

**GLENMARK PHARMACEUTICALS
EGYPT COMPANY, S.A.E**

**IFRS REPORTING PACKAGE
FOR THE YEARENDED
March 31, 2023
TOGETHER WITH LIMITED REVIEW
REPORT ON THEM**



Independent Auditor's Report

To: Vinodkumar Varma
Suresh Surana & Associates LLP,
Chartered Accountants
Mumbai, India.

In accordance with your *Group Reporting Instructions* dated [April 1, 2023], we have audited, for purposes of your audit of the consolidated financial statements of [Glenmark Pharmaceuticals Group], the [INR reporting package] of [Glenmark Pharmaceuticals Egypt, S.A.E] as of [March 31, 2023] and for the year then ended of the accompanying [INR reporting package] of [Glenmark Pharmaceuticals Egypt, S.A.E]. This [reporting package] has been prepared solely to enable [Glenmark Pharmaceuticals Group] to prepare its consolidated financial statements.

Management's Responsibility for [INR reporting package]

Management is responsible for the preparation and fair presentation of the [reporting package] in accordance with [International Financial Reporting Standards] and [the group's accounting policies] for inclusion in the consolidated financial statements of [Glenmark Pharmaceuticals Group] and is intended solely for that purpose. Management is also responsible for such internal controls as necessary to enable the preparation and fair presentation of component financial information that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the [INR reporting package] based on our audit. We conducted our audit in accordance with [International Standards on Auditing], adapted as necessary based on your instructions for purpose of your audit of the consolidated financial statements of [Glenmark Pharmaceuticals Group].

Those auditing Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the [INR reporting package] is free from material misstatement. As requested by [Group Auditor], we planned and performed our audit using the materiality level specified in the *Group Reporting Instructions* from [Group Auditor], which is different than the materiality level that we would have used had we been designing the audit to express an opinion on the financial information of the component alone.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the component financial information. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the component financial information, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the component financial information in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the



reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the [INR reporting package].

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion. The conclusions reached in forming our opinion are based on the component materiality level specified by you in the context of the audit of the consolidated financial statements of the group.

Opinion

In our opinion, the [INR reporting package] referred to above present fairly, in all material respects based on component materiality, in accordance with [International Financial Reporting Standards]. The [INR reporting package] is not intended to be a complete presentation of [Glenmark Pharmaceuticals Egypt, S.A.E]'s results of operations and financial position and do not contain all required informative disclosures.

Restriction on Use and Distribution

This [INR reporting package] has been prepared for purposes of providing information to [Glenmark Pharmaceuticals Group] to enable it to prepare the consolidated financial statements of the group. As a result, the [reporting package] is not a complete set of financial statements of [Glenmark Pharmaceuticals Egypt, S.A.E] in accordance with [International Financial Reporting Standards] and [the group's accounting policies] and is not intended to present fairly, in all material respects, the financial position of [Glenmark Pharmaceuticals Egypt, S.A.E] as of [March 31, 2023], or the results of its operations, or its cash flows for the year then ended in accordance with these financial reporting frameworks. The special purpose financial information may, therefore, not be suitable for another purpose.

This report is intended solely for the information and use of the management of [Glenmark Pharmaceuticals Egypt, S.A.E] and [Glenmark Pharmaceuticals Group] and [Group Auditor] and should not be used by anyone other than these specified parties.

Saleh Mehany Moussa - Global View - H S A

[Firm Signature]

May 03, 2023

[Report Date]



