

**Strategic Report, Report of the Directors and
Audited Financial Statements for the Year Ended 31 March 2019
for
AGRI-CHEMICALS LIMITED**



AGRI-CHEMICALS LIMITED

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AGRI-CHEMICALS LIMITED

Strategic Report for the year ended 31 March 2019

The directors present their strategic report for the year ended 31 March 2019.

REVIEW OF BUSINESS

The Company is a diverse procurement and trading company specialising in the petroleum oil products industry, the crude salt industry, ceramics and food industry (amongst others), with a focus on the West African market.

STRATEGY

The Company continues to consolidate its position and concentrate its efforts on achieving maximum growth in its existing market segments. We remain focused on customer service through efficiency in all areas of our operations.

RESULTS AND PERFORMANCE

Summary results of the Company for the year are:

| | 2019 | 2018 |
|------------------|-----------------|-------------|
| Turnover | \$441.1m | \$506.5m |
| Gross profit | \$18.0m | \$24.5m |
| Operating profit | \$12.6m | \$16.5m |
| Profit after tax | \$10.2m | \$14.5m |
| Dividends paid | \$13.2m | \$14.0m |
| Net assets | \$26.4m | \$29.4m |

The performance of the Company during year was impacted by increased regulation in the markets in which it operates resulting in a 12.9% decrease in turnover. The procurement of and trading in petroleum oil products continues to be the largest source of revenue for the Company contributing to 85% of the Company's turnover and 60% of gross profit.

AGRI-CHEMICALS LIMITED

Strategic Report for the year ended 31 March 2019

RESULTS AND PERFORMANCE

Key performance indicators ('KPIs')

The Board monitors the progress of the company by reference to the following KPIs:

| | 2019 | 2018 | |
|--------------------|-----------------|----------|---|
| Turnover | \$441.1m | \$506.5m | All market segments |
| Gross profit % | 4.10% | 4.84% | Ratio of Gross Profit to Turnover |
| Operating profit % | 2.87% | 3.29% | Ratio of Operating Profit to Turnover |
| Profit after tax % | 2.32% | 2.78% | Ratio of Profit after Tax to Turnover |
| Return on Equity % | 38.64% | 48.57% | Ratio of Profit after tax to Shareholder's Equity |

PRINCIPAL RISKS AND UNCERTAINTIES

Risk is an accepted part of doing business. The directors are responsible for identifying the principal risks and to develop and monitor appropriate controls to manage these risks based on their judgment.

The main financial risk of the company relates to defaults by the company's overseas trade debtors, fluctuations in the interest rates and foreign exchange rates. The company also has risks in relation to the regulatory and political environment in which it operates. These risks are regularly reviewed by the directors and appropriate decisions made.

FUTURE DEVELOPMENTS

The company continues to strengthen and build relationships with major suppliers in the oil industry to help it meet the demand from its customers as well as providing further focus on other trading segments.

ON BEHALF OF THE BOARD:



B S Kansagra - Secretary

18 September 2019

AGRI-CHEMICALS LIMITED

Report of the Directors for the year ended 31 March 2019

The directors present their report with the financial statements of the company for the year ended 31 March 2019.

DIVIDENDS

An interim dividend of US\$2,460 per share was paid on 26 March 2019. The directors recommend that no final dividend be paid.

The total distribution of dividends for the year ended 31 March 2019 will be \$13,200,000.

DIRECTORS

The directors shown below have held office during the whole of the period from 1 April 2018 to the date of this report.

B S Kansagra
R S Kansagra

DISCLOSURE IN THE STRATEGIC REPORT

To enable the assessment of how the Directors have performed their duty to promote the success of the company, the Companies Act 2006 requires the Directors to set out in the Strategic report a fair review of the business during the year, the position at the end of the year and a description of the principal risks and uncertainties facing the company.

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

AGRI-CHEMICALS LIMITED

Report of the Directors for the year ended 31 March 2019

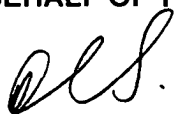
STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

AUDITORS

The auditors, Malde & Co, are deemed to be re-appointed under section 487(2) of the Companies Act 2006.

ON BEHALF OF THE BOARD:



B S Kansagra - Secretary

18 September 2019

Opinion

We have audited the financial statements of Agri-Chemicals Limited (the 'company') for the year ended 31 March 2019 which comprise the Statement of Comprehensive Income, Balance Sheet, Statement of Changes in Equity and Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2019 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report and the Report of the Directors, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Statement of Directors' Responsibilities set out on page three, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

**Report of the Independent Auditors to the Members of
Agri-Chemicals Limited**

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.



