

OS AA01

Statement of details of parent law and other
information for an overseas company



Companies House

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You may use this form to
accompany your accounts
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COMPANIES HOUSE

Part 1 Corporate company name

Corporate name of overseas company ① WRC World Resources Company GmbH

UK establishment number B R 0 1 2 7 6 8

→ Filling in this form
Please complete in typescript or in
bold black capitals.

All fields are mandatory unless
specified or indicated by *

① This is the name of the company in
its home state.

**Part 2 Statement of details of parent law and other
information for an overseas company**

A1 Legislation

Please give the legislation under which the accounts have been prepared and,
if applicable, the legislation under which the accounts have been audited.

Legislation ① German Commercial Code (HGB)

① This means the relevant rules or
legislation which regulates the
preparation and, if applicable, the
audit of accounts.

A2 Accounting principles

Accounts Have the accounts been prepared in accordance with a set of generally accepted
accounting principles?

Please tick the appropriate box.

- ☐ No. Go to Section A3.
☒ Yes. Please enter the name of the organisation or other
body which issued those principles below, and then go to Section A3.

Name of organisation or body ① PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft

① Please insert the name of the
appropriate accounting organisation
or body.

A3 Accounts

Accounts Have the accounts been audited? Please tick the appropriate box.

- ☐ No. Go to Section A5.
☒ Yes. Go to Section A4.

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A4**Audited accounts**

Audited accounts	Have the accounts been audited in accordance with a set of generally accepted auditing standards? Please tick the appropriate box. ☐ No. Go to Part 3 'Signature'. ☒ Yes. Please enter the name of the organisation or other body which issued those standards below, and then go to Part 3 'Signature'.	1 Please insert the name of the appropriate accounting organisation or body.
Name of organisation or body 1	PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft	

A5**Unaudited accounts**

Unaudited accounts	Is the company required to have its accounts audited? Please tick the appropriate box. ☐ No. ☒ Yes.	
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Part 3**Signature**

	I am signing this form on behalf of the overseas company.	
Signature	Signature X INDUSTRIAL RESOURCES COMPANY GMBH Industriestrasse 7 89048 AURZEN Tel 0 34 25 / 90 46-0 • Fax 0 34 25 / 90 46 90 X	
	This form may be signed by: Director, Secretary, Permanent representative.	

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Presenter information

You do not have to give any contact information, but if you do it will help Companies House if there is a query on the form. The contact information you give will be visible to searchers of the public record.

Contact name	Michael Zimmer
Company name	WRC World Resources Company
GmbH	
Address	Industriestrasse 7
Post town	Wurzen
Country/Region	
Postcode	D E - 0 4 8 0 8
Country	Germany
DX	
Telephone	+49 3425 9046 0



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Please make sure you have remembered the following:

- ☐ The company name and, if appropriate, the registered number, match the information held on the public Register.
- ☐ You have completed all sections of the form, if appropriate.
- ☐ You have signed the form.



Important information

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Name	Department	Information	Publication date
WRC World Resources Company GmbH Wurzen	Accounting/Financial reporting	Annual financial statement regarding the financial year from 01/01/2016 to 31/12/2016	02/01/2018

WRC**World Resources Company GmbH****Wurzen****Summary Annual Financial Report for the Financial Year from 01/01/2016 to 31/12/2016****Management Report for the 2016 Financial Year****I. Basics of the Company**

WRC World Resources Company, Wurzen (WRC GmbH) operates a modern, environmentally friendly recycling facility at which residual materials containing metal from various industries (from electronics to aviation and surface-treatment industries to automotive and jewellery industries) are recycled.

The residual materials are processed to metal concentrates at the WRC production facilities and sold worldwide to non-ferrous metal plants as freely marketable products. As a result, valuable, irreplaceable natural resources are saved, while the negative impact of industries on the environment is reduced by processing these residual materials into a reusable product.

II. Macro-economic and industry-specific framework conditions

In the reported year, with a growth of around 2.5%, the global economy achieved the lowest growth rate since the financial crisis of 2009. This was not only caused by the continuing disappointing economic development already seen in the previous year in the emerging markets, but also a noticeable slowing down of the growth in industrial countries. A particularly disabling factor are the geopolitical development uncertainties, whether it be the outcome of the British referendum, the coup attempt in Turkey or the ongoing conflict in Syria and the Ukraine.

