VIVIMED LABS UK LIMITED

Report and Financial Statements

31st March 2016
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VIVIMED LABS UK LIMITED

Officers and professional advisers

DIRECTORS

M I Robbins
S Varalwar

COMPANY SECRETARY

R E Blakey

REGISTERED OFFICE

PO Box B3
Leeds Road
Huddersfield
West Yorkshire
HD1 6BU

BANKER

HSBC
128 Northgate
Amondbury
Huddersfield
West Yorkshire
HD5 8US

SOLICITOR

Bond Dickinson
1 Whitehall Riverside
Leeds
LS1 4BN

AUDITOR

Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds
United Kingdom
VIVIMED LABS UK LIMITED

STRATEGIC REPORT

The directors present their annual report and the audited financial statements for the year ended 31 March 2016.

PRINCIPAL ACTIVITY AND REVIEW OF BUSINESS

The principal activity of the company during the year under review was that of a holding company. The company’s principal subsidiary was Vivimed Labs Spain, SL and details of the investment are contained in note 9 to the accounts. The directors consider the results for the year to be in line with expectations and do not anticipate any significant changes to the business in the foreseeable future.

Profit before taxation was £84,000 (2015: loss of £129,000). The 2015 loss reflects movements in foreign exchange and net interest costs.

KEY PERFORMANCE INDICATORS (KPIs)

Due to the nature of the company’s activities the directors believe that analysis using key performance indicators for the company is not meaningful or appropriate. The development, performance and position of all of the group companies are reported within the consolidated results of Vivimed Labs Limited Group, our ultimate parent company.

PRINCIPAL RISKS AND UNCERTAINTIES

The company is an intermediate holding company within the Vivimed Labs Limited Group (the “Group”), does not trade and, as such, it does not have any direct trading risks or uncertainties. As a global, speciality and pharma chemicals business, the Group is subject to raw material price risk which it seeks to mitigate through strong supplier relationships and is subject to risks associated with global economic conditions. This is fully discussed in the Vivimed Labs Limited Group Annual Report which does not form part of this report.

GOING CONCERN

The directors have reviewed the going concern basis of preparation and in doing so have considered the principal risks and uncertainties outlined in the Strategic report for the Group and believe there are none for this company given it does not trade. Additionally the directors have considered that Vivimed Labs Limited has confirmed its intention to provide sufficient financial support should it be required, to enable the Company to meet its liabilities as they fall due for a period of not less than 12 months from the date of approval of the financial statements. In forming their opinion on the going concern of the Company, the directors have considered the Group forecasts and the future uncertainties facing the Group. Group forecasts indicate that there will be no breach of financial covenants for a period of at least 12 months from the date of approval of these financial statements and the Group is able to continue to operate within its existing facility. The directors have considered the future activities of the Company, its expected future cash flows and the availability of financial support from the ultimate parent company and have concluded that the Company is a going concern.

Based on this review the directors believe that the company can continue to operate for a period of at least 12 months from the date of approval of these financial statements and have therefore adopted the going concern basis for preparation.

Approved by the Board of Directors
and signed on behalf of the Board

Mr M. Robbins
Director, Vivimed Labs UK Limited
Leeds Road, Huddersfield
31 August 2016
VIVIMED LABS UK LIMITED

DIRECTORS’ REPORT

GOING CONCERN AND FINANCIAL RISK MANAGEMENT
The directors set out in the Strategic report;

- The reasoning for the adoption of the going concern basis in preparing the annual report and financial statements for the Company, and
- The principal activity and review of the business, the financial risk management objectives and policies of the company, and
- The future developments of the company.

EMPLOYMENT OF DISABLED PERSONS
The company’s policy is to support the employment of disabled persons where suitable jobs are available, to retain wherever possible those who become disabled during their employment and to assist with the training and career development of disabled persons.

ENVIRONMENT
Vivimed Labs UK Limited recognises the importance of its environmental responsibilities, monitors its impact on the environment, and designs and implements policies to reduce any damages that might be caused by its activities.

DIRECTORS
The directors who served during the year and to date are as listed below.

S. Varalwar
M Robbins
J L Alsina (resigned 24th April 2015)

RESULTS AND DIVIDENDS
The Profit for the year after taxation amounted to £67,000 (2015: loss of £129,000) and is dealt with on page 7. The directors do not recommend the payment of a dividend in the current or prior year on the ordinary shares of the company.

