

**Efficiency**  
**Anchorage**  
**Helpfulness**  
**Focus on future**  
**Free-heartedness**

# Head Manager's Introductory Word

## Dear co-partners, commercial partners, dear colleagues

Allow me to submit annual report of the company EURO - Šarm spol. s r.o. for the year 2015 that was indisputably one of the most successful ones in our 24-years history.

Despite of expressive operational restrictions in connection with central store reconstruction at this time we have reached the record-breaking of pre-tax earnings.

We succeeded in finishing of key project "Reconstruction of Store in Slatiňany – II. phase – Flammable Liquids Store", herewith we have crowned the main investments heading into store-room rear which is so needed in order to enhance the labour protection, environment protection as well as effectiveness improvement with respect to handling and storage of chemicals in our central store. Also the successful settlement of outstanding accounts already written off insolvency proceeding was the reason for pleasure. This has also very positively influenced the overall gain of our company.

### Prospectus

Our main prospectus remains also into the future production and distribution of industrial chemicals and chemical specialities for the customers from the spheres of industry, agriculture and commerce. The basis for these activities is providing of complex services in connection with chemical deliveries and searching of effective solutions with high added value for our customers.

### Market share and sale trends

The Czech economy continued in growth also in the year 2015 which took effect also in growing demand for chemicals. The amount of the goods we have disposed of has increased at nearly 11% compared to the last period, which resulted in further increase of our market share. There was also agreeable the amount of production growth in our plant in Sokolov where we were producing various concentrations and purity grades of hydrogen peroxide, acetic acid and especially germicide means under the brand mark of Persteril® which are intended for customers in sectors of industry, agriculture and food processing industry.

The total earnings of the company, despite decline in market-prices of chemicals made from crude oil, imitated the level of the last year and realised the amount of 1.037 million of CZK. Our position of major distributor of chemicals and industry specialities within the Czech Republic was proved true in that way.

Added value increased annually about the 25% and reached the value of 98,9 Million CZK. Main effect on the added value increase had the significant growth of revenues from sales of chemicals with a higher added value as well as of provided servicing, together with increased sales volume of fine chemicals and of germicide chemicals from our plant in Sokolov. A positive impact upon the added value growth had also the enlargement of through us offered product assortment, where we offered another 96 new kinds of product items. At the end of 2015 we provided our customers already with 1 055 various chemicals and chemical specialities, incl. technical support of customers from by us selected industrial sectors.

Operating results achieved a record value of 33,422 Million pre-tax. Operating results were, except higher added value, also markedly influenced by revenues of outstanding debts which were entered in the books already in the year 2014. There was in the same way also EBITDA effected, EBITDA amounted in the year 2015 46,358 Million CZK, which is 28,515 Million more than in the previous year.

### Subsidiary company SLOVCHEMA distribution, s. r.o., Slovakia

Also our subsidiary company SLOVCHEMA distribution, s.r.o. in Slovakia scored record-breaking results and it grossed up within annual interval its turnover up to 10 123 thousand EUR and it means, compared to previous period, the growth of more than 40%. Pre-tax earnings increased to 172 thousand EUR, also quasi 60 thousand EUR more than in the last year.

### Capital investments in 2015

The greatest and at the same time the most significant investment of the year 2015 was the project completion of "Reconstruction of Store in Slatiňany – II. phase – Flammable Liquids Store" which was a part of the 2nd phase reconstruction of the central store. The project was started in June 2014 and finished in November 2015. A part of it was a dispatch hall building, building of flammable liquids store for classes I. up to IV. as well as underground storage for flammable liquids in storage tanks. The project was co-sponsored from the Operational Programme of Environment, from resources of State Environmental Fund CZ. Accomplishment of this Project represented a really great qualitative leap forward, namely first of all in three important spheres. The first sphere means a significant increase of occupational safety for our employees as well as safeness improvement on the field of handling and storage with chemicals generally. Thanks to the application of the most up to date safety technologies and safety techniques the new store complies with topmost safety standards for storage of flammable liquids not only in the CZ but within the Europe too. The second sphere is the environment protection improvement and

# Head Manager's Introductory Word

emission lowering on handling the flammable matters. Thanks to the displacement of the most of the inflammable handling operations from the outdoor areas inside into the store, where for combustible tapping on filling line recuperation as well as carbon-filters are applied, there was reached the decrease of emission into environment. The third, no less important, sphere is a significant improvement concerning purity of wrappings as well as article quality. We have satisfied in this way our customers, which require from us rightly more and more a higher standard quality.

Another significant investment involved the storage area in Plzeň, where we have finished the project named "Sanitation of the old ecological load on the premises of the company Overlack (Euro Šarm)". The project was partially financed from the financial resources of the State Environmental Funds of the CZ. There were reached the targets of remedial limits in the northern part of our areal within the scope of this project and the risks of spreading the old ecological load in the storehouse neighbourhood were therefore reduced significantly. But on finishing the remedial works there was made out a suspicion of existence another ecological load in the southern part of the areal, not recovered up to now. It was therefore decided to carry out further detailed survey of the old ecological load in the southern part of the areal, namely on the basis of project named "Exploring completion of old ecological loads in the southern part of the storage area in Plzeň of the company EURO - Šarm spol. s r.o.". The project is expected to be realised during the course of year 2016.

## **Employee training**

The well-prepared staffs play key role in our potential to stand up to competition. We have been invested for a long time to adult education, for instance to periodic language courses or to vocational training, prepared on the basis of job title of individual workers.

## **Environmental protection and Integrated Management System (IMS)**

We are aware of great responsibility, we have at handling with chemicals, and therefore we pay a great attention to all activities, which are focused on safety factor and environmental prevention. There is implemented an Integrated Management System in the company, the parts whereof are Certificated Quality System (according to ČSN EN ISO 9001) and Environment (according to ČSN EN ISO 14001), together with the System of major accident prevention and the System of correct production practice in the field of healing agents producing. In addition the company is registered in the platform Responsible Care, which presents a voluntary initiative of chemical industry in the field of environment, health, safeness.

Basic values of the integrated management system are proclaimed in the IMS-strategy and in annual targets. Beside the high quality of provided activities in all fields of company competence, there is also concerned a responsible approach to human living environment and permanent increasing safety and health of workers at their work.

The year 2015 was for us a great challenge in the field of management and it also was a "screening" of the entire system. We have successfully passed recertification audits of systems according to corresponding ISO standards and also the certification audit of the new system in the field of feedstuffs, where we were awarded certificate GMP+B3. We have also defended the platform "Responsible Care" (RC) and the company was also awarded the logo RC for the next 3 years.

In two of our stores, belonging to the system of major accident prevention, we have undergone extensive integrated inspection on the part of state organs. Beside the said audits we were also successful in many audits of the strictest evaluators – of our customers.

During the course of all above mentioned audits was our system assessed as adequate and competent.

These results give us reason for efforts to continue in the set trend of sustainable development and of providing services keeping permanent trend of improving and having a minimal impact on environment, health and safety of our employees.

## **Presumed development and strategy in the year 2016**

In this year we shall pay attention to spreading of our supply in the field of special chemicals together with service, provided for selected customer industrial sections. We shall strive to gross up sales volume of pure chemicals and disinfectants made in our plant in Sokolov. We shall carry out the surveying of the old ecological load in the southern part of our areal in Plzeň.

In Šenov on February 12<sup>th</sup>, 2016

Oldřich Zahradník

Managing Director

EURO – Šarm spol. s r.o.

# Basic Company Data

<b>Company:</b>	EURO – Šarm spol. s r.o.
<b>Registered office:</b>	Těšínská 222, 739 34 Šenov
<b>Legal form:</b>	Limited liability company

## List of persons (person, legal entity) with more than 20% share of the capital:

OVERLACK AG  
Ing. Oldřich Zahradník

## Object of activity:

- Purchase of goods for resale and sale
- Production and import of chemicals and chemical products classified as explosive, oxidizing, extremely flammable, highly flammable, flammable, highly toxic, toxic, carcinogenic, mutagenic or toxic for reproduction, dangerous for the environment, and sale of chemical products classified as highly toxic and toxic
- Production and sale of chemicals and chemical products classified as flammable, harmful, corrosive, irritant, sensitizing

**Date of establishment:** 31. 7. 1995, registration in registered office under label C38395

<b>Company management:</b>	Chief Executive Officer	Oldřich Zahradník
	Financial Manager	Marcela Šmigalová
	Investment Director	Luboš Hadrava
	Operations Director	Alena Hadravová
	Head of Purchasing	Libuše Čebišová
	Head of Sale	Jan Jedlička
	IT Manager	Petr Podlesný
	Marketing Manager	Petr Špinler

**Number of employees:** as of December 31, 2015 94

**Members of statutory bodies:** Oldřich Zahradník, Heinrich Eickmann

## The share in the registered capital of other companies:

70 % P.F.N. CZ spol. s r.o.  
70 % SLOVCHEMA distribution s.r.o.  
100 % PPD CHEMICALS s.r.o.

