

SUN PHARMA France SAS
Year ended 31 March 2020

Statutory auditor's report on the annual financial statements

To the shareholders of Ranbaxy Pharmacie Génériques SAS,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting of Shareholders, we have audited the accompanying financial statements of SunPharma France for the year ended 31 March 2020, as attached to this report. These annual accounts were adopted by the President on 15 May 2020 on the basis of the information available at that time date in the evolving context of the Covid-19 health crisis.

In our opinion, the annual financial statements give a true and fair view of the results of the Company's operations for the year then ended and of the financial position and the assets and liabilities of the Company as at 31 March 2020, in accordance with the accounting rules and principles applicable in France.

Basis for opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the “Statutory Auditors’ Responsibilities for the Audit of the Financial Statements” section of our report.

Independence

We conducted our audit in compliance with independence rules applicable to us, for the period from 1 April 2019 to the issue date of our report and we did not provide any services prohibited by the French Code of Ethics for statutory auditors.

Observation

Without qualifying the above opinion, we would bring your attention to the note to the financial statements entitled Accounting Rules and Methods – Shareholders' Equity indicating that the company received financial support from its parent up to 31 March 2021.

Justification of assessments

In accordance with the requirements of articles L.823-9 and R.823-7 of the French Commercial Code (*Code de commerce*) relating to the justification of our assessments, we hereby inform you that the key audit matters we addressed as being, in our professional judgment, of most significance in the audit of the financial statements of the current period, related to the appropriate nature of the accounting principles applied.

These assessments were arrived at in the context of our audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide a separate opinion on specific elements of the financial statements taken in isolation.

Specific verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French law and regulations.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the Chairman's report of the Board of Directors and in the other documents provided to shareholders with respect to the financial position and the financial statements.

We attest to the fair presentation and consistency with the annual financial statements of the information on payment terms referred to in article D.441-4 of the French Commercial Code.

Responsibilities of management and those charged with governance for the annual financial statements

Management is responsible for the preparation and fair presentation of the annual financial statements in accordance with French accounting principles, and for such internal control as management determines 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, management 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 it is expected that the Company will be liquidated or will cease its operations.

The financial statements have been approved by the Chairman of the Board of Directors.

Statutory auditor's responsibilities for the audit of the annual financial statements

Our role is to issue a report on the annual financial statements. Our objective is to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards 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.

As specified in Article L. 823-10-1 of the French Commercial Code, our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore :

- identifies and assesses the risks of material misstatement in the annual financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit 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 internal control;

- evaluates the appropriateness of accounting methods used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;
- assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of the audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the annual financial statements or, if such disclosures are not provided or are not pertinent, to modify the opinion expressed therein;
- evaluates the overall presentation of the annual financial statements and whether these financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

11 May 2020

BDO Paris Audit & Advisory

Represented by Eric Picarle, Statutory Auditor

[Translated from the French]

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Statement of presentation of accounts

Statement expressed in Euros

In connection with the assignment relating to the **Presentation of the annual financial statements** of **SUN PHARMA FRANCE**, for the period covering **01/04/2019** to **31/03/2020**, and in accordance with the terms of reference of our engagement letter and our agreements, we, the Chartered Accountancy firm SOGECC, have carried out the checks as defined by the Institute of Chartered Accountants.

The Annual Financial Statements enclosed show the following:

Balance sheet total: 13,551,356 Euros

Turnover: 27,042,241 Euros

Net income: -2,991,334 Euros

**FINANCIAL
STATEMENTS TO
31/03/2020**

Balance sheet assets

Statement expressed in Euros		31/03/2020			31/03/2019
		Gross	Amort. and Deprec.	Net	Net
	Capital subscribed uncalled (I)				
FIXED ASSETS	INTANGIBLE ASSETS				
	Preliminary costs				
	Development costs				
	Licences, patents and similar rights	12,251,753	12,243,411	8,342	25,549
	Goodwill (1)				
	Other intangible assets				
	Advances and prepayments				
	TANGIBLE ASSETS				
	Land				
	Buildings				
Technical installations, indus. equip. & tools					
Other tangible assets	289,464	150,332	139,132	165,559	
Fixed assets in progress					
Advances and prepayments					
FINANCIAL ASSETS (2)					
Investments in associates valued by the equity method.					
Other equity interests	4,372,238	3,372,238	1,000,000	1,000,000	
Receivables from associates					
Other fixed investments	68,385	68,385			
Loans					
Other financial assets	40,111		40,111	40,111	
	TOTAL (II)	17,021,950	15,834,365	1,187,585	1,231,219
CURRENT ASSETS	STOCK AND WORK IN PROGRESS				
	Raw materials & supplies	155,713	7,012	148,701	88,722
	Work in progress for production of goods				
	Work in progress for production of services				
	Intermediate and finished products				
	Goods	6,141,010	1,939,650	4,201,360	5,502,035
	Advances and Prepayments paid on orders	279,774		279,774	71,291
	RECEIVABLES (3)				
	Trade receivables and related accounts	5,485,555	328,735	5,156,819	4,194,047
	Other receivables	731,281		731,281	659,838
Capital subscribed and called up, unpaid					
MARKETABLE SECURITIES					
CASH IN HAND/AT BANK	1,482,459		1,482,459	2,835,903	
ACCRUALS	Prepayments	363,376		363,376	321,148
	TOTAL (III)	14,639,168	2,275,397	12,363,771	13,672,983
	Loan issuance cost to be spread (IV)				
Premiums on the redemption of debentures (V)					
Unrealised exchange difference (VI)					
	TOTAL ASSETS (I to VI)	31,661,118	18,109,762	13,551,356	14,904,203
(1) including leasehold right					
(2) including financial assets of less than one year					
(3) including receivables of more than one year			336,397	354,848	

Balance sheet liabilities

Statement expressed in Euros

		31/03/2020	31/03/2019
Capital and Reserves	Total share capital	24,948,400	24,948,400
	Issue, merger, acquisition and such premiums		
	Differences arising on revaluation		
	RESERVES	726,132	726,132
	Legal reserve	167,958	167,958
	Statutory or contractual reserves		
	Regulated reserves	1,282,809	1,282,809
	Other reserves	(59,165,485)	(54,454,963)
	Balance brought forward	(2,991,334)	(4,710,522)
	Profit/loss for the year		
Investment subsidies			
Regulated provisions			
Total capital and reserves		(35,031,519)	(32,040,186)
Other capital and reserves	Income from issues of participating shares		
	Conditional advances		
Total other capital and reserves			
Provisions	Provisions for risks	209,416	123,000
	Provisions for charges	290,215	250,835
	Total provisions		499,631
PAYABLES (1)	FINANCIAL DEBTS		
	Convertible debenture loans		
	Other debenture loans		
	Loans and debts from credit institutions (2)	16,592	4,000
	Other loans and financial debts	34,616,561	35,293,115
	Advances and prepayments received on orders in progress		
	OPERATING DEBTS		
	Trade payables and related accounts	11,501,681	9,449,285
	Tax and social security liabilities	1,941,516	1,055,019
	OTHER PAYABLES		
Payables on fixed assets and related accounts			
Other payables	6,895	769,135	
Prepaid income (1)			
Total payables		48,083,245	46,570,553
Unrealised exchange losses			
TOTAL LIABILITIES		13,551,356	14,904,203
Profit/loss expressed in cents		(2,991,333.52)	(4,710,521.73)
(1) Prepaid income and expenses of less than one year		48,083,245	46,570,553
(2) Of which bank facilities and overdrafts, bank credit balance and PCA		16,592	4,000

