

Success



Protection



Purification

# AUDIT REPORT

for 2019





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# COMPANY PRESIDENT'S PRESENTATION

Ladies and gentlemen! It's time to sum up the results of the past year and analyze EDV-Recycling's prospects. We are one of the largest listed companies as well as being a global, strategic company.

About 8 to 12 million tons of plastic, including plastic microparticles, enter the oceans each year, and the struggles for ocean protection are now actively taking place. Currently we have certain technologies, allowing the recycling and recovery of plastics and wastewater as well. Turning this waste into resources means joining a circular economy. This new model contributes to the protection of oceans.

We are engaged in a new development strategy in the waste collection and recycling field together with the Plastic Bank project. Our main goal is monetization of garbage collection, thereby providing people with the goods they need first of all.

I am sure that plastic may become a powerful economic resource for countries still developing. Therefore, EDV-Recycling is actively engaged in cleaning the world's oceans and in the most productive plastic waste processing.

We are involving new partners to cooperate with us, thereby systematically expanding the company's operational scope. Our goals and the company's development prospects are global!

Thank you for trusting us!



## KEY EDV-RECYCLING EVENTS FOR 2019:

1. The total plastic amount collected from the world's oceans and sent for recycling was 3,526,000 kg in 2019.
2. Advanced sorting has been implemented. New recyclable waste categories have been added:

### HDPE

(containers for detergents, milk, plastic soda bottles).

### PET

(plastic beverage containers and polyester textiles).

### PEVD

(plastic bags and bubble wrap).

### PP

(battery cases and dairy product containers).

3. New recycling initiatives have been successfully implemented. The measures, preventing certain technical issues, have been well accepted.
4. The staff has been expanded and new projects have been launched in Haiti, Philippines, Indonesia and Brazil.
5. A new 'Social Plastic' program was developed and implemented while cooperating with Plastic Bank - a partner.
6. The total recycled raw materials amount for pellets or flakes production of PET, PEVD, PNEP and PP for our partners increased by 12% compared to 2018.
7. Six new departments have been opened around the world.



An aerial photograph of a surfer riding a massive, curling wave. The water is a deep blue, and the wave's crest is white with foam. The surfer is a small figure in the center of the frame, riding the face of the wave.

8. An agreement to supply 250,000 tons of recycled plastic to the United States and the Netherlands has been signed.

9. Eight new synergy and cooperation projects in waste control are still being developed.

10. It has been documented that the plastic recycling amount is 50% higher than was planned a year earlier, according to the annual reporting results. Besides it's worth mentioning the supplied recyclable polyvinyl chloride waste amount increased by 8%.

11. A material amount of 1,650 tons has been recycled (110% growth) for subsequent use. Besides over 34 new items have been delivered to Indonesia's social exchange points.

12. An educational program was organized within the cooperation with Plastic Bank. Two pilot courses, teaching appropriate plastic collection and the ocean ecosystem preservation, were organized. The educational program is available in both Hawaii and Philippines.

13. Two company shareholders meetings took place, the goals of which goal were new development strategy creation and approval. The meetings resulted in 3 new agreements being signed on recycled plastic supply with an increased cost of 1.3%.





## THE COMPANY'S POSITIVE DEVELOPMENT TREND, CONSOLIDATED INDICATORS:

Sales revenue:

(an increase of 4.36%)

**\$140,964,300**

Profit from sales:

(an increase of 27.21%)

**\$120,228,600**

Operating profit (EBIT):

(an increase of 16.73%)

**\$ 120,120,000**

EBITDA:

(an increase of 5.91%)

**\$ 110,987,000**

Profit before tax:

(an increase of 3.56%)

**\$ 110,962,000**

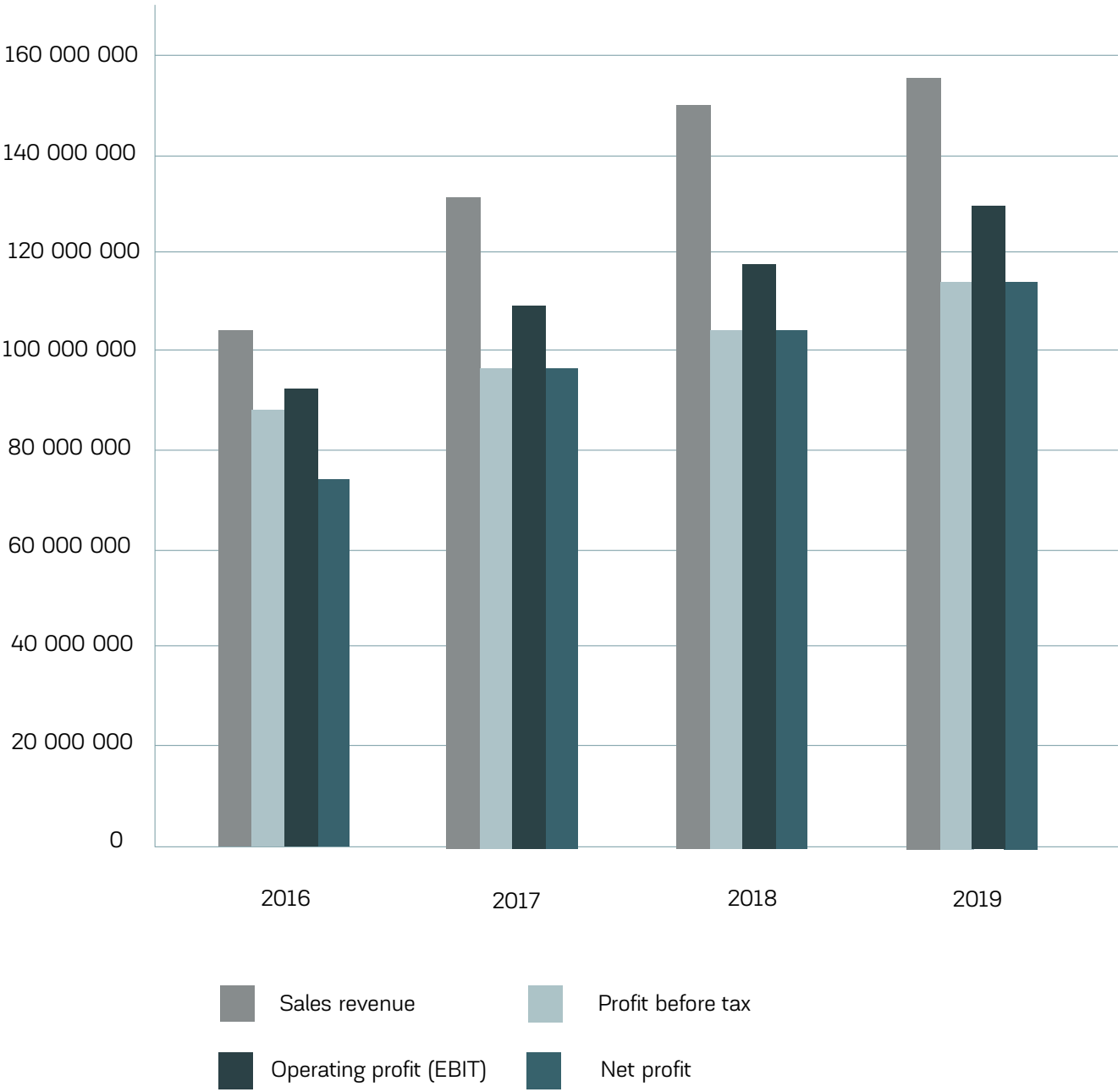
Net income:

(an increase of 3.26%)

**\$ 110,797,000**

# EDV-RECYCLING REPORTING, ACCORDING TO IFRS FOR 2019

(left column in US dollars)



# CONSOLIDATED FINANCIAL STATEMENTS OF EDV-RECYCLING “ASSETS FINANCIAL STATE”

according to IFRS (International Financial Reporting Standards)  
as of December 31, 2019

(financial indicators are provided in dollar equivalent)

Currency		U. S. dollar	U. S. dollar
CONSOLIDATED ASSET BALANCE		31.12.2018	31.12.2019
<b>A</b>	<b>FIXED ASSETS (I + II + III + IV + V)</b>	<b>90 962 272,01</b>	<b>110 158 174,01</b>
I	Intangible assets	<b>40 304 205,68</b>	<b>50 439 033,56</b>
II	Subordinates' goodwill	<b>0</b>	<b>0</b>
III	Fixed assets (1 + 2)	<b>50 162 258,32</b>	<b>50 205 046,73</b>
1	<b>Fixed assets</b>	50 021 423,51	50 205 046,73
a)	land (including its unlimited usage rights)	10 992 985,99	10 992 985,99
b)	buildings, premises and construction work	10 989 888,82	10 950 700,59
c)	technical equipment and machinery	2068 968,24	4076 769,40
d)	vehicles	4018 097,34	4035 110,01
e)	other fixed assets	3051 483,12	3049 480,74
2	<b>Fixed assets being constructed</b>	1040 834,81	0,00
IV	Long term investment	<b>0,00</b>	<b>120 578,40</b>
V	Long term prepayments	<b>4095 808,01</b>	<b>5001 515,32</b>
<b>B</b>	<b>WORKING ASSETS (I + II + III + IV)</b>	<b>200 771 878,91</b>	<b>180 969 500,13</b>
I	<b>Shares (1 + 2 + 3 + 4 + 5)</b>	<b>50 075 477,85</b>	<b>70 972 081,07</b>
1	Materials	5097 595,54	10 354 513,57
2	Semi-finished and work in progress	0,00	90 299,45
3	Finished products	20 496 277,76	20 418 899,37
4	Goods	10 744 078,78	30 282 106,16
5	Down payments	2037 525,77	9007 262,52
II	<b>Short-term receivables (1 + 2)</b>	<b>120 260 622,50</b>	<b>100 303 441,32</b>
1	Related party receivables	203 178,21	160 688,78
2	Other organizations' receivables	120 237 444,29	100 286 752,54
a)	for goods and services with maturity	110 649 411,81	90 827 855,02
	from taxes, subsidies, customs, social and medical		
b)	insurance and other benefits	5025 375,80	3094 960,99
c)	other	602 656,68	603 936,53
III	Short term investments	<b>30 296 056,59</b>	<b>50 056 358,29</b>
IV	Short-term prepayments	<b>1 390 721,97</b>	<b>1 370 619,45</b>
<b>C</b>	<b>PAYMENT ON THE MAIN ACCOUNT (FUND)</b>	<b>0,00</b>	<b>0,00</b>
<b>D</b>	<b>OWN SHARES (ASSET)</b>	<b>0,00</b>	<b>0,00</b>
<b>TOTAL ASSETS (A + B + C + D)</b>		<b>300 734 150,92</b>	<b>300 127 674,14</b>



# THE CONSOLIDATED FINANCIAL STATEMENT, PROVIDED BY EDV-RECYCLING ‘CAPITAL AND LIABILITIES’ IN ACCORDANCE WITH IFRS

according to IFRS (International Financial Reporting Standards)  
as of December 31, 2019

(financial indicators are provided in dollars)

