



# 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 2016/2017



# FIDUCONSULT ACTA

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

## **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, 2017.

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 24, 2017

**FIDUCONSULT ACTA SA**

Sonia Mathez  
*Licensed audit expert  
(Auditor in charge)*

Sandy Kammer  
*Licensed auditor*

**Enclosures :** - Financial statements

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

BALANCE SHEET AS OF MARCH 31,		2017	2016
	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.	77'748.42	183'566.49
Trade accounts receivables	4.	687'596.50	459'680.89
Other short-term receivables	5.	17'295.14	13'266.84
Inventories and non-invoiced services	6.	955'642.56	1'333'750.56
Prepaid expenses and accrued income	7.	0.00	7'985.00
<b>TOTAL CURRENT ASSETS</b>		<b>1'738'282.62</b>	<b>1'998'249.78</b>
<b>NON-CURRENT ASSETS</b>			
Financial assets	8.	9'000.00	9'000.00
Property, plant and equipment	9.	6'312'080.09	7'035'197.99
<b>TOTAL NON-CURRENT ASSETS</b>		<b>6'321'080.09</b>	<b>7'044'197.99</b>
<b>TOTAL ASSETS</b>		<b>8'059'362.71</b>	<b>9'042'447.77</b>

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

BALANCE SHEET AS OF MARCH 31,		2017	2016
	Notes	CHF	CHF
<b>LIABILITIES</b>			
<b>SHORT-TERM LIABILITIES</b>			
Trade accounts payables	10.	924'366.20	1'094'762.98
Other short-term liabilities	11.	3'613.00	10'527.20
Accrued expenses and deferred income	12.	7'150.00	18'953.50
<b>TOTAL SHORT-TERM LIABILITIES</b>		<b>935'129.20</b>	<b>1'124'243.68</b>
<b>LONG-TERM LIABILITIES</b>			
Other long-term liabilities	13.	39'925.02	39'185.89
<b>TOTAL LONG-TERM LIABILITIES</b>		<b>39'925.02</b>	<b>39'185.89</b>
<b>SHAREHOLDERS' EQUITY</b>			
Share capital	14.	11'100'000.00	11'100'000.00
Balance sheet result			
Loss carried forward		(3'220'981.80)	(2'655'812.32)
Loss for the period		(794'709.71)	(565'169.48)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>7'084'308.49</b>	<b>7'879'018.20</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>8'059'362.71</b>	<b>9'042'447.77</b>

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

PROFIT AND LOSS STATEMENT		2016 / 2017	2015 / 2016
	Notes	CHF	CHF
Revenue of sales of goods and services	15.	3'400'667.68	12'889'453.27
Change in inventory of finished goods and work in progress as well as in non-invoiced services		(378'108.00)	(503'385.00)
<b>TOTAL INCOMES</b>		<b>3'022'559.68</b>	<b>12'386'068.27</b>
Raw materials and supplies	16.	(2'609'938.61)	(11'725'064.64)
<b>GROSS PROFIT MARGIN</b>		<b>412'621.07</b>	<b>661'003.63</b>
Other operating expenses			
Personal expenses	17.	(279'112.53)	(339'594.75)
Other operating expenses	18.	(71'615.32)	(83'471.45)
Amortization/depreciation and impairment losses		(723'117.90)	(722'371.63)
<b>TOTAL OTHER OPERATING EXPENSES</b>		<b>(1'073'845.75)</b>	<b>(1'145'437.83)</b>
<b>OPERATING INCOME</b>		<b>(661'224.68)</b>	<b>(484'434.20)</b>
Other incomes / expenses			
Financial incomes / (expenses)	19.	(36'421.73)	(32'714.93)
Extraordinary incomes / (expenses)	20.	(65'138.95)	0.00
<b>TOTAL OTHER INCOMES / (EXPENSES), net</b>		<b>(101'560.68)</b>	<b>(32'714.93)</b>
<b>RESULT BEFORE TAXES</b>		<b>(762'785.36)</b>	<b>(517'149.13)</b>
Taxes		(31'924.35)	(48'020.35)
<b>LOSS FOR THE PERIOD</b>		<b>(794'709.71)</b>	<b>(565'169.48)</b>

NOTES TO THE FINANCIAL STATEMENTS AS OF MARCH 31, 2017

---

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:

	2017	2016
USD	1.0155	0.9967
EUR	1.0814	1.1035

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

	2017	2016
Cash	1'061.94	1'074.42
Bank CHF	1'064.63	2'721.63
Bank USD	USD 74'467.61	179'770.44
Total	77'748.42	183'566.49