Income statement

		31/03/2020		31/03/2019	
		12 months	% C.A.	12 months	% C.A.
OPERATING INCOME	Sale of goods	25,848,830	95.59	22,000,480	100.00
	Production sold (Goods)				
	Production sold (Services and Works)	1,193,412	4.41	133	
	Net turnover	27,042,241	100.00	22,000,613	100.00
	Production for stock				
	Capitalised production costs				
	Operating subsidies				
	Reversals on provisions and depreciation, transfer of charges	1,073,465	3.97	375,508	1.71
	Other income	285		12,128	6.06
	Total operating income	28,115,992	103.97	22,388,248	101.76
OPERATING EXPENSES	Purchase of goods	12,578,545	46.51	14,600,437	66.36
	Variations in stock	122,766	0.45	(2,933,175)	-13.33
	Purchases of raw materials and other supplies	407,960	1.51	297,827	1.35
	Variations in stock	(38,302)	-	135,584	0.62
	Other external purchases and expenses	12,337,423	0.14	10,286,585	46.76
	Taxes, duties and similar payments	882,017	45.62	832,895	3.79
	Wages and salaries	1,739,257	3.26	1,629,846	7.41
	Personnel social security charges	808,609	6.43	692,404	3.15
	Owner's personal contributions to social security		2.99		
	Amortisation, depreciations and provisions	2,448,030	9.05	1,112,257	5.06
	Other expenses	58,375	0.22	135,205	0.61
		Total operating expenses	31,344,680	115.91	26,789,865
	OPERATING PROFIT/LOSS	(3,228,688)	-11.94	(4,401,617)	-20.01
FINANCIAL INCOME	Profit appropriated or loss transferred				
	Loss borne or profit transferred				
	From equity interests (3)				
	From other marketable securities and fixed asset receivables (3)				
	Other interests and similar income (3)				
	Reversal of provisions and depreciation and transfer of charges				
	Exchange gains	1,245		73	
Net income from the sale of investment securities					
	Total financial income	1,245		73	
FINANCIAL EXPENSES	Amortisation, depreciation and provisions				
	Interests and similar expenses (4)	531,433	1.97	527,166	2.40
	Exchange losses	932		5,903	0.03
	Net expenses from the sale of investments securities				
	Total financial expenses	532,365	1.97	533,069	2.42
	FINANCIAL PROFIT/LOSS	(531,120)	-1.96	(532,996)	-2.42
	PROFIT/LOSS BEFORE TAX	(3,759,808)	-13.90	(4,934,613)	-22.43
	Total extraordinary income	796,868	2.92	224,442	1.02
	Total extraordinary expenses	28,393	0.10	350	
	EXTRAORDINARY PROFIT/LOSS	768,475	2.84	224,091	1.02
	EMPLOYEE PROFIT-SHARING				
	TAX ON PROFITS				
	TOTAL INCOME	28,914,104	106.92	22,612,763	102.78
	TOTAL EXPENSES	31,905,438	117.98	27,323,285	124.19
	PROFIT/LOSS FOR THE YEAR	(2,991,334)	-11.06	(4,710,522)	-21.41

**DETAILS OF
FINANCIAL
STATEMENTS TO
31/03/2020**

Details of the Assets

Report expressed in Euros

	01/04/2019 31/03/2020	12 months	01/04/2018 31/03/2019	12 months	Variations	%
Uncalled subscribed capital						
TOTAL II – NET fixed assets	1,187,585.33	8.76	1,231,219.26	8.26	(43,633.93)	-3.54
Concessions, patents and similar rights	8,342.29	0.06	25,548.89	0.17	(17,206.60)	-67.35
20510660 Computer equipment	24,629.89	0.18	24,629.89	0.17		
20520660 PATENTS	449,725.60	3.32	449,725.60	3.02		
20530662 LICENSES (excluding AA)	180,286.21	1.33	180,286.21	1.21		
20540660 TRADEMARKS	11,597,111.24	85.58	11,597,111.24	77.81		
29050660 Provisional Intangible Assets	(266,532.00)	-1.97	(266,532.00)	-1.79		
29050662 PROV LICENSE DEPRECIATION	(180,286.21)	-1.33	(180,286.21)	-1.21		
28050660 Compter equip. depreciation	(20,347.60)	-0.15	(12,453.00)	-0.08	(7,894.60)	-63.40
28052660 PATENTS AMORT	(449,725.60)	-3.32	(449,725.60)	-3.02		
28054660 TRADEMARKS AMORT	(11,326,519.24)	-83.58	(11,317,207.24)	-75.93	(9,312.00)	-0.08
Other tangible fixed assets	139,131.78	1.03	165,559.11	1.11	(26,427.33)	-15.96
21820000 Transport equipment	19,577.23	0.13	19,577.23	0.13		
21830500 OFFICE EQUIPMENT - OPERATIONS	16,916.33	0.11	16,916.33	0.11		
21830600 IT HARDWARE	73,477.02	0.54	63,262.00	0.42	10,215.02	16.15
21840000 Furnishings & Installations. Agenc	179,493.00	1.32	179,493.00	1.20		
28183500 DEPREC OFFICE HARDWARE-EXPL	(15,700.80)	-0.12	(13,879.80)	-0.09		
28183600 DEPREC IT HARDWARE	(68,489.00)	-0.51	(55,532.65)	-0.37	(1,821.00)	-13.12
28183700 Vehicles other than Buses & Lo	(7,504.00)	-0.00	(3,589.00)	-0.02	(12,956.35)	-23.33
28184000 Amortisation- Mob & Installat	(58,638.00)	-0.43	(40,688.00)	-0.27	(3,915.00)	-109.08
					(17,950.00)	-44.12
Other holdings	1,000,000.00	7.38	1,000,000.00	6.71		
26110101 GROUP EQUITY SECURITIES	4,372,238.01	32.26	4,372,238.01	29.34		
29611010 Provision Share investments	(3,372,238.01)	-24.88	(3,372,238.01)	-22.63		
Loans						
27430130 LOANS FOR THE CONSTRUCTION EFFORT	68,384.68	0.50	68,384.68	0.46		
29743013 Provision Loans – Const efforts	(68,384.68)	-0.50	(68,384.68)	-0.46		
Other financial fixed assets	40,111.26	0.30	40,111.26	0.27		
27510200 DEPOSITS AND SURETY BONDS PAID	40,111.26	0.30	40,111.26	0.27		
TOTAL III – NET current assets	12,363,770.99	91.24	13,672,983.34	91.74	(1,309,212.35)	-9.58
Unprocessed materials, supplies	148,700.91	1.10	88,721.83	0.60	59,979.08	67.66
31100100 STOCKS API RAW MATERIALS -	144,222.69	1.06	88,606.92	0.59	55,615.77	62.77
32600603 STOCKS DPO PACKAGING ARTICLES	11,490.44	0.08	7,127.13	0.05	4,363.31	61.22
39110100 PROV DEPR.STOCKS API MATERIALS	(7,012.22)	-0.05	(7,012.22)	-0.05		
Merchandise	4,201,360.38	31.00	5,502,035.10	36.92	(1,300,674.72)	-23.64
37200510 MERCHANDISE DPO STOCKS	6,132,071.57	45.25	6,227,927.83	41.79	(95,856.26)	-1.54
37210000 In-transit inventories	8,938.38	0.07			8,938.38	
39720510 PROV DEPR.STOCKS DPO MARCHANDI	(1,939,649.57)	-14.31	(725,892.73)	-4.87	(1,213,756.84)	-167.21
Advances & instalments paid on orders	279,774.42	2.06	71,291.13	0.48	208,483.29	292.44
40910300 CGS A-AVANCE & ACPT/B&S-FRS TI	279,774.42	2.06	71,291.13	0.48	208,483.29	292.44
Trade receivables and related accounts	5,156,819.46	38.05	4,194,046.57	28.14	962,772.89	22.96
41110100 COLLECTIVE THIRD PARTY CUSTOMERS (PRODUCT)	5,019,464.43	37.04	4,186,770.63	28.09	832,693.80	19.89
41600000 Doubtful customers	336,396.56	2.38	354,848.30	2.38	(18,451.74)	-5.20
41800000 TRADE RECEIVABLES, UNBILLED REVENUE	129,693.65	0.96			129,693.65	
49110100 PROV DEPRECIAT°CUSTOMER RECEIVABLES	(328,735.18)	-2.43	(347,572.36)	-2.33	18,837.18	5.42
Other receivables	731,281.01	5.40	659,837.68	4.43	71,443.33	10.83
40971760 Reclassif. outstanding suppliers	4,461.46	0.03	4,461.46	0.03		

