

Annual Report and Financial Statements

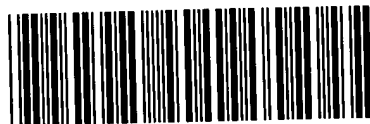
for the Year Ended 31 December 2018

for

Arysta LifeScience U.K. EUR Limited

REGISTERED NUMBER: 08536900 (England and Wales)

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for the Year Ended 31 December 2018

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Arysta LifeScience U.K. EUR Limited

Company Information

for the Year Ended 31 December 2018

DIRECTOR:

M G Gibbens

REGISTERED OFFICE:

Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

REGISTERED NUMBER:

08536900 (England and Wales)

INDEPENDENT AUDITORS:

BDO LLP
31 Chertsey Street
Guildford
Surrey
GU1 4HD

SOLICITORS:

Eversheds Sutherland
Eversheds House
70 Great Bridgewater Street
Manchester
M1 5ES

Arysta LifeScience U.K. EUR Limited

Report of the Director
for the Year Ended 31 December 2018

The director presents his report with the audited financial statements of the company for the year ended 31 December 2018. In accordance with Section 414 of the Companies Act 2006, the company is entitled to the small companies' exemption in relation to the strategic report and hence no strategic report is presented.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of financing activities.

REVIEW OF BUSINESS

The profit before taxation for the year amounted to €5,872,949 (2017: the profit of €5,714,371). The results of the company for the year ended 31 December 2018 and the state of affairs as at that date are shown in the financial statements contained on pages 6 to 12. The director considers that the results for the year and the financial position at the end of the year were satisfactory.

The director does not recommend the payment of dividends for the year (2017: €nil).

FUTURE DEVELOPMENTS

The Arysta group is well established and as such the director does not consider that there will be significant developments or plans for changes in the company's activities in the near future.

FINANCIAL RISK MANAGEMENT

The main risk arising from the company's financial instruments is interest rate cash flow risk. The company does not enter into derivative transactions. It is, and has been throughout the year under review, the company's policy that no trading in financial instruments shall be undertaken.

Given the size of the company, the director has not delegated the responsibility of monitoring financial risk management to a sub-committee of the board. The policies set by the board are implemented by the group's finance department. The department has specific guidelines to manage interest rate risk and circumstances where it would be appropriate to use financial instruments to manage these.

The board reviews and agrees policies for managing interest rate cash flow risk as summarised below:

Interest rate cash flow risk

The company has interest bearing assets and interest bearing liabilities which include only intercompany loans. The company seeks to manage financial risk by ensuring that sufficient liquidity is available to meet foreseeable needs and to invest cash assets safely and profitably. The director will revisit the appropriateness of this policy should the company change in size and nature.

POST BALANCE SHEET EVENTS

Information relating to events since the end of the year is given in the notes to the financial statements.

DIRECTOR

M G Gibbens held office during the whole of the period from 1 January 2018 to the date of this report.

QUALIFYING THIRD-PARTY AND PENSION SCHEME INDEMNITY PROVISIONS

There was no qualifying third-party indemnity provision or qualifying pension scheme indemnity provision in place for any director of the company at any time during the financial year or at the date of approval of the directors' report.

POLITICAL AND CHARITABLE CONTRIBUTIONS

The company made no charitable or political donations during the year (2017: €nil).

Arysta LifeScience U.K. EUR Limited

Report of the Director (continued)
for the Year Ended 31 December 2018

STATEMENT OF DIRECTOR'S RESPONSIBILITIES

The director is responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the director to prepare financial statements for each financial year. Under that law the director has prepared the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising Financial Reporting Standard 102 "The Financial Reporting Standard Applicable in the UK and Republic of Ireland", and applicable law). Under company law the director 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 director is required to:

- select suitable accounting policies and then apply them consistently;
- state whether applicable UK Accounting Standards, comprising FRS 102, have been followed, subject to any material departures disclosed and explained in the financial statements;
- make judgements and accounting estimates that are reasonable and prudent; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The director is 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 him to ensure that the financial statements comply with the Companies Act 2006.

The director is 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.

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

In accordance with Section 418 of the Companies Act 2006, in the case of the director in office at the date the Report of the Director is approved:

- (a) so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware; and
- (b) he 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.

