

**GLENMARK PHILIPPINES, INC.**  
Taguig City - Philippines

**FINANCIAL STATEMENTS**  
March 31, 2023 and 2022

And

**AUDITORS' REPORT**

**REPORT OF INDEPENDENT AUDITOR**

The Board of Directors  
**GLENMARK PHILIPPINES, INC.**  
Unit 901 & 902 9F, 11th Corporate Center Bldg.,  
11th Ave. corner Triangle Drive Bonifacio Global City  
Fort Bonifacio, Taguig City

**Report on the Audit of the Financial Statements**

**Opinion**

I have audited the financial statements of **GLENMARK PHILIPPINES, INC.** which comprise the statement of financial position as at March 31, 2023 and 2022 the statement of comprehensive income and statement of cash flows for the fiscal year ended, and notes to the financial statements, including a summary of accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **GLENMARK PHILIPPINES, INC.** as at as at March 31, 2023 and 2022 and its financial performance and its cash flows for the fiscal year ended in accordance with International Financial Reporting Standards.

**Basis for Opinion**

I have conducted my audit in accordance with International Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines together with ethical requirements that are relevant to my audit of the financial statements in the Philippines, and I have fulfilled my ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

**Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material mistakes, whether due to fraud or error.


In preparing the financial statements, management is responsible for assessing the Company's ability to continue as going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

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

My objectives are to obtain reasonable assurance about whether the 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 financial statements.


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

- Identify and assess the risks of material misstatement of the 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 my 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 Corporation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management'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 Corporation's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Corporation to cease to continue as a going concern. Identify and assess the risks of material misstatement of the financial statements.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

  
APARIO C. DIESMOS

CPA Reg. No. 14469

TIN: 120-116-055

BOA/PRC Cert. of Reg. No. 1429 valid until August 31, 2025

BIR Accred. No. 06-002776-001-2021, valid until February 24, 2024

PTR No.: 12466954 issued on January 10, 2023 at Las Piñas City

May 05, 2023 / Makati City, Philippines

Glenmark Philippines Inc., Philippines

Statement of Financial Position	Sch	March-31-2023		March-31-2022	
		PHP		PHP	
		IFRS		IFRS	
<b>ASSETS</b>					
<b>Non current assets</b>					
Property, plant and equipment	S 1	2,115,488.14		1,829,539.55	
Right of Use	S 1	14,698.06		1,336,591.88	
Deferred tax assets	S 2	-		5,605,074.00	
<b>Total non- current assets</b>		<b>2,130,186.20</b>		<b>8,771,205.43</b>	
<b>Current assets</b>					
Inventories	S 3	189,354,509.02		127,486,116.27	
Trade receivables	S 4	190,211,467.36		136,920,035.71	
Other Current Assets	S 17	19,506,151.31		13,717,455.06	
Other short-term financial assets	S 5	14,438,348.88		9,172,904.53	
Cash and cash equivalents	S 6	<b>22,204,391.56</b>		<b>13,335,717.01</b>	
<b>Total current assets</b>		<b>435,714,868.13</b>		<b>300,632,228.58</b>	
<b>Total assets</b>		<b>437,845,054.33</b>		<b>309,403,434.01</b>	
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share capital	S 7	<b>128,098,000.00</b>		<b>128,098,000.00</b>	
Retained earnings	S 7	<b>104,260,193.77</b>		<b>85,943,393.45</b>	
Currency translation reserve		-		-	
Non Controlling Interest		-		-	
<b>Total Equity</b>		<b>232,358,193.77</b>		<b>214,041,393.45</b>	
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
Non current portion of borrowings		-		-	
Other liabilities	S 8	-		1,386,613.08	
Lease Liabilities (Non-Current Portion)		-		-	
Deferred tax liabilities		-		-	
<b>Total non-current liabilities</b>		<b>-</b>		<b>1,386,613.08</b>	
<b>Current liabilities</b>					
Provisions	S 18	9,734,300.00		9,021,074.00	
Trade payables	S 9	185,802,560.56		72,459,353.48	
Other current liabilities					
Other short term financial liabilities	S 20	9,950,000.00		12,495,000.00	
Current portion of borrowings		-		-	
Lease Liabilities (Current Portion)		-		-	
Current tax liabilities		-		-	
<b>Total current liabilities</b>		<b>205,486,860.56</b>		<b>93,975,427.48</b>	
Liabilities included in disposal group held for sale		-		-	
<b>Total liabilities</b>		<b>205,486,860.56</b>		<b>95,362,040.56</b>	
<b>Total equity and liabilities</b>		<b>437,845,054.33</b>		<b>309,403,434.01</b>	


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

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Glenmark Philippines Inc., Philippines

Statement of Comprehensive Income	Sch	March-31-2023		March-31-2022	
		PHP		PHP	
		IFRS		IFRS	
<b>INCOME</b>					
Income from operations		506,779,671.94		373,809,147.04	
Other income	S 11	7,056,549.00		1,175,744.25	
<b>Total</b>		<b>513,836,220.94</b>		<b>374,984,891.29</b>	
Cost of materials	S 12	378,291,460.44		278,010,394.91	
Changes in inventories of finished goods and work-in-process	S 12	(61,868,392.75)		(29,470,823.52)	
Employee benefit expenses	S 13	91,793,036.52		74,509,077.80	
Depreciation, amortisation and impairment of non-financial assets	S 1	152,373.41		458,430.02	
Depreciation of right of use asset	S 1	1,321,893.82		4,833,174.31	
Research and Development expenses		-		-	
Other expenses	S 14	81,416,836.62		61,318,557.18	
<b>Total</b>		<b>491,107,208.06</b>		<b>389,658,810.70</b>	
<b>Operating profit</b>		<b>22,729,012.88</b>		<b>(14,673,919.41)</b>	
Share of profit from equity accounted investments		-		-	
Finance costs	S 15	(48,452.87)		(1,007,299.42)	
Finance income	S 15	28,880.31		54,644.87	
Other financial expenses		-		-	
<b>Profit/(Loss) before tax</b>		<b>22,709,440.32</b>		<b>(15,626,573.96)</b>	
Income tax expense/(credit)	S 16	5,672,262.00		(3,215,047.00)	
<b>Profit/(Loss) after tax from continuing operations</b>		<b>17,037,178.32</b>		<b>(12,411,526.96)</b>	
<b>Post tax profit/ (loss) for the year from discontinued operations</b>		<b>-</b>		<b>-</b>	
<b>Profit/(Loss) after tax carried to balance sheet</b>		<b>17,037,178.32</b>		<b>(12,411,526.96)</b>	
<b>Profit for the year attributable to:</b>					
Non Controlling Interest		-		-	
Owners of the parent		<b>17,037,178.32</b>		<b>(12,411,526.96)</b>	

