

INDEPENDENT AUDITORS' REPORT

To the President of

UPL Paraguay S.A.

Introduction

We have audited the accompanying balance sheet of UPL Paraguay S.A. as of 31 March 2015 the related statements of income and changes shareholder's equity for the year ended and summary of significant accounting policies and another explanatory notes, prepared only for consolidation purposes with UPL Limited, as stated in Paragraph 2 of the Scope. Management is responsible for the preparation and fair presentation of this Financial Information in accordance with accounting standards in Paraguay applied for the purpose describe in Paragraph 2 of the Scope. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the financial information that is 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. Our responsibility is to express an opinion on this financial information based on our audit.

Scope

Our audit was conducted in accordance with International Standard on Auditing. These standards required at that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk 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. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

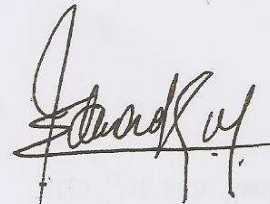
INDEPENDENT AUDITORS' REPORT

(Continued)

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of UPL Paraguay S.A. and the results of its operations for the year ended 31 March 2015, in conformity with accounting standards in Paraguay as applied by UPL Limited as mentioned in Note 1 to Financial Statements, only for consolidation purposes.

Asuncion, Paraguay, April 10th, 2015



AYAC Consultores (Auditores)

Lic. Ingrid Edwards Wagener

MAT. CP CCP C 297

BALANCE SHEET

Expressed in Guaranies

Identification of Taxpayer: UPL PARAGUAY S.A. Ruc Identifier: 80072946-3

Fiscal Year: From 09.30.2014 to 03.31.2015

Identification to the Legal Representing: GARAY DE AQUINO, MIRTA CATALINA

Identification of the Accountant: MORA C. PEDRO A. Ruc Identifier: 1261046-1

ASSETS

CURRENT ASSETS

Year Ended
31/03/2015

ACCOUNTS

ASSETS

| | |
|----------------------------------|-------------|
| Bco. Nacional de Fomento C7C Gs. | 56.095.823 |
| Bco. Nacional de Fomento C7C US | 308.560.112 |
| | 364.655.935 |

TEMPORARY INVESTEMENTS

| | |
|----------------|---------------|
| Clients | 4.533.723.561 |
| VAT Credit | 2.650.465 |
| Sundry Debtors | 410.923 |
| | 4.536.784.949 |

INVENTORIES

| | |
|-------------------------|-------------|
| Goods Finished Products | 395.882.417 |
| Goods In Transit | 400.986.840 |
| | 796.269.257 |

TOTAL CURRENT ASSETS

NO CURRENT ASSETS

| | |
|-----------------------------------|-------------|
| Account Receivables: Shareholders | 190.000.000 |
| TOTAL NO CURRENT ASSETS | 190.000.000 |

| | |
|-----------------|---------------|
| TOTAL OF ASSETS | 5.887.710.141 |
|-----------------|---------------|

| LIABILITIES | Year Ended |
|---|----------------------|
| CURRENT LIABILITIES | 31/03/2015 |
| LIABILITIES | |
| Account Payables | 152.543.327 |
| Local Suppliers | |
| Foreing Suppliers (Bio Win Corp Ltd) | 3.619.260.320 |
| | <u>3.771.803.647</u> |
| FINANCIAL LOANS | |
| UPL AGRO SA DE CV | 1.920.428.407 |
| | <u>1.920.428.407</u> |
| PROVISIONS | |
| VAT Payable | 1.319.112 |
| Retention to Pay | 1.978.879 |
| Retentions and Contribution Payable | 6.552.220 |
| Salaries and wages Payable | 70.247.052 |
| Income TAX | 41.980.000 |
| | <u>122.077.263</u> |
| TOTAL LIABILITIES | 5.814.309.317 |
| NET EQUITY | |
| CAPITAL | |
| Integrated Capital | 190.000.000 |
| RESULTS | |
| Retained Earnings | (494.482.022) |
| Profit of this Year | 377.882.846 |
| TOTAL NET EQUITY | 73.400.824 |
| TOTAL LIABILITIES AND NET EQUITY | 5.887.710.141 |


