

**REPORT OF THE COUNCIL OF ADMINISTRATION
AS OF MARCH 31st , 2017**

CORUS INTERNATIONAL ROMANIA S.R.L. is a limited liability company registered with the Trade Registry under the number J40/9639/2007, having the fiscal code: RO21761152.

The company has a subscribed capital called and paid of lei 5,070.

During the period April 1st, 2016 – March 31st, 2017, the company registered a profit of lei 3,362.

The status of company's accounts :

- Accounts in lei: 11,499.76 lei
- Accounts in EUR & GBP (equivalent in lei): 166,339.40 lei
- Petty cash fund: 0.00 lei

The company's financial results as at 31st March 2017 are as follows:

	Lei
Operating income :	499,610.00
Operating expenses :	477,069.00
Operating result :	22,541.00
Financial income :	8,504.00
Financial expenses :	17,480.00
Financial result :	(8,976.00)
Extraordinary income:	0
Extraordinary expenses:	0
Extraordinary result:	0
Income tax expense:	(10,203.00)
RESULT OF FINANCIAL YEAR	3,362.00

The profit and loss account reflects accurately the income, expenditure and financial results for the relative reporting period.

The company's management ensured the fulfillment of its obligations with regard to the organization and the conduct of accounting records in a correct and up-to-date manner according to the existing legal rules.

So, the balance sheet was prepared based on the trial balance of synthetic and analytical accounts, in accordance with the existing methodological norms.

The financial operations were correctly recorded based on supporting documents prepared in compliance with the accounting principles, methods and rules imposed by the current laws in the field.

The balance sheet figures correspond with the recorded data and reflect the real assets determined under the inventory.

The company does not have any bank credits or loans, nor other accounts receivable or prescribed debts.

The quarterly VAT declarations, the other reports concerning the company's obligations to the state budget, social insurance budget and special funds have been issued and submitted to the right authorities within the established deadlines.

The company's obligations to the state budget were correctly determined and payments were made on time.

Director,

Negoita Ionel

Date

19th of May 2017

SHORT BALANCE SHEET		F10 - pag. 1 - Law -		
Date 31.03.2017				
Name of the Element	Nr. rd.	Balance:		
		01.01.2016	01.04.2016	31.03.2017
A	B	1	2	3
A. FIXED ASSETS				
I. INTANGIBLE ASSETS (ct.201+203+205+206+2071+4094+208-280-290)	01			
II. TANGIBLE ASSETS (ct.211+212+213+214+215+216+217+223+224+227+231+235+4093-281-291-2931-2935)	02	86561	80591	60003
III. FINANCIAL IMMOBILIZATIONS (ct.261+262+263+265+266+267* 296*)	03	2474	2474	2496
FIXED ASSETS - TOTAL (rd. 01 + 02 + 03)	04	89035	83065	62499
B. CURRENT ASSETS				
I. INVENTORIES (CL301+302+303+321+322+308+323+326+327+328+331+332+341+345+346+347+/-348+351+354+356+357+358+361+/-368+371+/-378+381+/-388+4091-391392-393-394-395-396-397-398 - din ct.4428)	05			
II.RECEIVABLES (Amounts to be collected after more than one year must be presented separately for each item.) (ct.267*-296 *+4092+4 II+413+418+425+4282+431***+437***+4382+441**+4424+din ct.4428**+444**+445+446**+447***+4482+451**+453**+456**+4582+461+4662 +473** - 491 - 495 - 496+5187)	06	245231	244002	133936
III SHORT-TERM INVESTMENTS (ct.501+505+506+507+din ct.508+5113+5114-591-595-596-598)	07			
IV CASH FLOW AND ACCOUNTS IN BANKS (ct. 508 + ct. 5112+512+531+532+541+542)	08	98511	55846	177839
TOTALCURRENT ASSETS (rd. 05 + 06 + 07 + 08)	09	343742	299848	311775
C. EXPENSES IN ADVANCE (ct. 471) (rd.11 + 12)	10	2318	3026	3062
DEBTS TO BE PAID WITHIN A PERIOD OF UP TO ONE YEAR (din ct. 471*)	11	2318	3026	3062
Debts to be paid in more than a year (ct. 471*)	12			
D. DEBTS TO BE PAID WITHIN A PERIOD OF UP TO ONE YEAR (ct.161+162+166+167+168-169+269+401+403+404+405+408+419+421+423+424+426+427+4281+431***+437***+4381+441**+4423+4428***+444***+446***+447***+4481+451***+453***+455+456**+457+4581+462+4661+473***+509+5186)	13	66073	78561	86050
E. NET CURRENT ASSETS / NET CURRENT LIABILITIES (rd.07+U-13-20-23-26)	14	279987	224313	228787
F. TOTAL ASSETS LESS CURRENT LIABILITIES (rd.04 +12+14)	15	369022	307378	291286
G. DEBTS: AMOUNTS TO BE PAID IN MORE THAN ONE YEAR PERIOD (ct. 161+162+166+167+168-169+269+401+403+404+405+408+419+421+423+424+426+427+4281+431***+437***+4381+441***+4423+4428***+444***+446***+447***+4481+451***+453***+455+456***+4581+462+4661+473***+509+5186+519)	16	57122	51688	32236
H. PROVISIONS (ct. 151)	17			
1. ADVANCE INCOME (rd. 19 + 22 + 25 + 20)	18	0	0	0
1. Investment Grants (ct. 475), (rd.20+21)	19	0	0	0
Debts to be repaid within a period of up to one year (ct. 475*)	20			
Debts to be repaid within a period of more than one year (ct. 475*)	21			
2. Income recorded in advance (ct. 472) (rd.23+24)	22	0	0	0
Debts to be repaid within a period of up to one year (ct. 472*)	23			
Debts to be repaid within a period of more than one year (ct. 472*)	24			
3. Advance Income on Assets Received By Transfer From Customers (ct, 478)(rd.26+27)	25	0	0	0

