



**ICONA SAN LUIS S.A.F.I.M.I. y C.**

**SPECIAL FINANCIAL STATEMENTS**

(prepared only consolidation purposes)

**FOR THE YEAR**  
**ENDED 31 MARCH 2017**

## **INDEPENDENT AUDITORS' REPORT**

To the President of  
*ICONA SAN LUIS S.A.F.I.M.I. y C.*

### Introduction

We have audited the accompanying balance sheet of Icona San Luis S.A.F.I.M.I. y C. as of 31 March 2017, the related statements of income and changes in shareholders' equity for the year ended and summary of significant accounting policies and other explanatory notes, prepared only for consolidation purposes with UPL Limited (as stated in paragraph 2 of Scope). Management is responsible for the preparation and fair presentation of this financial information in accordance with International Financial Reporting Standard (IFRS) as settled by UPL Limited applied for the purpose describe in paragraph 2 of 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 audits.

### Scope

Our audit was conducted in accordance with International Standards on Auditing. These standards require 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 statement, 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)**

Emphasis of matter paragraph

The Company has prepared its financial statements pursuant to the going concern principle.

We draw attention to Note 16 to the financial statements that describes the negative shareholders' equity situation. As per such note, the Company has recorded liabilities exceeding assets for 1.839.447,59.- The main shareholder has committed the necessary financing so as to assure the continuity of the Company as a going concern.

Our opinion is not qualified in respect of this matter.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Icona San Luis S.A.F.I.M.I. y C. and the results of its operations for the year ended 31 March 2017, in conformity with International Financial Reporting Standard as applied by UPL Limited as mentioned in Note 1 to Financial Statements, only for consolidation purposes.

**Buenos Aires, 19 April 2017**

**IGLESIAS Y ESCOBAR S.R.L.**  
C.P.C.E.C.A.B.A. T° 001 F° 077



Jorge R. Escobar (partner)  
Certified Public Accountant  
C.P.C.E.C.A.B.A. To 171 Fo 46

**ICONA SAN LUIS S.A.F.I.M.I. y C.**

**LEGAL ADDRESS:** Maipú 1199 – Justo Daract Provincia de San Luis.

**PRINCIPAL OPERATION:** Chemicals manufacture and sale.

**REGISTRATION IN THE COMMERCE AUTHORITY REGISTER:**

**OF BY LAWS:** 6 may 1986.

**END OF PERIOD ESTABLISHED AT BY LAWS:** 5 may 2085.

**NR OF REGISTER IN THE CORPORATION'S CONTROL AUTH.:** Tomo 25 C.S. Folio 245 N 31.

**CONTROLLING SHAREHOLDER INFORMATION.**

**NAME:** UPL ARGENTINA S.A.

**LEGAL ADDRESS:** Viamonte 1342 – 5° Floor “E”, - City of Buenos Aires.

**PRINCIPAL OPERATION:** Chemicals manufacture and sale.

**PARTICIPATION ON NET EQUITY:** 99,72%

**PARTICIPATION ON THE VOTES:** 99,72%



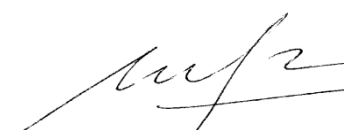
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PURPOSES TOGETHER WITH OUR  
REPORT DATED 19/04/17