NOTES TO THE FINANCIAL STATEMENTS AS OF MARCH 31, 2017

4. TRADE ACCOUNTS RECEIVABLES

	2017	2016
Third parties	687'596.50	459'680.89
Total	687'596.50	459'680.89

5. OTHER SHORT-TERM RECEIVABLES

	2017	2016
Prepaid social charges	12'629.90	12'366.30
FTA - VAT	4'665.24	900.54
Total	17'295.14	13'266.84

6. INVENTORIES AND NON-INVOICED SERVICES

	2017	2016
Merchandise (coffee)	950'817.56	1'328'925.56
Packing material	4'825.00	4'825.00
Total	955'642.56	1'333'750.56

7. PREPAID EPENSES AND ACCRUED INCOME

	2017	2016
Prepaid taxes	0.00	7'985.00
Total	0.00	7'985.00

NOTES TO THE FINANCIAL STATEMENTS AS OF MARCH 31, 2017

8. FINANCIAL ASSETS

	2017	2016
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	2016
Land	1'390'480.09	0.00	1'390'480.09
Building	4'677'785.33	(1'308'785.33)	4'677'785.33
Plant and machinery	5'205'206.84	(3'662'206.84)	5'205'206.84
Furniture	91'980.03	(91'980.03)	91'980.03
Office equipment	649.63	(649.63)	649.63
Vehicles	16'114.81	(6'514.81)	16'114.81
Total 31.03.	11'382'216.73	(5'070'136.64)	11'382'216.73
Less cumulated amortizations	(5'070'136.64)		(4'347'018.74)
Total, net	6'312'080.09		7'035'197.99

10. TRADE ACCOUNTS PAYABLES

	2017	2016
Third parties	22'677.05	14'160.50
Total trade accounts payables to third parties	22'677.05	14'160.50
CCL Products (India) Ltd. USD 887'926.30	901'689.15	1'080'602.48
Total trade accounts payables to related parties	901'689.15	1'080'602.48
Total	924'366.20	1'094'762.98



NOTES TO THE FINANCIAL STATEMENTS AS OF MARCH 31, 2017

11. OTHER SHORT-TERM LIABILITIES

	2017	2016
Social charges	3'613.00	10'527.20
Total	3'613.00	10'527.20

12. ACCRUED EXPENSES AND DEFERRED INCOME

	2017	2016
Professional fees	5'500.00	5'000.00
Other operating expenses	950.00	913.50
Taxes	700.00	13'040.00
Total	7'150.00	18'953.50

13. OTHER LONG-TERM LIABILITIES

		2017	2016
Shareholders	USD 39'315.63	39'925.02 *	39'185.89
Total		39'925.02	39'185.89

\* 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, 2017

15. REVENUE OF SALES OF GOODS AND SERVICES

	2016 / 2017	2015 / 2016
Gross sales	3'417'765.18	12'907'206.11
Commissions on sales	(17'097.50)	(17'752.84)
Total	3'400'667.68	12'889'453.27

16. MATERIAL EXPENSES

	2016 / 2017	2015 / 2016
Raw materials purchases	2'597'434.54	11'695'091.78
Other material costs	12'504.07	29'972.86
Total	2'609'938.61	11'725'064.64

17. PERSONAL EXPENSES

	2016 / 2017	2015 / 2016
Gross wages	236'700.00	290'941.75
Social charges	34'158.25	40'907.15
Other personal costs	8'254.28	7'745.85
Total	279'112.53	339'594.75

18. OTHER OPERATING EXPENSES

	2016 / 2017	2015 / 2016
Rent and accomodation costs	20'551.44	21'714.74
Maintenance costs	8'378.51	19'280.62
Commercial insurances	19'524.40	18'609.05
Administration expenses	20'211.79	21'130.86
Commercial costs	171.39	108.62
Vehicles expenses	2'777.79	2'627.56
Total	71'615.32	83'471.45

NOTES TO THE FINANCIAL STATEMENTS AS OF MARCH 31, 2017

19. FINANCIAL INCOMES / (EXPENSES)

	2016 / 2017	2015 / 2016
Financial expenses	(20'143.67)	(33'849.92)
Exchange differences	(16'278.06)	1'134.99
Total, net	(36'421.73)	(32'714.93)

20. EXTRAORDINARY INCOMES / (EXPENSES)

	2016 / 2017	2015 / 2016
Participation in insurance profit	1'697.20	0.00
Settlement of a litigation	(66'836.15)	0.00
Total, net	(65'138.95)	0.00

C OTHER INFORMATION

21. SECURITIES CREATED FOR THIRD PARTY

	2017	2016
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.