

GLENMARK PHARMACEUTICALS SP. Z O.O.

**FINANCIAL STATEMENT FOR THE YEAR
ENDED 31 MARCH 2021**

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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 2020 to 31 March 2021 and comparative data for the period from 1 April 2019 to 31 March 2020.

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.

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 2021 , item 217 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.

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.

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.

Sd/-

Achin Gupta, Member of the Management Board

Sd/-

Andrzej Gondek, Member of the Management Board

Sd/-

Oliver Henry Bourne, Member of the Management Board

Sd/-

Izabela Markowska, Person in charge of bookkeeping

II. BALANCE SHEET

Balance Sheet - Assets			
Specification	Additional information	As at 31.03.2021	As at 31.03.2020
A. FIXED ASSETS		2 279 795,53	2 097 640,46
I. Intangible assets	Note 1	306 011,64	644 710,15
1. Development costs		0,00	0,00
2. Goodwill		0,00	0,00
3. Other intangible assets		306 011,64	644 710,15
4. Advances for intangible assets		0,00	0,00
5. Advance for intangible assets		0,00	0,00
II. Tangible fixed assets		255 508,89	368 974,31
1. Tangible fixed assets in use	Note 2	255 508,89	368 974,31
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		155 305,84	274 327,14
d) vehicles		0,00	0,00
e) other tangible fixed assets		100 203,05	94 647,17
2. Tangible fixed assets under construction		0,00	0,00
3. Advances for tangible fixed assets under construction		0,00	0,00
III. Long-term receivables	Note 7	0,00	0,00
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	0,00
IV. Long-term investments	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
V. Long-term prepayments		1 718 275,00	1 083 956,00
1. Deferred tax assets	Note 21.2	1 718 275,00	1 083 956,00
2. Other prepayments	Note 8	0,00	0,00
B. CURRENT ASSETS		61 164 727,10	86 853 188,48
I. Inventory	Note 6	11 586 372,90	13 665 424,19
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		11 586 372,90	13 665 424,19
5. Advances for deliveries		0,00	0,00
II. Short-term receivables	Note 7	43 336 938,70	67 242 371,31
1. Receivables from related parties	Note 30	16 034 589,07	17 898 072,01
a) trade receivables, maturing:		16 034 589,07	17 898 072,01
- up to 12 months		16 034 589,07	17 898 072,01
- above 12 months		0,00	0,00
b) other		0,00	0,00
2. Receivables from other entities in which the entity has an equity		0,00	0,00

interest			
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		27 302 349,63	49 344 299,30
a) trade receivables, maturing:		26 995 928,62	49 034 173,79
- up to 12 months		26 995 928,62	49 034 173,79
- above 12 months		0,00	0,00
b) receivables from tax, subsidy, customs, social security and other benefits		0,00	0,00
c) other		306 421,01	310 125,51
d) claimed at court		0,00	0,00
III. Short-term investments		6 167 076,61	5 829 927,87
1. Short-term financial assets		6 167 076,61	5 829 927,87
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		6 167 076,61	5 829 927,87
- cash in hand and at bank		6 167 076,61	5 829 927,87
- 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	74 338,89	115 465,11
V. Prepayments for construction contracts		0,00	0,00
1. Unbilled receivables		0,00	0,00
2. Prepaid expenses		0,00	0,00
C. CALLED UP SHARE CAPITAL		0,00	0,00
D. OWN SHARES	Note 9	0,00	0,00
TOTAL ASSETS :		63 444 522,63	88 950 828,94

BALANCE SHEET - LIABILITIES			
Specification	Additional information	As at 31.03.2021	As at 31.03.2020
A. EQUITY		- 983 631,24	874 600,51
I. Share capital	Note 9	5 000 000,00	5 000 000,00
II. Supplementary capital, including:		23 004 101,18	23 004 101,18
- surplus sales value (issue value) over the nominal value of shares		-	-
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)		- 27 129 500,67	- 29 846 657,26
VI. Net profit (loss)	Note 17	- 1 858 231,75	2 717 156,59
VII. Write-off on net profit during the financial year		-	-
B. LIABILITIES AND PROVISIONS FOR LIABILITIES		64 428 153,87	88 076 228,43
I. Provisions for liabilities		9 486 818,88	15 394 352,63
1. Provision for deferred income tax	Note 21.2	-	-
2. Provision for retirement and similar benefits	Note 11	547 556,01	462 116,84
- long-term		-	-
- short-term		547 556,01	462 116,84
3. Other provisions	Note 11	8 939 262,87	14 932 235,79
- long-term		-	-
- short-term		8 939 262,87	14 932 235,79
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	54 941 334,99	72 681 875,80
1. To related parties	Note 30	46 830 222,08	59 066 932,98
a) trade liabilities, maturing:		46 830 222,08	59 066 932,98
- up to 12 months		46 830 222,08	59 066 932,98
- 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		8 101 729,78	13 614 385,69
a) credits and loans		-	-
b) arising from issuance of debt securities		-	-
c) other financial liabilities		-	-
d) trade liabilities, maturing:		6 758 411,89	11 130 392,08
- up to 12 months		6 758 411,89	11 130 392,08
- above 12 months		-	-
e) advances received for deliveries		-	-
f) bill-of-exchange liabilities		-	-
g) tax, customs, social security and health insurance, and of other public-legal titles		1 342 283,99	2 462 630,11

h) payroll liabilities		-	-
i) other		1 033,90	21 363,50
4. Special funds		9 383,13	557,13
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		-	-
TOTAL LIABILITIES :		63 444 522,63	88 950 828,94

