

LABORATORIOS RANBAXY, S.L.U.

**Auditor's Report, Annual Accounts and
Management report for the year ended March
31, 2018**

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of interpretation or information, views opinions, the original language version of our report takes precedence over this translation.



AUDITOR'S REPORT ON THE ANNUAL ACCOUNTS ISSUED BY AN INDEPENDENT AUDITOR

To the sole partner of LABORATORIOS RANBAXY, S.L.U.:

Opinion

We have audited the annual accounts of LABORATORIOS RANBAXY, S.L.U (the Company), which comprise the balance sheet as at March 31, 2018, the profit and loss account, the income statement, statement of changes in equity, cash flow statement and related report or notes for the year then ended.

In our opinion, except for the possible effects of the matter described in the section of the report entitled *Basis for qualified opinion*, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as at March 31, 2018, as well as its financial performance and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in Note 2 of the notes to the annual accounts), and in particular, with the accounting principles and criteria included therein.

Basis for Qualified Opinion

As indicated in Note 11 of the accompanying report, the company has at 31 March 2018 tax loss carry-forwards pending compensation amounting to EUR 8,780,407, for which it has not recognised the related tax credits in the accompanying balance sheet. According to the accounting principles and criteria contained in the financial reporting framework applicable to the company, tax assets and liabilities should be recognised when it is likely that the company will generate taxable profits to offset the tax losses and temporary differences within a period not exceeding ten years. However, due to its current business model the company is unable to devise a precise long-term business plan and is therefore unable to provide us with budgets or financial projections to determine the amount that should be recognised as "deferred tax assets" in the balance sheet at 31 March 2018.

We conducted our audit in accordance with legislation governing the audit practice in Spain. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the annual accounts* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those relating to independence, that are relevant to our audit of the annual accounts in Spain, in accordance with legislation governing the audit practice. In this regard, we have not rendered services other than those relating to the audit of the accounts, and situations or circumstances have not arisen that, in accordance with the provisions of the aforementioned legislation, have affected our necessary independence such that it has been compromised.

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

Most relevant aspects of the audit

The most relevant aspects of the audit are those that, in our professional judgment, were considered to be the most significant risks of material misstatement in our audit of the annual accounts of the current period. These risks were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these risks.

Aside from the questions discussed in the section entitled *Basis for qualified opinion*, the risks described below are the most significant ones discovered in the audit and hence the ones that must be disclosed in our report.

- Inventories

The company's balance sheet at 31 March 2018 shows a balance of EUR 5,643,000 for inventories. This item represents approximately 28% of the company's total assets as of that date and is therefore considered a significant area of exposure to material inaccuracy. This is due to the casuistry of the pharmaceutical sector, which has a wide variety of products with different prices, in addition to the fact that the volume of stocks on the closing date is high, which is why we consider inventories to be one of the most relevant aspects of the audit.

Our procedure in addressing this issue during the audit included an adequate understanding of the internal control system and the valuation method used. We applied substantive procedures for the physical counting of units in the warehouse and substantive procedures to verify the valuation of inventories, which consisted of verifying the cost price, net realizable value and obsolescence, as well as operating cut-offs.

Finally, we verified that the enclosed report includes the relevant information disclosures required under the applicable financial reporting framework. These disclosures are included in Notes 4.6 and 9 of the enclosed notes to the financial statements.

- Provisions

The liability side of the Company's balance sheet at 31 March 2018 shows EUR 10,761,000 for current provisions for the return of expired medicines and voluntary improvements in relation to SAS generic drug auctions. Considering the calculation method and its subjectivity and because this item represents 54% of the company's total equity and liabilities on the balance sheet closing date, we believe that this is a significant area that is susceptible to material inaccuracy and hence one of the most relevant aspects of the audit.



Our procedures were designed to verify the calculation criteria and management's calculations. We also verified that the estimation method used by management is consistent with the one used in prior years and that it is adequate based on the possible outcomes of the risk in question, based on the information that was available on the issue date this report.

Finally, we verified that the enclosed report includes the related disclosures required by the applicable financial reporting framework. Notes 4.10 and 13 of the enclosed notes to the financial statements include such disclosures.

Other information: Management report

Other information comprises only the management report for the March 31, 2018 financial year, the formulation of which is the responsibility of the Company's Board of directors' and it does not form an integral part of the annual accounts.

Our audit opinion on the annual accounts does not cover the management report. Our responsibility regarding the management report, in accordance with legislation governing the audit practice, is to evaluate and report on the consistency between the management report and the annual accounts as a result of our knowledge of the Company obtained during the audit of the aforementioned financial statements, and does not include information different to that obtained as evidence during our audit. Likewise, our responsibility is to evaluate and report on whether the content and presentation of the management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

On the basis of the work performed, as described in the previous paragraph, the information contained in the management report is consistent with that contained in the annual accounts for the March 31, 2018 financial year, and its content and presentation are in accordance with the applicable regulations.

Responsibility of the Board of Directors' for the annual accounts

The Board of Directors' is responsible for the preparation of the accompanying annual accounts, such that they fairly present the equity, financial position and financial performance of LABORATORIOS RANBAXY, S.L.U in accordance with the financial reporting framework applicable to the entity in Spain, and for such internal control as the Board of directors' determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Company's Board of directors' 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 Board of directors' 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 annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts 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 legislation governing the audit practice in Spain 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 annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our 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.
- Obtain 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 Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's Board of directors'.
- Conclude on the appropriateness of the Board of directors' 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. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Company's Board of directors' regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



ANNUAL FINANCIAL STATEMENTS

FROM 1/4/2017 TO 31/03/2018



BALANCE SHEET

FROM 1/4/2017 TO 31/03/2018

LABORATORIOS RANBAXY, S.L. (Single Member Company)
BALANCE SHEET AT 31 MARCH 2018 (stated in Euros)

ASSETS			NET EQUITY AND LIABILITIES			
	Note	2018	2017	Note	2018	2017
NON-CURRENT ASSETS		220.442	128.717	NET EQUITY	4.494.745	3.686.065
Intangible fixed assets	6	72.911	13.829	Shareholders' funds	4.494.745	3.686.065
Development	-	-	-	Capital	1.000.000	1.000.000
Concessions	-	-	-	Authorised share capital	1.000.000	1.000.000
Patents, licenses, trade marks and similar	-	15.603	-	(Share capital not issued and not called up)	-	-
Goodwill	-	-	-	Share issue premium	-	-
Computer software	-	57.308	13.829	Reserves	-	-
Other Intangible fixed assets	-	-	-	Legal and statutory	-	-
Tangible fixed assets	5	97.844	62.952	Other reserves	-	-
Land and buildings	-	-	-	Own shares, treasury stock and similar	-	-
Plant, machinery and others	-	97.844	62.952	Prior year results	(1.833.934)	(3.258.563)
Assets in course and advance payments	-	-	-	Remainder	(1.833.934)	(3.258.563)
Investments in property and real estate	-	-	-	(Retained losses from prior years)	(1.833.934)	(3.258.563)
Land	-	-	-	Other contributions from shareholders	4.500.000	4.500.000
Buildings	-	-	-	Result for the year	828.679	1.424.628
Long-term investments in group and associated entities	-	-	-	(Dividend paid on account)	-	-
Equity based instruments	-	-	-	Other share based instruments	-	-
Loans to companies	-	-	-	Valuation adjustments	-	-
Debt based instruments	-	-	-	Financial assets for sale	-	-
Derivatives	-	-	-	Hedging operations	-	-
Other financial assets	-	-	-	Others	-	-
Long-term investments	8	49.686	51.936	Subsidies, grants and donations	-	-
Equity based instruments	-	-	-			
Loans to the third parties	-	-	-	NON-CURRENT LIABILITIES		
Debt based instruments	-	-	-	Long-term provisions		
Derivatives	-	-	-	Long-term commitments with employees		
Other financial assets	8	49.686	51.936	Environmental liabilities		
Deferred tax assets	-	-	-	Restructuring provisions		
CURRENT ASSETS		19.628.142	17.758.898	Other provisions		
NON-CURRENT ASSETS FOR SALE				Long-term borrowings		
Stocks	9	5.643.855	2.551.761	Debentures and other negotiable instruments		
Goods for resale	-	5.643.855	2.551.761	Borrowings from financial institutions		
Raw materials and consumables	-	-	-	Finance lease borrowings		
Work in progress and partially finished goods	-	-	-	Derivatives		
Finished goods	-	-	-	Other financial liabilities		
By-products, waste and materials recovered	-	-	-	Long-term debts with group and associated entities	8 16	
Payments on account	-	-	-	Deferred tax liabilities		
Accounts receivable - commercial and other	8	11.142.548	9.468.679	Long-term accruals		
Accounts receivable for sales and services	-	8.340.615	8.474.954			
Trade debtors - group and associated entities	8 16	2.695.820	622.401	CURRENT LIABILITIES	15.353.839	14.221.550
Sundry debtors	-	-	-	Liabilities linked to non-current assets held for sale		
Employees	8	4.500	4.500	Short-term provisions	8 13	10.781.809
Current tax assets	-	101.613	368.824	Short-term borrowings		
Tax, Social Security and Government entities	-	-	-	Debentures and other negotiable instruments		
Short-term investments in group an associated entities	-	-	-	Borrowings from financial institutions		
Equity based instruments	-	-	-	Finance lease borrowings		
Loans to companies	-	-	-	Derivatives		
Debt based instruments	-	-	-	Other financial liabilities		
Derivatives	-	-	-	Short-term debts with group and associated entities		
Other financial assets	-	-	-	Loans due to group and associated entities		
Short-term financial investments	-	-	-	Accounts payable - commercial and other	8	4.582.030
Equity instruments	-	-	-	Suppliers	8	600
Loans to third parties	-	-	-	Trade creditors, group and associated entities	8 16	2.847.119
Debt based instruments	-	-	-	Sundry creditors	8	122.170
Derivatives	-	-	-	Employees (payroll creditor)	8	70.035
Other financial assets	-	-	-	Customer advanced	-	-
Short-term accruals and prepayments		11.253	15.845	Tax, Social Security and Government entities		1.552.106
Cash and equivalent liquid assets	8	2.830.484	5.722.813	Advances received from customers		1.125.319
Cash resources	-	2.830.484	5.722.813	Short-term accruals		-
Other equivalent liquid assets	-	-	-			
TOTAL ASSETS		19.848.584	17.887.615	TOTAL NET EQUITY AND LIABILITIES		19.848.584
						17.887.615

Notes 1 to 19 to the annual accounts form an integral part of the balance sheet at 31 March, 2018



PROFIT AND LOSS STATEMENT

FROM 1/4/2017 TO 31/03/2018

LABORATORIOS RANBAXY, S.L. (Single Member Company)
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2018
(stated in euros)

