

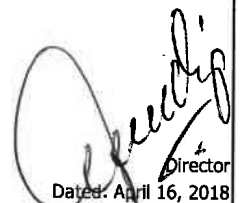
**Zydus Netherlands B.V.**  
**Balance Sheet as at December 31, 2017**

Particulars	Note No.	Euro- Thousands	
		As at December 31	
		2017	2016
<b>ASSETS:</b>			
<b>Non-Current Assets:</b>			
Financial Assets:			
Investments	1	79,020	78,420
<b>Current Assets:</b>			
Cash and Cash Equivalents	2	44	27
<b>Total</b>		<b>79,064</b>	<b>78,447</b>
<b>EQUITY AND LIABILITIES:</b>			
<b>Equity:</b>			
Equity Share Capital	3	85,580	84,749
Other Equity	4	(8,784)	(8,408)
		<b>76,796</b>	<b>76,341</b>
<b>Non-Current Liabilities:</b>			
Financial Liabilities:			
Borrowings	5	56	-
<b>Current Liabilities:</b>			
Financial Liabilities:			
Other Financial Liabilities	6	2,212	2,106
<b>Total</b>		<b>79,064</b>	<b>78,447</b>
Notes to the Financial Statements	1 to 10		

**Statement of Profit and Loss for the year ended December 31, 2017**

Particulars	Note No.	Euro- Thousands	
		Year ended December 31	
		2017	2016
<b>EXPENSES:</b>			
Finance Costs	7	338	1
Other Expenses	8	38	38
Total Expenses		<b>376</b>	<b>39</b>
<b>Loss for the year</b>		<b>(376)</b>	<b>(39)</b>
<b>OTHER COMPREHENSIVE INCOME:</b>			
Other Comprehensive Income for the year, net of tax		-	-
<b>Total Comprehensive Income for the year</b>		<b>(376)</b>	<b>(39)</b>
<b>Basic &amp; Diluted Earning per Equity Share [EPS] [in Euro]</b>	9	<b>(0.53)</b>	<b>(0.06)</b>
Notes to the Financial Statements	1 to 10		

For and on behalf of the Board

  
 Director  
 Dated: April 16, 2018


**Zydus Netherlands B.V.**  
**Statement of Change in Equity for the year ended December 31, 2017**

**a Equity Share Capital:**

	No. of Shares	Euro- Thousands
<b>Equity Shares of Euro 100/- each, Issued, Subscribed and Fully Paid-up:</b>		
As at December 31, 2015	659,443	<b>65,944</b>
Add : Issued during the year	188,051	<b>18,805</b>
As at December 31, 2016	847,494	<b>84,749</b>
Add : Issued and Converted during the year	8,310	<b>831</b>
As at December 31, 2017	855,804	<b>85,580</b>

	Euro- Thousands
<b>b Other Equity:</b>	<b>Retained Earnings</b>
As at December 31, 2015	<b>(8,369)</b>
Add: Loss for the year	(39)
As at December 31, 2016	<b>(8,408)</b>
Add: Loss for the year	(376)
As at December 31, 2017	<b>(8,784)</b>

For and on behalf of the Board

  
 Director  
 Dated: April 16, 2018

<b>Zydus Netherlands B.V.</b>				
<b>Notes to the Financial Statements</b>				
	Nos. [*]	Face Value [**]	Euro- Thousands	
			As at December 31	
			2017	2016
<b>Note: 1-Investments:</b>				
<b>Long Term Investments :</b>				
Trade Investments:				
Investments in Equity Instruments				
			<b>79,020</b>	78,420
			<b>79,020</b>	78,420
<b>A Details of Trade Investments :</b>				
Investment in Equity Instruments:				
Subsidiary Companies:				
Unquoted:				
In fully paid-up equity shares of:				
Zydus Nikkho Farmaceutica Ltda [Formerly known as	145,720,154	Brasil Reals	<b>48,614</b>	48,614
Zydus Healthcare Brasil Ltda.]		1/- each		
Laboratorios Combix S.L.	7,482,266	Euro	<b>30,406</b>	29,806
	[7,481,066]	1/- each		
<b>Total</b>			<b>79,020</b>	78,420
Explanations:				
In "Nos. [*]" figures of previous year are same unless stated in [ ]. In "Face Value ["**]" figures are in respective currency.				
<b>Note: 2-Cash and Cash Equivalents:</b>				
Balances with Banks				
			<b>44</b>	27
<b>Total</b>			<b>44</b>	27
<b>Note: 3-Equity Share Capital:</b>				
<b>Authorised:</b>				
855,804 [as at December 31, 2016: 847,494] Ordinary Shares of € 100/- each				
			<b>85,580</b>	84,749
			<b>85,580</b>	84,749
<b>Issued, Subscribed and Fully Paid-up Equity Shares:</b>				
855,804 [as at December 31, 2016: 847,494] Ordinary Shares of € 100/- each, fully paid-up				
			<b>85,580</b>	84,749
			<b>85,580</b>	84,749
<b>A Reconciliation of the number of Shares outstanding as at December 31, 2017 and 2016 :</b>				
Number of shares at the beginning				
			<b>847,494</b>	659,443
Add: Shares issued during the year				
			<b>6,000</b>	163,401
Add: Shares Issued pursuant to conversion of loan				
			<b>2,310</b>	24,650
Number of shares at the end				
			<b>855,804</b>	847,494
<b>B The Company has only ordinary shares. All ordinary shares rank pari passu and carry equal rights with respect to voting and dividend. In the event of liquidation of the Company, the ordinary shareholders shall be entitled to proportionate share of their holding in the assets remained after distribution of all preferential amounts.</b>				
<b>C Ordinary shares of € 100/- each, fully paid held by Holding Company, Zydus Worldwide DMCC [Dubai] [Refer Note 10], a company incorporated in Dubai, which is a subsidiary company of Cadila Healthcare Limited, the ultimate holding company, a company incorporated in India.</b>				
Number of Shares				
			<b>855,804</b>	847,494
% to total share holding				
			<b>100%</b>	100%
<b>Note: 4-Other Equity:</b>				
<b>Retained Earnings:</b>				
Balance as per last Balance Sheet				
			<b>(8,408)</b>	(8,369)
Add: Loss for the year				
			<b>(376)</b>	(39)
Balance as at the end of the year				
			<b>(8,784)</b>	(8,408)
<b>Total</b>			<b>(8,784)</b>	(8,408)

