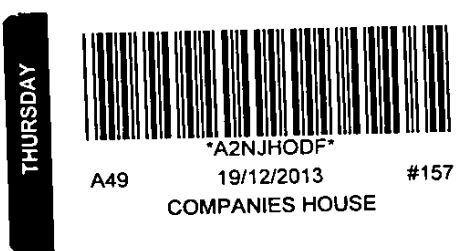


Registered in England and Wales Number: 7596565

VIVIMED LABS UK LIMITED

Report and Financial Statements

31st March 2013



VIVIMED LABS UK LIMITED

REPORT AND FINANCIAL STATEMENTS 2013

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VIVIMED LABS UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

The directors submit their report and the audited financial statements for the year ended 31 March 2013. The comparative period covers from the date of incorporation, 7 April 2011, to 31 March 2012.

PRINCIPAL ACTIVITY

The principal activity of the company during the period 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 company intends to continue as a holding company for the foreseeable future.

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 risks associated with global economic conditions. This is fully discussed in the Vivimed Labs Limited Group Annual Report.

Having regard to the above, the company's status and the Group's financial position, the directors have concluded it is appropriate to prepare the accounts on a going concern basis. 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.

RESULTS AND DIVIDENDS

The loss for the period after taxation amounted to £8,000 (2012 - £17,000) and is dealt with on page 5. The directors can not recommend the payment of a dividend in the current or prior year on the ordinary shares of the company.

DIRECTORS

The directors who served during the period were as listed below:

S. Varalwar
M. Robbins (appointed 16 July 2012)
J.L. Alsina (appointed 17 July 2012)
S. Ibbetson (resigned 10 July 2012)

PROVISION OF INFORMATION TO AUDITORS

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.

VIVIMED LABS UK LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

STATEMENT OF DIRECTORS RESPONSIBILITY

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 period. 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). 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 period. 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.

AUDITOR

Deloitte LLP were appointed as auditors during the period and offer themselves for reappointment in accordance with Section 385 of the Companies Act 2006. Deloitte LLP, having expressed their willingness to continue in office, will be deemed reappointed for the next financial period in accordance with Section 487(2) of the Companies Act 2006 unless the Company receives notice under Section 488(1) of the Act.

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

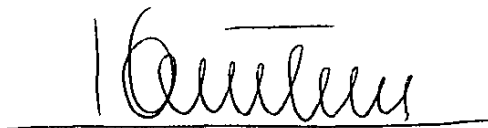
J L Alsina

Director

13 Dec 2013

Vivimed Labs UK Limited

Leeds Road, Huddersfield



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 2013, which comprise the profit and loss account, the balance sheet and the related notes 1 to 18. 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 2013 and of its loss 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 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



Mark Overfield BSc FCA (Senior Statutory Auditor)
for and on behalf of Deloitte LLP
Chartered Accountants and Statutory Auditor
Leeds, United Kingdom

18/12/13

VIVIMED LABS UK LIMITED

PROFIT AND LOSS ACCOUNT Year ended 31 March 2013

	Note	2013 £'000	2012 £'000
Administration expenses		(8)	(25)
OPERATING LOSS		(8)	(17)
Interest receivable	6	294	103
Interest payable	7	(294)	(95)
LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		(8)	(17)
Tax on loss on ordinary activities	8	-	-
LOSS ON ORDINARY ACTIVITIES AFTER TAXATION	15	(8)	(17)

There are no recognised gains or losses for the period other than as stated in the profit and loss account

