

To,  
The Principal Auditor,  
MAZARS LTD  
Herostrasse 12  
CH-8048 Zurich  
Switzerland

We have audited the accompanying financial statements of Z & Z Service GmbH (“the entity”) (a Subsidiary of Wockhardt Bio AG) expressed in EUR, which comprise the Balance Sheet as at March 31, 2018 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. 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: June 14, 2018

**Z&Z GmbH**

**For the Period from 1st April 2017 till 31st March 2018**

**AS AT  
31.03.2018  
In Full Figures**

**SOURCES OF FUNDS**

**SHAREHOLDERS' FUNDS**

Share capital	
Equity share capital	(25'000.00)
Preference share capital	-
Reserves and surplus	198'153.65
	<u>173'153.65</u>

**LOAN FUNDS**

Secured loans	-
Unsecured loans	-
	<u>-</u>

**DEFERRED TAX LIABILITY**

-

173'153.65

**APPLICATION OF FUNDS**

**FIXED ASSETS**

Gross block	-
Accumulated depreciation	-
Net block	-
Capital work-in-progress and advances	-
	<u>-</u>

**INVESTMENTS**

-

**CURRENT ASSETS, LOANS AND ADVANCES**

Inventories	-
Sundry debtors	1'044.95
Cash and bank balances	1'313.60
Loans and advances	(96'931.06)
	<u>(94'572.51)</u>

**CURRENT LIABILITIES AND PROVISIONS**

Current Liabilities	(68'691.14)
Provisions	(9'890.00)
	<u>(78'581.14)</u>

**NET CURRENT ASSETS**

(173'153.65)

**Misc Exps to the extent not w/off**

Minority Interest	
	<u>(173'153.65)</u>

**Difference in Balancesheet**

**0.00**

**Z&Z GmbH**

**PROFIT AND LOSS ACCOUNT**

**For the  
Year ended  
31.03.2018  
In Full Figures**

**INCOME**

Sales and services	-
Less: Excise Duty	-
	<hr style="border-top: 1px solid black;"/>
	-
Other income	463.90
	<hr style="border-top: 1px solid black;"/>
	<b>463.90</b>

**EXPENDITURE**

Materials consumed and purchase of goods	-
(Increase) / decrease in inventories	-
Operating and other expenses	(6'445.00)
Depreciation / Amortisation	-
Financing cost	(280.70)
VRS	
	<hr style="border-top: 1px solid black;"/>
	(6'725.70)

**PROFIT BEFORE TAX AND EXTRAORDINARY ITEM** (6'261.80)

Add / (Less) : Exceptional items Loss / (Gain) -

**PROFIT BEFORE TAX** **(6'261.80)**

Provision for tax	
- Current	-
- Fringe benefit Tax	-
- Deferred	-

**NET PROFIT AFTER TAX FOR THE YEAR** 

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**(6'261.80)**

Minority Interest	-
ExChange difference on foreign currency investments	-
Movement on Deferred tax relating to pension deficit	-
Pension charge	-

