



UPL ARGENTINA S.A.

SPECIAL FINANCIAL STATEMENTS

(prepared only consolidation purposes)

FOR THE YEAR
ENDED 31 MARCH 2018

INDEPENDENT AUDITORS' REPORT

To the President of
UPL Argentina S.A.

Introduction

We have audited the accompanying balance sheet of UPL Argentina S.A. as of 31 March 2018 the related statements of income and changes in shareholders' equity for the year then 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 described 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 audit.

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 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)

Emphasis of matter paragraph

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

We draw attention to Note 20 to the financial statements that describes the negative shareholders' equity situation. As per such note, the Company has recorded liabilities exceeding assets for 1.576.603,53.- 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 UPL Argentina S.A. and the results of its operations for the year ended 31 March 2018, 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, 13 April 2018

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

UPL ARGENTINA S.A.

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

PRINCIPAL OPERATION: Chemicals manufacture and sale.

REGISTRATION IN THE COMMERCE AUTHORITY REGISTER:

Of by laws: 2 July 1969.

END OF PERIOD ESTABLISHED AT BY LAWS: 1 July 2068.

NR OF REGISTER IN THE CORPORATION’S CONTROL AUTH.: N° 208.962

CONTROLLING SHAREHOLDER INFORMATION.

NAME: UPL Europe Ltd. (United Kingdom)

LEGAL ADDRESS: The Centre 1st Floor, Birchwood Park, Warrington, Cheshire WA3 6YN, United Kingdom.

PARTICIPATION ON NET EQUITY: 95,20%

PARTICIPATION ON THE VOTES: 95,20%



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PURPOSES TOGETHER WITH OUR
REPORT DATED 13/04/18

UPL ARGENTINA S.A.

BALANCE SHEET AS OF 31 MARCH 2018 AND 2017

(Amounts Stated in USD)


<u>ASSETS</u>	<u>Year ended</u>		<u>LIABILITIES</u>	<u>Year ended</u>	
	<u>31/03/2018</u>	<u>31/03/2017</u>		<u>31/03/2018</u>	<u>31/03/2017</u>
<u>CURRENT ASSETS</u>	<u>USD</u>	<u>USD</u>	<u>CURRENT LIABILITIES</u>	<u>USD</u>	<u>USD</u>
Cash and cash equivalents (Notes 2.1 and 3)	196.775,18	880.102,78	Accounts payable (Notes 2.8 and 7)	16.353.385,88	11.783.860,75
Accounts receivable (Notes 2.2, 2.6 and 4)	37.220.203,32	35.914.340,34	Clients advance payments	54.410,00	233.136,66
Prepaid taxes and others receivable (Note 5)	4.890.416,65	4.120.727,39	Financial debts (Note 8)	-----	7.074.281,22
Inventories (Notes 2.3 and 6)	24.513.628,29	10.966.238,61	Payroll and social security taxes (Note 9)	936.346,33	1.361.990,32
Associate Companies and Related parties (Note 16)	5.336.992,08	5.248.676,78	Taxes payable (Note 10)	409.624,71	541.539,23
			Provisions (Note 11)	577.082,61	806.603,57
			Associate Companies and Related parties (Note 16)	63.452.159,16	31.788.254,19
<u>TOTAL CURRENT</u>					
<u>ASSETS</u>	<u>72.158.015,52</u>	<u>57.130.085,90</u>			
<u>NON-CURRENT ASSETS</u>					
Prepaid taxes and others receivable (Notes 2.10 and 5)	1.420.559,87	2.160.101,82	<u>TOTAL CURRENT</u>	<u>81.783.008,69</u>	<u>53.589.665,94</u>
Investment in other companies (Note 2.7 and Exhibit VI)	3.251.178,95	3.251.178,95	<u>LIABILITIES</u>		
Fixed assets (Note 2.4 and Exhibit I)	3.319.373,46	3.281.189,49	<u>TOTAL LIABILITIES</u>	<u>81.783.008,69</u>	<u>53.589.665,94</u>
Intangible assets (Note 2.5 and Exhibit II)	57.277,36	72.884,52			
<u>TOTAL NON-CURRENT</u>			<u>NET EQUITY</u>		
<u>ASSETS</u>	<u>8.048.389,64</u>	<u>8.765.354,78</u>	(as per related statement)	<u>(1.576.603,53)</u>	<u>12.305.774,74</u>
<u>TOTAL</u>	<u>80.206.405,16</u>	<u>65.895.440,68</u>	<u>TOTAL</u>	<u>80.206.405,16</u>	<u>65.895.440,68</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
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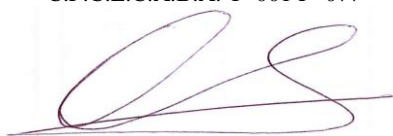
UPL ARGENTINA S.A.

