

**ALIMTEC S.A.**

Financial Statements as of March 31, 2020 and 2019  
and for the years then ended

(With Independent Auditor's Report Thereon)

**ALIMTEC S.A.**

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ThCh\$ : Amounts expressed in thousands of Chilean pesos



## Independent Auditor's Report

The Board of Directors  
Alimtec S.A.:

We have audited the accompanying financial statements of Alimtec S.A., which comprise the statements of financial position as of March 31, 2020 and 2019, and the statements of comprehensive income, changes in equity and cash flows for the years then ended, and the related notes to the financial statements.

### ***Management's responsibility for the financial statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards. This responsibility includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' responsibility***

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with generally accepted auditing standards in Chile. Those standards require that we plan and perform the audit to obtain reasonable assurance about 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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



***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Alimtec S.A. as of March 31, 2020 and 2019, and the results of its operations and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

A handwritten signature in blue ink, appearing to read 'Roberto Durán R.', is written over a horizontal blue line.

Roberto Durán R.

KPMG SpA

Santiago, May 20, 2020

## ALIMTEC S.A.

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## ALIMTEC S.A.

### A.-STATEMENTS OF FINANCIAL POSITION

As of March 31, 2020 and 2019.

Assets	03/31/2020 ThCh\$	03/31/2019 ThCh\$	Note
Current assets:			
Cash and cash equivalents	30,706	41,968	6
Trade and other receivables	29,705	66,319	7
Trade receivables due from related parties	1,065,525	655,323	8
Inventories	310,230	281,695	9
Other current assets	2,928	2,652	10
<b>Total current assets</b>	<b>1,439,094</b>	<b>1,047,957</b>	
Non-current assets:			
Intangible assets other than goodwill	64,399	67,633	12
Property, plant and equipment	1,869,463	2,054,024	13
<b>Total non-current assets</b>	<b>1,933,862</b>	<b>2,121,657</b>	
<b>TOTAL ASSETS</b>	<b>3,372,955</b>	<b>3,169,614</b>	

Liabilities and equity	03/31/2020 ThCh\$	03/31/2019 ThCh\$	Note
Current liabilities:			
Financial liabilities	568,654	689,545	14
Trade and other payables	296,216	296,480	15
Trade payables due to related parties	-	51,207	8
Employee benefits	18,632	5,479	17
Other financial liabilities	-	-	16
<b>Total current liabilities</b>	<b>883,502</b>	<b>1,042,711</b>	
Equity:			
Share capital	5,726,159	5,726,159	18
Accumulated deficit	(3,236,706)	(3,599,256)	18
<b>Total equity</b>	<b>2,489,453</b>	<b>2,126,903</b>	
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>3,372,955</b>	<b>3,169,614</b>	

The accompanying notes form an integral part of these financial statements.

## B,-STATEMENTS OF COMPREHENSIVE INCOME

For the years ended March 31, 2020 and 2019.

Statements of income by function	03/31/2020 ThCh\$	03/31/2019 ThCh\$	Note
Revenue	1,763,702	1,572,416	19
Cost of sales	(1,062,622)	(870,478)	20
<b>Benefit in operation</b>	<b>701,080</b>	<b>701,938</b>	
Administrative expenses	(246,091)	(196,565)	21
Other income	7,041	-	
Other expenses	-	-	13
Finance costs	(32,976)	(29,559)	22
Foreign currency translation differences	(61,687)	(84,347)	
<b>Benefit before tax</b>	<b>367,368</b>	<b>391,467</b>	
Income tax	(4,817)	-	11
<b>Profit for the year</b>	<b>362,551</b>	<b>391,467</b>	
Other comprehensive income	-	-	
<b>Total other comprehensive income</b>	<b>-</b>	<b>-</b>	
<b>Comprehensive Benefit</b>	<b>362,551</b>	<b>391,467</b>	

The accompanying notes form an integral part of these financial statements.

## C.-STATEMENTS OF CHANGES IN EQUITY

For the years ended March 31, 2020 and 2019.

Statement of changes in equity	Share capital	Accumulated deficit	Equity
	ThCh\$	ThCh\$	ThCh\$
Opening balance at 04/01/2019	5,726,159	(3,599,256)	2,126,903
Comprehensive income:			
Benefit for the year	-	362,550	362,550
Other comprehensive income	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>362,550</b>	<b>362,550</b>
Closing balance at 03/31/2020	<b>5,726,159</b>	<b>(3,236,706)</b>	<b>2,489,453</b>

Statement of changes in equity	Share capital	Accumulated deficit	Equity
	ThCh\$	ThCh\$	ThCh\$
Opening balance at 04/01/2018	5,726,159	(3,990,723)	1,735,436
Comprehensive income:			
Benefit for the year	-	391,467	391,467
Other comprehensive income	-	-	-
<b>Total comprehensive income</b>	<b>-</b>	<b>391,467</b>	<b>391,467</b>
Closing balance at 03/31/2019	<b>5,726,159</b>	<b>(3,599,256)</b>	<b>2,126,903</b>

## D.-STATEMENTS OF CASH FLOWS

The accompanying notes form an integral part of these financial statements.

For the years ended March 31, 2020 and 2019.