Glenmark Pharmaceuticals Egypt Co. S.A.E
Statement of Financial Position

	Sch	March-31-2023		March-31-2022	
		EGP		EGP	
		IFRS		IFRS	
ASSETS					
<i>Current assets</i>					
Cash and cash equivalents	S 1	3,147,110		2,968,164	
Trade receivables	S 2	20,488,041		7,008,200	
Inventories	S 3	16,659,393		12,261,199	
Other current financial assets	S 4	3,393,529		1,760,782	
Total current assets		43,688,072		23,998,346	
<i>Non-current assets</i>					
Property, plant and equipment	S 5	103,536		161,866	
Other Intangible Assets	S 6 (A)	118,769		276,713	
Right to Use Asset	S 6 (B)	416,593		633,937	
Deferred tax assets (net)		-		-	
Total non- current assets		638,898		1,072,515	
Assets and disposal group classified as held for sale		-		-	
Total assets		44,326,969		25,070,861	
LIABILITIES AND STOCKHOLDERS' EQUITY					
<i>Current liabilities</i>					
Provisions		-		-	
Trade payables	S 7	7,509,076		3,824,628	
Current tax liabilities		-		-	
Short-term borrowings		-		-	
Current portion of long term borrowings		-		-	
Other liabilities	S 9	6,731,077		5,110,172	
Short term financial liabilities	S 10	79,819		67,634	
Lease Liability		161,248		176,195	
Total current liabilities		14,481,220		9,178,629	
<i>Non-current liabilities</i>					
Long-term borrowings	S 11	98,193,246		37,035,019	
Other non-current liabilities		-		-	
Other non-current financial liabilities	S 12	300,545		461,792	
Total non-current liabilities		98,493,790		37,496,811	
Total liabilities		112,975,010		46,675,440	
Stockholders' equity					
Equity share capital	S 12	55,426,520		55,426,520	
Share premium		-		-	
Currency translation reserve		-		-	
Retained earnings (losses)	S 12	(124,074,561)		(77,031,098)	
Non Controlling Interest		(68,648,041)		(21,604,578)	
Total stockholders' equity		(68,648,041)		(21,604,578)	
Total liabilities and stockholders' equity		44,326,969		25,070,861	

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

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Glenmark Pharmaceuticals Egypt Co. S.A.E

Income Statement	Sch	March-31-2023		March-31-2022	
		EGP		EGP	
		IFRS		IFRS	
Revenues					
Operating revenue		68,425,952		34,334,748	
Other income	S 13	-		949	
Total revenues		68,425,952		34,335,697	
Expenses					
Materials consumed	S 14	34,037,602		15,500,878	
Changes in inventories of finished goods and work-in-process	S 14	(3,827,681)		(2,550,422)	
Purchases of stock-in-trade	S 14	7,810,880		4,050,063	
Employee costs	S 15	8,817,713		7,472,469	
Other expenses	S 16	62,405,025		19,815,302	
Depreciation, amortisation and impairment expense	S5 & S6	433,618		347,605	
Total expenses		109,677,156		44,635,896	
Operating profit / (loss)		(41,251,204)		(10,300,199)	
Finance income		-		-	
Finance costs	S 17	(5,792,259)		(2,556,381)	
Profit/(Loss) before tax		(47,043,463)		(12,856,580)	
Tax expense					
Current tax expenses		-		-	
Deferred tax benefit		-		-	
Total tax expenses		-		-	
Profit/(Loss) for the year		(47,043,463)		(12,856,580)	
Post tax profit/ (loss) for the year from discontinued operations		-		-	
Profit/(Loss) after tax carried to balance sheet		(47,043,463)		(12,856,580)	
Profit (Loss) for the year attributable to:					
Non Controlling Interest		-		-	
Equity shareholders of Glenmark Pharmaceuticals Egypt Co. S.A.E		(47,043,463)		(12,856,580)	



Glenmark Pharmaceuticals Egypt Co. S.A.E

Statement of Comprehensive Income	Sch	March-31-2023	March-31-2022
		EGP	EGP
Profit (Loss) for the year		(46,870,937.22)	(12,856,580)
Other comprehensive income			
Items that will not be reclassified subsequently to income statement			
- Remeasurement of the net defined benefit plans			
- Income tax relating to the above			
Items that will be reclassified subsequently to income statement			
Exchange differences on translating foreign operations			
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income / (loss) for the period		(46,870,937.22)	(12,856,579.95)
Total Comprehensive Income attributable to:			
Non-controlling interest		-	-
Equity shareholders of Glenmark Pharmaceuticals Egypt Co. S.A.E		(46,870,937.22)	(12,856,579.95)



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Glenmark Pharmaceuticals Egypt Co. S.A.E

