



**Report of Statutory Auditor  
including  
Opinion of Independent Statutory Auditor  
and Report of the financial statements audit  
for the period  
01/01/2016 - 31/12/2016**

**Global Colors Polska S.A.**





## I. OPINION OF INDEPENDENT STATUTORY AUDITOR

For Shareholders, Supervisory Board and Management Board of **Global Colors Polska S.A.**

### **Subject Matter of the Audit**

We have conducted an audit of the attached financial statements of Global Colors Polska S.A. (hereinafter: Company) with its registered office in Kędzierzyn-Koźle at ul. Szkolna 15 (postcode: 47-225, Kędzierzyn-Koźle), which consisted of: introduction to the financial statements, balance sheet as at 31 December 2016, profit and loss account, statement of changes in equity and cash flow statement for the financial year from 1 January 2016 to 31 December 2016, and additional notes and explanations.

### **Liability of Executives**

Entity's Manager is responsible for drafting, in accordance with properly maintained accounting books, financial statements and for the reliable presentation of these statements in accordance with the Accountancy Act of 29 September 1994 (Dz.U. [Journal of Laws] of 2016, item 1047, as amended), hereinafter: "Accountancy Act", secondary legislation issued based on the Act as well as other mandatory regulations. Entity's Manager is also responsible for internal control, which is deemed necessary for drafting the financial statements without any material misstatement caused by fraud or error.

In accordance with the Accountancy Act, entity's manager and supervisory board members are obliged to ensure that financial statements meet the requirements of the Accountancy Act.

### **Liability of Statutory Auditor**

We are responsible for giving our opinion on these financial statements based on the performed audit.

The financial statement audit was conducted pursuant to:

- provisions of chapter 7 of the Accountancy Act,
- national auditing standards in the wording of International Standards on Auditing IAASB. These standards impose a requirement to comply with ethical requirements as well as plan and conduct the audit in such a way as to obtain sufficient assurance that the financial statements do not include material misstatements.

The audit involves procedures aimed at obtaining proof of the examination of amounts and disclosures in financial statements. The selection of procedures depends on the judgement of statutory auditor, including assessment of the risk of the financial statements containing

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**HLB M2 Spółka z ograniczoną odpowiedzialnością Tax & Audit Sp. k.**

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District Court for the Capital City of Warsaw, 13<sup>th</sup> Economic Division;

KRS (National Court Register) No: 0000380052

REGON No.: 142839770, NIP (tax ID): 521-359-69-82, General Partner: HLB M2 Sp. z o.o.

Entity authorised to audit financial statements – license No. 3697

General Partner's Management Board: Maciej Czapiewski – President of the Management Board,

Marek Dobek – Vice-President of the Management Board, Aleksandra Motławska – Management Board Member.



misstatements as a result of fraud or error. When assessing such risk, statutory auditor takes into account internal control in the scope of the drawing up of financial statements by the entity in order to design audit procedures relevant in the given circumstances rather than express an opinion on the effectiveness of entity's internal control. The audit also involves the evaluation of the accuracy of the accounting principles (policy) used and reasonability of estimates made by executives, correctness of accounting books on which the audited financial statements were based and the overall evaluation of the financial statements.

We believe that the audit proofs obtained by us are sufficient and proper grounds for expressing our opinion.

### **Justification of Qualified Opinion on the Financial Statements**

During the audit of the financial statement of the Company, we detected formal defects in the scope of the description of the implemented data processing system - SAP ECC6 system. The company which implemented software did not supply the relevant documentation in the Polish language, in line with the Accountancy Act, used to diagnose the way in which accounting data is processed and to assess the correctness of this data. What is particularly important, there is no documentation of the procedures of cost accounting. Therefore, it is impossible to verify independently (beyond the system) if the valuation of ready goods is correct and complete.

### **Qualified Opinion on the Financial Statements**

On the basis of our review, except for the above reservation, the audited financial statement:

- presents clearly and reliably the assets standing and financial situation of the Entity as at 31 December 2016 and its financial result for the financial year lasting from 1 January to 31 December 2016, in accordance with applicable provisions of the Accountancy Act and the adopted accounting principles (policy),
- has been prepared on the basis of the properly maintained accounting books,
- complies with the legal regulations and provisions of the Company's articles of association as to its form and contents.

### **Report Concerning Other Legal Requirements and Regulations**

Our opinion based on financial statement audit does not concern the report of operations.

The drafting of the report on operations is the responsibility of entity's manager, in accordance with the Accountancy Act and other mandatory legal regulations. Furthermore, the entity's manager and supervisory board members are obliged to guarantee that the report on operations meets the requirements provided for in the Accountancy Act.

In relation to the financial statement audit, our task was to read the report on operations and state whether the information it contains is in line with the provisions of Article 49 of the Accountancy Act and complies with the information included in the enclosed financial statements. We were also supposed to make a statement whether in the light of our knowledge about the entity and its environment obtained in the course of the financial statement audit we found any material misstatements in the report on operations.

In our opinion, the information contained in the report on operations considers the provisions of Article 49 of the Accountancy Act and complies with the information given in



the enclosed financial statements. Furthermore, taking into account our knowledge about the entity and its environment obtained during the financial statement audit, we detected no material misstatements in the report on operations.

Monika Szymczyk

Key Statutory Auditor  
conducting the audit on behalf of  
HLB M2 Spółka z ograniczoną  
odpowiedzialnością Tax & Audit Sp. k.  
(formerly: HLB M2 Audyt Spółka  
z ograniczoną odpowiedzialnością Sp. k.)  
entered onto the list of statutory auditors  
with the number 11662

Aleksandra Motławska

Management Board Member of General  
Partner  
HLB M2 Spółka z ograniczoną  
odpowiedzialnością Tax & Audit Sp. k.  
(formerly: HLB M2 Audyt Spółka  
z ograniczoną odpowiedzialnością Sp. k.)  
Entity authorised to conduct financial  
statement audits, entered onto the list of  
licensed entities with the number 3697

Warsaw, 17 February 2017

**The Independent Statutory Auditor's Opinion is a translation from the original Polish version. In case of any discrepancies between the Polish and English version the Polish version shall prevail.**