

***INDEPENDENT
AUDITOR'S
REPORT***

of the company:

ASTRID T.M., a.s.

verification of the financial statements

as of 31 December 2014

March 2015

Total 6 copies

3 copies in Czech language

3 copies in English language

CONTENT

of the independent auditor's report

audited company:

ASTRID T.M., a.s.

Prague 7, U průhonu 700/10, zip code 170 00

registered at Municipal Court in Prague, Section B, Insert 4398

IN 25087312

Independent auditor's report

Balance sheet as of 31 December 2014

Profit and loss account as of 31 December 2014

***Notes to the financial statements for the period from 1 January
2014 to 31 December 2014***

Audited period:

1 January 2014 – 31 December 2014

Date of the auditor's report:

11 March 2015

Report discussed:

with statutory of the company:

Jan Krzysztof Kamiński

on:

INDEPENDENT AUDITOR'S REPORT

for shareholders of the company ASTRID T.M., a.s., IN 25087312,
based in Prague 7, U práhona 700/10, zip code 170 00

Report on the financial statements

We verified the attached financial statements of the company ASTRID T.M., a.s. as of 31 December 2014, which comprise balance sheet, profit and loss account, cash flow and notes to this financial statements for the year ended 31 December 2014, including description of used significant accounting policies. Data of the company ASTRID T.M., a.s. are stated in Article I of the notes to this financial statements.

Responsibility of the statutory body of the accounting unit for the financial statements
Statutory body of the company ASTRID T.M., a.s. is responsible for the preparation and fair presentation of the financial statements in accordance with the Czech accounting regulation. Part of this responsibility is to design, implement and maintain internal control over preparation and fair presentation of the financial statements so as it would not contain material misstatements, whether due to a fraud or an error; to select and apply appropriate accounting policies and to making reasonable accounting estimates in the circumstances.

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, International Standards on Auditing and implementation guidance of 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 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 of the company, 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

In our opinion, the financial statements present fairly, in all material respects, assets, liabilities and the financial position of ASTRID T.M., a.s. for the year ended 31 December 2014 and its financial performance for the year then ended in accordance with accounting regulation of the Czech Republic.

In Prague, Czech Republic, on 11 March 2015



AUDITING plus s.r.o.
License No. 508
Drtinova 222
503 11 Hradec Králové



Represented by partner:
PhDr. Ivan Murko
Independent Auditor
License No. 2187

BALANCE SHEET

Name and Address of the Accounting Entity

In full form

as at 31.12.2014

(in thousands of CZK)

ASTRID T.M., a.s.

U průhonu 700/10

Praha

17000

Reg. No.

2 5 0 8 7 3 1 2

Class	ASSETS	Current Accounting Period			Previous Accounting Period	
		Gross	Adjustment	Net	Net	
4	B	1	2	3	4	5
	TOTAL ASSETS	(A. + B. + C. + D.I.)	52 966	1 505	51 461	6 181
A.	Receivables from Subscriptions					
B.	Fixed Assets	(B.I. + B.II. + B.III.)	3 100	1 505	1 595	75
B. I.	Intangible Fixed Assets	(Sum B.I. 1. to B.I.8.)	1 360	1 360		75
B. I. 1.	Incorporation Expenses					
2.	Intangible Research and Development					
3.	Software					
4.	Valuable Rights		1 360	1 360		75
5.	Goodwill					
6.	Other Intangible Fixed Assets					
7.	Intangible Fixed Assets under Construction					
8.	Advance Payments for Intangible Fixed Assets					
B. II.	Tangible Fixed Assets	(Sum B.II. 1. to B.II.9.)	1 740	145	1 595	
B. II. 1.	Land					
2.	Buildings and Constructions					
3.	Separate Tangible Movable Assets and Sets of Movable Tangible Things		1 740	145	1 595	
4.	Permanent Growth					
5.	Breeding and Draught Animals					
6.	Other Tangible Fixed Assets					
7.	Tangible Fixed Assets under Construction					
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	ASSETS	Current Accounting Period			Previous Accounting Period
		Gross	Adjustment	Net	
4	8	1	2	3	4
C	Current Assets	49 180		49 180	5 879
C.1	Inventory	28 339		28 339	
C.1.1	Materials	2 331		2 331	
2	Work in Progress	86		86	
3	Finished Products	1 493		1 493	
4	Animal Stock				
5	Purchased Goods	24 429		24 429	
8	Advance Payments for Inventory				
C. II	Long term Receivables				
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	13 919		13 919	5 624
C. III.1	Trade Receivables	11 721		11 721	
2	Receivables - Controlling and Managing Organization				
3	Receivables - Substantial Influence				
4	Receivables from Partners				
5	Social Security and Health Insurance				
6	State - Taxation Receivables	1 967		1 967	103
7	Prepayments	231		231	21
8	Estimated Receivables				
9	Other Receivables				
C. IV	Short-term Financial Assets	6 922		6 922	255
C. IV.1	Cash in Hand	3		3	5
2	Cash in Bank	6 919		6 919	250
3	Short-term Securities and Shares				
4	Short-term Financial Assets in Progress				
D. I	Accruals	686		686	227
D. I.1	Deferred Expenditure	13		13	
2	Complex Deferred Expenditure				
3	Deferred income	673		673	227

