

To the general meeting of

Faircapital Consumer Cooperative

c/o Faircapital SA
Churerstrasse 82
8808 Pfäffikon SZ

Report of the statutory auditor on the limited statutory examination of the financial statements for the year 2025

(for the period from 01.07.2024 to 30.06.2025)

18 August 2025

**Report of the statutory auditor on the limited statutory examination
to the general meeting of**

Faircapital Consumer Cooperative, Pfäffikon SZ

As statutory auditor, we have examined the financial statements (comprising the balance sheet, operating statement and notes) of Faircapital Consumer Cooperative for the financial year ended 30 June 2025.

These financial statements are the responsibility of the administration. 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 in accordance with Art. 906 para. 1 CO in conjunction with Art. 729a para. 1 CO, nothing has come to our attention that causes us to believe that the financial statements as well as the proposal of the administration do not comply with Swiss law and the company's articles of incorporation.

Lachen, 18 August 2025

BDO Ltd

Paul Kumin

Licensed Audit Expert

ppa. Angelo Cemin

Auditor in Charge
Licensed Auditor

Enclosure

Financial statements and proposal of the administration in the sense of Art. 729a para. 1 item 2 CO

Financial statements of Faircapital Consumer Cooperative, Freienbach
Balance Sheet
Assets

CHF	Notes	30.06.2025	30.06.2024
Cash and cash equivalents		73'649.65	25'805.14
Other short-term receivables	2.1	788'076.82	800'029.88
Inventories and non-invoiced services			0.00
Prepaid expenses and accrued income		19'272.83	9'242.32
Total current assets		880'999.30	835'077.34
Total non-current assets		0.00	0.00
TOTAL ASSETS		880'999.30	835'077.34

Liabilities and Shareholders' equity

CHF	Notes	30.06.2025	30.06.2024
Trade accounts payable		0.00	0.00
Short-term interest-bearing liabilities	2.2	40'000.00	445'000.00
Other short-term liabilities		2'922.90	802.90
Short-term provisions		268.62	2'899.00
Accrued expenses and deferred income	2.3	16'257.97	14'918.13
Total short-term liabilities		59'449.49	463'620.03
Total long-term liabilities		0.00	0.00
Total liabilities		59'449.49	463'620.03
Share capital	2.4	805'000.00	360'000.00
Legal capital reserves			
• Reserves from capital contributions		1'963.00	943.00
Voluntary retained earnings			
• Available earnings			
– Results carried forward		494.31	318.02
– Profit for the year		14'092.50	10'196.29
Total shareholders' equity		821'549.81	371'457.31
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		880'999.30	835'077.34

Income Statement

CHF	Notes	30.06.2025	30.06.2024
Revenue from sale of goods and services	2.5	71'350.95	40'324.35
Other operating income		0.00	0.00
Change in inventory, work in progress and non-invoiced services		0.00	0.00
Total operating income		71'350.95	40'324.35
Personnel expenses		0.00	0.00
Other operating expenses	2.6	-12'626.11	-8'918.52
Operating result		58'724.84	31'405.83
Financial income		0.00	0.00
Financial expenses (interest costs and bank charges)		552.52	-2'401.71
Exchange rate gain or loss net of hedging	2.7	-43'333.56	-17'315.08
Non-operating income		0.00	0.00
Non-operating expenses		0.00	0.00
Extraordinary, non-recurring or prior period expenses		0.00	0.00
Profit for the year before taxes		15'943.80	11'689.04
Direct taxes		-1'851.30	-1'492.75
Profit for the year		14'092.50	10'196.29

Notes

1. Principals

These financial statements were prepared according to the provisions of the Swiss Law on Accounting and Financial Reporting (Art. 957 bis 962 OR). Financial reporting requires the board of directors to make estimates and judgements, which can affect the amounts of the reported assets and liabilities on the balance sheet date, as well as income and expenses for the reporting. The board of directors decides at its own discretion within the scope of the legal requirements for valuation and accounting. In the best interest of the company, depreciation, impairments, and provisions can be made in accordance with the principle of prudence beyond what is economically required.

2. Information on balance sheet and income statement

2.1 Other short-term receivables

2024/2025

Other short-term receivables consist of the below listed direct loans outstanding as of June 30, 2025.

Loan portfolio as of June 30, 2025

Borrower	Loans disbursed		Additional commitment	
	Currency	CHF	Currency	CHF
UCA San Juan	USD 240'197	192'725.29	USD 9'803	0
Asobagri	USD 250'000	200'560.00	USD 0	0
Juan Santos Atahualpa	USD 240'306	192'782.80	USD 9'694	8'804
Amoju	USD 250'038	200'590.87	USD 0	0
Total CHF		786'658.96		8'804

The difference of CHF 1'417.86 to CHF 788'076.82 is the unrealized gain on the foreign exchange hedging transaction.

2023/2024

Other short-term receivables consist of the below listed direct loans outstanding as of June 30, 2024.