STATEMENT OF CASHFLOW

	March-31-2023	March-31-2022
	EGP	EGP
(A) Cash inflow/(outflow) from operating activities		
Profit/(Loss) Before Taxes	(47,043,463)	(12,856,580)
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation and amortisation	433,618	347,605
Gain on disposal of property, plant and equipment		
Finance costs		
- Inter company	5,738,913	2,543,771
- Others	53,346	12,610
Interest income		
Dividend income		
(Profit)/loss on sale of property, plant and equipments	-	-
Employee benefit obligation		
Provision for doubtful debts / expected credit losses		
Employee share based compensation		
Provision for sales returns		
Unrealised exchange (gain)/loss	39,559,042	5,467,349
Operating profit before changes in operating assets and liabilities	(1,258,543)	(4,485,245)
Changes in operating assets and liabilities		
- Decrease/(increase) in trade receivables	(13,479,840)	10,677,796
- Decrease/(Increase) in inventories	(4,398,193)	(4,965,734)
- Decrease/(Increase) in other assets	(1,632,746)	262,465
- Increase/(Decrease) in trade payable and other liabilities		
- Others	4,224,869	(735,095)
- Intercompany	-	-
Net changes in operating assets and liabilities	(15,285,911)	5,239,431
Income taxes paid		
Net cash generated from operating activities	(16,544,454)	754,187
(B) Cash inflow/(outflow) from investing activities		
Restricted cash		
Interest received		
Dividend received		
Payments for Purchase of Property,plant and equipment and Intangible assets (including assets under construction)	-	(815,640)
Proceeds from sale of property, plant and equipment and Intangible assets	-	-
Net cash used in investing activities	-	(815,640)
(C) Cash inflow/(outflow) from financing activities		
Proceeds from long-term borrowings	16,791,693	-
Repayments of long-term borrowings		
Proceeds from /(repayment) of short-term borrowings (net)		
Lease payment	(68,293)	(22,703)
Proceeds from issue of share capital	-	-
Dividend paid (including tax on dividend)		
Share Application Money		
Net cash generated /(used) from financing activities	16,723,400	(22,703)
Effect of exchange rate changes on cash and cash equivalents		
Net increase in cash and cash equivalents	178,946	(84,156)
Cash and cash equivalents at the beginning of the year	2,968,164	3,052,320
Cash and cash equivalents at the end of the year	3,147,110	2,968,164

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Glenmark Pharmaceuticals Egypt Co. S.A.E

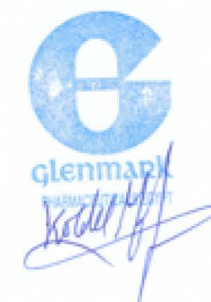
S 12 - Statement of Changes in Shareholders' Equity

[All amounts are stated in EGP, unless otherwise stated]

	Equity attributable to shareholders of Glenmark Pharmaceuticals Egypt Co. S.A.E							Non-controlling interest	Total stockholders' equity
	Share capital - No. of shares	Share capital	Share premium	Currency Translation reserve	Retained earnings	Total attributable to owners of the parent company			
Balance as at 1 April 2022	55,426,520	55,426,520	-	-	(77,031,098)	(21,604,578)	-	(21,604,578)	
Dividends to equity shareholders (including dividend distribution tax)	-	-	-	-	-	-	-	-	
Issue of share capital	-	-	-	-	-	-	-	-	
Shares issued under Employee Stock Option ('ESOP') Scheme	-	-	-	-	-	-	-	-	
Employee share based compensation	-	-	-	-	-	-	-	-	
Transaction with non controlling interest	-	-	-	-	-	-	-	-	
Transactions with owners	55,426,520	55,426,520	-	-	(77,031,098)	(21,604,578)	-	(21,604,578)	
Net income for the year	-	-	-	-	(47,043,463)	(47,043,463)	-	(47,043,463)	
Other Comprehensive Income:	-	-	-	-	-	-	-	-	
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	
Remeasurement of the net defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	
Total Comprehensive Income	-	-	-	-	-	-	-	-	
Balance as at 31 Mar 2023	55,426,520	55,426,520	-	-	(124,074,561)	(68,648,041)	-	(68,648,041)	

[All amounts are stated in EGP, unless otherwise stated]