**STATEMENT OF INCOME FOR THE TWELVE MONTHS PERIOD ENDED 31 MARCH 2018 AS
COMPARED WITH THE SAME PERIOD ENDED 31 MARCH 2017 AND STATEMENT OF
INCOME FOR THE 4Q ENDED 31 MARCH 2018 AS COMPARED WITH THE 4Q ENDED 31
MARCH 2017**
(Amounts Stated in USD)

	Period Ended			
	31/03/2018 (12 months) USD	31/03/2018 (3 months) USD	31/03/2017 (12 months) USD	31/03/2017 (3 months) USD
Net Sales (Note 12)	60.304.023,91	14.833.125,05	57.987.349,23	16.960.982,55
Cost of Sales (Exhibit III)	(49.075.358,59)	(12.630.600,50)	(44.538.987,82)	(13.721.070,01)
GROSS INCOME	11.228.665,32	2.202.524,55	13.448.361,41	3.239.912,54
Administrative expenses (Exhibit IV)	(4.169.799,59)	(1.562.551,58)	(3.493.654,46)	(1.070.180,57)
Selling expenses (Exhibit IV)	(9.400.886,44)	(1.581.730,78)	(8.127.954,00)	(2.544.297,84)
Financial results (Note 13)	(11.257.197,23)	(3.675.495,39)	(5.605.677,78)	(1.577.951,82)
Other income and expenses (Note 14)	78.798,04	86.436,73	111.052,64	23.608,21
Other Expenses – Exceptional Items (Note 15)	(361.958,37)	(25.456,72)	(684.466,03)	(556.758,65)
NET (LOSS) BEFORE INCOME TAX	(13.882.378,27)	(4.556.273,19)	(4.352.338,22)	(2.485.668,13)
Income Tax	-----	-----	-----	-----
NET (LOSS) OF THE YEAR	(13.882.378,27)	(4.556.273,19)	(4.352.338,22)	(2.485.668,13)

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


 Felipe Andrés MacLOUGHLIN
 President

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UPL ARGENTINA S.A.

**STATEMENT OF CHANGES IN NET EQUITY
FOR THE YEAR ENDED 31 MARCH 2018 AND 2017
(Amounts stated in USD)**

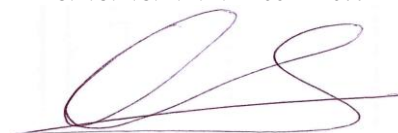
Concepts	Capital Stock (Note 17)	Other Capital Accounts	Total	Others Reserves and Retained Earnings	Total as of 31/03/2018	Total as of 31/03/2017
	USD	USD	USD	USD	USD	USD
Balances at beginning of the year April 1, 2017	30.002.630,67	261.901,53	30.264.532,20	(17.958.757,46)	12.305.774,74	7.980.696,68
Irrevocable Contributions						
Conversion Functional Currency						277.416,28
As per Minutes of Extraordinary Shareholders' Meeting held on June 8, 2016: -Corporate capital increase						2.900.000,00
As per Minutes of ordinary Shareholders' Meeting held on February 1, 2017: -Corporate capital decrease						5.500.000,00
Net (Loss) of the year				(13.882.378,27)	(13.882.378,27)	(4.352.338,22)
Balance as of 31 March 2018 and 2017	30.002.630,67	261.901,53	30.264.532,20	(31.841.135,73)	(1.576.603,53)	12.305.774,74

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



Felipe Andrés MacLOUGHLIN
President

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UPL ARGENTINA S.A.

CASH FLOW STATEMENT
FOR THE YEAR ENDED 31 MARCH 2018 AND 2017
 (Amounts Stated in USD)

	Year Ended	
	31/03/2018 USD	31/03/2017 USD
<u>CHANGES IN CASH</u>		
Cash and Cash equivalents at the beginning of the year	880.102,78	340.135,05
Cash and Cash equivalents at the close of the year	196.775,18	880.102,78
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(683.327,60)	539.967,73
<u>REASONS FOR CHANGES IN CASH</u>		
<u>Operating activities:</u>		
Net (loss) of the year	(13.882.378,27)	(4.352.338,22)
Income Tax	-----	-----
<i>Adjustments to reach the cash from operating activities:</i>		
Depreciation Fixed assets	417.471,21	427.345,42
Depreciation Intangibles assets	15.692,47	4.048,18
(Profit) on sale of fixed assets	(89.673,45)	(38.104,95)
<i>Changes in operating Assets and Liabilities:</i>		
(Increase) in Accounts receivable	(1.305.862,98)	(12.543.506,35)
(Increase) in Prepaid taxes and others receivable	(30.147,32)	(2.260.910,63)
(Increase) / Decrease in Inventories	(13.547.389,68)	3.429.813,07
Increase / (Decrease) in Accounts payable	4.569.525,14	(1.662.267,76)
(Decrease) / Increase in Clients advance payments	(178.726,66)	(708.138,25)
(Decrease) / Increase in Payroll and social security taxes	(425.643,98)	640.815,83
(Decrease) / Increase in Taxes payable	(131.914,52)	(691.813,36)
Increase in Provisions	(229.520,96)	366.643,83
Increase in Associate Companies and Related parties	31.575.589,66	12.812.127,18
Net cash (used in) operating activities	6.757.020,66	(4.576.286,01)
<u>Investing activities:</u>		
Purchase of fixed assets and intangible	(523.374,63)	(795.116,36)
Sale / disposal of fixed assets and intangible assets	157.307,59	129.761,18
Net cash (used in) investing activities	(366.067,04)	(665.355,18)
<u>Financing activities:</u>		
(Decrease) / Increase in Financial debts	(7.074.281,22)	(2.895.807,36)
Conversion Functional Currency	-----	277.416,28
Shareholders' contribution	-----	8.400.000,00
Net cash from financing activities	(7.074.281,22)	5.781.608,92
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS	(683.327,60)	539.967,73