The German economy grew solidly in 2016 by a price adjusted 1.9% in an unstable external environment after an increase in gross domestic product (GDP) of 1.7% in the previous year. The development was arithmetically due to domestic demand. Above all there was a strong growth in national and private consumer spending but also building investments.

In the procurement of the metalliferous residual materials, WRC GmbH depends on the general economic development. Therefore, economic fluctuations constitute an essential factor influencing the offered volume. In addition, success in sales largely depends on the development of raw material prices. At the beginning of the year, the raw material price index, which is set by the economic institute in Hamburg, HWWI, reached its lowest point for 12 years. This was also due to the oil price which reached its lowest point at about the same time and which also had a significant part in the total index. But also the price for precious and industrial metals were at rock bottom at the beginning of the year. Since then there has been a significant partial recovery. The markets were partially surprised at this development and had not expected such a recovery. As it is, every raw material has its own market and special factors on the supply and demand market, which play a role in pricing. However oversupply played a role in these market, spurred on by an investment boom in times of high raw material prices. For 2017, most market observers and analyst expect further stabilisation of the commodity markets, including the precious and industrial metal prices, but not necessarily such a pronounced price increase as in this year. Much depends on how the global economy develops.

III. Development of business

In the procurement of the metalliferous residual materials (-4%) and in the production volume (-5%), the high level of the previous year was not quite maintained.

Processing of the metalliferous residual materials into quality-compliant non-ferrous metal concentrates in line with the buyers' requirements was ensured at all times.

Because of the increasing prices for numerous precious and industrial metals on the global market, after a weak first quarter year there was a rise in the second quarter year. Thereafter there were further price increases, which at times, however, could not be maintained until the end of the year, so that in the second half of the year, no significant contribution margin was achieved and overall only a consistent corporate result for the 2016 financial year could be reached.

Even if the stock of finished products decreased compared to the previous year, as a result of a temporary dip in uptake from a main customer, as seen in the previous year, the stock saw an increase towards the year end. The reduction took place during the first months of 2017.

In addition to rationalisation and replacement investments, the 2016 investing activities comprising around k€ 87 (previous year: k€ 1,579) included, in particular, further investments in our facility for the chemical and physical handling of solid and liquid residual materials. At the end of 2015 construction of the facility, which had started in the year 2014, was completed and a trial run had taken place. The facility became operational in the first half of 2016.

Due to the high amount of investment, in 2015 bank financing was taken out for the plant financed from own funds which was used in 2016. The results of the investment project, expansion of the business area, increase in sales, will come into play in 2017.

In addition to quality assurance environmental protection, safety-at-work and the protection of the employees' health are of major importance at WRC GmbH as non-financial performance indicators. The respective systems are summarised in an integrated management system.

In 2016, the integrated management system was successfully audited and certified according to ISO 9001:2008, ISO 14001:2004, ISO 50001:2011 and OHSAS 18001:2007. Moreover, WRC GmbH was recertified as a qualified disposal company.

All certificates were issued without restriction. With its integrated management system, WRC GmbH documents the disposal of the materials received in line with environmental and quality requirements, the proper production of the metal concentrate products as well as compliance with high safety-at-work and health protection standards at all times.

With, on an annual average, 78 employees (excluding managing directors), the number of employees and the workforce structure remained unchanged. Both internal and external further training measures were used for further training of our staff.

Corporate training of apprentices – vocational training as laboratory chemists and chemical technicians – is still assigned high importance. This apprenticeship offer is intended to support the recruitment of new staff for the laboratory and production sector.

IV. Current situation

The company's situation remains stable. A positive pre-tax result of k€ 5 (previous year: k€ -772) was recorded, which is used as a central financial performance indicator for the internal control of the company.

Because of the developments on the world markets outlined above, with planning, higher revenues could be achieved. On this basis, the previous year's forecast which saw a loss, was exceeded.

