



Decco Worldwide post-harvest Holdings B.V.

**Non-statutory financial statements
For the year ended 31 March 2017**

Authenticated
date 20-04-2017
Initials JMN

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Balance sheet as at 31 March 2017*(before proposed appropriation of net result)*

	2017	2016
	EUR	EUR
Fixed assets		
Financial fixed assets	1 16,042,024	15,854,712
	<u>16,042,024</u>	<u>15,854,712</u>
Current assets		
Receivables (affiliated companies)	2 3,002,416	2,061,015
Other receivables	4,560	215
Cash and bank	571,060	253,081
	<u>3,578,036</u>	<u>2,314,311</u>
Current liabilities	3 2,578,572	1,050,488
Long term loans	4 11,981,807	11,991,454
Current assets less current liabilities	<u>(10,982,343)</u>	<u>(10,727,631)</u>
Total assets less current liabilities	<u>5,059,681</u>	<u>5,127,080</u>
Shareholder's equity	5	
Issued capital	18,000	18,000
Share premium	3,700,299	3,700,299
Retained earnings	1,408,781	103,747
Unallocated result	(67,399)	1,305,034
	<u>5,059,681</u>	<u>5,127,080</u>

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

Previous Year figures have been regrouped or rearranged wherever necessary.

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Profit and loss account for the year ended 31 March 2017

	2017	2016
	EUR	EUR
Net sales	337,764	359,058
Cost of sales	335,628	357,392
Gross Margin	<u>2,136</u>	<u>1,666</u>
Administrative expenses	6 (25,203)	(109,401)
Operating result	<u>27,339</u>	<u>111,067</u>
Financial income/(expense)	7	
Dividend income	0	1,871,887
Interest income	84,367	89,928
Interest expense	(370,905)	(318,868)
Other financial income	3,984	9,021
Currency exchange gain/(loss)	187,816	(458,001)
	<u>(94,738)</u>	<u>1,193,967</u>
Result before taxation	<u>(67,399)</u>	<u>1,305,034</u>
Income tax charge	8 0	0
Net result for the year ended 31 March 2017	<u><u>(67,399)</u></u>	<u><u>1,305,034</u></u>

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

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Decco Worldwide post-harvest Holdings B.V.

Notes to the financial statements for the year ended 31 March 2017

General

Fidass B.V. which has been founded on 6 February 2007 changed their name into Decco Worldwide Post-harvest Holdings B.V. effective 21 April 2009.

Decco Worldwide Post-harvest Holdings B.V. ("the Company"), having its legal seat in Amsterdam, the Netherlands, is directly and fully owned by Decco Worldwide Post-harvest Holdings Coöperatief U.A. effective 17 April 2009, and is ultimately a wholly owned subsidiary of UPL Limited, India (formerly known as United Phosphorus Ltd.).

On 1 April 2014 the Company acquired 244 shares of Decco México from the former partner of Decco México. One share of Decco México was sold by the former partner to Decco U.S. as Mexican companies need two shareholders.

The financial year 2016 concerns the period 1 April 2016 until 31 March 2017.
The financial year 2015 concerns the period 1 April 2015 until 31 March 2016.

Consolidation policy

As provided by Article 408 of part 9, Book 2 of the Netherlands Civil code, consolidated financial statements are not prepared by the company as the Company and its subsidiaries are included in the consolidated financial statements of UPL Limited, India.

Accounting policies for the valuation of assets and liabilities

General

The valuation of assets and liabilities and the determination of the result are on the basis of the historical cost convention, except as stated below. Income and expenditure are allocated to the year to which they relate.

The financial statements have been prepared in accordance with generally accepted accounting principles in the Netherlands and comply with the financial reporting requirements included in Part 9 Book 2 of the Netherlands Civil Code.

Profits are only recognised if they have been realised on the balance sheet date. Losses and risks which originate before the end of the financial year are considered if they have become known before the annual accounts are drawn up.

Financial fixed assets

The investments in subsidiaries are stated at historical cost adjusted for permanent decrease in value, if deemed necessary.