	2.018	2.017
Continuing Operations:		
Net turnover		
Sales	21.067.090	20.579.257
Services Rendered	21.067.090	20.579.257
Variation in stocks of finished goods and work-in-progress	-	-
Own work capitalised	-	-
Supplies	-	-
Consumption of goods for resale	(16.709.267)	(15.883.619)
Consumption of raw materials and other consumables	(16.309.196)	(15.533.440)
Subcontracting and similar	-	-
Impairment of raw materials, goods for resale and supplies	-	-
Other operating income	(400.071)	(350.179)
Ancillary income and other income from normal operations	-	-
Operating subsidies transferred to income	-	-
Employee costs	(856.309)	(849.098)
Salaries, wages and similar	(670.935)	(674.607)
Allowances	-	-
Social Security and similar costs	(185.374)	(174.491)
Provisions	-	-
Other operating costs	-	-
External services	(2.529.285)	(2.330.101)
Taxes	(1.594.149)	(1.569.065)
Losses, impairment and movement on provisions for commercial operations	(975.586)	(765.901)
Other normal operating costs	40.480	2.865
Depreciation of fixed assets	-	-
Transfer of grants for non-financial assets and others	(42.972)	(33.964)
Excess provisions	-	-
Impairment and results on sale of fixed assets	-	-
Impairment and losses	6.299	1.678
Results on sale and others	6.299	1.678
OPERATING RESULT	935.586	1.484.153
Financial income	115	3.329
From holdings in equity based instruments	-	-
In group and associated entities	-	-
In third parties	-	-
From tradable investments and other financial instruments	115	3.329
Group and associated entities	-	-
Third parties	-	-
Financial costs	-	-
Borrowings from group and associated entities	-	-
Borrowings from third parties	-	-
Recalculation of provisions	-	-
Variation in fair value of financial instruments	-	(62.135)
Investment portfolio and others	-	(62.135)
Transfer to results for the year concerning financial assets held for sale	-	-
Differences on Exchange	-	-
Impairment and results on sale of financial assets	576	(719)
Impairment and losses	-	-
Results on sale and others	-	-
FINANCIAL RESULT	691	(59.525)
RESULT BEFORE TAX	936.277	1.424.628
Corporation tax	(107.598)	-
RESULT FOR THE YEAR	828.679	1.424.628

Notes 1 to 19 to the annual accounts form an integral part of the balance sheet at 31 March, 2018



STATEMENT OF CHANGES IN EQUITY

FROM 1/4/2017 TO 31/03/2018

LABORATORIOS RANBAXY, S.L.
STATEMENT OF CHANGES IN THE NET EQUITY FOR THE YEAR ENDED 31 MARCH, 2018
(stated in euros)

A) STATEMENT OF RECOGNISED INCOME AND EXPENSES FOR THE YEAR ENDED 31 MARCH, 2018

	2018	2017
Profit and loss account - result	828.679	1.424.628
Total income and expenses recognised directly in equity	-	-
Total transfers to the profit and loss account	-	-
TOTAL RECOGNISED INCOME AND EXPENSES	828.679	1.424.628

B) STATEMENT OF TOTAL CHANGES IN NET EQUITY FOR THE YEAR ENDED 31 MARCH, 2018

	Authorised capital	Reserves	Prior year results	Other contributions from shareholders	Result for the year	TOTAL
CLOSING BALANCE 2017	1.000.000	-	(3.258.562)	4.500.000	1.424.628	3.666.066
Adjusted Opening Balance 2018	1.000.000	-	(3.258.562)	4.500.000	1.424.628	3.666.066
Total recognised income and expenses	-	-	-	-	828.679	828.679
Share capital reduction	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
Distribution of the result	-	-	-	-	-	-
Shareholders contribution	-	-	1.424.628	-	(1.424.628)	-
CLOSING BALANCE 2018	1.000.000	-	(1.833.934)	4.500.000	828.679	4.494.745

Notes 1 to 19 to the annual accounts form an integral part of the statement of changes in net equity for the year ended 31 March, 2018



CASH FLOW STATEMENT

FROM 1/4/2017 TO 31/03/2018

LABORATORIOS RANBAXY, S.L.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018
(stated in euros)

	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Result for the year before tax	(2.763.931)	2.229.040
Adjustments to the result:	936.277	1.424.628
Depreciation of fixed assets (+)	(1.073.333)	1.384.987
Valuation correction for impairment (+/-)	42.972	33.964
Movement on provisions (+/-)	157.841	70.706
Transfer of subsidies (-)	(1.267.156)	1.222.470
Results on sale and withdrawal of fixed assets (+/-)	-	-
Results on sale and withdrawal financial instruments (+/-)	(6.299)	(1.678)
Financial income (-)	-	-
Financial expense (+)	(115)	(3.329)
Differences on exchange (+/-)	-	62.135
Change in fair value of financial instruments (+/-)	(576)	719
Other income and expenses (-/+)	-	-
Changes in working capital:	(2.519.392)	(439.468)
Stock (+/-)	(3.290.415)	1.859.883
Debtors and other accounts receivable (+/-)	(1.632.814)	(1.031.762)
Other current assets (+/-)	4.392	(9.033)
Creditors and other accounts payable (+/-)	2.399.445	(1.258.556)
Other current liabilities (+/-)	-	-
Other non-current assets and liabilities (+/-)	-	-
Other cash flows from operating activities:	(107.483)	(141.107)
Interest paid (-)	-	(144.436)
Dividends received (+)	-	-
Interest received (+)	115	3.329
Receipts (payments) for corporation tax (+/-)	(107.598)	-
Other payments (receipts)	-	-
CASH FLOWS FROM INVESTMENT ACTIVITIES	(128.397)	(44.281)
Payments for investments (-):	(143.497)	(46.996)
Group and associated companies (-)	-	-
Intangible fixed assets (-)	(77.465)	-
Tangible fixed assets (-)	(66.032)	(2.309)
Investments in property (-)	-	-
Other financial assets (-)	-	-
Non-current assets maintained for sale (-)	-	(44.687)
Other assets (-)	-	-
Collections on disposal of investments (+):	15.100	2.715
Group and associated companies (-)	-	-
Intangible fixed assets (-)	-	-
Tangible fixed assets (-)	12.850	2.715
Investments in property (-)	-	-
Other financial assets (-)	2.250	-
Non-current assets maintained for sale (-)	-	-
Other assets (-)	-	-
CASH FLOWS FROM FINANCING ACTIVITIES	-	(2.000.000)
Collections and payments from equity based instruments	-	-
Issues of equity based instruments (+)	-	-
Cancellation of equity based instruments (-)	-	-
Purchase of own equity based instruments (-)	-	-
Transfer of equity based instruments (+)	-	-
Subsidies, donations and similar (-)	-	-
Collections and payments for financial liability instruments:	-	(2.000.000)
Issue:	-	-
Debtures and similar (+)	-	-
Borrowings from financial institutions (+)	-	-
Borrowings from group and associated entities (+)	-	(2.000.000)
Other borrowings (+)	-	-
Repayment and cancellation of:	-	-
Debtures and similar (+)	-	-
Borrowings from financial institutions (+)	-	-
Borrowings from group and associated entities (+)	-	-
Other borrowings (+)	-	-
Payments of dividends and remuneration of other equity based instruments	-	-
Dividends (-)	-	-
Remuneration of other equity based instruments (-)	-	-
	- €	- €
	- €	- €
Exchange rates impact	- €	- €
NET INCREASE/REDUCTION IN CASH AND EQUIVALENTS	(2.892.328)	184.759
Opening cash and equivalent resources	5.722.812	5.538.053
Closing cash and equivalent resources	2.830.484	5.722.812

Notes 1 to 19 to the annual accounts form an integral part of the cash flow statement for the year ended 31 March, 2018



FINANCIAL YEAR REPORT

FROM 1/4/2017 TO 31/03/2018



NOTE 1 - BUSINESS ACTIVITY OF THE COMPANY

LABORATORIOS RANBAXY, S.L.U. (hereinafter, the "Company") was founded on 5 February 2004. Its registered corporate address is at Paseo de Gracia 9, 7^a planta, Barcelona. Pursuant to Article 13.1 of the Recast Text of the Capital Companies Act, the Company is recorded in the Companies Registry as a sole proprietorship. Its tax code is B-63424444.

In accordance with the company's articles of association, the corporate purpose is the production, preparation, marketing, export and import, and representation of chemical products, antibiotics, medical preparations or substances, pharmaceutical specialties, generic pharmaceutical specialties, registry formulas, official formulas or preparations and prefabricated medications, intermediary products, health devices, as well as baby food and special food for disabled persons, chemical, medicinal and pharmaceutical products, and household goods, along with any kind of activity directly or indirectly associated to or ancillary to the foregoing, and whereby the marketing of the aforementioned products represents the company's main activity.

On 1 August 2007, the merger through takeover of Mundogen Farma, S.A. (absorbed company) by LABORATORIOS RANBAXY, S.L. (absorbing company) was approved, with termination through dissolution without winding-up of the absorbed company and the universal mass transfer to the absorbing company, as the universal successor, of all the goods, rights and obligations comprised in the equity, as from 1 October 2007 (the date of formal execution of the merger in a public deed). The merger was carried out under the special system of mergers laid down in articles 83 to 96 of Legislative Royal Decree 4/2004, of 5 March, which approves the rewritten text of the Corporate Income Tax Act.

On 17 December 2013, the Sole shareholder agreed to modify the date for the closing of the business year to 31 March. As a consequence of that decision, the financial year began on 1 April 2014 and ended on 31 March 2015.

During the last quarter of 2013, the Company considered it necessary to implement a change in its business model, due to the market trends. That decision led to the elimination of its business of direct sales to pharmacies through the internal sales network.

The Company and its Sole shareholder, Ranbaxy Netherlands B.V., form a part of the Sun Pharma Group, whose ultimate controlling company is Sun Pharmaceuticals Industries Limited. The registered address of Ranbaxy Netherlands B.V. is Prins Bernhardplein 200, 1097 JB Amsterdam, and the registered corporate address of Sun Pharmaceuticals Industries Limited is in Mumbai, Maharashtra, India. This latter company is the one that formulates consolidated annual financial statements.

On 31 March 2016, a commercial agreement was signed with the company SUN PHARMACETUCIALS SPAIN, S.L. to concentrate the businesses of Spain of the two companies of the same Indian group. The Company LABORATORIOS RANBAXY, S.L. has acquired the business, including the assets, employees, contracts and assumed obligations.

The functional currency of the Company is the euro. Consequently, operations in currencies other than the euro are deemed to be called in "foreign currency".

NOTE 2 - BASES FOR PRESENTING THE ANNUAL FINANCIAL STATEMENTS

a) TRUE AND FAIR VIEW

The attached annual financial statements have been obtained from the accounting records of the Company, and they are presented in accordance with commercial legislation in force and with the standards established in the General Accounting Plan, approved by Royal Decree 1514/2007 of 16 November, such that they show a true and fair view of the equity, of the financial situation, of the profits/losses of the company and of the cash flows during the financial year.

The attached annual financial statements of the company have been formulated by the Board of Directors and will be submitted to the approval of the Sole shareholder, and they are expected to be approved without modification.

All the standards and criteria in force established in the General Accounting Plan at the time when these financial statements were prepared have been followed, without exception.

b) NON-MANDATORY ACCOUNTING PRINCIPLES APPLIED

No non-mandatory accounting principles have been applied.

c) CRITICAL ASPECTS OF ASSESSMENT AND ESTIMATION OF UNCERTAINTY

The company's directors deem that there are no uncertainties, beyond those that are normal for the business activity, which could bring into question the application of the going concern basis.

Estimates by the Company's Directors have been used to assess some of the assets, liabilities, income, expenses and commitments reported in the attached annual financial statements. These estimates basically refer to:

- Calculation of impairment of the accounts receivable and inventories (Notes 8 c) and 9 respectively)
- Determination of forecasts of trade operations

d) COMPARISON OF INFORMATION

There have not been any exceptional reasons that justify a modification of the structure of the balance sheet, of the profit and loss statement, of the statement of changes in equity and of the cash flow statement of the preceding financial year.

There is no cause that might prevent a comparison between the financial statements of the current year and those of the preceding financial year.

e) GROUPING OF ITEMS

There are no items that have been the object of grouping on the Balance Sheet, in the Profit and Loss Statement, in the statement of changes in equity or in the cash flow statement.

f) ELEMENTS RECORDED IN VARIOUS ITEMS

There are no equity elements that are recorded in more than one item of the Balance Sheet.

g) CHANGES IN ACCOUNTING CRITERIA

No changes have been made due to changes in accounting criteria during the year.

h) CORRECTION OF ERRORS

No errors existing at the close of the financial year have been detected, which would require a re-formulation of the financial accounts. Any significant events that were learned about after the close and that could make it advisable to adjust the estimates at the close of the financial year have been mentioned in the corresponding sections.