## Ordinary Income 2009 - 2015

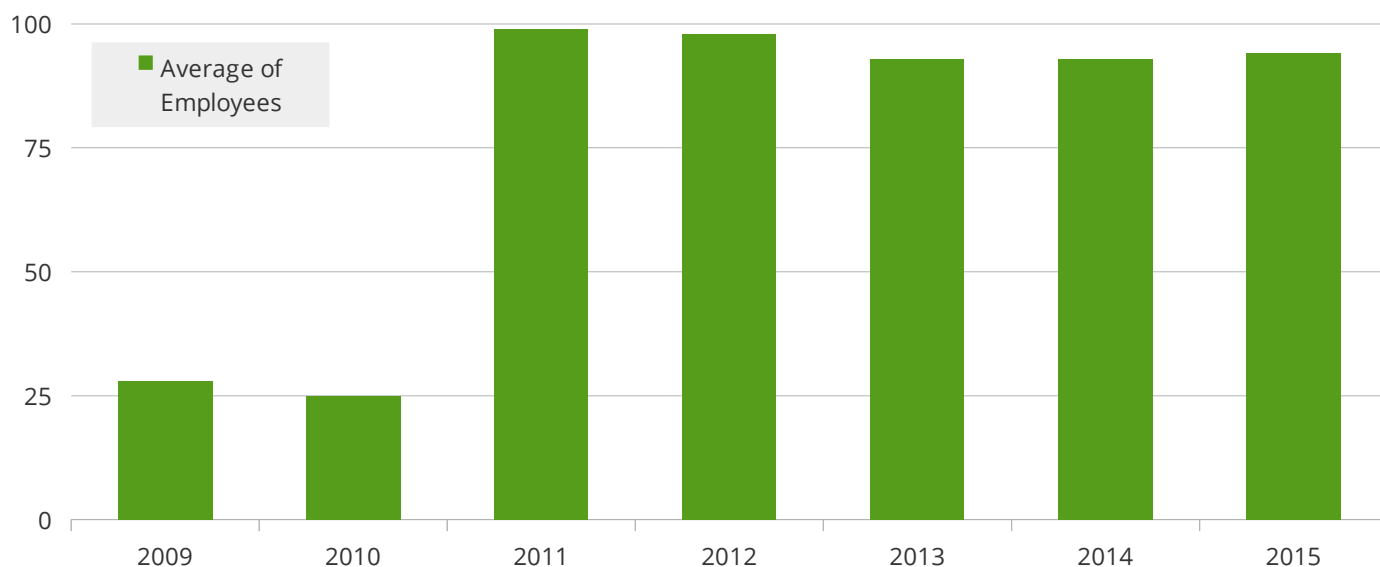
(in thousands of Czech Crowns)

	2009	2010	2011	2012	2013	2014	2015
Net income before tax	915	-15,230	3,537	7,949	7,649	5,813	33,207
Income tax on ordinary activities	-	-	345	1,751	1,556	1,056	5,605
Ordinary Income	915	-15,230	3,192	6,198	6,093	4,757	27,602



## Average of Employees 2009 - 2015

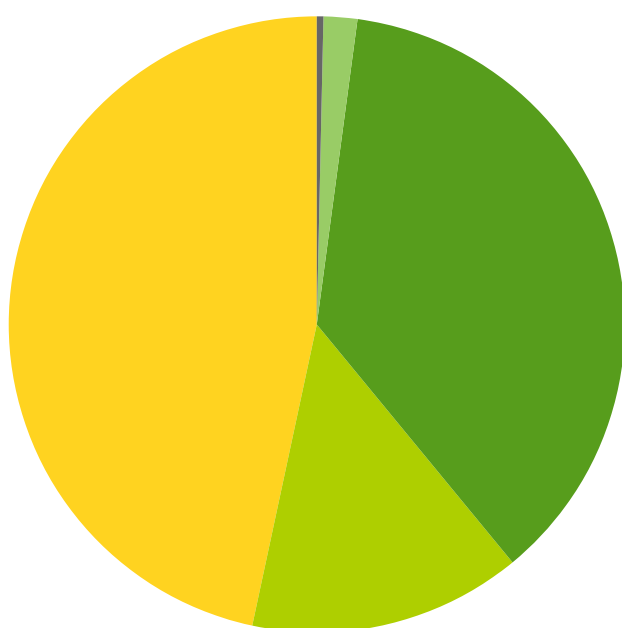
	2009	2010	2011	2012	2013	2014	2015
Total	28	25	99	98	93	93	94



## Structure of Assets and Liabilities as of 31.12.2015

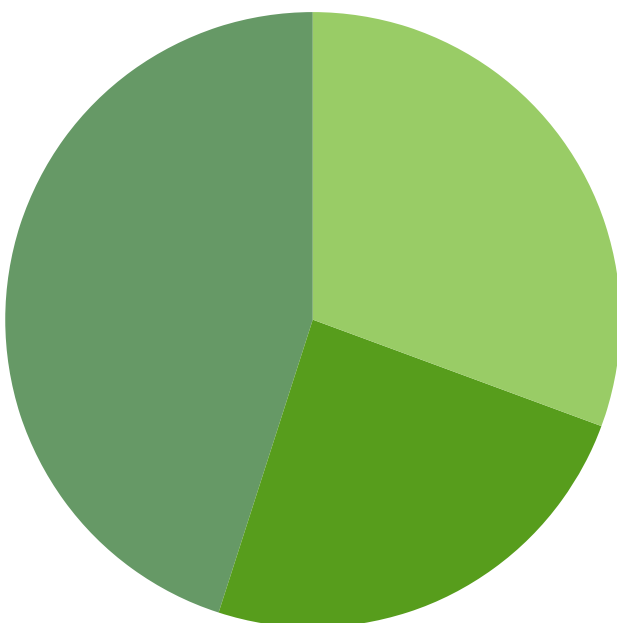
(in thousands of Czech Crowns)

ASSETS		LIABILITIES	
Receivable for sub. capital	0	Equity	206,726
Long-lived assets	213,974	Reserves	0
Inventory	65,688	Long-term liabilities	0
Short-term receivables	169,500	Short-term liabilities	111,612
Short-term financial assets	8,163	Bank loans and assistance	140,525
Accruals	1,538	Accruals	0
<b>TOTAL ASSETS</b>	<b>458,863</b>	<b>TOTAL LIABILITIES</b>	<b>458,863</b>



### Assets

- Receivable for subscribed capital
- Long-lived assets
- Inventory
- Short-term receivables
- Short-term financial assets
- Accruals