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

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Glenmark Philippines Inc., Philippines

Statement of Cash Flows	March 31, 2023	March 31, 2022
	PHP	PHP
<b>(A) Cash flow from operating activities</b>		
Profit before tax	22,709,440.32	(15,626,573.96)
<i>Adjustments for non cash items:</i>		
Profit on sales of property, plant and equipment	-	(1,175,744.25)
Depreciation	152,373.41	458,430.02
Depreciation - Right of Use	1,321,893.82	4,833,174.31
Interest expenses - Right of Use		
Interest expenses	48,452.87	296,153.23
Unrealised gain on exchange fluctuation	(2,736,044.56)	467,546.80
MCIT Written Off/Utilized/ Deferred tax	-	-
Interest income	(28,880.31)	(54,644.87)
Loss from the sale of property, plant and equipment	-	-
Profit from the sale of short term investments	-	-
Employee benefit obligation	1,992,848.00	5,244,578.00
Unclaimed balances and provisions written back		
Provision for doubtful debts		
<b>Cash flows from operations before changes in working capital</b>	<b>23,460,083.55</b>	<b>(5,557,080.72)</b>
<i>Changes in operating assets and liabilities</i>		
Non current liabilities, trade payables and other current liabilities		
Provisions	-	(2,713,571.00)
Trade payables	116,016,562.15	56,882,530.92
Other current financial liabilities	(2,545,000.00)	5,379,943.00
Lease Liabilities	(1,386,613.08)	(4,835,013.18)
Lease Liabilities (Non-Current Portion)	-	-
Trade receivables and unbilled revenue	(53,291,431.65)	(18,019,698.40)
Inventories	(61,868,392.75)	(29,470,823.52)
Other current assets	(11,121,328.74)	(9,942,447.29)
Taxes paid	-	3,215,047.00
<b>Net cash generated from operating activities</b>	<b>9,263,879.48</b>	<b>(5,061,113.19)</b>
<b>(B) Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(438,322.00)	(578,860.00)
Right of Use (Lease)		
Proceeds from sale of property, plant and equipment	-	1,209,650.38
Net proceeds from the sale of short term investments		
Interest received	28,880.31	54,644.87
Dividend received		
<b>Net cash generated from/ (used in) investing activities</b>	<b>(409,441.69)</b>	<b>685,435.25</b>
<b>(C) Cash flows from financing activities</b>		
Proceeds from issue of shares		
Repayment of borrowings	-	-
Interest paid on borrowings	(48,452.87)	(296,153.23)
Lease Liabilities		
Right of Use (Lease)		
Dividends paid		
Merger / Demerger and QIP expenses		
<b>Net cash (used in)/ generated from financing activities</b>	<b>(48,452.87)</b>	<b>(296,153.23)</b>
<b>Net change in cash and cash equivalents from continuing operations</b>	<b>8,805,984.92</b>	<b>(4,671,831.17)</b>
FCTR Adjustments	-	-
<b>Net change in cash and cash equivalents</b>	<b>8,805,984.92</b>	<b>(4,671,831.17)</b>
Cash and cash equivalents at the beginning of the year	13,335,717.15	17,952,750.03
Cash and cash equivalents acquired on merger	-	-
Effect of change in exchange rate on cash and cash equivalents	62,689.49	54,798.29
<b>Cash and cash equivalents at the end of the year</b>	<b>22,204,391.56</b>	<b>13,335,717.15</b>

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**GLENMARK PHILIPPINES, INC.**  
**NOTES TO FINANCIAL STATEMENTS**

March 31, 2023

(With Comparative Figures as of March 31, 2022)

**1. Corporate Information**

**Glenmark Philippines, Inc.**(the Company) was registered with the Securities and Exchange Commission (SEC) on January 28, 2004 under SEC Registration Number CS200401232 with the primary purpose to engage in the business of marketing, importation and distribution on wholesale of pharmaceutical, cosmetics and medical device products(as amended on December 27 2013), to provide training or seminar for detail men/medical representative/professional medical representatives (as amended on 28 August 2017) and generally to perform any and all acts connected with the business aforementioned or arising there from and/or incidental thereto as may be allowed by existing law, rules and regulations. The principal address of business is located at Units 1 & 2, 9<sup>th</sup> Floor, 11<sup>th</sup> Corporate Center Building, 11<sup>th</sup> Avenue corner Triangle Drive, North Bonifacio, Bonifacio Global City, Taguig City 1634 and is domiciled in the Philippines.

The accompanying financial statements have been prepared on a going-concern basis which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The company's continuation as a going concern is dependent on its ability to generate sufficient funds and ultimately to obtain successful operations or to undertake decisive steps to preserve the value of the company.

The Company was registered as VAT Taxpayer with the Bureau of Internal Revenue (BIR) and was assigned Taxpayer Identification No. 229-171-508-000 at Revenue District Office 044.

The financial statements of the Company for the period ended March 31, 2023 (including the comparatives for the period ended March 31, 2022) were approved by the Board of Directors and authorized for issue on May 05, 2023. The board of directors is still empowered to make revisions on the financial Statements even after the date of issue.

As a measure to improve the profitability of the Company strategies have been or will be implemented to assist the Company in meeting future challenges in operations and to maintain financial stability based on:

- *Improvement.* Improve annual operating revenue base and overall competitive stature of the Company through a combination of strategies.
- *Investment.* The company will continue to upgrade and modernize current facilities wherever required.

**2. Significant Accounting Policies**

The significant accounting policies that are used in the preparation of these financial statements are summarized below. The policies are consistently applied to all years presented, unless otherwise stated.

