ratio = current assets/short-term liabilities

ROA (%) = net income/total assets * 100

ROE (%) = net income/total equity * 100

Human resources

As of the end of 2017, the average number of people employed by the group was 75: 48 in Estonia, 26 in Lithuania, and 1 in Poland. Labor costs (including social taxes) amounted to 1,918 thousand euros. In 2017, management was paid compensation totaling 154 thousand euros.

Impact of macro-economic environment on business activities

The general rise in economic and consumer confidence and diminishing unemployment set the stage for economic growth in 2018 in those countries in which the group is active.

Dividend policy

The parent company in the previous years paid dividends to the owners. Subsidiaries do not pay dividends, but use earned profits to cover losses incurred over previous periods and expand activities in their current markets. The amount to be paid out in dividends in the coming year at the moment of the completion of the annual report has not yet been set.

Objectives for the next financial year

The main objective for the coming financial year is to increase market share in the countries in which the group is active, developing information technologies and offering clients new solutions and a broader range of products.

The group will also continue to improve the quality of financial services and increase credit quality. There are no plans to expand into new markets in 2018.

The annual accounts

Consolidated statement of financial position

(In Euros)

	31.12.2017	31.12.2016	Note
Assets			
Current assets			
Cash and cash equivalents	466 040	620 474	
Receivables and prepayments	14 098 462	14 032 615	2
Total current assets	14 564 502	14 653 089	
Non-current assets			
Financial investments	608 000	608 000	5
Receivables and prepayments	10 166 000	6 743 379	2
Property, plant and equipment	460 760	470 456	7
Total non-current assets	11 234 760	7 821 835	
Total assets	25 799 262	22 474 924	
Liabilities and equity			
Liabilities			
Current liabilities			
Loan liabilities	841 922	5 321 000	8
Payables and prepayments	1 347 337	3 079 640	9
Provisions	0	8 400	
Total current liabilities	2 189 259	8 409 040	
Non-current liabilities			
Loan liabilities	10 858 989	4 539 576	8
Provisions	1 357	0	
Total non-current liabilities	10 860 346	4 539 576	
Total liabilities	13 049 605	12 948 616	
Equity			
Equity held by shareholders and partners in parent company			
Issued capital	5 700 000	5 700 000	11
Share premium	65 829	65 829	
Unrealised exchange rate	196 171	-12 790	
Retained earnings (loss)	3 773 269	2 204 138	
Annual period profit (loss)	3 014 388	1 569 131	
Total equity held by shareholders and partners in parent company	12 749 657	9 526 308	
Total equity	12 749 657	9 526 308	
Total liabilities and equity	25 799 262	22 474 924	

Consolidated income statement

(In Euros)

	2017	2016	Note
Interest income	8 810 089	8 319 827	12
Interest expenses	-1 196 737	-1 417 980	17
Net interest income	7 613 352	6 901 847	
Service fee income	2 762 376	2 352 191	12
Service fee expenses	-509 050	-1 016 066	17
Net service fee income	2 253 326	1 336 125	
Other financial income and expense	24	-397	
Other income	159 949	207 538	
Other operating expense	-4 919 338	-4 842 491	14
Employee expense	-1 917 776	-1 585 570	15
Depreciation and impairment loss (reversal)	-9 696	-9 694	7
Other expense	-55 647	-19 664	
Profit (loss) before tax	3 124 194	1 987 694	
Income tax expense	-109 806	-418 563	18
Annual period profit (loss)	3 014 388	1 569 131	
Profit (loss) from shareholders and partners in parent company	3 014 388	1 569 131	

Consolidated statement of cash flows

(In Euros)

