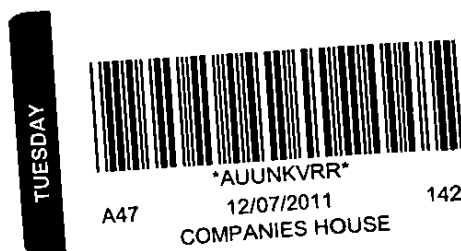


Company Registration No 04299154
England and Wales

PHARMCO INVESTMENTS LIMITED
DIRECTORS' REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2010

128361-B-2010

Registered Office
5 Bourlet Close
London
W1W 7BL



PHARMCO INVESTMENTS LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2010

The directors present their report and financial statements for the year ended 31 December 2010

Principal activities and review of the business

The principal activity of the company is that of an investment company

The results for the year and the financial position at the year end were considered satisfactory by the directors who expect continued growth in the foreseeable future

Results and dividends

The results for the year are set out on page 5

No dividends have been paid during this or the comparative period

Directors

The following directors have held office since 1 January 2010

C C Van Den Berg
Bluewall Limited

(Appointed 16 September 2010)

Financial instruments

Treasury operations and financial instruments

The company has various financial instruments arising from its activities and operations. The company does not trade speculatively or otherwise in regard to derivatives or similar instruments

Liquidity risk

The company manages its cash and borrowing requirements in order to maximise interest income and minimise interest expense, whilst ensuring the company has sufficient liquid resources to meet the operating needs of the business

Interest rate risk

The company is exposed to fair value interest rate risk on any fixed rate borrowings and cash flow interest rate risk on any floating rate deposits, bank overdrafts and loans

Foreign currency risk

The company's principal foreign currency exposures arise from trading with and funding to or from overseas companies

Credit risk

Investment of cash surpluses and borrowings are made through banks and companies who must be approved by the Board. Debtors are monitored on an ongoing basis and provision is made for doubtful debts where necessary

Auditors

In accordance with Section 485 of the Companies Act 2006, a resolution proposing that Matthew Edwards & Co. be reappointed as auditors of the company will be put to the Annual General Meeting

PHARMCO INVESTMENTS LIMITED

DIRECTORS' REPORT (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

Statement of directors' responsibilities in respect of the Directors' report and the financial statements

The directors are responsible for preparing the Directors' Report and the financial statements in accordance with applicable law and regulations

Company law requires the directors to prepare financial statements for each financial year. 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,
- 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.

Statement of disclosure to auditors

So far as the directors are aware, there is no relevant audit information of which the company's auditors are unaware. Additionally, the directors have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the company's auditors are aware of that information.

On behalf of the board


Bluewall Limited
Director
08.07.11

MATTHEW EDWARDS & CO
CHARTERED ACCOUNTANTS

Clinch's House, Lord Street, Douglas, Isle of Man IM99 1RZ
Telephone +44 (0) 1624 663166 Facsimile +44 (0) 1624 677108
E-mail audit@matthew-edwards.com

PHARMCO INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF PHARMCO INVESTMENTS LIMITED

We have audited the financial statements of Pharmco Investments Limited for the year ended 31 December 2010 set out on pages 5 to 10. 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 auditors' 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 auditors

As explained more fully in the Directors' Responsibilities Statement (as set out in the preceding Directors Report), 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 directors report to identify material inconsistencies with the audited financial statements. 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 December 2010 and of its loss for the year then ended, and
- 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

PHARMCO INVESTMENTS LIMITED

INDEPENDENT AUDITORS' REPORT (CONTINUED)

TO THE MEMBERS OF PHARMCO INVESTMENTS LIMITED

Emphasis of matter

In forming our opinion on the financial statements, which is not modified, we have considered the adequacy of the disclosures made in note 1 to the financial statements concerning the company's ability to continue as a going concern. The financial statements have been prepared on a going concern basis, the validity of which depends upon the continued support of the ultimate beneficial shareholder as the company's current liabilities exceed its total assets. These conditions indicate the existence of a material uncertainty which may cast significant doubt about the company's ability to continue as a going concern. The financial statements do not include the adjustments that would result if the company was unable to continue as a going concern.

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.

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.

Mr Nigel Morris FCA (Senior Statutory Auditor)
for and on behalf of Matthew Edwards & Co.

