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AUDIT CLEARANCE REPORT
ON REPORTING PACKAGE
FOR INCLUSION IN THE GROUP AUDIT

To: **To the Shareholsders of Glenmark Pharmaceuticals Egypt Company S.A.E.;**

Mumbai, India

Audit Clearance Report on *Glenmark Pharmaceuticals Egypt S.A.E.*

Reporting Package as of ***March 31, 2018*** and for the year ended ***March 31, 2018***

1. We have audited the accompanying reporting package of ***Glenmark Pharmaceuticals Egypt*** *S.A.E.* as of March 31, 2018 which comprises the Statement of financial position as of March 31, 2018, statements of income, comprehensive income and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes. The reporting package shows a net ***loss*** of EGP 5 million for the year ended March 31, 2018, and total equity around EGP 5.2 million . The reporting package, dated April 30, 2018, was sent to you, signed, for identification purposes only.

Management's Responsibility for the Reporting Package

2. Management is responsible for the preparation of the reporting package in accordance with the recognition and measurement criteria of International Financial Reporting Standards, applicable requirements of the Egyptian Law and the disclosure and presentation requirements of the Group as contained in the reporting package. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation of the reporting package that is free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies that are consistent with the recognition and measurement criteria of the applicable financial reporting framework and the disclosure and presentation requirements of the Group as contained in the reporting package; and making accounting estimates that are reasonable in the circumstances.

Auditors' Responsibility

3. Our responsibility is to express an opinion on the reporting package based on our audit. We conducted our audit in accordance with International Standards on Auditing and applicable Egyptian Laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the reporting package is free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the reporting package.

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The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the reporting package, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Entity's preparation of the reporting package in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall reporting package presentation and disclosures. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a reasonable basis for our audit opinion.

4. We have complied with the requirements of the Code of Ethics for Professional Accountants issued by the International Federation of Accountants, including the independence requirements, national ethical requirements applicable to the audit of the Group's financial statements.

Opinion

5. In our opinion, the reporting package referred to above, presents fairly, in all material respects the financial position of Glenmark Pharmaceuticals Egypt S.A.E., as of March 31, 2018 and the results of operations and cash flows for the year then ended in accordance with the recognition and measurement criteria of International Financial Reporting Standards, applicable requirements of the Egyptian Law and the disclosure and presentation requirements of the Group as contained in the reporting package.

Cairo, April 24, 2018

Global View HSA
Consultants and public accountants
Hanna Makanota Fahim
E.R.A.A 13659

Hanna Makanota

Hanna Makanota Fahim - Public Accountant
E.R.A.A 13 659
Global View – H S A

Glenmark Pharmaceuticals Egypt Co. S.A.E

Statement of Financial Position

	Sch	March-31-2018	March-31-2017
		EGP	EGP
		IFRS	IFRS
ASSETS			
Non current assets			
Property, plant and equipment	S 1	372,213	305,300
Goodwill		-	-
Other Intangible Assets	S 2	1,143,213	1,475,546
Investments accounted for using the equity method		-	-
Long term financial assets		-	-
Deferred tax assets		-	-
Restricted cash		-	-
Total non- current assets		**1,515,426**	**1,780,846**
Current assets			
Inventories	S 3	5,797,884	7,920,582
Trade receivables	S 4	12,275,075	8,973,870
Other short-term financial assets	S 5	2,109,123	3,803,851
Cash and cash equivalents	S 6	6,163,442	3,584,607
Total current assets		**26,345,524**	**24,282,910**
Total assets		**27,860,950**	**26,063,756**
EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the parent:			
Share capital	S 7	55,426,520	46,534,157
APIC/ Share Premium		-	-
Retained earnings (losses)	S 7	(50,241,104)	(45,165,537)
Reserves & Surplus			
Currency translation reserve		-	-
Non Controlling Interest		-	-
Total Equity		**5,185,416**	**1,368,620**
Liabilities			
Non-current liabilities			
Non current portion of borrowings	S16	19,370,906	18,365,382
Total non-current liabilities		**19,370,906**	18,365,382
Current liabilities			
Trade payables	S 8	1,444,502	770,599
Other current liabilities	S 9	1,860,126	5,559,155
Current tax liabilities		-	-
Total current liabilities		**3,304,628**	**6,329,754**
Liabilities included in disposal group held for sale		-	-
Total liabilities		22,675,534	24,695,136
Total equity and liabilities		**27,860,950**	**26,063,756**

