

(A free translation of the original in Portuguese)

Ouro Fino Saúde Animal Participações S.A.

**Assurance report on the
pro forma combined consolidated
financial information at
March 31, 2014**



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Independent auditor's assurance report

To the Board of Directors and Stockholders
Ouro Fino Saúde Animal Participações S.A.

We have completed our assurance engagement for the purpose of issuing a report on the compilation of the *pro forma* combined consolidated financial information of Ouro Fino Saúde Animal Participações S.A. (the "Company"), prepared by management. The accompanying *pro forma* combined consolidated financial information comprises the *pro forma* combined consolidated statement of income for the quarter ended March 31, 2014, as well as the explanatory notes attached. The applicable criteria based on which the Company compiled the *pro forma* combined consolidated financial information are specified in Technical Guidance OCP 06 - "Presentation of *pro forma* financial information", issued by the Brazilian Accounting Pronouncements Committee (CPC), and summarized in Notes 1 to 4.

The *pro forma* combined consolidated financial information has been compiled by the Company's management to illustrate the impact that the transaction presented in Note 3 would have had on the combined consolidated statement of income for the quarter ended March 31, 2014, if that transaction had happened on January 1, 2014. As part of this process, the Company used information obtained from the combined consolidated financial statements for the quarter ended March 31, 2014, on which we issued a qualified report on review, dated May 4, 2015. The qualification is related to the non-disclosure of comparative information.

Management's responsibility for the *pro forma* consolidated financial information

Management is responsible for the compilation of the *pro forma* combined consolidated financial information in accordance with the criteria established in Technical Guidance OCPC 06 - "Presentation of *pro forma* financial information" and summarized in Notes 1 to 4.

Auditor's responsibility

Our responsibility is to express an opinion on whether the *pro forma* combined consolidated financial information has been compiled by the Company's management, in all material respects, in accordance with the criteria established in Technical Guidance OCPC 06 - "Presentation of *pro forma* financial information" and summarized in Notes 1 to 4.



Ouro Fino Saúde Animal Participações S.A.

We conducted our work in accordance with NBC TO 3420 - "Assurance engagements to report on the compilation of *pro forma* financial information included in a prospectus", issued by the Federal Accounting Council (CFC), equivalent to the International Standard ISAE 3420 - "Assurance engagements to report on the compilation of *pro forma* financial information included in a prospectus", issued by the International Federation of Accountants (IFAC). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the *pro forma* combined consolidated financial information has been compiled, in all material respects, in accordance with the criteria established in Technical Guidance OCPC 06 - "Presentation of *pro forma* financial information", summarized in Notes 1 to 4.

For the purposes of this engagement, we were not responsible for the restatement or re-issuance of any reports or opinions on any historical financial information used in the compilation of the *pro forma* combined consolidated financial information, nor were we engaged to audit or review the historical financial statements and other financial information used in the compilation of this *pro forma* financial information.

The purpose of the *pro forma* combined consolidated financial information is to exclusively illustrate the impact that the material event or transaction would have had on the entity's historical financial information, had that event or transaction happened on the prior date chosen for illustrative purposes. Accordingly, we do not provide any assurance that the actual result of the event or transaction at March 31, 2014 would have been as presented.

A reasonable assurance engagement on whether the *pro forma* combined consolidated financial information was compiled, in all material respects, in accordance with applicable criteria, involves performing procedures to assess whether the applicable criteria adopted by the Company's management, when compiling the *pro forma* combined consolidated financial information, provide a reasonable basis for the presentation of the material effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence as to whether:

- . the corresponding *pro forma* adjustments result in the appropriate effect of these criteria; and
- . the *pro forma* combined consolidated financial information reflects the adequate application of these adjustments to the historical financial information.

The procedures selected depend on the independent auditor's judgment, taking into consideration its understanding about the Company and about the nature of the event or transaction in relation to which the *pro forma* combined consolidated financial information has been compiled, as well as other circumstances relevant to the engagement. The engagement also involves assessing the overall presentation of the *pro forma* combined consolidated financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the compilation of the *pro forma* combined consolidated financial information.



