

# **UPL Polska Sp. z o.o.**

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**Na Przelaj 8, 03-092 Warszawa  
REGON number 141714256**

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**Financial Statements  
for the period from 1 April 2014 to 31 March 2015**

# **UPL Polska Sp. z o.o.**

## **Financial Statements**

**for the period from 1 April 2014 to 31 March 2015**

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### **Contents**

	<b>Page</b>
Report of reviewing accountant	<b>1</b>
Introduction	<b>2 - 4</b>
Balance sheet	<b>5 - 6</b>
Profit and loss account	<b>7</b>
Notes to the financial statements	<b>8-9</b>

**Report of the independent auditor  
to the Board of Directors**

UPL Polska Sp. z o.o.  
03-092 Warszawa  
ul. Na Przelaj 8  
Poland

As independent auditors, we have examined the financial statements (balance sheet, income statement and the notes) of UPL Polska Sp. z o.o. for the 12 months period from 1<sup>st</sup> April 2014 to 31<sup>st</sup> March 2015. The comparative figures represent the period of 12 months from 1<sup>st</sup> April 2013 to 31<sup>st</sup> March 2014. The reporting period, or the comparative period are reporting periods for the Company under local law, and for purposes of consolidation.

These financial statements are the responsibility of the board of directors. Our responsibility is to perform an audit on these financial statements. These financial statements have been drawn up in accordance with Polish law as contained in the Polish Act on Accounting, based on properly kept accounting records as set out in that law.

We conducted our examination in accordance with the relevant auditing standards, which require that an audit be planned and performed to obtain reasonable assurance about whether the financial statements are free from material misstatement. We have examined on a test basis evidence supporting the amounts and disclosures in the financial statements. We have also assessed the accounting principles used, significant estimates made and overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the accounting records comply with Polish accounting law and the financial statements comply with group accounting policies. The financial statements contain no hidden reserves and show a true and fair view of the state of the Company's affairs as at 31<sup>st</sup> March 2015 and the result for the 12 months period ending on that date.



Monika Byczyńska  
Licensed Auditor No. 9877  
Warsaw, 15<sup>th</sup> April 2015

**Baker Tilly Poland Sp. z o.o.**  
ul. Hrubieszowska 2, 01-209 Warszawa



**BAKER TILLY  
POLAND**

**Report of reviewing accountant**

*To the directors of UPL Polska Sp. z o.o.*

We have prepared the financial statements on pages 2 to 9 from the accounting records and information and explanations supplied to us. We have not carried out an audit.

The financial statements comprise:

- introduction
- balance sheet, showing total assets and total liabilities amounting to 88 088,61 zł
- profit and loss account, showing net income amounting to 162 720,68 zł
- notes to the financial statements

*For and on behalf of  
Baker Tilly Poland Sp. z o.o.*

*Anna Dawid*

Authorised signatory  
Date: 15 April 2015

**Approved for and on behalf of  
UPL Polska Sp. z o.o.**

*Bharat Dutia*

Bharat Dutia  
Member of the Board  
Date: 15 April 2015

*Jimmy Erach Dadrewalla*

Jimmy Erach Dadrewalla  
Member of the Board  
Date: 15 April 2015

*Ajit Kumar Premnath*  
Ajit Kumar Premnath  
Member of the Board  
Date: 15 April 2015

**1. Principal activities of the Company**

Company UPL Polska Sp. z o.o. with a registered office in Warsaw at Na Przelaj 8 Street, is registered under the changed name in State Court Register for the City of Warsaw 15<sup>th</sup> October 2014 under the number 0000323581. Its main operations comprise the following activities are:

- services in the area of plant growth,
- production of basic chemicals, agrochemicals, fertilizers and nitrate components, plastics and synthetic rubber in its basic forms.
- production of pesticides and other agrochemical products,
- agency activity for the sale of fuels, ores, metals and industrial chemicals, and other traded goods,
- wholesale and retail of chemical products in specialist and general stores, and on market stands,
- all ancillary activity that may promote or assist the primary activities.

According to the Company's Articles of Association the period of operations is unlimited.

