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FRANCE

RANBAXY PHARMACIE GENERIQUES

Financial year ending on 31 March 2018

Auditor's report on the annual financial statements

To the Shareholders,

Opinion

In accordance with the task entrusted to us by your General Meeting, we have verified the annual financial statements of the RANBAXY PHARMACIE GENERIQUES company relative to the financial year ended on 31 March 2018, as attached to this report.

We certify that, according to French accounting principles and methods, the annual financial statements present a true and fair view of the results of business during the past year and of the assets and financial position of the RANBAXY PHARMACIE GENERIQUES company at the end of the year.

Basis of the opinion

Audit guidelines

We executed our audit in accordance with the standards of professional conduct applicable in France. We believe that the information that we have collected is sufficient and appropriate upon which to base our opinion.

The responsibilities incumbent upon us with regard to these standards are indicated in the part "Responsibilities of the statutory auditor relative to the audit of the annual financial statements" of this report.

Independence

We performed our audit mission in compliance with the independence rules applicable to us, for the period from 1 April 2017 to the issue date of our report, and we notably did not perform any services that are prohibited by the code of ethics of the statutory auditor's profession.

Observation

Without calling into question the opinion expressed above, we would like to draw your attention to the Accounting Rules and Methods - Shareholders' Equity note in the Appendix specifying that the company has received financial support from its parent company until 31 March 2019.

BDO France - Léger & associés

Chartered accountancy firm, registered with the Accounting Board of Paris - Ile de France

Statutory accounting firm included in the national of Statutory auditors, attached to the Paris CRCC

Paris TCR B 480 307 131 00056 - APE code 6920Z

LLC (SARL) with capital of 60,000 euros - Intra-community VAT FR8Z480307131

Justification of the assessments

In pursuance of the provisions of articles L. 823-9 and R.823-7 of the Commerce code pertaining to the justification of our assessments, we would like to inform you that the most significant assessments carried out by us, in our professional judgement, pertained to the appropriate nature of the applied accounting policies, to the reasonable nature of the significant estimates that have been adopted, and to the overall presentation of the financial statements.

The assessments made in this manner are part of our process of auditing the annual financial statements, taken in their whole, and therefore contributed to the formation of our opinion that was expressed above. We express no opinion on the elements of these annual financial statements taken in isolation.

Verification of the management report and other documents provided to shareholders

In accordance with professional standards applicable in France, we have also carried out the specific checks required by law.

We have nothing to report regarding the fair presentation and consistency with the annual financial statements of the information given in the Chairwoman's management report and in the documents sent to the shareholders regarding the financial situation and the annual financial statements.

Responsibilities of the management and of the people comprising the corporate governance relative to the annual financial statements

The management is required to prepare annual financial statements that provide a true and fair view in accordance with French accounting rules and principles, and to implement the internal control that it considers necessary for the preparation of annual financial statements that are devoid of significant anomalies, whether resulting from fraud or error.

During the preparation of the annual financial statements, the management must assess the company's ability to continue its operations, to present in these statements, as relevant, the necessary information relative to the continuity of operations, and to apply the accounting convention on the continuity of operations, unless it is planned to liquidate the company or discontinue its activity.

These annual financial statements have been approved by the Chairwoman.

Responsibilities of the statutory auditor relative to the audit of the annual financial statements

It is our responsibility to prepare a report on the annual financial statements. Our objective is to obtain reasonable assurance that the overall annual financial statements do not include any significant anomalies. Reasonable assurance corresponds with a high level of assurance, but cannot guarantee that an audit performed in compliance with the professional performance standards will systematically serve to detect any significant anomaly. Anomalies can result from fraud or error, and are considered to be significant when it can reasonably be expected that they could, if used individually or cumulatively, have an influence on the economic decisions made by the users of the financial statements on the basis thereof.

As indicated in article L.823-10-1 of the Commercial Code, our mission to certify the financial statements does not constitute a guarantee of the viability or management quality of your company.

As part of an audit performed in compliance with the professional standards applicable in France, the statutory auditor uses its professional judgement throughout this audit. Moreover:

- it identifies and assesses the risks that the annual financial statements might contain significant anomalies, whether resulting from fraud or error, it defines and implements audit procedures based on these risks, and collects elements that it considers to be sufficient and appropriate in order to support its opinion. The risk of non-detection of a significant anomaly resulting from fraud is greater than that of a significant anomaly resulting from error, since fraud can imply collusion, falsification, deliberate omissions, false declarations or circumventing of internal control;
- it reviews the internal control relating to the audit in order to define audit procedures that are appropriate for the situation, and not in order to express an opinion on the efficiency of the internal control;
- it assesses the appropriate nature of the adopted accounting methods and the reasonable nature of the accounting estimates made by the management, as well as of the information relating to them as provided in the annual financial statements;
- it assesses the appropriate nature of the management's application of the accounting convention on the continuity of operations and, based on the collected elements, the existence or not of significant uncertainty related to events or circumstances that could call into question the company's ability to continue its operations. This assessment relies on the elements collected until the date of its report, while nevertheless recalling that subsequent circumstances or events could call the continuity of operations into question. If it identifies the existence of significant uncertainty, it draws the attention of the report's readers to the information provided in the annual financial statements regarding this uncertainty or, if such information is not provided or is not relevant, it provides a certification with reservations or refuses to provide the certification;
- it assesses the overall presentation of the annual financial statements and determines whether or not they reflect the operations and underlying events such as to provide a true and fair view.

Paris, 24 May 2018

BDO France - Léger & associés
Represented by Eric PICARLE
Statutory auditor

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RANBAXY PHARMACIE GENERIQUES

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Statement of presentation of accountsStatement expressed in **euros**

In connection with the assignment relating to the **Presentation of the annual financial statements** of **RANBAXY PHARMACIE GENERIQUES** for the period from **01/04/2017** to **31/03/2018** and in accordance with the terms of reference of our engagement letter, we, the Chartered Accountancy firm SOGECC, have carried out the checks as defined by the standards of the Institute of Chartered Accountants.

The enclosed Annual Financial Statements show the following:

Balance sheet total:	12,259,023 euros
Turnover:	18,664,689 euros
Net income:	-3,400,480 euros

FINANCIAL STATEMENTS TO 31/03/2018

BALANCE SHEET – ASSETS

Statement expressed in euros		31/03/2018			31/03/2017
		Gross	Amort. and Deprec.	Net	Net
Capital subscribed uncalled (I)					
FIXED ASSETS	INTANGIBLE ASSETS				
	Preliminary costs				
	Development costs				
	Licences, patents and similar rights	16,631,775	16,577,754	54,021	111,307
	Goodwill (1)				
	Other intangible assets				
	Advances and prepayments				
	TANGIBLE ASSETS				
	Lands				
	Buildings				
	Technical installations, indus. equip. & tools				
	Other tangible assets	241,018	76,922	164,095	173,629
	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					
Loans	68,385	68,385		(49,225)	
Other financial assets	40,111		40,111	49,431	
	TOTAL (II)	21,353,527	20,095,299	1,258,228	1,285,142
CURRENT ASSETS	STOCK AND WORK IN PROGRESS				
	Raw materials & supplies	203,366	7,012	196,354	83,695
	Work in progress for production of goods				
	Work in progress for production of services				
	Intermediate and finished products				
	Goods	3,297,231	152,044	3,145,187	2,490,825
	Advances and prepayments paid on orders	57,544		57,544	2,835
	RECEIVABLES (3)				
	Trade receivables and related accounts	3,673,859	412,287	3,261,571	3,238,968
	Other receivables	772,921		772,921	867,181
Capital subscribed and called up, unpaid					
INVESTMENT SECURITIES					
CASH	3,306,476		3,306,476	1,294,006	
ACCRUALS	Prepayments	260,742		260,742	258,660
	TOTAL (III)	11,572,139	571,344	11,000,795	8,236,171
	Loan issuance cost to be spread (IV)				
Premiums on the redemption of debentures (V)					
Unrealised exchange difference (VI)					
TOTAL ASSETS (I to VI)		32,925,666	20,666,643	12,259,023	9,521,313