Currency		U. S. dollar	U. S. dollar
CONSOLIDATED BALANCE OF PASSIVE CAPITAL		31.12.2018	31.12.2019
<b>A</b>	<b>OWN CAPITAL (FUND) (I + II + VI + VII)</b>	<b>18 0080 127,30</b>	<b>180 936 368,02</b>
I	Fixed capital (fund)	<b>6000 000,00</b>	<b>6000 000,00</b>
II	Reserve capital (fund) including sale value excess over shares face value	<b>160 607 838,94</b>	<b>220 181 059,99</b>
III	Capital (fund) revaluation including by updating fair value	<b>100 243,30</b>	<b>100 243,30</b>
IV	Other reserve capital (funds) including those created in accordance with the company's agreement / charter	<b>0,00</b>	<b>0,00</b>
V	Rates differences while transferring	<b>0</b>	<b>0</b>
VI	Profit (loss) for previous years	<b>-579 666,36</b>	<b>-5 355 554,47</b>
VII	Net income (loss) Net profit write-off within the financial year (negative value)	<b>10 441 711,42</b>	<b>10 500 619,20</b>
VIII		<b>0,00</b>	<b>0,00</b>
<b>D</b>	<b>OBLIGATIONS AND PROVISIONS (I + II + III + IV)</b>	<b>120 654 023,62</b>	<b>110 191 306,12</b>
I	Provisions for liabilities	<b>10 257 288,69</b>	<b>10 293 791,37</b>
1	Deferred income tax reserve	350 453,95	120 446,76
2	Retirement allowance and similar benefits	1 560 958,82	1 910 541,51
	Long term	0,00	0,00
	Short term	1 560 958,82	1 910 541,51
3	Other reserves	10 064 875,92	10 089 803,10
II	Long-term liabilities	<b>3 710 024,67</b>	<b>4 330 738,98</b>
III	Short-term liabilities	<b>100 979 600,75</b>	<b>90 279 416,52</b>
IV	Prepayment	<b>460 109,51</b>	<b>1 840 359,25</b>
1	Negative goodwill	0,00	0,00
2	Other prepayments	460 109,51	1 840 359,25
	Long-term	350 862,83	1 480 078,09
	Short-term	100 246,68	360 281,16
<b>GENERAL OBLIGATIONS (A + B + C + D)</b>		<b>300 734 150,92</b>	<b>300 127 674,14</b>

# THE CONSOLIDATED FINANCIAL STATEMENT, PROVIDED BY EDV-RECYCLING ‘PROFIT AND LOSS’

in accordance with IFRS (International Financial Reporting Standards)  
as of December 31, 2019

(financial indicators are provided in dollar equivalent)

	31.12.2018	31.12.2019
<b>Sales revenue</b>	<b>140 795 000</b>	<b>140 964 300</b>
Sold products manufacture's technical cost	130 285 600	130 379 200
Selling expenses	100 076 300	110 027 300
General and administrative expenses	10 345 300	10 329 200
<b>Sales profit</b>	<b>110 187 800</b>	<b>120 228 600</b>
Other operating income	11 050 100	11 001 200
Other operating expenses	10 107 100	10 117 800
<b>Operating profit (EBIT)</b>	<b>120 308 000</b>	<b>120 120 000</b>
Financial income	10 196 700	10 197 300
Financial expenses	10 125 600	10 113 100
Other income (expenses)	0	0
<b>Business profit</b>	<b>120 019 000</b>	<b>110 962 000</b>
Extraordinary events result	0	0
<b>Profit before tax</b>	<b>110 876 900</b>	<b>110 962 000</b>
Net income (loss) from discontinued operations	0	0
<b>Net profit</b>	<b>110 656 000</b>	<b>110 797 000</b>
<b>Parent company shareholders' net profit</b>	<b>110 656 000</b>	<b>110 797 000</b>
<b>EBITDA</b>	<b>110 786 500</b>	<b>110 987 000</b>



An underwater photograph showing a sea turtle swimming towards the left. The turtle's head and front flipper are visible. The water is dark blue with some light filtering through. In the background, there is a fish and some white plastic debris, possibly a bottle or bag, floating in the water. The overall scene suggests a theme of marine conservation or environmental impact.

# OPERATIONAL ACTIVITIES ANALYTICAL REVIEW

## CURRENT RECYCLING POINTS:

# 1. HAITI

**1,700 tons**

PLASTIC RECYCLING (+ 27%)

**168 million dollars**

ADJUSTED EBITDA (+ 21%)

**1,200 tons**

PET PLASTIC flakes PRODUCTION (+ 15%)