• **Basis of financial statements preparation**

- *The financial statements have been prepared in compliance with Philippine Financial Reporting Standards.*

The accompanying financial statements have been prepared by applying accounting policies in accordance with the Philippine Financial Reporting Standards (PFRS). PFRS are issued by the Financial Reporting Standards Council (PRSC) and approved by the Philippine Board of Accountancy (BOA) based on International Financial Reporting Standards (IFRS) issued by International Accounting Standards Board (IASB).

The financial statements have been prepared using the measurement basis specified by PFRS for each type of asset, liability, income and expense. The measurement bases are more fully described in the accounting policies that follow.

*By: L. L.*

- *Preparation of financial statements*

The financial statements are presented in accordance with Philippine Accounting Standard (PAS) 1, Presentation of Financial Statement. The company presents all items of income and expenses in a single statement of comprehensive income (SCI).

- *Functional presentation currency*

These financial statements are presented in Philippine Pesos, the company's functional and presentation currency, and all values represent absolute amounts except when otherwise indicated.

Items included in the financial statements of the company are measured using its functional currency. Functional currency is the currency of the primary economic environment in which the companies operate.

- **Adoption of the new and amended PFRS**

Discussed below are the relevant information about these amendment and improvements.

- *Effective in 2016 that are relevant to the company*

- Amendments to PAS 1, Presentation of financial statements disclosure initiative (effective from January 1, 2016) – The amendment encourages entities to apply professional judgment in presenting and disclosing information in the financial statements.

Accordingly, it clarifies that materiality applies to the whole financial statements and an entity shall not reduce the understandability of the financial statements by obscuring material items that have different natures of functions.

The amendment also introduces that an entity's share of other comprehensive income of associates and joint ventures accounting for using equity method should be presented in aggregates as single line items based on whether or not such other comprehensive income items will subsequently be classified to profit and loss.

It further illustrates way that in determining the order of presentation of the notes and disclosures, an entity shall consider the understandability and comparability of the financial statements.

- *Effective in 2016 that are not relevant to the company*

- Amendments to PFRS 11 – Accounting for Acquisitions of Interests in Joint Operations.
- PFRS 14, Regulatory Deferral Accounts
- Amendments to PAS 16 and PAS 38, Clarification of acceptable Method of Depreciation and Amortization.
- Amendments to PAS 16 and PAS 41, Agriculture Bearer Plants
- Amendments to PAS 27, Equity Method in Separate Financial Statements.
- Amendments to PFRS 10, PFRS 12 and PAS 28, Investment Entities.
- Annual Improvements to PFRS (2012 – 2014 Cycle) have no significant impact to the financial statements of the Corporation.
  - *Amendment to PFRS 5 – Changes in Method of Disposal*
  - *Amendment to PFRS 7 – Servicing Contracts*
  - *Amendment to PAS 19 – Discount Rate*
  - *Amendment to PAS 34 – Disclosure of Information*

- *Effective subsequent to 2015 but not adopted early*

The following pronouncements listed below are issued but not yet effective. Unless otherwise indicated, the company does not expect that the future adoption of these pronouncements will have a significant impact of its financial statements.

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- *Amendments to PAS 7, Disclosure initiative (effective from January 1, 2017)* The amendment to PAS 7 require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities including changes arising from cash flows and non-cash changes (*such as foreign exchange gains or losses*). On initial application of the amendments, entities are not required to provide comparative information for preceding periods. Early application of the amendments is permitted.
- *Amendments to PAS 12, Recognition of Deferred Tax Assets for Unrealized Losses (effective from January 1, 2017)* – The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions of the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profits may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, an initial application of the amendments the change in the opening equity on the earliest comparative period may be recognized in opening retained earnings and other components of equity. Entities applying this relief must disclose that information. Early application of the amendments is permitted.

- *PFRS 9, Financial Instrument (effective from January 1, 2018)* – PFRS 9 reflects all phases of financial instruments project and replaces PAS 39, *Financial Instruments; Recognition and Measurement, and all previous version of PFRS 9*. The standard introduces new requirements for reclassifications and measurement, impairment, and hedge accounting. Early application is permitted. Retrospectively applications required, but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.
- *Amendments PFRS 2, Classification and Measurement of Share based Payment Transactions (effective from January 1, 2018)* – the amendment to PFRS 2 address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; The classification of share-based payment transaction with net settlement features of withholding tax obligations; and the accounting were a modification to the terms and conditions of share-based payment transaction changes its classification from cash settled to equity settled.
- *Amendments to PFRS 4, Applying PFRS 9, Financial instrument with PFRS 4, Insurance Contracts (effective from January 1, 2018 but still subject to BOA approval)* – The amendments address concerns arising from implementing PFRS 9, the new financial instruments standard before implementing the forthcoming insurance contracts standards. Options between the overlay approach and the temporary exceptions approach is allowed to deal with the transitional challenges.

The overlay approach permits all issuers of insurance contracts to recognize in other comprehensive income, rather than profit or loss, the volatility when PFRS 9 is applied before the new insurance contracts standard or until 2021.

- *PFRS 15, Revenue from Contracts with Customers (effective from January 1, 2018 but still subject to BOA approval)* – The standards specifies how and when an entity will recognize revenue as well as requiring such entities to provide users of financial statements with more informative, relevant disclosures. The standard provides a single, principles based five-step model to be applied to all contracts with customers. Under PFRS 15, revenue is recognized at an amount that reflects consideration to which an entity expects to be entitled in exchange for transferring goods and service to a customer. The principle in PFRS 15 provides a more structured approach in measuring and recognizing revenue.

The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under PFRS. Either a full or modified retrospective application is required for annual periods beginning on or after January 1, 2018.

- *Amendment to PAS 28 – Measuring and associate or joint venture at fair value (part of annual improvement to PFRS 2014 – 2016 Cycle) (effective from January 1, 2018 but still subject to BOA approval)* – the amendment clarifies that an entity, that is a venture capital organization, or other qualifying entity, may elect, or initial recognition on an investment-by-investment basis, to measures its investments in associate and joint ventures at fair value through profits and loss. It likewise clarifies that an entity that is not itself an investment entity has

an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by the investment entity associate or joint venture to the investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. The election is made separately for its investment entity associates or joint venture, at the later of the date on which (a) the investment associate or joint ventures is initially recognized; (b) the associate or joint venture become an investment entity; and (c) the investment entity associates or joint venture first becomes a parent. The amendments should be applied retrospectively, with either application permitted.