(1) including leasehold right

(2) including financial assets of less than one year

(3) including receivables of more than one year

49,431

420,887

BALANCE SHEET – LIABILITIES

Statement expressed in euros

31/03/2018

31/03/2017

		31/03/2018	31/03/2017
Capital and Reserves	Total share capital	24,948,400	24,948,400
	Issue, merger, acquisition and such premiums		
	Differences arising on revaluation		
	RESERVES		
	Legal reserve	726,132	726,132
	Statutory or contractual reserves	167,958	167,958
	Regulated reserves		
	Other reserves	1,282,809	1,282,809
	Retained earnings	(51,054,483)	(48,696,329)
	Profit / loss for the year	(3,400,480)	(2,358,154)
Investment subsidies			
Regulated provisions			
	Total capital and reserves	(27,329,664)	(23,929,185)
Other capital and reserves	Income from issues of participating shares		
	Conditional advances		
	Total other capital and reserves		
Provisions	Provisions for contingencies		
	Provisions for expenses	220,783	190,471
	Total provisions	220,783	190,471
PAYABLES (1)	FINANCIAL DEBTS		
	Convertible debenture loans		
	Other debenture loans		
	Loans and debts from credit institutions (2)	4,000	2,244,940
	Other loans and financial debts	34,907,545	20,613,776
	Advances and prepayments received on orders in progress		
	OPERATING DEBTS		
	Trade payables and related accounts	3,975,593	9,576,119
	Tax and social security liabilities	480,767	817,046
	OTHER PAYABLES		
Payables on fixed assets and related accounts			
Other payables		8,145	
Prepaid income (1)			
	Total payables	39,367,905	33,260,026
	Unrealised exchange losses		
	TOTAL LIABILITIES	12,259,023	9,521,313
	Profit / loss expressed in cents	(3,400,479.62)	(2,358,153.97)
	(1) Prepaid income and expenses of less than one year	39,367,905	33,260,026
	(2) Of which bank facilities and overdrafts, bank credit balance and PCA	4,000	2,244,940

INCOME STATEMENT

		31/03/2018		31/03/2017	
		12 months	% TO	12 months	% TO
OPERATING INCOME	Sales of goods	18,597,962	99.64	19,188,336	99.68
	Production sold (Goods)				
	Production sold (Services and Works)	66,727	0.36	61,819	0.32
	Net turnover	18,664,689	100.00	19,250,156	100.00
	Production for stock				
	Capitalised production costs				
	Operating subsidies				
	Reversals on provisions and depreciation, transfer of charges	197,155	1.06	1,730,305	8.99
Other income	40,015	0.21	705		
	Total operating income	18,901,859	101.27	20,981,166	108.99
OPERATING EXPENSES	Purchases of goods	10,601,334	56.80	7,866,821	40.87
	Variations in stock	(763,637)	-4.09	2,757,954	14.33
	Purchases of raw materials and other supplies	369,326	1.98	332,190	1.73
	Variations in stock	(80,640)	-0.43	1,537	0.01
	Other external purchases and expenses	9,427,223	50.51	9,311,387	48.37
	Taxes, duties and similar payments	423,900	2.27	662,308	3.44
	Wages and salaries	1,071,779	5.74	1,199,825	6.23
	Personnel social security charges	433,420	2.32	448,505	2.33
	Owner's personal contributions to social security				
	Amortisation, depreciation and provisions	315,430	1.69	443,543	2.30
	Other expenses	132,491	0.71	147,101	0.76
		Total operating expenses	21,930,626	117.50	23,171,168
	OPERATING PROFIT / LOSS	(3,028,768)	-16.23	(2,190,003)	-11.38
FINANCIAL INCOME Opera comm.	Profit appropriated or loss transferred				
	Loss borne or profit transferred				
	From equity interests (3)				
	From other marketable securities and fixed asset receivables (3)				
	Other interest and similar income (3)				
	Reversals of provisions and depreciation and transfer of charges				
	Exchange gains	995	0.01	112	
Net income from the sale of investment securities					
	Total financial income	995	0.01	112	
FINANCIAL EXPENSES	Amortisation, depreciation and provisions				
	Interest and similar expenses (4)	425,003	2.28	387,985	2.02
	Exchange losses	1,110	0.01	138	
	Net expenses from the sale of investment securities				
	Total financial expenses	426,113	2.28	388,123	2.02
	FINANCIAL PROFIT / LOSS	(425,118)	-2.28	(388,011)	-2.02
	PROFIT / LOSS BEFORE TAX	(3,453,886)	-18.50	(2,578,013)	-13.39
	Total extraordinary income	62,418	0.33	222,759	1.16
	Total extraordinary expenses	9,011	0.05	2,900	0.02
	EXTRAORDINARY PROFIT / LOSS	53,406	0.29	219,859	1.14
	EMPLOYEE PROFIT-SHARING				
	TAX ON PROFITS				
	TOTAL INCOME	18,965,271	101.61	21,204,037	110.15
	TOTAL EXPENSES	22,365,751	119.83	23,562,191	122.40
	PROFIT / LOSS FOR THE YEAR	(3,400,480)	-18.22	(2,358,154)	-12.25

