

FINANCIAL STATEMENTS
IN ACCORDANCE WITH
IAS / IFRS

Company:

Sarantis Czech Republic,
S.r.o.

as of 31 December 2015

February 2016

Total 6 copies

3 copies in Czech language
3 copies in English language

CONTENT

Company:

Sarantis Czech Republic, s.r.o.

Prague 3, Roháčova 77/1095, zip code 130 00

registered at Municipal Court in Prague, Section C, Insert 62867

IN 257 05 971

Balance sheet IAS/IFRS as of 31 December 2015

Profit and loss account IAS/IFRS as of 31 December 2015

Declaration to the financial statements as of 31 December 2015

Period: *1 January 2015 – 31 December 2015*

Date: *25 February 2016*

Discussed:

with partners of the company:

Jan Krzysztof Kamiński

Statutory

on:

Tomáš Jakoubek

Authorised Signatory

on:

25.2.2016

Declaration to the financial statements of the company Sarantis as of 31 December 2015

for partners of company Sarantis Czech Republic, s.r.o.

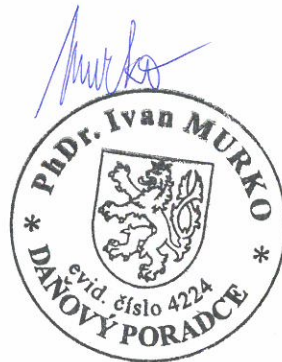
In connection with realization of Astrid products distribution termination and the amount paid to Henkel group related therewith in 2015 and in connection with the process of acquisition of software SAP there were following adjustments of the Czech financial statements in order to get IFRS statements made:

- recognition of intangible assets in the form of valuable rights to distribute Astrid and other interrelated products, including its depreciation,
- differed tax payables regarding the fact, that the above stated intangible assets were perceived as a taxable cost in the form of a common service in accordance with Czech income tax legislation, thereby its tax net book value applicable in the future is zero,
- recognition of SAP software acquisition costs as an intangible asset, recognized in Czech financial statements as a cost.

According to our knowledge and on the basis of information from statutory body representatives of Sarantis Czech Republic, s.r.o. there is no other title for the reclassification of any other transaction for reporting purposes in accordance with the rules of International Financial Reporting Standards.

Made by:

AUDITUM s.r.o.
PhDr. Ivan Murko
tax advisor



BALANCE SHEET

in full form

as at 31.12.2015

(in thousands of CZK)

Name and Address of the Accounting Entity

Sarantis Czech Republic, s.r.o.

Roháčova 77

Praha 3

13000

Reg. No.
2 5 7 0 5 9 7 1

Class a	ASSETS B	Current Accounting Period			Previous Accounting Period
		Gross 1	Adjustment 2	Net 3	Net 4
	TOTAL ASSETS (A. + B. + C. + D.I.)	236 553	4 563	231 990	174 890
A.	Receivables from Subscriptions				
B.	Fixed Assets (B.I. + B.II. + B.III.)	37 741	4 287	33 454	28 850
B. I.	Intangible Fixed Assets (Sum B.I. 1. to B.I.8.)	34 822	2 503	32 319	28 238
B. I. 1.	Incorporation Expenses				
2.	Intangible Research and Development				
3.	Software	2 456	1 950	506	61
4.	Valuable Rights	27 655	553	27 102	27 655
5.	Goodwill				
6.	Other Intangible Fixed Assets				
7.	Intangible Fixed Assets under Construction	4 711		4 711	522
8.	Advance Payments for Intangible Fixed Assets				
B. II.	Tangible Fixed Assets (Sum B.II.1. to B.II.9.)	2 919	1 784	1 135	612
B. II. 1.	Land				
2.	Buildings and Constructions				
3.	Separate Tangible Movable Assets and Sets of Movable Tangible Things	2 886	1 784	1 102	612
4.	Permanent Growth				
5.	Breeding and Draught Animals				
6.	Other Tangible Fixed Assets				
7.	Tangible Fixed Assets under Construction	33		33	
8.	Advance Payments for Tangible Fixed Assets				
9.	Adjustments to Acquired Assets				
B. III.	Financial Investments (Sum B.III.1. to B.III.7.)				
B. III. 1.	Shares in Controlled and Managed Organizations				
2.	Shares in Accounting Units with Substantial Influence				
3.	Other Securities and Deposits				
4.	Loans - Controlling and Managing Organization, Substantial Influence				
5.	Other Financial Investments				
6.	Financial Investments Acquired				
7.	Advance Payments on Long-term Financial Investments				

