Registered number: 01472031

CHATTEM (UK) LIMITED

DIRECTORS' REPORT AND FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2015

COMPANY INFORMATION

Directors	H R Alexander Fry (appointed 1 January 2017) F X Duhalde (appointed 1 April 2016) Tarja Stenvall (resigned 30 September 2016) A Prosser (resigned 1 April 2016)
Registered number	01472031
Registered office	One Onslow Street Guildford GU1 4YS
Independent Auditor	Ernst & Young Chartered Accountants and Statutory Auditors The Atrium Maritana Gate Canada Street Waterford Republic of Ireland
Bankers	National Westminster PO Box 2153 1 - 4 Berkeley Square House Berkeley Square London W1A 1SN

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DIRECTORS' REPORT
FOR THE YEAR ENDED 31 DECEMBER 2015

The directors present their report and the financial statements for the year ended 31 December 2015.

Principal activities

Chattem (UK) Limited ceased trading in 2012.

Business review

Following the decision to cease operations on 1 May 2012, the Company has not traded in the current year and will continue as a dormant company.

During the year, the Company transitioned from previously extant Irish GAAP to FRS101 Reduced Disclosure Framework and has taken advantage of the disclosure exemptions allowed under this standard. The company's parent undertaking, Chattem Global Consumer products Limited, was notified of and did not object to the use of the EU-adopted IFRS disclosure exemptions. There were no material recognition or measurement differences arising on the adoption of FRS101.

Results and dividends

The profit for the year, after taxation, amounted to €127,256 (2014 - loss €908,480).

The directors do not recommend the payment of an ordinary dividend in respect of the year (2014 - €NIL).
Preference share dividends totaling €326,326 have been accrued during the year (2014 - €294,455).
During the year, the Company transitioned from previously extant Irish GAAP to FRS101 'Reduced Disclosure Framework' and has taken advantage of the disclosure exemptions allowed under this standard. The Company's parent undertaking, Chattem Inc. was notified of and did not object to the use of the EU-adopted IFRS disclosure exemptions. There were no material recognition or measurement differences arising on the adoption of FRS101.

Directors

The directors shown below have held office during the period from 1 January 2015 to the date of this report.

A Prosser (resigned 1 April 2016)
Tarja Stenvall (resigned 30 September 2016)
F X Duhalde (appointed 1 April 2016)
H R Alexander Fry (appointed 1 January 2017)

Sanofi-Aventis, SA maintains liability insurance for the directors and officers of all group companies. Sanofi-Aventis, SA has also provided an indemnity for the directors and the company secretary, which is a qualifying third party indemnity provision for the purposes of the Companies Act 2006.

The directors and secretary in office at 31 December 2015, including their spouses and minor children, did not have any interests in the share capital of the company and the parent company, Sanofi, that are required to be disclosed in accordance the Companies Act 2006.

Principal risks and uncertainties

Interest rate risk

The company has short term interest bearing assets that include amounts receivable from group companies, which earn interest at LIBOR minus 15 basis points.

Small Company Exemptions

The directors have taken advantage of exemptions conferred by Sections 381 and 382 Chapter 1 of Part 15 of the Companies Act 2006 on the grounds that the company is entitled to the benefit of those exemptions as a small company.

Accounting records

The directors are responsible for ensuring that proper accounting records, as outlined in the Companies Act 2006, are kept by the company. The measures that the directors have taken to secure compliance with the requirements of the Companies Act 2006, with regard to the keeping of accounting records of the company, include the provision of appropriate resources to maintain adequate accounting records, including the appointment of personnel with appropriate qualifications, experience and expertise. The accounting records of the company are maintained at the company's registered office at c/o Sanofi, One Onslow Street, Guilford, GU1 4YS.

Statement on relevant audit information

Each of the persons who are directors at the time when this Directors' report is approved has confirmed that:

- so far as that director is aware, there is no relevant audit information of which the Company's auditors are unaware, and
- that director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the Company's auditors are aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of s418 of the Companies Act 2006.