INDEPENDENT AUDITORS

BDO LLP will be deemed to continue in office under the rules of Section 487 of the Companies Act 2006

SMALL COMPANY SPECIAL PROVISIONS

The Report of the Director has been prepared in accordance with the provisions of Part 15 of the Companies Act 2006 Section 415A relating to small companies.

ON BEHALF OF THE BOARD:



M G Gibbens - Director

10 April 2019

Report of the Independent Auditors to the members of Arysta LifeScience U.K. EUR

Opinion

We have audited the financial statements of Arysta LifeScience U.K. EUR Limited ("the Company") for the year ended 31 December 2018 which comprise the Statement of Comprehensive Income, the Balance Sheet, the 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 the preparation of the financial statements is United Kingdom Accounting Standards, comprising FRS 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 December 2018 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 Auditor's 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 Director's use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the Director has 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 Director is responsible for the other information. The other information comprises the information included in the Annual Report, other than the financial statements and our auditor's report 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 Report of the Director for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Report of the Director has 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 Report of the Director.

Report of the Independent Auditors to the members of Arysta LifeScience U.K. EUR Limited (continued)

We have nothing to report in respect of the following matters in relation to which 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 Director's remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Director was not entitled to take advantage of the small companies' exemption in preparing the Report of the Director and from the requirement to prepare a Strategic Report.

Responsibilities of Directors

As explained more fully in the Statement of Director's responsibilities, the Director is 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 Director determine is 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 Director is 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 Director either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's 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 an auditor's report 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 at the Financial Reporting Council's website at:

<https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

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 an auditor's report 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.

BDO LLP

Owen Pettifor (Senior Statutory Auditor)
For and on behalf of BDO LLP, Statutory Auditor
Gatwick
United Kingdom

17 April 2019

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).

Arysta LifeScience U.K. EUR Limited

Statement of Comprehensive Income
for the Year Ended 31 December 2018

	Notes	31.12.18 €	31.12.17 €
Administrative expenses		<u>(28,769)</u>	<u>(30,407)</u>
		(28,769)	(30,407)
Other operating income		<u>3,368</u>	<u>9,115</u>
OPERATING LOSS	5	(25,401)	(21,292)
Interest receivable and similar income	6	<u>5,898,350</u>	<u>5,735,663</u>
PROFIT BEFORE TAXATION		5,872,949	5,714,371
Tax on profit	7	<u>-</u>	<u>-</u>
PROFIT FOR THE FINANCIAL YEAR		5,872,949	5,714,371
Other comprehensive income		<u>-</u>	<u>-</u>
TOTAL COMPREHENSIVE INCOME FOR THE YEAR		<u>5,872,949</u>	<u>5,714,371</u>

All of the activities of the company are classed as continuing.

The notes on pages 9 to 12 form part of these financial statements.

Arysta LifeScience U.K. EUR Limited (Registered number: 08536900)

Balance Sheet
31 December 2018

	Notes	31.12.18 €	31.12.17 €
CURRENT ASSETS			
Debtors	8	145,648,619	139,750,250
Cash at bank and in hand		<u>1</u>	<u>1</u>
		145,648,620	139,750,251
CREDITORS			
Amounts falling due within one year	9	<u>(269,951)</u>	<u>(244,531)</u>
NET CURRENT ASSETS		<u>145,378,669</u>	<u>139,505,720</u>
NET ASSETS		<u>145,378,669</u>	<u>139,505,720</u>
CAPITAL AND RESERVES			
Called up share capital	10	122	122
Share premium account		118,807,523	118,807,523
Retained earnings		<u>26,571,024</u>	<u>20,698,075</u>
TOTAL SHAREHOLDERS' FUNDS		<u>145,378,669</u>	<u>139,505,720</u>

The notes on pages 9 to 12 form part of these financial statements.

The financial statements were approved and authorised for issue by the Board of Director on 10 April 2019 and signed on its behalf by:


.....
M G Gibbens - Director

Arysta LifeScience U.K. EUR Limited

Statement of Changes in Equity
for the Year Ended 31 December 2018

	Called up share capital €	Share premium account €	Retained earnings €	Total Shareholders' funds €
Balance at 1 January 2017	122	118,807,523	14,983,704	133,791,349
Profit for the financial year	-	-	5,714,371	5,714,371
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	5,714,371	5,714,371
Balance at 31 December 2017	122	118,807,523	20,698,075	139,505,720
Profit for the financial year	-	-	5,872,949	5,872,949
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	5,872,949	5,872,949
Balance at 31 December 2018	122	118,807,523	26,571,024	145,378,669

The share premium account represents the premium amount, over and above the nominal value, on any shares issued in the year and prior years.

