



Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Rouchon Industries, Inc. d/b/a Swiftech

A California Corporation, located at:

3729 San Gabriel River Parkway, Ste. B&C, Pico Rivera, CA 90660, USA

(562)-821-5924

www.swiftech.com

gabe@swiftech.cm

Primary SIC 3577, Secondary SIC 3823

Annual Report

For the Period Ending: December 31st, 2018

(the "Reporting Period")

As of December 31st, 2018, the number of shares outstanding of our Common Stock was:

22,955,712

As of September 30th, 2018, the number of shares outstanding of our Common Stock was:

22,955,712

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933 and Rule 12b-2 of the Exchange Act of 1934):

Yes: ☐

No: ☒ (Double-click and select "Default Value" to check)

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐

No: ☒

Indicate by check mark whether a Change in Control¹ of the company has occurred over this reporting period:

Yes: ☐

No: ☒

¹ "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;

(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;

(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or

(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name of the issuer and its predecessors (if any)

Rouchon Industries Inc., d.b.a. Swiftech

Names used by predecessor entities in the past five years and the date of their name changes: None

Date and state (or jurisdiction) of Incorporation:

Rouchon industries, Inc. d/b/a Swiftech incorporated under the corporate laws of the state of California on January 25, 2001, and its current status in the state of incorporation is: Active.

Has the issuer or any of its predecessors ever been in bankruptcy, receivership, or any similar proceeding in the past five years?

Yes: ☐

No: ☒

2) Security Information

Trading symbol: RCHN
Exact title and class of securities outstanding: Common shares
CUSIP: 779084102
Par or stated value: None

Total shares authorized:	<u>100,000,000</u>	as of date: <u>December 31st, 2018</u>
Total shares outstanding:	<u>22,955,712</u>	as of date: <u>December 31st, 2018</u>
Number of shares in the Public Float ² :	<u>4,701,212</u>	as of date: <u>December 31st, 2018</u>
Total number of shareholders of record:	<u>19</u>	as of date: <u>December 31st, 2018</u>

Additional class of securities (if any): None

Trading symbol: _____
Exact title and class of securities outstanding: _____
CUSIP: _____
Par or stated value: _____
Total shares authorized: _____ as of date: _____
Total shares outstanding: _____ as of date: _____

Transfer Agent

Name: Globex Transfer, LLC
Phone: 386-206-1133
Email: mt@globextransfer.com

Is the Transfer Agent registered under the Exchange Act?³ Yes: ☒ No: ☐

Describe any trading suspension orders issued by the SEC concerning the issuer or its predecessors:

None

List any stock split, stock dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

3) Issuance History

² "Public Float" shall mean the total number of unrestricted shares not held directly or indirectly by an officer, director, any person who is the beneficial owner of more than 10 percent of the total shares outstanding (a "control person"), or any affiliates thereof, or any immediate family members of officers, directors and control persons.

³ To be included in the Pink Current Information tier, the transfer agent must be registered under the Exchange Act.

A. Changes to the Number of Outstanding Shares

Check this box to indicate there were no changes to the number of outstanding shares within the past two completed fiscal years and any subsequent periods: ☐

Number of Shares outstanding as of January 1st, 2016	<u>Opening Balance:</u> Common: <u>22,505,712</u> Preferred: <u>None</u>		*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	Transaction type (e.g. new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to (entities must have individual with voting / investment control disclosed).	Reason for share issuance (e.g. for cash or debt conversion) OR Nature of Services Provided (if applicable)	Restricted or Unrestricted as of this filing?	Exemption or Registration Type?
<u>August 12, 2016</u>	<u>Issuance</u>	<u>200,000</u>	<u>Common Stock</u>	<u>\$ 0.05</u>	<u>No</u>	<u>Kathryn Anne Marquez</u>	<u>Marketing Services</u>	<u>Restricted</u>	<u>144</u>
<u>August 31st, 2017</u>	<u>Issuance</u>	<u>200,000</u>	<u>Common Stock</u>	<u>\$0.05</u>	<u>No</u>	<u>Daniel James watt</u>	<u>Marketing Service</u>	<u>Restricted</u>	<u>144</u>
<u>June 8th, 2018</u>	<u>Issuance</u>	<u>50,000</u>	<u>Common stock</u>	<u>\$0.06</u>	<u>No</u>	<u>Lora Loeur Yem</u>	<u>Severance</u>	<u>Restricted</u>	<u>144</u>
Shares Outstanding on December 31st, 2018:	<u>Ending Balance:</u> Common: <u>22,955,712</u> Preferred: <u>None</u>								

