



**FIDUCONSULT ACTA**

Société fiduciaire d'expertises et de révision – Conseils juridiques et fiscaux

Report of the statutory auditor  
to the General meeting of shareholders of

**Grandsaugreen SA**  
**Les Verrières**

Financial statements 2017/2018

FIDUCONSULT ACTA SA  
Tél. +41 32 967 95 95

Rue Fritz-Courvoisier 40  
Fax +41 32 967 95 96

CH-2300 La Chaux-de-Fonds  
E-mail: lcf@fiduconsult.ch

**Report of the statutory auditor on the limited statutory examination  
to the General meeting of shareholders of  
Grandsaugreen SA, Les Verrières**

As statutory auditor, we have examined the financial statements (balance sheet, profit and loss statement and notes) of Grandsaugreen SA for the financial year ended March 31, 2018.

These financial statements are the responsibility of the Board of directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements do not comply with Swiss law and the company's articles of incorporation.

La Chaux-de-Fonds, April 12, 2018

**FIDUCONSULT ACTA SA**



Sonia Mathez  
Licensed audit expert  
(Auditor in charge)



Sandy Kammer  
Licensed auditor

**Enclosures : - Financial statements**

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CH-2300 La Chaux-de-Fonds  
E-mail: [lcfa@fiduconsult.ch](mailto:lcfa@fiduconsult.ch)

**Grandsaugreen SA**  
Les Verrières

BALANCE SHEET AS OF MARCH 31,		2018	2017
	Notes	CHF	CHF
<b>A S S E T S</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalent and assets held for short-term disposal with a quoted market price	3.	437'013.72	77'748.42
Trade accounts receivables	4.	483'506.80	687'596.50
Other short-term receivables	5.	28'325.84	17'295.14
Inventories and non-invoiced services	6.	639'427.56	955'642.56
Prepaid expenses and accrued income	7.	40'238.49	6'800.00
<b>TOTAL CURRENT ASSETS</b>		<b>1'628'512.41</b>	<b>1'745'082.62</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	8.	9'000.00	9'000.00
Property, plant and equipment	9.	5'665'447.65	6'312'080.09
<b>TOTAL NON-CURRENT ASSETS</b>		<b>5'674'447.65</b>	<b>6'321'080.09</b>
<b>TOTAL ASSETS</b>		<b>7'302'960.06</b>	<b>8'066'162.71</b>

**Grandsaugreen SA**  
Les Verrières

BALANCE SHEET AS OF MARCH 31,		2018	2017
	Notes	CHF	CHF
<b>LIABILITIES</b>			
<b>SHORT-TERM LIABILITIES</b>			
Trade accounts payables	10.	94'261.93	918'020.00
Other short-term liabilities	11.	20'766.55	9'959.20
Accrued expenses and deferred income	12.	7'382.70	13'950.00
<b>TOTAL SHORT-TERM LIABILITIES</b>		<b>122'411.18</b>	<b>941'929.20</b>
<b>LONG-TERM LIABILITIES</b>			
Other long-term liabilities	13.	37'518.91	39'925.02
<b>TOTAL LONG-TERM LIABILITIES</b>		<b>37'518.91</b>	<b>39'925.02</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	14.	11'100'000.00	11'100'000.00
Balance sheet result			
Loss carried forward		(4'015'691.51)	(3'220'981.80)
Profit / (loss) for the period		58'721.48	(794'709.71)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>7'143'029.97</b>	<b>7'084'308.49</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>7'302'960.06</b>	<b>8'066'162.71</b>

