

**GLENMARK PHARMACEUTICALS SP. Z O.O.**

**FINANCIAL STATEMENT FOR THE YEAR  
ENDED 31 MARCH 2019**

*Warsaw, 20 May 2019*

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## **I. INTRODUCTION TO THE FINANCIAL STATEMENT**

### **1. GENERAL INFORMATION**

Glenmark Pharmaceuticals Sp. z o.o. earlier Glenmark Distributors Sp. z o.o. [the "Company"] formerly Vincima Investments Sp. z o.o. was established by the Notarial Deed of 2 June 2008. On 2 July 2008 the Company was entered in the National Court Register in the District Court for the capital city of Warsaw – XIII Economic Division under number KRS 0000308877.

The Company was assigned the statistical number REGON 141450550 on 12 June 2008 and the tax identification number (NIP) 527-257-65-15 on 25 June 2008.

The registered office of the Company is located at ul. Osmańska 14, 02-823 Warsaw.

According to the articles of association of the Company, the primary business activity of the Company includes:

1. Wholesale of pharmaceutical and medical products;
2. Advertising;
3. Market research and public opinion polling;
4. Production of medicines and other pharmaceutical products;
5. Retail sale of pharmaceutical products in specialised stores;
6. Interpersonal relations, public relations and communication.

### **2. DURATION OF THE ACTIVITY**

Duration of the Company's activity is unlimited.

### **3. PERIOD COVERED BY THE FINANCIAL STATEMENT**

The financial statement includes financial data for the period from 1 April 2018 to 31 March 2019 and comparative data for the period from 1 April 2017 to 31 March 2018.

### **4. COMBINED FINANCIAL STATEMENT**

The Company has no internal organisational units preparing separate financial statements, therefore, the financial statement does not include combined data.

### **5. GOING CONCERN ASSUMPTION**

The financial statement has been drawn up on the assumption that the Company will continue to operate as a going concern in the foreseeable future. There are no circumstances indicating a threat to the Company's continuing as a going concern. The Management Board of the Company prepared the financial statements with the assumption of continuation of activity. The assumption is based on the five-year plan of the company which assumes a dynamic increase in sales as well as a significant improvement in financial results.

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## 6. MERGER OF THE COMPANIES

In the reporting period for which the financial statements were prepared, the Company did not merge with any other business entity.

## 7. ADOPTED ACCOUNTING PRINCIPLES (POLICIES)

### 7.1 *Format and basis for preparation of the financial statement*

The financial statement has been prepared in accordance with the Accounting Act of 29 September 1994 (consolidated text Journal of Laws of 2018, item 395 as amended) [the "Act"].

The financial statement has been prepared in compliance with the historical cost method.

The Company prepares a comparative profit and loss account.

The Company prepares its cash flow statement using the indirect method.

### 7.2 *Intangible assets*

Intangible assets are recognised if it is probable that in the future they will result in the Company's economic benefits directly related to those assets. Initial recognition of intangible assets is made at purchase price or production cost. After initial recognition, intangible assets are measured at purchase price or production cost less amortisation and impairment write-offs. Intangible assets are depreciated according to the straight-line method over their estimated useful economic lives.

Estimated useful life is calculated as follows:

Computer software	2 years,
Other intangible assets	2 years.
Licences from Gilbert	6 years

Costs of completed development projects, carried out by an entity for its own needs and incurred before the commencement of production or implementation of technology, are recognised as intangible assets if:

- a given product or production technology is clearly defined, and related development costs are reliably measured,
- the technical usefulness of a product or technology has been determined and properly documented, and on that basis an entity has decided to manufacture these products or implement the technology,
- it is expected that development costs will be covered with the revenue from the sales of these products or implementation of the technology.

The period of amortisation of development costs is 10 years.

Goodwill is a difference between the cost of acquisition of a given entity or its business unit and the fair value of acquired net assets, if lower. If the cost of acquisition of an entity or its business unit is lower than the fair value of acquired net assets, the difference represents negative goodwill.

### 7.3 *Tangible fixed assets*

Tangible fixed assets are stated at purchase price, production cost or revaluated amount, less amortisation and impairment write-offs. Land is valued at purchase price decreased by impairment write-offs.

Revaluation takes place under separate regulations. The last revaluation of tangible fixed assets was conducted on 1 January 1995. The revaluation result is recognised as revaluation reserve. After disposal or liquidation of a fixed asset, the amount remaining in revaluation reserve is transferred to supplementary capital.

Expenses incurred after bringing the asset into use, i.e. costs of repair, maintenance, usage charges, impact the financial result of the reporting period in which they have been incurred. If it is possible to evidence that the incurred expenses have increased future economic benefits for the Company directly related to a given asset and exceed the previously estimated level, they increase the initial cost of that fixed asset.

Fixed assets, excluding land and the right of perpetual usufruct of land, are depreciated in accordance with the straight-line method over their estimated useful economic lives or shorter of the two periods: useful economic life or the right to use which is as follows:

Buildings, premises and water and civil engineering structures	3-10 years
Technical equipment and machines	3-7 years
Vehicles	5 years
Other fixed assets	5-10 years

Fixed assets of a low initial unit cost, i.e. below PLN 3 500,00, are depreciated on a one-off basis.

#### 7.4 Fixed assets under construction

Fixed assets under construction are valued at total costs directly related to their acquisition or construction, including financial costs, decreased by impairment write-offs.

#### 7.5 Leasing

The Company is not a party to any contracts of leasing under which it would give tangible fixed assets or intangible assets for use in return for payment or for collection of fruits.

The Company is a party to operating leasing agreements under which it accepts third party fixed assets for use in return for payment or for collection of fruits for an agreed period of time.

In case of finance lease, under which the major risks and benefits due to the ownership of assets covered by the contract are transferred, the leased item is recognised in fixed assets at the present value of minimum lease payments defined as of the commencement of lease. The lease payments are divided between financial costs and the reduction of the outstanding liability in order to obtain a fixed interest rate on the remaining balance of liability. Financial costs are charged directly to the profit and loss account.

Fixed assets used under finance lease are depreciated over the projected economic usage period which is the same as for fixed assets described in point 7.3.

#### 7.6 Borrowing costs

Borrowing costs related to construction, adaptation, assembly or improvement of tangible fixed assets or intangible assets over the period of construction, adaptation, assembly or improvement are capitalised to the value of those assets if the borrowing was obtained to finance these activities.

Other borrowing costs are recorded in the profit and loss account.

#### 7.7 Shares in subordinated entities

Shares in subordinated entities are valued at the purchase price decreased by impairment write-offs.

#### 7.8 Financial assets



When they are recorded in the books of account, financial assets are measured at purchase price which is the fair value of payment made. Transaction costs are included in initial measurement of financial assets.

Not later than at the end of the reporting period financial assets are measured as follows:

- financial assets held for trading – at fair value,
- financial assets available for sale – at fair value,
- loans granted and own receivables, except those designated as held for trading – at corrected purchase price estimated using the effective rate method, regardless whether the Company intends to hold them up to the maturity or not. Receivables of short term maturity, for which the rate has not been specified, are measured at the required payment value, if the current value of future cash flows expected by the Company, established by using interest rate, is not significantly different from the amount of the required payment,
- financial assets with fixed maturity date – at corrected purchase price estimated using the effective rate method,
- financial assets without fixed maturity date – at purchase price.

Not later than at the end of the reporting period, financial assets are revaluated in case of an impairment of their value in accordance with principles described in point 7.13.

The results of measurement of financial assets available for sale are registered in revenues or financial costs. Measurement of other categories of financial assets is included in revenues and financial costs.

Acquisition and sale of assets in trading on the regulated market is included in the books of account at the date of the transaction conclusion.

#### 7.9 Inventories

Inventories are evaluated according to the lower of the two values: purchase price or production cost and net sales price.

Individual inventory groups are measured in the following manner:

- materials and supplies – at the purchase price,
- finished products and goods in progress - at direct cost of raw materials and labour and justified portion of overheads defined at normal production capacity.

For determining the costs of inventories “first in – first out” method is applied.

The net selling price is net realisable value as at the balance sheet date excluding tax on goods and services and excise duty, decreased by any discounts, rebates and costs related to bringing the asset to sale.

The value of materials, supplies and finished goods evaluated according to the above manner is decreased by revaluation write-offs established for slow moving inventories and endangered with being overdue, unless contracts with suppliers provide otherwise.

#### 7.10 Short-term and long-term receivables

Receivables are disclosed at amount due less revaluation write-offs, unless they are secured.

Receivables are subject to revaluation by reducing their value with write-offs taking into account the probability of their payment. Revaluation write-offs of receivables are recognised accordingly as other operating expenses or financial expenses, depending on the type of receivable a given write-off relates to.

The value of cancelled, time-barred or unrecoverable receivables is reduced by revaluation write-offs previously made.

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Cancelled, time-barred or unrecoverable receivables, for which revaluation write-offs have not been made or write-offs made did not cover the entire value, are recognised as other operating expenses or financial expenses.

*7.11 Cash and cash equivalents*

Cash in hand and at bank is evaluated at nominal value.

Cash and cash equivalent balance shown in the statement of cash flows consists of cash in hand and bank deposits with the maturity dates falling within 3 months, which are not treated as investment activity.

*7.12 Prepayments*

The Company recognises prepayments, if the costs refer to future reporting periods.