Class	LIABILITIES	Balance in the Current Accounting Period	Balance in the Previous Accounting Period
A	TOTAL LIABILITIES	51 462	6 181
A. I	Shareholders' Equity	6 044	6 087
A. I.1	Registered Capital	1 980	1 980
A. I.1.1	Registered Capital	1 980	1 980
2	Own Shares and Ownership Interests		
3	Changes in Registered Capital		
A. II	Capital Funds		
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	396	396
A. III.1	Reserve Fund	396	396
2	Statutory and Other Funds		
A. IV	Profit / Loss Brought Forward		
A. IV.1	Undistributed Profit of Previous Years		
2	Accumulated Losses of Previous Years		
3	Another economic result of previous years		
A. V.1	Retained Profit / Loss of the Current Financial Year / - /	3 668	3 711
A. V.2	Decisions on Advances for Payment of Profit Sharing / - /		
B	Liabilities	41 219	94
B. I	Reserves	839	
B. I.1	Legal Reserve		
2	Reserve for Pensions and Similar Liabilities		
3	Income Tax Reserve	839	
4	Other Reserve		
B. II	Payables	38	
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	38	

REG. No.: 25087312

Class a	LIABILITIES b	Balance in the Current Accounting Period 5	Balance in the Previous Accounting Period 6
B III. 1.	Short-term Liabilities (Sum B.III.1. to B.III.1.1.)	40 342	94
B III. 1.	Trade Payables	5 689	
2.	Payables - Controlling and Managing Organization	29 675	
3.	Payables - Substantial Influence		
4.	Payables from Partners		
5.	Employee Related Liabilities	403	15
6.	Social Security and Health Insurance Liabilities	234	2
7.	State - Taxation Liabilities and Subsidies	64	56
8.	Short term Accepted Deposits		
9.	Issued bonds		
10.	Estimated Payables	4 270	21
11.	Other Liabilities	7	
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.)	4 198	
C. I. 1.	Accrued Expenses	3 806	
2.	Deferred Revenue	392	

Prepared on: 12.2.2015
 Legal form of the Accounting Entity: joint stock company
 Subject of business: purchase and selling of goods
 Signature:

PROFIT AND LOSS ACCOUNT by Type

in full

as on 31.12.2014

(in thousands of CZK)

Name and Address of the Accounting Entity
 ASTRID T.M., a.s.

Reg No
 2 5 0 8 7 3 1 2

U prùhonu 700/10
 Praha
 17000

Class	TEXT b	Result in the Accounting Period	
		Current 1	Last 2
I.	Sales Revenue	24 866	
A.	Cost of Goods Sold	15 715	
+	Gross Profit (I. - A.)	9 151	
II	Outcome (II 1. to II.3.)	26 423	5 170
II.1	Sales of Own Products and Services	25 028	5 170
2.	Difference in Own Produced Stock	1 395	
3.	Own Closing Stock		
B.	Direct Costs (B.1. + B.2.)	25 657	203
B. 1.	Materials, Light and Power	6 096	203
2.	Services	19 561	
+	Value Added (I. - A. - II. - B.)	9 917	4 967
C.	Personnel Expenses (C.1. to C.4.)	4 227	234
C. 1.	Wages	3 115	85
2.	Rewards to Members of Business Corporations	57	138
3.	Social Security and Health Insurance Costs	1 034	11
4.	Fringe Benefits	21	
D.	Fees and Taxes	141	52
E.	Long Term Tangible and Intangible Asset Depreciation	220	150
III.	Revenue from Sales of Long Term Assets and Materials (III.1 + III.2.)	3	
III.1.	Revenue from Sales of Long Term Assets	3	
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		
IV.	Other Operating Revenue	43	
H.	Other Operating Expenses	91	
V.	Operating Revenue Carried Forward		
I.	Operating Expenses Carried Forward		
*	Net Profit from Operations (Calculated Items (+) to V)	5 263	4 521