AUDITOR
Each of the persons who is a director at the date of approval of this annual report confirms that:

- so far as the director is aware, there is no relevant audit information of which the company’s auditor is unaware; and
- the director has taken all the steps that he ought to have taken as a director to make himself aware of any relevant audit information and to establish that the company’s auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Deloitte LLP have expressed their willingness to continue in office as auditor and a resolution to reappoint them as auditor will be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

[Signature]

Mr M. Robbins

Director

Vivimed Labs UK Limited
Leeds Road, Huddersfield

31 August 2016
DIRECTORS' RESPONSIBILITIES STATEMENT

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law) including FRS102, "the Financial Reporting Standard applicable in the UK and Republic of Ireland". Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that year. In preparing these financial statements, the directors are required to:

• select suitable accounting policies and then apply them consistently;
• make judgements and accounting estimates that are reasonable and prudent;
• state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
• prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company’s transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.
INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF
VIVIMED LABS UK LIMITED

We have audited the financial statements of Vivimed Labs UK Limited for the year ended 31 March 2016, which comprise the profit and loss account, the balance sheet, the statement of changes in equity and the related notes 1 to 16. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Respective responsibilities of directors and auditor

As explained more fully in the Directors' Responsibilities Statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board's Ethical Standards for Auditors.

Scope of the audit of the financial statements

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the company's circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the directors; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the annual report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

Opinion on financial statements

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2016 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Strategic Report and the Directors' Report for the financial year for which the financial statements are prepared is consistent with the financial statements.
INDEPENDENT AUDITOR’S REPORT TO THE MEMBERS OF VIVIMED LABS
UK LIMITED (continued)

Matters on which we are required to report by exception
We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors’ remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or

Kate Darlison FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds, United Kingdom
31 August 2016
VIVIMED LABS UK LIMITED

PROFIT AND LOSS ACCOUNT
Year ended 31 March 2016

<table>
<thead>
<tr>
<th>Note</th>
<th>2016 (£'000)</th>
<th>2015 (£'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative income/expenses</td>
<td>94</td>
<td>(71)</td>
</tr>
</tbody>
</table>

**OPERATING PROFIT/(LOSS)**

<table>
<thead>
<tr>
<th></th>
<th>2016 (£'000)</th>
<th>2015 (£'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interest receivable</td>
<td>285</td>
<td>401</td>
</tr>
<tr>
<td>Interest payable</td>
<td>(295)</td>
<td>(459)</td>
</tr>
</tbody>
</table>

**PROFIT/(LOSS) ON ORDINARY ACTIVITIES BEFORE TAXATION**

<table>
<thead>
<tr>
<th></th>
<th>2016 (£'000)</th>
<th>2015 (£'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax on loss on ordinary activities</td>
<td>(17)</td>
<td></td>
</tr>
</tbody>
</table>

**PROFIT/(LOSS) ON ORDINARY ACTIVITIES AFTER TAXATION**

<table>
<thead>
<tr>
<th></th>
<th>2016 (£'000)</th>
<th>2015 (£'000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>14, 15</td>
<td>67</td>
<td>(129)</td>
</tr>
</tbody>
</table>

There are no recognised items of comprehensive income for either the current year or the prior year other than as stated in the profit and loss account, and accordingly no separate statement of comprehensive income is presented.

All activities are derived from continuing operations.

The accompanying accounting policies and notes form part of these financial statements.
VIVIMED LABS UK LIMITED

BALANCE SHEET
31 March 2016

<table>
<thead>
<tr>
<th>Note</th>
<th>2016 £'000</th>
<th>2015 £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FIXED ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Investment</td>
<td>9</td>
<td>14,501</td>
</tr>
<tr>
<td>CURRENT ASSETS</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- due within 1 year</td>
<td>10</td>
<td>7,327</td>
</tr>
<tr>
<td>- due after 1 year</td>
<td>11</td>
<td></td>
</tr>
<tr>
<td>Cash at bank and in hand</td>
<td>24</td>
<td>24</td>
</tr>
<tr>
<td>CREDITORS (amounts falling due within one year)</td>
<td>12</td>
<td>(8,893)</td>
</tr>
<tr>
<td>NET CURRENT ASSETS</td>
<td></td>
<td>(1,542)</td>
</tr>
<tr>
<td>TOTAL ASSETS LESS CURRENT LIABILITIES</td>
<td>12,959</td>
<td>12,725</td>
</tr>
<tr>
<td>CREDITORS: (amounts falling due after more than one year)</td>
<td>13</td>
<td>-</td>
</tr>
<tr>
<td>NET ASSETS</td>
<td>12,959</td>
<td>7,671</td>
</tr>
<tr>
<td>CAPITAL AND RESERVES</td>
<td>14</td>
<td>13,054</td>
</tr>
<tr>
<td>Called up share capital</td>
<td>15</td>
<td>(95)</td>
</tr>
<tr>
<td>Profit and loss account</td>
<td>16</td>
<td>12,959</td>
</tr>
<tr>
<td>TOTAL SHAREHOLDER FUNDS</td>
<td>12,959</td>
<td>7,671</td>
</tr>
</tbody>
</table>

