

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K/A
Amendment No. 1

☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES ACT OF 1934

For the fiscal year ended September 30, 2015

OR
☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES ACT OF 1934

Commission File Number 001-37464



CEMTREX, INC.

(Exact name of small business issuer as specified in its charter)

Delaware
(State or other jurisdiction of incorporation or organization)

30-0399914
(I.R.S. Employer Identification No.)

19 Engineers Lane
Farmingdale, New York 11735
(Address, including zip code, of principal executive offices)

631-756-9116
(Issuer's telephone number)

Securities registered pursuant to Section 12(b) of the Act:

Title of Each Class	Name of Each Exchange on Which Registered
Common Stock, \$0.001 par value per share	NASDAQ CM

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K/A or any amendment to this Form 10-K/A. Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer ☐

Accelerated filer ☐

Non-accelerated filer ☐

Smaller reporting company ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of December 11, 2015, the number of the registrant's common stock held by non-affiliates of the registrant was 2,646,932 and the aggregate market value \$8,364,305 based on the average bid and asked price of \$3.16 on December 11, 2015.

As of August 19, 2016, the registrant had 9,410,947 shares of common stock outstanding.

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EXPLANATORY NOTE

Cemtrex, Inc. ("Cemtrex" or the "Company") is filing this Amendment No. 1 on Form 10-K/A (this "Amendment No. 1") to amend our Annual Report on Form 10-K for the year ended September 30, 2015, originally filed with the Securities and Exchange Commission (the "SEC") on December 21, 2015 (the "Original Filing"), in response to comments received from the Staff of the SEC in their letter dated May 9, 2016. In addition the Company added Note 3 – Liquidity to better reflect our liquidity position and made spelling and grammar corrections.

In accordance with Rule 12b-15 under the Securities Exchange Act of 1934, this Amendment also includes currently dated certifications from the Registrants' Chief Executive Officer and Chief Financial Officer as required by Section 302 of the Sarbanes-Oxley Act of 2002. This Amendment speaks only to the original filing date of the Original Filing and, except for those items discussed in this Explanatory Note, does not change any of the other disclosure contained in the Original Filing. This Amendment, together with the Original Filing, constitutes the Registrants' Annual Report on Form 10-K for the fiscal year ended September 30, 2015.

This Amendment does not reflect events after the filing of the Original Filing or modify or update those disclosures affected by subsequent events. Therefore, you should read this Amendment together with the other reports of the Registrants that update and supersede the information contained in this Amendment

FORWARD-LOOKING STATEMENTS

Statements in this report may be “forward-looking statements.” Forward-looking statements include, but are not limited to, statements that express our intentions, beliefs, expectations, strategies, predictions or any other statements relating to our future activities or other future events or conditions. These statements are based on current expectations, estimates and projections about our business based, in part, on assumptions made by management. These statements are not guarantees of future performance and involve risks, uncertainties and assumptions that are difficult to predict. Therefore, actual outcomes and results may, and are likely to, differ materially from what is expressed or forecasted in the forward-looking statements due to numerous factors, including those described above and those risks discussed from time to time in this report, including the risks described under “Risk Factors” and any risks described in any other filings we make with the SEC. Any forward-looking statements speak only as of the date on which they are made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of this report.

Management’s discussion and analysis of financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. On an on-going basis, we evaluate these estimates, including those related to useful lives of real estate assets, cost reimbursement income, bad debts, impairment, net lease intangibles, contingencies and litigation. We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. There can be no assurance that actual results will not differ from those estimates.

Part I.

Item 1. BUSINESS

The Company was incorporated on April 27, 1998, in the state of Delaware under the name “Diversified American Holdings, Inc.” The Company subsequently changed its name to “Cemtrex Inc.” on December 16, 2004. Unless the context requires otherwise, all references to “we”, “our”, “us”, “Company”, “registrant”, “Cemtrex” or “management” refer to Cemtrex, Inc. and its subsidiaries. Cemtrex is a leading diversified technology company that operates in a wide array of business segments and provides solutions to meet today’s industrial and manufacturing challenges. The Company provides electronic manufacturing services of advanced electric system assemblies, provides instruments & emission monitors for industrial processes, and provides industrial air filtration & environmental control systems.

On October 31, 2013, the Company completed the acquisition of the privately held ROB Group, a leader in electronics manufacturing solutions located in Neulingen, Germany. The ROB Group, founded in 1989, consisted of 4 distinct operating companies, forming a complete electronics design, manufacturing, assembly, and cabling solutions provider that serves the electronics and cabling needs of some of the largest companies in the world in the Medical, Automation, Industrial, and Renewable Energy industries. ROB Group also has a manufacturing facility in Sibiu, Romania. The ROB Group was restructured under ROB Cemtrex GmbH and now operates as a subsidiary of Cemtrex, Inc. (see NOTE 11).

Electronics Manufacturing Services (EMS)

Cemtrex, through its Electronics Manufacturing Services (EMS) group, provides end to end electronic manufacturing services, which includes product design and sustaining engineering services, printed circuit board assembly and production, cabling and wire harnessing, systems integration, comprehensive testing services and completely assembled electronic products.

Cemtrex's EMS group works with industry leading OEMs in their outsourcing of non-core manufacturing services by forming a long term relationship as an electronics manufacturing partner. We work in close relationships with our customers throughout the entire electronic life of a product, from design, manufacturing, and distribution. We seek to grow our business through the addition of new, high quality customers, the expansion of our share of business with existing customers, and participating in the growth of existing customers.

Using our manufacturing capabilities, we are able to provide our customers with advanced product assembly and system level integration combined with test services to meet the highest standards of quality. Through our agile manufacturing environment we can deliver low and medium volume and mix services to our clients. Additionally we design, develop, and manufacture various interconnects and cable assemblies that often are sold in conjunction with our PCBAs to enhance our value to our customers. The Company also provides engineering services from new product introductions and prototyping, related testing equipment, to product redesigns.

Our ability to attract and retain new customers comes from our ongoing commitment to understanding our customers' business performance requirements and our expertise in meeting or exceeding these requirements and enhancing their competitive edge. We work closely with our customers from an operational and senior executive level in order to achieve a deep understanding of our customer's goals, challenges, strategies, operations, and products to ultimately build a long lasting successful relationship.

Environmental Products & Systems (EPS)

Cemtrex, through its Environmental Products and Systems group, sells a complete line of air filtration and environmental control products to a wide variety of industrial and manufacturing industries worldwide. The group also manufactures, sells, and services monitoring instruments, software and systems for measurement of emissions of Greenhouse gases, hazardous gases, particulate and other regulated pollutants used in emissions trading globally as well as for industrial processes. The Company also markets monitoring and analysis equipment for gas and liquid measurement for various downstream oil & gas applications as well as various industrial process applications.

The Company, under the Griffin Filters brand, provides a complete line of air filtration and environmental control equipment to industries such as: chemical, cement, steel, food, construction, mining, & petrochemical. This equipment is used to: (i) remove dust, corrosive fumes, mists, hydrocarbons, volatile organic compounds, submicron particles and particulate from industrial exhausts and boilers; (ii) clean noxious and acid gases such as sulfur dioxide, hydrogen chloride, hydrogen sulfide, chlorides, and organics from industrial exhaust stacks prior to discharging to the atmosphere; and (iii) control emissions of coal, dust, sawdust, phosphates, fly ash, cement, carbon black, soda ash, silica, etc. from construction facilities, mining operations and dryer exhausts.

Company through its Monitoring Instruments and Products (MIP) group manufactures and sells advanced instruments for emissions monitoring, process analysis, and controls for industrial applications and compliance with environmental regulations. MIP emission monitoring systems are installed at the exhaust stacks of industrial facilities and are used to measure the outlet flue gas concentrations of a range of regulated air pollutants to determine the quality of the air we breathe. Through use of the company's equipment and instrumentation, Cemtrex clients can monitor the exhausts to the atmosphere from their facilities and comply with Environmental Protection Agency and state and local emission regulations on dust, particulate, fumes, acid gases and other regulated pollutants into the atmosphere.

MIP's Laser Opacity monitor is used to determine opacity or dust concentration in stack gases. Cemtrex also provides direct-extractive and dilution-extractive CEMS (continuous emissions monitoring solutions) equipment and systems for use with utilities, industrial boilers, FGD systems, SCR-NOx control, furnaces, gas turbines, process heaters, incinerators in industries such as: chemicals, pulp and paper, steel, power, coal and petrochemical along with municipalities, state and federal governments. The Company provides a single source responsibility for design, engineering, assembly, installation and maintenance of systems to its customers. The Company's products are designed to operate so as to allow its users to determine their compliance with the latest governmental emissions regulations.

Cemtrex's MIP division also markets a range of crude oil and natural gas analyzers. These products provide real time measurement of various properties specific to the refining processes of oil and gas. Some of the properties include RON, salt and water content, pH, viscosity, and other critical parameters that can be used to improve the blending and refining processes. The analyzers are sold by refineries and similar facilities to optimize the yield of blended and refined product.

SUPPLIERS

The Company is not dependent on, nor expects to become dependent on, any one or a limited number of suppliers. The Company buys parts and components to assemble and manufacture its equipment and products. The Company also utilizes sub-suppliers and third party vendors to procure from or fabricate its components based on its design, engineering and specifications. The Company also enters into subcontracts for field installation, which the Company supervises; and the Company manages all technical, physical and commercial aspects of the performance of the Company contracts. To date, the Company has not experienced difficulties either in obtaining fabricated components and other materials and parts or in obtaining qualified subcontractors for installation work.

PARTS, REPAIR AND REFURBISHMENT SERVICES

The Company also provides replacement and spare parts and repair and refurbishment services for all its systems following the expiration of the warranties which generally range up to 12 months. The Company has experienced only minimal costs from its warranties.

The Company's standard terms of sale disclaim any liability for consequential or indirect losses or damages stemming from any failure of its products or systems or any component thereof. The Company seeks indemnification from its subcontractors for any loss, damage or claim arising from the subcontractors' failure to perform.

COMPETITION

The Company faces substantial competition in each of its principal markets. Most of its competitors are larger and have greater financial resources than the Company; several are divisions of multi-national companies. The Company competes on the basis of price, engineering and technological expertise, know-how and the quality of its products, systems and services. Additionally, the Company's management believes that the successful delivery, installation and performance of the Company's products and systems is a key factor in gaining business as customers typically prefer to make significant purchases from a company with a solid performance history.

The Company obtains virtually all its contracts through competitive bidding. Although price is an important factor and may in some cases be the governing factor, it is not always determinative, and contracts are often awarded on the basis of the efficiency or reliability of products and the engineering and technical expertise of the bidder. Several companies market products that compete directly with Company's products. Other companies offer products that potential customers may consider to be acceptable alternatives to Company's products and services. The Company faces direct competition from companies with far greater financial, technological, manufacturing and personnel resources.

INTELLECTUAL PROPERTY

Over the years, the Company has developed proprietary technologies that gives it an edge in competing with its competitors. Thus, the Company relies on a combination of trade secrets and know-how to protect its intellectual property.

MARKETING

The Company sells its products globally and relies on direct sales force, manufacturing representatives, distributors, commission sales agents, magazine advertisements, internet advertising, trade shows, trade directories and catalogue listings to market its products and services. The Company uses independent sales representatives in the United States backed by its sales management and technical professionals. The Company's arrangements with independent sales representatives accord each a defined territory within which to sell some or all of its products and systems, provide for the payment of agreed-upon sales commissions and are terminable at will. The Company's sales representatives do not have authority to execute contracts on the Company's behalf.

The Company's sales representatives also serve as ongoing liaison function between Company and its customers during the installation phase of the products and systems and address customers' questions or concerns arising thereafter. The Company selects representatives based upon industry reputation, prior sales performance including number of prospective leads generated and sales closure rates, and the breadth of territorial coverage, among other criteria.

Technical inquiries received from potential customers are referred to the engineering personnel. Thereafter, the Company's sales and engineering personnel jointly prepare a budget proposal, or a final bid. The period between initial customer contact and issuance of an order is generally between two and twelve months.

CUSTOMERS

The Company's principal customers are engaged in automotive, medical, industrial automation, refining, power, chemical, mining, and metallurgical processing. Historically, most of the customers have purchased individual products or systems which, in many instances, operate in conjunction with products and systems supplied by others. For several years, the Company has marketed its products as integrated custom engineered systems and solutions. No one single customer accounts for more than 10% of its annual sales.

For the EPS group, the Company is responsible to its customers for all phases of the design, assembly, supply and, if included, field installation of its products and systems. The successful completion of a project is generally determined by a successful operational test of the supplied equipment conducted by our field service technician in the presence of the customer.

For the EMS group, the company is responsible for the production, supply, and delivery of products to its customers. In order to satisfy customer orders, the Company must consistently meet production deadlines and maintain a high standard of quality.

INSURANCE

The Company currently maintains different types of insurance, including general liability and property coverage. The Company also maintains product liability insurance with respect to its products and equipment. Management believes that the insurance coverage that it has is adequate for its current business needs.

EMPLOYEES

The Company employs approximately 244 people as of December 11, 2015, including 35 engaged in engineering, 160 in manufacturing and 49 in administrative and marketing functions.

GOVERNMENT REGULATION

The Company's operations are subject to certain foreign, federal, state and local regulatory requirements relating to, among others, environmental, waste management, labor and health and safety matters. Management believes that the Company's business is operated in material compliance with all such regulations.

Management believes that the existence of governmental regulations creates demand for Company's emission monitoring equipment and environmental control systems. Significant environmental laws, particularly the Federal Clean Air Act, have been enacted in response to public concern about the environment. The Company believes that compliance with and enforcement of these laws and regulations create the demand for its environmental control related products and systems. The Federal Clean Air Act, initially adopted in 1970 and extensively amended in 1990, requires compliance with ambient air quality standards and empowers the EPA to establish and enforce limits on the emission of various pollutants from specific types of industrial facilities. States have primary responsibility for implementing these standards, and, in some cases, have adopted more stringent standards.

ITEM 1A. RISK FACTORS

Investing in our common stock involves a high degree of risk. You should consider carefully the risks and uncertainties described below, together with all of the other information in this report, including the consolidated audited financial statements and the related notes appearing at the end of this annual report on Form 10-K/A, with respect to any investment in shares of our common stock. If any of the following risks actually occurs, our business, financial condition, results of operations and future prospects would likely be materially and adversely affected. In that event, the market price of our common stock could decline and you could lose all or part of your investment. These statements, like all statements in this report, speak only as of the date of this report (unless another date is indicated) and we undertake no obligation to update or revise the statements in light of future development.

RISKS RELATED TO OUR BUSINESS

We are substantially dependent upon the success and market acceptance of our technology.

The failure of the emissions monitoring and controls market to develop as we anticipate, would adversely affect our environmental control products business.

The Company's success is largely dependent on increased market acceptance of our emission monitoring equipment and control systems.

If acceptance of emissions monitoring equipment does not continue to grow, then the Company's revenues may be significantly reduced.

The Company's ability to secure and maintain sufficient credit arrangements is key to its continued operations.

There is no assurance that the Company will be able to retain or renew its credit agreements and other finance agreements in the future. In the event the business grows rapidly, the uncertain economic climate continues or the Company considers another acquisition, additional financing resources could be necessary in the current or future fiscal years. There is no assurance that the Company will be able to obtain equity or debt financing at acceptable terms, or at all in the future.

Adverse changes in the economy or political conditions could negatively impact the Company's business, results of operations and financial condition.

The Company's sales and gross margins depend significantly on market demand for its customers' products. The uncertainty in the U.S. and international economic and political environment could result in a decline in demand for our customers' products in any industry. Further, any adverse changes in tax rates and laws affecting our customers could result in decreasing gross margins. Any of these factors could negatively impact the Company's business, results of operations and financial condition.

Most of the Company's customers do not commit to long-term production schedules, which makes it difficult to schedule production and achieve maximum efficiency at the Company's manufacturing facilities and to manage inventory levels.

The volume and timing of sales to the Company's customers may vary due to:

- (i) customers' attempts to manage their inventory*
- (ii) variation in demand for the Company's customers' products design changes, or*
- (iii) acquisitions of or consolidation among customers*

Many of the Company's customers do not commit to firm production schedules. The Company's inability to forecast the level of customer orders with certainty can make it difficult to schedule production and maximize utilization of manufacturing capacity and manage inventory levels. The Company could be required to increase or decrease staffing and more closely manage other expenses in order to meet the anticipated demand of its customers. Orders from the Company's customers could be cancelled or delivery schedules could be deferred as a result of changes in its customers' demand, thereby adversely affecting the Company's results of operations, and resulting in higher inventory levels.

The Company's customers have competitive challenges, including rapid technological changes, pricing pressure and decreasing demand from their customers, which could adversely affect their business and the Company's.

Factors affecting the industries that utilize our customers' products could negatively impact our customers and the Company. These factors include:

- (i) increased competition among our customers and their competitors*
- (ii) the inability of our customers to develop and market their products*
- (iii) recessionary periods in our customers' markets*
- (iv) the potential that our customers' products become obsolete*
- (v) our customers' inability to react to rapidly changing technology*
- (vi) pay for our products, which could, in turn, affect the Company's results of operations.*

If we are unable to develop new products, our competitors may develop and market products with better features that may reduce demand for our potential products.

The Company may not be able to introduce any new products or any enhancements to its existing products on a timely basis, or at all. In addition, the introduction by the Company of any new products could adversely affect the sales of certain of its existing products. If the Company's competitors develop innovative emissions testing technology that are superior to the Company's products or if the Company fails to accurately anticipate market trends and respond on a timely basis with its own innovations, the Company may not achieve sufficient growth in its revenues to attain profitability.

Even though we have a profit for the fiscal year ending September 30, 2015, and we may not incur profit for the foreseeable future.

We continue to incur significant expenditures related to selling and marketing and general and administrative activities as well as capital expenditures and anticipate that our expenses may increase in the foreseeable future as we expand our business. Further, as a public company we will also incur significant legal, accounting and other expenses that we may not incur as a private company. To maintain profitability, we will need to generate significant additional revenues with significantly improved gross margins. It is uncertain whether we will be able to maintain our profitability.

The Company faces constant changes in governmental standards by which our environmental control products are evaluated.

The Company believes that, due to the constant focus on the environment and clean air standards throughout the world, a requirement in the future to adhere to new and more stringent regulations both domestically and abroad is possible as governmental agencies seek to improve standards required for certification of products intended to promote clean air. In the event our products fail to meet these ever-changing standards, some or all of our environmental control products may become obsolete.

The future growth of our environmental control business depends, in part, on enforcement of existing emissions-related environmental regulations and further tightening of emission standards worldwide.

The Company expects that the future environmental control products business growth will be driven, in part, by the enforcement of existing emissions-related environmental regulations and tightening of emissions standards worldwide. If such standards do not continue to become stricter or are loosened or are not enforced by governmental authorities, it could have a material adverse effect on our business, operating results, financial condition and long-term prospects.

We may incur substantial costs enforcing our proprietary information, defending against third-party patents, invalidating third-party patents or licensing third-party intellectual property, as a result of litigation or other proceedings relating to patent and other intellectual property rights.

The Company considers its technology and procedures proprietary. In particular, the Company depends substantially on its flexibility to develop custom engineered solutions for various applications and be responsive to customer needs.

The Company may be notified of claims that it has infringed a third party's intellectual property. Even if such claims are not valid, they could subject the Company to significant costs. In addition, it may be necessary in the future to enforce the Company's intellectual property rights to determine the validity and scope of the proprietary rights of others. Litigation may also be necessary to defend against claims of infringement or invalidity by others. An adverse outcome in litigation or any similar proceedings could force the Company to take actions that could harm its business. These include: (i) ceasing to sell products that contain allegedly infringing property; (ii) obtaining licenses to the relevant intellectual property which the Company may not be able to obtain on terms that are acceptable, or at all; (iii) indemnifying certain customers or strategic partners if it is determined that the Company has infringed upon or misappropriated another party's intellectual property; and (iv) redesigning products that embody allegedly infringing intellectual property. Any of these results could adversely affect the Company's business, financial condition and results of operations. In addition, the cost of defending or asserting any intellectual property claim, both in legal fees and expenses, and the diversion of management resources, regardless of whether the claim is valid, could be significant.

Product defects could cause the Company to incur significant product liability, warranty, repair and support costs and damage its reputation which would have a material adverse effect on its business.

Although the Company rigorously tests its products, defects may be discovered in future or existing products. These defects could cause the Company to incur significant warranty, support and repair costs and divert the attention of its research and development personnel. It could also significantly damage the Company's reputation and relationship with its distributors and customers which would adversely affect its business. In addition, such defects could result in personal injury or financial or other damages to customers who may seek damages with respect to such losses. A product liability claim against the Company, even if unsuccessful, would likely be time consuming and costly to defend.

The markets in which we operate are highly competitive, and many of our competitors have significantly greater resources than we do.

There is significant competition among companies that provide emissions monitoring systems. Several companies market products that compete directly with our products. Other companies offer products that potential customers may consider to be acceptable alternatives to our products and services. We face direct competition from companies with far greater financial, technological, manufacturing and personnel resources.

The Company's results may fluctuate due to certain regulatory, marketing and competitive factors over which we have little or no control.

The factors listed below, some of which we cannot control, may cause our revenue and results of operations to fluctuate significantly:

- (i) The existence and enforcement of government environmental regulations. If these regulations are not maintained or enforced then the market for Company's products could deteriorate;*
- (ii) Retaining and keeping qualified employees and management personnel;*
- (iii) Ability to upgrade our products to keep up with the changing market place requirements; Ability to keep up with our competitors who have much higher resources than us;*

- (iv) *Ability to find sub-suppliers and sub-contractors to assemble and install our products;*
- (v) *General economic conditions of the industry and the ability of potential customers to spend money on setting up new industries that require our products;*
- (vi) *Ability to maintain or raise adequate working capital required for the operations and future growth; and*
- (vii) *Ability to retain our CEO and other senior key personnel.*

The loss of our senior management and failure to attract and retain qualified personnel in a competitive labor market could limit our ability to execute our growth strategy, resulting a slower rate of growth.

We depend on the continued service of our senior management. Due to the nature of our business, we may have difficulty locating and hiring qualified personnel and retaining such personnel once hired. The loss of the services of any of our key personnel, or our failure to attract and retain other qualified and experienced personnel on acceptable terms, could limit our ability to execute our growth strategy resulting in a slower rate of growth.

General economic downturns in general would have a material adverse effect on the Company's business, operating results and financial condition.

The Company's operations may in the future experience substantial fluctuations from period to period as a consequence of general economic conditions affecting consumer spending. Therefore, any economic downturns in general would have a material adverse effect on the Company's business, operating results and financial condition.

We are exposed to risks associated with operating internationally.

A significant portion of our business is conducted internationally. Consequently, we are subject to a variety of risks that are specific to international operations, including the following:

- (i) *compliance with the U.S. Foreign Corrupt Practices Act;*
- (ii) *compliance with the anti-corruption laws of other jurisdictions in which we operate;*
- (iii) *contract award and funding delays;*
- (iv) *potential restrictions on transfers of funds;*
- (v) *foreign currency fluctuations;*
- (vi) *import and export duties and value added taxes;*
- (vii) *uncertainties arising from foreign local business practices and cultural considerations; and*
- (viii) *potential military conflicts, civil strife and political risks.*

Our growth strategy includes acquisitions of other businesses.

The Company may incur costs and liabilities or experience other unexpected consequences which may adversely affect our operating results and financial condition. In addition to internal or organic growth, our current strategy involves growth through acquisitions of complementary businesses, as well as growth from acquisitions that would diversify our current product offerings. Like other companies with similar growth strategies, we may be unable to successfully implement our growth strategy, as we may be unable to identify suitable acquisition candidates, obtain acceptable financing, or consummate any future acquisitions. We frequently engage in evaluations of potential acquisitions and negotiations for possible acquisitions, certain of which, if consummated, could significantly enhance the Company's competitive position. Although it is our general objective only to acquire those companies which will be accretive to both earnings and cash flow, any potential acquisitions may result in material transaction expenses, increased interest and amortization expense, increased depreciation expense and increased operating expense, any of which could have a material adverse effect on our operating results. Acquisitions will require integration and management of the acquired businesses to realize economies of scale and control costs. In addition, acquisitions may involve other risks, including diversion of management resources otherwise available for ongoing development of our business and risks associated with entering new markets. Future acquisitions may also result in potential dilution of the Company's securities. Consummation of acquisitions may subject the Company to unanticipated business uncertainties or legal liabilities relating to those acquired businesses for which the sellers of the acquired businesses may not fully indemnify us.

RISKS RELATED TO INVESTMENT IN THE COMMON STOCK OF THE COMPANY

The Company's Common Stock currently trades on the NASDAQ under the symbol "CETX". There can be no assurance that the Company's shares will continue to trade on NASDAQ in the future, and there can be no assurance that an active trading market will develop or be sustained. The market price of the shares of Common Stock is likely to be highly volatile and may be significantly affected by factors such as actual or anticipated fluctuations in the Company's operating results, announcements of technological innovations, new products or new contracts by the Company or its competitors, developments with respect to proprietary rights, adoption of new government regulations affecting the environment, general market conditions and other factors. In addition, the stock market has from time to time experienced significant price and volume fluctuations that have particularly affected the market price for the common stocks of technology companies. These types of broad market fluctuations may adversely affect the market price of the Company's common stock.

Our common stock has from time to time been "thinly-traded."

The number of persons interested in purchasing our common stock at or near ask prices at any given time may be relatively small or non-existent. Therefore, stockholders may be unable to sell at or near ask prices or at all if they need to sell shares to raise money or otherwise desire to liquidate their shares. Our "thinly-traded" stock is attributable to a number of factors, including the fact that we are a small company that is relatively unknown to stock analysts, stock brokers, institutional investors and others in the investment community that generate or influence sales volume, and that even if we came to the attention of such persons, they tend to be risk-averse and would be reluctant to follow an unproven company such as ours or purchase or recommend the purchase of our shares until such time as we become more seasoned and viable. As a consequence, there may be periods of several days or more when trading activity in our shares is minimal or non-existent, as compared to a seasoned issuer which has a large and steady volume of trading activity that will generally support continuous sales without an adverse effect on share price. We cannot give stockholders any assurance that a broader or more active public trading market for our common shares will develop or be sustained, or that current trading levels will be sustained.

We do not anticipate paying any dividends.

No dividends have been paid on the common stock of the Company. The Company does not intend to pay cash dividends on its common stock in the foreseeable future, and anticipates that profits, if any, received from operations will be devoted to the Company's future operations. Any decision to pay dividends will depend upon the Company's profitability at the time, cash available and other relevant factors.

Our principal shareholder has significant influence over our Company which could make it impossible for the public stockholders to influence the affairs of the Company.

We are a "Controlled Company" under exchange listing rules. Approximately 60.0% of our outstanding voting equity is beneficially held by combination of Aron Govil, the Company's former Chairman of the Board, and Saagar Govil the Company's CEO, as a result of this common stock ownership and the Series A preferred stock ownership by Mr. Aron Govil, the Company's management controls and will control in the future, substantially all matters requiring approval by the stockholders of the Company, including the election of all directors and approval of significant corporate transactions. This makes it impossible for the public stockholders to influence the affairs of the Company.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

The Company has the following properties:

The Company leases its principal office at Farmingdale, New York, 4,000 square feet of office and warehouse/shop space in a single story commercial structure on a month to month lease from Ducon Technologies Inc., at a monthly rental of \$4,000.

The Company's Environmental Products and Services Group leases (i) approx. 5,000 sq. ft. of office and warehouse space in Liverpool, New York from a third party in a five year lease at a monthly rent of \$2,200 expiring on March 31, 2018, (ii) approximately 2000 square feet of office on a month to month rental from a third party in Hong Kong at a monthly rental of \$4,133.00 and (iii) approximately 1500 square feet of office on a month to month rental from a third party in Navi Mumbai, India at a monthly rental of \$600.00.

The Company through its Electronics Manufacturing Services Group owns a 70,000 sq. ft. manufacturing building in Neulingen, Germany which has a 17 year 3.00% interest mortgage with monthly mortgage payments of €25,000, through March 2031. The Electronics Manufacturing Services Group also rents a 10,000 sq. ft. manufacturing facility in Sibiu, Romania from a third party in a ten year lease at a monthly rent of €8,000 expiring on May 31, 2019.

ITEM 3. LEGAL PROCEEDINGS

None.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

The Company's Common Stock currently trades on the NASDAQ Capital Markets under the symbol "CETX".

As of December 11, 2015, there were approximately 818 holders of record of the Company's common stock as determined from the Company's transfer agent's list. Such list also includes beneficial owners of securities whose shares are held in the names of various dealers and clearing agencies.

The Company is authorized to issue 20,000,000 shares of common stock, \$0.001 par value per share. On December 11, 2015, there were 7,585,267 shares of common stock issued and outstanding and 1,000,000 shares of Series A preferred stock issued or outstanding.

On April 3, 2015 Centrex, Inc. (the "Company") adopted a Shareholder Resolution to permit the Company's Board of Directors, in its sole discretion, to file a Certificate of Amendment to the Company's Amended and Restated Certificate of Incorporation, as amended (the "Charter Amendment"), to effect a 1-for-6 reverse split of the outstanding shares of the Company's common stock (the "Reverse Stock Split").

On April 6, 2015, the Company filed the Charter Amendment with the Delaware Secretary of State to effect the Reverse Stock Split. As a result, every six outstanding shares of the Company's common stock combined automatically into one share of common stock. Each stockholder's percentage ownership in the Company and proportional voting power remains unchanged after the Reverse Stock Split, except for minor changes and adjustments resulting from the treatment of fractional shares.

On April 14, 2015, the Company announced that it had effected the Reverse Stock Split and that trading in its common stock on the New York Stock Exchange on a split-adjusted basis would begin on the morning of April 15, 2015.

On June 25, 2015 the Company's common stock commenced trading on the NASDAQ Capital Markets under the symbol "CETX". Prior to June 25, 2015 the Company's Common Stock traded on the over-the-counter bulletin board trading system. The price ranges presented below represent the highest and lowest quoted bid prices during the calendar quarters for 2013, 2014 and 2015 reported by the exchange and converted based on the one-for-six reverse stock split. The quotes represent prices between dealers and do not reflect mark-ups, markdowns or commissions and therefore may not necessarily represent actual transactions.

Cemtrex, Inc. and Subsidiaries

Year	Period	Stock Price	
2015	4th Quarter	\$ 4.35	\$ 2.23
	3rd Quarter	\$ 5.40	\$ 2.70
	2nd Quarter	\$ 4.20	\$ 2.58
	1st Quarter	\$ 4.74	\$ 3.60
2014	4th Quarter	\$ 6.24	\$ 4.38
	3rd Quarter	\$ 6.00	\$ 3.00
	2nd Quarter	\$ 3.30	\$ 1.68
	1st Quarter	\$ 2.58	\$ 0.84
2013	4th Quarter	\$ 0.84	\$ 0.48
	3rd Quarter	\$ 0.96	\$ 0.48
	2nd Quarter	\$ 0.96	\$ 0.54
	1st Quarter	\$ 1.20	\$ 0.72

As reported by NASDAQ Capital Markets, on December 11, 2015 the closing sales price of the Company's Common Stock was \$3.16 per share.

Dividend Policy

The Company has not declared or paid any cash dividends on its common stock nor does it anticipate paying any in the foreseeable future. Furthermore, the Company expects to retain any future earnings to finance its operations and expansion. The payment of cash dividends in the future will be at the discretion of its Board of Directors and will depend upon its earnings levels, capital requirements, any restrictive loan covenants and other factors the Board considers relevant.

ITEM 6. SELECTED FINANCIAL DATA

Not required for Smaller Reporting Companies

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Except for historical information contained in this report, the matters discussed are forward-looking statements that involve risks and uncertainties. When used in this report, words such as "anticipates", "believes", "could", "estimates", "expects", "may", "plans", "potential" and "intends" and similar expressions, as they relate to the Company or its management, identify forward-looking statements. Such forward-looking statements are based on the beliefs of the Company's management, as well as assumptions made by and information currently available to the Company's management. Among the factors that could cause actual results to differ materially are the following: the effect of business and economic conditions; the impact of competitive products and their pricing; unexpected manufacturing or supplier problems; the Company's ability to maintain sufficient credit arrangements; changes in governmental standards by which our environmental control products are evaluated and the risk factors reported from time to time in the Company's SEC reports, including its recent report on Form 10-K/A. The Company undertakes no obligation to update forward-looking statements as a result of future events or developments.