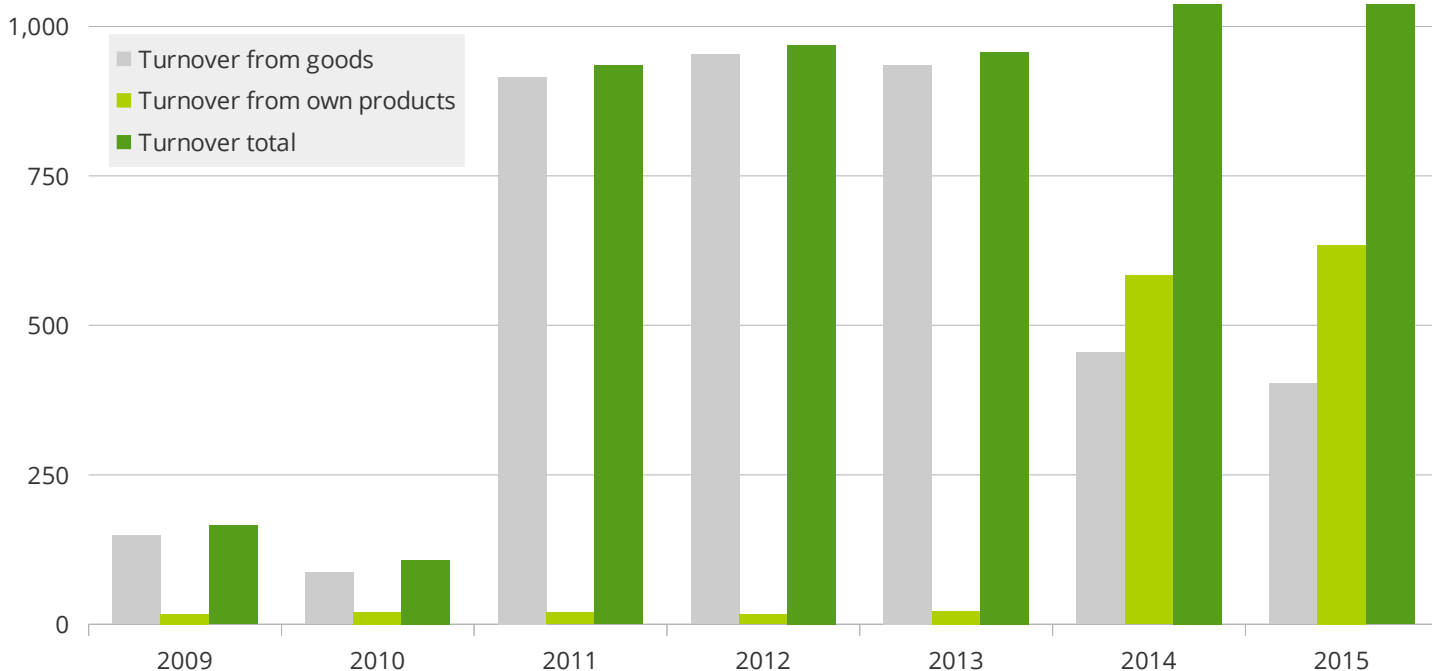
### Liabilities

- Equity
- Reserves
- Long-term liabilities
- Short-term liabilities
- Bank loans and assistance
- Accruals

## Turnover 2009 - 2015

(in thousands of Czech Crowns)

	2009	2010	2011	2012	2013	2014	2015
Turnover from goods	147.99	86.55	915.27	952.86	935.09	454.22	402.48
Turnover from own products	17.27	20.78	19.66	16.01	22.44	582.99	634.54
Turnover total	165.26	107.33	934.93	968.87	957.53	1,037.21	1,037.02



## Equity and Basic Capital 2009 - 2015

(in thousands of Czech Crowns)

	2009	2010	2011	2012	2013	2014	2015
Equity	55,126	152,048	156,044	163,069	170,970	177,271	206,726
Registered Capital	15,000	105,500	105,500	105,500	105,500	105,500	105,500



# Balance Sheet as on December 31, 2015

(in whole thousands of CZK)

ASSETS	Current Accounting Period			Previous Period
	Gross	Correction	Net	Net
<b>TOTAL ASSETS</b>	549,397	90,534	458,863	408,798
<b>Receivables from subscriptions</b>	0	0	0	0
<b>Fixed assets</b>	296,276	82,302	213,974	174,134
<b>Intangible fixed assets</b>	21,987	17,941	4,046	6,473
Incorporation expenses	0	0	0	0
Research and development	0	0	0	0
Software	20,833	16,788	4,045	6,471
Royalties	26	26	0	0
Goodwill	0	0	0	0
Other intangible fixed assets	1,128	1,127	1	2
Intangible fixed assets under construction	0	0	0	0
Advance payments for intangible fixed assets	0	0	0	0
<b>Tangible fixed assets</b>	260,168	64,361	195,807	155,394
Lands	8,659	0	8,659	8,659
Constructions	171,240	18,072	153,168	83,725
Equipment	65,752	41,505	24,247	26,646
Perennial corps	0	0	0	0
Breeding and draught animals	0	0	0	0
Other tangible fixed assets	0	0	0	0
Tangible fixed assets under construction	5,549	0	5,549	28,613
Advance payments for tangible fixed assets	0	0	0	2,969
Adjustment to acquired assets	8,968	4,784	4,184	4,782
<b>Long-term financial assets</b>	14,121	0	14,121	12,267
Shares - controlled organizations	14,121	0	14,121	12,267
Shares in accounting units with substantial influence	0	0	0	0
Other securities and shares	0	0	0	0
Loans - controlled and controlling organizations, substantial influence	0	0	0	0
Other financial investments	0	0	0	0
Financial investments acquired	0	0	0	0
Advance payments for long-term financial assets	0	0	0	0
<b>Current assets</b>	251,583	8,232	243,351	233,226
<b>Inventory</b>	66,301	613	65,688	66,170
Materials	7,234	0	7,234	5,457
Work in progress and semi-products	1,298	0	1,298	1,894
Finished products	49,969	613	49,356	49,285
Animals	0	0	0	0



# Balance Sheet as on December 31, 2015

Merchandise	5,137	0	5,137	9,071
Advance payments for inventory	2,663	0	2,663	463
<b>Long-term receivables</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Trade receivables	0	0	0	0
Receivables from controlled and controlling organizations	0	0	0	0
Receivables from accounting units with substantial influence	0	0	0	0
Receivables from partners, cooperative members and association members	0	0	0	0
Long-term deposits given	0	0	0	0
Estimated receivable	0	0	0	0
Other receivables	0	0	0	0
Deferred tax receivable	0	0	0	0
<b>Short-term receivables</b>	<b>177,119</b>	<b>7,619</b>	<b>169,500</b>	<b>162,816</b>
Trade receivables	176,613	7,619	168,994	156,445
Receivables from controlled and controlling organizations	0	0	0	0
Receivables from accounting units with substantial influence	0	0	0	0
Receivables from partners, cooperative members and association members	0	0	0	0
Receivables from social security and health insurance	0	0	0	0
Due from state - tax receivable	0	0	0	0
Short-term deposits given	375	0	375	560
Estimated receivable	0	0	0	0
Other receivables	131	0	131	5,811
<b>Short-term financial assets</b>	<b>8,163</b>	<b>0</b>	<b>8,163</b>	<b>4,240</b>
Cash	454	0	454	514
Bank accounts	7,709	0	7,709	3,726
Short-term securities and ownership interests	0	0	0	0
Short-term financial assets acquired	0	0	0	0
<b>Accruals</b>	<b>1,538</b>	<b>0</b>	<b>1,538</b>	<b>1,438</b>
Deferred expenses	1,481	0	1,481	1,198
Complex deferred costs	0	0	0	0
Deferred income	57	0	57	240

# Balance Sheet as on December 31, 2015

(in whole thousands of CZK)

LIABILITIES	Běžné	Minulé
	účetní období	účetní období
<b>TOTAL LIABILITIES</b>	458,863	408,798
<b>Equity</b>	206,726	177,271
<b>Registered capital</b>	105,500	105,500
Registered capital	105,500	105,500
Company's own shares and ownership interests	0	0
Changes of registered capital	0	0
<b>Capital funds</b>	33,521	31,667
Share premium	0	0
Other capital funds	31,000	31,000
Differences from revaluation of assets and liabilities	2,521	667
Differences from revaluation in transformation of companies	0	0
Differences from transformation of companies	0	0
Differences from valuation in transformation of companies	0	0
<b>Reserve funds, statutory reserve account for cooperatives, and other retained earnings</b>	0	6,535
Legal reserve fund / indivisible fund	0	6,535
Statutory and other funds	0	0
<b>Profit / loss - previous years</b>	40,103	28,812
Retained earnings from previous years	40,103	28,812
Accumulated losses from previous years	0	0
Other profit / loss - previous years	0	0
<b>Other sources</b>	252,137	230,845
Reserves	0	0
Reserves under special statutory regulations	0	0
Reserves for pension and similar payables	0	0
Income tax reserves	0	0
Other reserves	0	0
<b>Long-term payables</b>	0	1,471
Trade payables	0	0
Payables - controlled and controlling organizations	0	0
Payables - accounting units with substantial influence	0	0
Payables to partners	0	0
Long-term advances received	0	0
Issues bonds	0	0
Long-term notes payables	0	0
Estimated payables	0	0
Other payables	0	0
Deffered tax liability	0	1,471

# Balance Sheet as on December 31, 2015

<b>Short-term payables</b>	111,612	91,139
Trade payables	90,078	71,214
Payables - controlled and controlling organizations	0	0
Payables - accounting units with substantial influence	0	0
Payables to partners	78	74
Payroll	2,541	2,069
Payables to social securities and health insurance	1,535	1,302
Due from state - tax liabilities and subsidies	13,338	14,692
Short-term deposits received	80	0
Issues bonds	0	0
Estimated payables	3,931	1,746
Other payables	31	42
<b>Bank loans and financial overdrafts</b>	140,525	138,235
Long-term bank loans	125,000	117,824
Short-term bank loans	15,525	20,411
Short-term borrowings	0	0
<b>Accruals</b>	0	682
<b>Accrued expenses</b>	0	682
<b>Deffered revenues</b>	0	0

