

## AUDIT COMMITTEE REPORT ON THE RESULTS OF ITS ACTIVITIES IN 2018

Audit Committee (further also „the Committee“) was established in accordance with the Act No. 93/2009 Coll. on auditors and the amendment of certain acts, as amended (‘the Auditors Act’), and the Articles of Association of Kofola ČeskoSlovensko a. s. (further „the Company“) as the advisory body of the Supervisory Board.

Information on the establishment and members of the Audit Committee was published and is permanently available in accordance with the relevant legislation on Company’s web page <http://firma.kofola.cz> in section “Investor”.

The Committee consists of three members elected by the general meeting. In the course of 2018, following changes occurred in the Committee structure:

- On 25 September, Mr. Bartosz Kwitkowski announced his resignation from a position of the Committee member, his position expired as of 25 October 2018;
- On 25 October, Mr. Pavel Jakubík announced his resignation from a position of the Committee member, his position expired as of 25 November 2018,

The general meeting dated 30 November 2018:

- Decided the appointment of new Committee members, Mrs. Zuzana Prokopcová, and Mrs. Lenka Frostová, and took into account resignation of Mr. Pavel Jakubík and Mr. Bartosz Kwiatkowski who announced their resignation from their positions of the Committee members.

In 2018, in total 4 meetings of the Committee took place, particularly on 22 March, 14 May, 9 August, and 8 November; in 2019, 2 Committee meetings have taken place up to this general meeting, particularly on 13 February and 20 March; comparing to a frequency suggested in the approved annual Committee work schedule, the additional meeting took place on 13 February 2019 – in relation to the announced sale of Hoop Polska Sp. z o.o, and assessment of the 2018 Financial Statement audit work status. At the meetings, the Committee reviewed and negotiated quarterly economic results and Annual Report, followed a procedure of construction of the Financial Statements and Consolidated Financial Statements, evaluated the efficiency of internal controls of the Company, Risk Management System and Internal Audit, followed a process of audit of statutory 2018 Financial Statements and Consolidated 2018 Financial Statement, assessed the independence of the statutory auditor and auditor’s company and additional services provided to the Company by the auditor. The Committee discussed also the insurance in the Kofola ČeskoSlovensko Group, and, further, suggested impact of new standards – IFRS 9, IFRS 15 and IFRS 16.

With regard to a particular negotiated subject, also representatives of the external auditor, Financial Director of the Kofola ČeskoSlovensko Group, internal auditor, Group Reporting Manager, and, if needed, also other managers of the Company in charge for activities discussed by the Committee, are regularly invited to the Committee meetings.

Audit Committee external members (including the Chairman) were allocated fixed monthly remuneration in accordance with a decision of the general meeting.

The Committee had the opportunity to review the documents and records relating to the Company’s activities to the extent necessary for the performance of its activities.

Based on a decision by the general meeting dated 6 February 2018, the external audit for 2018 in the Kofola ČeskoSlovensko Group was carried out by the company KPMG Česká republika Audit, s.r.o. At its meeting, the Committee discussed a letter to the Company management prepared by the previous external auditor (PricewaterhouseCoopers Audit, s.r.o.) dealing with findings in the course of audit of the 2017 Financial Statement including recommendation for remedies to their settlement. At its meetings, the Committee was

continuously informed by the external auditor of the audit schedule and important audit facts. Important subjects of the 2018 Kofola ČeskoSlovensko Group audit comprised particularly:

- Impairment tests of intangible assets with indefinite useful life (trademarks);
- impairment test of the cash-generating unit in Poland;
- a sale of the subsidiary Hoop Polska Sp. z o.o.

The Committee also acknowledged the independent auditor's opinion on the non-consolidated and consolidated financial statements of Kofola ČeskoSlovensko as at December 31, 2018 stating that they audited the financial statements and, in their opinion, the financial statements present fairly, in all material respects, the Company's and Kofola ČeskoSlovensko Group's assets, liabilities and financial position. Its financial performance and cash flows for the year 2018 are in accordance with International Financial Reporting Standards, as adopted by the EU.

The Committee provides information on its conclusions to the Company's Supervisory Board, making recommendations for debate on items that were subject to the discussion by the Audit Committee.

The Committee states that in the monitored period, and as of the date of the preparation of this report, it did not find any significant facts of which the General Meeting and Public Audit Oversight Board should be informed in the fields that are designated for the Audit Committee through Act No. 93/2009 Coll. on auditors and the amendment of certain acts, as amended, through the Articles of Association of Kofola ČeskoSlovensko a. s. and through the internal regulations of the Company.

In Ostrava, 25 March 2019

Audit Committee  
Kofola ČeskoSlovensko a.s.