**PAT after adjustments** 

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**(6'261.80)**

**PROFIT AVAILABLE FOR APPROPRIATION** 

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**(6'261.80)**

**APPROPRIATIONS**

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	-

**PROFIT AND LOSS ACCOUNT, end of year** 

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**(6'261.80)**

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**(6'261.80)**

For the Period from 1st April 2017 till 31st March 2018

PARTICULARS	AS AT		External	Wockhardt Ltd.	Wockhardt UK Ltd.	WOCKHARDT EU OPERATIONS (SWISS) AG	Total of Inter-Company Items
	31.03.2018	In Full Figures					
<b>SOURCES OF FUNDS:</b>							
<b>1. SHARE CAPITAL</b>							
a) Equity Share Capital (No of Shares Face Values of Shares )	(25'000.00)	(25'000.00)					-
Addition to Equity share Capital during the Period		-					-
Reduction in Equity share capital during the period		-					-
(Authorised Share Capital - No of Shares Face Value of Shares )							
b) Preference share Capital (Number of shares Face Value of Shares )		-					-
Addition to Preference share Capital during the Period		-					-
Reduction in Preference share capital during the period		-					-
(Authorised Pref Share Capital - No of Shares Face Value of Shares )							
<b>TOTAL OF SHARE CAPITAL</b>	<b>(25'000.00)</b>						
<b>2. RESERVES AND SURPLUS</b>							
<b>(Kindly Give the reason for Movements in Reserves)</b>							
<i>Capital redemption reserve</i>							
Opening balance	(4'712'054.60)	(4'712'054.60)					-
Addition During the year	-	-					-
Less : Deductions during the year (Enter Figure with Negative Sign)		-					-
Closing Balance	<b>(4'712'054.60)</b>						
<i>Share premium account</i>							
Opening balance		-					-
Addition During the year		-					-
Less : Deductions during the year (Enter Figure with Negative Sign)		-					-
Closing Balance		-					-
<i>Debenture redemption reserve</i>							
Opening balance		-					-
Addition During the year		-					-
Less : Deductions during the year (Enter Figure with Negative Sign)		-					-
Closing Balance		-					-
<i>Employee Stock Option Outstanding</i>							
Less : Deferred Employee Compensation Expenses		-					-
		-					-
<i>General reserve</i>							
Opening Balances		-					-
Addition During the year		-					-
Less : Deductions during the year (Enter Figure with Negative Sign)		-					-
Transfer from profit and loss account		-					-
Closing Balance		-					-
<i>Profit and loss account</i>							
Opening Balances	4'903'946.45	4'903'946.45					-
Add / (Less) Profit / (Loss) for the year after appropriations	(6'261.80)						
	4'910'208.25						
<b>TOTAL OF RESERVES AND SURPLUS</b>	<b>198'153.65</b>						
<b>3. SECURED LOANS</b>							
<b>(A) TERM LOANS</b>							
i) From Financial Institutions		-					-
ii) From Banks :		-					-
a) Foreign currency denominated loans		-					-
b) Rupee / Domicile Currency denominated loans		-					-
<b>(B) Non Convertible Debentures</b>							
		-					-
<b>(C) Working Capital Loans from Banks</b>							
Vehicle Loan		-					-
(D) Any other Secured Loan (Please provide Details)		-					-
<b>TOTAL OF SECURED LOANS</b>		-					
<b>4 UNSECURED LOANS</b>							
<b>Long term</b>							
(A) Sales tax deferral loan		-					-
(B) Zero Coupon Foreign Currency Convertible Bonds		-					-
(C) Loan from Holding Company / Group Companies (Please update in respective intercompany column also)		-					-
(D) Any other Loan		-					-
Short term Loan		-					-
Fixed Deposits		-					-
<b>TOTAL OF UNSECURED LOANS</b>		-					
<b>5. DEFERRED TAX LIABILITY</b>							
<b>Deferred tax liabilities</b>							
Depreciation on fixed assets		-					-
Deferred expenses		-					-
Pension Scheme		-					-