**9%**

waste volume reducing to be disposed

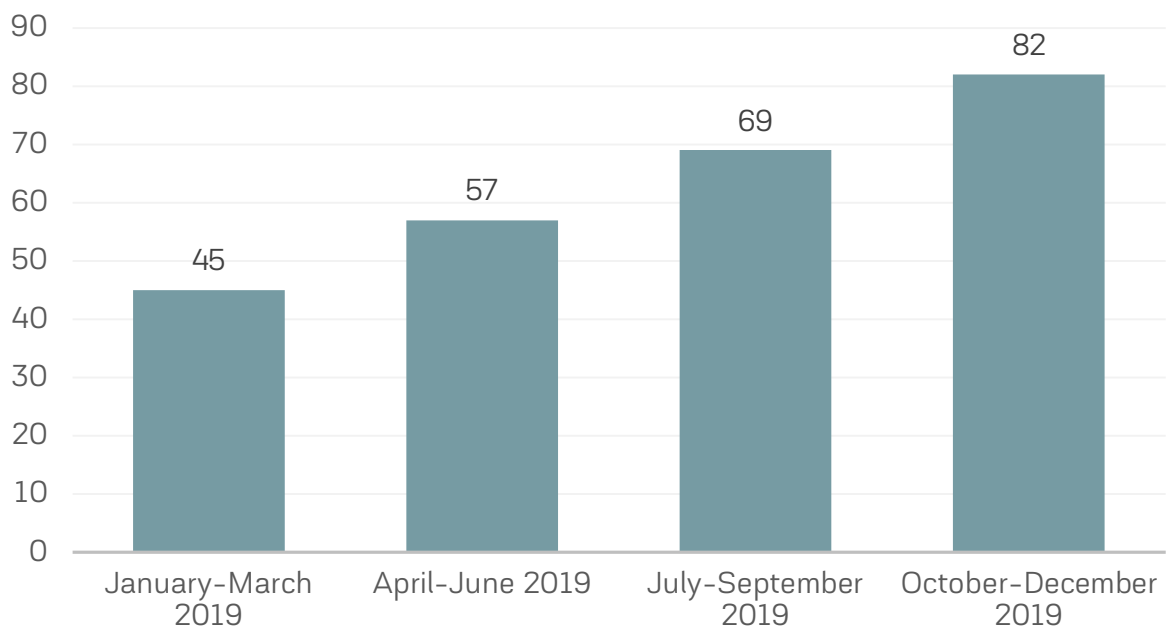
**The production line focus:**

plastic recycling and industrial PET flakes production

**Recycling:** 1,700 tons + PVC pipes

**Location:** Haiti

## Useful plastic recycling coefficient (%)







The Haiti plastic collection and recycling center managed to reach a new record for the amount of recycled plastic in 2019 at 1,700 tons. This was an increase of 27% compared to 2018. This became possible due to two-stage recycling technology. It's worth mentioning that the collection and recycling center's production line operated within thermal cracking and cleaved polymers at a temperature of 380-450°C until 2019. The current method allowed us to process a limited plastic waste amount and finally get the polypropylene granules only. The company's management decided to introduce catalytic cracking and pyrolysis in the production process due to the plastic waste supply volume increase.

## Recycling methods

Haiti is engaged in primary plastic waste mechanical recycling. The current method allows leaving the polymer chemical structure unchanged, reduces the emissions amount into the atmosphere and increases production productivity as well. The new recycling method contributed to increasing both the extrusion rate by 7% and the calendaring process productivity by 13.5%. The sector-specific waste separation was carried out within a secondary plastic mechanical recycling process. Amounts of 70% of plastics from the oceans (packaging, bottles) and 30% of plastic collected from the EDV-Recycling educational and social programs were recycled.

## Priority goals and objectives for the production year 2020:

Plastic supply increase, previously collected from the oceans by the local population

Production line expansion and installation of three new mechanical extrusion equipment units

Plastic recycling method test while using the modifiers

The second production workshop creation for exclusive polypropylene granules production for further production of PVC windows.



# 2 INDIA

**120,000 tons**  
PLASTIC RECYCLING  
(+ 9%)

**450 tons**  
Polypropylene Granules  
production (+ 7%)

**Production line**  
**orientation:** plastic and  
foil packaging recycling

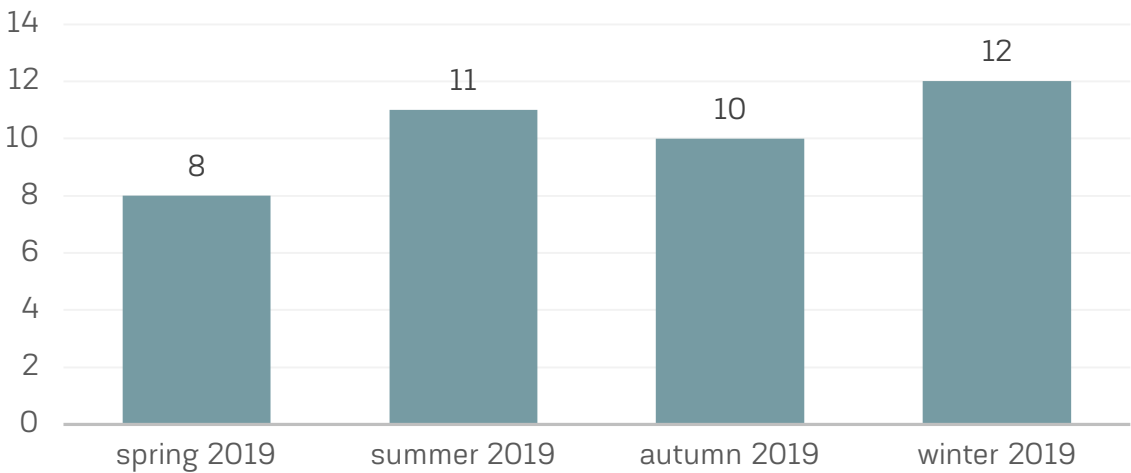
**200 million dollars**  
ADJUSTED EBITDA  
(+ 14%)

**14%**  
waste disposal level  
increased

**Recycling:** 23 million  
tons + foil waste

**Location:** India

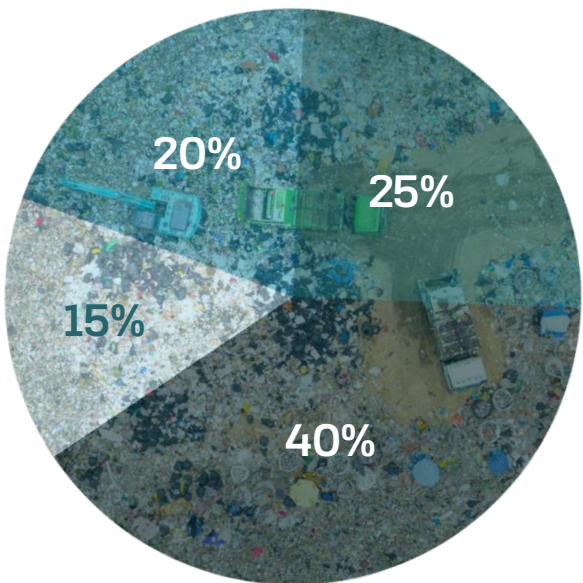
Plastic recycling volume (million tons)



Annual waste recycling percentage

The volumes in the India plastic collection and recycling center in 2019 were:

- plastic packaging - 40%;
- foil packaging - 25%;
- paper and cardboard packaging - 20%;
- glass packaging - 15%;
- wooden packaging - 0%.





