



Phone +41 71 228 62 00
Fax +41 71 228 62 62
www.bdo.ch

BDO Ltd
Vadianstrasse 59
9001 St. Gallen

To the General Meeting of
BAMBU AG
Löwenstrasse 16
8280 Kreuzlingen

Report of the Statutory Auditor on the Financial Statements for the year 2016

(for the year ended 31.12.2016)

18 May 2017
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REPORT OF THE STATUTORY AUDITOR

To the General Meeting of BAMBU AG, Kreuzlingen

Report of the Statutory Auditor on the Financial Statements

As statutory auditor, we have audited the accompanying financial statements of BAMBU AG, which comprise the balance sheet as at 31 December 2016, and the income statement, statement of cash flows and notes for the year then ended.

Board of Directors' Responsibility

The Board of Directors is responsible for the preparation of these financial statements in accordance with the requirements of Swiss law and the company's articles of incorporation. This responsibility includes designing, implementing and maintaining an internal control system relevant to the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Board of Directors is further responsible for selecting and applying appropriate accounting policies and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal control system relevant to the entity's preparation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control system. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements for the year ended 31 December 2016 comply with Swiss law and the company's articles of incorporation.

Report on Key Audit Matters based on the circular 1/2015 of the Federal Audit Oversight Authority

This section of our auditor's report is intended to describe the matters selected from those communicated with the Board of Directors that, in our professional judgement, were of most significance in our audit of the financial statements. We have determined that there are no such matters to report.

Report on Other Legal Requirements

We confirm that we meet the legal requirements on licensing according to the Auditor Oversight Act (AOA) and independence (article 728 Code of Obligations (CO) and article 11 AOA) and that there are no circumstances incompatible with our independence.

In accordance with article 728a para. 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We recommend that the financial statements submitted to you be approved.

St. Gallen, 18 May 2017

BDO AG



René Füglistner
Auditor in Charge
Licensed Audit Expert



Claudia Meier
Licensed Audit Expert

	2016 in CHF	2015 in CHF
Assets		
Current assets		
Cash	236'397	314'093
Total Cash	236'397	314'093
Total current assets	236'397	314'093
TOTAL ASSETS	236'397	314'093

	2016 in CHF	2015 in CHF
Liabilities and shareholders' equity		
Short-term liabilities		
Other short-term liabilities due to third parties	2'579	0
Other short-term liabilities due to shareholder	0	390
Other short-term liabilities	2'579	390
Accrued expenses and deferred income	16'625	6'010
Total short-term liabilities	19'204	6'400
Shareholders' equity		
Share capital	300'000	300'000
Legal retained earnings	385	0
Result carried forward	7'308	0
Loss / profit for the year	-90'500	7'693
Accumulated losses	-83'192	7'693
Total shareholders' equity	217'193	307'693
Total liabilities and shareholders' equity	236'397	314'093

	2016 in CHF	2015 in CHF
Income statement		
Consulting income	0	20'000
Total income	0	20'000
Rent	-3'000	-3'000
Other operating expenses	-86'613	-7'615
Financial expenses	-691	-682
Taxes	-196	-1'010
Total expenses	-90'500	-12'307
Loss / profit for the year	-90'500	7'693

	2016 in CHF	2015 in CHF
Loss / profit for the year	-90'500	7'693
+/- Change in other short-term liabilities	2'189	390
+/- Change in accrued expenses and deferred income	10'615	6'010
Cash flow from operating activities	-77'696	14'093
Payment from capital increase	0	200'000
Cash flow from financing activities	0	200'000
Total cash flow	-77'696	214'093
Cash as per 1.1.	314'093	100'000
Cash as per 31.12.	236'397	314'093
Total cash flow	-77'696	214'093

	2016	2015
A) General aspects	in CHF	in CHF
A1 Company name, legal form and domicile		
BAMBU AG, Sumpfstrasse 15, 6312 Steinhausen has transferred its domicile as per 27.01.2017 to Löwenstrasse 16, 8280 Kreuzlingen Company-Identification number CHE-176.918.965		
A2 Full-time equivalents		
The annual average number of full-time equivalents for the reporting year, as well as the previous year, did not exceed 10.		
A3 Name of the audit company		
Since fiscal year 2015, BDO AG, St. Gallen, RAB-Register Nr. 500705, acts as auditor of the company. The audit company needs to be confirmed by the General Assembly each year.		

B) Accounting and valuation principles**2016**
in CHF**2015**
in CHF

These financial statements were prepared according to the provisions of the Swiss Law on Accounting and Financial Reporting. When not prescribed by law, the significant accounting and valuation principles applied are described in the notes.

C) All other information		2016 in CHF	2015 in CHF
C1 Audit fees			
Audit services		14'000	4'750
C2 Significant shareholders			
ARYA Holding SA, Majuro, Marshall Islands	no. of shares	0	3'000'000
	Voting rights	0	100%
CSC Business GmbH, München, Deutschland	no. of shares	2'997'334	0
	Voting rights	99.91%	0

C3 Significant events after the balance sheet date

There are no significant events after the balance sheet date which could impact the book value of the assets or liabilities or which should be disclosed here.

	2016 in CHF	2015 in CHF
Proposed appropriation of accumulated losses / available earnings		
Result carried forward	7'308	0
Loss / profit of the year	-90'500	7'693
Accumulated losses / available earnings	-83'192	7'693
Proposal of the board of directors		
Distribution of dividends	0	0
Allocation to legal reserves	0	385
Balance to be carried forward	-83'192	7'308
	-83'192	7'693