



Hiver 2010



The « Santé Verte Group »

## Memorandum of presentation

(Should be read in conjunction with the documents presented in the restricted access website)

---

## Table of contents

---

This brief memorandum is intended to present the main features of the group « Santé Verte ». It is intended exclusively for parties who have expressed a strong interest in the eventual acquisition of the group.

The memo is to be read in conjunction with other information available on the following website:

**<http://santeverte.khepri.biz/>**

Access to this website is restricted strictly to interested parties who have been approved by the owners and consultants of the “Santé Verte Group”. An access code will be subsequently communicated to each interested party.

Where appropriate, the narrative below indicates the name of the file to be located in the website.

|                                                          |            |
|----------------------------------------------------------|------------|
| <b>1 – The legal structure of the Santé Verte Group</b>  | <b>p.3</b> |
| <b>2 – Brief history of the Group</b>                    | <b>p.3</b> |
| <b>3 – Activities of the Group</b>                       | <b>p.3</b> |
| <b>4 – Brands and products</b>                           | <b>p.3</b> |
| <b>5 – Group sales</b>                                   | <b>p.4</b> |
| <b>6 – Cost of sales and gross margins</b>               | <b>p.5</b> |
| <b>7 – Distribution expenses</b>                         | <b>p.5</b> |
| <b>8 – Sales Force expenses</b>                          | <b>p.6</b> |
| <b>9 – Marketing expenses</b>                            | <b>p.7</b> |
| <b>10 – Contribution by brand/channel</b>                | <b>p.7</b> |
| <b>11 – Human resources</b>                              | <b>p.7</b> |
| <b>12 – Consolidated Profit &amp; Loss accounts</b>      | <b>p.8</b> |
| <b>13 – Consolidated Balance Sheets</b>                  | <b>p.9</b> |
| <b>14 – Financial Year 2010 overall operating Budget</b> | <b>p.9</b> |

---

## **Santé Verte**

### **Memorandum of presentation** (all figures in K Euros)

---

#### **1 – The legal structure of the Group:**

Natural Distribution (Holdings) Ltd (“Natural Distribution”) is the parent company of a UK based group incorporated in the UK which is 100% owned by the Estienne family.

Natural Distribution itself has two wholly owned subsidiaries:

- Santé Verte Ltd,
- Wisdom of Nature Ltd,

These two companies are also incorporated in the UK.

The Head Office as well as the warehouses for all three companies is located in Ashford, Kent. This town is the first station on the Paris-London Eurostar route, being 2 hours from Paris, and one hour from London. It is also 10 minutes drive to the Channel Tunnel.

#### **2 - Brief history:**

In 1987 Mr Jean Estienne, a physiotherapist experienced in botanics and his entrepreneur wife, Mrs Maryse Estienne, set up their first venture in France in health food supplements by the acquisition of the distributorship of Nature's Plus, a leading American brand in nutritional supplements. They set up a sales force to supply health food stores (currently 10 sales representatives)

Thereafter other distribution agreements with well known brands were added to the group's portfolio of brands.

Initially, growth of the group was held back by the lack of clear regulations with the French authorities who would either tolerate or prohibit the sale of products in an arbitrary way, resulting in distributors and manufacturers (of what was then a new category of products) becoming involved in court cases with uncertain outcomes.

In 1998 Mrs Estienne decided to relocate the group's operations to the United Kingdom where commercial practice was more consistent and where requests to sell products were answered rapidly, thereby allowing the group to react quickly and bring its products to market both promptly and without undue interference.

This is the primary reason for Mme Estienne to reallocate the group's operations to the UK and to give her group UK status. At the same time the UK offers other significant fiscal, employment and social advantages.

#### **3 – Activities of the group:**

The Group is specialised in the development and the marketing of nutritional supplements, mostly in France, through 3 sales channels:

- pharmacies,
- health food outlets (“Dietetique”)
- para-pharmacies.