Compared with the previous year's balance sheet deadline, the balance sheet total increased by approximately 8%. On the assets side, the cash increased due to the use of a bank loan to finance investments. In addition, accounts receivable figures increased marginally. The settlement of claims against affiliated companies was

achieved due to the assumption of the debt by the shareholders, in the form of a promissory note in the amount of the redeemed claims, which was granted on 1st June 2016. This results in an increase in fixed assets which would otherwise have decreased due to the writing off of intangible assets and property, plant and equipment. In contrast, on the assets side there was a build-up of liabilities to banks as well as accruals. Equity increased to k€ 18,475 due to the annual net profit of k€ 23. The share of assets financed from own funds was 76% as of the balance sheet date and has reduced compared with the previous year due to the increase in total assets.

The company fulfilled its payment obligations to the full extent in the 2016 financial year. Long-term banking liabilities were repaid as planned. Ongoing business operations were financed from funds generated by the company. In the event of major liquidity fluctuations, free credit lines of k€ 1,764 and cash reserves of k€ 3,350 were available. These increased by k€ 2,321 compared with the previous year, which is basically caused by cash expenditure from investments of k€ 87 (previous year k€ 1,579) and also the net income from the change in bank liability of k€ 1,792 (previous year's cash expenditure in the amount of k€ 533). The income from the drawdown of the refinancing loan for the CP plant alone amounts to k€ 1,900.

V. Probable development and future risks and opportunities

Because of the economic uncertainties resulting from the election results in the USA, Brexit and the upcoming elections in Europe, the year 2017 has not seen any significant movements in metal prices on the world market.

Therefore we assume a lateral movement of metal prices and assume a positive operating result before taxes for the year 2017.

For the following year, we expect a stabilising of metal prices at a higher level and thereby a stable economic development.

In this respect, the acquisition of delivery customers has to be further promoted. The preconditions for the expansion of the customer base as well as market expansion are safeguarded in terms of organisation, human resources and equipment by the marketing department in charge of procurement in Wurzen as well as by the field offices in France, England, Italy, Switzerland and Spain as well as in Turkey. The field office in Turkey has meanwhile been converted into a branch.

The WRC production process is based on a process of the shareholder World Resources Company. At present, the company's research and development activities are limited to the further development of the processes, the optimisation of processes and the reduction of strains on the environment

Qualified staff and the production-technology equipment are provided as preconditions for the appropriate processing of metalliferous residual materials.

Required rationalisation investments to stabilise and increase production capacities are carried out continuously and have been financed through own funds so far.

Our company's risk management is primarily based on the management structure, the planning system as well as the reporting and information systems used. The reporting system is supplemented by constant monitoring of all financial flows. With the help of this risk management system we carry out risk assessments and develop risk minimisation strategies. The risk analysis shows that, at present, there are no fundamental risks or risk jeopardising the continued existence of the company.

Adequate, manageable and controllable risks are consciously assumed; this also applies to price and foreign currency risks with regard to which we do not take out any additional insurance. In view of the development of business to be expected, the company will largely finance itself through funds which it will generate itself in the 2017 financial year as in the past financial year. There are plans to use the available credit lines exclusively to balance liquidity fluctuations.

Abridged Balance Sheet as of 31st December 2016**Assets**

	31/12/2016 €	31/12/2015 €
A. Fixed assets		
I. Intangible assets		
Purchased software	0.00	700.00
II. Property, plant and equipment		
1. Land and buildings	1,783,910.21	1,898,765.21
2. Technical equipment and machinery	4,012,719.00	4,680,106.00
3. Other plant, operating and business equipment	313,135.00	404,842.00
4. Payments made on account and plants under construction	6,775.00	0.00
	6,116,539.21	6,983,713.21
III. Financial assets		
Loans to shareholders	5,360,340.98	0.00
	11,476,880.19	6,984,413.21
B. Current assets		
I. Inventories	4,378,000.00	4,250,000.00
II. Receivables and other assets	5,088,170.97	10,248,243.87
(of which receivables from affiliates €0.00; 31/12/2015: €5,216,466.32)		
III. Cash on hand and cash at bank	3,349,525.27	1,028,853.03
	12,815,696.24	15,527,096.90
C. Accrual	27,575.51	60,547.20
	24,320,151.94	22,572,057.31

