

[Translated from the French]

RANBAXY PHARMACIE GENERIQUES SAS

simplified joint stock company

with registered capital of 24,948,400 euros

Trade and Companies Register of Nanterre, no.: 314 357 484

11-15 Quai Dion Bouton

92800 Puteaux

**STATUTORY AUDITOR'S REPORT ON THE ANNUAL FINANCIAL STATEMENTS
for the year ended 31 March 2019**

10 May 2019

RANBAXY PHARMACIE GENERIQUES SAS
Year ended 31 March 2019

Statutory auditor's report on the annual financial statements

To the shareholders of Ranbaxy Pharmacie Génériques SAS,

Opinion

In compliance with the engagement entrusted to us by your Annual General Meeting of Shareholders, we have audited the accompanying financial statements of Ranbaxy Pharmacie Génériques SAS for the year ended 31 March 2019, as attached to this report.

In our opinion, the annual financial statements give a true and fair view of the results of the Company's operations for the year then ended and of the financial position and the assets and liabilities of the Company as at 31 March 2019, in accordance with the accounting rules and principles applicable in France.

Basis for opinion

Audit Framework

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

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

Independence

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

Observation

Without qualifying the above opinion, we would bring your attention to the note to the financial statements entitled Accounting Rules and Methods – Shareholders' Equity indicating that the company received financial support from its parent up to 31 March 2020.

Justification of assessments

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

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

Specific verifications

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

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

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

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

Management is responsible for the preparation and fair presentation of the annual financial statements in accordance with French accounting principles, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected that the Company will be liquidated or will cease its operations.

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

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

Our role is to issue a report on the annual financial statements. Our objective is to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

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

- identifies and assesses the risks of material misstatement in the annual financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control;
- evaluates the appropriateness of accounting methods used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements;

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

10 May 2019

[signature]

BDO France – Leger & associés
Represented by Eric Picarle
Statutory Auditor

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RANBAXY PHARMACIE GENERIQUES

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Statement of presentation of accounts

Statement expressed in Euros

In connection with the assignment relating to the **Presentation of the annual financial statements** of **RANBAXY PHARMACIE GENERIQUES**, for the period covering **01/04/2018** to **31/03/2019**, and in accordance with the terms of reference of our engagement letter and our agreements, we, the Chartered Accountancy firm SOG ECC, have carried out the checks as defined by the Institute of Chartered Accountants.

The Annual Financial Statements enclosed show the following:

Balance sheet total: 14,904,203 Euros

Turnover: 22,000,613 Euros

Net income: -4,710,522 Euros

**FINANCIAL
STATEMENTS TO
31/03/2019**

Balance sheet assets

31/03/2018

Statement expressed in Euros

		31/03/2019			
		Gross	Amort. and Deprec.	Net	Net
	Capital subscribed uncalled (I)				
FIXED ASSETS	INTANGIBLE ASSETS				
	Preliminary costs				
	Development costs				
	Licences, patents and similar rights	12,251,753	12,226,204	25,549	54,021
	Goodwill (1)				
	Other intangible assets				
	Advances and prepayments				
	TANGIBLE ASSETS				
	Land				
	Buildings				
	Technical installations, indus. equip. & tools				
	Other tangible assets	279,249	113,689	165,559	164,095
	Fixed assets in progress				
Advances and prepayments					
FINANCIAL ASSETS (2)					
Investments in associates valued by the equity method.					
Other equity interests	4,372,238	3,372,238	1,000,000	1,000,000	
Receivables from associates					
Other fixed investments	68,385	68,385			
Loans	40,111		40,111	40,111	
Other financial assets					
	TOTAL (II)	17,011,735	15,780,516	1,231,219	1,258,228
CURRENT ASSETS	STOCK AND WORK IN PROGRESS				
	Raw materials & supplies	95,734	7,012	88,722	196,354
	Work in progress for production of goods				
	Work in progress for production of services				
	Intermediate and finished products				
	Goods	6,227,928	725,893	5,502,035	3,145,187
	Advances and Prepayments paid on orders	71,291		71,291	57,544
	RECEIVABLES (3)				
	Trade receivables and related accounts	4,541,619	347,572	4,194,047	3,261,571
	Other receivables	659,838		659,838	772,921
Capital subscribed and called up, unpaid					
MARKETABLE SECURITIES					
CASH IN HAND/AT BANK	2,835,903		2,835,903	3,306,476	
ACCRUALS	Prepayments	321,148		321,148	260,742
	TOTAL (III)	14,753,461	1,080,477	13,672,983	11,000,795
	Loan issuance cost to be spread (IV)				
Premiums on the redemption of debentures (V)					
Unrealised exchange difference (VI)					
	TOTAL ASSETS (I to VI)	31,765,196	16,860,994	14,904,203	12,259,023
(1) including leasehold right					
(2) including financial assets of less than one year			354,848	420,887	
(3) including receivables of more than one year					

Balance sheet liabilities

Statement expressed in Euros

		31/03/2019	31/03/2018
Capital and Reserves	Total share capital	24,948,400	24,948,400
	Issue, merger, acquisition and such premiums		
	Differences arising on revaluation		
	RESERVES	726,132	726,132
	Legal reserve	167,958	167,958
	Statutory or contractual reserves		
	Regulated reserves	1,282,809	1,282,809
	Other reserves	(54,454,963)	(51,054,483)
	Balance brought forward	(4,710,522)	(3,400,480)
	Profit/loss for the year		
Investment subsidies			
Regulated provisions			
Total capital and reserves		(32,040,186)	(27,329,664)
Other capital and reserves	Income from issues of participating shares		
	Conditional advances		
Total other capital and reserves			
Provisions	Provisions for risks	123,000	
	Provisions for charges	250,835	220,783
	Total provisions		373,835
PAYABLES (1)	FINANCIAL DEBTS		
	Convertible debenture loans		
	Other debenture loans		
	Loans and debts from credit institutions (2)	4,000	4,000
	Other loans and financial debts	35,293,115	34,907,545
	Advances and prepayments received on orders in progress		
	OPERATING DEBTS		
	Trade payables and related accounts	9,449,285	3,975,593
	Tax and social security liabilities	1,055,019	480,767
	OTHER PAYABLES		
Payables on fixed assets and related accounts			
Other payables	769,135		
Prepaid income (1)			
Total payables		46,570,553	39,367,905
Unrealised exchange losses			
TOTAL LIABILITIES		14,904,203	12,259,023
Profit/loss expressed in cents		(4,710,521.73)	(3,400,479.62)
(1) Prepaid income and expenses of less than one year		46,570,553	39,367,905
(2) Of which bank facilities and overdrafts, bank credit balance and PCA		4,000	4,000