For the Period from 1st April 2017 till 31st March 2018

PARTICULARS	AS AT		External	Wockhardt Ltd.	Wockhardt UK Ltd.	WOCKHARDT EU OPERATIONS (SWISS) AG	Total of Inter-Company Items
	31.03.2018	In Full Figures					
Any other Component creating Deferred tax liability (Give Details)							-
Total (A)	-						-
<b>Deferred tax assets</b>							-
Provision for Gratuity							-
Provision for Leave Encashment							-
Provision for Bonus							-
Provision for doubtful debts							-
Any other Component creating Deferred tax asset (Give Details)							-
Total (B)	-						-
Net Deferred tax liability (A-B)	-						-
Net deferred tax liability as of the year end	-						-
Less : Opening Deferred Tax (Liability) / Asset (As per last years Balance sheet)							
Translation loss / adjustment (Give Details)							
<b>Deferred tax charge / (credit) for the year</b>	-						-
<b>TOTAL OF SOURCES OF FUNDS</b>	<b>173'153.65</b>						
<b>APPLICATION OF FUNDS:</b>							
<b>6. INVESTMENTS</b>							
Units of Mutual Funds							-
Investment in shares of Companies (Give Company name and Investment)							-
							-
							-
							-
<b>TOTAL OF INVESTMENTS</b>	-						-
<b>7. INVENTORIES</b>							
Raw materials	-						-
Packing materials	-						-
Finished goods	-						-
Samples	-						-
Work-in-progress	-						-
Stores and spare parts	-						-
<b>TOTAL OF INVENTORIES</b>	-						-
<b>8. SUNDRY DEBTORS</b>							
Unsecured, Considered good (More than 6 months)	246.45		246.45				-
Unsecured, Considered doubtful							-
<b>Sub-Total</b>	<b>246.45</b>						-
Less : Provision for doubtful debts (Enter with Negative Sign)							-
<b>Net Debtors</b>	<b>246.45</b>						-
Other debts							-
Inter company debtors							-
Unsecured, Considered good	798.50		798.50				-
<b>Sundry Debtors, net of provisions</b>	<b>1'044.95</b>						-
<b>9. CASH AND BANK BALANCES</b>							
Cash on hand							-
Cash in Transit							-
Balances with banks							-
- in current / Cash Credit account	1'313.60		1'313.60				-
- in margin accounts							-
- in deposit accounts							-
<b>TOTAL OF CASH AND BANK ACCOUNTS</b>	<b>1'313.60</b>						-
<b>10. LOANS AND ADVANCES (Unsecured, considered good)</b>							
Loans to employees							-
Loans to companies	(96'931.06)					(96'931.06)	(96'931.06)
Loans to Subsidiaries							-
Share application money							-
Advances recoverable in cash or in kind or for value to be received							-
Accrued income							-
Balance with customs, excise, for VAT & Similar Government Authority							-
Other deposits							-
Prepaid Expenses							-
Mat Credit Entitlement Receivable							-
Equity shares contribution outstanding							-
Advance tax, net of provision for tax							-
<b>TOTAL OF LOANS AND ADVANCES</b>	<b>(96'931.06)</b>						-
<b>11. CURRENT LIABILITIES AND PROVISIONS</b>							
<b>CURRENT LIABILITIES</b>							
Sundry creditors	(68'691.14)		(68'691.14)				-
Payable to subsidiaries							-
Security deposits							-