Sd/-

 Achin Gupta, Member of the Management Board

Sd/-

 Andrzej Gondek, Member of the Management Board

Sd/-

 Oliver Henry Bourne, Member of the Management Board

Sd/-

 Izabela Markowska, Person in charge of bookkeeping

III. PROFIT AND LOSS ACCOUNT

Profit and loss account (comparative variant)	Additional information	For the period from 01.04.2020 to 31.03.2021	For the period from 01.04.2019 to 31.03.2020
A. NET REVENUES FROM SALES AND EQUIVALENT, including:	Note 18	58 038 680,33	106 513 934,05
- from related parties	Note 30	14 882 064,50	31 269 347,18
I. Net revenues from sales of products		14 841 046,14	31 205 102,17
II. Change in the balance of products		0,00	
III. Manufacturing cost of products for internal purposes		0,00	
IV. Net revenues from sales of goods and materials		43 197 634,19	75 308 831,88
B. OPERATING EXPENSES		60 868 137,29	104 035 021,65
I. Amortisation and depreciation		521 580,70	618 521,74
II. Consumption of materials and energy		724 954,71	2 104 930,44
III. External services		13 764 995,36	18 889 118,36
IV. Taxes and charges, including:		35 351,77	159 232,22
- excise duty		0,00	0,00
V. Payroll		6 837 483,74	12 855 445,83
VI. Social security and other benefits		1 617 851,52	2 711 062,97
- retirement benefits		1 336 301,99	2 359 368,87
VII. Other costs by type		506 726,34	1 630 651,71
VIII. Value of goods and materials sold		36 859 193,15	65 066 058,38
C. PROFIT (LOSS) ON SALES (A-B)		(2 829 456,96)	2 478 912,40
D. OTHER OPERATING REVENUES	Note 19.1	1 031 525,74	6 944 058,70
I. Gain on disposal of non-financial fixed assets		81,30	81,30
II. Subsidies		0,00	
III. Revaluation of non-financial assets		25 670,93	455 017,14
IV. Other operating revenues		1 005 773,51	6 488 960,26
E. OTHER OPERATING EXPENSES	Note 19.1	97 355,34	58 884,55
I. Loss on disposal of non-financial fixed assets		10 042,12	56 763,43
II. Revaluation of non-financial assets		0,00	
III. Other operating expenses		87 313,22	2 121,12
F. PROFIT (LOSS) ON OPERATING ACTIVITIES (C+D-E)		(1 895 286,56)	9 364 086,55
G. FINANCIAL REVENUES		0,00	0,00
I. Dividends and profit sharing, including:			
a) from related parties, including:	Note 30		
- party in which the entity has an equity interest			
b) from other entities, including:			
- entity in which the entity has an equity interest			
II. Interest, including:	Note 19.2		
- from related parties	Note 30		
- from other entities in which the entity has an equity interest			
III. Gain on disposal of financial assets, including:			
- in related parties			
- in other entities in which the entity has an equity interest			
IV. Revaluation of financial assets			
V. Other	Note 19.2		
H. FINANCIAL EXPENSES		597 264,19	1 190 119,96
I. Interest, including:	Note 19.2		
- for related parties			
- from other entities in which the entity has an equity interest			
II. Loss on disposal of financial assets, including:			
- for related parties			
- from other entities in which the entity has an equity interest			
III. Revaluation of financial assets			
IV. Other	Note 19.2	597 264,19	1 190 119,96
I. GROSS PROFIT (LOSS) (F+G-H)		(2 492 550,75)	8 173 966,59
J. INCOME TAX	Note 21.2	(634 319,00)	5 456 810,00
I. Current portion			111 977,00
II. Deferred portion		(634 319,00)	5 344 833,00
K. OTHER STATUTORY REDUCTIONS IN PROFIT (INCREASES IN LOSS)		0,00	0,00
L. NET PROFIT (LOSS) (I-J-K)		(1 858 231,75)	2 717 156,59

IV. STATEMENT OF CHANGES IN EQUITY

Statement of changes in equity	For the period from 01.04.2020 to 31.03.2021	For the period from 01.04.2019 to 31.03.2020
I. Opening balance of equity	874 600,51	(1 842 556,08)
- adjustments of fundamental errors	-	-
- results of changes in accounting principles	-	-
I.a. Opening balance of equity after adjustments	874 600,51	(1 842 556,08)
1. Opening balance of share capital	5 000 000,00	5 000 000,00
1.1. Changes in share capital	-	-
a) increase (due to)	-	-
- issuance of shares		
- additional payments to capitals		
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	23 004 101,18
2.1. Changes in supplementary capital	-	-
a) increase (due to)	-	-
- 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		
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	(29 846 657,26)	(29 846 657,26)
- adjustments of fundamental errors		
- results of changes in accounting principles		
5.6. Opening balance of previous years' loss after adjustments	(29 846 657,26)	(29 846 657,26)
5.7. Changes in previous year's loss	-	-
a) increase (due to)	-	-
- previous years' loss brought forward		
b) decrease (due to loss coverage)	2 717 156,26	
5.8. Closing balance of previous years' loss	(27 129 500,67)	(29 846 657,26)
5.9. Closing balance of previous years' profit (loss)		
6. Net result	(1 858 231,75)	2 717 156,59
a) net profit		2 717 156,59
b) net loss	1 858 231,75	
c) write-offs on profit		
II. Closing balance of equity	(983 631,24)	874 600,51
III. Equity including proposed profit distribution (loss coverage)	(983 631,24)	874 600,51

 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

V. CASH FLOW

(indirect method)

