



FIDUCIAIRE
DEUBER & BEURET SA

révision
comptabilité
succession
fiscalité
immobilier

PYLANIA SA

Grandval

Report of the statutory auditors

On the financial statements per

31 March 2016



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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 2016.

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.



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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, 11th May 2016

Thierry Beuret
Swiss certified fiduciary
Licensed audit expert
Auditor in charge

A blue ink signature of Thierry Beuret, featuring a stylized 'DB' monogram.

Edwin Deuber
Swiss Certified Accountant
Licensed audit expert

A blue ink signature of Edwin Deuber, written in a cursive style.

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

PYLANIA SA

ASSETS	31.03.2016 CHF	31.03.2015 CHF
<u>NON-CURRENT ASSETS</u>		
<u>Tangible assets</u>		
Land	80'000.00	80'000.00
Building and Surrounding	488'640.00	509'000.00
Infrastructure and Facilities	92'700.00	103'000.00
Machines, Equipment, Furniture	112'100.00	126'000.00
Machines, Equipment, Furniture (in leasing)	207'900.00	231'000.00
Vehicles	6'400.00	8'000.00
EDP Hard -und Software	9'300.00	12'680.56
<u>Total tangible assets</u>	997'040.00	1'069'680.56
<u>CURRENT ASSETS</u>		
<u>Liquid Funds</u>		
Petty Cash	0.00	143.70
Banks accounts	7'524.41	0.00
<u>Total Liquid Funds</u>	7'524.41	143.70
<u>Trade receivables</u>		
Third parties	2'400.00	55'064.74
Intercompany	100'890.20	418'329.80
<u>Total trade receivables</u>	103'290.20	473'394.54
<u>Other current receivables</u>		
Third parties	16'834.13	17'065.43
Guarantees	250'000.00	0.00
<u>Total other current receivables</u>	266'834.13	17'065.43
<u>Inventory</u>	6'364.39	25'964.39
<u>Prepaid Expenses</u>		
Third parties	0.00	7'268.00
<u>Total prepaid expenses</u>	0.00	7'268.00
<u>Total current assets</u>	384'013.13	523'836.06
TOTAL ASSETS	<u>1'381'053.13</u>	<u>1'593'516.62</u>

PYLANIA SA
Grandval

LIABILITIES AND EQUITY	31.03.2016	31.03.2015
	CHF	CHF
<u>LIABILITIES</u>		
<u>Trade accounts payables</u>		
Third parties	23'091.50	28'978.15
Intercompany	12'741.96	474'370.31
<u>Total trade accounts payables</u>	35'833.46	503'348.46
<u>Short term Bank liability</u>	0.00	73'697.40
<u>Other current liabilities</u>		
Lease Liabilities (short term)	0.00	65'716.33
<u>Total other current liabilities</u>	0.00	65'716.33
<u>Accrued expenses</u>	0.00	0.00
<u>Long term liabilities</u>		
Mortgage	129'750.00	140'750.00
Accrued liabilities	3'000.00	0.00
Loan from Third party	265'236.17	669'124.70
Subordinated Loan	697'322.60	1'297'322.60
<u>Total other liabilities</u>	1'095'308.77	2'107'197.30
<u>Total Liabilities</u>	1'131'142.23	2'749'959.49
<u>EQUITY</u>		
<u>Share capital</u>	2'000'000.00	1'100'000.00
<u>Capital form agios</u>	450'000.00	0.00
<u>Revaluation Reserves</u>	240'200.00	240'200.00
<u>Balances Loss</u>		
Loss brought forward	-2'496'642.87	-2'540'344.47
Profit of the period	56'353.77	43'701.60
<u>Total of balances loss</u>	-2'440'289.10	-2'496'642.87
<u>Total Equity</u>	-200'089.10	-1'156'442.87
TOTAL LIABILITIES AND EQUITY	1'381'053.13	1'593'516.62

PYLANIA SA
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PROFIT AND LOSS STATEMENT	01.04.2015 31.03.2016 CHF	01.04.2014 31.03.2015 CHF
Income		
Net sales	486'079.48	682'516.65
Other income	0.00	108'400.00
<u>Total income</u>	486'079.48	790'916.65
Expenses		
Cost of goods sold	-71'960.29	-426'151.77
Personnel Expenses	-128'330.73	-164'368.70
Repair Maintenance, Energy	-3'201.52	-7'133.02
Adminsitratives expenses	-62'282.96	-55'665.64
Depreciation and amortisation	-73'231.30	-79'816.00
Financial expenses	-74'652.12	-16'169.17
Other expenses	-935.94	371.50
Tax expenses	-15'130.85	1'717.75
<u>Total expenses</u>	-429'725.71	-747'215.05
NET PROFIT/LOSS FOR THE YEAR	56'353.77	43'701.60

APPENDIX AS AT MARCH 31, 2016

	31.03.2016 CHF	31.03.2015 CHF
Total Book Value of Assets Pledged	572'783.19	615'471.05
Land	80'000.00	80'000.00
Building and Surrounding	488'640.00	530'016.00
Deposits	4'143.19	5'455.05
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
Financial Leasing Liabilities	0.00	5'553.50
Car Leasing	0.00	5'553.50

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

Profit for the year	56'353.77
Accumulated result	-2'496'642.87
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Amount to be carried forward	-2'440'289.10