

**SABERO ARGENTINA S.A.**

**BALANCE SHEET**

**FOR THE PERIOD JANUARY 1<sup>th</sup>, 2016 TO**

**DECEMBER 31<sup>TH</sup>, 2016**

CONSOLIDATED STATEMENTS

Expressed in legal currency

FOR THE INTERMEDIATE PERIOD

BEGAN ON:  
January 1, 2016

ENDED ON:  
December 31, 2016

GENERAL INFORMATION ABOUT SOCIETY:

SOCIETY NAME:

***SABERO ARGENTINA S.A.***

SOCIAL ADDRESS:

1430, Marcelo T. de Alvear 6th. Floor  
Ciudad Autonoma de Buenos Aires

MAIN ACTIVITY

Agrochemistry

REGISTRATION AT THE REGISTRO PUBLICO DE COMERCIO DATED

August 26, 2003

REGISTER NUMBER AT THE REGISTRO PUBLICO DE COMERCIO

Nº12072 Book 22 Volume - of S.A.

REGISTER NUMBER AT THE INSPECCION GENERAL DE JUSTICIA

1726415

EXPIRE DATE OF SOCIAL CONTRACT

August, 2102

SHARE CAPITAL DESCRIPTION

<u>Number of shares</u>	<u>Number of Votes</u>	<u>Suscribed and fully paid</u>
170,000	1 per share	\$ 170,000

SOCIETY NAME: SABERO ARGENTINA S.A.  
CONSOLIDATED STATEMENTS AT: DECEMBER 31, 2016.

Register Nr. at the R.P.C.: 12071

# FINANCIAL STATEMENT

ASSETS		LIABILITIES	
CURRENT ASSETS		CURRENT LIABILITIES	
Cash and cash equivalents	(Note 2.1)	Accounts Payable	(Note 2.4)
Receivables, net	(Note 2.2)	Other liabilities	(Note 2.5)
Other assets	(Note 2.3)		
	20,439,41		100,00
	0,02		
	1,616,32		
<b>TOTAL CURRENT ASSETS</b>	<b>22,055,71</b>	<b>TOTAL CURRENT LIABILITIES</b>	<b>100,00</b>
<b>NO CURRENT ASSETS</b>		<b>NO CURRENT LIABILITIES</b>	
They do not exist	0,00	They do not exist	0,00
<b>TOTAL NO CURRENT ASSETS</b>	<b>-</b>	<b>TOTAL NO CURRENT LIABILITIES</b>	<b>-</b>
		<b>TOTAL LIABILITIES</b>	<b>100,00</b>
<b>TOTAL ASSETS</b>	<b>22,055,71</b>	<b>SHAREHOLDERS' EQUITY</b>	
		According to the Shareholders' Equity Statement	
		<b>TOTAL</b>	<b>21,955,71</b>
			<b>22,055,71</b>

See accompanying notes to consolidated statements  
Auditors' Report aside.

ALEJANDRO SRAGOWICZ  
Chairman

Dr. EZEQUIEL GANDOLFO  
Public Accountant (U.B.A.)  
C.P.C.E.C.A.B.A. To. 272 Fo. 63

Signed in order to be identified with the report dated on  
January 17th, 2017

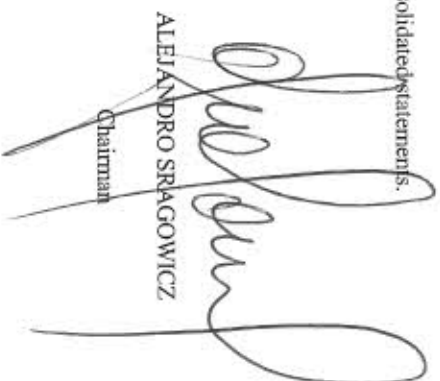
SOCIETY NAME: SABERO ARGENTINA S.A.  
CONSOLIDATED STATEMENTS AT: DECEMBER 31, 2016.

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SHAREHOLDERS' EQUITY STATEMENT

CONCEPT	SHAREHOLDERS' EQUITY			RETAINED EARNINGS		NO AFFECTED RESULTS	DIRECTOR'S ACCOUNTS	TOTAL SHAREHOLDERS' EQUITY
	SUSCRIBED	ADDITIONAL PAID-IN CAPITAL	IRREVOCABLE PAID-IN CAPITAL	LEGAL RETAINED EARNINGS	OTHER RETAINED EARNINGS			
Total for December 31, 2015	170,000,00		-		*	(47,904,68)	(111,000,00)	11,095,32
Director Fees								-
Net Income (Loss)						10,860,39		10,860,39
Total for December 31, 2016	170,000,00		0,00			(37,044,29)	(111,000,00)	21,955,71

See accompanying notes to consolidated statements.  
Auditors' Report aside.