Cash flow (indirect method)	Additional information	For the period from 01.04.2020 to 31.03.2021	For the period from 01.04.2019 to 31.03.2020
A. CZASH FLOWS FROM OPERATING ACTIVITIES			
I. Net profit (loss)		(1 858 231,75)	2 717 156,59
II. Total adjustments		2 257 581,21	(1 377 722,36)
1. Amortisation and depreciation		521 580,70	618 521,74
2. Exchange gains (losses)			
3. Interest and profit sharing (dividend)			
4. Profit (loss) on investment activities		10 042,12	56 763,43
5. Change in provisions		(5 907 533,75)	1 472 339,91
6. Change in inventory		2 079 051,29	5 495 654,79
7. Change in receivables		23 905 432,61	(25 809 676,82)
8. Change in short-term liabilities, excluding credits and loans		(17 757 798,98)	11 497 453,70
9. Change in prepayments and accruals		(593 192,78)	5 291 220,89
10. Other adjustments		-	-
III. Net cash flows from operating activities (I±II)		399 349,46	1 339 434,23
B. CASH FLOWS FROM INVESTMENT ACTIVITIES			
I. Inflows		6 885,84	29 090,99
1. Disposal of intangible assets and tangible fixed assets		6 885,84	29 090,99
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		69 086,56	286 525,58
1. Purchase of intangible assets and tangible fixed assets		69 086,56	286 525,58
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)		(62 200,72)	(257 434,59)
C. CASH FLOWS FROM FINANCIAL ACTIVITIES			
I. Inflows		-	-

1. Net inflows from issuance of shares and other capital instruments and from capital contributions			
2. Credit and loans			
3. Issuance of debt securities			
4. Other inflows from financial activities			
II. Outflows			-
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			
5. Redemption of debt securities			
6. Payment of other financial liabilities			
7. Payment of liabilities arising from financial leases			
8. Interest			
9. Other outflows from financial activities			
III. Net cash flows from financial activities (I-II)			-
D. TOTAL NET CASH FLOWS (A.III±B.III±C.III)		337 148,74	1 081 999,64
E. BALANCE SHEET CHANGE IN CASH, INCLUDING		337 148,74	1 081 999,64
- change in cash due to exchange differences			
F. CASH OPENING BALANCE	Note 23	5 829 927,87	4 747 928,23
G. CLOSING BALANCE OF CASH (F±D), INCLUDING		6 167 076,61	5 829 927,87
- of limited disposability			

 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

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	0,00	0,00	626 239,70	1 545 495,00	0,00	0,00	2 171 734,70
2.	Increase in gross value (due to):	0,00	0,00	15 918,00	0,00	0,00	0,00	15 918,00
2.1.	- purchase			15 918,00				15 918,00
2.2.	- internal generation							0,00
2.3.	- acceptance of intangible assets in progress							0,00
2.4.	- conclusion of a finance lease							0,00
2.5.	- contribution, free of charge receipt							0,00
2.6.	- revaluation							0,00
2.7.	- interest on financial liabilities (re: intangible assets in progress)							0,00
2.8.	- capitalized exchange differences (re: intangible assets in progress)							0,00
2.9.	- other							0,00
2.10.	- subsidiary purchase							0,00
2.11.	- exchange differences arising on the translation of a financial statement of a foreign entity							0,00
3.	Decrease in gross value (due to):	0,00	0,00	102 860,15	0,00	0,00	0,00	102 860,15
3.1.	- sale							0,00
3.2.	- liquidation			102 860,15				102 860,15
3.3.	- other							0,00
3.4.	- subsidiary sale							0,00
3.5.	- exchange differences arising on the translation of a financial statement of a foreign entity							0,00
4.	Gross value – internal transfer							0,00
5.	Gross value – closing balance	0,00	0,00	539 297,55	1 545 495,00	0,00	0,00	2 084 792,55
6.	Amortisation – opening balance	0,00	0,00	566 689,70	960 334,85	0,00	0,00	1 527 024,55
7.	Increase in amortisation (due to):	0,00	0,00	35 438,25	319 178,26	0,00	0,00	354 616,51
7.1.	- depreciation/amortisation write-offs			35 438,25	319 178,26			354 616,51
7.2.	- revaluation write-offs due to loss in value (establishment)							0,00
7.3.	- revaluation							0,00
7.4.	- other							0,00

7.5	- subsidiary purchase							0,00
7.6	- exchange differences arising on the translation of a financial statement of a foreign entity							0,00
8.	Decrease in amortisation (due to):	0,00	0,00	102 860,15	0,00	0,00	0,00	102 860,15
8.1.	- sale							0,00
8.2.	- liquidation			102 860,15				102 860,15
8.3.	- revaluation write-offs due to loss in value (release)							0,00
8.4.	- other							0,00
8.5	- subsidiary sale							0,00
8.6	- exchange differences arising on the translation of a financial statement of a foreign entity							0,00
9.	Amortisation – internal transfer							0,00
10.	Amortisation – closing balance	0,00	0,00	499 267,80	1 279 513,11	0,00	0,00	1 778 780,91
11.	Net value – opening balance	0,00	0,00	59 550,00	585 160,15	0,00	0,00	644 710,15
					644 710,15			
12.	Net value – closing balance	0,00	0,00	40 029,75	265 981,89	0,00	0,00	306 011,64
					306 011,64			

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 – opening balance			576 689,70	1 545 495,00	0,00	0,00	2 122 184,70
2.	Increase in gross value (due to):	0,00	0,00	49 550,00	0,00	0,00	0,00	49 550,00
2.1.	- purchase			49 550,00				49 550,00
2.2.	- internal generation							0,00
2.3.	- acceptance of intangible assets in progress							0,00
2.4.	- conclusion of a finance lease							0,00
2.5.	- contribution, free of charge receipt							0,00
2.6.	- revaluation							0,00
2.7.	- interest on financial liabilities (re: intangible assets in progress)							0,00
2.8.	- capitalized exchange differences (re: intangible assets in progress)							0,00
2.9.	- other							0,00
2.10.	- subsidiary purchase							0,00
2.11.	- exchange differences arising on the translation of a financial statement of a foreign entity							0,00
3.	Decrease in gross value (due to):	0,00	0,00	0,00	0,00	0,00	0,00	0,00
3.1.	- sale							0,00
3.2.	- liquidation							0,00
3.3.	- other							0,00
3.4.	- subsidiary sale							0,00
3.5.	- exchange differences arising on the translation of a financial statement of a foreign entity							0,00
4.	Gross value – internal transfer							0,00
5.	Gross value – closing balance	0,00	0,00	626 239,70	1 545 495,00	0,00	0,00	2 171 734,70
6.	Amortisation – opening balance			552 909,70	641 156,59			1 194 066,29
7.	Increase in amortisation (due to):	0,00	0,00	13 780,00	319 178,26	0,00	0,00	332 958,26
7.1.	- depreciation/amortisation write-offs			13 780,00	319 178,26			332 958,26
7.2.	- revaluation write-offs due to loss in value (establishment)							0,00
7.3.	- revaluation							0,00
7.4.	- other							0,00
7.5.	- subsidiary purchase							0,00