(The accompanying notes form an integral part of these financial statements)

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Glenmark Pharmaceuticals Egypt Co. S.A.E

Statement of Comprehensive Income	Sch	March-31-2018	March-31-2017
INCOME		EGP	EGP
		IFRS	IFRS
Income from operations		29,840,343	21,140,955
Other income		325,584	-
Total		30,165,927	21,140,955
Cost of materials	S 11	14,624,961	10,441,027
Employee benefit expenses	S 12	6,428,411	5,553,351
Depreciation, amortisation and impairment of non-financial assets	S1 & S 2	465,915	395,507
Research and Development expenses			
Other expenses	S 13	12,201,434	9,946,764
Total		33,720,721	26,336,649
Operating profit (loss)		**(3,554,794)**	**(5,195,694)**
Finance costs	S 13	(1,520,773)	(851,910)
Profit/(Loss) before tax		(5,075,567)	(6,047,604)
Income tax (expense)/credit		-	-
Profit/(Loss) after tax from continuing operations		**(5,075,567)**	**(6,047,604)**
Profit/(Loss) after tax carried to balance sheet		**(5,075,567)**	**(6,047,604)**
Profit (Loss) for the year attributable to:			
Owners of the parent		**(5,075,567)**	**(6,047,604)**

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Glenmark Pharmaceuticals Egypt Co. S.A.E
STATEMENT OF CASHFLOW

	March-31-2018	March-31-2017
	EGP	EGP
(A) Cash flow from operating activities		
Net Profit/(Loss) Before Taxes	(5,075,567)	(6,047,604)
Adjustments for non cash items:		
Depreciation and Amortisation	465,915	395,507
Gain on disposal of property, plant and equipment		
Interest expenses	1,513,254	840,574
Unrealised gain on exchange fluctuation	-	(3,123,547)
Provision for Tax		
Interest income		
Loss from the sale of property, plant and equipment	1,771	1,161
Profit from the sale of short term investments		
Unclaimed balances and provisions written back		
Provision for doubtful debts		
Operating Profit before working capital changes	**(3,094,627)**	**(7,933,909)**
Adjustments for changes in Working Capital:		
Non current liabilities, trade payables and other current liabilities	461,187	1,913,862
Non current liabilities, trade payables and other current liabilities - Intercompany	(538,847)	
Long term financial assets		
Trade receivables and unbilled revenue	(3,301,205)	(4,876,278)
Other current assets	1,694,728	(3,041,012)
Inventory	2,122,698	(5,759,211)
Taxes paid		
Net Cash used in Operations	**(2,656,066)**	**(19,696,548)**
(B) Cash flow from investing activities		
Purchase of property, plant, equipment and intangible asstes	(202,266)	(243,456)
Purchase of other intangible assets	-	-
Proceeds from sale of property, plant and equipment		
Net proceeds from the sale of short term investments		
Pre Incorporation expenses		
Net cash generated from/ (used in) investing activities	**(202,266)**	**(243,456)**
(C) Cash flows from financing activities		
Proceeds from issue of shares	5,437,167	4,390,000
Borrowing/ (Repayment) of borrowings		10,949,566
Share Application Money	-	3,455,196
Interest paid on borrowings		
Dividends paid		
Merger / Demerger and QIP expenses		
Net cash (used in)/ generated from financing activities	**5,437,167**	**18,794,762**
Net Increase/(Decrease) in Cash and Cash Equivalents	**2,578,835**	**(1,145,242)**
FCTR Adjustments		
Net Increase/(Decrease) in Cash and Cash Equivalents	**2,578,835**	**(1,145,242)**
Cash and cash equivalents at the beginning of the year	3,584,607	4,729,849
Cash and cash equivalents acquired on merger		
Effect of change in exchange rate on cash and cash equivalents included in disposal group		
Cash and cash equivalents at the end of the year	**6,163,442**	**3,584,607**
Check	-	-