- *Amendments to PAS 40, Transfer of Investment Property (effective from January 1, 2018 but still subject to BOA approval)* – The amendment clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of the property does not provide evidence of a change in use. The amendment should be applied prospectively to change in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. Retrospective application is only permitted if there is possible without the use of hindsight.
- *Philippine Interpretation IFRIC 22, Foreign Currency Transaction and Advance Consideration (effective from January 1, 2018 but still subject to BOA approval)* – The interpretation clarifies that in determining the spot exchange rate to use on initial recognition of the related asset, expense or income in the recognition of a non-monetary asset or non-monetary liability related to advance consideration, the date of the transaction is the date on which the entity initially recognizes the non-monetary asset and non-monetary liabilities arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the dates of the transaction for its payment or receipts of advances consideration. The interpretation may be applied prospectively to all assets, expenses and income in its scope that are initially recognized on or after the beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the interpretation.
- *PFRS 16, Leases (effective from January 1, 2019)* – Under the new standard, leases will no longer classify there leases as either operating or finance leases in accordance with PAS 17, leases. Rather lessees will recognize the assets and related liabilities for most leases on their balance sheets, and subsequently, will depreciate the lease assets and recognized interest on the lease liabilities on their profit and loss, Leases with a term of 12 months or less or for which the underlying asset is of low value are exempted from these requirements.

The accounting for lessors is substantially unchanged as the new standard carries forward the principles of lessor accounting under PAS 17. Lessors, however, will be required to disclose more information in their financial statements, particularly in the risk exposures to residual value.

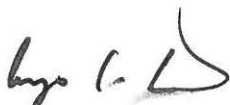
Entities may early adopt PFRS 16 but only if they have also adapted PFRS 15. When adopting PFRS 16, an entity is permitted to use either a full retrospective approach with options to use certain transition relief.

- *Amendments to PFRS 10 and PAS 28, Sale or Contribution of Assets between an investor and its Associate or Joint Venture* – The amendments address the conflicts between PFRS 10 and PAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate and joint venture. The amendment will clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in PFRS 3, Business combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognize only to the extent of unrelated investors interests in the associate and joint venture.

On January 13, 2016, the Financial Reporting Standards Council postponed the original effective date on January 1, 2016 of the said amendments until the International Accounting Standards Board has completed its broader review of the research project on equity accounting that may result in the simplification of accounting for such transactions and of other aspects of accounting foe associates and joint ventures.

#### Cash and cash equivalents

Cash and cash equivalents compromise cash on hand and cash in banks, working funds, demand deposits, with short term, highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of change in value, having been within three months of maturity when placed or acquired.

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### **Financial Assets and Financial Liabilities**

*Date of Recognition.* The Company recognizes a financial asset or a financial liability in the statements of financial position when it becomes a party to the contractual provisions of the instrument. In the case of a regular way purchase or sale of financial assets, recognition and derecognition are done using settlement date accounting

*Initial Recognition.* Financial instruments are recognized initially at fair value. The initial measurement of financial instruments, except for those designated as at fair value through profit or loss (FVPL), includes directly attributable transaction costs.

#### *Classification*

The Company classifies its financial assets in the following categories: held-to-maturity (HTM) investments, available-for-sale (AFS) financial assets, financial assets at FVPL and loans and receivables. The Company classifies its financial liabilities as either financial liabilities at FVPL or other financial liabilities. The classification depends on the purpose for which the investments are acquired and whether they are quoted in an active market. Management determines the classification of its financial assets and financial liabilities at initial recognition and, where allowed and appropriate, re-evaluates such designation at every reporting date.

As of March 31, 2023, and March 31, 2022, the Company has no HTM investments, AFS financial assets and financial assets and financial liabilities at FVPL.

The financial assets and liabilities of the Company are described below:

#### **Financial Assets**

*Receivables.* Receivables are non-derivative financial assets with fixed or determinable payments and maturities that are not quoted in an active market. They are not entered into with the intention of immediate or short-term resale and are not designated as AFS financial assets or financial assets at FVPL.

Subsequent to initial measurement, receivables are carried at amortized cost using the effective interest method, less any impairment in value. Any interest earned on receivables shall be recognized as part of "Interest income" in the statements of comprehensive income on an accrual basis. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees that are an integral part of the effective interest rate. The periodic amortization is also included in profit or loss. Gains or losses are recognized in profit or loss when receivables are derecognized or impaired.

The Company's cash, due from related parties and refundable deposits are included under this category.

*Cash.* Cash is carried in the statement of financial position at face value. For purposes of the statement of cash flows, cash consist of cash on hand and deposits held at call with banks.

#### **Financial Liabilities**

*Other Financial Liabilities.* This category pertains to financial liabilities that are not designated or classified as at FVPL. After initial measurement, other financial liabilities are carried at amortized cost using the effective interest method. Amortized cost is calculated by taking into account any premium or discount and any directly attributable transaction costs that are considered an integral part of the effective interest rate of the liability.

The Company's accounts payable and accrued expenses and due to related parties are classified under this category.

#### **Impairment of Assets**

Assets are impaired if carrying amount exceeds the amount to be recovered through use of sale of the asset. An assessment is made at each statement of financial position date whether there is objective evidence that a specific financial or non-financial asset may be impaired. If such evidence exists, any impairment loss is recognized by the company.

- ***Impairment of Financial Assets***

If there is evidence that an impairment loss on loans and receivables carried at amortized cost has been incurred, the amount of loss is measured as the difference between the carrying amount and the present value of estimated cash flows discounted at the original effective interest rate. The carrying amount of the asset shall be reduced either directly or through the use of allowance account.

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If in subsequent year, the amount of impairment loss decreases because of the event occurring after the impairment is recognized, the previously recognized impairment loss is reversed.

- **Impairment of Non-Financial Assets**

When indicators of impairment exist, the company's makes a formal estimate of recoverable amount. The asset's recoverable amount is the higher of an asset's cash generating unit's fair value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets.