7.6	- exchange differences arising on the translation of a financial statement of a foreign entity							0,00
8.	Decrease in amortisation (due to):	0,00	0,00	0,00	0,00	0,00	0,00	0,00
8.1.	- sale							0,00
8.2.	- liquidation							0,00
8.3.	- revaluation write-offs due to loss in value (release)							0,00
8.4.	- other							0,00
8.5.	- subsidiary sale							0,00
8.6	- exchange differences arising on the translation of a financial statement of a foreign entity							0,00
9.	Amortisation – internal transfer							0,00
10.	Amortisation – closing balance	0,00	0,00	566 689,70	960 334,85	0,00	0,00	1 527 024,55
11.	Net value – opening balance			23 780,00	904 338,41	0,00	0,00	928 118,41
		0,00	0,00		928 118,41			
12.	Net value – closing balance	0,00	0,00	59 550,00	585 160,15	0,00	0,00	644 710,15
					928 118,41			

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
1.	Gross value – opening balance	0,00	0,00	924 564,34	0,00	430 434,23	1 354 998,57
2.	Increase in gross value (due to):	0,00	0,00	47 626,73	0,00	22 800,00	70 426,73
2.1.	- purchase			47 626,73		22 800,00	70 426,73
2.2.	- acceptance from tangible fixed assets under construction						0,00
2.3.	- conclusion of a finance lease						0,00
2.4.	- contribution, free of charge receipt						0,00
2.5.	- revaluation						0,00
2.6.	- other						0,00
2.7.	- subsidiary purchase						0,00
2.8.	- exchange differences arising on the translation of a financial statement of a foreign entity						0,00
3.	Decrease in gross value (due to):	0,00	0,00	294 963,52	0,00	24 695,32	319 658,84
3.1.	- sale			227 858,47		13 737,60	241 596,07
3.2.	- liquidation			67 105,05		10 957,72	78 062,77
3.3.	- other						0,00
3.4.	- subsidiary sale						0,00
3.5.	- exchange differences arising on the translation of a financial statement of a foreign entity						0,00
4.	Gross value – internal transfer						0,00
5.	Gross value – closing balance	0,00	0,00	677 227,55	0,00	428 538,91	1 105 766,46
6.	Amortisation – opening balance	0,00	0,00	650 237,20	0,00	335 787,06	986 024,26
7.	Increase in amortisation (due to):	0,00	0,00	154 395,46	0,00	12 568,73	166 964,19
7.1.	- depreciation/amortisation write-offs			154 395,46		12 568,73	166 964,19
7.2.	- revaluation write-offs due to loss in value						0,00
7.3.	- revaluation						0,00
7.4.	- other						0,00
7.5.	- subsidiary purchase						0,00
7.6.	- exchange differences arising on the translation of a financial statement of a foreign entity						0,00
8.	Decrease in amortisation (due to):	0,00	0,00	282 710,95	0,00	20 019,93	302 730,88

8.1.	- sale			218 018,84		9 062,21	227 081,05
8.2.	- liquidation			64 692,11		10 957,72	75 649,83
8.3.	- revaluation write-offs due to loss in value						0,00
8.4.	- other						0,00
8.5.	- subsidiary sale						
8.6.	- exchange differences arising on the translation of a financial statement of a foreign entity						
9.	Amortisation – internal transfer						0,00
10.	Amortisation – closing balance	0,00	0,00	521 921,71	0,00	328 335,86	850 257,57
11.	Net value – opening balance	0,00	0,00	274 327,14	0,00	94 647,17	368 974,31
12.	Net value – closing balance	0,00	0,00	155 305,84	0,00	100 203,05	255 508,89

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, premises, water and civil engineering structures	Technical equipment and machines	Vehicles	Other tangible fixed assets	Total
1.	Gross value – opening balance			1 264 819,50	0,00	414 398,20	1 679 217,70
2.	Increase in gross value (due to):	0,00	0,00	161 103,65	0,00	102 691,69	263 795,34
2.1.	- purchase			161 103,65		102 691,69	263 795,34
2.2.	- acceptance from tangible fixed assets under construction						0,00
2.3.	- conclusion of a finance lease						0,00
2.4.	- contribution, free of charge receipt						0,00
2.5.	- revaluation						0,00
2.6.	- other						0,00
2.7.	- subsidiary purchase						0,00
2.8.	- exchange differences arising on the translation of a financial statement of a foreign entity						0,00
3.	Decrease in gross value (due to):	0,00	0,00	501 358,81	0,00	86 655,66	588 014,47
3.1.	- sale						0,00
3.2.	- liquidation			501 358,81		86 655,66	588 014,47
3.3.	- other						0,00
3.4.	- subsidiary sale						0,00
3.5.	- exchange differences arising on the translation of a financial statement of a foreign entity						0,00
4.	Gross value – internal transfer						0,00
5.	Gross value – closing balance	0,00	0,00	924 564,34	0,00	430 434,23	1 354 998,57
6.	Amortisation – opening balance			818 663,20	0,00	383 957,63	1 202 620,83
7.	Increase in amortisation (due to):	0,00	0,00	247 078,39	0,00	38 485,09	285 563,48
7.1.	- depreciation/amortisation write-offs			247 078,39		38 485,09	285 563,48
7.2.	- revaluation write-offs due to loss in value						0,00
7.3.	- revaluation						0,00
7.4.	- other						0,00
7.5.	- subsidiary purchase						0,00
7.6.	- exchange differences arising on the translation of a financial statement of a foreign entity						0,00
8.	Decrease in amortisation (due to):	0,00	0,00	415 504,39	0,00	86 655,66	502 160,05