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



Felipe Andrés MacLOUGHLIN
 President

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UPL ARGENTINA S.A.

NOTES TO THE SPECIAL FINANCIAL STATEMENTS
AS OF 31 MARCH 2018 AND 2017

NOTE 1: FINANCIAL STATEMENTS AS OF 31 MARCH 2018.

1.1. Basis of preparation

As per request of UPL Limited, UPL Argentina S.A. has prepared these Special Financial Statements as of 31 March 2018 for the sole purpose of consolidation with its Head Office.

These Special Financial Statements have been prepared, USD in accordance with International Financial Reporting Standards as considered by UPL Group for consolidation purposes.

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. Also, for comparative purposes, the necessary exposure adaptations have been included

NOTE 2: ACCOUNTING POLICIES.

Applicable disclosure standards have been followed to prepare these Special Financial Statements for the year ended as of 31 March 2018. Nevertheless, considering the special purpose of its issuance, it may not include every required disclosure to fulfill 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 Equivalent

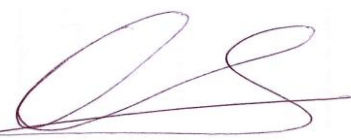
Balances of immediate availability (i.e. imprest funds, cash in hand, and cash at banks) have been classified within this caption.

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

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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REPORT DATED 13/04/18

UPL ARGENTINA S.A.

NOTES TO THE SPECIAL FINANCIAL STATEMENTS
AS OF 31 MARCH 2018 AND 2017

(Continued)

NOTE 2: ACCOUNTING POLICIES.
(Continued)

2.2. Accounts Receivable
(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. Intangible Assets


Intangible 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.

2.6 Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, historical observed default rates are updated and changes in forward-looking estimates are analysed.

This policy is in line with the Group's policy on Impairment of financial assets


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UPL ARGENTINA S.A.

**NOTES TO THE SPECIAL FINANCIAL STATEMENTS
AS OF 31 MARCH 2018 AND 2017
(continued)**

NOTE 2: ACCOUNTING POLICIES.
(Continued)

2.7. Investment in other companies

Participation in 99,72% of share capital and votes of Icona San Luis S.A.F.I.M.I. y C. is carried at cost, as determined on 17 July 2007, date in which UPL Europe Ltd. acquired UPL Argentina S.A. and its subsidiary Icona San Luis S.A.F.I.M.I. y C.

Participation of 0,07% of share capital and votes of UPL Bolivia S.R.L. and the 0,41% of share capital and votes of UPL Paraguay S.A. are carried at cost.

2.8. Liabilities

Accounts Payable have been measured at 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.

2.9. 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.

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.

2.10. Income Tax


Deferred tax method was applied. 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 year ended 31 March 2018 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 16.588.408,97 according to the following detail:

Differences between Accounting and Fiscal Valuation Basis	Assets (liabilities) for deferred tax as of 31 March 2017	Variations of assets for def. Tax during year	Assets (liabilities) for deferred tax as of 31 March 2018
	USD	USD	USD
Allowance for doubtful accounts	168.633,64	99.787,52	268.421,16
Loan Interest	2.121.067,05	2.707.949,52	4.829.016,57
Provisions	282.311,25	13.746,67	296.057,92
Tax losses	6.353.119,00	4.841.794,32 1)	11.194.913,32
Totals	8.925.130,94	7.663.278,03	16.588.408,97

1)	Tax Loss	Effect 35%
Tax losses 2018	14.992.155,32	5.247.254,36
Prescription Tax losses 2012	1.158.457,27	(405.460,04)
Net	<u>4.841.794,32</u>	


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UPL ARGENTINA S.A.

