

**SQUEEZY<sup>®</sup>**  
**SPORTS**  
**NUTRITION**

**Annual Report 2009**

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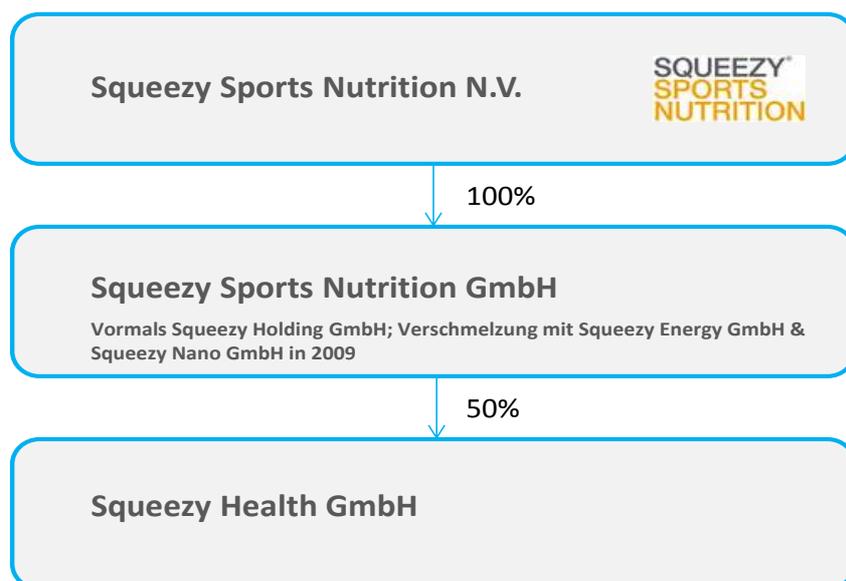
## Key Figures of Squeezy Sports Nutrition GmbH

T€	2009 (German GAAP)
Total revenues	1,101
Operating profit (EBIT)	-35
Operating margin	n. a.
Profit before tax	34
Profit margin	3.0 %
Net income	33
Net income margin	3.0 %
Earnings per share* (€)	0,0026

\* calculated on the actual number of 12.500.000 outstanding shares.

## To our shareholders

The fiscal year 2009 can best be described as a year of changes for Squeezy Sports Nutrition N.V. The economic impact of the financial on economic crisis as well as the company specific situation of Squeezy were attributing to the need for organizational and operational changes. Squeezy as a small growth company that is operating in a growing but increasingly becoming more segmented market is facing the continuous task to defend its strong market position in the field for innovative nutritional supplements in the professional sport segment by expanding its market share or investing in the creation of innovative new product solutions. In 2009, the roll-out of a new corporate design was initiated which was well accepted by the market. In addition, Squeezy Sports Nutrition GmbH merged with its subsidiaries, Squeezy Energy GmbH and Squeezy Nano GmbH. The newly created lean and centralized organizational structures allow for both cost savings as well as improved operational efficiencies. The following organizational chart is summarizing the current Squeezy Group:



Squeezy Sports Nutrition N.V. solely serves as the listed public holding company for Squeezy Sports Nutrition GmbH which is incorporating Squeezy's operational activities including R&D, procurement and sales as well as the inventory and logistics management system. In 2008, Squeezy® Athletic line that is targeting the weight loss market was successfully launched. Besides the two traditional and well implemented product segments Squeezy® Weight Loss and Squeezy® Performance (nutrition for professional and ambitious sportsmen), Squeezy plans to further diversify its product portfolio in cooperation with two partners by providing specific health-supporting products. In the short-run, the new separate business line will be operated via Squeezy Health GmbH.

With regard to the initiated cost saving program and the simplified corporate structure, Squeezy Sports Nutrition N.V. decided to report its financial results for future years not on a consolidated basis anymore, but instead stand-alone for both the holding company as well as for the operating company Squeezy Sports Nutrition GmbH. The annual accounts of Squeezy Sports Nutrition N.V. are hereby only documenting the group's administrative overhead and listing cost. Since the statutory seat is located in Maastricht, the Netherlands, the annual accounts are established in accordance to Dutch GAAP. Squeezy's financial position and financial performance underlying the group's operational activities are explicitly reflected in the annual accounts of Squeezy Sports Nutrition GmbH. The annual accounts are set up under HGB (German GAAP).