Going concern

The company incurred a profit for the year of €127,256 (2014: loss of €908,480) and has net current liabilities of €1,267,771 (2014: €1,514,323) and net assets of €1,267,770 (2014: €1,514,322). The company has received a letter of financial support from its parent company Sanofi SA indicating that it will continue to provide financial support to the company to enable the company to meet its liabilities as they fall due. This support is in place for a period of at least 12 months from the date of approval of these financial statements. Accordingly, the directors believe that there is a reasonable basis to conclude the company has the ability to continue as a going concern.

Political Donations

There were no political donations during the year (2014 - €NIL).

Post balance sheet events

There have been no significant events affecting the Company since year end.

DIRECTORS' RESPONSIBILITIES STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2015

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 applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'. 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 financial year.

In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments 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.

Auditor

The auditor, Ernst & Young, will be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

This report was approved by the board on 28th February 2017 and signed on its behalf.

F X Duhalde
Director

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CHATTEM (UK) LIMITED

We have audited the financial statements of Chattem (UK) Limited for the year ended 31 December 2015, which comprise the Profit and loss account and Statement of comprehensive income, the Balance sheet, the Statement of changes in equity and the related notes 1 to 14. The relevant financial reporting framework that has been applied in their preparation is the Companies Act 2006 and the United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice), including Financial Reporting Standard 101 'Reduced Disclosure Framework'.

This report is made solely to the Company's shareholders, 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 shareholders 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 shareholders 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 set out on page 3, 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 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 December 2015 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice including FRS 101 'Reduced Disclosure Framework'; and
- have been properly 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 and the directors' report has been prepared in accordance with applicable legal requirements.

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INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF CHATTEM (UK) LIMITED

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
- the directors were not entitled to take advantage of the small companies' exemption from the requirement to prepare a Strategic report.

Tom O'Keeffe (Senior Statutory Auditor)
for and on behalf of Ernst & Young
Chartered Accountants and Statutory Auditors

Waterford, Ireland

Date: 13/3/17

PROFIT AND LOSS ACCOUNT AND
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2015

	Note	**2015** €	**2014** €
Administrative income / (expenses)		512,051	(594,010)
Operating profit/(loss)	3	512,051	(594,010)
Interest receivable and similar income	4	2,703	4,234
Interest payable and similar charges		(326,326)	(294,455)
Profit/(Loss) before tax		188,428	(884,231)
Tax on Profit/(loss)	5	(61,172)	(24,249)
Profit/(Loss) for the year		127,256	(908,480)
Other comprehensive income		-	-
Total comprehensive profit/(loss) for the year		127,256	(908,480)

The notes on pages 9 to 16 form an integral part of these financial statements.

BALANCE SHEET
AS AT 31 DECEMBER 2015

	Note	2015 €	2015 €	2014 €	2014 €
Non-current assets					
Investments	7		1		1
Current assets					
Debtors: amounts falling due within one year	6	2,286,041		2,302,650	
Cash at bank and in hand	8	2,969,932		2,687,035	
		5, 255,973		4,989,685	
Creditors: amounts falling due within one year	9	(6,523,744)		(6,504,008)	
Net current liabilities			(1,267,771)		(1,514,323)
Total assets less current liabilities			(1,267,770)		(1,514,322)
Net liabilities			(1,267,770)		(1,395,026)
Capital and reserves					
Called up share capital	10		28,715		28,715
Profit and loss account			(1,296,485)		(1,423,741)
			(1,267,770)		(1,395,026)

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

The notes on pages 9 to 16 form part of these financial statements.

F X Duhalde
Director

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2015

	Share Capital €	Profit and loss account €	Total equity €
At 1 January 2015	28,715	(1,423,741)	(1,395,026)
Comprehensive income for the year			
Profit for the year	-	127,256	127,256
Other comprehensive income	-	-	-
Total comprehensive profit for the year	-	127,256	127,256
At 31 December 2015	28,715	(1,296,485)	(1,267,770)

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 DECEMBER 2014

	Shares Capital €	Profit and loss account €	Total equity €
At 1 January 2014	28,715	(515,261)	(486,546)
Comprehensive income for the year			
Loss for the year	-	(908,480)	(908,480)
Other comprehensive income	-	-	-
Total comprehensive loss for the year	-	(908,480)	(908,480)
At 31 December 2014	28,715	(1,423,741)	(1,395,026)

The notes on pages 9 to 16 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

1. Authorisation of financial statements and statement of compliance with FRS 101

The financial statements of Chattem (UK) Limited for the year ended 31 December 2015 were authorised for issue by the board of directors on 28 February 2017, and the balance sheet was signed on the board's behalf by F X Duhalde (CFO). Chattem (UK) Limited is incorporated and domiciled in England.

