



2, rue Maurice Hartmann  
92 130 – Issy-Les-Moulineaux

**Laboratoires NEGMA S.A.S.U.**

Head office : 1 bis avenue Jean d'Alembert – 78 990 ELANCOURT

Share Capital : € 28.868.371

**Statutory auditors' report on the financial statements**

**For the year ended 31<sup>st</sup> March 2017** Exercise of 12 Months

At the single-shareholder,

In compliance with the assignment entrusted to us by your Shareholders' annual general meeting we hereby report to you, for the year ended 31st March 2017 on:

- the audit of the accompanying financial statements of the Company Laboratoires NEGMA ,
- the justification of our assessments
- the specific verifications and information required by law.

These financial statements have been approved by the Chairman. Our role is to express an opinion on these financial statements based on our audit.

**I. Opinion on the financial statements**

We conducted our audit in accordance with the professional standards applied in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as at 31<sup>st</sup> March 2017 and of the results of its operations for the year then ended in accordance with French accounting principles.

Without any prejudice on our opinion, we draw your attention on the note relating to « intangible fixed assets » of the appendix. It sets out the implementation for the first year of the new accounting regulation relating to the useful life of goodwill, to its amortization as well as to the follow-up of the asset's value over time.

## **II. Justification of our assessments**

In accordance with the requirements of article L.823-9 of the French Commercial Law (Code de commerce) relating to the justification of our assessments, we bring to your attention the following matters:

As mentioned in the first part of this report, the note on "intangible fixed assets" of the appendix sets out the change in accounting methods arising from the implementation of the new accounting regulation relating to the view held by the company that its goodwill has an unlimited useful life and to make a yearly compulsory assessment of the depreciation of the intangible asset.

As part of our assessment of the accounting rules and principles followed by your company, we checked the correct implementation of the modified accounting regulation and of the presentation of the resulting changes.

These assessments were made in the context of our audit of the financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

## **III. Specific verifications and information**

We also performed the specific verifications required by law.

We have no comments as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Chairman, and in the documents addressed to the single-shareholder with respect to the financial position and the financial statements.

Issy-Les-Moulineaux June 20<sup>th</sup> 2017

**The statutory auditors**

**CERA**  
**Daniel Buchoux**



2, rue Maurice Hartmann  
92 130 – Issy-Les-Moulineaux

**Laboratoires NEGMA S.A.S.U.**

Siège social : 1 bis avenue Jean d’Alembert – 78 990 ELANCOURT

Capital Social : € 28.868.371

**Rapport du commissaire aux comptes sur les comptes annuels**

**Exercice clos le 31 mars 2017** Exercice de 12 mois

A l’Associé Unique,

En exécution de la mission qui nous a été confiée par décision de l’associé unique, nous vous présentons notre rapport relatif à l’exercice clos le 31 mars 2017, sur :

- le contrôle des comptes annuels de la société LABORATOIRES NEGMA, tels qu'ils sont joints au présent rapport ;
- la justification de nos appréciations ;
- les vérifications et informations spécifiques prévues par la loi.

Les comptes annuels ont été arrêtés par le président. Il nous appartient, sur la base de notre audit, d’exprimer une opinion sur ces comptes.

**I. Opinion sur les comptes annuels**

Nous avons effectué notre audit selon les normes d’exercice professionnel applicables en France ; ces normes requièrent la mise en œuvre de diligences permettant d’obtenir l’assurance raisonnable que les comptes annuels ne comportent pas d’anomalies significatives. Un audit consiste à vérifier, par sondages ou au moyen d’autres méthodes de sélection, les éléments justifiant des montants et informations figurant dans les comptes annuels. Il consiste également à apprécier les principes comptables suivis, les estimations significatives retenues et la présentation d’ensemble des comptes. Nous estimons que les éléments que nous avons collectés sont suffisants et appropriés pour fonder notre opinion.

Nous certifions que les comptes annuels sont, au regard des règles et principes comptables français, réguliers et sincères et donnent une image fidèle du résultat des opérations de l’exercice écoulé ainsi que de la situation financière et du patrimoine de la société à la fin de cet exercice.