DETAILS OF THE FINANCIAL STATEMENTS TO 31/03/2018

Details of the Assets

Statement expressed in euros	01/04/2017 31/03/2018	12 months	01/04/2016 31/03/2017	12 months	Variations	%
Uncalled subscribed capital						
TOTAL II – NET fixed assets	1,258,228.13	10.26	1,285,142.39	13.50	(26,914.26)	-2.09
Concessions, patents and similar rights	54,021.40	0.44	111,307.37	1.17	(57,285.97)	-51.47
20510660 Software programs	15,306.40	0.12	3,826.60	0.04	11,479.80	300.00
20520660 PATENTS	525,674.09	4.29	525,674.09	5.52		
20530662 LICENCES (excluding AA)	180,286.21	1.47	180,286.21	1.89		
20540660 TRADEMARKS	15,910,508.49	129.79	15,910,508.49	167.10		
29050660 Provisional Intangible Assets	(266,532.00)	-2.17	-266,532.00	-2.80		
29050662 PROV LICENCE DEPRECIATION	(180,286.21)	-1.47	-180,286.21	-1.89		
28050660 Software amort	(4,887.00)	-0.04	(315.00)		(4,572.00)	N/S
28052660 PATENTS AMORT	(525,674.09)	-4.29	-525,674.09	-5.52		
28054660 TRADEMARKS AMORT	(15,600,374.49)	-127.2	-15,536,180.72	-163.1	(64,193.77)	-0.41
Other tangible assets	164,095.47	1.34	173,629.25	1.82	(9,533.78)	-5.49
21830500 OFFICE EQUIPMENT - OPERATIONS	13,550.29	0.11	11,204.05	0.12	2,346.24	20.94
21830600 IT HARDWARE	47,974.63	0.39	101,043.61	1.06	(53,068.98)	-52.52
21840000 Furnishings & Installations, Fixtures	179,493.00	1.46	361,493.81	3.80	(182,000.81)	-50.35
28183500 DEPREC OF OFFICE HARDWARE – EXPL	(9,748.80)	-0.08	(11,202.56)	-0.12	1,453.76	12.98
28183600 DEPREC IT HARDWARE	(44,435.65)	-0.36	(94,371.66)	-0.99	49,936.01	52.91
28184000 Amortisation – Furn & Installat	(22,738.00)	-0.19	(194,538.00)	-2.04	171,800.00	88.31
Other equity interests	1,000,000.00	8.16	1,000,000.00	10.50		
26110101 GROUP EQUITY SECURITIES	4,372,238.01	35.67	4,372,238.01	45.92		
29611010 Provision Share investments	(3,372,238.01)	-27.51	(3,372,238.01)	-35.42		
Loans			(49,225.00)	-0.52	49,255.00	100.00
27430130 LOANS FOR THE CONSTRUCTION EFFORT	68,384.68	0.56			68,384.68	
29743013 Provision Loans – Const. efforts	(68,384.68)	-0.56	(49,225.00)	-0.52	(19,159.68)	-38.92
Other financial assets	40,111.26	0.33	49,430.77	0.52	(9,319.51)	-18.85
27510200 DEPOSITS AND SURETY BONDS PAID	40,111.26	0.33	49,430.77	0.52	(9,319.51)	-18.85
TOTAL III – NET current assets	11,000,794.77	89.74	8,236,170.53	86.50	2,764,624.24	33.57
Raw materials & supplies	196,533.74	1.60	83,694.96	0.88	112,658.78	134.61
31100100 STOCKS API RAW MATERIALS	184,078.86	1.50	79,798.89	0.84	104,279.97	130.68
32600603 STOCKS DPO PACKAGING ARTICLES	19,287.10	0.16	10,908.29	0.11	8,378.81	76.81
39110100 PROV DEPR.STOCKS API MATERIALS	(7,012.22)	-0.06	(7,012.22)	-0.07		
Goods	3,145,186.63	25.66	2,490,824.81	26.16	654,361.82	26.27
37200510 MERCHANDISE DPO STOCKS	3,297,231.04	26.90	2,595,955.95	27.26	701,275.09	27.01
39720510 PROV DEPR.DPO STOCKS MARCHANDI	(152,044.41)	-1.24	(105,131.14)	-1.10	(46,913.27)	-44.62
Advances and prepayments paid on orders	57,543.86	0.47	2,835.00	0.03	54,708.86	N/S
40910300 CGS A-ADVANCE & ACPT/B&S-FRS TI	57,543.86	0.47	2,835.00	0.03	54,708.86	N/S
Trade receivables and related accounts	3,261,571.47	26.61	3,238,968.48	34.02	22,602.99	0.70
41110100 COLLECTIVE 3RD PARTY CUSTOMERS (PRODUCT)	3,252,971.73	26.54	3,228,696.13	33.91	24,275.60	0.75
41600000 Doubtful customers	420,887.14	3.43	502,242.50	5.27	(81,355.36)	-16.20
49110100 PROV DEPRECIAT*CUSTOMER RECEIVABLES	(412,287.40)	-3.36	(491,970.15)	-5.17	79,682.75	16.20
Other receivables	772,921.26	6.30	867,181.42	9.11	(94,260.16)	-10.87
42500230 PERSONNEL – SALARY ADVANCES	600.00				600.00	
42510200 Financial participation withholding			137.96		(137.96)	-100.00
43111200 SOCIAL SECURITY – Day Allowance BENEFITS	17,528.88	0.14	5,072.45	0.05	12,456.43	245.57
43710110 MEAL VOUCHERS	18,469.62	0.15	27,175.77	0.29	(8,706.15)	-32.04

Statement expressed in euros	Details of the Assets				Variations	%
	01/04/2017 31/03/2018	12 months	01/04/2016 31/03/2017			
44410670 GOVERNMENT - CORPORATION TAX - ADVANCE	387,305.00	3.16	387,305.00	4.07		
44562690 DEDUCTIBLE VAT ON DEBITS			433.55		(433.55)	-100.00
44566010 DEDUCTIBLE VAT / PAYMENTS – A	112,809.43	0.92	10,021.10	0.11	102,788.33	N/S
44566120 DEDUCTIBLE VAT ON DEBITS	2,402.79	0.02	324,453.70	3.41	(322,050.91)	-99.26
44566140 EU VAT DEDUCTIBLE ON DEBITS			75,618.91	0.79	(75,618.91)	-100.00
44566680 RECOV VAT IN 1 EU STATE	236.71		149.80		86.91	58.02
44583670 REQUESTED VAT REIMBURSEMENTS	188,025.83	1.53			188,025.82	
44870300 GOVERNMENT – INCOME RECEIVABLE	45,543.00	0.37	36,813.18	0.39	8,729.82	23.71
Cash	3,306,476.06	26.97	1,294,005.85	13.59	2,012,470.21	155.52
51210000 Crédit Lyonnais	46,709.45	0.38	398,126.68	4.18	(351,417.23)	-88.27
51260000 Credit - FR87 30002007980000403	20,277.20	0.17	20,937.20	0.22	(660.00)	-3.15
51280000 HSBC – France-main	2,906,986.59	23.71			2,906,986.59	
51280100 HSBC - CSP	332,406.10	2.71	874,845.25	9.19	(542,439.15)	-62.00
53110000 CASH IN EUROS	96.72		96.72			
Deferred expenditures	260,741.75	2.13	258,660.01	2.72	2,081.74	0.80
48600101 DEFERRED EXPENDITURE – AS	2,470.13	0.02	341.10		2,129.03	624.17
48600300 DEFERRED EXPENDITURE – AU	258,271.62	2.11	258,318.91	2.71	(47.29)	-0.02
BALANCE SHEET ASSETS TOTAL	12,259,022.90	100.00	9,521,312.92	100.00	2,737,709.98	28.75