Details of the Assets

Report expressed in Euros

		01/04/2019 31/03/2020	12 months	01/04/2018 31/03/2019	12 months	Variations	%
42500230	PERSONNEL-SALARY ADVANCES	1,500.00	0.01	1,500.00	0.01		
42510200	EXPENSE ACCOUNTS	2,526.64	0.02			2,526.64	
42541130	PERMANENT ADVANCES (PAYROLL)	5,500.00	0.04	5,000.00	0.03	500.00	10.00
42700140	ADVANCES ON OBJECTIONS	5,629.00	0.04			5,629.00	
43111200	SOCIAL SECURITY – DAILY BENEFITS	20,076.87	0.15	14,654.48	0.10	5,422.39	37.00
43710110	MEAL VOUCHERS	31,977.16	0.24	22,209.05	0.15	9,768.11	43.98
43750131	ADVANCED PROVIDENT FUND BENEFITS	1,412.83	0.01			1,412.83	
43864250	APPRENTICESHIP TAX			0.06		(0.06)	-100.00
44410670	GOVT.-INCOME TAX INTERIM PAYMENT	6,030.38	0.04	134,226.05	0.90	6,030.38	
44566010	VAT DEDUCTIBLE/RECEIPTS-A	548,309.92	4.05			414,083.87	308.50
44566120	VAT DEDUCTIBLE ON DEBITS	34,141.71	0.25	280.17		33,861.54	N/S
44566140	DEDUCTIBLE EU VAT ON DEBITS	29,814.33	0.22	2,246.13	0.02	27,568.20	N/S
44566680	RECUP VAT THE REPORT OF THE EU O	236.71		426.68		(189.97)	-44.52
44583670	REQUESTED VAT REIMBURSEMENTS			426,391.60	2.86	(426,391.60)	-100.00
44870300	REPORT – ACCRUED REVENUES	39,664.00	0.29	48,442.00	0.33	(8,778.00)	-18.12
Cash on hand		1,482,459.19	10.94	2,835,903.45	19.03	(1,353,444.26)	-47.73
51210000	Crédit Lyonnais	28,118.27	0.21	171,794.79	1.15	(143,676.52)	-83.63
51260000	Crédit FR87 30002007980000403	19,923.59	0.15	20,564.14	0.14	(640.55)	-3.11
51280000	HSBC - France-mainland			2,058,902.35	13.81	(2,058,902.35)	100.00
51280100	HSBC - CSP	1,434,340.61	10.58	584,545.45	3.92	849,795.16	-145.38
53110000	CASH IN EUROS	76.72		96.72		(20.00)	-20.68
Deferred expenses		363,375.62	2.68	321,147.58	2.15	42,228.04	13.15
48600101	DEFERRED EXPENSES-AS	3,482.42	0.03	5,217.99	0.04	(1,735.57)	-33.26
48600300	DEFERRED EXPENSES-AU	359,893.20	2.66	315,929.59	2.12	43,963.61	13.92
BALANCE SHEET ASSETS TOTAL		13,551,356.32	100.00	14,904,202.60	100.00	(1,352,846.28)	-9.08

Details of the Liabilities

Report expressed in Euros

	01/04/2019 31/03/2020	12 months	01/04/2018 31/03/2019	12 months	Variations	%
TOTAL I – Shareholders equity	(35,031,519.39)	-258.5	(32,040,185.91)	-214.9	(2,991,333.48)	-9.34
Corporate or individual capital	24,948,400.00	184.10	24,948,400.00	203.51		
10130100 SUBSCRIBED CAPITAL CALLED PAID	24,948,400.00	184.10	24,948,400.00	203.51		
Legal reserve	726,132.00	5.36	726,132.00	4.87		
10611100 LEGAL RESERVE	726,132.00	5.36	726,132.00	4.87		
Statutory or contractual reserves	167,957.78	1.24	167,957.78	1.13		
10630120 STATUTORY OR CONTRACTUAL RESERVES	167,957.78	1.24	167,957.78	1.13		
Other Reserves	1,282,808.87	9.47	1,282,808.87	8.61		
10680300 OTHER SPECIAL RESERVES	1,282,808.87	9.47	1,282,808.87	8.61		
Retained earnings	(59,165,484.52)	-436.6	(54,454,962.83)	-365.3	(4,710,521.69)	-8.65
11000100 RETAINED EARNINGS	(59,165,484.52)	-436.6	(54,454,962.83)	-365.3	(4,710,521.69)	-8.65
FINANCIAL YEAR RESULTS	(2,991,333.52)	-22.07	(4,710,521.73)	-31.61	1,719,188.21	36.50

TOTAL II – Other shareholders equity						
TOTAL III - Total provisions	499,631.10	3.69	373,835.10	2.51	125,796.00	33.65
Provisions for contingencies	209,416.00	1.55	123,000.00	0.83	86,416.00	70.26
15110100 PROV FOR LITIGATION	198,416.00	1.46	123,000.00	0.83	75,416.00	61.31
15180000 Other Provision for Contingencies & Charges	11,000.00	0.08			11,000.00	
Provisions for losses	290,215.10	2.14	250,835.10	1.68	39,380.00	15.70
15311120 PROV RETIREMENT BENEFITS	290,215.10	2.14	250,835.10	1.68	39,380.00	15.70

TOTAL IV - Total debts	48,083,244.61	354.82	46,570,553.41	312.47	1,512,691.20	3.25
Loans & receivables with credit institutions	16,591.66	0.12	4,000.00	0.03	12,591.66	314.97
51280000 HSBC - France-main	12,591.66	0.09			12,591.66	
51810000 PAYABLE ACCRUED INTEREST	4,000.00	0.03	4,000.00	0.03		
Miscellaneous financial loans and debts	34,616,560.74	255.45	35,293,144.88	236.80	(676,554.14)	-1.92
16810000 LOANS FROM THE GROUP	32,102,185.00	236.89	32,102,185.00	215.39		
16888000 INTEREST ON GROUP LOANS	959,876.18	7.08	590,929.88	3.96	368,946.30	62.45
45100410 OPIH current account	1,554,499.56	11.47	2,600,000.00	17.44	(1,045,500.44)	-40.21
Trade creditors and other accounts payable	11,501,681.21	84.87	9,449,285.09	63.40	2,052,396.12	21.72
40100100 THIRD PARTIES – SUPPLIERS COLLECTIVE	792,100.25	5.85	614,631.53	4.12	177,468.72	28.87
40200100 GROUP-SUPPLIERS COLLECTIVE	9,528,580.03	70.31	8,386,307.60	56.27	1,142,272.43	13.62
40810000 INV NOT RECEIVED ACCT Entry M	565,782.79	4.18	159,858.71	1.07	405,924.08	253.93
40810502 SUPPLIER INV NOT RECEIVED	615,218.14	4.54	288,487.25	1.94	326,730.89	113.26
Tax and social security liabilities	1,941,516.00	14.33	1,055,018.88	7.08	886,497.12	84.03
42110110 STAFF REMUNERATION	2,693.48	0.02	1,228.30	0.01	1,464.18	119.20
42200100 EC SUBSIDIARIES FOR FUNCTIONING	815.21	0.01	750.78	0.01	64.43	8.58
42200110 EC SUBSIDIARIES SOCIAL ACTIONS	3,665.99	0.03	3,378.52	0.02	287.47	8.51
42510200 Financial participation withholding			10,271.64	0.07	(10,271.64)	-100.00
42820140 TOIL PROVISIONS	11,474.61	0.08	7,696.97	0.05	3,777.64	49.08
42820150 PROVISIONS HOLIDAYS TO BE PAID	45,663.38	0.34	44,870.27	0.30	793.11	1.77
42820160 PROVISIONS FOR HOLIDAYS TO BE PAID	120,638.27	0.89	118,324.35	0.79	2,313.92	1.96
42820170 PROVISIONSTEMP SAVINGS A/C	14,069.89	0.10	13,696.74	0.09	373.15	2.72
42868190 PERSONNEL-EXPENSES PAYABLE	256,772.21	1.89	276,065.31	1.85	(19,293.10)	-6.99
43110100 U.R.S.S.A.F.	68,685.53	0.51	55,750.58	0.37	12,934.95	23.20