KIRANKUMAR V MALDE FCCA (Senior Statutory Auditor)
for and on behalf of Malde & Co
Chartered Certified Accountants
& Statutory Auditor
99 Kenton Road
Kenton Harrow
Middlesex
HA3 0AN

19 September 2019

AGRI-CHEMICALS LIMITED**Statement of Comprehensive Income
for the year ended 31 March 2019**

| | | 2019 \$ | 2018 \$ |
|--|-------|----------------------|----------------------|
| | Notes | | |
| TURNOVER | 3 | 441,101,336 | 506,503,992 |
| Cost of sales | | (423,019,810) | (482,003,326) |
| GROSS PROFIT | | 18,081,526 | 24,500,666 |
| Administrative expenses | | (5,444,102) | (7,951,354) |
| OPERATING PROFIT | 5 | 12,637,424 | 16,549,312 |
| Interest receivable and similar income | 6 | 625,647 | 1,690,846 |
| | | 13,263,071 | 18,240,158 |
| Interest payable and similar expenses | 7 | (1,093,867) | (726,639) |
| PROFIT BEFORE TAXATION | | 12,169,204 | 17,513,519 |
| Tax on profit | 8 | (1,950,179) | (2,983,502) |
| PROFIT FOR THE FINANCIAL YEAR | | 10,219,025 | 14,530,017 |
| OTHER COMPREHENSIVE INCOME | | - | - |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | 10,219,025 | 14,530,017 |

The notes on pages 11 to 17 form part of these financial statements

AGRI-CHEMICALS LIMITED (REGISTERED NUMBER: 01653628)**Balance Sheet
31 March 2019**

| | Notes | 2019 \$ | 2018 \$ |
|--|-------|-------------------|-------------------|
| FIXED ASSETS | | | |
| Tangible assets | 10 | 585,939 | 544,119 |
| CURRENT ASSETS | | | |
| Debtors | 11 | 45,199,078 | 95,280,315 |
| Cash at bank and in hand | | <u>29,408,396</u> | <u>1,370,787</u> |
| | | 74,607,474 | 96,651,102 |
| CREDITORS | | | |
| Amounts falling due within one year | 12 | (48,736,833) | (67,757,666) |
| NET CURRENT ASSETS | | <u>25,870,641</u> | <u>28,893,436</u> |
| TOTAL ASSETS LESS CURRENT LIABILITIES | | <u>26,456,580</u> | <u>29,437,555</u> |
| CAPITAL AND RESERVES | | | |
| Called up share capital | 13 | 7,014 | 7,014 |
| Retained earnings | | <u>26,449,566</u> | <u>29,430,541</u> |
| SHAREHOLDERS' FUNDS | | <u>26,456,580</u> | <u>29,437,555</u> |

The financial statements were approved by the Board of Directors on 18 September 2019 and were signed on its behalf by:



B S Kansagra - Director

The notes on pages 11 to 17 form part of these financial statements

AGRI-CHEMICALS LIMITED**Statement of Changes in Equity
for the year ended 31 March 2019**

| | Called up share capital \$ | Retained earnings \$ | Total equity \$ |
|---------------------------------|---|-------------------------------------|--------------------------------|
| Balance at 1 April 2017 | 7,014 | 28,928,524 | 28,935,538 |
| Changes in equity | | | |
| Dividends | - | (14,028,000) | (14,028,000) |
| Total comprehensive income | - | <u>14,530,017</u> | <u>14,530,017</u> |
| Balance at 31 March 2018 | <u>7,014</u> | <u>29,430,541</u> | <u>29,437,555</u> |
| Changes in equity | | | |
| Dividends | - | (13,200,000) | (13,200,000) |
| Total comprehensive income | - | <u>10,219,025</u> | <u>10,219,025</u> |
| Balance at 31 March 2019 | <u>7,014</u> | <u>26,449,566</u> | <u>26,456,580</u> |

The notes on pages 11 to 17 form part of these financial statements

1. STATUTORY INFORMATION

Agri-Chemicals Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address are as below:

Registered number: 01653628

Registered office: Portland House
69-71 Wembley Hill Road
Wembley
Middlesex
HA9 8BU

The presentation currency of the financial statements is the US Dollar (\$).

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The company's functional currency changed from Pound Sterling (£) to United States dollar (US\$) on 1 April 2018. The directors have reviewed their business and concluded that since all trading transactions are predominately in US\$ the functional currency of the company is US\$.