Details of the Liabilities

Statement expressed in euros		01/04/2017		01/04/2016		Variations	
		31/03/2018	12 months	31/03/2017	12 months		%
TOTAL I – Shareholders equity		(27,329,664.18)	-222.9	(23,929,184.56)	-251.3	(3,400,479.62)	-14.21
Corporate or individual capital		24,948,400.00	203.51	24,948,400.00	262.03		
10130100	SUBSCRIBED CAPITAL CALLED PAID	24,948,400.00	203.51	24,948,400.00	262.03		
Legal reserve		726,132.00	5.92	726,132.00	7.63		
10611100	LEGAL RESERVE	726,132.00	5.92	726,132.00	7.63		
Statutory or contractual reserves		167,957.78	1.37	167,957.78	1.76		
10630120	STATUTORY OR CONTRACTUAL RESERVES	167,957.78	1.37	167,957.78	1.76		
Other reserves		1,282,808.87	10.46	1,282,808.87	13.47		
10680300	OTHER SPECIAL RESERVES	1,282,808.87	10.46	1,282,808.87	13.47		
Retained earnings		(51,054,483.21)	-416.4	(48,696,329.24)	-511.4	(2,358,153.97)	-4.84
11000100	RETAINED EARNINGS	(51,054,483.21)	-416.4	(48,696,329.24)	-511.4	(2,358,153.97)	-4.84
Profit / loss for the year		(3,400,479.62)	-27.74	(2,358,153.97)	-24.77	(1,042,325.65)	-44.20
TOTAL II – Other shareholders equity							
TOTAL III – Total provisions		220,782.56	1.80	190,471.18	2.00	30,311.38	15.91
Provisions for expenses		220,782.56	1.80	190,471.18	2.00	30,311.38	15.91
15311120	PROV RETIREMENT BENEFITS	220,782.56	1.80	190,471.18	2.00	30,311.38	15.91
TOTAL IV – Total debts		39,367,904.52	321.13	33,260,026.30	349.32	6,107,878.22	18.36
Loans and debts from credit institutions		4,000.00	0.03	2,244,939.78	23.58	(2,240,939.78)	-99.82
51280000	HSBC – France-main			2,240,939.78	23.54	(2,240,939.78)	-100.00
51810000	PAYABLE ACCRUED INTEREST	4,000.00	0.03	4,000.00	0.04		
Other loans and financial debts		34,907,544.67	284.75	20,613,776.29	216.50	14,293,768.38	69.34
16610300	COM EMPLOYEES PARTICIPATION			0.29		(0.29)	-100.00
16810000	LOANS FROM THE GROUP	32,102,185.00	261.87	17,500,000.00	183.80	14,602,185.00	83.44
16888000	INTEREST ON GROUP LOANS	205,359.67	1.68	513,776.00	5.40	(308,416.33)	-60.03
45100410	OPIH current account	2,600,000.00	21.21	2,600,000.00	27.31		
Trade payables and related accounts		3,975,592.69	32.43	9,576,119.24	100.58	(5,600,526.55)	-58.48
40100100	THIRD PARTIES – SUPPLIERS COLLECTIVE	114,057.36	0.93	193,694.78	2.03	(79,637.42)	-41.11
40200100	GROUP – SUPPLIERS COLLECTIVE	3,392,307.74	27.67	8,594,834.46	90.27	(5,202,526.72)	-60.53
40810000	INV NOT RECEIVED ACCT Entry M	43,155.34	0.35	163,873.87	1.72	(120,718.53)	-73.67
40810502	SUPPLIER INV NOT RECEIVED	426,072.25	3.48	623,716.13	6.55	(197,643.88)	-31.69
Tax and social security liabilities		480,767.16	3.92	817,045.99	8.58	(336,278.83)	-41.16
42110110	PERSONNEL – COMPENSATION OWED			5,801.49	0.06	(5,801.49)	-100.00
42200100	EC OPERATING SUBSIDIES	135.29		1,027.33	0.01	(892.04)	-86.83
42200110	EC SUBSIDIES SOCIAL ACTIONS	608.81		4,623.54	0.05	(4,014.73)	-86.83
42510200	Financial participation withholding	2,022.47	0.02			2,022.47	
42820140	T.O.I.L. PROVISIONS	7,618.48	0.06	9,144.44	0.10	(1,525.96)	-16.69
42820150	PROVISIONS HOLIDAYS TO BE PAID	30,210.58	0.25	31,429.23	0.33	(1,218.65)	-3.88
42820160	PROVISIONS HOLIDAYS TO BE PAID	92,057.70	0.75	93,514.26	0.98	(1,456.56)	-1.56
42820170	PROVISIONS TEMP SAVINGS A/C	7,690.19	0.06	6,182.62	0.06	1,507.57	24.38
42868190	PERSONNEL – EXPENSES PAYABLE	173,083.57	1.41	239,680.04	2.52	(66,596.47)	-27.79
43110100	U.R.S.S.A.F.	34,665.65	0.28	42,573.99	0.45	(7,908.34)	-18.58
43710120	PENSION INSTITUTIONS – OTHER	10,197.77	0.08	13,348.46	0.14	(3,150.69)	-23.60
43720130	WELFARE INSTITUTIONS – OTHER	10,566.05	0.09	19,446.43	0.20	(8,880.38)	-45.67
43730140	ASSEDIC / GARP	40.06				40.06	

Details of the Liabilities

Statement expressed in euros		01/04/2017		01/04/2016		Variations	
		31/03/2018	12 months	31/03/2017	12 months		%
43740150	PROVIDENT FUND INSTITUTIONS – OTHER	4,690.16	0.04	2,731.02	0.03	1,959.14	71.74
43860220	SOCIAL CHARGES TO BE PAID	4,075.95	0.03	11,149.54	0.12	(7,073.59)	-63.44
43860221	SOCIAL ORG. – CHARGES TO BE PAID	61,134.22	0.50	62,471.82	0.66	(1,337.60)	-2.14
43860222	SOCIAL ORG. – CHARGES TO BE PAID	3,845.10	0.03	3,091.31	0.03	753.79	24.38
43863240	CONSTRUCTION EFFORT	631.09	0.01	12,242.35	0.13	(11,611.26)	-94.85
43864250	APPRENTICESHIP TAXES	1,482.92	0.01	1,742.71	0.02	(259.79)	-14.91
43865270	PROFESSIONAL TRAINING	2,337.07	0.02	761.69	0.01	1,575.38	206.83
44520660	VAT DUE ON INTRA ACQUISITIONS			75,618.91	0.79	(75,618.91)	-100.00
44520670	Art. 283-1 CG collected EU VAT			132.86		(132.86)	-100.00
44551660	VAT TO BE PAID			1.27		(1.27)	-100.00
44566150	Art. 283-1 C deductible EU VAT			811.96	0.01	(811.96)	-100.00
44571670	VAT COLLECTED ON DEBITS			57,611.01	0.61	(57,611.01)	-100.00
44583670	REQUESTED VAT REIMBURSEMENTS			0.50		(0.50)	-100.00
44710660	GOVERNMENT – BUSINESS TAX	4,626.75	0.04	50,898.00	0.53	(46,271.25)	-90.91
44740110	GOVERNMENT – TAX PHARMAC. SPECIALITIES	15,000.00	0.12	65,000.00	0.68	(50,000.00)	-76.92
44750120	TAXES ON DIRECT SALES	13,813.03	0.11	4,944.72	0.05	8,868.31	179.35
44760130	Tax on companies cars	234.25		1,064.49	0.01	(830.24)	-77.99
Other payables				8,145.00	0.09	(8,145.00)	-100.00
46710220	CHEQUE NOT REMITTED FOR COLLECTION			8,145.00	0.09	(8,145.00)	-100.00
BALANCE SHEET LIABILITIES TOTAL		12,259,022.90	100.00	9,521,312.92	100.00	2,737,709.98	28.75

Details of the Profit and Loss Statement

	01/04/2017 31/03/2018	12 months	01/04/2016 31/03/2017	12 months	Variations	%
Statement expressed in euros						
Total operating income	18,901,858.50	101.27	20,981,165.65	108.99	(2,079,307.15)	-9.91
Sales of goods	18,597,962.25	99.64	19,188,336.41	99.68	(590,374.16)	-3.08
Sale of merchandise FRANCE	18,597,962.25	99.64	19,188,336.41	99.68	(590,374.16)	-3.08
70701710 FRANCE MERCHANDISE SALES HG	25,464,807.93	136.43	27,709,188.15	143.94	(2,244,380.22)	-8.10
70701720 Sales-Domestic – Off-Line			6,000.00	0.03	(6,000.00)	-100.00
70970000 REBATES, ALLOWANCES & DISCOUNTS GRANTED	(6,866,845.68)	-36.79	(8,526,851.74)	-44.29	1,660,006.06	19.47
Sale of merchandise EXPORT	64,583.65	0.35			64,583.65	
Production sold (Goods)						
Production sold (Services and Works)	66,726.53	0.36	61,819.46	0.32	4,907.07	7.94
Production sold (FRANCE Services)	66,726.53	0.36	61,819.46	0.32	4,907.07	7.94
70620410 FRANCE MISCELLANEOUS SERVICES H	66,726.53	0.36	61,819.46	0.32	4,907.07	7.94
Production sold (EXPORT Services)	65,000.00	0.35			65,000.00	
Net turnover	18,664,688.78	100.00	19,250,155.87	100.00	(585,467.09)	-3.04
Reversals on deprec. & prov., transfers of expenses	197,154.73	1.06	1,730,305.09	8.99	(1,533,150.36)	-88.61
78150000 Unclaimed Balances & Excess Pr			45,611.82	0.24	(45,611.82)	-100.00
78173000 Rev. on provision for depre	105,131.14	0.56	1,534,878.79	7.97	(1,429,747.65)	-93.15
78174000 BAD DEBTS PROV REV	92,023.59	0.49	149,814.48	0.78	(57,790.89)	-38.57
Other operating income	40,014.99	0.21	704.69		39,310.30	N/S
75800000 MISCELLANEOUS OPERATING INCOME	40,014.99	0.21	704.69		39,310.30	N/S
Total operating expenses	21,930,626.29	117.50	23,171,168.34	120.37	(1,240,542.05)	-5.35
Purchases of goods	10,601,334.43	56.80	7,866,820.52	40.87	2,734,513.91	34.76
60710580 PURCHASES MERCHANDISE STOCKS	10,204,201.01	54.67	7,607,045.33	39.52	2,597,155.68	34.14
60870000 Incidental expenses on purchase	394,793.12	2.12	292,995.85	1.52	101,797.27	34.74
60870110 CUSTOMS DUTIES & OTHER EXPENSES	2,340.30	0.01	1,779.34	0.01	560.96	31.53
60871000 Incidental costs on HA goods			(35,000.00)	-0.18	35,000.00	100.00
Variation of merchandise stocks	(763,636.56)	-4.09	2,757,954.21	14.33	(3,521,590.77)	-127.69
60370584 VARIATION OF MERCHANDISE STOCKS	(763,636.56)	-4.09	2,757,954.21	14.33	(3,521,590.77)	-127.69
Purchases of raw materials and other supplies	369,326.01	1.98	332,189.93	1.73	37 136 08	11.18
60100100 RAW MATERIALS STORED PURCHASES	369,326.01	1.98	332,189.93	1.73	37 136 08	11.18
Variation of procurement stocks	(80,640.16)	-0.43	1,537.05	0.01	(82,177.21)	N/S
60310101 VAR STOCK RAW MAT incoming	(80,640.16)	-0.43	1,537.05	0.01	(82,177.21)	N/S
Other external purchases and expenses	9,427,222.92	50.51	9,311,386.68	48.37	115,836.24	1.24
60500000 HA materials, equipment and	2,890.00	0.02	2,154.75	0.01	735.25	34.12
60610018 Vehicle fuel	15.95		(226.20)		242.15	107.05
60612010 ELECTRICITY NON-STORED PURCHASES	11,277.55	0.06	9,237.76	0.05	2,039.79	22.08
60633010 OTHER PETI NON-STORED PURCHASES	23,831.32	0.13	34,326.15	0.18	(10,494.83)	-30.57
60681000 SAMPLE NON-STORED PURCHASES	13.29		481.26		(467.97)	-97.24
Rebates / discounts / allowances on purchases	(793.35)		(1,196.81)	-0.01	403.46	33.71
60940000 purchases						
61101115 GLOBAL SERVICE EXPENSE-COST A	3,463,098.38	18.55	3,935,809.76	20.45	(472,711.38)	-12.01