#### 4 – Brands and products of the group:

| NOM DE LA LIGNE DE PRODUITS | Société Groupe |                  |            | Canal               |           |        | Exploitation en tant que ... |              |          | CA 2009<br>Euros | MB 2009<br>Euros | MB % CA |
|-----------------------------|----------------|------------------|------------|---------------------|-----------|--------|------------------------------|--------------|----------|------------------|------------------|---------|
|                             | Santé Verte    | Wisdom of Nature |            | Mag.<br>Diététiques | Pharmacie | Export | Propriétaire                 | Distributeur | Licencié |                  |                  |         |
|                             |                | France           | Angleterre |                     |           |        |                              |              |          |                  |                  |         |
| Diet Horizon                | ✓              | ✓                |            | ✓                   |           | ✓      | ✓                            |              |          | €000             | €000             |         |
| Sante Verte                 | ✓              | ✓                |            |                     | ✓         | ✓      | ✓                            |              |          | 2039             | 1033             | 51%     |
| Jason                       | ✓              |                  |            | ✓                   |           |        |                              | ✓            |          | 4457             | 2601             | 58%     |
| Lily of the Desert          | ✓              | ✓                |            | ✓                   |           | ✓      |                              | ✓            |          | 156              | 96               | 62%     |
| Natures Plus                | ✓              |                  |            | ✓                   |           |        |                              | ✓            |          | 1512             | 871              | 58%     |
| New Chapter                 |                | ✓                | ✓          | ✓                   |           |        |                              | ✓            |          | 4749             | 2601             | 55%     |
| Sanotint                    | ✓              |                  |            |                     |           | ✓      |                              | ✓            |          | 1886             | 896              | 48%     |
| Sirop Vital                 | ✓              |                  |            |                     |           |        |                              | ✓            |          | 564              | 221              | 39%     |
| Divers                      | ✓              |                  |            |                     |           |        |                              | ✓            |          | 156              | 83               | 53%     |
|                             |                |                  |            |                     |           |        |                              |              |          | 41               | 16               | 39%     |
|                             |                |                  |            |                     |           |        |                              |              |          | 15560            | 8417             | 54%     |

This chart shows:

- the list of brands distributed by the group,
- the subsidiary responsible for distribution of each brand,
- where the business is located,
- the relationship of the group with each brand (owner, distributor),
- 2009 sales in Euros (thousands) by brand,
- 2009 gross margin in Euros (thousands) by brand.

For further information on each brand and product, the reader should visit the following web sites:

- o Natural-distribution .com,
- o Sante-verte.com,
- o Diet-horizon.com,
- o Naturesplus.com.

Please refer to <http://santeverte.khepri.biz/> : chapter “Brands and Products”

#### 5 – Group Sales

| Groupe ND en K€    | 2006   | 2007         | 2008         | 2009         | 2010         |
|--------------------|--------|--------------|--------------|--------------|--------------|
| Chiffre d'affaires | 10 225 | 11 363       | 13 320       | 15 535       | 19 372       |
| <b>Evolution</b>   | nd     | <b>11.1%</b> | <b>17.2%</b> | <b>16.6%</b> | <b>24.7%</b> |
| PR des ventes      | 4 625  | 4 948        | 5 963        | 7 200        | 8 655        |
| Marge Brute        | 5 600  | 6 415        | 7 357        | 8 335        | 10 717       |
| MB% CA             | 54.8%  | 56.5%        | 55.2%        | 53.7%        | 55.3%        |

The success of the brands in France is due to the high quality of products, and the know-how and energy of the founders of the group which has resulted in strong consumer demand and, in turn, rapid and consistent growth in turnover over this period.

In 2007, when the group was one of the top suppliers of health food outlets with a sales force of about 10 representatives, Mme Estienne decided to:

- accelerate the development of the group's own brands and products,
- introduce its in-house brands into the pharmaceutical channel. The brand of Santé Verte was created, with its dedicated **pharmaceutical sales force of 16 exclusive reps** at today's date.

#### Recent growth:

As shown clearly in the above table, the growth of the group has been consistently strong over the recent years and can be explained by 2 factors:

- The successful introduction of the ranges in pharmacies, and the establishment of a professional pharmaceutical sales force.
- Exceptional positioning of the products in terms of “value for money” (see comments in §5 below about the level of gross margin and marketing expenditure).

Consequently, the majority of the group's turnover is now generated by in-house brands to which it is proprietor of the intellectual knowledge and know-how. These in-house brands are forecast to continue to account for an ever-increasing proportion of sales in the future.