	Equity attributable to shareholders of Glenmark Pharmaceuticals Egypt Co. S.A.E							Non-controlling interest	Total stockholders' equity
	Share capital - No. of shares	Share capital	Share premium	Currency Translation reserve	Retained earnings	Total attributable to owners of the parent company			
Balance as at 1 April 2022	55,426,520	55,426,520	-	-	(64,174,518)	(8,748,000)	-	(8,748,000)	
Dividends to equity shareholders (including dividend distribution tax)	-	-	-	-	-	-	-	-	
Issue of share capital	-	-	-	-	-	-	-	-	
Shares issued under Employee Stock Option ('ESOP') Scheme	-	-	-	-	-	-	-	-	
Employee share based compensation	-	-	-	-	-	-	-	-	
Transaction with non controlling interest	-	-	-	-	-	-	-	-	
Transactions with owners	55,426,520	55,426,520	-	-	(64,174,518)	(8,748,000)	-	(8,748,000)	
Net income for the year	-	-	-	-	(12,856,580)	(12,856,580)	-	(12,856,580)	
Other Comprehensive Income:	-	-	-	-	-	-	-	-	
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-	
Remeasurement of the net defined benefit plans (net of tax)	-	-	-	-	-	-	-	-	
Total Comprehensive Income	-	-	-	-	-	-	-	-	
Balance as at 31 Mar 2023	55,426,520	55,426,520	-	-	(77,031,098)	(21,604,580)	-	(21,604,580)	



S 1

Cash and cash equivalents

Cash and cash equivalents include the components as follows:

	EGP	
	March-31-2023	March-31-2022
Cash on hand	1,406	511
Cheques in hand		
Cash in current accounts	3,125,704	2,947,653
Cash in deposit accounts	20,000	20,000
Cash in current accounts - restricted for use	-	-
Total	3,147,110	2,968,164



S 2

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

The carrying amount of trade receivables are analysed as follows:

Particulars	EGP	EGP
	March-31-2023	March-31-2022
Gross value	20,488,041	7,008,200
Less: Allowance for credit losses	-	-
Net trade receivables	20,488,041	7,008,200



S 3

Inventories

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

Particulars	EGP	EGP
	March-31-2023	March-31-2022
Raw materials & Packing Materials	8,448,233	7,877,721
Finished Goods	8,211,159	4,383,478
Total	16,659,393	12,261,199



S 4

Other short term financial assets

Particulars	EGP	EGP
	March-31-2023	March-31-2022
Prepayments and Other current assets Other Receivable	3,393,529	1,760,782
Total	3,393,529	1,760,782



S 5

Property, plant and equipment

The Group's property, plant and equipment comprise freehold and leasehold land, IT and office equipment, and

S 1

EGP

	Furniture and fixture	Office Equipment	Total
Cost			
Balance as at 1 April 2022	266,769.64	581,464.00	848,233.64
- Acquisitions through business combinations			-
- Other acquisitions			-
- Disposals/Transfers			-
- Translation adjustment			-
Balance as at 31 Mar 2023	266,769.64	581,464.00	848,233.64
- Acquisitions through business combinations			-
- Other acquisitions			-
- Disposals/Transfers			-
- Translation adjustment			-
Balance as at 31 Mar 2023	266,769.64	581,464.00	848,233.64
Accumulated Depreciation			
Balance as at 1 April 2022	266,769.64	375,850.00	686,367.39
- Depreciation charge for the year	-	43,748.00	43,748.00
- Impairment loss recognized			-
- Disposals/Transfers			-
- Translation adjustment			-
Balance as at 31 Mar 2022	266,769.64	419,598.00	686,367.64
- Depreciation charge for the year		58,330.00	58,330.00
- Impairment loss recognized			-
- Disposals/Transfers			-
- Translation adjustment			-
Balance as at 31 Mar 2023	266,769.64	477,928.00	744,697.64

Carrying value

At April 1, 2022	-	161,866.00	161,866.00
At Mar 31, 2023	-	103,536.00	103,536.00
At Mar 31, 2023	-	103,536.00	103,536.00