**2. Financial Statements**

Financial statements are produced on a going concern basis. No circumstances are known indicating the inability of the company to continue as a going concern.

Financial statements are presented for the 12-month period from 1 April 2014 to 31 March 2015. Comparative data are presented for the 12-month period from 1 April 2013 to 31 March 2014.

**3. Summary of principal accounting policies**

**(a) Basis of preparation**

The accounting policies adopted in the preparation of the financial statements are in accordance with the Accounting Act of 29 September 1994 (*Journal of Laws* No. Dz. U. z 2013, poz. 330), which specifies, inter-alia, accounting principles for entities which have their registered office or place of management on the territory of the Republic of Poland.

**(b) Receivables**

Receivables are long term if they are due after more than one year from the balance sheet date. Receivables are short term if they are due within one year from the balance sheet date.

Receivables are stated at amounts due at the balance sheet date including the late interest accrued, carried net of write-downs.

Receivables are adjusted by a write-downs taking into account the probability of repayment. Depending on the type of receivables write-downs are charged to other operating costs or financial costs.

Taxation, state subsidy and social security receivables are stated at amounts due on the basis of regulations, agreements and other relevant documentation.

**(c) Monetary assets**

Monetary assets include cash in hand and cash at bank, bank deposits maturing within three months of the balance sheet date, cheques, bills of exchange and similar instruments due within three months from the date of issue. Monetary assets also include interest due but not received.

Financial assets due or maturing within three months from the date of issue or placement are classified as cash for cash flow reporting purposes.

Cash and cash equivalents are stated at face value.

Interest received and due is included in financial income.

**(d) Prepayments, accruals and deferred income**

**i. Prepayments**

Prepayments include invoiced amounts of services to be received in future periods. The timing and method of recognition in the income statement should correspond to the nature of the expenses recognised, taking account of the prudence principle.

**ii. Accruals**

Accruals are recognised at amounts of likely liabilities, which relate to the current reporting period, in particular with regard to:

- Goods and services provided to the Company by its creditors, if the amount of liability can be reliably estimated;
- The obligation to provide, in the future, goods and services, relating to current activities, to unknown persons, the amount of which can be estimated even though the timing of a liability is not yet known, including amounts relating to guarantee and warranty service in respect of durable products sold.

Accruals are recognised in the income statement in proportion to the goods or services provided. The timing and method of recognition in the income statement should correspond to the nature of the expenses recognised, taking account of the prudence principle.

**(e) Shareholders' equity**

Shareholders' equity comprises share capital, supplementary capital and reserves established by the Company on the basis of legislation, the Articles of Association and decisions of general meetings of shareholders, as well as amount of cumulative profits or losses from previous years.

Share capital is stated at nominal value in the amount specified in Articles of Association and entered in the Commercial Register.

Losses brought forward include cumulative profits and losses from previous years which have not been distributed or appropriated by resolution of general meetings of shareholders.

**(f) Provisions for liabilities**

Provisions for liabilities are measured reliably estimated value.

Provision for liabilities are created on for future liabilities which are certain or high probable and we can estimate their value reliably.

**(g) Liabilities**

Liabilities are long term if they are due more than one year from the balance sheet date. Liabilities are short term if they are due within a year from the balance sheet date.

Liabilities are stated at amounts due in respect of goods or services received, including the late interest due at the balance sheet date. Interest is charged to financial costs.

**(h) Foreign currency transactions**

Assets and liabilities denominated in foreign currencies are translated into Polish currency at the balance sheet date using average rate of a given currency specified by the National Bank of Poland as on the balance sheet date.

Business transactions denominated in foreign currencies are accounted for as on the date they are performed at:

-for cash received and paid liabilities the average rate of a given currency specified by the National Bank of Poland as on the last working day before transaction date

-for receivables and liabilities the average rate of a given currency specified by the National Bank of Poland as on the last working day before transaction date.

Realised foreign exchange gains or losses as well as gains or losses arising on translation of foreign currency balances at the balance sheet date are credited or charged to financial income or costs respectively.