NOTE 3 - APPROPRIATION OF EARNINGS

a) PROPOSED APPROPRIATION OF EARNINGS OF THE FINANCIAL YEAR

AVAILABLE FOR DISTRIBUTION	2017	2016
Balance of the Profit and Loss Statement	828,679.32	1,424,628.29
TOTAL AVAILABLE FOR DISTRIBUTION = TOTAL APPROPRIATION	828,679.32	1,424,628.29
APPLIED TO		
Offsetting of losses from previous financial years	828,679.32	1,424,628.29
TOTAL APPROPRIATION = TOTAL AVAILABLE FOR DISTRIBUTION	828,679.32	1,424,628.29

b) DISTRIBUTION OF INTERIM DIVIDENDS

No interim dividends were distributed during the financial year.

c) LIMITATIONS ON THE DISTRIBUTION OF DIVIDENDS

There is no limitation on the distribution of dividends.

NOTE 4 - RECORDING AND ASSESSMENT STANDARDS

1. INTANGIBLE FIXED ASSETS

Intangible fixed assets are initially recognised at their cost of acquisition, and they are subsequently valued at cost, less the corresponding cumulative depreciation, calculated according to their useful life and the impairment losses that may have been experienced, if applicable.

The Company recognises, accounting-wise, any loss that may have occurred in the recorded value of these assets as a consequence of impairment. The criteria for recognising the impairment losses of these assets and, if applicable, the recoveries of the same recorded in previous financial years are

similar to those applied for tangible fixed assets.

Computer applications

The costs of acquisition and development of IT programmes are recorded as IT Applications. The maintenance costs of are charged to the income statement in the year in which they occur.

IT applications are only recognised as an intangible fixed asset if they meet the following conditions:

- They are perfectly individualised by projects and their cost is clearly established so that it can be distributed over time.
- There are well-founded reasons for the technical success and for the commercial and financial return of the project in question.

They are depreciated according to the useful life, which must be estimated at 5 years, and the possible capital losses are analysed to make the corresponding value correction due to impairment.

2. TANGIBLE FIXED ASSETS

The goods included in Tangible Fixed Assets are valued at their acquisition price or cost of production, less cumulative depreciation and, if applicable, the cumulative amount of the recognised value corrections due to impairment. The following constitute a greater value of the items of tangible fixed assets:

- Indirect taxes that encumber elements of tangible fixed assets and that cannot be directly recovered from public finance.
- The initial estimate of the current value of the assumed obligations derived from dismantling or removal of the asset.
- The costs of renovation, expansion or improvement that represent an increase in capacity, productivity or expansion of useful life.

For fixed assets that need a period of time greater than one year to be in condition for use, the financial expenses accrued before placing the asset in conditions for use, which have been drawn by the supplier or corresponding to loans or another type of third-party financing, whether specific or generic and directly attributable to the acquisition, manufacture or construction of the asset, are included in the acquisition price or cost of production.

The costs of major repairs are recognised at the book value of the fixed asset as replacements, as long as the conditions for the recognition thereof are met.

Technical installations, machinery and tools

The valuation thereof includes all acquisition or manufacturing and construction expenses until they are placed in operating condition.

Implements and tools incorporated in mechanical elements

The implements and tools that do not form a part of a machine and whose period of use is not estimated to be over one year are charged as an expense of the financial year. If their period of use is more than one year, an annual adjustment is made by taking a physical count.

The templates and moulds that are used permanently in mass manufacturing form a part of tangible fixed assets, and the depreciation thereof is calculated according to their estimated useful life. Custom-ordered moulds used for isolated manufacturing are not considered subject to inventory,



except when they have a net realisable value.

Tangible fixed assets in progress

The expenditures made during the financial year due to the projects and works that the company carries out for itself are charged to the expense accounts of the financial year. The accounts of tangible fixed assets in progress are charged by the amount of said expenses, with a credit to the income item that includes the work performed by the company for itself.

Depreciation

Items of tangible fixed assets are depreciated systematically and rationally according to the useful life of the goods and their residual value. Each part of an element with a useful life that is different from the rest is depreciated differently.

	Useful life
Plants, machinery and equipment	18 years
Other facilities, tools and property	8 years
Other fixed assets	8 years

Impairment of tangible and intangible assets

On the date of the balance sheet, the Company revises the book amounts of its tangible and intangible assets to determine if there are signs that said assets have sustained a loss due to impairment. If there is any sign, the recoverable amount of the asset is calculated (the greater value of either the fair value less the cost of sale or the value of use) in order to determine the scope of the loss due to impairment (if there were any). In the event that the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash-generating unit to which the asset belongs is calculated.

When a loss due to impairment is subsequently reversed, the book value of the asset increases to the revised estimate of its recoverable amount, but such that the increased book value does not exceed the book value that would have been determined had there not been a loss due to impairment in previous financial years. A reversal of an impairment loss is immediately recognised as income.

3. LEASES

Tangible assets acquired under a financial lease are recorded in the asset category to which the leased good belongs, and it is depreciated according to its expected useful life, following the same method as for owned assets.

Leases are classified as financial leases whenever the conditions of the same substantially transfer the risks and advantages derived from ownership to the lessee. All other leases are classified as operational leases.

4. SWAPS

No swap occurred during the financial year.

5. FINANCIAL INSTRUMENTS

Categories of financial assets and liabilities

a) Financial Assets

Financial assets are recognised on the balance sheet when they are acquired, and they are classified as:

- **Loans and receivables:** credits due to commercial and non-commercial operations.
 - Initial assessment: at their fair value, except for credits for commercial operations that have a maturity of no more than one year and that have no contractual interest rate and except for advances or credits to personnel, dividends receivable and payouts required on equity instruments that are expected to be received in the short term, which are assessed at their nominal value.
 - Subsequent assessment: at their amortised cost, except for credits with a maturity of no more than one year, as stated, which continue to be assessed at the same amount.
- **Investments held to maturity:** securities representing debt, with a fixed maturity date, receivables of a certain or determinable amount, which are negotiated on an active market and regarding which the company has the effective intention and capacity to hold until maturity.
 - Initial valuation: at their fair value.
 - Subsequent valuation: at their amortised cost.
- **Financial assets held for trading:** assets whose acquisition originates for the purpose of selling the assets in the short term.
 - Initial valuation: at their fair value. The directly attributable transaction costs are recognised in the Profit and Loss Statement.
 - Subsequent valuation: at their fair value, without deducting the transaction costs that could be incurred in the disposal thereof. Changes in the fair value are taken to the profit and loss statement of the financial year.
- **Other financial assets at fair value, with changes in the profit and loss statement:** hybrid financial assets.
 - Initial valuation: at their fair value. The directly attributable transaction costs are recognised in the Profit and Loss Statement.
 - Subsequent valuation: at their fair value, without deducting the transaction costs that could be incurred in the disposal thereof. Changes in the fair value are taken to the profit and loss statement of the financial year.
- **Investments in the equity of the group, multi-group and associated companies:**
 - Initial valuation: at cost.
 - Subsequent valuation: at cost, less the cumulated amount of the value corrections due to impairment, if applicable.

- **Financial assets available for sale:** securities representing debt and equity instruments of other companies that have not been classified in any of the preceding categories.
 - Initial valuation: at their fair value.
 - Subsequent valuation: at their fair value, without deducting the transaction costs that could be incurred in the disposal thereof. Changes in the fair value are allocated to net equity until the asset is written off or impaired, at which time the recognised amount is allocated to profit and loss.

b) Financial Liabilities

Financial liabilities are classified, according to the content of the contractual agreements and considering the economic background of the operation, into the following categories:

- **Debts and payables:** debts due to commercial and non-commercial operations.
 - Initial valuation: at their fair value (except for debts due to commercial operations that have a maturity of no more than one year and that have no contractual interest rate and except for payouts required by third parties on equity holdings that are expected to be paid in the short term, which are assessed at their nominal value).
 - Subsequent valuation: at their amortised cost (except for debts with a maturity of no more than one year, as stated, which continue to be valued at the same amount).
 - Accrued interest: posted in the profit and loss statement, thereby applying the effective interest rate method.
- **Financial liabilities held for trading:** liabilities issued for the purpose of re-acquiring them in the short term.
 - Initial valuation: at their fair value. The directly attributable transaction costs are recognised in the Profit and Loss Statement.
 - Subsequent valuation: at their fair value, without deducting the transaction costs that could be incurred in the disposal thereof. Changes in the fair value are taken to the profit and loss statement of the financial year.
- **Other financial liabilities at fair value, with changes in the profit and loss statement:** hybrid financial liabilities.
 - Initial valuation: at their fair value. The directly attributable transaction costs are recognised in the Profit and Loss Statement.
 - Subsequent valuation: at their fair value, without deducting the transaction costs that could be incurred in the disposal thereof. Changes in the fair value are taken to the profit and loss statement of the financial year.

c) Own equity instruments

Own equity instruments are classified according to the content of the contractual agreements and considering the economic background of the operation. The expenses derived from transactions with own equity instruments are recorded directly against own equity as lower reserves.

Impairment

Valuation corrections are made at the end of the year due to impairment whenever there is objective evidence that the value of a credit or of an investment has been impaired.

The loss is:

- For loans and receivables and for investments held to maturity, the difference between the book value of the asset and the present value of future cash flows estimated to be generated, discounted at the effective interest rate calculated at the time of initial recognition (or the market value of the instrument for investments held to maturity, if this value is sufficiently reliable).
- For investments in the equity of companies of the group or multi-group and associated companies, the difference between the book value of the asset and the recoverable amount (the higher of the fair value less the costs of sale and the present value of future cash flows derived from the investment).
- For financial assets available for sale, the difference between the cost less any value correction due to impairment recorded in the profit and loss statement and the fair value at the time when the valuation is made.

All corrections, as well as the reversal thereof, are recognised as an expense or as income, respectively, in the profit and loss statement. The reversal of impairment has a limit of the book value of the credit or of the investment that would be recognised on the reversal date if impairment of the value had not been recorded.

De-registration of financial assets and liabilities

The criteria used for de-registering a financial asset are the following:

- it must have expired or
- the contractual rights over the cash flows of the financial asset have been transferred, with substantial transfer of the risks and profits inherent in the ownership thereof.

Once the asset has been de-registered, the profit or loss generated by the operation forms a part of the profit/loss of the financial year in which it occurs.

In the case of financial liabilities, the company de-registers them when the obligation has extinguished. A financial liability is also de-registered when an exchange of financial instruments occurs, with substantially different conditions. The difference between the book value of the financial liability and the consideration paid, including the attributable transaction costs, is recorded in the profit and loss statement.

Hybrid financial instruments

Hybrid financial instruments are classified as those that combine a main, non-derivative contract and a financial contract (implicit derivative), which cannot be transferred independently and whose effect is that some of the cash flows of the hybrid instrument vary similarly to the cash flows of the derivative considered independently. The main contract and the implicit derivative are presented and valued separately when the following circumstances occur simultaneously:

- The financial characteristics and risks inherent in the implicit derivative are not closely related to those of the main contract.
- An independent instrument with the same conditions as those of the implicit derivative would fulfil the definition of derivative instrument.
- The hybrid instrument is not valued at its fair value with changes in the profit and loss statement.

The implicit derivative is treated accounting-wise as a derivative financial instrument, and the main contract is accounted for according to the nature thereof.