Income statement

		31/03/2019		31/03/2018	
		12 months	% C.A.	12 months	% C.A.
OPERATING INCOME	Sale of goods	22,000,480	100.00	18,597,962	99.64
	Production sold (Goods)				
	Production sold (Services and Works)	133		66,727	0.36
	Net turnover	22,000,613	100.00	18,664,689	100.00
	Production for stock				
	Capitalised production costs				
	Operating subsidies				
	Reversals on provisions and depreciation, transfer of charges	375,508	1.71	197,155	1.06
	Other income	12,128	0.06	40,015	0.21
	Total operating income	22,388,248	101.76	18,901,859	101.27
OPERATING EXPENSES	Purchase of goods	14,600,437	66.36	10,601,334	56.80
	Variations in stock	(2,933,175)	-13.33	(763,637)	-4.09
	Purchases of raw materials and other supplies	297,827	1.35	369,326	1.98
	Variations in stock	135,584	0.62	(80,640)	-0.43
	Other external purchases and expenses	10,286,585	46.76	9,427,223	50.51
	Taxes, duties and similar payments	832,895	3.79	423,900	2.27
	Wages and salaries	1,629,846	7.41	1,071,779	5.74
	Personnel social security charges	692,404	3.15	433,420	2.32
	Owner's personal contributions to social security				
	Amortisation, depreciations and provisions	1,112,257	5.06	315,430	1.69
	Other expenses	135,205	0.61	132,491	0.71
		Total operating expenses	26,789,865	121.77	21,930,626
	OPERATING PROFIT/LOSS	(4,401,617)	-20.01	(3,028,768)	-16.23
FINANCIAL INCOME	Profit appropriated or loss transferred				
	Loss borne or profit transferred				
	From equity interests (3)				
	From other marketable securities and fixed asset receivables (3)				
	Other interests and similar income (3)				
	Reversal of provisions and depreciation and transfer of charges				
	Exchange gains	73		995	0.01
	Net income from the sale of investment securities				
	Total financial income	73		995	0.01
FINANCIAL EXPENSES	Amortisation, depreciation and provisions				
	Interests and similar expenses (4)	527,166	2.40	425,003	2.28
	Exchange losses	5,903	0.03	1,110	0.01
	Net expenses from the sale of investments securities				
	Total financial expenses	533,069	2.42	426,113	2.28
	FINANCIAL PROFIT/LOSS	(532,996)	-2.42	(425,118)	-2.28
	PROFIT/LOSS BEFORE TAX	(4,934,613)	-22.43	(3,453,886)	-18.50
	Total extraordinary income	224,442	1.02	62,418	0.33
	Total extraordinary expenses	350		9,011	0.05
	EXTRAORDINARY PROFIT/LOSS	224,091	1.02	53,406	0.29
	EMPLOYEE PROFIT-SHARING				
	TAX ON PROFITS				
	TOTAL INCOME	22,612,763	102.78	18,965,271	101.61
	TOTAL EXPENSES	27,323,285	124.19	22,365,751	119.83
	PROFIT/LOSS FOR THE YEAR	(4,710,522)	-21.41	(3,400,480)	-18.22

**DETAILS OF
FINANCIAL
STATEMENTS TO
31/03/2019**

Details of the Assets

Report expressed in Euros

	01/04/2018 31/03/2019	12 months	01/04/2017 31/03/2018	12 months	Variations	%
Uncalled subscribed capital						
TOTAL II – NET fixed assets	1,231,219.26	8.26	1,258,228.13	10.26	(27,008.87)	-2.15
Concessions, patents and similar rights	25,548.89	0.17	54,021.40	0.44	(28,472.51)	-52.71
20510660 Computer equipment	24,629.89	0.17	15,306.40	0.12	9,323.49	60.91
20520660 PATENTS	449,725.60	3.02	525,674.09	4.29	(75,948.49)	-14.45
20530662 LICENSES (excluding AA)	180,286.21	1.21	180,286.21	1.47		
20540660 TRADEMARKS	11,597,111.24	77.81	15,910,508.49	129.79	(4,313,397.25)	-27.11
29050660 Provisional Intangible Assets	(266,532.00)	-1.79	(266,532.00)	-2.17		
29050662 PROV LICENSE DEPRECIATION	(180,286.21)	-1.21	(180,286.21)	-1.47		
28050660 Compter equip. depreciation	(12,453.00)	-0.08	(4,887.00)	-0.04	(7,566.00)	-154.82
28052660 PATENTS AMORT	(449,725.60)	-3.02	(525,674.09)	-4.29	75,948.49	14.45
28054660 TRADEMARKS AMORT	(11,317,207.24)	-75.93	(15,600,374.49)	-127.2	4,283,167.25	27.46
Other tangible fixed assets	165,559.11	1.11	164,095.47	1.34	1,463.64	0.89
21820000 Transport equipment	19,577.23	0.13			19,577.23	
21830500 OFFICE EQUIPMENT - OPERATIONS	16,916.33	0.11	13,550.29	0.11	3,366.04	24.84
21830600 IT HARDWARE	63,262.00	0.42	47,974.63	0.39	15,287.37	31.87
21840000 Furnishings & Installations. Agenc	179,493.00	1.20	179,493.00	1.46		
28183500 DEPREC OFFICE HARDWARE-EXPL	(13,879.80)	-0.09	(9,748.80)	-0.08	(4,131.00)	-42.37
28183600 DEPREC IT HARDWARE	(55,532.65)	-0.37	(44,435.65)	-0.36	(11,097.00)	-24.97
28183700 Vehicles other than Buses & Lo	(3,589.00)	-0.02			(3,589.00)	
28184000 Amortisation- Mob & Installat	(40,688.00)	-0.27	(22,738.00)	-0.19	(17,950.00)	-78.94
Other holdings	1,000,000.00	6.71	1,000,000.00	8.16		
26110101 GROUP EQUITY SECURITIES	4,372,238.01	29.34	4,372,238.01	35.67		
29611010 Provision Share investments	(3,372,238.01)	-22.63	(3,372,238.01)	-27.51		
Loans						
27430130 LOANS FOR THE CONSTRUCTION EFFORT	68,384.68	0.46	68,384.68	0.56		
29743013 Provision Loans – Const efforts	(68,384.68)	-0.46	(68,384.68)	-0.56		
Other financial fixed assets	40,111.26	0.27	40,111.26	0.33		
27510200 DEPOSITS AND SURETY BONDS PAID	40,111.26	0.27	40,111.26	0.33		
TOTAL III – NET current assets	13,672,983.34	91.74	11,000,794.77	89.74	2,672,188.57	24.29
Unprocessed materials, supplies	88,721.83	0.60	196,353.74	1.60	(107,631.91)	-54.82
31100100 STOCKS API RAW MATERIALS -	88,606.92	0.59	184,078.86	1.50	(95,471.94)	-51.86
32600603 STOCKS DPO PACKAGING ARTICLES	7,127.13	0.05	19,287.10	0.16	(12,159.97)	-63.05
39110100 PROV DEPR.STOCKS API MATERIALS	(7,012.22)	-0.05	(7,012.22)	-0.06		
Merchandise	5,502,035.10	36.92	3,145,186.63	25.66	2,356,848.47	74.94
37200510 MERCHANDISE DPO STOCKS	6,227,927.83	41.79	3,297,231.04	26.90	2,930,696.79	88.88
39720510 PROV DEPR.STOCKS DPO MARCHANDI	(725,892.73)	-4.87	(152,044.41)	-1.24	(573,848.32)	-377.42
Advances & instalments paid on orders	71,291.13	0.48	57,543.86	0.47	13,747.27	23.89
40910300 CGS A-AVANCE & ACPT/B&S-FRS TI	71,291.13	0.48	57,543.86	0.47	13,747.27	23.89
Trade receivables and related accounts	4,194,046.57	28.14	3,261,571.47	26.61	932,475.10	28.59
41110100 COLLECTIVE THIRD PARTY CUSTOMERS (PRODUCT)	4,186,770.63	28.09	3,252,971.73	26.54	933,798.90	28.71
41600000 Doubtful customers	354,848.30	2.38	420,887.14	3.43	(66,038.84)	-15.69
49110100 PROV DEPRECIAT°CUSTOMER RECEIVABLES	(347,572.36)	-2.33	(412,287.40)	-3.36	64,715.04	15.70
Other receivables	659,837.68	4.43	772,921.26	6.30	(113,083.58)	-14.63
40971760 Reclassif. outstanding suppliers	4,461.46	0.03			4,461.46	
42500230 PERSONNEL-SALARY ADVANCES	1,500.00	0.01	600.00		900.00	150.00
42541130 PERMANENT ADVANCES (PAYROLL)	5,000.00	0.03			5,000.00	