Details of the Profit and Loss Statement

Report expressed in Euros

	01/04/2019 31/03/2020	12 months	01/04/2018 31/03/2019	12 months	Variations	%
Total operating income	18,901,858	<i>103.97</i>	22,388,428.19	<i>101.76</i>	5,727,743.48	<i>25.58</i>
Sales of merchandise	25,848,829.61	<i>95.59</i>	22,000,479.73	<i>100.00</i>	3,848,349.88	<i>17.49</i>
Sales of merchandise FRANCE	25,848,829.61	<i>95.59</i>	22,000,479.73	<i>100.00</i>	3,848,349.88	<i>17.49</i>
70701710 FRANCE MERCHANDISE SALES HG	33,075,488.53	<i>122.31</i>	28,785,703.74	<i>130.84</i>	4,289,784.79	<i>14.90</i>
70970000 REBATES. ALLOWANCES & DISCOUNTS GRANTED	(7,226,658.93)	<i>-26.72</i>	(6,785,224.01)	<i>-30.84</i>	(441,434.91)	<i>-6.51</i>
Sold production of goods						
Sold production Services + Works	1,193,411.82		133.33		1,193,278.49	<i>N/S</i>
Sold production Services FRANCE	26,356.47	<i>0.36</i>				
70620410 FRANCE MISCELLANEOUS SERVICES H	21,885.19					
70880000 INCOME FROM RELATED ACTIVITIES	4,471.28		133.33		26,223.14	<i>N/S</i>
Sold production Services EXPORT	1,167,055.35	<i>4.32</i>				
70695000 OTHER EXPORT SERVICES	1,167,055.35	<i>4.32</i>			1,167,055.35	<i>N/S</i>
Sales figure net amount	27,042,241.43	<i>100.00</i>	22,000,613.06	<i>100.00</i>	5,041,628.37	<i>22.92</i>
Reversals on deprec. & prov.. transfers of expenses	1,073,465.09	<i>3.97</i>	375,507.59	<i>1.71</i>	697,957.50	<i>185.87</i>
78173000 Rev. on provision for depre	725,892.73	<i>2.68</i>	152,044.41	<i>0.69</i>	573,848.32	<i>377.42</i>
78174000 BAD DEBTS PROV REF	347,572.36	<i>1.29</i>	223,463.18	<i>1.02</i>	124,109.18	<i>55.54</i>
Other operating income	285.15		12,127.54	<i>0.06</i>	(11,842.39)	<i>-97.65</i>
75800000 MISCELLANEOUS OPERATING INCOME	285.15		12,127.54	<i>0.06</i>	(11,842.39)	<i>-97.65</i>
Total operating expenses	31,344,679.56	<i>115.91</i>	26,789,865.00	<i>121.77</i>	4,554,814.5	<i>17.00</i>
Merchandise purchases	12,578,544.75	<i>46.51</i>	14,600,436.85	<i>66.36</i>	(2,021,892.10)	<i>-13.85</i>
60710580 PURCHASES MERCHANDISE STOCKS	12,164,669.59	<i>44.98</i>	14,114,263.61	<i>64.15</i>	(1,949,594.02)	<i>-13.81</i>
60870000 Incidental expenses on purchase	413,626.31	<i>1.53</i>	483,473.70	<i>2.20</i>	(69,847.39)	<i>-14.45</i>
60870110 CUSTOMS DUTIES & OTHER EXPENSES	248.85		2,699.54	<i>0.01</i>	(2,450.69)	<i>-90.78</i>
Variation of merchandise stocks	122,765.76	<i>0.45</i>	(2,933,175.48)	<i>-13.33</i>	3,055,941.24	<i>104.19</i>
60370584 VARIATION OF MERCHANDISE STOCKS	122,765.76	<i>0.45</i>	(2,933,175.48)	<i>-13.33</i>	3,055,941.24	<i>104.19</i>
Purchases of raw materials and other supp.	407,959.66	<i>1.51</i>	297,826.52	<i>1.35</i>	110,133.14	<i>36.98</i>
60100100 RAW MATERIALS STORED PURCHASES	407,959.66	<i>1.51</i>	297,826.52	<i>1.35</i>	110,133.14	<i>36.98</i>
Variation of procurement stocks	(38,301)	<i>-0.14</i>	135,584.12	<i>0.62</i>	(173,886.02)	<i>-128.25</i>
60310101 VAR STOCKS RAW MATER incoming	(68,118.02)	<i>-0.25</i>	95,471.94	<i>0.43</i>	(163,589.96)	<i>-171.35</i>
60320621 VAR STOCKSPACKAGING INCOMING/A	29,816.12	<i>0.11</i>	40,112.18	<i>0.18</i>	(10,296.06)	<i>-25.67</i>
Other external purchases and expenses	12,337,422.71	<i>45.62</i>	10,286,585.16	<i>46.76</i>	2,050,837.55	<i>19.94</i>
60500000 HA materials, equipment and	1,232.00				1,232.00	
60610018 Vehicle fuel	2,152.62	<i>0.01</i>	3,317.148	<i>0.02</i>	(1,164.56)	<i>-35.11</i>
60612010 ELECTRICITY NON-STORED PURCHASES	8,412.26	<i>0.05</i>	9,772.56	<i>0.04</i>	(1,360.30)	<i>-13.92</i>
60633010 OTHER PETI NON-STORED PURCHASES	12,312.12	<i>0.05</i>	18,636.72	<i>0.08</i>	(6,324.60)	<i>-33.94</i>
60681000 SAMPLE NON-STORED PURCHASES	0.55		18.94		(18.39)	<i>-97.10</i>
60940000 Rebates/discounts/allowances on purchases			(5,761.87)	<i>-0.03</i>	5,761.87	<i>100.00</i>
61101115 GLOBAL SERVICE EXPENSE-COST A	4,528,107.20	<i>16.74</i>	4,186,974.05	<i>19.03</i>	341,133.15	<i>8.15</i>
61102000 Provisions of Services.	681,058.00	<i>2.52</i>	662,802.00	<i>3.01</i>	18,256.00	<i>2.75</i>
61103000 SUB-CONTRACT PAYROLL	30,812.44	<i>0.11</i>	29,231.16	<i>0.13</i>	1,581.28	<i>5.41</i>
61103004 SUB-CONTRACT PAYROLL	26,698.89	<i>0.10</i>	20,797.94	<i>0.09</i>	5,900.95	<i>28.37</i>