Class a	ASSETS B	Current Accounting Period			Previous Accounting Period
		Gross 1	Adjustment 2	Net 3	Net 4
C.	Current Assets (C.I. + C.II. + C.III. + C.IV.)	198 549	276	198 273	144 979
C. I.	Inventory (Sum C.I.1. to C.I.6.)	62 277		62 277	35 642
C. I. 1.	Materials				
2.	Work in Progress				
3.	Finished Products				
4.	Animal Stock				
5.	Purchased Goods	61 960		61 960	35 642
6.	Advance Payments for Inventory	317		317	
C. II.	Long-term Receivables (Sum C .II.1. to C.II.8.)				
C. II. 1.	Trade Receivables				
2.	Receivables - Controlling and Managing Organization				
3.	Receivables - Substantial Influence				
4.	Receivables from Partners				
5.	Long-term Advance Payments				
6.	Estimated Receivables				
7.	Other Receivables				
8.	Deferred tax Receivables				
C.III.	Short-term Receivables (Sum C.III.1. to C.III.9.)	121 585	276	121 309	89 614
C.III.1.	Trade Receivables	118 597	276	118 321	86 116
2.	Receivables - Controlling and Managing Organization				
3.	Receivables - Substantial Influence				
4.	Receivables from Partners				
5.	Social Security and Health Insurance				
6.	State - Taxation Receivables	2 302		2 302	1 610
7.	Prepayments	269		269	1 789
8.	Estimated Receivables	24		24	
9.	Other Receivables	393		393	99
C.IV.	Short-term Financial Assets (Sum C.IV.1. to C.IV.4.)	14 687		14 687	19 723
C.IV.1.	Cash in Hand	186		186	225
2.	Cash in Bank	14 501		14 501	19 498
3.	Short-term Securities and Shares				
4.	Short-term Financial Assets in Progress				
D. I.	Accruals (D.I.1. + D.I.3.)	263		263	1 061
D. I. 1.	Deferred Expenditure	263		263	1 061
2.	Complex Deferred Expenditure				
3.	Deferred Income				

