

Geneva, November 4, 2015

REPORT OF THE STATUTORY AUDITOR TO THE GENERAL MEETING OF ORPHÉE SA, PLAN-LES-OUATES

We have audited the content of sections 3 and 4 of the Remuneration Report dated November 4, 2015 of Orphée SA for the year ended December 31, 2014.

Board of Directors' responsibility

The Board of Directors is responsible for the preparation and overall fair presentation of the Remuneration Report in accordance with Swiss law and the Ordinance against Excessive Compensation in Stock Exchange Listed Companies (Ordinance). The Board of Directors is also responsible for designing the remuneration system and defining individual remuneration packages.

Auditor's responsibility

Our responsibility is to express an opinion on the accompanying Remuneration Report. We conducted our audit in accordance with Swiss Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Remuneration Report complies with Swiss law and articles 14–16 of the Ordinance.

An audit involves performing procedures to obtain audit evidence on the disclosures made in the Remuneration Report with regard to compensation, loans and credits in accordance with articles 14–16 of the Ordinance. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatements in the Remuneration Report, whether due to fraud or error. This audit also includes evaluating the reasonableness of the methods applied to value components of remuneration, as well as assessing the overall presentation of the Remuneration Report.

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

Opinion

In our opinion, the Remuneration Report dated November 4, 2015 of Orphée SA for the year ended December 31, 2014 complies with Swiss law and articles 14–16 of the Ordinance.

BERNEY & ASSOCIES SA
Société Fiduciaire



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Enclosure: Remuneration Report

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Remuneration Report for 2014 financial year

This Remuneration Report contains information about the remuneration principles, procedures and components for the members of the Board of Directors and the executive management.

1- Principles of Remuneration

The principles and procedures for the remuneration of the members of the Board of Directors and the executive management are outlined in articles 12, 17 and 18 of the articles of association. The Remuneration Committee discusses and prepares the resolutions concerning remuneration in view of their adoption by the Board of Directors and (if necessary) by the General Meeting of the Shareholders.

The members of the Board of Directors are remunerated via a fixed salary and flexible bonus payments which shall not exceed the amount of the total salary approved by the General Meeting of the Shareholders. Expenses are paid on an accrual basis only.

2- Approval of Remuneration

The total amounts of the remuneration of the members of the Board of Directors and the executive management is determined annually and prospectively by the General Meeting of the Shareholders while the Board of Directors retains the right to pass resolutions on the distribution of the remuneration at the request of the Remuneration Committee.

The General Meeting of the Shareholders passes separate resolutions on the fixed remuneration of the Board of Directors, the variable remuneration of the Board of Directors (if any), the fixed remuneration of the executive management and the variable remuneration of the executive management. The amounts thus resolved are binding on the Board of Directors.

3- Amounts Paid in Remuneration of the Board of Directors and the Executive Management

During the 2014 term the Board of Directors of Orphée SA was composed of the following persons:

1. Tomasz Tuora, Chairman of the Board, acting executive as Chief Executive Office;
2. Tadeusz Tuora, acting executive and responsible for finance and administration;
3. Domingo Dominguez, acting as executive and Chief Sales Officer;
4. Katarzyna Jackowska, acting as non-executive officer;
5. Piotr Skrzyński, acting as non-executive officer since September 17, 2014.

The members of the Board of Directors received a fixed remuneration in the total amount of CHF 319'118, above the limits of the resolutions of the General Meeting of the Shareholders providing for a maximum amount of the fixed remuneration for the Board of Directors of CHF 200'000.

In the same period the members of the Board of Directors received variable remuneration in the total amount of CHF 145'755, despite the limits of the resolutions of the General Meeting of the Shareholders provided for a maximum amount of the variable remuneration for the Board of Directors of CHF 30'000.

The total remuneration of the Board of Directors thus amounted to CHF 464'873.

During the 2014 term the members of the executive management received a fixed remuneration in the total amount of CHF 289'912, which exceeded the limits of CHF 240'000 approved by the resolutions of the General Meeting of the Shareholders.

In the same period the members of the executive management has not received variable remuneration in the form of cash payments, despite the limits of the resolutions of the General Meeting of the Shareholders provided for a maximum amount of the variable remuneration for the executive management of CHF 30'000.

The total remuneration of the executive management thus amounted to CHF 289'912.