Details of the Profit and Loss Statement

Statement expressed in euros		01/04/2017	12	01/04/2016	12	Variations	%
		31/03/2018	months	31/03/2017	months		
61102000	Provision of Services	634,803.39	3.40	744,465.00	3.87	(109,661.61)	-14.73
61103000	PAYROLL SUBCONTRACTING	27,181.09	0.15	29,270.45	0.15	(2,089.36)	-7.14
61103004	PACKAGING SUBCONTRACTING	28,766.02	0.15	21,903.75	0.11	6,862.27	31.33
61103014	OTHER WORKS / MISC SERVICES	21,117.55	0.11	47,205.85	0.25	(26,088.30)	-55.26
61103015	General Services	49,434.06	0.26	48,129.21	0.25	1,304.85	2.71
61103024	MARKETING SUBCONTRACTING	2,349,350.31	12.59	1,551,546.03	8.06	797,804.28	51.42
61103200	DISTRIBUTION SUBCONTRACTING	493,991.13	2.65	505,291.58	2.62	(11,300.45)	-2.24
61103300	MAILING SUBCONTRACTING	2,664.04	0.01	3,668.79	0.02	(1,004.75)	-27.39
61103302	STATISTICS MARKETING STUDIES	27,072.00	0.15	26,772.83	0.14	299.17	1.12
61320014	HG REAL ESTATE LEASING	151,892.92	0.81	151,043.53	0.78	849.39	0.56
61350016	Leasing Equipment & Furnishings B	13,979.70	0.07	6,984.13	0.04	6,995.57	100.16
61550016	Vehicle upkeep	846.34		(1,668.52)	-0.01	2,514.86	150.72
61560017	Maintenance IT hardware	9,224.50	0.05	36,987.00	0.19	(27,762.50)	-75.06
61560018	Maintenance software hardware	146,551.30	0.79	124,615.36	0.65	21,935.94	17.60
61611011	LIABILITY INSURANCE PREMIUM	33,828.41	0.18	28,677.27	0.15	5,151.14	17.96
61730020	STABILITY STUDIES			75,412.88	0.39	(75,412.88)	-100.00
61730030	QUALITY CONTROL SERVICES	302,189.59	1.62	27,112.50	0.14	275,077.09	N/S
61730040	PHARMACOVIGILANCE SERVICES	15,218.95	0.08	26,648.28	0.14	(11,429.33)	-42.89
61730050	Group R&D services			44,600.56	0.23	(44,600.56)	-100.00
61810016	GENERAL DOCUMENTATION	4,019.94	0.02	15,482.46	0.08	(11,462.52)	-74.04
61850010	REGISTRATION CONFERENCES SEMINARS	33,090.55	0.18	30,644.40	0.16	2,446.15	7.98
62110011	TEMP STAFF HG-MOI.	14,207.47	0.08	11,786.01	0.06	2,421.46	20.55
62220012	COMMISSIONS AND BROKERAGES / SALE	1,025,422.39	5.49	1,055,934.39	5.49	(30,512.00)	-2.89
62262010	LEGAL FEES	88,644.95	0.47	62,256.28	0.32	26,388.67	42.39
62262020	ADVERTISING FIRM FEES	13,752.00	0.07	(4,725.00)	-0.02	18,477.00	391.05
62262030	Audit fees	68,113.37	0.36	90,365.15	0.47	(22,251.78)	-24.62
62268014	OTHER MISCELLANEOUS FEES	19,202.12	0.10	56,495.12	0.29	(37,293.00)	-66.01
62310010	PUBLICITY AND INSERTS	4,607.83	0.02	6,750.00	0.04	(2,142.17)	-31.74
62330010	CONFERENCES AND ORGANISATION > 1 DAY	4,350.80	0.02	54,643.50	0.28	(50,292.70)	-92.04
62330017	INTERNAL SEMINARS	87,889.96	0.47	85,488.75	0.44	2,401.21	2.81
62340013	NON-DEC CLIENTELE GIFTS	593.67		5,343.00	0.03	(4,749.33)	-88.89
62410010	TRANSPORT ON STORED PURCHASES	81,016.24	0.43	86,313.36	0.45	(5,297.12)	-6.14
62480018	OTHER TRANSPORT EXPENSES	2,770.26	0.01	3,943.63	0.02	(1,173.37)	-29.75
62511010	PERSONNEL TRANSPORT EXPENSES	2,107.33	0.01	8,829.14	0.05	(6,721.81)	-76.13
62512010	PERSONNEL TRANSPORT EXPENSES	4,425.43	0.02	1,775.50	0.01	2,649.93	149.25
62512011	TRANSPORT EXPENSES – BUS / SUBWAY	439.30		1,207.97	0.01	(768.67)	-63.63
62512012	TRANSPORT EXPENSES – TAXIS	3,181.83	0.02	9,875.00	0.05	(6,693.17)	-67.78
62513011	CAR RENTAL EXPENSES	8,143.75	0.04	10,383.01	0.05	(2,239.26)	-21.57
62514010	TRAVEL EXPENSES – EXPENSES FOR	14,771.39	0.08	20,704.36	0.11	(5,932.97)	-28.66
62560010	EXPENSES FOR MISSIONS & RECEPTIONS	7,474.76	0.04	59.60		7,415.16	N/S
62570012	OFFICES – MISSIONS AND RECEPTIONS	859.96		1,033.01	0.01	(173.05)	-16.75
62610010	POSTAGE EXPENSES	9,397.12	0.05	12,187.30	0.06	(2,790.18)	-22.89
62620010	TELEPHONE – FAX – TELECOMMUNICAT	17,772.12	0.10	49,496.39	0.26	(31,724.27)	-64.09
62780140	BANKING FEES – OTHER COMMISS	17,999.70	0.10	21,829.74	0.11	(3,830.04)	-17.55
62810011	LEVIES PAID TO ORGANI	40,961.24	0.22	62,085.46	0.32	(21,124.22)	-34.02
62810012	Office Cleaning Services	20,193.00	0.11	41,670.00	0.22	(21,477.00)	-51.54
62840110	PERSON RECRUITING EXPENSES	23,370.00	0.13	30,276.00	0.16	(6,906.00)	-22.81
Taxes and equivalent payments		423,900.01	2.27	662,307.53	3.44	(238,407.52)	-36.00
63310100	TRANSPORT PAYMENT	32,200.03	0.17	31,466.63	0.16	733.40	2.33
63320120	HOUSING ALLOWANCE			6,562.97	0.03	(6,562.97)	-100.00
63330300	PARTICIP. VOCATIONAL TRAINING	13,035.76	0.07	12,517.09	0.07	518.67	4.14
63340400	PARTICIPATION IN THE CO EFFORT	(11,611.26)	-0.06	4,968.35	0.03	(16,579.61)	-333.70
63350500	APPRENTICESHIP TAX PAYMENT	7,422.28	0.04	7,507.75	0.04	(85.47)	-1.14
63511012	PROFESSIONAL TAX	29,507.43	0.16	67,573.00	0.35	(38,065.57)	-56.33
63514000	Tax on company cars	106.76		900.49		(793.73)	-88.14
63580018	ADM. TAXES. OTHER TAXES & LEVIES	31,793.43	0.17	24,906.78	0.13	6,886.65	27.65
63780010	MISC. TAX TO OTHER BODIES	14,568.42	0.08	175,383.00	0.91	(160,814.58)	-91.69
63780012	MEDICAL AGENCY DEPOSITS	202,222.50	1.08	184,499.92	0.96	17,722.58	9.61
63780025	Taxes on direct sales	104,654.66	0.56	146,021.55	0.76	(41,366.89)	-28.33