#### **Derecognition of Financial Instrument**

*Financial Assets.* A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized where:

- the rights to receive cash flows from the asset have expired;
- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a "pass-through" arrangement; or
- the Company has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset

*Financial Liabilities.* A financial liability is derecognized when the obligation under the liability is discharged, cancelled or has expired.

#### **Receivables**

Receivables are recognized and carried at invoice amount. An estimate for doubtful accounts is made when collection of the full amount is no longer probable.

#### **Inventories**

Inventories are valued at the lower of cost and net realizable value. Cost is determined using the first in, first-out method. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of marketing and distribution.

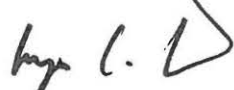
#### **Property, plant and equipment**

Property, plant and equipment are carried at cost less accumulated depreciation, amortization. The initial cost of property, plant and equipment consists of its purchase price and any directly attributable costs of bringing the property and equipment to its working condition and location for its intended use. Expenditures incurred after the property and equipment have been put into operations, such as repairs and maintenance, are normally charged to income in the period the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its original assessed standard of performance, the expenditures are capitalized as additional costs of property and equipment.

Depreciation and amortization are computed using the straight-line method over the following estimated useful lives:

	Useful Life (years)
Furniture and fixtures	5
Vehicles	3
Computer and accessories	3
Office equipment	3

The useful lives and depreciation method are reviewed periodically to ensure that the periods and method of depreciation are consistent with the expected pattern of economic benefits from items of property and equipment.

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**Intangible Assets**

Cost incurred for the exclusive right to sell and distribute certain products and the license obtained from Bureau of Food and Drugs are recognized as intangible assets when it is probable that the Company will be able to successfully market the product. These costs are amortized using the straight-line method over a period of 10 years which is the estimated period of its expected benefit.

**Impairment of Assets**

The carrying values of property and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying values may not be recoverable. If any such indication exists and when the carrying values exceed the estimated recoverable amount, the property and equipment or cash-generating units are written down to their recoverable amount. The recoverable amount of property and equipment is the higher of its net selling price and value in use. Net selling price is the amount obtainable from the sale of property and equipment in an arm's-length transaction between knowledgeable, willing parties, after deducting any direct incremental disposal costs. In assessing the value in use, the future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessment of the time value of money and the risks specific to the property and equipment. For property and equipment that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the property and equipment belongs. Any impairment loss is recognized in the statement of income.

Reversal of impairment losses recognized in prior years, if any, is recorded when there is an indication that the impairment losses recognized for the property and equipment no longer exist or have decreased. The reversal is recorded as income. However, the increased carrying amount of property and equipment due to a reversal of accumulated impairment losses is recognized to the extent that it does not exceed the carrying amount (net of depreciation and/or amortization) that would have been determined had no impairment loss been recognized for the property and equipment in prior years.

**Liabilities and Provisions**

A liability and provision are recognized where there is a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These include trade and other payables and where the effect of the time value of money is material, the amount recognized is the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

**Interest-Bearing Loans and Borrowings**

All loans and borrowings are initially recognized at the fair value of the consideration received less directly attributable issuance costs.

After initial recognition, interest-bearing loans and borrowings and the attributable issuance costs are subsequently measured at amortized cost using the effective interest rate method.

Gains and losses are recognized in net profit and loss when liabilities are derecognized as well as through amortization process.

**Borrowing Costs**

Borrowing costs are capitalized if they are directly attributable to the acquisition or construction of a qualifying asset. Capitalization of borrowing costs commences when the activities to prepare the asset are in progress and expenditures and borrowing costs are being incurred. Borrowing costs are capitalized until the assets are substantially ready for their intended use. If the carrying amount of the asset exceeds its recoverable amount, an impairment loss is recorded.

**Revenue Recognition**

Revenue should be recognized when the significant risks and rewards of ownership are transferred to the buyer. Income and related expenses must be matched. If future expenses cannot be measured reliably, income recognition should be deferred.

Revenue should be recorded gross in all transactions where the company is involved in all processes and has exposure to the risks associated with providing the goods.

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*Sales of Goods.* Revenue is recognized when the significant risk and rewards of ownership of the goods have passed to the buyer and the amount of revenue can be measured reliably.

*Interest.* Interest income on bank deposits is recognized on a time proportion basis, net of applicable final withholding tax.

**Operating Lease Commitments – Company as Lessee**

To date, the leases entered into by company are operating leases. Total payments made under the operating leases are charged to current operations. When an operating lease is terminated before the lease period expired, any payment required to be made to the lessor by way of a penalty is recognized as an expense in the period in which the termination takes place.

**Foreign Currency-Denominated Transactions**

Foreign currency-denominated transactions are recorded in Philippine peso by applying to the foreign currency amount the exchange rate between the Philippine peso and the foreign currency at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are restated using the rate of exchange at the balance sheet date. Exchange rate differences arising from the restatement and settlement of monetary items at rates different from those at which they were initially recorded are recognized in the statement of income in the year in which the differences arise.

**Determining Functional Currency**

Based on the economic substance of the underlying circumstances relevant to the Company, the functional currency of the company has been determined to be the Philippine Peso. The Philippine Peso is the currency of the primary economic environment in which the company operates. It is the currency that mainly influences the sale of goods and the costs to manufacture and sell the goods.

**Related Party Transactions**

This consists of advances to and/or from affiliated companies for use in the natural business operations, purchase of inventories and other operating charges advances by the Company or its affiliates. Parties are considered related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions. Individuals, associates or companies that directly or indirectly control or are controlled by or are under common control of the group are also considered related parties.

**Profit/Loss per Share**

Basic losses per share are calculated by dividing net loss for the year attributable to ordinary shares outstanding during the year.

**Income Tax**

Current tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the balance sheet date.

Deferred income tax is provided, using the balance sheet liability method, on all temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences to the extent that it is probable that taxable income will be available against which the deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable income will be available to allow all or part of the deferred tax assets to be utilized.

**Share Capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction from the proceeds. Where the company reacquires its own equity instruments as treasury shares, the consideration paid, including any directly attributable incremental cost is deducted from equity attributable to the company's equity holders until the shares are cancelled, reissued or disposed of. Where such

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shares are subsequently sold or reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income loss is recognized in the income statement.