These financial statements were prepared in accordance with Financial Reporting Standard 101 'Reduced Disclosure Framework' (FRS 101) and in accordance with applicable accounting standards. The Company's financial statements are presented in Euro and all values are rounded to the nearest euros except when otherwise indicated. As at 31 December 2015, the Company prepared the financial statements on a going concern basis. The results of Chattem (UK) Limited are included in the consolidated financial statements of Sanofi SA (20F) which are available from on the corporate website.

The principal accounting policies adopted by the Company are set out in note 2.

2. Accounting policies

2.1 Basis of preparation of financial statements

During the year, the Company transitioned from Companies Act 2006 and applicable accounting standards in the United Kingdom to Financial Reporting Standard 101 "Reduced Disclosure Framework" for all periods presented. This is the first year the Company has presented its results under FRS 101. The last financial statement under Irish GAAP were for the year ended 31 December 2014. The date of transition to FRS 101 was 1 January 2014. The transition has not resulted to any significant impact on the Company's financial statements and there are no changes to results or financial position in the prior years. See note 15. The preparation of financial statements in conformity with FRS 101 requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the company's accounting policies. As at 31 December 2015, there were no areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements.

The company incurred a profit for the year of €127,256 (2014: loss of €908,480) and has net current liabilities of €1,267,771 (2014: €1,514,323) and net assets of €1,267,770 (2014: €1,514,322). The company has received a letter of financial support from its parent company Sanofi SA indicating that it will continue to provide financial support to the company to enable the company to meet its liabilities as they fall due. This support is in place for a period of at least 12 months from the date of approval of these financial statements. Accordingly, the directors believe that there is a reasonable basis to conclude the company has the ability to continue as a going concern.

2.2 Financial reporting standard 101 - reduced disclosure exemptions

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IFRS 7 Financial Instruments: Disclosures
- the requirements of paragraphs 10(d), 10(f), 16, 38A, 38B, 38C, 38D, 40A, 40B, 40C, 40D, 111 and 134-136 of IAS 1 Presentation of Financial Statements
- the requirements of IAS 7 Statement of Cash Flows
- the requirements of paragraphs 30 and 31 of IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors
- the requirements of paragraph 17 of IAS 24 Related Party Disclosures
- the requirements in IAS 24 Related Party Disclosures to disclose related party transactions entered into between two or more members of a group, provided that any subsidiary which is a party to the transaction is wholly owned by such a member

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

2. Accounting policies (continued)

2.3 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.4 Financial instruments

The Company recognises financial instruments when it becomes a party to the contractual arrangements of the instrument. Financial instruments are de-recognised when they are discharged or when the contractual terms expire. The Company's accounting policies in respect of financial instruments transactions are explained below:

Financial assets
The Company classifies all of its financial assets as loans and receivables.

Loans and receivables
Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue, and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions are recognised when there is objective evidence (such as significant financial difficulties on the part of the counterparty or default or significant delay in payment) that the Company will be unable to collect all of the amounts due under the terms receivable, the amount of such a provision being the difference between the net carrying amount and the present value of the future expected cash flows associated with the impaired receivable. For trade receivables, which are reported net, such provisions are recorded in a separate allowance account with the loss being recognised within administrative expenses in the profit and loss account. On confirmation that the trade receivable will not be collected, the gross carrying value of the asset is written off against the associated provision.

Financial liabilities
The Company classifies all of its financial liabilities as liabilities at amortised cost.

At amortised cost
Financial liabilities at amortised cost including bank borrowings are initially recognised at fair value net of any transaction costs directly attributable to the issue of the instrument. Such interest bearing liabilities are subsequently measured at amortised cost using the effective interest rate method, which ensures that any interest expense over the period to repayment is at a constant rate on the balance of the liability carried into the balance sheet.

2.5 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Where merger relief is applicable, the cost of the investment in a subsidiary undertaking is measured at the nominal value of the shares issued together with the fair value of any additional consideration paid.