The recycled plastic amount increased by 12% compared to the last year. This is due to the fact that the company's management has signed several bilateral agreements relative to plastic waste supply from the World's Oceans.

## Plastic supply

Statistical reports for 2019 show that the plastic waste and packaging supply regions expanded by 18%. Pre-order data for 2020 shows that the plastic waste sorting and recycling services' popularity, over the last year, increased by 17%. The plastic collection and recycling numbers exceeded the PVC granules production plan by 7%, in addition to the growing production of corporate packaging.

## Waste production and disposal

The waste utilization and recycling level, generated from polypropylene decomposition products increased by 14% this year due to the introduction of the new closed pyrolysis cycle technology. Five new plants were installed to automatically sort the primary and secondary plastic waste categories at three plants engaged in plastic pretreatment. This increased the production line productivity by 19%. The production productivity is expected to increase by 7% in 2020. The total polypropylene industrial granules supply amounted to 450 tons, which is equivalent to 140 million dollars. The revenue increase, due to the supply increase, amounted to 23%.



## Priority goals and objectives for the production year 2020:

Waste reduction by 22% due to the closed recycling cycle

Equipment purchase for waste splitting and further recycling

Two landfill closures and storage facilities expanding for polypropylene industrial granules storage

New program development for polypropylene pipes production workshop creation.



3.

OCEAN

**75,000 tons**  
industrial pet flakes  
produced (+ 17%)

**3.5 million tons**  
plastic waste accepted  
and sorted (+ 31%)

**Production line**  
**orientation:** plastic  
waste sorting and  
recycling, PET flakes  
production

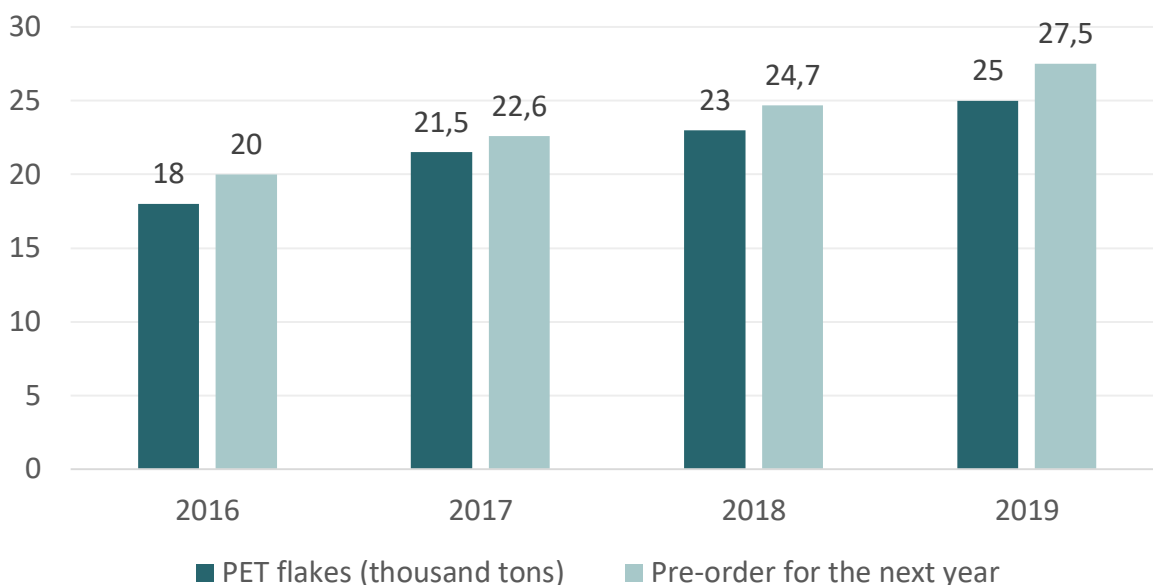
**80 million dollars**  
ADJUSTED EBITDA (+ 9%)

**13 %**  
reduced amount of  
capsulated waste to be  
disposed

**Recycling:** + 11% of  
planned productivity

**Location:** Pacific ocean

## PET flakes production amount (thousand tons) and profit perspective (pre-order)



Ocean plastic collection and recycling net revenue increased by 14%, which is expressed in the net sales revenue of \$ 80,393,204.26 (an increase of 35%) for the whole of 2019. Besides the current center started purchasing selected waste, made of other materials (HDPE, PP, PA, PC, ABS). The waste collected by the plastic collection and recycling center is sorted, then pressed and packaged while using a PAAL / KEM-1500 type waste compaction line, equipped with a chain conveyor. The closed processing cycle contributed to the record results reached by the production line in 2019 - 91% of recycling and just 9% of the production as waste.





## Production system

The Ocean modern plastic recycling plant is engaged in plastic, transparent and color films recycling as well. The completed product in Polyethylene regranulated form turned to be high-quality due to the precise sorting. This contributed to getting a pre-order for 2020 by a plastic recycling and processing center, for a total of over 27.5 thousand tons of industrial-grade PET flakes.

In total 18 units of NEXT innovative optoelectronic sorters for plastics were purchased and leased for our partners. Therefore, the production line productivity increased by 7.5%. UniSort flake optoelectronic separators, which sort the aforementioned plastics in a dry format with no additional costs, and make it possible to achieve material purity above 98%, have been purchased and launched. This significantly reduces both the defects percentage within the production process and reduces the waste amount.

## Plastic supplies organization

Plastic film and bottles, recycled by Ocean, come from hypermarkets, supermarkets, distribution centers, manufacturing plants and waste recycling companies, engaged in recyclable materials collection. It's worth mentioning that waste collection increased by 19% in 2019. Besides it is planned to grow by a further 12% by involving new enterprises, according to the forecasts.