The financial statements of Vivimed Labs UK Limited, registered number 7596565, were approved by the Board of Directors and authorised for issue on 31 August 2016.

Signed on behalf of the Board of Directors

Mr M. Robbips
Director
## VIVIMED LABS UK LIMITED

### STATEMENT OF CHANGES IN EQUITY
Year ended 31 March 2016

<table>
<thead>
<tr>
<th></th>
<th>Called up share capital £'000</th>
<th>Profit and loss account £'000</th>
<th>Total £'000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>At 31 March 2014</strong></td>
<td>7,833</td>
<td>(33)</td>
<td>7,800</td>
</tr>
<tr>
<td><strong>Changes on transition to FRS 102</strong> (see note 16)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>At 1 April 2014</strong></td>
<td>7,833</td>
<td>(33)</td>
<td>7,800</td>
</tr>
<tr>
<td><strong>Loss for the financial year and total comprehensive loss</strong></td>
<td>-</td>
<td>(129)</td>
<td>(129)</td>
</tr>
<tr>
<td><strong>At 31 March 2015</strong></td>
<td>7,833</td>
<td>(162)</td>
<td>7,671</td>
</tr>
<tr>
<td><strong>Profit for the financial year and total comprehensive loss</strong></td>
<td>-</td>
<td>67</td>
<td>67</td>
</tr>
<tr>
<td><strong>Issue of share capital</strong></td>
<td>5,221</td>
<td>-</td>
<td>5,221</td>
</tr>
<tr>
<td><strong>At 31 March 2016</strong></td>
<td>13,054</td>
<td>(95)</td>
<td>12,959</td>
</tr>
</tbody>
</table>

The accompanying accounting policies and notes form part of these financial statements.
VIVIMED LABS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS
Year ended 31 March 2016

1. ACCOUNTING POLICIES

The financial statements are prepared in accordance with applicable United Kingdom accounting standards.

The following accounting policies have been used consistently in the current and prior year, dealing with items which are considered material in relation to the financial statements.

Basis of accounting

Vivimed Labs UK Limited is a company incorporated in the United Kingdom and registered in England under the Companies Act. The address of the registered office is given on page 1. The nature of the company’s operations and its principal activities are set out in the Strategic Report on page 2.

The financial statements have been prepared under the historical cost convention, and in accordance with Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council.

No material adjustments arose on adoption of FRS 102 in the current year. For more information see note 16.

The functional currency of Vivimed Labs UK Limited is considered to be pounds sterling because that is the currency of the primary economic environment in which the company operates.

Vivimed Labs UK Limited meets the definition of a qualifying entity under FRS 102 and has therefore taken advantage of the disclosure exemptions available to it in respect of its separate financial statements. Vivimed Labs UK Limited is consolidated in the financial statements of its parent, Vivimed Labs Limited, which may be obtained from the address in note 15. Exemptions have been taken in these separate company financial statements in relation to presentation of a cash flow statement, related party transactions, financial instruments and remuneration of key management personnel.

Going concern

The directors have reviewed the going concern basis of preparation and in doing so have considered the principal risks and uncertainties outlined in the Strategic Report, the financial position of the company and the expected timing of the settlement of intercompany balances. Based upon this review the directors believe that the company can continue to operate for a period of at least 12 months from the date of approval of these financial statements and have therefore adopted the going concern basis of preparation. In forming our opinion we have considered the guarantee we have received from Vivimed Labs Limited and assessed the ability of Vivimed Labs Limited to provide that support.

Group accounts

The company takes advantage of the exemptions conferred under S401 of the Companies Act 2006 from the requirement to prepare group financial statements for the year ended 31 March 2016 as it is a subsidiary undertaking of Vivimed Labs Limited, a company incorporated in India and is included in the consolidated financial statements for that company.

Investments

Fixed asset investments are stated at cost, less any impairment in value.

Financial Assets

Basic financial assets, including trade and other debtors and cash and bank balances are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at market rate interest.