08.07.11

Chartered Accountants
Statutory Auditor

Clinch's House, Lord Street
Douglas
Isle of Man
IM99 1RZ

PHARMCO INVESTMENTS LIMITED

PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 DECEMBER 2010

	Notes	2010 €	2009 €
Administrative expenses		(11,401)	(11,064)
Operating loss	2	(11,401)	(11,064)
Other interest receivable and similar income	3	158	4
Loss on ordinary activities before taxation		(11,243)	(11,060)
Tax on loss on ordinary activities	4	-	-
Loss for the year	8	(11,243)	(11,060)

The profit and loss account has been prepared on the basis that all operations are continuing operations

There are no recognised gains and losses other than those passing through the profit and loss account

PHARMCO INVESTMENTS LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2010

	Notes	2010 €	2009 €
Fixed assets			
Investments	5	6,965,000	6,965,000
Current assets			
Cash at bank and in hand		934	947
		<u>934</u>	<u>947</u>
Creditors' amounts falling due within one year	6	<u>(7,840,111)</u>	<u>(7,828,881)</u>
Net current liabilities		<u>(7,839,177)</u>	<u>(7,827,934)</u>
Total assets less current liabilities		<u>(874,177)</u>	<u>(862,934)</u>
Capital and reserves			
Called up share capital	7	16,147	16,147
Profit and loss account	8	<u>(890,324)</u>	<u>(879,081)</u>
Shareholders' funds	9	<u>(874,177)</u>	<u>(862,934)</u>

Approved by the Board and authorised for issue on **08.07.11**


Blueway Limited
Director

Company Registration No 04299154

PHARMCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2010

1 Accounting policies

1.1 Accounting convention

The financial statements are prepared under the historical cost convention

The financial statements have been prepared on the going concern basis. This is considered appropriate as the ultimate beneficial shareholders will continue to provide financial support to the company for the foreseeable future.

The company has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement on the grounds that it is a small company.

1.2 Investments

Fixed asset investments are stated at cost less provision for diminution in value.

1.3 Deferred taxation

Deferred taxation is provided at appropriate rates on all timing differences using the liability method only to the extent that, in the opinion of the directors, there is a reasonable probability that a liability or asset will crystallise in the foreseeable future.

1.4 Foreign currency translation

The company's accounting records are maintained in Euros.

Transactions in other currencies are converted at the rate ruling at the date of the transaction. Current assets and liabilities are converted at the rate of exchange ruling at the balance sheet date. Any material gains or losses resulting from the conversion are taken to the profit and loss account.

2 Operating loss

2010

2009

€

€

Operating loss is stated after charging

Fees payable to the company's auditor for the audit of the company's annual accounts

2,781

2,495

3 Investment income

2010

2009

€

€

Foreign exchange gains and other interest

158

4

158

4

PHARMCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

4 Taxation	2010	2009
	€	€
Domestic current year tax		
Domestic corporate tax at 28% (2009 - 28%)	-	-
	-	-
Total current tax	-	-
Factors affecting the tax charge for the year		
Loss on ordinary activities before taxation	(11,243)	(11,060)
Loss on ordinary activities before taxation multiplied by standard rate of corporation tax of 28 00% (2009 - 28 00%)	(3,148)	(3,097)
Effects of		
Losses not recognised for accounting purposes	3,148	3,097
	3,148	3,097
Current tax charge for the year	-	-

The company has estimated losses of €90,792 (2009 - €79,549) available for carry forward against future profits

On the basis of these financial statements no provision has been made for corporation tax

5 Fixed asset investments

	Unlisted investments
	€
Cost	
At 1 January 2010 & at 31 December 2010	6,965,000
Net book value	
At 31 December 2010	6,965,000
At 31 December 2009	6,965,000

The company holds a 13.93% shareholding in Bial SGPS, a company incorporated in Portugal

PHARMCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

6 Creditors: amounts falling due within one year	2010	2009
	€	€
Other creditors	7,833,871	7,823,482
Accruals and deferred income	6,240	5,399
	<u>7,840,111</u>	<u>7,828,881</u>

7 Share capital	2010	2009
	€	€
Allotted, called up and fully paid		
10,000 Ordinary shares	<u>16,147</u>	<u>16,147</u>

The Ordinary shares have a par value of £1 each

8 Statement of movements on profit and loss account	Profit and loss account
	€
Balance at 1 January 2010	(879,081)
Loss for the year	(11,243)
	<u>(890,324)</u>
Balance at 31 December 2010	<u>(890,324)</u>

9 Reconciliation of movements in shareholders' funds	2010	2009
	€	€
Loss for the financial year	(11,243)	(11,060)
Opening shareholders' funds	(862,934)	(851,874)
	<u>(874,177)</u>	<u>(862,934)</u>
Closing shareholders' funds	<u>(874,177)</u>	<u>(862,934)</u>

10 Employees

Number of employees

There were no employees during the year or the prior period apart from the directors who received no remuneration during this or the prior period

PHARMCO INVESTMENTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2010

11 Related party relationships and transactions

The directors are aware of the identity of the ultimate controlling party. However, they are under a duty of confidentiality that prevents them disclosing certain information otherwise required by Financial Reporting Standard 8. Therefore they have taken the exemption offered by the standard in respect of confidentiality.