**NOTES TO THE SPECIAL FINANCIAL STATEMENTS
AS OF 31 MARCH 2018 AND 2017
(continued)**

**NOTE 2: ACCOUNTING POLICIES.
(Continued)**

**2.10. Income Tax
(Continued)**

Tax losses to be carry-forwarded as of 31 March 2018 are presented below:

	Tax loss USD	Effect 35% USD	Expiration
Tax losses 2013	2.285.912,15	800.069,25	2018
Tax losses 2014	5.691.703,99	1.992.096,39	2019
Tax losses 2015	1.178.999,35	412.649,76	2020
Tax losses 2016	2.813.185,99	984.615,06	2021
Tax losses 2017	5.023.510,00	1.758.228,50	2022
Tax losses 2018	14.992.155,32	5.247.254,36	2023
Total	31.985.466,80	11.194.913,32	

Tax loss 2018	USD
Net (loss) Before Income Tax	(13.882.378,27)
Differences 1)	(1.109.777,05)
Tax loss	(14.992.155,32)
Effect 35%	5.247.254,36

Doutful Accounts	(285.107,20)
Interest and others	(824.669,85)
Total 1)	1.109.777,05

NOTE 3: CASH AND CASH EQUIVALENTS

The composition of this item is as follows:

	Year ended	
	31/03/2018 USD	31/03/2017 USD
CURRENT		
Imprest Fund	5.777,30	4.506,88
Cash at Banks	190.997,88	875.595,90
TOTAL	196.775,18	880.102,78

NOTE 4: ACCOUNTS RECEIVABLE

The composition of this item is as follows:

	Year ended	
	31/03/2018 USD	31/03/2017 USD
CURRENT		
Customers	33.790.342,44	31.803.021,28
Checks to be deposited	4.153.095,77	4.579.921,97
Observed checks to be deposited	43.682,71	13.207,49
Allowance for doubtful accounts (Exhibit V)	(766.917,60)	(481.810,40)
TOTAL	37.220.203,32	35.914.340,34

UPL ARGENTINA S.A.

NOTES TO THE SPECIAL FINANCIAL STATEMENTS
AS OF 31 MARCH 2018 AND 2017
 (continued)

NOTE 5: PREPAID TAXES AND OTHERS RECEIVABLE


The composition of this item is as follows:

	Year ended	
	31/03/2018	31/03/2017
	USD	USD
CURRENT		
VAT – balance in favour of contributor	1.198.303,37	2.410.063,99
Income tax – balance in favour of contributor	142.332,48	37.092,52
Turnover tax – balance in favor contributor	1.424.344,17	1.277.116,92
Other taxes – balance in favour contributor	78.526,56	9.354,78
Other credits	19.904,06	7.943,59
Prepaid Insurance	149.663,28	93.968,89
Advance payments	1.811.992,22	155.584,07
Export Charges Recovery	65.350,51	129.602,63
TOTAL	4.890.416,65	4.120.727,39
NON-CURRENT	USD	USD
Tax on minimum presumed income (Note 18)	1.420.559,87	2.160.101,82
TOTAL	1.420.559,87	2.160.101,82

NOTE 6: INVENTORIES

The composition of this item is as follows:

	Year ended	
	31/03/2018	31/03/2017
	USD	USD
CURRENT		
Finish products	19.951.663,83	9.593.927,89
Raw material	4.403.631,80	660.822,47
Packing material	257.959,98	90.553,68
Products in process	23.319,40	4.835,46
Tolling	21.120,28	31.036,16
Advance payments to suppliers	-----	585.062,95
Provision made for obsolescence (Exhibit V)	(144.067,00)	-----
TOTAL	24.513.628,29	10.966.238,61


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UPL ARGENTINA S.A.

NOTES TO THE SPECIAL FINANCIAL STATEMENTS
AS OF 31 MARCH 2018 AND 2017
 (continued)

NOTE 7: ACCOUNTS PAYABLE

The composition of this item is as follows:

	Year ended	
	31/03/2018	31/03/2017
CURRENT	USD	USD
Domestic suppliers	3.404.914,75	6.754.776,61
Foreign suppliers	9.256.189,57	3.740.394,00
Invoices to be received	3.692.281,56	1.288.690,14
TOTAL	16.353.385,88	11.783.860,75

NOTE 8: FINANCIAL DEBTS

The composition of this item is as follows:

	Year ended	
	31/03/2018	31/03/2017
CURRENT	USD	USD
Bank Loans (1)	-----	7.074.281,22
TOTAL	-----	7.074.281,22

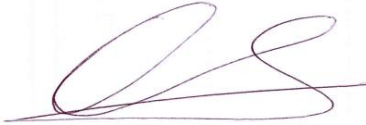
NOTE (1): It corresponds to 2 (two) loans from Citibank New York for a total amount of USD 6.963.032,90 (Capital) , with no guaranty, and an interest rate of 4.95% + Libor.