Details of the Profit and Loss Statement

Statement expressed in euros		01/04/2017		01/04/2016		Variations	
		31/03/2018	12 months	31/03/2017	12 months		%
Wages and salaries		1,071,778.53	5.74	1,199,824.76	6.23	(128,046.23)	-10.67
64110100	SALARIES & WAGES OF BA	980,576.12	5.25	951,443.90	4.94	29,132.22	3.06
64120150	T.O.I.L. paid	(7,446.08)	-0.04	(5,597.86)	-0.03	(1,848.22)	-33.02
64120200	Paid holidays taken	10,196.06	0.05	14,116.08	0.07	(3,920.02)	-27.77
64120201	Change on paid holidays expenses prov.	(2,675.21)	-0.01	7,888.17	0.04	(10,563.38)	-133.91
64120231	CET prov. change	1,507.57	0.01	112.31		1,395.26	N/S
64120240	T.O.I.L. to be taken / T.O.I.L. not taken	(1,525.96)	-0.01	1,415.04	0.01	(2,941.00)	-207.84
64120250	Insecurity bonus	(47,848.19)	-0.26	48,381.52	0.25	(96,229.71)	-198.90
64130300	NETWORK BONUS			100.00		(100.00)	-100.00
64130420	Bonus	131,251.72	0.70	189,517.03	0.98	(58,265.31)	-30.74
64140400	EXCEPTIONAL ELEMENTS AND ADVAN			(15,000.00)	-0.08	15,000.00	100.00
64190220	Transportation benefits	7,742.50	0.04	7,448.57	0.04	293.93	3.95
Personnel social security charges		433,419.95	2.32	448,504.57	2.33	(15,084.62)	-3.36
64510100	URSSAF LEVIES	247,901.09	1.33	232,888.37	1.21	15,012.72	6.45
64530120	PRO. FUNDS LEVIES	12,268.33	0.07	12,484.28	0.06	(215.95)	-1.73
64530130	PENSION FUNDS LEVIES	106,813.01	0.57	112,639.76	0.59	(5,826.75)	-5.17
64540140	ASSEDIC / APEC LEVIES	43,737.04	0.23	45,479.79	0.24	(1,742.75)	-3.83
64580170	OTHER LEVIES	10,863.56	0.06	10,969.25	0.06	(105.69)	-0.96
64590000	CICE (Competitiveness and Employment Tax Credit)	(15,353.00)	-0.08	(30,190.00)	-0.16	14,837.00	49.15
64590001	Change social ch. on prov.	(1,337.60)	-0.01	3,944.08	0.02	(5,281.68)	-133.91
64590002	Change social ch. on other	(6,319.80)	-0.03	7,376.92	0.04	(13,696.72)	-185.67
64720200	OPERATING SUBSIDY C	2,189.00	0.01	3,659.35	0.02	(1,470.35)	-40.18
64740310	OTHER SOCIAL WORKS	9,850.68	0.05	11,597.13	0.06	(1,746.45)	-15.06
64750400	Occupational healthcare	2,412.52	0.01	646.51		1,766.01	273.16
64800000	Other personnel expenses	18,060.12	0.10	16,849.63	0.09	1,210.49	7.18
64810010	PROFESSIONAL DEVELOPMENT	2,335.00	0.01	20,159.50	0.10	(17,824.50)	-88.42
Amortisation expenses on fixed assets		101,573.68	0.54	213,018.55	1.11	(111,444.87)	-52.32
68111300	TRADEMARKS AMORT alloc TANGIBLE FIXED ASSETS DEPREC	68,765.77	0.37	199,106.00	1.03	(130,340.23)	-65.46
68112510	ALLOC - AU	32,807.91	0.18	13,912.55	0.07	18,895.36	135.82
Provision expense on current assets		164,385.25	0.88	230,524.03	1.20	(66,138.78)	-28.69
68173000	Alloc. to provisions for deprec	152,044.41	0.81	105,131.14	0.55	46,913.27	44.62
68174000	Allocations to provisions for	12,340.84	0.07	125,392.89	0.65	(113,052.05)	-90.16
Allocations to prov. for contingencies and losses		49,471.06	0.27			49,471.06	
68150000	Allocations to provisions for	19,159.68	0.10			19,159.68	
68150001	Allocations social R&C provisions	30,311.38	0.16			30,311.38	
Other day-to-day management expenses		132,491.17	0.71	147,100.51	0.76	(14,609.34)	-9.93
65112000	Non-Group royalties for co	88,275.00	0.47	58,608.47	0.30	29,666.53	50.62
65400000	Loss on irrecoverable receivables	39,448.76	0.21	88,463.87	0.46	(49,015.11)	-55.41
65800000	CO MGMT MISCELLANEOUS EXPENSES	4,767.41	0.03	28.17		4,739.24	N/S
Operating income		(3,028,767.79)	-16.23	(2,190,002.69)	-11.38	(838,765.10)	-38.30
Total financial income		995.22	0.01	111.97		883.25	788.83
Exchange gains		995.22	0.01	111.97		883.25	788.83
76600000	Exchange Gain / Revaluation	995.22	0.01	111.97		883.25	788.83
Total financial expenses		426,113.48	2.28	388,122.55	2.02	37,990.03	9.79
Interest and similar expenses		425,003.33	2.28	387,984.55	2.02	37,018.78	9.54
66160200	BANK INTEREST ON OPERATIONS	352,864.81	1.89	304,812.84	1.58	48,051.97	15.76
66500100	DISCOUNTS GRANTED HG	72,138.52	0.39	83,171.71	0.43	(11,033.19)	-13.27