Liabilities

	31/12/2016 €	31/12/2015 €
A. Equity		
I. Subscribed capital	1,533,875.6	1,533,875.64
II. Capital reserves	3,837,143.31	3,837,143.31
III. Profit brought forward	13,103,836.51	13,745,837.21
IV. annual net profit / loss	23,197.98	-665,198.68
	18,474,855.46	18,451,657.48
B. Special item for investment grants received	29,877.00	45,465.00
C. Provisions	2,585,540.00	2,101,545.28
D. Liabilities		
(of which liabilities to banks € 1,997,234.00; 31/12/2015: €204,866.00)		
(of which liabilities top shareholders € 0.00; 31/12/2015: € 157,782.40)		
(of which from taxes € 146,690.68; 31/12/2015: €54,038.60)		
(of which in the framework of social security: € 43,685.72; 31/12/2015: €35,837.60)		
	3,229,879.48	1,973,389.55
	24,320,151.94	22,572,057.31

Profit and Loss Account for the Period from 1st January to 31st December 2016

	2016 €	2015 €
1. Gross profit	7,418,853.56	6,371,587.45
2. Personnel expenses		
a) Wages and salaries	-3,643,779.21	-3,399,960.10
b) Social insurance contributions	-597,291.95	-590,004.77
	-4,241,071.16	-3,989,964.87

3. Depreciations on intangible assets of fixed assets and property, plant and equipment	-954,833.35	-761,935.31
4. Other operating expenses	-2,260,996.84	-2,441,359.01
	-38,047.79	-821,671.74
5. Income from loans of financial assets	36,506.96	0.00
6. Other interest and similar income	51,912.08	73,316.58

	2016 €	2015 €
7. Interest and similar expenses	-45,632.70	-23,446.45
8. Taxes on income and profit	35,270.50	124,000.00
9. Profit after taxes	40,009.05	-647,801.61
10. Other taxes	-16,811.07	-17,397.07
11. Annual net profit / loss	23,197.98	-665,198.68

Notes regarding the 2016 Financial Year

I. General notes

WRC World Resources Company GmbH is based in Wurzen and it is registered in the commercial register of Leipzig Local Court (HRB 12175).

The annual financial statement of WRC World Resources Company GmbH, Wurzen, (WRC) was prepared in accordance with the provisions of the German Commercial Code (HGB), version dated 23rd July 2015 Accounting Directive Implementation Act (BilRUG) and the German Limited Liability Company Law (GmbH).

According to section 267 sub-section 2 HGB, the company is a medium-sized joint-stock company. The easement options under sections 276 and 288 sub-section 2 HGB for medium-sized joint-stock companies were used.

The structure of the profit and loss account is based on the aggregate cost method according to section 275 sub-section 2 HGB.

The "of which" notes regarding income and expenses from currency conversion according to section 277 sub-section 5 sentence 2 HGB and the interest income from affiliated companies pursuant to section 267 sub-section 2 HGB were included in the notes.

WRC was last included as a 'Variable Interest Entity' in the 2015 consolidated financial statements of World Resources Company, Jackson, Wyoming/USA. As of 31st December 2016, receivables and liabilities to (via) affiliated companies were no longer shown.

Due to the realignment of the business model in the 2015 financial year, this year's financial can only be compared to the previous year's financial statement. Up until 30th June 2015, the global metal concentrate business for all production locations of the WRC group was WRC International GmbH, based in Baar, Switzerland. As a result, up to this date, the company took on the contract manufacturing for WRC International GmbH and the following considerations apply:

- Revenue from the sale of finished products based on a defined transfer pricing system (cost-plus method with a profit surcharge of 2.5%) as well as
- Other operating income from the transfer of rights to use WRC customer contacts or the existing sales contracts with the smelters including information systems for marketing concentrates (3.5% royalty)

The underlying contracts with WRCI (Contract Manufacturing Agreement and License Agreement) were ended on 30th June 2015 based on a decision by the shareholders. Accordingly on 1st July 2015, WRC GmbH regained

their right to market their products after having to cede this right with the introduction of the business model on 1st January 2012. With that the sales, metal prices and foreign currency risks, but also the opportunities are passed back to WRC and are fully reflected for the first time in this financial statement.