Class	TEXT	Result in the Accounting Period	
		Current	Last
	0		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		
XI.	Interest Paid	18	60
XI.	Other Financial Revenue	559	
O.	Other Financial Expenses	78	
XII.	Financial Revenue Carried Forward	276	9
P.	Financial Expenses Carried Forward		
.	Profit / Loss from Financial Operations (Calculated Items VI. to P.)	-739	51
Q.	Income Tax on Ordinary Activities (Q.1 + Q.2.)	877	871
Q.1	- Payable	839	871
2.	- Deferred	38	
**	Profit / Loss from Ordinary Activities (Net Profit from Operations + Profit / Loss from Financial Operations - Q1)	3 668	3 711
XIII.	Exceptional Revenue		
R.	Extraordinary Expenses		
S.	Income Tax on Extraordinary Activities (S1 + S2)		
S.1.	- Payable		
2.	- Deferred		
.	Extraordinary Profit / Loss (XIII - R - S)		
T.	Profit / Loss of the Accounting Period (+/-)		
***	Profit / Loss before tax (Profit / Loss from Ordinary Activities + Extraordinary Profit / Loss - T)	3 668	3 711
****	Profit / Loss from Operations + Profit / Loss from Financial Operations + Exceptional Revenue - R)	4 545	4 582

Prepared on: 12.2.2015

Legal form of the accounting entity: joint stock company
 Subject of business: purchase and selling of goods
 Signature:

Notes to the financial statements in accordance with § 39 of the Regulation No. 500/2002 Col.

ARTICLE 1

Company: ASTRID T.M., a.s.
 Registered office: U průhonu 700/10, 170 00 Praha 7
 IN: 25087312
 Legal form of the accounting entity: joint stock company
 Line of business: purchasing and selling of goods
 Date of incorporation (or initiation of activity) of the accounting unit: October 30, 1996
 Balance day: 31 December 2014
 Moment of preparation of the financial statements: 12 February 2015

Person responsible for accounting (name and signature):
 Jan Krzysztof Kaminski, member of the board

In Prague 7 on 12 February 2015

Individual or legal entity taking a share of more than 20% of registered capital of the accounting unit:
 2014 2013
 0% 100%
 100% 0%

Astrid s.r.o.
 GR Saramis Cyprus Limited

The company is not participating in other entities. The company has also got no unlimited liability in any other entity.

Names and surnames of members of statutory bodies:
 Krzysztof Jan Kaminski member of the Board
 Tomáš Jakoubek, member of the supervisory Board

Description of organizational structure of the accounting entity, or fundamental changes within the accounting period:

The company is directed by a member of the Board.
 The company is further organizationally divided into the following departments:

- Logistics
- Production
- Marketing

There have been no organizational changes in 2014.

ARTICLE 2

Average number of employees during the accounting period: 10
 Members of regulatory bodies (count): 2
 2014 personal costs: 3 115
 personal costs: 57

ARTICLE 3

General accounting principles used:
 Duality and accruals.

The company accounts shall be governed by Act no. 563/1991 Coll. On Accounting as amended, by Decree no. 500/2002 Sb. and Czech Accounting Standards Nos. 001 to 023. The chart of accounts is continuously updated according to the company needs. Account groups of analytical accounts, the company uses, are corresponding to chart of accounts contained in Decree no. 500/2002 Sb. The attachment is prepared in accordance with the wording of § 39 of Decree no. 500/2002 Sb.
Annex data are based on accounting documents (accounting documents, ledgers and other accounting records) and other documents which an entity has available.
Figures are in thousands of CZK, unless stated otherwise.

Accounting policies used:

Valuation, depreciation of assets, provisions for receivables and goods and deferred tax asset.
The entity formed provision for income tax.

Method of valuation:

Purchased assets are valued at their purchase price.
Purchased inventories are valued at cost of acquisition + interrelated costs (transport of goods).
Decreases in inventories are valued at the weighted arithmetic average with analytical segmentation at a predetermined price on a purchase price differences (between the invoiced and stock price) and related costs to the acquisition of inventory (duty, freight). The accounting unit did not use valuation at own costs and reproductive purchase price.

Method of depreciation:

Fixed tangible (over 40,000 CZK) and intangible (over 60,000 CZK) assets depreciate according to the depreciation plan. Period of depreciation of assets with purchase price of more than 100,000 CZK has been determined to 5 years.