2.6 Foreign currency translation

Functional and presentation currency

The company's functional and presentational currency is Euros.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

2. Accounting policies (continued)

2.6 Foreign currency translation (continued)

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the Profit and loss account except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Profit and loss account within 'finance income or costs'. All other foreign exchange gains and losses are presented in the Profit and loss account within 'other operating income'.

2.7 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting. Dividends on shares recognised as liabilities are recognised as expenses and classified within interest payable.

2.8 Pensions

The company operates a defined contribution pension scheme and the pension charge represents the amounts payable by the company to the fund in respect of the year.

2.9 Current and deferred taxation

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted by the balance sheet date.

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements, with the following exceptions:

- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences,
- carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted or substantively enacted at the balance sheet date.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date. Deferred income tax assets and liabilities are offset, only if a legally enforcement right exists to set off current tax assets against current tax liabilities, the deferred income taxes relate to the same taxation authority and that authority permits the company to make a single net payment.

Income tax is charged or credited to other comprehensive income if it relates to items that are charged or credited to other comprehensive income. Similarly, income tax is charged or credited directly to equity if it relates to items that are credited or charged directly to equity. Otherwise income tax is recognised in the income statement.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

2. Accounting policies (continued)

2.10 Classification of shares as debt or equity

An equity instrument is a contract that evidences a residual interest in the assets of an entity after deducting all its liabilities.

Accordingly, a financial instrument is treated as equity if there is no contractual obligation to deliver cash or other financial asset or to exchange financial assets or liabilities on terms that may be unfavorable.

When shares are issued, any component that creates a financial liability of the company is presented as a liability in the balance sheet. The corresponding dividends relating to the liability component are charged as interest expense in the profit and loss account.

3. Operating profit/(loss)

The operating profit/(loss) is stated after charging:

	2015	2014
	€	€
Auditors remuneration	6,693	2,307
(Gain)/Loss on foreign exchange	(510,435)	590,616

During the year, no director received any emoluments (2014 - €nil).

4. Interest receivable

	2015	2014
	€	€
Other interest receivable	2,703	4,234

5. Taxation

	2015	2014
	€	€
Analysis of tax charge for the year		
UK corporation tax charge on loss for the year	60,035	24,225
Adjustments in respect of previous periods	1,137	24
Tax on loss on ordinary activities	61,172	24, 249

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

5. TAXATION (continued)

Factors affecting tax charge for the year

The tax assessed for the year is higher (2014 - higher than) the standard rate of corporation tax in the UK of 20.247% (2014 - 21.493%). The differences are explained below:

	2015 €	2014 €
Profit/(loss) on ordinary activities before tax	**188,428**	(884,231)
Profit/(loss) on ordinary activities multiplied by standard rate of corporation tax in the UK of 20.247% (2014 - 21.493%)	**38,150**	(190,049)
Effects of:		
Expenses not deductible for tax purposes, other than goodwill Amortization and impairment	**66,070**	213,984
Adjustments to tax charge in respect of prior periods	**1,137**	24
Unrealized foreign exchange gain on revaluation	**(43,865)**	-
Other differences leading to an (decrease)/increase in the tax charge	**(320)**	290
Current tax charge for the year (see note above)	**61,172**	24,249

Factors that may affect future tax charges

A reduction in the UK corporation tax rate from 21% to 20% was substantively enacted on 2 July 2013 and is effective from 1 April 2015. A hybrid rate of 20.247% therefore applies to the current tax charge arising during the period.

Further reductions to 19% (effective from 1 April 2017), 18% (effective 1 April 2020) were substantively enacted on 26 October 2015. Subsequently, the government has announced further proposal to reduce the main rated of Corporation Tax to 17% effective from 1 April 2020 which were substantively enacted after the balance sheet date.

6. Debtors – amounts falling due within one year

	2015 €	2014 €
Trade debtors	-	1,889
Amounts owed by group undertakings	2,286,041	2,300,761
	2,286,041	2,302,650

Amounts owed by fellow subsidiary undertakings are unsecured, interest free and repayable on demand.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

7. Investments

	2015 €	2014 €
Shares in group undertakings	1	1

The company owns one €1 share, being 0.01% of the issued share capital of Chattem Greece SA. Chattem Greece SA is a company that specializes in pharmaceutical preparations and with registered address at 63 AG Dimitriou Alimos, Greece.