Statements of cash flows – indirect method	03/31/2020	03/31/2019
	ThCh\$	ThCh\$
Cash flows (used in) provided by operating activities:		
Profit for the period	362,550	391,467
Adjustments for:		
Current and deferred tax	4,816	-
Depreciation and amortization	266,544	257,406
Foreign currency translation differences	63,394	90,260
Finance cost	33,010	12,849
Provisions	22,840	(5,086)
Changes in:		
Decreases (increases) in inventories	(28,535)	(266,580)
Decreases (increases) in trade receivables	39,427	29
Decreases (increases) in trade receivables due from related parties	(327,062)	(443,402)
Decreases (increases) in other receivables	(7,108)	76,757
Increases (decreases) in trade payables	(21,263)	4,949
Increases (decreases) in other payables	-	(25)
Interest paid	-	-
Other cash receipts (payments)	36,571	(2,078)
<b>Net cash used in operating activities</b>	<b>445,184</b>	<b>116,546</b>
Cash flows (used in) provided by investing activities:		
Acquisition of property, plant and equipment (Note 13)	(122,561)	(75,139)
<b>Net cash used in investing activities</b>	<b>(122,561)</b>	<b>(75,139)</b>
Cash flows (used in) provided by financing activities:		
Bank loan payment (Capital and interest) (Note 14)	(268,330)	-
Intercompany loan payment (Capital and Interest) (Note 8)	(65,555)	(16,710)
<b>Net cash from financing activities</b>	<b>(333,885)</b>	<b>(16,710)</b>
<b>Net increase in cash and cash equivalents</b>	<b>(11,262)</b>	<b>24,697</b>
Cash and cash equivalents at beginning of year	41,968	17,285
<b>Cash and cash equivalents at end of year</b>	<b>30,706</b>	<b>41,968</b>

The accompanying notes form an integral part of these financial statements.

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### 1. GENERAL INFORMATION

ALIMTEC S.A., the “Company” is a privately-held shareholders’ corporation registered with Taxpayer ID No. 76.671.620-2. The Company has its registered office at Av. El Bosque Central 92 Piso 6 in the commune of The Condes, Santiago, Chile and its production facility is located in the city of Vicuña, La Serena in Region IV of Chile. The Company was established on July 24, 2006. The Company is a subsidiary of EID Parry (India) Ltd., a company registered in India. The Company is engaged in the development and commercialization of technologies for production of bioactive ingredients, for animal and human nutrition, as well as the production and commercialization of products derived from such technologies and the commercial representation of any kind of trademarks, products and individuals. As part of the business the Company is currently engaged in the cultivation, harvest and processing natural Astaxanthin from the microalgae “*Haematococcus pluvialis*”. That is commercialized to related Companies and third parties.

#### 2. BASIS OF PREPARATION

##### 2.1. Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) Standards.

Management has used its best knowledge and understanding with respect to the standards and interpretations that will be applied, current events and circumstances, which may be subject to changes.

The financial statements were authorized for issue by the Company’s board of directors on May 15, 2020.

##### 2.2. Basis of measurement

The financial statements have been prepared on the historical cost basis, with exception of financial instruments that are measured at fair value for disclosure purpose. Method used for measurement at fair value are presented in note 2.5.

##### 2.3. Functional currency

The Company’s functional currency is the Chilean peso, which is the presentation currency of these financial statements, which are presented in thousands of Chilean pesos (ThCh\$). All amounts have been rounded to the nearest thousand, unless otherwise indicated.

##### 2.4. Use of judgments and estimates

The preparation of these financial statements, management has made judgments and estimates that affect the application of the Alimtec’s account policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### 2. BASIS OF PREPARATION, continued

#### 2.4. Use of judgments and estimates, continued

##### A. Judgements

Information about judgments assumptions and estimation uncertainties made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

Note 13 - Useful life of property, plant & equipment and intangibles and impairment analysis.

Management has used their best judgments and estimations using the available information. Changes in the assumptions and estimates could have a significant impact on the financial statements.

#### 2.5. Assumptions and estimation uncertainties

Fair values are classified in different levels within a fair value category that is based on the inputs used in the valuation techniques, as follows:

- Level 1: are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability not based on observable market data (unobservable inputs).

The carrying amounts of financial instruments composed of cash, trade and other receivables, receivables due from related parties and payables due to related parties and trade and other payables fairly approximate the fair value of such financial instruments because of the short-term maturity of such instruments. No quoted prices are available for this assets and liabilities.

### 3. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies used in preparing these financial statements have been designed in accordance with International Financial Reporting Standards (IFRS) in force as of March 31, 2020, and applied to all the periods or years in these financial statements, except to new standards applicable for year 2020.

#### 3.1. Foreign currency transactions

Transactions in foreign currencies are translated to the functional currency at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate of that date. Foreign currency differences arising are recognized in the statement of comprehensive income. The values of US dollar (US \$) used in the presentation of financial statements for the years ended as of March 31, 2020 and 2019 are as follows:

Currency	03/31/2020	03/31/2019
US Dollar (US\$)	852.03	678.53

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### 3. SIGNIFICANT ACCOUNTING POLICIES continued

##### 3.2. Financial instruments

###### i) Recognition and initial measurement

Trade receivables issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transactions costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transactions price.

###### ii) Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investments; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

###### ii) Classification and subsequent measurement, continued

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### 3. SIGNIFICANT ACCOUNTING POLICIES continued

Financial assets – Business model assessment:

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management.