Details of the Profit and Loss Statement

Report expressed in Euros		01/04/2019 31/03/2020	12 months	01/04/2018 31/03/2019	12 months	Variations	%
61103014	OTHER WORKS/MISC SERVICES	24,286.58	0.09	73,066.43	0.33	(48,779.85)	-66.76
61103015	General Services	52,457.51	0.22	49,101.28	0.22	3,356.23	6.84
61103024	MARKETING SUBCONTRACTING	2,445,333.81	9.04	2,082,682.57	9.47	362,651.24	17.41
61103200	DISTRIBUTION SUBCONTRACTING	1,015,941.28	3.76	518,402.78	2.36	497,538.50	95.98
61103302	STATISTICS MARKETING STUDIES	25,970.34	0.10	22,926.80	0.10	3,043.54	13.28
61320014	HG REAL ESTATE LEASING	210,473.10	0.78	206,439.75	0.94	4,033.35	1.95
61350016	Leasing Material & Furnishings B	647.70		3,773.32	0.02	(3,125.62)	-82.83
61550016	Vehicle upkeep	2,718.26	0.01	610.73		2,107.53	345.08
61560017	Maintenance IT hardware	15,271.33	0.06	6,176.87	0.03	9,094.46	147.23
61560018	Maintenance software hardware	161,923.14	0.60	162,050.00	0.74	(126.86)	-0.08
61611011	LIABILITY INSURANCE PREMIUM	22,485.25	0.08	18,406.94	0.08	4,078.31	22.16
61730030	QUALITY CONTROL SERVICES	336,063.85	1.24	359,140.70	1.63	(23,076.85)	-6.43
61730040	PHARMACOVIGILANCE SERVICES	36,150.59	0.13	78,869.83	0.36	(42,719.24)	-54.16
61810016	GENERAL DOCUMENTATION	1,604.78	0.01	5,212.72	0.02	(3,607.94)	-69.21
61850010	REGISTRATION CONFERENCES SEMINARS	89,529.86	0.33	91,255.22	0.41	(1,725.36)	-1.89
62110011	TEMP STAFF HG MOI	84,952.21	0.31			84,952.21	
62220012	COMMISSIONS AND BROKERAGES/SALE	1,558,649.10	5.76	798,910.42	3.63	759,738.68	95.10
62262010	LEGAL FEES	119,641.37	0.44	66,400.45	0.30	53,240.92	80.18
62262020	ADVERTISING FIRM FEES	40,419.48	0.15	32,664.40	0.15	7,754.60	23.74
62262030	Audit fees	104,996.48	0.39	101,281.96	0.46	3,714.52	3.67
62268014	OTHER MISCELLANEOUS FEES	154,932.86	0.57	139,181.29	0.63	15,751.57	11.32
62310010	PUBLICITY AND INSERTS	22,687.00	0.08	28,206.00	0.13	(5,519.00)	-19.57
62330010	CONFERENCES AND ORGANISATION > 1 DAY			2,194.00	0.01	(2,194.00)	-100.00
62330017	INTERNAL SEMINARS	81,648.95	0.30	35,675.35	0.16	45,973.60	-128.87
62340013	NON-DEC. CLIENTELE GIFTS			4,244.71	0.02	(4,244.71)	-100.00
62360011	ADVERTISING PRINTING	7,569.43	0.03			7,569.43	
62410010	TRANSPORT ON STORED PURCHASES	64,491.94	0.24	136,430.76	0.62		
62480018	OTHER TRANSPORT EXPENSES	12,805.26	0.05	3,849.05	0.02	(71,938.82)	-52.73
62511010	PERSONNEL TRANSPORT EXPENSES	6,011.90	0.02	4,810.40	0.02	8,956.21	232.69
62512010	PERSONNEL TRANSPORT EXPENSES	22,932.48	0.08	6,042.00	0.03	1,201.50	24.98
62512011	TRANSPORT EXPENSES - BUS/SUBWAY	3,448.50	0.01	5,649.78	0.03	16,890.48	279.55
62512012	TRANSPORT EXPENSES TAXIS	3,724.15	0.01	4,581.27	0.02	(2,201.28)	-38.96
62513011	CAR RENTAL EXPENSES	838.99		5,780.03	0.03	(857.12)	-18.71
62514010	TRAVEL EXPENSES - EXPENSES FOR	46,541.44	0.17	19,929.42	0.09	(4,941.04)	-85.48
62515010	PERS TRAVEL EXPENSES - INDIA			60.10		(60.10)	-100.00
62560010	EXPENSES FOR MISSIONS & RECEPTIONS	8,520.07	0.03	7,443.34	0.03	1,076.73	14.47
62570012	OFFICES-MISSIONS AND RECEPTIONS	1,074.59		1,034.81		39.78	3.84
62610010	POSTAGE EXPENSES	10,188.31	0.04	10,353.94	0.05	(165.63)	-1.60
62620010	TELEPHONE-FAX-TELECOMMUNICAT	28,410.55	0.11	25,106.02	0.11	3,304.53	13.16
62780140	BANKING FEES-OTHER COMMISS	89,984.48	0.33	18,248.40	0.08	71,736.08	393.11
62810011	LEVIES PAID TO ORGANI	63,462.59	0.23	74,392.98	0.34	(10,930.39)	-14.69
62810012	Office Cleaning Services	18,547.60	0.07	18,730.00	0.09	(182.40)	-0.97
62840110	PERSON. RECRUITING EXPENSES	49,300.00	0.18	131,479.66	0.60	(82,179.66)	-62.50
Taxes & equivalent payments		882,017.15	3.26	832,895.25	3.79	49,121.90	5.90
63310100	TRANSPORT PAYMENT	51,377.63	0.19	40,866.25	0.19	10,511.38	25.72
63330300	PARTICIP. VOCATIONAL TRAINING	16,313.88	0.06	15,153.02	0.07	1,160.86	7.66
63340400	PARTICIPATION IN THE CO. EFFORT	8,711.70	0.03	6,630.91	0.03	2,080.79	31.38
63350500	APPRENTICESHIP TAX PAYMENT	2,770.19	0.01	7,467.02	0.03	(4,696.83)	-62.90
63511012	PROFESSIONAL TAX	(1,574.75)	0.12-0.01	26,754.00	0.12	(28,328.75)	-105.89
63514000	Tax on company cars	(234.25)		704.00		(938.25)	-133.27
63580018	ADM. TAXES. OTHER TAXES & LEVIES	67,721.99	0.25	27,374.26	0.12	40,347.73	147.39
63780010	MISC. TAX TO OTHER BODIES	51,256.27	0.19	91,248.12	0.41	(39,991.85)	-43.83
63780012	MEDICAL AGENCY DEPOSITS	102,511.52	0.38	172,302.95	0.78	(69,791.43)	-40.51
63780021	TAX ON PHARMACEUTICAL SPECIALITIES	432,123.00	1.60			432,123.00	
63780025	Tax on direct sales	151,039.97	0.56	444,394.72	2.02	(293,354.75)	-66.01
Wages and salaries		1,739,257.24	6.43	1,629,846.03	7.41	109,411.21	6.71
64110100	SALARIES & WAGES OF BA	1,536,716.48	5.68	1,334,222.15	6.06	202,494.33	15.18
64120150	Paid TOIL	(13,323.74)	-0.05	(8,875.04)	-0.04	(4,448.70)	-50.13
64120200	Paid holidays takens	21,504.78	0.08	11,370.09	0.05	10,134.69	89.13
64120201	Change on paid holidays expenses prov.	3,107.02	0.01	40,926.34	0.19	(37,819.32)	-92.41