**ICONA SAN LUIS S.A.F.I.M.I. y C.**

**BALANCE SHEET AS OF 31 MARCH 2017 AND 2016**  
(Amounts Stated in USD)

	<u>Year ended</u>		<u>LIABILITIES</u>	<u>Year ended</u>	
	<u>31/03/2017</u>	<u>31/03/2016</u>		<u>31/03/2017</u>	<u>31/03/2016</u>
<u>ASSETS</u>	<u>USD</u>	<u>USD</u>	<u>CURRENT LIABILITIES</u>	<u>USD</u>	<u>USD</u>
<u>CURRENT ASSETS</u>					
Cash and Cash Equivalents (Notes 2.1 and 3)	76.667,79	105.211,98	Accounts Payable (Notes 2.5 and 7)	24.132,88	662.983,24
Accounts Receivable (Notes 2.2 and 4)	872.274,23	1.355.002,13	Payroll and social Security taxes (Note 8)	47.762,44	75.984,64
Prepaid Taxes and Other Receivables (Note 5)	610.325,05	734.325,56	Taxes payable (Note 9)	14.908,31	23.760,37
Related Parties (Note 17)	80.921,91	-----	Related Parties (Note 17)	5.232.575,70	5.281.854,03
Inventories (Notes 2.3 and 6)	-----	745.057,11	Provisions (Notes 10, 18 and Exhibit IV)	1.289,72	4.107,48
<u>TOTAL CURRENT ASSETS</u>	<u>1.640.188,98</u>	<u>2.939.596,78</u>	<u>TOTAL CURRENT LIABILITIES</u>	<u>5.320.669,05</u>	<u>6.048.689,76</u>
<u>NON-CURRENT ASSETS</u>					
Prepaid Taxes and Other Receivables (Notes 2.7, 5 and 19)	142.841,14	98.893,68	<u>TOTAL LIABILITIES</u>	<u>5.320.669,05</u>	<u>6.048.689,76</u>
Fixed Assets (Note 2.4 and Exhibit I)	1.698.191,34	1.880.548,54	<u>NET EQUITY</u> (as per related statement)	(1.839.447,59)	(1.129.650,76)
<u>TOTAL NON-CURRENT ASSETS</u>	<u>1.841.032,48</u>	<u>1.979.442,22</u>			
<u>TOTAL</u>	<u>3.481.221,46</u>	<u>4.919.039,00</u>	<u>TOTAL</u>	<u>3.481.221,46</u>	<u>4.919.039,00</u>

The accompanying notes and exhibits are an integral part of this statement.



Felipe Andrés MacLOUGHLIN  
President

**IGLESIAS Y ESCOBAR S.R.L.**  
C.P.C.E.C.A.B.A. T° 001 F° 077



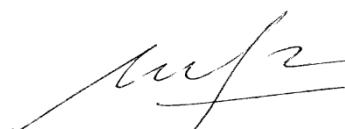
Jorge R. Escobar (partner)  
Certified Public Accountant  
C.P.C.E.C.A.B.A. To. 171 Fo. 046  
See separate professional report

**ICONA SAN LUIS S.A.F.I.M.I. y C.**

STATEMENT OF INCOME  
FOR THE YEAR ENDED 31 MARCH 2017 AND 2016  
 (Amounts Stated in USD)

	31/03/2017 USD	31/03/2016 USD
Net Sales (Note 11)	2.568.571,70	2.941.438,68
Cost of Sales (Exhibits II)	<u>(2.182.106,03)</u>	<u>(2.385.668,59)</u>
GROSS INCOME	386.465,67	555.770,09
Administrative expenses (Exhibit III)	(332.955,51)	(1.212.685,87)
Selling expenses (Exhibit III)	(235.719,37)	(370.184,33)
Financial results (Note 12)	(579.538,35)	(2.437.068,42)
Other income and expenses (Note 13)	101.433,50	7.896,65
Other Expenses – Exceptional Items (Note 14)	<u>(15.296,85)</u>	<u>(892.065,08)</u>
NET (LOSS) BEFORE INCOME TAX	(675.610,91)	(4.348.336,96)
Income Tax – Deferred Tax	<u>-----</u>	<u>(124.565,64)</u>
Total Income Tax	<u>-----</u>	<u>(124.565,64)</u>
NET (LOSS) OF THE YEAR	<u><u>(675.610,91)</u></u>	<u><u>(4.472.902,60)</u></u>

The accompanying notes and exhibits are an integral part of this statement.



Felipe Andrés MacLOUGHLIN  
 President

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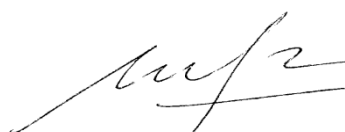
**ICONA SAN LUIS S.A.F.I.M.I. y C.**

**STATEMENT OF CHANGES IN NET EQUITY**  
**FOR THE YEAR ENDED 31 MARCH 2017 AND 2016**

(Amounts stated in USD)

Concepts	Capital Stock (Note 15)	Other Capital accounts	Total	Others Reserves and Retained Earnings	Total as of 31/03/2017	Total as of 31/03/2016
	USD	USD	USD	USD	USD	USD
Balances at beginning of the year 1 April 2016	346.000,01	-----	346.000,01	(1.475.650,77)	(1.129.650,76)	3.343.251,84
Conversion Functional Currency				(34.185,92)	(34.185,92)	
Net (Loss) for the year				(675.610,91)	(675.610,91)	(4.472.902,60)
Balance as of 31 March 2017 AND 2016	346.000,01	-----	346.000,01	(2.185.447,60)	(1.839.447,59)	(1.129.650,76)

