RiceCo International, Inc.

FINANCIAL STATEMENTS

March 31, 2015 and 2014

RiceCo International, Inc.
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REPORT

FINANCIAL STATEMENTS

Carr, Riggs & Ingram, LLC
Two Riverway, 15th Floor
Houston, TX 77056

(713) 621-8090
(713) 621-6907 (fax)
www.cricpa.com

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
RiceCo International, Inc.
Memphis, TN

We have audited the accompanying financial statements of RiceCo International, Inc. (the "Company"), a Bahamas Corporation, which comprise the balance sheets as of March 31, 2015 and 2014, and the related statements of income, changes in stockholder's equity and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant 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 referred to above present fairly, in all material respects, the financial position of RiceCo International, Inc. as of March 31, 2015 and 2014, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Carr, Riggs & Ingram, L.L.C.

Houston, Texas
April 16, 2015

RiceCo International, Inc.
Balance Sheets

March 31,		**2015**		2014
(in thousands)				
Assets				
Current assets				
Cash and cash equivalents	**$**	**353**	$	566
Trade accounts receivable		**8,965**		7,552
Trade accounts receivable - related parties		**10,475**		10,980
Other receivables		**20**		3
Due from related party		**5,941**		-
Inventories		**6,015**		5,812
Prepaid expenses		**52**		52
Total current assets		**31,821**		24,965
Property and equipment, net		**5**		3
Other assets				
Intangible assets, net		**661**		608
Total assets	**$**	**32,487**	$	25,576

The accompanying notes are an integral part of these financial statements.

March 31,		**2015**		2014
(in thousands)				
Liabilities and stockholder's equity				
Current liabilities				
Trade accounts payable	**$**	**1,740**	$	1,678
Trade accounts payable - related parties		**2,676**		4,623
Accrued expenses		**244**		292
Total current liabilities		**4,660**		6,593
Commitments and contingencies				
Stockholder's equity				
Common stock, $1 par value, 50,000 shares authorized, 5,000 issued and outstanding		**5**		5
Retained earnings		**27,822**		18,978
Total stockholder's equity		**27,827**		18,983
Total liabilities and stockholder's equity	**$**	**32,487**	$	25,576

The accompanying notes are an integral part of these financial statements.

RiceCo International, Inc.
Statements of Income

For the years ended March 31,		**2015**		2014
(in thousands)				
Revenue, net	**$**	**40,510**	$	43,374
Cost of revenue		**29,545**		30,921
Gross profit		**10,965**		12,453
Selling, general and administrative expenses		**2,145**		1,746
Income from operations		**8,820**		10,707
Other income (expense)				
Other income		**2**		2
Interest income		**26**		4
Interest expense		**(4)**		(12)
Total other income		**24**		(6)
Net income	**$**	**8,844**	$	10,701

The accompanying notes are an integral part of these financial statements.

Statements of Changes in Stockholder's Equity

(in thousands)	Common Stock	Retained Earnings	Total
Balance, March 31, 2013	$ 5	$ 18,277	$ 18,282
Net income	-	10,701	10,701
Distributions	-	(10,000)	(10,000)
Balance, March 31, 2014	5	18,978	18,983
Net income	-	8,844	8,844
Balance, March 31, 2015	**$ 5**	**$ 27,822**	**$ 27,827**

The accompanying notes are an integral part of these financial statements.

RiceCo International, Inc.
Statements of Cash Flows

For the years ended March 31,	**2015**	2014
(in thousands)		
Operating activities		
Net income	**$ 8,844**	$ 10,701
Adjustments to reconcile net income to net cash provided by operating activities		
Amortization	**186**	124
Depreciation	**1**	1
Accrued interest on due from related party	**(26)**	-
Change in operating assets and liabilities		
Trade accounts receivable	**(1,413)**	6,431
Trade accounts receivable - related parties	**505**	(6,063)
Other receivables	**(17)**	(1)
Inventories	**(203)**	(2,566)
Prepaid expenses	**-**	2
Trade accounts payable	**62**	(113)
Trade accounts payable - related parties	**(1,947)**	(3,016)
Accrued expenses	**(48)**	(90)
Net cash provided by operating activities	**5,944**	5,410
Investing activities		
Advance to related party	**(5,915)**	-
Cost of intangible assets	**(239)**	(372)
Purchases of property and equipment	**(3)**	-
Net cash used in investing activities	**(6,157)**	(372)
Financing activities		
Distributions	**-**	(10,000)
Net decrease in cash and cash equivalents	**(213)**	(4,962)
Cash and cash equivalents, beginning of year	**566**	5,528
Cash and cash equivalents, end of year	**$ 353**	$ 566
Supplemental Disclosure of Cash flow Information		
Cash paid for interest	**$ 4**	$ 9

The accompanying notes are an integral part of these financial statements.