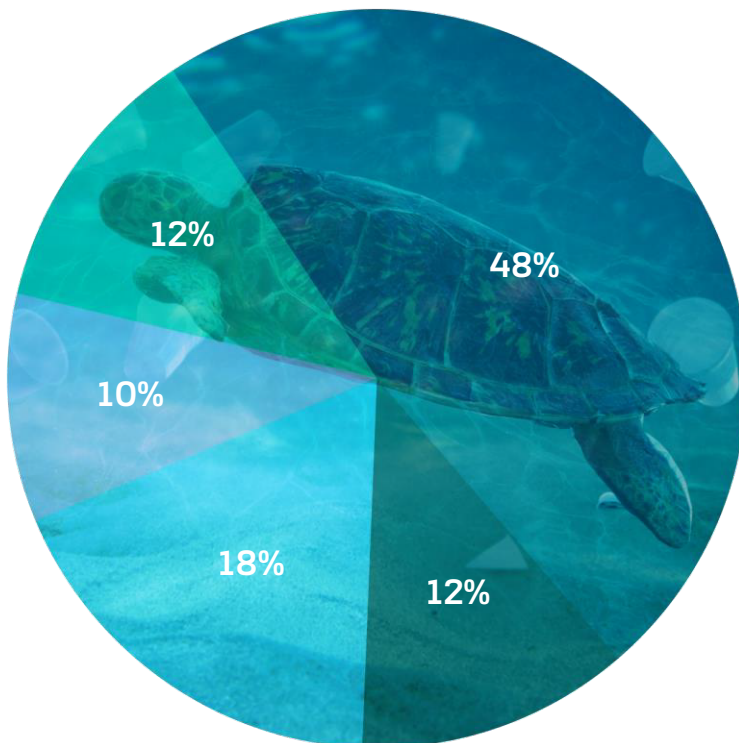
## Priority goals and objectives for the production year 2020:

Plastic waste supply increase

Production line expansion and  
commercial goods production  
start

# ENVIRONMENTAL PROTECTION

## Environmental projects investment support (%)



**\$ 23.5** MILLION  
INVESTMENT IN  
ENVIRONMENTAL  
PROTECTION

- Safe recycling
- Water protection
- Air quality improvement
- Land preservation
- Other

EDV-Recycling has funded or is currently financing about 50 projects implemented worldwide, totaling over \$ 23.5 million, within its operations.

EDV-Recycling's goal is environmental protection projects' financing, which are important in certain regions or countries as well as affecting the achievement of environmental goals and are recognized as priorities on a European or global scale. Therefore, the company can't finance projects whose goals are just resolving local issues. Besides this, EDV-Recycling is striving to facilitate the best technologies transfer from donor countries, as well as stimulating the environmental industry development on a global scale.





## EDV-Recycling's priorities include:

1. limiting gas emissions, causing the climate change;
2. sulfur dioxide and nitrogen oxides transboundary transport reduction as well as the elimination of their emission sources;
3. limiting the influx of pollution into the oceans and protecting drinking water resources;
4. biodiversity protection;
5. waste management and contaminated soils restoration.

The company has been concentrating on the first and fourth priorities up to now. EDV-Recycling supports the implementation of projects primarily related to energy saving and its use efficiency increase, as well as contributing to wider renewable energy source usage in order to reduce emissions of gases causing climate changes, including carbon dioxide, methane and freons. The company supports activities, aimed at ecosystem protection or re-naturalizing, that are the most valuable from a nature point of view, and protecting plant and animal species, that are in danger of extinction, in the nature preservation field.

## Project financing terms

EDV-Recycling provides financial support in the form of non-refundable grants. The company does not finance research, measurement campaigns, research and studies, and does not create any project documentation types.

EDV-Recycling subsidies may cover up to 80% of costs and up to 50% of environmental investments for environmental projects. The company is able to provide financial support to projects, that have been recently launched or are still being implemented, if their progress does not exceed 60%.





# AUDIT REPORT

Official letter to EDV-Recycling directors and shareholders board

## Opinion

We would like to inform you of our task completion. We've checked the data in the table showing the individual EDV-Recycling projects costs in the report for 2019. The total expenses amount, related to the individual projects, fully coincides with the declared data and is genuine.

EDV-Recycling representatives provided us with all the explanations and data required for the audit. We've examined the evidence, supporting the amounts, specified in the statement.

We are convinced that our audit is a rational basis for our opinion. Fair costs have been provided in the report as of December 31, 2019, according to our opinion.

## Grounds for expression

Our audit goal was to confirm the accuracy of statements provided in the report. The current audit report represents our independent opinion on the current issue. EDV-Recycling was not involved in any part of the report's preparation. The auditors' opinion is based on the official reporting and research of EDV-Recycling production activities.

The analysis was based on the company representatives' appeal for an independent audit. The analysis goal was to determine the actual material and financial volume of the implemented project in terms of compliance with documents of the project implementation plan and the implementation terms mentioned above. The analysis resulted in contractual reporting, accounting and accounting requirements to be determined by examining the source documentation and liabilities.





The project implementation evaluation included the correctness of financial calculations, main, financial and administrative activities procedures, and compliance with the rules and current legislation in the waste recycling and disposal field.

The project's costs and income separation accounting appropriateness appraisal was carried out in the applied procurement and expenditure procedures review format. The auditors made their conclusion while maintaining impartiality and independence. The verification procedure has not been evaluated or controlled by EDV-Recycling. The audit organization is entitled to independently evaluate and form audit results in accordance with international law and IFRS.

## Key audit issues

The review (audit report) was compiled based on the data, provided by EDV-Recycling, containing in the projects-related materials and documentation, including plans, contracts, meetings and presentations protocols.