**Zydus Netherlands B.V.**  
**Notes to the Financial Statements**

**Note: 5-Borrowings:**

	Euro- Thousands			
	Non-current portion		Current Maturities	
	As at December 31			
	2017	2016	2017	2016
From Related Parties [Unsecured]	56		1,868	2,099
<b>Total</b>	<b>56</b>	-	<b>1,868</b>	2,099
The above amount includes:				
Unsecured borrowings	56	-	1,868	2,099
Amount disclosed under the head Other Current Liabilities [Note-6]			(1,868)	(2,099)
<b>Net amount</b>	<b>56</b>	-	-	-

**Note: 6-Other Financial Liabilities:**

Current Maturities of Long Term Debt [Refer Note- 5]	1,868	2,099
Interest accrued but not due on borrowings	336	-
Provision for Expenses	8	7
<b>Total</b>	<b>2,212</b>	2,106

	Euro- Thousands	
	Year ended December 31	
	2017	2016

**Note: 7-Finance Cost:**

Interest expense	335	-
Net [Gain]/ Loss on foreign currency transactions and translation	1	-
Bank commission & charges	2	1
<b>Total</b>	<b>338</b>	1

**Note: 8-Other Expenses:**

Legal and Professional Fees	38	38
<b>Total</b>	<b>38</b>	38

**Note: 9-Calculation of Earnings per Equity Share [EPS]:**

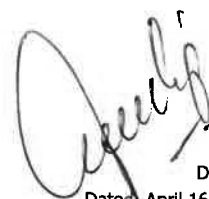
The numerators and denominators used to calculate the basic and diluted EPS are as follows:		
A Profit attributable to Shareholders	(376)	(39)
B Basic and weighted average number of Equity shares outstanding during the year	854,612	712,318
	<b>Euro</b>	
C Nominal value of equity share	100	100
D Basic & Diluted EPS	(0.44)	(0.05)

**Note: 10 Post reporting date events :**

Pursuant to the Share Purchase Agreement [SPA] entered into by the Parent Company [Zydus International Private Limited, Ireland] on March 24, 2017 with Zydus Worldwide DMCC [Dubai] a 100% subsidiary of the ultimate Parent Company [Cadila Healthcare Limited, India], Zydus Worldwide DMCC [Dubai] had acquired 100% of the share capital of Zydus Netherlands B.V for Cash Consideration. Pursuant to this, Zydus Netherlands B.V. has become direct overseas subsidiary of Zydus Worldwide DMCC [Dubai].

**Signatures to Significant Accounting Policies and Notes 1 to 10 to the Financial Statements**

For and on behalf of the Board



Director

Dated: April 16, 2018

**Zydus Netherlands B.V.**

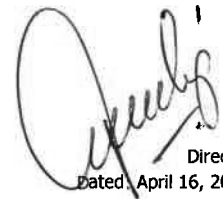
**Cash Flow Statement for the year ended December 31, 2017**

Particulars	Euro- Thousands	
	Year ended December 31	
	2017	2016
<b>A Cash flows from operating activities:</b>		
Loss before tax	(376)	(39)
Adjustments for:		
Interest expenses	335	-
Operating profit before working capital changes	(41)	(39)
Adjustments for:		
Increase/ [Decrease] in other current liabilities	1	6
Net cash from [used] operating activities	(40)	(33)
<b>B Cash flows from investing activities:</b>		
Purchase of Non Current investments	(600)	(13,350)
Net cash from [used] in investing activities	(600)	(13,350)
<b>C Cash flows from financing activities:</b>		
Proceeds from Issuance of Share Capital	600	13,390
Proceeds from Long Term Borrowings	56	-
Interest paid	1	-
Net cash from [used] in financing activities	657	13,390
<b>Net increase in cash and cash equivalents</b>	<b>17</b>	<b>7</b>
<b>Cash and cash equivalents at the beginning of the year</b>	<b>27</b>	<b>20</b>
<b>Cash and cash equivalents at the end of the year</b>	<b>44</b>	<b>27</b>

**Notes to the Cash Flow Statement**

- 1 All figures in brackets are outflows.
- 2 Previous year's figures have been regrouped wherever necessary.

For and on behalf of the Board

  
 Director  
 Dated April 16, 2018