The financial statements are presented in US\$ and the prior year comparatives previously presented in £ have been retranslated to US\$ at the exchange rate on 1 April 2018.

Financial Reporting Standard 102 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions in preparing these financial statements, as permitted by FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland":

- the requirements of Section 7 Statement of Cash Flows;
- the requirements of Section 11 Financial Instruments paragraphs 11.41(b), 11.41(c), 11.41(e), 11.41(f), 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b) and 11.48(c);
- the requirements of Section 12 Other Financial Instruments paragraphs 12.26, 12.27, 12.29(a), 12.29(b) and 12.29A;
- the requirement of Section 33 Related Party Disclosures paragraph 33.7.

Turnover

Turnover is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

2. ACCOUNTING POLICIES - continued

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

| | |
|-----------------------|---------------------------|
| Freehold property | - 2% on cost |
| Fixtures and fittings | - 20% on reducing balance |
| Motor vehicles | - 25% on reducing balance |

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

2. ACCOUNTING POLICIES - continued**Financial instruments**

A financial asset or a financial liability is recognised only when the entity becomes a party to the contractual provisions of the instrument.

Basic financial instruments are initially recognised at the transaction price, unless the arrangement constitutes a financing transaction, where it is recognised at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Debt instruments are subsequently measured at amortised cost.

Financial assets that are measured at cost or amortised cost are reviewed for objective evidence of impairment at the end of each reporting date. If there is objective evidence of impairment, an impairment loss is recognised in profit or loss immediately.

For all equity instruments regardless of significance, and other financial assets that are individually significant, these are assessed individually for impairment. Other financial assets are either assessed individually or grouped on the basis of similar credit risk characteristics.

Financial liabilities are presented as such in the balance sheet. Finance costs and gains or losses relating to financial liabilities are included in the profit and loss account. Finance costs are calculated so as to produce a constant rate of return on the outstanding liability.

3. TURNOVER

The turnover and profit before taxation are attributable to the one principal activity of the company.

An analysis of turnover by geographical market is given below:

| | 2019 \$ | 2018 \$ |
|----------------|--------------------|--------------------|
| United Kingdom | - | 32,897,730 |
| Europe | 31,301,920 | 21,074 |
| Africa | 409,799,416 | 473,585,188 |
| | <u>441,101,336</u> | <u>506,503,992</u> |

4. EMPLOYEES AND DIRECTORS

There were no staff costs and directors' remuneration for the year ended 31 March 2019 or for the year ended 31 March 2018.

All personnel working for the company are employed by a fellow subsidiary company who charge a management fee which includes the staff costs incurred.

AGRI-CHEMICALS LIMITED**Notes to the Financial Statements - continued
for the year ended 31 March 2019****5. OPERATING PROFIT**

The operating profit is stated after charging/(crediting):

| | 2019 | 2018 |
|---|---------|-----------|
| | \$ | \$ |
| Depreciation - owned assets | 47,862 | 28,974 |
| Profit on disposal of fixed assets | - | (568) |
| Auditors' remuneration | 9,869 | 9,924 |
| Auditors' remuneration for non audit work | 2,104 | 2,000 |
| Foreign exchange differences | 189,740 | 2,774,637 |

6. INTEREST RECEIVABLE AND SIMILAR INCOME

| | 2019 | 2018 |
|---|---------|-----------|
| | \$ | \$ |
| Bank interest receivable | 242,263 | 8,511 |
| Other interest receivable | 900 | 25 |
| Interest receivable from group undertakings | 382,484 | 1,682,310 |
| | 625,647 | 1,690,846 |

7. INTEREST PAYABLE AND SIMILAR EXPENSES

| | 2019 | 2018 |
|------------------------|-----------|---------|
| | \$ | \$ |
| Bank interest | 1,084,350 | 705,248 |
| Other interest payable | 9,517 | 21,391 |
| | 1,093,867 | 726,639 |

8. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

| | 2019 \$ | 2018 \$ |
|--------------------------------------|------------------|------------------|
| Current tax: | | |
| UK corporation tax | 2,235,220 | 3,229,246 |
| Adjustment in respect of prior years | <u>(285,041)</u> | <u>(240,310)</u> |
| Total current tax | 1,950,179 | 2,988,936 |
| Deferred tax | <u>-</u> | <u>(5,434)</u> |
| Tax on profit | <u>1,950,179</u> | <u>2,983,502</u> |

