



Plaza Cagancha 1145 Piso 6
(11100), Montevideo, Uruguay
T +(598) 2903.03.13
F +(598) 2903.03.73
www.rsm.uy

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Glenmark Uruguay S.A.
Montevideo - Uruguay

Opinion

1. We have audited the financial statements of Glenmark Uruguay S.A. (the "Company"), which comprise Statement of Financial Position as at March 31st, 2019, and the Statement of Comprehensive Income, Statement of Changes in Shareholders' Equity, Statement of Cash Flows, for the year then ended, and notes to the Financial Statements, including a summary of significant accounting policies.
2. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31st, 2019, and its financial performance and its cash flows for the year ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

3. We conducted our audit in accordance with International Standards on Auditing (ISAs), issued by International Auditing and Assurance Standards Board (IAASB). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Uruguay, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independent Auditors' Report

1/14

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Uruguay is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.



Key audit matters

4. Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Balances and transactions with related parties

The Company maintains significant balances with related parties. These balances correspond to 99,99% of the assets and 97,62% of total liabilities of the Company.

There is a risk that transactions have not been made under normal market conditions. Furthermore, there is a risk of uncollectibility.

We have not made significant changes in our audit response with respect to the previous year. Our audit response was:

- Identification of related parties, balances and transactions
- We requested to related parties for confirmation of balances and transactions of the year.
- We evaluate the suitability of the established procedure in order to identify, record and disclose transactions with related parties.
- Throughout the execution of our audit procedures, we were aware of any transaction with related parties unrelated to the normal course of business.

Transactions and balances with related parties are disclosed in Note 4 to the financial statements.

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

5. Management is responsible for the preparation and fair presentation of these 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 misstatement, whether due to fraud or error.
6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Independent Auditors' Report

11/11

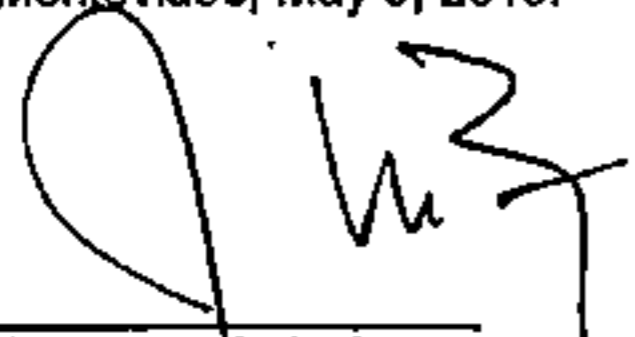
THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Uruguay is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

Auditor's Responsibilities for the Audit of the Financial Statements

- 8. The objectives of our audit 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 our 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.
- 9. A further description of our responsibilities for the audit of the financial statements is included in Appendix I of this auditor's report. This description, which is located at page III, forms part of our auditor's report.

Montevideo, May 9, 2019.



Jorge Gutfraind
 Partner
 Certified Public Accountant
 No. 32.922





APPENDIX I

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We 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 our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We 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 we identify during our audit.

We 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 we identify during our audit.

Montevideo, May 9, 2019

Independent Auditors' Report

IV/IV

THE POWER OF BEING UNDERSTOOD
AUDIT | TAX | CONSULTING

RSM Uruguay is a member of the RSM network and trades as RSM. RSM is the trading name used by the members of the RSM network. Each member of the RSM network is an independent accounting and consulting firm which practices in its own right. The RSM network is not itself a separate legal entity in any jurisdiction.

GLENMARK URUGUAY S.A.

STATEMENT OF FINANCIAL POSITION AS AT MARCH 31st, 2019

	Schedules	As at March 31 st , 2019 USD	As at March 31 st , 2018 USD
I. SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
a) Share capital	1	9.997.717	9.997.717
b) Retained earnings	2	(154.052)	(139.458)
		<u>9.843.665</u>	<u>9.858.259</u>
		<u>9.843.665</u>	<u>9.858.259</u>
II. APPLICATION OF FUNDS			
CURRENT ASSETS			
a) Receivables	3	10.004.101	10.031.642
		<u>10.004.101</u>	<u>10.031.642</u>
CURRENT LIABILITIES			
a) Payable	4	160.436	173.383
		<u>160.436</u>	<u>173.383</u>
NET CURRENT ASSETS		<u>9.843.665</u>	<u>9.858.259</u>
		<u>9.843.665</u>	<u>9.858.259</u>

RSM
 Initialed with the only purpose of its relation
 with the accompanying CPA report.
 Sheet 1 / 11

GLENMARK URUGUAY S.A.

SCHEDULES FORMING PART OF THE STATEMENT OF FINANCIAL POSITION AS AT MARCH 31st, 2019 AND 2018

	As at March 31 st , 2019 USD	As at March 31 st , 2018 USD
1. SHARE CAPITAL		
Authorised	9.997.717	9.997.717
Issued, subscribed and paid-up	9.997.717	9.997.717
	<u>9.997.717</u>	<u>9.997.717</u>
2. RETAINED EARNINGS		
Retained earnings	(139.457)	(122.471)
Result of the year	(14.594)	(16.987)
	<u>(154.051)</u>	<u>(139.458)</u>
3. RECEIVABLE		
Fiscal Credit	865	2.450
Other Receivables from Glenmark Pharmaceuticals Limited - India (Note 4)	9.997.028	9.997.028
Advance for expenses to Glenmark Farmaceutica Ltda. - Brazil (Note 4)	6.208	32.164
	<u>10.004.101</u>	<u>10.031.642</u>
4. PAYABLES		
Professional fees	1.674	14.387
Other Liabilities	2.017	2.151
Provision for professional services	5.100	5.200
Other payables from Glenmark Pharmaceuticals Limited - India (Note 4)	151.645	151.645
	<u>160.436</u>	<u>173.383</u>

RSM
Initialed with the only purpose of its relation
with the accompanying CPA report.
Sheet 2 / 11

GLENMARK URUGUAY S.A.