Compound financial instruments

For compound financial instruments issued by the company, the components thereof are recognised, valued and presented separately. The book value is distributed according to the following criteria:

- The fair value of a similar liability that does not have the equity component associated is assigned to the liability component.
- The difference between the initial amount and the value assigned to the liability component is assigned to the equity component.
- The transaction costs are distributed at the same proportion.

Financial guarantee contracts

Financial guarantee contracts are initially valued at their fair value, which, barring evidence to the contrary, is equal to the premium received, plus the present value of premiums to be received, if applicable. After the initial recognition, they are valued at the greater of:

- The value that results according to the provisions set forth in the standard on provisions and contingencies.
- The initially recognised value less, when applicable, the part of the value allocated to the profit and loss statement because it corresponds to accrued income.

Income or expenses coming from financial instruments

The interest and dividends from financial assets reported after the time of acquisition have been recognised as income in the profit and loss statement. The effective interest rate method has been used to recognise interest. Dividends are recognised when the right of the shareholder to receive it is declared.

6. INVENTORY

Inventory is valued at its acquisition price or at the cost of production. All indirect taxes that encumber inventory and that are not directly recoverable from public finance are included in the acquisition price.

For inventory that needs a period of time of greater than one year to be in condition to be sold, the financial expenses accrued before placing the inventory in condition to be sold, which have been charged by the supplier or corresponding to loans or another type of third-party financing, whether specific or generic and directly attributable to the acquisition, manufacture or construction of the asset, are included in the acquisition or manufacturing of the inventory.

When the net realisable value of inventories is lower than the acquisition cost or cost of production, valuation corrections are made, recognising them as an expense in the profit and loss statement. For raw materials and other consumables, no valuation correction is made if the finished products into which they are incorporated are expected to be sold at above the cost.

Those goods and services that may have been the object of a firm contract of sale or for the provision of services, according to which compliance will take place subsequently, are not the object of a valuation correction if the sale price stipulated in the contract at least covers the cost of the goods and services, plus all the pending costs that may be necessary for performance of the contract.

In the event that the circumstances that caused a value correction cease to exist, such a correction will be reversed and will be recognised as income in the profit and loss statement.

7. TRANSACTIONS IN FOREIGN CURRENCY

Transactions in foreign currency are recorded at the time of initial recognition, therefore using the functional currency and applying the exchange rate in force between the functional currency and the foreign currency on the date of the transaction.

On the date of each balance sheet, all monetary assets and liabilities in foreign currency are converted according to the exchange rates in force on the close date. All non-monetary items in foreign currency measured in terms of the historical cost are converted at the exchange rate on the transaction date. The exchange rate differences of monetary items arising when settled and when converting them to the closing interest rate are recognised in the profits/losses for the year, except those forming part of investing in a foreign business, which are recognised directly in equity, after tax and up to the time of their sale.

On some occasions, in order to cover exposure to certain exchange rate risks, the Company formally executes term contracts and options in foreign currency.

The adjustments of goodwill and the fair value generated in the acquisition of an entity with a functional currency other than the euro are considered assets and liabilities of that entity, and they are converted at the exchange rate at close.

8. PROFITS TAXES

The income tax expense of the financial year is calculated by totalling the current tax that results from applying the tax rate to the tax base of the financial year after applying the deductions that are fiscally permitted, plus the variation of the assets and liabilities due to deferred taxes.

Assets and liabilities due to deferred taxes include the temporary differences that are identified as those amounts expected to be payable or recoverable due to the differences between the book values of assets and liabilities and their tax value, as well as negative tax bases that are pending offset and credits through tax allowances that are not fiscally applied. These amounts are recorded by applying the tax rate to the temporary difference or credit at which they are expected to be recovered or settled.

Liabilities due to deferred taxes are recognised due to all attributable, temporary differences, except if they arise from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination and that did not affect either the accounting result or the tax base of the tax.

In turn, assets due to deferred taxes are only recognised in the event that it is deemed likely that the Company, in the future, will have sufficient tax income advantages against which to make them effective, and they do not come from the initial recognition of an asset or liability in a transaction that is not a business combination and that did not affect either the accounting result or the tax base of the tax.

On occasion of the accounting close, recognised deferred tax assets and those that were not previously recognised are reviewed in order to check that the recovery thereof is likely, therefore making the appropriate corrections to the same according to the result of the analyses that are conducted.

9. INCOME AND EXPENSES

Income and expenses are attributed according to the accrual basis. Income is calculated at the fair value of the consideration received or to be received, and it represents the amounts that are charged or to be charged for goods that are delivered and services that are provided within the ordinary framework of business activity, after deducting any type of discount and taxes.

Sales of goods are recognised when all the significant risks and benefits inherent in ownership of the goods have been transferred. Income associated with the provision of services is recognised based on the degree to which the services have been provided on the balance sheet date, as long as the result of the transaction can be reliably estimated. Interest income is reported following a time financial criterion according to the principle pending collection and the applicable effective interest rate.

10. PROVISIONS AND CONTINGENCIES

The Company's annual financial statements record all the significant provisions with respect to which it is estimated that there is the likelihood that an obligation will have to be taken care of. Contingent liabilities are not recognised in the annual financial statements, rather they are included in the annual report, if they exist.

Provisions are only recognised based on present or past events that generate future obligations. They are quantified considering the best available information about the consequences of the event from which they are originated, and they are re-estimated on the occasion of each accounting close. They are used to cover the specific obligations for which they were originally recognised. They are completely or partially reversed when the obligations cease to exist or decrease.

11. PERSONNEL EXPENSES

Personnel expenses include all remuneration and mandatory or voluntary social security obligations reported at any given time, therefore recognising the obligations for bonuses, holidays or variable remuneration and the associated expenses thereof.

12. BUSINESS COMBINATIONS

The company did not conduct any operations of this nature during the financial year.

13. JOINT VENTURES

There is no economic activity controlled jointly with another natural or legal person.

14. CRITERIA USED IN RELATED-PARTY TRANSACTIONS

Commercial or financial operations with related parties are conducted at market price. No profit or loss is recognised in internal operations.



NOTE 5 - TANGIBLE FIXED ASSETS

**MOVEMENT OF TANGIBLE FIXED ASSET ITEMS DURING THE YEAR
FINANCIAL YEAR ENDED AT 31/03/2018**

FIXED ASSETS	BALANCE AT 31/03/2017	ADDITIONS						DISPOSALS, WRITE-OFFS OR REDUCTIONS			TRANSFERS		VALUE CORRECTIONS DUE TO REAPPRAISAL	BALANCE AT 31/03/2018
		BUSINESS COMBINAT.	NON-MONETARY CONTRIB.	EXPANSIONS AND IMPROVEMENTS	ALL OTHER ENTRIES	WRITE-OFFS OR REDUCTIONS	TO/ FROM NCAHS OR INTERRUPT. OPS.	TO/ FROM OTHER ITEMS						
LAND AND BUILDINGS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TECHNICAL FACILITIES	31,235.08	0.00	0.00	0.00	8,375.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	39,610.59	
OTHER FACILITIES	95,858.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	95,858.36	
FURNITURE	469.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	469.65	
VEHICLES	43,214.26	0.00	0.00	0.00	57,657.56	-10,203.98	0.00	0.00	0.00	0.00	0.00	0.00	90,667.84	
OTHER TANGIBLE FIXED ASSETS	36,591.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	36,591.21	
TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS	207,368.56	0.00	0.00	0.00	66,033.07	-10,203.98	0.00	0.00	0.00	0.00	0.00	0.00	263,197.65	
TOTAL FIXED ASSETS IN PROGRESS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TOTAL	207,368.56	0.00	0.00	0.00	66,033.07	-10,203.98	0.00	0.00	0.00	0.00	0.00	0.00	263,197.65	

FIXED ASSETS	BALANCE AT 31/03/2017	DEPRECIATION CHARGES			REDUCTIONS	VALUE CORRECTIONS DUE TO REAPPRAISAL		BALANCE AT 31/03/2018	NET FIXED ASSETS (FIX. ASST.-DEPREC.)
		DEPRECIATION CHARGES	INCREASES	REDUCTIONS		VALUE CORRECTIONS DUE TO REAPPRAISAL			
LAND AND BUILDINGS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TECHNICAL FACILITIES	23,957.57	3,371.80	0.00	0.00	0.00	0.00	27,329.37	12,281.22	
OTHER FACILITIES	89,433.61	0.00	0.00	0.00	0.00	0.00	89,433.61	6,424.75	
FURNITURE	0.00	0.00	0.00	0.00	0.00	0.00	0.00	469.65	
VEHICLES	-115.58	19,277.18	0.00	-3,652.90	0.00	0.00	15,508.70	75,159.14	
OTHER TANGIBLE FIXED ASSETS	31,141.56	1,939.93	0.00	0.00	0.00	0.00	33,081.49	3,509.72	
TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS	144,417.16	24,588.91	0.00	-3,652.90	0.00	0.00	165,353.17	97,844.48	
TOTAL FIXED ASSETS IN PROGRESS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
TOTAL	144,417.16	24,588.91	0.00	-3,652.90	0.00	0.00	165,353.17	97,844.48	



FIXED ASSETS	NET FIXED ASSETS (FIX. ASST.-DEPREC.)	VALUE CORRECTIONS DUE TO IMPAIRMENT					NET FIXED ASSETS
		BALANCE AT 31/03/2017	CORRECT. RECOGNISED DURING YEAR	REVERSAL OF CORRECTIONS	REDUCTIONS	BALANCE AT 31/03/2018	
LAND AND BUILDINGS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECHNICAL FACILITIES	12,281.22	0.00	0.00	0.00	0.00	0.00	12,281.22
OTHER FACILITIES	6,424.75	0.00	0.00	0.00	0.00	0.00	6,424.75
FURNITURE	469.65	0.00	0.00	0.00	0.00	0.00	469.65
VEHICLES	75,158.86	0.00	0.00	0.00	0.00	0.00	75,158.86
OTHER TANGIBLE FIXED ASSETS	3,509.72	0.00	0.00	0.00	0.00	0.00	3,509.72
TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS	97,844.20	0.00	0.00	0.00	0.00	0.00	97,844.20
TOTAL FIXED ASSETS IN PROGRESS	0.00						0.00
TOTAL	97,844.20	0.00	0.00	0.00	0.00	0.00	97,844.48

FINANCIAL YEAR ENDED AT 31/03/2017

FIXED ASSETS	BALANCE AT 31/Mar./2016	ADDITIONS					FIXED ASSETS			BALANCE AT 31/03/2017	
		BUSINESS COMBINAT.	NON-MONETARY CONTRIB.	EXPANSIONS AND IMPROVEMENTS	ALL OTHER ENTRIES	DISPOSALS, WRITE-OFFS OR REDUCTIONS	TRANSFERS TO/FROM NCAHS OR INTERRUPT. OPS.	TO/FROM OTHER ITEMS	VALUE CORRECTIONS DUE TO REAPPRAISAL		
LAND AND BUILDINGS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECHNICAL FACILITIES	28,925.80	0.00	0.00	0.00	2,309.28	0.00	0.00	0.00	0.00	0.00	31,235.08
OTHER FACILITIES	95,858.36	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	95,858.36
FURNITURE	469.65	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	469.65
VEHICLES	44,367.06	0.00	0.00	0.00	0.00	-1,152.80	0.00	0.00	0.00	0.00	43,214.26
OTHER TANGIBLE FIXED ASSETS	36,591.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	36,591.21
TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS	209,172.08	0.00	0.00	0.00	2,309.28	-1,152.80	0.00	0.00	0.00	0.00	207,255.56
TOTAL FIXED ASSETS IN PROGRESS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	206,212.08	0.00	0.00	0.00	2,309.28	-1,152.80	0.00	0.00	0.00	0.00	207,368.56