For the Period from 1st April 2017 till 31st March 2018

PARTICULARS	AS AT				Total of Inter-Company Items
	31.03.2018				
	In Full Figures				
	External	Wockhardt Ltd.	Wockhardt UK Ltd.	WOCKHARDT EU OPERATIONS (SWISS) AG	
Investor Education and Protection Fund shall be credited by the following amounts namely:					-
Unclaimed dividends	-				-
Interest accrued but not due	-				-
Finance Lease Outstandings	-				-
Dividends Payable	-				-
Government Grants (Treated as Deferred Income)	-				-
VAT, Social Tax Etc & other similar Payables to Government	-				-
Other liabilities	-				-
<b>TOTAL OF CURRENT LIABILITIES</b>					<b>(68'691.14)</b>
<b>PROVISIONS</b>					
Provision for tax, net of advance tax paid ( If net amt is payable)	-				-
Proposed dividend	-				-
Tax on proposed dividend	-				-
Provision for retirement benefits - Leave Encashment, Graduity, Pensions, Bonus etc	-				-
Other Provisions	(9'890.00)	(9'890.00)			-
<b>TOTAL OF PROVISIONS</b>					<b>(9'890.00)</b>
<b>NET FIXED ASSETS (INCLUDING CAPITAL WIP)</b>					<b>-</b>
<b>TOTAL OF APPLICATION OF FUNDS</b>					<b>(173'153.65)</b>
<b>DIFFERENCE</b>					<b>0.00</b>
<b>Z&amp;Z GmbH</b>					
<b>PROFIT AND LOSS ACCOUNT</b>					
<b>PARTICULARS</b>	<b>For Period Ended</b>				<b>For Period Ended</b>
	<b>31.03.2018</b>				<b>31.03.2007</b>
	<b>In Full Figures</b>				<b>In Millions</b>
<b>12. SALES AND SERVICES</b>					
Sales and services	-	-			-
Inter-company Sales	-	-			-
Processing charges received	-	-			-
Commission on Sales/Distribution Income	-	-			-
Product Development charges	-	-			-
Management Fees	-	-			-
Distribution income	-	-			-
Royalty Income	-	-			-
Other Operating Income (Give Details Separately)	-	-			-
<b>TOTAL OF SALES AND SERVICES</b>					<b>-</b>
<b>EXCISE DUTY ON SALES</b>					<b>-</b>
<b>13. OTHER INCOME</b>					
Dividend received on investments	-	-			-
Lease Rent Income	-	-			-
Profit(Loss) on sale of investments (Net)	-	-			-
Profit(Loss) on sale of assets (Net)	-	-			-
Government Grants (Including Local Body Grants)	-	-			-
Miscellaneous income	463.90				-
<b>TOTAL OF OTHER INCOME</b>					<b>463.90</b>
<b>14. MATERIAL CONSUMED AND PURCHASE OF GOODS</b>					
Opening stock of Materials (As per last years Closing stock)					-
Raw Materials	-	-			-
Packing Materials	-	-			-
<b>Add:</b>					
Purchase of Raw & Packing Materials	-	-			-
Loan Licencing charges (Sub-contracting charges)	-	-			-
Carriage Inward (including Octroi / Entry tax & similar Levies)	-	-			-
Exchange (Gain)/Loss (Only on Purchases of Raw Materials and Packing Materials)	-	-			-
<b>Less: Closing Stock of Materials (Enter Figures with Negative Sign)</b>					
Raw Materials	-	-			-
Packing Materials	-	-			-
<b>Consumption of raw and packing materials</b>					<b>-</b>
Purchase of finished goods	-	-			-
Consumption of Finished Goods	-	-			-

For the Period from 1st April 2017 till 31st March 2018

PARTICULARS	AS AT		External	Wockhardt Ltd.	Wockhardt UK Ltd.	WOCKHARDT EU OPERATIONS (SWISS) AG	Total of Inter-Company Items
	31.03.2018	In Full Figures					
<b>TOTAL OF MATERIAL CONSUMED AND PURCHASE OF GOODS</b>	-						
<b>15. (INCREASE) / DECREASE IN INVENTORIES</b>							
Opening stock (As per last years Closing stock)							-
Finished goods							-
Samples							-
Work-in-progress							-
Excise Duty on Opening Stock							-
<b>Closing stock (Please Enter Figure with Negative Sign)</b>							
Finished goods							-
Samples							-
Work-in-progress							-
Less: Excise Duty on closing stock							-
<b>TOTAL OF (INCREASE) / DECREASE IN INVENTORIES</b>	-						
<b>TOTAL CONSUMPTION INCLUDING FG</b>							
<b>16. OPERATING AND OTHER EXPENSES</b>							
Salaries, wages and bonus , staff pension							-
Company's contribution to provident and other funds	(105.00)		(105.00)				-
Gratuity							-
Leave Encashment Expenses							-
Staff welfare expenses							-
Staff Training							-
Termination Payments							-
Manufacturing Expenses							-
Patent & Royalties							-
Licences & Technology							-
Power and fuel							-
Rent, Rates and taxes							-
Stores and spare parts consumed							-
Machinery Repairs							-
Building Repairs							-
Repairs other							-
Market research							-
Advertising & Promotions							-
Travelling expenses							-
Freight and forwarding							-
Selling and distribution							-
Commission on sales (Inter-Company)							-
Commission on sales (Domestic Sales)							-
Commission on sales (Export Sales)							-
Motor Expenses Sales							-
Printing Postage & Stationary							-
Telephone & Telex							-
Car Contract Hire							-
GMS Levy and Other Annual Charges							-
Operating Leasing Charges							-
Finance Lease Charges							-
Insurance							-
Provision for doubtful debts							-
Foreign Office Expenses							-
Bad debts							-
Auditor's Remuneration							-
Consultancy Charges	(6340.00)		(6340.00)				-
Donations							-
Foreign Exchange Gain / Loss (Other than on Raw Materials & Packing Materials)							-
Investments written off							-
Deferred R & D Exps / Development Exps Written off (Not regular amortisation)							-
Acturial (Gain) / Loss on Pension Scheme							-
Wealth tax							-
Prior Period Items							-
Directors Fees (Only Wockhardt Ltd)							-
General expenses / Miscellaneous Exps							-
Depreciation charge for the year							-
<b>TOTAL OF OPERATING AND OTHER EXP</b>	<b>(6'445.00)</b>						
<b>EXCEPTIONAL ITEMS (Negative sign in case of Gain)</b>							
<b>17. FINANCING COST</b>							
Interest paid							-
Interest Expenses on Term Loans							-
Interest Expense paid to Bank							-
Other interest Expenses							-
Bank Charges	(280.70)		(280.70)				-
Amortisation of Finance costs							-
Interest on Inter-company Loan							-
Add: Exchange (gain) / loss on borrowings							-
Less: Interest received (Enter Figure with negative Sign)							-