Details of the Assets

Report expressed in Euros		01/04/2018 31/03/2019	12 months	01/04/2017 31/03/2018	12 months	Variations	%
43111200	SOCIAL SECURITY DAILY ALLOWANCE BENEFITS	14,654.48	0.10	17,528.88	0.14	(2,874.40)	-16.40
43710110	MEAL VOUCHERS	22,209.05	0.15	18,469.62	0.15	3,739.43	20.25
43864250	APPRENTICESHIP TAX	0.06				0.06	
44410670	GOVT.-INCOME TAX INTERIM PAYMENT			387,305.00	3.16	(387,305.00)	-100.00
44566010	VAT DEDUCTIBLE/RECEIPTS-A	134,226.05	0.90	112,809.43	0.92	21,416.62	18.98
44566120	VAT DEDUCTIBLE ON DEBITS	280.17		2,402.79	0.02	(2,122.62)	-88.34
44566140	DEDUCTIBLE EU VAT ON DEBITS	2,246.13	0.02			2,246.13	
44566680	RECUP VAT THE REPORT OF THE EU O	426.68		236.71		189.97	80.25
44583670	REQUESTED VAT REIMBURSEMENTS	426,391.60	2.86	188,025.83	1.53	238,365.77	126.77
44870300	REPORT – ACCRUED REVENUES	48,442.00	0.33	45,543.00	0.37	2,899.00	6.37
Cash on hand		2,835,903.45	19.03	3,306,476.06	26.97	(470,572.61)	-14.23
51210000	Crédit Lyonnais	171,794.79	1.15	46,709.45	0.38	125,085.34	267.79
51260000	Crédit FR87 30002007980000403	20,564.14	0.14	20,277.20	0.17	286.94	1.42
51280000	HSBC - France-mainland	2,058,902.35	13.81	2,906,986.59	23.71	(848,084.24)	-29.17
51280100	HSBC - CSP	584,545.45	3.92	332,406.10	2.71	252,139.35	75.85
53110000	CASH IN EUROS	96.72		96.72			
Deferred expenses		321,147.58	2.15	260,741.75	2.13	60,405.83	23.17
48600101	DEFERRED EXPENSES-AS	5,217.99	0.04	2,470.13	0.02	2,747.86	111.24
48600300	DEFERRED EXPENSES-AU	315,929.59	2.12	258,271.62	2.11	57,657.97	22.32
BALANCE SHEET ASSETS TOTAL		14,904,202.60	100.00	12,259,022.90	100.00	2,645,179.70	21.58

Details of the Liabilities

Report expressed in Euros

	01/04/2018 31/03/2019	12 months	01/04/2017 31/03/2018	12 months	Variations	%
TOTAL I – Shareholders equity	(32,040,185.91)	-214.9	(27,329,664.18)	-222.9	(4 710 521,73)	-17,24
Corporate or individual capital	24,948,400.00	167.39	24,948,400.00	203.51		
10130100 SUBSCRIBED CAPITAL CALLED PAID	24,948,400.00	167.39	24,948,400.00	203.51		
Legal reserve	726,132.00	4.87	726,132.00	5.92		
10611100 LEGAL RESERVE	726,132.00	4.87	726,132.00	5.92		
Statutory or contractual reserves	167,957.78	1.13	167,957.78	1.37		
10630120 STATUTORY OR CONTRACTUAL RESERVES	167,957.78	1.13	167,957.78	1.37		
Other Reserves	1,282,808.87	8.61	1,282,808.87	10.46		
10680300 OTHER SPECIAL RESERVES	1,282,808.87	8.61	1,282,808.87	10.46		
Retained earnings	(54,454,962.83)	-365.3	(51,054,483.21)	-416.4	(3,400,479.62)	-6.66
11000100 RETAINED EARNINGS	(54,454,962.83)	-365.3	(51,054,483.21)	-416.4	(3,400,479.62)	-6.66
FINANCIAL YEAR RESULTS	(4,710,521.73)	-31.61	(3,400,479.62)	-27.74	(1,310,042.11)	-38.53

TOTAL II – Other shareholders equity						
TOTAL III - Total provisions	373,835.10	2.51	220,782.56	1.80	153,052.54	69.32
Provisions for contingencies	123,000.00	0.83			123,000.00	
15110100 PROV FOR LITIGATION	123,000.00	0.83			123,000.00	
Provisions for losses	250,835.10	1.68	220,782.56	1.80	30,052.54	13.61
15311120 PROV RETIREMENT BENEFITS	250,835.10	1.68	220,782.56	1.80	30,052.54	13.61

TOTAL IV - Total debts	46,570,553.41	312.47	39,367,904.52	321.13	7,202,648.89	18.30
Loans & receivables with credit institutions	4,000.00	0.03	4,000.00	0.03		
51810000 PAYABLE ACCRUED INTEREST	4,000.00	0.03	4,000.00	0.03		
Miscellaneous financial loans and debts	35,293,114.88	236.80	34,907,544.67	284.75	385,570.21	1.10
16810000 LOANS FROM THE GROUP	32,102,185.00	215.39	32,102,185.00	261.87	385,570.21	187.75
16888000 INTEREST ON GROUP LOANS	590,929.88	3.96	205,359.67	1.68		
45100410 OPIH current account	2,600,000.00	17.44	2,600,000.00	21.21		
Trade creditors and other accounts payable	9,449,285.09	63.40	3,975,592.69	32.43	5,473,692.40	137.68
40100100 THIRD PARTIES – SUPPLIERS COLLECTIVE	614,631.53	4.12	114,057.36	0.93	500,574.17	438.88
40200100 GROUP-SUPPLIERS COLLECTIVE	8,386,307.60	56.27	3,392,307.74	27.67	4,993,999.86	147.22
40810000 INV NOT RECEIVED ACCT Entry M	159,858.71	1.07	43,155.34	0.35	116,703.37	270.43
40810502 SUPPLIER INV NOT RECEIVED	288,487.25	1.94	426,072.25	3.48	(137,585.00)	-32.29
Tax and social security liabilities	1,055,018.88	7.08	480,767.16	3.92	574,251.72	119.44
42110110 STAFF REMUNERATION	1,228.30	0.01			1,228.30	
42200100 EC SUBSIDIARIES FOR FUNCTIONING	750.78	0.01	135.29		615.49	454.94
42200110 EC SUBSIDIARIES SOCIAL ACTIONS	3,378.52	0.02	608.81		2,769.71	454.94
42510200 Financial participation withholding	10,271.64	0.07	2,022.47	0.02	8,249.17	407.88
42820140 TOIL PROVISIONS	7,696.97	0.05	7,618.48	0.06	78.49	1.03
42820150 PROVISIONS HOLIDAYS TO BE PAID	44,870.27	0.30	30,210.58	0.25	14,659.69	48.53
42820160 PROVISIONS FOR HOLIDAYS TO BE PAID	118,324.35	0.79	92,057.70	0.75	26,266.65	28.53
42820170 PROVISIONS TEMP SAVINGS A/C	13,696.74	0.09	7,690.19	0.06	6,006.55	78.11
42868190 PERSONNEL-EXPENSES PAYABLE	276,065.31	1.85	173,083.57	1.41	102,981.74	59.50
43110100 U.R.S.S.A.F.	55,750.58	0.37	34,665.65	0.28	21,084.93	60.82
43710120 RETIREMENT INSTITUTIONS – OTHER	34,211.68	0.23	10,197.77	0.08	24,013.91	235.48
43720130 PROVIDENT FUND INSTITUTIONS – OTHER	19,564.31	0.13	10,566.05	0.09	8,998.26	85.16