Despite the difficult market environment during 2009, Squeezy eventually managed to break even. For the fiscal year 2009 Squeezy Sports Nutrition GmbH (formerly Squeezy Holding GmbH), generated total revenues of 1,101 TEUR (previous year's total revenues: 1,162 TEUR). The decline in total sales was attributable to the decreasing global economic activity. The company's net result for the period amounted to 33 TEUR. The realized positive net income combined with a decrease in revenues can be regarded as a strong proof for the success related to the implemented cost saving measures.

The re-centralized own sales and customer service structures including key account management and on-site support services have also helped to strengthen the sales efficiencies by achieving a better cost-benefit ratio. For 2010, Squeezy plans to continue its internationalization strategy by liaising with new powerful international distribution partners. Especially the Eastern European countries and Russia are currently considered major target markets. For the German home market, Squeezy intends to increase its points of sales via cooperation agreements with strong national retailers.

Maastricht, January 17, 2012

Roger Walter Milenk  
Member of the Board

## The Squeezy share

Squeezy Sports Nutrition N.V. shares have been listed on the Open Market of the Frankfurt Stock Exchange on November 30, 2007. The shares are traded on the Open Market (First Quotation Board) segment of the Frankfurt Stock Exchange, Xetra, the Stuttgart Stock Exchange and the Berlin Stock Exchange.

Referencing its closing price for the year 2008 of EUR 0.062, the company's share price declined to EUR 0.03 at the end of the year 2009. The share price marked its year-high at EUR 0.10 on May 8, and experienced its year-low at EUR 0.027 on September 23. The market capitalization on December 31, 2009 amounted to EUR 0.375m (31.12.2008: EUR 0.78m).

<b>Number of shares:</b>	12.5m shares
<b>End of year price:</b>	EUR 0.03 per share
<b>Price-High:</b>	EUR 0.10 (FFM, 08.05.2009)
<b>Price-Low:</b>	EUR 0.027 (FFM, 23.09.2009)
<b>Market capitalization:</b>	EUR 0.375m (end of 2009)
<b>Reuters Symbol:</b>	3SQ
<b>WKN:</b>	A0M531
<b>ISIN:</b>	NL0006129066
<b>Stock Markets:</b>	Xetra, Frankfurt, Stuttgart, Berlin
<b>Segment:</b>	Open Market

## Earnings Situation for Squeezy Sports Nutrition GmbH

For the fiscal year 2009 Squeezy Sports Nutrition GmbH reports total revenues of 1,101 TEUR (previous year's net turnover: 1,162 TEUR). The slight decrease in revenues is attributable to the difficult economic environment during 2009 which affected Squeezy in the way that the expected growth path could not be continued as planned.

The company's operating cost block could be reduced in light of the implemented cost saving program and is amounting to 1,135 TEUR for the reporting period (previous year: 1,386 TEUR). The resulting operating profit amounts to -35 TEUR (previous year: -224 TEUR). Even though the company's total output decreased in 2009, Squeezy almost managed to break even. This development is expected to further improve the company's profitability as soon total sales are increasing in the future.

Extraordinary non-recurring income of 97 TEUR helped Squeezy to eventually conclude a difficult fiscal year 2009 with a positive net income of 33 TEUR being equivalent to EUR 0.0026 earnings per share.

## Asset Situation for Squeezy Sports Nutrition GmbH

As of December 31, 2009, total assets of Squeezy Sports Nutrition GmbH amounted to 633 TEUR of which 2 TEUR were attributable to cash and cash equivalents. Previous year's asset levels are not qualifying for direct comparison since in 2009 the merger between Squeezy Sports Nutrition GmbH and its subsidiaries are biasing the company's balance sheet positions upward. The largest asset position are forming inventories with 251 TEUR followed by trade and other receivables amounting to 236 TEUR.

The Capitalization of start-up costs amounting to 70 EUR are attributable to the launch of a new brand identity and R&D costs associated with the extension of the product portfolio.

The company's total equity amounts to 34 TEUR. The equity ratio for the end of the fiscal year 2009 was 5 %. When adding liabilities to shareholders and associated companies (106 TEUR) to the economic equity of Squeezy, the adjusted equity ratio amounts to 22%. Within the reported liabilities, 292 TEUR are to be allocated to financial liabilities to banks of which in turn 220 TEUR are having short-term character (maturity of less than a year).