FIXED ASSETS	DEPRECIATION							NET FIXED ASSETS (FIX. ASST.-DEPREC.)
	BALANCE AT 31/Mar./2016	DEPRECIATION CHARGES	INCREASES	REDUCTIONS	VALUE CORRECTIONS DUE TO REAPPRAISAL	BALANCE AT 31/03/2017	NET FIXED ASSETS (FIX. ASST.-DEPREC.)	
LAND AND BUILDINGS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECHNICAL FACILITIES	21,028.19	2,929.38	0.00	0.00	0.00	23,957.57	7,277.51	7,277.51
OTHER FACILITIES	68,565.14	20,868.47	0.00	0.00	0.00	89,433.61	6,424.75	6,424.75
FURNITURE	0.00	0.00	0.00	0.00	0.00	0.00	469.65	469.65
VEHICLES	0.00	0.00	0.00	-115.58	0.00	-115.58	43,329.84	43,329.84
OTHER TANGIBLE FIXED ASSETS	29,201.63	1,939.93	0.00	0.00	0.00	31,141.56	5,449.65	5,449.65
TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS	118,794.96	25,737.78	0.00	-115.58	0.00	144,417.16	62,951.40	62,951.40
TOTAL FIXED ASSETS IN PROGRESS							0.00	0.00
TOTAL	118,794.96	25,737.78	0.00	-115.58	0.00	144,417.16	62,951.40	62,951.40

FIXED ASSETS	VALUE CORRECTIONS DUE TO IMPAIRMENT					NET FIXED ASSETS (FIX. ASST.-DEPREC.)	
	BALANCE AT 31/Mar./2016	CORRECT. RECOGNISED DURING YEAR	REVERSAL OF CORRECTIONS	REDUCTIONS	BALANCE AT 31/03/2017		NET FIXED ASSETS
LAND AND BUILDINGS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECHNICAL FACILITIES	7,277.51	0.00	0.00	0.00	0.00	7,277.51	7,277.51
OTHER FACILITIES	6,424.75	0.00	0.00	0.00	0.00	6,424.75	6,424.75
FURNITURE	469.65	0.00	0.00	0.00	0.00	469.65	469.65
VEHICLES	43,329.84	0.00	0.00	0.00	0.00	43,329.84	43,329.84
OTHER TANGIBLE FIXED ASSETS	5,449.65	0.00	0.00	0.00	0.00	5,449.65	5,449.65
TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS	62,951.40	0.00	0.00	0.00	0.00	62,951.40	62,951.40
TOTAL FIXED ASSETS IN PROGRESS	0.00					0.00	0.00
TOTAL	62,951.40	0.00	0.00	0.00	0.00	62,951.40	62,951.40



OTHER INFORMATION

	FINANCIAL YEAR ENDED AT 31/03/2018			FINANCIAL YEAR ENDED AT 31/03/2017		
	CARRYING VALUE	CUMULATIVE DEPREC.	VALUE CORREC. DUE TO IMPAIRMENT	CARRYING VALUE	CUMULATIVE DEPREC.	VALUE CORREC. DUE TO IMPAIRMENT
INTANGIBLE FIXED ASSETS ACQUIRED FROM GROUP COMPANIES (TOTAL)	0.00	0.00	0.00	0.00	0.00	0.00
INTANGIBLE FIXED ASSETS ACQUIRED FROM ASSOCIATED COMPANIES (TOTAL)	0.00	0.00	0.00	0.00	0.00	0.00
INVESTMENTS IN INTANGIBLE FIXED ASSETS OUTSIDE SPANISH TERRITORY (TOTAL)	0.00	0.00	0.00	0.00	0.00	0.00
INTANGIBLE FIXED ASSETS NOT DIRECTLY RELATED TO OPERATIONS (TOTAL)	0.00	0.00	0.00	0.00	0.00	0.00
ESTIMATED COSTS OF DISMANTLING, REMOVAL OR RENOVATION, INCLUDED AS THE GREATER VALUE OF THE ASSETS						
FINANCIAL EXPENSES CAPITALISED DURING THE YEAR						
COMPENSATION FROM THIRD PARTIES, INCLUDED IN PROFIT/LOSS OF THE YEAR DUE TO IMPAIRED, LOST OR REMOVED ITEMS						
AMOUNT OF COMPLETELY DEPRECIATED ASSETS IN USE						
ASSETS SUBJECT TO GUARANTEES						
ASSETS SUBJECT TO REVERSAL						
AMOUNT OF RESTRICTIONS TO OWNERSHIP						
GRANTS, DONATIONS AND BEQUESTS RECEIVED AND RELATED TO INTANG. FIXED ASSETS						
REAL PROPERTY						
PROFIT/LOSS FOR THE YEAR DERIVED FROM DISPOSAL OR SALE OF TANG. FIXED ASST. ITEMS BY OTHER MEANS						

	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017
BUILDINGS	0.00	0.00
ALL OTHER TANG. FIXED ASSETS	99,509.26	56,149.73
	0.00	0.00
	0.00	0.00
	0.00	0.00
AMOUNT OF THE GRANT	0.00	0.00
AMOUNT OF THE ASSETS	0.00	0.00
VALUE OF THE BUILDING	0.00	0.00
VALUE OF THE LAND	0.00	0.00
	6,299.59	1,677.71



NOTE 6 - INTANGIBLE FIXED ASSETS

MOVEMENT OF INTANGIBLE FIXED ASSET ITEMS DURING THE YEAR

FINANCIAL YEAR ENDED AT 31/03/2018

FIXED ASSETS	FIXED ASSETS										NET FIXED ASSETS (FIX. ASST.-DEPREC.)	
	BALANCE AT 31/03/2017	BUSINESS COMBINAT.	NON-MONETARY CONTRIB.	EXPANSIONS AND IMPROVEMENTS	ALL OTHER ENTRIES	DISPOSALS, WRITE-OFFS OR REDUCTIONS	TRANSFERS TO/FROM OR INTERRUPT. OPS.	TO/FROM OTHER ITEMS	BALANCE AT 31/03/2018			
INDUSTRIAL PROPERTY	0.00	0.00	0.00	0.00	18,500.00	0.00	0.00	0.00	0.00	0.00	18,500.00	
COMPUTER APPLICATIONS	50,116.24	0.00	0.00	0.00	58,965.00	0.00	0.00	0.00	0.00	0.00	109,081.24	
TOTAL	50,116.24	0.00	0.00	0.00	77,465.00	0.00	0.00	0.00	0.00	0.00	127,581.24	
												NET FIXED ASSETS (FIX. ASST.-DEPREC.)
FIXED ASSETS	BALANCE AT 31/03/2017	DEPRECIATION CHARGES	INCREASES	REDUCTIONS	BALANCE AT 31/03/2018							
INDUSTRIAL PROPERTY	0.00	2,897.26	0.00	0.00	2,897.26							
COMPUTER APPLICATIONS	36,286.85	15,486.17	0.00	0.00	51,773.02							
TOTAL	36,286.85	18,383.43	0.00	0.00	54,670.28							
												NET FIXED ASSETS (FIX. ASST.-DEPREC.)
FIXED ASSETS	NET FIXED ASSETS (FIX. ASST.-DEPREC.)	BALANCE AT 31/03/2017	CORRECT. RECOGNISED DURING YEAR	REVERSAL OF CORRECTIONS	REDUCTIONS	BALANCE AT 31/03/2018						
INDUSTRIAL PROPERTY	15,602.74	0.00	0.00	0.00	0.00	0.00						
COMPUTER APPLICATIONS	57,308.22	0.00	0.00	0.00	0.00	0.00						
TOTAL	72,910.96	0.00	0.00	0.00	0.00	0.00						



FINANCIAL YEAR ENDED AT 31/03/2017

FIXED ASSETS	FIXED ASSETS								BALANCE AT 31/03/2017
	BALANCE AT 31/Mar./2016	ADDITIONS			DISPOSALS, WRITE-OFFS OR REDUCTIONS		TRANSFERS		
		BUSINESS COMBINAT.	NON-MONETARY CONTRIB.	EXPANSIONS AND IMPROVEMENTS	ALL OTHER ENTRIES		TO/FROM NCAHS OR INTERRUPT. OPS.	TO/FROM OTHER ITEMS	
COMPUTER APPLICATIONS	50,116.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50,116.24
TOTAL	50,116.24	0.00	0.00	0.00	0.00	0.00	0.00	0.00	50,116.24

FIXED ASSETS	DEPRECIATION				NET FIXED ASSETS (FIX. ASST.- DEPREC.)
	BALANCE AT 31/Mar./2016	DEPRECIATION CHARGES	INCREASES	REDUCTIONS	
COMPUTER APPLICATIONS	28,060.81	8,226.04	0.00	0.00	13,829.39
TOTAL	28,060.81	8,226.04	0.00	0.00	13,829.39

FIXED ASSETS	VALUE CORRECTIONS DUE TO IMPAIRMENT				NET FIXED ASSETS (FIX. ASST.- DEPREC.)
	BALANCE AT 31/Mar./2016	CORRECT. RECOGNISED DURING YEAR	REVERSAL OF CORRECTIONS	REDUCTIONS	
COMPUTER APPLICATIONS	0.00	0.00	0.00	0.00	13,829.39
TOTAL	0.00	0.00	0.00	0.00	13,829.39



OTHER INFORMATION

	FINANCIAL YEAR ENDED AT 31/03/2018		FINANCIAL YEAR ENDED AT 31/03/2017			
	CARRYING VALUE	CUMULATIVE DEPREC.	VALUE CORREC. DUE TO IMPAIRMENT	CARRYING VALUE	CUMULATIVE DEPREC.	VALUE CORREC. DUE TO IMPAIRMENT
INTANGIBLE FIXED ASSETS ACQUIRED FROM GROUP COMPANIES (TOTAL)	0.00	0.00	0.00	0.00	0.00	0.00
INTANGIBLE FIXED ASSETS ACQUIRED FROM ASSOCIATED COMPANIES (TOTAL)	0.00	0.00	0.00	0.00	0.00	0.00
INVESTMENTS IN INTANGIBLE FIXED ASSETS OUTSIDE SPANISH TERRITORY (TOTAL)	0.00	0.00	0.00	0.00	0.00	0.00
INTANGIBLE FIXED ASSETS NOT DIRECTLY RELATED TO OPERATIONS (TOTAL)	0.00	0.00	0.00	0.00	0.00	0.00

	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017
ASSETS SUBJECT TO GUARANTEES	0.00	0.00
ASSETS SUBJECT TO REVERSAL	0.00	0.00
AMOUNT OF RESTRICTIONS TO OWNERSHIP	0.00	0.00
FINANCIAL EXPENSES CAPITALISED DURING THE YEAR	0.00	0.00
AMOUNT OF COMPLETELY DEPRECIATED ASSETS IN USE	9,825.28	8,985.98
GRANTS, DONATIONS AND BEQUESTS RECEIVED AND RELATED TO INTANG. FIXED ASSETS	0.00	0.00
PROFIT/LOSS FOR THE YEAR DERIVED FROM DISPOSAL OR SALE OF INTANG. FIXED ASSET ITEMS BY OTHER MEANS	0.00	0.00
AGGREGATE AMOUNT OF DISBURSEMENTS FOR RESEARCH AND DEVELOPMENT RECOGNISED AS AN EXPENSE OF THE YEAR	0.00	0.00
AMOUNT OF ASSETS OTHER THAN GOODWILL WITH AN INDEFINITE USEFUL LIFE	0.00	0.00

AMOUNT OF THE GRANT
AMOUNT OF THE ASSETS

NOTE 7 - LEASES AND OTHER OPERATIONS OF A SIMILAR NATURE

OPERATIONAL LEASES

The total amount of future minimum collections from a lease, corresponding to non-cancellable operational leases, depending on the terms, and the amount of the contingent instalments recognised as income of the year, are the following:

	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017
Up to 1 year	38,988.00	38,988.00
Between 1 and 5 years	84,474.00	87,723.00
Over 5 years	0.00	0.00
Total	123,462.00	126,711.00

The total expenditure during the financial year ended at 31/03/2018 amounted to 48,634.42 euros (49,273.21 euros in the financial year ended at 31/03/2017).