Method of allowances recording:

Tax allowances to receivables are created in accordance with the Reserve Act No. 593/1992 Col., that is in the amount of 20%.

Creation of other adjustments depends whether the receivable has been sued.

There are no allowances to receivables due from the biggest customers (business chains) due to continuous set-off of receivables and liabilities.

Allowances are not created to receivables refunded between the balance day and the moment of preparation of the financial statements.

Allowances to goods are created in connection with inventories turn-over indicator or following the real state of stocks.

Method of determination of accumulated depreciation of assets:

In accordance with the depreciation plan.

Conversion method of data in foreign currencies into the Czech currency:

Accounting unit uses actual exchange rate of Czech National Bank.
Assets and liabilities in foreign currencies are converted by the exchange rate of Czech National Bank valid on the balance day.

Method of determination of the real value of assets and liabilities:

Accounting unit does not use real value evaluation of assets and liabilities.

ARTICLE 4

Significant items from the balance sheet which are essential for analysis and evaluation of the financial assets situation and retained profit of the accounting unit, which do not directly result from the balance sheet:

Volume of trade receivables remained 11,7 th. CZK making it 22.7% of the total volume of net.

Out of total volume of trade receivables are no claims against the person in the group

Significant items from profit and loss account essential for analysis and for evaluation of the financial assets situation and retained profit of the accounting unit, which do not directly result from profit and loss account:

Revenues from sales of goods amounted 24,866 th. CZK. Revenues from sales of own products and services amounted to 25,028 th. CZK.

Particularly presented significant data, which are not separately recorded in the balance sheet and in profit and loss account:

None

Long-term bank loans incl. interest rates: None

Description of the loan security: None

Received subsidies for investment and operating purposes: None

Liabilities to persons with substantial or controlling influence: In 2014 a total of three loans totaling 1,050 th. EUR from GR Saramis Cyprus Limited with a maturity of one year with an annual interest rate of 6.5% were granted.

ARTICLE 5

The company has got neither receivables nor liabilities with maturity over 5 years.

Receivables and liabilities:

		Liabilities
Receivables		
Total receivables:	11 721 th. CZK	Total liabilities: 5 689 th. CZK
Due receivables:	11 721 th. CZK	Due liabilities: 5 689 th. CZK
Thereof receivables within the group		Thereof liabilities within the group
Total receivables:	0 th. CZK	Total liabilities: 0 th. CZK
Due receivables:	0 th. CZK	Due liabilities: 0 th. CZK
Overdue receivables 1-30 days	0 th. CZK	1-30 days

Small intangible and tangible assets not recorded in the balance sheet, recorded in the notes regarding materiality principle: None

Foreign assets: None

Assets within leased company: None

Total amount of liabilities not recorded in the balance sheet: None

Pension liabilities: None

Liabilities due from accounting entity in the consolidated unit:
- standard business liabilities 29 675 th. CZK

Contracts of third party control, contracts of profit transfers:

None.

The Company does not use financial derivatives.

The company has no assets with significantly different market and book valuations.

Significant events, which will occur between balance day and the financial statements preparation date:

None.

Due to termination of the distribution agreement all good has been sold at the beginning of January 2015 to corporation within the group.

ARTICLE 6

Breakdown of entries of profit and loss account prepared under Annex 3 to Decree No. 500/2002 Coll. is not necessary, since profit and loss account is drawn up in accordance with Annex 2 to Decree No. 500/2002 Coll.

ARTICLE 7

Material increases or decreases in individual elements of equity in thousands CZK:

	2013 Initial state	Increase/ decrease	2013 Final state	2014 Initial state	Increase/ decrease	2014 Final state
Equity	6 404	-317	6 087	6 087	-43	6 044
Share capital	1 980	0	1 980	1 980	0	1 980
Legal reserve fund	396	0	396	396	0	396
Loss of previous years	0	0	0	0	0	0
Profit/loss - current year	4 028	-317	3 711	3 711	-43	3 668

ARTICLE 8

Scheme of revenues according to the type of activity and geographical location of the market, which significantly differ from each other (numbers are given without effect of bonuses):

	Value 2014	2013	2012	Geographical location of the market
Goods	24 866 th. CZK	0 CZK	0 CZK	Czech and Slovak republic
Services	15 505 th. CZK	5 170 th. CZK	5 611 th. CZK	
Products	9 523 th. CZK	0 CZK	0 CZK	

ARTICLE 9

Corporation does not need statutory audit of financial statements according to the law.