Overview

The Company was incorporated on April 27, 1998, in the state of Delaware under the name "Diversified American Holdings, Inc." The Company subsequently changed its name to "Cemtrex Inc." on December 16, 2004. Unless the context requires otherwise, all references to "we", "our", "us", "Company", "registrant", "Cemtrex" or "management" refer to Cemtrex, Inc. and its subsidiaries. Cemtrex is a leading diversified technology company that operates in a wide array of business segments and provides solutions to meet today's industrial and manufacturing challenges. The Company provides electronic manufacturing services of advanced electronics system assemblies, provides instruments & emission monitors for industrial processes, and provides industrial air filtration & environmental control systems.

Cemtrex Inc. (“Cemtrex” or the “Company”) is a world leading diversified industrial and manufacturing company offering a wide array of solutions around the world to meet today’s technological challenges. Cemtrex, through its wholly owned subsidiaries provides manufacturing services of advanced custom engineered electronic assemblies, emission monitors & instruments for industrial processes, and environmental control & air filtration systems for industries & utilities.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The following discussion and analysis is based upon our consolidated financial statements which have been prepared in accordance with accounting principles generally accepted in the United States of America. The preparation of our financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues and expenses, and assets and liabilities during the periods reported. Estimates are used when accounting for certain items such as revenues, allowances for returns, early payment discounts, customer discounts, doubtful accounts, employee compensation programs, depreciation and amortization periods, taxes, inventory values, and valuations of investments, goodwill, other intangible assets and long-lived assets. We base our estimates on historical experience, where applicable and other assumptions that we believe are reasonable under the circumstances. Actual results may differ from our estimates under different assumptions or conditions. We believe that the following critical accounting policies affect our more significant judgments and estimates used in preparation of our consolidated financial statements.

We maintain allowances for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. We base our estimates on the aging of our accounts receivable balances and our historical write-off experience, net of recoveries.

We value our inventories at the lower of cost or market. We write down inventory balances for estimated obsolescence or unmarketable inventory equal to the difference between the cost of the inventory and the estimated market value based upon assumptions about future demand and market conditions.

Goodwill is reviewed for possible impairment at least annually or more frequently upon the occurrence of an event or when circumstances indicate that the Company’s carrying amount is greater than the fair value. In accordance with SFAS 142, the Company examined goodwill for impairment and determined that the Company’s carrying amount did not exceed the fair value, thus, there was no impairment.

Generally, sales are recognized when shipments are made to customers. Rebates, allowances for damaged goods and other advertising and marketing program rebates are accrued pursuant to contractual provisions and included in accrued expenses. Certain amount of our revenues fall under the percentage-of-completion method of accounting used for long-term contracts. Under this method, sales and gross profit are recognized as work is performed based on the relationship between actual costs incurred and total estimated costs at completion. Sales and gross profit are adjusted prospectively for revisions in estimated total contract costs and contract values. Estimated losses are recorded when identified.

In countries in which the Company operates, and the functional currency is other than the U.S. dollar, assets and liabilities are translated using published exchange rates in effect at the consolidated balance sheet date. Revenues and expenses and cash flows are translated using an approximate weighted average exchange rate for the period. Resulting translation adjustments are recorded as a component of accumulated other comprehensive income on the accompanying consolidated balance sheet.

Results of Operations - For the fiscal years ending September 30, 2015 and 2014

Total revenue for the years ended September 30, 2015 and 2014 was \$56,887,389 and \$47,653,114, respectively, an increase of \$9,234,275, or 19%. Net income for years ended September 30, 2015 and 2014 was \$2,838,116 and \$2,668,886, respectively, an increase of \$169,230, or 6%. Net income in this period as compared to the previous one was higher as a result of higher overall sales. Environmental products and systems revenues increased by \$13,979,513 during fiscal 2015 as compared to fiscal 2014 primarily due to increased orders received by the Company from Southeast Asian markets. Electronics manufacturing services revenues decreased by \$4,745,238 during fiscal 2015 as compared to fiscal 2014 primarily due to the drop in the currency exchange rate between US Dollar and the Euro.

Centrex, Inc. and Subsidiaries

Gross Profit for the year ended September 30, 2015 was \$16,322,570 or 29% of revenues as compared to gross profit of \$15,595,268 or 33% of revenues for the year ended September 30, 2014. The decrease in gross profit percentage in the year ended September 30, 2015 was a direct result of lower profit margin projects executed during this period as compared to the prior year. The higher dollar amount of gross profit during fiscal 2015 was due to higher overall revenue.

Operating expenses for the year ended September 30, 2015 increased \$1,239,474 or 10% to \$13,821,546 from \$12,582,072 for the year ended September 30, 2014. Operating expenses as a percentage of revenue decreased in the year ended September 30, 2015 to 24% from 26% in the year ended September 30, 2014. The increases in operating expenses were primarily due to an increase in Company's overall revenue and acquisition related expenses incurred by the Company during fiscal year 2015.

Other Income/(Expense)

Interest and other income/(expense) for the fiscal year of 2015 was \$338,009 as compared to \$(283,348) for the fiscal year of 2014. The change to income was due primarily to forgiveness of third party debt to ROB Systems.

Provision for Income Taxes

During the fiscal year of 2015 we recorded an income tax provision of \$917 compared to \$60,962 for the fiscal year of 2014. The provision for income tax is based upon the projected income tax from the Company's various international subsidiaries that are subject to foreign income taxes.

Net Income

The Company had net income of \$2,838,116 or 5% of revenues, for the year ended September 30, 2015 as compared to a net income of \$2,668,886 or 6% of revenues, for the year ended September 30, 2014. Net income for the year increased, as compared to net income for last year, due to higher overall sales of environmental equipment. The net income percentage in the period as compared to the previous one was lower as a result of lower sales in electronic manufacturing.

Effects of Inflation

The Company's business and operations have not been materially affected by inflation during the periods for which financial information is presented.

Liquidity and Capital Resources

Working capital was \$4,693,904 at September 30, 2015 compared to \$5,276,633 at September 30, 2014. This includes cash and cash equivalent of \$1,486,737 at September 30, 2015 and \$146,095 at September 30, 2014, respectively. The decrease in working capital was primarily due to the increase in accounts payable attributed to higher overall sales of environmental equipment and the issuance of convertible notes payable.

Accounts receivable increased \$732,704 or 18% to \$4,771,044 at September 30, 2015 from \$4,038,340 at September 30, 2014. The increased in accounts receivables is attributable to timing of shipments and collection of accounts receivable.

Inventories increased \$99,189 or 2% to \$6,369,516 at September 30, 2015 from \$6,270,327 at September 30, 2014. The increase in inventories was primarily due to purchase of additional raw materials for production.

Operating activities provided \$4,035,463 for the year ended September 30, 2015 compared to using \$2,342,264 of cash for the year ended September 30, 2014. The increase in operating cash flows in fiscal 2015 was primarily due to profitable operations.

Investment activities used \$956,046 of cash during the year ended September 30, 2015 compared to using \$9,289,242 during the year ended September 30, 2014. The use of cash by investing activities in fiscal 2015 was the result of the purchase of property and equipment, offset by the redemption of short-term investments.

Financing activities used \$1,738,775 for the year ended September 30, 2015 as compared to providing \$11,710,638 in the year ended September 30, 2014. Cash flows from financing activities during fiscal 2015 was the result of payments on affiliated party and bank loans offset by proceeds from convertible notes.

We believe that our cash on hand, cash generated by operations, is sufficient to meet the capital demands of our current operations during the 2016 fiscal year (ending September 30, 2016). Any major increases in sales, particularly in new products, may require substantial capital investment. Failure to obtain sufficient capital could materially adversely impact our growth potential.

In the event that we raise significant external capital from the issuance of our common stock, preferred stock, or any one or more debt instruments, we remain subject to the uncertainties and the volatility of the capital markets over which we have no control. In all of these transactions we may be forced to raise capital on adverse terms or terms that are not reasonable in light of current market conditions. As a result, persons who acquire our common stock may incur immediate and substantial dilution and, in the case of our issuance of preferred stock or any debt instrument, we may issue preferred stock with rights and privileges that adversely impact common stockholder rights, and, in the case of the issuance of any debt instrument, the affirmative and negative covenants that we may be required to accept, could adversely impact our financial and operating flexibility with consequent adverse impact on the rights of our common stockholders and our common stock market price.

Overall, there is no guarantee that cash flow from our existing or future operations and any external capital that we may be able to raise will be sufficient to meet our expansion goals and working capital needs.

Outlook

We anticipate that the outlook for our products and services remains fairly strong and we are positioned well to take advantage of it.

We believe there is currently a gradually increasing public awareness of the issues surrounding air quality and that this trend will continue for the next several years. We also believe there is an increase in public concern regarding the effects of air quality on society and future generations, as well as an increase in interest by standards-making bodies in creating specifications and techniques for detecting, defining and solving air quality problems. As a result, we believe there will be an increase in interest in our emission monitors, and environmental control products of subsidiary Griffin Filters.

This Outlook section, and other portions of this document, include certain “forward-looking statements” within the meaning of that term in Section 27A of the Securities Act of 1933, and Section 21E of the Securities Exchange Act of 1934, including, among others, those statements preceded by, following or including the words “believe,” “expect,” “intend,” “anticipate” or similar expressions. These forward-looking statements are based largely on the current expectations of management and are subject to a number of assumptions, risks and uncertainties. Our actual results could differ materially from these forward-looking statements. Important factors to consider in evaluating such forward-looking statements include those discussed in Item 1A. Risk Factors as well as:

- o the shortage of reliable market data regarding the emission monitoring & air filtration market;
- o changes in external competitive market factors or in our internal budgeting process which might impact trends in our results of operations;
- o anticipated working capital or other cash requirements;
- o changes in our business strategy or an inability to execute our strategy due to unanticipated changes in the market;

- o product obsolescence due to the development of new technologies; and
- o Various competitive factors that may prevent us from competing successfully in the marketplace.
- o In light of these risks and uncertainties, there can be no assurance that the events contemplated by the forward-looking statements contained in this Form 10-K/A will in fact occur.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The response to this item is included in “Item 1A Risk Factors.”

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The financial statements required to be included in this report appear as indexed in the appendix to this report beginning on page F-1.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There have been no changes in and/or disagreements with Bharat Parikh & Associates, our independent registered public accountants, on accounting and financial disclosure matters.

ITEM 9A. CONTROLS AND PROCEDURES

Our Chief Executive Officer and Vice President of Finance (the “Certifying Officers”) are responsible for establishing and maintaining disclosure controls and procedures for the Company. The Certifying Officers have designed such disclosure controls and procedures to ensure that material information is made known to them, particularly during the period in which this Report was prepared.

Evaluation of Controls and Procedures

We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our Securities Exchange Act reports is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our chief executive and financial officer, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, management recognized that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, as ours are designed to do, and management necessarily was required to apply its judgment in evaluating the cost- benefit relationship of possible controls and procedures.

Management’s Report on Internal Control Over Financial Reporting

The company’s management is responsible for establishing and maintaining adequate “internal control over financial reporting” (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)). Management evaluates the effectiveness of the company’s internal control over financial reporting using the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (1992 framework). Management, under the supervision and with the participation of the company’s Chief Executive Officer and Vice President of Finance, assessed the effectiveness of the company’s internal control over financial reporting as of September 30, 2015, and concluded that it is effective.

This report does not include an attestation report of the Company’s Independent Registered Public Accounting Firm regarding internal control over financial reporting. Management’s report was not subject to attestation by the Company’s Independent Registered Public Accounting Firm pursuant to temporary rules of the Securities and Exchange Commission that permit the Company to provide only Management’s report in this Annual Report.

As of September 30, 2015, an evaluation was performed under the supervision and with the participation of our management, including our Chief Executive Officer and Principal Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures. Based upon that evaluation, our Chief Executive Officer and Principal Financial Officer concluded that our disclosure controls and procedures were effective.

Changes in Internal Controls

There have been no changes in the Company's internal controls over financial reporting that occurred during the Company's last fiscal year to which this report relates that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Limitations on the Effectiveness of Controls

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within a company have been detected. The Company's disclosure controls and procedures are designed to provide reasonable assurance of achieving its objectives. The Company's chief executive officer and principal financial officer concluded that the Company's disclosure controls and procedures are effective at that reasonable assurance level.

ITEM 9B. OTHER INFORMATION

Not applicable.

PART III

The information required by Part III was included in our definitive proxy statement for our 2015 annual meeting of stockholders filed with the Commission on February 8, 2016 and is incorporated herein by reference.

PART IV**ITEM 15 EXHIBITS AND FINANCIAL STATEMENTS**

- (a) Financial Statements and Notes to the Consolidated Financial Statements
See Index to Consolidated Financial Statements on page F-1 at beginning of attached financial statements.
- (b) Exhibits

Exhibit No.	Description
2.1	Asset Purchase Agreement regarding the assets of Rob Holding, AG ROB Electronic, GmbH, ROB Connect, GmbH, ROB Engineering, GmbH, Dated September 10, 2013.
3.1	Articles of Incorporation of the Registrant as filed with the Secretary of State of Delaware (incorporated by reference to Exhibit 3.1 to the Registrant's registration statement on Form 10/A filed on May 22, 2008, File No. 000-53238).
3.2	Certificate of Amendment to Articles of Incorporation dated September 29, 2006 (incorporated by reference to Exhibit 3.3 to the Registrant's registration statement on Form 10/A filed on May 22, 2008, File No. 000-53238).
3.3	Certificate of Amendment to Articles of Incorporation dated March 30, 2007 (incorporated by reference to Exhibit 3.4 to the Registrant's registration statement on Form 10/A filed on May 22, 2008, File No. 000-53238).
3.4	Certificate of Amendment to Articles of Incorporation dated May 16, 2007 (incorporated by reference to Exhibit 3.5 to the Registrant's registration statement on Form 10/A filed on May 22, 2008, File No. 000-53238).
3.5	Certificate of Amendment to Articles of Incorporation dated August 21, 2007 (incorporated by reference to Exhibit 3.6 to the Registrant's registration statement on Form 10/A filed on May 22, 2008, File No. 000-53238).
3.6	Certificate of Amendment to Articles of Incorporation dated April 3, 2015 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed on April 15, 2015).
4.1	Specimen Certificate for Common Stock
4.2	Certificate of Designations of Preferences and Rights of Series A Preferred Stock.
14.1	Code of Ethics
21	Subsidiaries of the Registrant See page F-9 in the attached financial statements on this Form 10-K/A
31.1	Certification of Chief Executive Officer as required by Rule 13a-14 or 15d-14 of the Exchange Act, as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Vice President of Finance and Principal Financial Officer as required by Rule 13a-14 or 15d-14 of the Exchange Act, as adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of Chief Executive Officer Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Vice President of Finance and Principal Financial Officer Pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema
101.CAL	XBRL Taxonomy Extension Calculation Linkbase
101.DEF	XBRL Taxonomy Extension Definition Linkbase
101.LAB	XBRL Taxonomy Extension Label Linkbase
101.PRE	XBRL Taxonomy Extension Presentation Linkbase

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, we have duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on the 25th day of August 2016.

CENTREX, INC.

August 25, 2016

By: /s/ Saagar Govil
Saagar Govil,
Chairmen of the Board, CEO,
President, & Secretary (Principal Executive Officer)

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

August 25, 2016

By: /s/ Saagar Govil
Saagar Govil,
Chairmen of the Board, CEO,
President, & Secretary (Principal Executive Officer)

August 25, 2016

By: /s/ Renato Dela Rama
Renato Dela Rama,
Vice President of Finance (Principal Financial Officer)

August 25, 2016

By: /s/ Raju Panjwani
Raju Panjwani,
Director

August 25, 2016

By: /s/ Sunny Patel
Sunny Patel,
Director

August 25, 2016

By: /s/ Shamik Shah
Shamik Shah,
Director

August 25, 2016

By: /s/ Aron Govil
Aron Govil,
Executive Director

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and Shareholders of Cemtrex, Inc.

We have audited the consolidated balance sheet of Cemtrex, Inc. (the “Company”) as of September 30, 2015 and 2014 and the related consolidated statements of operations and comprehensive income, shareholders’ equity and cash flows for the fiscal year then ended. These consolidated financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of the Company as of September 30, 2015 and 2014 and the consolidated results of its operations and its cash flows for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

/s/Bharat Parikh & Associates

Bharat Parikh & Associates

4940, McDermott Road,

Plano, TX 75024, USA

December 18, 2015

CONSOLIDATED BALANCE SHEETS

Assets	September 30, 2015	September 30, 2014
Current assets		
Cash and equivalents	\$ 1,486,737	\$ 146,095
Short-term investments	-	559,815
Accounts receivable, net	4,771,044	4,038,340
Inventory, net	6,369,516	6,270,327
Prepaid expenses and other current assets	893,792	531,262
Total current assets	13,521,089	11,545,839
Property and equipment, net	8,142,523	7,399,096
Goodwill	845,000	845,000
Other assets	35,630	52,428
Total Assets	\$ 22,544,242	\$ 19,842,363
Liabilities & Stockholders' Equity (Deficit)		
Current liabilities		
Accounts payable	\$ 4,386,578	\$ 2,721,705
Accrued expenses	309,130	440,436
Accrued income taxes	73,746	62,032
Short-term note payable to bank	2,129,711	2,355,264
Convertible notes payable	1,274,000	-
Current portion of long-term liabilities	654,020	689,769
Total current liabilities	8,827,185	6,269,206
Long-term liabilities		
Loans payable to bank	2,383,815	3,152,935
Mortgage payable	4,088,618	4,906,922
Notes payable - related party	119,055	1,869,791
Total liabilities	15,418,673	16,198,854
Commitments and contingencies	-	-
Shareholders' equity		
Preferred stock series A, \$0.001 par value, 10,000,000 shares authorized, 1,000,000 shares issued and outstanding, respectively	1,000	1,000
Common stock, \$0.001 par value, 20,000,000 shares authorized, 7,158,087 shares issued and outstanding at September 30, 2015 and 6,766,587 shares issued and outstanding at September 30, 2014	7,158	6,767
Additional paid-in capital	1,020,444	199,562
Retained earnings	6,430,855	3,592,739
Accumulated other comprehensive loss	(333,888)	(156,559)
Total shareholders' equity	7,125,569	3,643,509
Total liabilities and shareholders' equity	\$ 22,544,242	\$ 19,842,363

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME

	For the year ended September 30,	
	2015	2014
Revenues	\$ 56,887,389	\$ 47,653,114
Cost of revenues	40,564,819	32,057,846
Gross profit	<u>16,322,570</u>	<u>15,595,268</u>
Operating expenses		
General and administrative expenses	13,821,546	12,582,072
Total operating expenses	<u>13,821,546</u>	<u>12,582,072</u>
Operating income	2,501,024	3,013,196
Other income (expense)		
Other Income	834,290	153,516
Interest Expense	(496,281)	(436,864)
Total other income (expense)	<u>338,009</u>	<u>(283,348)</u>
Net income before income taxes	2,839,033	2,729,848
Provision for income taxes	917	60,962
Net income	<u>2,838,116</u>	<u>2,668,886</u>
Other comprehensive income/(loss)		
Foreign currency translation loss	(177,329)	(156,559)
Comprehensive income	<u>\$ 2,660,787</u>	<u>\$ 2,512,327</u>
Income Per Share-Basic	<u>\$ 0.41</u>	<u>\$ 0.39</u>
Income Per Share-Diluted	<u>\$ 0.40</u>	<u>\$ 0.39</u>
Weighted Average Number of Shares-Basic	<u>6,843,666</u>	<u>6,766,587</u>
Weighted Average Number of Shares-Diluted	<u>7,058,562</u>	<u>6,766,587</u>

The accompanying notes are an integral part of these consolidated financial statements.

Centrex, Inc. and Subsidiaries

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	Preferred Stock Series A Par Value \$0.001		Common Stock Par Value \$0.01		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated other Comprehensive Income(loss)	Total Stockholders' Equity
	Number of Shares	Amount	Number of Shares	Amount				
Balance at September 30, 2013	1,000,000	\$ 1,000	6,766,587	\$ 6,767	\$ 199,562	\$ 923,853	\$ -	\$ 1,131,182
Foreign currency translations							\$ (156,559)	\$ (156,559)
Net income						\$ 2,668,886		\$ 2,668,886
Balance at September 30, 2014	1,000,000	\$ 1,000	6,766,587	\$ 6,767	\$ 199,562	\$ 3,592,739	\$ (156,559)	\$ 3,643,509
Foreign currency translations							\$ (177,329)	\$ (177,329)
Stock issued for employee warrants			16,264	\$ 16	\$ 44,251			\$ 44,267
Stock issued for convertible debt			371,069	\$ 371	\$ 763,645			\$ 764,016
Stock issued for services			4,167	\$ 4	\$ 12,986			\$ 12,990
Net income						\$ 2,838,116		\$ 2,838,116
Balance at September 30, 2015	1,000,000	\$ 1,000	7,158,087	\$ 7,158	\$ 1,020,444	\$ 6,430,855	\$ (333,888)	\$ 7,125,569

The accompanying notes are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

Cash Flows from Operating Activities	For the year ended September 30,	
	2015	2014
Net income (loss)	\$ 2,838,116	\$ 2,668,886
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	772,434	494,654
Stock-based compensation	57,257	-
Changes in operating assets and liabilities:		
Accounts receivable	(732,704)	(3,397,076)
Due from related party	-	1,560,522
Inventory	(99,189)	(6,110,979)
Prepaid expenses and other assets	(362,530)	(99,131)
Others	16,798	(48,203)
Accounts payable	1,664,873	2,150,220
Accrued expenses	(131,306)	376,811
Income taxes payable	11,714	62,032
Net cash provided by (used by) operating activities	4,035,463	(2,342,264)
Cash Flows from Investing Activities		
Purchase of property and equipment	(1,515,861)	(2,698,895)
Purchase of short-term investment	-	(559,815)
Redemption of short-term investments	559,815	-
Investment in subsidiary	-	(6,030,532)
Net cash used by investing activities	(956,046)	(9,289,242)
Cash Flows from Financing Activities		
Proceeds from affiliated Loan	-	605,748
Payments on affiliated loan	(1,750,736)	-
Proceeds from bank loans	-	11,104,890
Payments on bank loans	(2,026,055)	-
Proceeds from convertible notes	2,038,016	-
Net cash provided by (used by) financing activities	(1,738,775)	11,710,638
Net increase (decrease) in cash	1,340,642	79,132
Cash beginning of period	146,095	66,963
Cash end of period	\$ 1,486,737	\$ 146,095
Supplemental Disclosure of Cash Flow Information:		
Cash paid during the period for interest	\$ 312,286	\$ 333,316
Cash paid during the period for income taxes	\$ 5,032	\$ 27,873

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – ORGANIZATION AND PLAN OF OPERATIONS

Cemtrex Inc. (“Cemtrex” or the “Company”) is a leading diversified technology company offering a range of products, systems, and solutions in a wide variety of industries around the world to meet today’s industrial and manufacturing challenges. Cemtrex, through its wholly owned subsidiaries provides electronic manufacturing services of custom engineered advanced electronics system assemblies, emission monitors & instruments for industrial processes, and environmental control & air filtration systems for industries & utilities.

Cemtrex, through its Electronics Manufacturing Services (EMS) group, provides end to end electronic manufacturing services, which includes product design and sustaining engineering services, printed circuit board assembly and production, cabling and wire harnessing, systems integration, comprehensive testing services and completely assembled electronic products.

Cemtrex, through its Environmental Products and Systems (EPS) group, sells a complete line of air filtration and environmental control products to a wide variety of industrial and manufacturing industries worldwide. The Company also manufactures sells, and services monitoring instruments, software and systems for measurement of emissions of Greenhouse gases, hazardous gases, particulate and other regulated pollutants used in emissions trading globally as well as for industrial processes. The Company also markets monitoring and analysis equipment for gas and liquid measurement for various downstream oil & gas applications as well as various industrial process applications.

Cemtrex, Inc. was incorporated as Diversified American Holding, Inc. on April 27, 1998. On December 16, 2004, the Company changed its name to Cemtrex, Inc.

On October 31, 2013, the Company completed the acquisition of the privately held ROB Group, a leader in electronics manufacturing solutions located in Neulingen, Germany. The ROB Group, founded in 1989, consisted of 4 distinct operating companies, forming a complete electronics design, manufacturing, assembly, and cabling solutions provider that serves the electronics and cabling needs of some of the largest companies in the world in the Medical, Automation, Industrial, and Renewable Energy industries. ROB Group also has a manufacturing facility in Sibiu, Romania. ROB Cemtrex GmbH now operates as a subsidiary of Cemtrex, Inc. (see NOTE 11).

NOTE 2 – BASIS OF PRESENTATION AND CRITICAL ACCOUNTING POLICIES

Basis of Presentation and Use of Estimates

The Management of the Company is responsible for the selection and use of appropriate accounting policies and the appropriateness of accounting policies and their application. Critical accounting policies and practices are those that are both most important to the portrayal of the Company’s financial condition and results and require management’s most difficult, subjective, or complex judgments, often as a result of the need to make estimates about the effects of matters that are inherently uncertain. The Company’s significant and critical accounting policies and practices are disclosed below as required by generally accepted accounting principles.

Basis of Presentation

The accompanying consolidated financial statements and related notes have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Fiscal Year-End

The Company elected September 30 as its fiscal year-end date.

Use of Estimates and Assumptions and Critical Accounting Estimates and Assumptions

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date(s) of the financial statements and the reported amounts of revenues and expenses during the reporting period(s).

Critical accounting estimates are estimates for which (a) the nature of the estimate is material due to the levels of subjectivity and judgment necessary to account for highly uncertain matters or the susceptibility of such matters to change and (b) the impact of the estimate on financial condition or operating performance is material. The Company's critical accounting estimates and assumptions affecting the financial statements were:

- i. Allowance for doubtful accounts : Management's estimate of the allowance for doubtful accounts is based on historical sales, historical loss levels, and an analysis of the collectability of individual accounts; and general economic conditions that may affect a client's ability to pay. The Company evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole;
- ii. Inventory Obsolescence and Markdowns : The Company's estimate of potentially excess and slow-moving inventories is based on evaluation of inventory levels and aging, review of inventory turns and historical sales experiences. The Company's estimate of reserve for inventory shrinkage is based on the historical results of physical inventory cycle counts;
- iii. Fair value of long-lived assets : Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable. If long-lived assets are determined to be recoverable, but the newly determined remaining estimated useful lives are shorter than originally estimated, the net book values of the long-lived assets are depreciated over the newly determined remaining estimated useful lives. The Company considers the following to be some examples of important indicators that may trigger an impairment review:
 - i. significant under-performance or losses of assets relative to expected historical or projected future operating results;
 - ii. significant changes in the manner or use of assets or in the Company's overall strategy with respect to the manner or use of the acquired assets or changes in the Company's overall business strategy;
 - iii. significant negative industry or economic trends;
 - iv. increased competitive pressures;
 - v. a significant decline in the Company's stock price for a sustained period of time; and
 - vi. regulatory changes. The Company evaluates acquired assets for potential impairment indicators at least annually and more frequently upon the occurrence of such events.
- iv. Valuation allowance for deferred tax assets: Management assumes that the realization of the Company's net deferred tax assets resulting from its net operating loss ("NOL") carry-forwards for Federal income tax purposes that may be offset against future taxable income was not considered more likely than not and accordingly, the potential tax benefits of the net loss carry- forwards are offset by a full valuation allowance. Management made this assumption based on (a) the Company has incurred recurring losses, (b) general economic conditions, and (c) its ability to raise additional funds to support its daily operations by way of a public or private offering, among other factors.

These significant accounting estimates or assumptions bear the risk of change due to the fact that there are uncertainties attached to these estimates or assumptions, and certain estimates or assumptions are difficult to measure or value.

Management bases its estimates on historical experience and on various assumptions that are believed to be reasonable in relation to the financial statements taken as a whole under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

Management regularly evaluates the key factors and assumptions used to develop the estimates utilizing currently available information, changes in facts and circumstances, historical experience and reasonable assumptions. After such evaluations, if deemed appropriate, those estimates are adjusted accordingly.

Actual results could differ from those estimates.

Principles of Consolidation

The Company applies the guidance of Topic 810 “Consolidation” of the FASB Accounting Standards Codification to determine whether and how to consolidate another entity. Pursuant to ASC Paragraph 810-10-15-10 all majority-owned subsidiaries—all entities in which a parent has a controlling financial interest—shall be consolidated except (1) when control does not rest with the parent, the majority owner; (2) if the parent is a broker-dealer within the scope of Topic 940 and control is likely to be temporary; (3) consolidation by an investment company within the scope of Topic 946 of a non-investment-company investee. Pursuant to ASC Paragraph 810-10-15-8 the usual condition for a controlling financial interest is ownership of a majority voting interest, and, therefore, as a general rule ownership by one reporting entity, directly or indirectly, of more than 50 percent of the outstanding voting shares of another entity is a condition pointing toward consolidation. The power to control may also exist with a lesser percentage of ownership, for example, by contract, lease, agreement with other stockholders, or by court decree. The Company consolidates all less-than-majority-owned subsidiaries, if any, in which the parent’s power to control exists.

The Company’s consolidated subsidiaries and/or entities are as follows:

Name of consolidated subsidiary or entity	State or other jurisdiction of incorporation or organization	Date of incorporation or formation (date of acquisition, if applicable)	Attributable interest
Griffin Filters, LLC	New York	September 6, 2005 (April 30, 2007)	100%
ROB Cemtrex GmbH	Germany	August 15, 2013 (October 31, 2013)	100%
Cemtrex Ltd	Hong Kong	September 4, 2013	100%
ROB Systems, Srl.	Romania	November 1, 2013	100%
Cemtrex India (Pvt) Ltd.	India	April 10, 2009	100%

The consolidated financial statements include all accounts of the Company and its wholly-owned subsidiary as of the reporting period end dates and for the reporting periods then ended.

All inter-company balances and transactions have been eliminated.

Fair Value of Financial Instruments

The Company follows paragraph 825-10-50-10 of the FASB Accounting Standards Codification for disclosures about fair value of its financial instruments and paragraph 820-10-35-37 of the FASB Accounting Standards Codification (“Paragraph 820-10-35-37”) to measure the fair value of its financial instruments. Paragraph 820-10-35-37 establishes a framework for measuring fair value in generally accepted accounting principles (GAAP), and expands disclosures about fair value measurements. To increase consistency and comparability in fair value measurements and related disclosures, Paragraph 820-10-35-37 establishes a fair value hierarchy which prioritizes the inputs to valuation techniques used to measure fair value into three (3) broad levels. The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. The three (3) levels of fair value hierarchy defined by Paragraph 820-10-35-37 are described below:

Level 1 - Quoted market prices available in active markets for identical assets or liabilities as of the reporting date.

Level 2 - Pricing inputs other than quoted prices in active markets included in Level 1, which are either directly or indirectly observable as of the reporting date.

Level 3 - Pricing inputs that are generally observable inputs and not corroborated by market data.

Financial assets are considered Level 3 when their fair values are determined using pricing models, discounted cash flow methodologies or similar techniques and at least one significant model assumption or input is unobservable.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities and the lowest priority to unobservable inputs. If the inputs used to measure the financial assets and liabilities fall within more than one level described above, the categorization is based on the lowest level input that is significant to the fair value measurement of the instrument.

The carrying amounts of the Company's financial assets and liabilities, such as cash, prepaid expenses and accounts payable, approximate their fair values because of the short maturity of these instruments.

Transactions involving related parties cannot be presumed to be carried out on an arm's-length basis, as the requisite conditions of competitive, free-market dealings may not exist. Representations about transactions with related parties, if made, shall not imply that the related party transactions were consummated on terms equivalent to those that prevail in arm's-length transactions unless such representations can be substantiated.

Fair Value of Non-Financial Assets or Liabilities Measured on a Recurring Basis

The Company's non-financial assets include inventories. The Company identifies potentially excess and slow-moving inventories by evaluating turn rates, inventory levels and other factors. Excess quantities are identified through evaluation of inventory aging, review of inventory turns and historical sales experiences. The Company provides lower of cost or market reserves for such identified excess and slow-moving inventories. The Company establishes a reserve for inventory shrinkage, if any, based on the historical results of physical inventory cycle counts.