	2017	2016	Note
Cash flows from operating activities			
Operating profit (loss)	4 126 103	2 935 457	
Adjustments			
Depreciation and impairment loss (reversal)	9 696	9 694	7
Profit (loss) from sale of non-current assets	0	14 273	
Other adjustments	-8 615 285	-7 840 814	
Total adjustments	-8 605 589	-7 816 847	
Changes in receivables and prepayments related to operating activities	-5 021 151	585 464	2
Changes in payables and prepayments related to operating activities	-234 111	-1 209 900	9
Interest received	8 410 399	7 860 307	6,12
Income tax refund (paid)	-157 962	-12 378	3, 18
Total cash flows from operating activities	-1 482 311	2 342 103	
Cash flows from investing activities			
Proceeds from sales of property, plant and equipment and intangible assets	0	500	
Loans given	-674 500	-1 267 000	6
Repayments of loans given	1 651 500	2 482 000	6
Interest received	955 372	379 854	2, 12, 6
Other cash inflows from investing activities	25	0	
Total cash flows from investing activities	1 932 397	1 595 354	
Cash flows from financing activities			
Loans received	10 070 533	6 266 481	8
Repayments of loans received	-8 230 198	-7 484 133	8
Interest paid	-2 053 816	-1 170 168	9,17
Dividends paid	-480 000	-900 000	9, 18
Income tax refund (paid)	-120 000	-225 000	3,18
Other cash outflows from financing activities	0	-397	
Total cash flows from financing activities	-813 481	-3 513 217	
Total cash flows	-363 395	424 240	
Cash and cash equivalents at beginning of period	620 474	202 677	
Change in cash and cash equivalents	-363 395	424 240	
Effect on exchange rate changes on cash and cash equivalents	208 961	-6 443	
Cash and cash equivalents at end of period	466 040	620 474	

Consolidated statement of changes in equity

(In Euros)

	Equity held by shareholders and partners in parent company				Total
	Issued capital	Share premium	Unrealised exchange rate	Retained earnings (loss)	
	31.12.2015	5 700 000	65 829	0	
Effect of correction of errors			-6 347	318 150	311 803
Restated balance 31.12.2015	5 700 000	65 829	-6 347	3 177 188	8 936 670
Annual period profit (loss)				1 569 131	1 569 131
Declared dividends				-973 050	-973 050
Other changes in equity			-6 443		-6 443
31.12.2016	5 700 000	65 829	-12 790	3 773 269	9 526 308
Annual period profit (loss)				3 014 388	3 014 388
Other changes in equity			208 961		208 961
31.12.2017	5 700 000	65 829	196 171	6 787 657	12 749 657

Notes

Note 1 Accounting policies

General information

The 2017 annual accounts of Placet Group OU have been prepared in compliance with the accounting principle generally accepted in the Republic of Estonia. The basic requirements of the accounting principles generally accepted in Estonia have been established in the Accounting Act of the Republic of Estonia and accompanied by the guidelines issued by the Accounting Standards Board.

The preparation of the annual accounts has been based on the acquisition cost principle, except cases described in the accounting policies below.

The annual accounts have been compiled in euros.

Financial assets

Financial assets are cash and their equivalents, short-term investments, accounts receivables and other short-term and long-term financial investments.

Financial assets are recorded at cost. On further recognition, the actual or fair value of financial assets shall be an amount for which the asset could be exchanged in a transaction between knowledgeable, interested and financially independent person

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances on current (settlement) bank accounts, deposit withdrawable on demand, and short-term revocable bank deposits with an original maturity of up to one year.

Foreign currency transactions and assets and liabilities denominated in a foreign currency

Foreign currency transactions have been recorded using the official exchange rates of the European Central Bank on the day of transaction. Financial assets and liabilities and non-monetary financial assets and liabilities, which are recorded in a foreign currency using the fair value method, are re-valued on the date of the balance sheet in euros using the official exchange rates of the European Central Bank. Profits from foreign currency transactions are recorded on the income statement as revenue and expenses of the period.

Financial investments

Financial investments are presented in the balance sheet using the actual cost method (at acquisition cost).

Receivables and prepayments

The short-term receivables occurring in the course of regular business of the company are recorded as trade receivables, except for receivables against other group companies and affiliated undertakings. Trade receivables are recorded in the adjusted acquisition cost (i.e. nominal value minus discounts applied, if necessary).

The probability of recovery of claims is assessed separately for each purchaser, if possible. The accrual of the previously deducted doubtful debts is reflected as the reduction of the expenses of doubtful debts.