Details of the Liabilities

Report expressed in Euros		01/04/2018 12 31/03/2019 months		01/04/2017 12 31/03/2018 months		Variations %	
43730140	ASSEDIC/GARP	220.38		40.06		180.32	450.12
43740150	Mutual insurance	6,398.78	0.04	4,690.16	0.04	1,708.62	36.43
43860220	SOCIAL CHARGES TO BE PAID	10,477.23	0.07	4,075.95	0.03	6,401.28	157.05
43860221	SOCIAL ORG. – CHARGES TO BE PAID	81,597.37	0.55	61,134.22	0.50	20,463.15	33.47
43860222	SOCIAL ORG. – CHARGES TO BE PAID	6,848.37	0.05	3,845.10	0.03	3,003.27	78.11
43863240	BUILDING INITIATIVE	7,262.00	0.05	631.09	0.01	6,630.91	N/S
43864250	APPRENTICESHIP TAXES.			1,482.92	0.01	(1,482.92)	-100.00
43865270	PROFESSIONAL TRAINING	1,178.72	0.01	2,337.07	0.02	(1,158.35)	-49.56
44210000	TDS - Salaries	13,183.21	0.09			13,183.21	
44520660	TVA DUE SUR ACQUISITIONS INTRA	2,246.13	0.02			2,246.13	
44710660	REPORT – PROFESSIONAL TAX	28,000.75	0.19	4,626.75	0.04	23,374.00	505.19
44740110	REPORT – TAX PHARMAC. SPECIALITIES			15,000.00	0.12	(15 000,00)	-100.00
44750120	TAXES ON DIRECT SALES	311,562.24	2.09	13,813.03	0.11	297 749,21	N/S
44760130	Tax on comp. cars	234.25		234.25			
Other debts		769,134.56	5.16			769 134,56	
46710220	CHEQUES NOT REMITTED FOR COLLECTION-	769,134.56	5.16			769 134,56	
BALANCE SHEET LIABILITIES TOTAL		14 904 202.60	100.00	12 259 022.90	100.00	2 645 179.70	21.58

Details of the Profit and Loss Statement

Report expressed in Euros

	01/04/2018 31/03/2019	12 months	01/04/2017 31/03/2018	12 months	Variations	%
Total operating income			18,901,858.50	101.27	3,486,389.69	18.44
Sales of merchandise			18,597,962.25	99.64	3,402,517.48	18.30
Sales of merchandise FRANCE	22,000,479.73	100.00	18,597,962.25	99.64	3,402,517.48	18.30
70701710 FRANCE MERCHANDISE SALES HG	28,785,703.74	130.84	25,464,807.93	136.43	3,320,895.81	13.04
70970000 REBATES. ALLOWANCES & DISCOUNTS GRANTED	(6,785,224.01)	-30.84	(6,866,845.68)	-36.79	81,621.67	1.19
Sales of goods EXPORT			64,583.65	0.35	(64,583.65)	-100.00
Sold production of goods						
Sold production Services + Works	133.33		66,726.53	0.36	(66,593.20)	-99.80
Sold production Services FRANCE	133.33		66,726.53	0.36	(66,593.20)	-99.80
70620410 FRANCE MISCELLANEOUS SERVICES H	133.33		66,726.53	0.36	(66,593.20)	-99.80
Sold production Services EXPORT			65,000.00	0.35	(65,000.00)	-100.00
Sales figure net amount	22,000,613.06	100.00	18,664,688.78	100.00	3,335,924.28	17.87
Reversals on deprec. & prov.. transfers of expenses	375,507.59	1.71	197,154.73	1.06	178,352.86	90.46
78173000 Rev. on provision for depre	152,044.41	0.69	105,131.14	0.56	46,913.27	44.62
78174000 BAD DEBTS PROV REF	223,463.18	1.02	92,023.59	0.49	131,439.59	142.83
Other operating income	12,127.54	0.06	40,014.99	0.21	(27,887.45)	-69.69
75800000 MISCELLANEOUS OPERATING INCOME	12,127.54	0.06	40,014.99	0.21	(27,887.45)	-69.69
Total operating expenses	26,789,865.00	121.77	21,930,626.29	117.50	4,859,238.71	22.16
Merchandise purchases	14,600,436.85	66.36	10,601,334.43	56.80	3,999,102.42	37.72
60710580 PURCHASES MERCHANDISE STOCKS	14,114,263.61	64.15	10,204,201.01	54.67	3,910,062.60	38.32
60870000 Incidental expenses on purchase	483,473.70	2.20	394,793.12	2.12	88,680.58	22.46
60870110 CUSTOMS DUTIES & OTHER EXPENSES	2,699.54	0.01	2 340.30	0.01	359.24	15.35
Variation of merchandise stocks	(2,933,175.48)	-13.33	(763 636.56)	-4.09	(2,169,538.92)	-284.11
60370584 VARIATION OF MERCHANDISE STOCKS	(2,933,175.48)	-13.33	(763 636.56)	-4.09	(2,169,538.92)	-284.11
Purchases of raw materials and other supp.	297,826.52	1.35	369,326.01	1.98	(71,499.49)	-19.36
60100100 RAW MATERIALS STORED PURCHASES	297,826.52	1.35	369,326.01	1.98	(71,499.49)	-19.36
Variation of procurement stocks	135,584.12	0.62	(80,640.16)	-0.43	216,224.28	268.13
60310101 VAR STOCKS RAW MATER incoming	95,471.94	0.43	(80,640.16)	-0.43	176,112.10	218.39
60320621 VAR STOCKS PACKAGING INCOMING/A	40,112.18	0.18			40,112.18	
Other external purchases and expenses	10,286,585.16	46.76	9,427,222.92	50.51	859,362.24	9.12
60500000 HA materials, equipment and			2,890.00	0.02	(2,890.00)	-100.00
60610018 Vehicle fuel	3,317.18	0.02	15.95		3,301.23	N/S
60612010 ELECTRICITY NON-STORED PURCHASES	9,772.56	0.04	11,277.55	0.06	(1,504.99)	-13.35
60633010 OTHER PETI NON-STORED PURCHASES	18,636.72	0.08	23,831.32	0.13	(5,194.60)	-21.80
60681000 SAMPLE NON-STORED PURCHASES	18.94		13.29		5.65	42.51
60940000 Rebates/discounts/allowances on purchases	(5,761.87)	-0.03	(793.35)		(4,968.52)	-626.27
61101115 GLOBAL SERVICE EXPENSE-COST A	4,186,974.05	19.03	3,463,098.38	18.55	723,875.67	20.90
61102000 Provisions of Services.	662,802.00	3.01	634,803.39	3.40	27,998.61	4.41
61103000 SUB-CONTRACT PAYROLL	29,231.16	0.13	27,181.09	0.15	2,050.07	7.54