Ouro Fino Saúde Animal Participações S.A.

Opinion

In our opinion, the *pro forma* combined consolidated financial information was compiled, in all material respects, in accordance with the criteria established in Technical Guidance OCPC 06 "Presentation of *pro forma* financial information" and summarized in Notes 1 to 4.

Ribeirão Preto, May 4, 2015

PricewaterhouseCoopers
Auditores Independentes
CRC 2SP000160/O-5 "F"

Mauricio de Cardoso Moraes
Contador CRC 1PR035795/O-1 "T" SP

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Ouro Fino Saúde Animal Participações S.A.

Pro forma combined consolidated statement of income

All amounts in thousands of reais unless otherwise stated

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	Three-month period ended March 31, 2014		
	Original (i)	Pro forma adjustments (Note 4)	Adjusted (pro forma)
Continuing operations			
Net sales revenue	74,960		74,960
Cost of sales	(28,182)		(28,182)
Gross profit	46,778		46,778
Selling expenses	(30,049)	233	(29,816)
General and administrative expenses	(10,172)	1,901	(8,271)
Other expenses, net	(99)		(99)
Operating profit	6,458	2,134	8,592
Finance income	4,932		4,932
Finance costs	(7,739)		(7,739)
Finance result	(2,807)		(2,807)
Profit before income tax and social contribution	3,651	2,134	5,785
Income tax and social contribution			
Current	(451)	(726)	(1,177)
Deferred	993		993
Profit from continuing operations	<u>4,193</u>	<u>1,408</u>	<u>5,601</u>

(i) Obtained from the combined consolidated interim financial statements at March 31, 2014.

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Ouro Fino Saúde Animal Participações S.A.

**Notes to the pro forma combined consolidated
financial information for the three-month period
ended March 31, 2014 (unaudited)**
All amounts in thousands of reais unless otherwise stated

1 General information

Ouro Fino Saúde Animal Participações S.A. (the "Company"), formerly A.H.N.S.P.E. Empreendimentos e Participações S.A., is a listed corporation headquartered in Cravinhos, state of São Paulo. It was established on April 10, 2014 and its objective and main activity is the investment in companies operating in the animal health industry (production and sale of veterinary drugs, vaccines and other products for livestock and pets).

At the Extraordinary General Meeting held on June 30, 2014, the stockholders approved the merger of net assets consisting of investments, net of corresponding carrying value adjustments, of Ouro Fino Saúde Animal Ltda. (and its subsidiary Ouro Fino de México, S.A. de CV), Ouro Fino Agronegócio Ltda. and Ouro Fino Pet Ltda., based on an appraisal report at book value as of April 30, 2014, issued by independent appraisers on June 24, 2014, as summarized below:

Component	Amount
Assets	
Investments	
Ouro Fino Saúde Animal Ltda.	101,410
Ouro Fino Agronegócio Ltda.	76,586
Ouro Fino Pet Ltda.	<u>25,838</u>
	<u>203,834</u>
Liabilities	
Equity	
Carrying value adjustments	<u>(15,208)</u>
Net assets at book value	<u><u>188,626</u></u>

Before the merger, Ouro Fino Saúde Animal Ltda. (and its subsidiary Ouro Fino de México, S.A. de CV), Ouro Fino Agronegócio Ltda. and Ouro Fino Pet Ltda. were controlled by the related party Ouro Fino Participações e Empreendimentos S.A.

The objective of the corporate restructuring was to unify the control of the companies operating in the animal health industry into an entity operating only in this segment.

Ouro Fino Saúde Animal Participações S.A.

Notes to the pro forma combined consolidated financial information for the three-month period ended March 31, 2014 (unaudited)

All amounts in thousands of reais unless otherwise stated

After the corporate restructuring of June 30, 2014, the Group comprised the following companies:

(a) Ouro Fino Saúde Animal Participações S.A.