The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### 3. SIGNIFICANT ACCOUNTING POLICIES continued

##### ii) Classification and subsequent measurement, continued

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss.

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### 3. SIGNIFICANT ACCOUNTING POLICIES continued

##### ii) Classification and subsequent measurement, continued

Financial liabilities – Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

##### iii) Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial assets expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risk and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognized in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognized.

Financial liability

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

##### iii) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### 3. SIGNIFICANT ACCOUNTING POLICIES, continued

##### 3.2. Cash and cash equivalents

Cash and cash equivalents comprises cash balances, bank deposits and all financial investment securities with maturities of three months or less from the date of acquisition, as well as bank accounts, which are used by the company in the management of its short-term commitments.

##### 3.3. Inventories

Inventories are measured at the lower of acquisition cost, which includes all costs derived from their acquisition and transformation, and net realizable value. Cost is determined using the weighted average cost method.

Inventories consist of raw materials and finish goods. Finished goods are recognized when the product is available for use and commercialization, cost includes an appropriate share of production overheads based on normal operating capacity. Inventories are stated at lower of cost (based on weighted-average method) or market price.

The Company assesses at the end of each period if there is any damaged, or existence, that the book value may not be fully recoverable. When inventories are sold, the entity shall recognize the book value of these stocks as a cost in the period in which the corresponding revenue is recognized.

##### 3.4. Property, plant and equipment

Items of property, plant and equipment are initially recognized at cost and are presented net of accumulated depreciation and impairment losses. Depreciation of property, plant and equipment is calculated using the straight-line method.

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company. Maintenance cost are incurred in expenses when incurred.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

The estimated useful lives for the current and comparative periods of significant items of property, plant and equipment are as follows:

Sub-group	Useful lives (in years)
Buildings	80
Plant property and equipment	3 - 20
Motor vehicles	5

Depreciation methods, useful lives and residual values are reviewed each year and adjusted if necessary.

The losses and gains on the sale of property, plant and equipment are calculated by comparing the proceeds with the carrying amount and are included in the income statement.

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### 3. SIGNIFICANT ACCOUNTING POLICIES, continued

##### 3.5. Intangible assets other than goodwill

Intangible assets are initially measured at acquisition cost. Subsequently, these are measured in accordance at acquisition cost less accumulated amortization and impairment losses for finite and infinite intangible assets.

Intangible assets are amortized in the income statement based on the straight-line method over the estimated useful life of intangible assets. The depreciation methods, useful lives and values are reviewed at each financial year and adjusted if necessary.

Intangible assets other than goodwill and their related useful lives are detailed as follows:

Intangible assets other than goodwill	Useful lives (in years)
Water rights	20
Rights of Way	20
Software & licenses	3

The amortization methods, useful lives and values are reviewed at each financial year and adjusted if necessary.

##### 3.6. Provisions

A provision is recognized when the Company has a present obligation, either legal or implicit, as a result of past events, it is likely go to an outflow of resources will be required to settle the obligation and the amount can be reliably estimated.

The amount recognized as a provision is the best estimate at the end of the reporting period of, the expenditure required to settle the present obligation.

Where it is important the financial effect of the discount, the amount of the provision is determined by discounting the cash flow of the expenditure required to settle the present obligation, which in future is expected to pre-tax rate that reflects the current assessment of market value of money over time and the specific risks of the obligation.

Provisions are reviewed at the end of each reporting period is reported, and prospectively adjusted to reflect the current best estimate.

##### Environmental issues

In accordance with the environmental policy established by the Company and applicable legal regulations, a provision is recognized when the costs are probable and can be reasonably estimated. Disbursements related to environmental conservation, related to income from current or future operations are expensed or assets, as applicable.

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### 3. SIGNIFICANT ACCOUNTING POLICIES, continued

##### 3.7. Employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. The Company does not maintain long term employee benefits.

##### 3.8. Income tax and deferred taxes

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates items recognized directly in equity or in Other Comprehensive Income (OCI).

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on business plans for individual subsidiaries in the Company and the reversal of temporary differences. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed when the probability of future taxable profits improves.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used. Deferred tax assets and liabilities are offset only if certain criteria are met.

On September 29, 2014, the Tax Reform Law No.20.780 was enacted, which, among other aspects, defines the by default tax system applicable to the Company, the corporate income tax rate that will be gradually applied to companies between 2014 and 2019 and allows that companies may opt for one of two tax systems established therein: the attributed income system or the partially-integrated system, which results in entities being subject to different tax rates starting from 2019.

The Company opted for the “Partially Integrated” regime, implies that the Company must pay a corporate tax rate of 27% for 2020 and thereafter.

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### **3. SIGNIFICANT ACCOUNTING POLICIES, continued**

##### **3.10. Income tax and deferred taxes, continued**

Accordingly and depending on the regime opted or defined by default, the Company or the Group companies, will disclose the income tax and deferred tax rates, considering the tax rate effective at the date of the reversal of temporary differences.

Because of the tax system applicable to the Company for the 2018 period, the current income tax rate is 25.5%, 27% for 2018 and 27% for 2019 and thereafter.

##### **3.11. Revenue recognition**

Revenue is recognized when the goods are delivered and have been accepted by customers at their premises which represent that control has been transferred. For contracts that permit the customer to return a product, revenue is recognized to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. Company has not significant right of return. Price is set by contract fixed agreement therefore, the price is adjusted for based of estimated quality rate of production.