Carrying Value, Recoverability and Impairment of Long-Lived Assets

The Company has adopted paragraph 360-10-35-17 of the FASB Accounting Standards Codification for its long-lived assets. The Company's long-lived assets, which include property and equipment and intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

The Company assesses the recoverability of its long-lived assets by comparing the projected undiscounted net cash flows associated with the related long-lived asset or group of long-lived assets over their remaining estimated useful lives against their respective carrying amounts. Impairment, if any, is based on the excess of the carrying amount over the fair value of those assets. Fair value is generally determined using the asset's expected future discounted cash flows or market value, if readily determinable. When long-lived assets are determined to be recoverable, but the newly determined remaining estimated useful lives are shorter than originally estimated, the net book values of the long-lived assets are depreciated over the newly determined remaining estimated useful lives.

The Company considers the following to be some examples of important indicators that may trigger an impairment review: (i) significant under-performance or losses of assets relative to expected historical or projected future operating results; (ii) significant changes in the manner or use of assets or in the Company's overall strategy with respect to the manner or use of the acquired assets or changes in the Company's overall business strategy; (iii) significant negative industry or economic trends; (iv) increased competitive pressures; (v) a significant decline in the Company's stock price for a sustained period of time; and (vi) regulatory changes. The Company evaluates acquired assets for potential impairment indicators at least annually and more frequently upon the occurrence of such events.

The key assumptions used in management's estimates of projected cash flow deal largely with forecasts of sales levels, gross margins, and operating costs of the manufacturing facilities. These forecasts are typically based on historical trends and take into account recent developments as well as management's plans and intentions. Any difficulty in manufacturing or sourcing raw materials on a cost effective basis would significantly impact the projected future cash flows of the Company's manufacturing facilities and potentially lead to an impairment charge for long-lived assets. Other factors, such as increased competition or a decrease in the desirability of the Company's products, could lead to lower projected sales levels, which would adversely impact cash flows. A significant change in cash flows in the future could result in an impairment of long lived assets.

The impairment charges, if any, is included in operating expenses in the accompanying statements of operations.

Cash Equivalents

The Company considers all highly liquid investments with maturities of three months or less at the time of purchase to be cash equivalents.

Short-term Investments

The Company's short-term investments consist of certificates of deposit with original maturities of greater than three months. They are bought and held principally for the purpose of selling them in the near-term and are classified as trading securities. Trading securities are recorded at fair value on the consolidated balance sheets in current assets, with the change in fair value during the year recorded in earnings.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are recorded at the invoiced amount, net of an allowance for doubtful accounts. The Company follows paragraph 310-10-50-9 of the FASB Accounting Standards Codification to estimate the allowance for doubtful accounts. The Company performs on-going credit evaluations of its customers and adjusts credit limits based upon payment history and the customer's current credit worthiness, as determined by the review of their current credit information; and determines the allowance for doubtful accounts based on historical write-off experience, customer specific facts and general economic conditions that may affect a client's ability to pay.

Pursuant to paragraph 310-10-50-2 of the FASB Accounting Standards Codification account balances are charged off against the allowance after all means of collection have been exhausted and the potential for recovery is considered remote. The Company has adopted paragraph 310-10-50-6 of the FASB Accounting Standards Codification and determine when receivables are past due or delinquent based on how recently payments have been received.

Outstanding account balances are reviewed individually for collectability. The allowance for doubtful accounts is the Company's best estimate of the amount of probable credit losses in the Company's existing accounts receivable. Bad debt expense is included in general and administrative expenses, if any.

The Company has \$65,002 and \$68,101 allowance for doubtful accounts at September 30, 2015 and 2014, respectively.

The Company does not have any off-balance-sheet credit exposure to its customers at September 30, 2015 or 2014.

Inventory and Cost of Goods Sold

Inventory Valuation

The Company values inventory, consisting of finished goods, at the lower of cost or market. Cost is determined on the first-in and first-out ("FIFO") method. The Company reduces inventory for the diminution of value, resulting from product obsolescence, damage or other issues affecting marketability, equal to the difference between the cost of the inventory and its estimated market value. Factors utilized in the determination of estimated market value include (i) current sales data and historical return rates, (ii) estimates of future demand, and (iii) competitive pricing pressures.

Inventory Obsolescence and Markdowns

The Company evaluates its current level of inventory considering historical sales and other factors and, based on this evaluation, classify inventory markdowns in the income statement as a component of cost of goods sold pursuant to Paragraph 420-10-S99 of the FASB Accounting Standards Codification to adjust inventory to net realizable value. These markdowns are estimates, which could vary significantly from actual requirements if future economic conditions, customer demand or competition differ from expectations.

There was \$148,967 in inventory obsolescence at September 30, 2015 and 2014.

Property and Equipment

Property and equipment is recorded at cost. Expenditures for major additions and betterments are capitalized. Maintenance and repairs are charged to operations as incurred. Depreciation of property and equipment is computed by the straight-line method (after taking into account their respective estimated residual values) over the estimated useful lives of the respective assets.

Upon sale or retirement of property and equipment, the related cost and accumulated depreciation are removed from the accounts and any gain or loss is reflected in statements of operations.

Leases

Lease agreements are evaluated to determine whether they are capital leases or operating leases in accordance with paragraph 840-10-25-1 of the FASB Accounting Standards Codification ("Paragraph 840-10-25-1"). Pursuant to Paragraph 840-10-25-1 A lessee and a lessor shall consider whether a lease meets any of the following four criteria as part of classifying the lease at its inception under the guidance in the Lessees Subsection of this Section (for the lessee) and the Lessors Subsection of this Section (for the lessor): a. Transfer of ownership. The lease transfers ownership of the property to the lessee by the end of the lease term . This criterion is met in situations in which the lease agreement provides for the transfer of title at or shortly after the end of the lease term in exchange for the payment of a nominal fee, for example, the minimum required by statutory regulation to transfer title. b. Bargain purchase option . The lease contains a bargain purchase option. c. Lease term. The lease term is equal to 75 percent or more of the estimated economic life of the leased property. d. Minimum lease payments . The present value at the beginning of the lease term of the minimum lease payments, excluding that portion of the payments representing executory costs such as insurance, maintenance, and taxes to be paid by the lessor, including any profit thereon, equals or exceeds 90 percent of the excess of the fair value of the leased property to the lessor at lease inception over any related investment tax credit retained by the lessor and expected to be realized by the lessor. In accordance with paragraphs 840-10- 25-29 and 840-10-25-30, if at its inception a lease meets any of the four lease classification criteria in Paragraph 840-10-25-1, the lease shall be classified by the lessee as a capital lease; and if none of the four criteria in Paragraph 840-10-25-1 are met, the lease shall be classified by the lessee as an operating lease. Pursuant to Paragraph 840-10- 25-31 a lessee shall compute the present value of the minimum lease payments using the lessee's incremental borrowing rate unless both of the following conditions are met, in which circumstance the lessee shall use the implicit rate: a.) It is practicable for the lessee to learn the implicit rate computed by the lessor. b.) The implicit rate computed by the lessor is less than the lessee's incremental borrowing rate. Capital lease assets are depreciated on a straight line method, over the capital lease assets estimated useful lives consistent with the Company's normal depreciation policy for tangible fixed assets. Interest charges are expensed over the period of the lease in relation to the carrying value of the capital lease obligation.

Operating leases primarily relate to the Company's leases of office spaces. When the terms of an operating lease include tenant improvement allowances, periods of free rent, rent concessions, and/or rent escalation amounts, the Company establishes a deferred rent liability for the difference between the scheduled rent payment and the straight-line rent expense recognized, which is amortized over the underlying lease term on a straight-line basis as a reduction of rent expense.

The Company has adopted Subtopic 350-30 of the FASB Accounting Standards Codification for intangible assets other than goodwill. Under the requirements, the Company amortizes the acquisition costs of intangible assets other than goodwill on a straight-line basis over their estimated useful lives, the terms of the exclusive licenses and/or agreements, or the terms of legal lives of the intangible assets , whichever is shorter . Upon becoming fully amortized, the related cost and accumulated amortization are removed from the accounts.

Related Parties

The Company follows subtopic 850-10 of the FASB Accounting Standards Codification for the identification of related parties and disclosure of related party transactions.

Pursuant to Section 850-10-20 the related parties include a. affiliates of the Company; b. entities for which investments in their equity securities would be required, absent the election of the fair value option under the Fair Value Option Subsection of Section 825-10-15, to be accounted for by the equity method by the investing entity; c. trusts for the benefit of employees, such as pension and profit-sharing trusts that are managed by or under the trusteeship of management; d. principal owners of the Company; e. management of the Company; f. other parties with which the Company may deal if one party controls or can significantly influence the management or operating policies of the other to an extent that one of the transacting parties might be prevented from fully pursuing its own separate interests; and g. other parties that can significantly influence the management or operating policies of the transacting parties or that have an ownership interest in one of the transacting parties and can significantly influence the other to an extent that one or more of the transacting parties might be prevented from fully pursuing its own separate interests.

The financial statements shall include disclosures of material related party transactions, other than compensation arrangements, expense allowances, and other similar items in the ordinary course of business. However, disclosure of transactions that are eliminated in the preparation of consolidated or combined financial statements is not required in those statements. The disclosures shall include: a. the nature of the relationship(s) involved b. description of the transactions, including transactions to which no amounts or nominal amounts were ascribed, for each of the periods for which income statements are presented, and such other information deemed necessary to an understanding of the effects of the transactions on the financial statements; c. the dollar amounts of transactions for each of the periods for which income statements are presented and the effects of any change in the method of establishing the terms from that used in the preceding period; and d. amounts due from or to related parties as of the date of each balance sheet presented and, if not otherwise apparent, the terms and manner of settlement.

Commitment and Contingencies

The Company follows subtopic 450-20 of the FASB Accounting Standards Codification to report accounting for contingencies. Certain conditions may exist as of the date the consolidated financial statements are issued, which may result in a loss to the Company but which will only be resolved when one or more future events occur or fail to occur. The Company assesses such contingent liabilities, and such assessment inherently involves an exercise of judgment. In assessing loss contingencies related to legal proceedings that are pending against the Company or unasserted claims that may result in such proceedings, the Company evaluates the perceived merits of any legal proceedings or unasserted claims as well as the perceived merits of the amount of relief sought or expected to be sought therein.

If the assessment of a contingency indicates that it is probable that a material loss has been incurred and the amount of the liability can be estimated, then the estimated liability would be accrued in the Company's consolidated financial statements. If the assessment indicates that a potential material loss contingency is not probable but is reasonably possible, or is probable but cannot be estimated, then the nature of the contingent liability, and an estimate of the range of possible losses, if determinable and material, would be disclosed.

Loss contingencies considered remote are generally not disclosed unless they involve guarantees, in which case the guarantees would be disclosed. Management does not believe, based upon information available at this time, that these matters will have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows. However, there is no assurance that such matters will not materially and adversely affect the Company's business, financial position, and results of operations or cash flows.

Revenue Recognition

The Company follows paragraph 605-10-S99-1 of the FASB Accounting Standards Codification for revenue recognition. The Company recognizes revenue when it is realized or realizable and earned. The Company considers revenue realized or realizable and earned when all of the following criteria are met: (i) persuasive evidence of an arrangement exists, (ii) the product has been shipped or the services have been rendered to the customer, (iii) the sales price is fixed or determinable, and (iv) collectability is reasonably assured.

The Company derives its revenues from sales of its products, with revenues being generated upon the shipment of merchandise. Persuasive evidence of an arrangement is demonstrated via sales invoice or contract; the sales price to the customer is fixed upon acceptance of the signed purchase order or contract and there is no separate sales rebate, discount, or volume incentive.

Shipping and Handling Costs

The Company accounts for shipping and handling fees in accordance with paragraph 605-45-45-19 of the FASB Accounting Standards Codification. While amounts charged to customers for shipping products are included in revenues, the related costs are classified in cost of goods sold as incurred.

Income Tax Provision

The Company accounts for income taxes under Section 740-10-30 of the FASB Accounting Standards Codification, which requires recognition of deferred tax assets and liabilities for the expected future tax consequences of events that have been included in the financial statements or tax returns. Under this method, deferred tax assets and liabilities are based on the differences between the financial statement and tax bases of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse. Deferred tax assets are reduced by a valuation allowance to the extent management concludes it is more likely than not that the assets will not be realized. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the Consolidated Statements of Income and Comprehensive Income in the period that includes the enactment date.

The Company adopted section 740-10-25 of the FASB Accounting Standards Codification ("Section 740-10-25"). Section 740-10-25 addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under Section 740-10-25, the Company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position should be measured based on the largest benefit that has a greater than fifty (50) percent likelihood of being realized upon ultimate settlement. Section 740-10-25 also provides guidance on de-recognition, classification, interest and penalties on income taxes, accounting in interim periods and requires increased disclosures.

The estimated future tax effects of temporary differences between the tax basis of assets and liabilities are reported in the accompanying consolidated balance sheets, as well as tax credit carry-backs and carry-forwards. The Company periodically reviews the recoverability of deferred tax assets recorded on its consolidated balance sheets and provides valuation allowances as management deems necessary.

Management makes judgments as to the interpretation of the tax laws that might be challenged upon an audit and cause changes to previous estimates of tax liability. In addition, the Company operates within multiple taxing jurisdictions and is subject to audit in these jurisdictions. In management's opinion, adequate provisions for income taxes have been made for all years. If actual taxable income by tax jurisdiction varies from estimates, additional allowances or reversals of reserves may be necessary.

Uncertain Tax Positions

The Company did not take any uncertain tax positions and had no adjustments to its income tax liabilities or benefits pursuant to the provisions of Section 740-10-25 for the fiscal year ended September 30, 2015 or 2014.

Net Income (Loss) per Common Share

Net income (loss) per common share is computed pursuant to section 260-10-45 of the FASB Accounting Standards Codification. Basic net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock outstanding during the period. Diluted net income (loss) per common share is computed by dividing net income (loss) by the weighted average number of shares of common stock and potentially dilutive outstanding shares of common stock during the period to reflect the potential dilution that could occur from common shares issuable through contingent share arrangements, stock options and warrants.

There were 67,569 and zero potentially dilutive common shares outstanding for the fiscal years ended September 30, 2015 or 2014, respectively.

Foreign Currency Translation Gain and Comprehensive Income (Loss)

In countries in which the Company operates, and the functional currency is other than the U.S. dollar, assets and liabilities are translated using published exchange rates in effect at the consolidated balance sheet date. Revenues and expenses and cash flows are translated using an approximate weighted average exchange rate for the period. Resulting translation adjustments are recorded as a component of accumulated other comprehensive income on the accompanying consolidated balance sheet. For the years ending September 30, 2015 and September 30, 2014, comprehensive income includes losses of \$177,329 and \$156,559, respectively, which were entirely from foreign currency translation.

Cash Flows Reporting

The Company adopted paragraph 230-10-45-24 of the FASB Accounting Standards Codification for cash flows reporting, classifies cash receipts and payments according to whether they stem from operating, investing, or financing activities and provides definitions of each category, and uses the indirect or reconciliation method ("Indirect method") as defined by paragraph 230-10-45-25 of the FASB Accounting Standards Codification to report net cash flow from operating activities by adjusting net income to reconcile it to net cash flow from operating activities by removing the effects of (a) all deferrals of past operating cash receipts and payments and all accruals of expected future operating cash receipts and payments and (b) all items that are included in net income that do not affect operating cash receipts and payments. The Company reports the reporting currency equivalent of foreign currency cash flows, using the current exchange rate at the time of the cash flows and the effect of exchange rate changes on cash held in foreign currencies is reported as a separate item in the reconciliation of beginning and ending balances of cash and cash equivalents and separately provides information about investing and financing activities not resulting in cash receipts or payments in the period pursuant to paragraph 830-230-45-1 of the FASB Accounting Standards Codification.

Subsequent Events

The Company follows the guidance in Section 855-10-50 of the FASB Accounting Standards Codification for the disclosure of subsequent events. The Company will evaluate subsequent events through the date when the financial statements were issued. Pursuant to ASU 2010-09 of the FASB Accounting Standards Codification, the Company as an SEC filer considers its financial statements issued when they are widely distributed to users, such as through filing them on EDGAR.

Reclassifications

Certain reclassifications have been made to prior period amounts to conform to the current period presentation.

Recently Issued Accounting Pronouncements

In April 2015, the FASB issued ASU No. 2015-03, Interest - "Imputation of Interest (Subtopic 835-30): Simplifying the Presentation of Debt Issuance Costs." The guidance requires debt issuance costs related to a recognized debt liability be presented on the balance sheet as a direct deduction from the carrying amount of that debt liability, consistent with the presentation for debt discounts. The recognition and measurement guidance for debt issuance costs are not affected by the amendments in this ASU. In August 2015, the FASB issued ASU No. 2015-15, Interest-Imputation of Interest (Subtopic 835-30): Presentation and Subsequent Measurement of Debt Issuance Costs Associated with Line-of-Credit Arrangements - Amendments to SEC Paragraphs Pursuant to Staff Announcements at the June 2015 EITF Meeting. ASU 2015-15 amends Subtopic 835-30 to include that the SEC would not object to the deferral and presentation of debt issuance costs as an asset and subsequent amortization of debt issuance costs over the term of the line-of-credit arrangement, whether or not there are any outstanding borrowings on the line-of-credit arrangement. This guidance is effective for fiscal years and interim periods within those years beginning after December 15, 2015, and must be applied on a retrospective basis with early adoption permitted. The adoption is not expected to have a material impact on the Company's Consolidated Financial Statements.

In July 2015, the FASB issued ASU No. 2015-12, “Plan Accounting—Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962) Health and Welfare Benefit Plans (Topic 965)”. There are three parts to the ASU that aim to simplify the accounting and presentation of plan accounting. Part I of this ASU requires fully benefit-responsive investment contracts to be measured at contract value instead of the current fair value measurement. Part II of this ASU requires investments (both participant-directed and nonparticipant-directed investments) of employee benefit plans be grouped only by general type, eliminating the need to disaggregate the investments in multiple ways. Part III of this ASU provides a similar measurement date practical expedient for employee benefit plans as available in ASU No. 2015-04, which allows employers to measure defined benefit plan assets on a month-end date that is nearest to the year’s fiscal year-end when the fiscal period does not coincide with a month-end. Parts I and II of the new guidance should be applied on a retrospective basis. Part III of the new guidance should be applied on a prospective basis. This ASU is effective for fiscal years beginning after December 15, 2015, and for interim periods within those fiscal years. The adoption is not expected to have a material impact on the Company’s Consolidated Financial Statements.

In July 2015, the FASB issued ASU No. 2015-11, “Simplifying the Measurement of Inventory,” which amends ASC 330, Inventory. This ASU simplifies the subsequent measurement of inventory by using only the lower of cost and net realizable value. This guidance is effective for fiscal years and interim periods within those years beginning after December 15, 2016, and must be applied on a retrospective basis with early adoption permitted. The adoption is not expected to have a material impact on the Company’s Consolidated Financial Statements.

In September 2015, the FASB issued ASU No. 2015-16, Business Combinations (Topic 805): “Simplifying the Accounting for Measurement-Period Adjustments,” which eliminates the requirement for an acquirer in a business combination to account for measurement-period adjustments retrospectively. Under this ASU, acquirers must recognize measurement-period adjustments in the period in which they determine the amounts, including the effect on earnings of any amounts they would have recorded in previous periods if the accounting had been completed at the acquisition date. This guidance is effective for fiscal years beginning after December 15, 2016, with early adoption permitted. The Company does not anticipate the adoption of this standard will have a material impact on its Consolidated Financial Statements.

Management does not believe that any other recently issued, but not yet effective accounting pronouncements, if adopted, would have a material effect on the accompanying financial statements.

NOTE 3 – LIQUIDITY

Our current strategic plan includes the expansion of the Company both organically and through acquisitions if market conditions and competitive conditions allow. Due to the long-term nature of investments in acquisitions and other financial needs to support organic growth, including working capital, we expect our long-term and working capital needs to periodically exceed the short-term fluctuations in cash flow from operations. Accordingly, we anticipate that we will likely raise additional external capital from the sale of common stock, preferred stock, and debt instruments as market conditions may allow in addition to cash flow from operations to fund our growth and working capital needs.

To the extent that our internally-generated cash flow is insufficient to meet our needs, we are subject to uncertain and ever-changing debt and equity capital market conditions over which we have no control. The magnitude and the timing of the funds that we need to raise from external sources also cannot be easily predicted.

In the event that we need to raise significant amounts of external capital at any time or over an extended period, we face a clear risk that we may need to do so under adverse capital market conditions with the result that persons who acquire our common stock may incur significant and immediate dilution should we raise capital from the sale of our common or preferred stock. Similarly, we may need to meet our external capital needs from the sale of secured or unsecured debt instruments at interest rates and with such other debt covenants and conditions as the market then requires. In all of these transactions we anticipate that we will likely need to raise significant amounts of additional external capital to support our growth. However, there can be no guarantee that we will be able to raise external capital on terms that are reasonable in light of current market conditions. In the event that we are not able to do so, persons who acquire our common stock may face significant and immediate dilution and other adverse consequences. Further, debt covenants contained in debt instruments that we issue may limit our financial and operating flexibility with consequent adverse impact on our common stock market price.

There is no guarantee that cash flow from operations and/or debt and equity vehicles will provide sufficient capital to meet our expansion goals and working capital needs.

NOTE 4 – FAIR VALUE MEASUREMENTS

The Company complies with the provisions of ASC 820 “Fair Value Measurements and Disclosures” (“ASC 820”). Under ASC 820, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability (i.e., the “exit price”) in an orderly transaction between market participants at the measurement date.

The following tables present information about the Company’s assets measured at fair value as of September 30, 2015 and September 30, 2014:

	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Balance as of September 30, 2015
Assets				
Investment in certificates of deposit (included in short-term investments)	\$ -	\$ -	\$ -	\$ -
	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Observable Inputs (Level 3)	Balance as of September 30, 2014
Assets				
Investment in certificates of deposit (included in short-term investments)	\$ 559,815	\$ -	\$ -	\$ 559,815
	<u>\$ 559,815</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 559,815</u>

NOTE 5 – ACCOUNTS RECEIVABLE, NET

Accounts receivable, net consists of the following:

	September 30, 2015	September 30, 2014
Accounts receivable	\$ 4,836,046	\$ 4,106,441
Allowance for doubtful accounts	(65,002)	(68,101)
	<u>\$ 4,771,044</u>	<u>\$ 4,038,340</u>

Accounts receivable include amounts due for shipped products and services rendered.

Allowance for doubtful accounts include estimated losses resulting from the inability of our customers to make required payments.

NOTE 6 – INVENTORY, NET

Inventory, net of reserves, consist of the following:

	September 30, 2015	September 30, 2014
Raw materials	\$ 3,345,432	\$ 3,449,501
Work in progress	1,306,906	1,254,013
Finished goods	1,866,145	1,715,780
	<u>6,518,483</u>	<u>6,419,294</u>
Less: Allowance for inventory obsolescence	(148,967)	(148,967)
Inventory –net of allowance for inventory obsolescence	<u>\$ 6,369,516</u>	<u>\$ 6,270,327</u>

NOTE 7 – PROPERTY AND EQUIPMENT

Property and equipment are summarized as follows:

	September 30, 2015	September 30, 2014
Land	\$ 1,194,979	\$ 1,065,500
Building	3,938,544	4,387,880
Furniture and office equipment	576,741	316,715
Computer software	286,638	46,619
Machinery and equipment	3,663,526	2,234,423
	<u>9,660,428</u>	<u>8,051,137</u>
Less: Accumulated depreciation	(1,517,905)	(652,041)
Property and equipment, net	<u>\$ 8,142,523</u>	<u>\$ 7,399,096</u>

The Company completed the annual impairment test of property and equipment and determined that there was no impairment as the fair value of property and equipment, substantially exceeded their carrying values at September 30, 2015. Depreciation and amortization of property and equipment totaled approximately \$772,434 and \$494,654 for fiscal years ended September 30, 2015 and 2014, respectively.

NOTE 8 – PREPAID AND OTHER CURRENT ASSETS

On September 30, 2015 the Company had prepaid and other current assets consisting of prepayments on inventory purchases of \$120,296 and other current assets of \$773,496 and on September 30, 2014 had \$531,262, of prepayments on inventory purchases.

NOTE 9 – CONVERTIBLE NOTES PAYABLE

As of September 30, 2015 the Company has the following unsecured convertible notes, issued on the dates listed, to various unrelated third parties outstanding.

Date	Amount	Maturity period	Interest rate	Conversion price	Conversion period
March 26, 2015	\$ 100,000	12 Months	10%	70% of market	6 Months
May 7, 2015	200,000	9 Months	8%	65% of market	6 Months
May 12, 2015	174,000	9 Months	8%	65% of market	6 Months
June 8, 2015	200,000	12 Months	10%	70% of market	6 Months
June 25, 2015	300,000	12 Months	8%	65% of market	6 Months
August 21, 2015	300,000	12 Months	10%	75% of market	6 Months
Total	\$ 1,274,000				

The use of the proceeds from the notes issued is for growth capital and planned acquisitions. As per the terms of these convertible notes the Company has reserved 1,500,000 shares (post reverse split basis) representing approximately six times the actual shares that would be issued upon conversion of all the notes.

As of September 30, 2015, 371,069 shares of the Company's common stock have been issued to satisfy \$658,000 of convertible notes payable.

NOTE 10 – LONG-TERM LIABILITIES

Loan payable to bank

On October 31, 2013, the company acquired a term loan from Sparkasse Bank of Germany in the amount of €3,000,000 (\$4,006,500, based upon exchange rate on October 31, 2013) in order to fund the purchase of ROB Centrex GmbH. \$3,133,286 of the proceeds went to direct purchase of ROB Centrex GmbH and \$873,214 funded beginning operations. This loan carries interest of 4.95% per annum and is payable on October 30, 2021.

On October 31, 2013, the company acquired a working capital credit line from Sparkasse Bank of Germany in the amount of €1,000,000 (\$1,335,500, based upon exchange rate on October 31, 2013) in order to further fund the operations of ROB Centrex GmbH. This loan carries interest of 4.00% per annum and is renewable every year. In February of 2014 and in May of 2014 the Company increased this credit line by €500,000 at each instance to a total of €2,000,000.

On March 1, 2014 the Company completed the purchase of the building that ROB Centrex GmbH occupies in Neulingen, Germany. The purchase was fully financed through Sparkasse Bank of Germany for €4,000,000 (\$5,500,400 based upon the exchange rate on March 1, 2014). This mortgage carries interest of 3.00% and is payable over 17 years.

On May 28, 2014 the Company financed an upgrade of the information technology infrastructure for ROB Centrex GmbH. The purchase was fully financed through a term loan Sparkasse Bank of Germany for €200,000 (\$272,840 based upon the exchange rate on May 28, 2014). This loan carries interest of 4.50% and is payable over 4 years.

Loan payable to Shareholder

Please see Note 13 – Related Party Transactions for details on loans payable to Ducon Technologies, Inc..

NOTE 11 – BUSINESS COMBINATION

On October 31, 2013, the Company completed the acquisition of the privately held ROB Group, a leader in electronics manufacturing solutions located in Neulingen, Germany. The ROB Group, founded in 1989, consisted of 4 distinct operating companies, forming a complete electronics design, manufacturing, assembly, and cabling solutions provider that serves the electronics and cabling needs of some of the largest companies in the world in the Medical, Automation, Industrial, and Renewable Energy industries. ROB Group also has a manufacturing facility in Sibiu, Romania. ROB Centrex GmbH now operates as a subsidiary of Centrex, Inc..

The operating results of ROB Centrex GmbH from October 31, 2013 to September 30, 2014 are included in the accompanying Consolidated Statement of Operations. The Consolidated Balance Sheet as of September 30, 2014 reflects the acquisition of ROB Centrex GmbH, effective October 31, 2013. The acquisition date fair value of the total consideration transferred was \$5.936 million, which consisted of the following:

Loan from bank	3,133,286
Loan from related party	2,803,012
Total Purchase Price	<u>\$ 5,936,298</u>

In accordance with Accounting Standards Codification (“ASC”) 805, Business Combinations (“ASC 805”), the total purchase consideration is allocated to the net tangible and identifiable intangible assets acquired and liabilities assumed based on their estimated fair values as of October 31, 2013 (the acquisition date). The purchase price was allocated based on the information currently available, and may be adjusted after obtaining more information regarding, among other things, asset valuations, liabilities assumed, and revisions of preliminary estimates.

The following table summarizes the estimated fair values of the assets acquired and liabilities assumed at the acquisition date:

Inventories	\$ 4,941,350
Property and Equipment	981,593
Other long-term assets	<u>13,355</u>
Net assets acquired	<u>\$ 5,936,298</u>

NOTE 12 – RELATED PARTY TRANSACTIONS

The Company has Notes payable to Ducon Technologies Inc., totaling \$119,055 and \$1,869,791 at September 30, 2015 and September 30, 2014, respectively. These notes are unsecured and carry 5% interest per annum.

NOTE 13 – SHAREHOLDERS’ EQUITY

Series A Preferred Stock

The Company is authorized to issue 10,000,000 shares of Series A Preferred Stock, \$0.001 par value. As of September 30, 2015 and September 30, 2014, there were 1,000,000 shares issued and outstanding, respectively.

Each issued and outstanding Series A Preferred Share shall be entitled to the number of votes equal to the result of: (i) the number of shares of common stock of the Company issued and outstanding at the time of such vote multiplied by 1.01; divided by (ii) the total number of Series A Preferred Shares issued and outstanding at the time of such vote, at each meeting of shareholders of the Company with respect to any and all matters presented to the shareholders of the Company for their action or consideration, including the election of directors. Holders of Series A Preferred Shares shall vote together with the holders of Common Shares as a single class.

During the year ending September 30, 2015 and 2014, the Company did not issue any Series A Preferred Stock.

Common Stock

On April 3, 2015, our Board of Directors approved a reverse split of our common stock, par value \$0.001, at a ratio of one-for-six. This reverse stock split became effective on April 15, 2015 and, unless otherwise indicated, all share amounts, per share data, share prices, exercise prices and conversion rates set forth in this Report and the accompanying consolidated financial statements have, where applicable, been adjusted retroactively to reflect this reverse stock split.

On June 25, 2015 the Company’s common stock commenced trading on the NASDAQ Capital Markets under the symbol “CETX”.

The Company is authorized to issue 20,000,000 shares of common stock, \$0.001 par value. As of September 30, 2015 and September 30, 2014, there were 7,158,087 and 6,766,587 shares issued and outstanding, respectively.

During the year ending September 30, 2015 the company issued 391,500 shares of Common Stock. During the year ended September 30, 2014 the Company did not issue any Common Stock.

During the year ending September 30, 2014 the company issued stock options for 100,000 shares to three key executives of ROB Cemtrex GmbH. These options have a call price of \$1.80 per share, vest over four years, and expire after six years. During the year ended September 30, 2015 16,264 shares of common stock were issued in relation to these options.

During the year ending September 30, 2015 the company issued 371,069 shares of common stock to satisfy \$658,000 of convertible notes payable (see NOTE 9).

NOTE 14 – COMMITMENTS AND CONTINGENCIES

The Company's Environmental Products and Services Group leases (i) approx. 5,000 sq. ft. of office and warehouse space in Liverpool, New York from a third party in a five year lease at a monthly rent of \$2,200 expiring on March 31, 2018, (ii) approximately 2000 square feet of office on a month to month rental from a third party in Hong Kong at a monthly rental of \$4,133.00 and (iii) approximately 1500 square feet of office on a month to month rental from a third party in Navi Mumbai, India at a monthly rental of \$600.00.

The Company through its Electronics Manufacturing Services Group owns a 70,000 sq. ft. manufacturing building in Neulingen, Germany which has a 17 year 3.00% interest mortgage with monthly mortgage payments of €25,000, through March 2031. The Electronics Manufacturing Services Group also rents a 10,000 sq. ft. manufacturing facility in Sibiu, Romania from a third party in a ten year lease at a monthly rent of €8,000 expiring on May 31, 2019.