Details of the Profit and Loss Statement

Statement expressed in euros		01/04/2017		01/04/2016		Variations	
		31/03/2018	12 months	31/03/2017	12 months		%
Exchange losses		1,110.15	0.01	138.00		972.15	704.46
66600000	Exchange loss / Revaluation	1,110.15	0.01	138.00		972.15	704.46
Financial result		(425,118.26)	-2.28	(388,010.58)	-2.02	(37,107.68)	-9.56
Profit / loss before tax		(3,453,886.05)	-18.50	(2,578,013.27)	-13.39	(875,872.78)	-33.97
Total extraordinary income		62,417.58	0.33	222,759.39	1.16	(160,341.81)	-71.98
Extraordinary income on management operations		62,417.58	0.33	222,759.39	1.16	(160,341.81)	-71.98
77200000	Income from previous years	62,417.58	0.33	222,759.39	1.16	(160,341.81)	-71.98
Total extraordinary expenses		9,011.15	0.05	2,900.09	0.02	6,111.06	210.72
Extraordinary charges on management operations		6,736.36	0.04	2,900.09	0.02	3,836.27	132.38
67121000	Supplier surcharges	5,083.32	0.03			5,083.32	
67200000	Expenses on previous financial years	1,653.04	0.01	2,900.09	0.02	(1,247.05)	-43.00
Extraordinary charges on capital operations		2,274.79	0.01			2,274.79	
67520000	NBV tangible assets	2,274.79	0.01			2,274.79	
Extraordinary results		53,406.43	0.29	219,859.30	1.14	(166,452.87)	-75.71
Profit / loss for the year		(3,400,479.62)	-18.22	(2,358,153.97)	-12.25	(1,042,325.65)	-44.20

Financial statements to 31/03/2018

APPENDIX

APPENDIX – Note 1

Accounting rules and methodsStatement 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 €12,259,023.

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

Total income of €18,965,271
Total expenses of €22,365,751
Thus generating a loss of -€3,400,480.

The financial year under consideration covers the period 01/04/2017 to 31/03/2018, i.e. 12 months as in the previous 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 methodsStatement 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.

Equity interests

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.

OPIH has cash facilities (including current account over our company) of €3.4 million. Also, the value in use of this 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.

Stock

Stock is 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 methodsStatement 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 31/03/2018 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 €221,000.

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.

Moreover, and pursuant to the decision of the shareholders at the General Meeting on 21 June 2017, the earnings shown in the financial statements on 31 March 2017 were allocated to the retained earnings in the amount of -€2,358,154.

Capital and Reserves on 31 March 2017: - €23,929,185
Profit / loss for the year: -€3,400,480
Capital and Reserves on 31 March 2018: -€27,329,664

With continuing negative shareholders equity after the losses recorded during the financial years ending on 31 March 2016, 31 March 2017 and 31 March 2018, the partner heading up the company's group, the Sun Pharmaceutical Ltd group, has confirmed its financial support for the company until 31 March 2019.

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 to corporation tax and the additional taxes payable by the Group.

The taxable income transferred to the company by its subsidiary OPIH for 2017-2018 showed a taxable profit of €146,816.

APPENDIX – Note 1

Accounting rules and methods

Statement expressed in **euros**

Change of valuation method

There was no change of method during the financial year.

Change of presentation method

There was no change of method during the financial year.

Significant events

The group has confirmed its financial support to the company until 31 March 2019, thus justifying the going concern assumption made for the closing of the accounts.

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

Post-closing events

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 2017 salaries is equal to €15,353.

Extraordinary income

The extraordinary income is equal to €62,000, and corresponds with adjustments of third party accounts.

APPENDIX – Note 2

Fixed assets

Statement expressed in euros

	Opening values	Movements during the year				Gross values as at 31/03/2018
		Increases		Decreases		
		Revaluations	Acquisitions	Re-classifications	Disposals	
INTANGIBLE						
Preliminary and development costs						
Other	16,620,295		11,480			16,631,775
TOTAL INTANGIBLE ASSETS	16,620,295		11,480			16,631,775
TANGIBLE						
Lands						
Buildings on freehold land						
on leasehold land						
fixtures, fittings, installations						
Technical instal., industrial hardware and tools						
Sundry fixtures, fittings, installations						
Transport equipment						
Office equipment, furniture	473,741		25,549		258,272	241,018
Recyclable and other packaging						
Tangible assets in progress						
Advances and prepayments						
TOTAL	473,741		25,549		258,272	241,018
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	49,431		108,496		49,431	108,496
TOTAL FINANCIAL ASSETS	4,421,669		108,496		49,431	4,480,734
TOTAL	21,515,706		145,525		307,703	21,353,527

APPENDIX – Note 3

Depreciation and Amortisation

Statement expressed in euros

	Opening amortisation	Movements during the year		Amortisations as at 31/03/2018
		Allowances	Decreases	
INTANGIBLE				
Preliminary and development costs				
Other	16,062,170	68,766		16,130,936
TOTAL INTANGIBLE ASSETS	16,062,170	68,766		16,130,936
TANGIBLE				
Lands				
Buildings on freehold land on leasehold land fixtures, fittings, installations				
Technical instal., industrial hardware and tools				
Sundry fixtures, fittings, installations				
Transport equipment				
Office equipment, furniture Recyclable and other packaging	301,112	32,808	255,998	76,922
TOTAL TANGIBLE ASSETS	301,112	32,808	255,998	76,922
TOTAL	16,362,282	101,574	255,998	16,207,858

	Breakdown of movements affecting the provision for accelerated depreciation						Change in depreciations and amortisation at year-end
	Allowances			Reversals			
	Duration and other differential	Diminishing balance method	Exceptional tax amort.	Duration and other differential	Diminishing balance method	Exceptional tax amort.	
Preliminary and development costs							
Other intangible assets							
TOTAL INTANGIBLE ASSETS							
Lands							
Buildings on freehold land on leasehold land fixtures, fittings, installations							
Technical instal., industrial hardware and tools							
Sundry fixtures, fittings, installations							
Transport equipment							
Office equipment, IT, furniture Recyclable and other packaging							
TOTAL TANGIBLE FIXED ASSETS							
TOTAL							

GRAND TOTAL NOT BROKEN DOWN			
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APPENDIX – Note 4

Provisions

Statement expressed in euros		Opening	Increases	Decreases	31/03/2018
REGULATED PROVISIONS	Reconstruction mining and oil deposits Provisions for investment Provisions for price increases Provisions for accelerated depreciation Tax provisions for installation loans Other provisions				
	REGULATED PROVISIONS				
PROVISIONS FOR RISKS AND CHARGES	For litigation For guarantees given to customers For losses on futures markets For fines and penalties For exchange losses For pensions and similar obligations For taxes For renewal of fixed assets Provisions for major repairs and renovations For social security and tax charges on paid holidays Other	190,471	30,311		220,783
	PROVISIONS FOR RISKS AND CHARGES	190,471	30,311		220,783
PROVISIONS FOR DEPRECIATION	On fixed assets { intangible tangible valued by the equity method participating other financial assets	446,818			446,818
	On stock and work in progress	3,372,238			3,372,238
	On trade debtors	49,225	19,160		68,385
	Other	112,143	152,044	105,131	159,057
		491,970	12,341	92,024	412,287
	PROVISIONS FOR DEPRECIATION	4,472,395	183,545	197,155	4,458,785
	GRAND TOTAL	4,662,866	213,856	197,155	4,679,567
	Of which provisions and reversals { - operating - financial - extraordinary		213,856	197,155	
Shares accounted for by the equity method: depreciation amount at year-end calculated in accordance with the rules provided in Article 39-1.5e of the French tax code.					