**(i) Revenue recognition**

Sales are recognised at the time goods are delivered or services are provided. Sales are recognised net of value-added taxes or any discounts allowed.

**(j) Obligatory charges on the financial result**

Obligatory charges on the financial result include Corporate Income Tax on profit determined in accordance with relevant legislation, deferred taxation and other mandatory charges on profit of a similar nature.

Corporate Income Tax charge is based on the reported profit adjusted in respect of non-taxable income, non-deductible expenses, investment relief, donations and relief for losses incurred in prior years.

**UPL Polska Sp. z o.o.**  
**Balance sheet as at 31 March 2015**

**5**

	Note	Current year PLN	Previous year
<b>ASSETS</b>			
<b>Fixed Assets</b>		-	-
<b>Current assets</b>		<b>88 088,61</b>	<b>191 161,84</b>
Receivables and claims	<b>1</b>	17 044,66	184 914,59
Related entities		-	175 000,00
trade debtors payable within a period of		-	175 000,00
- up to 12 months		-	175 000,00
Other entities:		17 044,66	9 914,59
trade debtors payable within a period of		-	1 516,59
- up to 12 months		-	1 516,59
taxation, state subsidy and social security receivables		14 457,07	8 398,00
other debts		2 587,59	-
Short-term investments		71 043,95	6 247,25
Short term financial assets		71 043,95	6 247,25
cash and other monetary assets		71 043,95	6 247,25
- cash in hand and at bank		71 043,95	6 247,25
<b>Total assets</b>		<b>88 088,61</b>	<b>191 161,84</b>



**UPL Polska Sp. z o.o.**  
**Balance sheet as at 31 March 2015**

6

	Note	Current year PLN	Previous year
<b>LIABILITIES and EQUITY</b>			
<b>Equity</b>		<b>15 145,03</b>	<b>(147 575,65)</b>
Share capital (fund)	2	5 000,00	5 000,00
Retained earnings (losses) brought forward	3	(152 575,65)	(76 360,89)
Net profit (loss) for the year	4	162 720,68	(76 214,76)
<b>Liabilities and provisions</b>		<b>72 943,58</b>	<b>338 737,49</b>
Short-term liabilities		54 255,98	321 751,69
Related entities		29 449,98	318 430,69
trade creditors with maturity period of:		29 449,98	318 430,69
- up to 12 months		29 449,98	318 430,69
Other entities		24 806,00	3 321,00
trade creditors with maturity period of:		-	3 321,00
- over 12 months		-	3 321,00
Taxation, customs duty and social security liabilities		24 806,00	-
Accruals and deferred income	5	18 687,60	16 985,80
Other accruals and deferred income		18 687,60	16 985,80
- short-term accruals and deferred income		18 687,60	16 985,80
<b>Total liabilities and equity</b>		<b>88 088,61</b>	<b>191 161,84</b>

## Profit and loss account

for the period from 1 April 2014 to 31 March 2015

	Note	Current year PLN	Previous year
<b>Sales</b>	<b>6</b>	-	-
- from related parties		-	-
Sales of finished goods		-	-
<b>Operating expenses</b>		<b>73 181,79</b>	<b>76 130,68</b>
External services		72 104,79	76 130,68
Taxes and charges, including		1 077,00	-
<b>Gross profit /(loss) after selling, general and administrative expenses</b>		<b>(73 181,79)</b>	<b>(76 130,68)</b>
<b>Other operating income</b>		<b>251 736,68</b>	<b>0,75</b>
Other operating income		251 736,68	0,75
<b>Other operating expenses</b>		<b>10 355,22</b>	<b>0,07</b>
Other operating expenses		10 355,22	0,07
<b>Operating profit (loss)</b>		<b>168 199,67</b>	<b>(76 130,00)</b>
<b>Financial income</b>		<b>19 327,01</b>	-
Other		19 327,01	-
<b>Financial expenses</b>		-	<b>84,76</b>
Other		-	84,76
<b>Profit (loss) on ordinary activities before tax</b>		<b>187 526,68</b>	<b>(76 214,76)</b>
<b>Profit (loss) before tax</b>		<b>187 526,68</b>	<b>(76 214,76)</b>
<b>Income tax</b>	<b>7</b>	<b>24 806,00</b>	-
<b>Net profit/loss</b>		<b>162 720,68</b>	<b>(76 214,76)</b>