#### Subsequent Events

Adjustments are made to reflect in the financial statements the effect, if any, of past year end events that provided additional information about the company's financial position at the balance sheet date (adjusting events). Post year-end events that are not adjusting events are disclosed in the notes when material.

### 3. Significant Accounting Judgments and Estimates

The preparation of financial statements in conformity with PFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances the result of which form basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

#### Critical Judgments, Assumptions and Estimation Uncertainties

There were no critical judgments made in the process of applying the entity's accounting policies that have the most significant effect on the amounts recognized in the financial statements. There were no key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

#### General Risk Management Principles

The entity's financial instruments are comprised some cash and various items, such as trade and other receivables, trade and other payables that arise directly from its operations. The main purpose of these financial instruments is to raise finance for the entity's operations. The main risk arising from the entities financial instruments are credit risk, liquidity risk and foreign currency risk. The management reviews and agrees policies for managing each of these risks and they are summarized below.

#### **Notes to the Standalone Financial Statements**

	As at 31 Mar 2023	As at 31 March 2022	
a) Current Ratio,	2.12	3.20	
(b) Debt-Equity Ratio,	-	-	No Debt on company
(c) Debt Service Coverage Ratio,	-	-	No Debt on company
(d) Return on Equity Ratio,	0.08	(0.03)	Comprehensive Income/(Equity+RE)
(e) Inventory turnover ratio,	0.37	0.34	Closing invt/Netsales
(f) Trade Receivables turnover ratio,	0.38	0.37	AR/Sales
(g) Trade payables turnover ratio,	0.37	0.19	AP/Sales
(h) Net capital turnover ratio,	0.46	0.57	Equity+RE/Sales
(i) Net profit ratio,	0.04	(0.02)	
(j) Return on Capital employed,	0.08	(0.03)	Comprehensive Income/(Equity+RE)
(k) Return on investment.			No Investment

The company shall explain the items included in numerator and denominator for computing the above ratios. Further explanation shall be provided for any change in the ratio by more than 25% as compared to the preceding year.

#### Credit Risks on Financial Assets

Financial assets that are potentially subject to concentrations of credit risk and failures by counterparties to discharge their obligations consist principally of cash, cash equivalents and trade and other accounts receivable. The management believes that the financial risks associated with these financial instruments are minimal. The cash and

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cash equivalents and other liquid financial assets are placed with high credit quality institutions. An ongoing credit evaluation is performed of the debtors' financial condition and a loss from impairment is recognized in the income statement. There is no significant concentration of credit risk, as the exposure is spread over a wide number of counterparties and customers.

### Interest Rate Risk

The Company's interest rate exposure management policy centers on reducing the Company's overall interest expense and exposure to changes in interest rates. Changes in market interest rates relate primarily to the Company's interest-bearing debt obligations with floating interest rate.

### Liquidity Risk

The Company monitors its cash flow positions and overall liquidity position in assessing its exposure to liquidity risk. The Company maintains a level of cash and cash equivalents deemed sufficient to finance operations and to mitigate the effects of fluctuation in cash flow.

#### Schedule 1

#### Property, plant and equipment

The Group's property, plant and equipment comprise freehold and leasehold land, IT and office equipment, and furniture and fixture. The carrying amount are analysed as follows:

		PHP				
		Furniture and fixture	Equipment	Vehicles	Right of Use	Total
<b>Cost</b>						
Balance at March 31, 2022		1,639,406.25	5,820,219.78	2,403,917.54	36,378,423	46,241,966.57
- Other acquisitions		-	438,322	-	-	438,322.00
	31-Mar-23	1,639,406.25	6,258,541.78	2,403,917.54	36,378,423.00	46,680,288.57
<b>Accumulated Depreciation</b>						
Balance at March 31, 2022		1,616,405.93	4,206,755.08	2,210,842.94	35,041,831.12	43,075,835.07
- Depreciation charge for the year		602.63	151,770.78	-	1,321,893.82	1,474,267.23
	31-Mar-23	1,617,008.56	4,358,525.86	2,210,842.94	36,363,724.94	44,550,102.30
<b>Carrying value</b>						
At April 1, 2022		23,000.32	1,613,464.70	193,074.60	1,336,591.88	3,166,131.50
	31-Mar-23	22,397.69	1,900,015.92	193,074.60	14,698.06	2,130,186.20


#### (i) Title deeds of Immovable Property not held in name of the company

Relevant line item in the Balance Sheet	Description of the property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative # of promoter * / director or employee of promoter / director	Property held since which date	Reason for not being in the name of the company **
PPE	Land					
	Building					
Investment Property	Land					
	Building					
PPE retired from active used and held for	Land					
	Building					
Others						

# Relative here means relative as defined in the Companies Act, 2013

\* Promoter here means promoter as defined in the Companies Act, 2013

\*\* Also indicate if in dispute

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**(ii) Capital Work in Progress****Ageing schedule**

CWIP	Amount in Capital work in progress for a period of				Total *
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress					
Projects temporarily suspended					

\* Total shall tally with CWIP amount in the balance sheet

Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan. \*\*

CWIP	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects 1				
Projects 2				

\*\* Details of projects where activity has been suspended shall be given separately

**Previous year****(i) Title deeds of Immovable Property not held in name of the company**

Relevant line item in the Balance Sheet	Description of the property	Gross carrying value	Title deeds held in the name of	Whether title deed holder is a promoter, director or relative # of promoter * / director or employee of promoter / director	Property held since which date	Reason for not being in the name of the company **
PPE	Land					
	Building					
Investment Property	Land					
	Building					
PPE retired from active used and held for	Land					
	Building					
Others						

**(ii) Capital Work in Progress****Ageing schedule**

CWIP	Amount in Capital work in progress for a period of				Total *
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Projects in progress					
Projects temporarily suspended					

Capital work in progress whose completion is overdue or has exceeded its cost compared to its original plan, the following CWIP completion schedule shall be given \*\*

**Ageing schedule**

CWIP	To be completed in			
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years
Projects 1				
Projects 2				

\*\* Details of projects where activity has been suspended shall be given separately

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## Schedule 2

## Deferred Tax Assets and Liabilities

Deferred taxes arising from temporary differences and unused tax losses are summarized as follows:

	Recognised in profit and loss account	PHP	
		March 31, 2023	March 31, 2022
<b>Deferred tax assets</b>	(5,605,074.00)	-	5,605,074.00
Tax losses		-	-
<b>Total</b>	<b>(5,605,074.00)</b>	-	<b>5,605,074.00</b>
<b>Deferred tax liabilities</b>			
<b>Total</b>	-	-	-
<b>Net deferred tax asset</b>	<b>(5,605,074.00)</b>	-	<b>5,605,074.00</b>

## Schedule 3

## Inventories

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

Particulars	PHP	
	March 31, 2023	March 31, 2022
Finished Goods	149,711,362.02	97,067,064.69
Goods in transit	39,643,147.00	30,419,051.58
<b>Total</b>	<b>189,354,509.02</b>	<b>127,486,116.27</b>

## Schedule 4

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

The carrying amount of trade receivables are analysed as follows:

Particulars	PHP	
	March 31, 2023	March 31, 2022
Gross value	190,211,467.36	136,920,035.71
Less: Allowance for credit losses	-	-
<b>Net trade receivables</b>	<b>190,211,467.36</b>	<b>136,920,035.71</b>

## Ageing Schedule

Particulars	Outstanding for following periods from due of payments					PHP
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade Receivable - considered good	190,211,467.36					190,211,467.36
(ii) Undisputed Trade Receivable - which have significant increase in credit risk						
(ii) Undisputed Trade Receivable - credit impaired						
(iv) Disputed Trade Receivable - considered good						
(v) Disputed Trade Receivable - which have significant increase in credit risk						
(vi) Disputed Trade Receivable - credit impaired						

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Previous year  
Ageing Schedule

Particulars	Outstanding for following periods from due of payments					PHP
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
(i) Undisputed Trade Receivable - considered good	136,920,035.71					136,920,035.71
(ii) Undisputed Trade Receivable - which have significant increase in credit risk						
(iii) Undisputed Trade Receivable - credit impaired						
(iv) Disputed Trade Receivable - considered good						
(v) Disputed Trade Receivable - which have significant increase in credit risk						
(vi) Disputed Trade Receivable - credit impaired						

Schedule 5  
Other short term financial assets

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
Short term - deposit	2,130,395.94	2,030,395.94
MCIT	2,585,764.67	2,652,953.11
Creditable Withholding Tax	9,722,188.27	4,489,555.48
<b>Total</b>	<b>14,438,348.88</b>	<b>9,172,904.53</b>

Schedule 6  
Cash and cash equivalents

Cash and cash equivalents include the components as follows:

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
Cash on hand	10,000.00	10,000.00
Cash in current accounts	22,194,391.56	13,325,717.01
<b>Total</b>	<b>22,204,391.56</b>	<b>13,335,717.01</b>

Schedule 7  
Statement of Changes in Equity  
[All amounts are stated in PHP, unless otherwise stated]

	Share Capital	Retained earnings	Total equity
Balance at Mar 31, 2022	128,098,000.00	85,943,393.45	214,041,393.45
Profit for the quarter		18,316,800.32	18,316,800.32
			-
<b>3/31/2023</b>	<b>128,098,000.00</b>	<b>104,260,193.77</b>	<b>232,358,193.77</b>

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## Schedule 8

## OTHER NON-CURRENT FINANCIAL LIABILITIES

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
Security deposits from customers		
Lease liability (Refer note 31)	-	1,386,613.08
<b>Total</b>	<b>-</b>	<b>1,386,613.08</b>

## Schedule 9

## Trade payables

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Sundry creditors payable to HO India	183,087,462.31	70,486,810.91
Other liabilities (Payable to third parties)	2,715,098.25	1,972,542.57
<b>Total</b>	<b>185,802,560.56</b>	<b>72,459,353.48</b>

## Trade Payables

Particulars	As on 31st Mar'23				31-Mar-22
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	PHP
Micro Small and Medium Enterprises (MSME)					
Others	183,087,462.31	-	-	-	183,087,462.31
Disputed Dues – MSME					
Disputed Dues – Others					
<b>Net trade payables</b>	<b>183,087,462.31</b>				<b>183,087,462.31</b>

Particulars	As on 31st Mar'22				31-Mar-22
	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	PHP
Micro Small and Medium Enterprises (MSME)					
Others	70,486,810.91	-	-	-	70,486,810.91
Disputed Dues – MSME					
Disputed Dues – Others					
<b>Net trade payables</b>	<b>70,486,810.91</b>				<b>70,486,810.91</b>

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## Schedule 11

## Other income

Other income is summarised as follows:

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
Others		
Profit on sale of property, plant and equipment	-	1,175,744.25
Exchange loss/(gain)	440,948.50	-
<b>Other Income</b>	<b>6,615,600.50</b>	<b>-</b>
<b>Total</b>	<b>7,056,549.00</b>	<b>1,175,744.25</b>

## Schedule 12

## Cost of materials

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Consumption of Raw and Packing material		
Opening Stock		
Add: Purchases		
Less: Closing stock		
Finished goods purchased	378,291,460.44	278,010,394.91
Decrease/(Increase) in Inventory		
Opening Stock		
-Work in progress		
-Finished goods	127,486,116.27	98,015,292.75
Less: Closing Stock		
-Work in progress		
-Finished goods	(189,354,509.02)	(127,486,116.27)
Consumption of stores and spares		
<b>Total</b>	<b>316,423,067.69</b>	<b>248,539,571.39</b>

## Schedule 13

## Employee benefit expenses

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Salaries and bonus	88,293,520.50	71,658,194.54
Contribution to provident fund and other funds	3,499,516.02	2,850,883.26
<b>Total</b>	<b>91,793,036.52</b>	<b>74,509,077.80</b>


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**Schedule 14**  
**Other expenses**

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Travelling expenses	27,483,495.27	15,708,189.55
Insurance	251,319.86	259,413.93
Rent	8,125,610.47	7,397,175.11
Repairs and maintenance	1,539,655.96	1,324,677.46
Auditors remuneration	171,650.00	174,450.00
Exchange loss/(gain)	-	2,977,425.64
Other operating expenses (Schedule 14-A)	43,695,512.61	33,477,225.49
Bank charges	149,592.45	
<b>Total</b>	<b>81,416,836.62</b>	<b>61,318,557.18</b>