Retained earnings represents accumulated comprehensive income for the year and prior years

1. **STATUTORY INFORMATION**

Arysta LifeScience U.K. EUR Limited is a private company, limited by shares, and is incorporated and domiciled in England. The company's registered number and registered office address can be found on the Company Information page.

2. **STATEMENT OF COMPLIANCE**

These financial statements have been prepared in accordance with the provisions of Section 1A "Small Entities" of Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006.

3. **ACCOUNTING POLICIES**

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented.

Basis of preparation

These financial statements are prepared on a going concern basis, under the historical cost convention.

The preparation of financial statements in conformity with FRS 102 requires certain accounting estimates. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed below.

Going Concern

At the time of approving the financial statements, the director has a reasonable expectation that the company has adequate resources to continue in operation existence for the foreseeable future. Thus the director continues to adopt the going concern basis of accounting in preparing the financial statements.

Exemptions for qualifying entities under FRS 102

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" Section 1.12:

- (i) including a cash flow statement in the financial statements on the grounds that the company is wholly owned and its ultimate parent company publishes a consolidated cash flow statement. The consolidated group cash flow statement is presented in the financial statements of Platform Specialty Products Corporation, which are publicly available (note 12).
- (ii) disclosing related party transactions with other wholly owned members of the group granted under Section 33.1A of FRS 102.
- (iii) The company has also adopted the exemption from disclosing the requirements of FRS 102 paragraphs 11.39-11.48A and 12.26-12.29A on the grounds that the financial instruments disclosures are included in the consolidated financial statements of the group.

Functional and presentation currency

The company's functional and presentation currency is the Euro.

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

Euro to British Pound exchange rate as at 31 December 2018: 1 EUR = 0.8990 GBP (2017: 1 EUR = 0.8878 GBP).

Contingencies

Contingent liabilities are not recognised. Contingent liabilities arise as a result of past events:

- when it is not probable that there will be an outflow of resources or that the amount cannot be reliably measured at the reporting date; or
- when the existence will be confirmed by the occurrence or non-occurrence of uncertain future events not wholly within the company's control.

Notes to the Financial Statements (continued)
for the Year Ended 31 December 2018

3. ACCOUNTING POLICIES - continued

Contingencies - continued

Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Taxation

The tax charge is based on taxable profit for the year. Taxable profit differs from accounting profit as reported in the Statement of Comprehensive Income because it excludes items of income and expense that are taxable or deductible in other years and it further excludes items which are never taxable or deductible. The company's liability for current tax is calculated using average tax rates that have been enacted or substantively enacted at the balance sheet date.

Deferred tax is provided, using the liability method, in full on timing differences that result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date at rates expected to apply when they crystallise based on current taxes and law. Timing differences arise from the inclusion of items of income and expenditure in tax computations different from those in which they are included in the financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity.

4. STAFF NUMBERS AND COSTS

The company employs no staff other than the director (2017: none). The director has received no remuneration for his services to the company (2017: €nil). The director's services to the company do not occupy a significant amount of his time and his emoluments are deemed to be wholly attributable to his services to other fellow subsidiary undertakings.

At 31 December 2018, there are no retirement benefits accruing to the director (2017: none) under defined benefit schemes and there are no retirement benefits accruing to the director (2017: none) under a money purchase scheme.

The director did not (2017: none) exercise share options or receive shares under long term incentive schemes.

