

**Coromandel Agronegocios de México
S.A. de C.V.**

Financial statements

Report of independent auditors

December 31, 2021.



Report of independent auditors.

**To the Board of Directors and shareholders.
Coromandel Agronegocios de México, S.A. de C.V.**

We have audited the accompanying financial statements of Coromandel Agronegocios de México, S.A. de C.V., comprising the statement of financial position at 31 December 2021, income statement, changes in stockholders' equity, and cash flow for the year ended on that date, as well as a summary of significant accounting policies and other explanatory information.

The address is responsible for the preparation and faithful presentation of the attached financial statements, in accordance with Mexican financial reporting standards and internal control which the Administration considers necessary to enable the preparation of financial statements, free of material incorrectness, due to fraud or error.

Our responsibility is to express an opinion on the accompanying financial statements based on our audit. We have carried out our audit in accordance with international auditing standards. Those standards require that we comply with ethical requirements as well as that we plan and execute the audit in order to obtain reasonable assurance about whether the financial statements are free of material incorrectness.

An audit involves procedures to obtain evidence of the amounts and information disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material incorrectness in the financial statements due to fraud or error. Making those risk assessments, the auditor takes into account the internal control relevant to the preparation by the entity's financial statements expressing the true and fair view, in order to design audit procedures that are appropriate. Depending on circumstances, and not for the purpose of expressing an opinion on the effectiveness of internal control of the entity. An audit also includes evaluating the appropriateness of accounting policies applied and the reasonableness of accounting estimates made by management, as well as evaluation of the overall presentation of the financial statements.



We consider that the evidence from the audit that we have obtained provides a sufficient and appropriate basis for our audit opinion.

In our opinion, the financial statements presented faithfully in all material aspects the financial position of Coromandel Agronegocios de México, S.A. de C.V. at December 31, 2021, as well as of their results and cash flows corresponding to the year ended on such date, in accordance with the rules of Mexican financial reporting standards.

C.P.C. Guillermo Arturo Gutiérrez Garcés.

City of Mexico to 18 february 2022.

Coromandel Agronegocios de México, S.A. de C.V.

Statement of Financial Position to December 31, 2021 and 2020
Amounts expressed in pesos

	Notes	2021	2020		Notes	2021	2020
Asset				Liability and Stockholders' Equity			
Current assets.				Short-term liability:			
Cash and cash equivalents	3a	827,135	243,995	Trade payables		1,781,780	0
Accounts receivable:				Various creditors		34,450	0
Trade receivables		1,948,382	0	Taxes payable	3c	175,205	186,797
Tax recoverable:	3b						
Value added tax, Income tax		4,051,106	3,740,929				
Total current assets		6,826,623	3,984,924	Total short-term liability		1,991,435	186,797
Noncurrent assets				TOTAL LIABILITY			
Computer equipment		46,561	46,561			1,991,435	186,797
Accumulated depreciation		-33,887	-33,887				
Computer equipment, net		12,674	12,674				
Total noncurrent assets		12,674	12,674	Stockholders' Equity:	4		
				Fixed capital stock		50,000	50,000
				Variable capital stock		449,477	449,477
				Prior year income (loss).		3,311,324	3,138,018
				Net income for the year		1,037,061	173,306
				TOTAL STOCKHOLDERS' EQUITY		4,847,862	3,810,801
TOTAL ASSET		6,839,297	3,997,598	TOTAL LIABILITY AND STOCKHOLDERS EQUITY		6,839,297	3,997,598

The accompanying notes are an integral part of this financial statement

C.P. Diana Cortés Monroy
Accountant.

Lic. Juana Cruz Alvarado
Legal Representative.

C.P.C. Guillermo Arturo Gutiérrez Garcés
Auditor

Coromandel Agronegocios de México, S.A. de C.V.