Financial liabilities

All financial liabilities (trade creditors, loans received, accruals and other short-term and long-term loan liabilities) are initially recorded in their acquisition cost that also includes all expenses directly related to acquisition. The adjusted acquisition value method is used for subsequent accounting.

The adjusted acquisition value of short-term financial liabilities is generally equal to their nominal value, which is why the short-term financial liabilities have been shown on the balance sheet with the amounts payable. The calculation of the adjusted acquisition cost of the long-term financial liabilities is carried out by using the effective interest method.

Revenue recognition

Revenue from the sale of goods is reflected when all material risks related to the ownership of the asset have been transferred to the purchaser, and the sales revenue and expenses related to the transaction can be reliably assessed and the receipt of the payment for the transaction is likely.

Revenues from the sale of services is reflected after the provision of services, taking into account the completion state method.

Taxation

Pursuant to the current legislation in Estonia, the profits of the companies are not subject to taxation, therefore also eliminating any deferred income tax claims and liabilities. Instead of profit, taxes are imposed on dividends paid from the retained profits at the rate of 20/80 on the sum paid as net dividends in Estonia. Corporate income tax resulting from the payment of dividends is recorded in the income statement as expenditure on income tax in the same period when the dividends are announced, irrespective of the period for which they are announced or when they are actually paid.

Note 2 Receivables and prepayments

(In Euros)

	31.12.2017	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Accounts receivable	115 243	115 243		
Accounts receivables	115 243	115 243		
Tax prepayments and receivables	3 383	3 383		3
Other receivables	25 048 763	14 889 606	10 159 157	6
Loan receivables	24 209 729	14 050 572	10 159 157	
Interest receivables	535 273	535 273		
Accrued income	303 761	303 761		
Prepayments	266 760	259 917	6 843	
Deferred expenses	266 760	259 917	6 843	
Total receivables and prepayments	24 264 462	14 098 462	10 166 000	
	31.12.2016	Allocation by remaining maturity		Note
		Within 12 months	1 - 5 years	
Accounts receivable	387 030	387 030		
Accounts receivables	387 030	387 030		
Tax prepayments and receivables	157	157		3
Other receivables	25 327 261	18 591 585	6 735 676	6
Loan receivables	23 853 881	17 118 205	6 735 676	
Interest receivables	1 090 956	1 090 956		
Accrued income	382 424	382 424		
Prepayments	31 764	24 061	7 703	
Deferred expenses	31 764	24 061	7 703	
Total receivables and prepayments	20 775 994	14 032 615	6 743 379	

Note 3 Tax prepayments and liabilities

(In Euros)

	31.12.2017		31.12.2016	
	Tax prepayments	Tax liabilities	Tax prepayments	Tax liabilities
Corporate income tax		48 029		216 185
Value added tax		26 283		19 827
Personal income tax		19 443		15 826
Fringe benefit income tax		309		40 757
Social tax		53 353		23 656
Contributions to mandatory funded pension		2 014		1 360
Unemployment insurance tax		2 521		1 665
Interest				1 880
Prepayment account balance	3 383		157	
Total tax prepayments and liabilities	3 383	151 952	157	321 156

Note 4 Shares of subsidiaries

(In Euros)

Shares of subsidiaries, general information					
Subsidiary's registry code	Name of subsidiary	Country of incorporation	Principal activity	Ownership interest (%)	
				31.12.2016	31.12.2017
302535232	UAB Nordecum	Lithuania		100	100
302604899	UAB ITM Inkasso	Lithuania		100	100
361270895	Nordecum Sp. z o.o.	Poland		100	100

Shares of subsidiaries, detaild information		
Name of subsidiary	31.12.2016	31.12.2017
UAB Nordecum	222 992	222 992
UAB ITM Inkasso	2 896	2 896
Nordecum Sp. z o.o.	123 609	123 609
Total shares of subsidiaries, at end of previous period	349 497	349 497

UAB ITM Inkasso is located in Lithuania UAB Nordecum subsidiary. In consolidated balance sheet all subsidiaries are shown at a line at line consolidated.

In parent unconsolidated balance sheet investments to UAB Nordecum and Nordecum Sp z.o.o. are shown at cost.