APPENDIX – Note 5

Receivables and Payables

Statement expressed in euros

		31/03/2018	< = 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	420,887		420,887	
	Other trade receivables	3,252,972	3,252,972		
	Receivables representing loaned securities				
	Personnel and related accounts	600	600		
	Social Security and other social bodies	35,999	35,999		
	Tax on profits	387,305	387,305		
	Value added tax	303,475	303,475		
	Other taxes, duties and similar payments				
	Miscellaneous	45,543	45,543		
	Group and associates (2)				
	Sundry debtors				
	Prepayments	260,742	260,742		
		TOTAL RECEIVABLES	4,816,018	4,286,635	529,383
	(1) Loans granted during the year				
(2) Repayments obtained during the year					
(3) Loans and advances to associates (natural persons)					

		31/03/2018	< = 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)				
	Other loans and financial debts (1) (2)	32,307,545	32,307,545		
	Trade payables and related accounts	3,975,593	3,975,593		
	Personnel and related accounts	313,427	313,427		
	Social Security and other social bodies	133,666	133,666		
	Tax on profits				
	Value added tax				
	Guaranteed bonds				
	Other taxes, duties and similar payments	33,674	33,674		
	Payables on fixed assets and related accounts				
	Group and associates (2)	2,600,000	2,600,000		
	Other payables				
	Debt representing borrowed securities				
Prepaid income					
	TOTAL PAYABLES	39,367,905	39,367,905		
(1) Loans taken out during the year					
(2) Loans paid back during the year					

(3) Loans and debts from associates (natural persons)

APPENDIX – Note 6.01

Amounts relating to several balance sheet items

Statement expressed in euros	31/03/2018	Associated undertakings	Undertakings linked by virtue of a participating interest	Receivables and payables represented by trade bills
Balance sheet – Assets				
Uncalled subscribed capital				
Fixed assets				
Advances and prepayments on intangible fixed assets				
Advances and prepayments on tangible fixed assets				
Equity interests				
Receivables from associates		4,372,238		
Loans				
Other fixed investments				
Other financial assets				
Current assets				
Advances and prepayments paid on orders				
Clients and related accounts				
Other receivables				
Capital subscribed and called up, not paid				
Investment securities				
Cash				
Balance sheet – Liabilities				
Payables				
Convertible debenture loans				
Other debenture loans				
Loans and debts to credit institutions				
Other loans and financial debts				
Advances and prepayments paid on orders		34,907,545		
Trade payables and related accounts				
Payables on fixed assets and related accounts		3,392,308		
Other payables				

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Appendix – Note 6.10

Accrued Income

Statement expressed in euros

31/03/2018

Total Income receivable		45,543
Other receivables		45,543
<i>GOVERNMENT – INCOME RECEIVABLE</i>	<i>45,543</i>	

APPENDIX – Note 6.11

Accrued Expenses

Statement expressed in euros

31/03/2018

Total accrued expenses		1,062,754
Loans and debts from credit institutions		4,000
<i>PAYABLE ACCRUED INTEREST</i>	4,000	
Other loans and financial debts		205,360
<i>INTEREST ON GROUP LOANS</i>	205,360	
Trade payables and related accounts		469,228
<i>INV NOT RECEIVED ACCT Entry M</i>	43,155	
<i>SUPPLIER INV NOT RECEIVED</i>	426,072	
Tax and social security liabilities		384,167
<i>T.O.I.L. PROVISIONS</i>	7,618	
<i>PROVISIONS HOLIDAYS TO BE PAID</i>	30,211	
<i>PROVISIONS HOLIDAYS TO BE PAID</i>	92,058	
<i>PROVISIONS TEMP SAVINGS A/C</i>	7,690	
<i>PERSONNEL – EXPENSES PAYABLE</i>	173,084	
<i>SOCIAL CHARGES TO BE PAID</i>	4,076	
<i>SOCIAL ORG. – CHARGES TO BE PAID</i>	61,134	
<i>SOCIAL ORG. – CHARGES TO BE PAID</i>	3,845	
<i>CONSTRUCTION EFFORT</i>	631	
<i>APPRENTICESHIP TAX</i>	1,483	
<i>PROFESSIONAL TRAINING</i>	2,337	

APPENDIX – Note 6.12

Deferred expenditures

Statement expressed in euros

	Period	Amounts	31/03/2018
Deferred expenditures – OPERATING			260,742
Other different expenditures		260,742	
Deferred expenditures – FINANCIAL			
Deferred expenditures – EXTRAORDINARY			
TOTAL			260,742

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APPENDIX – Note 6.12

Prepaid income

Statement expressed in euros

	Period	Amounts	31/03/2018
Prepaid income – OPERATING			
Advances on contracts			
NONE			
Prepaid income – FINANCIAL			
Prepaid income – EXTRAORDINARY			
TOTAL			

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APPENDIX – Note 6.17

Breakdown of Turnover

Statement expressed in euros

31/03/2018

Turnover by business line		18,664,689
Sales of goods		18,597,962
<i>FRANCE MERCHANDISE SALES HG</i>	<i>25,464,808</i>	
<i>REBATES, ALLOWANCES & DISCOUNTS GRANTED</i>	<i>(6,866,846)</i>	
Production sold – Services		66,727
<i>FRANCE MISCELLANEOUS SERVICES H</i>	<i>66,727</i>	
Turnover by geographical market		18,664,689
FRANCE turnover		18,535,105
<i>FRANCE MERCHANDISE SALES HG</i>	<i>25,464,808</i>	
<i>REBATES, ALLOWANCES & DISCOUNTS GRANTED</i>	<i>(6,866,846)</i>	
<i>FRANCE MISCELLANEOUS SERVICES H</i>	<i>66,727</i>	
EXPORT turnover		129,584

APPENDIX – Note 6.18

Breakdown of tax on profits

Statement expressed in euros

31/03/2018

Profit / loss
before tax

Taxes (1)

Profit / loss
after tax

PROFIT / LOSS FROM ORDINARY ACTIVITIES	(3,453,886)		(3,453,886)
EXTRAORDINARY PROFIT / LOSS (and equity interests)	53,406		53,406
ACCOUNTING PROFIT / LOSS	(3,400,480)		(3,400,480)

(1) after tax restatements.

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APPENDIX – Note 11

Increase and decrease of future tax liabilities

Statement expressed in euros **31/03/2018**

INCREASE	Regulated provisions	
	Other	
INCREASE OF FUTURE TAX LIABILITIES		

DECREASE	Provisions not deductible in the year of recognition	
	Provisions for retirement benefits	55,196
	Provisions on doubtful receivables	103,072
	Provision on MA (31/12/2012)	66,633
	Provisions for construction effort	17,096
	Other	
	Provisions for holidays to be paid	34,522
Losses carried forward	12,941,866	
DECREASE OF FUTURE TAX LIABILITIES		13,218,385

The amounts given in the table below are tax liabilities

APPENDIX – Note 12

Directors and senior managers' remuneration

Statement expressed in euros	31/03/2018
Remuneration of the members: of the administrative bodies of the management bodies of the supervisory bodies	

In application of the principle of the compliance with personal rights, this information is not always provided since its indirect effect would be to provide information of an individual nature.

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APPENDIX – Note 13

Average Headcount

		31/03/2018	Internal	External
AVERAGE HEADCOUNT PER CATEGORY	Managers & intellectual professions		12	
	Intermediate professions		4	
	White collar employees		1	
	Blue collar workers			
	TOTAL		17	

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Parent companies consolidating the financial statements

31/03/2018

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 exemption conditions for the preparation of consolidated financial statements in view of its size.

APPENDIX – Note 13

Subsidiaries and associates

Statement expressed in euros

31/03/2018

Capital and
reservesShare held as a
percentageEarnings of the
last closed
financial year

A. Detailed information			
1. Subsidiaries (More than 50%)			
OPIH France 11 – 15 quai Dion Bouton 92800 Puteaux 321 897 241 000 97	1,165,381	100.00	31,306
2. Associates (10 to 50%)			
B. Overall information			
1. Subsidiaries not included in A.			
a) French			
b) foreign			
2. Associates not included in A.			
a) French			
b) foreign			

TAX FORMS TO 31/03/2018