# Profit and Loss Account as on December 31, 2015

(in whole thousands of CZK)

	Profit / Loss Account	Accounting Period	
		Current	Previous
<b>I.</b>	<b>Revenues from sold goods</b>	402,481	454,219
A.	Costs on sold goods	375,107	428,491
+	Sale margin	27,374	25,728
<b>II.</b>	<b>Production</b>	632,924	581,338
<b>II.1.</b>	<b>Revenues from own products and services</b>	634,540	582,994
2.	Change in inventory of own products	-2,450	-2,850
3.	Capitalisation	834	1,194
<b>B.</b>	<b>Production consumption</b>	564,181	527,808
B.1.	Consumption of material and energy	513,772	483,418
2.	Services	50,409	44,390
<b>+</b>	<b>Added value</b>	96,117	79,258
C.	Personnel expenses	55,734	47,973
C.1.	Wages and salaries	40,569	34,761
2.	Remuneration of board members	0	0
3.	Social security expenses and health insurance	13,878	12,016
4.	Other social expenses	1,287	1,196
D.	Taxes and fees	766	795
E.	Depreciations of intangible and tangible assets	11,287	10,304
<b>III.</b>	<b>Revenues from disposals of fixed assets and materials</b>	923	785
III.1.	Revenues from disposals of fixed assets	113	116
2.	Revenues from disposals of materials	810	669
<b>F.</b>	<b>Net book value of disposed fixed assets and materials</b>	0	148
F.1.	Net book value of sold fixed assets	0	0
2.	Net book value of sold material	0	148
<b>G.</b>	<b>Change in operating reserves and adjustments and complex deferred costs</b>	-10,963	10,232
IV.	Other operating revenues	3,760	4,117
H.	Other operating expenses	8,407	5,677
V.	Transfer of operating revenues	0	0
I.	Transfer of operating expenses	0	0
<b>*</b>	<b>Operating profit / loss</b>	35,569	9,031
VII.	Revenues from sales of securities and ownership interests	0	0
J.	Sold securities and ownership interests	0	0
<b>VII.</b>	<b>Revenues from long-term financial assets</b>	350	268
VII.1.	Revenues from shares in controlled organizations and in accounting units with substantial influence	350	268
2.	Revenues from others securities and ownership interests	0	0

# Profit and Loss Account as on December 31, 2015

3.	Revenues from other long-term financial assets	0	0
VIII.	Revenues from short-term financial assets	0	0
K.	Expenses associated with financial assets	0	0
IX.	Revenues from revaluation of securities and derivatives	0	0
L.	Cost of revaluation of securities and derivatives	0	0
M.	Change in financial reserves and adjustments	0	0
X.	Interest revenues	0	0
N.	Interest expenses	1,649	1,730
XI.	Other financial revenues	3,101	2,016
O.	Other financial expenses	4,164	3,772
XII.	Transfer of financial revenues	0	0
P.	Transfer of financial expenses	0	0
<b>*</b>	<b>Profit / loss from financial operations</b>	<b>-2,362</b>	<b>-3,218</b>
Q.	Income tax on ordinary income	5,605	1,056
Q.1.	Due tax	7,076	1,755
2.	Tax deferred	-1,471	-699
<b>**</b>	<b>Operating profit / loss ordinary activity</b>	<b>27,602</b>	<b>4,757</b>
XIII.	Extraordinary revenues	0	0
R.	Extraordinary expenses	0	0
<b>S.</b>	<b>Income tax on extraordinary income</b>	<b>0</b>	<b>0</b>
S.1.	Due tax	0	0
2.	Tax deferred	0	0
<b>*</b>	<b>Operating profit / loss extraordinary activity</b>	<b>0</b>	<b>0</b>
T.	Transfer profit ( loss ) to partners	0	0
<b>***</b>	<b>Profit / loss of current accounting period</b>	<b>27,602</b>	<b>4,757</b>
	<b>Profit / loss before tax</b>	<b>33,207</b>	<b>5,813</b>

# Cash Flow Statement as on December 31, 2015

(in whole thousands of CZK)

		Accounting Period	
		Current	Previous
P.	State of financial means (FM) and equivalents at the beginning of accounting period	4,240	3,532
<b>CASH FLOWS FROM MAIN BUSINESS ACTIVITIES (operations)</b>			
Z.	Accounting profit or loss from ordinary activities before tax	33,207	5,813
<b>A.1.</b>	<b>Adjustments by non-cash transactions</b>	1,339	21,882
A.1.1.	Depreciation of fixed assets excl. net book value and amortization of adjustments to assets	11,287	10,304
A.1.2.	Change in provisions and reserves status	-10,963	10,232
A.1.3.	Profit (loss) on sale of fixed assets accounted into income -, expenses +	-113	-116
A.1.4.	Revenue from dividends and profit shares (-)	-350	-268
A.1.5.	Accounted expense interest (+), excl. charged income interest (-)	1,649	1,730
A.1.6.	Possible adjustments by non-cash transactions	-171	0
<b>A.*</b>	<b>Net cash flow from operating activities before tax, change of working capital</b>	34,546	27,695
<b>A.2.</b>	<b>Change in non-cash components of working capital</b>	24,622	3,490
A.2.1.	Change in receivables from operating activities (+/-) au time difference	4,700	-9,298
A.2.2.	Change in current liabilities from operating activities (+/-) au time difference	19,791	5,867
A.2.3.	Change in inventories (+/-)	131	6,921
A.2.4.	Change in current financial assets not falling into FM and eq.	0	0
<b>A.**</b>	<b>Net cash flow from operating activities before tax and for extraordinary items</b>	59,168	31,185
A.3.	Interest paid, excluding capitalized interest (-)	-1,649	-1,730
A.4.	Interests received	0	0
A.5.	Income tax paid on ordinary activities and additional for previous periods (-)	-7,076	-1,755
A.6.	Revenues and expenses associated with extraordinary events, including income tax for extraordinary business activities	0	0
A.7.	Received dividends and profit shares (+)	350	268
<b>A.***</b>	<b>Net cash flow from operating activities</b>	50,793	27,968
<b>CASH FLOW FROM INVESTMENT ACTIVITIES</b>			
B.1.	Costs related to acquisition of fixed assets	-49,273	-24,228
B.2.	Proceeds from sale of fixed assets	113	116
B.3.	Loans to related parties	0	0
<b>B.***</b>	<b>Net cash flow from investing activities</b>	-49,160	-24,112
<b>CASH FLOW FROM FINANCIAL ACTIVITIES</b>			
C.1.	Impact of changes in long-term or short-term liabilities on the FM and eq.	2,290	-3,148
C.2.	Impact of changes in equity for FM and eq.	0	0
C.2.1.	Increase in PA and eq. due to increase in share capital (RF) (+)	0	0
C.2.2.	Share paid to equity shareholders (-)	0	0
C.2.3.	Other deposits of FM to partners and shareholders	0	0
C.2.4.	Settlement of loss by shareholders (+)	0	0
C.2.5.	Direct payments from funds	0	0
C.2.6.	Dividends and profit shares paid including payment of withholding tax (-)	0	0
<b>C.***</b>	<b>Net cash flow from financial activities</b>	2,290	-3,148
<b>F.</b>	<b>Net increase or decrease in cash</b>	3,923	708
<b>R.</b>	<b>Cash and equivalents at end of period</b>	8,163	4,240

# Statement of Changes in Equity as on Dec. 31, 2015

(in whole thousands of CZK)

		Accounting period	
		Current	Previous
<b>A. Authorized capital registered in the Commercial Register</b>			
A.1.	Opening balance	105 500	105 500
A.2.	Increment	0	0
A.3.	Decrease	0	0
A.4.	Closing balance	105 500	105 500
<b>B. Authorized capital unregistered in the Commercial Register</b>			
B.1.	Opening balance	0	0
B.2.	Increment	0	0
B.3.	Decrease	0	0
B.4.	Closing balance	0	0
<b>C. A. +/- B. with consideration of account 252</b>			
C.1.	Opening balance A. +/- B.	105 500	105 500
C.2.	Opening balance of own stocks and own business shares	0	0
C.3.	Change in the account status 252	0	0
C.4.	The final balance of account 252	0	0
C.5.	Closing balance A. +/- B.	105 500	105 500
<b>D. Share premium</b>			
D.1.	Opening balance	0	0
D.2.	Increment	0	0
D.3.	Decrease	0	0
D.4.	Closing balance	0	0
<b>E. Reserve funds</b>			
E.1.	Opening balance	6 535	6 230
E.2.	Increment	0	305
E.3.	Decrease	6 535	0
E.4.	Closing balance	0	6 535
<b>F. Other funds from profit</b>			
F.1.	Opening balance	0	0
F.2.	Increment	0	0
F.3.	Decrease	0	0
F.4.	Closing balance	0	0
<b>G. Capital funds</b>			
G.1.	Opening balance	31 000	31 000
G.2.	Increment	0	0
G.3.	Decrease	0	0
G.4.	Closing balance	31 000	31 000

