

C. Financial Statements

1. In the financial statements to be audited by you, all assets, liabilities, risks and and accruals, all expenses and income are included along with all necessary data.
2. The accounting principles applied in drawing up the Balance Sheet and the Profit and Loss Statement are in accordance with Czech accounting standards. Significant assumptions that we used in making the estimates, including book value estimates, have been disclosed to you.
3. The Company is the legal owner of all assets reported in the Financial Statements. All liens or pledges over these assets are described in the Notes to the Financial Statements in accordance with Czech accounting standards.
4. Overview of
 - all companies with which the Company was affiliated in the fiscal year
 - all other affiliated companieswas submitted to you.
5. All transactions with and between related parties and resulting receivables and payables have been properly and completely recorded in accordance with Czech accounting regulations. These transactions and the resulting receivables and payables (including contingent liabilities) have been properly recorded and disclosed. Due to these transactions, the financial statements have not been affected in a way that they do not give a true and fair view of the assets, financial position and revenue situation.
6. The Financial Statements provide all necessary data on the relationships with affiliated persons as well as transactions made with and between them.
7. We have no plans to discontinue any operations nor any other plans or intentions that would result in the existence of surplus or obsolete inventory and no inventory is booked in amounts exceeding the net value.

We are not aware of any events or circumstances that could question the ability of the company to continue as a going concern in the foreseeable future.
8. We have disclosed all facts and the resulting financial liabilities and losses in the Financial Statements. We have complied with all agreements which, if not complied with, could have a material impact on the Financial Statements. There were no negotiations held between the company and the public authorities regarding the exemptions from the applicable regulations and their violations. We have disclosed to you all known cases of non-compliance or suspicion of non-compliance with the law, the impacts of which should be considered in the Financial Statements.
9. The Company has no intentions that could materially affect the value and classification of assets and liabilities that are reported in the Financial Statements.
10. All information about past overdue payables has been disclosed to you.
11. No events requiring adjustments or editions have occurred after the Financial Statements date.
12. Liabilities arising from litigation are duly reported in the Financial Statements. No collateral securities were granted third parties.
13. There are no misstatements caused by the management or employees that could have a material impact on the Financial Statements.