The audit organization held several meetings and surveys with the company employees, responsible for the individual production activities stages development and preparation.

The following data have been analyzed within the current report preparation process:

main data and information, which they are based on, including official documentation

recycling amount, specified in the company's industrial reporting

financial statements

Regular report for 2019 honestly and reliably describes EDV-Recycling's achievements, in our opinion. The report provides relevant data on the industry and certain company actions to ensure compliance with international law.

EDV-Recycling has a positive reputation in the global market and lots of its programs are currently at the final implementation stages. Pay attention to the fact that a significant coordination degree between the programs has been achieved, which significantly contributes to the plan implementation and the individual program's goals achievement due to the company's targeted policy. The audit report confirms that lots of the company's goals have already been achieved.







## Financial investments assessment

The goal was to analyze the financial records, provided by EDV-Recycling for review. The audit report confirms the appropriate expenses, incurred within the completed project and expertise, the correctness of maintaining separate accounting records for the completed project, based on the provisions, and actuals in the current areas, and in accordance with the budget and expenses classification.

In particular, the original documents have been verified by accountants, engaged in documenting the expenses incurred within the project, which were settled in the payment requirements approval process.

In addition, an expenses audit was carried out, confirmed by the relevant financial documents, in particular, accounting (accounting for economic activities, related to the project implementation) together with accounting evidence, which formed the basis for making the entries.

The audit committee concluded that the payments complied with the company's development program requirements in all material respects based on the documents, and confirmed the expenses (invoices and other documents, relating to the equivalent evidentiary value) of the payment claims, as well as the reporting part of the payment claims.

It was verified whether the expenses provided in the documents were actually incurred, i.e. whether the payment fact was confirmed and whether a material effect was achieved.

The audit commission confirms the costs legitimacy and their actual implementation within the current legislation.



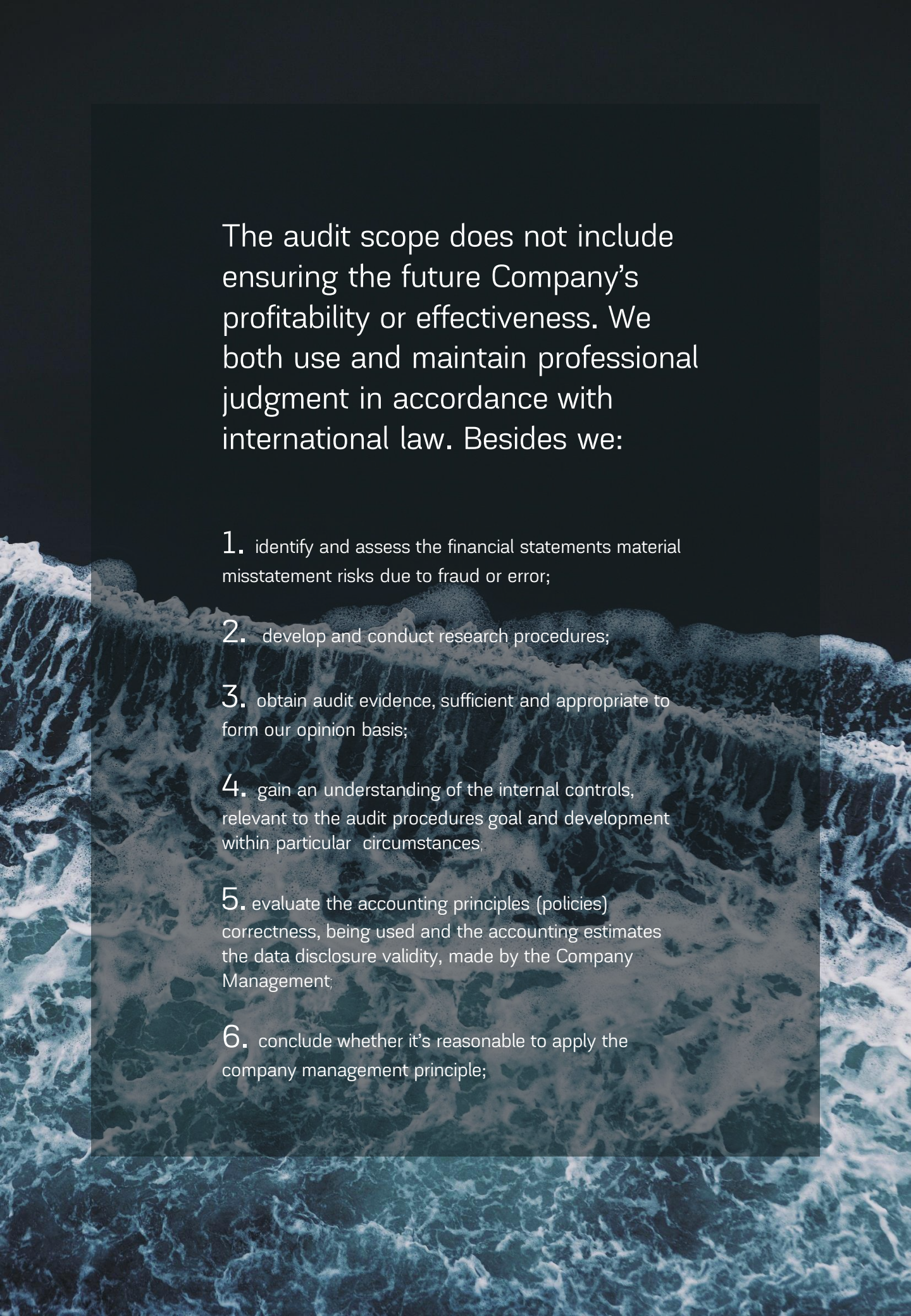
Both the management's and the audited entity's responsibility for the annual accounting (financial) statement.