8.1.	- sale						0,00
8.2.	- liquidation			415 504,39		86 655,66	502 160,05
8.3.	- revaluation write-offs due to loss in value						0,00
8.4.	- other						0,00
8.5.	- subsidiary sale						
8.6.	- exchange differences arising on the translation of a financial statement of a foreign entity						
9.	Amortisation – internal transfer						0,00
10.	Amortisation – closing balance	0,00	0,00	650 237,20	0,00	335 787,06	986 024,26
11.	Net value – opening balance	0,00	0,00	446 156,30	0,00	30 440,57	476 596,87
12.	Net value – closing balance	0,00	0,00	274 327,14	0,00	94 647,17	368 974,31

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	11 688 974,84	- 102 601,94	11 586 372,90	13 793 697,06	- 128 272,87	13 665 424,19
5.	Advances for deliveries	-		-	-		-
Total		19 744 368,99	- 11 688 974,84	- 102 601,94	11 586 372,90	13 793 697,06	- 128 272,87

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				128 272,87		128 272,87
2.	Increase in write-offs (due to):	-	-	-	102 601,94	-	102 601,94
2.1	- write-offs made in the period recognised in other operating expenses				102 601,94		102 601,94
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):	-	-	-	128 272,87	-	128 272,87
3.1	- write-offs made in the period recognised in other operating revenue				128 272,87		128 272,87
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	-	-	-	102 601,94	-	102 601,94

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			
		31.03.2021		31.03.2020	
		long-term	short-term	long-term	short-term
1	Insurance		27 428,07		34 906,11
2	Membership fee		3 858,64		10 954,38
3	Subscriptions		11 375,39		1 344,48
4	Maintenance support		2 747,50		6 656,57
5	Plane tickets				908,93
6	Company run				

7	System Kowal		28 929,29		57 424,64
8	Tuition fees for the academic year 19/20				3 270,00
Total		-	74 338,89	-	115 465,11

SPECIFICATION OF SHORT-TERM ACRUALS

Item	Specification	as at			
		31.03.2021		31.03.2020	
		long-term	short-term	long-term	short-term
1	Penalty for a stolen car		12 428,00		
2	Rent a car		3 640,03		
Total		-	16 068,03	-	

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	
		31.03.2021	31.03.2020
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				462 116,84		462 116,84
2.	Increase in provisions (due to):	-	-	-	547 556,01	-	547 556,01
2.1	- provisions established in the period, recognised in the profit and loss account				547 556,01		547 556,01
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 provisions (due to):	-	-	-	462 116,84	-	462 116,84
3.1	- provisions released in the period, recognised in the profit and loss account				462 116,84		462 116,84
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:	-	-	-	547 556,01	-	547 556,01
4.1	- long-term						-
4.2	- short-term				547 556,01		547 556,01

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				743 431,42		743 431,42
2.	Increase in provisions (due to):	-	-	-	462 116,84	-	462 116,84
2.1	- provisions established in the period, recognised in the profit and loss account				462 116,84		462 116,84
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):	-	-	-	743 431,42	-	743 431,42
3.1	- provisions released in the period, recognised in the profit and loss account				743 431,42		743 431,42
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:	-	-	-	462 116,84	-	462 116,84
4.1	- long-term						-
4.2	- short-term				462 116,84		462 116,84

CHANGE IN OTHER PROVISIONS IN THE CURRENT REPORTING PERIOD

Item	Specification	Carrying value – opening balance	Increase in the reporting period	Decrease in the reporting period		Carrying value – closing balance
				usage	release	
1.	Other provisions	14 932 235,79	8 939 262,87	-	14 932 235,79	8 939 262,87
1.1.	- provisions for marketing and sales expenses	887 671,32	427 507,18		887 671,32	427 507,18
1.2	- provisions for HR costs	290 691,00	28 630,00		290 691,00	28 630,00
1.3	- provision for incentive bonuses	692 225,00	110 271,00		692 225,00	110 271,00
1.4	- provision for office and administrative costs	28 300,00	17 050,00		28 300,00	17 050,00
1.5	- provisions for the costs of medical and registration department	121 937,00	131 100,96		121 937,00	131 100,96
1.6	- provisions for fuel and car related costs	111 306,21	129 800,00		111 306,21	129 800,00
1.7	- provision for the costs of legal services	10 000,00	10 000,00		10 000,00	10 000,00
1.8	- provision for the costs of sales adjustments	12 707 486,27	7 977 430,87		12 707 486,27	7 977 430,87
1.9	- provision for the costs of audit	48 605,20	48 891,85		48 605,20	48 891,85
1.10	- provision for other costs	-	-		-	-
1.11	- provision for return of goods	34 013,79	58 581,01		34 013,79	58 581,01