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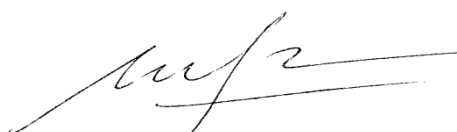
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**ICONA SAN LUIS S.A.F.I.M.I. y C.**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31 MARCH 2017 AND 2016**  
 (Amounts stated in USD)

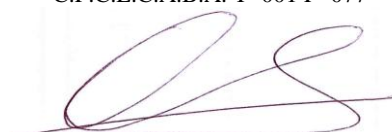
<b><u>CHANGES IN CASH</u></b>	31/03/17 USD	31/03/16 USD
Cash and cash equivalents at the beginning of the year	105.211,98	286.248,65
Cash and cash equivalents as at the close of the year	76.667,79	340.135,05
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(28.544,19)</b>	<b>53.886,40</b>
<b><u>REASONS FOR CHANGES IN CASH</u></b>		
<b><u>Operating activities:</u></b>		
Net (Loss) Before Income TAX	(675.610,91)	(4.472.902,60)
Income TAX	-----	124.565,64
<i>Adjustments to reach the cash from operating activities:</i>		
Depreciation and amortization expense	84.549,34	40.120,71
(Profit) on sale of fixed assets	(107.000,42)	
<i>Changes in operating Assets and Liabilities:</i>		
Decrease in Accounts Receivable	482.727,90	1.855.186,30
Decrease / (Increase) in Prepaid Taxes and Other Receivables	80.053,05	(330.745,56)
(Increase) / Decrease in Related Parties	(130.200,24)	1.548.522,58
Decrease / (Increase) in Inventories	745.057,11	(271.536,99)
(Decrease) in Accounts Payable	(638.850,36)	(25.526,07)
(Decrease) in Payroll and Social Security taxes	(28.222,20)	(120.759,63)
(Decrease) / Increase in Taxes payable	(8.852,06)	9.525,26
(Decrease) / Increase in Provisions	(2.817,76)	43.809,99
<b>Net cash from operating activities</b>	<b>(199.166,55)</b>	<b>(1.599.740,37)</b>
<b><u>Investing Activities:</u></b>		
Purchase of fixed assets	-----	-----
Sale / disposal of fixed assets	204.808,28	-----
<b>Net cash (used in) investing activities</b>	<b>204.808,28</b>	<b>-----</b>
<b><u>Financial Activities:</u></b>		
Conversion Functional Currency	(34.185,92)	-----
Increase Financial Liabilities	-----	1.653.626,77
<b>Net cash (used in) / from financial activities</b>	<b>(34.185,92)</b>	<b>1.653.626,77</b>
<b>NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(28.544,19)</b>	<b>53.886,40</b>

The accompanying notes and exhibits are an integral part of this statement.



Felipe Andrés MacLOUGHLIN  
 President

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**ICONA SAN LUIS S.A.F.I.M.I. y C.**

**NOTES TO THE SPECIAL FINANCIAL STATEMENTS**  
**AS OF 31 MARCH 2017 AND 2016**

**NOTE 1: FINANCIAL STATEMENTS AS OF 31 MARCH 2017**

**1.1. Basis of preparation**

As per request of UPL Limited, Icona San Luis S.A.F.I.M.I. y C. has prepared these Special Financial Statements as of 31 March 2017 for the sole purpose of consolidation with its Head Office.

**1.2. Comparison of information**

Balances as of March included in these Special Financial Statements, arise from the amounts disclosed in the Special Financial Statements as of such date.

**NOTE 2: ACCOUNTING POLICIES.**

Applicable disclosure standards have been followed to prepare these Special Financial Statements for the year ended as of 31 March 2017. Nevertheless, considering the special purpose of its issuance, it may not include every required disclosure to fulfil every required disclosure as stated in International Financial Reporting Standards (I.F.R.S.).

Applied criteria on main balance sheet items are as follow:

**2.1. Cash and Cash Equivalents**

Balances of immediate availability (i.e. imprest funds, cash in hand, and cash at banks) have been classified within this caption.