8. Cash and cash equivalents

	2015 €	2014 €
Cash at bank and in hand	2,969,932	2,687,035

9. Creditors: Amounts falling due within one year

	2015 €	2014 €
Trade creditors	-	11,190
Amounts owed to group undertakings	70,057	67,407
Corporation tax	85,742	24,595
Taxation and social security	-	5,322
Accruals and deferred income	-	17,989
Other creditors (note 10)	2,344,630	2,108,304
Share capital treated as debt (note 10)	4,023,315	4,239,905
	6,523,744	6,504,008

Amounts owed to fellow subsidiary undertaking are unsecured, interest free and repayable on demand.

Disclosure of the terms and conditions attached to the non-equity shares are made in note 10.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

10. Share capital

	2015	2014
	€	€
Shares classified as equity		
Authorized share capital (100,000 shares at £1 each)		
Allotted, called up and fully paid		
28,715 Ordinary shares of €1 each	28,715	28,715

The cumulative redeemable preference shares carry an entitlement to dividend at the rate of 8% per share per annum and may be redeemed at par at the holder's or the company's option. On a winding up of the company, holders of preference shares are entitled to receive repayment of the capital paid up in priority to any repayment to the holders of any other class of shares, together with all arrears, deficiencies and/or accruals, if any, of the fixed dividend on a daily basis up to and including the date of commencement of the winding up (in the case of a winding up) or on return of capital (in any other case) and to be payable whether or not such dividend has been declared or earned. Preference shareholders are not entitled to receive notice of, attend, speak, or vote at any General Meeting of the company unless it is in consideration of a resolution for winding up the company or for the appointment of an administrator.

The holders of the 8% cumulative redeemable preference shares did not receive a dividend in the current or previous year. Dividends on the preference shares have not been proposed and paid since the year ended 30 November 2007, and the current arrears of preference shares dividend to 31 December 2015 is €2,344,630 (2014 - €2,018,304).

	2015	2014
	€	€
Shares classified as debt		
Authorized share capital (6,000,000 shares at £1 each)		
Allotted, called up and fully paid		
2,953,094 Preference shares of £1 each	4,023,315	4,239,905

11. Contingent liabilities

The company is party to a guarantee entered into by Chattem Inc. in respect of certain banking facilities of the group.

12. Related party transactions

The company has taken advantage of the exemption under paragraph 8(k) of FRS 101 not to disclose transactions with fellow wholly owned subsidiaries.

There were no other related party transactions in the year that require disclosure under IAS 24.

13. Ultimate parent undertaking and controlling party

The immediate parent undertaking of the company is Chattem Global Consumer Products Limited, Ireland.

The ultimate parent undertaking and controlling party is Sanofi SA, a company incorporated in France. Sanofi is the parent undertaking of the largest and smallest group of undertakings to consolidate these financial statements at 31 December 2015. The consolidated financial statements of Sanofi are available from Sanofi, 54, Rue La Boetie, 75008 Paris, France.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2015

14. First time adoption of FRS 101

Transition to FRS 101

For all periods up to, and including, the year ended 31 December 2014, the company prepared its financial statements in accordance with previously extant United Kingdom generally accepted accounting practice (UK GAAP). These financial statements, for the year ended 31 December 2015, are the first the company has prepared in accordance with FRS 101.

Accordingly, the Company has prepared individual financial statements which comply with FRS 101 applicable for periods beginning on or after 1 January 2014 and the significant accounting policies meeting those requirements are described in the relevant notes.

In preparing these financial statements, the company has started from an opening balance sheet as at 1 January 2014, the company's date of transition to FRS101, and made those changes in accounting policies and other restatements required for the first-time adoption of FRS 101. As such, this note explains the principal adjustments made by the company in restating its balance sheet as at 1 January 2014 prepared under previously extant UK GAAP and its previously published UK GAAP financial statements for the year ended 31 December 2014.

On transition to FRS 101, the company has applied the requirements of paragraphs 6-33 of IFRS 1 "First time adoption of International Financial Reporting Standards".