## **Annual Accounts 2009 for Squeezy Sports Nutrition N.V.**

- Balance sheet
- Profit and loss account
- Notes

## Balance Sheet

as of December 31, 2009

(after appropriation of result)	<u>31.12.2009</u>	<u>31.12.2008</u>
	EUR	EUR
<b>Fixed assets</b>		
Financial fixed assets	25,000	-
<b>Current assets</b>		
Current account subsidiary	-	62,000
Cash and banks	<u>6,000</u>	<u>7,000</u>
	6,000	69,000
<b>Current liabilities, accruals and deferred income</b>	<u>38,000</u>	<u>5,000</u>
<b>Current assets less current liabilities</b>	<u>(32,000)</u>	<u>64,000</u>
<b>Total assets less current liabilities</b>	<u>(7,000)</u>	<u>64,000</u>
<b>Long-term liabilities</b>	-	-
<b>Shareholders' equity</b>		
Issued share capital	125,000	125,000
Share premium	338,000	338,000
Other reserves	<u>(470,000)</u>	<u>(399,000)</u>
	<u>(7,000)</u>	<u>64,000</u>
	<u>(7,000)</u>	<u>64,000</u>

## Profit and loss account 2009

	31.12.2009 EUR	31.12.2008 EUR
<b>Gross operating result</b>		
General and consultancy costs	45,000	16,000
<b>Total expenses</b>	<u>45,000</u>	<u>16,000</u>
<b>Operating result</b>	(45,000)	(16,000)
Share in result of subsidiaries	(26,000)	(239,000)
Financial income and expense	-	5,000
<b>Result on ordinary activities before taxation</b>	(71,000)	(250,000)
Taxation on result of ordinary activities	-	-
<b>Result on ordinary activities after taxation</b>	<u>(71,000)</u>	<u>(250,000)</u>

## Notes

### General

#### **Activities**

Squeezy Sports Nutrition N.V. is a public limited company incorporated in The Netherlands with its statutory office in Amsterdam and its physical address at Kruisdonk 66 in 6222 PH Maastricht. The company is an investment holding company through the intermediate holding company Squeezy Sports Nutrition GmbH (formerly Squeezy Holding GmbH) for its principle 50% subsidiary Squeezy Health GmbH. The former subsidiaries Squeezy Energy GmbH and Squeezy Nano GmbH have merged in 2009 with Squeezy Sports Nutrition GmbH. These subsidiaries are all located and working in Germany and principally involved in the field of manufacturing and distributing of sports nutrition products, such as power gels, energy enhancement food/drink supplementaries and weight loss products.

Squeezy Sports Nutrition N.V. was incorporated on 14<sup>th</sup> September, 2007. At 30<sup>th</sup> November, 2007 Squeezy Sports Nutrition N.V. has been listed at the Open Market of the Frankfurt Stock Exchange.

The average number of employees was 5 (5) in 2009 (2008).

These consolidated financial statements were approved for issuance by the Supervisory Board on September 29, 2011.

### General accounting principles for the preparation of the financial statements

The financial statements have been prepared in accordance with Title 9, Book 2 of the Netherlands Civil Code.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise, the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

#### **Consolidation**

Due to the fact that Squeezy Sports Nutrition N.V. is a so called small company according to Title 9, Book 2 of the Netherlands Civil Code there is no obligation for consolidation of the financial statements of the subsidiaries. The subsidiaries are presented at net equity value.

#### **Translation of foreign currency**

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing at balance sheet date.

Transactions in foreign currency during the financial year are recognized in the financial statements at the exchange rates prevailing at transaction date. The exchange differences resulting from the translation as of balance sheet date, taking into account possible hedge transactions, are recorded in the profit and loss account.

Foreign group companies and non-consolidated participations outside the Netherlands qualify as independent foreign units. For the translation of the financial statements of these foreign entities the balance sheet items are translated at the exchange rate at balance sheet date and the profit and loss account items at the average rate. The translation differences that arise are directly deducted from or added to shareholders' equity.

## **Principles of valuation of assets and liabilities**

### **Financial fixed assets**

Where significant influence is exercised participations in non-consolidated group companies are valued under the net equity value method, but not lower than a nil value. This net equity value is based on the same accounting principles as applied by Squezy Sports Nutrition N.V.

