DECCO JIFKINS MEXICO, S.A.P.I. DE C.V.

Financial Statements

Years Ended March 31, 2016 and 2015, with Independent Auditor's Report

DECCO JIFKINS MEXICO, S.A.P.I. DE C.V.

Financial Statements

Years Ended March 31, 2016 and 2015

Contents:

BAKER TILLY
MEXICO

INDEPENDENT AUDITOR'S REPORT

To the Stockholders of
Decco Jifkins Mexico, S.A.P.I. de C.V.

Report on the financial statements

We have audited the accompanying financial statements of Decco Jifkins Mexico, S.A.P.I. de C.V., or which compromise the statements of financial position as of March 31, 2016 and 2015, and the related statements of operations and comprehensive loss, changes in stockholders' equity (deficit) and cash flows for the years ending March 31 2016 and 2015; and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Mexican Financial Reporting Standards, and for such internal controls as management determines is necessary to enable the preparation of financial statements that are free of material misstatement, whether due to fraud or error.

Auditors´ responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Auditing Standards. Those standards require that we comply with ethical requirements and plan and perform the audits 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 auditors' judgement, 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 auditors consider 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 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 unqualified opinion.

Opinion

In our opinion, the financial statements, present fairly in all material respects, the financial position of Decco Jifkins Mexico, S.A.P.I. de C.V., as of March 31, 2016 and 2015, the financial performance, and its cash flows for the years then ended March 31, 2016 and 2015, in conformity with Mexican Financial Reporting Standards.

Other matters

This audit report and the accompanying financial statements and their notes have been translated into English solely for the convenience of readers outside of Mexico.

Baker Tilly Mexico, S.C.
Independent Member Firm of
Baker Tilly International

Mauricio Gonzalez
Partner

Guadalajara, Jalisco, Mexico
April 6, 2016

DECCO JIFKINS MEXICO, S.A.P.I. DE C.V.

Statements of financial position

(Amounts in Mexican pesos)

	Notes		At March 31, 2016		2015
Assets					
Current assets:					
Cash		**Ps.**	**1,799,992**	Ps.	1,902,182
Accounts receivable, net (net of allowance for doubtful accounts of $1,304,624 in 2016 and $890,699 in 2015)			**6,566,941**		9,280,187
Recoverable taxes and trade receivables			**967,273**		624,626
Inventories of finished products			**8,783,124**		6,270,696
Total current assets			**18,117,330**		18,077,691
Machinery, furniture and equipment, net	*Note 3*		**461,824**		597,789
Total assets		**Ps.**	**18,579,154**	Ps.	18,675,480
Liabilities and shareholders' equity (deficit)					
Current liabilities:					
Related parties	*Note 2*	**Ps.**	**24,483,687**	Ps.	21,295,437
Taxes payable			**64,221**		60,476
Other accounts payable and accrued liabilities			**1,434,485**		124,492
Total current liabilities			**25,982,393**		21,480,405
Long liabilities:					
Related parties	*Note 2*		**5,143,003**		4,466,920
Total liabilities			**31,125,396**		25,947,325
Stockholders' equity (deficit)	*Note 6*				
Capital stock			**50,000**		50,000
Accumulated deficit		**(**	**12,596,242)**	(	7,321,845)
Total stockholders' equity (deficit)		**(**	**12,546,242)**	(	7,271,845)
Total liabilities and stockholders' equity (deficit)		**Ps.**	**18,579,154**	Ps.	18,675,480

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

DECCO JIFKINS MEXICO, S.A.P.I. DE C.V.

Statements of operations and comprehensive loss

(Amounts in Mexican pesos)

	Notes		Years ended March 31, 2016		2015
Net Sales		**Ps.**	**20,249,630**	Ps.	18,847,819
Cost of sales			**14,891,668**		17,532,789
Gross profit			**5,357,962**		1,315,030
Operating expenses			**9,003,620**		7,116,252
Other (expenses) and income, net			**279,400**	(	3,058)
Operating loss		**(**	**3,366,258)**	(	5,804,280)
Financing cost:					
Interest expense, net		**(**	**161,759)**	(	140,483)
Exchange loss, net		**(**	**1,746,380)**	(	1,042,968)
		(	**1,908,139)**	(	1,183,451)
Net loss and Comprehensive loss		**Ps.(**	**5,274,397)**	Ps.(	6,987,731)

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

DECCO JIFKINS MEXICO, S.A.P.I. DE C.V.

