



Report supplementing the auditor's opinion
on the financial statements of

HELIO S.A.

seated in
Wyględy

for the financial year 01.07.2013-30.06.2014

The report supplementing the auditor's opinion
contains 10 pages
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for the financial year ended
30 June 2014

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1. General

1.1. General information about the Company

1.1.1. Company name

HELIO S.A.

1.1.2. Registered office

Wyględy, 26 Stołeczna Street

1.1.3. Registration in the National Court Register

Registration court: District Court in Warsaw, XIV Commercial Department of the National Court Register
Date: 25.08.2006
Registration number: 0000262514
REGON: 015533555
NIP: 1181694514

The main business of the Company are (here should be mentioned essentials business activities, not all):

- production of food articles and drinks,
- wholesale and commission trade,
- retail trade.

1.1.4. Share capital structure and related parties

At 30 June 2014 the share capital of the Company in amount of 2.500.000,00 PLN was divided as follows:

Name of the Shareholder	Numer of shares	Voting rights (%)	Nominal value of shares PLN '000	Percentage of share capital (%)
Leszek Wąsowicz	3 857 000	77,14%	1 928,50	77,14%
Others	1 143 000	22,86%	571,50	22,86%
	5 000 000	100,00%	2 500,00	100,00%

At the end of audited period the Company was not a parent company to any other companies.

1.1.5. Management of the Company

The Management Board is responsible for management of the Company.

At 30 June 2014, the Management Board of the Company was comprised of the following members:

- Leszek Paweł Wąsowicz - President of Management Board,
- Justyna Joanna Wąsowicz - Vice-President of Management Board,

In audited period there were no changes in the Management Board.

1.2. Auditor information

1.2.1. Key certified auditor information

Name and surname: Justyna Górak
Registration number: 11591

1.2.2. Authorized auditor information

Name: PKF Consult Sp. z o.o.
Address: 6/1B Orzycka Street, 02-695 Warsaw
Registration number: KRS 0000034774
Registration court: District Court for the Capital City Warsaw in Warsaw,
XIII Commercial Department of the National Court Register
Share capital: PLN 128.050
NIP number: 521-052-77-10

PKF Consult Sp. z o.o. is entered in the register of entities authorised to audit financial statements under number 477. District Court for the Capital City Warsaw in Warsaw, XIII Commercial Department of the National Court Register

The financial statements have been audited in accordance with the contract dated 29 November 2012, concluded on the basis of the resolution of Supervisory Board dated 10 November 2012 the appointment of the auditor.

We audited the financial statements in the Company's head office during the period from 15 September 2014 with breaks to the date of issuance of the audit opinion.

Key certified auditor and PKF Consult Sp. z o.o. fulfill independence requirements as described in Art. 56 points 3 and 4 of the Act on certified auditors and their government, audit firms and public oversight dated 7 May 2009 (Official Journal No. 77, item 649).

1.3. Prior period financial statements

The financial statements as at and for the year ended 30 June 2013 were audited by PKF Consult Sp. z o.o. and received the unqualified opinion.

The financial statements were approved at the Shareholders' Meeting on 20 December 2013 where it was resolved to allocate the profit for the prior financial year of PLN 4.050.466,23 in full to supplementary capital.

The financial statements were submitted to the Registry Court on 23 December 2013.

1.4. Audit scope and responsibilities

This report was prepared for the Shareholders' Meeting of HELIO S.A. seated in Wyględy, Stoleczna Street 26 and relates to the financial statements comprising: the introduction to the financial statements, the balance sheet as at 30 June 2014, the profit and loss account, the statement of changes in equity, the cash flow statement for the period from 01 July 2013 to 30 June 2014 and the supplementary information and explanations.

We conducted the audit in accordance with section 7 of the Accounting Act, national standards on auditing issued by Polish National Council of Certified Auditors and in matters not regulated

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by the national standards on auditing, when determining the detailed methodology for the planning and performing the audit and if in doubt - International Standards on Auditing.

Management of the Company is responsible for the correctness of the accounting records and the preparation and fair presentation of the financial statements and preparation of the Report on the Company's activities in accordance with the accounting principles as set out in the Accounting Act and in compliance with the respective bylaws, the requirements for issuers of securities admitted to trading on an official stock-exchange listing market and other applicable regulations.

Our responsibility is to express an opinion and to prepare a supplementing report on the financial statements and whether the financial statements have been prepared from properly maintained accounting records based on our audit.

Management of the Company submitted a statement, dated the same date as this report, as to the true and fair presentation of the financial statements presented for audit, which confirmed that there were no undisclosed matters which could significantly influence the information presented in the financial statements.

All required statements, explanations and information and all our requests for additional documents and information necessary for expressing our opinion and preparing the report have been fulfilled.

The scope of the work planned and performed has not been limited in any way. The method and scope of our audit is detailed in working papers prepared by us and retained in the offices of PKF Consult Sp. z o.o.