# Statement of Changes in Equity as on Dec. 31, 2015

<b>H. Differences from revaluation not included in profit or loss</b>			
H.1.	Opening balance	667	-876
H.2.	Increment	1 854	1 543
H.3.	Decrease	0	0
H.4.	Closing balance	2 521	667
<b>I. Profit of accounting periods (account 428 + Balance on page D of account 431)</b>			
I.1.	Opening balance	28 812	23 023
I.2.	Increment	11 291	5 789
I.3.	Decrease	0	0
I.4.	Closing balance	40 103	28 812
<b>J. Loss of accounting periods (account 429 + balance on page MD of account 431)</b>			
J.1.	Opening balance	0	0
J.2.	Increment	0	0
J.3.	Decrease	0	0
J.4.	Closing balance	0	0
<b>K.</b>	<b>Profit / loss for the accounting period after taxation</b>	<b>27 602</b>	<b>4 757</b>



# Notes to the Financial Statements for the year 2015

The notes have been prepared in accordance with Decree no. 500/2002 Coll., which implements certain provisions of Act no. 563/1991 Coll., On Accounting, as amended, for reporting entities that are businesses maintaining double-entry bookkeeping, as amended, and according to Czech accounting standards for entrepreneurs. The data in the appendix are based on the entity's records (accounting documents, ledgers and other records) and other documents which an entity has available. Figures are in thousands of CZK, unless stated otherwise.

The appendix is made for the accounting period beginning on 1 January 2015 and ending on 31 December 2015.

The accompanying financial statements have been prepared in accordance with the Act no. 563/1991 Coll., On Accounting, as amended.

## I. General data

### 1. Trade name

EURO - Šarm spol. s r.o.

### 2. Reg. No.

63988186

### 3. Registered office

Těšínská 222, 739 34 Šenov

### 4. Legal form

společnost s ručením omezeným (Limited Liability Co.)

### 5. Subject of activity

- purchase of goods for resale and sale (except the activities listed in the Appendix. 2 and 3 Act No.455 / 91 Coll
- production and import of chemicals and chemical products classified as explosive, oxidizing, extremely flammable, highly flammable, flammable, highly toxic, toxic, carcinogenic, mutagenic or toxic for reproduction, dangerous for the environment, and sale of chemical products classified as highly toxic and toxic,
- production and sale of chemicals and chemical products classified as flammable, harmful, corrosive, irritant, sensitizing

**6. Date of founding:** 31. 7. 1995

**Balance Sheet date:** 31. 12. 2015

**Financial statements date:** 12. 2. 2016

### 7. List of entities with more than 20% share in the core capital

7800/10550 Overlack AG, D - 41061 Mönchengladbach, Aachener strasse 236, Germany

2750/10550 Ing. Oldřich Zahradník, Havířov-Životice, Hraniční 18

### 8. Description of changes and additions made in the past fiscal year in the trade register

During the reporting period, there were no significant changes in the trade register.

### 9. Names and surnames of statutory bodies as of 31. 12. 2015

Oldřich Zahradník, Ing. – executive head

Heinrich Eickmann – executive head

# Notes to the Financial Statements for the year 2015

## 10. Organization Structure applicable as of 31. 12. 2015



## 11. The accounting entity does not have a branch abroad.

## 12. The title and address of the companies in which the entity has more than 20% of the share capital

### P.F.N. CZ spol. s r.o.

Share amount:	70%
Registered office:	Těšínská 222, Šenov
Amount of equity as of 31. 12. 2015:	40 thousand CZK
Economic result for the year 2015:	-2 thousand CZK

### SLOVCHEMA distribution, s.r.o.

Share amount:	70%
Registered office:	A. Stodolu 8/12, Prievidza, Slovakia
Amount of equity as of 31. 12. 2015:	731 thousand EUR
Economic result for the year 2015:	133 thousand EUR

### PPD CHEMICALS s.r.o.

Share amount:	100%
Registered office:	Těšínská 222, Šenov
Amount of equity as of 31. 12. 2015:	260 thousand CZK
Economic result for the year 2015:	-7 thousand CZK

## 13. Consolidating accounting entity

The company is a consolidated accounting entity included in the consolidation unit of the consolidating accounting entity AG, registered office in Mönchengladbach, Aachener strasse 236, Germany. Based on this reality, it does not form a consolidation unit in accordance with Section 62 paragraph 3 of the decree no. 500/2002 Sb.

## 14. Core capital EURO – Šarm spol s r.o.

Overlack AG	78 000 thousand CZK
Ing. Oldřich Zahradník	27 500 thousand CZK

The company's share capital is fully paid.

## II. Information about the accounting methods, general accounting principles and valuation methods

In the course of the accounting period, which is a calendar year, the accounting was based on matters that are subject to accounting so as to comply with the principle of accrual. When accounting was applied, the accounting methods stipulated by the accounting method primarily of fair presentation and going concern were applied.

### 1. Fixed assets

#### **Assessment method**

- of tangible fixed assets (DHM) and intangible assets (DNM), DHM and DNM created through the entity's own activities
- of securities, equity investments

DHM and DNM are stated at purchasing costs, which include the acquisition costs, transport costs and other related costs, interest on loans is not part of the cost. Assessment of DHM and DNM is reduced by subsidies from the state budget. Costs of technical appreciation of assets increase their acquisition cost, repair and maintenance of assets is expensed.

DHM and DNM created by the entity's own activity are evaluated by their own costs.

Securities and investments are valued at acquisition cost, and once a year the amount of equity investments are revalued using the equity method, which is the basis for the revaluation of the equity capital of the company. Revaluation is recognized in equity as a revaluation of assets and liabilities.

#### **Method of determining depreciation plans**

Depreciation of assets is calculated based on the purchase price and the estimated useful life of the asset.

Following the Accounting Act (no. 563/1991 Coll.), On Decree no. 500/2002 Coll., Czech accounting standards for businesses and Act no. 586/1992 Coll., On income taxes, as amended, a depreciation schedule for depreciation of tangible fixed assets, intangible fixed assets and tangible fixed assets was compiled, which has been archived since the day of the Company's inception.

The annual depreciation rate is determined by the ratio of input price and length of depreciation. The length of the amortization accounting is not applied in the same way as the length of depreciation for tax purposes, accounting and tax depreciation are therefore equal.

#### **Method of determining the replacement cost for assets valued at this price and acquired during the reporting period**

The replacement cost has not been applied in the accounting period 2015.

#### **Substantial changes in valuation, depreciation, accounting procedures compared to the previous fiscal year, a procedure for determining deferred taxes**

Compared to the previous accounting period, depreciation procedures and accounting that would affect the amount of assets, liabilities and operating results did not change.

In the given period, the deferred tax obligation which had been created in the previous periods was accounted for, the deferred tax asset wasn't accounted for.

### 2. Stock

Purchased inventories are valued at acquisition cost, which includes the cost of inventories, including incidental costs of acquisition-related costs (freight, customs, etc.). Products and work in progress are valued at their own planned cost according to processed calculations. The price of goods and work in progress includes direct material costs, labour costs of production personnel and overhead costs (mainly the auxiliary material, amortization costs of returnable packaging, operation costs of handling technology). Allowance for slow moving and obsolete inventory or otherwise impaired inventory is recognized based on the evaluation of turnover and individual evaluation of inventories.

# Notes to the Financial Statements for the year 2015

## 3. Receivables

Receivables are stated at their nominal value upon creation. Purchased receivables are stated at acquisition cost. In the case of doubtful receivables, the value is reduced through provisions, which are charged to expenses.

Unbilled active accounts are valued on the basis of expert estimates and calculations.

## 4. Equity

The share capital is recognized at the amount recorded in the Commercial Register.

Based on the decision at the general meeting, the balance of the account "Reserve fund" was moved to the account "Undivided profit from previous years" in accordance with the change in articles of incorporation carried out in compliance with the Act on Business Corporations.

## 5. External Resources

Accounting or statutory reserves were not created in 2015.

Unbilled estimated liabilities were valued on the basis of expert estimates and calculations.

## 6. Leasing

The leased assets have been charged so that the individual lease payments are included in the costs, the instalments paid beforehand have previously been deferred.