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061

Class	LIABILITIES	Balance in the Current Accounting Period	Balance in the Previous Accounting Period
a	b	5	6
	TOTAL LIABILITIES (A. + B. + C.I.)	231 990	174 890
A.	Shareholders' Equity (A.I. + A.II. + A.III. + A.IV. + A.V.1. + A.V.2.)	89 673	49 479
A. I.	Registered Capital (A.I.1. + A.I.2. + A.I.3.)	39 320	39 320
A. I.1.	Registered Capital	39 320	39 320
2.	Own Shares and Ownership Interests		
3.	Changes in Registered Capital		
A. II.	Capital Funds (Sum A.II.1. to A.II.4.)		
A. II.1.	Premium		
2.	Other Capital Funds		
3.	Differences from Revaluation of Assets and Liabilities		
4.	Revaluation of Transformations Business Corporations		
5.	Differences Transformation of Corporations		
6.	Differences from Valuation Transformations Business Corporations		
A. III.	Profit Funds (A.III.1. + A.III.2.)	3 932	3 932
A. III.1.	Reserve Fund	3 932	3 932
2.	Statutory and Other Funds		
A. IV.	Profit / Loss Brought Forward (A.IV.1. + A.IV.2.)	6 762	-1 185
A. IV.1.	Undistributed Profit of Previous Years	6 228	
2.	Accumulated Losses of Previous Years		-1 185
3.	Another economic result of previous years	534	
A. V. 1.	Retained Profit / Loss of the Current Financial Year /+ -/	39 659	7 412
A. V. 2.	Decisions on Advances for Payment of Profit Sharing /-/		
B.	Liabilities (B.I. + B.II. + B.III. + B.IV.)	142 015	122 721
B. I.	Reserves (Sum B.I. 1. to B.I.4.)	6 625	
B. I. 1.	Legal Reserves		
2.	Reserve for Pensions and Similar Liabilities		
3.	Income Tax Reserve	6 625	
4.	Other Reserve		
B. II.	Payables (Sum B. II.1. to B.II.10.)	5 152	5 211
B. II. 1.	Trade Payables		
2.	Payables - Controlling and Managing Organization		
3.	Payables - Substantial Influence		
4.	Payables from Partners		
5.	Long-term Advances Received		
6.	Issued Bonds		
7.	Long Term Bonds Due		
8.	Estimated Payables		
9.	Other Long-term Liabilities		
10.	Deferred Tax Payables	5 152	5 211

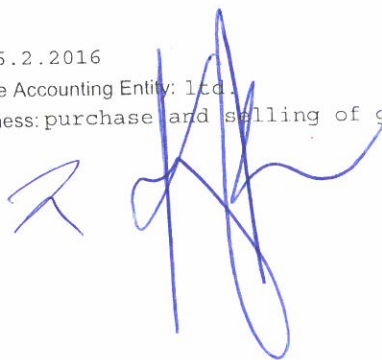
Class a	LIABILITIES b	Balance in the Current Accounting Period 5	Balance in the Previous Accounting Period 6
B. III.	Short-term Liabilities (Sum B.III.1. to B.III.11.)	130 238	117 510
B. III. 1.	Trade Payables	104 191	74 045
2.	Payables - Controlling and Managing Organization		27 935
3.	Payables - Substantial Influence		
4.	Payables from Partners		
5.	Employee Related Liabilities	1 200	740
6.	Social Security and Health Insurance Liabilities	748	435
7.	State - Taxation Liabilities and Subsidies	232	2 427
8.	Short-term Accepted Deposits		
9.	Issued bonds		
10.	Estimated Payables	23 867	11 928
11.	Other Liabilities		
B.IV.	Bank Loans and Borrowings (Sum B.IV. 1. to B.IV.3.)		
B.IV. 1.	Long-term Bank Loans		
2.	Short-term Loans		
3.	Short-term Borrowings		
C. I.	Accruals (C.I.1. +C.I.2.)	302	2 690
C. I. 1.	Accrued Expenses	302	2 690
2.	Deferred Revenue		

Prepared on: 25.2.2016

Legal form of the Accounting Entity: ltd.

Subject of Business: purchase and selling of goods

Signature:




PROFIT AND LOSS ACCOUNT by Type

in full

as on 31.12.2015

(in thousands of CZK)

Name and Address of the Accounting Entity
Sarantis Czech Republic, s.r.o.

Reg. No.