NOTE 15 – INCOME TAX PROVISION

The Company accounts for income taxes under the provisions of FASB ASC 740, "Income Taxes", formerly referenced as SFAS No.109, "Accounting for Income Taxes". Under the provisions of FASB ASC 740, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between their financial statement carrying values and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

Significant judgment is required in determining any valuation allowance recorded against deferred tax assets. In assessing the need for a valuation allowance, the Company considers all available evidence including past operating results, estimates of future taxable income, and the feasibility of tax planning strategies. In the event that the Company changes its determination as to the amount of deferred tax assets that can be realized, the Company will adjust its valuation allowance with a corresponding impact to the provision for income taxes in the period in which such determination is made.

The provision for income taxes is as follows:

	September 30, 2015	September 30, 2014
Current taxes payable		
Federal	\$ 5,594	\$ 14,048
State	5,506	13,825
Foreign	(10,183)	34,159
Deferred tax asset:	-	-
Deferred tax valuation allowance	-	-
Total	\$ 917	\$ 62,032

Reconciliation of the federal statutory income tax rate to the effective income tax rate is as follows:

	For the Fiscal Year Ended September 30, 2015	For the Fiscal Year Ended September 30, 2014
U.S. statutory rate	34.00%	34.00%
State income taxes (net of federal benefit)	9.00	9.00
Permanent differences	(42.97)	(37.40)
Benefit of net operating loss carry-forward	0.00	0.00
Effective rate	<u>0.03%</u>	<u>5.60%</u>

At September 30, 2015 and 2014, the Company has no net operating loss carryovers.

NOTE 16 – SUBSEQUENT EVENTS

On October 23, 2015, the Company issued a convertible note to an unrelated third party, in the amount of \$515,000 which has twelve (12) month maturity, carries a 5% per annum interest rate and can be converted into Company's common stock at a conversion price equaling 75% of the market price after six months from the date of issuance at the holder's option.

On November 04, 2015, the Company issued a convertible note to another unrelated third party in the amount of \$500,000 which has twelve (12) month maturity, carries a 10% per annum interest rate and can be converted into Company's common stock at a conversion price equaling 75% of the market price after six months from the date of issuance at the holder's option.

From October 1, 2015 to December 11, 2015, the company issued 369,265 shares of common stock pursuant to the conversion of \$574,000 of convertible notes.

On December 15, 2015 Company acquired Advanced Industrial Services Inc. and its affiliate subsidiary company based in York, Pennsylvania for purchase price of approximately \$7,500,000, and acquisition related expenses of \$476,340. The purchase price was paid with \$5,000,000 in cash, \$1,500,000 in a seller's note, and \$1,000,000 in the form of 315,458 shares of Cemtrex restricted Common Stock. AIS averaged approximately \$23 million in annual revenue and \$2.4 million in annual normalized EBITDA over the two calendar years 2013 and 2014. The Company worked with a local bank to finance the \$5.25 million self-amortizing, seven (7) year term loan and \$3.5 million working capital credit line for the transaction. The loans carry annual interest rates of 30 day LIBOR plus 2.25 and 2.0 respectively. The seller's note is for 3 years at 6%.

Centrex, Inc. and Subsidiaries

KAUFVERTRAG
über die Vermögensgegenstände der
ROB HOLDING AG
ROB ELECTRONIC GMBH
ROB CONNECT GMBH
ROB ENGINEERING GMBH

vom 10. September 2013

ASSET PURCHASE AGREEMENT
regarding the assets of
ROB HOLDING AG
ROB ELECTRONIC GMBH
ROB CONNECT GMBH
ROB ENGINEERING GMBH

dated 10 September 2013

Zwischen

Between

1. Herr Rechtsanwalt Marc Schmidt-Thieme,
geschäftssässig:
Soldnerstr. 2, 68219 Mannheim

1. The lawyer, Marc Schmidt-Thieme,
Having his business address:
Soldnerstr. 2, 68219 Mannheim

handelnd nicht im eigenen Namen,
sondern als Insolvenzverwalter über das
Vermögen der

not acting in his own name, but as the
Insolvency Administrator of the assets of

ROB ELECTRONIC GmbH,

ROB ELECTRONIC GmbH,

Sitz: Neulingen- Göbbrichen, eingetragen
im Handelsregister des Amtsgerichts
Mannheim unter HRB 503828
Gesellschaft mit beschränkter Haftung,

Corporate seat: Neulingen- Göbbrichen,
registered with the commercial register at
the Local Court of Mannheim under no.
HRB 503828

aufgrund Bestallungsurkunde des
Amtsgerichts Pforzheim vom
26. März 2013 (Az.: 4 IE 50/13)

on basis of the appointment of the Local
Court of Pforzheim of 26 March 2013
(file number.: 4 IE 50/13)

2. Herr Rechtsanwalt Tobias Hofer,
geschäftssässig:
Soldnerstr. 2, 68219 Mannheim

2. The lawyer Tobias Hofer,
having his business address:
Soldnerstr. 2, 68219 Mannheim

handelnd nicht im eigenen Namen,
sondern als Insolvenzverwalter über das
Vermögen der

not acting in his own name, but as the
Insolvency Administrator of the assets of

ROB ENGINEERING GMBH,

Sitz: Neulingen- Göbrichen, eingetragen
im Handelsregister des Amtsgerichts
Mannheim unter HRB 50 4934,

aufgrund Bestellsurkunde des
Amtsgerichts Pforzheim vom 26. März
2013 (Az.: 4 IE 51/13)

ROB HOLDING AG,

Sitz: Neulingen- Göbrichen, eingetragen
im Handelsregister des Amtsgerichts
Mannheim unter HRB 505202

aufgrund Bestellsurkunde des
Amtsgerichts Pforzheim vom 26. März
2013 (Az.: 4 IE 48/13)

ROB CONNECT GmbH,

Sitz: Neulingen- Göbrichen, eingetragen
im Handelsregister des Amtsgerichts
Mannheim unter HRB 505171

auf Grund Bestellsurkunde des
Amtsgerichts Pforzheim vom 26. März
2013 (Az.: 4 IE 49/13).

3. **Centrex UG,**

mit Sitz in Berlin, eingetragen im
Handelsregister des Amtsgerichts Berlin
(Charlottenburg) unter HRB 152284,
vertreten durch ihren Geschäftsführer
Arun Govil

ROB ENGINEERING GMBH,

Corporate seat: Neulingen- Göbrichen,
registered with the commercial register at
the Local Court of Mannheim under no.
HRB 50 4934,

on basis of the appointment of the Local
Court of Pforzheim of 26 March 2013
(file number.: 4 IE 51/13)

ROB HOLDING AG,

Corporate seat: Neulingen- Göbrichen,
registered with the commercial register at
the Local Court of Mannheim under no.
HRB 505202,

on basis of the appointment of the Local
Court of Pforzheim of 26 March 2013 (file
number.: 4 IE 48/13)

ROB CONNECT GmbH,

Corporate seat: Neulingen- Göbrichen,
registered with the commercial register at
the Local Court of Mannheim under no.
HRB 505171,

on basis of the appointment of the Local
Court of Pforzheim of March 26, 2013 (file
number.: 4 IE 49/13)

3. **Centrex UG,**

with corporate seat in Berlin, registered with
the commercial register at the local court of
Berlin (Charlottenburg) under no.
HRB 152284, represented by the managing
director Arun Govil



A. Präambel

1.

a) Über das Vermögen der ROB Holding AG (HRB 505202) – nachfolgend: „Schuldnerin 1“ – wurde durch Beschluss des Insolvenzgerichtes Pforzheim vom 01.06.2013 das Insolvenzverfahren eröffnet und Herr Rechtsanwalt Tobias Hofer zum Insolvenzverwalter – nachfolgend: „Insolvenzverwalter 1“ – ernannt. Eine Kopie des Beschlusses ist dieser Vereinbarung als Anlage 1 beigelegt.

b) Über das Vermögen der ROB ENGINEERING GmbH (HRB 504934) – nachfolgend: „Schuldnerin 2“ – wurde durch Beschluss des Insolvenzgerichtes Pforzheim vom 01. Juni 2013 das Insolvenzverfahren eröffnet und Herr Rechtsanwalt Tobias Hofer zum Insolvenzverwalter ernannt.

Eine Kopie des Beschlusses ist dieser Vereinbarung als Anlage 1 beigelegt.

c) Über das Vermögen der ROB ELECTRONIC GmbH (HRB 503824) – nachfolgend: „Schuldnerin 3“ – wurde durch Beschluss des Insolvenzgerichtes Pforzheim vom 1. Juni 2013 das Insolvenzverfahren eröffnet und Herr Rechtsanwalt Marc Schmidt-Thieme zum Insolvenzverwalter – nachfolgend: „Insolvenzverwalter 2“ (zusammen mit dem Insolvenzverwalter 1 auch die „Verkäufer“ bzw. jeweils einzeln „Verkäufer“ – ernannt.

Eine Kopie des Beschlusses ist dieser Vereinbarung als Anlage 1 beigelegt.

d) Über das Vermögen der ROB CONNECT GmbH (HRB 505171) – nachfolgend: „Schuldnerin 4“ – wurde durch Beschluss des Insolvenzgerichtes Pforzheim vom 1. Juni 2013 das Insolvenzverfahren eröffnet und Herr Rechtsanwalt Tobias Hofer zum Insolvenzverwalter ernannt.

Eine Kopie des Beschlusses ist dieser Vereinbarung als Anlage 1 beigelegt.

A. Preamble

1.

The ROB Holding AG (HRB 505202) – hereinafter “Debtor 1” – is subject to insolvency proceedings initiated by ruling of the Local Court of Pforzheim, date 01 June 2013. Lawyer Mr. Tobias Hofer – hereinafter “Insolvency Administrator 1” – was appointed as Insolvency Administrator by the court. A copy of the court ruling is attached as Annex 1 to this agreement.

The ROB ENGINEERING GmbH (HRB 504934) – hereinafter “Debtor 2” – is subject to insolvency proceedings initiated by ruling of the Local Court of Pforzheim, date 01 June 2013. Lawyer Mr. Tobias Hofer was appointed as Insolvency Administrator by the court.

A copy of the court ruling is attached as Annex 1 to this agreement.

The ROB ELECTRONIC GmbH (HRB 503824) – hereinafter “Debtor 3” – is subject to insolvency proceedings initiated by ruling of the Local Court of Pforzheim, date 01 June 2013. Lawyer Mr. Marc Schmidt-Thieme – hereinafter “Insolvency Administrator 2” (and, together with “Insolvency Administrator 1”, the “Sellers” and each of them a “Seller”) – was appointed as Insolvency Administrator by the court.

A copy of the court ruling is attached as Annex 1 to this agreement.

The ROB CONNECT GmbH (HRB 505171) – hereinafter “Debtor 4” – is subject to insolvency proceedings initiated by ruling of the Local Court of Pforzheim, date 01 June 2013. Lawyer Mr. Tobias Hofer was appointed as Insolvency Administrator by the court.

A copy of the court ruling is attached as Annex 1 to this agreement.

2.

- a) Die Schuldnerin 1 ist die Holding-Gesellschaft der ROB-Gruppen. Sie ist 100 % Gesellschafterin der Schuldnerinnen 2 bis 4 (die Schuldnerinnen 1 bis 4 gemeinsam auch "Schuldnerinnen").

Die Schuldnerin ist weiterhin Holding-Gesellschaft einer Schweizer Tochtergesellschaft, über deren Vermögen ebenfalls ein Insolvenzverfahren beantragt, aber noch nicht eröffnet wurde. Diese Schweizer Tochtergesellschaft ist nicht Teil des Verkaufs und der Übertragung in diesem Vertrag und verbleibt bei den Verkäufern.

Die ROB-Unternehmensgruppe ist ein aus drei inländischen und – neben der Schweizer Tochtergesellschaft – einer ausländischen, in Rumänien sitzenden operativen Gesellschaft, bestehender Full-Service-Anbieter aus dem Bereich der Elektronik, der vor allem als Dienstleistungsunternehmen tätig ist.

- b) Die Schuldnerin 1, 3 und 4 betreiben ihren Geschäftsbetrieb auf dem gemieteten Betriebsgrundstück.

Neulingen, Göbriken, Am Wolfsbaum 1, 75245 Neulingen.

Die Schuldnerin 2 betreibt ihren Geschäftsbetrieb auf dem gemieteten Betriebsgrundstück Oberer Strietweg 1, 75245 Neulingen-Göbriken.

- nachfolgend „die Betriebsgrundstücke“ genannt -

- c) Die Schuldnerin 1 ist zu 100 % alleinige Gesellschafterin der Schuldnerin 2 bis 4 sowie der ROB Systems mit dem Sitz in Sibiu, Rumänien, Zona Industrial Vest, Salzburgstraße 28 (nachfolgend: "ROB Systems Beteiligung"). Die Gesellschaftsbeteiligung soll ebenfalls nebst dem dortigen Betriebsgrundstück mitveräußert werden. Die Übertragung dieser ROB Systems Beteiligung wird durch eine separate Vereinbarung zwischen dem Insolvenzverwalter 1 und

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- a) Debtor 1 is the holding company of the ROB Group. It is the sole shareholder of the Debtors 2, 3 and 4 (Debtor 1 to 4 jointly "Debtors").

Debtor 1 is further Holding Company of a Swiss subsidiary over the assets of which opening of insolvency proceedings have been applied for but not been opened so far. Such Swiss subsidiary is not subject to sale and transfer of this Purchase Agreement and will remain with the Sellers.

The ROB group comprises of three domestic companies and – besides the Swiss subsidiary - one foreign operating company located in Romania and is a full service provider in the field of electronics, mainly operating as service enterprise.

- b) Debtors 1, 3 and 4 run their business on the leased business property.

Neulingen, Göbriken, Am Wolfsbaum 1, 75245 Neulingen.

Debtor 2 runs his business on the leased business property at Oberer Strietweg 1, 75245 Neulingen-Göbriken.

- hereinafter as "the Business Properties" -

- c) Debtor 1 is sole shareholder of Debtors 2 to 4 as well as of ROB Systems with corporate seat in Sibiu, Romania, Zona Industrial Vest, Salzburgstraße 28 (hereinafter "ROB Systems Shares"). The ROB Systems Shares shall be sold along with the business premises. The sale of the ROB System Shares shall be effected by a separate agreement between the Insolvency Administrator 1 and the Purchaser under Rumanian law. The Parties shall take all measures which are

der Erwerberin nach rumänischem Recht erfolgen. Die Parteien werden alle weiteren Maßnahmen durchführen, die nach rumänischem Recht zur Übertragung der ROB Systems erforderlich oder zweckmäßig sind (z.B. eine vorgeschaltete Kapitalerhöhung oder die Übertragung eines geringen Anteils an einen zweiten, von der Erwerberin benannten Gesellschafter).

Der Kaufpreis ist bereits mit dem Kaufpreis dieses Vertrages gem. § 12 mit abgegolten. Die für die Übertragung der ROB Systems Beteiligung anfallenden Kosten trägt der Käufer.

d) Sowohl im Insolvenzantragsverfahren als auch nach Verfahrenseröffnung wurde der Geschäftsbetrieb der Schuldnerin 1 bis 4 und der Gesellschaftsbeteiligung fortgeführt.

3. Die Erwerberin beabsichtigt, den Geschäftsbetrieb in Neulingen-Göbbrichen zu übernehmen und bezüglich der Betriebsgrundstücke in 75245 Neulingen-Göbbrichen mit dem bisherigen Vermieter einen Mietvertrag oder einen Kaufvertrag zu begründen. Zwischen dem Insolvenzverwalter und der Erwerberin soll unter B. dieser Vereinbarung ein Kaufvertrag – nachfolgend: „Kaufvertrag“ – nach Maßgabe von Abschnitt B über mobile materielle und immaterielle Vermögenswerte des Geschäftsbetriebs der Schuldnerinnen 1 bis 4, der Übernahme der Arbeitsverhältnisse, einzelner Vertragsverhältnisse und der ROB Systems Beteiligung geschlossen werden.

4. Die Grundstücksverwaltungsgesellschaft mbH, Augustaanlage 33, 68165 Mannheim ist Eigentümerin folgender an die Schuldnerin vermieteter Anwesen:

• Am Wolfsbaum 1 in 75245 Neulingen-Göbbrichen mit einem darauf errichteten Firmengebäude und Parkplätze sowie

• Oberer Strietweg 1 in 75245 Neulingen-Göbbrichen mit dem darauf errichteten Firmengebäude und

required or useful under Romanian law to transfer the ROB Systems Shares (e.g. a previous capital increase or transfer of a minor shareholding to a second shareholder to be determined by the Purchaser).

The purchase price for the ROB System Shares is already included in the purchase price of this contract pursuant to Section B.II.12. The costs incurred by the transfer of the ROB Systems Shares shall be borne by Purchaser.

The Business of Debtor 1 to 4 as well as the business of ROB System Shares has been operated further during the application of insolvency proceedings and after opening of the insolvency proceedings.

The Purchaser intends to assume the business activities in Neulingen-Göbbrichen, and to enter into a lease agreement or purchase agreement with the current landlord of the business property at 75245 Neulingen-Göbbrichen. Insolvency Administrator and Purchaser shall enter into a Purchase Agreement – hereinafter: "Purchase Agreement" – in accordance with Section B for tangible and non-tangible assets of the businesses of the Debtors 1 to 4, transfer of employment relationships, individual contracts and the ROB Systems shares as stated in Section B. in this Purchase Agreement.

The Sandra Grundstücksverwaltungsgesellschaft mbH, Augustaanlage 33, 68165 Mannheim is the owner of the following properties rented to the debtor:

• Am Wolfsbaum 1 in 75245 Neulingen-Göbbrichen with an office building erected on it and parking places as well as

• Oberer Strietweg 1 in 75245 Neulingen-Göbbrichen with an office

Parkplätze.

Die Mietverträge mit der Schuldnerin 1 und die damit zusammenhängenden Untermietverträge der Schuldnerinnen 2, 3 und 4 müssen (ggf. rückwirkend) zum Wirtschaftlichen Übergangsstichtag aufgehoben oder angepasst werden.

building erected on it and parking places.

The lease agreements with Debtor 1 and the related sub-leases of the Debtors 2, 3 and 4 shall be unwound or adapted (retroactively, if need be) as of Effective Date.

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<p>B. Kaufvertrag zwischen den Insolvenzverwaltern als Verkäufern und der Erwerberin als Käuferin</p>	<p>B. Purchase Agreement between the Insolvency administrators as Sellers and the Purchaser as buyer</p>
<p>I. Vertragsstichtag, wirtschaftlicher Übergangsstichtag, Übertragungstag</p>	<p>I. Contractual date, Effective Date, Transfer date</p>
<p>1. Wirksamwerden</p> <p>Alle schuldrechtlichen Verpflichtungen, insbesondere zur Veräußerung der Vermögenswerte und Grundstücke, der ROB Systems Beteiligung sowie zur Übernahme der Vertrags- und Rechtsverhältnisse werden mit Unterzeichnung dieses Kaufvertrages ("Kaufvertrag") vorbehaltlich des Eintritts der Wirksamkeitsbedingung gemäß nachfolgendem B.III. § 1 wirksam.</p>	<p>1. Entering Into Effectiveness</p> <p>All obligations, in particular to sell the assets and real estate, the ROB Systems Shares and to assume the contractual and legal relationships will become effective upon signing of this purchase agreement ("Purchase Agreement"), subject to the occurrence of the Conditions to Effectiveness as defined in Section B. II 1.</p>
<p>2. Wirtschaftlicher Übergangsstichtag</p>	<p>2. Effective Date</p>
<p>2.1 Als wirtschaftlicher Übergangsstichtag ("Wirtschaftlicher Übergangsstichtag") der an die Erwerberin nach Maßgabe dieses Kaufvertrages veräußerten Vermögenswerte (Sachanlagevermögen gemäß II. § 2, Werkzeuge und Prüfmittel gemäß II. § 3, Vorräte gemäß II. § 4 sowie immaterielle Vermögenswerte gemäß II. § 6) (zusammen "Verkaufte Vermögenswerte") sowie der nach diesem Vertrag zu übernehmenden Vertrags- und Rechtsverhältnisse (Warenbestellungen gemäß II. § 5, Aufträge gemäß II. § 7, Arbeits- und Anstellungsverträge gemäß II. § 8., Dauerschuldverhältnisse gemäß II. § 9) (zusammen "Übertragene Verträge") gilt zwischen den Vertragspartnern der 1. Oktober 2013, 00:00 Uhr MESZ.</p> <p>Soweit in diesem Vertrag nicht abweichend geregelt, gehen die mit den veräußerten Vermögenswerten verbundenen Lasten und Nutzungen mit Wirkung auf den Wirtschaftlichen Übergangsstichtag auf die Erwerberin über. Sämtliche bis zum Ablauf des dem Wirtschaftlichen Übergangsstichtag unmittelbar vorangehenden Tages eingetretenen Rechtswirkungen treffen die</p>	<p>2.1 The Parties agree that the economic transfer date ("Effective Date") relating to the assets sold to the Purchaser described under this Purchase Agreement (property, plant and equipment according to Section B.II.2, tools and test equipment according to Section B.II.3, inventories according to Section B.II.4 and intangible assets according to Section B.II.6) (collectively "Sold Assets") and the contractual and legal relationships acquired under this agreement (purchase orders according to Section B.II.5, contracts according to Section B.II.7, labour and employment contracts according to Section B.II.8, continuing obligations according to Section B.II.9) (collectively "Transferred Agreements") under this Purchase Agreement shall be October 1, 2013, 0:00 o'clock a.m. CEDT.</p> <p>On the Effective Date, benefit and risk shall pass to the Purchaser unless noted otherwise in this Agreement. Any legal effects occurring until expiration of the date prior to the Effective Date shall be borne by the Sellers, any legal effect occurring afterwards shall borne by the Purchaser, unless stipulated otherwise in this Agreement.</p>

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Verkäufer, sämtliche ab diesem Zeitpunkt eintretenden Rechtswirkungen treffen die Erwerberin, sofern sich aus diesem Kaufvertrag nichts anderes ergibt.

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| <p>2.2 Vom Zeitpunkt der Unterzeichnung dieses Kaufvertrags ("Unterzeichnungstag") bis zum Übertragungstag haben die Verkäufer die Geschäfte jeder Schuldnerin mit der gebotenen Sorgfalt eines ordentlichen und gewissenhaften Kaufmanns in Übereinstimmung mit vergangener Praxis (unter Berücksichtigung ihrer Insolvenzsituation) zu führen und sich größte Mühe zu geben, die Verkauften Vermögenswerte und Übertragenen Verträge vor jeglichem Schaden oder zufälligem Untergang zu schützen, sowie die jeweiligen Geschäftsbetriebe und die zugehörigen Geschäftsbeziehungen zu Dritten zu erhalten. Ungeachtet des Vorstehenden dürfen die Verkäufer ohne die vorherige schriftliche Zustimmung des Käufers keine</p> <p>a) Gegenstände des Anlagevermögens verkaufen, vermieten, lizenzieren, belasten oder in sonstiger Weise hierüber verfügen;</p> <p>b) Gegenstände des Umlaufvermögens verkaufen, vermieten, lizenzieren, belasten oder in sonstiger Weise hierüber verfügen (soweit dies nicht im Rahmen des üblichen Geschäftsbetriebs erfolgt);</p> <p>c) wesentliche Verträge ändern oder kündigen, mit Ausnahme von (i) Vertragsänderungen im Rahmen des üblichen Geschäftsbetriebs, die nicht wesentlich sind und in Einklang mit der bisherigen Praxis stehen, oder (ii) Kündigungen aus wichtigem Grunde;</p> <p>d) Maßnahmen ergreifen oder unterlassen, die nachteilige Auswirkungen auf den Geschäftsbetrieb oder Teile hiervon haben könnten; and</p> <p>e) Bestellung von Waren zu verzögern.</p> <p>(gemeinsam "Zusicherungen der Verkäufer").</p> <p>2.3 Vom Zeitpunkt des Eintritts der Wirksamkeitsbedingung gemäß B.III.1 bis</p> | <p>2.2 From the date of signing of this Purchase Agreement ("Signing Date") until the Closing Date, Sellers shall conduct the business of each of the Debtors with due care of a prudent businessman and in the ordinary course, consistent with past practice (considering their insolvency situation), and use their best efforts to protect the Sold Assets and Transferred Agreements from any damage or casualty loss, to preserve intact the business organizations of the respective business and its relationships with third parties. Without limiting the generality of the foregoing, Sellers shall not, without the prior written consent of Purchaser,</p> <p>a) sell, lease, license, pledge, or otherwise dispose of fixed assets;</p> <p>b) sell, lease, license, pledge, or otherwise dispose of current assets (other than in the ordinary course of business);</p> <p>c) amend or terminate any material agreement, except for (i) amendments in the ordinary course of business which are not material and are consistent with past practice, or (ii) any termination for cause;</p> <p>d) take any measures or omit any actions which could adversely affect the business or parts thereof</p> <p>e) delay any orders of goods.</p> <p>(collectively "Sellers' Covenants").</p> <p>2.3 From the date of occurrence of the Condition to Effectiveness in accordance</p> |
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zum Übertragungstag haben die Verkäufer unverzüglich (i) dem Käufer und seinen Vertretern auf Nachfrage im Rahmen des rechtlich Zulässigen Zugang zu den Büchern, Aufzeichnungen, Räumlichkeiten und Arbeitnehmern des jeweiligen Geschäftsbetriebes zu gestatten und direkte Kommunikation mit den Kunden zu erlauben und (ii) den Käufer über alle Ereignisse oder Umstände zu informieren, die – wenn sie am Unterzeichnungstag existiert hätten oder bekannt gewesen wären – mit Blick auf die Verkäufergarantien hätten offengelegt werden müssen oder die nach vernünftiger Einschätzung zu einer wesentlich nachteiligen Veränderung führen können.

3. Übergabe/Eigentumsverschaffung

- a) Die Übergabe der verkauften Vermögenswerte hat an die Erwerberin in den Geschäftsräumen der Schuldnerinnen am Übertragungstag zu erfolgen.

Darüber hinaus wird auch eine Übergabe sämtlicher vorhandener Unterlagen und Datenträger in Bezug auf die von der Erwerberin zu übernehmenden Vertrags- und Rechtsverhältnisse sowie sonstige Geschäftsunterlagen gemäß II. § 14 erfolgen.

Hierzu sind sich die Verkäufer einerseits und die Erwerberin andererseits einig, dass mit der Besitzübergabe das Eigentum an den übergebenen mobilen Gegenständen auf die Erwerberin aufschiebend bedingt gemäß nachfolgend Ziff. 4 übergeht. Insoweit an den übergebenen Gegenständen noch Vorbehaltseigentum der Lieferanten oder Sicherungseigentum Dritter besteht, sind sich die Verkäufer und die Erwerberin darüber einig, dass mit der Besitzübergabe die Anwartschaftsrechte auf Erwerb oder Rückwerb des Eigentums auf die Erwerberin übertragen werden. Sollte eine Übergabe nicht möglich sein, weil sich die Gegenstände im Rahmen des normalen Geschäftsbetriebs im Besitz Dritter befinden, wird die Übergabe insoweit dadurch ersetzt, dass die Verkäufer an die

with B.III.1 until the Closing Date, Sellers shall promptly (i) upon request and to the extent legally permissible, give Purchaser and its representatives access to the books and records, premises and employees of the respective business, and allow communication directly with customers (ii) inform Purchaser of all events or circumstances which, if existing or known on the Signing Date, would have been required to be disclosed under any Sellers' Guarantee or may reasonably be expected to result in a material adverse change.

3. Delivery / transfer of ownership

- a) The delivery of the assets sold shall be made to the Purchaser at the place of business of the Debtors on the Transfer Date.

In addition, a delivery of all existing documents and data carriers in terms of the contractual and legal relationships transferred to the Purchaser and other business records will take place in accordance with Section B.II.14.

For this purpose, the Sellers on the one hand, and Purchaser, on the other hand, agree that the ownership of the unfixed objects is transferred to the Purchaser upon change of possession, subject to the conditions set forth in Section B.I.4. To the extent the delivered assets are subject to retention of title rights or collateral of suppliers and third parties, the Sellers and Purchaser are in agreement that with the transfer of property, the right to acquire or redeem the property passes to the Purchaser. If a transfer is not possible, because the assets are in the possession of third parties within the normal course of business, the transfer shall be replaced by Sellers' assignment of claims for return to the Purchaser. Until the Closing Date, Sellers shall comply with the contractual payment obligations in particular with respect to assets subject to retention of title

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Erwerberin die Herausgabeansprüche abtreten. Bis zum Übertragungstag haben die Verkäufer die vertraglichen Zahlungsverpflichtungen, insbesondere im Hinblick auf Vermögensgegenstände unter Eigentumsvorbehalt, zu erfüllen.

Die Vertragsparteien sind sich hiernit des Weiteren darüber einig, dass alle nach diesem Kaufvertrag verkauften Forderungen und Rechte, soweit sie abtretbar sind, jeweils aufschiebend bedingt gemäß nachfolgend Ziff. 4, von den Verkäufern an die Erwerberin abgetreten werden, insbesondere alle Rechte und Forderungen in Bezug auf die veräußerten mobilen materiellen und immateriellen Vermögenswerte sowie alle Forderungen und sonstigen vertraglichen Rechte aus den Rechts- und Vertragsverhältnissen, in die die Erwerberin eintritt.

b) Die Verkäufer haben der Erwerberin am Wirtschaftlichen Übergangsstichtag, oder, wenn dieser zeitlich nachfolgt, am Übertragungstag, auch den Besitz an den Betriebsgrundstücken einzuräumen.

c) Der Erwerberin obliegt ab dem Übertragungstag die ausreichende Versicherung der erworbenen Vermögenswerte.

d) Soweit der dingliche Rechtsübergang einzelner Vermögenswerte aus rechtlichen oder tatsächlichen Gründen zum Wirtschaftlichen Übergangsstichtag nicht möglich oder nicht erfolgt ist, verpflichten sich die Vertragsparteien, einander wirtschaftlich so zu stellen, als ob der Übergang zum wirtschaftlichen Übergangsstichtag stattgefunden hätte, ferner alle zur Herbeiführung des Übergangs erforderlichen Maßnahmen unverzüglich zu veranlassen. Die Wirksamkeit des Vertrages soll, soweit in diesem Vertrag nicht ausdrücklich etwas Abweichendes geregelt ist, hierdurch nicht berührt werden.

e) Die allgemeine Verkehrssicherungspflicht geht auf die Erwerberin zum Übertragungstag über.

f) Die Gefahr des zufälligen Untergangs

rights.

The Parties hereby further agree that all receivables and rights sold under this Purchase Agreement, to the extent they are assignable, are assigned by Sellers to the Purchaser subject to Section B.I.4, in particular all rights and receivables relating to the moveable tangible and intangible assets, as well as all receivables and other contractual rights under the legal and contractual relationships the Purchaser will enter into.

b) The Sellers shall transfer the possession of the Business Properties to the Purchaser on the Effective Date, or, if occurring later, on the Transfer Date.

c) The Purchaser is responsible to ensure that on the Transfer Date an adequate insurance of the assets has been acquired.

d) As far as the transfer of ownership of individual assets is not possible for legal or factual reasons or does not take place on the Effective Date, the parties undertake to put each other in the same economic condition as if the transfer took place on the Effective Date, as well as to carry out any necessary measures to effect the transfer without undue delay. This shall not affect the validity of this Agreement unless stipulated otherwise herein.

e) The duty to implement safety precautions shall pass to the Purchaser on the Effective Date.

f) The risk of accidental loss or accidental

oder der zufälligen Verschlechterung der Verkauften Vermögenswerte trifft ab dem Wirtschaftlichen Übergangestag die Erwerberin.

deterioration of the Assets Sold shall pass to the Purchaser as of the Effective Date.

4. Übertragungstag

Die Einigung über den Eigentumsübergang, sonstigen Rechtsübergang bzw. die Verfügung über sämtliche Verkauften Vermögenswerte sowie die vertraglich vorgesehenen Vertragsübernahmen und die vertraglich vorgesehenen Rechtsabtretungen erfolgen aufschiebend bedingt auf das vollständige Eintreten der bzw. den entsprechenden Verzicht auf die Vollzugsbedingungen und die Zahlung des Kaufpreises an die Verkäufer und den Treuhänder nach Maßgabe von B.II.12.4. Als "Übertragungstag" gilt der Tag, an dem der Kaufpreis gem. B.II.12.4 gezahlt wird. Die Parteien verpflichten sich, am Übertragungstag ein Vollzugsprotokoll zu unterzeichnen, in dem der Eintritt des Übertragungstages und die Übertragung der gemäß diesem Kaufvertrag veräußerten Rechte und Pflichten bestätigt wird.

