



CONSULTORES, S.C.

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

Financial statements

Report of independent auditors

December 31, 2019.



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## **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 2019, 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.



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#### 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.



C.P. Diana Cortés Monroy  
Accountant.



C.P.C. Guillermo Arturo Gutiérrez Garcés  
Auditor.



Lic. Juana Cruz Alvarado  
Legal representative.



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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, 2019, 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 14 January 2020.





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c. The recoverable taxes are integrated as follows:

	Mexican pesos 2019
<b>Recoverable taxes</b>	
Value added tax (VAT)	\$2,700,993.00
(ISR) Income tax	747,843.00
Special Excise tax on Products and services.	43,116.00
<b>Balance</b>	<u>\$ 3,491,952.00</u>

d. To the December 31, 2019, integrates trade payables as follows:

	Mexican pesos 2019
<b>Trade payables</b>	
Nufarm Group Mexico S de RL de CV	<u>\$ 1,698,543.00</u>



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

**Statement of Financial Position to December 31, 2019 and 2018**  
Amounts expressed in pesos

	Notes	2019	2018		Notes	2019	2018
<b>Asset</b>				<b>Liability and Stockholders' Equity</b>			
<b>Current assets.</b>				<b>Short-term liability:</b>			
Cash and cash equivalents	3a	73,896	142,886	Trade payables	3d	1,698,543	0
Accounts receivable:	3b			Various creditors			
Trade receivables		1,757,516	0	Taxes payable			
Tax recoverable:	3c						
Value added tax, Income tax		3,491,952	2,788,750				
<b>Total current assets</b>		<b>5,323,364</b>	<b>2,931,636</b>	<b>Total short-term liability</b>		<b>1,698,543</b>	<b>0</b>
<b>Noncurrent assets</b>				<b>TOTAL LIABILITY</b>			
Computer equipment		46,561	46,561			<b>1,698,543</b>	<b>0</b>
Accumulated depreciation		-33,887	-33,887				
Computer equipment, net		12,674	12,674				
<b>Total noncurrent assets</b>		<b>12,674</b>	<b>12,674</b>	<b>Stockholders' Equity:</b>	4		
				Fixed capital stock		50,000	50,000
				Variable capital stock		449,477	449,477
				Prior year income (loss).		2,444,833	2,517,080
				Net income for the year		693,185	72,247
				<b>TOTAL STOCKHOLDERS' EQUITY</b>		<b>3,637,495</b>	<b>2,944,310</b>
<b>TOTAL ASSET</b>		<b>5,336,038</b>	<b>2,944,310</b>	<b>TOTAL LIABILITY AND STOCKHOLDERS EQUITY</b>		<b>5,336,038</b>	<b>2,944,310</b>

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



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a. To the 31 December 2019, the cash and cash equivalents are integrated as follows:

	Mexican pesos 2019
<b>Banks</b>	
Citibanamex	\$ 1,539.00
Santander	72,357.00
<b>Balance of banks</b>	<u>\$ 73,896.00</u>

b. To the 31 December 2019, accounts receivable are integrated as follows:

	Mexican pesos 2019
<b>Customers</b>	
Coromandel International.	\$ 2,355.00
Corita Agrochemicals, SA.	1,755,161.00
<b>Balance of customers</b>	<u>\$ 1,757,516.00</u>



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

**Income Statement to December 31, 2019 and 2018**  
Amounts expressed in pesos

	Notes	2019	2018
Net services billed	5	3,193,136	2,704,122
Sales commissions	5	5,345,152	3,632,441
<b>Net income</b>		<u>8,538,288</u>	<u>6,336,563</u>
Cost of sales		<u>2,567,752</u>	<u>2,505,287</u>
<b>Gross profit</b>		<b>5,970,536</b>	<b>3,831,276</b>
<b><u>Operating Expenses</u></b>			
General Expenses		5,173,361	3,708,365
<b>Income or (Loss) from operations</b>		<u>797,175</u>	<u>122,911</u>
<b><u>Comprehensive income or loss on financing</u></b>			
Exchange gain		185,990	2,916,788
Exchange loss		289,980	3,111,946
<b>Gain (Loss) exchange, net.</b>		<u>-103,990</u>	<u>-195,158</u>
<b>Income before for income tax.</b>		<b>693,185</b>	<b>- 72,247</b>
(ISR) Income Tax		0	0
<b>Gain (Loss) net.</b>		<u><b>693,185</b></u>	<u><b>- 72,247</b></u>

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### 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.

The monetary assets and liabilities denominated in dollars to December 31, 2019, shown below:

	Dollars 2019
<b>ASSET</b>	
<b>Banks</b>	
Citibanamex has 0525	69.48
<b>Customers</b>	
Coromandel International.	124.80
Corita Agrochemicals, SA.	93,000.00
<b>Balance of customers</b>	93,124.80
<b>Adds banks and customers</b>	<b>93,194.28</b>
<b>LIABILITY</b>	
<b>Trade payables</b>	
Nufarm Group Mexico S de RL de CV	90,000.00
<b>Net lending position.</b>	<b>3,194.28</b>



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

**Statement of Changes in Stockholders' Equity to December 31, 2019 and 2018.**  
**Amounts expressed in pesos**

	<b>Capital Stock</b>	<b>Earnings (Losses) Accrued</b>	<b>Income (Loss) For the year</b>	<b>Total Stockholders' Equity</b>
<b>Balance to December 31, 2017</b>	<b>499,477</b>	<b>2,295,418</b>	<b>221,662</b>	<b>3,016,557</b>
Allocation of income to 2017		221,662 -	221,662	
Net losses 2018		-	72,247 -	72,247
<b>Balance to December 31, 2018</b>	<b>499,477</b>	<b>2,517,080 -</b>	<b>72,247</b>	<b>2,944,310</b>
Allocation of losses to 2018	-	72,247	72,247	
Net income 2019			693,185	693,185
<b>Balance to December 31, 2019</b>	<b>499,477</b>	<b>2,444,833</b>	<b>693,185</b>	<b>3,637,495</b>

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## **Coromandel Agronegocios de Mexico, S.A. de C.V.**

Notes to the financial statements  
To December 31, 2019.  
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.

The company has no employees, so it is not subject to direct labor obligations. Administrative services required are provided by a third party in Exchange for a fee.

### **3. Summary of the main accounting policies.**

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



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

**Cash Flow Statement to December 31, 2019 and 2018**  
Amounts expressed in pesos

	2019	2018
<b>Operating Activities</b>		
Income before for income tax.	693,185	- 72,247
<b>Items applied to income that do not require a cash outlay:</b>		
Depreciation and Amortization	0	13,968
<b>Net interest income items:</b>		
Interest paid	0	0
<b>Changes in current assets and liabilities:</b>		
Tax recoverable	- 703,202	- 602,411
Acquisition of fixed assets	0	0
Trade receivables	-1,757,516	4,558,878
Trade payables	1,698,543	- 3,963,855
Net cash flows from operating activities	- 762,175	- 7,388
<b>Cash Flow</b>	- 68,990	- 65,667
Cash and cash equivalents at beginning of year	142,886	208,553
Cash and cash equivalents at end of year	73,896	142,886

The accompanying notes are an integral part of this financial statement

  
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