NOTE 1: ORGANIZATION

RiceCo International, Inc. (the "Company") was incorporated in the Commonwealth of the Bahamas on March 23, 2011 and commenced operations on April 1, 2011. The Company is wholly owned by Uniphos Limited Mauritius ("UPL"). The Company is an international distributor of Propanil, other rice-related products, and other crop protection products.

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 the representations of management, who are responsible for their integrity and objectivity. These accounting policies reflect industry practices, conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements. The following items comprise the significant accounting policies of the Company.

Cash Equivalents

The Company considers all highly liquid financial instruments with original maturities of three months or less to be cash equivalents.

Revenue Recognition

The Company recognizes revenue when persuasive evidence of an arrangement exists, delivery has occurred or services have been rendered, the price to the customer is fixed or determinable, and collectability is reasonably assured. Appropriate accruals for discounts, volume incentives, and other allowances are recorded as reductions in revenue.

Trade Accounts Receivable

Trade accounts receivable represent amounts owed to the Company which are expected to be collected within the next twelve months. Management evaluates receivables on an ongoing basis by analyzing customer relationships, customer's financial condition, and previous payment histories. An allowance for doubtful accounts is established when a receivable is considered uncollectible. Receivables are written-off against the allowance for doubtful accounts after all collection efforts have failed. Certain trade accounts receivable are subject to extended payment terms. As of March 31, 2015 and 2014, there is no allowance for doubtful accounts as the Company considers all receivables to be collectible.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Inventories

The Company values its inventories at the lower of cost, determined on a weighted average basis, or market. Inventories at March 31, 2015 and 2014 consist of the following (in thousands):

March 31,		**2015**		2014
Raw Materials	**$**	**549**	$	1,548
Finished Goods		**5,466**		4,264
Total	**$**	**6,015**	$	5,812

Property and Equipment

Property and equipment are recorded at cost including betterments which materially increase the useful lives or values of the assets. Repairs and maintenance are charged to operations when incurred. When property and equipment are sold or otherwise disposed, the asset and related accumulated depreciation accounts are relieved, and any gain or loss is included in operations. Depreciation is computed using the straight-line method over the useful lives of the respective assets which range from three to five years. Depreciation expense charged to operations totaled $1,207 and $784 for the years ended March 31, 2015 and 2014.

At March 31, 2015 and 2014, property and equipment consisted of computer equipment with a cost of $7,413 and $3,918 and is presented net of accumulated depreciation of $2,221 and $1,104.

Intangible Assets

The Company capitalizes costs associated with intellectual property and amortizes these costs on a straight line basis over five years. These assets are included in intangible assets on the accompanying balance sheets at March 31, 2015 and 2014.

Impairment losses are recorded when indicators of impairment are present and the carrying amount of a long-lived asset exceeds its fair value. In addition, useful lives of long-lived assets are reviewed annually. At March 31, 2015 and 2014, the Company's assessment of long-lived assets did not indicate an impairment.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes

The Company is incorporated in the Bahamas. There are no taxes on income or gains in the Bahamas and, accordingly, the Company is exempt from income taxes. Additionally, the Company is not subject to federal or state taxes in the United States. Accordingly, no provision for income taxes is provided in the financial statements.

Shipping and Handling Costs

Shipping and handling fees and costs related to purchase transactions with vendors and sales transactions with customers are recorded in cost of revenue on the accompanying statements of income for the years ended March 31, 2015 and 2014.

Fair Value Considerations

The Company uses fair value to measure financial and certain nonfinancial assets and liabilities that are recognized or disclosed at fair value in the financial statements on a recurring basis (at least annually). Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. The fair value hierarchy established and prioritized fair value measurements into three levels based on the nature of the inputs. The hierarchy gives the highest priority to inputs based on market data from independent sources (observable inputs – Level 1) and the lowest priority to a reporting entity’s internal assumptions based upon the best information available when external market data is limited or unavailable (unobservable inputs – Level 3).

The fair value option allows entities to choose, at specified election dates, to measure eligible financial assets and financial liabilities at fair value that are not otherwise required to be measured at fair value. If an organization elects the fair value option for an eligible item, changes in that item’s fair value in subsequent reporting periods must be recognized in current earnings. The Company did not elect the fair value option for the measurement of any eligible assets or liabilities.