2 5 7 0 5 9 7 1

Roháčova 77
Praha 3
13000

Class a	TEXT b	Result in the Accounting Period	
		Current 1	Last 2
I.	Sales Revenue	525 034	264 266
A.	Cost of Goods Sold	267 611	135 533
+	Gross Profit (I. - A.)	257 423	128 733
II.	Outcome (II.1. to II.3.)		
II.1.	Sales of Own Products and Services		
2.	Difference in Own Produced Stock		
3.	Own Closing Stock		
B.	Direct Costs (B.1. + B.2.)	185 317	98 068
B. 1.	Materials, Light and Power	19 711	10 857
2.	Services	165 606	87 211
+	Value Added (I. - A. + II.-B.)	72 106	30 665
C.	Personnel Expenses (C.1. to C.4.)	19 173	13 678
C. 1.	Wages	14 060	10 015
2.	Rewards to Members of Business Corporations		
3.	Social Security and Health Insurance Costs	4 891	3 482
4.	Fringe Benefits	222	181
D.	Fees and Taxes	18	14
E.	Long Term Tangible and Intangible Asset Depreciation	1 109	288
III.	Revenue from Sales of Long Term Assets and Materials (III.1. + III.2.)		
III.1.	Revenue from Sales of Long Term Assets		
2.	Revenue from Sales of Materials		
F.	Net Book Value of Sold Long Term Assets and Materials (F.1. + F.2.)		
F. 1.	Net Book Value of Sold Long Term Assets		
2.	Net Book Value of Sold Materials		
G.	Reserves and Deferred Income in Operating Revenue	-23	98
IV.	Other Operating Revenue	40	548
H.	Other Operating Expenses	2 458	1 810
V.	Operating Revenue Carried Forward		
I.	Operating Expenses Carried Forward		
*	Net Profit from Operations (Calculated Items (+) to V.)	49 411	15 325

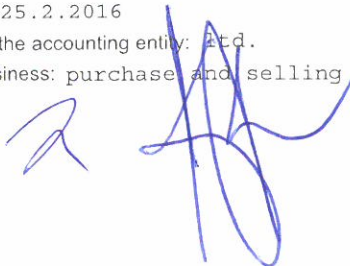
Class a	TEXT b	Result in the Accounting Period	
		Current 1	Last 2
VI.	Revenue from Sold Securities and Shares		
J.	Sold Securities and Shares		
VII.	Revenue from Long Term Financial Assets (VII.1. to VII.3.)		
VII.1.	Revenue from Securities and Shares in the Group		
2.	Revenue from Other Long Term Securities and Shares		
3.	Revenue from Other Investments		
VIII.	Revenue from Short Term Financial Assets		
K.	Finance Costs		
IX.	Revenue from Revalued Securities		
L.	Expenses from Revalued Securities		
M.	Reserves and Provisions Adjustments		
X.	Interest Received	6	21
N.	Interest Paid	1 136	210
XI.	Other Financial Revenue	3 290	605
O.	Other Financial Expenses	5 345	2 977
XII.	Financial Revenue Carried Forward		
P.	Financial Expenses Carried Forward		
*	Profit / Loss from Financial Operations (Calculated Items VI. to P.)	-3 185	-2 561
Q.	Income Tax on Ordinary Activities (Q. 1. + Q.2.)	6 567	5 352
Q. 1.	- Payable	6 625	116
2.	- Deferred	-58	5 236
**	Profit / Loss from Ordinary Activities (Net Profit from Operations + Profit / Loss from Financial Operations - Q.)	39 659	7 412
XIII.	Exceptional Revenue		
R.	Extraordinary Expenses		
S.	Income Tax on Extraordinary Activities (S.1 + S.2)		
S. 1.	- Payable		
2.	- Deferred		
*	Extraordinary Profit / Loss (XIII. - R. - S.)		
T.	Profit / Loss Attributed to Shareholders (+/-)		
***	Profit / Loss of the Accounting Period (+/-) (Profit / Loss from Ordinary Activities + Extraordinary Profit / Loss - T.)	39 659	7 412
****	Profit / Loss before tax (Profit from Operations + Profit / Loss from Financial Operations + Exceptional Revenue - R.)	46 226	12 764

Prepared on: 25.2.2016

Legal form of the accounting entity: Ltd.

Subject of business: purchase and selling of goods

Signature:





AUDITUM s.r.o.

~~Dřetina 222 12~~

503 11 HRADEC KRÁLOVÉ

Tel.: 776 537 744 IČ: 492 83 057