Prepayments are written off in relation to the lapse of time. The time and manner of settlement depend on the nature of settled costs, according to the prudence concept.

*7.13 Impairment of assets*

As at each balance sheet date the Company defines whether there are any objective indications of an impairment of an asset or a group of assets. If there are such indications, the Company defines the estimated recoverable value of an asset and makes impairment write-offs equalling the difference between the recoverable amount and the carrying amount. The impairment loss is charged to the profit and loss account for a given reporting period. If the assets have been previously revaluated, the loss first decreases the revaluation reserve and any excess is recognised in the profit and loss account of the current period.

Revaluation write-offs of a financial asset or a portfolio of similar financial assets are established as follows:

- in case of financial assets measured at corrected purchase price – as the difference between the value of those assets resulting from the books of account as at the evaluation date and the recoverable amount. The recoverable amount is the present value of future cash flows estimated by the Company, discounted at the effective interest rate, applied by the Company so far while measuring a revaluated financial asset or a portfolio of similar assets,
- in case of financial assets measured at fair value for which valuation results are recognised as revaluation reserve – as the difference between the purchase price of an asset and its fair value established as at the valuation date. By the fair value of debt financial instruments as at the valuation date current value of future cash flows estimated by the Company, discounted using current market interest rate applied to similar financial instruments, is understood. Accumulated losses to that day recognised in revaluation reserve are recognised as financial costs in the amount not less than the amount of a write-off, decreased by the portion directly recognised as financial costs,
- in case of other financial assets – as the difference between the value of an asset resulting from the books of account and the current value of future cash flows estimated by the Company, discounted using the current market interest rate applied to similar financial instruments.

From the day in which a write-off was made due to the impairment of a financial asset or a portfolio of similar assets, revenue from interest according to the rate used so far is no longer calculated. From that day revenue from interest is calculated using the rate discounting future cash flows, adopted in order to establish a possible recoverable value.

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Once the cause for recognition of a revaluation write-off due to impairment expires, an equivalent of the whole or relevant portion of the revaluation write-off previously made increases the value of a given asset and is recognised as other operating revenue or financial revenue accordingly.

In case of financial assets, decrease of a write-off previously made and increase of the value of assets measured by the Company in the amount of corrected purchase prices may take place by the amount the addition of which will cause the increase of financial assets not higher than the amount of corrected purchase prices which would be established as at that day if impairment did not take place.

#### 7.14 *Share capital*

The share capital is stated in the amount defined in the articles of association of the Company and entered in the court register.

#### 7.15 *Provisions*

Provisions are recognised if the Company has an obligation (legal or customary) resulting from past events and if it is certain or highly probable that execution of the obligation will result in the outflow of economic benefits and if the liability may be reliably estimated.

#### 7.16 *Accruals*

Accruals are recognised in the amount of probable liabilities for the current reporting period resulting, in particular, from:

- performances provided to the Company by its contractors, when the amount of liability can be reliably estimated,
- the obligation to provide future services related to current business to unknown persons, whose amount may be determined, even though the date when the liability arises is not yet known.

Accruals are written off in relation to the lapse of time or the amount of payments for the services rendered. The time and manner of settlement depend on the nature of settled costs according to the prudence concept.

Accrued expenses resulting from uninvoiced deliveries and services accepted by the Company are presented in the financial statement as other provisions.

Accrued expenses due to unused annual leaves are presented in the financial statement as provisions for employee benefits.

#### 7.17 *Financial liabilities*

As a financial instrument the Company qualifies each contract which results both in establishment of financial assets for the one party and financial liability or capital instrument for the other party, provided that from the contract concluded between two parties or more, economic effects unambiguously result.

Pursuant to the Ordinance of the Minister of Finance of 12 December 2001 regarding specific rules of recognition, valuation methods, scope of including financial instruments and manner of their presentation (Journal of Laws No. 149, item 1674, as amended), the Company qualifies financial liabilities as:

- financial liabilities held for trading,
- other financial liabilities.

In the moment of initial recognition in the books of account, financial liabilities are recognised at fair value of the amount obtained or value of other assets obtained, including transaction costs incurred.

After the initial recognition, financial liabilities held for trading are measured at fair value. Mainly derivative financial instruments with a negative fair value are qualified as liabilities held for trading.

After the initial recognition, other financial liabilities are measured at the corrected purchase price (of depreciated cost), using the effective interest rate. Liabilities with short maturity period, for which interest rate has not been established, are recognised at the amount due, if the current value of future cash flows estimated by the Company determined by interest rate attributable to this liability is not significantly different from the amount due.

The Company classifies, inter alia, loans and credits taken, liabilities due to issuance of debt securities, financial leasing liabilities as other financial liabilities. For the purpose of evaluation, liabilities due to deliveries and services are also qualified to this category of financial instruments.

#### 7.18 *Deferred income*

Deferred income, subject to the prudence concept, includes in particular:

- an equivalent of payments received or due from contractors for services to be performed in future reporting periods,
- funds obtained to purchase or manufacture fixed assets, including fixed assets under construction and development projects, if pursuant to other provisions such assets do not increase equity capital, but the amounts included to deferred income gradually increase other operating income, in parallel to depreciation or amortisation write-offs from fixed assets or costs of development projects financed from these funds,
- negative goodwill,
- accepted free of charge, including through donations, fixed assets under construction, tangible and intangible fixed assets.

Negative goodwill represents a difference between the purchase price of a given entity or its organised unit and the fair value of acquired net assets higher than the purchase price.

Negative goodwill, to the amount not exceeding the fair value of acquired fixed assets, with the exclusion of long-term financial assets listed on regulated markets, is recognised by the Company as deferred income over the period being weighted average period of economic usefulness of fixed assets acquired and subject to depreciation. Negative goodwill in the amount exceeding the fair value of fixed assets, with the exclusion of long-term financial assets listed on regulated markets, is recognised as income as at the date of the merger.

Negative goodwill is written off to other operating income up to the amount in which it refers to estimated in a reliable manner future losses and costs, established by the Company taking over as at the date of merger, not being however a liability disclosed as a result of the merger. Such write-off takes place in the reporting period in which losses and costs have impact on financial result. If these losses and costs have not been incurred in previously estimated reporting periods, then referring to them negative goodwill is written off in a manner specified in the paragraph above.

#### 7.19 *Hedge accounting*

The Company does not use hedge accounting.

#### 7.20 *Embedded derivatives*

Separated embedded derivatives are disclosed as financial instruments held for trading. They are measured at the fair value and the changes of their value are recognised in the profit and loss account.

#### 7.21 *Deferred income tax*



Deferred income tax is recognised applying the balance sheet liability method to all temporary differences that exist at the balance sheet date between the tax base of an asset or liability and its carrying amount disclosed in financial statements.

Deferred income tax provisions are established in relation to all positive temporary differences, except for those regarding goodwill, whose depreciation does not decrease the tax base or resulting from initial recognition of an asset or liability in a transaction which is not a merger of businesses or acquisition of an entity or its organised part and at the moment of its conclusion it does not have impact either on gross financial result or the tax base.

A deferred income tax asset is established in relation to all negative temporary differences and unused tax losses transferred to next years in such amount in which it is probable that a taxable income will be achieved which will allow to use the aforementioned differences and losses.

The carrying amount of deferred income tax assets is reviewed at each balance sheet date and decreased to the extent that it is no longer probable that sufficient taxable income will be available to realise the deferred income tax asset fully or in part.

Deferred income tax assets and provisions for deferred income tax are measured according to tax rates which, pursuant to provisions adopted to the balance sheet date, shall be binding in the period when an asset is realised or provision released.

Deferred income tax assets and provisions for deferred tax are provided in a balance sheet separately

#### 7.22 *Foreign currency transactions*

Transactions denominated in foreign currencies are translated to Polish zloty at the exchange rate of the transaction date.

As at the balance sheet date, assets and liabilities denominated in foreign currency have been valued at the average rate of the National Bank of Poland. Resulting exchange differences are recorded as financial income or costs or, in cases specified by provisions of law, capitalised in the value of assets.

#### 7.23 *Social assets and Social Fund liabilities*

Pursuant to the Social Fund Act of 4 March 1994 as amended, the Social Fund is composed of employers employing more than 20 full time employees. Due to the number of employees, the Company does not establish such fund.

#### 7.24 *Revenue recognition*

Revenues are recognised at the amount of probable economic benefits that can be reliably estimated.

##### 7.24.1 *Sales of goods*

Revenues are recognised when significant risks and rewards of ownership of goods have been transferred to the buyer. The revenues include amounts due or received on sale, net of VAT.

##### 7.24.2 *Services*

Revenues on rendering services are recognised with reference to the stage of service completion.

##### 7.24.3 *Interest*

Revenues on interest are recognised when charged, if their receipt is not doubtful.

7.24.4 Dividends

Dividends receivable are recorded as financial revenues when the entity's appropriate authority adopts a resolution on profit distribution, unless the resolution defines a different date for a title to a dividend.