Z&Z GmbH

PLEASE ENTER CREDIT FIGURE WITH NEGATIVE SIGN

For the Period from 1st April 2017 till 31st March 2018

PARTICULARS	AS AT				Total of Inter-Company Items
	31.03.2018				
	In Full Figures				
	External	Wockhardt Ltd.	Wockhardt UK Ltd.	WOCKHARDT EU OPERATIONS (SWISS) AG	
<b>TOTAL OF FINANCE COST</b>					
<b>Income Taxes</b>					
Current Tax Provision for the year		-			-
Fringe benefit Tax		-			-
Deferred Tax		-			-
<b>TOTAL TAX BURDEN</b>					-

Please ensure opening balances match with last years closing balance

In Full Figures

Gross Block				Depreciation (With Negative Sign)				Net Block
As At 01.04.2010	Additions	Deductions & Transfers (With Negative Sign)	As At 30.06.2010	As At 01.04.2010	Additions	Deductions & Transfers (No Negative Sign)	As At 30.06.2010	As at 30.06.2010
131	132	133		141	142	143		
21010026 Goodwill (Self Generated / Consolidation )			-	21020026 Accumulated Dep in Goodwill (\$			0	-
21010025 Goodwill Purchased			-	21020025 Accumulated Dep in Goodwill P			-	-
21010024 Licenses & Dossiers			-	21020024 Accumulated Dep in Licenses &			-	-
21010023 Trade Marks			-	21020016 Accumulated Dep in Trade Mar			-	-
21010022 Software			-	21020015 Accumulated Dep in Software			-	-
<b>Total Intangibles :A:</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Tangibles</b>								
21010001 Freehold land			-	21020001 Accumulated Dep in Freehold la			-	-
21010002 Leasehold land			-	21020002 Accumulated Dep in Leasehold			-	-
21010003 Buildings (All Buildings)			-	21020003 Accumulated Dep in Buildings (/			-	-
21010004 Electrical Fittings			-	21020004 Accumulated Dep in Electrical F			-	-
21010008 Plant and Machinery (Including Sterile Facility)			-	21020006 Accumulated Dep in Plant and M			-	-
21010017 Furniture and fittings			-	21020012 Accumulated Dep in Furniture a			-	-
21010019 Office Equipments (Including Technical Equipment)			-	21020014 Accumulated Dep in Office Equi			-	-
21010020 Information Technology Equipments (Including Computers and Printers)			-	21020020 Accumulated Dep in Informatio			-	-
21010018 Vehicles			-	21020013 Accumulated Dep in Vehicles			-	-
21010021 Assets on Finance Lease			-	21020021 Accumulated Dep in Assets on f			-	-
	-	-	-		-	-	-	-
21030001 Capital Work in Progress			-				-	-
<b>Grand Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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