

INDEPENDENT AUDITOR'S REPORT
regarding audit of financial statements
LLC GLENMARK UKRAINE
for the year ended 31.03.2019
(reporting period 01/04/2018 – 31/03/2019).

Addressee:

Those who have the highest authority
and participants of LLC GLENMARK UKRAINE

Financial Statement Report

Opinion

We have audited the financial statements of the Limited Liability Company GLENMARK Ukraine (Code of the Registration No 41222160, registration address 04070, Ukraine, Kyiv, Illinskaya St., Building 8, building 2, floor 4), which includes a statement of financial position for the fiscal year, ended March 31, 2019 and 2018, as well as related statements of comprehensive income, changes in equity and cash flows for the years then ended, as well as a summary of the main accounting policies and other explanatory notes.

In our opinion, the financial statements of LLC GLENMARK Ukraine (hereinafter - the Commodity Price) reflect credibly, in all material aspects, for the year ended March 31, 2019 and 2018, are prepared in accordance with the Law of Ukraine "On Accounting and Financial Reporting in Ukraine" "And the International Financial Reporting Standards.

The basis for the thought

We conducted an audit in accordance with the "International Standards on Quality Control, Audit, Inspection, Other Assurance and Related Services", the 2015 edition (ISA), adopted as National Auditing Standards, by the Audit Chamber of Ukraine No. 344 dated 04/05/2017, for application to tasks to be completed after June 01, 2017.

Our responsibility for these standards is set out in the section "Auditor's Responsibility for the Audit of Financial Statements" in our report.

We are independent in relation to the Society in accordance with the Code of Ethics of Professional Accountants of the International Standards of Ethics for Accountants (IFAC Code). The ethical requirements applied in Ukraine to our audit of financial statements, as well as other ethics responsibilities in accordance with these requirements and the IFAC Code.

We believe that the audit evidence we receive is sufficient and acceptable to use as the basis for our opinion.

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF FINANCIAL ACCOUNT
LLC "GLENMARK UKRAINE" for the period as of 01.04.2018 - 31.03.2019.**

Responsibility of senior management and those with the highest authority for financial reporting.

The management of the Company is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS and for such an internal control system that management determines as necessary to ensure the preparation of financial statements that does not contain material damage due to fraud or error. When compiling financial statements, management personnel are responsible for assessing the ability of an entity to continue to operate on an ongoing basis, disclosing, where applicable, the nutrition that is related to the continuity of the ACTIVITY, and making use of the assumptions about the continuity of the ACTIVITY as the basis for accounting, except for cases where management the personnel or plans to liquidate the company or the affiliated company, or if there are no other real alternatives to it.

Those charged with governance are responsible for overseeing the financial reporting process of the Company.

Auditor's responsibility for audit of financial statements.

Our goals are to obtain reasonable assurance that the financial statements as a whole do not contain material damage as a result of fraud or error, as well as the issuance of an auditor's report that includes our opinion. Reasonable confidence is a high level of assurance, but it does not guarantee that an audit conducted in accordance with the ISA always reveals a significant distortion if it exists. Distortion may be the result of fraud or error; they are considered material if, individually or collectively, they are reasonably expected to affect the economic decisions of users that are taken on the basis of these financial statements. By performing an audit in accordance with the requirements of ISA, we use professional judgment and adhere to professional skepticism throughout the audit task.

In addition, we:

- Identify and assess the risks of material misstatement of financial statements as a result of fraud or error, develop and perform audit procedures in response to these risks, and obtain audit evidence that is sufficient and acceptable to use as a basis for our opinion. The risk of non-disclosure of material misstatement due to fraud is higher than for distortion as a result of a mistake, as fraud may include conspiracy, forgery, deliberate omission, incorrect statements or neglect of internal control measures;
- We understand the internal audit controls that are relevant to the audit, to develop audit procedures that are appropriate to the circumstances, and not to express an opinion on the effectiveness of the internal control system;
- assess the appropriateness of the applied accounting policies and the reasonableness of accounting estimates and relevant disclosures of information made by management personnel;
- We reach the conclusion as to the appropriateness of using the assumption of continuity of activities as a basis for accounting by management personnel and, on the basis of audit evidence obtained, we conclude that there is a significant uncertainty about events or conditions that would put into question the possibility of the Company to continue its uninterrupted activity. If we arrive at a conclusion about the existence of such significant uncertainty, we should draw attention in our auditor's report to relevant disclosures in the financial statements or, if such disclosures are inappropriate, to modify their views. Our findings are based on audit evidence received prior to the date of our

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Свідоцтво про відповідність системи контролю якості
видане згідно Рішення Аудиторської палати України
від 24.12.2014р.

