

## CAFÉS DE ESPECIALIDAD DE CHIAPAS S.A.P.I. DE C.V.

April, 2017. Chiapas, México.

To whom it may concern:

Cafés de Especialidad de Chiapas SAPI de CV (Cafesca), a subsidiary of ECOM Group, is the only plant of its kind in México and Central America for processing soluble coffee with Freeze Dried technology. It is located in a strategic fiscal area of Tapachula Chiapas, México.

CAFESCA plant is in its 6th year of industrial activity, operating technology on Roasting, Extraction and Freeze Dried supported by prestigious providers in the worldwide industry.

During the months of September 2016 to April 2017 we conducted a third project with support of **London Consulting Group (LCG)** with the objective of ensure continuity and consolidate the governance model, in addition to some initiatives with emphasis on operational control, management Indicators, budget, organizational development and integration of the Change Management Office for the implementation of SAP.

LCG worked side by side with an IT Company on the automation of our Management Information System (KPIs); Leading the process, working on the solution design, software configuration, training and implementation, in order to generate the information in a timely and automated manner to support decision making.

The project objectives were achieved successfully, so we want to mention some of those:

## Collaborative quantitative improvements End of Year 2016.

- Company turnaround vs 2015.
- EBITDA 2016. 5 times better than 2015.
- 40% reduction on transformation cost vs 2015.
- 28% improvement in Production volume vs 2014 and 9.5% vs 2015.

## Qualitative improvements:

- Design and implementation of the variable compensation model.
- 100% of the operational team trained on Soft Skills.
- Change management model and training support for SAP implementation.
- Development of Profitability Analysis Tool to drive strategic direction.
- Design and implementation of budget generation and control process.
- Design and implementation of a Process to control Biomass inventories.
- Audits tools and process implemented to ensure continuity of the management model.

After developing 3 projects together, in which we have obtained the expected results and most of all achieved cultural change at all levels that allow us to focus on obtaining results and continuous improvement.

We wish to highlight the work done by each member of LCG, their methodology, their commitment and high professionalism focused on results. Therefore, we extend our recommendation.

Sincerely,

Renan Chueiri.

**CAFESCA. Chief Executive Officer** 

Jorge Esteve.

**ECOM.** President