



FIDUCIAIRE
DEUBER & BEURET SA

révision
comptabilité
succession
fiscalité
immobilier

PYLANIA SA

Grandval

Report of the statutory auditors

On the financial statements per

31 March 2019



FIDUCIAIRE
DEUBER & BEURET SA

Report of the statutory auditors on the limited statutory examination to the general meeting of PYLANIA SA, Grandval

As statutory auditors, we have examined the financial statements (balance sheet, income statement and notes) of Pylania SA for the year ended 31 March 2019.

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 accompanying financial statements and the proposed appropriation of available earnings do not comply with Swiss law and the company's articles of incorporation.

Cortailod, 30 April 2019

Thierry Beuret
Swiss certified fiduciary
Licensed audit expert
Auditor in charge

Edwin Deuber
Swiss Certified Accountant
Licensed audit expert

Enclosures : Financials statements (balance sheet, income statement and notes)

PYLANIA SA

ASSETS	31.03.2019 CHF	31.03.2018 CHF
<u>NON-CURRENT ASSETS</u>		
<u>Tangible assets</u>		
Land	80'000.00	80'000.00
Building and Surrounding	418'948.00	440'998.00
Infrastructure and Facilities	47'462.00	59'328.00
Machines, Equipment, Furniture	209'116.58	209'563.58
Vehicles	6'961.01	0.00
EDP Hard -und Software	1.00	1.00
<u>Total tangible assets</u>	762'488.59	789'890.58
<u>Financial assets</u>		
Participations	120'000.00	0.00
<u>Total financial assets</u>	120'000.00	0.00
<u>CURRENT ASSETS</u>		
<u>Liquid Funds</u>		
Banks accounts	132'217.41	208'061.00
<u>Total Liquid Funds</u>	132'217.41	208'061.00
<u>Trade receivables</u>		
Third parties	263'140.76	285'957.68
Intercompany	426'557.98	1'230'572.94
<u>Total trade receivables</u>	689'698.74	1'516'530.62
<u>Other current receivables</u>		
Third parties	3'500.00	4'143.35
Guarantees	35'000.00	35'000.00
VAT to be recovered	4'269.55	0.00
Advance to Estima GmbH	415'400.00	0.00
Loan to Estima AG	100'130.00	0.00
<u>Total other current receivables</u>	558'299.55	39'143.35
<u>Inventory</u>	101'584.00	20'625.67
<u>Total current assets</u>	1'481'799.70	1'784'360.64
TOTAL ASSETS	<u>2'364'288.29</u>	<u>2'574'251.22</u>

PYLANIA SA
Grandval

LIABILITIES AND EQUITY	31.03.2019	31.03.2018
	CHF	CHF
<u>LIABILITIES</u>		
<u>Trade accounts payables</u>		
Third parties	230'279.38	285'364.20
Intercompany	249'574.44	28'588.83
c/c KIHLE SA	5'859.00	0.00
Accrued liabilities	4'000.00	11'200.00
<u>Total trade accounts payables</u>	489'712.82	325'153.03
<u>Long term liabilities</u>		
Loan Radexpo AG	205'972.85	103'095.85
Loan from banks	150'000.00	496'236.75
Loan from Independent sources	100'000.00	287'890.00
Loan related party	151'479.00	155'846.49
<u>Total other liabilities</u>	607'451.85	1'043'069.09
<u>Total Liabilities</u>	1'097'164.67	1'368'222.12
<u>EQUITY</u>		
<u>Share capital</u>	2'000'000.00	2'000'000.00
<u>Capital form agios</u>	450'000.00	450'000.00
<u>Revaluation Reserves</u>	240'200.00	240'200.00
<u>Balances Loss</u>		
Loss brought forward	-1'484'170.90	-1'672'029.96
Profit of the period	61'094.52	187'859.06
<u>Total of balances loss</u>	-1'423'076.38	-1'484'170.90
<u>Total Equity</u>	1'267'123.62	1'206'029.10
TOTAL LIABILITIES AND EQUITY	<u>2'364'288.29</u>	<u>2'574'251.22</u>

PYLANIA SA
Grandval

PROFIT AND LOSS STATEMENT	01.04.2018 31.03.2019 CHF	01.04.2017 31.03.2018 CHF
Income		
Net sales	3'258'521.62	2'830'881.91
Other income	0.00	122.08
<u>Total income</u>	3'258'521.62	2'831'003.99
Expenses		
Cost of goods sold	-2'645'918.04	-2'189'513.62
Personnel Expenses	-224'077.37	-207'450.69
Repair Maintenance, Energy	-2'755.86	-7'942.96
Administratives expenses	-175'696.03	-82'807.04
Depreciation and amortisation	-60'846.00	-76'766.00
Financial expenses	-84'748.45	-76'235.70
Extraordinary income	0.00	74.28
Tax expenses	-3'385.35	-2'503.20
<u>Total expenses</u>	-3'197'427.10	-2'643'144.93
NET PROFIT	61'094.52	187'859.06

APPENDIX AS AT MARCH 31, 2019

Fixed assets - Fixed assets are stated at acquisition cost less accumulated depreciation. Depreciation has been provided on Written down value Method.

Depreciation is calculated on the basis of the following useful lives and in accordance with the following

Property, plant and equipment	2019 (% of WDV)	2018 (% of WDV)
Land		
Building and Environment	5%	5%
Facilities and Equipment	20%	20%
Factory Equipment and Machines	10%	10%
Office Equipment	20%	20%
Vehicles	30%	30%
Computers, Hardware/Software	30%	30%

Inventories - Inventories are valued at acquisition cost, less a provision for obsolete items if necessary.

Inventories		
CHF	2019	2018
Raw materials, consumables and supplies		
Work in progress		
Finished goods	101'584.00	20'625.67
Trading goods		
Total inventory	101'584.00	20'625.67

Equity participations				
Name and legal form	Votes	Regist. Office	2019	2018
			Capital (CHF)	Capital (CHF)
KDDL Limited	37.80%	India	755000	755000
	47.20%	Switzerl	945000	945000
Kamla International Holding Limited		and		
Q & S finance, GMBH	15.00%	Switzerl	300000	300000

APPENDIX AS AT MARCH 31, 2019

	31.03.2019	31.03.2018
	CHF	CHF
Total Book Value of Assets Pledged	502'448.00	525'141.35
Land	80'000.00	80'000.00
Building and Surrounding	418'948.00	440'998.00
Deposits	3'500.00	4'143.35
 Fire Insurance Value of Fixed Assets	 2'126'400.00	 2'126'400.00
Real Estate	1'316'400.00	1'316'400.00
Inventory and Equipment	810'000.00	810'000.00

Evaluation of Risks

Management has evaluated from time to time risks the company runs and taken - if necessary - appropriate measures.

PROPOSED APPROPRIATION OF AVAILABLE EARNINGS

	CHF	
Accumulated result	-1'484'170.90	-1'672'029.96
Profit for the year 2018-2019	61'094.52	187'859.06
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Amount to be carried forward	-1'423'076.38	-1'484'170.90