Debts to be repaid within a period of up to one year (ct. 478*)	26			
Debts to be repaid within a period of more than one year (ct. 478*)	27			
Negative goodwill (ct.2075)	28			
J. CAPITAL AND RESERVES				
I. CAPITAL (rd. 30+31+32+33+34)				
1. Subscribed and Paid Capital (ct. 1012)	29	5070	5,070	5,070
2. Subscribed unpaid capital (ct. 1011)	30	5070	5,070	5,070
3. Heritage Administration (ct. 1015)	31			
4. National Heritage and more research and development institutes (ct. 1018)	32			
5. Other equity items (ct. 1031)	33			
II. PRIME CAPITAL (ct. 104)	34			
III. REVALUATION RESERVES (ct. 105)	35			
IV. REZERVES (ct.106)	36			
Equity shares (ct. 109)	37	1014	1,014	1,014
Gains related to equity instruments (ct. 141)	38			
Losses related to equity instruments (ct. 149)	39			
V. PROFIT OR LOSS REPORTED (A) BALANCE C (ct. 117)	40			
BALANCE D (ct. 117)	41	400021	372,342	249,604
VI. PROFIT OR LOSS OF FINANCIAL YEAR	42			
BALANCE C (ct. 121)	43			3,362
BALANCE D (ct 121)	44	94205	122,736	
Distribution of profit (ct. 129)	45			
TOTAL EQUITY (rd. 29+35+36+37-38+39-40+41-42+43-44-45)	46	311900	255,690	259,050
Public Patrimony (ct. 1016)	47			
Private Patrimony (ct. 1017)	48			
TOTAL CAPITALS (rd. 46+47+48) (rd.04+09+10-13-16-17-18)	49	311900	255,690	259,050

*) Accounts assigned according to the nature of the respective elements. **) Outstanding balances of the respective accounts. ***) Credit balances of the respective accounts.

Rd 06 - Amounts entered in this row and taken from account 267 represents receivables from finance leases and other similar contracts as well as other receivables, due within a period of less than 12 months.

Note: ZZ.LL AAAA is the date (day, month, year) for which annual financial statements are prepared under the conditions in which the financial year is different from the calendar year, according to art. 27 paragraph (3) of the Accounting Law no. 82/1991, republished,

Name and surname

NEGOITA IONEL

ADMINISTRATOR,

Name and Surname

FIN EXPERT CONSULTING SRL

Signature

Position

22 - - LEGAL ENTITIES AUTHORISED CECCAR MEMBER

Signature _____

Registration Number with the professional body:001925/29.09.03

PROFIT AND LOSS ACCOUNT

Date 31.03.2017

Form 20 1 •

• Law -

Name of Indicators	Nr. rd.	Financial Year	
		Previous financial year 01.04.2015-31.03.2016	Current Financial Year 01.04.2016-31.03.2017
A	B	1	2
1. Net Turnover (rd. 02+03-04+05+06)	01	330,371	504257
Sold production (ct.701+702+703+704+705+706+708)	02	330,371	
Income from sale of goods (ct. 707)	03		
Trade discounts granted (ct. 709)	04		-4,647
Interest income recorded by entities that are out of the General Ledger and have ongoing leasing contracts (ct.766*)	05		
Revenue from operating grants related to net turnover (ct.7411)	06		
2. Income related to the cost of production in progress (ct.711+712)			
Balance C	07		
Balance D	08		
3. Income from the production of intangible and tangible assets (ct.721+ 722)	09		
4. Income from the revaluation of tangible assets (ct. 755)	10		
5. Revenue from the production of real estate investments (ct. 725)	11		
6. Income from operating grants (ct. 7412 + 7413 + 7414 + 7415 + 7416 + 7417 + 7419)	12		
7. Other operating revenues (ct.751+758+7815)	13	9,270	
- Of which, income from negative goodwill (ct.7815)	14		
-Of which, income from investment grants (ct.7584)	15		
OPERATING INCOME - TOTAL (rd. 01 + 07- 08+ 09 + 10+ 11 + 12+ 13)	16	339641	499610
8. a) Expenditure on raw materials and consumables (ct.601+602)	17	10,751	7,012
Other material expenses (ct.603+604+606+608)	18	99	624
b) Other external expenses (energy and water) (cu energie și apă)(ct.605)	19		
c) Expenditure on goods (ct.607)	20		
Trade discounts received (ct. 609)	21		
9. Expenditure related to staff (rd. 23+24)	22	355317	368583
a) Wages and salaries (ct.641+642+643+644)	23	311,447	318,599
b) Expenditure on social security and welfare (ct.645)	24	43,870	49,984
10.a) Value adjustments on tangible and intangible assets (rd. 26 - 27)	25	14124	23976
a.1) Expenses (ct.6811+6813+6817)	26	14,124	23,976
a.2) Revenues (ct.7813)	27		
b) Value adjustments related to current assets (rd. 29 - 30)	28	0	0