Details of the Profit and Loss Statement

Report expressed in Euros		01/04/2019 31/03/2020	12 months	01/04/2018 31/03/2019	12 months	Variations	%
64120231	Change CET prov.	373.15		6,006.55	0.03	(5,633.40)	-93.79
64120240	TOIL to be taken /TOIL not	3,777.64	0.01	78.49		3,699.15	N/S
64120250	Insecurity bonus	1,095.16		2,190.72	0.01	(1,095.56)	-50.01
64130300	NETWORK BONUS	2,917.20	0.01	6,561.00	0.03	(1,095.56)	-55.54
64130420	Bonus.	144,656.73	0.53	200,575.99	0.91	(55,919.26)	-27.88
64140380	Severance pay	23,630.50	0.09	18,622.02	0.08	5,008.48	26.90
64140500	Benefits in kind	8,225.00	0.03	12,389.48	0.06	(4,164.48)	-33.61
64190220	Transportation benefits	6,577.32	0.02	5,778.24	0.03	799.08	13.83
Personnel social charges		808,609.03	2.99	692,403.89	3.15	116,205.14	16.78
64510100	URSSAF LEVIES.	454,534.76	1.68	397,786.41	1.81	56,748.35	14.27
64530120	PRO. FUNDS LEVIES	16,092.65	0.06	15,522.49	0.07	570.16	3.67
64530130	PENSION FUNDS LEVIES	188,249.48	0.70	148,337.68	0.67	39,911.80	26.91
64540140	ASSEDIC/APEC. LEVIES.	68,903.26	0.25	54,846.45	0.25	14,056.81	25.63
64580170	OTHER LEVIES	15,442.56	0.06	18,642.90	0.08	(3,200.34)	-17.17
64590000	CICE			(13,621.00)	-0.06	13,621.00	100.00
64590001	Change social ch. on prov	1,453.31	0.01	20,463.15	0.09	(19,009.84)	-92.90
64590002	Change social ch. on other	2,622.98	0.01	4,404.55	0.02	(1,781.57)	-40.45
64720200	OPERATING SUBSIDY C	2,668.53	0.01	2,946.92	0.01	(278.39)	-9.45
64740310	OTHER SOCIAL WORKS	16,489.32	0.06	13,261.40	0.06	3,227.92	24.34
64750400	Occupational healthcare	4,644.86	0.02	586.43		4,058.43	692.06
64800000	Other personnel expenses	18,582.32	0.07	17,393.43	0.08	1,188.89	6.84
64810010	PROFESSIONAL DEVELOPMENT	18,925.00	0.07	11,833.08	0.05	7,091.92	59.93
Amortisation expenses on fixed assets		53,848.95	0.20	74,564.00	0.34	(20,715.05)	-27.78
68111300	TRADEMARKS AMORT alloc	9,312.00	0.03	37,797.00	0.17	(28,485.00)	-75.36
68112510	TANGIBLE FIXED ASSETS DEPREC ALLOC - AU	44,536.95	0.16	36,767.00	0.17	7,769.95	21.13
Provisions expense on liquid assets		2,268,384.75	8.39	884,640.87	4.02	1,383,743.88	156.42
68173000	Alloc. To provisions for depre	1,939,649.57	7.17	725,892.73	3.30	1,213,756.84	167.21
68174000	Allocations to provisions for	328,735.18	1.22	158,748.14	0.72	169,987.04	107.08
Allocations to prov. for contingencies and losses		125,796.00	0.47	153,052.54	0.70	(27,256.54)	-17.81
68150000	Allocation to provisions for ???	86,416.00	0.32	123,000.00	0.56	(36,584.00)	-29.74
68150001	Allocations social R&C provisions	39,380.00	0.15	30,052.54	0.14	9,327.46	31.04
Other day-to-day management expenses		58,375.46	0.22	135,205.25	0.61	(76,829.79)	-56.82
5112000	Non-Group royalties for co			18,878.28	0.09	(18,878.28)	-100.00
65400000	Loss on irrecov. Debts	35,896.89	0.13	109,621.27	0.50	(73,724.38)	-67.25
65800000	CO. MGMT MISCELLANEOUS EXPENSES	22,478.57	0.08	6,705.70	0.03	15,772.87	235.22
Operating income		(3,228,687.89)	-11.94	(4,401,616.81)	-20.01	1,172,928.92	26.65
Total financial products		1,245.03		73.24		1,171.79	N/S
Translation gains		1,245.03		73.24		1,171.79	N/S
76600000	Gain de change/Revaluation	1,245.03		73.24		1,171.79	N/S
Total financial products		532,365.36	1.97	533,069.33	2.42	(703.97)	-0.13
Interests and similar expenses		531,433.03	1.97	527,166.31	2.40	4,266.72	0.81
66160200	BANK INTEREST ON OPERATI	404,799.05	1.50	437,543.35	1.99	(32,744.30)	-7.48
66500100	DISCOUNTS GRANTED HG	126,633.98	0.47	89,622.96	0.41	37,011.02	41.30
Negative exchange differences		932.33		5,903.02	0.03	(4,970.69)	-84.21
66600000	Exchange loss/Revaluation	932.33	0.03	5,903.02	0.03	(4,970.69)	-84.21

Details of the Profit and Loss Statement

Report expressed in Euros	01/04/2019 31/03/2020	12 months	01/04/2018 31/03/2019	12 months	Variations	%
Financial results financier	(531,120.33)	-1.96	(532,996.09)	-2.42	1,875.76	0.35
Pre-tax earnings	(3,759,808.22)	-13.90	(4,934,612.90)	-22.43	1,174,804.68	23.81
Total non-recurring income	796,867.52	2.95	224,441.60	1.02	572,425.92	255.04
Extraordinary charges on capital operation	796,867.52	2.95	224,441.60	1.02	572,425.92	255.04
77200000 Revenue from previous year:	796,867.52	2.92	224,441.60	1.02	572,425.92	255.04
Total non-recurring expenses	28,392.82	0.10	350.43		28,042.39	N/S
Extraordinary charges on management operation	28,392.82	0.10	350.43		28,042.39	N/S
67121000 Supplier increases	20.33		350.43		(330.10)	-94.20
67200000 Expenses on previous fiscal years	28,372.49	0.10			28,372.49	
Extraordinary results	768,474.70	2.84	224,091.17	1.02	544,383.53	242.92
Financial year results	(2,991,333.52)	-11.06	(4,710,521.73)	-21.41	1,719,188.21	36.50

Financial statements as at 31/03/2020

APPENDICES

APPENDIX – Note 1

Accounting Rules and Methods

Statement expressed in Euros

The financial statements for the year have been prepared and presented in accordance with the applicable general rules and in compliance with the principle of prudence.

The balance sheet for the financial year shows a total of €13,551,356.

The income statement, presented in the form of a list, shows:

Total income of €28,914,104

Total expenses of €31,905,438,

Thus, generating a loss of €-2,991,334.

The financial year under consideration covers the period 01/04/2019 to 31/03/2020, i.e. 12 months versus 12 months the prior financial year.

The following notes and tables form an integral part of the annual financial statements.

General accounting policies have been applied in compliance with the basic assumptions of:

- going concern principle
- consistency of accounting methods over the financial years
- appropriate cut-offs

And in compliance with the applicable French regulations arising from the decrees of the Regulatory Committee.

The basic method used for the valuation of items recorded in the accounts is the historical cost method.

Tangible assets

Tangible assets are valued at their acquisition cost (purchase price plus incidentals excluding expenses for the acquisition of the fixed assets) or at their production cost. The company has decided to recognise fixed assets acquisition expenses as charges.

Depreciation is based on the useful life.

Computer equipment: Declining balance method over 3 years

Fittings: Straight line method over 10 years

Furniture: Straight line method over 10 years

Other equipment: Declining balance method over 5 years

Accounting Rules and Methods

Statement expressed in Euros

Intangible assets

Intangible assets are valued at their acquisition cost (purchase price and incidentals, excluding expenses for the acquisition of the fixed assets).

They consist of items acquired and relate to licences, patents and MA dossiers.

MA files are amortised over a period of five years on a straight line basis.

Other amortisations are based on the useful life.

When the inventory value is lower than the gross value, a provision for depreciation, equal to the difference, is recognised.

Investments in associates

Financial investments represent participating shares in OPIH for a value of €4,372,238.

These shares are included in assets at their acquisition cost of €1,000,000.

The discrepancy between the value of the securities and the net situation was covered by a provision of €3,372,238.

In fact, on the one hand, OPIH has cash facilities (including current account over our company) of €2.6m and, on the other hand, the value in use of the company's shares which lies in the medical and marketing know-how of the network of medical representatives it employs is deemed to be higher than the book value.

In addition, on 26 February 2020, the Company, the sole shareholder of OPIH, decided to dissolve said company without liquidation in accordance with the provisions of Article 1844-5 paragraph 3 of the French Civil Code, effective for accounting purposes 30 days after the publication on 24 March 2020, i.e. on 23 April 2020, and effective for tax purposes on 1 April 2020.

Stocks

Stocks are valued using the weighted average price method.

The gross value of goods and supplies includes the purchase cost plus incidentals.

A provision for depreciation of stock, equal to the difference between the gross value based on the method specified above and the market value, is recognised when the gross value is higher than the market value. The impairment test is based on product turnover and the expiry date.

Accounting Rules and Methods

Report expressed in Euros

Receivables

Receivables are recognised at their nominal value.

A provision for depreciation is recognised when a loss is likely.

The depreciation methods for trade receivables are as follows:

- 100% if aged more than 90 days.
- 50% if aged more than 60 days.

Provisions for risks and charges

Risks and charges, the nature of which is clearly specified, that become likely on account of past or current events give rise to the recognition of a provision.

On the reporting date, the provision for litigation with personnel amounts to €198 K.

In accordance with the prospective method for retirement commitments, the company recognises a provision covering commitments relating to employee rights in its accounts, pursuant to the collective agreement of the pharmaceutical industry, at the time of retirement. The provision for retirement benefits is estimated individually for each employee present on 31/03/2020 and who has at least one year of seniority, while considering the following parameters:

- the applicable collective bargaining agreement
- the employee's probable salary upon retirement, based on career development assumptions specific to the company

The provisioned amount is determined using an actuarial method, as it includes the following parameters:

- the amount of the benefit to be paid
- the probability of being a company employee at the time of retirement, given the turnover within the company and the average mortality per age and per sex defined by the INSEE
- a discounting rate of 1.50%.