Details of the Profit and Loss Statement

Report expressed in Euros		01/04/2018 31/03/2019	12 months	01/04/2017 31/03/2018	12 months	Variations	%
61103004	SUB-CONTRACT PAYROLL	20,797.94	0.09	28,766.02	0.15	(7,968.08)	27.70
61103014	OTHER WORKS/MISC SERVICES	73,066.43	0.33	21,117.55	0.11	51,948.88	246.00
61103015	General Services	49,101.28	0.22	49,434.06	0.26	(332.78)	-0.67
61103024	MARKETING SUBCONTRACTING	2,082,682.57	9.47	2,349,350.31	12.59	(266,667.74)	-11.35
61103200	DISTRIBUTION SUBCONTRACTING	518,402.78	2.36	493,991.13	2.65	24,411.65	4.94
61103300	MAILING SUBCONTRACTING			2,664.04	0.01	(2,664.04)	-100.00
61103302	STATISTICS MARKETING STUDIES	22,926.80	0.10	27,072.00	0.15	(4,145.20)	-15.31
61320014	HG REAL ESTATE LEASING	206,439.75	0.94	151,892.92	0.81	54,546.83	35.91
61350016	Leasing Material & Furnishings B	3,773.32	0.02	13,979.70	0.07	(10,206.38)	-73.01
61550016	Vehicle upkeep	610.73		846.34		(235.61)	-27.84
61560017	Maintenance IT hardware	6,176.87	0.03	9,224.50	0.05	(3,047.63)	-33.04
61560018	Maintenance software hardware	162,050.00	0.74	146,551.30	0.79	15,498.70	10.58
61611011	LIABILITY INSURANCE PREMIUM	18,406.94	0.08	33,828.41	0.18	(15,421.47)	-45.59
61730030	QUALITY CONTROL SERVICES	359,140.70	1.63	302,189.59	1.62	56,951.11	18.85
61730040	PHARMACOVIGILANCE SERVICES	78,869.83	0.36	15,218.95	0.08	63,650.88	418.23
61810016	GENERAL DOCUMENTATION	5,212.72	0.02	4,019.94	0.02	1,192.78	29.67
61850010	REGISTRATION CONFERENCES SEMINARS	91,255.22	0.41	33,090.55	0.18	58,164.67	175.77
62110011	TEMP STAFF HG MOI			14,207.47	0.08	(14,207.47)	-100.00
62220012	COMMISSIONS AND BROKERAGES/SALE	798,910.42	3.63	1,025,422.39	5.49	(226,511.97)	-22.09
62262010	LEGAL FEES	66,400.45	0.30	88,644.95	0.47	(22,244.50)	-25.09
62262020	ADVERTISING FIRM FEES	32,664.40	0.15	13,752.00	0.07	18,912.40	137.52
62262030	Audit fees	101,281.96	0.46	68,113.37	0.36	33,168.59	48.70
62268014	OTHER MISCELLANEOUS FEES	139,181.29	0.63	19,202.12	0.10	119,979.17	624.82
62310010	PUBLICITY AND INSERTS	28,206.00	0.13	4,607.83	0.02	23,598.17	512.13
62330010	CONFERENCES AND ORGANISATION > 1 DAY	2,194.00	0.01	4,350.80	0.02	(2,156.80)	-49.57
62330017	INTERNAL SEMINARS	35,675.35	0.16	87,889.96	0.47	(52,214.61)	-59.41
62340013	NON-DEC. CLIENTELE GIFTS	4,244.71	0.02	593.67		3,651.04	614.99
62410010	TRANSPORT ON STORED PURCHASES	136,430.76	0.62	81,016.24	0.43	55,414.52	68.40
62480018	OTHER TRANSPORT EXPENSES	3,849.05	0.02	2,770.26	0.01	1,078.79	38.94
62511010	PERSONNEL TRANSPORT EXPENSES	4,810.40	0.02	2,107.33	0.01	2,703.07	128.27
62512010	PERSONNEL TRANSPORT EXPENSES	6,042.00	0.03	4,425.43	0.02	1,616.57	36.53
62512011	TRANSPORT EXPENSES - BUS/SUBWAY	5,649.78	0.03	439.30		5,210.48	N/S
62512012	TRANSPORT EXPENSES TAXIS	4,581.27	0.02	3,181.83	0.02	1,399.44	43.98
62513011	CAR RENTAL EXPENSES	5,780.03	0.03	8,143.75	0.04	(2,363.72)	-29.02
62514010	TRAVEL EXPENSES – EXPENSES FOR	19,929.42	0.09	14,771.39	0.08	5,158.03	34.92
62515010	PERS TRAVEL EXPENSES - INDIA	60.10				60.10	
62560010	EXPENSES FOR MISSIONS & RECEPTIONS	7,443.34	0.03	7,474.76	0.04	(31.42)	-0.42
62570012	OFFICES-MISSIONS AND RECEPTIONS	1,034.81		859.96		174.85	20.33
62610010	POSTAGE EXPENSES	10,353.94	0.05	9,397.12	0.05	956.82	10.18
62620010	TELEPHONE-FAX-TELECOMMUNICAT	25,106.02	0.11	17,772.12	0.10	7,333.90	41.27
62780140	BANKING FEES-OTHER COMMISS	18,248.40	0.08	17,999.70	0.10	248.70	1.38
62810011	LEVIES PAID TO ORGANI	74,392.98	0.34	40,961.24	0.22	33,431.74	81.62
62810012	Office Cleaning Services	18,730.00	0.09	20,193.00	0.11	(1,463.00)	-7.25
62840110	PERSON. RECRUITING EXPENSES	131,479.66	0.60	23,370.00	0.13	108,109.66	462.60
Taxes & equivalent payments		832,895.25	3.79	423,900.01	2.27	408,995.24	96.48
63310100	TRANSPORT PAYMENT	40,866.25	0.19	32,200.03	0.17	8,666.22	26.91
63330300	PARTICIP. VOCATIONAL TRAINING	15,153.02	0.07	13,035.76	0.07	2,117.26	16.24
63340400	PARTICIPATION IN THE CO. EFFORT	6,630.91	0.03	(11,611.26)	-0.06	18,242.17	157.11
63350500	APPRENTICESHIP TAX PAYMENT	7,467.02	0.03	7,422.28	0.04	44.74	0.60
63511012	PROFESSIONAL TAX	26,754.00	0.12	29,507.43	0.16	(2,753.43)	-9.33
63514000	Tax on company cars	704.00		106.76		597.24	559.42
63580018	ADM. TAXES. OTHER TAXES & LEVIES	27,374.26	0.12	31,793.43	0.17	(4,419.17)	-13.90
63780010	MISC. TAX TO OTHER BODIES	91,248.12	0.41	14,568.42	0.08	76,679.70	526.34
63780012	MEDICAL AGENCY DEPOSITS	172,302.95	0.78	202,222.50	1.08	(29,919.55)	-14.80
63780025	Tax on direct sales	444,394.72	2.02	104,654.66	0.56	339,740.06	324.63
Wages and salaries		1,629,846.03	7.41	1,071,778.53	5.74	558,067.50	52.07
64110100	SALARIES & WAGES OF BA	1,334,222.15	6.06	980,576.12	5.25	353,646.03	36.07
64120150	Paid TOIL	(8,875.04)	-0.04	(7,446.08)	-0.04	(1,428.96)	-19.19
64120200	Paid holidays takens	11,370.09	0.05	10,196.06	0.05	1,174.03	11.51
64120201	Change on paid holidays expenses prov.	40,926.34	0.19	(2,675.21)	-0.01	43,601.55	N/S