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF FINANCIAL ACCOUNT
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auditor's report. However, future events or conditions may force the company to terminate its activities on an ongoing basis.

- Assess the overall presentation, structure and content of financial statements, including disclosures, as well as whether the financial statements of operations and events underlying its compilation are presented in such a way as to achieve a credible presentation.

We notify those with the highest authority, information about the planned amount and timing of the audit and significant audit results, including any significant weaknesses in the internal control measures that we identified during the audit.

We also provide those with the highest authority the statement that we have met the relevant ethical requirements for independence, and we notify them of all relations and other issues that might reasonably be considered to affect our independence, as well as where applicable, regarding appropriate precautionary measures.

On behalf of the audit firm



Trushkevich T.M.

Director (certificate of auditor of series A No. 001147 dated April 28, 1994)

AUDIT FIRM AUDIT OPTIM

Registration Code: 21613474

Ukraine, Kiev, ul. Chervonopraparna, b.34, korp. 4

Actual location: Kiev, street. Horyva, 23, of.1

phone: +38 (044) 425-74-99

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GLENMARK UKRAINE LLC

Statement of Financial Position	Sch	Mar 31 2019		Mar 31 2018	
		UAH		UAH	
		IFRS		IFRS	
ASSETS					
<i>Current assets</i>					
Cash and cash equivalents	A	25,512,201		17,505,839	
Restricted cash	B	-		-	
Trade receivables	C	53,627,892		51,755,366	
Inventories	D	29,828,566		25,711,039	
Other short-term financial assets	E	-		-	
Other current assets	F	3,969,183		3,648,364	
Total current assets		112,937,842		98,620,607	
<i>Non current assets</i>					
Property, plant and equipment	G	1,241,609		1,684,949	
Other Intangible Assets	H	469,765		466,252	
Goodwill	I	-		-	
Non-current tax assets	J	-		-	
Deferred tax assets	K	-		-	
Long term financial assets	L	-		-	
Total non - current assets		1,711,373		2,151,201	
Total assets		114,649,216		100,771,808	
EQUITY AND LIABILITIES					
<i>Current liabilities</i>					
Trade payables	M	42,863,298		42,777,308	
Current tax liabilities	N	5,376,410		2,357,683	
Short-term borrowings	O	-		-	
Current portion of long term borrowings	P	811,833		708,833	
Other liabilities	Q	1,445,511		5,079,514	
Short-term financial liabilities	R	-		-	
Provisions	S	-		-	
Total current liabilities		50,497,052		50,923,338	
<i>Non-current liabilities</i>					
Long-term borrowings	T	10,718,601		24,297,354	
Other liabilities	U	-		-	
Long-term financial liabilities	V	-		-	
Deferred tax liabilities	K	-		-	
Total non-current liabilities		10,718,601		24,297,354	
Total liabilities		61,215,653		75,220,692	
<i>Stockholders' equity</i>					
Share capital	W	18,570,305		13,212,889	
Currency translation reserve		-		-	
Retained earnings		34,895,258		12,308,227	
Non Controlling Interest		-		-	
Total stockholders' equity		53,433,563		25,551,116	
Total equity and liabilities		114,649,216		100,771,808	

NOTES TO THE FINANCIAL STATEMENTS

AG

Schedules referred to above and notes attached there to form an integral part of the Balance Sheet.

For and behalf of

Partner

Place : Kiev - Ukraine

Date : Apr 14, 2019



O. Kharchenko
(fin. Director)

Deepak Sharma
Director



GLENMARK UKRAINE LLC

Statement of Comprehensive Income	Sch	Mar 31 2019		Mar 31 2018	
		UAH		UAH	
		IFRS		IFRS	
INCOME					
Operating Revenue	X	217,685,385		128,893,426	
Other income	Y	2,588,523		602,817	
Total		220,273,907		129,496,243	
Materials consumed	Z	-		-	
Changes in Inventories of FG and WIP		(4,117,528)		(25,711,039)	
Purchase of Traded Goods		87,919,673		74,013,179	
Employee benefit expenses	AA	39,944,629		26,752,931	
Other expenses	AB	64,953,455		37,066,464	
Depreciation, amortisation and impairment of non-financial assets	AC	1,754,064		366,115	
Total		190,454,293		112,487,651	
Operating profit		29,819,614		17,008,593	
Finance costs	AF	(1,856,174)		(1,667,002)	
Finance income	AD	-		-	
Profit/(Loss) before tax		27,963,440.38		15,341,590	
Current tax expenses	AF	(5,376,410)		(3,033,363)	
Deferred tax expenses	AF	-		-	
Total Tax expenses		(5,376,410)		(3,033,363)	
Profit/(Loss) after tax from continuing operations		22,587,030		12,308,227	

Schedules referred to above and notes attached there to form an integral part of the Balance Sheet.