The Company's most significant operating lease agreement at the end of the financial year is basically the rental of the office it occupies in Barcelona.

The other lease contracts correspond to the lease of vehicles.



NOTE 8 - FINANCIAL INSTRUMENTS

1. INFORMATION ABOUT THE RELEVANCE OF FINANCIAL INSTRUMENTS IN THE FINANCIAL SITUATION AND PROFIT/LOSS OF THE COMPANY

a) Categories of financial assets and liabilities:

- Long-term financial assets:

CATEGORY	CLASSES OF LONG-TERM FINANCIAL ASSETS									
	EQUITY INSTRUMENTS (except equity holdings of group, multi-group and associated companies)		SECURITIES REPRESENTING DEBT		CREDITS, DERIVATIVES AND OTHERS			TOTAL		
	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017
ASSETS AT FV WITH CHANGES TO P&L	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Held for trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investments held to maturity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans and receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets available for sale	0.00	0.00	0.00	0.00	49,686.60	51,936.39	49,686.60	51,936.39	49,686.60	51,936.39
Valued at fair value	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Valued at cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hedging derivatives	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00	49,686.60	51,936.39	49,686.60	51,936.39	49,686.60	51,936.39



- Short-term financial assets:

CATEGORY	CLASSES OF SHORT-TERM FINANCIAL ASSETS									
	EQUITY INSTRUMENTS (except equity holdings of group, multi-group and associated companies)		SECURITIES REPRESENTING DEBT		TRADE DEBTORS AND OTHER ACCOUNTS RECEIVABLE		CREDITS, DERIVATIVES AND OTHERS		TOTAL	
	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017
ASSETS AT FV WITH CHANGES TO P&L										
Held for trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Investments held to maturity	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Loans and receivables	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Assets available for sale	0.00	0.00	11,036,435.64	0.00	9,097,355.43	0.00	0.00	0.00	11,036,435.64	9,097,355.43
Valued at fair value	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Valued at cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hedging derivatives	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	11,036,435.64	0.00	9,097,355.43	0.00	0.00	0.00	11,036,435.64	9,097,355.43

- Long-term financial liabilities:

CATEGORY	CLASSES OF LONG-TERM FINANCIAL LIABILITIES									
	DEBTS WITH CREDIT INSTITUTIONS		DEBENTURES AND OTHER MARKETABLE SECURITIES		TRADE DEBTORS AND OTHER ACCOUNTS RECEIVABLE		CREDITS, DERIVATIVES AND OTHERS		TOTAL	
	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017
DEBTS AND PAYABLES										
Liabilities at FV with changes to P&L	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Held for trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Hedging derivatives	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

- Short-term financial liabilities:

CATEGORY	CLASSES OF SHORT-TERM FINANCIAL LIABILITIES												TOTAL	
	DEBTS WITH CREDIT INSTITUTIONS		DEBENTURES AND OTHER MARKETABLE SECURITIES		TRADE CREDITORS AND OTHER ACCOUNTS PAYABLE		DERIVATIVES AND OTHERS		TOTAL					
	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017		
DEBTS AND PAYABLES	0.00	0.00	0.00	0.00	3,039,923.88	1,067,266.00	10,761,808.75	12,028,964.49	13,801,732.63	13,096,230.49				
LIABILITIES AT FV WITH CHANGES TO P&L														
Held for trading	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Others	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
Hedging derivatives	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
TOTAL	0.00	0.00	0.00	0.00	3,039,923.88	1,067,266.00	10,761,808.75	12,028,964.49	13,801,732.63	13,096,230.49				

Balances with Public Administrations are not included in the following tables.

There are no significant differences between the book value and the fair value of the financial liabilities.

b) Classification by maturity:

- Financial instruments - assets:

	MATURITY IN YEARS						TOTAL
	1	2	3	4	5	OVER 5	
INVESTMENTS IN GROUP AND ASSOCIATED COMPANIES							
LOANS TO COMPANIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SECURITIES REPRESENTING DEBT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DERIVATIVES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER FINANCIAL ASSETS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER INVESTMENTS	0.00	0.00	49,686.60	0.00	0.00	0.00	49,686.60
FINANCIAL INVESTMENTS							
LOANS TO COMPANIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
SECURITIES REPRESENTING DEBT	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DERIVATIVES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER FINANCIAL ASSETS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER INVESTMENTS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NON-CURRENT TRADE PAYABLES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ADVANCES TO SUPPLIERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TRADE DEBTORS AND OTHER ACCOUNTS RECEIVABLE							
CLIENTS FROM SALES AND PROVISION OF SERVICES	8,340,614.96	0.00	0.00	0.00	0.00	0.00	8,340,614.96
CUSTOMERS, GROUP AND ASSOCIATED COMPANIES	2,695,820.68	0.00	0.00	0.00	0.00	0.00	2,695,820.68
SUNDRY DEBTORS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
PERSONNEL	4,500.00	0.00	0.00	0.00	0.00	0.00	4,500.00
SHAREHOLDERS (PARTNERS) FOR PAYMENTS REQUIRED	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	11,040,935.64	0.00	49,686.60	0.00	0.00	0.00	11,090,622.24

- Financial instruments - liabilities:

	MATURITY IN YEARS						TOTAL
	1	2	3	4	5	OVER 5	
DEBTS							
DEBENTURES AND OTHER MARKETABLE SECURITIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEBTS WITH CREDIT INSTITUTIONS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
LEASING CREDITORS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DERIVATIVES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
OTHER FINANCIAL LIABILITIES	10,761,808.75	0.00	0.00	0.00	0.00	0.00	10,761,808.75
DEBTS WITH GROUP AND ASSOCIATED COMPANIES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
NON-CURRENT TRADE CREDITORS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TRADE CREDITORS AND OTHER ACCOUNTS PAYABLE							
SUPPLIERS	599.90	0.00	0.00	0.00	0.00	0.00	599.90
SUPPLIERS, GROUP AND ASSOCIATED COMPANIES	2,847,118.51	0.00	0.00	0.00	0.00	0.00	2,847,118.51
SUNDRY CREDITORS	122,169.98	0.00	0.00	0.00	0.00	0.00	122,169.98
PERSONNEL	70,035.49	0.00	0.00	0.00	0.00	0.00	70,035.49
CUSTOMER ADVANCES	0.00	0.00	0.00	0.00	0.00	0.00	0.00
DEBT WITH SPECIAL CHARACTERISTICS	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	13,801,732.63	0.00	0.00	0.00	0.00	0.00	13,801,732.63

c) Corrections due to impairment caused by the credit risk:

	CLASSES OF FINANCIAL ASSETS					
	SECURITIES REPRESENTING DEBT		CREDITS, DERIVATIVES AND OTHERS		TOTAL	
	LONG TERM	SHORT TERM	LONG TERM	SHORT TERM	LONG TERM	SHORT TERM
LOSSES FOR IMPAIRMENT AT 31/03/2016	0.00	0.00	0.00	275,151.05	0.00	275,151.05
+ VALUE CORRECTION DUE TO IMPAIRMENT	0.00	0.00	0.00	-2,865.07	0.00	-2,865.07
- REVERSAL OF IMPAIRMENT	0.00	0.00	0.00	-91,607.57	0.00	-91,607.57
- DISPOSALS AND REDUCTIONS	0.00	0.00	0.00	0.00	0.00	0.00
+/- TRANSFERS AND OTHER VARIATIONS	0.00	0.00	0.00	0.00	0.00	0.00
LOSSES FOR IMPAIRMENT AT 31/03/2017	0.00	0.00	0.00	180,678.41	0.00	180,678.41
+ VALUE CORRECTION DUE TO IMPAIRMENT	0.00	0.00	0.00	0.00	0.00	0.00
- REVERSAL OF IMPAIRMENT	0.00	0.00	0.00	-40,479.80	0.00	-40,479.80
- DISPOSALS AND REDUCTIONS	0.00	0.00	0.00	0.00	0.00	0.00
+/- TRANSFERS AND OTHER VARIATIONS	0.00	0.00	0.00	0.00	0.00	0.00
LOSSES FOR IMPAIRMENT AT 31/03/2018	0.00	0.00	0.00	140,198.61	0.00	140,198.61

d) Information related to the profit and loss statement:

- **Liabilities for the financial year ending on 31/03/2018:**

CATEGORY	LOSSES	PROFITS	PROFIT OR LOSS ON NET ASSETS	INTEREST ON DEBT	FIN. EXP. BY APPLIC. OF EIR
DEBTS AND PAYABLES	0.00	0.00	0.00	0.00	0.00
LIABILITIES AT FV WITH CHANGES TO P&L					
HELD FOR TRADING	0.00	0.00	0.00	0.00	
OTHERS	0.00	0.00	0.00	0.00	
HEDGING DERIVATIVES	0.00	0.00	0.00	0.00	
TOTAL	0.00	0.00	0.00	0.00	0.00

- **Liabilities for the financial year ending on 31/03/2017:**

CATEGORY	LOSSES	PROFITS	PROFIT OR LOSS ON NET ASSETS	INTEREST ON DEBT	FIN. EXP. BY APPLIC. OF EIR
DEBTS AND PAYABLES	0.00	0.00	0.00	62,135.44	0.00
LIABILITIES AT FV WITH CHANGES TO P&L					
HELD FOR TRADING	0.00	0.00	0.00	0.00	
OTHERS	0.00	0.00	0.00	0.00	
HEDGING DERIVATIVES	0.00	0.00	0.00	0.00	
TOTAL	0.00	0.00	0.00	62,135.44	0.00

e) Group, multi-group and associated companies:

Information about companies of the group:

On 28 December 2005, 14 July 2006 and 9 October 2009, Ranbaxy Netherlands, BV, the Company's Sole shareholder, extended participative loans of 350,000, 5,500,000 and 3,000,000 euros, respectively, with maturity extended until 31 December 2013, 15 July 2013 and 31 December 2013, respectively. The fixed remuneration was a fixed interest rate of 2.5% plus a percentage of 0.06% on Company sales in relation to the loan of 350,000 euros, a fixed interest rate of 2.5% plus a percentage of 0.6% on sales in relation to the loan of 5,500,000 euros and a fixed interest rate of 2.5% plus a percentage of 0.33% on sales in relation to the loan of 3,000,000 euros.

On 18 October 2011, the Company made a partial repayment of 1,000,000 euros in relation to the participative loan of 5,500,000 euros. Subsequently, on 28 October 2011 the agreement dated 7 October 2011 came into force, whereby Ranbaxy Netherlands, BV agreed to allocate 3,350,000 euros corresponding to its loan of 14 July 2006 to offset losses from prior years.

On 31 December 2012, the agreement whereby Ranbaxy Netherlands, BV agreed to allocate the full amount of the 3,000,000-euro loan to making a shareholders' contribution (see note 8.2) came into force.

On 13 February 2014, a new participative loan was received, amounting to 2,000,000 euros and maturing on 12 February 2017. This loan accrues interest at a fixed rate of 2.5%, plus a spread of 0.25% on sales.

On 30 May 2014, the Sole shareholder agreed to allocate the participative loans amounting to 1,500,000 euros to making a shareholders' contribution (see note 8.2).



As a result, the participative loans included in the balance sheet as of 31 March 2016 amount to 2,000,000 euros. In February 2017 this loan was cancelled in full and so the balance at 31 March 2017 was 0.00 euros.