Details of the Profit and Loss Statement

Report expressed in Euros		01/04/2018 31/03/2019	12 months	01/04/2017 31/03/2018	12 months	Variations	%
64120231	Change CET ¹ prov.	6,006.55	0.03	1,507.57	0.01	4,498.98	298.43
64120240	TOIL to be taken /TOIL not	78.49		(1,525.96)	-0.01	1,604.45	105.14
64120250	Insecurity bonus	2,190.72	0.01	(47,848.19)	-0.26	50,038.91	104.58
64130300	NETWORK BONUS	6,561.00	0.03			6,561.00	
64130420	Bonus.	200,575.99	0.91	131,251.72	0.70	69,324.27	52.82
64140380	Severance pay	18,622.02	0.08			18,622.02	
64140500	Benefits in kind	12,389.48	0.06			12,389.48	
64190220	Transportation benefits	5,778.24	0.03	7,742.50	0.04	(1,964.26)	-25.37
Personnel social charges		692,403.89	3.15	433,419.95	2.32	258,983.94	59.75
64510100	URSSAF LEVIES.	397,786.41	1.81	247,901.09	1.33	149,885.32	60.46
64530120	PRO. FUNDS LEVIES	15,522.49	0.07	12,268.33	0.07	3,254.16	26.52
64530130	PENSION FUNDS LEVIES	148,337.68	0.67	106,813.01	0.57	41,524.67	38.88
64540140	ASSEDIC/APEC. LEVIES.	54,846.45	0.25	43,737.04	0.23	11,109.41	25.40
64580170	OTHER LEVIES	18,642.90	0.08	10,863.56	0.06	7,779.34	71.61
64590000	CICE	(13,621.00)	-0.06	(15,353.00)	-0.08	1,732.00	11.28
64590001	Change social ch. on prov	20,463.15	0.09	(1,337.60)	-0.01	21,800.75	N/S
64590002	Change social ch. on other	4,404.55	0.02	(6,319.80)	-0.03	10,724.35	169.69
64720200	OPERATING SUBSIDY C	2,946.92	0.01	2,189.00	0.01	757.92	34.62
64740310	OTHER SOCIAL WORKS	13,261.40	0.06	9,850.68	0.05	3,410.72	34.62
64750400	Occupational healthcare	586.43		2,412.52	0.01	(1,826.09)	-75.69
64800000	Other personnel expenses	17,393.43	0.08	18,060.12	0.10	(666.69)	-3.69
64810010	PROFESSIONAL DEVELOPMENT	11,833.08	0.05	2,335.00	0.01	9,498.08	406.77
Amortisation expenses on fixed assets		74,564.00	0.34	101,573.68	0.54	(27,009.68)	-26.59
68111300	TRADEMARKS AMORT alloc	37,797.00	0.17	68,765.77	0.37	(30,968.77)	-45.04
68112510	TANGIBLE FIXED ASSETS DEPREC ALLOC - AU	36,767.00	0.17	32,807.91	0.18	3,959.09	12.07
Provisions expense on liquid assets		884,640.87	4.02	164,385.25	0.88	720,25.52	438.15
68173000	Alloc. To provisions for depre	725,892.73	3.30	152,044.41	0.81	573,848.32	377.42
68174000	Allocations to provisions for	158,748.14	0.72	12,340.84	0.07	146,407.30	N/S
Allocations to prov. for contingencies and losses		153,052.54	0.70	49,471.06	0.27	103,581.48	209.38
68150000	Allocation to provisions for ???	123,000.00	0.56	19,159.68	0.10	103,840.32	541.97
68150001	Allocations social R&C provisions	30,052.54	0.14	30,311.38	0.16	(258.84)	-0.85
Other day-to-day management expenses		135,205.25	0.61	132,491.17	0.71	2,714.08	2.05
65112000	Non-Group royalties for co	18,878.28	0.09	88,275.00	0.47	(69,396.72)	-78.61
65400000	Loss on irrecov. Debts	109,621.27	0.50	39,448.76	0.21	70,172.51	177.88
65800000	CO. MGMT MISCELLANEOUS EXPENSES	6,705.70	0.03	4,767.41	0.03	1,938.29	40.66
Operating income		(4,401,616.81)	-20.01	(3,028,767.79)	-16.23	(1,372,849.02)	-45.33
Total financial products		73.24		995.22	0.01	(921.98)	-92.64
Translation gains		73.24	0.61	995.22	0.01	(921.98)	-92.64
76600000	Gain de change/Revaluation	73.24	0.09	995.22	0.01	(921.98)	-92.64
Total financial products		533,069.33	2.42	426,113.48	2.28	106,955.85	25.10
Interests and similar expenses		577,166.31	2.40	425,003.33	2.28	102,162.98	24.24
66160200	BANK INTEREST ON OPERATI	437,543.35	1.99	352,864.81	1.89	84,678.54	24.00
66500100	DISCOUNTS GRANTED HG	89,622.96	0.41	72,138.52	0.39	17,484.44	24.24
Negative exchange differences		5,903.02	0.03	1,110.15	0.01	4,792.87	431.73
66600000	Exchange loss/Revaluation	5,903.02	0.03	1,110.15	0.01	4,792.87	431.73

Details of the Profit and Loss Statement

Report expressed in Euros	01/04/2018 31/03/2019	12 months	01/04/2017 31/03/2018	12 months	Variations	%
Financial results financier	(532,996.09)	-2.42	(425,118.26)	-2.28	(107,877.83)	-25.38
Pre-tax earnings	(4,934,612.90)	-22.43	(3,453,886.05)	-18.50	(1,480,726.85)	-42.87
Total of extraordinary income	224,441.60	1.02	62,417.58	0.33	162,024.02	259.58
Extraordinary charges on management operation	350.43		6,736.36	0.04	(6,385.93)	-94.80
67121000 Supplier increases	350.43	1.99	5,083.32	0.03	(4,732.89)	-93.11
67200000 Expenses on previous fiscal years			1,653.04	0.01	(1,653.04)	-100.00
Extraordinary charges on capital operation			2,274.79	0.01	(2,274.79)	-100.00
67520000 Carrying value tangible assets			2,274.79	0.01	(2,274.79)	-100.00
Extraordinary results	224,091.17	1.02	53,406.43	0.29	170,684.74	319.60
Financial year results	(4,710,521.73)	-21.41	(3,400,479.62)	-18.22	(1,310,042.11)	-38.53

Financial statements as at 31/03/2019

APPENDICES

APPENDIX – Note 1

Accounting Rules and Methods

Statement expressed in Euros

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

The balance sheet for the financial year shows a total of €14,904,203.

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

Total income of €22,612,763

Total expenses of €27,323,285,

Thus, generating a loss of €-4,710,522.

The financial year under consideration covers the period 01/04/2018 to 31/03/2019, i.e. 12 months versus 12 months the prior financial year.

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

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

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

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

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

Tangible assets

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

Depreciation is based on the useful life.

Computer equipment: Declining balance method over 3 years

Fittings: Straight line method over 10 years

Furniture: Straight line method over 10 years

Other equipment: Declining balance method over 5 years

Intangible assets

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

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

APPENDIX – Note 1

Accounting Rules and Methods

Statement expressed in Euros

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

Other amortisations are based on the useful life.