The provision for retirement commitments amounts to €290 K.

APPENDIX – Note 1

Accounting Rules and Methods

Statement expressed in Euros

Capital and Reserves

The share capital amounts to €24,948,400 made up of 24,948,400 shares of a nominal value of €1 each. It is fully paid up.

Pursuant to the decision of the shareholders at the General Meeting of 25 May 2019, the loss recognised in the accounts as at 31 March 2019 has been carried forward for an amount of -€4,710,522.

Capital and Reserves on 31 March 2019: - €32,040,186

Result of the financial year: -€2,991,334

Capital and Reserves on 31 March 2020: -€35,031,519

With continuing negative shareholders equity after the losses recorded during the financial years ending on 31 March 2018, 31 March 2019 and 31 March 2020, the partner heading up the company's group, the Sun Pharmaceutical Ltd group, has confirmed its financial support for the company till 31 March 2020.

Tax consolidation

Since 01/01/2006, and tacitly renewed since 01/01/2011, SUN PHARMA FRANCE has opted for tax consolidation. The earnings of its subsidiary OPIH are consolidated into that of SUN PHARMA FRANCE, the only entity liable to corporation tax, additional taxes and the minimum annual corporation tax payable by the Group.

The taxable result notified to the company by its subsidiary OPIH for the 2019-2020 financial period shows a tax deficit of €144,492.

Change of valuation method

There was no change to the valuation method during the financial year.

Change of presentation method

There was no change to the presentation method during the financial year.

Accounting Rules and Methods

Statement expressed in Euros

Significant events

The group has confirmed its financial support to the company till 31 March 2021, thus justifying the going concern assumption made for the closing of the accounts.

Like other actors in the distribution sector for medicinal products in France, the company has been the subject of an inquiry by the DGCCRF regarding the sale price of medicinal products and its commercial policy from 2013. Up to now, the notifications in progress from the DIRECCTE relative to marketing expenses have not been the subject of any complaints.

Post-closing events

On 26 February 2020, SUN PHARMA France, the sole shareholder of OPIH, decided to dissolve OPIH without liquidation in accordance with the provisions of Article 1844-5 paragraph 3 of the French Civil Code, effective for accounting purposes 30 days after the publication on 24 March 2020, i.e. on 23 April 2020, and effective for tax purposes on 1 April 2020.

Additional information

On 4 December 2019, the Company's name was changed from RANBAXY PHARMACIE GENERIQUES to SUN PHARMA FRANCE.

The fees paid to the statutory auditors to certify the company's financial statements amount to €56K.

Extraordinary Income

Extraordinary income was €797 K and consists of adjustments to third party accounts. (Text to be translated/updated)

Information concerning the impact of the Covid-19 epidemic on the company's business after the balance-sheet date

The company reports that the Covid-19 health crisis and the declaration of a health state of emergency will have a significant impact on its business.

In light of how rapidly the situation changes, it is difficult to estimate the financial impacts. As at the reporting date, the company is not yet able to calculate the exact impact of the crisis on its assets and liabilities, financial situation and profit/loss.

APPENDIX - Note 2

Fixed assets

Statement expressed in Euros

		Opening values	Movements during the year				Gross value as at 31/03/2019
			Increase		Decrease		
			Revaluations	Acquisitions	Re-classifications	Disposals	
INTANGIBLE	Preliminary and development costs						
	Others	12,251,753					12,251,753
	TOTAL INTANGIBLE ASSETS	12,251,753					12,251,753
TANGIBLE	Lands						
	Buildings on freehold land						
	On leasehold land						
	Fixtures, fittings, installations						
	Technical instal., industrial equipment and tools						
	Sundry fixtures, fittings, installations						
	Transport equipment	19,577		10,215			19,577
	Office equipment, furniture	259,671					269,886
	Recyclable and other packaging						
	Tangible assets in progress						
Advances and prepayments							
TOTAL TANGIBLE ASSETS	279,249		10,215			289,464	
FINANCIAL	Investments in associates valued by the equity method						
	Other equity interests	4,372,238					4,372,238
	Other fixed investments						
	Loans and other financial assets	108,496					108,496
TOTAL FINANCIAL ASSETS	4,480,734					4,480,734	
TOTAL		17,011,735		10,215			17,021,950

APPENDIX - Note 3

Depreciation and Amortisation

Statement expressed in Euros		Opening amortization	Movements during the year			Amortisation as at 31/03/2019	
			Provisions		Reversals		
INTANGIBLE	Preliminary and development costs						
	Others	11,779,386	17,207			11,796,592	
	TOTAL INTANGIBLE ASSETS	11,779,386	17,207			11,796,592	
TANGIBLE	Lands						
	Buildings on freehold land						
	On leasehold land						
	Fixtures, fittings, installations						
	Technical instal., industrial equipment and tools						
	Sundry fixtures, fittings, installations						
	Transport equipment						
	Office equipment, furniture Recyclable and other packaging	113,689	36,642			150,332	
TOTAL TANGIBLE ASSETS	113,689	36,642			150,332		
TOTAL		11,893,075	53,849			11,946,924	
Breakdown of movements affecting the provision for accelerated depreciation							
		Provisions			Reversals		Change in depreciation and amortization at year-end
		Duration and other differential	Diminishing balance mode	Exceptional tax amort.	Duration and other differential	Diminishing balance mode	
Preliminary and development costs							
Other tangible assets							
TOTAL INTANGIBLE ASSETS							
Lands							
Buildings on freehold land							
On leasehold land							
Fixtures, fittings, installations							
Technical instal., industrial equipment and tools							
Sundry fixtures, fittings, installations							
Transport equipment							
Office equipment, IT, furniture							
Recyclable and other packaging							
TOTAL TANGIBLE ASSETS							
Cost of acquisition of participating shares							
TOTAL							
GRAND TOTAL NOT BROKEN DOWN							

APPENDIX – Note 4

Provisions

Statement expressed in Euros

		Opening	Increase	Decrease	31/03/2019
REGULATED PROVISIONS	Reconstruction mining and oil deposits				
	Provisions for investment				
	Provisions for price increases				
	Provision for accelerated depreciation				
	Tax provision for installation loans				
	Other provisions				
	REGULATED PROVISIONS				
PROVISIONS FOR RISKS AND CHARGES	For litigation	123,000	75,416		198,416
	For guarantees given to customers				
	For losses on futures markets				
	For fines and penalties				
	For exchange losses				290,215
	For pensions and similar obligations	250,835	39,380		
	For taxes				
	For renewals of fixed assets				
	Provisions for major repairs and renovations				
For social security and tax charges on accrued leaves				11,000	
Other		11,000			
	PROVISIONS FOR RISKS AND CHARGES	373,835	125,796		499,631
PROVISIONS FOR DEPRECIATION	On fixed assets	446,818			446,818
	intangible				
	tangible				
	shares valued by the equity method				
	Participating shares	3,372,238			3,372,238
	Other financial assets	68,385			68,385
	On stocks and work in progress	732,905	1,939,650	725,893	1,946,662
On trade debtors	347,572	328,735	347,572	328,735	
Others					
	PROVISIONS POUR DEPRECIATION	4 967,918	2,268,385	1,073,465	6,162,838

GRAND TOTAL	5,341,753	2,394,181	1,073,465	6,662,469
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Of which provisions and reversals	{	- operating - financial - extraordinary	2,394,181	1,073,465
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Shares accounted for by the equity method: depreciation amount at the year-end calculated in accordance with the rules provided for in Article 39-1.5e of the GTC

