



EXTERNAL AUDITOR'S REPORT

To the Shareholders of  
UPL Agro, S.A. de C.V.  
(Subsidiary of Bio Win Corporation Ltd.)

We have audited the accompanying financial statements of UPL Agro, S. A. de C. V. (Previously United Phosphorus de Mexico, S.A de C.V., subsidiary of Bio Win Corporation Ltd.), which comprise the statements of financial position as of March 31, 2015 and 2014, and the statements of income, changes in stockholders' equity and cash flows for the years ended March 31, 2015 and 2014, and a summary of significant accounting policies and other explanatory information.

Management's responsibility in relation to the financial statements

Management is responsible for the preparation and fair presentation of the accompanying financial statements prepared in accordance with Mexican Financial Reporting Standards, and internal control that management deems necessary to permit preparation of financial statements free of material deviation due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material deviation.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depends on the auditor's judgment, including the assessment of the risks of material deviation in the financial statements due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the preparation and fair presentation of the Company's financial statements in order to design audit procedures that are appropriate in light of the circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control of the Company. An audit also includes assessing the accounting policies used, the reasonableness of accounting estimates made by management and presentation of the financial statements as a whole.

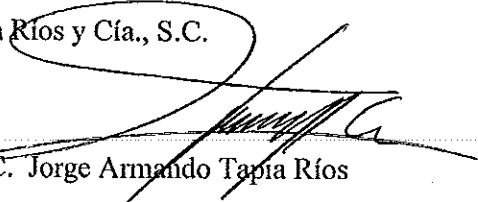
We believe that the evidence we have obtained in our audits provide sufficient and appropriate basis for our opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of UPL Agro, S. A. de C. V. (Subsidiary of Bio Win Corporation Ltd.), to March 31, 2015 and 2014 and the results, changes in equity and its cash flows for the years ended in accordance with International Financial Reporting Mexican.

These financial statements have been translated into English solely for the convenience of the Company's management; its circulation is restricted for internal use only.

Tapia Ríos y Cía., S.C.



C.P.C. Jorge Armando Tapia Ríos

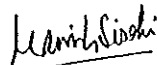
México City, April 9, 2015

UPL AGRO, S.A DE C.V.

STATEMENTS OF FINANCIAL POSITION  
(Figures expressed in Mexican Pesos)

	March 31,	
	2015	2014
<u>Assets</u>		
<b>CURRENT ASSETS:</b>		
Cash and bank	\$ 18,711,804	\$ 15,234,463
Accounts receivable:		
Customers	199,106,808	112,059,790
Value added tax receivables	16,322,160	9,801,774
Advance income tax	3,423,061	7,131,892
Loan to UPL Paraguay S.A.	6,133,712	
Other accounts receivable	3,421,119	3,716,237
	228,406,860	132,709,693
Inventories (Note 3)	194,620,141	236,126,601
Total current assets	441,738,805	384,070,757
<b>FIXED ASSETS- Net (Note 4)</b>		
Investment in UPL Paraguay S.A.	6,253,714	4,144,630
Intangible assets (Note 1j)	1,477	
Mark to market gain on forward contracts (Note 1k)	2,890,445	
Deferred income taxes (Note 1e)	4,773,930	1,262,047
Total Assets	\$456,920,418	\$388,215,387
<u>Liabilities and Stockholders' Equity</u>		
<b>SHORT-TERM:</b>		
Related parties (Note 5)	\$431,213,218	\$315,912,641
Suppliers	7,160,428	21,355,008
Taxes payable	14,981,778	7,456,898
Total short-term liabilities	453,355,424	344,724,547
DEFERRED INCOME TAXES (Note 1e)		189,090
Total liabilities	453,355,424	344,913,637
<b>STOCKHOLDERS' EQUITY</b>		
Common stock (Note 6)	525,000	525,000
Legal reserve	105,000	105,000
Retained earnings	3,772,850	38,550,991
Net income for the year	(837,856)	4,120,759
Total stockholders' equity	3,564,994	43,301,750
Total liabilities and stockholders' equity	\$456,920,418	\$388,215,387

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



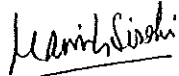
Manish Sirohi  
General Director

UPL AGRO, S. A. DE C. V.