CHANGE IN OTHER PROVISIONS IN THE PREVIOUS REPORTING PERIOD

Item	Specification	Carrying value – opening balance	Increase in the reporting period	Decrease in the reporting period		Carrying value – closing balance
				usage	release	
1.	Other provisions	11 517 720,66	14 932 235,79	-	11 517 720,66	14 932 235,79
1.1.	- provisions for marketing and sales expenses	561 998,10	887 671,32		561 998,10	887 671,32
1.2	- provisions for HR costs	29 999,50	290 691,00		29 999,50	290 691,00
1.3	- provision for incentive bonuses	291 177,79	692 225,00		291 177,79	692 225,00
1.4	- provision for office and administrative costs	26 500,00	28 300,00		26 500,00	28 300,00
1.5	- provisions for the costs of medical and registration department	120 079,42	121 937,00		120 079,42	121 937,00
1.6	- provisions for fuel and car related costs	111 630,00	111 306,21		111 630,00	111 306,21
1.7	- provision for the costs of legal services	21 650,00	10 000,00		21 650,00	10 000,00
1.8	- provision for the costs of sales adjustments	11 604 265,70	12 707 486,27		11 604 265,70	12 707 486,27
1.9	- provision for the costs of audit	50 500,00	48 605,20		50 500,00	48 605,20
1.10	- provision for other costs					-
1.11	- provision for return of goods	360 780,79	34013,79		360 780,79	34 013,79

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 43 030 517,69, cash (loan category and own receivables) in the amount of PLN 6 167 076,61, as well as trade payables (other liabilities category) in the amount of PLN 53 588 633,97. 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 01.04.2020 to 31.03.2021	from 01.04.2019 to 31.03.2020
1.	Net revenue from the sales of products:	14 841 046,14	31 205 102,17
1.1.	- products		
1.2.	- services (re-invoiced costs)	14 841 046,14	31 205 102,17
2.	Net revenue from the sale of goods and materials:	43 197 634,19	75 308 831,88
2.1.	- goods	43 140 547,80	75 244 586,87

2.2.	- materials	57 086,39	64 245,01
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NET REVENUES FROM SALES OF PRODUCTS, GOODS AND MATERIALS – BY TERRITORY

Item	Specification	for the period	
		from 01.04.2020 to 31.03.2021	from 01.04.2019 to 31.03.2020
1.	Net revenue from the sales of products:	14 841 046,14	31 205 102,17
1.1.	- country	16 068,03	
1.2.	- export	14 824 978,11	31 205 102,17
2.	Net revenue from the sale of goods and materials:	43 197 634,19	75 308 831,88
2.1.	- country	43 140 547,80	75 244 586,87
2.2.	- export	57 086,39	64 245,01

19 OTHER REVENUES AND COSTS

19.1. Other operating activity

OTHER OPERATING REVENUES

Item	Specification	for the period	
		from 01.04.2020 to 31.03.2021	from 01.04.2019 to 31.03.2020
1.	Gain on disposal of non-financial fixed assets	81,30	81,30
2.	Subsidies		
3.	Revaluation of non-financial fixed assets	25 670,93	455 017,14
4.	Other operating revenues:	1 005 773,51	6 488 960,26
4.1.	- due to rounding	2,88	1,87
4.2.	- other	1 005 770,63	6 488 958,39
5.	Total other operating revenues	1 031 525,74	6 944 058,70

OTHER OPERATING EXPENSES

Item	Specification	for the period	
		from 01.04.2020 to 31.03.2021	from 01.04.2019 to 31.03.2020
1.	Loss on disposal of non-financial fixed assets	10 042,12	56 763,43
1.1.	- revenue on disposal (-)	10 042,12	56 763,43
1.2.	- net value of disposed fixed assets (+)		
2.	Revaluation of non-financial fixed assets	-	-
3.	Other operating expenses:	87 313,22	2 121,12
3.1.	- due to rounding	4,53	16,52
3.2.	- donations		
3.3.	- provision for costs of court proceedings ASA Sp. z o.o.		
3.4.	-other	87 308,69	2 104,60
4.	Total other operating expenses	97 355,34	58 884,55

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	-		-
2.1.	- debt financial instruments			-
2.2.	- loans granted			-
2.3.	- own receivables			-
2.4.	- deposits and other assets	-		-

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 01.04.2020 to 31.03.2021	from 01.04.2019 to 31.03.2020
1.1.	Surplus of negative exchange differences over positive ones	539 072,10	1 101 543,33
1.2.	Other	58 192,09	88 576,63
	Total other financial revenues	1 073 454,43	597 264,19

OTHER FINANCIAL REVENUES

Item	Specification	for the period	
		from 01.04.2020 to 31.03.2021	from 01.04.2019 to 31.03.2020
1.1.	Surplus of positive exchange differences over negative ones	-	-
1.2.	Other		
Total other financial revenues		-	-

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 01.04.2020 to 31.03.2021	from 01.04.2019 to 31.03.2020
1.	Revenue and profits in records	59 070 206,07	112 120 738,59
2.	Non-taxable revenue and exempt from tax (due to):	- 7 228 547,14	- 12 274 516,60
2.1.	- exchange differences	789 518,98	106 202,67
2.2.	- provisions released on revenue of future periods		
2.3.	- non-tax revenue due to invoiced provisions		
2.4.	- written-off liabilities towards recipients	- 58 581,01	- 34 013,79
2.5.	- release of provisions for returns	34 013,79	360 780,79
2.6.	- sales adjustments – provision	- 7 977 430,87	- 12 707 486,27
2.7.	- deferred sales - goods issued in April invoices issued in March	- 16 068,03	
3.	Tax revenues not being accounting revenues (due to):	- 11 937 408,64	- 12 805 048,85
3.1.	- exchange differences from previous years	770 077,63	- 11 962,51
3.2.	- released deferred sales - goods issued in April invoices issued in March	-	- 1 188 820,64
3.3.	- released provisions from last year	- 12 707 486,27	- 11 604 265,70
4.	Total tax revenue (1-2+3)	54 361 344,57	111 590 206,34
5.	Costs and losses in records	61 562 756,82	103 946 772,00
6.	Costs and losses being non-deductible expenses	268 105,68	692 382,59
6.1.	- donations	21 094,53	18 310,13
6.2.	contributions to the State Fund for the Rehabilitation of the Disabled	61 888,00	86 118,00
6.3.	- car expenses non-deductible	124 399,26	546 202,54
6.4.	- - non-deductible VAT		209,56
6.5.	- - other costs	60 723,89	41 542,36
7.	Costs and losses temporarily being non-deductible expenses	- 968 001,01	1 519 566,40
7.1.	- released provisions from last year	- 2 652 852,57	- 1 956 966,23
7.2.	- established provisions	1 450 807,00	2 652 852,57
7.3.	- exchange differences	259 715,51	876 280,34
7.4.	- costs from updating the value of stocks	- 25 670,95	- 455 017,14
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)	62 262 652,15	101 863 095,88
10.	Income / loss (4-9)	- 7 901 307,58	9 855 383,33
11.	Income exempt from tax (amounts to be written with +)	-	-
12.	Income deductions:	-	9 266 030,50
12.1.	- tax losses from previous years		9 266 030,50
12.2.	- donations		
12.3.	- other		
13.	Tax base (10-11-12)	- 7 901 308	589 353
14.	Income tax according to rate	- 1 501 248,52	111 977,07
15.	Tax deductions		
16.	Tax due (14-15)	- 1 501 249	111 977