22,587,030.38 12,308,227.22
(0.00) -

Partner



Place : Kiev - Ukraine
Date : Apr 14, 2019

Oksarbenko
(fin. director)

[Signature]

[Signature]



Glenmark UKRAINE LLC

CASH FLOW STATEMENT	UAH	UAH
	Mar 31 2019	March 31,2018
(A) Cash flow from operating activities		
Profit before tax	27,963,440	15,341,590
<i>Adjustments for non cash items:</i>		
Profit on sales of property, plant and equipment		
Depreciation	1,754,064	366,115
Unrealised gain on exchange fluctuation	(1,617,074)	1,085,429
Provision for Tax & Deferred Tax		
Interest expenses	1,856,174	1,667,002
Loss from the sale/write off of property, plant and equipment		
Prior Period Expenses Debited Directly to reserve	-	-
Cash flows from operations before changes in working capital	29,956,605	18,460,136
<i>Changes in operating assets and liabilities</i>		
Non current liabilities, trade payables and other current liabilities	(3,634,003)	5,079,514
Non current liabilities, trade payables and other current liabilities - Inter Co	540,358	44,310,115
Trade receivables and unbilled revenue	(1,872,527)	(51,755,366)
Changes in Inventories-InterCo	(4,117,528)	(25,711,039)
Other current assets	(320,819)	(3,648,364)
Taxes paid	(2,357,683)	(675,680)
Net cash generated from operating activities	18,194,403	(13,940,683)
(B) Cash flow from investing activities		
Purchase of property, plant and equipment	(764,828)	(1,937,251)
Purchase of other intangible assets	(549,408)	(580,065)
Proceeds from sale of property, plant and equipment		
Interest received		
Net cash generated from/ (used in) investing activities	(1,314,236)	(2,517,316)
(C) Cash flows from financing activities		
Proceeds from issue of shares-InterCo	5,295,416	13,242,889
Borrowings		
Interest paid on borrowings	(1,733,085)	(962,607)
Interest on borrowings		
Re-payment of Loan	(12,436,136)	(7,922,585)
Net cash (used in)/ generated from financing activities	(8,873,805)	33,963,838
Net change in cash and cash equivalents from continuing operations	8,006,362	17,505,839
FCTR Adjustments		
Net change in cash and cash equivalents	8,006,362	17,505,839
Cash and cash equivalents at the beginning of the year	17,505,839	
Effect of change in exchange rate on cash and cash equivalents		
Cash and cash equivalents at the end of the year	25,512,201	17,505,839

This is the Cash Flow Statement referred to our report of even date

Partner

Place : Kiev- Ukraine

Date : Apr 14, 2019



Okhardenko
(Fin. Director)

Deepak Sharma
Director

GLENMARK IMPEX LLC

Schedule W : Statement of Changes in Equity

UAH

Particulars	Share Capital	Retain earnings	Currency translation reserve	Total Equity
Balance as at April 1, 2017				
Dividends				
Issue of share capital	13,242,889			13,242,889.00
Transactions with owners				
Profit for the year				
Other comprehensive income:				
Cash flow hedging				
- current year gains (losses)		12,308,227		12,308,227
- reclassification to profit or loss				
Available-for-sale financial assets				
- current year gains (losses)				
- reclassification to profit or loss				
Difference from method change 2012				
Exchange differences on translating foreign operations				
Share of other comprehensive income of equity accounted investments				
- reclassification to profit or loss				
Income tax relating to components of other comprehensive income				
Total comprehensive income for the year				
Balance at March 31, 2018	13,242,889	12,308,227		25,551,116
Dividends				
Issue of share capital	5,295,416			5,295,416
Transactions with owners				
Profit for the year				
Other comprehensive income:				
Cash flow hedging				
- current year gains (losses)		22,587,030		22,587,030
- reclassification to profit or loss				
Available-for-sale financial assets				
- current year gains (losses)				
- reclassification to profit or loss				
Exchange differences on translating foreign operations				
Income tax relating to components of other comprehensive income				
Balance at Mar 31 2019	18,538,305	34,895,258		53,433,563



O. Chodurenko
(Fin. director)

Deepak Sharma
Director

**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF FINANCIAL ACCOUNT
LLC "GLENMARK UKRAINE" for the period as of 01.04.2018 - 31.03.2019.**