Financial Liabilities

Basic financial liabilities include trade and other creditors, bank loans and loans from fellow group companies.

Trade and other creditors and loans from fellow group companies are initially recognised at transaction price, unless the arrangement constitutes a financing transaction, where the relevant liability is measured at the present value for the future receipts discounted at market rate of interest.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 March 2016

1. ACCOUNTING POLICIES (CONTINUED)

Basic Interest-bearing bank loans and overdrafts are initially recorded at the proceeds received, net of the associated transaction costs. Subsequent to initial recognition, interest-bearing borrowing are stated at amortised costs, using the effective interest rate method.

Taxation

Current tax is recognized for the amount of income tax payable in respect of the taxable profit of the current or past reporting periods using the tax rates and laws that have been enacted or substantively enacted by the reporting date.

Foreign currency

Transactions in foreign currencies are recorded at the rate of exchange at the date of the transaction or, if hedged, at the forward rate. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported at the rates of exchange prevailing at that date, or if appropriate, the forward contract rate. All exchange differences are included in the profit and loss account.

2. CRITICAL JUDGEMENTS IN APPLYING THE COMPANY'S ACCOUNTING POLICIES

In the application of the group's accounting policies, which are described in note 1, the directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Critical judgements in applying the group's accounting policies

The following are the critical judgements, apart from those involving estimations (which are dealt with separately below), that the directors have made in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognised in the financial statements.

Management regularly considers whether there are any indications of impairment to the carrying amounts of its investment assets and amounts owed by group undertakings. This includes review of the market conditions in both the short-term and long-term. At the balance sheet date, consideration is also given as to whether there is any indication that an impairment loss recognised in prior periods has reversed. Management considers the value of its investments to be recoverable based on future earnings and net assets.

Key source of estimation uncertainty

Due to the nature of the company's operations, there are not considered to be any sources of estimation uncertainty.

3. RESULTS AND NET ASSETS

The company's results and net assets derive from the same class of business as noted in the directors' report and arose in the United Kingdom.
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 March 2016

4. PROFIT/LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION
    Profit/loss on ordinary activities before taxation is stated after charging/(crediting):

    
    
    2016    2015
    £'000    £'000
    
    Fees payable to the company’s auditor for the audit of the company’s financial
    statements.
    4        4

    Foreign exchange (gain)/loss
    (105)    18

5. EMPLOYEES AND DIRECTORS
    The company did not have any employees in the current or preceding years.
    The directors received no emoluments for their services to the company (2015: £nil).

6. INTEREST RECEIVABLE AND SIMILAR INCOME

    2016    2015
    £'000    £'000
    
    Interest receivable on intercompany loans
    285      401

7. INTEREST PAYABLE AND SIMILAR CHARGES

    2016    2015
    £'000    £'000
    
    Interest payable on intercompany loans
    295      495

8. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES
    The tax charge is based on the profit/(loss) for the year and comprises

    2016    2015
    £'000    £'000
    
    Current tax:
    UK corporation tax on profit/(loss) for the year
    17      

    Current tax charge
    17      

    The actual current tax charge differs from the standard rate for the reasons set out in the following
    reconciliation:

    2016    2015
    £'000    £'000
NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 March 2016

Profit/(loss) on ordinary activities before taxation 84 (129)

Tax on loss on ordinary activities at the standard rate of tax in the UK 20% (2015: 23%)
17 (26)

Factors affecting charge for the year:
Tax losses arising in the previous years - 26

Total tax charge for the year 17 -

There are no amounts of provided deferred tax in the current and prior year. The Company has unrecognised tax losses of £71,000 (2016: £30,000), subject to approval by HM Revenue & Customs, available to relieve against future profits.

8. TAX ON PROFIT/(LOSS) ON ORDINARY ACTIVITIES (CONTINUED)

Finance Act No2 2015, which was substantively enacted on 26 October 2015, includes further provisions to reduce the corporation tax to 19% with effect from 1 April 2017 and 18% with effect from 1 April 2020. Accordingly these rates have been applied when calculating deferred tax assets and liabilities as at 31 March 2016.

In addition on 16 March 2016 the Government announced in the 2016 Budget Report that there would be a further reduction in the main rate of corporation tax from 18% to 17% from 1 April 2020. As this has not been substantially enacted at the balance sheet date these rates do not apply to the deferred tax position at 31 March 2016 or to the above expected reversal.

