

CFS DO BRASIL INDÚSTRIA, COMÉRCIO, IMPORTAÇÃO E EXPORTAÇÃO  
DE ADITIVOS ALIMENTÍCIOS LTDA  
FINANCIAL STATEMENTS MARCH 31, 2017



To

B. K. Khare & Co

Mumbai:

As requested in your "Group Audit Instructions for CFSL ("the Instructions"), we have audited the special purpose financial information comprising the balance sheet, statement of profit and loss and cash flows for CFS do Brasil Indústria, Comércio, Importação e Exportação de Aditivos Alimentícios LTDA ("the Company") expressed in Reais (BLR) as of March 31, 2017 and for the year then ended. This special purpose financial information has been prepared solely to enable CFSL to prepare consolidated financial statements and not to report on CFS do Brasil Indústria, Comércio, Importação e Exportação de Aditivos Alimentícios LTDA as a separate entity.

#### **Management's Responsibility for the special purpose financial information**

Management is responsible for the preparation and fair presentation of this special purpose financial information in accordance with International Financial Reporting Standards. This responsibility includes designing, implementing and maintaining internal control relevant to the preparation of financial information that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on this special purpose financial information based on our audit. We conducted our audit in accordance with International Standards on Auditing and the Instructions. Those standards and Instructions require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the special purpose condensed financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the special purpose condensed financial information, whether due to fraud

or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of the special purpose condensed financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the special purpose financial information.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Scope

Except as explained in the paragraph below, we conducted our audit in accordance with International Standards on Auditing.

### Opinion

In our opinion, based on our audit performed, the accompanying special purpose financial information as of March 31, 2017 and for the year then ended give a true and fair view in accordance with IFRS:

- a. in the case of the Balance Sheet, of the state of affairs of the CFS do Brasil Indústria, Comércio, Importação e Exportação de Aditivos Alimentícios LTDA as at March 31, 2017;
- b. in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

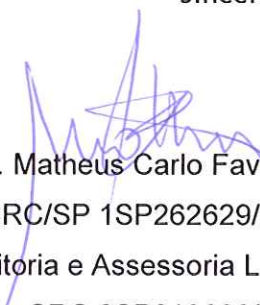


### Emphasis of Matter - Basis of Preparation

Without qualifying our opinion, we draw attention to the fact that the accompanying special purpose financial information is not presented in accordance with and does not include all the information required to be disclosed by accounting principles generally accepted in India. Accordingly, the accompanying special purpose financial information is not intended to present fairly, in all material respects the financial position of CFS do Brasil Indústria, Comércio, Importação e Exportação de Aditivos Alimentícios LTDA as of March 31, 2017, or the results of its operations or its cash flows for the year then ended.

Campinas, March 31, 2017.

Sincerely,



MSc. Matheus Carlo Favarin  
Accountant – CRC/SP 1SP262629/O-1  
Consulcamp Auditoria e Assessoria Ltda.  
CRC 2SP010626/O-4  
Brazil