Other intangible assets

EGP

	Brands	Total
Cost		
Balance as at 1 April 2022	2,921,929.96	2,921,929.96
- Internally developed		-
- Acquired through business combinations		-
- Other acquisitions		-
- Disposals/ Transfers		-
- Translation adjustment		-
Balance as at 31 Mar 2022	2,921,929.96	2,921,929.96
- Internally developed		-
- Acquired through business combinations		-
- Other acquisitions		-
- Disposals/ Transfers		-
- Translation adjustment		-
Balance as at 31 Mar 2023	2,921,929.96	2,921,929.96
Amortisation and impairment		
Balance as at 1 April 2022	2,645,217.27	2,645,217.27
- Amortisation charge for the year		-
- Impairment loss		-
- Amortisation charge for disposals/ transfers		-
- Translation adjustment		-
Balance as at 31 Mar 2022	2,645,217.27	2,645,217.27
- Amortisation charge for the year	157,944.00	157,944.00
- Impairment loss		-
- Amortisation charge for disposals/ transfers		-
- Translation adjustment		-
Balance as at 31 Mar 2023	2,803,161.27	2,803,161.27

Carrying value

At April 1, 2022	276,712.69	276,712.69
At Mar 31, 2022	276,712.69	276,712.69
At Mar 31, 2023	118,768.69	118,768.69



S 6 (B)
Right to Use Asset

EGP

	Office Premises	Total
Cost		
Balance as at 1 April 2022	1,135,476.00	1,135,476.00
- Internally developed		-
- Acquired through business combinations		-
- Other acquisitions		-
- Disposals/ Transfers		-
- Translation adjustment		-
Balance as at 31 Mar 2022	1,135,476.00	1,135,476.00
- Internally developed		-
- Acquired through business combinations		-
- Other acquisitions		-
- Disposals/ Transfers		-
- Translation adjustment		-
Balance as at 31 Mar 2023	1,135,476.00	1,135,476.00
Amortisation and impairment		
Balance as at 1 April 2022	501,539.00	501,539.00
- Amortisation charge for the year	217,344.00	217,344.00
- Impairment loss		-
- Amortisation charge for disposals/ transfers		-
- Translation adjustment		-
Balance as at 31 Mar 2022	718,883.00	718,883.00
- Amortisation charge for the year		-
- Impairment loss		-
- Amortisation charge for disposals/ transfers		-
- Translation adjustment		-
Balance as at 31 Mar 2023	718,883.00	718,883.00

Carrying value

At April 1, 2022	633,937.00	633,937.00
At Mar 31, 2023	416,593.00	416,593.00
At Mar 31, 2023	416,593.00	416,593.00



S 8

Other liabilities

Other current liabilities are summarized as follows:

	EGP	EGP
	March-31-2023	March-31-2022
Statutory dues	4,212,597	2,458,999
Provisions	2,518,480	2,651,173
Share Capital Advance	-	-
Total	6,731,077	5,110,172



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Schedule - S 11

Long-term borrowings

Particulars	EGP	
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Loan from Glenmark Pharmaceuticals Limited, India	69,925,646	24,907,848
Interest on Loan	28,267,600	12,127,171
Total	98,193,246	37,035,019

Schedule - S 12

Other non-current financial liabilities

Particulars	EGP	
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Lease Liability	300,545	461,792
Total	300,545	461,792

Schedule - S 7

Trade payables

Particulars	EGP	
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Sundry creditors	6,745,724	3,372,631
Trade payables to related party: - Payable to Glenmark Pharma Kenya Limited	763,352	451,996
Total	7,509,076	3,824,628

Schedule - S 10

Short term financial liabilities

Particulars	EGP	
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Employee Dues	79,819	67,634
Lease Liability		
Total	79,819	67,634

Schedule - S 14

COGS

Particulars	EGP	
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Consumption of Raw and Packing material		
Opening Stock	7,877,721	5,462,408
Add: Purchases	34,608,113	17,916,191
Less: Closing stock	8,448,233	7,877,721
Consumption of Raw and Packing material	34,037,602	15,500,878
Finished Stock		
Purchases	7,810,880	4,050,063
Opening stock	4,383,478	1,833,056
Closing stock	8,214,159	4,383,478
(Increase)/Decrease in stock of Finished goods	(3,827,681)	(2,550,422)
Total	38,020,800	17,000,520

Schedule - 15

Employee benefit expenses

Particulars	EGP	
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Salaries and bonus	7,659,356	6,469,770
Contribution to provident fund and other funds		
Social insurance- company share	467,540	504,316
Recruitment, Training & Education allowance	79,197	25,782
Medical, Life insurance & Hospitality	611,621	472,601
Staff welfare expenses		
Total	8,817,713	7,472,469

