



# CFS North America LLC

## Internal Unaudited Financial Statements

### Table of Contents

For Fiscal Years Ended March 31, 2017 and 2016

Balance Sheets.....	1
Statements of Income.....	2
Statements of Cash Flow.....	3

A handwritten signature in black ink, appearing to read 'Jennifer Igou', written in a cursive style.

**Jennifer Igou**  
**General Manager**  
**CFS North America LLC**

## CFS North America LLC

**Balance Sheets**  
**March 31, 2017 and 2016**  
**Amounts in USD**

	March 2017	March 2016
<b>Assets</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 35,700	\$ 283,307
Accounts receivables	713,037	75,414
Inventory	527,865	840,530
Deposits	-	6,798
Prepaid expenses	59,842	64,194
<b>Total current assets</b>	<b>1,336,444</b>	<b>1,270,243</b>
Net property and equipment	450,250	150,035
Net intangible assets	5,567	-
<b>Total assets</b>	<b>\$ 1,792,261</b>	<b>\$ 1,420,278</b>
 <b>Liabilities and member's equity</b>		
<b>Current liabilities:</b>		
Accounts payable	\$ 1,594,601	\$ 1,159,273
Accrued expenses	190,818	33,920
Current portion of long-term debt	470,000	-
<b>Total current liabilities</b>	<b>2,255,419</b>	<b>1,193,193</b>
Long-term debt	1,520,000	470,000
<b>Total liabilities</b>	<b>3,775,419</b>	<b>1,663,193</b>
<b>Member's equity:</b>		
Member's capital	465,000	315,000
Retained earnings	(2,448,158)	(557,915)
<b>Total member's equity</b>	<b>(1,983,158)</b>	<b>(242,915)</b>
<b>Total liabilities and member's equity</b>	<b>\$ 1,792,261</b>	<b>\$ 1,420,278</b>



## CFS North America LLC

**Statements of Income**  
**For the years ended March 31, 2017 and 2016**  
**Amounts in USD**

	<u>March 2017</u>	<u>March 2016</u>
<b>Net sales</b>	\$ 1,620,171	\$ 188,716
Cost of goods sold	(1,439,199)	(169,303)
<b>Gross margin</b>	<u>180,972</u>	<u>19,413</u>
<b>Operating expenses:</b>		
Business expenses	(954,730)	(427,735)
General expenses	(449,716)	(10,079)
Administrative expenses	(548,257)	(135,639)
<b>Operating profit</b>	<u>(1,771,731)</u>	<u>(554,040)</u>
Non-operating expenses	(118,512)	(3,875)
Federal and State Income Tax Expense*	-	-
<b>Net income (loss)</b>	<u><u>\$ (1,890,243)</u></u>	<u><u>\$ (557,915)</u></u>



**These Are Unaudited Internal Financial Statements**

## CFS North America LLC

**Statements of Cash Flow**  
**For the years ended March 31, 2017 and 2016**  
**Amounts in USD**

	<b>March 2017</b>	<b>March 2016</b>
<b>Operating activities</b>		
Net Income	\$ (1,890,243)	\$ (557,915)
Depreciation and amortization	51,267	775
(Increase) decrease in:		
Accounts receivable	(637,623)	(75,414)
Inventory	312,665	(840,530)
Deposits	6,798	(6,798)
Prepaid expenses	4,352	(64,194)
Increase (decrease) in:		
Accounts payable	435,328	1,159,273
Accrued expenses	470,000	-
<b>Net cash provided by (used in) operating activities</b>	<b>(1,247,456)</b>	<b>(384,803)</b>
<b>Investment activities</b>		
Sale (acquisition) of property and equipment	(351,482)	(150,810)
Sale (acquisition) of intangible assets	(5,567)	-
<b>Net cash provided by (used in) investment activities</b>	<b>(357,049)</b>	<b>(150,810)</b>
<b>Financing activities</b>		
Debt	1,206,898	503,920
Capital contributions	150,000	315,000
<b>Net cash provided by (used in) financing activities</b>	<b>1,356,898</b>	<b>818,920</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>\$ (247,607)</b>	<b>\$ 283,307</b>



These are Unaudited Internal Financial Statements