## Balance Sheet

Year ended on March 31, 2017 and 2016

Amounts in R\$

Assets	Note	March-2017	March-2016
<b>Current Assets</b>		<b>7.930.244</b>	<b>8.604.702</b>
Cash and Cash Equivalent	3	44.573	167.238
Account Receivables	4	1.788.866	2.413.561
Recoverable Taxes	5	2.050.497	1.560.384
Prepaid Expenses	6	17.839	35.094
Inventories	8	3.102.886	3.577.554
Other Credits	9	925.584	850.870
<b>Non-Current Assets</b>		<b>4.721.282</b>	<b>2.511.821</b>
Account Receivables	4	120.914	-
Recoverable Taxes	5	148.446	139.464
Deferred Taxes	7	1.413.588	1.128.076
Other Credits	9	24.000	24.000
Fixed Assets	10	2.998.726	1.220.281
Intangible Asset		15.608	-
<b>Total Assets</b>		<b>12.651.526</b>	<b>11.116.523</b>
<b>Liabilities and Shareholders' Equity</b>	<b>Note</b>	<b>March-2017</b>	<b>March-2016</b>
<b>Current Liabilities</b>		<b>12.020.605</b>	<b>8.270.078</b>
Loans	11	663.008	175.815
Suppliers		176.683	313.087
Suppliers Related Parties	12	10.604.234	7.610.844
Labor Charges	13	166.241	106.158
Customer Advance		310.518	1.671
Tax Obligations	14	85.544	47.788
Other Bills Due		14.378	14.714
<b>Non-Current Liabilities</b>		<b>3.401.022</b>	<b>3.818.741</b>
Loans	11	-	303.791
Loan Related Parties	12	3.401.022	3.514.951
<b>Shareholders' equity</b>		<b>(2.875.370)</b>	<b>(972.296)</b>
Share Capital	15	1.250.000	1.250.000
Accumulated Profits/Losses		(4.020.101)	(2.222.296)
<b>Total Net Liabilities and Shareholders' equity</b>		<b>12.651.526</b>	<b>11.116.523</b>

The explanatory notes belong to the accounting statements.

Income Statement

Year ended on March 31, 2017 and 2016

Amounts in R\$

	Note	March-2017	March-2016
Net Operating Revenue	16	8.463.139	12.081.472
(-) Cost Operation		(7.648.117)	(10.313.422)
(=) Gross Profit		815.022	1.768.050
Operating (Expenses)		(3.656.833)	(2.941.693)
Business Expenses		(1.699.716)	(1.028.832)
General and Administrative Expenses		(1.795.285)	(1.789.782)
Other Expenses/Income		(161.833)	(123.079)
Profit/Losses before Financial Results		(2.841.811)	(1.173.643)
Net Financial Income	17	758.493	(842.264)
Profit/Losses before taxes on profit		(2.083.318)	(2.015.907)
Deferred Income Tax		285.512	1.102.379
(=) Period Profit/Loss		(1.797.806)	(913.528)

The explanatory notes belong to the accounting statements.

Statement of Changes in the Shareholders Equity

Year ended on March 31, 2017 and 2016

Amounts in R\$

	Stock Capital	Accumulated Profit/Loss	Total
Balances on March 31th, 2015	1.250.000	(1.306.109)	(56.109)
Prior year adjustment	-	(2.660)	(2.660)
Net Profit for the period	-	(913.527)	(913.527)
Balances on March 31th, 2016	1.250.000	(2.222.296)	(972.296)
Net Profit for the period	-	(1.797.805)	(1.797.805)
Balances on March 31th, 2017	1.250.000	(4.020.101)	(2.770.101)

The explanatory notes belong to the accounting statements.



## Cash Flow Statement

Year ended on March 31, 2017 and 2016

Amounts in R\$

	March-2017	March-2016
Net Loss for the Period before IRPJ/CSLL	(2.083.318)	(2.015.907)
<b><u>Adjustments of the net loss:</u></b>		
Depreciation and Amortization	240.751	251.429
Interests	403.703	103.242
Exchange Variation	(396.789)	70.938
Variance on Assets	421.897	(3.951.746)
Accounts Receivable	503.781	(1.578.115)
Taxes to Recover	(499.094)	(1.186.534)
Other Credits	(74.714)	(551.560)
Prepaid Expenses	17.255	13.602
Inventory	474.669	(649.139)
Variance on Liabilities	3.263.334	2.497.469
Suppliers	(136.404)	240.762
Suppliers Related Party	2.993.389	2.184.093
Tax and Payroll Liabilities	37.756	45.388
Labor Charges	60.083	28.628
Other Liabilities	308.510	(1.402)
Cash generated by Operations	1.849.578	(3.044.575)
Paid Interests	(120.842)	(12.058)
<b>1. From Operating Activities</b>	<b>1.728.736</b>	<b>(3.056.633)</b>
<b>2. Investment Activities</b>	<b>(2.034.803)</b>	<b>(395.092)</b>
Fixed Assets Acquisitions	(2.019.345)	(399.798)
Fixed Assets Write-offs	150	6.701
Intangible Assets Acquisitions	(15.608)	(1.995)
Intangible Assets Write-offs		
<b>3. Financing Activities</b>	<b>183.402</b>	<b>3.322.844</b>
Acquisition of Loans	835.630	500.000
Loans Payments	(652.228)	(43.877)
Acquisitions with Related Parties		2.866.720
<b>4. Cash Additions for the Period</b>	<b>(122.665)</b>	<b>(128.881)</b>
Cash and cash equivalents at de beginning of the Period	167.238	296.119
Cash and cash equivalents at the End of the Period	44.573	167.238
<b>Increase on Cash or Cash Equivalents</b>	<b>(122.665)</b>	<b>(128.881)</b>