At 31 March 2017 and 31 March 2018, there was no accrued interest to be paid to the group due to the cancellation of the participative loan in February 2017.

f) Information about the nature and level of risk coming from financial instruments:

Financial risks are managed by the Finance Department, which has the mechanisms required to control exposure to changes in interest rates and exchange rates, as well as credit and liquidity risks. The main financial risks that have an impact on the Company are shown below:

- Credit risk:

In general, the Company keeps its cash and cash equivalents at banks with a high credit rating.

The Company has not taken out any insurance policies to cover the risk of bad debts. The Company's credit policy is based on the characteristics of each customer, and a range is therefore established for the purposes of setting the credit limit.

There is no significant concentration of credit risk with third parties.

- Liquidity risk:

To guarantee liquidity and deal with all the payment commitments as a result of the Company's activity, it has the cash balance shown on the balance sheet, as well as the funding received from its Sole shareholder, which is detailed in Note 8.1. e). It likewise has the financial support of the Group.

- Interest rate risk:

The Company has settled the participative loans with its Sole shareholder for an overall amount of 2,000,000 euros in 2017, with fixed interest rates plus a spread pegged to the Company's sales (see note 8.1 e)).

- Exchange rate risk:

The company has not made any hedges for the risk of fluctuations of exchange rates.

g) Other information:

There are no debts with tangible security.

There are no assets or rights located abroad.

The Company has liquid funds at the financial year close date amounting to 2,830 thousand euros (5,722 thousand euros at 31 March 2017).



2. OWN FUNDS

Following the share capital increase carried out on 31 December 2008, the registered share capital amounted to 5,000,000 euros at 31 March 2014, represented by 500,000 equity units a face value of 10 euros each, all of the same class, fully subscribed and paid up, and conferring the same rights to the holders thereof.

After the capital decrease of 30 May 2014, the deeded capital amounts to 1,000,000 euros, represented by 500,000 equity units, each with face value of 2 euros.

At 31 March 2018 and 31 March 2017, all the share capital belongs to Ranbaxy Netherlands, B.V.

For the purposes of the provisions set forth in Article 274 of the Capital Companies Act, it must be kept in mind that the participative loans described in note 8.1 are counted as equity assets for the purposes of determining whether an asset imbalance exists. Therefore, the Company did not present an asset imbalance at either 31 March 2018 or at 31 March 2017.

On 7 October 2011, the Sole shareholder Ranbaxy Netherlands, BV agreed to earmark €3,350,000 of the participative loan extended on 14 July 2006 to offset losses from prior years. On 31 December 2012, the Sole shareholder agreed to allocate the participative loan signed on 9 October 2009 in the amount of 3,000,000 euros to shareholder's contributions.

On 30 May 2014, the Sole shareholder agreed to allocate the outstanding participative loans amounting to 1,500,000 euros as shareholders' contributions in order to increase the Company's own funds.

There are no payments pending.

At the close date of the financial year, there is no capital expansion in progress.

In accordance with the Recast Text of the Capital Companies Act, a sum equal to 10% of the year's profits must be allocated to the legal reserve until it reaches at least 20% of the share capital.

The legal reserve may only be used to increase capital by the part of the balance that exceeds 10% of the capital already increased. Barring the aforementioned purpose and whilst the reserve does not exceed 20% of the share capital, the reserve may only be available to offset losses and only as long as there are no other available reserves that are sufficient for this purpose.

There are no obstacles to the availability of reserves other than those derived from the legal scheme.

Considering the negative results of the Company over the last 5 years, no dividends have been distributed.

NOTE 9 - INVENTORY

Value corrections due to impairment

	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017
Amount at the beginning of the financial year	700,631.85	512,492.63
Amount at the end of the financial year	898,952.40	700,631.85

As a consequence of the change in business model (see note 1), a significant part of the products in stock will not be marketed, given that the internal sales network has been eliminated, thereby leading

to the complete impairment of those products (these products must be sold by the sales force, and we therefore estimate that it will not be possible to market them). All expired products are also impaired completely (or partially to the extent that the expiry date approaches), in addition to those that belong to an auction that has been transferred to another laboratory.

During financial year 2017-2018 medicines were destroyed in the amount of 204,376.54 euros (164,703.00 euros during the previous year).

NOTE 10 - FOREIGN CURRENCY

Assets and liabilities denominated in foreign currency

- Assets:

There are no assets in foreign currency.

- Liabilities:

There are no assets in foreign currency.

Purchase, sales and services received and rendered

	FINANCIAL YEAR ENDED AT 31/03/2018			FINANCIAL YEAR ENDED AT 31/03/2017		
	TOTAL	CLASSIFICATION BY CURRENCIES (euros)		TOTAL	CLASSIFICATION BY CURRENCIES (euros)	
		DOLLARS	POUNDS		DOLLARS	POUNDS
Purchases	0.00	0.00	0.00	0.00	0.00	0.00
Sales	0.00	0.00	0.00	0.00	0.00	0.00
Services received	7,643.23	7,643.23	0.00	11,445.83	9,066.43	2,379.40
Services rendered	0.00	0.00	0.00	0.00	0.00	0.00

Exchange rate differences recognised in the profit/loss of the financial year

	FINANCIAL YEAR ENDED AT 31/03/2018		FINANCIAL YEAR ENDED AT 31/03/2017	
	SETTLED	OPENING OR PENDING	SETTLED	OPENING OR PENDING
D) CURRENT LIABILITY	576.41	0.00	-718.78	0.00
4. Trade creditors and other accounts payable	576.41	0.00	-718.78	0.00

NOTE 11 - TAX SITUATION

1. PROFITS TAX

Reconciliation between the net amount of income and expenses of the financial year and the tax base

	PROFIT AND LOSS STATEMENT			INCOME AND EXPENSES DIRECTLY ATTRIBUTED TO THE BUS. PLAN		
	INCREASES	REDUCTIONS	NET EFFECT	INCREASES	REDUCTIONS	NET EFFECT
Balance of income and expenses of the year			828,679.39			0.00
Corporate income tax	0.00	0.00	0.00	0.00	0.00	0.00
Permanent differences	0.00	0.00	0.00	0.00	0.00	0.00
Temporary differences coming from the financial year	0.00	0.00	0.00	0.00	0.00	0.00
Temporary differences coming from previous financial years	0.00	0.00	0.00	0.00	0.00	0.00
Offsetting of negative tax bases from previous financial years			-828,679.39			0.00
Tax base (tax result)			0.00			0.00

Reconciliation between expense and income due to income taxes and the result of multiplying the applicable tax rates to the total of recognised income and expenses

	EUROS
ACCOUNTING RESULT BEFORE TAXES x t	207,169.85
PERMANENT DIFFERENCES	
+ Positive permanent difference x t	0.00
- Negative permanent difference x t	0.00
TEMPORARY DIFFERENCES TREATED AS PERMANENT	
+ Increases	0.00
- Reductions	0.00
DEDUCTIONS APPLIED FOR ACCOUNTING EFFECTS	0.00
INCOME DUE TO ACTIVATED NEGATIVE EARNINGS	
+ Amount of the value of the negative accounting result x t	0.00
INCOME FROM OFFSETTING NEGATIVE TAX BASES IN PREVIOUS YEARS NOT ACTIVATED	
+ Amount of offset Negative Tax Base x t	-207,169.85
CORPORATE INCOME TAX (EXPENSE/INCOME)	0.00

The negative tax bases pending offsetting, which the Company has not recognised as assets through deferred tax, are:

At 31 March 2018:

Year of origin	Euros	Final year
2008	1,064,911	not expired
2013	7,715,496	not expired

At 31 March 2017:

Year of origin	Euros	Final year
2008	2,001,188	not expired
2013	7,715,496	not expired

In accordance with legislation in force, the statements made for the various taxes cannot be considered definitive until after having been audited by the tax authorities or after the statute of limitation has expired.

At 31 December, the Company has all non-prescribed tax years open to inspection. However, in the opinion of the Company's Directors, in the event of an audit, it is not foreseeable that there would be differences that might significantly affect the annual financial statements.

NOTE 12 - INCOME AND EXPENSES

The breakdowns of the items, "Consumption of goods purchased for resale", "Consumption of raw materials and other consumables", "Social Security charges" and "Other profits/losses", are presented below, as well as the amount of the goods and the provision of services for the swap of non-monetary goods and services:

	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017
1. Consumption of goods purchased for resale	16,309,196.42	15,533,439.84
a) Purchases, net returns and any discount:	19,310,513.47	14,427,338.35
National	1,600,095.33	1,945,150.85
Intra-community acquisitions	17,710,418.14	12,482,187.50
Imports	0.00	0.00
b) Change in inventory	-3,001,317.05	1,106,101.49
2. Consumption of raw materials and other consumables	0.00	0.00
a) Purchases, net returns and any discount:	0.00	0.00
National	0.00	0.00
Intra-community acquisitions	0.00	0.00
Imports	0.00	0.00
b) Change in inventory	0.00	0.00
3. Social Security charges	185,374.39	174,490.94
a) Social Security paid by the Company	141,933.51	141,199.78
b) Contributions to and allocations for pensions	0.00	0.00
c) Other social security charges	43,440.88	33,291.16
4. Sale of goods and provision of services produced through the swap of non-monetary goods and services	0.00	0.00
5. Earnings originating outside the normal business activity of the company included in Other Profits/Losses	0.00	0.00
6. Expenses associated with restructuring:	0.00	0.00
a) Personnel expenses	0.00	0.00
b) Other operating expenses	0.00	0.00
c) Impairment and profit (loss) due to disposals of fixed assets	0.00	0.00
d) Other profits/losses associated with restructuring	0.00	0.00

NOTE 13 - PROVISIONS AND CONTINGENCIES

1. PROVISIONS

The movement of the Provisions items during the financial year has been the following:

	BALANCE AT 31/Mar./2017	Reversals	Allocations	BALANCE AT 31/Mar./2018
PROVISIONS FOR RETURNS	754,702.26	-2,028,228.07	1,367,795.43	94,269.62
PROVISION FOR ONEROUS CONTRACTS	32,163.00	-32,163.00	0.00	0.00
OTHER CONTRACTUAL COMMITMENTS	11,242,099.23	-39,415,244.90	38,840,684.80	10,667,539.13
	12,028,964.49	-41,475,635.97	40,208,480.23	10,761,808.75

The provision for returns was estimated by applying a percentage of 0.2% to direct sales to pharmacies and to sales made through wholesalers. This percentage corresponds to an estimate made by the Company based on the expected value of returns and using, as the reference, the maximum amount of returns in accordance with the provisions of Royal Decree 726/1982 of 17 March, which regulates the expiry and returns of pharmaceutical specialities to pharmaceutical laboratories.

The provision for onerous contracts corresponds to the amount due in the future for confirmed non-cancellable orders of products which, due to the change in business model (see note 1), will not be sold. Consequently it is estimated that their net realisable value will be zero.

Provisions for other contractual commitments correspond to price reductions (voluntary improvement) offered to the Andalusian Health Service (Servicio Andaluz de Salud - SAS) on sales made during the period, for settlement during the following year with certain contractual commitments acquired in relation to auctions of generic medicines in Andalusia. The reductions in auction sale prices are recorded as lower sales.

NOTE 14 - INFORMATION ABOUT THE ENVIRONMENT AND GREENHOUSE GAS EMISSION ALLOWANCES

Within its tangible fixed assets, the Company does not have any significant elements used to minimize environmental impact or to protect and improve the environment.

Costs incurred in the financial year ending on 31 March 2018 for protection and improvement of the environment amounted to 56,079.32 euros. Most of these costs involved the controlled destruction of expired product. In the previous year, this expenditure amounted to 58,060.21 euros.