Note 5 Long-term financial investments

(In Euros)

		Total
	Shares	
31.12.2015	608 000	608 000
31.12.2016	608 000	608 000
		Total
	Shares	
31.12.2016	608 000	608 000
31.12.2017	608 000	608 000

In long-term financial investments are shown Placet Group OÜ investment in Tallinna Hoiu-Laenuühistu at cost. According to Savings and Loan Associations Act Placet Group OÜ have one voice in voting and do not have control for the Management and its activity.

Note 6 Other receivables

(In Euros)

	31.12.2017	Allocation by remaining maturity		Interest rate	Base currencies	Due date
		Within 12 months	1 - 5 years			
Loan receivables	24 209 729	14 050 572	10 159 157			
Interest receivables	535 273	535 273				
	529 771	529 771				
	5 502	5 502				
Accrued income	303 761	303 761				
Total other receivables	25 048 763	14 889 606	10 159 157			
	31.12.2016	Allocation by remaining maturity		Interest rate	Base currencies	Due date
		Within 12 months	1 - 5 years			
Loan receivables	23 853 881	17 118 205	6 735 676			
	22 876 881	17 118 205	5 758 676	10% - 75%	EUR, PLN	2017-2021
	977 000		977 000	19%	EUR	2020
Interest receivables	1 090 956	1 090 956				
	324 885	324 885				
	766 071	766 071				
Accrued income	382 424	382 424				
Total other receivables	25 327 261	18 591 585	6 735 676			

Note 7 Property, plant and equipment

(In Euros)

				Total
	Buildings	Computers and computer systems	Machinery and equipment	
31.12.2015				
Carried at cost	485 000	14 048	14 048	499 048
Accumulated depreciation	-4 850	-3 417	-3 417	-8 267
Residual cost	480 150	10 631	10 631	490 781
Depreciation	-9 694			-9 694
Other changes		-10 631	-10 631	-10 631
31.12.2016				
Carried at cost	485 000	0	0	485 000
Accumulated depreciation	-14 544	0	0	-14 544
Residual cost	470 456	0	0	470 456
Depreciation	-9 696			-9 696
31.12.2017				
Carried at cost	485 000			485 000
Accumulated depreciation	-24 240			-24 240
Residual cost	460 760			460 760

Note 8 Loan commitments

(In Euros)

	31.12.2017	Allocation by remaining maturity			Interest rate	Base currencies	Due date
		Within 12 months	1 - 5 years	Over 5 years			
Non-current loans							
	4 631 413	841 922	3 789 491		7.25% + 6 kuu EURIBOR	EUR	2020
	7 069 498		7 069 498		10% - 11%	EUR	2020
Non-current loans total	11 700 911	841 922	10 858 989				
Loan commitments total	11 700 911	841 922	10 858 989				
	31.12.2016	Allocation by remaining maturity			Interest rate	Base currencies	Due date
		Within 12 months	1 - 5 years	Over 5 years			
Current loans							
	1 260 000	1 260 000			5.5% - 12%	EUR	2017
	2 867 000	2 867 000			20%	EUR	2017
Current loans total	4 127 000	4 127 000					
Non-current loans							
	1 766 794		1 766 794		10%	EUR	2021
	3 966 782	1 194 000	2 772 782		8,5% - 12%	EUR	2018
Non-current loans total	5 733 576	1 194 000	4 539 576				
Loan commitments total	9 860 576	5 321 000	4 539 576				

Note 9 Payables and prepayments

(In Euros)

	31.12.2017	Within 12 months	Note
Trade payables	165 721	165 721	
Employee payables	199 148	199 148	10
Tax payables	151 952	151 952	3
Other payables	622 773	622 773	
Interest payables	369 401	369 401	
Other accrued expenses	253 372	253 372	
Prepayments received	207 743	207 743	
Deferred income	207 743	207 743	
Total payables and prepayments	1 347 337	1 347 337	
	31.12.2016	Within 12 months	Note
Trade payables	210 741	210 741	
Employee payables	171 735	171 735	10
Tax payables	321 156	321 156	3
Other payables	1 803 633	1 803 633	
Interest payables	1 226 480	1 226 480	
Dividend payables	480 000	480 000	
Other accrued expenses	97 153	97 153	
Prepayments received	572 375	572 375	
Other received prepayments	572 375	572 375	
Total payables and prepayments	3 079 640	3 079 640	