The explanatory notes belong to the accounting statements.

## 1. Operational context

CFS do Brasil Indústria, Comércio, Importação e Exportação de Aditivos Alimentícios Ltda, was created in May 16<sup>th</sup> 2013 with its headquarter located in Indaiatuba, State of Sao Paulo.

The company has its business purpose in the commerce, distribution and production of feed additives (in bulk and solutions), flavouring, post-harvesting preservatives and any other products that derive from those materials, as well as feed industry products in general.

The fiscal years ends on March 31<sup>st</sup> of each year.

## 2. Financial statements presentation

The financial statements were initially issued and approved by the Management.

The financial statements of the company are expressed in Reais (R\$), and are presented in accordance with the accounting practices adopted in Brazil. Were observed the dispositions on the Brazilian Corporate Law and the Resolutions of the Federal Accounting Council that incorporate the changes brought forth by Laws n. 11.638/07 and n. 11.941/09, which updated the Brazilian social legislation, aligning the accounting practices adopted in Brazil with the international accounting standards (International Financial Reporting Standards - IFRS).

### 2.1 Foreign currency transactions

Transactions in foreign currency are initially registered at the operating currency exchange rate valid on the transaction date, and all variations are registered in the result statement.

### 2.2 Cash and cash equivalents

Cash and cash equivalents include money in cash, bank deposits and other high liquidity, short-term investments that are readily convertible into a known cash amount and subject to an insignificant risk of value change.

### 2.3 Fixed assets

Assets classified as fixed are shown by its purchase cost. The cost includes the purchase price and every other cost directly related to the fixed asset transportation to the site and its installation, until it gets to its operating conditions.

### 2.4 Other assets and liabilities

Liabilities are registered in the statement when the company has a legal obligation constituted from past events that will result in an output of economic benefits. Accruals are recognized reflecting the estimates of risks involved.

Assets are known when it is likely that future economic benefits will flow to the Company and their cost and value can be reliably measured.

The assets are registered by their realization or liquidation values, adding, when applicable, profits or charges incurred, computed up to the balance date. They are classified as current when benefits are expected during the next twelve months and as non-current when the period is over twelve months.

### 2.5 Taxation

Taxation on profit comprises Income and Social Contribution Tax. Income Tax is computed on the taxable profit in 15% plus 10% on profit above R\$ 240.000 in the 12 months period, while Social Contribution is computed in 9% over the taxable profit and recognized by the accrual basis.

### 2.6 Deferred taxes

Deferred taxes are generated by temporary differences on the balance date between the tax bases and their accounting values.

Asset deferred taxes are recognized by deductible temporary differences, credits, and unused tax losses to the extent in which it is likely that the taxable profit is available for



Management Explanatory Notes for the Accounting Statements  
Year ended on March 31th, 2017 and 2016

Amounts in R\$

these deductible temporary differences to be realized and the unused tax credits and losses can be used.