 ACCOUNTANT
 PEDRO ANTONIO MORA CARRILLO


 LEGAL REPRESENTATIVE
 MIRTA CATALINA GARAY DE AQUINO

STATEMENT OF INCOME
Expressed in Guaranies

| | Year Ended 31/03/2015 |
|---|--------------------------|
| Sales | 4.089.778.037 |
| Cost of Goods | -3.266.998.076 |
| Gross Income | 822.779.961 |
| <hr/> | |
| MINUS | |
| Sales Expenses (Exhibit A) | 313.872.443 |
| Profit or Loss Balance before Financial Expenses | 508.907.518 |
| <hr/> | |
| MINUS | |
| Financial Expenses | 16.003.457 |
| Exchange Losses / (Gains) | 73.041.215 |
| NET PROFIT BEFORE INCOME TAX | 419.862.846 |
| Income TAX | -41.980.000 |
| NET PROFIT OF THE YEAR | 377.882.846 |

ACCOUNTANT

PEDRO ANTONIO MORA CARRILLO

LEGAL REPRESENTATIVE

MIRTA CATALINA GARAY DE AQUINO

EXHIBIT A
Expressed in Guaranies

SELLING EXPENSES DETAIL

| | |
|--|-------------|
| Wages and salaries and social security contributions | 198.981.898 |
| Maintenance and repairs | 1.098.893 |
| Spending on mobility | 10.148.231 |
| Telephone expenses | 1.527.308 |
| Postage | 518.642 |
| Taxes, charges and contributions | 1.053.784 |
| Professional fees | 68.649.903 |
| Freight expenses | 18.909.091 |
| Miscellaneous expenses | 11.899.206 |
| Banking commissions | 1.085.487 |

TOTAL AS OF 31/03/2015

313.872.443



ACCOUNTANT

PEDRO ANTONIO MORA CARRILLO



LEGAL REPRESENTATIVE

MIRTA CATALINA GARAY DE AQUINO

CASH FLOW STATEMENT
Expressed in Guaranies

| CHANGES IN CASH | Year Ended 31/03/2015 |
|--|--------------------------|
| Cash and Cash equivalents at the beginning of the year | 267.592.041 |
| Cash and Cash equivalents at the close of the year | 364.655.935 |
| NET (DECREASE) /INCREASE IN CASH AND CASH EQUIVALENTS | 97.063.894 |
| REASONS FOR CHANGES IN CASH | |
| Profit of the year | 377.882.846 |
| Income TAX | 41.980.000 |
| <i>Changes in operating Assets and Liabilities:</i> | |
| (Increase)/Decrease in Accounts receivable | -4.533.723.561 |
| (Increase)/Decrease in Inventories | -796.269.257 |
| (Increase)/Decrease in Prepaid Taxes and other Receivables | 36.562.840 |
| Increase/(Decrease) in Accounts payable | -108.936.799 |
| Increase/(Decrease) in Payroll and social security taxes | 48.822.639 |
| Increase in Taxes Payable | 2.529.798 |
| Increase in Provisions | 152.543.327 |
| Increase in Related Parties | 4.875.672.061 |
| Net cash (used in) operating activities | 97.063.894 |
| NET (DECREASE) /INCREASE IN CASH AND CASH EQUIVALENTS | 97.063.894 |