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Glenmark Pharmaceuticals Egypt Co. S.A.E

Statement of Comprehensive Income	Sch	March-31-2018	March-31-2017
		EGP	EGP
Profit (Loss) for the year		**(5,075,567.00)**	**(6,047,604)**
Income tax relating to components of other comprehensive income			
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income (loss) for the period		(5,075,567.00)	(6,047,604.00)
Total Comprehensive Income attributable to:			
Owners of the parent		(5,075,567.00)	(6,047,604.00)

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Schedule S 7
Statement of Changes in Equity

	Share Capital	APIC/ Share Premium	Capital redemption reserve	Retained earnings (Losses)	Capital Reserve	Employee compensation reserve	Currency translation reserve	General reserve	Total equity
Balance as at April 1, 2017	46,534,157	-	-	(45,165,537)	-	-	-	-	1,368,620
Profit (Loss) for the year				(5,075,567)					(5,075,567)
Issue of share capital	8,892,363								8,892,363
Share Application Money									-
									-
Balance at March 31, 2018	55,426,520	-	-	(50,241,104)	-	-	-	-	5,185,416

(The accompanying notes are an integral part of these consolidated financial statements)

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Schedule - S 16

Non current portion of borrowings

Particulars	EGP	EGP
	March 31, 2018	March 31, 2017
	IFRS	IFRS
Loan from Glenmark Pharmaceuticals Limited, India	15,991,990.46	16,432,804
Interest on Loan	3,378,915.65	1,932,578
Total	19,370,906.11	18,365,382

Schedule - S 8

Trade payables

Particulars	EGP	EGP
	March 31, 2018	March 31, 2017
	IFRS	IFRS
Sundry creditors	905,655	770,599
Trade payables	538,847	
Total	1,444,502	770,599

Schedule - S 11

Cost of materials

Particulars	EGP	EGP
	March 31, 2018	March 31, 2017
	IFRS	IFRS
Consumption of Raw and Packing material		
Opening Stock	3,109,822	1,010,396
Add: Purchases	10,789,731	16,200,238
Less: Closing stock	1,396,305	3,109,822
Consumption of Raw and Packing material	12,503,248	14,100,812
Finished Stock		
Purchases	1,712,532	-
Opening stock	4,810,760	1,150,975
Closing stock	4,401,579	4,810,760
(Increase)/Decrease in stock of Finished goods	**409,181**	**(3,659,785)**
Total	14,624,961	10,441,027

Schedule - 12

Employee benefit expenses

Particulars	EGP	EGP
	March 31, 2018	March 31, 2017
	IFRS	IFRS
Salaries and bonus	5,376,760	4,809,231
Contribution to provident fund and other funds		
Social insurance- company share	457,874	363,258
Recruitment, Training & Education allowance	137,835	104,053
Medical, Life insurnce & Hospitality	455,942	276,809
Staff welfare expenses		
Total	6,428,411	5,553,351

Schedule - S 13

Other expenses

Particulars	EGP	EGP
	March 31, 2018	March 31, 2017
	IFRS	IFRS
Sales promotion expenses	4,079,205	1,488,955
Telephone expenses	136,032	129,382
Travelling expenses	1,428,182	805,452
Repairs & Maintenance	14,521	42,308
Rent	200,479	183,230
Warehouse Rent	429,520	181,790
Electricity charges	18,796	16,906
Auditors remuneration	-	70,400
Commission	3,320,936	1,996,735
Other operating expenses	2,195,449	4,821,462
Legal Fees	378,314	210,144
Total	12,201,434	9,946,764

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Glenmark Pharmaceuticals Egypt Company, S.A.E.