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	
		31.03.2021	31.03.2020	from 01.04.2020 to 31.03.2021	from 01.04.2019 to 31.03.2020	from 01.04.2020 to 31.03.2021	from 01.04.2019 to 31.03.2020
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	11 130		11 130	-68 548		
6.	Reserves for stock	19 494		19 494	-110 825		
7.	trade receivables and other (provision for rebates)	1 515 712		1 515 712	-2 204 810		
8.	provisions for employee benefits	104 036		104 036	-141 252		
9.	other provisions	171 618		171 618	-230 572		
10.	factoring costs			0	0		
11.	trade liabilities and other (exchange differences)	-100 663		-100 663	-2 273		
12.	interest on loan		0	0	0		
13.	tax losses to be settled next years		1 083 956	-1 083 956	-2 437 136		
14.	other temporary differences	-3 053	0	-3 053	-149 417		
	Total	1 718 274	1 083 956	634 319	- 5 344 833		

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	
		31.03.2021	31.03.2020	from 01.04.2020 to 31.03.2021	from 01.04.2019 to 31.03.2020	from 01.04.2020 to 31.03.2021	from 01.04.2019 to 31.03.2020
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						
6.	receivables (revenues accrued statically)						
7.	credits and loans obtained						
8.	financial liabilities at fair value						
9.	trade liabilities and other (exchange differences)						
10.	other temporary differences						
	Total	-	-			-	-

The income tax burden shown in profit and loss account -deferred part	- 634 319,00	
	- 634 319,00	

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	
		31.03.2021	31.03.2020
1.	Cash in hand	3 425,30	3 425,30
2.	Cash at bank	6 163 651,31	5 826 502,57
3.	Other cash		
4.	Other cash assets		
5.	Total cash indicated in the balance sheet	6 167 076,61	5 829 927,87
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	6 167 076,61	5 829 927,87

24. EXCHANGE RATES

EXCHANGE RATES USED IN VALUATION OF ITEMS EXPRESSED IN FOREIGN CURRENCIES

Item	Specification	As at	
		31.03.2021	31.03.2020
1.	EUR/PLN	4,6603	4,5523
2.	USD/PLN	3,9676	4,1466
3.	CZK/PLN	0,1783	0,1665
4.	RON/PLN	0,9462	0,9429

25. AVERAGE EMPLOYMENT

AVERAGE EMPLOYMENT WITH A BREAKDOWN INTO PROFESSIONALS

Item	Specification	For the period	
		from 01.04.20120 to 31.03.2021	from 01.04.2019 to 31.03.2020
1.	White collar	59	104
2.	Blue collar		
3.	Total number of employees	59	104

26. 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.

27. 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.

28. 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 01.04.2020 to 31.03.2021, which according to the agreement amounts to PLN 40 000,00 + 2,8% for the supervision of KNF
- Quarterly reviews for the periods of 01/04/2019-30.06.2020, 01/07/2020-30/09/2020, 1/11/2020-31/12/2020, which according to the agreement amounted to 31,500.00+2,8 % for the supervision of KNF

29. 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.

30. 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.	14 849 210,39	898 404,41			15 757 945,32		
2.	Glenmark Pharmaceuticals Distribution s.r.o.	28 179,26				276 643,75		
3.	VISO FARMACEUTICA S.L.U.	4 674,85						
4.	Glenmark Pharmaceuticals S.R.L.	-						
5.	Glenmark Pharmaceuticals LTD Indie	-						
Total		14 882 064,50	898 404,41	-	-	16 034 589,07	-	

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.	17 316 278,10				45 644 278,26		
2.	Glenmark Pharmaceuticals Distribution s.r.o.	1 128 894,09				1 185 943,82		
3.	Glenmark Pharmaceuticals							

	Europe UK							
4.	Glenmark Pharmaceuticals SRL Romania							
	Total	18 445 172,19		-		46 830 222,08	-	-

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	-	-	-			

31. 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 30 June 2021, 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.

32. 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 30 June 2021, 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.

33. CHANGES IN ACCOUNTING PRINCIPLES (POLICIES) IN THE FINANCIAL YEAR

In the financial year ended 31 March 2021 there were no changes to the accounting principles.

34. INFORMATION ON UNCONSOLIDATED JOINT VENTURES

Not applicable.

35. 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.

36. CONSOLIDATED FINANCIAL STATEMENT

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

37. MERGER OF COMPANIES

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

38. UNCERTAINTIES AS TO THE POSSIBILITY OF CONTINUING OPERATIONS

The Management Board of the Company recognizes the following circumstances that may affect the Company's ability to do so

going concern basis.