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Achin Gupta, Member of the Management Board



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Andrzej Gondek, Member of the Management Board



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Oliver Henry Bourne, Member of the Management Board



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Izabela Markowska, Person in charge of bookkeeping

## II. BALANCE SHEET

Balance Sheet - Assets				
Specification	Additional information	As at 31.03.2019	As at 31.03.2018	
<b>A. FIXED ASSETS</b>				
<b>I. Intangible assets</b>	Note 1	928 118,41	1 245 136,17	
1. Development costs		0,00	0,00	
2. Goodwill		0,00	0,00	
3. Other intangible assets		928 118,41	1 245 136,17	
4. Advances for intangible assets		0,00	0,00	
5. Advance for intangible assets		0,00	0,00	
<b>II. Tangible fixed assets</b>		476 596,87	218 852,22	
1. Tangible fixed assets in use	Note 2	476 596,87	218 852,22	
a) land (including right to perpetual usufruct)		0,00	0,00	
b) buildings, premises, civil and water engineering structures		0,00	0,00	
c) technical equipment and machines		446 156,30	178 046,64	
d) vehicles		0,00	0,00	
e) other tangible fixed assets		30 440,57	40 805,58	
2. Tangible fixed assets under construction		0,00	0,00	
3. Advances for tangible fixed assets under construction		0,00	0,00	
<b>III. Long-term receivables</b>	Note 7	0,00	195 194,99	
1. From related parties	Note 30	0,00	0,00	
2. From other entities in which the entity has an equity interest		0,00	0,00	
3. From other entities		0,00	195 194,99	
<b>IV. Long-term investments</b>	Note 4	0,00	0,00	
1. Real property		0,00	0,00	
2. Intangible assets		0,00	0,00	
3. Long-term financial assets	Note 5	0,00	0,00	
a) in related parties		0,00	0,00	
- shares		0,00	0,00	
- other securities		0,00	0,00	
- loans granted		0,00	0,00	
- other long-term financial assets		0,00	0,00	
b) in other entities in which the entity has an equity interest		0,00	0,00	
- shares		0,00	0,00	
- other securities		0,00	0,00	
- loans granted		0,00	0,00	
- other long-term financial assets		0,00	0,00	
c) in other entities		0,00	0,00	
- shares		0,00	0,00	
- other securities		0,00	0,00	
- loans granted		0,00	0,00	
- other long-term financial assets		0,00	0,00	
4. Other long-term investments		0,00	0,00	
<b>V. Long-term prepayments</b>		6 428 789,00	4 963 815,00	
1. Deferred tax assets	Note 21.2	6 428 789,00	4 963 815,00	
2. Other prepayments	Note 8	0,00	0,00	
<b>B. CURRENT ASSETS</b>				
<b>I. Inventory</b>	Note 6	19 161 078,98	15 759 257,37	
1. Materials		0,00	0,00	
2. Semi-finished products and work in progress		0,00	0,00	
3. Finished products		0,00	0,00	
4. Goods		19 161 078,98	15 759 257,37	
5. Advances for deliveries		0,00	0,00	
<b>II. Short-term receivables</b>	Note 7	41 432 694,49	40 482 088,95	
1. Receivables from related parties	Note 30	11 939 287,74	11 248 170,50	
n) trade receivables, maturing:		11 939 287,74	11 248 170,50	
- up to 12 months		11 939 287,74	11 248 170,50	
- above 12 months		0,00	0,00	
b) other		0,00	0,00	

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 Financial Statement for the year ended 31 March 2019

2. Receivables from other entities in which the entity has an equity interest		0,00	0,00
a) trade receivables, maturing:		0,00	0,00
- up to 12 months		0,00	0,00
- above 12 months		0,00	0,00
b) other		0,00	0,00
3. Receivables from other entities		29 493 406,75	29 233 918,45
a) trade receivables, maturing:		28 933 812,54	28 851 500,55
- up to 12 months		28 933 812,54	28 851 500,55
- above 12 months		0,00	0,00
b) receivables from tax, subsidy, customs, social security and other benefits		0,00	0,00
c) other		559 594,21	382 417,90
d) claimed at court		0,00	0,00
III. Short-term investments		4 747 928,23	6 173 280,80
1. Short-term financial assets		4 747 928,23	6 173 280,80
a) in related parties	Note 5	0,00	0,00
- shares		0,00	0,00
- other securities		0,00	0,00
- loans granted		0,00	0,00
- other short-term financial assets		0,00	0,00
b) in other entities in which the entity has an equity interest	Note 5	0,00	0,00
- shares		0,00	0,00
- other securities		0,00	0,00
- loans granted		0,00	0,00
- other short-term financial assets		0,00	0,00
c) in other entities	Note 5	0,00	0,00
- shares		0,00	0,00
- other securities		0,00	0,00
- loans granted		0,00	0,00
- other short-term financial assets		0,00	0,00
d) cash and other pecuniary assets		4 747 928,23	6 173 280,80
- cash in hand and at bank		4 747 928,23	6 173 280,80
- other cash		0,00	0,00
- other pecuniary assets		0,00	0,00
2. Other short-term investments		0,00	0,00
IV. Short-term prepayments	Note 8	61 853,00	41 402,47
V. Prepayments for construction contracts		0,00	0,00
1. Unbilled receivables		0,00	0,00
2. Prepaid expenses		0,00	0,00
G. CALLED UP SHARE CAPITAL		0,00	0,00
D. OWN SHARES	Note 9	0,00	0,00
<b>TOTAL ASSETS:</b>		<b>75 297 058,98</b>	<b>69 079 027,97</b>

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Financial Statement for the year ended 31 March 2019

BALANCE SHEET - LIABILITIES			
Specification	Additional information	As at 31.03.2019	As at 31.03.2018
<b>A. EQUITY</b>			
I. Share capital	Note 9	1 842 556,08	4 614 974,21
II. Supplementary capital, including:		5 000 000,00	5 000 000,00
- surplus sales value (issue value) over the nominal value of shares		23 004 101,18	23 004 101,18
III. Revaluation reserve, including:	Note 10	-	-
- revaluation of fair value		-	-
IV. Other reserve capitals, including:		-	-
- capitals established pursuant to the company's articles of association (statutes)		-	-
- capitals for own shares		-	-
V. Previous year's profit (loss)		- 23 389 126,97	- 18 673 585,87
VI. Net profit (loss)	Note 17	- 6 457 530,29	- 4 715 541,10
VII. Write-off on net profit during the financial year		-	-
<b>B. LIABILITIES AND PROVISIONS FOR LIABILITIES</b>			
1. Provisions for liabilities		75 079 615,06	64 464 053,76
1. Provision for deferred income tax	Note 21.2	13 922 012,72	12 388 697,83
2. Provision for retirement and similar benefits	Note 11	743 431,42	870 977,17
- long-term		-	-
- short-term		743 431,43	870 977,17
3. Other provisions	Note 11	13 178 581,30	11 517 720,66
- long-term		-	-
- short-term		13 178 581,30	11 517 720,66
II. Long-term liabilities	Note 12	-	-
1. To related parties	Note 30	-	-
2. To other entities in which the entity has an equity interest		-	-
3. To other entities		-	-
a) credits and loans		-	-
b) arising from issuance of debt securities		-	-
c) other financial liabilities		-	-
d) bill-of-exchange liabilities		-	-
e) other		-	-
III. Short-term liabilities	Note 12	61 157 602,34	52 075 355,93
1. To related parties	Note 30	52 348 910,31	45 139 141,92
a) trade liabilities, maturing:		52 348 910,31	45 139 141,92
- up to 12 months		52 348 910,31	45 139 141,92
- above 12 months		-	-
b) other		-	-
2. To other entities in which the entity has an equity interest		-	-
a) trade liabilities maturing:		-	-
- up to 12 months		-	-
- above 12 months		-	-
b) other		-	-
3. To other entities		8 791 670,38	6 929 423,74
a) credits and loans		-	-
b) arising from issuance of debt securities		-	-
c) other financial liabilities		-	-
d) trade liabilities, maturing:		6 441 189,25	4 732 561,57
- up to 12 months		6 441 189,25	4 732 561,57
- above 12 months		-	-
e) advances received for deliveries		-	-
f) bill-of-exchange liabilities		-	-
g) tax, customs, social security and health		2 339 649,91	2 168 496,54

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insurance, and of other public-legal titles			
h) payroll liabilities		-	-
i) other		10 831,22	28 365,63
4. Special funds		17 021,65	6 790,27
IV. Accruals		-	-
1. Negative goodwill		-	-
2. Other accruals	Note 8	-	-
- long-term		-	-
- short-term		-	-
V. Accruals related to construction contracts		-	-
1. Deferred income		-	-
2. Accrued expenses		-	-
<b>TOTAL LIABILITIES:</b>		<b>73 237 058,98</b>	<b>69 079 027,97</b>