### Best sellers

The reader will find the best-selling items of the group under the following headings in <http://santeverte.khepri.biz/> : chapter "Sales":

- Top 5 Diet 2009,
- Top 50 Pharma 2009.

## 6 – Cost of sales and gross margins

| NOM DE LA LIGNE DE PRODUITS | Marges brutes en % CA |            |               |                   |            | TOTAL      |
|-----------------------------|-----------------------|------------|---------------|-------------------|------------|------------|
|                             | Mag. Diététiques      | Pharmacie  | Wisdom France | Wisdom Angleterre | Export     |            |
| Diet Horizon                | 51%                   |            |               | 50%               | 38%        | 51%        |
| Sante Verte                 |                       | 60%        |               | 50%               | 33%        | 58%        |
| Jason                       | 62%                   |            |               |                   |            | 62%        |
| Lily of the Desert          | 69%                   |            |               | 50%               | 30%        | 58%        |
| Natures Plus                | 55%                   |            |               |                   |            | 55%        |
| New Chapter                 |                       |            | 49%           | 45%               |            | 47%        |
| Sanotint                    | 40%                   |            |               |                   | 28%        | 39%        |
| Sirop Vital                 | 55%                   |            |               |                   | 25%        | 52%        |
| <b>TOTAL</b>                | <b>55%</b>            | <b>60%</b> | <b>49%</b>    | <b>46%</b>        | <b>30%</b> | <b>55%</b> |

### Comments:

- (1) The overall level of gross margin at 55% may seem lower than the average of the trade in France which is usually around 70%. However, this should be considered as part of the group's unique strength.

The group's management believe that the most effective way to establish strong consumer loyalty is to ensure best "value for money". In other words, the formulations of its products are of the highest quality, while the price at which its products are sold should be no more than the cost of the competing products of inferior quality. In this way strong customer loyalty is established. As a result, the differential of 15% in gross margin between Santé Verte and its competitors is given to consumers in the quality of the products and the attached consumer benefits but is fully compensated by lower expenditure elsewhere.

Consequently, Santé Verte Group has little need to advertise heavily, whereas its competitors dissipate about 20% to 25% of their sales in marketing expenditure. In fact Sante Verte spends no more than 5% to 10% in marketing expenditure as the accounts show (also due to maintaining control of all marketing activities in-house)

- (2) It should be noted that Santé Verte is not involved in the manufacture of its in-house products, but maintains strong partnerships with specialised manufacturers in France to ensure protection and confidentiality of its formulations. In this way it has the greatest input of value-added to its activities.

## 7 – Distribution of products:

Distribution of products is organised as follows:

- finished products are delivered in the Ashford Warehouse,
- they are controlled and stored in the same warehouse,
- where appropriate, products are relabelled for export markets or prepared for special sales promotions.

Orders from pharmacies, para-pharmacies and health food outlets are transmitted electronically from each sales representative to the head-office. In this way customer orders are invoiced and despatched within 24 hours of receipt. When requested by the customer, the group's policy is to ensure delivery to the customer within 48 hours of receipt of an order.

Once the order has been checked by the sales administrators, it is processed by the warehouse:

- each customer order is picked, checked and packed safely into parcels,
- preparation of a detailed invoice,
- the invoice is then inserted to the customer's parcel,
- customer parcels are then collected by an express transport company which is responsible for end delivery to clients.

About 200 individual orders are received and processed everyday from the Ashford Warehouse.

Breakdown of distribution expenses for 2009:

| Logistique 2009                 | Diet  | Pharma | Export | Total |
|---------------------------------|-------|--------|--------|-------|
| - GLS                           | € 128 |        |        | €128  |
| - TNT                           | € 85  |        |        | €85   |
| - Exapag                        |       | € 119  |        | €119  |
| - Norbert Dentressangle (parta) | € 22  | € 44   |        | €66   |
| - Autres transporteurs          |       |        | € 20   | €20   |
| Frais de Livraison global       | € 235 | € 163  | € 20   | € 418 |
| Personnel entrepot              | € 174 | € 86   | € 10   | €270  |
|                                 | € 409 | € 249  | € 30   | € 688 |



View of the Warehouse in Ashford UK which is presently being extended.