Contract Number	Last Renovation date	Final Maturity date	Capital
IBAL021160970001	April 06. 2016	April 05, 2017	5.000.582,90
IBAL021161200003	April 29, 2016	April 28, 2017	1.962.450,00

NOTE 9: PAYROLL AND SOCIAL SECURITY TAXES

The composition of this item is as follows:

	Year ended	
	31/03/2018	31/03/2017
CURRENT	USD	USD
Wages, salaries	283.846,34	554.587,20
Accrued vacations and 13th salary	81.302,39	228.383,75
Social security taxes & Trade union payable	382.875,02	130.554,47
Commissions payable	188.322,58	448.464,90
TOTAL	936.346,33	1.361.990,32


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NOTES TO THE SPECIAL FINANCIAL STATEMENTS
AS OF 31 MARCH 2018 AND 2017
 (continued)

NOTE 10: TAXES PAYABLE

The composition of this item is as follows:

	Year ended	
	31/03/2018 USD	31/03/2017 USD
CURRENT		
Income and VAT tax withholding	41.731,28	92.862,81
Gross Income to pay	298.964,93	-----
Turnover tax payable	68.363,68	67.088,40
Tax on minimum presumed income provision	-----	379.745,52
Others taxes	564,82	1.842,50
TOTAL	409.624,71	541.539,23

NOTE 11: PROVISIONS

The composition of this item is as follows:

	Year ended	
	31/03/2018 USD	31/03/2017 USD
CURRENT		
Labor claims (Note 19 and Exhibit V)	577.082,61	806.603,57
TOTAL	577.082,61	806.603,57

NOTE 12: NET SALES

The composition of this item is as follows:

	Year ended	
	31/03/2018 Profit / (Loss) USD	31/03/2017 Profit / (Loss) USD
	Sales of goods (local)	58.456.257,51
Sales of goods (export)	68.600,00	62.720,00
Rendered Services (tolling)	1.774.506,40	2.182.327,43
Associate Companies and Related parties (Note 16)	4.660,00	788.664,14
TOTAL	60.304.023,91	57.987.349,23



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NOTE 13: FINANCIAL RESULTS

The composition of this item is as follows:

	Year ended	
	31/03/2018	31/03/2017
	Profit / (Loss) USD	Profit / (Loss) USD
Financial interest and tax interest	(6.683.939,47)	(3.943.690,54)
Exchange difference	(4.573.257,76)	(1.661.987,24)
TOTAL	(11.257.197,23)	(5.605.677,78)

NOTE 14: OTHER INCOME AND EXPENSES

The composition of this item is as follows:

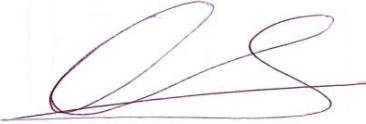
	Year ended	
	31/03/2018	31/03/2017
	Profit / (Loss) USD	Profit / (Loss) USD
Management Fees (Note 16)	13.585,32	33.086,14
Export Recovery	1.002,34	649,87
Other Income	88.363,93	81.573,35
Other Expenses	(24.153,55)	(4.256,72)
TOTAL	78.798,04	111.052,64

NOTE 15: 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	
	31/03/2018	31/03/2017
	Profit / (Loss) USD	Profit / (Loss) USD
Exceptional Claims	(361.958,37)	(684.466,03)
TOTAL	(361.958,37)	(684.466,03)


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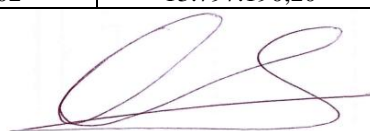
**NOTES TO THE SPECIAL FINANCIAL STATEMENTS
AS OF 31 MARCH 2018 AND 2017
(continued)**

NOTE 16: BALANCES AND TRANSACTIONS WITH ASSOCIATE COMPANIES AND RELATED PARTIES

	Assets	Liabilities	Transactions
	USD	USD	Debit / (Credit)
	USD	USD	USD
a) Balance as of 31.03.2018			
Related Companies			
Accounts Receivable			
Icona San Luis S.A.F.I.M.I. y C.	1.959.189,66		
Advanta Semillas S.A.I.C.	5.980,70		
Riceco International Inc	105.513,79		
United Phosphorus Inc	104.700,00		
	<u>2.175.384,15</u>		
Other Receivable			
Icona San Luis S.A.F.I.M.I. y C.	3.161.607,93		
	<u>3.161.607,93</u>		
TOTAL RELATED COMPANIES	<u>5.336.992,08</u>		
Related Companies			
Accounts Payable			
Advanta Semillas S.A.I.C.		114.624,51	
UPL Limited (India)		550.885,48	
UPL Corporation Ltd		45.955.907,86	
Decco Iberica Post Cosecha S.A.U		786.930,60	
Decco Chile SpA		11.768,60	
Riceco International Inc		1.206.140,00	
Icona San Luis S.A.F.I.M.I. y C.		299.711,91	
Cerexagri S.A.S		729.000,00	
		<u>49.654.968,96</u>	
Loans current			
UPL Europe Ltd. (U.K.) (1)		13.797.190,20	
		<u>13.797.190,20</u>	
TOTAL		<u>63.452.159,16</u>	

NOTE (1): It corresponds to 4 (four) loans, with no guaranty, and an interest rate of 5,50% + Libor.