## 7. Foreign exchange operations

Valuation of assets and liabilities in foreign currencies is performed according to § 24 par. 7 of the Accounting Act. During the reporting period assets and liabilities were translated at the fixed rate based on the current exchange rate of the Czech National Bank effective on the last day of the previous month. At the balance sheet date, the balances of assets and liabilities denominated in foreign currencies are translated using the exchange rate applicable to the CNB's balance sheet date and the differences were accounted nominally.

## 8. Subsidy

Prescriptions of subsidies are accounted at the moment of determination of the unquestioned acceptance. Operating grants received to cover costs are charged to operating or financial revenues. Investment subsidies received for the acquisition of fixed assets reduces the acquisition value of the property.

## 9. Significant events after the balance sheet date

There were no significant events after the balance sheet date and before the date of the balance sheet creation for the year 2015.

## III. Additional information on the balance sheet and profit and loss statement

### 1. Fixed assets

#### a) Overview of assets listed in the balance sheet

Intangible assets (in thousands of CZK)	Purchase price					Accumulated depreciation				
	opening balance	increase	decrease	transfer	closing balance	opening balance	increase	decrease	transfer	closing balance
Other long-term intangible assets	1,128	0	0	0	1,128	-1,126	-1	0	0	-1,127
Royalties	26	0	0	0	26	-26	0	0	0	-26
Software	20,468	365	0	0	20,833	-13,997	-2,791	0	0	-16,788
Intangible fixed assets under construction	0	0	0	0	0	0	0	0	0	0
<b>Total 2015</b>	<b>21,622</b>	<b>365</b>	<b>0</b>	<b>0</b>	<b>21,987</b>	<b>-15,149</b>	<b>-2,792</b>	<b>0</b>	<b>0</b>	<b>-17,941</b>
<b>Total 2014</b>	<b>19,331</b>	<b>7,307</b>	<b>-5,016</b>	<b>0</b>	<b>21,622</b>	<b>-13,663</b>	<b>-1,667</b>	<b>181</b>	<b>0</b>	<b>-15,149</b>
<b>Total 2013</b>	<b>13,685</b>	<b>5,848</b>	<b>-202</b>	<b>0</b>	<b>19,331</b>	<b>-12,628</b>	<b>-1,036</b>	<b>0</b>	<b>0</b>	<b>-13,664</b>

# Notes to the Financial Statements for the year 2015

Tangible assets (in thousands of CZK)	Purchase price					Accumulated depreciation				
	opening balance	increase	decrease	transfer	closing balance	opening balance	increase	decrease	transfer	closing balance
Lands	<b>8,659</b>	0	0	0	<b>8,659</b>	<b>0</b>	0	0	0	<b>0</b>
Constructions	<b>98,508</b>	0	0	72,732	<b>171,240</b>	<b>-14,782</b>	-3,290	0	0	<b>-18,072</b>
Machinery and equipment	<b>50,219</b>	0	-80	817	<b>50,956</b>	<b>-26,168</b>	-3,541	80	0	<b>-29,630</b>
Vehicle fleet	<b>12,876</b>	0	-760	1,353	<b>13,469</b>	<b>-10,367</b>	-1,005	760	0	<b>-10,612</b>
Fixtures and fittings	<b>1,330</b>	0	-41	38	<b>1,327</b>	<b>-1,244</b>	-60	41	0	<b>-1,263</b>
Other tangible fixed assets	<b>0</b>	0	0	0	<b>0</b>	<b>0</b>	0	0	0	<b>0</b>
Tangible fixed assets under construction	<b>28,613</b>	51,876	0	-74,940	<b>5,549</b>	<b>0</b>	0	0	0	<b>0</b>
Advance payments for tangible assets	<b>2,969</b>	3,056	-6,025	0	<b>0</b>	<b>0</b>	0	0	0	<b>0</b>
Adjustment to acquired assets	<b>8,968</b>	0	0	0	<b>8,968</b>	<b>-4,186</b>	-598	0	0	<b>-4,784</b>
<b>Total 2015</b>	<b>212,142</b>	<b>54,932</b>	<b>-6,906</b>	<b>0</b>	<b>260,168</b>	<b>-56,747</b>	<b>-8,494</b>	<b>881</b>	<b>0</b>	<b>-64,361</b>
<b>Total 2014</b>	<b>193,023</b>	<b>24,803</b>	<b>-5,685</b>	<b>0</b>	<b>212,141</b>	<b>-50,745</b>	<b>-8,639</b>	<b>2,637</b>	<b>0</b>	<b>-56,747</b>
<b>Total 2013</b>	<b>185,917</b>	<b>10,951</b>	<b>-3,845</b>	<b>0</b>	<b>193,023</b>	<b>-45,989</b>	<b>-8,345</b>	<b>3,587</b>	<b>0</b>	<b>-50,747</b>

Long-term financial assets (in thousands of CZK)	Purchase price				
	Opening balance	Increase (after revaluation by equivalent)	Decrease (after revaluation by equivalent)	Transfer	Closing balance
<b>Total 2015</b>	<b>12,267</b>	<b>1,862</b>	<b>-8</b>	<b>0</b>	<b>14,121</b>
<b>Total 2014</b>	<b>10,724</b>	<b>1,548</b>	<b>-5</b>	<b>0</b>	<b>12,267</b>
<b>Total 2013</b>	<b>8,916</b>	<b>1,813</b>	<b>-5</b>	<b>0</b>	<b>10,724</b>

The accounting entity records the assets off balance sheet not detected in the balance sheet at a total amount of 5,840 thousand CZK.

## b) List of tangible assets that are pledged

There is no lien burden with any property.

## c) Assets under operating leases

On the basis of the contract of lease of movable assets, the company has leased 23 personal cars and 4 forklifts. On the basis of the leasing contract with subsequent purchase of the leased asset, the entity has leased 3 vehicles and 3 forklifts. These assets are recorded in memorandum accounts.

## 2. Inventory

On the balance sheet date, as a result of physical inventories, a provision was made for a diminution of inventory to the amount of 613 thousand CZK.

## 3. Receivables

### **The manner of determination of provisioning and reserves for assets:**

The manner of determination of provisioning and reserves for assets:

Provisions for receivables were created for outstanding receivables according to the current wording of Act 593/1992 Coll.

In 2015, write-downs to receivables from debtors in insolvency proceedings were liquefied to the total amount of 12,637 thousand CZK, at the same time, write-off for receivables from debtors to the amount of 3,516 thousand CZK was accounted for

# Notes to the Financial Statements for the year 2015

after the finalization of liquidation.

In other receivables past their maturity, write-downs to the amount of 1,323 thousand CZK were created, from these there were tax write-downs of 355 thousand CZK and accounting write-downs of 968 thousand CZK.

## **The total amount of short-term trade receivables (account no 311):**

Gross amount	176,613 thousand CZK
Adjustments	7,619 thousand CZK
Net amount	168,994 thousand CZK
Including receivables within the group	3,952 thousand CZK

## **Time structure of receivables (In gross amount):**

Pre-maturity receivables	143,829 thousand CZK
Amounts up to 90 days overdue	22,349 thousand CZK
Amounts up to 180 days overdue	380 thousand CZK
Amounts up to 360 days overdue	3,259 thousand CZK
Amounts over 360 days overdue	6,796 thousand CZK
Inc. claims against debtors in banks and insolvency pr.	6,187 thousand CZK

Receivables with a maturity of more than 5 years are not recorded by the company.

## **4. Financial accounts**

The Company has an overdraft account with KB allowing her to draw a loan to the amount of 20,000 thousand CZK. As of 31. 12. 2015 this amounted to a negative balance of 3,525 thousand CZK (by 31. 12. 2014 it amounted to 8,411 thousand CZK), it is distributed in the reported short-term bank loan.

## **5. Other assets**

Prepaid expenses primarily include lease payments paid in advance and are accounted for in the period in which they were earned.

Accrued revenues primarily include discounts on supplies of goods that were not invoiced to the customer before the financial statement term and related to the accounting period of 2015.

## **6. Vlastní kapitál**

Statement of changes in Equity	Opening balance	Increase	Decrease	Closing balance
Registered capital	105,500	0	0	105,500
Other capital funds	31,000	0	0	31,000
Differences from revaluation of assets and liabilities	667	1,854	0	2,521
Funds created from net profit	6,535	0	-6,535	0
Profit (loss) from previous years	28,812	11,291	0	40,103
Profit (loss) of current year	4,757	27,602	-4,757	27,602
<b>Total 2015</b>	<b>177,271</b>	<b>40,747</b>	<b>-11,292</b>	<b>206,726</b>
<b>Total 2014</b>	<b>170,970</b>	<b>12,399</b>	<b>-6,098</b>	<b>177,271</b>

The differences from revaluation are a recognized impact of the revaluation of investments in subsidiaries.