Schedule - S 16

Other expenses

Particulars	EGP	
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Sales promotion expenses	8,332,686	5,648,568
Telephone expenses	131,057	118,365
Travelling expenses	1,171,403	1,004,646
Repairs & Maintenance	53,024	33,262
Rent	99,792	81,250
Warehouse Rent	430,409	275,190
Electricity charges	18,238	21,305
Auditors remuneration		98,083
Commission	7,759,007	3,541,722
Other operating expenses	4,296,538	2,514,744
Legal Fees	368,564	214,489
Data Services	185,265	796,330
Allowance for doubtful debts		
Exchange Gain/loss	39,559,042	5,467,349
Total	62,405,025	19,815,302



S-4

S 13

Other income

Other income is summarised as follows:

	EGP	EGP
	March-31-2023	March-31-2022
Exchange gain (net)	-	-
Miscellaneous income	-	949
Total	-	949



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Schedule S 17

1.2 Finance costs

Finance costs is analysed as follows:

	EGP	EGP
	March-31-2023	March-31-2022
- Interest on loan to Glenmark Pharmaceuticals Ltd	5,738,913	2,543,771
- Interest on Right to Use Asset	53,346	12,610
Total	5,792,259	2,556,381



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:

Key management personnel remuneration and amounts of transactions with enterprises over which they exercise significant influence have been summarised below:

	31-Mar-23	31-Mar-22
Short term employee benefits		
- Salaries including bonuses		
- Social security costs		
- Professional fees		
Total short term employee benefits		
Post employment benefits		
Other long-term benefits		
Termination benefits		
Share based payment expense		
Total benefits		
Total payable		

Key management personnel also participate in post employment benefit plans and other long term benefits provided by the Group. The amounts in respect of these towards the KMP cannot be segregated as these are based on actuarial valuation for all employees of the Group. During the year ended 31 March 2011 and 31 March 2010 no key management personnel has exercised options granted to them.

1.3 To

1.4 To

Trans	Parties-	EGP	INR IN MILLIONS
(a) to			
Investment	Glenmark Pharmaceuticals Limited, India during the FY ended 31/3/2017		-
Purchase			-
Loan from Glenmark India during the year		16,791,693	61.46
Reimbursement of Expenses to Glenmark Kenya			-
Interest expenses accrued during the year		5,738,913	21.00
(b) the amount of outstanding balances and:			
Payable to Glenmark Pharmaceuticals Limited against purchase made during the year			-
Loan and Interest payable to Glenmark Pharmaceuticals Limited		98,193,246	261.19
Share Capital Advance			-
Payable to Glenmark Pharmaceuticals Limited Kenya against reimbursement of Expenses made during the year		763,352.08	2.03
Payable to Glenmark Life Science			-



[Handwritten signature]



(III) Details of Shareholding of Promoters are as below :

Shares held by promoters at the end of the year				% change during the year ***
Sr. No.	Promoter Name	No. of Shares **	% of total shares **	
1	Glenmark Pharmaceuticals Limited	55426520	100%	0
Total				



Glenmark Pharmaceuticals Egypt Co. S.A.E

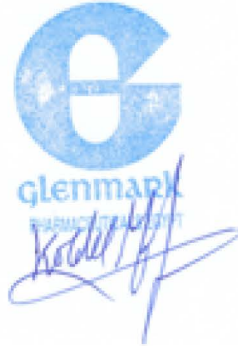
Operating Lease rent working

Particulars	Amount EGP	Amount in INR mn
Within 1 Year	161,248	0.59
Within 1 to 5 years	300,545	1.10
More than 5 years		-
Total	461,793	1.69