STATEMENTS OF INCOME  
(Figures expressed in Mexican Pesos)

	<u>Year ended March 31,</u>	
	<u>2015</u>	<u>2014</u>
Net sales	\$795,191,900	\$658,797,828
Cost of sales	<u>627,108,360</u>	<u>522,200,954</u>
Gross income	168,083,540	136,596,874
Operating expenses	<u>120,867,965</u>	<u>107,839,284</u>
Income from operations	<u>47,215,575</u>	<u>28,757,590</u>
Comprehensive result of financing:		
Financial expenses – Net	10,487,617	8,194,883
Exchange loss – Net	<u>39,403,205</u>	<u>11,953,399</u>
	<u>49,890,822</u>	<u>20,148,282</u>
Other products – Net		<u>(176,140)</u>
(Loss) profit before income taxes	<u>(2,675,247)</u>	<u>8,785,448</u>
Provisions for income tax (Note 7):		
Currently payable	-	(4,923,739)
Prior Period Tax	386,254	(100,218)
Deferred Tax	<u>1,451,137</u>	<u>359,268</u>
	<u>1,837,391</u>	<u>(4,664,689)</u>
Net (loss) income for the year	<u>(\$ 837,856)</u>	<u>\$ 4,120,759</u>

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




Manish Sirohi  
General Director

UPL AGRO, S. A. DE C. V.

STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY  
FOR THE YEARS ENDED MARCH 31, 2015 AND 2014  
 (Figures expressed in Mexican Pesos)

	Common stock	Legal reserve	Retained earnings	Net income for the year	Stockholders' equity
Balances as of March 31, 2013	\$525,000	\$105,000	\$60,347,140	\$10,871,351	\$71,848,491
Application of income from 2013			10,871,351	(10,871,351)	
Dividends paid			(32,667,500)		(32,667,500)
Net income for the year				4,120,759	4,120,759
Balances as of March 31, 2014	525,000	105,000	38,550,991	4,120,759	43,301,750
Application of income from 2014			4,120,759	(4,120,759)	
Dividends paid			(38,898,900)		(38,898,900)
Net loss for the year				(837,856)	(837,856)
Balances as of March 31, 2015	<u>\$525,000</u>	<u>\$105,000</u>	<u>\$3,772,850</u>	<u>(837,856)</u>	<u>\$ 3,564,994</u>

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

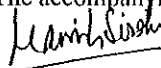
  
 Manish Strohi  
 General Director

UPL AGRO, S. A. DE C. V.

STATEMENTS OF CASH FLOWS  
(Figures expressed in Mexican Pesos)

	<u>Year ended March 31,</u>	
	<u>2015</u>	<u>2014</u>
<u>Operating activities:</u>		
(Loss) profit before income tax	(\$ 2,675,247)	\$ 8,785,448
Items related to investing activities:		
Depreciation	1,477,365	1,309,341
Mark to market gain on forward contracts	(4,773,930)	
Interest payable	<u>10,487,617</u>	<u>8,194,883</u>
	4,515,805	18,289,672
Increase in accounts receivable	(89,563,455)	(19,358,618)
Decrease (increase) in inventories	41,506,460	(105,813,751)
(Increase) decrease in suppliers	(14,194,580)	9,929,744
Increase in related parties	115,300,577	141,540,433
Increase in other taxes	7,524,880	6,347,536
Income tax paid	<u>386,254</u>	<u>(5,023,957)</u>
Net cash flows from operating activities	<u>65,475,941</u>	<u>45,911,059</u>
<u>Investing activities:</u>		
Investment in subsidiary company	(1,477)	
Dividends paid	(38,898,900)	(32,667,500)
Intangible assets	(2,890,445)	
Loan given to UPL Paraguay S.A.	(6,133,712)	
Acquisition of property and equipment	<u>(3,949,678)</u>	<u>(3,518,978)</u>
	<u>(51,874,212)</u>	<u>(36,186,478)</u>
Cash surplus to apply in financing activities	<u>13,601,729</u>	<u>9,724,581</u>
<u>Financing activities:</u>		
Fixed assets disposal	363,229	401,713
Interest paid	<u>(10,487,617)</u>	<u>(8,194,883)</u>
Net cash flows from financing activities	<u>(10,124,388)</u>	<u>(7,793,170)</u>
Increase in cash and bank	3,477,341	1,931,411
Cash and bank at the beginning of the year	<u>15,234,463</u>	<u>13,303,052</u>
Cash and bank at the end of the year	<u>\$ 18,711,804</u>	<u>\$ 15,234,463</u>

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

  
Manish Sirohi  
General Director

UPL AGRO, S.A. DE C.V.

NOTES TO THE FINANCIAL STATEMENTS

MARCH 31, 2015 AND 2014  
(Figures expressed in Mexican Pesos)

NOTE 1- PRINCIPAL ACTIVITY AND SUMMARY OF ACCOUNTING POLICIES:

The company was established in accordance with Mexican laws on March 15, 1994. The company's principal corporate purpose is the import, formulation and sale of agrochemical products, mainly insecticides and herbicides. The company is a subsidiary of Bio Win Corporation Ltd.

