Financial Statements

Consolidated Coffee, Inc.

For the year ended March 31, 2021

Consolidated Coffee, Inc.
Balance Sheets
March 31, 2021 and 2020
(in thousands of US dollars)

	2021	**2020**
Assets		
Current assets		
Cash and cash equivalents	1	-
Other current assets	319	319
Total current assets	320	319
Investment in subsidiary	59,900	59,900
Total assets	60,220	60,219
Liabilities and Stockholder's Equity		
Current liabilities		
Related party payable	166	164
Total current liabilities	166	164
Total liabilities	166	164
Stockholder's equity		
Common stock, par value $.01; 10,000 shares authorized, 1,000 issued and outstanding		
Additional paid-in capital	59,900	59,900
Retained earnings	154	155
Total stockholder's equity	60,054	60,055
Total liabilities and stockholder's equity	60,220	60,219

/s/ SUSAN DONDERO
Susan Dondero
VP Finance
Date: April 30, 2021

Consolidated Coffee, Inc.
Statements of Income
Years Ended March 31, 2021 and 2020
(in thousands of US dollars)

	2021	2020
Dividend income	12,000	14,786
Interest expense	-	210
Income before income taxes	12,000	14,576
Income tax benefit	-	(44)
Net income	$ 12,000	$ 14,620

/s/ SUSAN DONDERO
Susan Dondero
VP Finance
Date: April 30, 2021

Consolidated Coffee, Inc.
Statements of Cash Flows
Years Ended March 31, 2021 and 2020
(in thousands of US dollars)

	2021	2020
Cash flows from operating activities		
Net income	12,000	14,620
Adjustments to reconcile net income to cash provided by		
Changes in operating assets and liabilities		
Tax receivable	(1)	(44)
Related party payable/receivable	2	175
Net cash provided by operating activities	12,001	14,751
Cash flows from financing activities		
Dividends paid	(12,000)	(10,000)
Repayment of long-term debt related party	-	(4,752)
Net cash used in financing activities	(12,000)	(14,752)
Net change in cash and cash equivalents	1	(1)
Cash and cash equivalents		
Beginning of year	-	1
End of year	1	-

/s/ SUSAN DONDERO
Susan Dondero
VP Finance
Date: April 30, 2021

1. **Description of Business and Basis of Presentation**

Organization of the Company
Consolidated Coffee, Inc. (“CCI”) was formed on July 10, 2006 pursuant to the laws of Delaware. CCI is owned 50% by Tata Coffee Limited 33% by Tata Consumer Products Ltd, publicly traded Indian companies, and 17% by Tata Consumer Products Capital Limited.

The following information outlines the Company’s adopted accounting policies to maintain compliance with generally accepted accounting policies in the United States of America.

2. **Summary of Significant Accounting Policies**

Use of Estimates
The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported. Actual results could differ from those estimates.

Impairment of Long-Lived Assets
The Company reviews long-lived assets, including finite lived intangible assets, for impairment whenever events or circumstances change such that there is an indication that the carrying amounts may not be recoverable. If the estimated cash flows from the use of an asset and its eventual disposition are below its carrying value, then the asset is deemed to be impaired and written down to its estimated fair value.

Income Taxes
CCI files a consolidated federal tax return which includes Eight O’Clock Holdings, Inc. and Eight O’Clock Coffee Company.

The Company accounts for income taxes in accordance with ASC 740, *Income Taxes*. Under ASC 740, assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities, using enacted rates in effect for the year in which the differences are expected to reverse. A valuation allowance is recorded if it is more likely than not that a deferred tax asset will not be realized.

ASC 740 prescribes a recognition threshold and a measurement attribute for the financial statement recognition and measurement of tax positions taken or expected to be taken in a tax return. For those benefits to be recognized, a tax position must be more-likely-than-not to be sustained upon examination by taxing authorities. The amount recognized is measured as the largest amount of benefit that is greater than 50 percent likely of being realized upon ultimate settlement. To the extent that the final tax outcome of these matters is different than the amounts recorded, such differences impact income tax expense in the period in which such determination is made. Interest and penalties, if any, related to accrued liabilities for potential tax assessments are included in income tax expense.

Subsequent events
The Company performs an evaluation of subsequent events through the date the standard forms or the financial statements are available to be issued to assess if any event or condition requires reporting or disclosure in the financial statements.