**Notes to the financial statements  
for the period from 1 April 2014 to 31 March 2015**

1 Receivables and claims	Current year	Previous year
Related entities	-	175 000,00
Other entities:	17 044,66	1 516,59
taxation, state subsidy and social security receivables	14 457,07	8 398,00
other debts	2 587,59	
<b>Total receivables and claims</b>	<b>17 044,66</b>	<b>184 914,59</b>

2 Equity	Current year		Previous year	
Shareholders	Number of shares	Nominal value	Number of shares	Nominal value
UPL EUROPE LTD	100	5 000,00	100	5 000,00
<b>Total</b>	<b>100</b>	<b>5 000,00</b>	<b>100,00</b>	<b>5 000,00</b>

3 Retained earnings (losses) brought forward	Current year	Previous year
Balance at the beginning of period	(152 575,65)	(76 360,89)
Balance at the beginning of period after adjustments	(152 575,65)	(76 360,89)
<b>Balance at the end of period</b>	<b>(152 575,65)</b>	<b>(76 360,89)</b>

**4 Net profit (loss) for the year**

The decision to cover the loss for the year 2014/2015 will be adopted at the Annual General Meeting of Shareholders.

**5 Short-term accruals**

	As at 1 April 2014	Increases	Utilisation	Decreases	As at 31 March 2015
Other provisions	16 985,80	18 687,60	(16 985,80)		18 687,60
<b>Total accruals and deferred income</b>	<b>16 985,80</b>	<b>18 687,60</b>	<b>-</b>	<b>16 985,80</b>	<b>-</b>

6 Sales revenue	Current year	Previous year
<i>(a) Analysis of sales revenue</i>		
Sales of goods for resale	-	-
<b>Total sales revenue</b>	<b>-</b>	<b>-</b>

**Notes to the financial statements  
for the period from 1 April 2014 to 31 March 2015**

7 Corporate Income Tax	Current year	Previous year
<i>Current Taxation</i>		
Profit/(loss) before tax	187 526,68	(76 214,76)
Permanent differences between accounting profit/(loss) and taxable profits:	35 605,99	0,07
<i>Costs and losses which are excluded from income-earning costs by taxation legislation, including:</i>	35 605,99	0,07
<i>Write-offs of receivables or overdue receivables</i>	10 354,94	-
<i>rounding</i>	0,25	0,07
<i>other</i>	25 250,80	-
<b>Profit/(loss) after adjustment for permanent differences</b>	<b>223 132,67</b>	<b>(76 214,69)</b>
Temporary differences between accounting profit/(loss) and taxable profits:	(12 451,78)	(1 297,28)
New differences arising during the period	18 687,60	17 070,56
decreases, including:	18 687,60	17 070,56
Accruals	18 687,60	16 985,80
financial costs	-	84,76
Prior period temporary differences utilised	(31 139,38)	(18 367,84)
decreases, including:	(38 236,51)	(18 367,84)
Accruals	(16 985,80)	(18 367,84)
Różnice dotyczące kosztów finansowych	(21 250,71)	-
increases, including:	7 097,13	-
Financial income	7 097,13	-
<b>Taxable income</b>	<b>210 680,89</b>	<b>(77 511,97)</b>
<b>Tax base</b>	<b>130 557,50</b>	<b>(77 511,97)</b>
<b>Corporate Income Tax</b>	<b>24 806,00</b>	<b>-</b>

**8 Average number of employees**

The Company does not employ staff.

9 Transactions with related parties	Current year	Previous year
<b>Receivables</b>		
UPL EUROPE LTD	-	175 000,00
<b>Liabilities</b>		
UPL EUROPE LTD	29 449,98	318 430,69

10 Exchange rates used for valuation of items in foreign currencies	Current year	Previous year
EUR	4,0890	4,1713

**11 Other information**

All other disclosure requirements contained in Schedule 1 of the Accounting Act of 29 September 1994 are not