The Audit Commission is not responsible for the preparation of an opinion based on correctly conducted financial statements, financial statements that present a fair and clear picture of the Company's property and financial position in accordance with international financial reporting standards approved by the European Union.

The Company's Management is responsible for evaluating the Company's ability to continue its business, revealing related issues with continuing operations, while preparing the financial statements. The company's board is required to provide financial statements, complying with the Accounting Act requirements.

Audit Board members are responsible for the company's financial statements preparation process control. Our goal is to gain confidence that the financial statements as a whole do not contain any material misstatement of information due to fraud or errors. Audit reports, containing our opinion, are fully consistent with applicable law, while being independent.





The audit scope does not include ensuring the future Company's profitability or effectiveness. We both use and maintain professional judgment in accordance with international law. Besides we:

1. identify and assess the financial statements material misstatement risks due to fraud or error;
2. develop and conduct research procedures;
3. obtain audit evidence, sufficient and appropriate to form our opinion basis;
4. gain an understanding of the internal controls, relevant to the audit procedures goal and development within particular circumstances;
5. evaluate the accounting principles (policies) correctness, being used and the accounting estimates the data disclosure validity, made by the Company Management;
6. conclude whether it's reasonable to apply the company management principle;





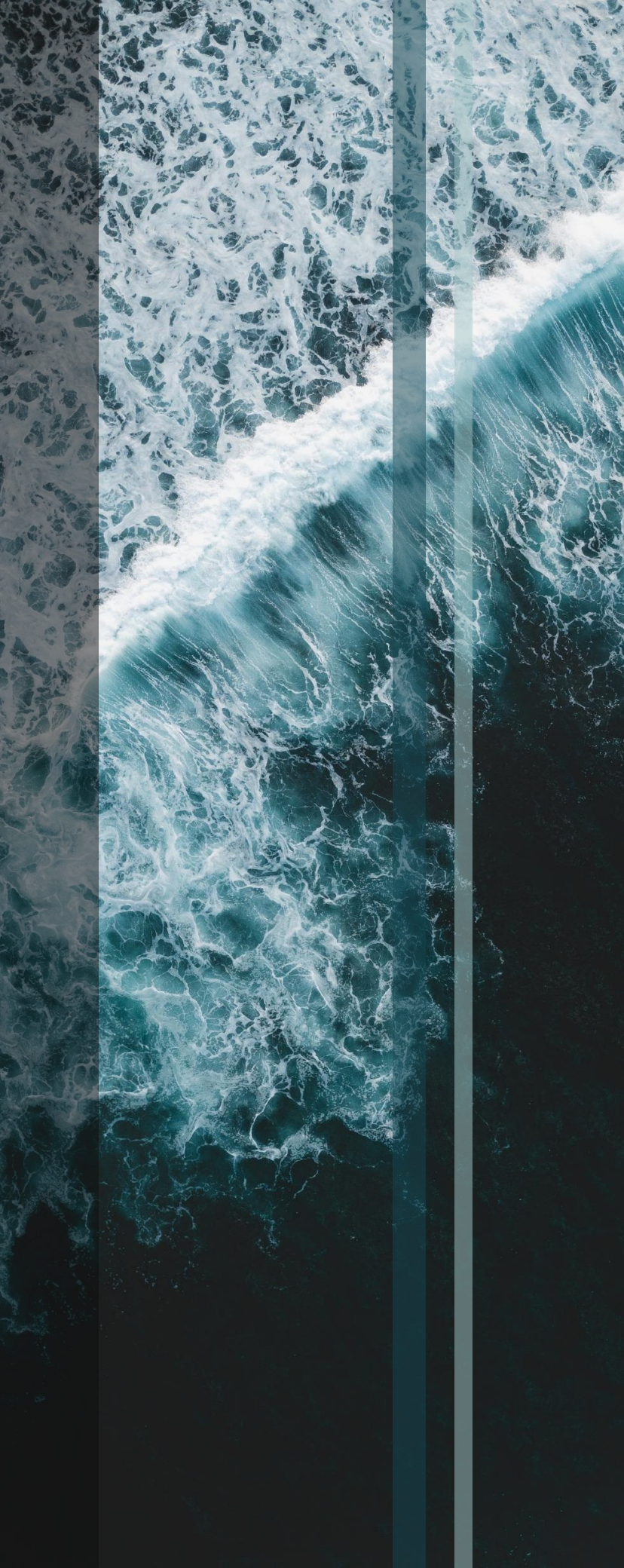
The auditor may, if required in his opinion, provide a more detailed materiality concept description, used within the research. So, all opinions and statements, provided in the audit report are independent and expressed given the high-quality and value level of significance, determined in accordance with the audit standards and professional auditor's judgments.

Our conclusions are based on evidence obtained prior to the date our audit report was prepared. We evaluate the overall company's rating and its prospects in a particular business area.

## The auditor' responsibility for the annual accounting (financial) statements audit

Our opinion on the financial statements audit does not include other data. We are responsible for reviewing other financial statements and data in relation to audit opinions. We are obliged to clarify whether other data correspond to financial statements or our knowledge, obtained within the audit, if such knowledge seem significantly distorted. If the work done results in revealing a data distortion, then we are obliged to report this in our test report.





We are obliged to give our opinion on whether the management's report complies with the rules and whether it is consistent with the data contained in the financial statements, in accordance with the Expert Auditors Law requirements. In addition, we are obliged to inform you if the company has prepared a certificate of non-financial information and a conclusion on whether the Company has included the required data in its statement on corporate management.

We've received a report on the Company's activities before the current audit report date and the annual report will be available after such date. If a distortion is revealed in the annual report, we are obliged to inform the Audit Progress Monitoring Board and entrust it to verify the authenticity of the financial statements.