B. Debt Securities, Including Promissory and Convertible Notes

Use the chart and additional space below to list and describe any issuance of promissory notes, convertible notes or convertible debentures **in the past two completed fiscal years and any subsequent interim period.**

Check this box if there are no outstanding promissory, convertible notes or debt arrangements: ☒

Date of Note Issuance	Outstanding Balance (\$)	Principal Amount at Issuance (\$)	Interest Accrued (\$)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder	Reason for Issuance (e.g. Loan, Services, etc.)
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____	_____	_____

4) Financial Statements

A. The following financial statements were prepared in accordance with:

- ☒ U.S. GAAP
☐ IFRS

B. The financial statements for this reporting period were prepared by (name of individual)⁴:

Name: Craig Kotani, Sawin & Kotani, CPA's
Title: CPA
Relationship to Issuer: Accounting Service Provider

ROUCHON INDUSTRIES, INC. dba SWIFTECH
BALANCE SHEET (UNAUDITED)

As of December
31, 2018
(Unaudited)

ASSETS

CURRENT ASSETS:

Cash	\$ 39,881
Accounts Receivable, Net of Allowance for Bad Debts	234,644
Inventory	1,348,268
Prepaid Expenses	<u>1,980</u>
Total Current Assets	<u><u>1,624,773</u></u>

Property and Equipment

Property and Equipment	485,001
Accumulated Depreciation	<u>(248,507)</u>
Net Property and Equipment	<u><u>236,494</u></u>

TOTAL ASSETS	<u><u><u>\$ 1,861,267</u></u></u>
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UNAUDITED - See Accompanying Notes to Financial Statements

⁴ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS by persons with sufficient financial skills.

ROUCHON INDUSTRIES, INC. dba SWIFTECH**BALANCE SHEET - CONTINUED (UNAUDITED)**

As of December
31, 2018
(Unaudited)

LIABILITIES AND STOCKHOLDER'S EQUITY**CURRENT LIABILITIES:**

Accounts Payable	\$ 277,618
Salaries and Related Taxes Payable	12,996
Accrued Vacation Payable	43,410
Accrued Expenses	44,243
Current Portion of Long Term Debt	<u>100,908</u>

Total Current Liabilities 479,175

Loans Payable Net of Current Portion 290,425

Total Liabilities 769,600

STOCKHOLDERS' EQUITY:

Common Stock - No Par Value, 100,000,000 Shares Authorized, 22,955,712 Shares Issued and Outstanding	329,179
Additional Paid-In Capital	(58,372)
Retained Earnings	<u>820,860</u>

Total Stockholders' Equity 1,091,667

**TOTAL LIABILITIES AND
STOCKHOLDERS' EQUITY** **\$ 1,861,267**

UNAUDITED - See Accompanying Notes to Financial Statements

ROUCHON INDUSTRIES, INC. dba SWIFTECH**INCOME STATEMENT (UNAUDITED)**

	Three Month Period December 31, 2018 (Unaudited)	Twelve Month Period December 31, 2018 (Unaudited)
<u>SALES</u>	\$ 1,045,225	\$ 2,824,760
<u>COST OF GOODS SOLD:</u>		
Materials	597,542	1,189,797
Labor Costs	34,321	145,926
Freight Expense	69,411	154,415
TOTAL COST OF GOODS SOLD	701,274	1,490,138
GROSS PROFIT	343,951	1,334,622
<u>GENERAL AND OPERATING EXPENSES:</u>		
Salaries	159,481	572,026
Rent Expense	34,694	126,224
Employee Benefit Programs	16,634	63,998
Payroll Taxes	15,038	60,400
Interest Expense	22,033	46,163
Legal and Accounting	18,065	38,715
Utilities	11,352	36,908
Insurance	7,309	34,392
Research and Development	8,307	27,228
Bank and Merchant Charges	3,499	21,392
Travel and Entertainment Expenses	9,088	16,082
Office Expenses	4,190	14,278
Advertising	3,169	12,460
Depreciation	2,396	12,025
Postage and Shipping	2,195	11,675
Supplies	2,986	11,310
Dues and Subscriptions	456	7,260
Telephone	1,610	7,122
Commissions	2,093	5,431
Repairs and Maintenance	590	2,702
Other General and Operating Expenses	676	3,427
TOTAL GENERAL AND OPERATING EXPENSES	325,861	1,131,218
INCOME BEFORE PROVISION FOR INCOME TAXES	18,090	203,404
PROVISION FOR INCOME TAXES	0	(800)
NET INCOME	\$ 18,090	\$ 202,604

