



CFS North America LLC

Internal Unaudited Financial Statements

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For Fiscal Years Ended March 31, 2018 and 2017

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A handwritten signature in black ink that reads 'Jennifer Igou'. The signature is written in a cursive, flowing style.

Jennifer Igou
General Manager
CFS North America LLC

CFS North America LLC

Balance Sheets
March 31, 2018 and 2017
Amounts in USD

	March 2018	March 2017
Assets		
Current assets:		
Cash and cash equivalents	\$ 54,493	\$ 35,700
Accounts receivables	762,441	713,037
Inventory	714,706	527,865
Deposits	-	-
Prepaid expenses	70,183	59,842
Total current assets	1,601,823	1,336,444
Net property and equipment	435,005	450,250
Net intangible assets	3,130	5,567
Total assets	\$ 2,039,958	\$ 1,792,261
 Liabilities and member's equity		
Current liabilities:		
Accounts payable	\$ 3,743,536	\$ 1,594,601
Accrued expenses	422,708	190,818
Current portion of long-term debt	1,520,000	470,000
Total current liabilities	5,686,244	2,255,419
Long-term debt	470,000	1,520,000
Total liabilities	6,156,244	3,775,419
Member's equity:		
Member's capital	465,000	465,000
Retained earnings	(4,581,286)	(2,448,158)
Total member's equity	(4,116,286)	(1,983,158)
Total liabilities and member's equity	\$ 2,039,958	\$ 1,792,261

These are Unaudited Internal Financial Statements

CFS North America LLC

Statements of Income
For the years ended March 31, 2018 and 2017
Amounts in USD

	<u>March 2018</u>	<u>March 2017</u>
Net sales	\$ 2,765,609	\$ 1,620,171
Cost of sales	2,461,102	1,439,199
Selling, general and administrative expenses	2,363,734	1,952,703
Interest expense	166,859	118,432
Other (income)/expense	(91,792)	79
Income before income taxes	<u>(2,134,294)</u>	<u>(1,890,243)</u>
Income tax expense/(benefit)	1,166	-
Net income (loss)	<u>\$ (2,133,128)</u>	<u>\$ (1,890,243)</u>

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CFS North America LLC

Statements of Cash Flow
For the years ended March 31, 2018 and 2017
Amounts in USD

	March 2018	March 2017
Operating activities		
Net Income	\$ (2,133,128)	\$ (1,890,243)
Depreciation and amortization	57,689	51,278
(Increase) decrease in:		
Accounts receivable	(49,404)	(637,623)
Inventory	(186,841)	312,665
Deposits	-	6,798
Prepaid expenses	(10,341)	4,352
Increase (decrease) in:		
Accounts payable	2,148,935	435,328
Accrued expenses	231,890	156,898
Net cash provided by (used in) operating activities	58,800	(1,560,547)
Investment activities		
Sale (acquisition) of property and equipment	(42,444)	(351,493)
Sale (acquisition) of intangible assets	2,437	(5,567)
Net cash provided by (used in) investment activities	(40,007)	(357,060)
Financing activities		
Debt	-	1,520,000
Capital contributions	-	150,000
Net cash provided by (used in) financing activities	-	1,670,000
Net increase (decrease) in cash and cash equivalents	\$ 18,793	\$ (247,607)

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