Due to the utilisation of section 276 of the German Commercial Code (HGB), the items in section 276 sub-section 2 numbers 1 to 5 of the HGB have been combined into one item named 'gross profit'. Changes in identification resulting from the new version of section 277 sub-section 1 of the HGB Accounting Directive Implementation Act (BiLRUG) do not affect the comparability with the previous year's figures as they relate to sales and other operating income which are included in this item.

II. Balancing and accounting principles

1. Assets

The **fixed assets** are assessed at costs of acquisition and production and, in as far as such are subject to wear, they are basically reduced by tax recommended scheduled depreciations (linear method) over their respective foreseeable period of use. The depreciations are based on the following periods of use:

- Purchased intangible assets: 3 to 5 years;
- Buildings: 7 to 40 years;
- Technical equipment and machinery: 4 to 20 years;
- Operating and business equipment: 4 to 16 years.

Assets with costs of acquisition from € 150.00 to € 1,000.00 are summarised in a compound item which is reversed with profit-reducing effect over a period of five years as of the year of its formation.

Inventories are assessed at costs of acquisition and production and under consideration of the lower-of-cost-or-market principle.

Unfinished and finished products are assessed on the basis of the production costs which can be capitalised less the proportionate share in the production costs covered by the recycling fees charged. In all cases, the assessment was made on a loss-free basis; i.e. in as far as the probable sales prices less the costs incurred until the sale lead to a lower fair value, corresponding depreciations were made. The probable sales prices are established on the basis of the determined metal content of the input material and of the current metal prices. Moreover, a deduction is made from this assessment basis taking account of valuation fluctuations, e.g. caused by deviations in the analysis.

Receivables and other assets are assessed at the nominal value or at the lower value to be applied on the balance sheet deadline. The specific valuation allowances take sufficient account of the default risk.

The accounts receivable from smelters are assessed on the basis of the determined metal content of the input material and of the current metal prices. An adequate deduction is made from this assessment basis taking into account valuation fluctuations, e.g. on account of deviations in the analysis. The receivables from the smelters comprise this valuation base less smelting costs which are charged by the smelters in the settlement of accounts in accordance with the contractual arrangements.

Liquid funds are assessed at their nominal value on the balance sheet date.

Accruals comprise expenses before the balance sheet date in as far as such constitute expenses for a certain period thereafter.

The existing differences between commercial and tax legislation valuation bases of assets and liabilities which are likely to reduce in future financial years and which result in a reduction of the tax burden overall were not

capitalised as **deferred tax assets** by waiving the right to exercise the option under section 274 sub-section 1 sentence 2 HGB.

2. Liabilities

The special item for the **investment grant received** formed applying section 265 sub-section 5 sentence 2 was written back until 2018 in accordance with the average period of use of the supported assets.

Provisions were made for discernible risks and uncertain liabilities on the basis of prudent commercial evaluation. The assessment is always made at the settlement value.

Liabilities are assessed at their settlement value.

3. Principles for the conversion into EUR

Business transactions in foreign currencies are recorded at the historical exchange rate at the time of initial recognition in principle. Assets and debts in foreign currency denominations with a remaining term of up to one year are converted in accordance with section 256a of the HGB on the balance sheet date at the mean spot exchange rate and recognised in profit or loss.

III. Notes and explanations on the balance sheet

1. Assets

We make reference to the annex to the notes with regard to the structure and development of **fixed assets** in accordance with section 284 sub-section 3 HGB.

Unfinished products comprise metalliferous materials which were stored at the company on 31st December 2016. The stock of these materials was included upon the stock-taking on 2nd January 2017.

As of the balance sheet date, **finished products** primarily comprise the metal concentrates in transit to the buyers, in addition to the stock at the company. According to the contractual arrangements, the transfer of ownership only takes place upon receipt by the buyer. The stock of finished goods was verified by the stock-taking on 2nd January 2017 and with delivery notes.

As in the previous year, **accounts receivable and other assets** fall due within one year.