Income Statement to December 31, 2021 and 2020

Amounts expressed in pesos

	Notes	2021	2020
Net services billed	5	2,019,668	2,620,614
Sales commissions	5	7,000,833	4,721,182
Net income		<u>9,020,501</u>	<u>7,341,796</u>
Cost of sales		<u>1,902,750</u>	<u>2,873,529</u>
Gross profit		7,117,751	4,468,267
<u>Operating Expenses</u>			
General Expenses		6,026,184	4,824,608
Income or (Loss) from operations		<u>1,091,567</u>	<u>- 356,341</u>
<u>Comprehensive income or loss on financing</u>			
Exchange gain		232,756	3,506,664
Exchange loss		287,262	2,977,017
Gain (Loss) exchange, net.		<u>-54,506</u>	<u>529,647</u>
Income before for income tax.		1,037,061	173,306
(ISR) Income Tax		0	0
Gain (Loss) net.		<u><u>1,037,061</u></u>	<u><u>173,306</u></u>

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Statement of Changes in Stockholders' Equity to December 31, 2021 and 2020.
Amounts expressed in pesos

	Capital Stock	Earnings (Losses) Accrued	Income (Loss) For the year	Total Stockholders' Equity
Balance to December 31, 2019	499,477	2,444,833	693,185	3,637,495
Allocation of income to 2019		693,185 -	693,185	
Net income 2020			173,306	173,306
Balance to December 31, 2020	499,477	3,138,018	173,306	3,810,801
Allocation of income to 2020		173,306 -	173,306	
Net income 2021			1,037,061	1,037,061
Balance to December 31, 2021	499,477	3,311,324	1,037,061	4,847,862

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Cash Flow Statement to December 31, 2021 and 2020
Amounts expressed in pesos

	2021	2020
Operating Activities		
Income before for income tax.	1,037,061	173,306
Items applied to income that do not require a cash outlay:		
Depreciation and Amortization	0	0
Net interest income items:		
Interest paid	0	0
Changes in current assets and liabilities:		
Tax recoverable	- 310,177	- 248,977
Taxes payable	-11,592	186,797
Trade receivables	-1,948,382	1,757,516
Trade payables and various creditors	1,816,230	- 1,698,543
Net cash flows from operating activities	- 453,921	- 3,207
Cash Flow	583,140	170,099
Cash and cash equivalents at beginning of year	243,995	73,896
Cash and cash equivalents at end of year	827,135	243,995

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Notes to the financial statements
To December 31, 2021.
Amounts expressed in pesos

1. Compliance with financial reporting standards.

The financial statements accompanying have been prepared in accordance with the of financial reporting standards (NIF), issued by the Mexican Board for research and development of the of financial reporting standards (CINIF) into force.

2. Organization and business.

The company was incorporated on January 24, 2013, as a Variable Capital Corporation, under the corporate name "**Sabero Organics Mexico**" being its main object the trade of all kinds of fertilizers, pesticides and seeds for the seeding, etc. and the provision of services related to its corporate purpose.

On 23 October 2015 resolves to change the name of the society with the name of "**Coromandel Agronegocios de Mexico**", without implying the creation of a new company.

3. Summary of the main accounting policies.

The significant accounting policies applied in the preparation of the financial statements are as follows:

Operations in dollars.

Transactions in dollars are recorded at the exchange rate prevailing at the date of settlement or conciliation. Balances are adjusted to the exchange rate prevailing at the date of closing and he is recognized in the results accrued exchange rate fluctuation.

a. To the 31 December 2021, the cash and cash equivalents are integrated as follows:

	Mexican pesos
Commercial banking	
Citibanamex, checking account	\$ 227
Citibanamex, U.S. dollar	194
Santander, checking account	44,374
Santander, U.S. dollar	782,340
Balance	\$ 827,135

b. The recoverable taxes are integrated as follows:

	Mexican pesos
Tax recoverable	
Value added tax (VAT)	\$3,280,244
Corporate income tax	749,787
Special Excise tax on Products and services	21,075
Balance	\$ 4,051,106

The balances in favor of special excise tax on products and services and corporate income tax will be credited from the amounts charged that result in subsequent periods.

The way to recover the balances in favor of VAT is done by submitting a tax refund claim to the Tax Administration System, as of december 31, 2021, the company has not carried out this procedure.

c. To the December 31, 2021, integrates taxes payable as follows:

	Mexican pesos
Taxes payable	
Wage tax	\$ 64,148
Payroll tax	6,378
Employer contributions (Mexican Social Security)	87,803
Worker contribution for housing	12,054
Worker retirement contribution	4,822
Balance	\$ 175,205

4. Stockholders' equity.

The fixed capital stock without the right to withdrawal is represented by 50,000 registered shares with par value of \$1.00 pesos each, which are fully subscribed and paid.

The variable capital stock is represented by 449,477 shares with a par value of \$1.00 pesos each, which are fully subscribed and paid.

5. Income.

Sales are made to credit and income for services (Sales Commission) in cash.