2. Financial analysis of the Company

2.1. Balance sheet

ASSETS	2013-6-30		2014-6-30		Percentage change
	PLN '000	% of total	PLN '000	% of total	
Non-current assets					
Intangible assets	48	0,08%	22	0,03%	-53,14%
Tangible fixed assets	26 282	42,37%	25 131	36,93%	-4,38%
Long term receivables	0	0,00%	0	0,00%	0,00%
Long term investments	0	0,00%	0	0,00%	0,00%
Long term prepayments and deferred expenses	166	0,27%	218	0,32%	31,43%
	26 496	42,71%	25 371	37,28%	-4,25%
Current assets					
Inventories	22 788	36,73%	28 596	42,02%	25,49%
Short term receivables	11 355	18,31%	12 138	17,84%	6,89%
Short term investments	1 049	1,69%	1 573	2,31%	49,97%
Short term prepayments and deferred expenses	346	0,56%	374	0,55%	8,09%
	35 538	57,29%	42 681	62,72%	20,10%
TOTAL ASSETS	62 034	100,00%	68 052	100,00%	9,70%

EQUITY AND LIABILITIES	2013-6-30		2014-6-30		Percentage change
	PLN '000	% of total	PLN '000	% of total	
Equity					
Share capital	2 500	4,03%	2 500	3,67%	0,00%
Outstanding share capital contributions	0	0,00%	0	0,00%	0,00%
Treasury shares	0	0,00%	0	0,00%	0,00%
Reserve capital	38 253	61,66%	42 303	62,16%	10,59%
Net profit/(loss)	4 050	6,53%	3 949	5,80%	-2,51%
Appropriation of the net profit during the financial year	0	0,00%	0	0,00%	0,00%
	44 803	72,22%	48 752	71,64%	8,81%
Liabilities and provisions for liabilities					
Provisions for liabilities	317	0,51%	417	0,61%	31,70%
Long term liabilities	9 889	15,94%	8 256	12,13%	-16,51%
Short term liabilities	7 025	11,32%	10 627	15,62%	51,27%
Accruals and deferred income	0	0,00%	0	0,00%	0,00%
	17 231	27,78%	19 300	28,36%	12,01%
TOTAL EQUITY AND LIABILITIES	62 034	100,00%	68 052	100,00%	9,70%

2.2. Profit and loss account

	2012/2013	% of total	2013/2014	% of total	Percentage
	PLN '000	sales	PLN '000	sales	change
Net revenues from the sale of finished products, merchandise and raw materials	98 744	100,00%	104 239	100,00%	5,57%
Cost of finished products, merchandise and raw materials sold	69 259	70,14%	74 122	71,11%	7,02%
Gross profit/(loss) on sales	29 485	29,86%	30 117	28,89%	2,14%
Selling expenses	17 117	17,33%	18 669	17,91%	9,07%
Administrative and general expenses	4 929	4,99%	5 489	5,27%	11,36%
Profit/(loss) on sales	7 439	7,53%	5 959	5,72%	-19,90%
Other operating revenues	130	0,13%	68	0,06%	-47,90%
Other operating expenses	1 383	1,40%	875	0,84%	-36,69%
Operating profit/(loss)	6 186	6,26%	5 152	4,94%	-16,73%
Financial income	436	0,44%	697	0,67%	59,71%
Financial expenses	1 591	1,61%	938	0,90%	-41,05%
Gross profit/(loss) on business activities	5 031	5,10%	4 911	4,71%	-2,41%
Extraordinary gains	0	0,00%	0	0,00%	0,00%
Extraordinary losses	0	0,00%	0	0,00%	0,00%
Gross profit/(loss)	5 031	5,10%	4 911	4,71%	-2,41%
Corporate income tax	981	0,99%	962	0,92%	-1,98%
Other obligatory charges decreasing the profit/ increasing the loss	0	0,00%	0	0,00%	0,00%
Net profit/(loss)	4 050	4,10%	3 949	3,79%	-2,51%

2.3. Selected financial ratios

		2011	2012	2013
1. Return on sales	%	26,8%	29,9%	28,9%
gross profit on sale / net revenues x 100%				
2. Return on equity (ROE)	%	2,6%	9,5%	8,4%
net result / average equity x 100%				
3. Debtors' days	days	31,0	38,0	39,0
average trade receivables (net) / net revenues x 365 days				
4. Debt ratio	%	38,1%	27,8%	27,7%
total liabilities / total assets x 100%				
5. Current ratio		2,9	5,1	4,1
current assets / current liabilities				

3. Detailed report

3.1. Proper operation of the accounting system

The Company maintains current documentation describing the applied accounting principles adopted by the Management Board to the extent required by Art. 10 of the Accounting Act.

During the audit of the financial statements, we tested, on a sample basis, the operation of the accounting system.

On the basis of the work performed, we have not identified material irregularities in the accounting system which have not been corrected and that could have a material impact on the financial statements, including:

- reasonableness and continuity of the applied accounting policies,
- documentation of business transactions,
- reliability, accuracy and verifiability of accounting records and connections in accounting records,
- correctness of the opening balance in accounting books on the basis of audited balances for prior year,
- connections of accounting records with accounting documents and financial statements,
- reasonableness of methods used to secure access to data and processing system in computer,
- fulfillment of the requirements for securing accounting documents and archiving the accounting books and financial statements.

Our audit was not conducted for the purpose of expressing a comprehensive opinion on the operation of the accounting system.

The Company performed a physical verification of assets in accordance with the requirements and time frame specified in Art. 26 of the Accounting Act.

3.2. Introduction and supplementary information and explanations to the financial statements

All information included in the introduction and the supplementary information and explanations to the financial statements is, in all material respects, presented correctly and completely. The introduction and supplementary information and explanations should be read in conjunction with the financial statements.

3.3. Report on the Company's activities

The Report on the Company's activities includes, in all material respects, the information required by Art. 49 of the Accounting Act and by the Decree of the Ministry of Finance dated 19 February 2009 on current and periodic information provided by issuers of securities and the conditions for recognition as equivalent information required by the law of a non-Member State (Official Journal from 2009, No 33, item 259) and the information is consistent with the financial statements.

3.4. Information on the opinion of the independent auditor

Based on our audit of the financial statements of the Company as at and for the year ended 30 June 2014, we have issued the unqualified opinion.

Signed on the Polish original

Justyna Górak
Certified Auditor No.11591

Key Certified Auditor
On behalf of PKF Consult Sp. z o.o.
registration number 477

6/1B Orzycka Street
02-695 Warsaw

Warsaw, 31.10.2014.