Accounts receivable from affiliated companies were accountable in the previous year to WRC International GmbH and resulted from supplies and services (construction contracts k€ 4,017), licence fees (k€ 1,274) and other claims (k€ 17). A Promissory Note to World Resources Company covered these claims. For this purpose on 1st June 2016 a Promissory Note was issued, through which the claims against WRC International GmbH of interest bearing loans to World Resources Company were redeemed. As the claims against World Resources Company amounting to k€ 5,360 are not due until 31st August 2025, loans to shareholders are shown under financial assets.

Accounts receivable from shareholders were accountable in the previous year to World Resources Company and contained other assets.

Other assets include corporate tax refund claims including a solidarity surcharge levied by the tax office amounting to k€ 158 resulting from the loss carried forward from the previous year.

Accruals comprise a discount of k€ 6 (31st December 2015: k€ 8).

2. Liabilities

Equity is unchanged at € 1,533,875.64, which corresponds to the amount of DM 3,000,000.00 recorded in the commercial register.

At the shareholder meeting on 29th June 2016, the annual financial statement of 31st December 2015 was determined. The annual loss of k€ 665 and the profit brought forward from the previous year of k€ 13,745 was brought forward as a remaining amount to new account.

The liabilities shown have the following residual terms:

Total of liabilities as of	Total	Up to 1 year	More than 1 year	Of which more than 5 years
31/12/2016	3,230	1,473	1,727	902
31/12/2015	1,973	1,821	152	0

Liabilities to banks comprise the loan from the KfW renewable energy programme taken out in 2010 and the loan refinancing the physicochemical treatment system which was concluded in 2015 and used in 2016. The photovoltaic system, including the assignment of the feed-in proceeds, land charges of k€ 1,750 and the physicochemical treatment system transferred as security were provided as security. In addition, a balance of k€ 125 at banks was blocked for a credit line.

The liabilities to shareholders were attributable to World Resources Company in the previous year and resulted from deliveries and services.

IV. Notes and explanations regarding the profit and loss account

1. Gross profit

The gross profit comprises revenue from energy and electricity tax refunds for the year 2015 of k€ 94 (previous year: k€ 94), revenue from the reversal of the special item for an investment grant of k€ 16 (previous year: k€ 16) and revenue from currency conversion of k€ 14 (previous year: k€ 14). In addition income from royalties other periods amounting to k€ 286 was included in the previous year.

Extraordinary income within the meaning of section 285 no. 31 HGB was not incurred.

2. Other operating expenses

The other operating expenses include expenses of k€ 27 (previous year: k€ 25), which resulted from currency conversion.

Extraordinary expenses within the meaning of section 285 no. 31 HGB were not incurred.

3. Income from loans of financial assets

The income from loans of financial assets were from loans to shareholders.

4. Other interest and similar income

Of the other interest and similar income k€ 0 (previous year k€ 72) resulted from interest on receivables from affiliated companies.

5. Taxes on income and earnings

The taxes on income and earnings, as a result of a loss carried forward from the previous year, contain income from the reimbursement of corporation tax and a solidarity surcharge of k€ 34.

V. Supplementary notes

1. Other financial liabilities

There are other financial liabilities under longer-term rental and leasing agreements until 2020 totalling k€ 403.

In addition to the other financial liabilities shown, there are no off-balance sheet transactions which might be important for the company's financial situation.

In all cases, there are contracts which do not lead to recording of the rental and leasing properties in the balance sheet of the company. These contracts entail the advantage that they tie up less capital compared to the acquisition and that they eliminate the utilisation risk. Risks might result from the contract term in case the items can no longer be used in full; however, at present, there is no indication of this.

2. Notes regarding the company's bodies

In the 2016 financial year, Dr Eberhard Lüderitz, a graduate engineer, Grimma, was appointed as the professional managing director holding sole power of representation.

With the exception of an advance on travelling expenses of k€ 1, the managing director was not granted any advances and loans. The specification of the managing director's income was dispensed with in accordance with section 286 sub-section 4 HGB.

3. Notes on employees

During the financial year, the company employed, on average, 78 employees (30 female and 48 male employees) (previous year: 78 employees of whom 29 were female and 49 were male).

4. Report on events after the balance sheet date

There were no events of special importance which occurred after the financial year 1st January to 31st December 2016.