Loan portfolio as of June 30, 2024

Borrower	Loans disbursed		Additional commitment	
	Currency	CHF	Currency	CHF
Cocafcal (Capucas)	USD 215,000	195,478.00	USD 0	0
Asobagri	USD 280,000	254,576.00	USD 0	0
Juan Santos Atahualpa	USD 184,865	168,079.26	USD 25,135	22,827
Amoju	USD 200,000	181,840.00	USD 0	0
Total CHF		799,973.26		22,827

On July 3rd 2024, a repayment of loan principal of USD 99'943 was received from Asobagri.

The difference of CHF 56.62 to CHF 800'029.88 are amounts owed by two cooperatives that will be recovered with the next loan.

2.2 Short-term interest-bearing liabilities

CHF 40'000 are subscriptions from new Faircapital Consumer Cooperative members that will be converted into share capital on July 1st, 2025.

2.3 Accrued expenses and deferred income

Other accrued expenses include Faircapital's management fees of CHF 9'523.61, auditors fees of CHF 2'700.00, dividend and interest expense donation from members to spend on marketing of CHF 2'532.01, event expenses CHF 1'349.6 as well as dividends due to members of CHF 152.75.

2.4 Share capital

On June 30.06.2024, the Faircapital Consumer Cooperative counted 63 members with 161 shares. During the financial year 2024/2025 this number increased to 70 members with 169 shares. The new shares will be created on July 1st, 2025.

2.5 Revenues from goods and services (interest income on loans)

In 2024/2025 the FairCapital Consumer Cooperative has generated interest income on loans to the following Fairtrade certified coffee cooperatives in 4 different Latin American countries:

- *Lima Coffee (FLO ID 34573)*, is a coffee cooperative based in Peru, founded in 2015. At the beginning of 2025, it had 735 active members. The cooperative produces and sells conventional, organic, and Fairtrade coffee. In 2024, 64% of its sales were certified as Fairtrade and organic (FTO).
- *Asobagri (FLO ID 877)* is a Guatemalan coffee cooperative established in 1986 counting 1,458 members. The cooperative focuses on producing and commercializing Fairtrade and organic coffee. During the 2023–2024 campaign, 65% of its sales were certified Fairtrade and organic (FTO).
- *Procafe (FLO ID 27124)* is a Nicaraguan coffee cooperative founded in 2001. It currently has 171 members and mainly produces and sells certified coffee. In 2024, 34% of its sales were certified as Fairtrade and organic (FTO), as well as Fairtrade only.
- *Juan Santos Atahualpa (FLO 29078)*, a Peruvian cooperative operating since 2011, currently counts with 631 members. This Peruvian cooperative focuses on the production and commercialization of Fairtrade and/or organic certified coffee. In 2024, 57% of the coffee sales were under the Fairtrade and/or organic certification.
- *UCA San Juan de Rio Coco (FLO ID 2967)* is a Nicaraguan coffee union founded in 1993. It brings together 500 smallholder producers through 8 member cooperatives. During 2024, over 20% of its sales were certified as Fairtrade, and as Fairtrade and organic.
- *Capucas (Cocafcal) (FLO ID 19080)* is a Honduran coffee cooperative founded in 1993. It brings together 948 smallholder farmers in western Honduras and is committed to certified coffee. During the 2023–2024 coffee campaign, over half of its sales were certified as organic and Fairtrade.
- *Amoju (FLO ID 36507)* is a Peruvian coffee cooperative founded in 2016. It has 864 smallholder farmers dedicated to the production of high-quality coffee. During 2024, more than half of its sales were certified as Fairtrade, and as Fairtrade and organic.
- *Aprocaes (FLO ID 42472)* is a coffee cooperative based in Peru. It began operation in 2019 and has currently 377 members. The cooperative focuses on sustainable and certified coffees. In 2024, 43% of its total sales were attributable to both Fairtrade and organic (FTO), and Fairtrade certified coffee.

2.6 Other operating expenses

Other accrued expenses include Faircapital's management fee of CHF 9'523.61, auditors fees of CHF 2'702.5, and the General Assembly meeting expenses of CHF 400.

2.7 Exchange rate gain or loss net of hedging

The Faircapital Consumer Cooperative has renewed and increased its forward contract to hedge the balance sheet against a decrease of the USD relative to CHF. The net hedging gains on the forward contract enabled the offsetting of a significant portion of the loss caused by the USD's depreciation against the CHF, resulting in a total loss of CHF 43,333.56.

2.8 Other information on balance sheet and income statement

Current assets are recognized in the balance sheet at nominal value.

Interest bearing liabilities are recognized in the balance sheet at nominal value.

Provisions are based on management estimates.

3. Declaration on the number of full-time positions

The Faircapital Consumer Cooperative has no employees.

4. Assets that have been pledged

None, as in prior year

5. Significant events occurred after the balance sheet date

None, as in prior year

Proposed appropriation of retained earnings

CHF	2025	2024
Results carried forward	494.31	318.02
Profit for the year	14'092.50	10'196.29
Allocation to legal reserves	1'410.00	1'020.00
Dividend distribution	12'558.00	9'000.00
Results carried forward next period	618.81	494.31

The board of directors will propose to the General Assembly the payment of a dividend of CHF 78 per share equal to 1.56% of the share capital.