Sans remettre en cause l’opinion exprimée ci-après, nous attirons votre attention sur la note « Immobilisations incorporelles » de l’annexe qui expose l’application pour la première fois de la nouvelle réglementation comptable relative à la durée d’utilisation du fonds commercial, de son amortissement, ainsi que le suivi de la valeur de cet actif.

## II. Justification des appréciations

En application des dispositions de l'article L. 823-9 du code de commerce relatives à la justification de nos appréciations, nous portons à votre connaissance les éléments suivants :

Comme mentionné dans la première partie du présent rapport, la note « Immobilisations incorporelles » de l'annexe expose le changement de méthodes comptables résultant de l'application de la nouvelle réglementation comptable relative au choix fait par l'entité de retenir une durée d'utilisation non limitée de son fonds commercial, et de procéder à un test obligatoire annuel de dépréciation de cet actif incorporel.

Dans le cadre de notre appréciation des règles et principes comptables suivis par votre société, nous avons vérifié la correcte application du changement de réglementation comptable et la présentation qui en est faite.

Les appréciations ainsi portées s'inscrivent dans le cadre de notre démarche d'audit des comptes annuels, pris dans leur ensemble, et ont donc contribué à la formation de notre opinion exprimée dans la première partie de ce rapport.

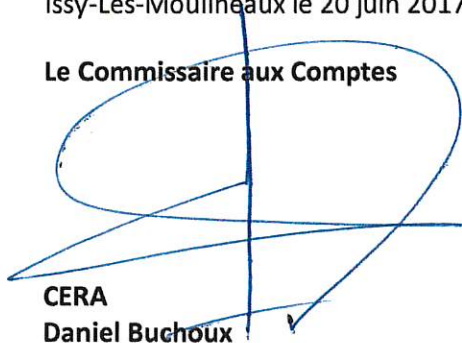
## III. Vérifications et informations spécifiques

Nous avons également procédé, conformément aux normes d'exercice professionnel applicables en France, aux vérifications spécifiques prévues par la loi.

Nous n'avons pas d'observation à formuler sur la sincérité et la concordance avec les comptes annuels des informations données dans le rapport de gestion du Président et dans les documents adressés à l'Associé Unique sur la situation financière et les comptes annuels.

Issy-Les-Moulineaux le 20 juin 2017

**Le Commissaire aux Comptes**



**CERA**  
**Daniel Buchoux**

# **SAS LABORATOIRES NEGMA**

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Buroplus 3 – ZAC de la Clef Saint-Pierre  
1 Bis Avenue Jean d’Alembert  
78990 ELANCOURT

## **SUMMARY REPORT**

### **ANNUAL REPORT 2017**

**FROM 01.04.2016 TO 31.03.2017**

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Entity name: SAS LABORATOIRES NEGMA

Fiscal year ending: 31<sup>st</sup> March 2017

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Formulaire obligatoire (article 53A  
du Code général des impôts).