5. Appropriation of profits

The management proposes to carry forward the profit for the financial year 2016 amounting to k€ 23,197.98 to a new account.

Wurzen, 5th May 2017

Dr. Eberhard Lüderitz, Managing Director

Structure and Development of Capital Assets in 2016

		Costs of acquisition and production			31/12/2016 €
		01/01/2016 €	Additions €	Disposals €	
I. Intangible assets					
Purchased software		20,339.59	0.00	0.00	20,339.59
II. Property, plant and equipment					
1. Land and buildings		3,266,235.05	0.00	0.00	3,266,235.05
2. Technical plants and machinery		15,404,188.04	57,815.08	0.00	15,462,003.12
3. Other plants, operating and business equipment		1,990,220.11	22,369.27	53,303.03	1,959,286.35
4. Payments made on account and plants under construction		0.00	6,775.00	0.00	6,775.00
		20,660,643.20	86,959.35	53,303.03	20,694,299.52
III. Financial investments					
Loans to shareholders		0.00	5,360,340.98	0.00	5,360,340.98
		20,680,982.79	5,447,300.33	53,303.03	26,074,980.09
		Depreciations			
		01/01/2016 €	Additions €	Disposals €	31/12/2016 €
I. Intangible assets					
Purchased software		19,639.59	700.00	0.00	20,339.59

II. Property, plant and equipment					
1. Land and buildings		1,367,469.84	114,855.00	0.00	1,482,324.84
2. Technical plants and machinery		10,724,082.04	725,202.08	0.00	11,449,284.12
3. Other plants, operating and business equipment		1,585,378.11	114,076.27	53,303.03	1,646,151.35
4. Payments made on account and plants under construction		0.00	0.00	0.00	0.00
		13,676,929.99	954,133.35	53,303.03	14,577,760.31
III. Financial investments					
Loans to shareholders		0.00	0.00	0.00	0.00
		13,696,569.58	954,833.35	53,303.03	14,598,099.90
				Book values	
				31/12/2016	31/12/2015
				€	€
I. Intangible assets					
Purchased software				0.00	700.00
II. Property, plant and equipment					
1. Land and buildings				1,783,910.21	1,898,765.21
2. Technical plants and machinery				4,012,719.00	4,680,106.00
3. Other plants, operating and business equipment				313,135.00	404,842.00
4. Payments made on account and plants under construction				6,775.00	0.00
				6,116,539.21	6,983,713.21
III. Financial investments					
Loans to shareholders				5,360,340.98	0.00
				11,476,880.19	6,984,413.21

Confirmation

The above annual financial statement constitutes the version abridged for disclosure purposes according to section 327 HGB. The following audit certificate was issued for the full annual financial statement and management report:

Auditor's Report

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report of WRC World Resources Company GmbH, Wurzen, for the business year from January 1 to December 31, 2016. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law are the responsibility of the Company's Management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with Section 317 HGB [Handelsgesetzbuch - German Commercial Code] and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with [German] principles of proper accounting and in the management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the accounting principles used and significant estimates made by the Company's

Management, as well as evaluating the overall presentation of the annual financial statements and management report. We believe that our audit provides a reasonable basis for our opinion. Our audit has not led to any reservations.

In our opinion based on the findings of our audit, the annual financial statements comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with [German] principles of proper accounting. The management report is consistent with the annual financial statements, complies with the legal requirements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Leipzig, May 5th 2017

PricewaterhouseCoopers
Aktiengesellschaft
Wirtschaftsprüfungsgesellschaft
Rainer Altwater, Auditor
ppa. Werner Horn, Auditor

Resolution on the appropriation of the annual net profit

At the Meeting of the Shareholders on the 29th of May 2017 the following resolution of the appropriation of the annual net profit was resolved:

„The company's net profit of Euro 23.197,98 is carried forward to the next accounting period. Including the profit carried forward out of the last financial year of Euro 13.080.638,53 the accumulated profit carry forward amounts to Euro 13.103.836,51.“

The annual financial statements as of 31st of December 2016 were approved on the 29th of May 2017.

I confirm that the English version is a correct translation of the German disclosed financial report.


Dr. Eberhard Lüderitz
Managing Director

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