  
ALEJANDRO SRACOWICZ  
Chairman

  
Dr. EZEQUIEL GANDOLFO  
Public Accountant (U.B.A.)  
C.P.C.E.C.A.B.A. To. 272 Fo. 63

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**NOTES TO CONSOLIDATED STATEMENTS**

**1.-Accounting principles.**

**1.1. Summary of significant accounting policies**

The Consolidated Statements have been prepared in conformity with generally accepted accounting principles in Argentina.

The Consejo Profesional de Ciencias Económicas de la Ciudad Autónoma de Buenos Aires (C.P.C.E.C.A.B.A.) has governed along the Resolution C.D. 87/03, dated on June 18, 2003, the series of professional rules which must be applied in that jurisdiction (Technical Resolutions Nr. 6, 8, 9, 16, 17, 18 and 21) and added the Technical Resolutions from the Federación Argentina de Consejos Profesionales de Ciencias Económicas (F.A.C.P.C.E.) with the changes and interpretations exposed by the C.P.C.E.C.A.B.A. In accordance with the accounting principles, the Consolidated Statements must be expressed in homogeneous currency when there is a context of price stability. According to this, it was considered that the period from September 1<sup>st</sup>, 1995 to December 31, 2001 was of the price stability and, as a consequence, it was not necessary to re-express the Consolidated Statements according to the inflation level.

Because of the economic crisis and instability of the country, the Poder Ejecutivo Nacional (P.E.N.) ruled the Decreto N° 1269/02 on July 16, 2002 which establishes that the Consolidated Statements must reflect the change in the households' disposable income. That Decreto governs from March 25, 2003 when the Decreto Nr. 664/03 (P.E.N.) has suspended the re-expression of the Consolidated Statements according to the inflation level.

About the Decreto Nr. 664/03, the Inspección General de Justicia (I.G.J.) established, along the General Resolution Nr. 4/03, the obligation to stop applying the method of the Consolidated Statements' re-expression, ruled by the T.R. Nr.6 since March 1<sup>st</sup>, 2003. The C.P.C.E.C.A.B.A., by the Resolution M.D. Nr. 10/2003, supported that "there is not a situation of economic stability in the country" so it governed that R.T. Nr.6 was still in use, along its jurisdiction. Only on October 29, 2003 the C.P.C.E.C.A.B.A. considered that the context of economic stability has allowed, from October 1<sup>st</sup>, 2003, to stop applying the method of the Consolidated Statements' re-expression ruled by the T.R. Nr.6.

**1.2. Valuation Criteria.**

**1.4.1 Cash and cash equivalents, Other assets and Liabilities.**

These assets have been estimated to their nominal value at the end of the year.

**1.4.2 Shareholders' Equity Statement's Accounts.**

These accounts are re-expressed in currency of the end of the year. In accordance with the principles described on note 1.1.

**1.4.3 Results Accounts.**

Revenues and expenses are imputed to results when they are deferred.

A handwritten signature in dark ink, consisting of stylized, overlapping letters, likely representing the name of an authorized official or auditor.

# 1. Share Capital

The details of the Company's equity are as follows:

Equity:	2016	2015
Balances as at beginning of year (Paid up Capital)	170000	170000
Balances as at end of year (Paid up Capital)	170000	170000

As of December 31, 2016 and 2015, the Company's subscribed capital is 170,000 and paid up capital of 170,000, consists of shares with par value of 1 each, held as follows:

Shareholders	No. of Shares	Amount (ARS)	% of Holding	Amount Paid (ARS)
Coromandel International Limited	161500	161,500.00	0.95	161,500.00
Sabero Australia Pty Ltd	4960	4,960.00	0.03	5,100.00
Sunitt H Chuganee	1700	1,700.00	0.01	1,700.00
Arvel Sragowicz	1700	1,700.00	0.01	1,700.00
Total		170,000.00	100	170,000.00

# 2. Net Operating Loss Carry-over

The details of the Company's NOLCO that can be claimed as deduction from normal taxable income and against regular corporate income tax due and their respective availment period are as follows:

NOLCO						
Year Incurred	Amount	Non-deductible expense	Applied in previous year	Expired in current year	Balance	Available until
2016	0.00	0.00	0.00	0.00	0.00	2018
2015	0.00	0.00	0.00	0.00	0.00	2018
2014	0.00	0.00	0.00	0.00	0.00	2017
2013	0.00	0.00	0.00	0.00	0.00	

Deferred income tax assets on NOLCO has not been recognized because management believes that the Company may not have sufficient taxable profit available to allow all or part of the deferred income tax assets to be utilized in the near future.

There are unrecognized deferred income tax assets consist of NOLCO at December 31, 2016 and 2015, respectively.

ADDITIONAL REPORT I: INFORMATION REQUIRED BY THE LAW 19550, ART.64, INC. B).