These balances have been measured at its nominal value. When applicable, foreign exchange rate at closing date has been applied to establish the respective amount in Argentine Pesos.

**2.2. Accounts Receivable**

Accounts receivable have been measured at nominal value. This caption includes commercial accounts and received checks to be deposited. When applicable, exchange rate prevailing at the closing date for the settlement of those transactions has been considered as stated in Note 2.1.

Accounts receivable have been recognized if (i) the Company has transferred to the buyer the significant risk and rewards of ownership of the goods, (ii) the amount of the receivable can be measured reliably, and (iii) it is probable that the economic benefits associated with the transaction will flow to the Company.



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ICONA SAN LUIS S.A.F.I.M.I. y C.

NOTES TO THE SPECIAL FINANCIAL STATEMENTS  
AS OF 31 MARCH 2017 AND 2016  
(continued)

NOTE 2: ACCOUNTING POLICIES.  
(Continued)

Evaluation of accounts receivable recoverability has been performed to determine whether the nominal amount will be fully recovered (i.e. fully collected). If the collectible amount has been estimated lower than the nominal value, an allowance for doubtful accounts has been calculated.

2.3. Inventories

Inventories have been measured at the lower of cost (resulting from SAP) or net realizable value.

Finished goods (which also include a minor amount of semi-finished goods) are valued at standard cost. Standard cost is calculated once in a year. It is normally not revised during the course of the year, unless some prices or manufacturing process have changed drastically.

Raw materials, packing materials and traded goods are valued at moving weighted average. Thus, in the case of these materials, the system averages the inventory value every time any fresh purchase (Goods Receipt) occurs.

2.4. Fixed Assets

Fixed assets are measured at acquisition cost or construction cost. Interests are expensed as incurred, thus not every interest is capitalized within fixed assets value.

Fixed assets net values, as well as their depreciation, were estimated at historical value in conformance with International Financial Reporting Standards as applied by UPL Limited.

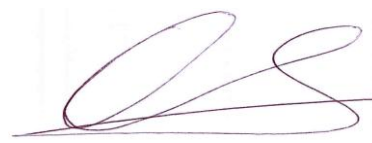
Depreciation has been determined by the straight-line method, applying sufficient annual rates to extinguish their values at the end of their estimated useful lives.

2.5. Liabilities

Liabilities have been measured at its nominal value, plus (if applicable) accrued portion of financial results up to closing date. When applicable, exchange rate prevailing at the closing date for the settlement of those transactions has been considered as stated in Note 2.1.

2.6. Accounting estimations

In conformity with International Financial Reporting Standards, balance sheet preparation requires that Company's management performs estimations and evaluations that involve the amount of recorded assets and liabilities and contingent assets and liabilities disclosed at the date of preparation of this Financial Statement as well as revenues and expenses recorded within the fiscal year.



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**ICONA SAN LUIS S.A.F.I.M.I. y C.**

**NOTES TO THE SPECIAL FINANCIAL STATEMENTS  
AS OF 31 MARCH 2017 AND 2016  
(continued)**

NOTE 2: ACCOUNTING POLICIES.  
(Continued)

2.6. Accounting estimations  
(continued)

In that sense, Company's management has performed estimations to calculate, for instance, allowance for doubtful accounts, contingencies depreciations and recoverable value of assets. Future actual results may differ from those estimations and evaluations performed as of the date of preparation of this Financial Statement.

2.7. Income Tax

Deferred tax assets and liabilities are recognized for the future tax effects of temporary differences between the financial statements carrying amounts of existing assets and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rate. The statutory income tax rate for the period ended 31 March 2017 was 35%.

The Company has decided not recognize deferred tax assets based on a more conservative position regarding future projections of short term tax income

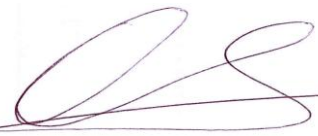
The deferred tax asset unrecognized is USD 1.336.146,50 according to the following detail:

Differences between Accounting and Fiscal Valuation Basis	Assets (liabilities) for deferred tax as of 31 March 2016	Variations of assets for def. Tax during year	Assets (liabilities) for deferred tax as of 31 March 2017
	USD	USD	USD
Inventories	(16.830,49)	16.830,49	-----
Provisions	14.990,73	(14.990,73)	-----
Tax losses	1.099.682,68	236.463,82	1.336.146,50
<b>Totals</b>	<b>1.097.842,92</b>	<b>238.303,58</b>	<b>1.336.146,50</b>