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2019

1. INTRODUCTION. GENERAL INFORMATION.

1. Main activity

MAIN INFORMATION ABOUT THE COMPANY

The full and abbreviated name of the Company	Товариство з обмеженою відповідальністю «ГЛЕНМАРК УКРАЇНА» (ТОВ «ГЛЕНМАРК УКРАЇНА»)
Full and abbreviated name of the Company in English	"GLENMARK UKRAINE" LIMITED LIABILITY COMPANY ("GLENMARK UKRAINE" LLC)
Registration No	41222160
The legal and actual address of the Company	04070, Ukraine, Kyiv, Ukraine Illinskaya street, building 8, building 2, floor 4
Date and number of the entry in the Unified State Register of Legal Entities, Individual Entrepreneurs and Public Associations	20.03.2017 1 071 102 0000 037 812
Surname, name and patronymic of persons having the right to perform legal actions on behalf of the legal entity (without power of attorney)	SHARMA DEEPAK (according to the Statute) - the Director
Data on the main type of economic activity	wholesale of pharmaceuticals and medical products
Information on the availability of licenses	
Authority issuing the license	Назва та термін дії ліцензії
State Service of Ukraine for Drugs and Drug Control	Wholesale of pharmaceuticals valid from 06.04.2017, expires: Indefinitely / Valid Import of medicines from 23.05.2017 Validity: Indefinitely Valid

GLENMARK UKRAINE LLC is registered in accordance with the decision of the founder in the form of the Limited Liability Company (hereinafter referred to as the Company). The only member of the Company is GLENMARK HOLDING SA, which owns 100% of the Company's Charter Capital

Address of the founder: 2300, city of La Chaux-de-Von, Shemin de la Combete 5, SWITZERLAND

The amount of the contribution to the authorized capital is announced in the amount of UAH 18 538 305.00, which is equivalent to USD 700 thousand, as of 31.03.2019. USD 700 thousand was paid, which is 100% of the planned amount.

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**INDEPENDENT AUDITOR'S REPORT ON AUDIT OF FINANCIAL ACCOUNT
LLC "GLENMARK UKRAINE" for the period as of 01.04.2018 - 31.03.2019.**

The organizational structure of the Company is determined by the Statute.

The purpose of the activity is to carry out entrepreneurial activity, through the exercise of the main statutory activities, for profit in the interests of the participants and employees of the Company, as well as the receipt of dividends by the members of the Association.

1.1. Responsibility of the management for the preparation of financial statements.

Management is responsible for the preparation of financial statements, the choice of appropriate accounting principles and the consistent application of these principles, for the adoption of reasonable and judgmental judgments and estimates, for complying with the requirements of IFRS, as well as the disclosure and explanation of any significant deviations from them in the reporting, preparation of the reporting of the Society as an organization capable of continuing its activities on an ongoing basis, if there are no preconditions that would indicate the opposite in the foreseeable future.

The management is also responsible for the establishment, implementation and maintenance of an effective and reliable internal control system in the Company, and the maintenance of reliable accounting documentation in accordance with the legislation and standards of Ukraine, which would reveal with reasonable assurance at any time the financial status of the Company and testified that, that the financial statements meet the requirements of IFRS. The management applies the necessary measures to preserve the Company's assets, detect and prevent fraud and other violations.

1.2. Operating environment, continuity of operation and continued operation.

The Company has no intentions to liquidate or discontinue activities, uncertainties regarding events or conditions that may give rise to significant doubts as to the Company's ability to continue to operate on an ongoing basis.

The assumption of continuity of activities: Based on the foregoing, the management considers it reasonable to compile these financial statements based on the assumption that the Company is an organization capable of continuing its activities on an ongoing basis.

These financial statements reflect the current management's assessment of the possible impact of the economic conditions on the operations and financial position of the Company, and does not include any adjustments to the amounts disclosed that would have been necessary if the Company was unable to continue its business and sold its assets outside of its ordinary activities. Future conditions may differ from management's estimates. These financial statements do not include any adjustments that could occur as a result of such uncertainty. Such adjustments will be reported if they become known and can be evaluated.

2. OBSERVATION FOR THE PREPARATION, APPROVAL AND SUBMISSION OF FINANCIAL STATEMENTS.

The company was registered on March 20, 2017.

Following IFRS 1, the Company has chosen the first reporting period for the year ending March 31, 2018. From this date, the financial statements of the Company are to be prepared in accordance with the requirements of IFRS as developed by the International Accounting Standards Board and the Interpretations Committee of the International Financial Reporting Interpretations Committee, as well as the explanations of the Standing Committee on Interpretations, which have been approved Committee on International Accounting and acted on the date of preparation of financial statements.