APPENDIX – Note 5

Receivables and Payables

Statement expressed in Euros		31/03/2020	<= 1 year	> 1 year
RECEIVABLES	Receivables from associates			
	Loans (1) (2)	68,385		68,385
	Other financial assets	40,111		40,111
	Bad and Doubtful debts	336,397		336,397
	Other trade receivables	5,149,158	5,149,158	
	Receivables representing loaned securities			
	Personnel and related accounts	15,156	15,156	
	Social Security and other social bodies	59,497	59,497	
	Tax on profits			
	Value added tax	612,503	612,503	
	Other taxes, duties and similar payments			
	Miscellaneous	39,664	39,664	
	Group and associates (2)			
	Sundry debtors	4,461	4,461	
	Prepaid expenses	363,376	363,376	
		TOTAL RECEIVABLES	6,688,707	6,243,815
(1)	Loans granted during the year			
(1)	Repayments obtained during the year			
(2)	Loans and advances to associates (natural persons)			

		31/03/2019	<= 1 year	1 - 5 years	> 5 years
PAYABLES	Convertible debenture loans (1)				
	Other debenture loans (1)				
	Loans/debts from credit instit at less than 1 year from start (1)	16,592	16,592		
	Loans/debts from credit instit at more than 1 year from start (1)				
	Loans and miscellaneous financial debts (1) (2)	33,602,061	33,602,061		
	Trade payables and related accounts	11,501,681	11,501,681		
	Personnel and related accounts	455,792	455,792		
	Social Security and other social bodies	257,255	257,255		
	Tax on profits				
	Value added tax	101,673	101,673		
	Guaranteed bonds				
	Other taxes, duties and similar payments	1,126,796	1,126,796		
	Debts on fixed assets and related accounts				
	Group and associates (2)	1,554,500	1,554,500		
	Other payables	6,895	6,895		
	Debt representing borrowed securities				
Prepaid income					
	TOTAL PAYABLES	48,083,245	48,083,245		
(1)	Loans taken out during the year				
(1)	Loans paid back during the year				
(2)	Loans and debts from associates (natural persons)				

APPENDIX – Note 6.10

ACCRUED INCOME

Statement expressed in Euros

31/03/2020

Total Income receivable		175,388
Other trade receivables <i>TRADE RECEIVABLES, UNBILLED REVENUE</i>	<i>129,694</i>	129,694
Other claims <i>OCCUPATIONAL TRAINING</i> <i>STATE-INCOME RECEIVABLE</i>	<i>6,030</i> <i>39,664</i>	45,694

APPENDIX - Note 6.11

Accrued expenses

Statement expressed in Euros

31/03/2020

Total accrued expenses		2,718,104
Loans and debts from credit institutions		4,000
<i>ACCRUED INTERESTS PAYABLE</i>	4,000	
Other loans and financial debts		959,876
<i>INTEREST GROUP LOANS</i>	959,876	
Trade payables and related accounts		1,181,001
<i>UNDELIVERED INVOICE cpt Entry m</i>	565,783	
<i>SUPPLIER, UNDELIVERED INVOICES</i>	615,218	
Tax and social security liabilities		566,332
<i>PROVISIONS FOR ACCRUED TOIL</i>	11,475	
<i>PROVISIONS ACCRUED LEAVE</i>	45,663	
<i>PROVISIONS FOR ACCRUED LEAVE</i>	120,638	
<i>PROVISIONS FOR TIME SAVINGS ACCOUNT</i>	14,070	
<i>PERSONNEL, ACCRUED EXPENSES</i>	256,772	
<i>PROVISIONS FOR ACCRUED SOCIAL CHARGES</i>	16,454	
<i>SOCIAL INSTITUTIONS, ACCRUED EXPENSES</i>	83,271	
<i>SOCIAL INSTITUTIONS, ACCRUED EXPENSES</i>	7,035	
<i>EFFORT CONSTRUCTION</i>	8,182	
<i>PROFESSIONAL TRAINING</i>	2,770	
Other liabilities		6,895
<i>CUSTOMER CREDIT NOTES NOT YET ISSUED</i>	6,895	

APPENDIX – Note 6.12

Prepayments

Statement expressed in Euros	Period	Amounts	31/03/2020
Prepayments - OPERATING Other charges accounted for in advance		363,376	363,376
Prepayments - FINANCIAL			
Prepayments - EXTRAORDINARY			
TOTAL			363,376

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APPENDIX – Note 6.12

Prepaid income

Statement expressed in Euros	Period	Amounts	31/03/2020
Prepaid income – OPERATING Advances on contracts <div style="text-align: right; margin-right: 100px;">NONE</div>			
Prepayments - FINANCIAL			
Prepayments - EXTRAORDINARY			
TOTAL			

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APPENDIX - Note 6.14

Issue Capital

Statement expressed in Euros

	31/03/2020	Number	Par value	Amount
SHARES/CORPORATE RIGHTS				
Of the issued capital at start of financial year		24,948,400.00	1,0000	24,948,400.00
Issued during the financial year			0,0000	
Reimbursed during the financial year			0,0000	
Of the issued capital at end of financial year		24,948,400.00	1,0000	24,948,400.00

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APPENDIX – Note 6.17

Breakdown of turnover

Statement expressed in Euros

31/03/2020

Turnover by business line		27,042,241
Sales of goods		25,848,830
<i>SALES OF GOODS FRANCE HG</i>	33,075,489	
<i>DISCOUNTS GRANTED</i>	(7,226,659)	
Production sold Services		1,193,412
<i>MISCELLANEOUS SERVICES FRANCE HG</i>	21,885	
<i>OTHER EXPORT SERVICES</i>	1,167,055	
<i>INCOME FROM RELATED ACTIVITIES</i>	4,471	
Turnover by geographical market		27,042,241
FRANCE turnover		25,875,186
<i>SALE OF GOODS FRANCE HG</i>	33,075,489	
<i>REBATES/DISCOUNTS/ALLOWANCES GRANTED</i>	(7,226,659)	
<i>MISCELLANEOUS SERVICES FRANCE H</i>	21,885	
<i>INCOME FROM RELATED ACTIVITIES</i>	4,471	
EXPORT Turnover		1,167,055
<i>OTHER EXPORT SERVICES</i>	1,167,055	

APPENDIX – Note 6.18

Breakdown of tax on profits

Statement expressed in Euros

	31/03/2020	Profit/loss before tax	Taxes (1)	Profit/loss after tax
PROFIT/LOSS FROM ORDINARY ACTIVITIES		(3,759,808)		(3,759,808)
EXTRAORDINARY RESULT (and equity interests)		768,475		768,475
ACCOUNTING PROFIT/LOSS		(2,991,334)		(2,991,334)

(1) After tax restatements.

APPENDIX - Note 11

Increase and decrease in future tax liabilities

Statement expressed in Euros

31/03/2020

INCREASE	Regulated provisions	
	Other	
INCREASE IN FUTURE TAX LIABILITIES		

DECREASE	Provisions not deductible in the year of recognition	
	Provisions for retirement benefits	72,554
	Provisions for doubtful debts	82,184
	Provisions for MA (31/12/2012)	66,633
	Provisions for loan for building initiative	17,096
	Other	
	Provisions for accrued leaves	45,239
Social housing level	14,714,391	
Effort construction (Tax loss carry-forwards??)	2,178	
DECREASE IN FUTURE TAX LIABILITIES		15,000,275

The amounts indicated in the above table are expressed in taxes.

APPENDIX - Note 12

Directors' remuneration

Statement expressed in Euros

31/03/2020

Remuneration of members:

- Of administration bodies
- Of management bodies
- Of supervisory bodies

In compliance with the principle of respect for people's rights, this information is not provided since it would indirectly lead to the disclosure of information of a personal nature.

APPENDIX – Note 13

Average headcount

	31/03/2020	Internal	External
AVERAGE HEADCOUNT PER CATEGORY			
Managers & intellectual professions		15	
Intermediate professions		4	
White collar employees		1	
Blue collar employees			
TOTAL		20	

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Parent companies consolidating the financial statements

31/03/2020

Sun Pharma France is a company included in the consolidation of Sun Pharmaceutical Industries Ltd, which publishes its consolidated financial statements in accordance with the Indian GAAP standards.

The French sub-group meets the conditions for exemption from the preparation of consolidated financial statements due to its size.

**TAX FORMS
TO
31/03/2020**