On October 14, 2014 by act of Ordinary and Extraordinary Shareholders agreed to the change of corporate name of United Phosphorus from Mexico, S.A. de C.V. by UPL Agro , S.A. de C.V.

The company has no employees and the required administrative and operating services are rendered by HS Agrinorm, S.A. de C.V.

The accompanying financial statements have been prepared in accordance with the Mexican Financial Reporting Standards (NIF).

Summary of significant accounting policies:

- a. The NIF B-10 "Effects of Inflation", establishing the recognition of the effects of inflation by applying the comprehensive method only in inflationary environments (inflation equal to or in excess of 26% accumulated over the three prior business years), eliminating the possibility of using replacement values to restate the value of inventories and specific indexation for fixed assets and the reclassification of the result realized from holding nonmonetary assets and the result from accumulated monetary position to accumulated results.

Due to the fact that accumulated inflation in the previous three business years was lower than 26%, the economic environment has been classified as noninflationary. The accumulated inflation in the last three years ended March 31, 2015 and 2014 was 11.56% and 11.90%, respectively.

The company do not recognized the effects of inflation as of March 31, 2007; however, these effects are estimated not substantial, considering the amount and aging of nonmonetary assets and stockholders' equity, as well as the average net monetary position during the year. Therefore the accompanying financial statements for the year ended March 31, 2015 and 2014 are expressed in nominal pesos.

- b. Inventories are valued at their acquisition cost by moving average method for packing materials, raw materials & traded goods; finish products are valuated at standard cost. The

charges are applied to the cost of sales using the same system. The inventories and costs of sales up to March 31, 2015 and 2014 were valued without exceeding market value

- c. Fixed assets are valued at acquisition cost and their depreciation is calculated by the straight-line method as of the month of acquisition, by applying the annual percentages indicated in Note 4.
- d. Transactions in foreign currency are recorded at the exchange rate in effect on the date that they are performed. Gains or losses from exchange fluctuations are recorded in profit and loss accounts when they are generated, at the date of payment or at the close of the year.
- e. The provision for income tax (ISR) is recorded in results of the year in which it is incurred, and the deferred ISR derived from the temporary differences generated by comparing the accounting and tax values of the assets and liabilities is recognized. As of March 31, 2014 the principal temporary items comprising the deferred ISR correspond to:

Carryforwards loss	\$3,645,602
Accruals	1,014,000
Prepaid insurance	<u>(452,779)</u>
	4,206,823
Tax rate	<u>30%</u>
Active differed income tax	<u>\$1,262,047</u>

- f. The financial statements as of March 31, 2015 and 2014 recognize the effects relative to the rules for valuation, presentation and disclosure of the liabilities, estimates and provisions, and contingent assets and liabilities, as well as the rules for valuation of the commitments contracted, as established in the NIF.
- g. The preparation of financial statements in accordance with the NIF requires the company's management to prepare estimates which affect the amounts reported in the financial statements. Actual results may differ from such estimates.
- h. Revenues are recognized in the period in which the risks and benefits of the inventories are transferred to the customers who acquire them, which generally occurs when such inventories are delivered to fulfill their orders.
- i. The company periodically evaluates the book value of its inventories and fixed assets, to determine existence of indicators that book values exceed recovery value. As of March 31, 2015 and 2014 no indications exist that these values exceed their recovery value.
- j. UPL capitalizes intangible assets acquired, as well as costs incurred in the development of intangible assets, when future economic benefits associated with the assets are identified and there is evidence of control over such benefits. Intangible assets are presented at their acquisition or development cost, and are restated during high inflation periods to comply with B-10. Such assets are classified as having a definite or indefinite life; the latter are not amortized since the period cannot be accurately established in which the benefits associated



with such intangibles will terminate. Amortization of intangible assets of definite life is calculated under the straight-line method.

- k. Management has set up a policy to require Group companies to manage their foreign exchange risk against their functional currency. To manage their foreign exchange risk arising from future commercial transactions and recognized assets and liabilities, entities in the Group use forward contracts. In compliance with the procedures and controls established, the Group entered into certain derivative transactions with certain financial institutions in order to manage its exposure to market risks resulting from changes in interest rates, foreign currency exchange rates, and inflation rates. The objective in managing foreign currency and inflation fluctuations is to reduce earnings and cash flow volatility.
- l. As of May 1, 2014 held forward contracts over the exchange rate and not intended for trading or speculation purposes, the premium or discount arising and the inception of the contract is amortized as an expense or income with reference to the spot rate as at the end of the period over the life of contract. Exchange difference on such contracts are recognized in the statements of profit and loss in the year in which the exchange rate change. Any profit and loss arising on cancellation or renewal of reward exchange contract is recognized as income or as expenses of the year.