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 2013

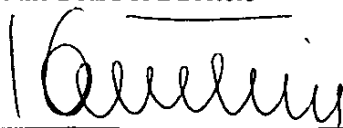
	Note	2013 £'000	2012 £'000
FIXED ASSETS			
Investment	9	<u>7,878</u>	<u>7,878</u>
CURRENT ASSETS			
Debtors			
- due within 1 year	10	425	113
- due after 1 year	11	5,584	5,306
Cash at bank and in hand		<u>3</u>	<u>10</u>
		6,012	5,429
CREDITORS (amounts falling due within one year)	12	<u>(498)</u>	<u>(185)</u>
NET CURRENT ASSETS		5,514	5,244
TOTAL ASSETS LESS CURRENT LIABILITIES		13,392	13,122
CREDITORS: (amounts falling due after more than one year)	13	<u>(5,584)</u>	<u>(5,306)</u>
NET ASSETS		<u>7,808</u>	<u>7,816</u>
CAPITAL AND RESERVES			
Called up share capital	14	7,833	7,833
Profit and loss account	15	<u>(25)</u>	<u>(17)</u>
TOTAL SHAREHOLDERS' FUNDS	16	<u>7,808</u>	<u>7,816</u>

The financial statements of Vivimed Labs UK Limited, registered number 7596565, were approved by the Board of Directors and authorised for issue on 13 Dec 2013

Signed on behalf of the Board of Directors

J L Alsina

Director



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 2013

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 dealing with items which are considered material in relation to the financial statements

Basis of accounting

The financial statements are prepared under the historical cost convention

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 Directors' 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 S400 of the Companies Act 2006 from the requirement to prepare group accounts for the period ended 31 March 2013, as it is a subsidiary undertaking of Vivimed Labs Limited, a company incorporated in India and is included in the consolidated accounts for that Company.

Cash flow statement

The company is a wholly owned subsidiary and its results and cash flows are consolidated into the ultimate parent undertaking and controlling party is Vivimed Labs Limited. Accordingly the company also takes advantage of the exemptions under Financial Reporting Standard No 1 from the requirement to prepare a cash flow statement.

Investments

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

Taxation

Current tax, including UK corporation tax and foreign tax, is provided at amounts expected to be paid (or recovered) using the tax rates and laws that have been enacted or substantially enacted by the balance sheet date.

Deferred tax is provided in full on timing differences which result in an obligation at the balance sheet date to pay more tax, or a right to pay less tax, at a future date, at rates expected to apply when they crystallise based on current tax rates and law. Timing differences arise from the inclusion of items of income and expenditure in taxation computations in periods different from those in which they are included in financial statements. Deferred tax assets are recognised to the extent that it is regarded as more likely than not that they will be recovered. Deferred tax assets and liabilities are not discounted.

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.

VIVIMED LABS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 March 2013**

2. 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

3. AUDITOR'S REMUNERATION

Auditor's remuneration of £3,600 (2012 £2,000) has been charged in the profit and loss account

4. FOREIGN EXCHANGE GAINS & LOSSES

The company credited a net gain of £5,000 (2012 £1,000) to the profit & loss account in the period due to the impact of foreign exchange movements

5. EMPLOYEES AND DIRECTORS

The company did not have any employees in the period

The directors received no emoluments for their services to the company

6 INTEREST RECEIVABLE AND SIMILAR INCOME

	2013 £'000	2012 £'000
Interest receivable on Intercompany loans	<u>294</u>	<u>103</u>

7. INTEREST PAYABLE AND SIMILAR CHARGES

	2013 £'000	2012 £'000
Interest payable on intercompany loans	<u>294</u>	<u>95</u>

VIVIMED LABS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2013

8. TAX ON LOSS ON ORDINARY ACTIVITIES

The standard rate of corporation tax for the period, based on the UK standard rate of corporation tax is 24% (2012 26%)

	2013 £'000	2012 £'000
Current tax		
UK corporation tax on loss for the period	-	-
Current tax credit	-	-

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

	2013 £'000	2012 £'000
Loss on ordinary activities before taxation	(8)	(17)
Tax on loss on ordinary activities at the standard rate of tax in the UK 24% (2012 26%)	(2)	(4)
Factors affecting credit for the period		
Tax losses arising in the period	2	4
Current tax credit for the period	-	-

There are no amounts of provided deferred tax in the current period. The Company has unrecognised tax losses of £2,163 (2012 £4,420), subject to approval by H M & Customs, available to relieve against future profits