The investments in subsidiaries are:

- Anning Decco Fine Chemical Company Ltd., Peoples Republic of China, 55%
- Safepack Products Ltd., Israel, 100%.
- Decco Ibérica Post Cosecha S.A., Spain, 100%.
- Decco Italia S.R.L., Italy, 100%.
- Decco U.S. Post-Harvest Inc., United States of America, 100%.
- Citrashine Pty Ltd. (formerly known as Friedshelf 1114), South Africa, 100%.
- Decco México (formerly known as Decco Jifkins México), Mexico, 99,8%
- Decco Chile, Chile, 100%
- UPL Agromed Tohumculuk Sanayi Ve Ticaret Anonim Sirketi at Adana, Turkey, 0,0001%;
- Blue Star B.V., The Netherlands, 51%;

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Decco Worldwide post-harvest Holdings B.V.

Accounting policies for determining the result

Operating turnover

Dividends from investments are determined as net turnover according RJ article 214.505 and are allocated to the year to which they relate.

Other operating costs

Costs are determined on a historical cost base and are allocated to the year to which they relate.

Financial income and expenses

Income and expenses not arising from ordinary activities are classified under extraordinary income and expenses.

Average number of employees

During 2016/2017 no employees were employed on the basis of a full time contract of service.
During 2015/2016 no employees were employed on the basis of a full time contract of service.

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Decco Worldwide post-harvest Holdings B.V.

Notes to the balance sheet

1	Financial fixed assets	2017	2016
		EUR	EUR
	Investment Anning Decco Fine Chemical Company Ltd.	600,000	600,000
	Investment Safepack Products Ltd.	4,000,000	4,000,000
	Investment Decco Ibérica Post Cosecha S.A.	4,600,000	4,600,000
	Investment Decco Italia S.R.L.	2,500,000	2,500,000
	Investment Decco U.S. Post-Harvest Inc.	7	7
	Investment Citrashine Pty Ltd.	29	29
	Investment Decco México	16,088	16,088
	Investment Decco Chile	1,547	1,547
	Investment UPL Agromed Tohumculuk Sanayi Ve Ticaret Anonim Sirketi	4	4
	Investment Blue Star B.V.	1,224,510	1,173,510
	Loan to Decco Worldwide Post-Harvest Holdings Coöperatief U.A. Long term loan of EUR 60,000 at LIBOR 3M + 2.5%	60,000	60,000
	Loan to Safepack Long term loan of USD 104,410 at LIBOR 6M + 3.25%	97,662	153,671
	Loan to Citrashine Long term loan of ZAR 20,733,882.74 at LIBOR 3M + 2.8% and Long term loan of ZAR 10,700,000 at LIBOR 3M + 2.9%	2,205,283	1,695,875
	Loan to Decco Iberica Long term loan of EUR 450,000 at LIBOR 3M + 2.9%	0	450,000
	Loan to Decco México Long term loan of USD 287,814 at LIBOR 3M + 2.9%	269,212	252,734
	Loan to Decco Chile Long term loan of USD 500,000 at LIBOR 3M + 2.9%	467,683	351,247
		<u>16,042,024</u>	<u>15,854,712</u>

Previous Year figures have been regrouped or rearranged wherever necessary.

2	Current assets	2017	2016
		EUR	EUR
	Receivable Citrashine	956,157	677,315
	Receivable Decco Iberica	17,000	3,313
	Receivable Decco Italia	3,703	147,000
	Receivable Safepack	970,550	641,582
	Receivable Decco México	55,468	63,020
	Receivable Decco Chile	58,135	69,975
	Receivable Decco U.S.	939,949	458,665
	Receivable Decco Worldwide Post-Harvest Holdings Coöperatief U.A.	1,454	145
	Other receivables	4,560	215
	Cash and bank	571,060	253,081
		<u>3,578,036</u>	<u>2,314,311</u>

Previous Year figures have been regrouped or rearranged wherever necessary.

3	Current liabilities	2017	2016
		EUR	EUR
	Accounts payable UPL Corporation Limited	2,207,491	1,047,818
	Accounts payable Decco Italia	6,630	0
	Accounts payable Decco US	360,196	0
	Accounts payable UPL Agromed	4	4
	Accruals	1,566	1,566
	Accounts payable trade	2,685	1,100
		<u>2,578,572</u>	<u>1,050,488</u>

Previous Year figures have been regrouped or rearranged wherever necessary.