## 8 – Sales force expenses

Figures for 2009 are shown hereunder :

| Force de Vente 2009 | Détail | Total         |
|---------------------|--------|---------------|
| - Dietetique        | €1 066 |               |
| Damien Martinez     | €166   | €1 232        |
| - Pharmacies        |        | €1 373        |
| - Export            |        | €72           |
| <b>Total</b>        |        | <b>€2 677</b> |

## 9 – Marketing expenditure:

2009 marketing expenses breakdown across 3 sales channels :

| Depenses Marketing 2009     | Diet        | Pharma      | Export    | Total         |
|-----------------------------|-------------|-------------|-----------|---------------|
| - Leaflets et prospectus    | €45         | €54         | €0        | €99           |
| - Commissions (RFA)         | €27         | €0          | €0        | €27           |
| - Formation et promotion    | €136        | €328        | €0        | €464          |
| - Salaires Marketing et R&D | €161        | €82         | €0        | €243          |
| - Marketing et salons       | €190        | €185        | €9        | €384          |
| <b>Totaux</b>               | <b>€559</b> | <b>€649</b> | <b>€9</b> | <b>€1 217</b> |

## 10 – Contribution by brand

| DIETETIQUE France             |              |       |         |              |          |             |        |         | PHARMACIES France |                |         | EXPORT      |       |          |             |        |       |
|-------------------------------|--------------|-------|---------|--------------|----------|-------------|--------|---------|-------------------|----------------|---------|-------------|-------|----------|-------------|--------|-------|
| Noms des gammes               | Diet Horizon | Jason | Lily    | Natures Plus | Sanotint | Sirop Vital | Autres | Total   | Sante Verte       | Nature et Soin | Total   | Sante Verte | Lily  | Sanotint | Sirop Vital | Autres | Total |
| Chiffre d'affaires 2009 en K€ | € 2 002      | € 156 | € 1 046 | € 4 749      | € 552    | € 141       | € 30   | € 8 676 | € 4 155           | € 154          | € 4 309 | € 132       | € 310 | € 12     | € 16        | € 5    | € 475 |
| PRI                           | € 980        | € 60  | € 321   | € 2 148      | € 334    | € 63        | € 18   | € 3 924 | € 1 700           | € 97           | € 1 757 | € 88        | € 219 | € 9      | € 12        | € 3    | € 333 |
| Marge brute                   | € 1 022      | € 96  | € 725   | € 2 601      | € 218    | € 78        | € 12   | € 4 752 | € 2 455           | € 97           | € 2 552 | € 44        | € 91  | € 3      | € 4         | € 2    | € 144 |
| MB % CA                       | 51.0%        | 61.5% | 69.3%   | 54.8%        | 39.5%    | 55.3%       | 40.0%  | 54.8%   | 59.1%             | 63.0%          | 59.2%   | 33.3%       | 29.4% | 28.3%    | 25.0%       | 40.0%  | 30.4% |
| Logistique                    | € 94         | € 7   | € 49    | € 224        | € 26     | € 7         | € 1    | € 409   |                   |                | € 249   |             |       |          |             |        | € 30  |
| Coût force de vente           |              |       |         |              |          |             |        | € 1 232 |                   |                | € 1 373 |             |       |          |             |        | € 72  |
| Dépenses marketing            |              |       |         |              |          |             |        | € 559   |                   |                | € 649   |             |       |          |             |        | € 9   |
| Contribution à FG et EBIT     |              |       |         |              |          |             |        | € 2 552 |                   |                | € 281   |             |       |          |             |        | € 33  |

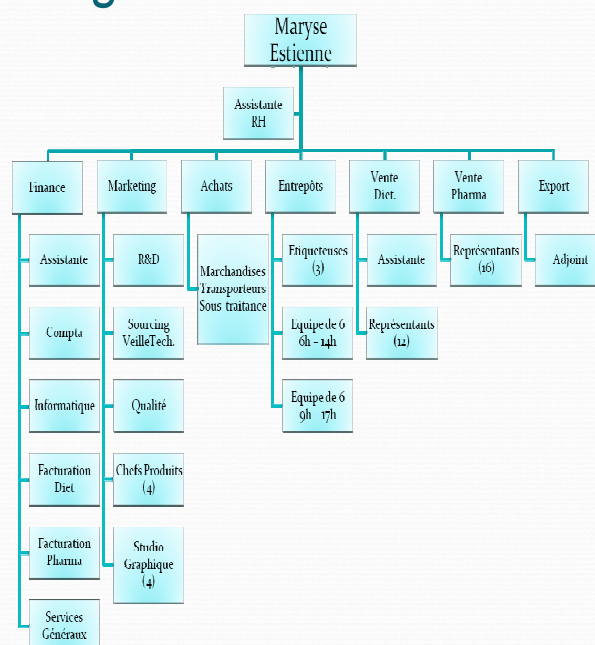
## 11 – Human resources:

Group headcount is 86, comprising

|                                      | employés  | cadres    |
|--------------------------------------|-----------|-----------|
| Management                           |           | 4         |
| Finances                             | 3         | 1         |
| Marketing                            | 7         | 1         |
| Informatique                         | 2         |           |
| Achat/logistique et contrôle qualité | 1         | 2         |
| Recherche et développement           | 3         | 1         |
| Equipes de ventes                    | 34        | 3         |
| Facturation                          | 6         | 1         |
| Manutentionnaires (entrepôts)        | 16        | 1         |
| <b>Total</b>                         | <b>72</b> | <b>14</b> |

Apart from sales reps, each of which is allocated a specific sales territory in France all other staff are based at the premises of Sante Verte at Ashford. They are subject to UK taxation and employment legislation

## Organisation Santé verte



## 12 – 3 years consolidated P&Ls :

The original accounts are to be found in the restricted access website  
<http://santeverte.khepri.biz/> : chapter “Financials”.

| CONSOLIDATED P&Ls OF THE<br>SANTE VERTE GROUP |              |              |               | 000 £ |               |               |               | 000 € |               |               |               |
|-----------------------------------------------|--------------|--------------|---------------|-------|---------------|---------------|---------------|-------|---------------|---------------|---------------|
|                                               | 2006         | 2007         | 2008          |       | 2006          | 2007          | 2008          |       | 2006          | 2007          | 2008          |
| Sales                                         | 6 500        | 7 338        | 10 051        |       | 9 547         | 11 311        | 13 383        |       | 9 547         | 11 311        | 13 383        |
| Export sales                                  | 322          | 319          | 309           |       | 473           | 492           | 411           |       | 473           | 492           | 411           |
| Distribution Income                           | 18           | 21           | 18            |       | 26            | 32            | 24            |       | 26            | 32            | 24            |
| Discounts Allowed                             | -21          | -23          | -29           |       | -31           | -36           | -38           |       | -31           | -36           | -38           |
| Agency Commission (Homburger)                 | 24           | 12           | 11            |       | 35            | 19            | 15            |       | 35            | 19            | 15            |
| Rent receivable                               | 0            | 0            | 0             |       | 0             | 0             | 0             |       | 0             | 0             | 0             |
| Management charges receivable                 | 0            | 0            | 0             |       | 0             | 0             | 0             |       | 0             | 0             | 0             |
| <b>TURNOVER</b>                               | <b>6 842</b> | <b>7 667</b> | <b>10 360</b> |       | <b>10 050</b> | <b>11 818</b> | <b>13 794</b> |       | <b>10 050</b> | <b>11 818</b> | <b>13 794</b> |
| <b>COST OF SALES</b>                          | <b>2006</b>  | <b>2007</b>  | <b>2008</b>   |       | <b>2006</b>   | <b>2007</b>   | <b>2008</b>   |       | <b>2006</b>   | <b>2007</b>   | <b>2008</b>   |
| Purchases (adjusted for stock)                | 2 655        | 2 809        | 3 915         |       | 3 900         | 4 330         | 5 213         |       | 3 900         | 4 330         | 5 213         |
| Freight, duty and handling costs              | 360          | 378          | 569           |       | 528           | 583           | 758           |       | 528           | 583           | 758           |
| Labels and boxes                              | 0            | 126          | 126           |       | 0             | 195           | 168           |       | 0             | 195           | 168           |
| Total Cost of sales                           | 3 015        | 3 314        | 4 611         |       | 4 428         | 5 108         | 6 139         |       | 4 428         | 5 108         | 6 139         |