Ouro Fino Saúde Animal Participações S.A. is a listed corporation headquartered in Cravinhos, state of São Paulo, and registered with the São Paulo Futures, Commodities and Securities Exchange - BM&FBovespa S.A. ("BM&FBovespa") in the Novo Mercado (New Market) category. Its objective and main activity is the direct or indirect investment in the subsidiaries listed below.

On October 17, 2014, the Company completed the public offering process for the primary and secondary distribution of its common shares. The public offering was carried out on the OTC market, as established in CVM Instruction 400. In this context, 1,923,077 common shares were issued at R\$ 27.00 per share, resulting in a capital increase of R\$ 51,923, which was approved by the Board of Directors at a meeting held on October 17, 2014.

Also, on November 18, 2014, the exercise of the Supplementary Stock Option took place, with the issue of 2,019,230 common shares by the Company, at R\$ 27.00 per share, resulting in a capital increase of R\$ 54,520, which was approved by the Board of Directors at a meeting held on November 18, 2014.

(b) Ouro Fino Saúde Animal Ltda.

This subsidiary, headquartered in Cravinhos, state of São Paulo, has as its objective and main activity the research, development, production and sale of veterinary drugs, vaccines and products. The sales in the domestic market are carried out through the companies mentioned in items (c) and (d) below. The sales in the foreign market are carried out directly with third parties and through the company mentioned in item (e) below. This company also provides manufacturing services by order of third parties.

(c) Ouro Fino Agronegócio Ltda.

This company is headquartered in Cravinhos, state of São Paulo, and has as its main activities the sale in the domestic market of veterinary drugs and products for livestock (cattle, pigs, poultry, sheep, horses and goats) acquired from the company mentioned in item (b) above.

(d) Ouro Fino Pet Ltda.

This subsidiary, headquartered in Vinhedo, state of São Paulo, has as its main activity the sale in the domestic market of veterinary drugs and products and related goods for pets (cats, dogs and ornamental birds) purchased from the company mentioned in item (b) above.

(e) Ouro Fino de México, S.A. de CV

A subsidiary of Ouro Fino Saúde Animal Ltda., headquartered in Guadalajara, Mexico, in which it holds 96.43% equity interest. Its main activity is the sale, exclusively in Mexico, of veterinary drugs and products purchased from its parent company.

Ouro Fino Saúde Animal Participações S.A.

Notes to the pro forma combined consolidated financial information for the three-month period ended March 31, 2014 (unaudited)

All amounts in thousands of reais unless otherwise stated

These combined consolidated financial statements represent the combination of the animal health segment, comprising the following companies under common control: Ouro Fino Agronegócio Ltda., Ouro Pet Ltda. and Ouro Fino Saúde Animal Ltda. including the consolidated financial statements of its subsidiary Ouro Fino de México, S.A. de C.V.

2 Basis of presentation

The unaudited pro forma combined consolidated financial information presented for the three-month period ended March 31, 2014 has been prepared in accordance with the criteria established in Technical Guidance OCPC 06 - "Presentation of pro forma financial information", issued by the Brazilian Accounting Pronouncements Committee (CPC). The unaudited pro forma combined consolidated financial information derives from the combined consolidated interim financial statements for the three-month period ended March 31, 2014, prepared in accordance with the International Accounting Standard IAS 34 – "Interim financial reporting", issued by the International Accounting Standards Board (IASB). The pro forma combined consolidated financial statements have been prepared to enable a comparison with the consolidated financial statements as at March 31, 2015 of OuroFino Saúde Animal Participações S.A., in connection with the public offering of shares of Ouro Fino Saúde Animal Participações S.A. carried out on October 17, 2014, as described in Note 1.