The Company’s financial instruments (primarily cash and cash equivalents, receivables, and payables) are carried in the accompanying financial statements at amounts which reasonably approximate fair value.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements. Actual results could differ from those estimates. Estimates that have the most impact on the financial position primarily relate to the collectability of receivables, the realizability of inventories, the useful lives and recoverability of intangible assets and property and equipment and certain accrued liabilities. Management believes these estimates and assumptions provide a reasonable basis for the fair presentation of the financial statements.

Subsequent Events

The Company has evaluated subsequent events through the date the financial statements were available for issuance on April 16, 2015. No matters were identified affecting the accompanying financial statements or related disclosures.

NOTE 3: INTANGIBLE ASSETS

At March 31, 2015 and 2014, intangible assets consist of intellectual property totaling $1,030,575 and $792,504. These assets are being amortized on a straight-line basis over five years. For the years ended March 31, 2015 and 2014, amortization expense totaled $185,980 and $123,987. Accumulated amortization at March 31, 2015 and 2014 totaled $370,063 and $184,083.

Total estimated amortization expense for the next five years and thereafter is as follows (in thousands):

For the year ending March 31,		
2016	$	206
2017		204
2018		148
2019		82
2020		21
	$	661

NOTE 4: REVOLVING LINE OF CREDIT

At March 31, 2015, the Company had a revolving line of credit agreement with U.S. Bank National Association which provides for maximum borrowings of $15,000,000 through December 2015, secured by accounts receivable and inventory. The line of credit bears interest at the greater of prime less 1.25% or the Daily One Month London Interbank Offered Rate (LIBOR) plus 1.375% (2% at March 31, 2015 and 2014). At March 31, 2015 and 2014, the Company did not have an outstanding balance on the line of credit.

NOTE 5: CONCENTRATION OF CREDIT RISK

The Company maintains bank balances at various financial institutions which from time to time may exceed the Federal Deposit Insurance Corporation's limit of $250,000. The Company manages risk by maintaining these deposits in high quality financial institutions and periodically performs an evaluation of the relative credit standing of each financial institution. The Company has not experienced any losses from maintaining cash deposits in excess of the federally insured limit. Management believes that is not exposed to any significant credit risk on cash and cash equivalents.

The Company also maintains bank accounts with financial institutions outside the United States. Although management believes the banks to be high credit quality financial institutions, amounts on deposit may be subject to uninsured risks.

The Company's customer base includes domestic and international distributors of agricultural products. Trade accounts receivable at any point in time may be concentrated in a relatively small number of customer accounts. Most accounts receivable are covered by credit insurance up to 90% of the outstanding balance. For the year ended March 31, 2015, one unrelated customer comprised 12% of total revenues and one unrelated customer accounted for 22% of trade accounts receivable and trade accounts receivable – related parties at March 31, 2015, while one related party comprised 59% of total revenues for the year ended March 31, 2015 and two related parties accounted for 42% of trade accounts receivable and trade accounts receivable – related parties at March 31, 2015. For the year ended March 31, 2014, one unrelated customer comprised 10% of total revenues and one unrelated customer accounted for 12% of trade accounts receivable and trade accounts receivable – related parties at March 31, 2014, while two related parties comprised 65% of total revenues for the year ended March 31, 2014 and two related parties accounted for 57% of trade accounts receivable and trade accounts receivable – related parties at March 31, 2014.

For the year ended March 31, 2015, two vendors and one related party comprised 86% of total purchases and one vendor and two related parties comprised 73% of trade accounts payable and trade accounts payable – related parties at March 31, 2015. For the year ended March 31, 2014, two vendors and one related party comprised 83% of total purchases and one vendor and one related party comprised 88% of trade accounts payable and trade accounts payable – related parties at March 31, 2014.

NOTE 6: RELATED PARTY TRANSACTIONS

During the years ended March 31, 2015 and 2014, the Company sold $24,340,683 and $24,322,245, respectively, of inventory to RiceCo, LLC, (RCL), a company affiliated through common ownership. At March 31, 2015 and 2014, RCL owed the Company $4,703,490 and $5,803,546, respectively, which is included in trade accounts receivable – related parties on the accompanying balance sheets.

During the years ended March 31, 2015 and 2014, the Company purchased $942,244 and $595,894, respectively, of inventory from RCL. At March 31, 2015 and 2014 the Company owes $646,906 and $48,439, respectively, which is included in trade accounts payable – related parties on the accompanying balance sheets.