Achin Gupta, Member of the Management Board



Andrzej Gondek, Member of the Management Board



Oliver Henry Boume, Member of the Management Board



Izabela Markowska, Person in charge of bookkeeping



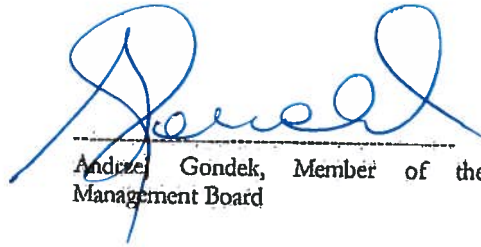
### III. PROFIT AND LOSS ACCOUNT

Profit and loss account (comparative variant)	Additional information	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
<b>A. NET REVENUES FROM SALES AND EQUIVALENT, including:</b>	Note 18	90 876 063,94	86 008 138,03
- from related parties	Note 30	31 182 855,75	32 057 511,92
I. Net revenues from sales of products		31 124 787,79	32 958 071,50
II. Change in the balance of products		0,00	0,00
III. Manufacturing cost of products for internal purposes		0,00	0,00
IV. Net revenues from sales of goods and materials		59 751 276,15	53 050 066,53
<b>B. OPERATING EXPENSES</b>		97 180 851,73	92 129 257,70
I. Amortisation and depreciation		540 129,45	550 179,74
II. Consumption of materials and energy		2 083 503,32	2 117 236,50
III. External services		18 760 448,26	18 721 997,54
IV. Taxes and charges, including:		147 091,01	147 704,78
- excise duty		0,00	0,00
V. Payroll		11 963 092,33	13 617 432,96
VI. Social security and other benefits		2 465 911,17	2 478 468,69
- retirement benefits		2 120 823,38	2 110 926,20
VII. Other costs by type		1 752 191,26	1 679 861,08
VIII. Value of goods and materials sold		59 468 484,93	52 816 376,41
<b>C. PROFIT (LOSS) ON SALES (A-B)</b>		(6 304 787,79)	(6 121 119,67)
<b>D. OTHER OPERATING REVENUES</b>	Note 19.1	32 248,39	608 459,65
I. Gain on disposal of non-financial fixed assets		540,65	0,00
II. Subsidies		0,00	0,00
III. Revaluation of non-financial assets		0,00	605 851,50
IV. Other operating revenues		31 707,74	2 608,15
<b>E. OTHER OPERATING EXPENSES</b>	Note 19.1	579 250,02	2 934,51
I. Loss on disposal of non-financial fixed assets		0,00	843,59
II. Revaluation of non-financial assets		573 361,34	0,00
III. Other operating expenses		5 888,68	2 090,92
<b>F. PROFIT (LOSS) ON OPERATING ACTIVITIES (C+D-E)</b>		(6 851 789,42)	(5 515 594,53)
<b>G. FINANCIAL REVENUES</b>		2 739,56	493 573,46
I. Dividends and profit sharing, including:		0,00	0,00
a) from related parties, including:	Note 30	0,00	0,00
- party in which the entity has an equity interest		0,00	0,00
b) from other entities, including:		0,00	0,00
- entity in which the entity has an equity interest		0,00	0,00
II. Interest, including:	Note 19.2	2 739,56	2 537,67
- from related parties	Note 30	0,00	0,00
- from other entities in which the entity has an equity interest		0,00	0,00
III. Gain on disposal of financial assets, including:		0,00	0,00
- in related parties		0,00	0,00
- in other entities in which the entity has an equity interest		0,00	0,00
IV. Revaluation of financial assets		0,00	0,00
V. Other	Note 19.2	0,00	491 035,79
<b>H. FINANCIAL EXPENSES</b>		1 073 454,43	615 196,03
I. Interest, including:	Note 19.2	0,00	361 671,36
- for related parties		0,00	361 671,36
- from other entities in which the entity has an equity interest		0,00	0,00
II. Loss on disposal of financial assets, including:		0,00	0,00
- for related parties		0,00	0,00
- from other entities in which the entity has an equity interest		0,00	0,00
III. Revaluation of financial assets		0,00	0,00
IV. Other	Note 19.2	1 073 454,43	253 524,67
<b>I. GROSS PROFIT (LOSS) (F+G-H)</b>		(7 922 504,29)	(5 637 217,10)
<b>J. INCOME TAX</b>	Note 21.2	(1 464 974,00)	(921 676,00)
I. Current portion		0,00	0,00
II. Deferred portion		(1 464 974,00)	(921 676,00)
<b>K. OTHER STATUTORY REDUCTIONS IN PROFIT (INCREASES IN LOSS)</b>		0,00	0,00

NET PROFIT (LOSS) (I-J-K)	(6 457 530,29)	(4 715 541,10)
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#### IV. STATEMENT OF CHANGES IN EQUITY

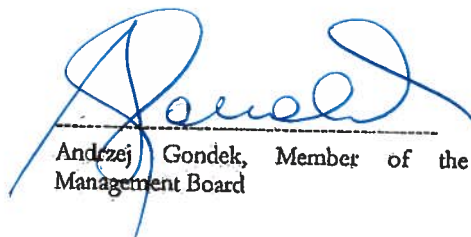
Statement of changes in equity	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
1. Opening balance of equity	4 614 974,21	(669 484,69)
- adjustments of fundamental errors	-	-
- results of changes in accounting principles	-	-
1.a. Opening balance of equity after adjustments	4 614 974,21	(669 484,69)
1. Opening balance of share capital	5 000 000,00	4 050 000,00
1.1. Changes in share capital	-	-
a) increase (due to)	-	950 000,00
- issuance of shares	-	950 000,00
- additional payments to capitals	-	950 000,00
b) decrease (due to)	-	-
- redemption of shares	-	-
1.2. Closing balance of share capital	5 000 000,00	5 000 000,00
2. Opening balance of supplementary capital	23 004 101,18	13 954 101,18
2.1. Changes in supplementary capital	-	9 050 000,00
a) increase (due to)	-	9 050 000,00
- issue of shares above face value	-	-
- from profit distribution (statutory)	-	-
- from profit distribution (above the statutory minimum value)	-	-
- surplus over the face value of taken up shares	-	9 050 000,00
b) decrease (due to)	-	-
- loss coverage	-	-
2.2. Closing balance of supplementary capital	23 004 101,18	23 004 101,18
3. Opening balance of revaluation reserve	-	-
3.1. Changes in revaluation reserve	-	-
a) increase (due to)	-	-
b) decrease (due to)	-	-
- sales of tangible fixed assets	-	-
3.2. Closing balance of revaluation reserve	-	-
4. Opening balance of other reserve capitals	-	-
4.1. Changes in other reserve capitals	-	-
a) increase (due to)	-	-
b) decrease (due to)	-	-
4.2. Closing balance of other reserve capitals	-	-
5. Opening balance of previous years' profit (loss)	-	-
5.1. Opening balance of previous years' profit	-	-
- adjustments of fundamental errors	-	-
- results of changes in accounting principles	-	-
5.2. Opening balance of previous years' profit after adjustments	-	-
5.3. Changes in previous years' profit	-	-
a) increase (due to)	-	-
- distribution of previous years' profit	-	-
b) decrease (due to)	-	-
- transfer to supplementary capital	-	-
5.4. Closing balance of previous years' profit	-	-
5.5. Opening balance of previous years' loss	(23 389 126,97)	(18 673 585,87)
- adjustments of fundamental errors	-	-
- results of changes in accounting principles	-	-
5.6. Opening balance of previous years' loss after adjustments	(23 389 126,97)	(18 673 585,87)
5.7. Changes in previous year's loss	-	-
a) increase (due to)	-	-
- previous years' loss brought forward	-	-
b) decrease (due to loss coverage)	-	-
5.8. Closing balance of previous years' loss	(23 389 126,97)	(18 673 585,87)
5.9. Closing balance of previous years' profit (loss)	-	-
6. Net result	(6 457 530,29)	(4 715 541,10)
a) net profit	(6 457 530,29)	(4 715 541,10)

GLENMARK PHARMACEUTICALS Sp. z o. o.  
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b) net loss	6 457 530,29	4 715 541,10
c) write-offs on profit		
II: Closing balance of equity	(1 842 556,08)	4 614 974,21
III: Equity including proposed profit distribution (loss coverage)	(1 842 556,08)	4 614 974,21



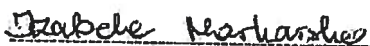
Achin Gupta, Member of the Management Board



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Oliver Henry Bourne, Member of the Management Board



Izabela Markowska, Person in charge of bookkeeping



## V. CASH FLOW

(indirect method)

Cash flow (indirect method)	Additional information	For the period from 01.04.2018 to 31.03.2019	For the period from 01.04.2017 to 31.03.2018
<b>A. CASH FLOWS FROM OPERATING ACTIVITIES</b>			
I. Net profit (loss)		(6 457 530,29)	(4 715 541,10)
II. Total adjustments		6 158 873,41	7 675 428,11
1. Amortisation and depreciation		540 129,45	550 179,74
2. Exchange gains (losses)			(838 681,20)
3. Interest and profit sharing (dividend)			361 671,36
4. Profit (loss) on investment activities		(540,65)	
5. Change in provisions		1 533 314,89	2 549 266,71
6. Change in inventory		(3 401 821,61)	1 877 342,18
7. Change in receivables		(755 410,55)	(3 316 783,41)
8. Change in short-term liabilities, excluding credits and loans		9 728 626,41	7 415 054,13
9. Change in prepayments and accruals		(1 485 424,53)	(922 621,40)
10. Other adjustments		-	-
III. Net cash flows from operating activities (I+II)		(298 656,88)	2 959 887,01
<b>B. CASH FLOWS FROM INVESTMENT ACTIVITIES</b>			
I. Inflows		540,65	-
1. Disposal of intangible assets and tangible fixed assets		540,65	-
2. Disposal of investments in real property and in intangible assets			
3. From financial assets, including:			
a) in related parties			
- sales of financial assets			
- dividends and profit sharing			
- repayment of granted long-term loans			
- interest			
- other inflows from financial assets			
b) in other entities in which the entity has an equity interest			
- sales of financial assets			
- dividends and profit sharing			
- repayment of granted long-term loans			
- interest			
- other inflows from financial assets			
c) in other entities			
- sales of financial assets			
- dividends and profit sharing			
- repayment of granted long-term loans			
- interest			
- other inflows from financial assets			
4. Other inflows from investment activities			
II. Outflows		1 127 236,34	580 483,21
1. Purchase of intangible assets and tangible fixed assets		1 127 236,34	580 483,21
2. Investments in real property and intangible assets			
3. For financial assets, including:			
a) in related parties			
- purchase of financial assets			
- long-term loans granted			
b) in other entities in which the entity has an equity interest			
- purchase of financial assets			
- long-term loans granted			
c) in other entities			
- purchase of financial assets			
- long-term loans granted			
4. Other outflows from investment activities			
III. Net cash flows from investment activities (I-II)		(1 126 695,69)	(580 483,21)
<b>C. CASH FLOWS FROM FINANCIAL ACTIVITIES</b>			