| <b>GROSS MARGIN</b>                           | <b>3 827</b> | <b>4 353</b> | <b>5 749</b>  |       | <b>5 622</b>  | <b>6 710</b>  | <b>7 655</b>  |       | <b>5 622</b>  | <b>6 710</b>  | <b>7 655</b>  |
| <b>SALES AND DISTRIBUTION COSTS</b>           | <b>2006</b>  | <b>2007</b>  | <b>2008</b>   |       | <b>2006</b>   | <b>2007</b>   | <b>2008</b>   |       | <b>2006</b>   | <b>2007</b>   | <b>2008</b>   |
| Carriage and postage out                      | 208          | 214          | 293           |       | 305           | 330           | 391           |       | 305           | 330           | 391           |
| Packaging costs                               | 19           | 22           | 32            |       | 28            | 34            | 43            |       | 28            | 34            | 43            |
| Sales staff (France)                          | 1 160        | 1 049        | 1 459         |       | 1 705         | 1 617         | 1 942         |       | 1 705         | 1 617         | 1 942         |
| Sales staff (UK)                              | 154          | 306          | 293           |       | 227           | 471           | 390           |       | 227           | 471           | 390           |
| Warehouse staff                               | 0            | 145          | 247           |       | 0             | 223           | 329           |       | 0             | 223           | 329           |
| Leaflets and catalogues                       | 101          | 62           | 72            |       | 148           | 96            | 96            |       | 148           | 96            | 96            |
| Sales commission                              | 242          | 231          | 299           |       | 356           | 356           | 399           |       | 356           | 356           | 399           |
| Sales Promotion & Demonstrations              | 109          | 152          | 287           |       | 160           | 235           | 382           |       | 160           | 235           | 382           |
| total sales & distr. Costs                    | 1 993        | 2 180        | 2 983         |       | 2 928         | 3 361         | 3 972         |       | 2 928         | 3 361         | 3 972         |
| <b>OPERATING MARGIN</b>                       | <b>1 834</b> | <b>2 173</b> | <b>2 767</b>  |       | <b>2 694</b>  | <b>3 349</b>  | <b>3 684</b>  |       | <b>2 694</b>  | <b>3 349</b>  | <b>3 684</b>  |
| <b>CENTRAL COSTS &amp; OVERHEADS</b>          | <b>2006</b>  | <b>2007</b>  | <b>2008</b>   |       | <b>2006</b>   | <b>2007</b>   | <b>2008</b>   |       | <b>2006</b>   | <b>2007</b>   | <b>2008</b>   |
| Salaries & Wages                              | 674          | 482          | 520           |       | 990           | 742           | 692           |       | 990           | 742           | 692           |
| Management Charges                            | 0            | 9            | 0             |       | 0             | 0             | 0             |       | 0             | 0             | 0             |
| Temp staff, recruitment & training            | 40           | 71           | 49            |       | 58            | 16            | 65            |       | 58            | 16            | 65            |
| Travel and Subsistence                        | 87           | 111          | 138           |       | 128           | 171           | 184           |       | 128           | 171           | 184           |
| Motor Expenses                                | 37           | 25           | 11            |       | 55            | 39            | 15            |       | 55            | 39            | 15            |
| Telephone Charges                             | 48           | 54           | 44            |       | 71            | 83            | 58            |       | 71            | 83            | 58            |
| Advertising, PR and Exhibitions               | 278          | 386          | 347           |       | 409           | 595           | 462           |       | 409           | 595           | 462           |
| Entertainment                                 | 17           | 23           | 40            |       | 25            | 36            | 53            |       | 25            | 36            | 53            |