Tax losses to be carry-forwarded as of 31 March 2017 are presented below:

	Tax loss USD	Effect 35% USD	Expiration
Tax losses 2015	139.790,97	48.926,84	2020
Tax losses 2016	3.002.159,55	1.050.755,84	2021
Tax losses 2017	675.610,91	236.463,82	2022
<b>Total</b>	<b>3.817.561,43</b>	<b>1.336.146,50</b>	

Tax Loss 2017	USD
Net (loss) Before Income TAX	(675.610,91)
	35%
<b>Effect 35%</b>	<b>236.463,82</b>

  
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NOTES TO THE SPECIAL FINANCIAL STATEMENTS  
AS OF 31 MARCH 2017 AND 2016  
(continued)

NOTE 3: CASH AND CASH EQUIVALENTS

The composition of this item is as follows:

	Year ended	
	31/03/2017	31/03/2016
CURRENT	USD	USD
Imprest Fund	324,23	342,29
Cash at banks	57.631,85	51.453,72
Checks to be deposited	18.711,71	53.415,97
TOTAL	76.667,79	105.211,98

NOTE 4: ACCOUNTS RECEIVABLE

The composition of this item is as follows:

	Year ended	
	31/03/2017	31/03/2016
CURRENT	USD	USD
Customers	872.274,23	1.355.002,13
TOTAL	872.274,23	1.355.002,13



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**ICONA SAN LUIS S.A.F.I.M.I. y C.**

NOTES TO THE SPECIAL FINANCIAL STATEMENTS  
AS OF 31 MARCH 2017 AND 2016  
 (continued)

NOTE 5: PREPAID TAXES AND OTHER RECEIVABLE

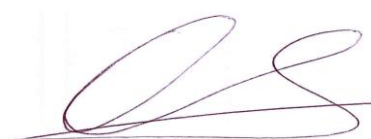
The composition of this item is as follows:

	Year ended	
	31/03/2017	31/03/2016
	USD	USD
<b>CURRENT</b>		
Income tax – balance in favour of contributor	181.160,22	201.412,07
Turnover tax – balance in favor contributor	214.915,13	179.708,18
Tax on minimum presumed income – balance in favour of contributor	19.417,02	31.267,19
VAT – balance in favour of contributor	190.394,49	308.292,07
Other taxes – balance in favour contributor	136,23	432,17
Other credits	4.301,96	13.213,88
<b>TOTAL</b>	<b>610.325,05</b>	<b>734.325,56</b>
<b>NON-CURRENT</b>	<b>USD</b>	<b>USD</b>
Tax on minimum presumed income (Note 19)	142.841,14	98.893,68
<b>TOTAL</b>	<b>142.841,14</b>	<b>98.893,68</b>

NOTE 6: INVENTORIES

The composition of this item is as follows:

	Year ended	
	31/03/2017	31/03/2016
	USD	USD
<b>CURRENT</b>		
Finish products	-----	350.660,20
Raw material	-----	311.800,24
Packing material	-----	48.269,59
Products in process	-----	19.182,88
Tolling	-----	15.144,20
<b>TOTAL</b>	<b>-----</b>	<b>745.057,11</b>

  
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NOTES TO THE SPECIAL FINANCIAL STATEMENTS  
AS OF 31 MARCH 2017 AND 2016  
 (continued)

NOTE 7: ACCOUNTS PAYABLE

The composition of this item is as follows:

	Year ended	
	31/03/2017	31/03/2016
CURRENT	USD	USD
Domestic suppliers	2.274,15	341.945,98
Invoices to be received	21.858,73	104.717,26
Foreign suppliers	-----	216.320,00
<b>TOTAL</b>	<b>24.132,88</b>	<b>662.983,24</b>

NOTE 8: PAY ROLL AND SOCIAL SECURITY TAXES


The composition of this item is as follows:

	Year ended	
	31/03/2017	31/03/2016
CURRENT	USD	USD
Commissions	47.762,44	75.984,64
<b>TOTAL</b>	<b>47.762,44</b>	<b>75.984,64</b>

NOTE 9: TAXES PAYABLE

The composition of this item is as follows:

	Year ended	
	31/03/2017	31/03/2016
CURRENT	USD	USD
Income tax withholding	1.206,71	378,49
Turnover tax payable	12.558,38	22.746,03
Others liabilities	1.143,22	635,85
<b>TOTAL</b>	<b>14.908,31</b>	<b>23.760,37</b>

  
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NOTES TO THE SPECIAL FINANCIAL STATEMENTS  
AS OF 31 MARCH 2017 AND 2016  
(continued)

NOTE 10: PROVISIONS

The composition of this item is as follows:

	Year ended	
	31/03/2017 USD	31/03/2016 USD
CURRENT		
Labor claims (Note 18 and Exhibit IV)	1.289,72	4.107,48
<b>TOTAL</b>	<b>1.289,72</b>	<b>4.107,48</b>

NOTE 11: NET SALES

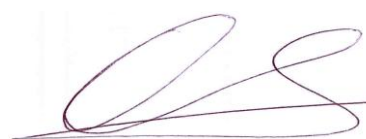
The composition of this item is as follows:

	Year ended	
	31/03/2017 USD	31/03/2016 USD
Sales of goods (local)	2.005.739,61	2.822.086,82
Related parties (Note 17)	406.932,44	114.282,36
Rendered Services	155.899,65	5.069,50
<b>TOTAL</b>	<b>2.568.571,70</b>	<b>2.941.438,68</b>

NOTE 12: FINANCIAL RESULTS

The composition of this item is as follows:

	Year ended	
	31/03/2017 USD	31/03/2016 USD
Interest	(244.564,17)	(260.308,67)
Exchange differences	(323.864,42)	(2.176.759,75)
Loss On Sale-Asset	(11.109,76)	-----
<b>TOTAL</b>	<b>(579.538,35)</b>	<b>(2.437.068,42)</b>



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NOTES TO THE SPECIAL FINANCIAL STATEMENTS  
AS OF 31 MARCH 2017 AND 2016  
 (continued)

NOTE 13: OTHER INCOME AND EXPENSES

The composition of this item is as follows:

	Year ended	
	31/03/2017	31/03/2016
	USD	USD
Other income and expenses	(5.566,92)	7.896,65
Profit On Sale-Asset	107.000,42	-----
<b>TOTAL</b>	<b>101.433,50</b>	<b>7.896,65</b>

NOTE 14: OTHER EXPENSES – EXCEPTIONAL ITEMS

Extraordinary items resulting from the decision made by the Company during this business year: a non habitual claim of employees is included.

The composition of this item is as follows:

	Year ended	
	31/03/2017	31/03/2016
	Profit / (Loss)	Profit / (Loss)
	USD	USD
Exceptional Claims	(15.296,85)	(892.065,08)
<b>TOTAL</b>	<b>(15.296,85)</b>	<b>(892.065,08)</b>

NOTE 15: CAPITAL STOCK

The corporate capital is made up by 1.920 registered non-endorsable common shares with a nominal value of ARS 100 each and entitled to one vote per share. The corporate capital has been fully subscribed and paid-in, being registered thereof with the Registry of Legal Persons of the Province of San Luis.


NOTE 16: NEGATIVE SHAREHOLDERS' EQUITY

The company has recorded accounting losses in the last fiscal year.

This has caused that, as of March 31 2017, the Company has liabilities exceeding assets for USD 1.839.447,59.

The main shareholder, UPL Argentina S.A., has committed the necessary financing so as to assure the continuity of the Company as a going concern.

Therefore, even though the Company has a negative shareholders' equity for the amount indicated in the first paragraph, these financial statements have been prepared pursuant to the going concern principle.

  
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**NOTES TO THE SPECIAL FINANCIAL STATEMENTS  
AS OF 31 MARCH 2017 AND 2016  
(continued)**

**NOTE 17: BALANCES AND TRANSACTIONS WITH RELATED PARTIES**

	Assets	Liabilities	Transactions
	USD	USD	USD
<b>a) <u>Balance as of 31.03.2017</u></b>			
<b>Related companies</b>			
<b>Accounts Receivable</b>			
UPL Argentina S.A.	80.921,91		
<b>TOTAL</b>	<b>80.921,91</b>		
<b>Accounts Payable</b>			
UPL Argentina S.A.		1.707.297,86	
<b>Others Liabilities</b>			
UPL Argentina S.A.		(1) 3.525.277,84	
<b>TOTAL</b>		<b>5.232.575,70</b>	