Statements of Changes in Stockholders' Equity (deficit)

Years ended March 31, 2016 and 2015

(Amounts in Mexican pesos)

	Capital stock		Accumulated deficit		Total stockholders' equity (deficit)	
Balance at March 31, 2014	Ps.	50,000	Ps. (	334,114)	Ps. (	284,114)
Comprehensive loss			(	6,987,731)	(	6,987,731)
Balance at March 31, 2015		50,000	(	7,321,845)	(	7,271,845)
Comprehensive loss			(	5,274,397)	(	5,274,397)
Balance at March 31, 2016	**Ps.**	**50,000**	**Ps.(**	**12,596,242)**	**Ps.(**	**12,546,242)**

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

DECCO JIFKINS MEXICO, S.A.P.I. DE C.V.

Statements of Cash Flows

(Amounts in Mexican pesos)

	Years ended March 31 2016	2015
Operating activities		
Comprehensive loss	**Ps.(5,274,397)**	Ps.(6,987,731)
Item related to investing activities:		
Depreciation	**274,478**	387,118
Item related to financing activities:		
Interest	**161,759**	140,483
Changes in operating assets and liabilities:		
Accounts receivable	**2,713,247**	(1,127,160)
Recoverable taxes and trade receivables	**(342,647)**	(228,030)
Inventories of finished products	**(2,512,428)**	(457,823)
Related parties	**2,158,212**	10,379,411
Taxes payable	**3,745**	(861,798)
Other accounts payable and accrued liabilities	**1,309,993**	(1,481,390)
Net cash flow from operating activities	**(1,508,038)**	(236,920)
Investing activities		
Net cash flow by investing activities for acquisition of machinery, furniture and equipment	**(138,514)**	(442,971)
Cash to be obtained of financing activities	**(1,646,552)**	(679,891)
Financing activities		
Related parties	**1,706,121**	636,821
Interest paid	**(161,759)**	(140,483)
Net cash flow by financing activities	**1,544,362**	496,338
Net decrease in cash	**(102,190)**	(183,553)
Cash at beginning of year	**1,902,182**	2,085,735
Cash at end of year	**Ps. 1,799,992**	Ps. 1,902,182

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

DECCO JIFKINS MEXICO, S.A.P.I. DE C.V.

Notes to Financial Statements

Years Ended March 31, 2016 and 2015

(Amounts in Mexican pesos)

1. Operations and summary of significant accounting policies

Decco Jifkins Mexico, S.A.P.I. de C.V., was incorporated on January 21, 2011, the principal activity is purchase, sale, distribution and import of goods and services post-harvest, including without limitation, wax, additives, soaps, fungicides products for coating, cleaning, sanitation, regulation of growth as well as distribution and commercialization of agrochemicals products and raw materials. The company is a subsidiary of Decco Worldwide Post-Harvest Holdings BV.

On April 6, 2016, the accompanying financial statements and these notes were authorized by Willian Santo Ruggero, Administration and Operation Manager, for their issuance and subsequent approval by the Board of Directors and stockholders. These financial statements will be submitted to the ordinary shareholders for approval who have the authority to modify the Company's financial statements.

Significant accounting policies applied

a) Compliance with Mexican Financial Reporting Standards

The accompanying financial statements were prepared in conformity with Mexican Financial Reporting Standards (Mexican FRS).

b) Basis of preparation

Recognition of annual rate of inflation on financial information

The accompanying financial statements were prepared on historical cost basis.

The annual rate of inflation for 2015 and 2014, as determined based on the National Consumer Price Index (NCPI). In conformity with Mexican FRS, this cumulative inflation rate represents the condition for considering Mexico as having a non-inflationary economic environment.

c) Recognition of revenues

The Company recognizes revenues at the time ownership of products sold is transferred to the customers, which occurs once products have been delivered to the customer.

d) Use of estimates

The preparation of financial statements in conformity with Mexican Financial Reporting Standards (MFRS) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses included in the reporting period. Actual results could differ from those estimates.

e) Cash

Cash principally consist of bank deposits.

f) Inventories

Inventories are recognized at historical acquisition cost and are valued using the average cost method. The carrying value of inventories is not in excess of their net realizable value.

g) Machinery, furniture and equipment

Machinery, furniture and equipment are recorded at acquisition cost.

Depreciation of machinery, furniture and equipment is computed on historical cost using the straight-line method, based on the estimated useful lives of the related assets.

The value of machinery, furniture and equipment is checked when there are signs of impairment in the value of these assets. When the value of recovery, which is the largest between the selling price and its value in use (which is the present value of future cash flows), is lower than the net book value, the difference is recognized as an impairment loss.