Loan date	Capital	Interest	TOTAL
March 18, 2010	2.062.190,74	1.053.148,79	3.115.339,53
March 26, 2010	774.630,00	254.612,68	1.029.242,68
April 19, 2010	1.677.873,44	571.112,25	2.248.985,69
April 12 2017	7.000.000,00	403.622,30	7.403.622,30
TOTAL	11.514.694,18	2.282.496,02	13.797.190,20


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NOTES TO THE SPECIAL FINANCIAL STATEMENTS
AS OF 31 MARCH 2018 AND 2017
(continued)

NOTE 16: BALANCES AND TRANSACTIONS WITH ASSOCIATE COMPANIES AND RELATED PARTIES

(Continued)

	Assets USD	Liabilities USD	Transactions Debit / (Credit) USD
b) Transactions			
Related Companies			
Interest Lost			
UPL Europe Ltd. (U.K.)			736.998,62
Interest Earned			
Icona San Luis S.A.F.I.M.I. y C.			(194.589,70)
Recovery Expenses			
Riceco International Inc.			(105.513,79)
Management Fees			
Icona San Luis S.A.F.I.M.I. y C.			(13.585,32)
Sales Fixed Assets			
United Phosphorus Inc			104.700,00
Rents			
Advanta Semillas S.A.I.C.			(166.035,33)
Purchases			
UPL Corporation Ltd.			22.329.043,68
Cerexagri S.A.S.			270.000,00
UPL Limited (India)			17.408,45
Riceco International Inc.			807.740,00
Decco Iberica Post Cosecha S.A.U.			192.348,00
Purchases Fixed Assets			
Icona San Luis S.A.F.I.M.I. y C.			198.000,00
Decco Chile SpA			11.768,60
Sales			
Advanta Semillas S.A.I.C.			(4.660,00)
Loans received			
Advanta Semillas S.A.I.C.			183.210,61
UPL Europe Ltd. (U.K.)			7.000.000,00
Loans returned			
Advanta Semillas S.A.I.C.			(183.210,61)
Commission paid			
UPL Limited (India)			87.671,23



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NOTES TO THE SPECIAL FINANCIAL STATEMENTS
AS OF 31 MARCH 2018 AND 2017
 (Continued)

NOTE 17: CAPITAL STOCK

The corporate capital is made up by 9.495.402,00 registered non-endorsable common shares with a nominal value of ARS 1 each and entitled to five votes per share. The corporate capital has been fully subscribed and paid-in, pending registration thereof with the Corporation's Control Authority (I.G.J.).

NOTE 18: 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.

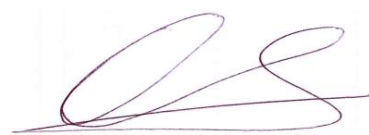
For this reason, chances to recover amounts disclosed in Note 5, depend on whether the Company generates sufficient Income Tax enabling it to use those payments as advance Income Tax payments. Below we are listing assets amounts in the present financial statements and the date on which those credits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

Tax corresponding to the period ended:	Amount USD	End of the period on which they become statute-barred
30 September 2008	10.643,19	2018
31 March 2009	31.579,86	2019
31 March 2010	28.931,10	2020
31 May 2010	6.264,23	2020
31 March 2011	100.310,51	2021
31 March 2012	123.438,15	2022
31 March 2013	144.347,81	2023
31 March 2014	156.259,75	2024
31 March 2015	179.556,25	2025
31 March 2016	352.000,93	2026
31 March 2017	-----	2027
Balance in favour of contributor	287.228,09	
TOTAL	1.420.559,87	

According to Law Number 27.264, the minimum presumed income tax will not be applicable as of this fiscal year. After the closing of 2017, the AFIP-fiscal agency- published an instruction where it determined that those companies with tax losses were exempt from payment.

NOTE 19: PROVISIONS

Management and legal advisors have estimated effect of contingencies arisen from lawsuits initiated by previous employees (i.e. labor claims), as well as other tax contingencies. The Company management has booked a provision for contingencies in the amount of USD 577.082,61. Nonetheless, actual outcome of these uncertain situations may significantly defer from estimate.


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NOTES TO THE SPECIAL FINANCIAL STATEMENTS
AS OF 31 MARCH 2018 AND 2017
(continued)

NOTE 20: NEGATIVE SHAREHOLDERS' EQUITY

The company has recorded accounting losses.

This has caused that, as of March 31 2018, the Company has liabilities exceeding assets for USD 1.576.603, 53. The main shareholder 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.

NOTE 21: NUMBERS OF EMPLOYEES

As of March 31, 2018, UPL Argentina SA had 113 employees contemplating payroll and hiring.

NOTE 22: AUDIT FEES

As of March 31, 2018, the company has provisioned 16,300 for Audit fees.