**b) Transactions  
Group Companies**

<b>Purchases</b>		
UPL Argentina S.A.		458.888,14
<b>Sales</b>		
UPL Argentina S.A.		406.932,44
<b>Sales Fixed Assets</b>		
UPL Argentina S.A.		124.275,26
<b>Interest Lost</b>		
UPL Argentina S.A.		194.666,79
<b>Management Fees received</b>		
UPL Argentina S.A.		33.086,14

Note (1): Includes loan with no guaranty, and an interest rate of 5,00 %

Total USD	
3.846.569,11	Capital
(321.291,27)	Compensation
3.525.277,84	Total



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**NOTES TO THE SPECIAL FINANCIAL STATEMENTS**  
**AS OF 31 MARCH 2017 AND 2016**  
**(continued)**

**NOTE 18: PROVISIONS**

Management and legal advisors have estimated effect of contingencies arisen from lawsuits initiated by previous employees (i.e. labor claims). The Company management has booked a provision for contingencies in the amount of USD 1.289,72. Nonetheless, actual outcome of these uncertain situations may significantly defer from estimate

**NOTE 19: TAX ON MINIMUM PRESUMED INCOME**

This tax amounts to 1% of assets existing at each year end and was established through Law 25.063. Tax on Minimum Presumed Income effectively paid can be considered to be an advance Income Tax payment, provided any of the ten fiscal periods immediately after it generate an excess Income Tax which cannot be absorbed by Tax on Minimum Presumed Income of the same fiscal period.

For this reason, chances to recover amounts disclosed in Note 5, depend on whether the Company generates sufficient Income Tax enabling it to use those payments as advance Income Tax payments. Below we are listing assets amounts in the present financial statements and the date on which those credits become statute barred:

Tax corresponding to the year ended:	Amount USD	End of the year on which they become statute-barred
31 March 2013	15.372,81	2023
31 March 2015	47.010,79	2025
31 March 2016	31.290,13	2026
31 March 2017	49.167,41	2027
<b>TOTAL</b>	<b>142.841,14</b>	

**NOTE 20: CHANGE OF CORPORATE NAME**

The Extraordinary Shareholders' Meeting held on February 18, 2015, has unanimously decided to change the corporate name of Icona San Luis S.A.F.I.M.I. y C. due to its being a member of an international economic group. Thus, through this same Meeting, it was decided to amend section I of the Corporate By-Laws, which shall read as follows: "SECTION ONE. The Company created as "Icona San Luis Sociedad Anónima, Financiera, Industrial, Mandataria, Inmobiliaria y Comercial" shall continue to operate under the name of "UPL SL Argentina S.A.". The Company has its registered office in the city of San Luis, capital city of the Province of San Luis".

This amendment of the corporate By Laws is pending registration with Inspección General de Justicia (Partnerships and Corporations Registration and Supervisory Board).

**NOTE 21: NUMBER OF EMPLOYEE**

Currently the company directory is carrying out the tasks of society. During the fiscal year UPL Argentina S.A. continued invoicing management fees  
There are no employees on payroll or contractors at March 31, 2017 and 2016



ICONA SAN LUIS S.A.F.I.M.I. y C.

FIXED ASSETS

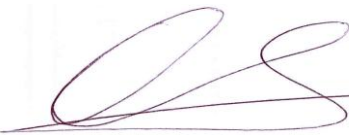
COMPOSITION AND EVOLUTION FOR THE YEAR ENDED 31 MARCH 2017

(Amount stated in USD)