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

Investments in associates

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

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

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

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

Stocks

Stocks are valued using the weighted average price method.

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

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

Receivables

Receivables are recognised at their nominal value.

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

The depreciation methods for trade receivables are as follows:

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

Provisions for risks and charges

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

APPENDIX – Note 1

Accounting Rules and Methods

Report expressed in Euros

In accordance with the prospective method for retirement commitments, the company recognises a provision covering commitments relating to employee rights in its accounts, pursuant to the collective agreement of the pharmaceutical industry, at the time of retirement. The provision for retirement benefits is estimated individually for each employee present on 31/03/2019 and who has at least one year of seniority, while considering the following parameters:

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

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

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

The provision for retirement commitments amounts to €251 K.

Capital and Reserves

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

Pursuant to the decision of the shareholders at the General Meeting of 7 June 2018, the loss recognised in the accounts as at 31 March 2018 has been carried forward for an amount of - €3,400,480.

Capital and Reserves on 31 March 2018: - €27,329,664

Result of the financial year: -€4,710,522

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

With continuing negative shareholders equity after the losses recorded during the financial years ending on 31 March 2017, 31 March 2018 and 31 March 2019, the partner heading up the company's group, the Sun Pharmaceutical Ltd group, has confirmed its financial support for the company till 31 March 2020.

Tax consolidation

Since 01/01/2006, and tacitly renewed since 01/01/2011, Ranbaxy has opted for tax consolidation. The earnings of its subsidiary OPIH are consolidated into that of Ranbaxy, the only entity liable

Accounting Rules and Methods

Statement expressed in Euros

to corporation tax, additional taxes and the minimum annual corporation tax payable by the Group. The taxable result notified to the company by its subsidiary OPIH for the 2018-2019 financial period shows a tax deficit of €78,298.

Change of valuation method

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

Change of presentation method

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

Significant events

The group has confirmed its financial support to the company till 31 March 2020, thus justifying the going concern assumption made for the closing of the accounts.

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

In addition, on 02 May 2018, the company acquired the Hospital activity of SUN PHARMACEUTICALS FRANCE.

Post-closing events

None

Additional information

The Auditors' fees for the certification of the company's financial statements amount to €52,000.

Competitiveness and Employment Tax Credit - CICE

The purpose of the CICE (Competitiveness and Employment Tax Credit) is to finance improved competitiveness, notably efforts in terms of investments, prospecting for new contracts and replenishing of the working capital. The amount of the CICE relative to the 2018 salaries is equal to €13,621.

APPENDIX - Note 1

Accounting Rules and Methods

Statement expressed in Euros

Extraordinary Income

Extraordinary income was €224 K and consists of adjustments to third party accounts.

APPENDIX - Note 2

Fixed assets

Statement expressed in Euros

	Opening values	Movements during the year				Gross value as at 31/03/2019
		Increase		Decrease		
		Revaluations	Acquisitions	Re-classifications	Disposals	
INTANGIBLE						
Preliminary and development costs						
Others	16,631,775		9,324		4,389,347	12,251,753
TOTAL INTANGIBLE ASSETS	16,631,775		9,324		4,389,347	12,251,753
TANGIBLE						
Lands						
Buildings on freehold land						
On leasehold land						
Fixtures, fittings, installations						
Technical instal., industrial equipment and tools						
Sundry fixtures, fittings, installations						
Transport equipment			19,577			19,577
Office equipment, furniture	241,018		18,653			259,671
Recyclable and other packaging						
Tangible assets in progress						
Advances and prepayments						
TOTAL TANGIBLE ASSETS	241,018		38,231			279,249
FINANCIAL						
Investments in associates valued by the equity method						
Other equity interests	4,372,238					4,372,238
Other fixed investments						
Loans and other financial assets	108,496					108,496
TOTAL FINANCIAL ASSETS	4,480,734					4,480,734
TOTAL	21,353,527		47,555		4,389,347	17,011,735

APPENDIX - Note 3

Depreciation and Amortisation

Statement expressed in Euros		Opening amortization	Movements during the year			Amortisation as at 31/03/2019		
			Provisions	Reversals				
INTANGIBLE	Preliminary and development costs							
	Others	16,130,936	37,797	4,389,347		11,779,386		
	TOTAL INTANGIBLE ASSETS	16,130,936	37,797	4,389,347		11,779,386		
TANGIBLE	Lands							
	Buildings on freehold land							
	On leasehold land							
	Fixtures, fittings, installations							
	Technical instal., industrial equipment and tools							
	Sundry fixtures, fittings, installations							
	Transport equipment							
Office equipment, furniture	76,922	36,767			113,689			
Recyclable and other packaging								
TOTAL TANGIBLE ASSETS	76,922	36,767			113,689			
TOTAL	16,207,858	74,564	4,389,347		11,893,075			
Breakdown of movements affecting the provision for accelerated depreciation								
		Provisions			Reversals			Change in depreciation and amortization at year-end
		Duration and other differential	Diminishing balance mode	Exceptional tax amort.	Duration and other differential	Diminishing balance mode	Exceptional tax amort.	
Preliminary and development costs								
Other tangible assets								
TOTAL INTANGIBLE ASSETS								
Lands								
Buildings on freehold land								
On leasehold land								
Fixtures, fittings, installations								
Technical instal., industrial equipment and tools								
Sundry fixtures, fittings, installations								
Transport equipment								
Office equipment, IT, furniture								
Recyclable and other packaging								
TOTAL TANGIBLE ASSETS								
Cost of acquisition of participating shares								
TOTAL								
GRAND TOTAL NOT BROKEN DOWN								

APPENDIX – Note 4

Provisions

Statement expressed in Euros

		Opening	Increase	Decrease	31/03/2019	
REGULATED PROVISIONS	Reconstruction mining and oil deposits					
	Provisions for investment					
	Provisions for price increases					
	Provision for accelerated depreciation					
	Tax provision for installation loans					
	Other provisions					
	REGULATED PROVISIONS					
PROVISIONS FOR RISKS AND CHARGES	For litigation		123,000		123,000	
	For guarantees given to customers					
	For losses on futures markets					
	For fines and penalties					
	For exchange losses					
	For pensions and similar obligations	220,783	30,053		250,835	
	For taxes					
	For renewals of fixed assets					
	Provisions for major repairs and renovations					
	For social security and tax charges on accrued leaves					
Other						
	PROVISIONS FOR RISKS AND CHARGES	220,783	153,053		373,835	
PROVISIONS FOR DEPRECIATION	On fixed assets { intangible tangible shares valued by the equity method	446,818			446,818	
		Participating shares	3,372,238			3,372,238
		Other financial assets	68,385			68,385
	On stocks and work in progress	159,057	725,893	152,044	732,905	
	On trade debtors	412,287	158,748	223,463	347,572	
	Others					
		PROVISIONS POUR DEPRECIATION	4 458 785	884 641	375 508	4,967,918

GRAND TOTAL	4,679,567	1,037,693	375,508	5,341,753
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Of which provisions and reversals {	- operating		
	- financial	1,037,693	375,508
	- extraordinary		

Shares accounted for by the equity method: depreciation amount at the year-end calculated in accordance with the rules provided for in Article 39-1.5e of the GTC