Company name : LABORATOIRES NEGMA

Duration of the tax year (in months) \* : 12

 Address : Buroplus 3, 1 bis Avenue Jean d'Alembert, 78990  
ELANCOURT

Duration of the prior tax year \* : 12

Company Reg No \* : 410 102 008 00068

Tax return filled in €		31/03/2017			31/03/2016			
		Gross amount	Amortization & depreciation	Net amount	Net amount			
<b>Uncalled subscribed capital (1)</b>		<b>(I) AA</b>		<b>0,00</b>	<b>0</b>			
<b>FIXED ASSETS *</b>	<b>INTANGIBLE ASSETS</b>	Start-up costs*	AB	0	AC	0	0	0
		Research & development costs*	CX	529 086	CQ	528 485	601	601
		Licences, patents and similar rights	AF	535 426	AG	517 097	18 329	26 251
		Goodwill (1)	AH	21 617 271	AI	9 476 000	12 141 271	12 141 270
		Other intangible assets	AJ	0	AK	0	0	0
		Cash advances & downpayments on intangible assets	AL	0	AM	0	0	0
	<b>TANGIBLE ASSETS</b>	Land	AN	0	AO	0	0	0
		Buildings	AP	0	AQ	0	0	0
		Plant & equipment	AR	34 540	AS	31 246	3 294	3 363
		Other tangible assets	AT	394 573	AU	259 508	135 065	153 888
		Assets under construction	AV	0	AW	0	0	1 580
		Cash advances & downpayments on tangible assets	AX	0	AY	0	0	0
	<b>FINANCIAL ASSETS (2)</b>	Shares held at equity value	CS	0	CT	0	0	0
		Other shares	CU	252 456	CV	11 745	240 711	248 485
		Receivables related to investments	BB	0	BC	0	0	0
		Other capitalized securities	BD	0	BE	0	0	0
		Loans	BF	24 638 009	BG	6 648 789	17 989 219	12 628 040
		Other financial assets*	BH	42 616	BI	0	42 616	44 849
	<b>TOTAL (II)</b>		<b>BJ</b>	<b>48 043 976</b>	<b>BK</b>	<b>17 472 870</b>	<b>30 571 106</b>	<b>25 248 326</b>
	<b>CURRENT ASSETS</b>	<b>INVENTORY*</b>	Raw materials & components	BL	887 792	BM	28 060	859 732
Work in progress (goods)			BN	0	BO	0	0	0
Work in progress (services)			BP	0	BQ	0	0	0
Semi-finished & finished products			BR	640 025	BS	47 709	592 315	857 165
Goods held for resale			BT	0	BU	0	0	0
Advances & downpayments to suppliers		BV	3 188	BW	0	3 188	5 600	
<b>RECEIVABLES</b>		Trade receivables and related accounts *(3)	BX	2 409 996	BY	1 085 190	1 324 806	1 062 379
		Other receivables (3)	BZ	7 477 858	CA	6 526 601	951 257	845 183
		Called subscribed capital, unpaid	CB	0	CC	0	0	0
<b>MISCELLANEOUS</b>		Investments (including own shares)	CD	335 117	CE	7 167	327 950	4 317 346
	Bank balances	CF	1 221 904	CG	0	1 221 904	746 874	
<b>ADJUSTMENTS</b>	Prepayments* (3) (E)	CH	135 520	CI	0	135 520	145 026	
	<b>GRAND TOTAL (III)</b>	<b>CJ</b>	<b>13 111 399</b>	<b>CK</b>	<b>7 694 727</b>	<b>5 416 671</b>	<b>8 966 618</b>	
	Expenses amortized over more than one year * (IV)	CW	0			0	0	
	Premium on bond redemption (V)	CM	0			0	0	
	Conversion differences - assets* (VI)	CN	0			0	0	
<b>TOTAL (I à VI)</b>		<b>CO</b>	<b>61 155 375</b>	<b>1A</b>	<b>25 167 598</b>	<b>35 987 777</b>	<b>34 214 945</b>	
Footnotes : (1) incl. lease agreements		(2) Less than 12 months		CP	(3) Over 12 months		6 954 817	
Ownership reservations :		assets :	Inventory :		Receivables :			



N° 11937\*03

Formulaire obligatoire (article 53A  
du Code général des impôts).

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**BALANCE SHEET - LIABILITIES before distribution**