 ACCOUNTANT
 PEDRO ANTONIO MORA CARRILLO


 LEGAL REPRESENTATIVE
 MIRTA CATALINA GARAY DE AQUINO

VARIATIONS OF NET EQUITY STATEMENT

Expressed in Guaranies

| Concepts | Capital | Reserves | Retained Earnings | Net Equity 31/03/2015 |
|---|-------------|----------|-------------------|--------------------------|
| Balance at beginning of the year Sept.30, 2014 | 190.000.000 | 0 | (494.482.022) | 304.482.022 |
| Net Profit of the year | | | 377.882.846 | 377.882.846 |
| Balance as of March 31, 2015 | 190.000.000 | 0 | (116.599.176) | 73.400.824 |

ACCOUNTANT

PEDRO ANTONIO MORA CARRILLO

LEGAL REPRESENTATIVE

MIRTA CATALINA GARAY DE AQUINO

UPL PARAGUAY

NOTES TO THE FINANCIAL STATEMENTS

At March 31st, 2015

NOTE #1 CONSTITUTION AND OBJECT OF THE COMPANY

UNITED PHOSPHORUS PARAGUAY S.A., it was a constituted by public document no.126, of March 26, 2012 date, page 482 and following section "A" in Asuncion, Capital of the Republic of Paraguay. The articles of incorporation are registered in the public registry of Commerce under no.424 of date 30 April, 2012, page no.5351, Series "A".

The bylaws were amended by writing public document no. 1558, dated 11 December, 2014, page 6080 and following section "a", changing its name to UPL PARAGUAY S.A.

The main purpose of the company is the sale of agricultural defensive, pesticides and other chemical products for use in agriculture, and makes all kinds of industrial and commercial activities that are permissible.

Social Capital of Constitution:

| Partner | Quotas | Capital | Percentage |
|--|--------|-------------|------------|
| UNITED PHOSPHORUS DE MEXICO S.A. DE C.V. | 18 | 180.000.000 | 95% |
| ICONA S.A. | 1 | 10.000.000 | 5% |
| TOTAL | 19 | 190.000.000 | 100% |

NOTE #2 ACCOUNTING POLICIES

The financial statements have been prepared based in the accounting principle of historical cost.

NOTE #3 CASH AND CASH EQUIVALENTS

The balance represents total availability to the end of the year, composed of the following balances:

| Concept | 31.03.15 G |
|---------------------------------|---------------|
| Bank National of Foment C/C GS | 56.095.823 |
| Bank National of Foment C/C US | 308.560.112 |
| Total Cash and Cash equivalents | 364.655.935 |

NOTE #4 CREDITS

The balance represents the total of credits receivable, compounds of the following accounts:

| Concept | 31.03.15 G |
|---------------|---------------|
| Clients | 4.533.723.561 |
| VAT credits | 2.650.465 |
| Other debtors | 410.923 |
| Total credits | 4.536.784.949 |

NOTE #5 INVENTORIES

It includes the balances of the in stock for sale:

| Concept | 31.03.15 G |
|-------------------|---------------|
| Finished products | 395.882.417 |
| Goods in transit | 400.386.840 |
| Total Inventory | 796.269.257 |

NOTE #6 ACCOUNT PAYABLES

It includes the balances outstanding payments to local suppliers, composed of the following:

| Concept | 31.03.15 G |
|----------------------------|---------------|
| Local suppliers | 152.543.327 |
| Foreign (Bio Win Corp.Ltd) | 3.619.260.320 |
| Total Account Payable | 3.771.803.647 |

NOTE #7 FINANCIAL LOANS

They represent loans from creditors of UPL AGRO S.A. DE CV., such as

| Concept | 31.03.15 G |
|-------------------------------|---------------|
| Creditors UPL AGRO S.A. DE CV | 1.920.428.407 |
| Total Financial Loans | 1.920.428.407 |

NOTE #8 – RELATED PARTY DISCLOSURE

| | | 31.03.15 G |
|---|--|---------------|
| 1 | Goods Purchased from BIOWIN CORP | 3.619.260.320 |
| 2 | Loan Taken from UPL Agro S.A de C.V | 1.920.428.407 |
| 3 | Interest Expenses on Loan taken from UPL Agro S.A.de C.V | 16.003.457 |


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