NOTE 2 - POSITION IN FOREIGN CURRENCY:

The assets and liabilities in foreign currency as of March 31, 2015 and 2014 were valued as follows:

	2015	
	<u>Mexican Pesos</u>	<u>US Dollars</u>
<u>Assets:</u>		
Banks	6,638,215	432,990
Loan to Paraguay	6,133,712	400,083
Customers	<u>63,437,522</u>	<u>4,137,832</u>
	<u>76,209,449</u>	<u>4,970,905</u>
<u>Liabilities:</u>		
Affiliated companies and suppliers	294,795,740	19,228,610
Loans from affiliates	<u>142,363,456</u>	<u>9,285,926</u>
	<u>437,159,196</u>	<u>28,514,536</u>
Short position in US Dollars	<u>360,949,747</u>	<u>23,543,631</u>

	<u>Mexican Pesos</u>	<u>Euros</u>
<u>Assets:</u>		
Banks	17,613	1,067
Customers	<u>2,813,620</u>	<u>170,372</u>
	<u>2,831,233</u>	<u>171,439</u>
<u>Liabilities:</u>		
Affiliated companies and supplier	<u>2,727,023</u>	<u>165,128</u>
Short position in Euros	<u>104,210</u>	<u>6,311</u>

2014

	<u>Mexican Pesos</u>	<u>US Dollars</u>
<u>Assets:</u>		
Banks	10,139,886	776,004
Customers	<u>49,712,477</u>	<u>3,804,487</u>
	<u>59,852,363</u>	<u>4,580,491</u>
<u>Liabilities:</u>		
Affiliated companies and suppliers	217,703,144	16,660,785
Loans from affiliates	<u>95,768,847</u>	<u>7,329,174</u>
	<u>313,471,991</u>	<u>23,989,959</u>
Short net position in US Dollars	<u>253,619,628</u>	<u>19,409,468</u>

	<u>Mexican Pesos</u>	<u>Euros</u>
<u>Assets:</u>		
Banks	5,004	279
Customers	<u>286,697</u>	<u>15,977</u>
	<u>291,701</u>	<u>16,256</u>
<u>Liabilities:</u>		
Affiliated companies and supplier	<u>1,750,245</u>	<u>97,536</u>
Short net position in Euros	<u>1,458,544</u>	<u>81,280</u>

The exchange rates prevailing at the reporting date at of March 31, 2015 and 2014 were as follows:

	<u>April 9, 2015</u>	<u>March 31, 2015</u>	<u>March 31, 2014</u>
US Dollars	\$14.91	\$15.33	\$13.07
Euros	\$15.92	\$16.51	\$17.94

At March 31, 2015, has an exchange rate hedging contract by US Dollar 10,571,096.

NOTE 3- INVENTORIES:

	<u>Year ended March 31,</u>	
	<u>2015</u>	<u>2014</u>
Technical	\$ 18,989,712	\$ 23,090,857
Formulated	39,088,046	52,959,972
ALP	2,511,262	4,334,781
Seeds	7,251,433	16,287,924
Others	<u>6,386,049</u>	<u>3,469,720</u>
	74,226,502	100,143,254
Good in transit	<u>120,393,639</u>	<u>135,983,347</u>
	<u>\$194,620,141</u>	<u>\$236,126,601</u>

NOTE 4 – FIXED ASSETS:

	<u>Year ended March 31,</u>		<u>Depreciation</u>
	<u>2015</u>	<u>2014</u>	<u>Rate</u>
Transportation equipment	\$7,941,268	\$6,037,312	10%
Furniture an fixtures	2,446,881	1,905,139	25%
Computer equipment	<u>1,060,572</u>	<u>764,929</u>	30%
	11,448,721	8,707,380	
Accumulated depreciation	<u>(5,195,007)</u>	<u>(4,562,750)</u>	
	<u>\$6,253,714</u>	<u>\$4,144,630</u>	

NOTE 5 - RELATED PARTIES:

A summary of significant balances with related parties follows:

	<u>Year ended March 31,</u>	
	<u>2015</u>	<u>2014</u>
Accounts payable:		
United Phosphorus Ltd.	\$ 63,008,813	\$ 159,719,028
BIO-Win Corporation Limited	156,729,434	42,090,421
United Phosphorus Inc.		2,359,872
United Phosphorus Ltd. UK (1)	175,109,756	113,933,393
Advanta Seed International	19,140,754	(3,941,655)
Cerexagri, S.A.	2,727,023	1,751,582
ICONA, S.A.	2,299,389	
RICECO	11,808,044	
Uniphos Colombia Plant	<u>390,005</u>	<u>0</u>
	<u>\$431,213,218</u>	<u>\$315,912,641</u>

(1) Includes to capital work loans contracted for the amount US1,750,000, US2,460,000 US3,000,000 and US 2,000,000 respectively with United Phosphorus Ltd UK to bearing interest at the annual rate of 6%. and these loans do not have maturity dates.

The transactions performed with related parties were as shown in the following page:

<u>Expenses for acquisitions of goods:</u>	<u>Year ended March 31,</u>	
	<u>2015</u>	<u>2014</u>
United Phosphorus Ltd.	\$232,265,075	\$419,196,262
Bio Win Corporation LTD	358,069,044	82,937,428
Advanta Seed International	35,174,655	31,436,923
Cerexagri, SA	8,145,922	3,876,592
United Phosphorus LTD (U.K.)	902,055	217,829
United Phosphorus Inc.	2,864,717	4,045,921
Uniphos Colombia Plant	379,636	
Uniphos Envirotronic Private Limite	145,504	
RICECO International Inc.	10,009,296	
<u>Expenses for Royalties:</u>		
United Phosphorus LTD (U.K.)	47,779,009	32,316,664
<u>Expenses for Technology Transfer:</u>		
United Phosphorus LTD (U.K.)		3,485,958

Expenses for Management Services:

United Phosphorus Ltd. UK 5,809,950

Expenses for Interest of Financing:

United Phosphorus Ltd. UK 7,248,876 4,017,171

Interest Income on Loan Given

UPL Paraguay S.A. 51,187

NOTE 6 - STOCKHOLDERS' EQUITY:

As of March 31, 2015 capital stock is comprised of 105 ordinary, common, nominative shares, at par value of \$ 5,000 each share, as follows:

<u>Number of Shares</u>	<u>Description</u>	<u>Amount</u>
10	Series "A" representing the minimum Fixed	\$ 50,000
95	Series "B" representing the variable capital, with an unlimited maximum	475,000
105		<u>\$525,000</u>

Net income for the year is subject to the legal provision whereby 5% of such amount must be transferred to the legal reserve until it equals 20% of capital stock. The balance of the legal reserve cannot be distributed to the shareholders during the company's life, except in the form of a stock dividend.

Distributed profits on which corporate income tax has already been paid constitute the Net Tax Income Account (CUFIN) and may be distributed to the shareholders without incurring in withholding tax to the shareholders neither tax payable by the company.

As of the years 2014 any profits which are distributed in excess of the balance of the CUFIN, will be subject to the rate of 30%, applied on a grossed up basis. This tax will be considered final and may be credited against ISR for the year and the three immediately subsequent years.

Through annual general meeting of shareholders held on June 9, 2014 the administration of the company opted to declare a dividend of \$38,898,900 of CUFIN.

Profit generated form 2014 distributed through dividends will have 10% of withholding tax.

NOTE 7 - TAX ENVIRONMENT:

ISR is incurred at the rate of 30% on a basis which differs from that of accounting income, mainly due to the effects of inflation which are recognized for tax purposes through the depreciation of fixed assets and the annual adjustment for inflation, as well as certain expense items which are not deductible.

Flat Rate Business Tax (IETU) is caused to December 31, 2013 at the rate of 17.5%. The basis of the tax is determined by adding up the revenues collected, less certain deductions paid, including the deduction of investments. As of January 2014 this tax was repealed.

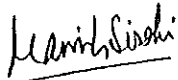
Cash Deposit Tax (IDE) also was repealed as of January 2014.

NOTE 8 - CONTIGENCY:

As of January 13, 2014 the company presented an injunction against the implementation of the amendments to the Law on Special Tax on Production and Services for fiscal year 2014, for trying to retroactively apply these amendments against taxpayers and in the case of the company the amount concerned is \$2,529,437 which was secured with a deposit bill issued by the Bank of National Savings and Financial Services, SNC

NOTE 9 - RESPONSIBILITY FOR THE FINANCIAL INFORMATION:

These financial statements were approved on April 9, 2015 by Mr. Manish Sirohi, General Director, who is responsible for the financial information of UPL Agro, S. A. de C. V.



Manish Sirohi  
General Director