4. Transfer Date

The transfer of ownership, the transfer of other rights and the disposal of all Sold Assets as well as the agreed assumptions of contracts and the agreed assignments of rights are subject to the fulfillment or waiver of all Closing Conditions and the payment of the Purchase Price to Sellers and the Escrow Agent pursuant to Section B.II.12.4. The date on which the Purchase Price is paid in accordance with Section B.II.12.4 shall be the "Transfer Date". The Parties undertake to execute a closing protocol on the Transfer Date confirming the occurrence of the Transfer Date and the transfer of rights and obligations sold under this Purchase Agreement.

5. Inventur

Die von der Erwerberin zu übernehmenden Vorräte (vgl. II. § 4) werden im Rahmen einer gemeinsamen Inventur, die am 29. September 2013 stattfinden wird, in eine gemeinsam zu erstellende und von den Verkäufern und der Erwerberin zu unterzeichnenden Dokumentation aufgenommen. Der Inventur liegen die in der Anlage 5 niedergelegten Kriterien zugrunde. In der Anlage 5 sind auch die Bewertungskriterien für die Vorräte beinhaltet.

5. Inventory

Sellers as well as the Purchaser shall jointly carry out an inventory regarding the stocks the Purchaser is going to acquire in accordance with this Purchase Agreement (see Section B.II.4). The inventory shall take place on September 29, 2013 and a joint report shall be signed by Sellers and the Purchaser. The inventory shall be based on the criteria as stated in the Annex 5. In Annex 5, the evaluation criteria for the inventories are included.

Im Rahmen der Bewertung werden auch festgestellte Mängel berücksichtigt und gelten gegenüber den Verkäufern als erledigt.

Within the evaluation, defects shall be taken into consideration and shall be considered as taken care of with respect to the Sellers.

6. Anlagen

Soweit dieser Kaufvertrag Bezug auf noch beizufügende Anlagen nimmt, die nicht von den Parteien gemeinsam oder

6. Anlagen

To the extent this Purchase Agreement refers to Annexes still to be attached, which are not to be jointly prepared by all Parties

ausdrücklich nur von der Erwerberin zu erstellen sind, verpflichten sich die Verkäufer, diese unverzüglich zu erstellen und der Erwerberin vorzulegen. Nach Vorliegen, bzw. Verzicht auf, aller Vollzugsbedingungen sind die Parteien verpflichtet, diese sowie die gemeinsam erstellten Anlagen im Wege eines Nachtrags zu einem Bestandteil dieses Kaufvertrags zu machen.

or expressly by the Purchaser only, the Sellers undertake to prepare them and transmit them to the Purchaser without undue delay. Following fulfillment or waiver of all Closing Conditions the Parties are obliged to include those as well as the Annexes jointly prepared by way of an addendum as a part to this Purchase Agreement.

II. Kaufvertrag über mobile materielle und immaterielle Vermögenswerte und Anteile

1 Vertragsgegenstände

1.1 Die Verkäufer verkaufen und übertragen nach Maßgabe dieses Kaufvertrages jeweils mit Wirkung zum Wirtschaftlichen Übergangsstichtag (vgl. I.) ausschließlich die nachfolgend aufgeführten und dem jeweiligen Geschäftsbetrieb der Schuldnerinnen 1 bis 4 dienenden Vermögenswerte (mobile materielle und immaterielle Wirtschaftsgüter im Sinne des § 266 Abs. 2 HGB), die sich zum Wirtschaftlichen Übergangsstichtag im Vermögen der Schuldnerinnen 1 bis 4 befinden, jeweils jede für sich und soweit ihr die entsprechenden Vermögenswerte (wie in den Anlagen spezifiziert) gehören, an die Erwerberin.

Zu den Verkauften Vermögenswerten gehören insbesondere auch diejenigen Vermögenswerte, die die Verkäufer bis zum Wirtschaftlichen Übergangsstichtag als Ersatz oder Ergänzung für die Verkauften Vermögenswerte herstellen oder erwerben.

Verkauf und Übertragung beinhalten sämtliche gesetzliche und/oder vertraglichen Rechte sowie Nebenrechte betreffend die Verkauften Vermögenswerte oder Übertragenen Verträge, insbesondere Gewährleistungs- und vertragliche Schadensersatzrechte aus Verträgen mit Dritten, die, zur Klarstellung, hiermit ausdrücklich durch die Verkäufer an die Erwerberin abgetreten werden. Für den Fall, dass die

II. Purchase Agreement for moveable tangible and intangible assets and shares

1. Contractual Items

1.1 The Sellers sell and transfer to the Purchaser, each with effect as of Effective Date (cf. Section B.I), exclusively the assets listed below serving the business operations of the Debtors 1 to 4 respectively (moveable tangible and intangible assets within the meaning of sec. 266 para. 2 German Commercial Code (HGB)) and being part of the estate of Debtors 1 to 4, in each case for itself and to the extent it owns the respective assets (as specified in the Annexes), on the Effective Date.

Among the assets sold are in particular those assets which are provided to the Sellers on the Effective Date as a replacement or supplement for the assets sold or purchased.

This sale and transfer includes any and all statutory and/or contractual rights and ancillary rights pertaining to the Assets Sold or under the Transferred Agreements, in particular warranty and contractual damage rights under agreements with third parties, which, for the avoidance of doubt, are hereby expressly assigned by Sellers to Purchaser. To the extent the assertion of a claim is refused by such third party, Section B.II.11 shall apply mutatis mutandis.

Geltendmachung eines Anspruchs gegen Dritte durch diese zurückgewiesen wird, gilt B. II 11 entsprechend.

Verkauft und übertragen werden auch alle Informationen, Daten und Software, welche die verkauften materiellen mobilen und immateriellen Vermögenswerte und sonstige Vertragsgegenstände betreffen, soweit sie vorhanden und in irgendeiner Form dokumentiert sind (Urkunden, Unterlagen, elektronische Datenträger, etc.).

Vertragsgegenstände sind:

- nach Maßgabe von II. 2 das Sachanlagevermögen,
- nach Maßgabe von II. 3 Werkzeuge und Prüfmittel,
- nach Maßgabe von II. 4 Vorräte und unfertige Erzeugnisse,
- nach Maßgabe von II. 6 immaterielle Vermögenswerte,
- nach Maßgabe von II. 7 Angebots- und Auftragsbestand,
- nach Maßgabe von II. 8 Beschäftigungsverhältnisse,
- nach Maßgabe von II. 9 Dauerschuldverhältnisse,
- nach Maßgabe von II.1.4 das Darlehen der Schuldnerin 1 an die ROB Systems.
- nach Maßgabe von II.1.5 die ROB Systems Beteiligung.

1.2 Die übrigen Aktiva der Schuldnerinnen werden nicht mitverkauft.

Dies sind insbesondere:

- Wertpapiere, Kassenbestand, Bundesbankguthaben, Guthaben bei Kreditinstituten, Finanzanlagen.

Forderungen aus Lieferungen und Leistungen der insolventen

Furthermore, all information, data and software relating to the sold tangible and intangible assets and other contractual items are subject to this Purchase Agreement, to the extent existing and being documented in any form (certificates, documents, electronic media, etc.).

Contractual items are:

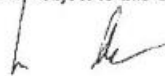
- in accordance with the provisions of Section B.II.2 tangible assets
- in accordance with the provisions of Section B.II.3 tools and testing equipment
- in accordance with the provisions of Section B.II.4 inventories and work in progress
- in accordance with the provisions of Section B.II.6 immaterial assets
- in accordance with the provisions of Section B.II.7 quotations and order backlog
- in accordance with the provisions of Section B.II.8 employment relationships
- in accordance with the provisions of Section B.II.9 continuing obligations
- in accordance with the provisions of Section B.II.1.4 the loan granted by Debtor 1 to ROB Systems
- in accordance with the provisions of Section B.II.1.5 the ROB Systems Shares.

1.2 The remaining assets of the Debtors are not sold.

These are in particular:

- Securities, cash, federal and other bank balances, financial investments.

Trade accounts receivables of the insolvent Debtors are not subject to this contract un-



Schuldnerinnen sind ebenfalls nicht mitveräußert, soweit hierzu nachfolgend nicht ausdrücklich etwas anderes geregelt ist.

less stipulated otherwise in this agreement.

1.3 Mit Ausnahme der in diesem Kaufvertrag ausdrücklich geregelten Verpflichtungen und Verträge übernimmt die Erwerberin keine Verpflichtungen oder Verträge der Schuldnerinnen 1 bis 4 bzw. der Verkäufer, insbesondere keine Steuerschulden oder sonstigen Verbindlichkeiten unter Einschluss von Lieferanten- und Bankschulden, Ansprüchen Dritter aus Mangelhaftung sowie aus Produkthaftung für von Verkäuferseite aus erfolgte Lieferungen und Leistungen. Die Verkäufer und die Erwerberin schließen insoweit die Haftung der Erwerberin gegenüber Dritten, insbesondere gegenüber Insolvenzgläubigern, ausdrücklich aus.

1.3 Except for the obligations or contracts expressly provided for under this Purchase Agreement, the Purchaser does not assume any obligations or contracts of the Debtors 1 to 4 or the Sellers, in particular no tax liabilities or other obligations, including supplier and bank debts, liability claims of third parties for defects nor product liability for deliveries and services provided by Sellers' side. To this extent, the Sellers and the Purchaser expressly exclude a liability of the Purchaser vis-à-vis third parties, particularly insolvency creditors.

1.4 Der Insolvenzverwalter 2 in seiner Eigenschaft als Insolvenzverwalter über das Vermögen der Schuldnerin 1 verkauft und überträgt an die Erwerberin hiermit Darlehen der Schuldnerin 1 gegenüber der ROB Systems aus dem Darlehensvertrag vom 15. Januar 2007 (in der Fassung diverser Nachträge) in Höhe von aktuell EUR 1.000.000,00 plus Zinsen. Der Kaufpreis für den Darlehensvertrag ist im Gesamtkaufpreis enthalten und wird mit EUR 10.000,00 bewertet.

1.4 The Insolvency Administrator 2 in its capacity as insolvency administrator of the assets of Debtor 1 sells and transfers to the Purchaser the loan of Debtor 1 with ROB Systems from the loan agreement dated January 15, 2007 as amended from time to time in the current amount of EUR 1,000,000.00 plus interest. The Purchase Price for the loan agreement is included in the Purchase Price and is valued at EUR 10,000.00.

1.5 Der Insolvenzverwalter 1 in seiner Eigenschaft als Insolvenzverwalter über das Vermögen der Schuldnerin 1 verkauft an die Erwerberin hiermit die ROB Systems Beteiligung, d.h. sämtliche Anteile an der ROB Systems. Der Insolvenzverwalter 2 verpflichtet sich, unverzüglich sämtliche Verträge und Dokumente zu unterzeichnen, Erklärungen abzugeben und Maßnahmen vorzunehmen die erforderlich sind, um die Übertragung des Eigentums an der ROB Systems Beteiligung herbeizuführen. Die Erwerberin ist frei, die Übertragung an sich und/oder einen oder mehrere Dritte zu verlangen.

1.4. The Insolvency Administrator 1 in its capacity as insolvency administrator of the assets of Debtor 1 sells to the Purchaser the Rob Systems Shares, i.e. all shares in ROB Systems. The Insolvency Administrator 2 undertakes to execute all Agreements and documents, give declarations and take measures without undue delay which are required to effect the transfer of ownership in the ROB Systems Shares. The Purchaser is entitled to request transfer to itself and/or one or several third parties.



2. Sachanlagevermögen

Die Verkäufer verkaufen und übereignen an die Erwerberin das gesamte bewegliche Sachanlagevermögen nebst geringwertiger Wirtschaftsgüter, soweit sie im Eigentum der Schuldnerinnen stehen (wie sie sich insbesondere in den Geschäftsräumen der Gesellschaften in Neulingen-Göbriken, Am Wolfsberg 1 und Oberer Strietweg 1 befinden, jedoch nicht beschränkt hierauf).

Die einzelnen übertragenen Gegenstände ergeben sich insbesondere aus der Sachaufnahme und Wertschätzung des Sachverständigen die dieser Vereinbarung als **Anlage B.II.2.1(a)** beizufügen ist.

Nicht mit verkauft werden die in dieser Sachaufnahme ausdrücklich als Fremdrechte gekennzeichneten Gegenstände.

Der Erwerberin ist bekannt, dass bezüglich der im Rahmen der EDV-Systeme genutzten Software lediglich Nutzungsrechte bestehen, etc.

Ebenfalls von der Veräußerung ausgenommen sind die fest mit dem Grund und Boden verbundenen Sachanlagegegenstände, die auf Grund der Verbindung in das Eigentum des Grundstückseigentümers übergegangen sind. Hierbei handelt es sich um die Gegenstände gemäß der noch beizufügenden **Anlage B.II.2.1(a)**, die in der Anlage mit Einbauten oder Einbauten in fremde Räume gekennzeichnet sind.

Die Verkäufer haben im Rahmen des bisherigen Insolvenzverfahrens die Drittrechte (Aus- und Absonderungsrechte) gemeinsam mit den Mitarbeitern der Schuldnerinnen geprüft. Die Verkäufer sind gemäß § 166 InsO berechtigt, sämtliche mit Absonderungsrechten belasteten Gegenstände zu veräußern und der Erwerberin das Eigentum zu verschaffen. Die Sicherungsrechte finden daher lediglich im Verhältnis der Verkäufer zu den Sicherungsgläubigern Berücksichtigung.

2. Property, plant and equipment

The Sellers sell and transfer to the Purchaser the entire tangible fixed assets, along with low-value assets, if these are owned by the Debtors (as found, but not limited to, in particular in the business premises (Geschäftsräumen) of the companies at Neulingen Göbriken, Am Wolfsberg 1 and Oberer Strietweg 1).

The respective assets transferred are shown in particular in the recording and evaluation of the expert which is to be attached to this agreement as **Annex B II.2.1(a)**.

Objects in this expert recording explicitly marked as being subject to third party rights are not sold.

The Purchaser is aware of that, regarding the software used in electronic data processing, only usage rights exist, etc.

Also excluded from the sale and transfer are those tangible assets fixed to the land, thereby having switched into ownership of the land owner. These are the assets listed and highlighted accordingly (*Einbauten* or *Einbauten in fremde Räume*) in **Annex B II.2.1(a)** which is to be attached to this agreement.

During the insolvency proceedings the **Sellers** examined third-party rights (right to separation and right of segregation) together with the employees of the **Debtors**. The **Sellers** are entitled under sec. 166 Insolvency Act to sell items that are subject to rights of segregation and to transfer ownership of these items to the **Purchaser**. Therefore, security interests only take effect in the relationship between the Sellers and the security creditor.

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sichtigung.

Die Verkäufer und die Erwerberin gehen davon aus, dass an den veräußerten Gegenständen des mobilen Sachanlagevermögens keine Rechte Dritter bestehen. Fürsorglich mitverkauft und übertragen werden etwaige bestehende Anwartschaftsrechte der Verkäufer an den Gegenständen.

Ist die Erwerberin dennoch zur Herausgabe von Gegenständen des beweglichen Sachanlagevermögens verpflichtet, ist sie berechtigt, den sich aus der Inventur gem. § B.I.5 ergebenden Wert der herauszugebenden Gegenstände vom Treuhandkonto (wie in § B.II.12.5. definiert) abzuziehen (d.h. gegen den entsprechenden Auszahlungsanspruch der Verkäufer aufzurechnen) ("Rückgewähranspruch"). Dasselbe gilt für jedwede Rechte, die den Wert des Anlagevermögens reduzieren. Zur Klarstellung: Der Erwerberin stehen keine weitergehende Rechte gegen die Verkäufer zu, sollten die Gelder auf dem Treuhandkonto nicht ausreichen, um die vorgenannten Abzüge auszugleichen.

The Sellers and the Purchaser are assuming that no third party rights exist concerning the tangible assets that are subject to this Purchase Agreement. As a matter of precaution, any expectancy rights (Anwartschaftsrechte) possibly existing are hereby sold and transferred by the Sellers to Purchaser.

However, if and to the extent the Purchaser is obliged to surrender moveable tangible assets, the Purchaser shall be entitled to deduct the value of the respective assets as determined in the inventory pursuant to Section B.I.5 ("Surrender Claim") from the Escrow Account (as defined in Section B.II.12.6) (i.e. set off against the corresponding payout claim of the Sellers). The same shall apply for any rights which lessen the value of the fixed assets. For the avoidance of doubt, Purchaser shall have no further rights against the Sellers if the funds on the Escrow Account are not sufficient to cover such deduction(s).

3. Werkzeuge und Prüfmittel

3.1 Die Verkäufer verkaufen und übereignen sämtliche am wirtschaftlichen Übergangstichtag vorhandenen Werkzeuge und Prüfmittel, ausgenommen die im Eigentum von Kunden stehenden, der Schuldnerinnen 1 bis 4 zur Fertigung überlassenen Werkzeuge und Prüfmittel, wie diese in der noch beizufügenden Anlage II.3.3.1 aufgeführt sind.

3.2 Der Kaufpreis für die Werkzeuge und/oder Prüfmittel, soweit sie sich im Eigentum der Schuldnerinnen befinden, ist im Kaufpreis für das Sachanlagevermögen enthalten.

4. Vorräte

Die Verkäufer verkaufen und übereignen an die Erwerberin sämtliche Vorräte an Roh-, Hilfs- und Betriebsstoffen, Unfertig- und Fertigerzeugnissen und Kaufteilen, die zum wirtschaftlichen Übergangstichtag vorhanden sind und im

3. Tools and testing equipment

3.1 The Sellers sell and transfer all tools and test equipment available on the Effective Date, except for those which are owned by customers and have been delivered to Debtors 1 to 4 for production purposes as listed in the Annex B.II.3.3.1 which is still to be attached.

3.2 The purchase price for the tools and / or test equipment, to the extent owned by the Debtors, is included in the purchase price of the tangible fixed assets.

4. Inventories

The Sellers sell and transfer to the Purchaser all stocks of raw materials and supplies (Roh-, Hilfs- und Betriebsstoffe), unfinished and finished products and purchased parts that are available on the Effective Date and owned by Debtors 1 to 4.

Eigentum der Schuldnerinnen 1 bis 4 stehen.

Die Bewertungsstruktur zur Kaufpreisberechnung ergibt sich aus Anlage 5. Art und Umfang der Roh-, Hilfs- und Betriebsstoffe, Unfertig- und Fertigerzeugnisse zum Stand 29. September 2013 ergibt sich aus der Inventur gemäß I. Ziff. 5.

Der Kaufpreis für die Roh-, Hilfs- und Betriebsstoffe errechnet sich auf der in Anlage 5 niedergelegten Bewertungskriterien anhand der Inventur vom 29. September 2013.

Der Kaufpreis für die Unfertig- und Fertigerzeugnisse und Kaufteile, die sich zum wirtschaftlichen Übergangsstichtag in der Produktion der Schuldnerinnen befinden, errechnet sich anhand der in Anlage 5 niedergelegten Bewertungskriterien für die in der Inventur vom 29. September 2013 erfassten Gegenstände. Der Kaufpreis versteht sich als Nettopreis.

Der Wert der am wirtschaftlichen Übergangsstichtag vorhandenen Vorräte ist im Rahmen der Inventur (vgl. I. 1 Ziff. 5) nach den vorstehenden Bewertungskriterien zu ermitteln.

5. Warenbestellungen

Von der Übereignung ausgenommen sind sämtliche Roh-, Hilfs- und Betriebsstoffe sowie Unfertig- und Fertigerzeugnisse und Kaufteile, die nach dem wirtschaftlichen Übergangsstichtag bei den Schuldnerinnen 1 bis 4 angeliefert werden, und auf Grund einer Bestellung der Schuldnerinnen mit Zustimmung der Verkäufer geliefert werden. Diese Waren sind durch die Erwerberin zu erwerben, indem der Kaufpreis an den Lieferanten vollständig beglichen wird. Insoweit tritt die Erwerberin in alle Bestellungen der Verkäufer ein, die den Materialbedarf decken oder zur Erbringung von Leistungen der ordnungsgemäßen Auftragsabwicklung dienen, und nach dem wirtschaftlichen Übergangsstichtag erfüllt werden. Von den Verkäufern

The valuation structure for the purchase price calculation is laid down in Annex 5. Nature and extent of raw materials and supplies, unfinished and finished products as of September 29, 2013 result from the inventory according to Section B.I.5.

The purchase price for the raw materials and supplies to be calculated from the criteria set out in the Annex 5 is based on the inventory dated September 29, 2013.

The purchase price of the unfinished products and finished products as well as purchased parts that are still in the production process of the Debtors at the Effective Date shall be calculated on the basis of the valuation criteria as laid down in Annex 5 for the items recorded in the inventory dated September 29, 2013. Statutory VAT shall be added to the purchase price. The purchase price shall be the net price.

The value of the stocks available on the Effective Date is determined based on the aforementioned valuation criteria during the inventory process (Section B.I.5).

5. Orders of Products and Goods

The transfer of ownership does not include raw materials and supplies as well as unfinished and finished products and purchased parts that are delivered after the Effective Date to the Debtors on the basis of orders given by the Debtors upon approval of the Insolvency Administrators 1 and 2. These goods shall be purchased by the Purchaser by purchase price payment directly to the supplier. Insofar the Purchaser enters into the orders of the Sellers which cover the material demand or serve the performance for due order processing and which are fulfilled after the Effective Date. Prepayments by Sellers shall be reimbursed by Purchaser.

geleistete Vorauszahlungen werden von der Erwerberin erstattet.

Falls die Erwerberin nicht mit Wirkung gegenüber dem jeweiligen Lieferanten in diese Verträge eintreten kann, weil dieser seine Zustimmung verweigert, gilt nachfolgend II. § 11.

If the Purchaser is not able to enter into a particular contract with a supplier because the supplier refuses consent, Section B.II.11 applies.

6. Immaterielle Vermögenswerte

6.1 Die Verkäufer verkaufen und übertragen an die Erwerberin sämtliche immateriellen Vermögenswerte der SchuldnerInnen (unabhängig, in welcher Form diese verkörpert sind), soweit diese zum wirtschaftlichen Übergangsstichtag (tatsächlich und rechtlich) vorhanden sind und durch die Verkäufer (tatsächlich und rechtlich) übertragen werden können.

Verkauft und übertragen werden insbesondere

- Patente, Gebrauchsmuster, Geschmacksmuster, Marken,
- alle geschäftliche Bezeichnungen, geografische Herkunftsangaben, Urheberrechte (einschließlich von Rechten in elektronischer Form und Datenbanken) und andere gewerbliche Schutzrechte,
- alle Nutzungsrechte und Lizenzen an Schutzrechten Dritter,
- alle Eigentums- und Nutzungsrechte an Erfindungen sowie alle betrieblichen Kenntnisse, unabhängig, in welcher Form diese verkörpert sind (Unterlagen, elektronische Datenträger, Muster, Modelle, Prototypen, etc.), insbesondere an Geschäfts- und Betriebsgeheimnissen (technischem und kommerziellem Know-how und Erfahrungsgut, Verfahren, Formeln, Rezepturen),
- alle sonstigen immateriellen Gegenstände, wie z. B. der Geschäfts- oder Firmenwert,
- alle Fertigungsmittel einschließlich der spezifischen Software und Fertigungsunterlagen,

6. Immaterial assets

6.1 The Sellers sell and transfer to the Purchaser all intangible assets of the Debtors 1 to 4 (regardless of the form in which they are represented) as far as they (factually and legally) exist on the Effective Date and the Sellers are able to (factually and legally) transfer these assets.

Sold and transferred are in particular:

- patents, utility models, registered designs, trademarks,
- all business names, geographical indications, copyrights (including rights in electronic form and databases) and other intellectual property rights,
- all rights and licenses to third party proprietary rights,
- all ownership and rights to inventions, as well as all operational knowledge, independently, in whatever form these are embodied (documents, electronic media, samples, models, prototypes, etc.), especially in business and trade secrets (technical and commercial know-how and experience, processes, formulas, recipes)
- all other intangible items, such as the business or goodwill,
- all means of production, including the specific software and manufacturing documents.

- sämtliche IT-Programme, und zwar sowohl für den betriebswirtschaftlichen als auch den Fertigungsbereich,
 - all IT programs, both for business as well as manufacturing.
 - alle Verwaltungs- und Vertriebsverfahren, das vollständige, gleich-gültig in welcher Form verkörperte Einkaufs- und Vertriebsprogramm; dazu gehören insbesondere sämtliche diesbezüglichen Geschäftsdaten (allgemeine Betriebssoftware, Geschäfts- und Buchhaltungsunterlagen sowie Schriftwechsel mit Lieferanten und Kunden, Kunden- bzw. Auftraggeberkartellen und Lieferanten- bzw. Auftragnehmerlisten, Kalkulationsunterlagen, Prospekte, Werbematerial, Preislisten, Unterlagen über Einkaufs- und Vertriebsorganisation, Marketing und Materialbeschaffung).
 - all administrative and sales procedures, the full, in whatever form embodied purchasing and distribution program, including in particular all relevant business data (general operating software, business and accounting records and correspondence with suppliers and customers, customer or client registers and suppliers or contractor lists, calculation documents, brochures, promotional material, price lists, records of purchase and sales organization, marketing and sourcing).
- 6.2 Erfindungen und betriebliche Kenntnisse, einschließlich Geschäfts- und Betriebsgeheimnisse sowie Verwaltungs- und Vertriebsverfahren, werden nur in der vorhandenen verkörperten Form übertragen. Die Verkäufer werden der Erwerberin am Wirtschaftlichen Übergangsstichtag sämtliche in Bezug auf die veräußerten immateriellen Vermögenswerte vorhandenen Informationen und Unterlagen einschließlich technischer Zeichnungen, Pläne und Bedienungsanweisungen, soweit sie sich im Besitz und Eigentum der Schuldnerinnen befinden, zur Verfügung stellen.
- 6.2 Inventions and operational knowledge, including business and company secrets and administrative procedures and distribution methods are only transferred in their actual embodied form. The Sellers will provide to the Purchaser all information and documents, including technical drawings, schedules and operating rules regarding the intangible assets as long as these are owned by and in possession of the Debtors 1, 2, 3 and 4 on the Effective Date.
- 6.3 Von der Veräußerung erfasst sind die Domains gemäß der noch beizufügenden Anlage B.II.6.3. Die Verkäufer werden sich hinsichtlich der von den Schuldnerinnen geführten Telefonnummern größte Mühe geben, deren Fortführungsmöglichkeit durch die Erwerberin zu sichern. Die Verkäufer verpflichten sich, sämtliche Erklärungen, die für eine Übertragung der Domain und Fortführung der Telefonnummern erforderlich sind, nach Abstimmung mit der Erwerberin abzugeben.
- 6.3 The domains according to Annex B.II.6.3, which is still to be attached, used by the Debtors are included in the sale and transfer hereunder. The Sellers will make an effort to enable the Purchaser to continue the use of the telephone numbers of the debtors. The Sellers are obliged to provide all declarations required for a transfer of the domains and for the continued use of the telephone numbers after consultation with the Purchaser.
- 6.4 Soweit in der Masse vorhanden, verkaufen und übertragen die Verkäufer an die Erwerberin im Rahmen des rechtlich Möglichen alle öffentlichen
- 6.4 If available in the insolvency estate and to the extent legally possible, the Sellers sell and transfer to the Purchaser all public rights, licenses and permits. Any costs for

Rechte, Genehmigungen, Erlaubnisse und Gestattungen. Etwaige Kosten für die Übertragung der Genehmigungen an die Erwerberin werden von dieser getragen.

the transfer of licenses to the Purchaser shall be borne by the latter.

- 6.5 Die Erwerberin erklärt ihr Einverständnis damit, dass die Verkäufer die Firmennamen der Schuldnerinnen kostenfrei nutzen dürfen. Im Rahmen des rechtlich zulässigen verpflichten sich die Verkäufer, auf Verlangen der Erwerberin die Firmennamen zu ändern, um der Erwerberin hierdurch zu ermöglichen, die Firmennamen für eigene Zwecke ohne irgendwelche Einschränkungen durch Gesellschaftsrecht oder auf Firmenbezeichnungen anwendbares Recht nutzen zu können. Die Kosten für eine Firmennamenänderung tragen die Verkäufer. Dies gilt auch für den Fall, dass Gerichte oder Handelskammern eine Änderung der Firmennamen verlangen. Auf keinen Fall werden die Verkäufer es jedoch einem Dritten (insbesondere einem Wettbewerber der Erwerberin) gestatten, die Firmennamen zu nutzen.

- 6.5 The Purchaser agrees that the Sellers may use the company names of the Debtors free of charge. The Sellers undertake, to the extent legally possible, to change the company names of the Debtors upon request of the Purchaser, enabling the Purchaser to use such names for its own purposes without being subject to any possible restrictions under corporate law or pertaining to the company names. The costs for the name changes shall be borne by the Sellers, even if the name change is requested by courts or chambers of commerce. In any event, the Sellers will never allow a third party (in particular a competitor of the Purchaser) to use the company names.

- 6.6 Der Verkäufer übernimmt keine Haftung dafür, ob im Geschäftsbetrieb der Schuldnerin Maßnahmen zur Geheimhaltung oder zum Schutz von Rechten und Know-how getroffen wurden.

- 6.6 The Sellers assume no liability as to the implementation for confidentiality measures or the protection of rights and know-how in the business of the Debtors.

Der Verkäufer haftet nicht für die immateriellen Vermögenswerte; insbesondere haftet der Verkäufer nicht für die Urheberrechtsfähigkeit immaterieller Vermögenswerte sowie deren Vollständigkeit, tatsächliche Nutzbarkeit oder sonstige wirtschaftliche Verwertbarkeit. Ebenso übernimmt der Verkäufer keine Haftung dafür, dass die zu übergebenden Unterlagen inhaltlich richtig oder vollständig sind. Der Verkäufer steht auch nicht dafür ein, dass die wirtschaftliche Verwertung der immateriellen Vermögenswerte nicht in Rechte Dritter eingreift oder keine Schäden bei Dritten herbeiführt.

The Sellers are not liable for intangible assets; in particular, the Sellers are not liable for the possibility of intangible assets to be protected as copyright or their completeness, usefulness or other actual economic benefits. Likewise, the Sellers do not warrant that the documents to be delivered are correct or complete. The Seller is not responsible for ensuring that the commercial exploitation of intangible assets does not interfere with rights of others or does not cause damage to third parties.

Der Verkäufer erklärt jedoch, dass ihm entgegenstehende Rechte oder Schäden Dritter zum Vertragsstichtag nicht bekannt sind.

The Sellers declare, however, that they are not aware of conflicting rights or third party damage on the contract date.

Der Verkäufer steht auch nicht dafür ein,

The Sellers also do not guarantee that third

dass Rechte Dritter die immateriellen Vermögenswerte nicht verletzen. Er erklärt jedoch, dass ihm derartige Verletzungen zum Unterzeichnungstag nicht bekannt sind.

parties do not violate the intangible assets. They declare, however, that they are not aware of such violations on the Signing Date.

6.7 Soweit erforderlich, werden die Verkäufer sich nach Abschluss dieses Vertrages bemühen, die Zustimmung der Schutzrechtsinhaber zur Übertragung der übernommenen Nutzungsrechte an Schutzrechten (Lizenzen) einzuholen. Wird die Zustimmung verweigert, so bleibt dies auf diesen Kaufvertrag und insbesondere den für die immateriellen Vermögenswerte zu zahlenden Kaufpreis ohne Auswirkungen.

6.7 To the extent required, the Sellers will attempt to obtain the consent of respective the property right holder to the transfer of intellectual property use rights (licenses) after conclusion of this agreement. A refusal of consent shall have no effect on this Purchase Agreement and in particular on the purchase price to be paid for the intangible assets.

6.8 Die Erfüllung etwaiger sich aus dem Gesetz über Arbeitnehmererfindungen ergebender Ansprüche obliegt ab dem wirtschaftlichen Übergangsstichtag der Erwerberin. Die Verkäufer sichern zu, dass nach ihrem Wissen zum heutigen Zeitpunkt keine Erfindungen von Mitarbeitern gemacht wurden.