GLENMARK PHARMACEUTICALS Sp. z o. o.  
Financial Statement for the year ended 31 March 2019

<b>I. Inflow</b>			10 000 000,00
1. Net inflows from issuance of shares and other capital instruments and from capital contributions			10 000 000,00
2. Credit and loans			
3. Issuance of debt securities			
4. Other inflows from financial activities			
<b>II. Outflow</b>			7 840 202,79
1. Purchase of own shares			
2. Dividend and other payments to shareholders			
3. Profit distribution liabilities other than profit distribution payment to shareholders			
4. Repayment of credits and loans			7 387 977,00
5. Redemption of debt securities			
6. Payment of other financial liabilities			
7. Payment of liabilities arising from financial leases			
8. Interest			452 225,79
9. Other outflows from financial activities			
<b>III. Net cash flows from financial activities (I-II)</b>			2 159 797,21
<b>IV. TOTAL NET CASH FLOWS (A-III+B-III+C-III)</b>		(1 425 352,57)	4 539 201,01
<b>E. BALANCE SHEET CHANGE IN CASH, INCLUDING</b>		(1 425 352,57)	4 539 201,01
- change in cash due to exchange differences			
<b>F. CASH OPENING BALANCE</b>	Note 23	6 173 280,80	1 634 079,79
<b>G. CLOSING BALANCE OF CASH (F.D), INCLUDING</b>		4 747 928,23	6 173 280,80
- of limited disposability			



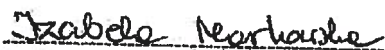
Achin Gupta, Member of the Management Board



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Izabela Markowska, Person in charge of bookkeeping

## VI. SUPPLEMENTARY INFORMATION AND EXPLANATIONS

1 INTANGIBLE ASSETS

DETAILED SCOPE OF CHANGES IN THE VALUE OF TYPE GROUPS OF INTANGIBLE ASSETS IN THE CURRENT REPORTING

Item	Specification	Development costs	Goodwill	Other intangible assets		Intangible assets in progress	Advance for intangible assets	Total
				Software	Other			
1	Gross value - opening balance			556 689,70	1 545 495,00			2 102 184,70
21	- proceeds							
22	- internal generation			20 000,00				20 000,00
23	- acceptance of intangible assets in progress							0,00
24	- conclusion of financial lease							0,00
25	- contribution free of charge (ref: ep)							0,00
26	- revaluation							0,00
27	- interest on financial liabilities (re: intangible assets in progress)							0,00
28	- capitalised exchange differences (re: intangible assets in progress)							0,00
29	- other							0,00
210	- subsidiary purchase							0,00
211	- exchange differences arising on the transition of a financial statement to foreign entity							0,00
30	- sale							0,00
31	- liquidation							0,00
32	- other							0,00
34	- liability sale							0,00
35	- exchange differences arising on the transition of a financial statement to foreign entity							0,00
4	Gross value - closing balance			535 070,20	321 978,33			857 048,53
71	- depreciation/amortisation write-off							0,00
72	- revaluation write-off due to loss in value (establishment)			17 839,50	319 178,26			337 017,76
73	- revaluation							0,00
74	- other							0,00

GLENMARK PHARMACEUTICALS Sp. z o. o.  
 Financial Statement for the year ended 31 March 2019

75/76	— subsidiary purchase								0,00
76	— exchange differences arising on the translation of a financial statement of a foreign entity								0,00
81	— sales								0,00
82	— liquidation								0,00
83	— revaluation write-offs due to loss in value (release)								0,00
84	— other								0,00
85	— subsidiary sale								0,00
86	— exchange differences arising on the translation of a financial statement of a foreign entity								0,00
9	— Attribution – internal transfer								0,00

The Company does not hold intangible assets under contracts of leasing, classified to be recognised in the balance sheet as financial or operational leasing.



DETAILED SCOPE OF CHANGES IN THE VALUE OF TYPE GROUPS OF INTANGIBLE ASSETS IN THE PREVIOUS REPORTING

Item	Specification	Development costs	Goodwill	Other intangible assets		Intangible assets in progress	Advance for intangible assets	Total
				Software	Other			
1	Gross value of opening balance			548 257,38	436 360,00			984 617,38
21	purchase			8 432,32	1 109 135,00			1 117 567,32
22	amortization							0,00
23	repeal of amortization of projects							0,00
24	repeal of amortization of projects							0,00
25	contribution fees of change receipt							0,00
26	repeal of amortization							0,00
27	amortization of intangible assets in progress							0,00
28	capitalized exchange differences (re-intangible assets in progress)							0,00
29	other							0,00
30	subsidy purchase							0,00
31	exchange differences arising on the translation of financial statements of foreign entity							0,00
32	purchase							0,00
33	acquisition							0,00
34	other							0,00
35	repeal of amortization							0,00
36	exchange differences arising on the translation of financial statements of a foreign entity							0,00
37	Gross value - internal transfer							0,00
38	amortization - opening balance			510 663,16	14 545,33			525 208,49
39	depreciation/amortisation write-off			24 407,04	307 433,00			331 840,04
40	revaluation write-off due to loss in value (start from end)							0,00
41	revaluation							0,00
42	other							0,00
43	subsidy purchase							0,00



GLENMARK PHARMACEUTICALS Sp. z o. o.  
 Financial Statement for the year ended 31 March 2019

76	Exchange differences arising on the translation of financial statement of a foreign entity								0,900
81	Gain								0,900
82	Impairment								0,900
83	Revaluation write-offs due to loss in value (release)								0,900
84	Other								0,900
85	Subsidies, etc.								0,900
86	Exchange differences arising on the translation of financial statement of a foreign entity								0,900
9	Amortisation - internal transfer								0,900

2 TANGIBLE FIXED ASSETS

DETAILED SCOPE OF CHANGES IN THE VALUE OF TYPE GROUPS OF TANGIBLE FIXED ASSETS IN THE CURRENT REPORTING PERIOD

Item	Specification	Land (including right to perpetual usufruct)	Buildings, premises, water and civil engineering structures	Technical equipment and machines	Vehicles	Other tangible fixed assets	Total
30	Gross value - opening balance		823 321,28			415 241,63	1 238 562,91
31	Acquire						
31.1	purchase		450 742,22			10 114,12	460 856,34
31.2	acquisitions from tangible fixed assets under construction						0,00
31.3	transfer from other financial assets						0,00
31.4	revaluation (up) / depreciation (down)						0,00
31.5	revaluation						0,00
31.6	other						0,00
31.7	subsidy grants						0,00
31.8	exchange differences arising on the translation of financial statements of a foreign entity						0,00
32	Sell						
32.1	liquidation			9 244,00			9 244,00
33	Other					10 957,54	10 957,54
34	subsidy sale						0,00
35	exchange differences arising on the translation of financial statements of a foreign entity						0,00
4	Gross value - internal transfer						0,00
5	Amortisation - opening balance						
5.1	Amortisation - opening balance			645 274,64		374 436,04	1 019 710,68
5.2	depreciation / amortisation write-offs			182 632,56		20 479,13	203 111,69
5.3	revaluation write-offs due to depreciation						0,00
5.4	other						0,00
5.5	subsidy proceeds						0,00
5.6	exchange differences arising on the translation of financial statements of a foreign entity						0,00

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GLENMARK PHARMACEUTICALS Sp. z o. o.  
 Financial Statement for the year ended 31 March 2019

182	Basic									9 244,00			9 244,00
183	Adjustment												
184	Revaluation write-offs/impairment												10 937,54
185	Other												0,00
186	Subsidiary sale												0,00
187	Exchange differences arising on the translation of a financial statement for a foreign entity												
188	Amortisation - internal transfer												0,00

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DETAILED SCOPE OF CHANGES IN THE VALUE OF TYPE GROUPS OF TANGIBLE FIXED ASSETS IN THE PREVIOUS REPORTING PERIOD

Item	Specification	Land (including right to perpetual usufruct)	Buildings, permits, water and civil engineering structures	Technical equipment and machines	Vehicles	Other tangible fixed assets	Total
1	Gross value - opening balance		742 206,00			442 273,34	1 184 479,34
2	purchase			120 356,28		22 032,11	142 388,69
2.1	acceptance from tangible fixed assets under construction						0,00
2.2	conclusion of financial lease						0,00
2.3	contribution free of charge receipt						0,00
2.4	revaluation						0,00
2.5	other						0,00
2.6	subsidiary purchase						0,00
2.7	exchange differences arising on the translation of a financial statement of a foreign entity						0,00
2.8	other						0,00
3	disposal			16 767,00			16 767,00
3.1	disposal			22 474,00			22 474,00
3.2	other						66,91
3.3	subsidiary sale						0,00
3.4	exchange differences arising on the translation of a financial statement of a foreign entity						0,00
3.5	other						0,00
4	Gross value - internal transfer						0,00
5	Amortisation - Opening balance			504 377,50		383 910,81	888 288,31
5.1	depreciation/amortisation write-off						0,00
5.2	revaluation write-off/ rise to book value			178 750,64		39 589,06	218 339,70
5.3	revaluation						0,00
5.4	other						0,00
5.5	subsidiary purchase						0,00
5.6	exchange differences arising on the translation of a financial statement of a foreign entity						0,00
5.7	other						0,00

GLENMARK PHARMACEUTICALS Sp. z o. o.  
 Financial Statement for the year ended 31 March 2019

8.1.1	sale																			5 021,74	21 938,74	
8.2	depreciation																			44 042,09	65 028,59	
8.3	valuation write-offs due to loss in value																				0,00	0,00
8.4	other																				0,00	0,00
8.5	subsidiary sale																					
8.6	exchange differences arising on the transaction of financial statement of a foreign entity																					
9	Amortisation - intangible assets																					



Both in the current and previous reporting periods the Company did not make any revaluation write-offs of tangible fixed assets.