Note 10 Employee payables

(In Euros)

	31.12.2017	31.12.2016
Remuneration liability	112 355	106 094
Vacation pay liability	86 793	65 641
Total employee payables	199 148	171 735

Note 11 Share capital

(In Euros)

	31.12.2017	31.12.2016
Share capital	5 700 000	5 700 000
Number of shares (pcs)	2	2
Placet Group OU share capital consist from two shares of 2 850 000 EUR value each		

Note 12 Net sales

(In Euros)

	2017	2016	Note
Net sales by geographical location			
Net sales in European Union			
Estonia	6 156 123	5 696 861	
Lithuania	3 548 848	3 569 325	
Poland	1 867 494	1 405 832	
Total net sales in European Union	11 572 465	10 672 018	
Total net sales	11 572 465	10 672 018	
Net sales by operating activities			
Interest income	8 810 089	8 319 827	
Service fee income	2 762 376	2 352 191	13
Total net sales	11 572 465	10 672 018	

Note 13 Service fee income

(In Euros)

	2017	2016
Comission fee	1 944 147	1 362 083
Prolongation fee	166 934	646 668
Loan procedural costs	651 295	343 440
Total service fee income	2 762 376	2 352 191

Note 14 Miscellaneous operating expenses

(In Euros)

	2017	2016	Note
Leases	17 442	27 468	
Miscellaneous office expenses	694 602	991 862	
Travel expense	6 133	7 986	
State and local taxes	6 792	3 424	
Allowance for doubtful receivables	2 181 327	2 306 455	16
Advertising expenses	1 899 306	1 222 929	
Legal and consulting expenses	113 736	282 367	
Total miscellaneous operating expenses	4 919 338	4 842 491	

Note 15 Labor expense

(In Euros)

	2017	2016
Wage and salary expense	1 436 839	1 131 231
Social security taxes	480 937	454 339
Total labor expense	1 917 776	1 585 570
Average number of employees in full time equivalent units	75	59

Note 16 Significant impairment of current assets

(In Euros)

	2017	2016
Changes in allowance for doubtful receivables	-3 800 531	2 306 455
Total significant impairment of current assets	-3 800 531	2 306 455

Note 17 Interest expenses

(In Euros)

	2017	2016
Interest expenses from loans	1 196 737	1 417 980
Total interest expenses	1 196 737	1 417 980

Note 18 Income tax

(In Euros)

Income tax expense components	2017	2016	
	Deferred income tax	Taxable amount	Income tax expense
Declared dividends	109 806	973 050	418 563
Estonia		973 050	243 263
Other countries	109 806	0	175 300
Total	109 806	973 050	418 563

Note 19 Related parties

(In Euros)

Related party balances according to groups

	31.12.2017		31.12.2016	
	Receivables	Liabilities	Receivables	Liabilities
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	0	55 735	302 516	1 458 548
Close family members and entities under their prevalent and material influence of management and higher	0	0	0	211 773

2017	Loans received repayments	Interest rate	Base currencies	Due date
Management and higher supervisory body and individuals with material ownership interest				
Close family members and entities under their prevalent and material influence of management and higher				

2016	Loans received	Loans received repayments	Interest rate	Base currencies	Due date
Management and higher supervisory body and individuals with material ownership interest					

Purchases and sales

	2017		2016	
	Purchases	Sales	Purchases	Sales
Management and higher supervisory body and individuals with material ownership interest and material influence of management and higher	0	171 287	0	123 331
Close family members and entities under their prevalent and material influence of management and higher	0	0	0	0

Remuneration and other significant benefits calculated for members of management and highest supervisory body	2017	2016
Remuneration	153 530	176 047

Note 20 Non consolidated statement of financial position

(In Euros)