##### **3.12. Financial Costs**

The financial costs consist of charges relating to loans and bank charges. Interest and financing costs are recognized in income using the effective interest method.

##### **3.13. Classification of balances as current and non-current.**

In the statement of financial position, balances are classified according to their maturities; i.e., balances maturing in twelve months or less as current and balances maturing in periods exceeding twelve months as non-current.

##### **3.14. Impairment of non-financial assets**

The Company evaluates, on a prospective basis, the expected credit losses associated with its debt instruments recorded at amortized cost. The Company uses the practical solutions permitted by IFRS 9 to assess the expected credit losses related to commercial accounts through a simplified approach, eliminating the need to evaluate when there has been a significant increase in credit risk. The simplified approach requires that the expected losses be recorded from the initial recognition of accounts receivable, so that the Group determines expected credit losses as a probability-weighted estimate of such losses over the expected life of the instrument. financial.

The practical solution used is the use of a provision matrix based on the segmentation into groups of homogeneous assets, applying the historical information of percentages of non-payment for said groups and applying reasonable information about the future economic conditions. The percentage of non-payment is calculated according to the current experience of non-payment during the last year, as it is a very dynamic market and is adjusted for the differences between current and historical economic conditions and considering projected information, which is reasonably available.

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### 3. SIGNIFICANT ACCOUNTING POLICIES, continued

##### 3.15. Impairment of non-financial assets, continued

###### (i.1) Measurement of expected credit losses

The expected credit losses are the weighted average probability of credit losses. Credit losses are measured as the present value of cash insufficiencies (ie, the difference between the cash flow owed to the entity in accordance with the contract and the cash flows that the Company expects to receive).

###### (ii) Non-derivative financial assets -

A financial asset that is not recorded at fair value through profit or loss is evaluated at each balance sheet date to determine if there is objective evidence of impairment. A financial asset is impaired if there is objective evidence that a loss event has occurred after the initial recognition of the asset, and that that loss event has had a negative effect on the future cash flows of the asset that can be estimated reliably.

#### 4. NEW ACCOUNTING PRONOUNCEMENTS

##### 4.1. New currently effective requirements

Effective date	New standards or amendments
1 January 2019	IFRS 16 Leases
	IFRIC 23 Uncertainty over Tax Treatments
	Prepayment Features with Negative Compensation (Amendments to IFRS 9)
	Long-term Interests in Associates and Joint Ventures (Amendments to IAS 28)
	Plan Amendment, Curtailment or Settlement (Amendments to IAS 19)
	Annual Improvements to IFRS Standards 2015–2017 Cycle – various standards
1 January 2020	Amendments to References to Conceptual Framework in IFRS Standards.

##### IFRS 16 Leases

Issued on January 13, 2017, this Standard requires companies to account for all leases in their financial statements as of January 1, 2019. Companies with operating leases will have more assets, but also higher debt. The greater the leasing portfolio of the company, the greater the impact on the reporting metrics.

The Company does not have assets for lease, therefore, there are no identified effects on the financial information.

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### 5. FINANCIAL RISK MANAGEMENT

##### General

This note provides information about the Company's exposure to each aforementioned risks (credit, liquidity and market risks), the Company's objectives, policies, and procedures to measure and manage risks and capital management. Financial statements include more quantitative disclosures.

##### Risk management framework

The Company's Management is responsible for the establishment and oversight of the risk management framework and for the development and monitoring of the Company's risks management policies.

The Company's risk management policies are established to identify and analyze risks faced by the Company, to set appropriate risk limits and controls and to monitor adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

##### (a) Credit risk

Credit risk is the risk of financial loss of a Company if, a customer or counterparty fails to meet its contractual obligations, and arises principally from the Company's cash, trade and other receivables, and trade receivables due from related parties. Credit risk is mitigated through the following actions performed by the Company with respect to its customers: review of market history, periodic monitoring of financial performance, and review and verification of compliance with the payment terms defined.

The Company assesses impairment by specific item of loans and receivables. At the reporting date of these financial statements, there is no indication of impairment of the items comprising trade and other receivables.

Detail	03/31/2020	03/31/2019
	ThCh\$	ThCh\$
Trade and other receivables	29,705	66,319
Trade receivables due from related parties	1,065,525	655,323
<b>Total</b>	<b>1,095,230</b>	<b>721,642</b>

The maximum risk credit exposure is related to receivable to related parties which purchase all their production. All accounts receivable are expected to be recovered during the following three months and according management analysis there are no risk of unrecoverability.

**ALIMTEC S.A.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED MARCH 31, 2020 AND 2019**

**5. FINANCIAL RISK MANAGEMENT, continued**

**(b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or other another financial asset. The Company's approach to liquidity management is ensure, to the greatest extent possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking the Company's.

The Company has a cash flow management that allows foreseeing future obligations with the proper anticipation to obtain funds to settle financial liabilities. The Company monitors the level of expected cash inflows from the sale of its products together with expected cash outflows for trade and other payables and payables due to related parties. During the period ended as of March 31, 2018 the Company received short term loans from Financial Institutions that has been renovated which are due to July 2, 2020 (see Note 14), none of these liabilities are due to more than one year.