UNAUDITED - See Accompanying Notes to Financial Statements

ROUCHON INDUSTRIES, INC. dba SWIFTECH
STATEMENT OF CHANGES IN STOCKHOLDERS' EQUITY (UNAUDITED)

	<u>COMMON STOCK</u>	<u>ADDITIONAL PAID IN CAPITAL</u>	<u>RETAINED EARNINGS</u>	<u>TOTAL</u>
BALANCE AS OF DECEMBER 31, 2017	\$ 329,179	\$ (58,372)	\$ 618,256	\$ 889,063
NET INCOME	<u> </u>	<u> </u>	<u>202,604</u>	<u>202,604</u>
BALANCE AS OF DECEMBER 31, 2018	<u>\$ 329,179</u>	<u>\$ (58,372)</u>	<u>\$ 820,860</u>	<u>\$ 1,091,667</u>

Weighted Average Number of Common Stock Outstanding (after 20-1 split in 2005)

Basic	22,955,712	22,955,712
Fully Diluted	22,955,712	22,955,712
Income Per Comon Share:		
Basic	\$0.0088	\$0.0088
Fully Diluted	\$0.0088	\$0.0088

UNAUDITED - See Accompanying Notes to Financial Statements

ROUCHON INDUSTRIES, INC. dba SWIFTECH
STATEMENTS OF CASH FLOWS (UNAUDITED)

	Twelve Month Period December 31, 2018 (Unaudited)
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>	
Net Income from Operations	\$ 202,604
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided (Used) by Operating Activities:	
Depreciation	12,025
Changes in Operating Assets and Liabilities:	
Accounts Receivable	(127,546)
Inventory	(91,230)
Prepaid Expenses	434
Accounts Payable	96,393
Salaries and Related Taxes Payable	(3,249)
Accrued Vacation Payable	12,136
Accrued Expenses	(27,898)
Net Cash Provided (Used) by Operating Activities	73,669
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>	
Purchases of Equipment	(1,490)
Net Cash Provided (Used) by Investing Activities	(1,490)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>	
Advances from Credit Line	60,000
Payments on Credit Line	(230,113)
Payments on Note Payable	(74,838)
Advances from Note Payable	195,000
Net Cash Provided (Used) by Financing Activities	(49,951)
INCREASE (DECREASE) IN CASH	22,228
Cash Balance - Beginning	17,653
CASH BALANCE - ENDING	\$ 39,881
<u>SUPPLEMENTAL CASH FLOW DISCLOSURES</u>	
Interest Paid	\$ 46,163
Income Taxes Paid	\$ 800

UNAUDITED - See Accompanying Notes to Financial Statements

ROUCHON INDUSTRIES, INC. dba SWIFTECH

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018

NOTE 1 - NATURE OF OPERATIONS

Rouchon Industries, Inc. DBA: Swiftech (Company) was incorporated on January 25, 2001 in the State of California to develop, manufacture and sell thermal management products. The Company will offer a wide variety of advanced products for thermal dissipation and is working with leading hardware vendors to create custom products for future high-end systems.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies of the company is presented to assist in understanding the financial statements. The financial statements and notes are representations for the company's management who is responsible for their integrity and objectivity. These accounting policies conform to generally accepted accounting principles and have been consistently applied in the preparation of the financial statements.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Company considers all short-term securities purchased with a maturity of nine months or less when purchased to be cash equivalents.

Accounts Receivable

The Company establishes an allowance for doubtful accounts for uncollectible trade accounts receivable based on management's evaluation of the collectivity of outstanding accounts receivable. The allowance for bad debts was \$4,500 as of December 31, 2018.

Property and Equipment

Property and equipment are stated at cost. When items of property are sold or retired, the related costs are removed from the accounts and any gain or loss is included in income. Depreciation of property and equipment is provided using the straight-line method for financial reporting purposes at rates based on the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Transportation Equipment	3-5
Office Equipment	5-7
Leasehold Improvements	10-15

For federal income tax purposes, depreciation is computed using the modified accelerated cost recovery system. Expenditures for major renewals and betterments that extend the useful lives of property and equipment are capitalized. Expenditures for maintenance and repairs are charged to expense as incurred.