No environmental investments were made during the financial years ending at 31/03/2018 and 31/03/2017.

NOTE 15 - EVENTS AFTER THE CLOSE

No events that might affect the annual financial statements closed at 31 March 2018 or the going concern basis have occurred after the close of the financial year.

NOTE 16 - OPERATIONS WITH RELATED PARTIES

The most significant information about operations with related parties conducted during the financial year is provided below.

a) The persons and/or companies with whom related operations were carried out are listed below:

- Parent company
- Other group companies

b) The nature of the relationship with the related parties is commercial.

c) The details of the operations and the quantification thereof, as well as the profits or losses that the operations have caused at the company, are the following:

FINANCIAL YEAR ENDED AT 31/03/2018

	PARENT COMPANY	OTHER GROUP COMPANIES
Sales of current assets	0.00	0.00
Sales of non-current assets	0.00	0.00
Purchases of current assets	0.00	-17,710,417.26
Purchases of non-current assets	0.00	0.00
Provision of services	0.00	0.00
Reception of services	0.00	-780,844.00
Income from interest charged	0.00	0.00
Income from interest accrued but not charged	0.00	0.00
Expenses due to interest paid	0.00	0.00
Expenses due to interest accrued but not paid	0.00	0.00

FINANCIAL YEAR ENDED AT 31/03/2017

	PARENT COMPANY	OTHER GROUP COMPANIES
Sales of current assets	0.00	0.00
Sales of non-current assets	0.00	0.00
Purchases of current assets	0.00	-11,863,872.00
Purchases of non-current assets	0.00	0.00
Provision of services	0.00	0.00
Reception of services	0.00	-826,276.00
Income from interest charged	0.00	0.00
Income from interest accrued but not charged	0.00	0.00
Expenses due to interest paid	-144,436.14	0.00
Expenses due to interest accrued but not paid	0.00	0.00



The amount of the pending balances of operations with related parties, as of the close date of the financial year, is the following:

FINANCIAL YEAR ENDED AT 31/03/2018

	PARENT COMPANY	OTHER GROUP COMPANIES
A) NON-CURRENT ASSETS	0.00	0.00
1. Long-term financial investments	0.00	0.00
B) CURRENT ASSETS	0.00	2,695,820.68
1. Trade debtors and other accounts receivable	0.00	2,695,820.68
b) Clients from sales and service provision at short term, of which:	0.00	2,695,820.68
2. Short-term financial investments	0.00	0.00

	PARENT COMPANY	OTHER GROUP COMPANIES
C) NON-CURRENT LIABILITIES	0.00	0.00
1. Long-term debts	0.00	0.00
2. Long-term debts of special characteristics	0.00	0.00
D) CURRENT LIABILITY	0.00	2,847,118.51
1. Short-term debts	0.00	0.00
e) Other financial liabilities	0.00	0.00
2. Short-term debts of special characteristics	0.00	0.00
3. Trade creditors and other accounts payable	0.00	2,847,118.51
b) Short-term suppliers	0.00	2,847,118.51

FINANCIAL YEAR ENDED AT 31/03/2017

	PARENT COMPANY	OTHER GROUP COMPANIES
A) NON-CURRENT ASSETS	0.00	0.00
1. Long-term financial investments	0.00	0.00
B) CURRENT ASSETS	0.00	843,959.00
1. Trade debtors and other accounts receivable	0.00	843,959.00
b) Clients from sales and service provision at short term, of which:	0.00	843,959.00
2. Short-term financial investments	0.00	0.00

	PARENT COMPANY	OTHER GROUP COMPANIES
C) NON-CURRENT LIABILITIES	0.00	0.00
1. Long-term debts	0.00	0.00
2. Long-term debts of special characteristics	0.00	0.00
D) CURRENT LIABILITY	0.00	1,037,653.00
1. Short-term debts	0.00	0.00
e) Other financial liabilities	0.00	0.00
2. Short-term debts of special characteristics	0.00	0.00
3. Trade creditors and other accounts payable	0.00	1,037,653.00
b) Short-term suppliers	0.00	1,037,653.00

The information pertaining to **senior management personnel** is the following:

	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017
1. Salaries, per diems and other remuneration	357,334.67	369,691.94

The Board of Directors is the governing, management and representative body of the company. The Board of Directors is therefore deemed to be the body that ultimately directs the company. In this regard, the Board of Directors has not received any amount under the concept of salaries, per diems or remuneration for the performance of its duties, nor have obligations been contracted regarding



pensions or the payment of life insurance regarding past or present members of the body. No compensation for dismissal has been satisfied to the Board of Directors, nor have any payments been made based on equity instruments. They also have not been granted any advances or credits.

The members of the Board of Directors, in compliance with Article 229.3 of Law 31/2014 of 3 December, which approves the amendment of the recast text of the Corporate Enterprises Act, have not reported any situation of direct or indirect conflict of interest with the company.

No agreements with the sole shareholder exist.

NOTE 17 - OTHER INFORMATION

The average number of employees during the present year, by categories, is as follows:

	FINANCIAL YEAR ENDED AT 31/Mar./2018	FINANCIAL YEAR ENDED AT 31/Mar./2017
Senior executives	3.00	4.00
Other management staff	0.00	0.00
Technical staff, scientific and intellectual professionals and auxiliary staff	2.00	2.00
Administrative employees	3.00	3.00
Sales staff, sales reps and similar	3.00	2.00
Other skilled workers	0.00	0.00
Non-skilled workers	0.00	0.00
Total average employment	11.00	11.00

At the end of the financial year, the distribution of company personnel by gender is the following:

	FINANCIAL YEAR ENDED AT 31/Mar./2018			FINANCIAL YEAR ENDED AT 31/Mar./2017		
	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN
Directors	3.00	3.00	0.00	3.00	3.00	0.00
Senior executives (non-directors)	2.00	1.00	1.00	3.00	2.00	1.00
Other company management staff	0.00	0.00	0.00	0.00	0.00	0.00
Technical staff, scientific and intellectual professionals and auxiliary staff	2.00	1.00	1.00	2.00	1.00	1.00
Administrative employees	3.00	0.00	3.00	3.00	0.00	3.00
Sales staff, sales reps and similar	3.00	1.00	2.00	2.00	1.00	1.00
Other skilled workers	0.00	0.00	0.00	0.00	0.00	0.00
Non-skilled workers	0.00	0.00	0.00	0.00	0.00	0.00
Total personnel at the end of the financial year	13.00	6.00	7.00	13.00	7.00	6.00

Professional fees for account auditing and other services provided by the account auditors from the AUREN network have been the following:

	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017
<i>Services provided by account auditors</i>		
Professional fees for account auditing	11,400.00	10,500.00
Professional fees charged for other verification services	0.00	0.00
Professional fees charged for tax advising services	0.00	0.00
Other professional fees for services provided	0.00	0.00
<i>Services provided by the Auren Network</i>		
Professional fees for services provided	0.00	0.00
Total	11,400.00	10,500.00

NOTE 18 - SEGMENTED INFORMATION

The distribution of the net amount of turnover corresponding to the company's ordinary activities, broken down by categories of activities, as well as by geographical markets, is the following:

DESCRIPTION OF THE ACTIVITY	TURNOVER	
	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017
Generic products	21,067,090.14	20,579,257.28
Total	21,067,090.14	20,579,257.28

DESCRIPTION OF THE GEOGRAPHIC MARKET	TURNOVER	
	FINANCIAL YEAR ENDED AT 31/03/2018	FINANCIAL YEAR ENDED AT 31/03/2017
NATIONAL	20,932,737.79	20,490,340.17
REMAINDER OF THE EU	134,352.35	88,917.11
REMAINDER OF THE WORLD	0.00	0.00
Total	21,067,090.14	20,579,257.28

NOTE 19 - INFORMATION ABOUT THE AVERAGE PAYMENT PERIOD TO SUPPLIERS. ADDITIONAL PROVISION THREE. "INFORMATION DUTY" OF LAW 15/2010 OF 5 JULY

The Resolution of the ICAC of 29/Jan./16 implements the obligation introduced by Law 31/2014 (Final Provision 2), which amends Law 15/2010 of 5 July, to include information in the report of the annual financial statements about PPMP, which is defined as the average payment period (days) as from the delivery of goods or the provision of services until the payment thereof. The information to be provided for the 2017-2018 financial year is the following:

	2017-18 Days	2016-17 Days
Average payment period to suppliers	38.38	34.85
Ratio of paid operations	39.18	35.94
Ratio of operations pending payment	33.77	10.75
	Amount (euros)	Amount (euros)
Total payments made	16,388,604.24	13,781,062.49
Total payments pending	2,852,468.03	624,594.55



In Barcelona, on 26 April 2018, the Balance Sheet, the Profit and Loss Statement, the Statement of Changes in Equity, the Cash Flow Statement and the Annual Report of LABORATORIOS RANBAXY, S.L.U. are prepared, corresponding to the financial year ended at 31 March 2018 and numbered consecutively from 1 to 57, approved by the Board of Directors of the Company by signing in witness whereof.

SIGNATURES

.....

Neeraj Sharma

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Pedro Luis Sala Lanz

.....

Prashant Savla

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MANAGEMENT REPORT

FROM 1/4/2017 TO 31/03/2018

NOTE 1 – EVOLUTION OF THE BUSINESS AND SITUATION OF THE COMPANY

The business has evolved favourably despite the difficult economic climate that exists. The Company has succeeded, according to its business plan, to increase its total revenue and profit with respect to previous years.

The net turnover was 21 million Euro, a similar figure to that of the previous year, but slightly higher.

NOTE 2 – EVENTS AFTER THE CLOSE

There were no significant events following the close of the financial year.

NOTE 3 – RESEARCH AND DEVELOPMENT

There was no activity of great relevance in this area.

NOTE 4 – ACQUISITION OF OWN SHARES

The Company does not hold treasury stock.

NOTE 5 – FORESEEABLE EVOLUTION OF THE COMPANY

Regarding future perspectives and based on the accumulated experience, dedication and professionalism of our personnel and collaborators, we are confident that the Company will know how to efficiently respond to and successfully resolve the challenges that will inevitably arise in the future.

NOTE 6 – DERIVATIVE FINANCIAL INSTRUMENTS

The Company has not contracted any derivative financial instruments during the year.

NOTE 7 – OTHER INFORMATION

The Company maintains no commitments with employees that have not been itemised in the attached report, and does not envisage any significant short-term changes in relation to its personnel.

It is not expected that the Company will generate any significant impact on the environment during the normal course of its operations.

The risks to which the Company is exposed, and policies related to the same have been adequately described in the report of the annual financial statements.

NOTE 8 – OTHER INFORMATION

The Resolution of the ICAC of 29/Jan./16 implements the obligation introduced by Law 31/2014 (Final Provision 2), which amends Law 15/2010 of 5 July, to include information in the report of the annual financial statements about PPMP, which is defined as the average payment period (days) as from the delivery of goods or the provision of services until the payment thereof. The information to be provided for the 2017-2018 financial year is the following:

	2017-18	2016-17
	Days	Days
Average payment period to suppliers	38.38	34.85
Ratio of paid operations	39.18	35.94
Ratio of operations pending payment	33.77	10.75
	Amount (euros)	Amount (euros)
Total payments made	16,388,604.24	13,781,062.49
Total payments pending	2,852,468.03	624,594.55



In Barcelona, on 26 April 2018, the Management Report of LABORATORIOS RANBAXY, S.L.U., is prepared, corresponding to the financial year ended at 31 March 2018 and numbered in correlation from 1 to 4, approved by the Board of Directors of the Company by signing in witness whereof.

SIGNATURES

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Neeraj Sharma

.....

Pedro Luis Sala Lanz

.....

Prashant Savla

.....