Contractual maturities of financial liabilities as of March 31, 2020 and 2019 are as follows:

Maturity of liabilities as of 03/31/2020	0-30 days	31-60 days	61-90 Days	Over 91 days	Total payable
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Financial liabilities	-	-	-	568,654	568,654
Trade and other payables	296,216	-	-	-	296,216
Trade payables due to related parties	-	-	-	-	-
<b>Total</b>	<b>296,216</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>296,216</b>

Maturity of liabilities as of 03/31/2019	0-30 days	31-60 days	61-90 days	Over 91 days	Total payables
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Financial liabilities	-	-	-	689,545	689,545
Trade and other payables	296,480	-	-	-	296,480
Trade payables due to related parties	51,207	-	-	-	51,207
Other financial liabilities	-	-	-	-	-
<b>Total</b>	<b>347,687</b>	<b>-</b>	<b>-</b>	<b>689,545</b>	<b>1,037,232</b>

**ALIMTEC S.A.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED MARCH 31, 2020 AND 2019**

**5. FINANCIAL RISK MANAGEMENT, continued**

**(c) Market risk**

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

**(c.1) Currency risk**

The Company is exposed to the currency risk on the sales, purchases and loans denominated in currencies other than the functional currencies of each Company.

The Company does not use any policy or hedging instrument to mitigate currency risk.

As of 03/31/2020	US\$	Ch\$	Total
	ThCh\$	ThCh\$	ThCh\$
Assets:	-	-	-
Cash and cash equivalents	3,097	27,609	30,706
Trade and other receivables	-	29,705	29,705
Trade receivables due from related parties	1,065,525	-	1,065,525
Other current assets	-	2,928	2,928
Liabilities:	-	-	-
Financial liabilities	(568,654)	-	(568,654)
Trade and other payables	-	(296,216)	(296,216)
Trade payables due to related parties	-	-	-
Other financial liabilities	-	-	-
<b>Net statement of financial position exposure</b>	<b>499,968</b>	<b>(235,974)</b>	<b>263,994</b>

**ALIMTEC S.A.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED MARCH 31, 2020 AND 2019**

**5. FINANCIAL RISK MANAGEMENT, continued**

**(c) Market risk, continued**

**(c.1) Currency risk, continued**

As of 03/31/2019	US\$	Ch\$	Total
	ThCh\$	ThCh\$	ThCh\$
Assets:	-	-	-
Cash and cash equivalents	433	41,535	41,968
Trade and other receivables	-	66,319	66,319
Trade receivables due from related parties	655,323	-	655,323
Other current assets	-	2,652	2,652
Liabilities:	-	-	-
Financial liabilities	(689,545)	-	(689,545)
Trade and other payables	-	(296,480)	(296,480)
Trade payables due to related parties	(51,207)	-	(51,207)
Other financial liabilities	-	-	-
<b>Net statement of financial position exposure</b>	<b>(84,996)</b>	<b>(185,974)</b>	<b>(270,970)</b>

A reasonably possible strengthening (weakening) of the Chilean peso against dollar at March 31 of 10% would have affected the measurement of financial instruments denominated in a foreign currency and affected equity gain or loss in ThCh\$90 and ThCh\$43 at March 31 2020 and 2019, respectively.

**(c.2) Interest rate risk**

The Company does not have a significant interest rate risk, due to as at March 31, 2020 and 2019 has a debt in dollars at a fixed rate until maturity. A change in the annual interest rate of 1% would represent an effect on ThCh\$326 and ThCh\$218, respectively.

**ALIMTEC S.A.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED MARCH 31, 2020 AND 2019**

**6. CASH AND CASH EQUIVALENTS**

Balances of cash and cash equivalents comprise the following:

Types of cash and cash equivalents	03/31/2020	03/31/2019
	ThCh\$	ThCh\$
Bank Santander \$	-	77
Bank Chile \$	27,609	41,458
Bank Chile USD	3,097	433
<b>Total</b>	<b>30,706</b>	<b>41,968</b>

There are no restrictions on the use of funds presented in cash and cash equivalents.

**7. TRADE AND OTHER RECEIVABLES**

As of March 31, 2020 and 2019, this caption comprises the following:

Trade and other receivables	03/31/2020	03/31/2019
	ThCh\$	ThCh\$
Trade receivables	-	97
Advance to suppliers	5,320	44,649
Fiscal Credit	24,385	21,573
<b>Total</b>	<b>29,705</b>	<b>66,319</b>

As of March 31, 2020 and 2019, trade receivables have no significant uncollectibility risk; therefore, Management has decided not to record an allowance for doubtful accounts.