The Company's financial results, i.e. the loss obtained, and thus the negative equity, are the result of the SARS-CoV-2 pandemic. Closed economy and limited social contacts have significantly contributed to lower incidence in areas where Glenmark has its products. The markets in which Glenmark operates have shrunk, showing a drop of even 60-70% year on year. Currently, the epidemiological situation in the country has stabilized, which has had a positive impact on the pharmaceutical market, which is recording growth. It is also visible in our financial results in the current months of the current financial year.

In the coming years, the group in Poland and around the world will be touring its activities in the main areas of oncology, dermatology and pulmonology. In addition, Glenmark in Poland is developing the pediatric area, as evidenced by the signing of a several-year contract at the end of the previous financial year for the exclusive distribution of one of the best-selling prebiotics on the Polish market - the Lacidofil brand. The company also hopes to introduce new preparations to make life easier for asthmatics and allergy sufferers, as well as new oncological preparations this calendar year.

The current financial plans assume that the Company will not be able to settle all losses from previous years, therefore the Management Board of the Company decided to write off the entire asset against tax losses.

The Management Board of the Company monitors the situation on an ongoing basis and works on the development of new therapeutic markets. Despite recognizing the circumstances that may indicate a threat to the going concern (negative equity), the Management Board of the Company believes that there is no significant uncertainty as to the going concern status of the Company. The financial situation of the Company is stable, and additionally, the Company received a written assurance from the Owner of the Company on the financial support necessary to enable the Company to continue its operations in the event that any of the above circumstances significantly influenced the financial situation of the Company.

39. OTHER SIGNIFICANT INFORMATION

Not applicable.

Independent Auditor's Report on Annual Financial Statements

Grant Thornton Polska

Sp. z o.o. sp. k.
ul. Abpa Antoniego Baraniaka 88 E
61-131 Poznań
Polska

T +48 61 62 51 100
F +48 61 62 51 101
www.GrantThornton.pl

For the Shareholders of Glenmark Pharmaceuticals Sp. z o.o.

Opinion

We have audited the annual financial statements of Glenmark Pharmaceuticals Sp. z o.o. (the Company) with its registered office in Warsaw, 14 Osmańska Street, which comprise the introduction to the annual financial statements, balance sheet as of March 31, 2021, the profit and loss account, statement of changes in equity, cash flow statement for the financial year then ended, additional notes and explanations.

In our opinion, the accompanying annual financial statements:

- give a true and fair view of the financial position of the Company as of March 31, 2021 and of its financial performance and of its cash flows for the financial year then ended in accordance with the Accounting Act of September 29, 1994 (uniform text: Journal of Laws of 2021, item 217, as amended) (the Accounting Act) and adopted accounting principles (policy),
- were prepared on the basis of properly maintained books of account,
- comply with the laws affecting the content and form of the annual financial statements and the provisions of the Company's articles of association.

Basis for Opinion

We conducted our audit in accordance with

- the Act of May 11, 2017 on statutory auditors, audit firms, and public supervision (uniform text: Journal of Laws of 2020, item 1415) (the Act on Statutory Auditors) and
- International Standards on Auditing adopted as National Standards on Auditing (NSA) by the National Council of Statutory Auditors' resolution No. 3430/52a/2019 of March 21, 2019, as amended.

Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Annual Financial Statements* section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants* (including *International Independence Standards*) (IESBA Code) adopted by the National Council of Statutory Auditors' resolution No. 3431/52a/2019 of March 25, 2019 together with the ethical requirements that are relevant to our audit of the financial statements in Poland. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management Board for the Annual Financial Statements

The Management Board of the Company is responsible for the preparation, on the basis of properly maintained books of account, of these annual financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Act, regulations issued on the basis thereof, adopted accounting principles (policy), other legal regulations, and the Company's articles of association. The Management Board of the Company is also responsible for such internal control as the Management Board determines is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the annual financial statements, the Management Board is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Management Board either intends to liquidate the Company or to cease the operations, or has no realistic alternative but to do so.

In accordance with the Accounting Act, the Management Board of the Company is obliged to assure compliance of the annual financial statements with the requirements of the Accounting Act.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

The scope of the audit does not include assurance on the future viability of the Company or on the efficiency or effectiveness with which the Management Board has conducted or will conduct the affairs of the Company.

As part of an audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.
- Conclude on the appropriateness of the Management Board's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Other Information including the Report on the Company's operations

The other information comprises the Report on the Company's operations for the financial year ended March 31, 2021. The Management Board of the Company is responsible for the preparation of the Report on the Company's operations in accordance with the Accounting Act and other legal regulations. The Management Board of the Company is obliged to assure compliance of the Report on the Company's operations with the requirements of the Accounting Act.

Our opinion on the annual financial statements does not cover the Report on the Company's operations and we do not express any form of assurance conclusion thereon that results from NSAs. In connection with our audit of the annual financial statements, our responsibility is to read the Report on the Company's operations and, in doing so, consider whether it is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Report on the Company's operations, we are required to report that fact. Additionally, according to the Act on Statutory Auditors, our responsibility is to express an opinion on whether the Report on the Company's operations has been prepared in accordance with legal regulations and whether information included therein is consistent with the accompanying annual financial statements.

In our opinion, the Report on the Company's operations has been prepared in accordance with the applicable legal regulations, i.e. Article 49 of the Accounting Act, and information included therein is consistent with the accompanying annual financial statements. Moreover, taking into account our knowledge of the Company and its environment obtained during the audit of the annual financial statements, we state that we have not identified any material misstatements in the Report on the Company's operations.

Justyna Komer-Fabiś

Statutory Auditor No. 10964
Key Audit Partner performing the audit on behalf of

Grant Thornton Polska Spółka z ograniczoną odpowiedzialnością sp. k.,
Poznań, ul. Abpa Antoniego Baraniaka 88 E, Audit Firm No. 4055

Poznań, August 10, 2021.

THIS IS TRANSLATION ONLY. The Polish language version of the report is the only valid and legally binding version. This translation into English is provided to facilitate understanding of the report.