6.8 The Purchase shall fulfill any claims according to the Employee Invention Act after the Effective Date. The Sellers represent that to their best knowledge there is no invention by any employee today.

7. Aufträge

7. Orders

7.1 Die Verkäufer übertragen der Erwerberin den Auftragsbestand der Schuldnerinnen zum Wirtschaftlichen Übergangsstichtag. Die Erwerberin kann in alle Verträge eintreten. Zur zwingenden Übernahme bestehender Aufträge ist sie nicht verpflichtet. Auf Wunsch der Erwerberin werden die Verkäufer im Einzelfall die Nichterfüllung von Verträgen nach §§ 103, 105 InsO erklären, soweit diese vor Stellung des Antrags auf Eröffnung des Insolvenzverfahrens eingegangen wurden.

7.1 The Sellers transfer the order backlog of the Debtors 1 to 4 to the Purchaser with effect of the Effective Date. The Purchaser is allowed to enter into all contracts. Purchaser is not mandatorily required to assume existing orders. At the request of the Purchaser, Sellers will declare in individual cases the non-performance of contracts under §§ 103, 105 German Insolvency Act (InsO) to the extent such orders are place prior to filing of the insolvency proceedings.

Ein zusätzliches Entgelt ist für die Übernahme des Auftragsbestands durch die Erwerberin nicht geschuldet, sondern durch den Gesamtkaufpreis mit abgegolten.

An additional fee for the acquisition of the backlog by the Purchaser is not owed, but included in the total purchase price.

7.2 Im Falle der Übernahme des Angebots- und Auftragsbestands übernimmt die Erwerberin von den Verkäufern alle Rechte und Pflichten aus den Aufträgen und Angeboten im Wege der Vertragsübernahme mit schuldbefreiender Wirkung für die Verkäufer und stellt sie

7.2 In the case of acquisition of the offer and order backlog, the Purchaser assumes from Sellers all rights and obligations under the contracts and services by way of contract acquisition with debt-discharging effect for the Sellers and indemnifies them from any relevant contractual obligations. If consent

von sämtlichen diesbezüglichen vertraglichen Verpflichtungen frei. Sollte die Einholung der Zustimmung Dritter, insbesondere der Auftraggeber, zur Vertragsübernahme nicht möglich sein, so gelten die Regelungen II. § 11.

by third parties, in particular the customer, for the contract transfer cannot be obtained, the provisions under Section B.II.11 apply.

- 7.3 Vorauszahlungen, die die Verkäufer im Hinblick auf die durch die Erwerberin übernommene Aufträge gemäß B.II.7 erhalten und nicht zur Durchführung solcher Aufträge verwendet haben, sind innerhalb von zwei Wochen ab dem Übertragungstag an die Erwerberin weiterzuleiten. Die Verkäufer tragen diejenigen Kosten für bereits ausgelieferte Waren, die im Zeitraum zwischen Absendung und endgültiger Annahme durch die Kunden entstanden sind.

- 7.3 Any prepayments (if any) collected by Sellers with respect to the orders assumed by Purchaser under this Section B.II.7 and not spent for processing of such orders shall be forwarded to Purchaser within two weeks after the Transfer Date. Sellers shall bear those costs in connection with goods already shipped which accrued in the period between shipment and unconditional acceptance by the customer.

8. Arbeits- und Anstellungsverträge des Personals

8. Working and employment contracts of staff

- 8.1 Die Verkäufer und die Erwerberin stellen fest, dass die bei den Schuldnerinnen 1 bis 4 vorhandenen Arbeitsverhältnisse gemäß § 613 a BGB mit allen Rechten und Pflichten (mit Ausnahme der vor Insolvenzverfahrensöffnung entstandenen Verpflichtungen) am wirtschaftlichen Übergangstichtag auf die Erwerberin übergehen. Sämtliche Mitarbeiter der Schuldnerinnen 1 bis 4 sind – ohne Anspruch auf Vollständigkeit – auf Grundlage der von der Personalabteilung der Schuldnerinnen 1 bis 4 vorgelegten Daten in der noch beizufügenden **Anlage 8.1** mit den maßgeblichen Personaldaten aufgeführt.

- 8.1 The Sellers and the Purchaser declare that the existing employment relationships of the Debtors 1 to 4 are transferred to the Purchaser with all rights and obligations in accordance with § 613 German Civil Code (BGB) (except the obligations originated prior to the opening of the insolvency proceedings) on the Effective Date. All employees of the Debtors 1 to 4 are listed with the relevant personnel data – making no claim to be exhaustive – based on the data presented by the HR department of the Debtors 1 to 4 – in **Annex 8.1** which is still to be attached.

Die Verkäufer leisten keine Gewähr für den Übergang der Beschäftigungsverhältnisse auf die Erwerberin sowie auf die Vollständigkeit und Richtigkeit der **Anlage 8.1**. Insbesondere weisen die Verkäufer die Erwerberin auf das Widerspruchsrecht jedes einzelnen Mitarbeiters gegen den Übergang seines Beschäftigungsverhältnisses auf die Erwerberin hin.

The Sellers do not guarantee the transfer of employment relationships to the Purchaser as well as the completeness and accuracy of **Annex 8.1**. In particular, the Sellers advise of the objection right of each employee to the transfer of his employment to the Purchaser.

Den Verkäufern sind keine Kündigungen bekannt, die nicht auf der Liste bereits vermerkt sind.

Sellers are not aware of any terminations of employees which are not marked on that list.

- 8.2 Die Erwerberin tritt zum Wirtschaftlichen

- 8.2 The Purchaser assumes from the Sellers on

Übergangsstichtag in die Arbeitgeberrechte und -pflichten der Verkäufer aus den Arbeitsverhältnissen mit den Schuldnerinnen, unabhängig, ob diese in Anlage 8.1 bezeichnet sind bezüglich nicht widersprechenden oder mit ihrer Zustimmung eingestellten Mitarbeitern ein (einschließlich der Verpflichtung die Verkäufer aus Versorgungszusagen, die den Mitarbeitern gewährt worden sind, jedoch mit Ausnahme der vor Insolvenzverfahrenseröffnung entstandenen Verpflichtungen). Die Erwerberin verpflichtet sich, die Verkäufer von jeder Inanspruchnahme durch übernommene Mitarbeiter aus deren Arbeitsverhältnissen sowie aus den übernommenen Versorgungszusagen freizustellen. Die Verkäufer verpflichten sich, anteilig ab dem Zeitpunkt der Eröffnung des Insolvenzverfahrens bis zum Wirtschaftlichen Übertragungstag entstandenen und entstehenden Ansprüche derjenigen Arbeitnehmer, deren Arbeitsverhältnisse auf die Erwerberin übertragen werden, zu erfüllen (z.B. Urlaubs- und Weihnachtsgeld). Dies gilt insbesondere auch für Sozialabgaben sowie Steuer- und sonstige fällige Verbindlichkeiten, einschließlich bestehender freiwilliger Sozialleistungen. Zur Klarstellung: Die vorgenannte Regelung begründet keine Ansprüche der Arbeitnehmer gegen die Erwerberin oder die Verkäufer.

Die Erwerberin verpflichtet sich, die von den Arbeitnehmern im Betrieb der Schuldnerinnen 1 bis 4 erbrachten Dienstzeiten bei der Erbringung gesetzlicher, tariflicher oder freiwilliger Leistungen anzurechnen.

8.3

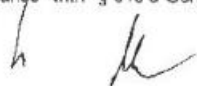
- a) Die Erwerberin wird die auf sie übergehenden Mitarbeiter unmittelbar nach Vertragsschluss gemäß § 613 a BGB informieren und ihnen insbesondere mitteilen, dass die Verkäufer den operativen Geschäftsbetrieb der Schuldnerinnen zum wirtschaftlichen Übergangsstichtag einstellen wird und sein Anlage- und Umlaufvermögen an die Erwerberin veräußert hat sowie dass die Erwerberin

the Effective Date the employer's rights and obligations under the employment relationships with Debtors 1 to 4 with respect to employees having granted their consent or not having objected to the transfer, regardless of having been listed in the Annex 8.1 (including the duty of Sellers for pension plans, which have been granted to employees except the obligations originated prior to the opening of the insolvency proceedings). The Purchaser agrees to hold the Sellers harmless from any claims by employees taken over arising out of their employment as well as from their pension obligations. The Sellers undertake to satisfy *pro rata temporis* all rights which are arising or which were already acquired – from the opening of insolvency proceedings to the Effective Date – by the employees who are transferred to the Purchaser (e.g., vacation pay, Christmas bonus etc.). In particular, this shall also apply to social security contributions as well as to tax and debt liabilities, including potential fringe benefits. For the avoidance of doubt, this shall not constitute any separate claims on the part of the employees against the Purchaser or Sellers.

The Purchaser agrees to credit the service times rendered by the employees to the Debtors 1 to 4 for the provision of statutory, wage or voluntary services.

8.3.

- a) The Purchaser will immediately inform the employees transferred in accordance with § 613 a German Civil Code after conclusion of the Purchase Agreement and advise them in particular that the Sellers will cease the business operations of the Debtors 1 to 4 from the Effective Date and that fixed and current assets have been sold to the Purchaser and that the Purchaser enters into the transferring employment contracts in accordance with § 613 a German Civil



in die gemäß § 613 a BGB übergehenden Beschäftigungsverhältnisse zum wirtschaftlichen Übergangsstichtag eintritt. Alle Arbeitnehmer werden über ihre Rechte, insbesondere über ihr Widerspruchsrecht, und die entsprechenden Konsequenzen in Kenntnis gesetzt. In diesem Schreiben werden die Arbeitnehmer aufgefordert, innerhalb der gesetzlichen Frist von einem Monat ab Zugang des Informationsschreibens gegenüber den Verkäufern unter Angabe der Gründe schriftlich zu widersprechen, falls ihr Beschäftigungsverhältnis nicht auf die Erwerberin übergehen soll.

Die Verkäufer sind – unabhängig von vorbenannter Verpflichtung der Erwerberin – berechtigt, die Unterrichtung der Arbeitnehmer selbst vorzunehmen.

- b) Nach Ablauf der Widerspruchsfrist werden die Verkäufer die Arbeitsverhältnisse der widersprechenden Arbeitnehmer zum frühestmöglichen Zeitpunkt kündigen.

Die Erwerberin verpflichtet sich, die widersprechenden Arbeitnehmer bei deren Kündigung durch die Verkäufer bis zum Ende der jeweiligen vertraglichen Kündigungsfrist zu beschäftigen. Arbeitgeber bleiben im Fall des Widerspruchs durch den jeweiligen Arbeitnehmer insoweit die Verkäufer.

Vertragsgrundlage zwischen den Verkäufern und der Erwerberin im Hinblick auf die Beschäftigungsverhältnisse wird dann jeweils ein Subunternehmerverhältnis, befristet auf den jeweiligen Beendigungszeitpunkt der Beschäftigungsverhältnisse, sein. Die Erwerberin schuldet in diesem Fall den Verkäufern ein Entgelt in Höhe der von diesem im Vertragszeitraum an die Arbeitnehmer aufgewandten Lohn- und Lohnnebenkosten. Insoweit erfolgt eine Abrechnung und Zahlung gegenüber den Verkäufern jeweils innerhalb von zehn Arbeitstagen nach Ablauf eines Kalendermonats. Alle mit den nicht übergehenden Arbeitsverhältnissen verbundenen Arbeitgeberpflichten, einschließlich etwa rückständiger Verpflichtungen zur Ausführung von Lohnsteuer- und Sozialversicherungs-

Code as of the Effective Date. All employees will be informed of their rights, in particular their right to object, and the respective consequences thereof. In this letter, the employees will be asked to object within the statutory period of one month from receipt of the letter of information vis-à-vis Sellers to the transfer of their employment relationship to the Purchaser, indicating the reasons in writing, if such transfer shall not be made.

The Sellers shall – regardless of the aforementioned obligation of the Purchaser – be entitled to inform the employees.

- b) After expiry of the objection period, the Sellers will terminate the employment contracts of the employee objecting at the earliest possible point in time.

The Purchaser agrees to employ objection employees having been terminated by Sellers until the end of their contractual notice period. To this extent, the Sellers remain employer of any employee making objections.

With respect to such employment relationships, in each case a subcontractor relationship shall form the contractual basis between Sellers and the Purchaser, limited to the particular termination date of the employment relationship. In such case, Purchaser owes to Sellers a fee amounting to wage and nonwage labor costs paid by the Sellers to the employees in the contractual period. To this extent, invoicing and payment to the Sellers shall be done within ten working days following the end of a calendar month. All employer obligations associated with the employment relationships not transferred, including obligations in arrears for discharge of wage tax and social security contributions, remain with the Sellers.

abgaben verbleiben bei den Verkäufern.

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| <p>c) Ohne vorherige schriftliche Zustimmung der Erwerberin werden die Verkäufer bis zum wirtschaftlichen Übergangsstichtag</p> <ul style="list-style-type: none"> • die Arbeitsverhältnisse gemäß der noch beizufügenden, von der Erwerberin zu erstellenden Anlage II.8.3.c), der von der Erwerberin zu übernehmenden Mitarbeiter weder kündigen oder einvernehmlich beenden, noch mit diesen Mitarbeitern Änderungen ihrer Arbeitsverträge vereinbaren; • keine weiteren Mitarbeiter einstellen. <p>d) Die Verkäufer verpflichten sich, der Erwerberin – soweit am Wirtschaftlichen Übergangsstichtag vorhanden – sämtliche Personalunterlagen und Belege der gemäß § 613 a BGB bzw. mit Zustimmung der Erwerberin auf die Erwerberin übergehenden Mitarbeiter der Schuldnerinnen zu übergeben, insbesondere über Gehalts- und Lohnzahlungen, Urlaubslisten sowie Sozial- und Krankenversicherungsbeiträge.</p> | <p>c) Without the prior written consent of the Purchaser, the Sellers will not, up to the Effective Date,</p> <ul style="list-style-type: none"> • cancel or terminate the employment contracts or agree to change the contracts with employees the Purchaser takes over as stated in Annex B.II.8.3.c) which is still to be prepared by Purchaser, • recruit further employees. <p>d) The Sellers are obliged to provide the Purchaser – if available on the Effective Date – with all staff and supporting documents regarding to the employees transferred from Debtors 1 to 4 to the Purchaser in accordance with § 613 a German Civil Code or with the consent of the Purchaser, in particular on salary and wage payments, holiday lists, and social and health insurance contributions.</p> |
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9 Dauerschuldverhältnisse

Die Erwerberin wird zum Wirtschaftlichen Übergangsstichtag in die Leasingverträge und sonstigen Mietverträge, Versicherungsverträge und Energielieferungsverträge sowie sonstigen Dauerschuldverhältnisse eintreten, die zur Fortführung des Betriebes notwendig sind, und deren Fortführung durch die Erwerberin gewollt ist.

Sofern die Erwerberin beabsichtigt, in bestimmte Verträge nicht einzutreten, ist sie – insbesondere bei Leasingverträgen und Mietverträgen – verpflichtet, die Leasing- und Mietgegenstände unverzüglich an den Eigentümer herauszugeben. Die zwischen dem Wirtschaftlichen Übergangsstichtag und dem Herausgabezeitpunkt entstandenen Kosten aus dem Leasing- bzw. Mietvertrag sind durch die Erwerberin zu erstatten.

9. Continuing obligations

The Purchaser will as of the Effective Date enter into the leasing agreements and other rental contracts, insurance and energy supply agreements and other continuing obligations that are necessary to continue the business operation and which continuation is desired by Purchaser.

Provided that Purchaser intends not to enter into certain contracts, the Purchaser shall – especially regarding lease and rental agreements – be obliged to surrender the leased and rented items immediately to the respective owner. The costs incurred under the lease or rental agreement between the Effective Date and the release date shall be reimbursed by the Purchaser.



Sofern eine Übertragung von Dauerschuldverhältnissen nicht auf den Wirtschaftlichen Übergangsstichtag erfolgt, sind die bis zum tatsächlichen Übertragungsstichtag entstandenen Kosten im Innenverhältnis durch die Erwerberin an die Verkäufer auszugleichen.

Sollten die Vermieter oder Leasinggeber der Übertragung auf die Erwerberin nicht zustimmen, so wird die Vertragsabwicklung im Außenverhältnis von den Verkäufern vorgenommen.

Im Innenverhältnis stellt die Erwerberin die Insolvenzverwalter 1 und 2 von Verpflichtungen aus diesen Leasingverträgen, Mietverträgen und dergleichen nach Maßgabe dieser Ziffer 9 frei.

If a transfer of continuing obligations is not carried out with effect as of the Effective Date, the costs incurred up to the actual effective date of the transfer shall internally be compensated by Purchaser to Sellers.

If a landlord or lessor does not agree to the transfer to the Purchaser, the contract handling vis-à-vis them shall externally be carried out by Sellers.

The Purchaser shall indemnify the Sellers from obligations arising out of these lease agreements, rental agreements or similar in accordance with this Section 9.

10. Mängelbeseitigung

Die Erwerberin verpflichtet sich, die von der Schuldnerinnen 1 bis 4 zu-gesagten Gewährleistungen, Mängelhaftungen und Garantien, die im Zusammenhang mit der Abwicklung von Kundenaufträgen stehen (soweit es sich um Lieferungen und Leistungen nach Stellung der jeweiligen Insolvenzanträge handelt), sachlich und rechtlich zu prüfen und gegenüber den Anspruchstellern zu bearbeiten. Sofern eine tatsächliche Nachbesserung möglich und rechtlich geboten ist, verpflichtet sich die Erwerberin, diese auf eigene Kosten durchzuführen, wobei sie berechtigt ist, diese Kosten vom Treuhandkonto (wie in § B.II.12.5. definiert) abzuziehen. Schadenersatzansprüche oder Geldersatz sind in keinem Fall durch die Erwerberin geschuldet. Für die Nachbesserung entsteht ein Erstattungsanspruch gegenüber den Verkäufern grundsätzlich nicht.

10. Remedy

The Purchaser agrees to examine the warranties, defect liabilities and guarantees granted by Debtors 1 to 4 in connection with processing of customer orders (as far as concerning delivery and service after filing the application to open the insolvency proceedings) under factual and legal aspects and handle them vis-à-vis the claimants. If a factual remedy is possible and necessary by law, the Purchaser undertakes to carry it out at own costs, but allowing the Purchaser to deduct these cost from the Escrow Account (as defined in B.II.12.5). No damages or compensation in money is owed by Purchaser. In principle, no compensation claim vis-à-vis Sellers shall result from any such remediation.

11. Abwicklung nicht Übertragbarer Rechts- und Vertragsverhältnisse

Die Vertragsparteien werden sich nach dem Wirtschaftlichen Übergangsstichtag unverzüglich nach besten Kräften dafür einsetzen, dass die jeweiligen Vertragspartner der schuldbefreienden

11. Processing of non-transferable legal and contractual relationships

The shall use best efforts to ensure after the Effective Date that the respective contractual partners agree to the assumption with discharging effect of the contractual and legal relationships under

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Übernahme der Vertrags- und Rechtsverhältnisse nach Maßgabe dieses Vertrages (vgl. B.II.4 und B.II.7) zustimmen. Wenn bzw. solange die Zustimmung nicht erteilt wird, werden sich die Vertragsparteien im Innenverhältnis wirtschaftlich so behandeln, als sei die Zustimmung zum Wirtschaftlichen Übergangsstichtag erfolgt. Auf Verlangen einer Vertragspartei werden die Vertragsparteien zu diesem Zweck z. B. entsprechende Vereinbarungen (z. B. Untermietverträge, Lizenzverträge, Zulieferverträge) abschließen, um die Vorteile und Kosten aus diesen Verträgen auf die Erwerberin überzuleiten. Grundsätzlich gilt Folgendes:

Die Erwerberin wird alle Verbindlichkeiten und sonstigen Verpflichtungen der Verkäufer gegenüber dem Vertragspartner auf eigene Rechnung und mit eigenem Personal erfüllen und die Verkäufer von jeder Inanspruchnahme durch die Vertragspartner oder durch Dritte auf erste Anforderung freistellen. Die Verkäufer werden treuhänderisch für die Erwerberin nach deren Weisung und auf deren Rechnung alle nicht übertragbaren Forderungen und sonstigen vertraglichen Rechte der Erwerberin geltend machen sowie alle vertraglichen Pflichten gegenüber dem Vertragspartner erfüllen. Soweit möglich, werden die Verkäufer zur Ausübung aller ihm zustehenden vertraglichen Rechte der Erwerberin Vollmacht erteilen.

Die Verkäufer werden alle nach dem Wirtschaftlichen Übergangsstichtag erhaltene Zahlungen und sonstigen Leistungen sowie Korrespondenz in Bezug auf die von der Erwerberin übernommenen Verträge, Angebote, Aufträge, sonstige Anfragen von Kunden, Lieferanten und sonstigen Geschäftspartnern unverzüglich an die Erwerberin weiterleiten. Die Erwerberin wird alle Zahlungen und jede Korrespondenz, die sie nach dem Wirtschaftlichen Übergangsstichtag erhält und die nicht veräußerte Vermögenswerte bzw. von der Erwerberin nicht übernommene Rechts- und Vertragsverhältnisse betreffen, unverzüglich an die Verkäufer

this contract (see Sections B.II.5 and B.II.7). If and so long as the consent is not obtained, the parties shall put each other in the same economic condition as if the approval occurred on the Effective Date. At the request of either party, the parties shall, for this purpose, for example, enter into appropriate agreements (e.g. sub-leases, license agreements, supply agreements) to reconcile the benefits and costs of these contracts to the Purchaser. In principle, the following applies:

The Purchaser will fulfill all liabilities and other obligations of the Sellers vis-à-vis the contractual partner on its own account with its own staff and indemnify the Sellers from any claims by the contractor or by a third party upon first demand. The Sellers will fiduciary enforce every nontransferable claim and any other contractual right upon instruction and for account of the Purchaser and fulfill any contractual obligation vis-à-vis the contract partner. Whenever possible, the Sellers will give power of attorney to the Purchaser regarding every right Purchaser is entitled to.

The Sellers will forward immediately to the Purchaser after the Effective Date all payments received and other services, as well as correspondence relating to the contracts assumed by the Purchaser, quotations, orders, inquiries from other customers, suppliers and other business partners. The Purchaser will forward all payments and any correspondence that it receives after the Effective Date which relate to assets not sold or legal and contractual relationships not assumed by Purchaser immediately to Sellers.

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12. Kaufpreis, Treuhandkonto

12. Purchase Price, Escrow Account

12.1 Für die veräußerten Vermögenswerte sind nachfolgende Kaufpreise zu entrichten:

12.1 For the Assets Sold, the following purchase prices are payable:

<u>Vermögenswert</u>	<u>Betrag (EUR)</u>	<u>Asset</u>	<u>Amount (EUR)</u>
II.2 Sachanlagevermögen, Betriebseinrichtungen und Inventar	450.000]	II.2 Property, operating equipment and inventory	[]
hiervon Schuldnerin 1		thereof Debtor 1	[]
Schuldnerin 2		Debtor 2	[]
Schuldnerin 3	[]	Debtor 3	[]
Schuldnerin 4	[]	Debtor 4	[]
		II.4 Inventories, down payment	[]
II.4 Vorräte, Abschlagszahlung	3.289.999	thereof Debtor 1	[]
hiervon Schuldnerin 1	[]	Debtor 2	[]
Schuldnerin 2	[]	Debtor 3	[]
Schuldnerin 3	[]	Debtor 4	[]
Schuldnerin 4	[]		
		II.6 Intangible assets	[]
II.6 immaterielle Vermögenswerte	450.000	thereof Debtor 1	[]
hiervon Schuldnerin 1	[]	Debtor 2	[]
Schuldnerin 2	[]	Debtor 3	[]
Schuldnerin 3	[]	Debtor 4	[]
Schuldnerin 4	[]	Shares ROB Systems, Romania	1.00
Anteile ROB Systems, Rumänien	1,00	Loan to ROB Systems, Romania	10,000.00
Darlehen an ROB Systems, Rumänien	10.000,00		

Der Gesamtbetrag gem. B.II.12.1 nachfolgend der "Kaufpreis".

The aggregate amount of purchase prices under this Section B.II.12.1 shall be the "Purchase Price".

12.2 Der endgültige Kaufpreis berechnet sich nachstehend wie folgt:

12.2 The final Purchase Price is calculated as follows:

- a) Am 29. September 2013 ist das Vorratsvermögen zum Wirtschaftlichen Übergangsstichtag von den Verkäufern und der Erwerberin gemeinsam im Rahmen einer Inventur aufzunehmen und gemäß den bei Erstellung von Anlage 5 zugrunde gelegten Kriterien zu bewerten („Bewertung Vorräte“).
- a) At September 29, 2013 the inventory assets as of the Effective Date shall be recorded in the course of an inventory jointly by the Sellers and the Purchaser, be evaluated in accordance with the criteria laid under Annex 5 (“Valuation Inventory”).
- b) Sollten vorbenannte Vertragsparteien bei der Bewertung der Vorräte zum Wirtschaftlichen Übergangsstichtag kein oder nur teilweise ein einvernehmliches Ergebnis erzielen, hat eine von den Parteien zu bestimmende unabhängige Wirtschaftsprüfungsgesellschaft die Bewertung, insoweit diese strittig ist, anhand der vorstehenden Grundsätze vorzunehmen. Das Ergebnis seiner Bewertung ist für beide Vertragsparteien verbindlich. Die Kosten der Wirtschaftsprüfungsgesellschaft werden von den Parteien hälftig getragen.
- b) If the aforementioned parties are unable to agree on the evaluation of the inventories on the Effective Date completely or in part, an independent audit firm to be determined by the Parties shall perform the evaluation, as far as there is a dispute, in accordance with the above principles. The result of his evaluation is binding to both parties. The costs of the independent auditor will be shared equally by the Parties.
- c) Der endgültige Kaufpreis entspricht der Summe aus der Bewertung Vorräte und einem Betrag von EUR 447.089.
- c) The final Purchase Price will be the Valuation Inventory plus EUR 447,089.
- d) In jedem Falle ist der Kaufpreis auf einen Gesamtbetrag von EUR 4.200.000 begrenzt, so dass die Verkäufer keinen höheren Kaufpreis fordern können.
- d) In any case the purchase price is limited to EUR 4,200,000, therefore the Sellers cannot claim a higher purchase price.
- 12.3 Die Parteien gehen davon aus, dass der Verkaufsvorgang nicht mehrwertsteuerpflichtig ist, da es sich nach Einschätzung der Parteien um eine Betriebsveräußerung im Ganzen handelt, die gemäß Umsatzsteuergesetz nicht mehr mehrwertsteuerpflichtig ist.
- 12.3 The parties expect that the sale process is not subject to VAT as, in the opinion of the parties, the businesses are sold as a whole, which is not subject to VAT under the German VAT Act.
- Sollte eine für die Erwerberin oder die Verkäufer zuständige Finanzbehörde die Mehrwertsteuerpflichtigkeit rechtswirksam feststellen, verpflichten sich die Verkäufer gegenüber der Erwerberin, einen mehrwertsteuer-abzugsfähigen Beleg über den Gesamtkaufpreis zu erstellen. In diesem Fall verpflichtet sich die Erwerberin nach Vorlage dieses Beleges, die im Kaufpreis dann ausgewiesene zusätzliche Mehrwertsteuer an die Verkäufer sofort zu entrichten.
- Sellers undertake to issue to Purchaser a value-added tax-deductible invoice for the total purchase price, if a tax authority competent for the Purchaser or the Sellers legally effective determines a VAT liability. In this case, Purchaser is, upon presentation of the invoice, obliged to pay the applicable VAT to the purchase price to the Sellers.
- 12.4 Die Erwerberin hat den von ihr zu
- 12.4 The Purchase Price payable by Purchaser

entrichtenden Kaufpreise an die Verkäufer innerhalb von zehn Werktagen (Tage, an denen Banken in Karlsruhe, Deutschland, regulär geöffnet sind), nachdem alle in B.III.2. genannten Vollzugsbedingungen erfüllt wurden oder auf deren Erfüllung verzichtet wurde, auf das in B.II.12.5 näher beschriebene Konto wie folgt zu überweisen:

a) ein Betrag von EUR 500.000 ("Treuhandsbetrag") ist auf das Konto eines unabhängigen Treuhänders ("Treuhänder") zu zahlen und dient der Erwerberin als Sicherheit für Ansprüche aus diesem Vertrag;

b) der Differenzbetrag zum Kaufpreis ist an die Verkäufer zu zahlen.

12.5 Der Treuhandsbetrag ist durch den Treuhänder wie folgt zu zahlen:

a) gemäß Übereinstimmender oder gemeinsamer schriftliche Anweisungen der Verkäufer und der Erwerberin;

b) an die Erwerberin in solchen Beträgen, die der Erwerberin gegen die Verkäufer aus oder im Zusammenhang mit dem vorliegenden Kaufvertrag durch rechtskräftiges gerichtliches Urteil oder Schiedsspruch zugesprochen wurden, jeweils nach Vorlage einer Ausfertigung des entsprechenden Urteils oder Schiedsspruchs durch die Erwerberin;

c) an die Verkäufer nach Ablauf von 36 Monaten ab dem Übertragungstag in Höhe des verbliebenen Betrags, nach Abzug der von der Erwerberin gegenüber den Verkäufern geltend gemachten Zahlungsansprüche, die die Erwerberin im Wege ordnungsgemäßer (Schieds-)Klageerhebung gefordert hat. Die nach dieser Zahlung auf dem Treuhandkonto verbliebenen Beträge sind vom Treuhänder gemäß lit. a) oder b) zu zahlen, oder an die Verkäufer in Höhe derjenigen Beträge zu zahlen, die durch rechtskräftiges Urteil oder endgültigen Schiedsspruch abgelehnt und durch Vorlage eines entsprechenden Originals nachgewiesen sind.

Die Kosten des Treuhänders tragen die

to the Sellers is due for payment within ten business days (days on which the banks in Karlsruhe, Germany are open for business) after all Completion Condition pursuant to Section B.III.2 having been fulfilled or waived, to the accounts specified under Section B.II.12.5 as follows:

a) An amount of EUR 500,000 ("Escrow Amount") shall be paid to the account of an Independent escrow agent ("Escrow Agent") and serve as security for Purchaser for certain claims hereunder.

b) The remainder amount of the Purchase Price shall be paid to the Sellers.

12.5 The Escrow Amount shall be paid by the Escrow Agent as follows:

a) in accordance with corresponding or joint written instructions from Sellers and Purchaser;

b) to Purchaser in such amounts in which payment claims of Purchaser against Sellers under or in connection with this Purchase Agreement have been adjudicated by final court judgment or arbitral award, in each case upon presentation by Purchaser of an original of the respective judgment or award; or

c) to Sellers, upon expiration of a time period of 36 months after the Transfer Date in the then available amount, after deduction of the amounts of any outstanding payment claims that Purchaser has asserted against Sellers by way of a duly filed complaint or request for litigation. The funds remaining in the Escrow Account after such release shall be released by the Escrow Agent pursuant to lit. a) or b) above or to Sellers in the amounts of any pending claims that have been denied by final court judgment or arbitral award, upon presentation by Sellers of an original of the respective judgment or award.