**8. BALANCES AND TRANSACTIONS WITH RELATED PARTIES**

**a) Receivables due from related parties, current:**

As of March 31, 2020 and 2019, this caption comprises the following:

Entity	Country	Transaction	Term	Relationship	Currency	03/31/2020	03/31/2019
						ThCh\$	ThCh\$
US Neutraceuticals	USA	Sale of goods	60 days	Company under common control	US\$	1,065,525	655,323
<b>Total</b>						<b>1,065,525</b>	<b>655,323</b>

**ALIMTEC S.A.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED MARCH 31, 2020 AND 2019**

**8. BALANCES AND TRANSACTIONS WITH RELATED PARTIES, continued**

**b) Payables due to related parties, current:**

As of March 31, 2020 and 2019, this caption comprises the following:

Entity	Country	Transaction	Term	Relationship	Currency	03/31/2020	03/31/2019
						ThCh\$	ThCh\$
EID Parry India Ltd.	India	Loan	90	Shareholder	US\$	-	51,207
<b>Total</b>						-	51,207

**c) Transactions with related parties:**

As of March 31, 2020 and 2019, this caption comprises the following:

Entity	Country	Relationship	Transaction	From 04/01/2019 to 03/31/2020	From 04/01/2018 to 03/31/2019
				ThCh\$	ThCh\$
US Neutraceuticals.	USA	Company under common control	Sales of goods	1,738,801	1,499,446
EID Parry India Ltd	India	Shareholder	Payment of loan and interest	(65,555)	(16,710)

More than 99% of the Company's total income corresponds to sales made to its related companies. Transaction with related companies are conducted under condition similar to those offered to unrelated third parties, which are expressed at market values.

On March 13, 2020 the Company settled the total loan with Parry India with a payment of USD 79,883 where USD 73,503 corresponded to capital and USD 6,380 to interest.

**d) Company's Board of Directors and Management:**

The Directors of the Company are:

Name
Mr. Venkatachalam Ravichandran
Mr. Muthiah Murugappan
Mr. Alagappan Annamalai

During the years ended March 31, 2020 and 2019, the Company's Directors have not received remunerations.

**ALIMTEC S.A.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED MARCH 31, 2020 AND 2019**

**9. INVENTORIES**

As of March 31, 2020 and 2019, this caption comprises the following:

Inventories	ThCh\$ 03/31/2020	ThCh\$ 03/31/2019
Raw materials	22,921	18,126
Packing material	1,257	198
Finished goods	286,052	263,371
<b>Total</b>	<b>310,230</b>	<b>281,695</b>

There are no ownership restrictions or guarantees affecting inventories.

All finish goods produced during the year ended in 2019, were sold and not inventories in stock is available at this date. Production cost is included in cost of sales.

**10. OTHER CURRENT ASSETS**

As of March 31, 2020 and 2019, this caption comprises the following:

Current tax assets	ThCh\$ 03/31/2020	ThCh\$ 03/31/2019
Others	2,928	2,652
<b>Total</b>	<b>2,928</b>	<b>2,652</b>

**11. DEFERRED TAXES**

**(a) Income tax:**

As of March 31, 2020 and 2019, this caption is as follows:

Income tax (expense) income	03/31/2020 ThCh\$	03/31/2019 ThCh\$
Current Tax expense	4,817	-
<b>Total</b>	<b>4,817</b>	<b>-</b>

**(b) Deferred taxes not recognized:**

The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognized in respect of the tax losses and other deductibles temporary difference because management considers that in short term it is not probable that the future taxable profit will be available against which the company can utilize the benefits therefrom.

**ALIMTEC S.A.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED MARCH 31, 2020 AND 2019**

**12. INTANGIBLE ASSETS OTHER THAN GOODWILL**

As of March 31, 2020 and 2019, this caption comprise is as follows:

Intangible assets other than goodwill	03/31/2020 ThCh\$	03/31/2019 ThCh\$
Water rights	70,000	70,000
Easements	35,000	35,000
Software & Licenses	2,188	2,188
Accumulated amortization Water rights	(39,960)	(36,726)
Accumulated amortization Software	(2,829)	(2,829)
<b>Total</b>	<b>64,399</b>	<b>67,633</b>

This caption comprises water extraction rights acquired with the purchase of land in the city of Vicuña.

Amortization expense during the period ended as of March 31, 2020 and 2019 was of ThCh\$3,234 and ThCh\$3,880 respectively.

The movement in intangible assets other than goodwill during the period 2020 and 2019 is the following:

Intangible	Water rights	Easements	Software & Licenses	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>Cost</b>				
Opening balance as of 04/01/2019	70,000	35,000	2,188	107,188
Additions	-	-	-	-
<b>Balance as of 03/31/2020</b>	<b>70,000</b>	<b>35,000</b>	<b>2,188</b>	<b>107,188</b>
<b>Accumulated amortization</b>				
Opening balance as of 04/01/2019	(36,726)	-	(2,829)	(39,555)
Amortitation	(3,234)	-	-	(3,234)
<b>Balance as of 03/31/2020</b>	<b>(39,960)</b>	<b>-</b>	<b>(2,829)</b>	<b>(42,789)</b>
<b>Total, net value as of 03/31/2020</b>	<b>30,040</b>	<b>35,000</b>	<b>(641)</b>	<b>64,399</b>

**ALIMTEC S.A.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED MARCH 31, 2020 AND 2019**

**12. INTANGIBLE ASSETS OTHER THAN GOODWILL, continued**

The movement in intangible assets other than goodwill during the period 2019 and 2018 is the following:

Intangible	Water rights	Easements	Software & Licenses	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>Cost</b>				
Opening balance as of 04/01/2018	70,000	35,000	2,188	107,188
Additions	-	-	-	-
<b>Balance as of 03/31/2019</b>	<b>70,000</b>	<b>35,000</b>	<b>2,188</b>	<b>107,188</b>
<b>Accumulated amortization</b>				
Opening balance as of 04/01/2018	(33,659)	-	(2,016)	(35,675)
Amortization	(3,067)	-	(813)	(3,880)
<b>Balance as of 03/31/2019</b>	<b>(36,726)</b>	<b>-</b>	<b>(2,829)</b>	<b>(39,555)</b>
<b>Total, net value as of 03/31/2019</b>	<b>33,274</b>	<b>35,000</b>	<b>(641)</b>	<b>67,633</b>