The Company does not hold tangible fixed assets under the contracts of leasing, classified to be recognised on the balance sheet as financial or operational leasing.

In periods covered by the financial statement the Company did not have any liabilities towards the state budget or the budget of local government units due to its acquisition of the ownership right to buildings and structures.

The company occupies office space on the basis of a lease agreement. The company does not plan to incur significant financial outlays in the coming years to acquire fixed assets.

### 3 TANGIBLE FIXED ASSETS UNDER CONSTRUCTION

In periods covered by the financial statement the Company did not hold any tangible fixed assets under construction.

### 4 LONG-TERM INVESTMENTS

In periods covered by the financial statement the Company did not have any long-term investments.

### 5 FINANCIAL ASSETS

In periods covered by the financial statement the Company did not have any financial assets held for trading.

### 6 INVENTORY REVALUATION WRITE-OFFS

In periods covered by the financial statement the Company made inventory revaluation write-offs.

INVENTORY REVALUATION WRITE-OFFS AS AT THE BALANCE SHEET DATE							
Item	Specification	closing balance			opening balance		
		Gross value	Revaluation write-offs	Inventory carrying value	Gross value	Revaluation write-offs	Inventory carrying value
1.	Materials			-			-
2.	Semi-finished products and work in progress			-			-
3.	Finished products			-			-
4.	Goods	19 744 368,99	- 583 290,01	19 161 078,98	15 769 186,04	- 9 928,67	15 759 257,37
5.	Advances for deliveries			-			-
	<b>Total</b>	<b>19 744 368,99</b>	<b>- 583 290,01</b>	<b>19 161 078,98</b>	<b>15 769 186,04</b>	<b>- 9 928,67</b>	<b>15 759 257,37</b>

CHANGE IN INVENTORY REVALUATION WRITE-OFFS IN CURRENT PERIOD							
Item	Specification	Revaluation write-offs:					
		Materials	Semi-finished products and work in progress	Finished products	Goods	Advances for deliveries	Total inventory
1.	Revaluation write-offs - opening balance				- 9 928,67		- 9 928,67
2.	Increase in write-offs (due to):				583 290,01	-	583 290,01
2.1	- write-offs made in the period recognised in other operating expenses				583 290,01		583 290,01
2.2	- other						-
2.3	- subsidiary purchase						-
2.4	- exchange differences arising on the translation of a financial statement of a foreign entity						-
3.	decrease in write-offs (due to):				- 9 928,67	-	- 9 928,67
3.1	- write-offs made in the period recognised in other operating revenue				- 9 928,67		- 9 928,67
3.2	- other						-
3.3	- subsidiary sale						-
3.4	- exchange differences arising on the translation of a financial statement of a foreign entity						-
4.	Revaluation write-offs - closing balance				583 290,01	-	583 290,01

#### 7 REVALUATION WRITE-OFFS ON RECEIVABLES

In periods covered by the financial statement the Company did not make any revaluation write-offs on receivables.

#### 8 PREPAYMENTS AND ACCRUALS

In periods covered by the financial statement the Company did not make any long-term prepayments.

#### SPECIFICATION OF SHORT-TERM PREPAYMENTS

Item	Specification	as at			
		31.03.2019		31.03.2018	
		long-term	short-term	long-term	short-term
1	Insurance		32 828,00		31 145,32
2	Membership fee		8 167,00		
3	Subscriptions		11 330,91		1 000,00
4	Maintenance support		5 350,97		2 124,98
5	Plane tickets		3 136,12		7 132,17
6	Company run		1 040,00		
	Total		61 853,00		41 402,47

In periods covered by the financial statement the Company did not have other long-term and short-term accruals.

## 9 SHARE CAPITAL

### SHARE CAPITAL AS AT THE BALANCE SHEET DATE

Item	Specification	as at	
		31.03.2019	31.03.2018
1.	Number of shares	10 000	10 000
2.	Nominal value of 1 share	500,00	500,00
3.	Share capital	5 000 000,00	5 000 000,00

### OWNERSHIP STRUCTURE OF THE SHARE CAPITAL AS AT THE BALANCE SHEET DATE

Item	Shareholder	Number of shares	% of the share capital	Number of votes	% of the total number of votes
1.	Glenmark Holding SA	10 000	100,00%	10 000	100,00%
	Total	10 000	100,00%	10 000	100,00%

### OWNERSHIP STRUCTURE OF THE SHARE CAPITAL AS AT THE PREVIOUS BALANCE SHEET DATE

Item	Shareholder	Number of shares	% of the share capital	Number of votes	% of the total number of votes
1.	Glenmark Holding SA	10 000	100,00%	10 000	100,00%
	Total	10 000	100,00%	10 000	100,00%

## 10 REVALUATION RESERVE

In periods covered by the financial statement the Company did not hold revaluation reserve.

## 11 PROVISIONS



CHANGE IN PROVISIONS FOR EMPLOYEE BENEFITS IN THE CURRENT REPORTING PERIOD

Item	Specification	Provisions for:					Total provisions
		retirement severance pay	jubilee bonuses	allowances in-kind	unused annual leaves	other	
1.	Provisions opening balance				870 977,17		870 977,17
2.	Increase in provisions (due to):				743 431,42	-	743 431,42
2.1	- provisions established in the period, recognised in the profit and loss account				743 431,42		743 431,42
2.2	- other						-
2.3	- subsidiary purchase						-
2.4	- exchange differences arising on the translation of a financial statement of a foreign entity						-
3.	Decrease in provisions (due to):				870 977,17		870 977,17
3.1	- provisions released in the period, recognised in the profit and loss account				870 977,17		870 977,17
3.2	- other						-
3.3	- subsidiary sale						-
3.4	- exchange differences arising on the translation of a financial statement of a foreign entity						-
4.	Provisions closing balance, including:				743 431,42		743 431,42
4.1	- long-term						-
4.2	- short-term				743 431,42		743 431,42

CHANGE IN PROVISIONS FOR EMPLOYEE BENEFITS IN THE PREVIOUS REPORTING PERIOD

Item	Specification	Provisions for:					Total provisions
		retirement severance pay	jubilee bonuses	allowances in-kind	unused annual leaves	other	
1.	Provisions opening balance				595 843,58		595 843,58
2.	Increase in provisions (due to):				870 977,17		870 977,17
2.1	- provisions established in the period, recognised in the profit and loss account				870 977,17		870 977,17
2.2	- other						-
2.3	- subsidiary purchase						-
2.4	- exchange differences arising on the translation of a financial statement of a foreign entity						-
3.	Decrease in provisions (due to):				595 843,58		595 843,58
3.1	- provisions released in the period, recognised in the profit and loss account				595 843,58		595 843,58
3.2	- other						-
3.3	- subsidiary sale						-
3.4	- exchange differences arising on the translation of a financial statement of a foreign entity						-
4.	Provisions closing balance, including:				870 977,17		870 977,17
4.1	- long-term						-
4.2	- short-term				870 977,17		870 977,17

**12 FINANCIAL LIABILITIES**

The company has no other financial liabilities apart from trade liabilities.

**13 FINANCIAL RISK MANAGEMENT**

The company has many risks. The first is the credit risk that the Company attempts to reduce through cooperation with a limited group of recipients. The group cooperates with Euler Hermes, which sets credit limits. The company tries not to cooperate with companies that do not have a specific credit limit. The next risk is the liquidity risk, which the Company limits through financial support from the group, extending payment deadlines and through the use of other financing methods such as factoring. The risk of exchange rate fluctuations The Company tries to limit by cooperating with a limited number of suppliers from abroad. The last risk that the Company faces is the risk of changing the price. The purchase prices of commodities from related companies are set in such a way as to provide the Company with a proper margin, assuming that the sales plan is implemented. The most prone to price erosion are products sold in hospital tenders, which is why the Company has a limited portfolio in this area. The company's main financial instruments include trade receivables (category of loans and own receivables) in the amount of PLN 40,873,100.28, cash (loan category and own receivables) in the amount of PLN 4,747,928.23, as well as trade payables (other liabilities category) in the amount of PLN 58.790.09.56. The carrying amount of these instruments is their approximate fair value.

