
POSITION OF THE SUPERVISORY BOARD OF UNIPETROL, A.S. TO THE ORDINARY SEPARATE FINANCIAL STATEMENTS OF UNIPETROL, A.S. AS OF 31 DECEMBER 2017

POSITION OF THE SUPERVISORY BOARD OF UNIPETROL, A.S. TO THE ORDINARY CONSOLIDATED FINANCIAL STATEMENTS OF UNIPETROL, A.S. AS OF 31 DECEMBER 2017

POSITION OF THE SUPERVISORY BOARD OF UNIPETROL, A.S. TO THE PROPOSAL OF THE BOARD OF DIRECTORS OF UNIPETROL, A.S. FOR SETTLEMENT OF LOSS OF UNIPETROL, A.S. FOR 2017

POSITION OF THE SUPERVISORY BOARD OF UNIPETROL, A.S. REGARDING RELATED PARTIES REPORT FOR THE YEAR 2017

I.

**POSITION OF THE SUPERVISORY BOARD OF UNIPETROL, A.S. TO THE ORDINARY
SEPARATE FINANCIAL STATEMENTS OF UNIPETROL, A.S.
AS OF 31 DECEMBER 2017**

- a) In accordance with Sec. 447 (3) of Act No. 90/2012 Coll., Act on Business Corporations, as amended, the Supervisory Board of UNIPETROL reviewed the ordinary separate financial statements of UNIPETROL, a.s. as of 31 December 2017 (hereinafter referred to as the “**Separate Financial Statements**”).

The Supervisory Board of UNIPETROL, a.s., according to its best knowledge, taking into account the Auditor’s Report concerning the Separate Financial Statements and all the information available to the Supervisory Board, declares that the Separate Financial Statements do, in all the material aspects, reflect the state of the assets, liabilities, the registered capital level, the financial situation and the economic status of UNIPETROL, a.s. as of 31 December 2017.

The Supervisory Board of UNIPETROL, a.s., according to its best knowledge, also declares that it did not identify in the Separate Financial Statements and other documents submitted to the Supervisory Board of UNIPETROL, a.s. during the year 2017, any discrepancies or deficiencies which would indicate that the accounting of UNIPETROL, a.s. was not conducted in accordance with the laws on accounting, particularly Act no. 563/1991 Coll., on Accounting, as amended, and in accordance with the international accounting standards adopted within the European Union.

- b) The Supervisory Board of UNIPETROL, a.s. hereby recommends to the General Meeting of UNIPETROL, a.s. approving the Separate Financial Statements.

II.

POSITION OF THE SUPERVISORY BOARD OF UNIPETROL, A.S. TO THE ORDINARY CONSOLIDATED FINANCIAL STATEMENTS OF UNIPETROL, A.S. OF 31 DECEMBER 2017

- a) In accordance with Section 447 (3) of Act No. 90/2012 Coll., Act on Business Corporations, as amended, the Supervisory Board of UNIPETROL reviewed the ordinary consolidated financial statements of UNIPETROL, a.s. as of 31 December 2017 (hereinafter referred to as the “**Consolidated Financial Statements**”).

The Supervisory Board of UNIPETROL, a.s., according to its best knowledge, taking into account the Auditor’s Report on the Consolidated Financial Statements and all the information available to the Supervisory Board, declares that the Consolidated Financial Statements do, in all the material aspects, reflect the state of the assets, liabilities, the registered capital level, the financial situation and the economic status of UNIPETROL, a.s. and companies controlled by UNIPETROL, a.s. as of 31 December 2017.

The Supervisory Board of UNIPETROL, a.s., according to its best knowledge, also declares that it did not identify in the Consolidated Financial Statements and other documents submitted to the Supervisory Board of UNIPETROL, a.s. during the year 2017, any discrepancies or deficiencies which would indicate that the accounting of UNIPETROL, a.s. was not conducted in accordance with the laws on accounting, particularly the Act no. 563/1991 Coll., on Accounting, as amended, and in accordance with the international accounting standards adopted within the European Union.

- b) The Supervisory Board of UNIPETROL, a.s. hereby recommends the General Meeting of UNIPETROL, a.s. approving the Consolidated Financial Statements.

III.

POSITION OF THE SUPERVISORY BOARD OF UNIPETROL, A.S. TO THE PROPOSAL OF THE BOARD OF DIRECTORS OF UNIPETROL, A.S. FOR SETTLEMENT OF LOSS OF UNIPETROL, A.S. FOR 2017

In accordance with Sec. 447 (3) of Act No. 90/2012 Coll., Act on Business Corporations, as amended, the Supervisory Board of UNIPETROL, a.s. reviewed the proposal of the Board of Directors of UNIPETROL, a.s. (hereinafter "**Unipetrol**") regarding settlement of loss of Unipetrol for 2017, as reported in the ordinary financial statements of Unipetrol as of 31 December 2017 in the amount of CZK 28,528,411.21 from the retained earnings of past years in the same amount.

The Supervisory Board states that proposal of settlement of loss of Unipetrol as reported in the ordinary financial statements of the company as of 31 December 2017, is in accordance with legal regulations and Articles of Association of Unipetrol.

The Supervisory Board recommends the General Meeting approving the proposal of the Board of Directors of Unipetrol for settlement of loss of Unipetrol for 2017 as submitted by the Board of Directors of Unipetrol.

IV.

POSITION OF THE SUPERVISORY BOARD OF UNIPETROL, A.S. REGARDING REVIEW OF THE RELATED PARTIES REPORT FOR THE YEAR 2017

In accordance with Sec. 83 (1) of Act No. 90/2012 Coll., Act on Business Corporations, as amended (hereinafter "**Act on business corporations**"), the Supervisory Board of UNIPETROL, a.s. reviewed the Report on relations between the controlling entity and the controlled entity and the controlled entity and entities controlled by the same controlling entity for the year 2017 and concluded that the report complies with the requirements imposed by Act on business corporations.

The Supervisory Board also noted that, to the best of their knowledge and based on documents provided to the Supervisory Board, relations between related parties, exercise of controlling influence, as well as individual negotiations and mutual agreements described in this Related Parties Report for 2017 did not cause any harm to UNIPETROL, a.s.