	31.12.2017	31.12.2016
Assets		
Current assets		
Cash and cash equivalents	126 893	290 543
Receivables and prepayments	10 238 491	12 106 258
Total current assets	10 365 384	12 396 801
Non-current assets		
Investments in subsidiaries and associates	346 601	346 601
Financial investments	608 000	608 000
Receivables and prepayments	5 335 530	2 577 799
Property, plant and equipment	460 760	470 456
Total non-current assets	6 750 891	4 002 856
Total assets	17 116 275	16 399 657
Liabilities and equity		
Liabilities		
Current liabilities		
Loan liabilities	841 922	2 454 000
Payables and prepayments	505 015	1 007 544
Total current liabilities	1 346 937	3 461 544
Non-current liabilities		
Loan liabilities	3 789 492	2 772 782
Total non-current liabilities	3 789 492	2 772 782
Total liabilities	5 136 429	6 234 326
Equity		
Issued capital	5 700 000	5 700 000
Share premium	65 829	65 829
Retained earnings (loss)	4 399 502	2 455 666
Annual period profit (loss)	1 814 515	1 943 836
Total equity	11 979 846	10 165 331
Total liabilities and equity	17 116 275	16 399 657

Note 21 Non consolidated income statement

(In Euros)

	2017	2016
Interest income	5 761 984	5 248 452
Interest expenses	-483 427	-686 218
Net interest income	5 278 557	4 562 234
Service fee income	474 531	718 998
Service fee expenses	-509 050	-225 670
Net service fee income	-34 519	493 328
Other financial income and expense	24	61
Other income	279 323	345 284
Other operating expense	-2 249 614	-2 074 457
Employee expense	-1 442 996	-1 109 993
Depreciation and impairment loss (reversal)	-9 696	-9 694
Other expense	-6 564	-19 664
Profit (loss) before tax	1 814 515	2 187 099
Income tax expense	0	-243 263
Annual period profit (loss)	1 814 515	1 943 836

Note 22 Non consolidated statement of cash flows

(In Euros)

	2017	2016
Cash flows from operating activities		
Operating profit (loss)	2 022 746	2 402 642
Adjustments		
Depreciation and impairment loss (reversal)	9 696	9 694
Profit (loss) from sale of non-current assets	0	14 273
Other adjustments	-5 486 789	-4 777 839
Total adjustments	-5 477 093	-4 753 872
Changes in receivables and prepayments related to operating activities	-2 812 502	-1 514 301
Changes in payables and prepayments related to operating activities	94 999	-57 328
Interest received	5 427 195	4 775 840
Total cash flows from operating activities	-744 655	852 981
Cash flows from investing activities		
Proceeds from sales of property, plant and equipment and intangible assets	0	500
Loans given	-674 500	-1 267 000
Repayments of loans given	1 751 500	2 952 000
Interest received	1 180 328	469 327
Other cash inflows from investing activities	0	61
Total cash flows from investing activities	2 257 328	2 154 888
Cash flows from financing activities		
Loans received	5 626 621	3 985 781
Repayments of loans received	-6 221 989	-4 956 241
Interest paid	-480 955	-699 402
Dividends paid	-480 000	-900 000
Income tax refund (paid)	-120 000	-225 000
Total cash flows from financing activities	-1 676 323	-2 794 862
Total cash flows	-163 650	213 007
Cash and cash equivalents at beginning of period	290 543	77 536
Change in cash and cash equivalents	-163 650	213 007
Cash and cash equivalents at end of period	126 893	290 543

Note 23 Non consolidated statement of changes in equity

(In Euros)

				Total
	Issued capital	Share premium	Retained earnings (loss)	
31.12.2015	5 700 000	65 829	2 902 825	8 668 654
Effect of correction of errors			525 891	525 891
Restated balance 31.12.2015	5 700 000	65 829	3 428 716	9 194 545
Annual period profit (loss)			1 943 836	1 943 836
Declared dividends			-973 050	-973 050
31.12.2016	5 700 000	65 829	4 399 502	10 165 331
Annual period profit (loss)			1 814 515	1 814 515
31.12.2017	5 700 000	65 829	6 214 017	11 979 846