

To the Shareholders,
SC Dafora SA
Mediaș, Romania

INDEPENDENT AUDITOR'S REPORT

Report on the Unconsolidated Financial Statements

1. We have audited the accompanying unconsolidated financial statements of Dafora SA (the "Company"), which comprise the unconsolidated statement of financial position as at December 31, 2015, the unconsolidated statement of comprehensive income, the unconsolidated statement of changes in equity and the unconsolidated statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Unconsolidated Financial Statements

2. Management is responsible for the preparation and fair presentation of these unconsolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these unconsolidated financial statements based on our audit. Due to the matters presented in paragraphs 4, 5, and 6 hereinbelow, "Basis for Disclaimer of Opinion", we could not obtain sufficient and appropriate audit evidence to provide a basis for our audit opinion.

Basis for Disclaimer of Opinion

4. As disclosed in Note 2.2.1 and Note 30, the Company entered insolvency on June 19, 2015, but the unconsolidated financial statements were prepared on a going concern basis. As at December 31, 2015 the Company registered negative equity in amount of RON 163,392,786, which accounts for less than half the value of the share capital, and an accumulated loss in amount of RON 360,113,572. As at the authorization date of the unconsolidated financial statements, the Company does not have an official reorganization plan that offers recovery measures, approved by the creditors' meeting according to Law 85/2014 on the insolvency proceedings, as the final table of receivables and the fixed assets valuation report have not been finalized. The Company risks not being able to generate future cash flows or obtain sufficient funding that will enable it to comply with its financial obligations. We were not able to determine any adjustments arising from this uncertainty.
5. As presented in Note 30 and in paragraph 4 above, as the Company risks not being able to continue its activity, there is indication that the net value of the assets exceeds the estimated recoverable value, in which case the value of the assets should be reduced to the level of such recoverable value. The Company did not analyze whether the net book value of the assets exceeds the recoverable value. Therefore, we were not able to estimate the impact of any correction on the unconsolidated financial position as at December 31, 2015 and the unconsolidated financial performance as at December 31, 2015.
6. As presented in Note 30 and in paragraph 4 above, as at the issuance date of the accompanying unconsolidated financial statements, the final creditors' table and the fixed assets valuation report have not been finalized. In the absence of such documents, we are not able to express an opinion on the value that should be registered in the separate statement of financial position as at December 31, 2015 under "Payables" and "Non-current assets", or on the value of the corresponding lines in the separate statement of comprehensive income as at December 31, 2015.

Disclaimer of Opinion

7. Due to the importance of the matters described in paragraphs 4, 5 and 6 hereinabove, we were not able to obtain sufficient and appropriate audit evidence to provide a basis for our audit opinion. In this regard, we do not express an opinion on the unconsolidated financial statements as at December 31, 2015, prepared in accordance with the International Financial Reporting Standards adopted by the European Union.

Other Matters

8. We draw attention to Note 2.3 of these unconsolidated financial statements, according to which Dafora SA is the parent of Dafora group. The Company's management has decided to issue consolidated financial statements for the Dafora group, prepared in accordance with the International Financial Reporting Standards adopted by the European Union, within the legal term.
9. This report is made solely to the Company's shareholders, as a body. Our audit work has been undertaken so that we might state to the Company's shareholders those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's shareholders as a body, for our audit work, for this report, or for the opinion we have formed.

Report on Conformity of the Administrators' Report with the Unconsolidated Financial Statements

In accordance with Ministry of Public Finance Order no. 1286/2012, article no. 16 letter c), as subsequently amended, we have read the Administrators' Report attached to the unconsolidated financial statements. The Administrators' Report is not a part of the unconsolidated financial statements. In the Administrators' Report we have not identified any historical financial information which is not in accordance, in significant respects, with the information presented in the accompanying unconsolidated financial statements.

Farrukh Khan, Audit Partner

For signature, please refer to the original Romanian version.

Registered with the Romanian Chamber of Financial Auditors under no. 1533/25.11.2003

On behalf of:

DELOITTE AUDIT S.R.L.

Registered with the Romanian Chamber of Financial Auditors under no. 25/25.06.2001

Bucharest, Romania
May 20, 2016