ROUCHON INDUSTRIES, INC. dba SWIFTECH

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

Deferred income taxes are reported using the liability method. Deferred tax assets are recognized for deductible temporary differences and operating loss carry forwards. Deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes related primarily to differences between the bases of certain assets and liabilities for financial and tax reporting as described in the preceding paragraph.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 3 – DEBT

Debt consisted of the following at December 31, 2018:

Bank term loan secured by inventory, equipment and Fixtures and receivables of the Company payable in monthly Installments of \$4,023 with interest assessed at 8.73%.	\$ 181,734
Bank term loan secured by inventory, equipment and fixtures and receivables of the Company payable in monthly Installments of \$5,810 with interest assessed at 4.00%	101,732
Unsecured loan from major shareholder	<u>107,867</u>
Total Debt	391,333
Less Current Portion	<u>(100,908)</u>
Long-Term Debt	<u>\$ 290,425</u>

ROUCHON INDUSTRIES, INC. dba SWIFTECH

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2018

NOTE 4 – LEASES

The Company leases office space in Pico Rivera, California a under long term lease expiring on December 31, 2022. Future commitments are as follows:

Year ended December 31,

2019	\$ 78,067
2020	80,248
2021	82,502
2022	<u>63,159</u>
Total	<u>\$ 303,976</u>

5) Issuer's Business, Products and Services

Summary of the issuer's business operations

The Issuer, Rouchon Industries, Inc. DBA Swiftech is in the business of engineering, manufacturing, and distributing thermal management products for the information technology industry.

(i) Industry background information

Following Moore's law, the computer hardware industry has seen the number of transistors that can be placed on an integrated circuit double approximately every two years since 1965, and this trend is not expected to stop until 2015 or later. As a result, microprocessors such as central processing units, and graphics processing units have substantially increased in speed, computing power, and heat dissipation, ranging from a few watts in the late 90's to several hundred watts in the recent months.

In addition to the increase in factory baseline thermal power of these microprocessors, technologies have also been developed since the late 90's that allow end users to further increase the speed of the devices by themselves: a practice commonly called "overclocking". Increasing the speed of the microprocessors also increases their heat dissipation requirements. These factors have been driving the demand for high end cooling solutions both at the industrial level, and at the consumer level.

(ii) Company background

Since its inception, Swiftech has produced cutting-edge performance cooling products for the IT industry, beginning with its first award winning product, the MC370 line of heatsinks early 2000. Swiftech is viewed by many industry experts as one of the founders of the liquid cooling industry for personal computers that started early 2000, and which is gradually becoming a main stream solution, for being used by Dell®, HP®, and many other personal computers manufacturers.

(iii) Business Operations

Administration, sales, engineering, research & development, warehousing, and some product assembly are conducted at the issuer's Corporate Headquarters in Pico Rivera, CA with a full-time staff of 15 employees.

A. Description of subsidiaries, parents, or affiliated companies, their business contact information for the business, officers, directors, managers or control persons.

Manufacturing and Asian distribution are conducted at the issuer's subsidiary, Swiftech Technology (Shenzhen) Co., Ltd with a full-time staff of 15 employees. Rouchon Industries Inc., d/b/a/ Swiftech owns 95% of Swiftech Technology (Shenzhen) Co., Ltd, which is located at ChangAn XinAn Community HuaGuoShan Road 7#D2, DongGuan, GuangDong, China, 523880, tel 13823 343536. Alex Chen, is the Chief Executive officer of the Corporation, and owns 5% of the stock. Gabriel Rouchon is Chairman of the Board.

B. Description of the issuers' principal products or services, and their markets

According to a [report published by Bcc research](#), the global market for thermal management products will grow from about \$10.7 billion in 2015 to nearly \$11.2 Billion in 2016 and \$14.7 billion by 2021, representing a compound annual growth rate (CAGR) of 5.6% between 2016 and 2021.

Swiftech's products and services range from design, manufacturing and distribution of heatsinks, thermal tools using thermoelectric technology, pumps, heat exchangers, waterblocks for CPU's, GPU's, chipsets, and complete liquid cooling systems sold in kits. Products are compatible with Intel® and AMD® central processing units, AMD® (formerly ATI®) and Nvidia® graphics processing units.