## **7. Long-term liabilities**

The company does not have any long-term liabilities.

## **8. Short-term liabilities**

Total current liabilities – trade payables (account no. 321):

Amount	90,078 thousand CZK
Incl. Liabilities in the group	2,842 thousand CZK

# Notes to the Financial Statements for the year 2015

## **Time structure of liabilities:**

Pre-maturity liabilities	87,664 thousand CZK
Amounts up to 15 days overdue	2,327 thousand CZK
Amounts up to 90 days overdue	87 thousand CZK

The company does not have liabilities with a maturity of more than 5 years overdue.

## **Amount of liabilities towards Social security and health insurance as of 31. 12. 2015:**

OSSZ	1,031 thousand CZK
ČPZP	86 thousand CZK
VZP	261 thousand CZK
RBP	27 thousand CZK
OZP	81 thousand CZK
MiV	40 thousand CZK
Voj. ZP	9 thousand CZK

All of the above commitments have been paid by the deadline of 31. 1. 2016.

By the date of submission of financial statements prepared as of 31. 12. 2015, the entity does not recognize any obligations to the state budget or the authorities of pension and health insurance that would cover liabilities outstanding at the balance sheet date.

## **9. Subsidy**

During 2015, the entity accounted for the drawing of an investment subsidy amounting to 16 728 thousand CZK.

## **10. Bank loans**

### **The company has concluded such credit arrangements:**

a) Framework Services Agreement with Komerční banka a.s., which is determined by a credit line to the amount of 130 000 thousand CZK the contract was concluded on 18. 11. 2014, maturity date obligation under this contract is:

- overdraft credit amounting to 20 000 thous. CZK payable by 13. 11. 2016, amount used by 31. 12. 2015 – 3 525 thousand CZK,
- revolving loan up to 120 000 thous. CZK payable by 13. 11. 2018, amount used by 31. 12. 2015 - 70 000 thousand CZK,

Loans are secured by a blank bill of the company, and pledged receivables as well as a Letter of Comfort issued by Overlack AG as collateral for this framework agreement on the loan.

b) A contract for the provision of credit for investment total 42 000 thousand CZK. The date of signing of this contract was 17. 7. 2012, the loan balance on 31. 12. 2015 was 6 000 thousand CZK, the loan maturity is 30. 6. 2016. The loan is secured by a blank bill of the company and at the same time a Letter of Comfort by Overlack AG was issued as collateral for this loan,

c) A contract for the provision of credit for investment total 61 000 thousand CZK. The date of signing of the contract was 10. 9. 2014, the loan balance on 31. 12. 2015 was 61 000 thousand CZK the loan maturity is 31.7. 2021. The loan is secured by a blank bill of company and at the same time a Letter of Comfort by Overlack AG was issued as collateral for a loan

## **11. Other liabilities**

The company did not have any accrued expenses as of 31. 12. 2015

## **12. Income from ordinary activities** (in thousands of CZK)

Type of activity	Total		Domestic		Abroad	
	2014	2015	2014	2015	2014	2015
Sales of products	576,775	627,305	517,434	570,766	59,341	56,539
Sales of services	6,219	7,235	4,752	5,406	1,467	1,829
Sales of goods	454,219	402,481	420,841	360,110	33,378	42,371
Other incomes	4,117	4,684	4,117	4,592	0	92
<b>Total</b>	<b>1,041,330</b>	<b>1,041,705</b>	<b>947,114</b>	<b>940,874</b>	<b>94,186</b>	<b>100,831</b>

# Notes to the Financial Statements for the year 2015

In the accounting period of 2014 no expenditures were incurred on research and development.

## **Transactions with related parties**

In 2015 EURO – Šarm did business with related entities in these amounts:

<b>Transactions with related parties</b> (in thousands of CZK)	<b>Sale of goods and products</b>	<b>Sale of services</b>	<b>Purchase of goods and material</b>
Overlack AG (D)	0	4	0
Overlack GmbH (D)	1,453	26	9,826
Overlack Global/Chemical GmbH (D)	0	0	62
SLOVCHEMA distribution, s.r.o. (SK)	66,425	1,603	348
Overlack Sp. z o.o. (PL)	51	0	268
UAB Overlack (LT)	143	0	0
Overlack GmbH (A)	92	0	0
Quaron EPE (GR)	641	0	0
Novochem Romania SRL (RO)	60	0	0
Novochem Kft. (HU)	343	0	9
<b>Total</b>	<b>69,207</b>	<b>1,633</b>	<b>10,486</b>

These transactions were concluded under normal market conditions.

## **13. Cash flow review**

The cash flow review is stated in appendix No. 1.

## **14. The amount of personnel costs and data on the number of employees**

<b>Item /year</b>	<b>Persons</b>		<b>Personnel costs (in thousands CZK)</b>	
	<b>2014</b>	<b>2015</b>	<b>2014</b>	<b>2015</b>
Average number of employees	93	94	47,973	55,734
Including: members of management bodies	7	7	8,414	12,374

The contribution to Pension insurance totalled 74 thousand CZK.

## **Remuneration of statutory bodies**

<b>Period</b>	<b>2014</b>	<b>2015</b>
Amount (in thousand CZK)	0	0

Statutory authorities were not provided loans, guarantees or other benefits in cash or in other natural form.



# Contacts

Registered office of EURO – Šarm spol. s r.o.	Těšínská 222, 739 34 Šenov, Czech Republic
Phone	+420 597 485 910
Fax	+420 596 831 102
Web address	<a href="http://www.eurosarm.cz">http://www.eurosarm.cz</a>
E-mail	<a href="mailto:eurosarm@eurosam.cz">eurosarm@eurosam.cz</a>
Twitter	@EuroSarm
GPS coordinates	49°47'26.8"N 18°23'40.8"E

Central warehouse Slatiňany	Vítězství 251, 538 21 Slatiňany, Czech Republic
Phone	+420 469 777 774
Fax	+420 469 777 700
GPS coordinates	49°55'12.8"N 15°49'36.9"E

Warehouse Šenov	Těšínská 222, 739 34 Šenov, Czech Republic
Phone	+420 597 485 919
Fax	+420 597 485 900
GPS coordinates	49°47'23.6"N 18°23'39.6"E

Warehouse Plzeň	Velenická 230/91, 326 00 Plzeň, Czech Republic
Telefon	+420 376 944 442
Fax	+420 376 944 440
GPS coordinates	49°43'23.2"N 13°25'07.0"E

Production in Sokolov	Tovární 2093, 356 80 Sokolov
Phone	+420 354 777 991
Fax	+420 354 777 990
GPS coordinates	50°10'52.4"N 12°40'05.1"E

Subsidiary company in Slovakia	Slovchema distribution, s.r.o.
Phone	+421 465 420 778
Phone	+421 465 420 779
Fax	+421 465 420 780
Web address	<a href="http://www.slovchema.sk">http://www.slovchema.sk</a>
E-mail	<a href="mailto:slovchema@slovchema.sk">slovchema@slovchema.sk</a>

**Zpráva nezávislého auditora**  
**o ověření účetní závěrky sestavené ke dni 31. 12. 2015**  
**určena společníkům společnosti EURO – Šarm spol. s r.o.**

**Identifikace účetní jednotky:**

Společnost:	<b>EURO – Šarm spol. s r.o.</b>
IČ:	639 88 186
Sídlo:	Těšínská 222, 739 34 Šenov
Právní forma:	společnost s ručením omezeným
Zápis v obchodním rejstříku:	Krajský soud Ostrava C 38395
Předmět podnikání:	- koupě zboží za účelem jeho dalšího prodeje a prodej - výroba a dovoz chemických látek a chemických přípravků klasifikovaných jako výbušné, oxidující, extrémně hořlavé, vysoce hořlavé, hořlavé, vysoce toxické, toxické, karcinogenní, mutagenní, toxické pro reprodukci, nebezpečné pro životní prostředí a prodej chemických přípravků klasifikovaných jako vysoce toxické a toxické - výroba a prodej chemických látek a chemických přípravků klasifikovaných jako hořlavé, zdraví škodlivé, žíravé, dráždivé, senzibilizující

Zprávu předkládá:	Ing. Eleni Lipperová – auditor číslo oprávnění 2016 Poštovní 2 702 00 Ostrava
-------------------	--

Přílohy:	Rozvaha k 31. 12. 2015 Výkaz zisku a ztráty k 31. 12. 2015 Příloha k účetní závěrce k 31. 12. 2015 Přehled o peněžních tocích k 31. 12. 2015 Přehled o změnách vlastního kapitálu k 31. 12. 2015
----------	--

6.