The accounting value of the deferred taxes is measured at the tax rate expected for the year, based on the tax law, being reviewed at every balance date and written off to the extent in which it is no longer likely that taxable profits will be available to allow all or part of the deferred tax asset to be use.

### 3. Cash and cash equivalent

Composing Cash and cash equivalents are the entries as shown below:

	<b>March-2017</b>	<b>March-2016</b>
Cash	2.779	2.796
Banks	35.974	164.442
Financial Investments	5.820	-
<b>Total</b>	<b>44.573</b>	<b>167.238</b>

### 4. Account receivables

The accounts receivable from customers correspond to values receivable due to sales and services during the normal activities of the Company. If the deadline for the receivable is equivalent to a year or less, the accounts receivable are classified in the current asset. Otherwise, they are presented in the non-current asset.

The amounts for national and foreign customers are shown below:

	<b>March-2017</b>	<b>Rate 03.31</b>	<b>March-2016</b>	<b>Rate 03.31</b>
<b>Current</b>				
Foreign Customer	271.956	3,1684	274.384	3,5589
National Customer	1.516.910		2.154.477	
Allowance for Doubtful Credits	-		(15.300)	
	1.788.866		2.413.561	
<b>Non-Current</b>				
National customer	120.914		-	
	120.914		-	
<b>Total</b>	<b>1.909.780</b>		<b>2.413.561</b>	

Management Explanatory Notes for the Accounting Statements  
Year ended on March 31th, 2017 and 2016

Amounts in R\$

## 5. Tax recoverable

Following, the chart details the Recoverable Taxes:

	March-2017	March-2016
<b>Current</b>		
Recoverable Income Tax Withholding	1.400	1.386
Recoverable PIS/COFINS	109.825	78.103
Recoverable ICMS	1.825.089	1.407.514
Recoverable IPI	22.978	-
Recoverable Income Tax	71.959	51.566
Recoverable CSLL	16.665	19.519
Other Recoverable Taxes	2.582	2.298
	<u>2.050.497</u>	<u>1.560.384</u>
<b>Non-Current</b>		
PIS/COFINS Recoverable Fixed Asset	96.607	92.220
ICMS Recoverable Fixed Asset	51.840	47.244
	<u>148.446</u>	<u>139.464</u>
<b>Total</b>	<u><u>2.198.944</u></u>	<u><u>1.699.849</u></u>

## 6. Prepaid expenses

Following, the chart details the Prepaid Expenses:

	March-2017	March-2016
Insurance's Prepaid Expenses	9.380	11.958
Subscription's Prepaid Expenses	-	13.170
Other Prepaid Expenses	8.460	9.966
<b>Total</b>	<u><u>17.839</u></u>	<u><u>35.094</u></u>

## 7. Deferred Taxes

Deferred taxes are the result of temporary differences due to the operations listed as follow:

	March-2017	March-2016
Pre-operating expenses	50.079	55.101
Allowance for Doubtful Credits	-	3.672
Tax Loss	1.363.509	1.069.303
<b>Total</b>	<u><u>1.413.588</u></u>	<u><u>1.128.076</u></u>



## Management Explanatory Notes for the Accounting Statements

Year ended on March 31th, 2017 and 2016

Amounts in R\$

**8. Inventories**

The inventory is presented by the least value between cost value and realizable net value and is compounded as shown:

	March-2017	March-2016
Raw Materials	2.034.096	2.567.097
Packages	9.682	94.586
Inventory in Transit	147.331	21.401
Inventory in Transit Related Parties	698.534	776.640
Finished Goods	213.243	117.831
<b>Total</b>	<b>3.102.886</b>	<b>3.577.554</b>

**9. Other credits**

Advances, as demonstrated below, mainly comprise the balance of other receivables:

	March-2017	March-2016
<b>Current</b>		
Advances to Suppliers - Related Parties	400.376	332.513
Advances to Suppliers	73.736	385.804
Advances Customs broker	94.704	131.553
Other Receivables - Related Parties	330.888	-
Other Receivables	25.880	1.000
	<u>925.584</u>	<u>850.870</u>
<b>Non-Current</b>		
Refundable Deposits	24.000	24.000
	<u>24.000</u>	<u>24.000</u>
<b>Total</b>	<b>949.584</b>	<b>874.870</b>

CFS do Brasil Ind. Com, Importação e Exportação de Aditivos Alimentícios Ltda.