**13. PROPERTY, PLANT AND EQUIPMENT**

As of March 31, 2020 and 2019, this caption comprise is as follows:

a) The gross value of property, plant and equipment comprises the following:

Property, plant and equipment, gross value	03/31/2020	03/31/2019
	ThCh\$	ThCh\$
Constructions in progress	-	6,613
Land	205,080	205,080
Buildings	452,204	441,831
Plant, machinery and equipment	3,157,530	3,120,692
Vehicles	60,428	50,235
<b>Total gross value</b>	<b>3,875,242</b>	<b>3,824,451</b>

**ALIMTEC S.A.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED MARCH 31, 2020 AND 2019**

**13. PROPERTY, PLANT AND EQUIPMENT, continued**

b) The accumulated depreciation of property, plant and equipment comprises the following:

Accumulated depreciation	03/31/2020 ThCh\$	03/31/2019 ThCh\$
Buildings	(187,828)	(160,644)
Plan, machinery and equipment	(1,792,172)	(1,566,062)
Vehicles	(25,779)	(43,721)
<b>Total accumulated depreciation</b>	<b>(2,005,779)</b>	<b>(1,770,427)</b>

c) The net value of property, plant and equipment comprises the following:

Property, plant and equipment, net value	03/31/2020 ThCh\$	03/31/2019 ThCh\$
Constructions in progress	-	6,613
Land	205,080	205,080
Buildings	264,376	281,187
Plan, machinery and equipment	1,365,358	1,554,630
Vehicles	34,649	6,514
<b>Total, net value</b>	<b>1,869,463</b>	<b>2,054,024</b>

d) The movement in plant machinery and equipment during the period 2020 and 2019 is the following:

Fixed assets	Land	Buildings	Plant Property and Equipment	Vehicles	Work In Progress	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
<b>Cost</b>						
Opening balance as of 04/01/2019	205,080	441,831	3,120,692	50,235	6,613	3,824,451
Additions	-	-	4,174	86,859	31,528	122,561
Transfer	-	10,373	32,664	-	(43,037)	-
Reclassification	-	-	-	-	4,896	4,896
Sales of fixed assets	-	-	-	(76,666)	-	(76,666)
<b>Balance as of 03/31/2020</b>	<b>205,080</b>	<b>452,204</b>	<b>3,157,530</b>	<b>60,428</b>	<b>-</b>	<b>3,875,242</b>
<b>Accumulated depreciation</b>						
Opening balance as of 04/01/2019	-	(160,644)	(1,566,062)	(43,721)	-	(1,770,427)
Depreciation	-	(27,184)	(226,110)	(10,016)	-	(263,310)
Sales of fixed assets	-	-	-	27,958	-	27,958
<b>Balance as of 03/31/2020</b>	<b>-</b>	<b>(187,828)</b>	<b>(1,792,172)</b>	<b>(25,779)</b>	<b>-</b>	<b>(2,005,779)</b>
<b>Total, net value as of 03/31/2020</b>	<b>205,080</b>	<b>264,376</b>	<b>1,365,358</b>	<b>34,649</b>	<b>-</b>	<b>1,869,463</b>

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### 13. PROPERTY, PLANT AND EQUIPMENT, continued

e) The movement in plant, machinery and equipment during the period 2019 and 2018 is the following:

Fixed assets	Land	Buildings	Plant Property and Equipment	Vehicles	Work In Progress	Total
	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Cost						
Opening balance as of 04/01/2018	205,080	441,831	2,995,536	50,235	56,627	3,749,309
Additions	-	-	5,796	-	69,346	75,142
Transfer	-	-	119,360	-	(119,360)	-
<b>Balance as of 03/31/2019</b>	<b>205,080</b>	<b>441,831</b>	<b>3,120,692</b>	<b>50,235</b>	<b>6,613</b>	<b>3,824,451</b>
Accumulated depreciation						
Opening balance as of 04/01/2018	-	(133,978)	(1,346,281)	(36,641)	-	(1,516,900)
Depreciation	-	(26,666)	(219,781)	(7,080)	-	(253,527)
Sales of fixed assets	-	-	-	-	-	-
<b>Balance as of 03/31/2019</b>	<b>-</b>	<b>(160,644)</b>	<b>(1,566,062)</b>	<b>(43,721)</b>	<b>-</b>	<b>(1,770,427)</b>
<b>Total, net value as of 03/31/2019</b>	<b>205,080</b>	<b>281,187</b>	<b>1,554,630</b>	<b>6,514</b>	<b>6,613</b>	<b>2,054,023</b>

#### 14. FINANCIAL LIABILITIES

As of March 31, 2020 and 2019, this caption comprises the following:

##### Current bank loans

Current bank loans			03/31/2020		03/31/2019	
			Current	Non-	Current	Non-current
Bank	Currency	Concept	ThCh\$	ThCh\$	ThCh\$	ThCh\$
Banco de Chile	US\$	Interest	5,942	-	17,149	-
Banco de Chile	US\$	Capital	562,712	-	672,396	-
<b>Total</b>			<b>568,654</b>	<b>-</b>	<b>689,545</b>	<b>-</b>

The loans with Banco de Chile were renewed in January 3, 2020 with an annual interest rate of 4.32%, 3.89% was prior year rate the due date of the loans is July 2, 2020.