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4 Long term loans	2017	2016
	EUR	EUR
Loan UPL Corporation Limited	7,117,903	7,117,903
Long term loan of EUR 7,117,903 at LIBOR 3M + 2.5%		
Loan from Decco U.S.	4,863,904	4,873,551
Long term loan of USD 5,200,000 at LIBOR 3M + 2.5%		
	<u>11,981,807</u>	<u>11,991,454</u>

Previous Year figures have been regrouped or rearranged wherever necessary.

5 Shareholder's equity

The movement in shareholder's equity is as follows:

	Issued and paid-in capital EUR	Share premium EUR	Retained earnings EUR	Unallocated result EUR	Total EUR
Balance 31 March 2016	18,000	3,700,299	103,747	1,305,034	5,127,080
Allocation of 2016 net result	0	0	1,305,034	(1,305,034)	0
Net result 2017	0	0	0	(67,399)	(67,399)
Balance 31 March 2017	<u>18,000</u>	<u>3,700,299</u>	<u>1,408,781</u>	<u>(67,399)</u>	<u>5,059,681</u>

The movements in 2016 were as follows:

	Issued and paid-in capital EUR	Share premium EUR	Retained earnings EUR	Unallocated result EUR	Total EUR
Balance 31 March 2015	18,000	3,700,299	(175,973)	279,720	3,822,046
Allocation of 2015 net result	0	0	279,720	(279,720)	0
Net result 2016	0	0	0	1,305,034	1,305,034
Balance 31 March 2016	<u>18,000</u>	<u>3,700,299</u>	<u>103,747</u>	<u>1,305,034</u>	<u>5,127,080</u>

The Company's authorised capital amounts to EUR 90,000 consisting of 900 shares with a par value of EUR 100 each. At 31 March 2017 180 shares have been issued and fully paid, amounting to EUR 18,000.

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Notes to the profit and loss account

6 Administrative expenses

	2017	2016
	EUR	EUR
Administrative expenses can be detailed as follows:		
Management fee	(320,314)	(214,251)
Legal & Professional Fees	291,283	101,647
Auditor's Remuneration	1,550	1,566
Bank charges	2,278	1,637
	<u>(25,203)</u>	<u>(109,401)</u>

7 Financial income and expenses

	2017	2016
	EUR	EUR
Dividend income	0	1,871,887
Other financial income	3,984	9,021
Exchange difference	187,816	(458,001)
Interest income third parties	(30)	(1,109)
Interest income group companies	84,397	91,037
Interest expenses group companies	(370,906)	(318,868)
	<u>(94,739)</u>	<u>1,193,967</u>

8 Tax

	2017	2016
	EUR	EUR
Provision for Corporate Income Tax	0	0
	<u>0</u>	<u>0</u>
Effective tax rate	0.00%	0.00%

As the fiscal result is a loss of EUR 255,215 no provision for tax is needed
The statutory tax rate in the Netherlands is 25%.

Decco Worldwide post-harvest Holdings forms part of the fiscal unity with Decco Worldwide post-harvest Holdings Coöperatief U.A.. The amount of unused tax losses/credits is therefore not shown in these statements but mentioned in the Non-Statutory Financial Statements of Decco Worldwide post-harvest Holdings Coöperatief U.A.. The total carry forward loss for the fiscal unity as per 31 March 2017 is EUR 2,541,137.

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Decco Worldwide post-harvest Holdings B.V.

The following are the details of the related party transactions entered by the Company for the years 2017 and 2016.