Grandsaugreen SA  
Les Verrières

PROFIT AND LOSS STATEMENT		2017 / 2018	2016 / 2017
	Notes	CHF	CHF
Revenue of sales of goods and services	15.	11'613'707.61	3'400'667.68
Change in inventory of finished goods and work in progress as well as in non-invoiced services		(331'587.00)	(378'108.00)
<b>TOTAL INCOMES</b>		<b>11'282'120.61</b>	<b>3'022'559.68</b>
Raw materials and supplies	16.	(9'977'785.88)	(2'609'938.61)
<b>GROSS PROFIT MARGIN</b>		<b>1'304'334.73</b>	<b>412'621.07</b>
Other operating expenses			
Personal expenses	17.	(363'887.10)	(279'112.53)
Other operating expenses	18.	(93'267.16)	(71'615.32)
Amortization/depreciation and impairment losses		(712'240.39)	(723'117.90)
<b>TOTAL OTHER OPERATING EXPENSES</b>		<b>(1'169'394.65)</b>	<b>(1'073'845.75)</b>
<b>OPERATING INCOME</b>		<b>134'940.08</b>	<b>(661'224.68)</b>
Other incomes / expenses			
Financial incomes / (expenses)	19.	(37'512.75)	(36'421.73)
Extraordinary incomes / (expenses)	20.	0.00	(65'138.95)
<b>TOTAL OTHER INCOMES / (EXPENSES), net</b>		<b>(37'512.75)</b>	<b>(101'560.68)</b>
<b>RESULT BEFORE TAXES</b>		<b>97'427.33</b>	<b>(762'785.36)</b>
Taxes		(38'705.85)	(31'924.35)
<b>PROFIT / (LOSS) FOR THE PERIOD</b>		<b>58'721.48</b>	<b>(794'709.71)</b>



NOTES TO THE FINANCIAL STATEMENTS AS OF MARCH 31, 2018

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A INTRODUCTION

1. GENERAL

The company Grandsaugreen SA is a limited company established on May 30, 2007 and headquartered in Les Verrières.

Its business includes the purchase, sale, production, distribution of food, in particular instant and lyophilized beverages.

The number of full-time employees does not exceed 10 on average.

2. PRINCIPLES APPLIED IN THE ANNUALS ACCOUNTS

The financial statements are prepared in accordance with accounting principles applicable in Switzerland. They are established on the principle of the ongoing.

Inventories – Merchandise inventories are stated at their net purchase price.

Plant and equipment - Property and equipment are stated at their acquisition value less depreciation for tax rates.

Foreign currency rates of exchange - Foreign currency transactions are recorded at the exchange rate effect on the date of the transaction. Assets and liabilities denominated in foreign currencies are translated at the rates at the balance sheet date, including:

	2018	2017
USD	0.9543	1.0155
EUR	1.1758	1.0814

B INFORMATIONS AND EXPLANATIONS RELATING TO ITEMS ON THE BALANCE SHEET AND THE INCOME STATEMENT

3. CASH AND CASH EQUIVALENT AND ASSETS HELD FOR SHORT-TERM DISPOSAL WITH A QUOTED MARKET-PRICE

		2018	2017
Cash		410.74	1'061.94
Bank CHF		6'160.49	1'064.63
Bank USD	USD 451'055.74	430'442.49	75'621.85
Total		437'013.72	77'748.42

NOTES TO THE FINANCIAL STATEMENTS AS OF MARCH 31, 2018

4. TRADE ACCOUNTS RECEIVABLES

	2018	2017
Third parties	483'506.80	687'596.50
Total	483'506.80	687'596.50

5. OTHER SHORT-TERM RECEIVABLES

	2018	2017
Prepaid social charges	23'344.45	12'629.90
FTA - VAT	4'981.39	4'665.24
Total	28'325.84	17'295.14

6. INVENTORIES AND NON-INVOICED SERVICES

	2018	2017
Merchandise (coffee)	619'230.56	950'817.56
Packing material	20'197.00	4'825.00
Total	639'427.56	955'642.56

7. PREPAID EXPENSES AND ACCRUED INCOME

	2018	2017
Prepaid expenses	19'789.74	0.00
Prepaid taxes	20'448.75	6'800.00
Total	40'238.49	6'800.00

NOTES TO THE FINANCIAL STATEMENTS AS OF MARCH 31, 2018

8. FINANCIAL ASSETS

	2018	2017
Guarantee deposit for Swiss Customs Administration	9'000.00	9'000.00
Total	9'000.00	9'000.00