The Company made a partial loan payment to Banco de Chile for USD 387,349 where USD 330,523 corresponded to capital and USD 56,826 to interest. The partial loan was paid in July and September 2019 and January 2020.

**ALIMTEC S.A.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED MARCH 31, 2020 AND 2019**

**15. TRADE AND OTHER PAYABLES**

As of March 31, 2020 and 2019, this caption comprises the following:

Trade and other payables	ThCh\$ 03/31/2020	ThCh\$ 03/31/2019
Trade Payable	23,608	30,624
Other account payable	272,608	265,856
<b>Total</b>	<b>296,216</b>	<b>296,480</b>

Account Payable refer to the acquisition of goods and other services from the Company's business activities.

**16. EMPLOYEES BENEFITS**

As of March 31, 2020 and 2019, this caption comprises the following:

Employees benefits	03/31/2020 ThCh\$	03/31/2019 ThCh\$
Accrued Vacations	18,632	5,479
<b>Total</b>	<b>18,632</b>	<b>5,479</b>

The Company recognizes vacation expense on an accrual basis. This benefit applies to all staff and is a fixed amount depending on the particular contracts for each worker. This benefit is recorded according to staff salaries.

**17. CAPITAL AND RESERVES**

As of March 31, 2020 the capital distribution is the following:

Shareholders as of 03/31/2018	Subscribed and fully- paid shares	Share percentage	Share capital of 04/01/2019 ThCh\$	Increases 2020 ThCh\$	Share capital of 31/03/2020 ThCh\$
Parry Infrastructure Company Private Ltd. (59.200.880-7)	1	0,02%	1,145	-	1,145
E.I.D. Parry (India) Ltd. (59.201.120-4)	6,725	99,98%	5,725,014	-	5,725,014
<b>Total</b>	<b>6,726</b>	<b>100%</b>	<b>5,726,159</b>	<b>-</b>	<b>5,726,159</b>

The Company has decided to maintain its policy adopted in the previous year to not distribute dividends therefore expressly waives the provisions of Article No. 79 of Law 18,046 "Corporations" for the reporting period.

**ALIMTEC S.A.**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE  
YEAR ENDED MARCH 31, 2020 AND 2019**

**18. REVENUE**

During 2020 and 2019, revenue corresponds to export sales biomass product haematococcus & pluvialis microalgae.

Revenue	03/31/2020 ThCh\$	03/31/2019 ThCh\$
Haematococcus Biomass sales	1,848,941	1,682,706
Rebates and discounts	(85,239)	(110,290)
<b>Total</b>	<b>1,763,702</b>	<b>1,572,416</b>

Balances related to revenue correspond to account receivable to related parties. No others assets and liabilities are included as part or contract with clients.

**19. COST OF SALES**

As of March 31, 2020 and 2019, this caption comprises the following:

Expenses by function	03/31/2020 ThCh\$	03/31/2019 ThCh\$
Raw materials and supplies	390,003	257,399
Labor cost	406,074	355,673
Depreciation and amortization	266,544	257,406
<b>Total</b>	<b>1,062,622</b>	<b>870,478</b>

**20. ADMINISTRATIVE EXPENSES**

As of March 31, 2020 and 2019, this caption comprises the following:

Expenses by Function	03/31/2020 ThCh\$	03/31/2019 ThCh\$
External Services	192,917	134,687
Other Administrative expenses	53,175	61,878
<b>Total</b>	<b>246,091</b>	<b>196,565</b>

## ALIMTEC S.A.

### NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2020 AND 2019

#### 21. FINANCE COSTS

As of March 31, 2020 and 2019, this caption comprises the following:

Finance costs	03/31/2020 ThCh\$	03/31/2019 ThCh\$
Interest on loans	32,976	29,559
Total	32,976	29,559

#### 22. CONTINGENCIES, LAWSUITS AND OTHERS

The Company has no pending litigations, whether as plaintiff or defendant related to tax, administrative or judicial matters.

#### 23. SUBSEQUENT EVENTS

##### COVID-19 (or Coronavirus)

On March 18, 2020, the Government of Chile decreed the constitutional state of national catastrophe for a period of 90 days due to the Covid-19 or Coronavirus epidemic. This state of catastrophe has established restrictions in various regions of the country, including the prohibition of meetings in public spaces, the obligation of citizens to remain in their homes as a measure of social isolation, closure of non-essential businesses, establishment of curfews and limitation of the free movement of people in various areas of the country. Given the above and added to the context of changes that the country began to experience at the end of 2019, it is possible to expect some potentially adverse effects on the supply chain regarding production interruptions, workforce restrictions, mobilization restrictions or travel, reduction of expenses and changes in the behavior of demand, which could eventually have an impact on the Company's financial results during 2020.

These matters will cause the different estimates and judgments to be evaluated, in a reliable and reasonable manner, whose effects to date it is not possible to determine in all its magnitude.

Between April 1, 2020 and the issuance date of these financial statements there have been no other subsequent events that could significantly affect the amounts presented in the financial statements or the economic and financial position of the Company.