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

| | 2019 \$ | 2018 \$ |
|---|-------------------|-------------------|
| Profit before tax | <u>12,169,204</u> | <u>17,513,519</u> |
| Profit multiplied by the standard rate of corporation tax in the UK of 19% (2018 - 19%) | 2,312,149 | 3,327,569 |
| Effects of: | | |
| Expenses not deductible for tax purposes | 9,652 | 11,374 |
| Adjustments to tax charge in respect of previous periods | (285,041) | (245,735) |
| Other sundry tax adjusting items | (86,581) | (115,130) |
| Deferred tax | <u>-</u> | <u>5,424</u> |
| Total tax charge | <u>1,950,179</u> | <u>2,983,502</u> |

9. DIVIDENDS

| | 2019 \$ | 2018 \$ |
|-----------------------------|-------------------|-------------------|
| Ordinary shares of \$1 each | | |
| Interim | <u>13,200,000</u> | <u>14,028,000</u> |

AGRI-CHEMICALS LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2019

10. TANGIBLE FIXED ASSETS

| | Freehold property \$ | Fixtures and fittings \$ | Motor vehicles \$ | Totals \$ |
|-----------------------|----------------------------|-----------------------------------|-------------------------|--------------|
| COST | | | | |
| At 1 April 2018 | 519,032 | 109,174 | 45,305 | 673,511 |
| Additions | - | 89,682 | - | 89,682 |
| At 31 March 2019 | 519,032 | 198,856 | 45,305 | 763,193 |
| DEPRECIATION | | | | |
| At 1 April 2018 | 41,523 | 61,676 | 26,193 | 129,392 |
| Charge for year | 10,380 | 32,703 | 4,779 | 47,862 |
| At 31 March 2019 | 51,903 | 94,379 | 30,972 | 177,254 |
| NET BOOK VALUE | | | | |
| At 31 March 2019 | 467,129 | 104,477 | 14,333 | 585,939 |
| At 31 March 2018 | 477,509 | 47,498 | 19,112 | 544,119 |

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2019 \$ | 2018 \$ |
|------------------------------------|------------|------------|
| Trade debtors | 29,790,555 | 54,102,769 |
| Amounts owed by group undertakings | 1,499,667 | 27,677,528 |
| Other debtors | 127,513 | - |
| Advance payment to suppliers | 9,941,744 | 11,193,989 |
| VAT | 29,418 | 78,133 |
| Prepayments and accrued income | 3,810,181 | 2,227,896 |
| | 45,199,078 | 95,280,315 |

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

| | 2019 \$ | 2018 \$ |
|------------------------------|------------|------------|
| Payments on account | - | 670,557 |
| Trade creditors | 31,225,202 | 39,925,680 |
| Tax | 850,235 | 1,378,072 |
| Other creditors | - | 5,751 |
| Accruals and deferred income | 16,661,396 | 25,777,606 |
| | 48,736,833 | 67,757,666 |

AGRI-CHEMICALS LIMITED

Notes to the Financial Statements - continued for the year ended 31 March 2019

13. CALLED UP SHARE CAPITAL

| Allotted, issued and fully paid: | | Nominal value: | 2019 | 2018 |
|----------------------------------|----------|-------------------|--------------|--------------|
| Number: | Class: | | \$ | \$ |
| 5,000 | Ordinary | £1 | <u>7,014</u> | <u>7,014</u> |

14. RELATED PARTY DISCLOSURES

The company has taken advantage of exemption, under the terms of Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland', not to disclose related party transactions with wholly owned subsidiaries within the group.

Transactions during the period with other group undertakings are as follows:

| | | |
|-----|-------------------------|---------------------|
| (i) | Group loan advanced | US \$ |
| | Brought forward | 16,000,000 |
| | Interest charged | 149,326 |
| | Repayments | <u>(16,149,326)</u> |
| | Balance carried forward | <u>-</u> |

(ii) Goods amounting to US\$342,040,022 were sold to fellow subsidiaries of which US\$11,544,848 was outstanding at the balance sheet date.

(iii) At the balance sheet date, a liability of US\$21,670,960 to a supplier has been guaranteed by the immediate parent undertaking.

15. ULTIMATE CONTROLLING PARTY

The company's ultimate parent company and ultimate controlling party is Matel Limited a company incorporated in Jersey.

The parent undertaking of the largest and smallest group, which includes the company and for which group accounts are prepared is, Solai Holdings Limited, a company incorporated in Great Britain. Copies of the group accounts of Solai Holdings Limited are available from Companies House, Crown Way, Maindy, Cardiff CF14 3UZ.

The company's immediate controlling party is Solai Holdings Limited.