EXHIBIT I

Concept	At beginning of the year	Incorporations	Reductions	At year end	Depreciations				Net book value as of 31/03/2017
					Accumulated at beginning of the year	Reductions and Reclassification	For the year	Accumulated at year end	
	USD	USD	USD	USD	USD	USD	USD	USD	USD
Lands and Buildings	1.672.387,58	-----	-----	1.672.387,58	(202.074,15)	-----	(33.424,97)	(235.499,12)	1.436.888,46
Machinery and Tools and Facilities	388.567,90	-----	(46.366,00)	342.201,90	( 339.150,49 )	46.365,99	(6.248,00)	(299.032,50)	43.169,40
Equipment	494.532,44	-----	(98.826,10)	395.706,34	( 167.451,64 )	33.353,68	(44.579,65)	(178.677,61)	217.028,73
Office Equipment	4.175,07	-----	(4.175,07)	-----	( 3.469,49 )	3.578,01	(108,52)	-----	-----
Furnitures	18.977,81	-----	-----	18.977,81	( 17.684,86 )	-----	(188,20)	(17.873,06)	1.104,75
Work in Progress	31.737,39	-----	(31.737,39)	-----	-----	-----	-----	-----	-----
<b>TOTALS 31/03/2017</b>	<b>2.610.378,19</b>	<b>-----</b>	<b>(181.104,56)</b>	<b>2.429.273,63</b>	<b>(729.830,63)</b>	<b>83.297,68</b>	<b>(84.549,34)</b>	<b>(731.082,29)</b>	<b>1.698.191,34</b>

NOTE: The accounting allocation of the depreciation for the year is disclosed in Exhibit III

  
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**ICONA SAN LUIS S.A.F.I.M.I. y C.**  
COST OF SALES  
FOR THE YEAR ENDED 31 MARCH 2017  
(Amount stated in USD)

EXHIBIT II

	Year ended	
	31/03/2017	31/03/2016
	USD	USD
At beginning of the year	693.241,61	698.211,07
Purchases of the year	1.488.864,42	1.583.198,81
Costs of inventories (Exhibit III)	-----	797.500,32
Less		
Inventories at end of year	-----	(693.241,61)
Cost of Sales	2.182.106,03	2.385.668,59




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EXPENSES FOR THE YEAR ENDED 31 MARCH 2017 AND 2016  
(Amount stated in USD)

EXHIBIT III

Description	Cost of inventories USD	Administrative expenses USD	Selling expenses USD	Total as of 31/03/2017 USD	Total as of 31/03/2016 USD
• Wages and salaries and social security contributions	-----	-----	-----	-----	613.888,06
• Management fees received	-----	33.073,13	-----	33.073,13	843.712,23
• Freight expenses	-----	-----	53.676,61	53.676,61	3.130,58
• Insurances	-----	12.505,07	-----	12.505,07	16.326,51
• Taxes, charges and contributions	-----	32.162,41	75.788,33	107.950,74	175.414,44
• Occupational Safety and Health	-----	-----	-----	-----	5.731,00
• Maintenances and repairs	-----	2.432,93	-----	2.432,93	25.906,99
• Professional fees	-----	44.451,75	-----	44.451,75	186.032,51
• Depreciations (Exhibit I)	-----	84.549,34	-----	84.549,34	40.120,71
• Electricity, fuel & lubrication expenses	-----	7.358,45	-----	7.358,45	10.632,82
• Rents	-----	14.360,01	-----	14.360,01	154.096,04
• Telephone expenses	-----	674,87	-----	674,87	1.381,59
• Spending on mobility	-----	629,15	-----	629,15	6.101,89
• Office expenses	-----	578,77	-----	578,77	4.479,48
• Commissions	-----	-----	95.389,49	95.389,49	131.028,05
• Manufacturing costs and Security Services	-----	88.567,54	-----	88.567,54	109.771,85
• Registration Fees	-----	2.169,98	-----	2.169,98	11.955,96
• Miscellaneous Expenses	-----	9.442,11	-----	9.442,11	40.659,81
• advertising	-----	-----	10.864,94	10.864,94	-----
<b>TOTALS as of 31/03/2017</b>	-----	<b>332.955,51</b>	<b>235.719,37</b>	<b>568.674,88</b>	-----
<b>TOTALS as of 31/03/2016</b>	<b>797.500,32</b>	<b>1.212.685,87</b>	<b>370.184,33</b>	-----	<b>2.380.370,52</b>

  
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ICONA SAN LUIS S.A.F.I.M.I. y C.

PROVISIONS – ALLOWANCES  
STRUCTURE AND CHANGES FOR THE YEAR ENDED 31 MARCH 2017  
(Amount stated in USD)

EXHIBIT IV

	Balances at the beginning of the year	Additions	Reductions	At period end 31 March 2017
<b>INCLUDED IN THE LIABILITIES</b>				
• Labor claims	4.107,48	-----	(2.817,76)	1.289,72
Total	4.107,48	-----	(2.817,76)	1.289,72



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