9. FIXED ASSET INVESTMENT

	£'000
Cost at 1 April 2012	7,878
Additions during period	-
Cost at 31 March 2013	7,878

The company has one direct and two indirect holdings. During the previous period the company invested US\$ 12,572,605 in the ordinary shares in Vivimed Labs Spain, SL. The direct holding represents 100% of the issued share capital of that company, which is incorporated in Spain. In November 2011 the Vivimed group completed the acquisition of the Uquifa business (a manufacturer of pharmaceutical actives and intermediates) from the Yule Catto group. As part of that acquisition Vivimed Labs Spain, SL acquired the entire share capital of Uquifa Spain SA and Holliday International Limited and 99.999 % of the ordinary shares capital of Uquifa Mexico S A CV. At the same time Vivimed Labs UK Limited acquired the remaining shares (0.001 %) of Uquifa Mexico S A CV.

In the opinion of the directors the aggregate value of the shares in, and the amounts owing from, the subsidiary undertaking is not less than the aggregate amounts at which they are stated in the company's balance sheet.

VIVIMED LABS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2013

10. DEBTORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £'000	2012 £'000
Amounts owed by subsidiary	414	103
Prepaid expenses	11	10
	<u>425</u>	<u>113</u>

11. DEBTORS : AMOUNTS FALLING DUE AFTER ONE YEAR

	2013 £'000	2012 £'000
Loans to subsidiary	5,584	5,306
	<u>5,584</u>	<u>5,306</u>

In the previous period the company made two loans to Vivimed Labs Spain, SL of US\$ 1,000,000 and US\$ 7,500,000 respectively. The first of these loans is interest free and payable in November 2014. The latter bears interest at LIBOR +550 basis points and is repayable in November 2017.

12. CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR

	2013 £'000	2012 £'000
Amounts owed to other group undertakings	98	40
Amounts owed to immediate parent company	392	141
Accrued expenses	8	4
	<u>498</u>	<u>185</u>

13. CREDITORS : AMOUNTS FALLING DUE AFTER ONE YEAR

	2013 £'000	2012 £'000
Loans from immediate parent company	5,584	5,306
	<u>5,584</u>	<u>5,306</u>

In the previous period Vivimed Labs Mauritius Ltd made two loans to the company of US\$ 1,000,000 and US\$ 7,500,000 respectively. The first of these loans is interest free and payable in November 2014. The latter bears interest at LIBOR +550 basis points and is repayable in November 2017.

VIVIMED LABS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS Year ended 31 March 2013

14. CALLED UP SHARE CAPITAL

	2013 £'000	2012 £'000
Called up, allotted and fully paid:		
7,832,821 ordinary shares of £1 each	7,833	7,833

On 4 November 2011, the Company issued 4,699,690 par value shares and a further 3,133,130 par value shares were issued on 30 November 2011. No further shares were issued in the current year.

15. RESERVES

	Profit and loss account £'000	Total £'000
Balance at 1 April 2012	(17)	-
Retained loss for the period	(8)	(17)
Balance at 31 March 2013	(25)	(17)

16. RECONCILIATION OF MOVEMENTS IN SHAREHOLDERS' FUNDS

	2013 £'000	2012 £'000
Increase in share capital in the period	-	7,833
Retained loss for the period	(8)	(17)
Net decrease in shareholders' funds	(8)	7,816
Opening shareholders' funds	7,816	-
Closing shareholders' funds	7,808	7,816

17. RELATED PARTY TRANSACTIONS

In accordance with Financial Reporting Standard No 8 "Related Party Disclosures" transactions with other undertakings within the group headed by Vivimed Labs Limited have not been disclosed in these financial statements.

VIVIMED LABS UK LIMITED

NOTES TO THE FINANCIAL STATEMENTS **Year ended 31 March 2013**

18. 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 controlling company 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 – 500 006 AP, India.