At March 31, 2015 and 2014, Icona S.A., a company affiliated through common ownership, owed the Company $246,426 for product sales that is included in trade accounts receivable – related parties on the accompanying balance sheets. There were no sales to Icona, S.A. during the years ended March 31, 2015 and 2014.

During the year ended March 31, 2015, Icona S.A. charged the Company $17,298, for reimbursement of certain employee costs. During the year ended March 31, 2014, Icona S.A. charged $15,030 for relabeling certain inventory product. At March 31, 2015 and 2014 the Company owes $32,328 and $15,030, respectively, which is included in trade accounts payable – related parties on the accompanying balance sheets.

During the years ended March 31, 2015 and 2014, the Company sold $1,354,859 and $3,967,682 of inventory to UPL Colombia SAS, a company affiliated through common ownership, of which $3,524,282 and $4,669,887 was owed to the Company as of March 31, 2015 and 2014, respectively, and is included in trade accounts receivable – related parties on the accompanying balance sheets.

During the years ended March 31, 2015 and 2014, the Company purchased $12,809,720 and $10,090,440, respectively, of inventory from UPL LIMITED, a company affiliated through common ownership, of which $1,937,920 and $4,433,360 is payable as of March 31, 2015 and 2014 and is included in trade accounts payable – related parties on the accompanying balance sheets.

During the years ended March 31, 2015 and 2014, the Company sold $382,400 and $92,000 of inventory to P.T. Catur Agrodaya Mandiri, a company affiliated through common ownership, of which $424,891 and $92,000, respectively, which is included in trade accounts receivable – related parties on the accompanying balance sheets.

NOTE 6: RELATED PARTY TRANSACTIONS (Continued)

During the year ended March 31, 2014, the Company sold $168,000 of inventory to United Phosphorus Indonesia, a company affiliated through common ownership, of which $49,482 and $168,000 is owed to the Company as of March 31, 2015 and 2014, respectively, and is included in trade accounts receivable – related parties on the accompanying balance sheets. There were no such sales during the year ended March 31, 2015.

During the year ended March 31, 2015, the Company sold $308,415 of inventory to UPL Do Brasil Industria E Comercio De Insumos Agropecuarios S.A. (UPL Brasil), a company affiliated through common ownership, of which $308,415 is owed to the Company as of March 31, 2015 and is included in trade accounts receivable – related parties on the accompanying balance sheets. There were no such sales during the year ended March 31, 2014.

During the year ended March 31, 2014, the Company purchased $385,155 of inventory from UPL Brasil, a company affiliated through common ownership, of which no amount is payable as of March 31, 2014. There were no such purchases during the year ended March 31, 2015.

During the years ended March 31, 2015 and 2014, the Company purchased $428,586 and $126,191 of inventory from UPL Limited, a company affiliated through common ownership, of which $58,700 and $126,191 is payable as of March 31, 2015 and 2014, respectively, and is included in trade accounts payable – related parties on the accompanying balance sheets.

During the year ended March 31, 2015, the Company sold $770,202 of inventory to UPL Argo S.A. DE C.V., a company affiliated through common ownership, of which $770,202 is owed to the Company as of March 31, 2015 and is included in trade accounts receivable – related parties on the accompanying balance sheets. There were no such sales during the year ended March 31, 2014.

During the year ended March 31, 2015, the Company sold $448,000 of inventory to UPL Costa Rica S.A., a company affiliated through common ownership, of which $448,000 is owed to the Company as of March 31, 2015 and is included in trade accounts receivable – related parties on the accompanying balance sheets. There were no such sales during the year ended March 31, 2014.

During the year ended March 31, 2014, the Company purchased $81,530 of inventory from Uniphos Colombia Plant Ltd., a company affiliated through common ownership, of which no amount is payable as of March 31, 2014. There were no such purchases during the year ended March 31, 2015.

NOTE 6: RELATED PARTY TRANSACTIONS (Continued)

UPL Mauritius and the Company have entered into an informal agreement. Advances under this agreement may be in any amount and are generally payable in one year. Interest accrues at the six-month LIBOR rate plus 2.50% per annum and is payable quarterly. As of March 31, 2015, UPL Mauritius owed $5,915,000 plus accrued interest of $26,327. This amount is expected to be repaid before March 31, 2016 and is included in current assets on the accompanying balance sheet.

During the year ended March 31, 2014, the Company paid distributions to UPL in the amount of $10,000,000. There were no distributions paid during the year ended March 31, 2015.