The costs for the Escrow Account shall be

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| <p>Verkäufer und die Erwerberin zu gleichen Teilen,</p> <p>12.6 Zahlungen im Rahmen dieses Vertrages sind ohne Abzüge von Kosten, Gebühren und Quellensteuern, sofern solche anfallen, durch unverzüglich verfügbare Geldmittel per Banküberweisung auf das entsprechende Bankkonto zu leisten. Zahlungen an die Verkäufer sind auf die von den Verkäufern spätestens eine Woche vor Vollzugstag zu benennende Anderkonto zu leisten.</p> <p>Auch die Zahlung der eventuell nachzuentrichtenden Mehrwertsteueranteile (siehe oben) ist auf das obige Anderkonto der Verkäufer zu bezahlen.</p> <p>12.7 Zur Sicherung des Kaufpreisanspruchs der Verkäufer vereinbaren die Parteien Folgendes: Die Erwerberin ist berechtigt, die zu übertragenden mobilen Gegenstände zu verarbeiten und zu veräußern, unter Berücksichtigung der nachfolgenden Bestimmungen:</p> <p>a) Die Befugnis der Erwerberin, im ordnungsgemäßen Geschäftsverkehr Vorbehaltsware zu verarbeiten, endet mit der Zahlungseinstellung der Erwerberin oder dann, wenn über ihr Vermögen die Eröffnung des vorläufigen Insolvenzverfahrens oder die Eröffnung des Insolvenzverfahrens beantragt wird.</p> <p>b) Wenn die Vorbehaltsware mit anderen ebenfalls unter verlängertem Eigentumsvorbehalt, also unter Ausschluss der Rechtsfolgen des § 950 BGB gelieferten Gegenständen verarbeitet wird, erwerben die Verkäufer das Miteigentum an der neuen Sache im Verhältnis des Rechnungswertes seiner Vorbehaltsware zum Rechnungswert der anderen verarbeiteten Gegenstände.</p> <p>c) Die Erwerberin tritt hiermit die Forderung mit allen Nebenrechten aus dem Weiterverkauf der Vorbehaltsware an die Verkäufer ab, und zwar auch insoweit als die Ware verarbeitet ist. Die Verkäufer nehmen diese Abtretung an. In anderem</p> | <p>borne by Sellers and Purchaser in equal parts.</p> <p>12.6 Payments under this Agreement shall be made free and clear of costs, charges and withholding taxes, if any, in immediately available funds by wire transfer to the respective bank account. Payments to Sellers are to be made to the bank accounts of the Seller as specified at least one week prior to the Transfer Date.</p> <p>A payment of additional value added tax, if any (see above), is also to be made to the above client account of Sellers.</p> <p>12.7 To secure the payment of the Purchase Price in favor of the Sellers, the Parties agree to the following: The Purchaser is entitled to process and to sell the moveable assets to be transferred subject to the following provisions:</p> <p>a) The power of the Purchaser to process goods in the ordinary course of business ends with the cessation of payment by the Purchaser or, if the opening of preliminary insolvency proceedings or insolvency proceedings is applied for over the assets of Purchaser.</p> <p>b) If the reserved goods together are processed with other goods under extended retention of title, i.e., excluding the legal consequences according to § 950 BGB, the Sellers shall acquire joint ownership of the new item in proportion to the In-voiced value of the reserved goods in comparison with the invoice value of the other processed items.</p> <p>c) The Purchaser hereby assigns the claim with all ancillary rights arising from the resale of the reserved goods to the Sellers, also to the extent the goods have been processed. The Sellers accept this assignment. In other cases, i.e. in the event</p> |
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Fälle, d. h. beim Zusammentreffen der Voraussetzungen an mehrere Lieferanten, steht den Verkäufern ein, der Regelung gemäß II. b) entsprechender Bruchteil der jeweiligen Kaufpreisforderung zu.

of making a simultaneous advance assignment to multiple suppliers, the Sellers are entitled to the corresponding fraction of the purchase price pursuant to Section B.II.12.7.b).

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| d) Die Verkäufer werden die abgetretenen Forderungen, solange die Erwerberin ihren Zahlungsverpflichtungen nachkommt, nicht einziehen. Die Erwerberin ist aber verpflichtet, den Verkäufern auf Verlangen eine genaue Aufstellung der den Verkäufern zustehenden Forderungen mit Namen und Anschrift der Abnehmer, Höhe der einzelnen Forderung, Rechnungsdatum usw., zu geben, die Abtretung seinen Abnehmern bekanntzugeben und den Verkäufern alle für die Geltendmachung der abgetretenen Forderungen nötigen Auskünfte zu erteilen. Die Erwerberin ist berechtigt, die Forderungen solange selbst einzuziehen, wie ihr die Verkäufe keine andere Weisung geben. | d) The Sellers will not collect the assigned claims, as long as the Purchaser meets its payment obligations. The Purchaser, however, is obliged to give the Sellers on demand a detailed list of any funds owed to the Sellers, the names and addresses of customers, the amount of each claim, invoice date, etc., to announce the assignment to its customers and to provide all relevant information required for enforcement of the assigned claims by the Sellers. Purchaser is entitled to collect the claims itself as long as there is no other instruction by Sellers. |
| e) Der Eigentumsvorbehalt bleibt auch dann bestehen, wenn einzelne Forderungen der Verkäufer in eine laufende Rechnung aufgenommen werden und der Saldo gezogen und anerkannt ist. | e) The retention of title remains valid even when individual claims of the Sellers are included in a current invoice and the balance is drawn and acknowledged. |
| f) Wenn die durch den Eigentumsvorbehalt bestehende Sicherung die zu sichernde Forderung um 20 % übersteigt, werden die Verkäufer voll bezahlte Gegenstände nach ihrer Wahl freigeben. | f) If the security under retention of title exceeds the secured claims by 20 %, the Sellers will release fully paid items on their own choice. |
| g) Verpfändung oder Sicherungsübereignung der Vorbehaltsware bzw. der abgetretenen Forderungen sind unzulässig. Von den Pfändungen sind die Verkäufer unter Angabe des Pfandgläubigers sofort zu benachrichtigen. | g) Pledge or transfer of the reserved goods or the assigned claims is not permitted. In case of seizure, the Sellers shall be notified immediately, stating the identity of the claimant. |
| h) Die Erwerberin ist verpflichtet, sobald sie die Zahlungen eingestellt hat, und zwar unverzüglich nach Bekanntgabe der Zahlungseinstellung, den Verkäufern eine Aufstellung über die noch vorhandene Eigentumsvorbehaltsware, auch soweit sie verarbeitet ist, und eine Aufstellung der Forderungen an die Drittschuldner nebst Rechnungsabschriften zu übersenden. | h) The Purchaser is obliged, once it has stopped payments, to send immediately after notification of the payment cessation, to the Sellers a list of the still existing retention of title, even if it is processed, and a list of claims against third party debtors including copies of invoices. |

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| <p>i) Die Verkäufer können sich aus zurückgenommenen Vorbehaltsgegenständen durch deren freihändigen Verkauf befriedigen.</p> | <p>i) The Sellers may obtain compensation from the reserved objects taken back by private sale.</p> |
| <p>j) Die Erwerberin verwahrt die Vorbehaltsware für die Verkäufer. Sie hat sie gegen Feuer, Diebstahl sowie Wasserschaden zu versichern. Die Erwerberin tritt hiermit ihre Entschädigungsansprüche, die ihr aus Schäden der in Satz 2 genannten Art gegen Versicherungsgesellschaften oder sonstige Ersatzansprüche zustehen, an die Verkäufer in Höhe von dessen Forderung ab.</p> | <p>j) The Purchaser shall store the reserved goods for the Sellers. Purchaser shall insure them against fire, theft and water damage. The Purchaser hereby assigns its compensation claims from damages referred to in sentence 2 vis-à-vis insurance companies or other claims for compensation to Sellers in the amount of Sellers' claim.</p> |
| <p>k) Rechte aus dem Eigentumsvorbehalt und allen in diesen Bedingungen festgelegten Sonderformen gelten bis zur vollständigen Freistellung aus Eventualverbindlichkeiten, die die Verkäufer im Interesse der Erwerberin eingegangen sind.</p> | <p>k) Rights from reservation of title and all special forms specified in the conditions hereunder apply until the full release from contingent liabilities which the Sellers have incurred in the interest of the Purchaser.</p> |
| <p>l) Sämtliche Rechte der Verkäufer gemäß dieser Ziffer 12.7 erlöschen mit Zahlung des vollständigen Kaufpreises durch die Erwerberin.</p> | <p>l) If the full Purchase Price is paid by the Purchaser, all rights of the Sellers under this Section 12.7 shall expire.</p> |
| <p>12.8 Nicht fristgerecht erfolgte Kaufpreiszahlungen sind mit 8 %-Punkten über dem Basiszinssatz p. a. zu verzinsen.</p> | <p>12.8 Payments not made in time shall bear interest of 8 % above the base rate per annum.</p> |
| <p>12.9 Der Nachweis eines im Falle des Verzugs höheren Schadens bleibt den Vertragsparteien unbenommen. Die Verzinsungsansprüche setzen keine Mahnung voraus. Einer Vertragspartei ist gegenüber dem Zahlungsanspruch der anderen Vertragspartei eine Aufrechnung oder Zurückbehaltung mit eigenen oder abgetretenen Gegenansprüchen untersagt, soweit diese nicht unbestritten oder rechtskräftig festgestellt sind.</p> | <p>12.9 Proof of a higher loss in case of default remains available to the parties. Interest claims require no reminder. Neither party is entitled to set-off or retention with own or assigned claims, unless such claim is undisputed or legally binding.</p> |
| <p>13. Haftung der Insolvenzverwalter 1 und 2</p> | <p>13. Liability of the Insolvency Administrators 1 and 2</p> |
| <p>13.1 Verkäufergarantien</p> <p>Die Verkäufer garantieren, vorbehaltlich in diesem Kaufvertrag genannter Einschränkungen, im Wege eines</p> | <p>13.1. Sellers' Guarantees</p> <p>The Sellers hereby guarantee, subject to any limitations contained in this Purchase Agreement, by way of an independent</p> |

selbständigen Garantieverprechens im Sinne des § 311 Abs. 1 BGB, dass die im Folgenden genannten Angaben zum Zeitpunkt des Unterzeichnungstags oder eines ausdrücklich im folgenden genannten Zeitpunkts richtig sind (gemeinsam "Verkäufergarantien"). Die Parteien sind sich einig, dass die Verkäufer keine anderen Garantien abgeben oder übernehmen als die in diesem Abschnitt B.II.13.1 genannten, und dass keine der Verkäufergarantien als Garantie oder Gewährleistung im Sinne der §§ 276 Abs. 1, 433 BGB im Hinblick auf die Beschaffenheit des Geschäftsbetriebs oder der Verkauften Vermögenswerte zu verstehen sind.

guarantee pursuant to sec. 311 para. (1) BGB that the statements set forth hereinafter are true and correct as of the Signing Date or as of any other date explicitly referred to below (collectively "Sellers' Guarantees"). The parties agree that Sellers do not give or assume any guarantees other than those set forth in this Section B.II.13.1 and none of the Sellers' Guarantees shall be construed as a guarantee or representation within the meaning of Secs. 276 para. (1), 443 BGB with respect to the quality of the businesses or any of the assets sold hereunder.

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| <p>a) Die Verkäufer sind die alleinigen und unbeschränkten rechtlichen und wirtschaftlichen Eigentümer der Verkauften Vermögenswerte und haben das unbeschränkte Recht, solche Vermögenswerte im Einklang mit diesem Kaufvertrag zu veräußern. Mit Ausnahme von üblichen Eigentumsvorbehalten und üblichen Pflichten innerhalb der hierunter übernommenen Verträge, solche Eigentumsvorbehalte zu gewähren oder zu schaffen, sind die Verkauften Vermögenswerte frei von jeglichen Rechten Dritter oder Belastungen, und die Verkäufer trifft keine Pflicht, solche Rechte oder Belastungen zu gewähren oder zu schaffen.</p> | <p>a) Sellers are the sole and unrestricted legal and beneficial owner of the Sold Assets and have the unrestricted right to dispose of such assets in accordance with this Purchase Agreement. Except for customary retention of title rights and customary obligations to grant or create such rights under the agreements assumed hereunder, the Sold Assets are free and clear of any rights of third parties or encumbrances and Sellers are under no obligation to grant or create such rights or encumbrances.</p> |
| <p>b) Keines der Anstellungsverhältnisse der in der durch die Erwerberin noch beizufügenden Anlage II.13.1.b) (Schlüsselmitarbeiter) genannten Arbeitnehmer wurde am Unterzeichnungstag und Vollzugstag gekündigt.</p> | <p>b) None of the employment relationships of the employees in Annex B.II.13.1.b) still to be provided by Purchaser (key employees) has been terminated at the Signing Date and Transfer Date.</p> |
| <p>c) Mit Ausnahme der in der noch beizufügenden Anlage II.13.1.c) aufgeführten Verpflichtungen gibt es keinerlei Altersversorgungs-, Direktversicherungs- oder ähnliche Verpflichtungen, die mit den Arbeitnehmern, deren Vertragsverhältnisse gem. B.II.8, übertragen werden, übergangen.</p> | <p>c) Except the obligations listed in Annex B.II.13.1.c) which still to be provided there are no pension, direct insurance or similar obligations which will transfer together with the employees to be transferred in accordance with Section B.II.8.</p> |
| <p>d) Nach Kenntnis der Verkäufer wurden der Erwerberin gegenüber alle wesentlichen Umstände, aus denen Risiken oder</p> | <p>d) To Sellers' knowledge, all essential circumstances which constitute risks and possible legal claims against Purchaser</p> |

mögliche rechtliche Ansprüche gegen die Erwerberin erwachsen können; offengelegt.

have been disclosed to Purchaser.

13.2. Im Falle der Verletzung oder Nichterfüllung einer der Verkäufergarantien oder der Zusicherungen der Verkäufer (gemeinsam "Erwerberanspruch") haften die Verkäufer dafür, die Erwerberin so zu stellen, als wenn die Verletzung oder Nichterfüllung nicht eingetreten wäre. Ist dies nicht möglich oder unverhältnismäßig oder erfolgt die Mangelbeseitigung nicht innerhalb von vier Wochen nach Benachrichtigung der Verkäufer durch die Erwerberin über einen Erwerberanspruch, haben die Verkäufer sämtliche Einbußen und Schäden der Erwerberin auszugleichen, die nicht eingetreten wären, wenn die Verletzung oder Nichterfüllung nicht eingetreten wäre. Dies gilt unabhängig davon, ob die Verkäufer ein Verschulden trifft.

13.2. In the event of any breach or non-fulfillment by Sellers of any of the Sellers' Guarantees or of the Sellers' Covenants (collectively "Purchaser Claim"), Sellers shall be liable for putting Purchaser into the same position that it would have been in had the relevant breach or non-fulfillment not occurred. If this is not possible or reasonable or if the remediation shall not have occurred within four weeks after notification of Sellers by Purchaser of a Purchaser Claim, Sellers shall compensate Purchaser for all losses and damages which would not have been incurred had the relevant breach or non-fulfillment not occurred. This applies regardless of whether Sellers was at fault in relation to the relevant breach or non-fulfillment.

13.3 Erlangt die Erwerberin Kenntnis von einem Erwerberanspruch, wird die Erwerberin die Verletzung oder Nichterfüllung gegenüber den Verkäufern unter Nennung der Verletzung oder Nichterfüllung schriftlich anzeigen sowie die Höhe des in Rede stehenden Betrags mitteilen, soweit dies im Zeitpunkt der Mitteilung möglich ist.

13.3 In the event that Purchaser becomes aware of a Purchaser Claim, Purchaser will give Sellers written notice of such breach or non-fulfillment stating the nature thereof and the amount involved to the extent that such amount has been determined at the time when such notice is given.

13.4 Der Erwerberanspruch verjährt innerhalb von 36 Monaten ab dem Übertragungstag.

13.4 Purchaser Claims shall become time-barred 36 months after the Transfer Date.

13.5 Die Haftung der Verkäufer für den Erwerberanspruch ist der Höhe nach begrenzt auf den auf dem Treuhandkonto jeweils verfügbaren Treuhandbetrag.

13.5 The liability of Sellers for a Purchaser Claim shall be limited to the Escrow Amount available from time to time on the Escrow Account.

13.6 Darüber hinaus hatte die Erwerberin Gelegenheit, sich über alle Einzelheiten des Geschäftsbetriebs eingehend zu informieren und Einblick in die Geschäftsunterlagen zu nehmen. Sie hatte ausreichend Gelegenheit, die Beschaffenheit der veräußerten Vermögenswerte vor Ort zu prüfen. Dies vorausgeschickt, werden sämtliche in diesem Kaufvertrag veräußerten Vermögenswerte den Besonderheiten eines Insolvenzverfahrens entsprechend verkauft, wie sie stehen und liegen, somit

13.6 Apart from this, the Purchaser has had the opportunity to inform itself of all details of the business and to get an insight into the business records. It had had ample opportunity to examine the nature of the assets sold locally. That said, all assets in this contract are sold corresponding to the peculiarities of insolvency proceedings, in the state they are in, and thus under exclusion of any liability for defects as well as legal defects, unless stipulated otherwise in this contract. Except for Section B.II.13.1, Guarantees and warranties are not made

unter Ausschluss jeglicher Haftung für Sach- wie auch für Rechtsmängel, soweit in diesem Vertrag nichts anderes bestimmt ist. Mit Ausnahme von B.II.13.1, sind Garantien und Zusicherungen im Rahmen dieses Kaufvertrages nicht erfolgt. Beschaffenheitsvereinbarungen außerhalb dieses Vertrages sind nicht erfolgt, verbindliche Erklärungen außerhalb dieses Vertrages nicht abgegeben worden.

Die Verkäufer haften auch nicht für den Bestand und die Durchsetzbarkeit von Verträgen und Vertragsangeboten sowie Dauerschuldverhältnissen.

Der Erwerberin ist bekannt, dass in einigen Bereichen auf Grund der Insolvenz ein Investitionsbedarf besteht. Eine Beschaffenheitsvereinbarung, Zusicherung oder Garantie hinsichtlich Umsatz und/oder Ertrag des Geschäftsbetriebs wird nicht gegeben. Eine Haftung hierfür wird nicht übernommen. Der Erwerberin ist bekannt, dass die Gewerkschaft eine Betriebsratswahl initiiert hat.

Eine nicht von den Verkäufern zu vertretende Verschlechterung vor dem wirtschaftlichen Übergangsstichtag begründet kein Recht der Erwerberin auf Schadensersatz, Instandsetzung oder Nachlieferung der betroffenen Vermögenswerte. Unberührt bleiben die gesetzlichen Rechte gemäß § 285 BGB und auf Kaufpreisminderung.

13.7 Die Haftung der Verkäufer ist insgesamt beschränkt auf den von der Erwerberin gezahlten Kaufpreis.

Eine persönliche Haftung der Verkäufer, gleich aus welchem Rechtsgrund, ist ausgeschlossen.

13.8 Der Haftungsausschluss bzw. die Haftungsbegrenzung gelten nur, soweit dies gesetzlich zulässig ist.

14. Geschäftsunterlagen

Die Verkäufer übergeben zum Wirtschaftlichen Übergangsstichtag alle vorhandenen sonstigen

under this contract. Agreements as to quality outside of this contract have not been made, binding declarations outside this contract have not been made, either.

The Sellers are not liable for the existence and enforceability of contracts and contract proposals and continuing obligations.

The Purchaser is aware that in some areas there is a need for investment due to the insolvency. A quality agreement, representation or guarantee regarding sales and / or profitability of the business is not given. Liability is not accepted for this purpose. The Purchaser is aware that the union has initiated a work's council election.

An adverse change not caused by the Sellers before the Effective Date does not entitle the Purchaser to compensation, repair or replacement of the affected assets. This does not affect the statutory rights under § 285 German Civil Code and relating to purchasing price reduction.

13.7 The liability of the Sellers is limited to the purchase price paid by Purchaser.

Personal liability of the Sellers, regardless of the legal reason, is excluded.

13.8 The exclusion or limitation of liability applies only to the extent permitted by law.

14. Business Records

The Sellers deliver at the Effective Date all existing other business records that are necessary for the continuation of business

Geschäftsunterlagen, die zur Fortführung des Geschäftsbetriebes notwendig und / oder zweckmäßig sind, insbesondere den Schriftwechsel, Verträge mit Dritten, Personalekten einschl. der Einstellungsverträge, freiwillige Sozialleistungen, Garantie- und Gewährleistungen, behördliche Genehmigungen, Erlaubnisse und Vertriebsverträge, Preislisten, Kunden- und Lieferantenlisten, Prospekte udgl., an die Erwerberin.

operations and / or appropriate, in particular the correspondence, contracts with third parties, personnel records including registration contracts, voluntary benefits, guarantees and warranties, regulatory approvals, permits and sales contracts, price lists, customer and supplier lists, brochures and similar, to the Purchaser.

Die Verkäufer gewähren Einsichtnahme in sämtliche Buchhaltungsunterlagen und steuerlich relevante Schriftwechsel der Schuldnerinnen.

The Sellers grant inspection of all accounting records and tax-related correspondence to the Debtors 1 to 4.

15. Aufbewahrungspflicht

15. Duty to preserve records

Die Erwerberin erklärt sich bereit, sämtliche am Wirtschaftlichen Übergangsstichtag vorhandenen Geschäftsunterlagen der Schuldnerinnen zu übernehmen und diese gemäß den gesetzlichen Vorschriften mit der Sorgfalt eines ordentlichen Kaufmanns aufzubewahren. Eine Vergütung hierfür schulden die Verkäufer nicht.

The Purchaser agrees to take all the existing business records of Debtors 1 to 4 on the Effective Date and keep this in accordance with the legal requirements with the diligence of a prudent businessman. Sellers do not owe remuneration for this.

Die Verkäufer oder eine von ihnen beauftragte, von Berufs wegen zur Verschwiegenheit verpflichtete Person haben während der Verwahrung das nicht zu vergütende Recht, die Unterlagen während der üblichen Geschäftszeiten nach Ankündigung in den Geschäftsräumen der Erwerberin einzusehen.

The Sellers, or a person subject to professional secrecy obligations appointed by them, are entitled to inspect the documents during normal business hours after notice at the premises of the Purchaser without remuneration.

16. Unterstützungstätigkeiten

16. Support activities

Die Erwerberin verpflichtet sich, die im Rahmen des Insolvenzverfahrens notwendigen Außenprüfungen der Sozialversicherungsträger und des Finanzamtes in ihren Betriebsräumen durchführen zu lassen und im Rahmen der Prüfung die hierfür geeigneten notwendigen ehemaligen Mitarbeiter der Schuldnerinnen zur Verfügung zu stellen, sowie die Geschäftsunterlagen zur Einsicht vorzubereiten.

The Purchaser undertakes to accept the performance of audits by social security agencies and tax offices necessary in the course of insolvency proceedings in its premises as well as to provide the adequate former employees of Debtors 1 to 4 within such audit, and to prepare the business records available for inspection.

Des Weiteren stellt die Erwerberin den Verkäufern bis auf Weiteres für die noch

Furthermore, the Purchaser shall provide staff to Sellers required for necessary

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notwendigen Insolvenzabwicklungstätigkeiten die Mitarbeiter, insbesondere der Buchhaltung, zur Verfügung. Sie gestattet den Arbeitnehmern, für die Verkäufer die hierfür erforderlichen Arbeiten vorzunehmen.

insolvency clearing activities, in particular accounting, until further notice. Purchaser allows the employees to carry out such necessary work for the Sellers.

Hierzu gehören insbesondere für einen Zeitraum von weiteren 8 Wochen die Durchführung der außergerichtlichen Forderungsbeitreibung sowie die Zusammenstellung der Forderungsbeitreibungsunterlagen für eine evtl. notwendig durchzuführende gerichtliche Beitreibungsmaßnahme. Eine Vergütung hierfür wird durch die Verkäufer nicht geschuldet.

This includes, in particular, for a period of further 8 weeks, the execution of the out-of-court debt collection and the compilation of receivables documentation which may be necessary for possible court actions for recovery. A payment for this is not owed by the Sellers.

III. Schlussbestimmungen

III. Final terms

1. Wirksamkeits- und Vollzugsbedingung

1. Conditions to Effectiveness and Closing Conditions

1.1 Die Wirksamkeit dieses Kaufvertrages steht unter den nachfolgenden aufschiebenden Bedingungen der Erteilung der Zustimmung des Gläubigerausschusses zu diesem Kaufvertrag einschließlich seiner Anlagen ("Wirksamkeitsbedingung").

1.1 The effectiveness of this Purchase Agreement including its Annex is subject to the approval by the creditors' committee (condition precedent) ("Condition to Effectiveness").

1.2 Die rechtliche Übertragung der unter diesem Vertrag verkauften Vermögensgegenstände und Rechte steht kumulativ unter den nachfolgenden aufschiebenden Bedingungen wie folgt:

1.2 The transfer of the Sold Assets hereunder and the rights is subject to the fulfillment of following cumulative conditions precedent as follows:

a) Abschluss eines Mietvertrages (oder vergleichweisen Regelung) zwischen dem derzeitigen Vermieter der Immobilien Am Wolfsbaum 1 und Oberer Strietweg 1 in Neulingen und der Erwerberin (oder einer von der Erwerberin zu bestimmenden Person) zum Übertragungstag; (rückwirkend zum Wirtschaftlichen Übergangsstichtag)

a) Conclusion of a lease agreement (or similar agreement) between the current owner of the properties at Am Wolfsbaum 1 and Oberer Strietweg 1 in Neulingen and the Purchaser (or a person determined by the Purchaser) with effect as of the Transfer Date (and retroactive effect as of the Effective Date).

b) Umsetzung des Erwerberkonzepts durch Kündigung der Arbeitnehmer, die im Erwerberkonzept genannt sind, am Standort Neulingen;

b) Completion of the Purchaser concept by termination of the employees mentioned in the Purchaser concept at the plant in Neulingen;

c) Abschluss neuer Operating-Leasingverträge mit der Erwerberin zufriedenstellenden Vertragsbedingungen zu gleichen oder besseren Konditionen,

c) New operating lease agreements have been entered into, at terms and conditions satisfactory to Purchaser and at terms equal or better than the present ones unless

es sei denn der Vertrag wurde zuvor gekündigt;	previously terminated;
d) Abschluss der Sparkassenfinanzierung durch die Erwerberin;	d) Completion of financing from Sparkasse by Purchaser;
e) Verifizierung von Kundendaten und – Aufträgen entsprechend dem derzeitigen Auftragsbestand von EUR 26.000.000 für das Geschäftsjahr 2014 durch die Erwerberin;	e) Verification of customer data and orders in accordance with the current order backlog of EUR 26,000,000 for fiscal year 2014;
f) Eine zufriedenstellende Überprüfung von Rechnungen durch die Erwerberin, um eine korrekte Buchführung mit Blick auf Material- und andere Kosten verifizieren zu können (Belegprüfung)	f) A satisfactory review of invoices by the Purchaser to verify correct accounting for material and other costs (voucher audit)
(gemeinsam "Vollzugsbedingungen")	(collectively "Closing Conditions").
1.3. Die Erwerberin ist berechtigt, ganz oder in Teilen auf die in B.III.1.2.b) bis B.III.1.2.f) niedergelegten Vollzugsbedingungen schriftlich gegenüber den Verkäufern zu verzichten; die Verkäufer sind berechtigt, auf die in B.III.1.2.a) genannte Vollzugsbedingung zu verzichten. Die Wirkung eines Verzichts ist auf die Beseitigung der jeweiligen Vollzugsbedingung beschränkt und beschränkt oder beeinflusst in keiner Weise Ansprüche der jeweiligen Parteien wegen Nichterfüllung dieser oder jeder anderer Wirksamkeitsbedingung im Rahmen dieses Kaufvertrages oder im Rahmen anwendbaren Rechts.	1.3 Purchaser may waive in whole or in part the Closing Conditions pursuant to Section B.III.1.2.b to B.III.1.2.f by written notice to Sellers, and Sellers may waive the Closing Conditions pursuant to Section B.III.1.2.a. The effect of a waiver shall be limited to eliminating the respective Closing Conditions and shall not limit or prejudice any claims any party may have with respect to any non-fulfillment of such or any other Condition to Effectiveness under this Purchase Agreement or under applicable law.
1.4 Den Eintritt der Wirksamkeitsbedingung und sämtlicher Vollzugsbedingungen (bzw. dem Verzicht hierauf) werden die Parteien durch Unterzeichnung eines entsprechenden Closing Memorandums bestätigen.	1.4 The fulfillment of the Condition to Effectiveness and of all Closing Conditions (or the relevant waiver, respectively) will be confirmed by the Parties by signing a Closing Memorandum.
2. Ausschluss von gesetzlichen Rücktrittsrechten	2. Exclusion of statutory rights
2.1 Ein Rücktrittsrecht steht der Erwerberin nur zu, falls	2.1. A right of withdrawal of the Purchaser may only be exercised, if
- die Vollzugsbedingungen nicht vollständig bis zum 31. Oktober 2013 eingetreten oder verzichtet worden sind; oder	- the Closing Conditions have not been completely occurred or waived until October 31, 2013, or
- vor dem Wirtschaftlichen Übergangs-	- governmental or judicial decisions have been made or announced (or serious



stichtag behördliche oder gerichtliche Entscheidungen" getroffen oder angekündigt wurden (oder gravierende Umstände eingetreten sind), die eine Fortsetzung des Geschäftsbetriebs der Schuldnerin durch die Erwerberin untersagen oder derart einschränken, dass die Fortsetzung wirtschaftlich nicht mehr vertretbar wäre.

Die Erwerberin kann den Rücktritt vom Vertrag nur innerhalb von einem Monat ab Kenntnis des zum Rücktritt berechtigenden Grundes schriftlich erklären, es sei denn, es liegt ein Fall der arglistigen Täuschung vor.

Vorbehaltlich des vorbenannten Rücktrittsrechts sind grundsätzlich alle Ansprüche der Erwerberin ausgeschlossen, die als Folge eines Rücktritts, einer Anfechtung oder aus anderen Gründen eine Beendigung, Unwirksamkeit oder Abwicklung dieses Kaufvertrages zur Folge haben können, es sei denn, der Anspruch beruht auf einer vorsätzlichen Handlung oder arglistigen Täuschung durch die Verkäufer.

Vorbehaltlich der in diesem Kaufvertrag ausdrücklich genannten Ansprüche sind grundsätzlich alle Ansprüche der Erwerberin ausgeschlossen, die als Folge einer Minderung, Rückzahlung oder Reduzierung des Kaufpreises zur Folge haben können, es sei denn, der Anspruch beruht auf einer vorsätzlichen Handlung oder arglistigen Täuschung durch die Verkäufer.

- 2.2 Die Verkäufer können nur dann ihren Rücktritt erklären, wenn der Kaufpreis trotz Fälligkeit und nach Setzen einer zweiwöchigen schriftlichen Frist der Erwerberin gegenüber nicht gezahlt wird.

3. Mitteilungen

Sämtliche Mitteilungen haben schriftlich zu erfolgen und sind per Fax, Einschreiben oder Kurier an die unten genannte Adresse oder jede sonstige Adresse, die eine Partei den anderen Parteien später schriftlich mitteilt, zu übermitteln:

circumstances have occurred) before the Effective Date, which prohibit a continuation of the business of the Debtors by the Purchaser or limit in such a degree that the continuation would no longer be economically acceptable.

The Purchaser may rescind the contract within one month of becoming aware of the reason entitling to withdrawal in writing, unless a case of fraudulent misrepresentation occurred.

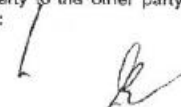
Notwithstanding the aforesaid right of withdrawal, all claims of Purchaser that would entitle it to withdrawal, or challenge or otherwise result in a termination, invalidity or winding-up of this Purchase Agreement are excluded, unless such claim is based on an intentional act or fraudulent misrepresentation by the Sellers.

Except as expressly provided for in this Purchase Agreement, in principle all claims of the Purchaser are excluded which may result in a reduction, repayment or reduction of the purchase price, unless the claim is based on an intentional act or fraudulent misrepresentation by the Sellers.

- 2.2. A right of withdrawal of Sellers may only be exercised if the Purchase Price still has not been paid when due and after setting an additional grace period of two weeks in writing to Purchaser.

3. Notices

All notices and other communications hereunder shall be made in writing and shall be delivered or sent by telefax, registered mail or courier to the addresses below or to such other addresses which may be specified by any party to the other party in the future in writing:



An die Verkäufer:

Mr. Marc-Schmidt-Thieme

Soldnerstraße 2

68219 Mannheim

Fax: +49 621 8770820

If to Sellers:

[]

An die Erwerberin:

Centrex UG

Attn. Saagar Govil

Bleibtreustraße 24

10707 Berlin

Fax: +1 631 420 4985

If to Purchaser:

[...]

4. Sonstiges

4.1 Dieser Kaufvertrag und seine Anhänge beinhalten die gesamten Vereinbarungen zwischen den Parteien und verdrängen/ersetzen alle mündlichen und schriftlichen Willenserklärungen, die die Parteien im Zusammenhang mit den Vertragsverhandlungen abgegeben haben. Änderungen oder Ergänzungen dieses Kaufvertrags (einschließlich dieses B.III.51) haben schriftlich zu erfolgen, sofern das Gesetz keine strengere Form vorschreibt.

