

## AUDIT COMMITTEE REPORT ON THE RESULTS OF ITS ACTIVITIES IN 2017

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 Audit Committee is composed of three members as appointed by the General Meeting. During the year 2017 the following changes took place regarding the members of the Committee.

On 21 June 2017 the second ordinary General meeting:

- acknowledged the resignation of Mr. Ivan Jakúbek of his positions as member of the Supervisory Board and member of the Audit Committee and approved other office termination date upon the request of Mr. Jakúbek as at 21 June 2017;
- appointed a new member of the Supervisory Board and the Audit Committee, Mr. Martin Chocholáček;
- acknowledged the resignation of Mr. Marek Piech of his position as a member of the Audit Committee and approved other office termination date upon the request of Mr. Piech as at 21 June 2017;
- appointed a new member of the Audit Committee, Mr. Petr Šobotník who was subsequently on the Audit Committee meeting elected as a chairman.

On 18 December 2017 the fourth ordinary General meeting of the Company took place which particularly:

- decided on appointment of a new member of the Audit Committee, Mr. Bartosz Kwiatkowski (replaced Mr. Martin Chocholáček who resigned of his position).

The Committee had a total of 4 meetings in the year 2017: on 16 March, 9 May, 3 August and 2 November, in 2018 until the date of the General Meeting there was also one meeting held on 22 March in accordance with the frequency foreseen in the annual work schedule of the Committee. At its meetings the Committee has reviewed and discussed quarterly and annual non-consolidated and consolidated financial statements of Kofola ČeskoSlovensko, monitored procedures of compiling those financial statements, evaluated internal control efficiency, risk management system and internal audit findings, monitored process of the statutory audit of non-consolidated and consolidated financial statements for the year 2017 and assessed auditor’s independence including the provision of additional non-audit services. The Committee also reviewed insurance policy in Kofola ČeskoSlovensko Group and discussed with the Company the estimated impact of new IFRS standards. Chosen Committee members were also involved in the tender for the External Audit Services for Kofola ČeskoSlovensko and its key subsidiaries for the years 2018 – 2020. As a result of the tender Audit committee proposed to Supervisory Board to conclude audit contract for years 2018 – 2020 with KPMG provided subsequent approval of General meeting of Kofola ČeskoSlovensko a.s. as required by the law. It took place on 6 February 2018.

With respect to the issues concerned the Committee regularly invites to its meetings the external auditor’s representatives, CFO Kofola ČeskoSlovensko Group, internal auditor, Group reporting manager as well as other Company managers responsible for the activities discussed by the Committee, if necessary.

A fixed monthly remuneration was set to all Committee members (including the Chairman) in compliance with the 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 the General Meeting's decision of 21 June, 2017, external audit in Kofola ČeskoSlovensko Group for the year 2017 was conducted by company PricewaterhouseCoopers Audit, s.r.o. The Committee, at its meeting discussed the management letter to the Company, processed by an external auditor, dealing with the findings during the audit of financial statements for 2016, including recommendations for corrective actions to address them. The Committee was continually informed at its meetings by the external auditor about the audit schedule and key audit matters. The important areas of Kofola ČeskoSlovensko Group audit in 2017 included, in particular:

- Impairment test of intangible assets with indefinite useful lives (brands)
  
- Impairment test of cash generating unit in Poland

The Committee also acknowledged the independent auditor's opinion on the non-consolidated and consolidated financial statements of Kofola ČeskoSlovensko as at December 31, 2017 saying 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 2017 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, on March 22, 2018

Audit Committee  
Kofola ČeskoSlovensko a.s.