| Printing and Stationery                       | 51           | 49           | 36            |       | 75            | 76            | 48            |       | 75            | 76            | 48            |
| Postage                                       | 20           | 17           | 26            |       | 29            | 26            | 35            |       | 29            | 26            | 35            |
| Subscriptions                                 | 8            | 5            | 5             |       | 11            | 8             | 6             |       | 11            | 8             | 6             |
| Computer Expenses                             | 8            | 15           | 27            |       | 12            | 23            | 36            |       | 12            | 23            | 36            |
| General Expenses                              | 3            | 5            | 8             |       | 4             | 8             | 10            |       | 4             | 8             | 10            |
| Repairs and Renewals                          | 21           | 23           | 15            |       | 31            | 35            | 20            |       | 31            | 35            | 20            |
| Insurance                                     | 23           | 29           | 22            |       | 34            | 44            | 30            |       | 34            | 44            | 30            |
| Rent and rates                                | 85           | 77           | 52            |       | 125           | 119           | 69            |       | 125           | 119           | 69            |
| Light and heat                                | 21           | 28           | 7             |       | 31            | 43            | 10            |       | 31            | 43            | 10            |
| Premises maintenance                          | 0            | 8            | 10            |       | 0             | 13            | 13            |       | 0             | 13            | 13            |
| Equipment hire                                | 0            | 15           | 25            |       | 0             | 24            | 33            |       | 0             | 24            | 33            |
| Bank Interest and charges                     | 162          | 153          | 149           |       | 238           | 236           | 199           |       | 238           | 236           | 199           |
| Professional Fees                             | 112          | 121          | 108           |       | 164           | 186           | 143           |       | 164           | 186           | 143           |
| Audit and Accountancy                         | 9            | 30           | 24            |       | 13            | 46            | 32            |       | 13            | 46            | 32            |
| Depreciation                                  | 38           | 32           | 39            |       | 56            | 50            | 52            |       | 56            | 50            | 52            |
| Bad Debt                                      | 4            | 45           | 37            |       | 6             | 69            | 49            |       | 6             | 69            | 49            |
| Loss/(gain) on exchange conversion            | -20          | -10          | -58           |       | -29           | -16           | -77           |       | -29           | -16           | -77           |
| <b>TOTAL CENTRAL COSTS</b>                    | <b>1 725</b> | <b>1 735</b> | <b>1 680</b>  |       | <b>2 534</b>  | <b>2 674</b>  | <b>2 237</b>  |       | <b>2 534</b>  | <b>2 674</b>  | <b>2 237</b>  |
| <b>NET PROFIT/(LOSS) BEFORE TAX</b>           | <b>109</b>   | <b>438</b>   | <b>1 087</b>  |       | <b>160</b>    | <b>675</b>    | <b>1 447</b>  |       | <b>160</b>    | <b>675</b>    | <b>1 447</b>  |
| <b>CORPORATION TAX PROVISION</b>              | <b>13</b>    | <b>99</b>    | <b>295</b>    |       | <b>20</b>     | <b>153</b>    | <b>392</b>    |       | <b>20</b>     | <b>153</b>    | <b>392</b>    |
| <b>NET PROFIT/(LOSS) AFTER TAX</b>            | <b>95</b>    | <b>338</b>   | <b>792</b>    |       | <b>140</b>    | <b>522</b>    | <b>1 054</b>  |       | <b>140</b>    | <b>522</b>    | <b>1 054</b>  |
| Euros/Pound sterling =                        |              |              |               |       | 1.4689        | 1.5414        | 1.33149       |       | 1.4689        | 1.5414        | 1.33149       |