5. OPERATING LOSS

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

	31.12.18	31.12.17
	€	€
Auditors' remuneration – audit fees	8,740	16,023
Foreign exchange differences	<u>(3,368)</u>	<u>(9,115)</u>

6. INTEREST RECEIVABLE AND SIMILAR INCOME

	31.12.18	31.12.17
	€	€
Interest receivable from group undertakings	<u>5,898,350</u>	<u>5,735,663</u>

Notes to the Financial Statements (continued)
for the Year Ended 31 December 2018

7. TAX ON PROFIT

Analysis of the tax credit

The tax on profit was as follows:

	31.12.18 €	31.12.17 €
Current tax:		
UK corporation tax	<u>-</u>	<u>-</u>

Reconciliation of total tax charge/(credit) included in the Statement of Comprehensive Income

The tax assessed for the year ended 31 December 2018 is lower (2017: lower) than the standard rate of corporation tax in the UK of 19% (2017: 19.25%). The difference is explained below:

	31.12.18 €	31.12.17 €
Profit before taxation	<u>5,872,949</u>	<u>5,714,371</u>
Profit before taxation multiplied by the standard rate of corporation tax in the UK of 19% (2017 - 19.25%)	1,115,860	1,100,016
Effects of:		
Expenses not deductible for tax purposes	145	338
Group losses claimed for nil payment	<u>(1,116,005)</u>	<u>(1,100,354)</u>
Total tax charge	<u>-</u>	<u>-</u>

There were no recognised or unrecognised deferred tax assets as at 31 December 2018 (2017: € nil).

Factors that may affect future current and total tax charges

The tax rate for the current year is lower than the prior year, due to changes in the UK corporation tax rate, which decreased from 20% to 19% from 1 April 2017. Changes to the UK corporation tax rates were substantively enacted as part of Finance Bill 2016 (on 6 September 2016). These include reductions to the main rate to reduce the rate to 17% from 1 April 2020.

The overall effect of that change, if it had applied to the deferred tax balance at the balance sheet date, would be € nil as there were no recognised or unrecognised deferred tax assets as at 31 December 2018 (2017: € nil).

8. DEBTORS

	31.12.18 €	31.12.17 €
Amounts owed by group undertakings	<u>145,648,619</u>	<u>139,750,250</u>

Amounts owed by group undertakings include an intercompany loan due from Arysta LifeScience Global Services Limited of €46,000,000 at a rate of 4.5% p.a. which is repayable on demand. The loan is unsecured.

Amounts owed by group undertakings also include an intercompany loan due from Arysta LifeScience Holdings France, S.A.S of €82,547,838 at a rate of 4.5% p.a. which is repayable on demand. The loan is unsecured.

Amounts owed by group undertaking also include an intercompany loan due from Arysta LifeScience U.K. USD Limited of €3,900,000 at a rate of 1.8% p.a. which is repayable on demand. The loan is unsecured.

All other amounts owed by group undertakings are not interest bearing, are repayable on demand, and are unsecured.

Notes to the Financial Statements (continued)
for the Year Ended 31 December 2018

9. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	31.12.18	31.12.17
	€	€
Trade creditors	-	2,868
Amounts owed to group undertakings	242,108	214,714
Accrued expenses	27,843	26,949
	<u>269,951</u>	<u>244,531</u>

Amounts owed to group undertakings are not interest bearing, are repayable on demand, and are unsecured.

10. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:				
Number:	Class:	Nominal value:	31.12.18	31.12.17
			€	€
102 (2017: 102)	Ordinary share capital	€1.2	<u>122</u>	<u>122</u>

There is a single class of ordinary shares. There are no restrictions on the distribution of dividends and the repayment of capital.

11. CONTINGENT LIABILITIES

The company is a party to a debenture agreement in favour of Barclays Bank Plc. Under the agreement, there are fixed and floating charges in favour of Barclays Bank Plc over the assets of the company. The other participants in the agreement are fellow subsidiaries of the Platform Specialty Products Corporation group.

12. IMMEDIATE AND ULTIMATE PARENT UNDERTAKING AND CONTROLLING PARTY

At the year end the company's immediate parent undertaking was Arysta LifeScience U.K. Holdings Limited, a company incorporated in the United Kingdom.

The ultimate parent company and controlling party is Platform Specialty Products Corporation, which is incorporated in the United States of America.

The largest and smallest group in which the results of this company are consolidated is that headed by Platform Specialty Products Corporation. Copies of the group financial statements are available to the public from the following address:

Platform Specialty Products Corporation
245 Freight Street
Waterbury
Connecticut 06702
USA

13. POST BALANCE SHEET EVENTS

On 31 January 2019, UPL Corporation Limited, the wholly owned subsidiary of UPL Limited, completed the acquisition of Arysta LifeScience Inc. and its subsidiaries for \$4.2 billion in cash consideration, subject to customary working capital and other adjustments.