**Schedule 14 A**  
**Breakdown of Other Operating Expenses**

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Sales Promotion Expenses	11,723,912.02	6,561,142.40
Promo material	2,043,131.76	835,511.25
Distribution Cost	2,914,108.55	7,339,729.95
Sponsorship	438,773.52	55,916.46
Conventions	1,515,178.57	1,645,115.08
Sample Cost	50,747.50	687,152.90
IMS Subscriptions Cost	-	755,643.54
ER - Representation & Ent.	2,105,777.56	1,722,556.96
ER - Hotel	1,474,732.06	514,252.75
ER - Courier	138,445.00	70,477.50
Patent Charges - Head office	1,863,176.20	1,523,375.84
Professional fees	3,449,195.08	1,337,976.76
ER - Internet	2,385,294.18	1,616,448.12
Permits & Registration	72,001.69	2,283,296.00
Dues & Fees	2,840,337.41	2,146,501.08
Communication exp	931,525.37	932,218.25
Office Supplies	552,069.80	429,566.17
Light & Water	577,895.84	362,372.87
Xerox & Printing	70,209.05	23,731.20
Courier Charges	115,812.54	81,120.10
Honorarium Fees	558,888.64	726,110.98
Recruitment Expenses - S&M	23,949.50	4,000.00
Recruitment Expenses - BST	1,280.00	1,840.00
Training & Development - S&M	920,547.27	787,554.51
Prof. Fees-Marketing Consultant	206,249.92	119,999.97
CSR Expenses	21,650.00	101,527.73
Prof. Fees-Regulatory Consultan	480,000.00	503,333.31
Training & Development- BST(HR)	9,603.00	1,947.00
Training & Development- S&M(HR)	225,321.27	-
Destruction Cost	226,600.00	-
Expenses - PV	774,890.03	297,297.64
Conference & Meeting	4,978,506.88	9,509.17
Gifts & Presents	5,702.40	
<b>Total</b>	<b>43,695,512.61</b>	<b>33,477,225.49</b>

by: 

## Schedule 15

## Finance income and finance costs

## 1.1 Finance income

Finance income is analysed as follows:

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
Interest income on Others	28,880.31	54,644.87
<b>Total</b>	<b>28,880.31</b>	<b>54,644.87</b>

## 1.2 Finance costs

Finance costs is analysed as follows:

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
- Interest expense on short term borrowings Others	48,452.87	296,153.23
- Bank charges		711,146.19
<b>Total</b>	<b>48,452.87</b>	<b>1,007,299.42</b>

## Schedule 16

## Income tax expense/(credit)

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Deferred taxes & MCIT	5,605,074.00	(3,215,047.00)
Normal Tax Expenses	5,672,262.40	-
<b>Total</b>	<b>11,277,336.40</b>	<b>(3,215,047.00)</b>

## Schedule 17

## Other short term financial assets

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
Advance recoverable in cash or kind	13,086,838.40	8,219,295.24
Vat Recoverable	91,783.85	-
Others	6,327,529.06	5,498,159.82
<b>Total</b>	<b>19,506,151.31</b>	<b>13,717,455.06</b>

by C. D

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Promoters	0	0
Directors	0	0
KMPs	0	0
Related Parties	0	0

**Schedule 18**  
**Provisions**

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
	IFRS	IFRS
Provision for defined benefit plan	9,734,300.00	9,021,074.00
<b>Total</b>	<b>9,734,300.00</b>	<b>9,021,074.00</b>

**Schedule 20**

**Other short term financial liabilities**

Other short term financial liabilities are summarized as

Particulars	PHP	PHP
	March 31, 2023	March 31, 2022
Accrued expenses	9,950,000.00	12,495,000.00
<b>Total</b>	<b>9,950,000.00</b>	<b>12,495,000.00</b>

**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.

Nature of the relationship	Related Party's Name
Key Management Personnel (KMP)	Adeel Hasan
Close family member of KMP with whom the Group has transactions	-
Other Enterprises over which KMP are able to exercise significant influence	-
Associates	-
Joint Ventures	-
Glenmark Pharmaceuticals Limited, India	

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 2023 and 31 March 2022 no key management personnel has exercised options granted to them.

*byd l. U*



**1.3 Transactions with associates****1.4 Transactions with joint ventures**

Transactions and Closing Balances with related parties-

**PHP****(a) the amount of the transactions;**

Goods Purchase from Glenmark Pharmaceuticals Limited, India	348,840,056
Goods Purchase from Glenmark Generics SA	1,411,743
Expenses paid on behalf of Glenmark Pharmaceuticals Limited, India for Pharmacovigilance expenses	6,615,601
Expenses paid on behalf of Glenmark Pharmaceuticals Limited, India for Pharmacovigilance expenses	-

**Total Net Transactions with Glenmark Pharmaceuticals Ltd, India****355,455,657****Total Net Transactions with Glenmark Generics SA****1,411,743****(b) the amount of outstanding balances and:**

Payable to-

Glenmark Pharmaceuticals Limited, India	183,087,462
Glenmark Generics SA	-

Receivable from-

Glenmark Pharmaceuticals Limited, India	6,615,601.00
Glenmark Generics SA	-

**Total Net Payable to Glenmark Pharmaceuticals Ltd, India- Purchase****183,087,462.00****Total Receivable from Glenmark Pharmaceuticals Ltd, India- Expenses****6,615,601.00****Total Net Payable to Glenmark Generics SA****-**

Glenmark Philippines Inc.  
Investment of GPL into Glenmark Philippines

Descriptions	Glenmark Pharmaceutical Ltd.		
	Nos of Shares	USD	PHP
Opening Balance as on April 1st, 2022	640,490.00	2,616,950.00	128,098,000.00
Add- Investment made during the Quarter/Period/ Year	-	-	-
Other Adjustments-			
Realized exchange Gain/(loss)			
Others- Please specify			
Closing Balance as on 03/31/2023	640,490.00	2,616,950.00	128,098,000.00
Balance as per Confirmation Attached	640,490.00	2,616,950.00	128,098,000.00

Details of Shareholding of Promoters are as below :

Shares held by promoters at the end of the year			% change during the year ***
Promoter Name	No.of Shares **	% of total shares **	
GPL India	640,490	100%	-

*by C.L.*