**14 HEDGE ACCOUNTING**

The Company does not use hedge accounting.

**15 LIABILITIES SECURED ON THE ENTITY'S ASSETS**

In periods covered by the financial statement the Company did not have any liabilities secured on the entity's assets.

**16 CONDITIONAL LIABILITIES**

The company has no contingent liabilities.

**17 OTHER INFORMATION REGARDING EQUITY**

**17.1. Proposed division of financial result**

In the current year the Company suffered loss which shall be covered by revenues from next years.

**18 REVENUES FROM SALES**

**NET REVENUES FROM SALES OF PRODUCTS, GOODS AND MATERIALS – BY TYPE**

Item	Specification	for the period	
		from 01.04.2018 to 31.03.2019	from 01.04.2017 to 31.03.2018
1.	Net revenue from the sales of products:		
1.1.	- products	31 124 787,79	32 958 071,50
1.2.	- services (re-invoiced costs)		
		31 124 787,79	32 958 071,50
2.	Net revenue from the sale of goods and materials:		
2.1.	- goods	59 751 276,15	53 050 066,53
		59 693 208,19	52 979 521,94

2.2.	- materials	58 067,96	70 544,59
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**NET REVENUES FROM SALES OF PRODUCTS, GOODS AND MATERIALS – BY TERRITORY**

Item	Specification	for the period	
		from 01.04.2018 to 31.03.2019	from 01.04.2017 to 31.03.2018
1.	Net revenue from the sales of products:	31 124 787,79	32 958 071,50
1.1.	- country		
1.2.	- export	31 124 787,79	32 958 071,50
2.	Net revenue from the sale of goods and materials:	59 751 276,15	53 050 066,53
2.1.	- country	59 693 208,19	52 979 521,94
2.2.	- export	58 067,96	70 544,59

**19 OTHER REVENUES AND COSTS**

**19.1. Other operating activity**

**OTHER OPERATING REVENUES**

Item	Specification	for the period	
		from 01.04.2018 to 31.03.2019	from 01.04.2017 to 31.03.2018
1.	Gain on disposal of non-financial fixed assets	540,65	-
2.	Subsidies		
3.	Revaluation of non-financial fixed assets		605 851,50
4.	Other operating revenues:	31 707,74	2 608,15
4.1.	- due to rounding	2,74	3,15
4.2.	- other	31 705,00	2 605,00
5.	Total other operating revenues	32 248,39	608 459,65

#### OTHER OPERATING EXPENSES

Item	Specification	for the period	
		from 01.04.2018 to 31.03.2019	from 01.04.2017 to 31.03.2018
1.	Loss on disposal of non-financial fixed assets	-	843,59
1.1.	- revenue on disposal (-)	-	843,59
1.2.	- net value of disposed fixed assets (+)	-	-
2.	Revaluation of non-financial fixed assets	573 361,34	-
3.	Other operating expenses:	5 888,68	2 090,92
3.1.	- due to rounding	-	-
3.2.	- donations	1,26	2,45
3.3.	- provision for costs of court proceedings ASA Sp. z o.o.	-	-
3.4.	- other	5 887,42	2 088,47
4.	Total other operating expenses	579 250,02	2 934,51

#### 19.2. Financial activity

##### FINANCIAL REVENUES – INTEREST

Item	Specification	Interest accrued and realised	Interest accrued and not realised	Total interest
1.	Towards related parties	-	-	-
1.1.	- debt financial instruments	-	-	-
1.2.	- loans granted	-	-	-
1.3.	- own receivables	-	-	-
1.4.	- other assets	-	-	-
2.	Towards other entities	2 739,56	-	2 739,56
2.1.	- debt financial instruments	-	-	-
2.2.	- loans granted	-	-	-
2.3.	- own receivables	-	-	-
2.4.	- deposits and other assets	2 739,56	-	2 739,56

##### FINANCIAL EXPENSES – INTEREST

Item	Specification	Interest accrued and realised	Interest accrued and not realised	Total interest
1.	Towards related parties	-	-	-
1.1.	- financial liabilities held for trading	-	-	-
1.2.	- long-term financial liabilities	-	-	-
1.3.	- other short-term liabilities	-	-	-
1.4.	- other liabilities	-	-	-
2.	Towards other entities	-	-	-
2.1.	- financial liabilities held for trading	-	-	-
2.2.	- long-term financial liabilities	-	-	-
2.3.	- other short-term liabilities	-	-	-
2.4.	- other liabilities	-	-	-

##### OTHER FINANCIAL EXPENSES

Item	Specification	for the period	
		from 01.04.2018 to 31.03.2019	from 01.04.2017 to 31.03.2018
1.1.	Surplus of negative exchange differences over positive ones	793 069,64	-
1.2.	Other	280 384,79	253 524,67
	Total other financial revenues	1 073 454,43	253 524,67

### OTHER FINANCIAL REVENUES

Item	Specification	for the period	
		from 01.04.2018 to 31.03.2019	from 01.04.2017 to 31.03.2018
1.1.	Surplus of positive exchange differences over negative ones	-	491 035,79
1.2.	Other		
<b>Total other financial revenues</b>			<b>491 035,79</b>

### 20 EXTRAORDINARY EVENTS

In periods covered by the financial statement no extraordinary events took place in the Company.

### 21 INCOME TAX

#### 21.1. Current income tax

SETTLEMENT OF CURRENT CORPORATE INCOME TAX FOR THE REPORTING PERIOD			
Item	Specification	for the period	
		from 01.04.2018 to 31.03.2019	from 01.04.2017 to 31.03.2018
1.	Revenue and profits in records	90 867 439,54	87 110 171,14
2.	Non-taxable revenue and exempt from tax (due to):	- 12 494 894,70	- 9 310 728,85
2.1.	- exchange differences	32 714,80	239 350,79
2.2.	- provisions released on revenue of future periods		615 780,17
2.3.	- non-tax revenue due to invoiced provisions		- 9 928,67
2.4.	- written-off liabilities towards recipients	- 360 780,79	- 626 257,63
2.5.	- release of provisions for returns	626 257,63	
2.6.	- sales adjustments - provision	- 11 604 265,70	- 9 529 673,51
2.7.	- deferred sales - goods issued in April invoices issued in March	- 1 188 820,64	
3.	Tax revenues not being accounting revenues (due to):	- 9 383 404,64	- 8 053 820,16
3.1.	- exchange differences from previous years	146 268,87	89 630,23
3.2.	- released provisions from last year	- 9 529 67,51	- 8 143 450,39
4.	Total tax revenue (1-2+3)	93 978 929,60	88 367 079,83
5.	Costs and losses in records	98 789 943,83	92 747 388,24
6.	Costs and losses being non-deductible expenses	212 119,66	550 395,42
6.1.	- donations	72 658,71	51 163,77
6.2.	contributions to the State Fund for the Rehabilitation of the Disabled	92 398,00	100 975,00
6.3.	interest		961 671,36
6.4.	- - non-deductible VAT	5 829,89	4 093,10
6.5.	- - other costs	41 233,06	32 492,19
7.	Costs and losses temporarily being non-deductible expenses	- 60 178,58	629 867,13
7.1.	- released provisions from last year	- 2 232 766,69	- 1 695 980,73
7.2.	- established provisions	1 956 966,23	2 232 766,69
7.3.	- exchange differences	44 677,40	93 081,17
7.4.	- costs from updating the value of stocks	573 361,34	
7.5.	- costs of goods sold regarding deferred sales	- 402 416,86	
7.6.	- factoring costs being non-deductible expenses		
7.7.	- difference between tangible fixed assets and intangible assets amortisation / depreciation for tax and balance sheet purposes		
7.8.	- unpaid interest on loans		
8.	Tax costs not being accounting costs		
8.1.	- paid interest on loans from previous years		
8.2.	- difference between tangible fixed assets and intangible assets amortisation / depreciation for tax and balance sheet purposes		
8.3.	- difference in recognition of factoring costs for tax and balance sheet purposes		
9.	Total tax costs (5-6-7+8)	98 638 002,75	91 567 125,69

GLENMARK PHARMACEUTICALS Sp. z o. o.  
 Financial Statement for the year ended 31 March 2019

10.	Income / loss (4-9)	- 4 659 073,15	- 3 200 045,86
11.	Income exempt from tax (amounts to be written with +)	-	-
12.	Income deductions:	-	-
12.1.	- tax losses from previous years	-	-
12.2.	- donations	-	-
12.3.	- other	-	-
13.	Tax base (10-11-12)	- 4 659 073	- 10 672 942
14.	Income tax according to rate	- 885 223,87	- 2 027 858,98
15.	Tax deductions	-	-
16.	Tax due (14-15)	- 885 224	- 2 027 859