Applications for the products range from consumer level "do-it-yourself" (DIY) enthusiast home computer builders, system integration by commercial computer builders and component manufacturers, to industrial thermal tools for component manufacturers. In an average, approximately 40% of the issuer's products are intended for consumer related use, and the rest of the products are intended for industrial related use.

By virtue of being one of the first companies to market custom liquid cooling components and systems for personal computers in the late 90's, the issuer benefits from an exceptionally solid reputation among enthusiast do-it-yourself users, but such activity from a mass market stand-point has remained until relatively recently a low-volume hobby.

However, in the past few years, the PC industry has witnessed a considerable increase in the use of inexpensive all-in-one (AIO) closed-loop CPU liquid cooling systems by tier-one PC makers such as Dell, HP, and others. This is because they provided thermal characteristics on par with traditional heatsinks, but without placing as much weight on the circuit board thus reducing shipping damages.

Naturally, these solutions began trickling down into the DIY retail space with limited acceptance at first until more recently, where they finally succeeded in taking this market by storm by capitalizing on the high efficiency reputation of custom liquid cooling which are substantially more expensive (by a factor of 2 to 3), while offering novice builders inexpensive, plug-and-play, and maintenance free solutions.

When they first appeared, the performance level of these liquid cooling kits generally ranged from inferior to barely on par with high-end air cooling heatsinks used in the enthusiast market. However, high-end air-cooled solutions presented the disadvantage of considerable size and weight on the circuit board. Circa 2011 though, more robust AIO liquid cooled solutions began to appear and captured a substantial market share of the high-end air cooler market. But up until today, all these products have sacrificed upgradability in favor of zero-maintenance, and the true performance potential of liquid cooling in favor of price.

The current market for this type of products is estimated at 80 to 100,000 units per month worldwide, with an estimated 80% of them being used by tier-one PC makers, and the balance being sold in the after-market DIY sector. They are manufactured under various OEM brands by 5 primary manufacturers: Cool-It, Asetek, AVC, Cooler Master, and PC cooler (Asia). MSRP price range varies between \$50 and \$200. The issuer entered the upper segment of this market in 2013, with its Drive X Series line of products, and has been issued US patents for its technology.

Distribution methods of the products or services

At the end of the 2018 fiscal year, Swiftech had distribution methods and channels consisting in respectively:

Distribution Type	Percentage
Retail Channels	20%
OEM's	76%
Direct to end-user sales	4%
Total	100%
Destination Type	Percentage
Domestic	95.5%
Export	4.5%
Total	100%
Use type	Percentage
Consumer	24%
Industrial	76%
Total	100%

(iv) Status of any publicly announced new product or service

The issuer announced and released the following new products for sale during the period ending December 31st, 2018:

- Apogee SKF flagship CPU waterblock.
- Drive X3 AIO CPU Cooling kits

The above statements and any others in this document are forward-looking statements that involve a number of risks and uncertainties. Many factors could affect Swiftech's actual results, and variances from Swiftech's current expectations regarding such factors could cause actual results to differ materially from those expressed in these forward-looking statements. Swiftech presently considers the following to be the important factors that could cause actual results to differ materially from the company's expectations.

Demand could be different from Swiftech's expectations due to factors including changes in business and economic conditions; customer acceptance of the company's and competitors' products; changes in customer order patterns including order cancellations; and changes in the level of inventory at customers.

Swiftech operates in an intensely competitive industry that is characterized by a high percentage of costs that are fixed or difficult to reduce in the short term and product demand that is highly variable and difficult to forecast. Additionally, Swiftech is in the process of transitioning its production process to new CNC equipment, and there could be execution issues associated with these changes, including product defects and errata along with lower than anticipated manufacturing yields. Revenue and the gross margin percentage are affected by the timing of new product introductions and the demand for and market acceptance of Swiftech's products; actions taken by Swiftech's competitors, including product offerings and introductions, marketing programs and pricing pressures and Swiftech's response to such actions; and Swiftech's ability to respond quickly to technological developments and to incorporate new features into its products.

The gross margin could vary significantly from expectations based on changes in revenue levels; variations in inventory valuation, including excess or obsolete inventory; product mix and pricing; manufacturing yields; changes in unit costs; and the timing and execution of the manufacturing ramp and associated costs.