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UPL ARGENTINA S.A.

FIXED ASSETS


COMPOSITION AND EVOLUTION FOR THE YEAR ENDED 31 MARCH 2018

(Amount stated in USD)

EXHIBIT I

Concept	At beginning of the year USD	Incorporations USD	Reductions and Reclassifications USD	At year end USD	Depreciations				Net book value as of 31/03/2018 USD
					Accumulated at beginning of the year USD	Reductions USD	For the year USD	Accumulated at year end USD	
Land	177.214,48	-----	-----	177.214,48	-----	-----	-----	-----	177.214,48
Building	637.912,73	-----	-----	637.912,73	(326.538,97)	-----	(17.673,16)	(344.212,13)	293.700,60
Leasehold improvements	1.072.652,56	-----	-----	1.072.652,56	(443.845,92)	-----	(15.131,82)	(458.977,74)	613.674,82
Machinery and Tools	4.673.566,99	211.646,51	(98.083,33)	4.787.130,17	(2.984.833,47)	31.081,70	(280.463,00)	(3.234.214,77)	1.552.915,40
Office Equipment	119.483,78	56.201,02	-----	175.684,80	(92.428,55)	-----	(15.339,73)	(107.768,28)	67.916,52
Vehicles	541.029,32	159.153,13	(26.516,49)	673.665,96	(289.022,21)	26.516,49	(78.526,93)	(341.032,65)	332.633,31
Furniture	73.439,43	2.050,00	(439,32)	75.050,11	(27.756,23)	351,47	(5.426,24)	(32.831,00)	42.219,11
Software	38.278,04	-----	-----	38.278,04	(30.073,00)	-----	(4.910,33)	(34.983,33)	3.294,71
Work in Progress	142.110,51	94.238,66	(544,66)	235.804,51	-----	-----	-----	-----	235.804,51
TOTALS 31/03/2018	7.475.687,84	523.289,32	(125.583,80)	7.873.393,36	(4.194.498,35)	57.949,66	(417.471,21)	(4.554.019,90)	3.319.373,46

NOTE: The accounting allocation of the depreciation for the period is disclosed in Exhibit IV.


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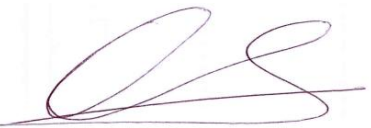
INTANGIBLE ASSETS

COMPOSITION AND EVOLUTION FOR THE YEAR ENDED 31 MARCH 2018
(Amount stated in USD)

EXHIBIT II

Concept	At beginning of the year USD	Incorporations USD	Reductions and Reclassifications USD	At year end USD	Depreciations			Net book value as of 31/03/2018 USD	
					Accumulated at beginning of the year USD	Reductions USD	For the year USD		
Trademarks and patents	78.391,33	85,31	-----	78.476,64	(5.506,81)	-----	(15.692,47)	(21.199,28)	57.277,36
TOTALS 31/03/2018	78.391,33	85,31	-----	78.476,64	(5.506,81)	-----	(15.692,47)	(21.199,28)	57.277,36

NOTE: The accounting allocation of the depreciation for the period is disclosed in Exhibit IV.


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UPL ARGENTINA S.A.

COST OF SALES

FOR THE YEAR ENDED 31 MARCH 2018 AND 2017
(Amount stated in USD)

EXHIBIT III

	Year ended	
	31/03/2018 USD	31/03/2017 USD
At beginning of the year	10.350.139,50	14.338.797,07
Purchases of the year	59.271.147,84	37.150.998,81
Costs of inventories (Exhibit IV)	3.967.699,54	3.399.331,44
Less		
Inventories at end of the year	<u>(24.513.628,29)</u>	<u>(10.350.139,50)</u>
Cost of Sales	<u>49.075.358,59</u>	<u>44.538.987,82</u>




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UPL ARGENTINA S.A.

**EXPENSES FOR THE TWELVE MONTHS PERIOD ENDED 31 MARCH 2018 AS COMPARED
WITH THE SAME PERIOD ENDED 31 MARCH 2017 AND EXPENSES FOR THE 4Q ENDED 31
MARCH 2018 AS COMPARED WITH THE 4Q ENDED 31 MARCH 2017**
(Amount stated in USD)

