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**NEOFOG SAS**  
A UPL Group Company

ZA rue Ampère  
59236 FRELINGHIEN

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**INDEPENDENT AUDITOR'S REPORT  
ON THE NON-STATUTORY FINANCIAL STATEMENTS  
FOR THE 12 MONTHS PERIOD ENDED 31 MARCH 2015**

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We have audited the accompanying financial statements of NEO FOG SAS, which include the balance sheet and the income statement as at 31 March 2015 (12 months period).

**MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

Management is responsible for the preparation and fair presentation of these non-statutory financial statements in accordance with French Gaap. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

**AUDITOR'S RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with French Gaap. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## OPINION

In our opinion, the financial statements present fairly, in all material respects, the financial position of NEOFOG as of 31 March 2015 in accordance with French Gaap.

Paris, 20 April 2015



**Jacques de NUCÉ**  
Audit partner



**GMBA Baker Tilly**  
Represented by  
**Alain BOUDOT**  
Managing partner

**NON-STATUTORY FINANCIAL STATEMENTS**

**for the 12 months period ended 31 March 2015**

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**1- PROFIT AND LOSS ACCOUNT**

€uros	Notes	1 April 2014 31 March 2015 12 months	1 April 13 31 March 14 12 months (Neofog+Jpb)	1 April 13 31 March 14 12 months (Neofog ex-Jpb)
Sales of good and services	1	3,577,293	4,030,586	2,565,846
Cost of sales		<2,210,220>	<2,747,268>	<1,968,579>
GROSS MARGIN		1,367,073	1,283,318	597,267
Personnel costs	2	<288,921>	<301,407>	<134,557>
Other operating expenses		<481,886>	<428,258>	<172,025>
OPERATING RESULT		596,266	553,653	290,685
Financial result		13,217	<1660>	<1,660>
Fixed assets sales				
Goodwill depreciation			<155,498>	<76,225>
Income tax	3	<198,272>	<150,626>	<62,970>
<b>NET RESULT</b>		<b>411,211</b>	<b>245,869</b>	<b>149,830</b>

**2- BALANCE SHEET**

€uros	Notes	31 March 2015	31 March 2014
<b>ASSETS</b>			
Cash and deposits		1,310,392	694,798
Debtors	8	470,816	680,338
Stocks	7	262,206	129,294
Intangible assets	5	1,103	0
Tangible assets	6	<u>18,475</u>	<u>25,159</u>
Total Fixed assets		19,578	25,159
<b>TOTAL NET ASSETS</b>		<b>2,062,992</b>	<b>1,529,589</b>
<b>LIABILITIES</b>			
Payables	9	<777,812>	<536,765>
Other current liabilities	9	<140,846>	<259,702>
Capital		<300,000>	<300,000>
Prime		<282,833>	<282,833>
Statutory reserves		<30,000>	<800>
Other reserves		<120,290>	340
Profit and loss account		<u>&lt;411,211&gt;</u>	<u>&lt;149,830&gt;</u>
Shareholders investments	10	<1,144,334>	<733,124>
<b>TOTAL NET LIABILITIES</b>		<b>2,062,992</b>	<b>1,529,590</b>

### **3- ACCOUNTING POLICIES FOR THE NON-STATUTORY FINANCIAL STATEMENTS**

#### ***I- Purpose and contents of the non-statutory financial statements***

The President presents the financial statements for the 12 months period ended 31 March 2015.

These financial statements have been prepared for the purpose of filling the parent company's annual report. They are not statutory financial statements. The non-statutory statements have been prepared in accordance with the accounting policies on the basis of applicable French Gaap.

The non-statutory financial statements will include the information required by the parent company to enable the filling of their annual report.

#### ***II- Significant event of the period***

NEOFOG SAS is fully integrated in the UPL's consolidated financial statements.