* INR Value = Average rate used for conversion



Particulars	Formula	As at	As at
		March 31, 2023	March 31, 2022
Current Ratio	Current Assets / Current Liabilities	3.02	2.61
Debt-Equity Ratio	Borrowing / Shareholder's Equity	(1.43)	(1.71)
Debt Service Coverage Ratio	EBIT / (Borrowing + (1+Rate of Interest))	(0.37)	(0.24)
Return on Equity Ratio	Net Profit / Shareholder's Equity	68.5%	59.5%
Inventory turnover ratio	COGS / ((Opening + Closing Inventory)/2)	2.63	2.77
Trade Receivables turnover ratio	Sales / ((Opening + Closing Trade Receivable)/2)	4.98	9.80
Trade payables turnover ratio	Purchases / ((Opening + Closing Trade Payable)/2)	1.38	2.12
Net capital turnover ratio	Net Sales / Shareholder's Equity	(1.00)	(1.59)
Net profit ratio	Net Profit / Sales	-68.8%	-37.4%
Return on Capital employed	EBIT / Shareholder's Equity	59.5%	46.1%
Return on Investment	Net Profit / Shareholder's Equity	68.5%	59.5%



Glenmark Pharmaceuticals Egypt Company, S.A.E.

Notes to the IFRS reporting Package

For the year ended March 31, 2023

1. Background on the company and purpose

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

The company was registered under number 35429 in the commercial register on November 6, 2008.

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

2. Compliance and basis of preparation

a. Basis of preparation

The financial statements have been prepared on the historical cost basis and the going concern basis, except for certain financial instruments that are measured at revalued amounts or fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods or services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using a valuation technique.

3. Significant accounting policies

The principal accounting policies are set out below.

a. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated customers' returns; rebates and other similar allowances. Revenues from the sale of goods is recognized when the goods are delivered and titles have passed, at which time the company had transferred to the buyer the significant risks and rewards of ownership of the goods; the amount of revenue can be measured reliably and the costs incurred in respect of the transaction can be measured reliably.

b. Foreign currencies

The functional and reporting currency of the company is the Egyptian pound. In preparing the financial statements of the company, transactions in currencies other than the company's functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date.

Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognized in profit or loss in the period in which they arise.

c. Taxation

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

Current tax

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

The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

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

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

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

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

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

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

d. Property, plant and equipment

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

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

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

Asset category	Estimated useful life
Computers and software	3 years
Office furniture	3 years
Leasehold improvements	4.8 years
Air Conditions	4 years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of the asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

e. Intangible assets

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

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

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

f. Inventories

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

- a) Raw materials: at the lower of cost using the weighted average method or net realizable value.
- b) Finished products: at the lower of the cost of production of each batch based on the costing sheets or net realizable value.
- c) Work in process: at the lower of the cost of production of the latest completed phase based on the costing sheets or net realizable value.

g. Impairment of tangible and intangible assets

At the end of each reporting period, the company reviews the carrying amounts of its property, plant and equipment, and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the recoverable amount of the asset is estimated to be lower than its carrying amount, then the carrying amount of the asset is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

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

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

h. Provisions

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

i. Financial instruments

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

All recognized financial assets are measured subsequently, in their entirety at either amortized cost using effective interest method or fair value depending on their classification. Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows; are measured subsequently at amortized cost. These include trade receivables, debit balances and banks balances. The company derecognizes a financial asset only when the contractual rights to cash flows from the asset expire or when it transfers financial asset and substantially all the risks and rewards of ownership of the asset to another party.

All financial liabilities are measured subsequently at amortized cost using the effective interest method.

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

j. De-recognition of financial assets and financial liabilities

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

The company derecognizes a financial liability when, and only when, the company's obligations are discharged, cancelled, or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid or payable is recognized in profit or loss.

k. Borrowing Costs

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

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

l. Cash and cash equivalent in the statement of cash flows

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

m. Use of estimates

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

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

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Significant areas of estimates include provisions, and useful lives of tangible and intangible assets.

n. Leases – Company as a lessee

The company opted the early application of EAS 49 (leases) issued in 2019. The company assesses whether a contract is or contains a lease at inception of the contract. The company recognises a right-of-use asset and a corresponding liability with respect to all lease arrangements in which it is a lessee except for short term leases and leases of low value assets. For these leases the company recognizes lease payments as an operating expenses on a straight line basis.

Lease liability is initially measured at the present value of lease payments that are not paid at commencement date, discounted by using the rate implicit in the lease. It is subsequently measured by increasing the carrying amount to reflect interest on lease liability.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date less any indirect initial costs. They are subsequently measure at cost less accumulated depreciation and impairment loss. Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. The right-of-use assets are presented in a separate line in the statement of financial position