Provedla jsem audit přiložené účetní závěrky společnosti EURO – Šarm spol. s r.o., která se skládá z rozvahy k 31. 12. 2015 výkazu zisku a ztráty za rok končící 31. 12. 2015, přehledu o změnách vlastního kapitálu za rok končící 31. 12. 2015, přehledu o peněžních tocích za rok končící 31. 12. 2015 a přílohy této účetní závěrky, která obsahuje popis použitých podstatných účetních metod a další vysvětlující informace. Údaje o společnosti EURO – Šarm spol. s r.o. jsou uvedeny v části „Obecné údaje“ přílohy této účetní závěrky.

## **Odpovědnost statutárního orgánu účetní jednotky za účetní závěrku**

Statutární orgán společnosti EURO – Šarm spol. s r.o. je odpovědný za sestavení účetní závěrky, která podává 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 (materiální) nesprávnosti způsobené podvodem nebo chybou.

## **Odpovědnost auditora**

Mou odpovědností je vyjádřit na základě mého auditu výrok k této účetní závěrce. Audit jsem provedla v souladu se zákonem o auditorech, mezinárodními auditorskými standardy a souvisejícími aplikačními doložkami Komory auditorů České republiky. V souladu s těmito předpisy jsem povinna dodržovat etické požadavky a naplánovat a provést audit tak, abych získala přiměřenou jistotu, že účetní závěrka neobsahuje významné nesprávnosti.

Audit zahrnuje provedení auditorských postupů k získání důkazních informací o částkách a údajích zveřejněných v účetní závěrce. Výběr postupů závisí na úsudku auditora, zahrnujícím i vyhodnocení rizik významné (materiální) nesprávnosti údajů uvedených v účetní závěrce způsobené podvodem nebo chybou. Při vyhodnocování těchto rizik auditor posoudí vnitřní kontrolní systém relevantní pro sestavení účetní závěrky podávající věrný a poctivý obraz. Cílem tohoto posouzení je navrhnout vhodné auditorské postupy, nikoli vyjádřit se k účinnosti vnitřního kontrolního systému účetní jednotky. Audit též zahrnuje posouzení vhodnosti použitých účetních metod, přiměřenosti účetních odhadů provedených vedením i posouzení celkové prezentace účetní závěrky.

Jsem přesvědčena, že důkazní informace, které jsem získala, poskytují dostatečný a vhodný základ pro vyjádření mého výroku.

## **VÝROK AUDITORA**

Podle mého názoru účetní závěrka podává věrný a poctivý obraz aktiv a pasiv společnosti EURO – Šarm spol. s r.o. k 31. prosinci 2015 a nákladů, výnosů, výsledku jejího hospodaření a peněžních toků za rok končící 31. 12. 2015 v souladu s českými účetními předpisy.

6.


## Ostatní informace

Za ostatní informace se považují informace uvedené ve výroční zprávě mimo účetní závěrku a mou zprávu auditora. Za ostatní informace odpovídá vedení společnosti.

Můj výrok k účetní závěrce se k ostatním informacím nevztahuje, ani k nim nevydávám žádný zvláštní výrok. Přesto je však součástí mých povinností souvisejících s ověřením účetní závěrky seznámení se s ostatními informacemi a zvážení, zda ostatní informace uvedené ve výroční zprávě nejsou ve významném (materiálním) nesouladu s účetní závěrkou či mými znalostmi o účetní jednotce získanými během ověřování účetní závěrky, zda je výroční zpráva sestavená v souladu s právními předpisy nebo zda se jinak tyto informace nejeví jako významně (materiálně) nesprávné. Pokud na základě provedených prací zjistím, že tomu tak není, jsem povinna zjištěné skutečnosti uvést ve své zprávě.

V rámci uvedených postupů jsem v obdržných ostatních informacích nic takého nezjistila.



  
auditor  
Ing. Eleni Lipperová  
číslo oprávnění 2016  
Poštovní 2  
702 00 Ostrava

Ostravě dne 18. 2. 2016

## Independent Auditor's Report

**on Financial Statements verification drawn up as of 31st Dec. 2015**

**addressed to the shareholders of the company EURO - Šarm spol. s r.o**

### Accounting entity identification:

Company:	<b>EURO - Šarm spol. s r.o.</b>
Reg. No.:	63988186
Registered office:	Těšínská 222, 739 34 Šenov
Legal form:	limited liability company
Incorporation in the Companies register:	Regional Court in Ostrava, C 38395
Subject of enterprise:	<ul style="list-style-type: none"><li>- purchase of goods for resale and sale (except the activities listed in the Appendix. 2 and 3 Act No.455 / 91 Coll</li><li>- production and import of chemicals and chemical products classified as explosive, oxidizing, extremely flammable, highly flammable, flammable, highly toxic, toxic, carcinogenic, mutagenic or toxic for reproduction, dangerous for the environment, and sale of chemical products classified as highly toxic and toxic,</li><li>- production and sale of chemicals and chemical products classified as flammable, harmful, corrosive, irritant, sensitizing</li></ul>
Report presented by:	Ing. Eleni Lipperová – auditor License number 2016 Poštovní 2 702 00 Ostrava
Appendices:	Balance Sheet date as of 31. 12. 2015 Profit and loss statement as of 31. 12. 2015 Notes to Financial Statements as of 31. 12. 2015 Cash flow review as of 31. 12. 2015 Statement of changes in equity as of 31. 12. 2015

# Independent Auditor's Report

I have conducted an audit of the attached financial statements of the company EURO - Šarm spol. s r.o., which consists of the balance sheet as of 31. 12. 2015, profit and loss statement for the year ending on 31. 12. 2015, statement of changes in equity for the year ending on 31. 12. 2015, cash flow statement for the year ending on 31. 12. 2015 and notes to these financial statements, which contain a description of the significant accounting policies used and other explanatory information. The data of the company EURO - Šarm spol. s r.o. is stated in the part "General information" of the notes to these financial statements.

## **Responsibility of the statutory body of the accounting entity for the financial statements**

The statutory body of the company EURO - Šarm spol. s.r.o. is responsible for the elaboration of the financial statements, which present a true and fair view in accordance with accounting regulations, and for such internal control system that is deemed necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

## **Auditor's responsibility**

My responsibility is to express, on the basis of my audit, an opinion on the financial statements. I conducted my audit in accordance with the Act on Auditors, International Standards on Auditing and the related application guidance of the Chamber of Auditors of the Czech Republic. In accordance with these regulations, I am obliged to comply with ethical requirements and plan and perform the audit to obtain reasonable assurance that the financial statements are free of material misstatement.

The audit involves the performing of auditing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including also the assessment of risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the preparation of financial statements offering a true and fair view. The purpose of this assessment is to propose appropriate auditing procedures, not to comment on the effectiveness of the internal control system of the accounting entity. The audit also includes evaluating the appropriateness of the accounting policies used and the adequacy of accounting estimates made by the management, as well as evaluating the overall financial statement presentation.

I believe that the audit evidence I have obtained provides a sufficient and appropriate basis for my opinion.

## **AUDITOR'S OPINION**

In my opinion, the financial statements offer a true and fair view of the assets and liabilities of the company EURO - Šarm spol. s.r.o. as of 31st December 2015, and expenses, results of its operations and its cash flow for the year ended on 31st Dec. 2015, in accordance with accounting regulations.

## Other information

The information stated in the annual report outside of the financial statement and my auditor's report is considered as other information. For other information, the management of the company is responsible.

My opinion about the financial statement does not apply to other information, nor am I issuing any special opinion about it. Even so, it is part of my responsibility which is related to the verification of the financial statement, to acquaint myself with other information and to consider, whether information stated in the annual report is not in significant (material) discordance with the financial statement or with my knowledge - which I've attained during the verification of the financial statement - about the accounting entity, whether the financial statement is compiled in accordance with legal rules or whether this information does not appear to be significantly (materially) incorrect. If, based on my work, I find out any discrepancies, I am obligated to state such findings in my report.

Within the stated procedures, I have not found anything of this kind in the other information I've received.

(official stamp -  
Auditor - License number 2016  
Ing. Eleni Lipperová)

auditor  
Ing. Eleni Lipperová  
License number 2016  
Poštovní 2  
702 00 Ostrava

In Ostrava on 18<sup>th</sup> Feb. 2016