D.G.I. N° 2051

Company name : LABORATOIRES NEGMA			31/03/2017	31/03/2016
EQUITY	Share capital (1)* (included paid up )	28 868 371 )	DA 28 868 371	28 868 371
	Share, fusion, .... premiums		DB 0	0
	Acquisition differential (2)* (including equity differential	EK )	DC 0	0
	Legal reserve (3)		DD 2 886 837	2 886 837
	Statutory & contractual reserves		DE 0	0
	Regulatory reserves (3)*	(incl foreign currency translation reserve) B1 )	DF 0	0
	Other reserves	(incl reserve on purchase of works of art from live artists)* EJ )	DG 0	0
	Retained earnings / losses		DH 113 940	112 664
	Net income or loss		DI 1 574 202	698 059
	Investment subsidies		DJ 0	0
	Regulatory provisions*		DK 0	0
	<b>TOTAL (I)</b>			DL 33 443 350
OTHER EQUITY	Proceeds from issue of equity securities		DM 0	0
	Conditional advances		DN 0	0
	<b>TOTAL (II)</b>		DO 0	0
PROVISIONS	Short-term provisions		DP 0	4 300
	Long-term provisions		DQ 109 184	71 500
	<b>TOTAL (III)</b>		DR 109 184	75 800
PAYABLES(4)	Convertible bond loans		DS 0	0
	Other bond loans		DT 0	0
	Borrowings from financial institutions (5)		DU 1 000	1 461
	Borrowings from other sources	(including borrowings secured by shares) E )	DV 0	0
	Advances and downpayments collected on orders		DW 0	0
	Trade payables and related accounts		DX 1 053 030	861 013
	Tax payable, payroll and social contributions		DY 520 278	577 435
	Payables on fixed assets and related accounts		DZ 0	0
	Other payables		EA 860 935	133 303
ADJUST.	Deferred income(4)		EB 0	0
<b>TOTAL (IV)</b>			EC 2 435 243	1 573 212
<b>(V)</b>			ED 0	0
<b>CONVERSION DIFFERENCES - LIABILITIES *</b>				
<b>GRAND TOTAL (I à V)</b>			EE 35 987 777	34 214 945
FOOTNOTES	(1) Acquisition differential included in share capital		B	
	(2) { including	Special Revaluation reserve (1959)	C	
		Non obligatory revaluation reserve	D	
		Revaluation reserve (1976)	E	
	(3) Including long-term capital gains regulatory reserve *		EF	
(4) Payables and deferred income under 12 months		EG 2 435 243	1 571 752	
(5) including loans repayable on demand and overdrawn bank accounts		EH 1 000	1 461	



Company name : LABORATOIRES NEGMA									
		31/03/2017						31/03/2016	
		Domestic		export		Total			
REVENUE FROM OPERATIONS	Sales of goods held for resale*	FA	0	FB	0	FC	0	-570	
	Sale of finished goods* services*	FD	8 311 064	FE	315 200	FF	8 626 263	7 622 582	
		FG	312 529	FH	0	FI	312 529	344 365	
	Net sales*	FJ	8 623 593	FK	315 200	FL	8 938 792	7 966 377	
	Stored production*					FM	-267 775	-96 580	
	Capitalized production*					FN	0	0	
	Operating subsidiaries					FO	10 007	12 580	
	Amortization & depreciation provisions reversal* (9)					FP	27 569	207 711	
	Other proceeds (1) (11)					FQ	0	0	
	<b>TOTAL OPERATING GAINS (2) (I)</b>						FR	<b>8 708 593</b>	<b>8 090 087</b>
OPERATING EXPENSES	Purchase of goods held for resale (including customs duties) *					FS	0	0	
	Changes in inventory (goods held for resale)					FT	0	0	
	Purchase of raw materials and components (including excise duty) *					FU	1 670 854	1 825 203	
	Changes in inventory (raw materials and components)*					FV	102 161	505 428	
	Other external purchases (3) (6bis)*					FW	3 039 438	3 002 927	
	Taxes, contributions and related costs*					FX	190 798	162 027	
	Payroll costs*					FY	649 046	766 583	
	Social contributions (10)					FZ	293 343	381 703	
	OPERATING PROVISIONS	- on fixed assets :			- amortization*		GA	40 939	38 803
					- depreciation *		GB	0	0
		- on current assets : provisions					GC	81 831	71 345
	- contingencies : provisions					GD	41 612	12 736	
	Other costs (12)					GE	734 066	572 540	
	<b>TOTAL OPERATING EXPENSES (4) (II)</b>						GF	<b>6 844 089</b>	<b>7 339 296</b>
<b>1 - OPERATING INCOME (I - II)</b>						GG	<b>1 864 505</b>	<b>750 792</b>	
COMMON TRANSACTIONS	Attributed income or transferred loss *					GH	0	0	
	Loss assumed or transferred income *					GI	0	0	
FINANCIAL GAINS	Financial income from investments (5)					GJ	2 120	1 887	
	Income from other investment securities (5)					GK	31 288	73 712	
	Other interest and related income (5)					GL	8 790	23 636	
	Accrual reversal and transfer charges					GM	1 088 484	930 428	
	Profits on exchange rates					GN	0	0	
	Net gains on sales of investment securities					GO	7 297	13 274	
<b>TOTAL FINANCIAL GAINS (V)</b>						GP	<b>1 137 979</b>	<b>1 042 937</b>	
FINANCIAL COSTS	Provisions for financial amortization and depreciation *					GQ	593 084	456 927	
	Interests and related expenses (6)					GR	0	0	
	Losses on exchange rates					GS	0	226	
	Net loss on sales of investment securities					GT	10 209	4 268	
<b>TOTAL FINANCIAL COSTS (VI)</b>						GU	<b>603 293</b>	<b>461 420</b>	
<b>2 - FINANCIAL RESULT (V - VI)</b>						GV	<b>534 686</b>	<b>581 516</b>	
<b>3 - OPERATING PROFIT BEFORE TAX (I-II+III-IV +V - VI)</b>						GW	<b>2 399 191</b>	<b>1 332 308</b>	