The Company uses the same accounting policies when drawing up its previous financial statements in accordance with IFRS and will continue to use this accounting policy for all periods presented in its first comprehensive financial statements in accordance with IFRS. Such accounting policies should comply with all IFRS standards effective at the date of the first full IFRS financial statements (i.e., as at 31 December 2018).

Reporting period of the financial statements: The reporting period for the Company is a calendar year. The presented financial statements are prepared as at March 31, 2019, covering the period from Apr 01, 2018 to March 31, 2019.

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INDEPENDENT AUDITOR'S REPORT ON AUDIT OF FINANCIAL ACCOUNT LLC "GLENMARK UKRAINE" for the period as of 01.04.2018 - 31.03.2019.

The financial statements of the Company are general purpose financial statements.

The preparation of financial statements in accordance with IFRS requires management of the Company to provide estimates and assumptions that affect the amounts reported in the Company's assets and liabilities, disclosure of contingent assets and liabilities at the reporting date, and the reporting amounts of income and expense for the reporting period. Actual results may differ slightly from such estimates. When applying accounting policies, the management of the Society used its own discretion.

These financial statements are prepared on a historical cost basis. The basic assumptions for the preparation of the Company's financial statements in accordance with IAS 1 are the principle of accrual and continuity of activities.

2.1. Application of new, revised and amended International Financial Reporting Standards and Interpretations.

In preparing the financial statements for the period 2017, the Company has applied all new and revised standards and interpretations that are relevant to its operations and are mandatory for use in the compilation of annual accounts.

3. MAIN REGULATIONS OF ACCOUNTING POLICY.

The basis of the formation of accounting policies, changes in accounting policies

The accounting policies described below are applied consistently by the Company in the reporting periods presented in these financial statements for similar transactions, other events or conditions unless the IFRS expressly requires or prevents the definition of the category of items for which other policies may be appropriate. The accounting policy of the reporting period corresponds to the accounting policy applied in the previous reporting year. The financial statements were prepared on the basis of accounting policies and accounting estimates, effective as at 31 December 2017.

The accounting policy of the Company is developed and approved by the Director of the Company, taking into account the requirements of IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors" and other applicable IFRSs, in accordance with Order 1/1 of 03.04.2017 "On Accounting Policy of LLC GLENMARK UKRAINE".

3.1 Basis of measurement, IFRS 13 "Fair value measurement"

The financial statements are prepared on a historical cost basis.

Historical cost is usually determined on the basis of the fair value of the compensation paid in exchange for goods and services.

The fair value of receivables and payables cannot be measured reliably, since there is no market quotation for these assets.

The company maintains accounting in accordance with Ukrainian legislation. These financial statements have been prepared on the basis of the accounting records that the Company conducts in accordance with the requirements of Ukrainian legislation and has been transformed to be presented in accordance with IFRS. These adjustments include certain changes to the classification in order to reflect the economic substance of the operations in question, including a change in the classification of individual assets and liabilities, income and expenses in the relevant articles of the financial statements.

3.2 Form and names of the financial statements.

The format of financial statements of IAS 1 Presentation of Financial Statements does not establish a single format of financial statements, provides a list of indicators that need to be reported in each reporting format and in the notes.

The list and names of the forms of the Company's financial statements conform to the requirements established by the NP (C) BO 1 "General Requirements for Financial Statements". Articles of financial statements under IFRS are included in the most appropriate lines of the forms of financial statements approved by the Ministry of Finance of

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LLC "GLENMARK UKRAINE" for the period as of 01.04.2018 - 31.03.2019.**

Ukraine. Disclosure of additional information, as provided by the IFRS / IAS, is provided in the notes to the annual financial statements.

3.3 Methods of reporting information in financial statements.

The Statement of Financial Position reflects the assets, liabilities and equity of the Company. Collapse of articles of financial assets and liabilities: is unacceptable, except for the cases provided for in IFRS. An asset is shown on the balance sheet, provided that its valuation can be reliably determined and it is expected that future economic benefits associated with its use will be expected. The liability is shown in the balance sheet if its valuation can be reliably determined and there is a likelihood of future economic benefits reduced due to its repayment. Equity is reflected in the balance sheet at the same time as reflecting the assets or liabilities that lead to its change. The measurement and subsequent disclosure of certain balance sheet items in the notes to the financial statements are carried out in accordance with the relevant IFRSs.

The statement of comprehensive income includes the presentation of expenses recognized in profit or loss on a classification based on the method of "cost function" or "cost of sales", according to which, costs are classified according to their functions as part of the cost or, for example, costs of sales or administrative activities .