At March 31, 2016 and 2015, there were no signs of impairment.

h) Accrued liabilities, reserves, contingent assets and liabilities and commitments

Accrued liabilities are recognized whenever: (i) the Company has current obligations (legal or assumed) resulting from a past event, (ii) when it is probable the obligation will most likely give rise to a future cash disbursement for its settlement and (iii) the amount of the obligation can be reasonably estimated.

When the effect of the time value of money is significant, the amount of the liability is determined as the present value of the expected disbursements to settle the obligation. The discount rate applied is determined on a pre-tax basis and reflects current market conditions at the balance sheet date and, where appropriate, the risks specific to the liability.

Contingent liabilities are recognized only when it is probable they will give rise to a future cash disbursement for their settlement. Also, commitments are only recognized when they will generate a loss.

i) Labor obligations

Seniority premiums are paid to workers as required by Mexican labor law. Under Mexican labor law, the Company is also liable for certain benefits accruing to workers who leave the Company or who were dismissed in certain circumstances.

At December 31, 2014 and 2013, the Company has no provision for labor obligations, as it considers the related liability to be immaterial for the financial statements taken as a whole in view of the limited number of workers and their little acquired seniority.

j) Exchange differences

Transactions in foreign currency are recorded at the prevailing exchange rate on the day of the related transactions. Foreign currency denominated assets and liabilities are valued at the prevailing exchange rate at the latest balance sheet date. Exchange differences determined from the transaction date to the time foreign currency denominated assets and liabilities are settled or translated at the balance sheet date.

k) Comprehensive loss

Comprehensive loss consists of the net profit for the period plus, if applicable, those items that are reflected directly in stockholders' equity and that do not constitute capital contributions, reductions or distributions.

l) Taxes on profits

Current year taxes on profits are presented as a short-term liability, net of prepayments made during the year.

Deferred taxes on profits are recognized using the asset and liability method. Under this method, deferred taxes on profits are recognized on all differences between the financial reporting and tax values of assets and liabilities, applying the enacted income tax rate or flat-rate business tax rate effective as of the balance sheet date, or the enacted rate at the balance sheet date that will be in effect when deferred tax assets and liabilities are expected to be recovered or settled.

The Company periodically evaluates the possibility of recovering deferred tax assets and, if necessary, creates a valuation allowance for those assets that do not have a high probability of being realized.

m) Income statement presentation

Cost and expenses in the income statements are presented in accordance with its function, since this classification allow us to evaluate properly gross profit margins and operational.

The presentation of operating income is not required; however it is presented as an important indicator of our results.

n) New accounting pronouncements

New pronouncements that came into force for the financial year 2016:

The Mexican Board of Financial Reporting Standards promulgated the following Financial Reporting Standard (NIF), which comes into force from January 1, 2016 as follow: NIF D-3, Employee benefits allowing for their early application starting January 1, 2015. The application of this new NIF did not have significant effect on the financial statements of the company.

Following mention the most relevant of standard that came into force for the subsequent years:

The Mexican Board of Financial Reporting Standards promulgated the following NIF, which come into force from January 1, 2018 as follow: NIF C-3, Accounts receivable and NIF C-20, Receivables financial instruments allowing their early application to January 1,2016 in conjunction application. Additional promulgates the following NIFs come into force on January 1, 2018 as follows: NIF C-2, Financial instruments, NIF C-9, Liabilities, provisions, contingent assets and liabilities and commitments, NIF C-16, Impairment in financial instruments receivable, NIF C-19, Financial instruments payable, NIF D-1, Revenue from contracts with customers and NIF D-2, Costs for contracts with customers. It is estimated that the application of this new NIF did not have significant effect on the financial statements of the company.

2. Related parties

a) An analysis of this caption at March 31, 2016 and 2015, is a follows:

		2016		2015
Due to:				
Short term(1)				
Decco US Post-Harvest, Inc.	**Ps.**	**22,900,793**	Ps.	20,952,021
Decco Worlwide Post-harvest Holdings BV		**1,030,038**		-
Decco Iberica Post Cosecha, SAU		**552,856**		343,416
	Ps.	**24,483,687**	Ps.	21,295,437

		2016		2015
Due to:				
Long term(2)				
Decco Worlwide Post-harvest Holdings BV	**Ps.**	**5,143,003**	Ps.	4,466,920

(1) As of March 31, 2016 and 2015, the balances due to related parties are the balances of current accounts without interest.