EXHIBIT IV

Description	Cost of inventories USD	Administrative expenses USD	Selling expenses USD	Total as of 31/03/2018 (12 months) USD	Total as of 31/03/2018 (3 months) USD	Total as of 31/03/2017 (12 months) USD	Total as of 31/03/2017 (3 months) USD
• Wages and salaries and social security contributions	2.224.404,18	2.190.989,22	1.117.379,36	5.532.772,76	806.561,27	4.607.224,98	1.062.166,87
• Taxes, charges and contributions	195.830,84	541.980,64	2.015.882,61	2.753.694,09	739.145,21	2.614.257,83	732.077,15
• Freight expenses	-----	-----	1.868.958,59	1.868.958,59	456.756,20	1.110.732,42	494.764,42
• Insurances	57.669,70	337.559,62	134.366,20	529.595,52	107.449,78	512.091,99	248.189,79
• Occupational Safety and Health	68.476,97	-----	-----	68.476,97	14.610,77	50.816,71	15.228,38
• Maintenance and repairs	323.563,28	15.539,80	5.566,35	344.669,43	19.679,03	347.058,20	115.762,85
• Professional fees	120.379,13	319.934,87	180.604,19	620.918,19	158.657,60	549.318,05	153.658,50
• Depreciations Fixed assets (Exhibit I)	325.350,39	48.493,13	43.627,69	417.471,21	104.597,76	427.345,42	125.590,06
• Depreciations Intangibles assets (Exhibit II)	-----	-----	15.692,47	15.692,47	3.923,82	4.048,18	1.480,93
• Electricity, fuel & lubrication expenses	179.699,42	24.169,08	40.226,68	244.095,18	64.511,72	207.714,18	41.859,27
• Rents	76.732,77	82.424,15	394.731,65	553.888,57	115.563,68	496.036,86	152.572,76
• Telephone expenses	3.909,10	36.997,87	16.195,68	57.102,65	23.839,22	46.047,37	20.624,93
• Spending on mobility	44.251,38	281.112,90	156.927,17	482.291,45	78.357,33	459.179,32	56.305,58
• Office expenses	19.987,73	20.266,90	32.684,93	72.939,56	16.335,87	76.924,08	33.109,93
• Registration Fees	609,80	18.810,87	211.336,35	230.757,02	94.068,14	276.867,51	35.128,44
• Commissions	-----	87.671,23	2.453.100,35	2.540.771,58	579.613,75	2.444.874,70	816.188,50
• Manufacturing costs and Security services	281.300,08	-----	386,74	281.686,82	81.991,39	219.481,48	219.481,48
• Advertising costs	2.672,41	24.421,87	274.272,09	301.366,37	99.336,98	339.588,67	27.939,31
• Doubtful Accounts	-----	-----	285.107,20	285.107,20	285.107,20	-----	-----
• Miscellaneous Expenses	42.862,36	139.427,44	153.840,14	336.129,94	125.170,40	231.331,95	59.214,45
TOTALS as of 31/03/2018 (12 months)	3.967.699,54	4.169.799,59	9.400.886,44	17.538.385,57	-----	-----	-----
TOTALS as of 31/03/2018 (3 months)	830.994,76	1.562.551,58	1.581.730,78	-----	3.975.277,12	-----	-----
TOTALS as of 31/03/2017 (12 months)	3.399.331,44	3.493.654,46	8.127.954,00	-----	-----	15.020.939,90	-----
TOTALS as of 31/03/2017 (3 months)	796.865,19	1.070.180,57	2.544.297,84	-----	-----	-----	4.411.343,60


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CONTINGENCIES – ALLOWANCES

STRUCTURE AND CHANGES FOR THE YEAR ENDED 31 MARCH 2018

(Amount stated in USD)

EXHIBIT V

	Balances at the beginning of the year	Additions	Reductions	At period end 31 March 2018
DEDUCTED FROM ASSETS				
• Allowance for doubtful accounts	(481.810,40)	(285.107,20)	-----	(766.917,60)
• Provision made for obsolescence	-----	(144.067,00)	-----	(144.067,00)
Total	(481.810,40)	(429.174,20)	-----	(910.984,60)
INCLUDED IN THE LIABILITIES				
• Labor claims	806.603,57	-----	(229.520,96)	577.082,61
Total	806.603,57	-----	(229.520,96)	577.082,61



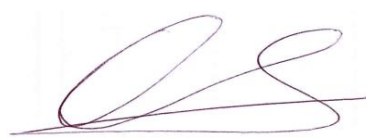
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UPL ARGENTINA S.A.

INVESTMENTS, SHARES, DEBENTURES AND OTHER BONDS INTEREST
EQUITY IN OTHER COMPANIES COMPOSITIONS
AS OF 31 MARCH 2018 AND 2017
 (Amount stated in USD)

EXHIBIT VI

Value Denomination and Characteristics				Book Value As of 31/03/2018 USD	Book Value As of 31/03/2017 USD	Issuer Principal Line of Business
Denomination and Issuer	Type	%	Number			
<u>Non-Current Investments</u>						
Icona San Luis S.A.F.I.M.I. y C.	Ordinary	99,69	1.914,62	3.247.615,75	3.247.615,75	Chemicals manufacture and sale
UPL Bolivia S.R.L.	-----	0,07	2.500,00	86,98	86,98	Chemicals sale
UPL Paraguay S.A.	Ordinary	0,41	1,65	3.476,22	3.476,22	Chemicals sale
Total				3.251.178,95	3.251.178,95	


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