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APPENDIX – Note 5

Receivables and Payables

Statement expressed in Euros		31/03/2019	< = 1 year	> 1 year
RECEIVABLES	Receivables from associates			
	Loans (1) (2)	68,385		68,385
	Other financial assets	40,111		40,111
	Bad and Doubtful debts	354,848		354,848
	Other trade receivables	4,186,771	4,186,771	
	Receivables representing loaned securities			
	Personnel and related accounts	6,500	6,500	
	Social Security and other social bodies	36,864	36,864	
	Tax on profits			
	Value added tax	563,571	563,571	
	Other taxes, duties and similar payments			
	Miscellaneous	48,442	48,442	
	Group and associates (2)			
	Sundry debtors	4,461	4,461	
	Prepaid expenses	321,148	321,148	
	TOTAL RECEIVABLES	5,631,100	5,167,756	463,344
(1) Loans granted during the year				
(1) Repayments obtained during the year				
(2) Loans and advances to associates (natural persons)				

		31/03/2019	< = 1 year	1 - 5 years	> 5 years
PAYABLES	Convertible debenture loans (1)				
	Other debenture loans (1)				
	Loans/debts from credit instit at less than 1 year from start (1)	4,000	4,000		
	Loans/debts from credit instit at more than 1 year from start (1)				
	Loans and miscellaneous financial debts (1) (2)	32,693,115	32,693,115		
	Trade payables and related accounts	9,449,285	9,449,285		
	Personnel and related accounts	476,283	476,283		
	Social Security and other social bodies	223,509	223,509		
	Tax on profits				
	Value added tax	2,246	2,246		
	Guaranteed bonds				
	Other taxes, duties and similar payments	352,980	352,980		
	Debts on fixed assets and related accounts				
	Group and associates (2)	2,600,000	2,600,000		
	Other payables	769,135	769,135		
Debt representing borrowed securities					
Prepaid income					
	TOTAL PAYABLES	46,570,553	46,570,553		
(1) Loans taken out during the year					
(1) Loans paid back during the year					
(2) Loans and debts from associates (natural persons)					

APPENDIX – Note 6.10

ACCRUED INCOME

Statement expressed in Euros

31/03/2019

		31/03/2019
Total Income receivable		48,442
Other claims		48,442
<i>APPRENTICESHIP LEVY</i>		
<i>GOVERNMENT-INCOME</i>		
<i>RECEIVABLE</i>	48,442	

APPENDIX - Note 6.11

Accrued expenses

Statement expressed in Euros

31/03/2019

Total accrued expenses		1,611,293
Loans and debts from credit institutions		4,000
<i>ACCRUED INTERESTS PAYABLE</i>	4,000	
Other loans and financial debts		590,930
<i>INTEREST GROUP LOANS</i>	590,930	
Trade payables and related accounts		448,346
<i>UNDELIVERED INVOICE cpt Entry m</i>	159,859	
<i>SUPPLIER, UNDELIVERED INVOICES</i>	288,487	
Tax and social security liabilities		568,017
<i>PROVISIONS FOR ACCRUED TOIL</i>	7,697	
<i>PROVISIONS ACCRUED LEAVE</i>	44,870	
<i>PROVISIONS FOR ACCRUED LEAVE</i>	118,324	
<i>PROVISIONS FOR TIME SAVINGS ACCOUNT</i>	13,697	
<i>PERSONNEL, ACCRUED EXPENSES</i>	276,065	
<i>PROVISIONS FOR ACCRUED SOCIAL CHARGES</i>	10,477	
<i>SOCIAL INSTITUTIONS, ACCRUED EXPENSES</i>	81,597	
<i>SOCIAL INSTITUTIONS, ACCRUED EXPENSES</i>	6,848	
<i>EFFORT CONSTRUCTION</i>	7,262	
<i>PROFESSIONAL TRAINING</i>	1,179	

APPENDIX – Note 6.12

Prepayments

Statement expressed in Euros	Period	Amounts	31/03/2019
Prepayments - OPERATING			321,148
Other charges accounted for in advance		321,148	
Prepayments - FINANCIAL			
Prepayments - EXTRAORDINARY			
TOTAL			321,148

APPENDIX – Note 6.12

Prepaid income

Statement expressed in Euros	Period	Amounts	31/03/2019
Prepaid income – OPERATING Advances on contracts <div style="text-align: right; margin-right: 100px;">NONE</div>			
Prepayments - FINANCIAL			
Prepayments - EXTRAORDINARY			
TOTAL			

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APPENDIX – Note 6.17

Breakdown of turnover

Statement expressed in Euros

31/03/2019

Turnover by business line		22,000,613
Sale of goods		22,000,480
<i>SALE OF GOODS FRANCE HG</i>	28,785,704	
<i>REBATES/DISCOUNTS/ALLOWANCES GRANTED</i>	(6,785,224)	
Production sold - Services		133
<i>MISCELLANEOUS SERVICES FRANCE H</i>	133	
Turnover by geographical market		22,000,613
FRANCE turnover		22,000,613
<i>SALE OF GOODS FRANCE HG</i>	28,785,704	
<i>REBATES/DISCOUNTS/ALLOWANCES GRANTED</i>	(6,785,224)	
<i>MISCELLANEOUS SERVICES FRANCE H</i>	133	

APPENDIX – Note 6.18

Breakdown of tax on profits

Statement expressed in Euros

	31/03/2019	Profit/loss before tax	Taxes (1)	Profit/loss after tax
PROFIT/LOSS FROM ORDINARY ACTIVITIES		(4,934,613)		(4,934,613)
EXTRAORDINARY RESULT (and equity interests)		224,091		224,091
ACCOUNTING PROFIT/LOSS		(4,710,522)		(4,710,522)

(1) After tax restatements.

APPENDIX - Note 11

Increase and decrease in future tax liabilities

Statement expressed in Euros

31/03/2019

INCREASE	Regulated provisions	
	Other	
INCREASE IN FUTURE TAX LIABILITIES		

DECREASE	Provisions not deductible in the year of recognition	
	Provisions for retirement benefits	62,709
	Provisions for doubtful debts	86,893
	Provisions for MA (31/12/2012)	66,633
	Provisions for loan for building initiative	17,096
	Other	
	Provisions for accrued leaves	44,372
Social housing level	14,032,194	
Effort construction (Tax loss carry-forwards??)	1,658	
DECREASE IN FUTURE TAX LIABILITIES		14,311,555

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

APPENDIX - Note 12

Directors' remuneration

Statement expressed in Euros

31/03/2019

Remuneration of members:

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

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

APPENDIX – Note 13

Average headcount

	31/03/2019	Internal	External
AVERAGE HEADCOUNT PER CATEGORY			
Managers & intellectual professions		16	
Intermediate professions		4	
White collar employees		1	
Blue collar employees			
TOTAL		21	

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Parent companies consolidating the financial statements

31/03/2019

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

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

APPENDIX - Note 15

Subsidiaries and associates

Statement expressed in Euros	31/03/2019	Capital and reserves	Quota Percentage shareholding	Earnings of the last financial year ended
A. Detailed information				
1. Subsidiaries (over 50%)				
OPIH France 11-15 quai Dion Bouton 92800 Puteaux 321 897 241 000 97		1,273,626	100.00	108,245
2. Equity interests (10-50%)				
B. General information				
1. Subsidiaries not included in A.				
a) French				
b) foreign				
2. Equity interests not included in A.				
a) French				
b) foreign				

**TAX FORMS
TO
31/03/2019**