Participations with a negative equity are valued at nil. If the company fully or partly guarantees liabilities of the participation concerned a provision is formed, primarily comprising the receivables from this participation. The remainder is recognized under provisions, in the amount of the share in the losses incurred by the participation, or for the amount of payments the company is expected to make on behalf of these participations.

Where no significant influence is exercised participations are valued at cost and if applicable less impairments in value. With the valuation of participations any impairment in value is taken into account.

Other investments with a long-term nature are presented at acquisition cost or at lower market value and, if applicable, net of impairments.

The receivables on and loans to participations and other receivables are valued at face value after deduction of any provisions.

Securities included in financial fixed assets (per fund) are valued at cost or lower market value at balance sheet date.

The bonds and certificates stated under the financial fixed assets are valued at amortized cost.

Deferred tax assets are stated under the financial fixed assets if and to the extent it is probable that the tax claim can be realized in due course. These deferred tax assets are valued at nominal value and have a predominantly long-term character.

### **Receivables**

Receivables are included at face value, less any provision for doubtful accounts. These provisions are determined by individual assessment of the receivables.

### **Provisions**

Provision for deferred tax liabilities:

For amounts of taxation payable in the future, due to differences between the valuation principles in the annual report and the valuation for taxation purposes of the appropriate balance sheet items, a provision has been formed for the aggregate of these differences multiplied by the current rate of taxation. These provisions are reduced by amounts of taxation recoverable in the future in respect of the carry-forward of unused tax losses, to the extent that it is probable that future tax profits will be available for settlement.

Other provisions:

Provision participations:

This provision is formed for the expected payments charged to the company on behalf of participations.

### **Long-term liabilities**

Recorded interest-bearing loans and liabilities are valued at amortized cost.

## **Principles for the determination of the result**

Revenues ensuing from the sale of from goods are accounted for when all major entitlements to economic benefits as well as all major risks have transferred to the buyer. The cost price of these goods is allocated to the same period.

Revenues from services are recognized in proportion to the services rendered. The cost price of these services is allocated to the same period.

The profit to be allocated to the work in progress is determined on the basis of costs incurred for the work as at balance sheet date, in proportion to the aggregate costs expected to be spent on the work. The net realizable value is based on an expected sales price net of costs to be incurred for completion and sales.

### Gross operating result

The gross operating result consists of the net turnover, changes in inventory of finished goods and work in progress, capitalized production on behalf of own business, other operating income, cost of raw materials and consumables and the cost of subcontracted work and other external charges. Net turnover represents amounts invoiced for goods and services supplied during the financial year under report, net of discounts and value added taxes.

### Share in result of non-consolidated subsidiaries

Where significant influence is exercised over participations, the group's share in the participations' results is included in the profit and loss account. This result is determined on the basis of the accounting principles applied by Squeezy Sports Nutrition N.V.

Where no significant influence is exercised, the dividend income is accounted for in the profit and loss as financial income.

### Taxation

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes.

### Notes to the specific items of the balance sheet

#### Financial fixed assets

Movements in financial fixed assets can be analysed as follows:

	<i>Participations in subsidiaries</i>
Balance as at 1 January 2009	-
Transferred from current account	(10,000)
Share in 2009 profit / (loss)	35,000
Balance as at 31 December 2009	<u>25,000</u>

The company's interests in group companies comprise the following:

	<i>Share in issued capital as percentage</i>	<i>Shareholders' equity as per latest adopted financial state- ments</i>	<i>Result as per lastly adopted financial statements</i>
Squeezy Sports Nutrition GmbH, Braunschweig Germany	100.00	25,000	35,000

**Current account subsidiary**

	31/12/2009	31/12/2008
Balance as at 1 January	62,000	-
Additions in financial year	(62,500)	72,000
Provision negative value subsidiary	<u>10,000</u>	<u>(10,000)</u>
	-	<b>62,000</b>

The current account with Squeezy Sports Nutrition GmbH has been repaid with € 10,500. The remaining balance of € 61,000 has been written off in 2009.

**Cash and banks**

	31/12/2009	31/12/2008
UBS Bank and Norddeutsche Landesbank	6,000	7,000

The bank account is freely available.