Notes to IFRS reporting package
For the financial year ended March 31, 2018

1. Background on the company and purpose

Glenmark Pharmaceuticals Egypt Company, S.A.E. was established on November 6, 2008 as a joint Stock Company in Egypt under the provisions of Companies' Law no. 159 for year 1981 and Law no. 95 for year 1992 and their executive regulations.
The company was registered under number 35429 in the commercial register on November 6, 2008.

The purpose of the company is trading in medical and pharmaceutical products of all types (purchasing, selling, and exporting), obtaining, acquiring, utilizing, and selling patents, invention certificates, licences, inventions, and developments relevant to technical procedures, trademarks, commercial names relating to intellectual rights whether on its own or through others.

a. Statement of compliance

This reporting package has been prepared in accordance with the recognition and measurement criteria of International Financial Reporting Standards, applicable requirements of the Egyptian Law and the disclosure and presentation requirements of the Group.

b. Basis of preparation

The reporting package has been prepared on the historical cost basis and the going concern basis. Except for certain financial instruments, are measured at revalued amounts or fair values at the end of each reporting period. Historical cost is generally based on the fair value of the consideration given in exchange for goods or services.

2. Significant accounting policies

The principal accounting policies are set out below.

a. Revenue recognition

Revenue from the sale of goods is measured at the fair value of the consideration received or receivable and is reduced for estimated customers' returns; rebates and other similar allowances.
Revenues from the sale of goods is recognized when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- The amount of revenue can be measured reliably.
- It is probable that the economic benefits associated with the transactions will flow to the company, and
- The cost incurred or to be incurred in respect of the transactions can be measured reliably.
- The company has transferred to the buyer the significant risks and rewards of ownership the goods.

b. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Operating lease expenses are recognized as an expense on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

c. Foreign currencies

The functional and reporting currency of the company is the Egyptian pound. Foreign currency transactions are recognized into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss in the period in which they arise.
Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

d. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax is calculated in accordance with the Egyptian Tax Law.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from "profit before tax" as reported in the company's statement of profit and loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The current tax is calculated using tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

A deferred tax asset is recognized for the unused tax losses carried forward only to the extent that the company has sufficient taxable temporary differences against which unused tax losses can be utilized.

Current and deferred tax are recognized in profit and loss, except when they related to items that are recognized in other comprehensive income or directly in equity.

e. Property, plant and equipment

Items of property, plant and equipment are stated in the balance sheet at the acquisition cost less accumulated depreciation and any recognized impairment loss. Items of property, plant and equipment are depreciated using the straight line method.

Depreciation is recognized so as to write off the cost or valuation of assets, over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives for each class of fixed assets are illustrated below:

Asset category	Estimated useful life
Computers and software	3 years
Office furniture	3 years

f. Intangible assets

Intangible assets are purchased products' licenses that are carried at cost less accumulated amortization and any recognized accumulated impairment losses. They are amortized over their estimated life which is the period since its acquisition date (date of approval of the Ministry of Health to transfer title of the product to Glen mark Egypt) to invalidation date (i.e. 10 years from registering the product at the Ministry of Health).

Acquisition took place after registering the products within a period of 0 to 2.7 years at Ministry of Health, thus amortization period varies from (7.3 to 10 years). Amortization starts in the month following the acquisition date using the straight-line method.

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

g. Inventories

Inventories are stated at the lower of cost and net realizable value. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs of inventories are determined on the following basis:

a) Raw materials: at the lower of cost using the weighted average method or net realizable value.

b) Finished products: at the lower of the cost of production of each batch based on the costing sheets or net realizable value.

c) Work in process: at the lower of the cost of production of the latest completed phase based on the costing sheets or net realizable value.

h. Impairment of assets

At the end of each reporting period, the company reviews the carrying amounts of its tangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). If the recoverable amount of the asset is estimated to be lower than its carrying amount, then the carrying amount of the asset is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss. Recoverable amount is the higher of fair value less costs of disposal and value in use.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognized immediately in profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.

i. Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, when the effect of the time value of money is material.

j. Financial instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Financial assets are represented in cash and bank balance, trade and other receivables and other debit balances. Financial liabilities are represented mainly in banks' overdrafts, other credit balances and trade payables.

