

ZETES INDUSTRIES SA-NV

STATUTORY AUDITOR'S REPORT TO THE GENERAL MEETING OF SHAREHOLDERS ON THE FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2016

As required by law and the by-laws, we report to you in the context of our statutory auditor's mandate. This report includes our opinion on the annual accounts, as well as the required additional statement. The annual accounts include the balance sheet as at December 31, 2016, the income statement for the year then ended, and the disclosures.

REPORT ON THE ANNUAL ACCOUNTS – UNQUALIFIED OPINION

We have audited the annual accounts of the company for the year ended December 31, 2016, prepared in accordance with the financial-reporting framework applicable in Belgium, which show a balance sheet total of 67.729 (000) EUR and a profit for the year of 8.164 (000) EUR.

Responsibility of the board of Directors for the preparation of the annual accounts

The board of Directors is responsible for the preparation of annual accounts that give a true and fair view in accordance with the financial-reporting framework applicable in Belgium, and for such internal control as the board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

Responsibility of the statutory auditor

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing (ISAs) as adopted in Belgium. Those standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the statutory auditor considers the company's internal control relevant to the preparation of annual accounts that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

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interaudit@rsmbelgium.be - VAT BE 0429.471.656 - RLP Brussels - ⁽¹⁾ Civil company in the form of a trading company

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An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the board of Directors, as well as evaluating the overall presentation of the annual accounts.

We have obtained from the board of Directors and company officials the explanations and information necessary for performing our audit.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Unqualified opinion

In our opinion, the annual accounts give a true and fair view of the company's equity and financial position at December 31, 2016, and of its results for the year then ended, in accordance with the financial-reporting framework applicable in Belgium.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The board of Directors is responsible for the preparation and the content of the Director's report, as well as for the compliance with the legal and regulatory requirements regarding bookkeeping, with the Company Code and with the company's by-laws.

In the context of our mandate and in accordance with the Belgian standard which is complementary to the International Standards on Auditing (ISAs) as applicable in Belgium, our responsibility is to verify, in all material respects, compliance with certain legal and regulatory requirements. On this basis, we make the following additional statements, which do not modify the scope of our opinion on the annual accounts:

- ▶ The Director's report, prepared in accordance with the articles 95 and 96 of the Company Code and to be deposited in accordance with article 100 of the Company Code, includes, both in terms of form and content, the information required by the law, is consistent with the annual accounts and does not present any material inconsistencies with the information that we became aware of during the performance of our mandate.
- ▶ The social balance, to be deposited in accordance with article 100 of the Company Code, includes, both in terms of form and content, the information required by virtue of the law and does not present any material inconsistencies with the information we have at our disposition in our audit file.
- ▶ Without prejudice to certain formal aspects of minor importance, the accounting records are maintained in accordance with the legal and regulatory requirements applicable in Belgium.
- ▶ The appropriation of results proposed to the general meeting complies with the relevant requirements of the law and the company's by-laws.
- ▶ There are no transactions undertaken or decisions taken in breach of the by-laws or of the Company Code that we have to report to you.
- ▶ With respect to article 523 of the Company Code, we report to you the following findings:
 - The decision of the board of Directors of 11 November 2016, in which also shareholders are represented, relating to the assessment of the valuation mentioned in the letter of intent of Panasonic Corporation with respect to the shares of Zetes Industries has no patrimonial consequences, except for the unrealized capital gain on the treasury shares of 2.896 (000) EUR. The letter of intent mentions an acquisition price in cash of 54,50 EUR per share, provided that an interim dividend of maximum 0,80 EUR per share can be decided before the end of the year 2016 and distributed to the existing shareholders.

- The decision of the board of Directors of 20 December 2016, in which also shareholders are represented, relating to the assessment of the valuation given by Panasonic Corporation in the Direct and Indirect SPA for the shares of Zetes Industries has no other patrimonial consequences than those mentioned above.
- The decision of the board of Directors of 15 March 2017, relating to the approval of the costs incurred by Zetes Industries in connection to the Panasonic Project, has the following patrimonial consequences: Zetes Industries will incur costs for a total estimated amount of 2.850 (000) EUR spread over accounting years 2016 and 2017 when the project is successful.
- ▶ During the accounting year, an interim dividend of 0,8 EUR per share has been distributed in respect of which we prepared the attached report in accordance with the legal requirements.

Zaventem, April 20, 2017

RSM RÉVISEURS D'ENTREPRISES – BEDRIJFSREVISOREN SCRL-CVBA
STATUTORY AUDITOR
REPRESENTED BY

A handwritten signature in blue ink, appearing to be 'Gert Van Leemput', written over a faint grid background.

GERT VAN LEEMPUT

THIERRY DUPONT

Enclosure: Statutory auditor's report with respect to the distribution of an interim dividend

Enclosure: Statutory auditor's report with respect to the distribution of an interim dividend

ZETES INDUSTRIES SA-NV

STATUTORY AUDITOR'S REPORT TO THE BOARD OF DIRECTORS OF THE COMPANY ZETES INDUSTRIES SA ON THE REVIEW OF THE STATEMENT OF ASSETS AND LIABILITIES WITH RESPECT TO THE DISTRIBUTION OF AN INTERIM DIVIDEND

In accordance with article 618 of the Company Law and in accordance with the bylaws of the company Zetes Industries SA, we hereby report in our capacity as statutory auditor on our review of the statement of assets and liabilities as of September 30, 2016 to the board of directors.

We have reviewed the accompanying statement of assets and liabilities of the company as of September 30, 2016 which has been prepared in accordance with the financial-reporting framework applicable in Belgium.

Responsibility of the board of directors for the preparation of the statement of assets and liabilities

The board of directors is responsible for the preparation and fair presentation of this statement of assets and liabilities as of 30 September 2016 in accordance with the financial-reporting framework applicable in Belgium according to the principles of article 92, § 1, first paragraph, of the Company Code as well as for the compliance with the conditions mentioned in article 618, second paragraph, of the Company Code.

Responsibility of the statutory auditor

Our responsibility is to express a conclusion on the accompanying statement of assets and liabilities based on our review.

We conducted our review in accordance with ISRE 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.

Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying statement of assets and liabilities of Zetes Industries SA with a balance sheet total of EUR 69.306.590 and a result for the 9 months period of EUR 6.368.355 does not present fairly, in all material respects, the financial position of the entity as at September 30, 2016 in accordance with the financial reporting-framework applicable in Belgium.

Limitation of the distribution of this report

This report was only prepared for the purpose of article 618 of the Company Code and can therefore not be used for any other purpose.

Zaventem, November 28, 2016

RSM RÉVISEURS D'ENTREPRISES – BEDRIJFSREVISOREN SCRL-CVBA
STATUTORY AUDITOR
REPRESENTED BY

GERT VAN LEEMPUT

THIERRY DUPONT