No loans are outstanding to current or former members of the Board of Directors or the executive management. In addition, no remuneration, loans or credit are granted to persons related to the members of the Board of Directors or the executive management. No remuneration was paid to former members of the Board of Directors or the executive management.

The following persons were remunerated by the Company's subsidiaries for their roles at the boards of management (below values represent annual compensation):

Tomasz Tuora:

Orphée: EUR 60'000

Diesse: EUR 60'000

Kormej Diana: KBYR 73'996 (in thousands of BYR)

Orphée Technics: PLN 19'726

Tadeusz Tuora:

Orphée: EUR 60'000

Diesse: EUR 60'000

Innovation Enterprises: bonus of EUR 120'000 accrued at December 31, 2014 and paid in 2015.

Orphée Technics: PLN 21'441

Domingo Dominguez:

Orphée: CHF 292'912 (including employer's contribution to social insurances and pension benefits).

No remuneration from subsidiaries.

Piotr Skrzyński:

Orphée: CHF 3'000

No remuneration from subsidiaries.

Katarzyna Jackowska:

Orphée: CHF 3'000

No remuneration from subsidiaries.

NOTICE:

In addition it was made public that during the year of 2014 Tomasz Tuora executed, at his own discretion and without any formal approval and agreement of Board of Directors or Shareholders, number of money transfers to Planezza Ltd at Cyprus, in the aggregated amounts of CHF 5'786'750. According to publically available information Planezza Ltd is a company controlled by Tomasz Tuora. The total amount was returned to the Company in 2014. He did not, however, pay any interest nor any arrangement fee for the money used, despite the Company used loan facilities from Banque Cantonale de Genève in the same time. The legality of the money transfers to Planezza LTD by Tomasz Tuora is questioned and shall be subject to prosecution verification. The potential interest and arrangement fees for the money used by Tomasz Tuora constitute extra remuneration for him.

It is also notified that Tadeusz and Tomasz Tuora unilaterally withdrawn an amount of CHF 1'715'000 in 2015 without prior approval by the General Meeting of Shareholders. These amounts are formally objected by the current directors and by the significant shareholders. According to Tomasz and Tadeusz Tuora this amount was supposed to be retrospective remuneration for their services in Board of Directors during 2010-2013.

4- Remuneration of the members of the Board of Directors and the executive management not including amounts disclosed in the Notice above:

DATA in CHF for 2014 financial year
 2014 Average exchange rate €/CHF : 1.214629 (AFC source)
<http://www.oanda.com/lang/fr/currency/converter/>

Name	Remuneration for Director's roles incl subsidiaries		Remuneration for executive's roles incl subsidiaries		Total remuneration during the 2014 term
	Fixed Remuneration	Variable Remuneration	Fixed Remuneration	Variable Remuneration	
Tomasz Tuora	158'140	-	-	-	158'140
Tadeusz Tuora	151'978	145'755	-	-	297'733
Domingo Dominguez	3'000	-	289'912	-	292'912
Katarzyna Jackowska	3'000	-	-	-	3'000
Piotr Skrzynski	3'000	-	-	-	3'000
Total Remuneration paid by Company incl subsidiaries	319'118	145'755	289'912	-	754'785
Total budget approved by General Assembly of Shareholders	200'000	30'000	240'000	30'000	500'000

DATA in CHF for 2013 financial year
 2013 Average exchange rate €/CHF : 1.230793 (AFC source)
<http://www.oanda.com/lang/fr/currency/converter/>

Name	Remuneration for Director's roles incl subsidiaries		Remuneration for executive's roles incl subsidiaries		Total remuneration during the 2013 term
	Fixed Remuneration	Variable Remuneration	Fixed Remuneration	Variable Remuneration	
Tomasz Tuora	71'058	-	-	-	71'058
Tadeusz Tuora	64'540	-	24'000	-	88'540
Domingo Dominguez	3'000	-	282'045	-	285'045
Katarzyna Jackowska	3'000	-	-	-	3'000
Total Remuneration paid by Company incl subsidiaries	141'598	-	306'045	-	447'643
Total budget approved by General Assembly of Shareholders	In 2013 financial year there was no resolution of the General Assembly regarding the remuneration for the BoD and M. Domingo Dominguez remuneration was based on his labor agreement signed on August 30, 2007.				