Trade and other receivables

Trade receivables and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'receivables'. Receivables, including trade receivables and other debit balances, are measured at amortized cost using the effective interest method, less any impairment. Interest income is recognized by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognized immediately in profit or loss. The carrying amount of trade receivables is reduced through the use of an allowance account. When a trade receivable is considered uncollectible it is written off against allowance account.

Trade payables and other liabilities

Other financial liabilities (including trade and other payables) are obligations on the basis of normal credit terms and do not bear interest.

k. De-recognition of financial assets and financial liabilities

The company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of consideration received or receivable is recognized in profit or loss.
The company derecognizes a financial liability when, and only when, the company's obligations are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

l. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

m. Cash and cash equivalents in the statement of cash flows

For the purpose of preparing the cash flow statement, cash and cash equivalents comprise cash in hand and cash at banks balances. Statement of cash flows has been prepared using the indirect method.

n. Use of estimates

In the application of the company's accounting policies described in this section, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

3. Capital

As of March 31, 2018, the company's authorized capital amounted to EGP 90 million, whereas the issued capital amounted to EGP 70 million distributed among 70 million nominal shares of EGP 1 each. An amount of EGP 55 426 520 was paid as of the same date, distributed among the following shareholders as follows:

	%	No. of issued Shares	Paid up capital EGP
Glenmark Pharmaceuticals Ltd. India	99.995714	69,997,000	55,423,520
Rajesh V. Desai	0.000021	1,500	1,500
Abhina Sundar Mohanti	0.000021	1,500	1,500
Total	**100.0**	**70,000,000**	**55,426,520**

4. Tax position

Corporate tax

The company books were inspected by the Tax Authority by form 19 for year 2010. And the company appealed on that on the legal date, and the file has been transferred to an internal committee for re-inspection. The tax authority has sent inspection request to the company for the years 2011/2012. The Corporate tax return is filed on the due date by the company.

Stamp Tax

The company books were not yet inspected by the Tax Authority since company inception to the balance sheet date with respect to stamp tax.

Salary Tax

The company books were inspected by the Tax Authority since company inspection till 2014. And the inspection ended after the internal committee and the company has settled inspection differences. The company pays the salary tax due on monthly basis.

Sales and VAT tax

The company books were inspected by the Tax Authority for the period since company inception till March 31, 2015, and the company has settled the due amount. The Sales tax return is filed on the due date by the company.

5. Financial instruments and risk management

a. The Company's financial instruments are represented in financial assets and financial liabilities. The financial assets include cash in hand and at banks, accounts receivable, and other debit balances. The financial liabilities include suppliers and other creditors, and other credit balances.

   The significant accounting policies applied for the recognition and measurement of the above mentioned financial assets and liabilities and the related income and expenses are included in note (3) of the notes to the reporting package.

b. Foreign currency risk

The foreign currency risk is the risk that the value of the financial assets and liabilities and the related cash inflows and outflows in foreign currencies will fluctuate due to changes in foreign currency exchange rates. To mitigate this risk, the company maintains a balanced foreign currency position for each foreign currency, and most of its operations are in local currency.

c. Credit risk

Credit risk refers to the risk that credit customers will default on their contractual obligations resulting in financial loss to the company. This risk is limited as the company has adopted a policy of only dealing with creditworthy customers and gets advance payments from the majority of its customers. In addition the company has contracted in the current year with main distributors to distribute company products and reduced all deals with other small customers (mainly pharmacies).

d. Fair value for financial instruments

According to the valuation principles used for valuing the Company's assets and liabilities included in note (3) to this reporting package, the carrying amounts of the financial assets and liabilities referred to above are not materially different from their fair values as of the balance sheet date.

6. Approval of IFRS reporting package

This IFRS reporting package was approved by the company management and authorized for issue on April 20, 2018.

Financial Controller	**General Manager**
Mr. Hatem Ali	**Dr. Mohamed Hefny**

Glenmark Pharmaceuticals Egypt