9. PROPERTY, PLANT AND EQUIPMENT

	Buying price	Amortizations cumulated	2017
Land	1'390'480.09	0.00	1'390'480.09
Building	4'695'943.25	(1'496'943.25)	4'677'785.33
Plant and machinery	5'210'989.31	(4'182'989.31)	5'205'206.84
Prepayment for machinery	41'667.56	0.00	0.00
Furniture	91'980.03	(91'980.03)	91'980.03
Office equipment	649.63	(649.63)	649.63
Vehicles	16'114.81	(9'814.81)	16'114.81
Total 31.03.	11'447'824.68	(5'782'377.03)	11'382'216.73
Less : cumulated amortizations	(5'782'377.03)		(5'070'136.64)
Total, net	5'665'447.65		6'312'080.09

10. TRADE ACCOUNTS PAYABLES

	2018	2017
Third parties	26'726.35	16'330.85
Total trade accounts payables to third parties	26'726.35	16'330.85
CCL Products (India) Ltd.	USD 70'769.76	67'535.58
Total trade accounts payables to related parties	67'535.58	901'689.15
Total	94'261.93	918'020.00



NOTES TO THE FINANCIAL STATEMENTS AS OF MARCH 31, 2018

11. OTHER SHORT-TERM LIABILITIES

	2018	2017
Social charges	20'575.55	9'959.20
Other short-term liabilities	191.00	0.00
Total	20'766.55	9'959.20

12. ACCRUED EXPENSES AND DEFERRED INCOME

	2018	2017
Professional fees	5'500.00	5'500.00
Other operating expenses	1'882.70	950.00
Taxes	0.00	7'500.00
Total	7'382.70	13'950.00

13. OTHER LONG-TERM LIABILITIES

	2018	2017
Shareholders	37'518.91 *	39'925.02
Total	37'518.91	39'925.02

\* This loan is unsecured, has no repayment term and does not bear interest.

14. SHAREHOLDERS' EQUITY

The share capital consists of 11'100'000 registered shares of a par value of CHF 1.00, paid to 100%, with transferability restrictions.

NOTES TO THE FINANCIAL STATEMENTS AS OF MARCH 31, 2018

15. REVENUE OF SALES OF GOODS AND SERVICES

	2017 / 2018	2016 / 2017
Gross sales	11'616'900.20	3'417'765.18
Commissions on sales	(3'192.59)	(17'097.50)
Total	<u>11'613'707.61</u>	<u>3'400'667.68</u>

16. MATERIAL EXPENSES

	2017 / 2018	2016 / 2017
Raw materials purchases	9'920'479.91	2'597'434.54
Other material costs	57'305.97	12'504.07
Total	<u>9'977'785.88</u>	<u>2'609'938.61</u>

17. PERSONAL EXPENSES

	2017 / 2018	2016 / 2017
Gross wages	305'510.05	236'700.00
Social charges	44'910.90	34'158.25
Other personal costs	13'466.15	8'254.28
Total	<u>363'887.10</u>	<u>279'112.53</u>

18. OTHER OPERATING EXPENSES

	2017 / 2018	2016 / 2017
Rent and accomodation costs	19'525.67	20'551.44
Maintenance costs	15'072.85	8'378.51
Commercial insurances	19'562.80	19'524.40
Administration expenses	28'355.47	20'211.79
Vehicles expenses	2'783.79	2'777.79
Commercial costs	7'966.58	171.39
Total	<u>93'267.16</u>	<u>71'615.32</u>

NOTES TO THE FINANCIAL STATEMENTS AS OF MARCH 31, 2018

19. FINANCIAL INCOMES / (EXPENSES)

	2017 / 2018	2016 / 2017
Financial expenses	(11'077.62)	(20'143.67)
Exchange differences	(26'435.13)	(16'278.06)
Total, net	(37'512.75)	(36'421.73)

20. EXTRAORDINARY INCOMES / (EXPENSES)

	2017 / 2018	2016 / 2017
Participation in insurance profit	0.00	1'697.20
Settlement of a litigation	0.00	(66'836.15)
Total, net	0.00	(65'138.95)

C OTHER INFORMATION

21. SECURITIES CREATED FOR THIRD PARTY

	2018	2017
Guarantee deposit	9'000.00	9'000.00
Total	9'000.00	9'000.00

22. OTHER INFORMATION PROVIDED BY LAW

There are no other indications required by law to be mentioned in the notes pursuant to Art. 959 para 1 CO.