N° 10947\*03

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**PROFIT AND LOSS ACCOUNT (continued)**

D.G.I. N° 2053

Formulaire obligatoire (article 53A  
du Code général des impôts).

Company name : LABORATOIRES NEGMA

		31/03/17	31/03/2016
EXCEPTIONAL GAINS	Exceptional operating gains	HA 260 313	331 026
	Exceptional capital gains *	HB 244 055	291
	Accrual reversal and transfer charges	HC 4 300	1 961 675
	<b>TOTAL EXCEPTIONAL GAINS (7) (VII)</b>	<b>HD 508 669</b>	<b>2 292 992</b>
EXCEPTIONAL LOSSES	Exceptional operating losses (6bis)	HE 229 692	2 088 097
	Exceptional capital losses *	HF 244 030	283
	Exceptional amortization and depreciation	HG 0	360 000
	<b>TOTAL EXCEPTIONAL LOSSES (7) (VIII)</b>	<b>HH 473 723</b>	<b>2 448 380</b>
<b>4 - EXCEPTIONAL INCOME OR LOSS (VII - VIII)</b>		<b>HI 34 946</b>	<b>-155 388</b>
Employee profit sharing scheme		HJ 0	0
Corporate tax *		HK 859 935	478 857
<b>TOTAL INCOME (I+III+V+VII)</b>		<b>HL 10 355 241</b>	<b>11 426 016</b>
<b>TOTAL EXPENSES (II+IV+VI+VIII+IX+X)</b>		<b>HM 8 781 039</b>	<b>10 727 953</b>
<b>5 - Profit or loss (Total income - total expenses)</b>		<b>HN 1 574 202</b>	<b>698 063</b>
FOOTNOTES	(1) including net partial gains on long-term capital gains	HO	
	(2) real-estate rent	HY	
	(2) operating gains related to prior years (break-up required in (8) below)	IG	567
	(3) - equipment on lease *	HP	
	(3) - buildings on lease	HQ	
	(4) incl. operating losses related to prior years (8)	IH	16 368
	(5) incl. Income from related parties	IJ	31 288
	(6) incl. interests from related parties	K	
	(6bis) incl. Donations to charitable causes (art. 238 bis du C.G.I.)	HX	1 800
	(9) incl. Transfer charges	A1	
	(10) incl. Personal contributions of the manager (13)	A2	
	(11) incl. Royalties on licences and patents (proceeds)	A3	
	(12) incl. Royalties on licences and patents (expenses)	A4	734 025
(13) incl. non compulsory additional contributions	A6		
	compulsory	A9	
(7) Break-up of exceptional gains & loss		Current year	
		Exceptional loss	Exceptional gain
Scraping of Fragon & Ruscoge dossier		243 918	
Reversal of depreciation accrual on Fragon & Ruscoge dossier			243 918
Miscellaneous		9 396	16 068
Proceeds from various litigations with suppliers			248 682
Employee redundancy settlements		220 408	
(8) Break-up of gains and losses related to prior years :		Current year	
		Prior year losses	Prior year gains
Wholesalers rebates			567
Advertising		4 999	
Service charges		3 530	
Insurance		2 746	
Miscellaneous		5 093	