21.2. Deferred income tax

DEFERRED TAX ASSETS

Item	Specification of temporary differences – difference between tax and carrying value:	assets in the balance sheet as at		change of the asset in correspondence with financial result for the period		change of the asset in correspondence with equity for the period	
		31.03.2019	31.03.2018	from 01.04.2018 to 31.03.2017	from 01.04.2017 to 31.03.2018	from 01.04.2018 to 31.03.2017	from 01.04.2017 to 31.03.2018
1.	tangible fixed assets and intangible assets (without leasing)						
2.	tangible fixed assets and intangible assets in financial leasing						
3.	loans granted						
4.	financial assets at purchase price						
5.	Reserves from returns	68 548	118 989	- 50 441	118 989		
6.	Reserves for stock	110 825	1 886	108 939	1 886		
7.	trade receivables and other (provision for rebates)	2 204 810	1 810 638	394 173	263 382		
8.	provisions for employee benefits	141 252	165 486	- 24 234	52 275		
9.	other provisions	230 572	258 740	- 28 168	49 714		
10.	factoring costs	-	-	-			
11.	trade liabilities and other (exchange differences)	2 273	- 27 791	30 064	- 10 761		
12.	interest on loan	-	-	-	- 19 483		
13.	tax losses to be settled next years	3 521 092	2 635 867	885 224	465 674		
14.	other temporary differences	149 417		149 417			
	<b>Total</b>	<b>6 428 789</b>	<b>4 963 815</b>	<b>1 464 974</b>	<b>921 676</b>		

DEFERRED TAX PROVISION

Item	Specification of temporary differences – difference between tax and carrying value:	provisions in the balance sheet as at		change of the provision in correspondence with financial result for the period		change of the provision in correspondence with equity for the period	
		31.03.2019	31.03.2018	from 01.04.2018 to 31.03.2017	from 01.04.2017 to 31.03.2018	from 01.04.2018 to 31.03.2017	from 01.04.2017 to 31.03.2018
1.	tangible fixed assets and intangible assets (without leasing)						
2.	tangible fixed assets and intangible assets in financial leasing						
3.	loans granted						
4.	financial assets at fair value						
5.	trade receivables and other receivables (revenues accrued statically)						
6.	credits and loans obtained						
7.	financial liabilities at fair value						
8.	trade liabilities and other (exchange differences)						
9.	other temporary differences						
	<b>Total</b>						

The income tax burden shown in profit and loss account -deferred part	- 1 464 974
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22. DISCONTINUED OPERATIONS

In periods covered by the financial statement the Company did not discontinue its operations.

## 23. ADDITIONAL INFORMATION TO THE CASH FLOW STATEMENT

### STRUCTURE OF CASH RECOGNISED IN THE CASH FLOW STATEMENT

Item	Specification	As at	
		31.03.2019	31.03.2018
1.	Cash in hand	902,69	982,69
2.	Cash at bank	4 747 025,54	6 172 298,11
3.	Other cash		
4.	Other cash assets		
5.	Total cash indicated in the balance sheet	4 747 025,54	6 173 280,80
6.	Short-term financial assets classified for the purpose of cash flow statement as cash		
7.	Exchange differences from the balance sheet cash valuation		
8.	Total cash indicated in the cash flow statement	4 747 025,54	6 173 280,80

## 24. EXCHANGE RATES

### EXCHANGE RATES USED IN VALUATION OF ITEMS EXPRESSED IN FOREIGN CURRENCIES

Item	Specification	As at	
		31.03.2019	31.03.2018
1.	EUR/PLN	4,3013	4,2085
2.	USD/PLN	3,8365	3,4139

## AVERAGE EMPLOYMENT

### AVERAGE EMPLOYMENT WITH A BREAKDOWN INTO PROFESSIONALS

Item	Specification	For the period	
		from 01.04.2018 to 31.03.2019	from 01.04.2017 to 31.03.2018
1.	White collar	97	111
2.	Blue collar		
3.	Total number of employees	97	111

## 25. REMUNERATION PAID OR PAYABLE TO MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES

In periods covered by the financial statement the Company paid remuneration to members of the management and supervisory bodies, however, the Company's policy makes their disclosure impossible.

## 26. LOANS AND SIMILAR ALLOWANCES GRANTED TO MEMBERS OF THE MANAGEMENT AND SUPERVISORY BODIES

In periods covered by the financial statement loans and similar allowances were not granted to members of the management and supervisory bodies.

## 27. REMUNERATION OF AN ENTITY AUTHORISED TO AUDIT THE FINANCIAL STATEMENT



Remuneration of an entity authorised to audit the financial statement paid and due for the financial year includes:

- Audit of the financial statement for the period from 01.04.2018 to 31.03.2019, which according to the agreement amounts to PLN 40 000,00.
- Quarterly reviews for the periods of 01/04/2018-30.06.2018, 01/07/2018-30/09/2018, 1/11/2018-31/12/2018, which according to the agreement amounted to 30,500.00

## 28. CONTRACTS EXECUTED BY THE COMPANY NOT INCLUDED IN THE BALANCE SHEET

In periods covered by the financial statement the Company did not execute any contracts not included in the balance sheet.

## 29. TRANSACTIONS WITH RELATED PARTIES

### INFORMATION ON TRANSACTIONS WITH RELATED PARTIES – SALE AND RECEIVABLES

Item	Specification	Revenue from sale of products, goods and materials	Other operating revenue	Long-term receivables (net value)	Receivables due to deliveries and services			Other short-term receivables (net value)
					net value	gross value due to deliveries and services	revaluation write-offs	
1.	Glenmark Pharmaceuticals S.R.O.	31 051 023,96				11 762 166,42		
2.	Glenmark Pharmaceuticals Distribution s.r.o.	126 186,09				175 739,32		
3.	Glenmark Pharmaceuticals Europe UK	493,65						
4.	Glenmark Pharmaceuticals SRL	4 495,05						
5.	Glenmark Pharmaceuticals LTD India	657,00				1 382,00		
	<b>Total</b>	<b>31 182 855,75</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11 939 287,74</b>	<b>-</b>	<b>-</b>

### INFORMATION ON TRANSACTIONS WITH RELATED PARTIES – PURCHASE AND LIABILITIES

Item	Specification	Acquisitions made as:				Short-term liabilities		Long-term liabilities (without loans)
		costs of primary business activity	other operating costs	current assets	fixed assets	due to deliveries and services	other (without loans)	
1.	Glenmark Pharmaceuticals S.R.O.	45 379 878,69				50 158 208,97		
2.	Glenmark Pharmaceuticals Distribution s.r.o.	1 724 139,93				2 013 735,32		
3.	Glenmark Pharmaceuticals Europe UK	176 719,17				176 966,02		
4.	Glenmark Pharmaceuticals Ltd, India							
	<b>Total</b>	<b>47 280 737,79</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>52 348 910,31</b>	<b>-</b>	<b>-</b>

**INFORMATION ON TRANSACTIONS WITH RELATED PARTIES – FINANCIAL ACTIVITY**

Item	Specification	Loans granted:			Loans received:		
		long-term financial assets	short-term financial assets	financial income due to interest	long-term liabilities	short-term liabilities	financial costs due to interest
1.	Glenmark Pharmaceuticals S.R.O.						
	Total	-	-	-			

**30. INFORMATION ON SIGNIFICANT EVENTS REGARDING PREVIOUS YEARS INCLUDED IN THE FINANCIAL STATEMENT OF THE FINANCIAL YEAR**

To the date of the financial statement for the financial year, i.e. to 20 May 2019, no events regarding previous years took place which should be recorded in the books of account of the financial year for which the financial statement was prepared.

**31. INFORMATION ON SIGNIFICANT EVENTS THAT TOOK PLACE AFTER THE BALANCE SHEET DATE, NOT INCLUDED IN THE FINANCIAL STATEMENT**

After the balance sheet date to the date of the financial statement for the financial year, i.e. to 20 May 2019, no events took place that would have not been recorded in the books of account of the financial year for which the financial statement was prepared.

**32. CHANGES IN ACCOUNTING PRINCIPLES (POLICIES) IN THE FINANCIAL YEAR**

In the financial year ended 31 March 2019 there were no changes to the accounting principles.

**33. INFORMATION ON UNCONSOLIDATED JOINT VENTURES**

Not applicable.

**34. LIST OF ENTITIES IN WHICH THE COMPANY HOLDS AT LEAST 20% OF SHARES IN THE EQUITY OR GENERAL NUMBER OF VOTES IN THE GOVERNING BODY OF SUCH ENTITY**

The Company does not hold any shares in the equity of other entities.

**35. CONSOLIDATED FINANCIAL STATEMENT**

Financial statements are consolidated by Glenmark Pharmaceuticals L.T.D in India.

**36. MERGER OF COMPANIES**

In periods covered by the financial statement, the Company did not merge with other Commercial Companies.

**37. UNCERTAINTIES AS TO THE POSSIBILITY OF CONTINUING OPERATIONS**

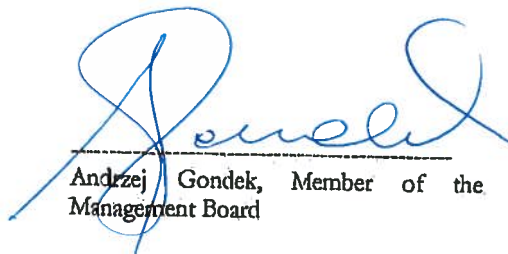
The Management Board does not see any threats as to the possibility of continuing operations by the Company.

**38. OTHER SIGNIFICANT INFORMATION**

Not applicable.



\_\_\_\_\_  
Achin Gupta, Member of the Management Board



\_\_\_\_\_  
Andrzej Gondek, Member of the Management Board



\_\_\_\_\_  
Oliver Henry Bourne, Member of the Management Board



\_\_\_\_\_  
Izabela Markowska, Person in charge of bookkeeping