Management Explanatory Notes for the Accounting Statements

Year ended on March 31th, 2017 and 2016

Amounts in R\$

10. Fixed assets

Following, the fixed assets composition:

Description (in R\$)	Net Balance in March-2016	Purchase Price	Asset Lows	Transfers	Depreciation	Net Balance in March-2017
IT Equipments	37.437	4.788	-	-	(9.466)	32.759
Machines and Devices	634.668	80.176	-	1.564.077	(90.883)	2.188.038
Air Conditioning Installations	40.512	10.909	-	-	(5.253)	46.168
Commercial and Industrial Installations	111.412	3.269	-	-	(13.490)	101.192
Furniture and Utensils	130.814	60.794	(150)	-	(18.547)	172.911
Building Installation	8.050	-	-	443.942	(4.556)	447.437
Telecommunication Equipments	9.396	3.193	-	-	(2.367)	10.221
Leasehold Improvements	60.506	35.683	-	-	(96.189)	-
Assets in Progress	187.485	1.820.534	-	(2.008.019)	-	-
<b>Total:</b>	<b>1.220.281</b>	<b>2.019.345</b>	<b>(150)</b>	<b>-</b>	<b>(240.751)</b>	<b>2.998.726</b>

## Management Explanatory Notes for the Accounting Statements

Year ended on March 31th, 2017 and 2016

Amounts in R\$

## 11. Loans

The loan balances comprise the contracts listed below, with the exception of the Secured Account, which does not hold a specific contract once it is a credit line offered in conjunction with CFS's checking account. This credit line is intended to temporarily help the company's cash flow and it does not require a signature upon use. The interests are daily charged and it has no pre-established due date.

<b>Contracts</b>	<b>Due in</b>	<b>Interest Rate</b>	<b>March-2017</b>	<b>March-2016</b>
Secured Account	01.2017	3,15% Per Month	150.000	-
Working Capital - Itaú 23822	01.2018	2,26% Per Month	88.878	172.712
Working Capital - Itaú 15582	01.2018	2,26% Per Month	88.871	172.711
Working Capital - Itaú 93138	01.2018	2,26% Per Month	69.265	134.183
Anticipated Trade Receivables	01.2017	2,77% Per Month	265.994	-
<b>Total</b>			<b>663.008</b>	<b>479.606</b>
<b>Current</b>				
Secured Account	10.2016	3,15% Per Month	150.000	-
Working Capital - Itaú	01.2018	2,26% Per Month	247.014	175.815
Interest - Itaú	01.2018	2,26% Per Month	-	-
Anticipated Trade Receivables	01.2017	2,77% Per Month	265.994	-
			663.008	175.815
<b>Non-Current</b>				
Working Capital - Itaú	01.2018	2,26% Per Month	-	303.791
			-	303.791
<b>Total</b>			<b>663.008</b>	<b>479.606</b>

Management Explanatory Notes for the Accounting Statements  
Year ended on March 31th, 2017 and 2016

Amounts in R\$

## 12. Suppliers and Loans - Related parties

The balances consist of Raw Materials and Products for resale acquired directly from the Holding Company (Camlin), located in India. Part of the goods is in transit, as follow:

Suppliers Related Parties	March-2017	Rate 12.31	Value USD	March-2016	Rate 12.31	Value USD
Camlin Fine Sciences Ltda.	10.058.508	3,1684	3.174.633	6.842.026	3,5589	1.922.511
Inventories in transit - Camlin	541.416	3,1684	170.880	768.818	3,5589	216.027
Dresen	4.309	3,1684	1.360	-	3,5589	-
	10.604.234		3.345.513	7.610.844		2.138.538
Loans Related Parties						
Camlin Fine Sciences Ltda.	3.401.022	3,1684	1.073.419	3.514.951	3,5589	987.651
	3.401.022		1.073.419	3.514.951		987.651
Total Parties Related	14.005.256		4.418.933	11.125.795		3.126.189

Management Explanatory Notes for the Accounting Statements  
Year ended on March 31th, 2017 and 2016

Amounts in R\$

### 13. Payroll and related charges

The values related to pay-roll are represented according to the chart below:

	March-2017	March-2016
Wages Payable	26.957	26.462
INSS Payable	16.145	18.992
FGTS Payable	4.731	4.101
Union dues	1.595	1.400
Vacation Provision and Charges	90.983	40.508
Christmas Bonus Provision and Charges	18.815	12.310
Withholding Income Tax (on Wage)	7.014	2.387
<b>Total</b>	<b>166.241</b>	<b>106.158</b>

### 14. Tax obligations

Comprising the tax obligations balance are the debits calculated by the sales operations and withholding taxes from service providers.

	March-2017	March-2016
Withholding Income Tax (Taken Services)	926	13.321
Withholding ISSQN (Taken Services)	41.405	25.724
PIS/COFINS and CSLL Payble	2.294	2.478
Withholding INSS (Taken Services)	59	6.265
IRRF	40.858	-
<b>Total</b>	<b>85.544</b>	<b>47.788</b>

### 15. Share capital

The Company's Share Capital is represented by 1.250.000 quotas with face value of R\$ 1,00 per quota.

### 16. Net operating revenue

The balance of the net Operating Revenue is comprised according to the following demonstration:



**Management Explanatory Notes for the Accounting Statements**  
**Year ended on March 31th, 2017 and 2016**

Amounts in R\$

	March-2017	March-2016
<b>Gross Operating Revenue</b>		
Sales Revenue	9.714.520	13.934.592
Sales Commision	524.569	733.894
	<u>10.239.089</u>	<u>14.668.487</u>
<b>Gross Revenue Deduction</b>		
Reversals/Rebates	(114.844)	(168.004)
IPI on Gross Sales	-	(22.840)
ICMS sales	(966.360)	(1.396.444)
PIS/COFINS sales	(675.647)	(977.420)
ISS on Services Provided	(19.099)	(22.306)
<b>Total</b>	<u>(1.775.950)</u>	<u>(2.587.014)</u>
<b>Net Operating Revenue</b>	<u><u>8.463.139</u></u>	<u><u>12.081.472</u></u>

### 17. Net financial income

The following chart presents the financial expenses and revenue.

	March-2017	March-2016
Financial Application Income	172	3.480
Discounts Obtained	4.140	2.300
Exchange Variation	1.255.630	110.742
Other Revenues	17.824	4.330
<b>Financial Revenue</b>	<u>1.277.766</u>	<u>120.852</u>
Taxes on Financial Application	(2.889)	(3.907)
Banking Expenses	(13.632)	(13.159)
Exchange Variation	(33.619)	(846.022)
Interest Expenses	(459.355)	(99.419)
Other Expenses	(9.778)	(610)
<b>Financial Expenses</b>	<u>(519.273)</u>	<u>(963.116)</u>
<b>Net Financial Income</b>	<u><u>758.493</u></u>	<u><u>(842.264)</u></u>

### 18. Insurance coverage

The management considers that all assets and commitments of relevant high risks values are covered by insurance through local and corporate policies on March 31<sup>th</sup>, 2017.

The work scope of our independent auditors does not include issuing a note on the sufficiency of the insurance coverage, determined by the Company management, which considered it enough to cover possible losses.