



CFS North America LLC

Internal Unaudited Financial Statements

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For Fiscal Years Ended March 31, 2017 and 2016

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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
Assets		
Current assets:		
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
Total current assets	1,336,444	1,270,243
Net property and equipment	450,250	150,035
Net intangible assets	5,567	-
Total assets	\$ 1,792,261	\$ 1,420,278
 Liabilities and member's equity		
Current liabilities:		
Accounts payable	\$ 1,594,601	\$ 1,159,273
Accrued expenses	190,818	33,920
Current portion of long-term debt	470,000	-
Total current liabilities	2,255,419	1,193,193
Long-term debt	1,520,000	470,000
Total liabilities	3,775,419	1,663,193
Member's equity:		
Member's capital	465,000	315,000
Retained earnings	(2,448,158)	(557,915)
Total member's equity	(1,983,158)	(242,915)
Total liabilities and member's equity	\$ 1,792,261	\$ 1,420,278



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

	March 2017	March 2016
Operating activities		
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	-
Net cash provided by (used in) operating activities	(1,247,456)	(384,803)
Investment activities		
Sale (acquisition) of property and equipment	(351,482)	(150,810)
Sale (acquisition) of intangible assets	(5,567)	-
Net cash provided by (used in) investment activities	(357,049)	(150,810)
Financing activities		
Debt	1,206,898	503,920
Capital contributions	150,000	315,000
Net cash provided by (used in) financing activities	1,356,898	818,920
Net increase (decrease) in cash and cash equivalents	\$ (247,607)	\$ 283,307



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