2.1 Combination

The following accounting policies are applied in the preparation of the combined consolidated financial statements:

- (a) The balances of asset and liability and income accounts of the combined companies were aggregated and the balances resulting from transactions between these companies were eliminated.
- (b) The combined equity is the sum of the accounts presented by individual companies and does not represent the asset and liability accounts of an individual legal entity.
- (c) Transactions, balances and unrealized gains between the combined companies are eliminated. Unrealized losses are also eliminated, unless the transaction provides evidence of impairment of the asset transferred. The accounting policies of the combined companies have been changed, where necessary, to ensure consistency with the policies adopted by the Group.

2.2 Consolidation

The following accounting policies are applied in the preparation of the combined consolidated financial statements:

- (a) Subsidiaries are all entities over which the Group has control. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Ouro Fino Saúde Animal Participações S.A.

Notes to the pro forma combined consolidated financial information for the three-month period ended March 31, 2014 (unaudited)

All amounts in thousands of reais unless otherwise stated

- (b) Transactions, balances and unrealized gains between Group companies are eliminated. Unrealized losses are also eliminated, unless the transaction provides evidence of impairment of the asset transferred. The accounting policies of subsidiaries have been changed, where necessary, to ensure consistency with the policies adopted by the Group.

3 Purpose of presenting the pro forma combined consolidated financial information

In order to increase administrative efficiency, on June 30, 2014, the Company and its subsidiaries Ouro Fino Saúde Animal Ltda., Ouro Fino Agronegócio Ltda. and Ouro Fino Pet Ltda., together with related parties Ouro Fino Participações e Empreendimentos S.A. and Ouro Fino Química Ltda., entered into an Expense Apportionment Contract for the implementation of the Shared Services Center ("CSC").

Given the fact that during the three-month period ended March 31, 2014, the companies Ouro Fino Saúde Animal Ltda., Ouro Fino Agronegócio Ltda. and Ouro Fino Pet Ltda., as well as the related party Ouro Fino Química Ltda., were subsidiaries of Ouro Fino Participações e Empreendimentos S.A., and that the sharing of the administrative services existing at the time was not formalized, the purpose of presenting this pro forma combined consolidated financial information is exclusively to illustrate the impacts that the combined consolidated statement of income would have suffered if the Shared Services Center (CSC) had been implemented on January 1, 2014.

This unaudited pro forma combined consolidated financial information has been prepared and is being presented in accordance with Technical Guidance OCP 06 - "Presentation of pro forma financial information", issued by the Brazilian Accounting Pronouncements Committee (CPC). It should be read together with the following documents, to which it fully refers or from which it derives:

- . Audited combined consolidated interim financial statements of Ouro Fino Saúde Animal Participações S.A. for the three-month period ended March 31, 2014; and
- . Expense Apportionment Contract entered into by the Group companies, establishing the apportionment criteria for each relevant administrative activity, as well as the methodology for allocation and collection of the CSC expenses for each company of the Group.

This unaudited pro forma financial information is presented for illustrative purposes only and does not necessarily represent what the combined consolidated operating results would have been if the transaction in question had not occurred on the indicated dates.

Ouro Fino Saúde Animal Participações S.A.

Notes to the pro forma combined consolidated financial information for the three-month period ended March 31, 2014 (unaudited)

All amounts in thousands of reais unless otherwise stated

4 Pro forma adjustments

The pro forma combined consolidated financial information is based on assumptions and estimates that management believes to be reasonable to reflect the effects of the transactions in the period from January 1 to March 31, 2014. The criteria used in calculating the pro forma adjustment amounts, which are formalized in the Expense Apportionment Contract dated June 30, 2014 entered into by the companies Ouro Fino Saúde Animal Ltda., Ouro Fino Agronegócio Ltda., Ouro Fino Pet Ltda. and Ouro Fino Química Ltda., are as follows:

Expenses	Criterion
Marketing - Creation	The criterion adopted was the number of jobs performed for each company. This number was obtained through systemic reports of the creation service requests, which include the number of jobs provided in the period. This information was used to calculate the percentage of jobs performed for each Group company.
Marketing – Communication	The amount of time spent in the communication activities was measured, and the sharing ratio was calculated, based on the number of employees dedicated to each activity in the department. For jobs relating to internal communication, the share was proportional to the total number of employees of each company that receives the services.
Marketing – Marketing department, fairs and events	The sharing ratio was calculated based on the amount of time spent in each service provided, according to the time-keeping records presented by the employees.
Human Resources	According to the number of employees allocated in each Group company, the Human Resources Department shared the total expenses relating to the department. The expenses relating to human resources, personnel, recruiting, training, social responsibility, safety and occupational medicine are all included in this item.
Supplies – Purchase of production materials	The criterion adopted was the amount of time spent in each company's procurement negotiations, based on the purchase volume and the complexity of the negotiation. The production companies (Ouro Fino Saúde Animal and Ouro Fino Química) are included in this sharing criterion.

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Notes to the pro forma combined consolidated financial information for the three-month period ended March 31, 2014 (unaudited)

All amounts in thousands of reais unless otherwise stated

<u>Expenses</u>	<u>Criterion</u>
Supplies – purchase of non-production materials	The criterion adopted was the volume of purchases made by each company. This volume was obtained through non-production material purchase reports generated by the company's system. These reports provided the number of purchases made by each Group company, and this information supported the calculation of the sharing ratio.
Supply Chain Management	The sharing ratio was calculated based on the amount of time spent in each service provided, according to the time-keeping records presented by the employees. The activities carried out by the Supply Chain Management comprise the management of material purchases, storage, production planning, and sales logistics.
Imports - Ouro Fino China	The sharing ratio was calculated based on the amount of time spent in each service provided, according to the time-keeping records presented by the employees. The activities correspond to negotiations of imports made from China for production companies Ouro Fino Saúde Animal and Ouro Fino Química.
Controllership	The sharing ratio was calculated based on the amount of time spent in each service provided, according to the time-keeping records presented by the employees. Expenses relating to controllership, taxes and financial projects are included in this category.
Legal department	The criterion adopted was the volume of jobs performed for each company. This volume was obtained through systemic reports of the service requests. Based on these reports, complexity analyses were carried out to establish the sharing ratio.
Administrative support	The criterion adopted was the volume of jobs performed for each company. This volume was obtained through the number of rentals, number of vehicles comprising the fleet, and the number of fixed and mobile phones, by assessing the complexity of each activity, in order to establish the percentage to be used.

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Notes to the pro forma combined consolidated financial information for the three-month period ended March 31, 2014 (unaudited)

All amounts in thousands of reais unless otherwise stated

<u>Expenses</u>	<u>Criterion</u>
Property conservation	The criterion adopted was the volume of jobs performed for each company, which was obtained through the number of maintenance orders created by the requesters.
Engineering and construction work	The sharing ratio was calculated based on the amount of time spent in each service provided, according to the time-keeping records presented by the employees.
Executive Board and Administrative Management	The sharing ratio was calculated based on the proportion of work carried out by the teams, which comprise: administrative support, property conservation, and engineering and construction work.
Finance Department	The criterion adopted was the volume of transactions conducted and the amount of time spent, which were obtained through reports generated by the Ouro Fino's system. Based on these reports, complexity analyses were carried out to establish the sharing ratio.
Internal Audit	The sharing ratio was calculated based on the amount of time spent in each service provided, according to the time-keeping records presented by the employees.
IT expenses – Maintenance, SAP project, and project management	The total expenses relating to the department were shared according to the number of the SAP system users allocated in each Group company
IT expenses – infrastructure	The total expenses relating to the department were shared according to the number of pieces of equipment allocated in each Group company.
IT Management	The sharing ratio was calculated based on the proportion of work carried out by the teams, which comprise: maintenance, SAP project, project management, and infrastructure.
Board of Directors and Statutory Audit Board	The sharing ratio was calculated based on the amount of time spent on each activity performed.

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