ITEMS	TOTAL	CLERICAL EXPENSES	COMMERCIAL EXPENSES	FINANCIAL EXPENSES
Interest paid	-			
General	-			
Exchange	- 4.205,79			- 4.205,79
Travels	12.500,00		12.500,00	
Stationery and printer	2.000,00	2.000,00		
Taxes	-			
Sales Taxes	-			
Compensation	-			
Fees	175.000,00	175.000,00		
Bank expenses	12.099,61	12.099,61		
<b>TOTALES</b>	<b>197.393,82</b>	<b>189.099,61</b>	<b>12.500,00</b>	<b>- 4.205,79</b>

See accompanying notes to consolidated statements.  
Auditors' Report aside.

ALEJANDRO SRAGOWICZ

Chairman

Dr. EZEQUIEL GANDOLFO  
Public Accountant (U.B.A.)  
C.P.C.E.C.A.B.A. To. 272 Fo. 63

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January 17th, 2017

**SOCIETY NAME: SABERO ARGENTINA S.A.**  
**CONSOLIDATED STATEMENTS AT: DECEMBER 31, 2016.**

## **INDEPENDENT AUDITORS' REPORT**

Shareholders of  
SABERO ARGENTINA S.A.  
1430, Marcelo T. de Alvear 6th.Floor

As an Independent Public Accountant, I report the audit of the Consolidated Statements of SABERO ARGENTINA S.A., detailed in section 1. My responsibility is to express an opinion on these Consolidated Statements based of my audit, following certain standards that are mentioned in section 2.

### **1.-CONSOLIDATED STATEMENTS AUDITED**

- 1.1. Financial Statement for the period January 1 to December 31, 2016.
- 1.2. Result Statement for the period January 1 to December 31, 2016.
- 1.3. Shareholders' Equity Statement for the year ended on December 31, 2016.
- 1.4. Additional Information: Notes 1 to 4 and Additional Report I, which are part of these statements.

### **2.-STANDARDS TO PERFORM AN AUDIT OF CONSOLIDATED STATEMENTS**

I conducted my audit in accordance with auditing standards accepted by the Consejo Profesional de Ciencias Económicas de la Ciudad Autónoma de Buenos Aires.

Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. To identify felony and irregular intentions are not the primary focus of an audit. We believe our audits provide a reasonable basis of our opinion.

### **3.-REPORT**


In my opinion, the consolidated statements referred to above present fairly, in all material respects, the financial position of SABERO ARGENTINA S.A. for the intermediate period January 1 to December 31, 2016 and the results of its operations and the variations of Shareholders' Equity, in conformity with accounting principles generally accepted in Argentina.

### **4.-INFORMATION REQUIRED BY LEGAL PRINCIPLES.**

In order to comply with legal requirements, I inform:

- Consolidated statements are based on accounting registers prepared in conformity with the accepted accounting principles.
- The consolidated statements have been prepared in accordance with what was governed by the Lay of Societys and the Resolutions of Inspección General de Justicia.
- There are no debts deferred in favour of the National Regime of Social Security at December 31, 2016. That is because there are no employees hired by this company at that period of time.

Buenos Aires City, January 17 th, 2017.

  
Dr. EZEQUIEL GANDOLFO  
Public Accountant (U.B.A.)  
C.P.C.E.C.A.B.A. To. 272 Fo. 63



SOCIETY NAME: SABERO ARGENTINA S.A.  
CONSOLIDATED STATEMENTS AT: DECEMBER 31, 2016.  
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NOTES TO CONSOLIDATED STATEMENTS (Continuation)

2. Composition of the principal items.

2.1 CASH AND CASH EQUIVALENTS

Cash	\$	258,39
Cash at HSBC Bank	\$	20.181,02
	\$	<u>20.439,41</u>

2.2 RECEIVABLES, NET

- 0,02

2.3 OTHER ASSETS

Directors	\$	16,79
Taxes	\$	1.599,53
	\$	<u>1.616,32</u>

2.4 ACCOUNTS PAYABLE

\$ -

2.5 OTHER LIABILITIES

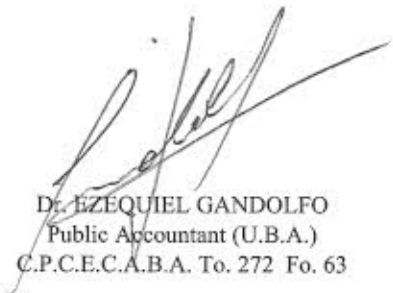
Directors Guarantee Deposit	\$	<u>100,00</u>
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3. Facts happened later to the closing.

There have not been facts happened later to the closing of the fiscal year that could affect significantly the result of the same one.

4. Independent Auditor Report is attached in a document apart.

  
ALEJANDRO SRAGOWICZ  
Chairman

  
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RESULT STATEMENT

	31/12/2016
Revenues	208.254,21
<b>GROSS PROFIT FROM OPERATIONS</b>	<b>208.254,21</b>
Less:	
Financial Expenses (Additional Report I)	4.205,79
Commercial Expenses (Additional Report I)	(12.500,00)
Clerical Expenses (Additional Report I)	(189.099,61)
<b>NET INCOME (LOSS)</b>	<b>10.860,39</b>

See accompanying notes to consolidated statements.  
Auditors' Report aside.

  
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