(2) As of March 31, 2016 and 2015, the loan agreement, with simple interest at 3.06% annual rate.

b) The following are the details of the transactions entered by the Company for the year ended March 31, 2016 and 2015:

		2016		2015
Purchases				
Decco US Post-Harvest, Inc.	**Ps.**	**13,642,710**	Ps.	14,243,657
Decco Iberica Post Cosecha, SAU		**2,696,205**		1,581,403
Selling, general and administrative expense				
Decco Worlwide Post-harvest Holdings BV		**1,030,038**		-
Interest expense				
Decco Worlwide Post-harvest Holdings BV		**137,318**		121,348

3. Machinery, furniture and equipment

a) An analysis of this caption at March 31, 2016 and 2015, is a follows:

		2016		2015	Estimated useful life
Office furniture and equipment	**Ps.**	**87,516**	Ps.	54,194	10 years
Automotive equipment		**932,086**		881,276	4 years
Computer equipment		**138,647**		112,134	3.3 years
Wax sprinkler equipment		**553,391**		541,936	10 years
Machinery and equipment		**139,119**		122,706	10 years
		1,850,759		1,712,246	
Accumulated depreciation		**(1,388,935)**		(1,114,457)	
	Ps.	**461,824**	Ps.	597,789	

b) Depreciation expense for the years ended March 31, 2016 and 2015, aggregated Ps.274,478 and Ps. 387,118, respectively.

4. Foreign Currency Balances and Transactions

a) The financial statements at March 31, 2016 and 2015 include the following U.S. dollar denominated assets and liabilities:

	(Amounts in dollars) 2016	2015
Current Assets	**USD $ 541,513**	USD $ 724,382
Liabilities	**(1,434,015)**	(1,389,034)
Long Liabilities	**(357,881)**	(291,364)
Monetary liability position, net	**USD $ (1,250,383)**	USD $ (956,016)

At March 31, 2016 and 2015, the exchange rates used to translate the above amounts to Mexican pesos were Ps.17.2509 and Ps. 15.3311, respectively, per U.S. dollar. At April 6, 2016, the date of the audit report on these financial statements, the exchange rate is Ps. 17.4484 per U.S. dollar.

b) The main foreign currency transactions made by the Company during 2016 and 2015 were for purchases of inventories, which amounted to USD $990,312 and $1,038,205, respectively.

5. Shareholders' Equity

a) Capital stock

At December 31, 2015 and 2013, the Company's capital stock is represented by 2 common, registered shares, issued and outstanding, with a par value of Ps.49,900 and Ps.100 Mexican peso each.

b) Legal reserve

In conformity with the Mexican Corporations Act, the Company is required to appropriate at least 5% of the net income of each year to increase the legal reserve. This practice must be continued until the legal reserve reaches 20% of the value of capital stock. At the date, the Company has no created legal reserve.

c) Tax accounts

Any distribution of dividends in excess of the Net taxed profits account (CUFIN) balance will be subject to payment of corporate income tax at the statutory rate at the time of payment.

The Restated contributed capital account (CUCA) represents the amount of capital that, under certain circumstances, may be withdrawn without paying income tax.

At March 31, 2016 y 2015, is a follows:

	2016	2015
CUCA	**Ps. 59,131**	Ps. 57,897

d) Accumulated deficit

As mentioned in the notes to the financial statements at March 31, 2016 and 2015, the Company has a deficit in its partnership capital. In conformity with the Mexican Corporations Act, this situation could, in the worst of scenarios, constitute cause for the dissolution of the Company at the request of an interested third party. The financial statements do not include those adjustments related to the valuation and classification of assets and liabilities that might be necessary if the Company is unable to continue in operation settings, these adjustments are not included as the group is providing a comfort letter to support the entity in such a situation.

6. Income tax and flat-rate business tax

a) Income tax

The Company is subject to payment of corporate income tax. Book results and tax results differ principally due to temporary differences in items that affect income for financial and tax reporting purposes in different periods, and due to certain permanent differences as well.

For the years ended March 31, 2016 and 2015 the tax rate was 30%.

For the year ended March 31, 2016 and 2015, the Company reported taxable loss of Ps. 3,734,100 and Ps. 737,784 respectively.

At March 31, 2016, the Company has tax losses from prior years that may be carried forward against the taxable income of future years. An analysis is as follows:

	Restated amount at March 31, 2016	
Year of tax payment	**Available tax loss carried forward**	**Year of expiration**
2014	Ps. 750,858	2024
2015	3,811,401	2025
	Ps. 4,562,259	

b) Deferred income tax

An analysis of deferred income tax shown in the balance sheet at March 31, 2016 and 2015, is as follows:

	2016	2015
Deferred income tax assets:		
Tax loss carry forward	**Ps. 1,368,677**	Ps. 225,312
Others	**391,387**	267,210
	1,760,064	492,522
Valuation allowance reserve	**(1,760,064)**	(492,522)
	Ps. -	Ps. -