4.2 Keine Partei ist berechtigt, Rechte oder Ansprüche aus diesem Kaufvertrag ohne die vorherige schriftliche Zustimmung der jeweils anderen Partei abzutreten.

4.3 Erfüllungsort ist Neulingen.

4.4 Dieser Vertrag unterliegt dem Recht der Bundesrepublik Deutschland unter Ausschluss des Internationalen Privatrechts und des UN-Kaufrechts.

4.5 Dieser Vertrag wurde in englischer und in

4. Miscellaneous

4.1 This Purchase Agreement and the Annexes thereto comprise the entire agreement between the parties concerning the subject matter hereof and supersede and replace all oral and written declarations of intention made by the parties in connection with the contractual negotiations. Changes or amendments to this Purchase Agreement (including this Section B.III.4.2) must be made in writing unless any stricter form is legally required.

4.2 No party shall be entitled to assign any rights or claims under this Purchase Agreement without the prior written consent of the other party.

4.3 Place of fulfillment is Neulingen.

4.4 This Agreement shall be governed by, and be construed in accordance with, the laws of the Federal Republic of Germany, without regard to principles of conflicts of laws and without regard to the UN Convention on the Sale of Goods. Place of venue shall be Mannheim, Germany.

4.5 This Purchase Agreement has been



deutscher Sprache erstellt. Im Falle von Zweifeln geht die deutsche Version vor.

prepared in German and English language. In case of doubts, the German version shall prevail.

4.6 Keine Partei ist berechtigt, ohne vorherige Zustimmung der anderen Partei, das Bestehen oder den Inhalt dieses Vertrages bekannt zu machen, oder irgendeine Information hierzu Dritten zugänglich zu machen. Dies gilt nicht, wenn eine Partei oder ein mit der Partei verbundenes Unternehmen verpflichtet ist, Aussagen oder Bekanntmachungen auf Grundlage gesetzlicher Bestimmungen oder sonstiger Verordnungen (inklusive anwendbarer Börsenregularien) zu tätigen.

4.6 None of the Parties shall, without the prior written consent of the other Parties, disclose the existence or the content of this Agreement to, or make any information relating thereto available to, any third party. This shall not apply to the extent a Party or an affiliate of a Party is obliged to make an announcement or disclosure under applicable laws or regulations (including the rules of the relevant stock exchanges).

4.7 Hiervon unberührt bleibt das Recht der Parteien, Informationen gegenüber Beratern, die unter einer beruflichen Verschwiegenheitspflicht stehen, bekanntzugeben.

4.7 The right of the Parties to disclose matters to advisers who are bound by a professional duty of confidentiality shall remain unaffected.

4.8 Die Parteien verpflichten sich, ohne vorherige schriftliche Zustimmung der anderen Partei, keine öffentliche Aussage – insbesondere keine Pressemitteilung – über diesen Vertrag zu tätigen, es sei denn, dass dies aufgrund gesetzlicher Bestimmungen oder sonstiger Verordnungen erforderlich ist (einschließlich anwendbarer Börsenregularien).

4.8 The Parties undertake that, without the prior written consent of the other Party, neither Party shall make any public announcement – in particular no press release – regarding this Agreement, unless required by applicable laws or regulations (including the rules of the relevant stock exchanges).

5. Salvatorische Klausel

Sollten Bestimmungen dieses Vertrages ganz oder teilweise unwirksam sein oder werden, so wird hierdurch die Rechtswirksamkeit der übrigen Bestimmungen nicht berührt. Die Parteien sind in diesem Fall verpflichtet, an Stelle der unwirksamen Bestimmung eine Ersatzbestimmung zu vereinbaren, die dem wirtschaftlichen Zweck der unwirksamen Bestimmung soweit nahe kommt, als dieses rechtlich zulässig ist. Gleiches gilt, wenn sich eine ergänzungsbedürftige Regelungslücke herausstellt. Im Übrigen verpflichten sich

5. Severability



If any provisions of this contract are wholly or partially invalid, then thereby the validity of the remaining provisions shall not be affected. The parties are obliged in this case, to the extent legally permissible, to replace the ineffective provision with a provision which reflects the economic purpose of the invalid provision as far as possible. The same applies in case of a gap. In addition, the parties commit themselves to mutual consideration with regard to the mutually set tasks of the transferee to transfer or continuation of orderly business operations and the Sellers

die Parteien zur gegenseitigen
Rücksichtnahme im Hinblick auf die
beiderseitig gestellten Aufgaben des
Übergebers zur Übernahme oder
Fortführung eines geordneten
Geschäftsbetriebes und der Verkäufer zur
Durchführung eines ordnungsgemäßen
Insolvenzverfahrens.

to perform proper insolvency proceedings.

Mannheim, den 10. 9. 13

Mannheim, this


Torsten Hark
in. 


For
Centrex UG
Sept 10 / 2013

Anlage 5

Inventur- / Bewertungskriterien

Inventurkriterien

Für die im Rahmen des Kaufvertrags durchzuführende Inventur gelten die folgenden Inventurkriterien:

- [Ablauf]
- []

Bewertungskriterien

Für die im Rahmen des Kaufvertrags erworbenen Gegenstände gelten die folgenden Bewertungsmaßstäbe:

- Gegenstände, die nach dem Datum der Insolvenzantragstellung erworben wurden (maßgeblich ist jeweils das Datum des Kaufvertrags), werden mit 100% des Anschaffungspreises bewertet;
- Gegenstände, die bis einschließlich zum Datum der Insolvenzantragstellung der jeweiligen Gesellschaft erworben wurden, wenn sie nachweislich mit rechtsverbindlichen, ungekündigten Aufträgen hinterlegt sind, mit 100% des Anschaffungspreises bewertet;
- Alle anderen bis zu diesem Zeitpunkt erworbenen Gegenstände werden gemeinsam mit einem Gesamtbetrag von EUR 1,00 bewertet.

Annex 5

Inventory / Valuation Criteria

Inventory Criteria

For the inventory to be exercised under the Purchase Agreement, the following inventory criteria apply:

- [Timing]
- []

Valuation Criteria

For the assets acquired under the Purchase Agreement, the following valuation principles apply:

- Assets which have been acquired after the date of filing of insolvency proceedings (the respective date of the purchase agreement shall be decisive) shall be valued at 100% of acquisition costs;
- Assets which have been acquired until and including the date of filing of insolvency proceedings shall be valued at 100% of acquisition costs if backed with legally binding orders not having been terminated and this has been proved;
- All other assets which have been acquired until that date shall be valued with a lump-sum amount of EUR 1.00.;

<div style="border: 1px solid black; padding: 2px; width: 80px; margin: 0 auto;"> NUMBER C 07014 </div>	<div style="border: 1px solid black; padding: 2px; width: 80px; margin: 0 auto;"> SHARES SPECIMEN </div>	
INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE		
COMMON STOCK		
SEE REVERSE FOR CERTAIN DEFINITIONS CUSIP 15130G 30 3		
<div style="border: 1px solid black; padding: 10px; margin: 10px auto; width: 80%;"> <p style="text-align: center; font-size: 2em; font-weight: bold;">SPECIMEN</p> <p style="text-align: center;">THIS CERTIFIES THAT:</p> <p style="text-align: center;">IS THE OWNER OF</p> <p style="text-align: center;">FULLY PAID AND NON-ASSESSABLE SHARES OF COMMON STOCK OF \$0.001 PAR VALUE EACH OF</p> <p style="text-align: center;"><u>CENTREX INC.</u></p> </div>		
<p>transferable on the books of the Corporation in person or by attorney upon surrender of this certificate duly endorsed or assigned. This certificate and the shares represented hereby are subject to the laws of the State of Delaware, and to the Certificate of Incorporation and Bylaws of the Corporation, as now or hereafter amended. This certificate is not valid until countersigned by the Transfer Agent.</p>		
<p>WITNESS the facsimile seal of the Corporation and the facsimile signatures of its duly authorized officers.</p>		
DATED: <div style="border: 1px solid black; width: 100px; height: 30px; display: inline-block;"></div>		BY: AUTHORIZED OFFICER CHIEF EXECUTIVE OFFICER
COUNTERSIGNED: CONTINENTAL STOCK TRANSFER & TRUST COMPANY NEW YORK, NY TRANSFER AGENT		
SECRETARY:		

Centrex, Inc. and Subsidiaries

The following abbreviations, when used in the inscription on the face of this certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common
TEN ENT - as tenants by the entireties
JT TEN - as joint tenants with right of
survivorship and not as tenants
in common

UNIF GIFT MIN ACT -Custodian.....
(Cust) (Minor)
under Uniform Gifts to Minors
Act
(State)

Additional abbreviations may also be used though not in the above list.

For Value Received, _____ hereby sell, assign and transfer unto

PLEASE INSERT SOCIAL SECURITY OR OTHER
IDENTIFYING NUMBER OF ASSIGNEE

(PLEASE PRINT OR TYPE NAME AND ADDRESS, INCLUDING ZIP CODE, OF ASSIGNEE)

_____ Shares
of the stock represented by the within Certificate, and do hereby irrevocably constitute and appoint

_____ Attorney
to transfer the said stock on the books of the within named Corporation with full power of substitution in the
premises.

Dated _____

Signature(s) Guaranteed

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE
OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY CHANGE WHATSOEVER.

By _____
The Signature(s) must be guaranteed by an eligible guarantor institution
(Banks, Stockbrokers, Savings and Loan Associations and Credit Unions
with membership in an approved Signature Guarantee Medallion Program),
pursuant to SEC Rule 17Ad-15.

THE CORPORATION WILL FURNISH TO ANY STOCKHOLDER, UPON REQUEST AND WITHOUT CHARGE, A FULL STATEMENT OF THE DESIGNATIONS,
RELATIVE RIGHTS, PREFERENCES AND LIMITATIONS OF THE SHARES OF EACH CLASS AND SERIES AUTHORIZED TO BE ISSUED, SO FAR AS THE
SAME HAVE BEEN DETERMINED, AND OF THE AUTHORITY, IF ANY, OF THE BOARD TO DIVIDE THE SHARES INTO CLASSES OR SERIES AND TO
DETERMINE AND CHANGE THE RELATIVE RIGHTS, PREFERENCES AND LIMITATIONS OF ANY CLASS OR SERIES. SUCH REQUEST MAY BE MADE
TO THE SECRETARY OF THE CORPORATION OR TO THE TRANSFER AGENT NAMED ON THIS CERTIFICATE.

COLUMBIA PRINTING SERVICES, LLC - www.stockinformation.com

Centrex, Inc. and Subsidiaries

CERTIFICATE OF DESIGNATION OF SERIES A PREFERRED SHARES
OF CENTREX, INC.

Pursuant to Section 242 of the

General Corporation Law of the State of Delaware

The holders of the Series A Preferred Shares par value \$0.001 (the "Series A Preferred Shares") of CENTREX, INC. (the "Company") shall have the following rights and preferences:

1. Designation and Amount. The number of shares constituting the series of Series A Preferred Shares shall be 1,000,000.
2. Voting.

(a) Each issued and outstanding Series A Preferred Share shall be entitled to the number of votes equal to the result of: (i) the number of shares of common stock of the Company (the "Common Shares") issued and outstanding at the time of such vote multiplied by 1.01; divided by (ii) the total number of Series A Preferred Shares issued and outstanding at the time of such vote, at each meeting of shareholders of the Company with respect to any and all matters presented to the shareholders of the Company for their action or consideration, including the election of directors. Holders of Series A Preferred Shares shall vote together with the holders of Common Shares as a single class.

(b) The Company shall not amend, alter or repeal the Series A Preferred Shares, special rights or other powers of the Series A Preferred Shares so as to affect adversely the Series A Preferred Shares, without the written consent or affirmative vote of the holders of at least a majority of the then outstanding aggregate number of shares of such adversely affected Series A Preferred Shares, given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class.

IN WITNESS WHEREOF, CENTREX, INC. has caused this Certificate of Designation of the Series A Preferred Shares to be signed and attested to by its duly authorized officers as of the 8th day of September, 2009.

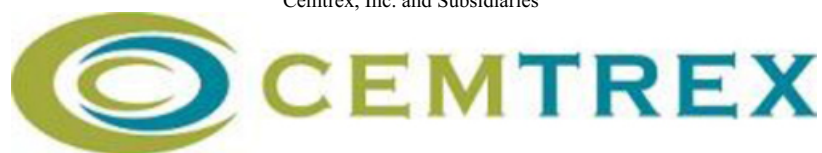
CENTREX, INC.

By: /s/ Vandana Govil
Name: Vandana Govil
Title: Vice President, Secretary, Director

ATTEST:

By: /s/ Aron Govil
Name:
Title: President

Centrex, Inc. and Subsidiaries



CORPORATE CODE OF BUSINESS ETHICS

**CEMTREX, INC.
CORPORATE CODE OF BUSINESS ETHICS**

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CEMTREX, INC.
CORPORATE CODE OF BUSINESS ETHICS

OVERVIEW

It is essential that the highest standards of conduct be observed in all contacts made by Company employees with customers, shareholders, suppliers, governmental officials, fellow employees and the general public. This Corporate Code of Business Ethics represents the Company's position regarding several important areas of business conduct. This Code establishes the standards of conduct to be followed by all employees of the Company.

GENERAL POLICY

It is the policy of the Company to comply with all applicable laws, to act fairly, impartially, and in an ethical, proper manner. The highest standards of conduct are required of our employees and all other persons who act on our behalf, which includes contractors, consultants, etc. It is Company policy that all persons acting on its behalf comply with the legal requirements of the various countries, economies and regional communities in which the Company does business. Employees shall conduct the Company's affairs in accordance with the highest moral and legal standards. The reputations of the Company and each employee of the Company for unquestioned honesty, integrity and fair dealing are priceless assets. These are assets that must not be compromised. Therefore, the guidelines set forth in the following areas apply uniformly to all persons representing each member of the entire Centrex, Inc. group of companies.

CODE OF CONDUCT

Centrex, Inc. is committed to promoting integrity and maintaining the highest standards of ethical conduct in all of its business activities. Our business success is dependent on trusting relationships, built on this foundation of integrity. Our reputation is founded on the personal integrity of the company personnel and our dedication to:

- Honesty in communicating within the company and with our suppliers and customers, while at the same time protecting the company's confidential information and trade secrets.
- Error free workmanship in our products and services, leading to quality products and services to our customers.
- Responsibility for our words and actions confirms our commitment to do what we say.
- Limitless respect for our fellow employees, shareholders, customers and suppliers while showing willingness to solicit their opinions and value their feedback.
- Earnest and fair dealings with our fellow employees, shareholders, customers and suppliers through adherence to all applicable laws, regulations and policies, and high standards of behavior.
- Yielding to the need for strong relationships with our employees and the communities affected by our businesses.

EMPLOYEE RELATIONS

People are the cornerstone of our business. Our continued success depends largely on our ability to attract and develop a diverse work force of qualified men and women. Any employment or personnel practice that is unjust to any of our employees, however inadvertent, ultimately injures all of us. Integrity, fairness and respect for others are characteristics we accept as inherent in the Centrex culture. We simply cannot afford to deprive ourselves of capable people for reasons based on unlawful or unjust discrimination. Recognizing our continuing need to hire and develop qualified people, while basing our judgment on their abilities, we reaffirm our commitment to provide meaningful employment opportunities for men and women and, to fully support all principles of equal opportunity in employment.

Equal Employment Opportunity - it is the policy of Centrex to ensure equal treatment for all employees and applicants, regardless of their color, religion, national origin, age, sex, sexual orientation or mental/physical capacity and to comply voluntarily with the concept and practice of affirmative action. This policy applies to all company activities including, but not limited to, recruiting, hiring, training, transfers, promotions and benefits.

Cemtrex, Inc. and Subsidiaries

Non-Harassment and Sexual Harassment – it is company policy to provide a workplace free from tensions involving matters that do not relate to company's business. In particular, an atmosphere of tension created by ethnic, racial, sexual or religious remarks, unwelcome sexual advances, or requests for sexual favors, will not be tolerated. Harassment of employees, applicants, customers, contractors or suppliers by other employees is a violation of company policy.

Employees who observe, learn of, or are subject to harassment, are responsible immediately to report the conduct to their supervisor, manager, human resource representative, or Mr. Sunny Patel, as the Chairman of the Audit Committee for the Board of Directors, for prompt investigation (see Section entitled "Reporting Violations" for contact information). Investigations will be conducted in as discrete and confidential manner as is practicable.

The company will act promptly and vigorously to take corrective action and appropriate discipline with respect to any harassment or retaliation.

Retaliation against individuals who report such violations of company policy, or against those who provide information in an investigation of such violations, is a violation of company policy.

COMMUNITY INVOLVEMENT

Each of the Company's facilities will function as an integral part of the country, economy and regional community in which it conducts the Company's business operations. Employees are encouraged to participate in community activities as concerned and responsible citizens. Both the Company and its employees benefit from any activity that improves the health, well-being, education and culture of the community. Together, they have a responsibility to support and share in the development of social and civic activities designed to improve the quality of life in each such community.

ENVIRONMENTAL CONCERNS

Cemtrex, Inc. is firmly committed to conducting its business in compliance with all applicable environmental and workplace laws and regulations in a manner that has the highest regard for the safety and well-being of employees and the general public. Therefore, Cemtrex expects all employees to do their utmost to abide by the letter and spirit of these laws and regulations. The Company will comply with applicable laws and regulations. The Company's environmental concerns include the health and aesthetic needs of communities' citizens. The Company will participate in the development of standards designed to conserve the quality of the environment. The exercise of personal discretion or judgment in this area is not acceptable.

SAFETY

The protection of the health of its employees and their safety from injury are fundamental objectives of the Company. These are moral responsibilities of each employee as well and the Company recognizes their importance to the success of the business. Therefore, the Company's goal is to be a leader in safety and health in its industry. The Company will also provide its customers with products that meet high standards of safety and reliability. Accordingly, employees will strive to minimize the potential risk of injury or illness to others from goods and services furnished by the Company. A Company goal is to maintain a position of industry leadership in meeting these standards.

In order to protect the safety and well-being of all employees, each of us must report to work free from the influence of any substance that could prevent us from conducting work activities safely and effectively.

QUALITY

Cemtrex is committed to being a worldwide leader in quality for every product it provides in every market it serves. The Company is dedicated to continued improvement in its overall quality performance in every facet of its operations. The Company's goal is to conform consistently to its customers' expectations regarding its products and services. To maintain Cemtrex's valuable reputation, compliance with our quality processes is essential. We damage our good name when we ship products or deliver services that fail to live up to Cemtrex standards.

CUSTOMERS AND SUPPLIERS

Employees should conduct all of the business affairs of the Company at arm's length without consideration of personal advantage or self-interest. It is contrary to Company policy for employees to accept or furnish gifts, favors or entertainment of a size or nature which might influence or raise doubts as to the impartiality of the recipient. Any questionable conduct or appearance thereof must be avoided in dealing with customers, suppliers or others doing or seeking to do business with Centrex, Inc.

We must protect customer information that is sensitive, private or confidential just as carefully as our own. Only those who have a need to know should have access to confidential information.

We must take special care to comply with all legal and contractual obligations in dealing with governments. National and local governments all around the world have specific and varied procurement laws and regulations that have been established to protect the public interest. Many other laws strictly govern accounting and billing practices applied to the fulfillment of government contractors and subcontractors. Centrex employees who deal with government officials and contracts are responsible for knowing and complying with applicable laws and regulations.

COMPETITORS

Collecting information on our competitors from legitimate sources to evaluate the relative merits of their products, services and marketing methods is proper and often necessary. However, there are limits to the ways information should be acquired. Practices such as industrial espionage and stealing are obviously wrong. But so is seeking confidential information from a new employee who recently worked for a competitor, or misrepresenting your identity in the hopes of getting confidential information from a competitor.

Centrex is firmly committed to compliance with both the letter and spirit of the antitrust laws wherever they are in force. Any form of questionable intelligence gathering is strictly against the provisions of this Code. By strengthening the free market system, these laws have permitted Centrex, Inc. to grow and prosper. Accordingly, the Company's employees will compete vigorously with its competitors at all times.

ANTI-TRUST AND RESTRICTIVE TRADE PRACTICES

The anti-trust laws of the United States prohibit certain anti-competitive activities. These include agreements or understandings among competitors to fix or control prices; to boycott specified suppliers or customers; to allocate territories or markets; or to limit the production or sale of products or product lines. Employees shall not engage in such activities and shall report any instance in which such activities were proposed or discussed to the Chairman of the Audit Committee for the Board of Directors (see Section entitled "Reporting Violations" for contact information).

Employees shall not engage directly or indirectly in any restrictive international trade practice (i.e., a boycott of a supplier or customer). Employees shall report the receipt of any request to engage in such activities to the Chairman of the Audit Committee for the Board of Directors (see Section entitled "Reporting Violations" for contact information).

CONFIDENTIAL INFORMATION

Centrex believes its confidential proprietary information is an important asset in the operation of its business and prohibits the unauthorized use or disclosure of this information. Employees shall not disclose directly or indirectly any confidential information acquired in the course of employment, nor shall employees use such information to further any personal interest or to the Company's disadvantage. This includes trading or providing information to others to permit them to trade in securities of the Company or other companies while in possession of material non-public information about those securities.

Centrex respects the property rights of other companies to their proprietary information and requires its employees to fully comply with both the spirit and the letter of U.S. and foreign laws and regulations protecting such rights. Centrex's success is dependent upon the strict adherence by employees to this portion of the Code and all applicable standards and procedures.

DISCLOSURE OF COMPANY INFORMATION

Information is the lifeblood of any company. Open and effective dissemination of this information is critical to our success. However, much of the information concerning Centrex's business activities is confidential. The disclosure of this information outside the company could seriously damage the company's interests. Safeguarding this information is everyone's responsibility.

To protect this information, it is company policy that:

- Confidential information of the company should be disclosed within the company only on a need-to-know basis;
- Confidential information of the company (paper and electronic) must be marked with additional handling instructions;
- Confidential information of the company should be disclosed outside the company only when required by law or when necessary to further the company's business activities and in accordance with the company's disclosure guidelines.

We also have an obligation to protect the confidential information provided to us by our customers and suppliers during the course of business. They expect this from us just as we expect it from them.

FINANCIAL ACCOUNTING AND REPORTING

All business records, expense accounts, vouchers, invoices, bills, payroll, service records and other reports, books and records of the Company must be prepared with care and accuracy and maintained in a verifiable manner in conformance with generally accepted accounting principles (GAAP). All entries to Company ledger accounts must be substantiated by documentation that accurately describes the transaction they represent.

All corporate funds and accounts must be established in accordance with applicable Standard Practices. No fund or account is to be established or maintained for a purpose that is not fully and accurately described in the relevant books of the Company. All company books, records, accounts, funds and assets must be maintained to reflect fairly and accurately the underlying transactions and disposition of company business in reasonable detail. No entries will be made that intentionally conceal or disguise the true nature of any company transaction.

In this respect, the following guidelines must be followed:

- No undisclosed, unrecorded, or "off-book" funds or assets should be established for any purpose.
- No false or fictitious invoices should be paid or created. · No false or artificial entries should be made or misleading reports issued.
- Assets and liabilities of the company shall be recognized and stated in accordance with the company's standard practices and GAAP.

If an employee believes that the company's books and records are not being maintained in accordance with these requirements, the employee should report the matter directly to their supervisor, or to Mr. Sunny Patel , as Chairman of the Audit Committee for the Board of Directors (see Section entitled "Reporting Violations" for contact information).

INSIDER TRADING

Employees shall not trade in securities while in possession of material inside information. To avoid even the appearance of insider trading, employees shall not trade in options in the company's stock and shall avoid speculating in Centrex stock. All employees shall follow the guidelines on securities trading issued by the company.

Federal law and company policy prohibits employees, directly or indirectly through their families or others, from purchasing or selling company stock while in possession of material, non-public information concerning the company. To avoid even the appearance of improprieties, company policy also prohibits employees from trading options on the open market in company stock under any circumstances.

Material, non-public information is any information that could reasonably be expected to affect the value of a stock. If an employee is considering buying or selling a stock because of inside information they may possess, they should assume that such information is material. It is also important for the employee to keep in mind that if any trade they make becomes the subject of an investigation by the government, the trade will be viewed after-the-fact with the benefit of hindsight. Consequently, employees should always carefully consider how their trades would look from this perspective.

If an employee's family or friends ask for advice about buying or selling company stock, the employee should not provide it. Federal law and company policy also prohibit the employee from "tipping" family or friends regarding material, non-public information that the employee learns about Centrex in the course of employment. The same penalties apply, regardless of whether the employee derives any benefit from the trade.

CONFLICTS OF INTEREST

Each Centrex employee must be careful to avoid any situation that might create a personal conflict of interest. This may involve participating in activities, including outside employment, which conflict or appear to conflict with Centrex's business. Included are financial interests in suppliers or competitors. Business decisions and actions must be based on the best interests of Centrex and must not be motivated by personal considerations or relationships. Relationships with prospective or existing suppliers, contractors, customers, competitors or regulators must not affect our independent and sound judgment.

General guidelines to help employees better understand several of the most common examples of situations that may cause a conflict of interest follow:

- Outside Employment – employees of Centrex may not work for or receive payments from any competitor, customer, distributor or supplier of Centrex without approval of local management. Any outside activity must be strictly separated from Centrex employment and should not harm job performance at Centrex.
- Board Memberships – serving on the Board of Directors or a similar body for an outside company or government agency requires the advance approval of local management. Helping the community by serving on boards of non-profit or community organizations is encouraged and does not require prior approval.
- Gifts Given to Centrex Employees – employees of Centrex may not accept kickbacks, lavish gifts or gratuities. We can accept items of nominal value, such as small promotional items bearing another company's name. We cannot accept anything that might make it appear that our judgment for Centrex would be compromised.
- Gifts Given by Centrex Employees – some business situations call for giving gifts. Gifts from Centrex must be legal, reasonable and approved by local management.

TRADE (EXPORT AND IMPORT)

Compliance with the U.S. Export Administration Regulations issued by the U.S. Department of Commerce should be strictly enforced. The Marketing and Contracts group has the lead role within Centrex to ensure compliance with the laws and regulations pertaining to importing and exporting for all countries where Centrex does business. The export regulations are very complex and employees who are unfamiliar with them should not make decisions regarding licenses, etc.

INTERNATIONAL CITIZENSHIP

Since Centrex, Inc. is a multinational company, employees will frequently be confronted with laws, regulations and business practices in the various countries and economies that differ from those in places where they customarily do business. However, honesty and integrity are not subject to equivocation at any time in any culture. Centrex, Inc. will be a responsible corporate citizen in every country in which it conducts its business. By maintaining high levels of personal integrity and by recognizing the needs of the host countries in which the Company conducts its business, Centrex, Inc. will maintain its reputation for fairness and ethical behavior on a worldwide basis.

REPORTING VIOLATIONS

There are no easy answers to many ethical issues we face in our daily business activities. In some circumstances, the right thing to do will be obvious, but in other more complex situations, it may be difficult for an employee to decide what to do. When an employee is faced with a tough ethical decision or whenever they have any doubts as to the right thing to do, they should talk to someone else such as their supervisor or another manager. The company also has a member of the Board of Directors who has been identified as the individual to handle reports on violations of company policy. As the Chairman of the Audit Committee for the Board of Directors, Mr. Sunny Patel serves as the individual to whom reported violations of company policy should be made, as well as any suspected misconduct by any employee or representative of the company. This may be done anonymously in writing to: William M. Aul, Esq., c/o Law Offices of William M. Aul, 7676 Hazard Center Drive, Suite 500, San Diego, CA 92108.

Centrex, Inc. will not permit any form of retribution against any person, who, in good faith, reports known suspected violations of this Corporate Code of Business Ethics or other company policy.

DELEGATION OF AUTHORITY

Only employees who are specifically authorized may commit the company to others. A commitment by Centrex includes the execution of any written agreement or any other undertaking that obligates or binds the company in any respect, whether or not it involves the payment of money. Employees must never execute a document or otherwise commit the company unless they have clear authority to do so. They should check with the Controller of their organization to determine what authority limits have been delegated to them. Failure to follow this portion of the Code will subject the employee to disciplinary action.

USE OF COMPANY ASSETS

Centrex's assets are to be used only for legitimate business purposes of Centrex, Inc. and its subsidiaries and only by authorized employees or their designees. This includes tangible and intangible assets. Some examples of tangible assets include office equipment such as phones, copiers, computers, furniture, supplies and production equipment.

We all have a responsibility to protect Centrex assets entrusted to us from loss, damage, misuse or theft. Centrex assets, such as funds, products or computers, may only be used for business purposes and other purposes approved by management. Centrex assets may never be used for illegal purposes.

Centrex's electronic mail (e-mail) system should be restricted primarily to company business. Highly confidential information should be handled appropriately. The company reserves the right at any time to monitor and inspect, without notice, all electronic communications data and information transmitted over network and electronic files located on personal computers owned by the company or computers on the premises used in company business.

To the extent permitted under applicable law, employees, contractors and temporary employees shall assign to the company any invention, work of authorship, composition or other form of intellectual property created during the period of employment. Each employee shall execute a Confidentiality Agreement prior to commencing work for Centrex.

PURPOSE OF THE CODE OF BUSINESS ETHICS

This Corporate Code of Business Ethics is a guide to help employees of Centrex live up to Centrex's high ethical standards – and their own. It summarizes many of the laws that Centrex and its employees are required to live by. The Code goes beyond the legal minimums, however, by describing the ethical values we all share. This Code is neither a contract nor a comprehensive manual that covers every situation employees throughout the Company might encounter. It is a guide that highlights key issues and identifies policies and resources to help employees reach decisions that will make Centrex, Inc. proud.

RESPONSIBILITY AND ACCOUNTABILITY

As employees of Centrex, Inc. each of us has the personal responsibility to make sure that our actions abide by this Corporate Code of Business Ethics and the laws that apply to our work. If anyone has any questions or concerns about illegal or unethical acts, check with your supervisor, or contact Mr. Sunny Patel, as Chairman of the Audit Committee for the Board of Directors (see Section entitled "Reporting Violations" for contact information). Keep in mind that failure to abide by this Code and the law will lead to disciplinary measures appropriate to the violation.

ADMINISTRATION

Employees acting on behalf of the Company are responsible for adherence to this Policy. All managers are responsible for advising their employees of the principles embodied in this Corporate Code of Business Ethics and for directing their activities consistent with these principles.

ADDITIONAL RESPONSIBILITIES OF MANAGERS

Centrex managers are expected to lead according to our standards of ethical conduct, in both words and actions. Managers are responsible for promoting open and honest two-way communications. Managers must be positive activists and role models to show respect and consideration for each of our employees. Managers must be diligent in looking for indications that unethical or illegal conduct has occurred.

Cemtrex, Inc. and Subsidiaries

CERTIFICATION PURSUANT TO RULE 13a/15d OF THE SECURITIES AND EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Saagar Govil, certify that:

1. I have reviewed this report on Form 10-K/A of Cemtrex, Inc., for the fiscal year ended September 30, 2015;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonable likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: August 25, 2016

/s/ Saagar Govil

Saagar Govil,
Chief Executive Officer, Principle Executive Officer

Cemtrex, Inc. and Subsidiaries

CERTIFICATION PURSUANT TO RULE 13a/15d OF THE SECURITIES AND EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Renato Dela Rama certify that:

1. I have reviewed this report on Form 10-K/A of Cemtrex, Inc., for the fiscal year ended September 30, 2015;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonable likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls over financial reporting.

Date: Thursday, August 25, 2016

/s/ Renato Dela Rama

Renato Dela Rama

Vice President of Finance, Principal Financial Officer

Cemtrex, Inc. and Subsidiaries

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of Cemtrex, Inc. (the "Company") on Form 10-K/A for the fiscal year ended September 30, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Saagar Govil, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: August 25, 2016

/s/ Saagar Govil

Saagar Govil,
Chairman of the Board,
Chief Executive Officer,
and Principal Executive Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Cemtrex, Inc. and Subsidiaries

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of Cemtrex, Inc. (the "Company") on Form 10-K/A for the fiscal year ended September 30, 2015, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Renato Dela Rama, Vice President of Finance of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

- (1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Dated: Thursday, August 25, 2016

/s/ Renato Dela Rama

Renato Dela Rama,
Vice President of Finance
and Principal Financial Officer

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request