		2017	2016
Nature of transactions	Name of the related party	EUR	EUR
Sales	Blue Star B.V.	337,764	359,058
Purchases	Decco WW PH Holdings Coöperatief U.A.	335,628	357,392
Interest expense	UPL Corporation Limited	155,295	236,552
	Decco U.S. Post-Harvest Inc.	215,610	76,812
	Decco Italia S.R.L.	0	5,504
		<u>370,905</u>	<u>318,868</u>
Interest income	Decco WW PH Holdings Coöperatief U.A.	1,309	1,479
	Citrashine (Pty) Ltd.	46,854	51,756
	Decco México	6,886	7,448
	Decco Chile SpA	17,627	8,782
	Decco Iberica Post Cosecha S.A.U.	1,630	20,098
	Decco Italia S.R.L.	3,723	0
	Safepack Products Ltd.	6,368	1,474
	<u>84,397</u>	<u>91,037</u>	
Dividend income	Decco Iberica Post Cosecha S.A.U.	0	1,500,000
	Anning Decco Fine Chemical Company	0	371,887
		<u>0</u>	<u>1,871,887</u>
Management Fee expense	UPL Corporation Limited	939,949	988,233
Management Fee income	Decco U.S. Post-Harvest Inc.	608,651	442,454
	Citrashine (Pty) Ltd.	99,952	113,386
	Decco México	36,438	53,519
	Decco Chile SpA	54,849	53,519
	Decco Italia S.R.L.	168,000	147,000
	Decco Iberica Post Cosecha S.A.U.	17,000	193,000
	Safepack Products Ltd.	275,373	199,606
	<u>1,260,263</u>	<u>1,202,484</u>	
Loan given	Decco Chile SpA	924,706	87,812
	Decco Iberica Post Cosecha S.A.U.	0	1,500,000
	Citrashine	211,534	0
	Safepack Products Ltd.	0	153,671
	<u>1,136,240</u>	<u>1,741,483</u>	
Repayment of loan given	Decco Iberica Post Cosecha S.A.U.	450,000	1,050,000
	Decco Chile SpA	843,482	0
		<u>1,293,482</u>	<u>1,050,000</u>
Repayment of loan taken	Decco U.S. Post-Harvest Inc.	307,560	1,273,270
	UPL Corporation Limited	0	3,432,097
	Decco Italia S.R.L.	0	600,000
		<u>307,560</u>	<u>5,305,367</u>

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Other information**Appropriation of the net result for the year**

Article 20 of the Articles of Association of the Company provides that net income for the year is at the disposal of the Annual General Meeting of Shareholders.

The following appropriation of the result after taxes for the year 2017 is proposed to the General Meeting of Shareholders to transfer the net loss of EUR 67,399 to retained earnings. The result after tax for the year 2017 is included in the unappropriated results within shareholder's equity.

Proposed appropriation of net income

At present no decision has been taken with regard to the proposed appropriation of the net loss, pending the approval of the Company's shareholder.

Auditor's report

The auditor's report is set forth on the following page.

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Accountants



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To: the Board of Directors of
Decco Worldwide Post-Harvest Holdings B.V.

INDEPENDENT AUDITOR'S REPORT

We have audited, for purposes of audit of the consolidated financial statements of UPL Ltd., the non-statutory financial statements of Decco Worldwide Post-Harvest Holdings B.V., at Amsterdam, for the period 1 April 2016 until 31 March 2017 as identified by us for identification purposes.

Opinion with respect to the financial statements

In our opinion, the non-statutory financial statements of Decco Worldwide Post-Harvest Holdings B.V. as at 31 March 2017 and its result for the period 1 April 2016 until 31 March 2017 are prepared in all material respects, in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Emphasis of matter

We draw attention to the fact that the non-statutory financial statements have been prepared for consolidation purposes of UPL Ltd. only. The non-statutory financial statements of Decco Worldwide Post-Harvest Holdings B.V. and our auditor's report thereon are intended solely for UPL Ltd. and are not suitable for other purposes.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report. We are independent of Decco Worldwide Post-Harvest Holdings B.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for Professional Auditors, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Description of responsibilities regarding the non-statutory financial statements

Management's responsibility

Management is responsible for the preparation and fair presentation of these non-statutory financial statements, in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore management is responsible for such internal control as it determines is necessary to enable the preparation of the non-statutory financial statements that are free from material misstatement, whether due to fraud or error.

The non-statutory financial statements have been prepared solely for consolidation purposes of UPL Ltd.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing and Part 9 of Book 2 of the Dutch Civil Code.

This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the non-statutory financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the non-statutory financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the non-statutory 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 non-statutory 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 non-statutory financial statements.

Eindhoven, April 20, 2017
Baker Tilly Berk N.V.



drs. H.G.W. van Gerwen RA

Initial for identification purposes:

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