**Shareholders equity**

Issued share capital:

The issued share capital of the company amounts to EUR 125,000 divided into 12,500,000 ordinary shares of € 0.01. The authorised capital amounts 50,000,000 shares of € 0.01.

**Notes to the specific items of the profit and loss account****Share in result of subsidiaries**

	2009 EUR	2008 EUR
Squeezy Sports Nutrition GmbH	35,000	(239,000)
Write off current account	(61,000)	-
	<b>(26,000)</b>	<b>(239,000)</b>

**Financial income and expense**

	2009 EUR	2008 EUR
Interest income on current account subsidiary	-	5,000

### **Directors and Supervisory Board remuneration**

The remuneration of directors and members of the supervisory board was nil in 2009 and 2008. Director Mr. Roger Milenk held 5,977,418 shares in the company at 31 December 2009 and 2008.

### **Significant events after the balance date**

There were not any significant events after balance sheet date.

### **Signing of the financial statements**

*Maastricht, January 17, 2012.*

#### **Management Board:**

Roger Walter Milenk

#### **Supervisory Board:**

Florian Pfingsten

Robert Käß

Detlev Kutscher

## **Other information**

### **General**

The company has utilized the exemption from an audit by virtue of article 2:396, paragraph 6 of the Netherlands Civil Code. For this reason a management report is also not included.

### **Statutory rules concerning appropriation of result**

In Article 15 of the company statutory regulations the following has been presented concerning the appropriation of result:

- The Management Board is entitled, after approval of the Supervisory Board, to transfer a part of the profit to the other reserves;
- The appropriation of the remaining part of the profit shall be decided by the general meeting of shareholders.

### **Proposed appropriation of result for the financial year 2009**

The Board of Directors proposes, with the approval of the Supervisory Board, that the result for the financial year 2009 amounting to EUR (71,000) should be transferred to the other reserves. The financial statements do reflect this proposal.

**Excerpts of the Annual Accounts 2009 for  
Squeezy Sports Nutrition GmbH**

**(Established under HGB)**

## Balance Sheet

as of December 31, 2009 (in EUR thousands)

	December 31, 2009	December 31, 2008
<b>ASSETS</b>		
<b>Non-current assets</b>		
Capitalisation of start-up expenditures	70	-
Intangible assets	30	29
Fixed assets	26	15
Tangible fixed assets	12	67
	<u>138</u>	<u>111</u>
<b>Current assets</b>		
Inventories	251	-
Trade & other receivables	236	151
Bank balances and cash	2	-
	<u>489</u>	<u>151</u>
<b>Prepaid Expenses</b>	6	9
<b>Total assets</b>	<u><u>633</u></u>	<u><u>271</u></u>
<b>EQUITY AND LIABILITIES</b>		
<b>Capital and reserves</b>		
Paid-in capital	25	25
Share premium	500	500
Accumulated profits	(491)	(524)
	<u>34</u>	<u>1</u>
<b>Total equity</b>	<u>34</u>	<u>1</u>
<b>Provisions</b>	11	18
<b>Liabilities</b>	<u>588</u>	<u>252</u>
<b>Total equity and liabilities</b>	<u><u>633</u></u>	<u><u>271</u></u>

The accompanying notes and the full version of the financial statements can be found on the "elektronischer Bundesanzeiger" on the web !

## Income Statement

for the fiscal year ended 31 December 2009 (in EUR thousands)

	2009	2008
<b>TOTAL REVENUE</b>	<b>1,101</b>	<b>1,162</b>
Costs of materials	641	514
<b>GROSS MARGIN</b>	<b>460</b>	<b>648</b>
<b>COSTS</b>		
Employee costs	184	211
Depreciation on non-current assets	22	14
General and administrative costs	288	647
	494	872
<b>OPERATING PROFIT</b>	<b>(35)</b>	<b>(224)</b>
Profit and loss from transfer agreement	-	(7)
Depreciation on current assets	-	8
<b>FINANCIAL INCOME</b>		
Interest	(29)	(10)
<b>EXTRAORDINARY INCOME</b>	<b>97</b>	<b>0</b>
<b>PROFIT BEFORE TAX</b>	<b>34</b>	<b>(249)</b>
Tax	(1)	(1)
<b>PROFIT AFTER TAX</b>	<b>33</b>	<b>(250)</b>

The accompanying notes and the full version of the financial statements can be found on the "elektronischer Bundesanzeiger" on the web !