

To,  
The Principal Auditor,  
BDO Ltd  
Fabrikstrasse 50  
CH-8031 Zurich  
Switzerland

We have audited the accompanying financial statements of Z & Z Service GmbH (“the entity”) (a Subsidiary of Wockhardt Bio AG) expressed in CHF, which comprise the Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information.

***Management’s Responsibility for the Financial Statements***

The Company’s Board of Directors is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with Group Accounting Policies based on Ind AS and generally accepted accounting principles in India (“GAAP”). This responsibility also includes maintenance of adequate accounting records in accordance with the GAAP for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

***Auditors’ Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards in force and the additional procedures detailed in the Group Audit Instructions (GAI) dated February 23, 2017. These require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors’ judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company’s preparation of the financial statements that that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company’s Directors, 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 on the financial statements.

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements of Z & Z Service GmbH, have been prepared in all material respects in accordance with accounting policies of Wockhardt Limited, which are designed to produce consolidated financial statements of Wockhardt Limited in compliance with the IndAS and Indian GAAP.

We have not issued an Audit Clearance Memorandum as the company is not material in respect of the consolidation.

## Other Matter

1. This report is issued solely for the purpose of inclusion in the Consolidated Financial Statement of Wockhardt Bio AG. This report may not be useful for any other purpose.
2. We further report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
  - d. The Company has no pending litigations on its financial position in its financial statements;
  - e. Provision has been made in the financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.

For Treucontrol Ltd  
Chartered Accountants  
Firm Registration No.:  
CH-170.3.018.061-6



Andreas Landolt  
Partner  
Membership No. 100055  
Place: Egg  
Date: April 19, 2017

<b><u>Z&amp;Z GmbH</u></b>	
<b><u>For the Period from 1st April 2016 till 31st March 2017</u></b>	
	<b>AS AT</b>
	<b>31.03.2017</b>
	<b>In Full Figures</b>
<b><u>SOURCES OF FUNDS</u></b>	
<b>SHAREHOLDERS' FUNDS</b>	
Share capital	
Equity share capital	(25'000.00)
Preference share capital	-
Reserves and surplus	191'891.85
	<b>166'891.85</b>
<b>LOAN FUNDS</b>	
Secured loans	-
Unsecured loans	-
	-
<b>DEFERRED TAX LIABILITY</b>	
	-
	<b>166'891.85</b>
<b><u>APPLICATION OF FUNDS</u></b>	
<b>FIXED ASSETS</b>	
Gross block	-
Accumulated depreciation	-
Net block	-
Capital work-in-progress and advances	-
	-
<b>INVESTMENTS</b>	
	-
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>	
Inventories	-
Sundry debtors	81'802.21
Cash and bank balances	1'639.25
Loans and advances	(174'931.06)
	(91'489.60)
<b>CURRENT LIABILITIES AND PROVISIONS</b>	
Current Liabilities	(67'245.05)
Provisions	(8'157.20)
	(75'402.25)
<b>NET CURRENT ASSETS</b>	
	(166'891.85)
<b>Misc Exps to the extent not w/off</b>	
Minority Interest	
	(166'891.85)

<b><u>Z&amp;Z GmbH</u></b>	
<b><u>PROFIT AND LOSS ACCOUNT</u></b>	
	<b>For the Year ended 31.03.2017 In Full Figures</b>
<b>INCOME</b>	
Sales and services	-
Less: Excise Duty	-
	-
Other income	7'986.86
	<b>7'986.86</b>
<b>EXPENDITURE</b>	
Materials consumed and purchase of goods	-
(Increase) / decrease in inventories	-
Operating and other expenses	(7'358.95)
Depreciation / Amortisation	-
Financing cost	(337.10)
Pension charge	
VRS	
	(7'696.05)
<b>PROFIT BEFORE TAX AND EXTRAORDINARY ITEM</b>	<b>290.81</b>
Add / (Less) : Exceptional items Loss / (Gain)	-
<b>PROFIT BEFORE TAX</b>	<b>290.81</b>
Provision for tax	
- Current	-
- Fringe benefit Tax	-
- Deferred	-
<b>NET PROFIT AFTER TAX FOR THE YEAR</b>	<b>290.81</b>
Minority Interest	-
ExChange difference on foreign currency investments	-
Movement on Deferred tax relating to pension deficit	-
Pension charge	-
<b>PAT after adjustments</b>	<b>290.81</b>
<b>PROFIT AVAILABLE FOR APPROPRIATION</b>	<b>290.81</b>
<b>APPROPRIATIONS</b>	
Interim dividend on equity shares	-
Interim dividend on preference shares	-
Proposed dividend on preference shares	-
Proposed dividend on equity shares	-
Tax on dividend	-
Transfer to debenture redemption reserve	-
Transfer to capital redemption reserve	-
Transfer to general reserve	-
<b>PROFIT AND LOSS ACCOUNT, end of year</b>	<b>290.81</b>
	<b>290.81</b>