Swiftech's results could be impacted by adverse economic, social, political and physical/infrastructure conditions in countries where Swiftech, its customers or its suppliers operate.

Swiftech's results could be affected by adverse effects associated with product defects and errata (deviations from published specifications), and by litigation or regulatory matters involving intellectual property.

(v) Competitive business conditions, the issuer's competitive position in the industry, and methods of competition

Swiftech competes with other computer cooling systems manufacturers which may have greater financial resources than itself, such as but not limited to Asetek, CoolerMaster, Cool It, Koolance, Thermaltake, Zalman, XPSPC, EK Waterblocks, and Koolance.

(vi) Dependence on one or a few major customers

Approximately 76% of Swiftech's revenues are generated by less than 20% of its customers.

(vii) Patents and trademarks

During the period ended December 31st, 2018, Swiftech was awarded the following U.S. patent on cooling products: number 9,927,181 and 10,048,008. Swiftech owns the registered trademark, "Swiftech," U.S. Trademark Registration No. 2544734.

6) Issuer's Facilities

The Company leases office space in Pico Rivera, California a under long term lease expiring on December 31, 2022. Future commitments are as follows:

Year ended December 31,

2019	\$ 78,067
2020	80,248
2021	82,502
2022	<u>63,159</u>
Total	<u>\$ 303,976</u>

7) Officers, Directors, and Control Persons

Name of Officer/Director and Control Person	Affiliation with Company (e.g. Officer/Director/Owner of more than 5%)	Residential Address (City / State Only)	Number of shares owned	Share type/class	Ownership Percentage of Class Outstanding	Note
<u>Gabriel Rouchon</u>	<u>Officer/Director/Owner of more than 5%</u>	<u>Rossmoor, CA</u>	<u>16,160,000</u>	<u>Restricted</u>	<u>70.39%</u>	<u>_____</u>
<u>Stephen Mounioloux</u>	<u>Officer/Director</u>	<u>Covina, CA</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>
<u>Elena Alday</u>	<u>Officer/Director</u>	<u>Norwalk, CA</u>	<u>6000</u>	<u>Restricted</u>	<u>.03%</u>	<u>_____</u>
<u>Jean Christophe Agobert</u>	<u>Owner of more than 5%</u>	<u>Toulouse, France</u>	<u>1,620,000</u>	<u>Restricted</u>	<u>7.06%</u>	<u>_____</u>
<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>	<u>_____</u>

8) Legal/Disciplinary History

A. Identification whether any of the persons listed above have, in the past 10 years, been the subject of:

1. A conviction in a criminal proceeding or named as a defendant in a pending criminal proceeding (excluding traffic violations and other minor offenses);

None

2. The entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, or banking activities;

None

3. A finding or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, or a state securities regulator of a violation of federal or state securities or commodities law, which finding or judgment has not been reversed, suspended, or vacated; or

None

4. The entry of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

- B. Brief description of any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

9) Third Party Providers

Securities Counsel

Name: Matthew McMurdo, Esq.
Firm: McMurdo Law Group, LLC
Address 1: 1185 Avenue of the Americas, 3rd Floor
Address 2: New York, New York 10036
Phone: (917) 318-2865
Email: matt@nannaronelaw.com

Accountant or Auditor

Name: Craig Kotani
Firm: Sawin & Kotani, CPA's
Address 1: 4401 Atlantic Avenue, Suite 103
Address 2: Long Beach, CA 90807
Phone: (562) 422-8600
Email: Craig@s-kcpas.com

Investor Relations Consultant

Name: None
Firm: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

Other Service Providers

Name(s) of any other service provider(s), including, counsel, advisor(s) or consultant(s) **that assisted, advised, prepared or provided information with respect to this disclosure statement**, or provided assistance or services to the issuer during the reporting period.

Name: None
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

10) Issuer Certification

Principal Executive Officer:

I, Gabriel Rouchon certify that:

1. I have reviewed this annual disclosure statement of Rouchon Industries, Inc. d/b/a Swiftech;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Dated: 3-25-19

/S/ Gabriel Rouchon

Chairman of The board

Principal Financial Officer:

I, Elena Alday certify that:

1. I have reviewed this annual disclosure statement of Rouchon Industries, Inc. d/b/a Swiftech;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

Dated: 3-25-19

/S/ Elena Alday

CFO