b.1) Costs (ct.654+6814)	29		
b.2) Income (ct.754+7814)	30		
11. Other operating expenses (rd. 32 la 38)	31	68232	77640
11.1. Expenses on external services (ct.611+612+613+614+615+621+622+623+624+625+626+627+628)	32	62,998	62,068
11.2. Other taxes, fees and similar payments Expenses representing transfers and contributions due under special normative acts (ct. 635+6586*)	33	3,699	2,106
11.3. Expenditure on environmental protection (ct. 652)	34		
11.4. Expenses from revaluation of property, plant and equipment (ct. 655)	35		
11.5. Expenditure on calamities and other similar events (ct. 6587)	36		
11.6. Other expenses (ct.651+ 6581+ 6582 + 6583 + 6588)	37	1,535	13,466
Refinancing Interest expense recorded by entities removed from the general register which still have ongoing lease contract (ct.,666*)	38		
Adjustments regarding commissions (rd. 40 - 41)	39	3,729	766
Expenses (ct.6812)	40	43,398	42,632
Revenues (ct.7812)	41	39,669	43,398
OPERATING EXPENSES - TOTAL (rd. T7 la 20 - 21 +22 + 25 + 28 + 31 + 37)	42	452252	477,069
PROFIT OR LOSS FROM OPERATING:			
Profit (fd. 16-42)	43		22541
Loss (rd. 42 -16)	44	112611	
12. Revenues from participating interests (ct.7611+7612+7613)	45		
- of which revenues from affiliated entities	46		
13. Revenues from interests (ct. 766*)	47	17	17
- of which revenues from affiliated entities	48		
14. Income from operating grants for interest due (ct. 7418)	49		
15. Other financial incomes (ct.762+764+765+767+768+7615)	50	12,534	8,487
Of which, income from other financial assets (ct. 7615)	51		
FINANCIAL INCOME - TOTAL (fd. 45+47+49+50)	52	12551	8504
16. Value adjustments on financial assets and financial investments held as current assets (rd. 54 - 55)	53	0	0
Expenses (ct.686)	54		
Revenue (ct.786)	55		
L7. Expenses related to interest (ct.666*)	56	3,394	4,660
of which the expenses in relation to affiliated entities	57		
Other financial expenses (ct.663+664+665+667+668)	58	17,959	12,820
FINANCIAL EXPENSES -TOTAL (rd. 53+56+58)	59	21353	17480
FINANCIAL PROFIT OR LOSS :			
-Profit (rd. 52 - 59)	60		
- Loss (rd. 59 - 52)	61	8802	8976

TOTAL INCOME (rd. 16 + 52)	62	352192	508114
TOTAL EXPENSES (rd. 42+57)	63	473605	494549
18. GROSS PROFIT OR LOSS			
Profit (rd.62-63)	64		13565
Loss (rd. 63 - 62)	65	121413	0
19. Income Tax (ct.691)	66		
20. Other taxes not presented above (ct.698)	67	1,323	10,203
21. NET PROFIT OR LOSS OF THE FINANCIAL YEAR:			
Profit (rd. 64-65 - 66 - 67)	68		3362
Loss (rd. 65 + 66 + 67 - 64)	69	122736	0

*) Accounts to be assigned by nature of the items.

The row 23 includes also the rights of the employees, determined according to the labor legislation, which are taken from the debtor turnover of account 621 "Expenditures with collaborators", analytical "Individuals collaborators"

In row 33 - account 6586 "Expenditures representing transfers and contributions due under special normative acts" shows the expenses representing transfers and contributions owed on the basis of special normative acts other than those stipulated by the Tax Code,

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ADMINISTRATOR,
Name and Surname
NEGOITA IONEL

Signature

PREPARED BY.
Name and Surname
FIN EXPERT CONSULTING SRL

Prepared

22-LEGAL ENTITIES AUTHORISED CECCAR MEMBER

Signature

No. of registration with the professional body:

001925/29.09.03

These accounts are a translated version for information purpose only, the original language version prevails in the event of any discrepancies between the English translation and the original.