Presentation of cash flows from operating activities in the Cash Flow Statement is carried out using the straight-line method, which discloses information on the main classes of cash inflows or cash outflows. Information on the main types of cash receipts or payments is formed on the basis of the accounts of the Company.

3.4 Functional currency and foreign currency.

The financial statements of the Company are in the national currency of Ukraine (hryvnia), which is a functional currency and best suits the economic essence of the events and conditions that relate to the Company. At initial recognition, operations in foreign currency are recorded in functional currency at the rate of the National Bank of Ukraine (NBU), effective on the date of transaction or valuation, if articles are subject to revaluation.

At the date of preparation of financial statements in accordance with IAS 21, all monetary items accounted for in foreign currency are translated and reflected in the Statement of financial position at the NBU rate at the reporting date. The exchange rate differences (revenues or losses) arising from repurchase transactions or revaluations of monetary assets or liabilities are shown in the aggregate in the Profit and Loss Statement of the period in which they arose as a net result of operations in foreign currency.

3.5 Cash and cash equivalents

The Company's cash includes cash in banks (current accounts), cash at the cashier's office. In accordance with IFRS 13, Fair Value Measurement, cash and cash equivalents are valued at market value, namely fair value equal to their nominal value. Initial and subsequent valuation of cash and cash equivalents in foreign currency is carried out in the functional currency at the official rate of the National Bank of Ukraine.

3.6 Initial recognition

accordance with the provisions of IAS 39, Financial Instruments: Recognition and Measurement, at initial recognition, financial assets are measured and carried at their actual cost, which consists of the fair value of the assets, liabilities or equity instruments issued or received in exchange for the relevant financial instrument , and expenses that are directly related to the acquisition or disposal of a financial instrument.

3.7 Date of recognition

All standard operations for the sale and purchase of financial assets are recorded at the date of the transaction, that is, on the date when the Company becomes a party to the contract regarding the relevant financial instrument. The standard sale-purchase operations include transactions for the purchase or sale of financial assets, which provide for the transfer of assets within the terms set by law or adopted on the market.

3.8 Property

The initial cost of property, plant and equipment consists of its purchase price and any direct costs associated with the delivery of property and equipment to the working condition and the place of its intended use. Costs incurred after the property and equipment have been put into operation, such as repairs and maintenance, are usually levied on income in the period in which they are incurred. In situations where it can be clearly demonstrated that costs have led to an increase in future economic benefits that are expected to be derived from the use of an item of property, plant

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and equipment beyond its original estimated performance standard, costs are capitalized as additional costs of property and equipment.

Property, plant and equipment are generally presented at historical cost less accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment are accounted for and recognized in the Company's financial statements in accordance with IAS 16. The Company's tangible assets are tangible assets with an expected life of over one year. The initial value of fixed assets includes the purchase price, indirect taxes, import duties related to the acquisition of fixed assets and are not subject to reimbursement, costs for the installation and adjustment of fixed assets, delivery, as well as other costs directly associated with the bringing of fixed assets to a state in which they are suitable for use with the intended purpose.

3.9 The structure of fixed assets

The Company's main assets are classified according to the following groups:

group 3 - buildings, constructions, transmission devices;

group 4 - machines and equipment, including: electronic computers, other machines for the automatic processing of information, associated with them for reading or printing information related to them computer programs (except programs whose acquisition costs copyrights, other information systems, switches, modules, uninterruptible power supplies and their means of connecting to telecommunication networks, telephones (including cellular phones), microphones and radios, copyrights, and other programs, which are recognized as intangible assets) Aqsa, radios, communications equipment whose value exceeds UAH 6,000.00;

group 5 - vehicles (including: motor vehicles, trailers, tractors, etc.);

group 6 - tools, devices, inventory (furniture);

group 11 - low value non-negotiable tangible assets.

3.10 Depreciation

Depreciation is calculated using the straight-line method over the following estimated useful lives:

Number of years

Furniture and appliances 5

Vehicles 3

Computer and accessories 3

Office equipment 3

3.11 Intangible assets

The cost incurred for the exclusive right to sell and distribute certain products, and the license obtained from the Food and Drug Administration is recognized as intangible assets when there is a likelihood that the Company will be able to successfully sell the product. These costs are amortized using the straight-line method over a 10-year period, which is the foreseeable period of its expected benefit.

3.12 Inventories

Reserves are valued at the lowest cost and net realizable value.

The cost is determined using the first in-first-out method. The net realizable value is the estimated selling price in the ordinary course of business, minus the expected costs of marketing and research.

3.13 Recognition of revenue

Revenue should be recognized when significant risks and rewards of ownership are passed on to the buyer.