9. FIXED ASSET INVESTMENT

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>£</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost and net book value at 1 April 2015</td>
<td>6,623</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Additions</td>
<td>7,878</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost and net book value at 31 March 2016</td>
<td>14,501</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Country of incorporation</th>
<th>Principal activity</th>
<th>Holding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vivimed Labs Spain, SL</td>
<td>Spain</td>
<td>Manufacture of basic pharmaceutical products</td>
</tr>
<tr>
<td>Union Quimico Farmaceutica S.A.</td>
<td>Spain</td>
<td>Manufacture of basic pharmaceutical products</td>
</tr>
<tr>
<td>Holliday International Limited</td>
<td>United Kingdom</td>
<td>Activities of holding companies</td>
</tr>
<tr>
<td>Uquifa Mexico S.A. De C.V.</td>
<td>Mexico</td>
<td>Manufacture of pharmaceutical preparations</td>
</tr>
<tr>
<td>* direct holding</td>
<td></td>
<td></td>
</tr>
<tr>
<td>** indirect holding</td>
<td></td>
<td></td>
</tr>
<tr>
<td>***99.99% indirect holding, 0.001% direct holding</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In the opinion of the directors the aggregate value of the shares in the subsidiaries undertaking is not less than the aggregate amounts at which they are stated in the company's balance sheet.
### 10. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts owed by subsidiary</td>
<td>7,316</td>
<td>8,540</td>
</tr>
<tr>
<td>Prepaid expenses</td>
<td>11</td>
<td>17</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>7,327</strong></td>
<td><strong>8,557</strong></td>
</tr>
</tbody>
</table>

There is within amounts owed by subsidiary, a loan to Vivimed Labs Spain, SL of US$ 10,000,000 which is a short term loan.

### 11. DEBTORS: AMOUNTS FALLING DUE AFTER ONE YEAR

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans to subsidiary</td>
<td>-</td>
<td>5,054</td>
</tr>
</tbody>
</table>

In the prior year, there was within amounts owed by the subsidiary, a loan to Vivimed Labs Spain, SL of US$ 7,500,000. This loan bore interest at LIBOR +550 basis points for 2015 and has been repaid during the current year.

### 12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amounts owed to other group undertakings</td>
<td>244</td>
<td>217</td>
</tr>
<tr>
<td>Amounts owed to immediate parent company</td>
<td>8,569</td>
<td>8,504</td>
</tr>
<tr>
<td>Accrued expenses</td>
<td>80</td>
<td>67</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>8,893</strong></td>
<td><strong>8,788</strong></td>
</tr>
</tbody>
</table>

Within amounts owed to immediate parent company, Vivimed Labs Mauritius Ltd has made loans to the company of US$ 1,000,000, which are interest free and payable on demand & US$ 10,450,000 which bears interest at LIBOR +550 basis points.

### 13. CREDITORS : AMOUNTS FALLING DUE AFTER ONE YEAR

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loans from immediate parent company</td>
<td>-</td>
<td>5,054</td>
</tr>
</tbody>
</table>

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-</td>
<td>5,054</td>
</tr>
</tbody>
</table>

14
VIVIMED LABS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)
Year ended 31 March 2016

14. CALLED-UP SHARE CAPITAL

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>£'000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Called-up, allotted and fully paid:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>13,053,755 ordinary shares of £1 each</td>
<td>13,054</td>
<td>7,833</td>
</tr>
</tbody>
</table>

During the year, the company issued 5,220,934 ordinary shares of £1 each at par.

15. ULTIMATE PARENT COMPANY

These financial statements present information about the company as an individual undertaking.

In the opinion of the directors, the company's ultimate parent and ultimate controlling party is Vivimed Labs Limited, a company incorporated in India. This is also the parent undertaking of the largest and smallest group which includes the company and for which group accounts are prepared. The company's immediate parent company is Vivimed Labs Mauritius Ltd, a company incorporated in Mauritius. Copies of the group financial statements are available from Vivimed Labs Limited, 2nd Floor, Veeranag Towers, Habsiguda, Hyderabad – 500 0006 AP, India.

16. EXPLANATION OF TRANSITION TO FRS102

This is the first year that the company has presented its financial statements under Financial Reporting Standard 102 (FRS 102) issued by the Financial Reporting Council. The following disclosures are required in the year of transition. The last financial statements under previous UK GAAP were for the year ended 31 March 2015 and the date of transition to FRS 102 was therefore 1 April 2014. As a consequence of adopting FRS 102, there have been no material changes in accounting policies, and no adjustments were required on transition to comply with the standard.