13 – 3 years Consolidated Balance Sheets :

See original accounts on Web site, file :

| CONSOLIDATED BALANCE SHEETS OF THE<br>SANTÉ VERTE GROUP | 000 £ |       |       | 000 €  |        |        |
|---------------------------------------------------------|-------|-------|-------|--------|--------|--------|
|                                                         | 2006  | 2007  | 2008  | 2006   | 2007   | 2008   |
| <b>COMPTES D'IMMOBILISATIONS</b>                        |       |       |       |        |        |        |
| Equipment et outillage                                  | 21    | 23    | 59    | 32     | 33     | 71     |
| Equipment de bureau                                     | 104   | 92    | 123   | 156    | 128    | 147    |
| Immobilisation                                          | 1155  | 1155  | 1155  | 1724   | 1602   | 1380   |
| Investissements                                         | 0     | 0     | 0     | 0      | 0      | 0      |
| total comptes d'immobilisations                         | 1281  | 1271  | 1338  | 1911   | 1762   | 1598   |
| <b>ACTIF CIRCULANT</b>                                  |       |       |       |        |        |        |
| Stocks                                                  | 537   | 692   | 799   | 801    | 960    | 954    |
| Creanciers Clients                                      | 897   | 990   | 1583  | 1339   | 1372   | 1890   |
| Comptes courants associés                               | 0     | 0     | 0     | 0      | 0      | 0      |
| Paiements d'avance                                      | 51    | 34    | 49    | 75     | 48     | 58     |
| Autres creanciers                                       | 252   | 199   | 334   | 378    | 276    | 399    |
| Comptes en banques                                      | 31    | 67    | 251   | 47     | 93     | 300    |
| ACTIF CIRCULANT GLOBAL                                  | 1768  | 1982  | 3013  | 2637   | 2748   | 3601   |
| <b>DETTES DE MOINS DE 12 MOIS</b>                       |       |       |       |        |        |        |
| Fournisseurs                                            | -581  | -500  | -892  | -867   | -693   | -1065  |
| Charges previsionelles                                  | -52   | -197  | -286  | -77    | -273   | -341   |
| Decouvert                                               | -39   | -80   | -94   | -59    | -110   | -112   |
| Bank advances (ligne d'escompte)                        | 0     | -632  | -456  | 0      | -876   | -544   |
| Mortgage                                                | -59   | -86   | -83   | -89    | -120   | -99    |
| Intercompany balances                                   | 0     | 0     | 0     | 0      | 0      | 0      |
| Securité sociale et TVA                                 | -106  | -107  | -180  | -159   | -148   | -215   |
| Autres dettes                                           | -982  | -155  | -50   | -1466  | -215   | -60    |
| Impots sur les benefices                                | -13   | -92   | -295  | -20    | -128   | -352   |
| DETTES GLOBALES                                         | -1834 | -1848 | -2335 | -2736  | -2563  | -2788  |
| <b>ACTIF CIRCULANT NET</b>                              | 667   | 134   | 680   | -98    | 186    | 812    |
| <b>DETTES DE PLUS DE 12 MOIS</b>                        | 834   | 785   | 714   | 1245   | 1088   | 852    |
| <b>ACTIF NET</b>                                        | 381   | 620   | 1304  | 568    | 860    | 1558   |
| <b>CAPITAUX</b>                                         |       |       |       |        |        |        |
| Actions                                                 | 10    | 10    | 10    | 15     | 14     | 12     |
| Reserves consolidation                                  | 6     | 6     | 6     | 9      | 9      | 7      |
| Reserves libres                                         | 365   | 604   | 1288  | 544    | 838    | 1538   |
| Euros to 1 Pound sterling =                             |       |       |       | 1.4920 | 1.3864 | 1.1942 |

#### 14 – Fiscal Year 2010 overall operating budget in perspective :

The figures shown here may present slight discrepancies with the figures of § 11 above.

This is due to the analytical approach which may introduce slight differences in the figures.

However the overall approach is consistent and gives a fair view of the evolution and a good basis for projections and evaluations of the Group.

| Exploit Groupe ND en K€ | 2006        | 2007        | 2008        | 2009         | 2010        |
|-------------------------|-------------|-------------|-------------|--------------|-------------|
| Chiffre d'affaires      | 10225       | 11363       | 13320       | 15535        | 18692       |
| PR des ventes           | 4625        | 4948        | 5963        | 7200         | 8411        |
| Marge Brute             | 5600        | 6415        | 7357        | 8335         | 10281       |
| MB % CA                 | 54.8%       | 56.5%       | 55.2%       | 53.7%        | 55.0%       |
| logistique              | 573         | 609         | 727         | 789          | 955         |
| Force vente             | 2603        | 2416        | 2727        | 3231         | 4015        |
| Marketing               | 693         | 979         | 970         | 1163         | 1478        |
| Salaires siège          | 570         | 623         | 617         | 780          | 861         |
| AACE siège              | 957         | 1129        | 964         | 939          | 1040        |
| Amort                   | 62          | 114         | 97          | 87           | 86          |
| Autres                  | -44         | -15         | -67         | -38          | 46          |
| total charges           | 5413        | 5856        | 6034        | 6651         | 8481        |
| <b>EBIT</b>             | <b>187</b>  | <b>559</b>  | <b>1323</b> | <b>1684</b>  | <b>1800</b> |
| <b>EBIT%CA</b>          | <b>1.8%</b> | <b>4.9%</b> | <b>9.9%</b> | <b>10.8%</b> | <b>9.6%</b> |