Revenues and related expenses should be compared. Revenue should be recorded gross in all transactions in which the company participates in all processes and is prone to the risks associated with the provision of goods.

3.14 Interest-bearing loans and loans

All loans and borrowings are initially recognized at the fair value of the consideration received, net of expenses directly related to the issue.

After initial recognition, interest and borrowing costs and related expenses for the issue are subsequently measured at amortized cost using the effective interest rate method.

Gains and losses are recognized in the net profit and loss when the liability is terminated, as well as through the depreciation process.

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3.15 Borrowing costs

Borrowing costs are capitalized if they are directly related to the acquisition or construction of a qualifying asset. Capitalization of borrowing costs begins when asset preparation work is under way, and costs and expenses incurred on loans are incurred. Borrowing costs are capitalized as long as assets are practically not ready for their intended use. If the carrying amount of an asset exceeds its expected recoverable amount, the impairment of assets is recorded.

3.16 Impairment of assets

The carrying amount of property and equipment is reviewed for impairment where events or changes in circumstances indicate that the carrying amount cannot be recovered. If such an indication exists and when the carrying amount exceeds the estimated amount of the expected reimbursement, the property and equipment or cash generating units are recorded to the amount of its expected reimbursement. Amount of expected return of property and equipment above its net selling price and cost of use. Net selling price is the amount that can be obtained from the sale of property and equipment in an agreement entered into between the parties between well-informed stakeholders, after deducting any direct additional costs for removal. In assessing the value in use, future cash flows are discounted to their present value using the tax discount rate, which reflects the current market valuation of the time value of money and the risks specific to property and equipment. For property and equipment that does not generate a significant degree of independent cash inflows, the amount reimbursed is determined for the unit generating the cash flows to which the property and equipment belongs. Any impairment losses are recognized in the income statement.

3.17 Operating lease obligations - the company as a lessee

The lease, concluded by the company, is an operating lease. Total payments made under the operating lease are for current transactions. When an operating lease is terminated before the expiry of the lease term, any payment that must be presented to the lessor in the form of a fine is recognized as an expense in the period in which the termination takes place.

3.18 Foreign exchange agreements

Transactions in foreign currencies are recorded in the UAH, applying to the foreign currency exchange rate the exchange rate between the UAH and foreign currency at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated using the exchange rate at the reporting date. The exchange rate differences arising from the conversion and settlement of funds at rates other than those for which they were initially recognized are recorded in the income statement in the year in which the differences arise.

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4. SUMMARY OF FINANCIAL STATEMENTS INDICATORS FOR GLENMARK UKRAINE LLC

4.1 Cash and cash equivalents

Cash and cash equivalents include the components as follows:

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Cash in current accounts	25 512 201	17 505 839
Total	25 512 201	17 505 839

4.2 Trade receivables [other receivables can be merged here, if material]

The carrying amount of trade receivables are analysed as follows:

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Accounts receivables	53 627 892	51 755 366
Net trade receivables	53 627 892	51 755 366

4.3 Inventories

Inventories recognised in the statement of financial position can be analysed as follows:

Particulars	Mar 31 2019	Mar 31 2017
	UAH	UAH
Finished Goods	29 828 566	25 711 039
Total	29 828 566	25 711 039

4.4. Other current assets

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Prepayment and other advances	3 969 183	3 648 364
Total	3 969 183	3 648 364

4.5 Property, Plant and Equipment

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Gross Block	2 702 079	1 937 251
less: Accumulated depreciation	1 460 471	252 302
Net Block	1 241 609	1 684 949
Total	1 241 609	1 684 949

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4.6 Other Intangible assets

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Gross Block	1 129 473	580 065
less: Accumulated depreciation	659 708	113 813
Net Block	469 765	466 252
Total	469 765	466 252

4.7 Trade payables

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Sundry creditors	42 863 298	42 777 308
Total	42 863 298	42 777 308

4.8 Current tax liabilities

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Provision for Tax	5 376 410	2 357 683
Total	5 376 410	2 357 683

4.9 Current portion of borrowings

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Inter Company loan	811 833	708 833
Total	811 833	708 833

4.10 Other current liabilities

Other current liabilities are summarized as follows:

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Accrued Expenses	1 445 511	(5 079 514)
Total	1 445 511	(5 079 514)

4.11 Long Term Borrowing

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Inter company loan	10 718 601	24 297 354
Total	10 718 601	24 297 354

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4.12 Equity

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Equity attributable to owners of the parent:		
Share capital		
Add- Share issued during the year	5 295 416	13 242 889
	18 538 305	13 242 889
<u>Statutory Reserve</u>		
<u>Retained earnings</u>		
Profit & Loss balance	34 895 258	12 308 227
	34 895 258	12 308 227
Total Equity	53 433 563	25 551 116

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4.13 Related party transactions

The Group's related parties include its associates and joint venture, key management personnel and others as described below. Unless otherwise stated, none of the transactions incorporate special terms and conditions and no guarantees were given or received. Outstanding balances are usually settled in cash.