#### ***III- Previous year figures***

Previous year figures in the P&L FY2014 correspond to the 12 months period ended 31 March 2014 for NEOFOG SAS only (ex JPB SAS), as the merger between NEOFOG SAS (ex JPB SAS) and NEOFOG SAS occurred on the 31<sup>st</sup> March of 2014.

For a better comprehension, a comparison with the aggregated P&L FY2014 (NEOFOG and JPB) is delivered.

#### ***IV- Summary of significant accounting policies***

A- Intangible fixed assets:  
Not material.

B- Tangible fixed assets:  
Tangible fixed assets are shown at cost, net of depreciation and provision for impairment. Depreciation is provided on all tangible assets.

C- Depreciation  
Assets depreciation is calculated on a straight-line basis as follows:

Goodwill: Fully depreciated before the acquisition by the Group

Equipment: 5 to 10 years

Office material: 3 to 8 years

Impairment of assets:

Assets subject to amortisation and depreciation are reviewed for impairment. If such indication exists, the asset's recoverable amount is calculated as the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

D- Stock inventories:

Stocks are valued at last purchase price known. When the net realisable value, estimated on the basis of selling price less cost to be incurred to disposal, is lower than cost, a provision is made.

E- Provision for risks and charges:

A provision is generally recognized in the balance sheet when the company has a present legal or constructive obligation as a result of a past event, and it is likely that an outflow of economic benefits will be required to settle the obligation.

There are no provisions in the non-statutory accounts as at 31 March 2015.

F- Environmental risks:

Non applicable

G- Foreign Currencies operations:

Non applicable

H- Consolidation:

From 1 June 2013, NEOFOG SAS is a 100% owned subsidiary of BLUE STAR BV (Netherland), incorporated in UPL Limited an indian group company. UPL India, as the ultimate parent company prepares the group financial statements.

NEOFOG SAS is fully integrated in the UPL's consolidated financial statements.

#### 4- NOTES TO THE FINANCIAL STATEMENTS

##### 1- Segment information

€uros	1 April 2014 31 March 2015 12 months
Sales to third parties	3,577,293
<b>Total SALES</b>	<b>3,577,293</b>

€uros	1 April 2014 31 March 15 12 months
Purchases to third parties	1,323,420
Purchases to UPL	886,800
<b>Total COST OF SALES</b>	<b>2,210,220</b>

##### 2- Personnel costs

€uros	1 April 14 31 March 15 12 months
Wages and salaries	210,811
Social security taxes	78,110
<b>Total PERSONNEL COSTS</b>	<b>288,921</b>
Number of employees at the end of the period	4

##### 3- Income tax

On the basis of the 12 months FY15 profit, a € 198,272 corporate tax has been posted in the P&L.

##### 4- Dividends

The company has not declared any dividends over the periods covered by this report.

## 5- Intangible fixed assets

€uros	Software
Net value as at 31 March 2014	0
Net additions/disposal	1,103
<b>Gross value as at 31 March 2015</b>	<b>1,103</b>

## 6- Tangible fixed assets

€uros	Equipment and others
Net value as at 31 March 2014	10,018
Net additions/disposals	8,457
<b>Net value as at 31 March 2015</b>	<b>18,475</b>

## 7- Stock gross value

€uros	31 March 2015
Goods	262,206
Depreciation	0
<b>Total Stocks</b>	<b>262,206</b>

## 8- Debtors

€uros	31 March 2015
Trade debtors	447,329
Other debtors	23,487
<b>Total debtors</b>	<b>470,816</b>

## 9- Creditors: amounts falling due within one year

€uros	31 March 2015
Trade creditors	361,489
Creditor UPL Europe Ltd	411,800
Creditor Cerexagri France SAS	1,081
Creditor UPL France SAS	3,442
Social liabilities	53,822
Tax liabilities	87,024
<b>Total creditors</b>	<b>918,658</b>

## 10- Shareholder's funds

€uros	Shareholder's funds
As at 31 March 2014	733,124
Profit 2014-2015	411,211
<b>Net value as at 31 March 2015</b>	<b>1,144,335</b>