1.1 Names of related parties

All related parties and nature of relationship between various related parties are summarized as below

S No.	Nature of the relationship	Related Party's Name
I.	Key Management Personnel (KMP)	
II.	Close family member of KMP with whom the Group has transactions	-
III.	Other Enterprises over which KMP are able to exercise significant influence	-
IV.	Associates	-
V.	Joint Ventures	-

Glenmark Pharmaceuticals Limited, India

1.2 Transactions with KMP, their close family members and enterprises over which they exercise significant influence are as under:

1.3 Transactions with associates

(a) the amount of the transactions;	UAH
Goods Purchase from Glenmark Pharmaceuticals Limited, India	88 099 585
Receipt of Inter-Company Loan - UK	
Interest on Loan - UK	1 856 174
Discount given by Glenmark Pharmaceuticals Limited, India	317,841
Assets Transfer from RO to LLC	
Reimbursements of Regulatory & Clinical Trials (Service fees)	2 410 732
Reimbursements of Regulatory & Clinical Trials (Third Party expenses)	4 980 629
Receipt of Fresh Capital - Swiss	5 295 416
(b) the amount of outstanding balances and:	
Payable to-	
Glenmark Pharmaceuticals Limited, India	41 888 883
Re-payment of Inter-Company Loan - UK	11 530 434
Payable for Purchase of Asset	974 416
Receivable from Regulatory Service agreement	837 014
Receivable from	
Glenmark Pharmaceuticals Limited, India	

1.4 Transactions with joint ventures

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The company of GLENMARK HOLDING SA (SWITZERLAND) is subsidiary of GLENMARK PHARMACEUTICALS, LTD. (INDIA), in the course of his usual activities, engages in transactions with the company GLENMARK UKRAINE LLC. The deal with the company GLENMARK PHARMACEUTICALS, LTD. (INDIA) consists in the import of all major inventory, and Reimbursements of Regulatory & Clinical Trials (Service Fees and Third Party expenses)

The company GLENMARK PHARMACEUTICALS EUROPE LIMITED, UK, is subsidiary of GLENMARK PHARMACEUTICALS, LTD. (INDIA), in the course of his usual activities, engages in transactions with the company GLENMARK UKRAINE LLC. The deal with the company GLENMARK PHARMACEUTICALS EUROPE LIMITED, UK consists in payments on interest-bearing loans.

4.14 Income from operations

Income from operations

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
	IFRS	IFRS
Sale of goods	217 685 385	128 893 426
Total	217 685 385	128 893 426

4.15 Other income

Other income is summarised as follows:

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Exchange Gain	205 040	
Income from services	2 383 483	602 817
Total	2 588 523	602 817

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4.16 Changes in Inventory of FG and WIP

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Changes in Inventory of FG and WIP	(4 117 528)	(25 711 039)
Total	(4 117 528)	(25 711 039)

4.17 Purchase of Traded Goods

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Purchase of Traded Goods	87 919 673	74 013 179
Total	87 919 673	74 013 179

4.18 Employee benefit expenses

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Salaries and bonus	39 944 629	26 752 931
Contribution to provident fund and other funds		
Total	39 944 629	26 752 931

19 Other Expenses

Other Expenses

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
	IFRS	IFRS
Sales Promotion Expenses	33 406 296	11 711 454
Travelling expenses	15 095 282	10 780 514
Legal & Professional fees	614 654	35 217
Other operating expenses	15 837 222	10 225 996
Foreign Exchange loss		4 313 282

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Total 64 486 913 37 066 464

4. 20 Depreciation, amortisation and impairment of non-financial assets

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Depreciation, amortisation and impairment of non-financial assets	1 754 064	366 115
Total	1 754 064	366 115

4.21 Finance costs

Finance costs

Finance costs is analysed as follows:

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Interest Expense - Inter company	1 856 174	1 667 002
Total	1 856 174	1 667 002

4.22 Income tax (expense)/credit

Particulars	Mar 31 2019	Mar 31 2018
	UAH	UAH
Current income tax	(5,376,410)	(3,033,363)
Deferred tax	-	-
Prior period income tax	-	-
Total	(5,376,410)	(3,033,363)

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