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED AS AT MARCH 31st, 2019

		Year ended as at March 31 st , 2019	Year ended as at March 31 st , 2018
	Schedules	USD	USD
EXPENDITURE			
Selling and operating expenses	1	(14.204)	(17.007)
		(14.204)	(17.007)
FINANCIAL RESULTS			
Net exchange results	2	(390)	20
		(390)	20
LOSS OF THE YEAR		(14.594)	(16.987)
OTHER COMPREHENSIVE INCOME		-	-
TOTAL COMPREHENSIVE LOSS FOR THE YEAR		(14.594)	(16.987)

RSM
Initialed with the only purpose of its relation
with the accompanying CPA report.
Sheet 3 / 11

GLENMARK URUGUAY S.A.

SCHEDULES TO THE STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED
AS AT MARCH 31st, 2019

	Year ended as at March 31st, 2019	Year ended as at March 31st, 2018
	USD	USD
1. SELLING AND OPERATING EXPENSES		
Other operating expenses		
Other expenses	(6.288)	(1.380)
Legal & professional expenses, controller	(7.916)	(15.107)
Bank charges	-	(520)
	<u>(14.204)</u>	<u>(17.007)</u>
2. NET EXCHANGE RESULTS		
Exchange gain	61	23
Exchange loss	(451)	(3)
	<u>(390)</u>	<u>20</u>

RSM
Initialed with the only purpose of its relation
with the accompanying CPA report.
Sheet 4 / 11

GLENMARK URUGUAY S.A.
STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FOR THE YEAR ENDED AS AT
MARCH 31st, 2019

	Share capital	Retained earnings	Total equity
1 - BALANCE AS AT APRIL 1st, 2018			
Share capital	9.997.717	-	9.997.717
Retained earnings	-	(139.458)	(139.458)
SUB - TOTAL	9.997.717	(139.458)	9.858.259
2 - MOVEMENTS DURING THE YEAR			
Total comprehensive loss for the year	-	(14.594)	(14.594)
SUB - TOTAL	-	(14.594)	(14.594)
3 - BALANCE AS AT MARCH 31st, 2019			
Share capital	9.997.717	-	9.997.717
Retained earnings	-	(154.052)	(154.052)
BALANCES AS AT MARCH 31st, 2019	9.997.717	(154.052)	9.843.665

RSM
Initialed with the only purpose of its relation
with the accompanying CPA report.
Sheet 5 / 11

GLENMARK URUGUAY S.A.

STATEMENT OF CHANGES IN SHAREHOLDERS EQUITY FOR THE YEAR ENDED AS AT
MARCH 31st, 2018

	Share capital	Retained earnings	Total equity
1 - BALANCE AS AT APRIL 1st, 2017			
Share capital	9.997.717	-	9.997.717
Retained earnings	-	(122.471)	(122.471)
SUB - TOTAL	9.997.717	(122.471)	9.875.246
2 - MOVEMENTS DURING THE YEAR			
Total comprehensive loss for the year	-	(16.987)	(16.987)
SUB - TOTAL	-	(16.987)	(16.987)
3 - BALANCE AS AT MARCH 31st, 2018			
Share capital	9.997.717	-	9.997.717
Retained earnings	-	(139.458)	(139.458)
BALANCES AS AT MARCH 31st, 2018	9.997.717	(139.458)	9.858.259

RSM
Initialed with the only purpose of its relation
with the accompanying CPA report.
Sheet 6 / 11

GLENMARK URUGUAY S.A.

STATEMENT OF CASH FLOW FOR THE YEAR ENDED AS AT MARCH 31st, 2019

	Year ended as at March 31 st , 2019	Year ended as at March 31 st , 2018
	USD	USD
A. Cash flow from operating activities:		
Net loss before tax	(14.594)	(16.987)
Taxes	-	-
Operating profit before working capital changes	(14.594)	(16.987)
Adjustments for changes in working capital :		
- (increase)/decrease in receivables	27.541	(32.495)
- increase/(decrease) in payables	(12.947)	5.295
Cash generated from operations	14.594	(27.200)
Net cash from operating activities	-	(44.187)
Net Increase/(decrease) in cash & cash equivalents	-	(44.187)
Cash and cash equivalents at the beginning of the year	-	44.187
Cash and cash equivalents at the end of the year	-	-

RSM
 Initialed with the only purpose of its relation
 with the accompanying CPA report.
 Sheet 7 / 11

GLENMARK URUGUAY S.A.

**NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31st, 2019**

NOTE 1 – GENERAL INFORMATION

Glenmark Uruguay S.A. (hereinafter "The Company") is a Uruguayan company with registered shares incorporated on December 28th, 2007 according to the related contract.

The Company is a dormant entity and is controlled by Glenmark Pharmaceuticals Limited domiciled in India, which holds 100% of the shares of the Company.

NOTE 2 – BASIS OF PREPARATION AND SUMMARY OF ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

2.1. Basis of preparation and presentation of consolidated financial statements

The financial statements of the Company have been prepared in accordance with International Financial Reporting Standards (IFRS), being standards and interpretations issued by the International Accounting Standards Board (IASB), in force at March 31, 2019.

The financial statements comprise a statement of financial position, a statement of comprehensive income, a statement of cash flows, a statement of changes in equity and notes.

The financial statements have been prepared under the historical cost convention.

2.2 Functional and presentation currency of the financial statements

The financial statements have been prepared in the functional currency defined by the Council of International Accounting Standards IAS 21. This rule establishes that the functional currency is the one used in the economic environment in which the entity operates. The primary economic environment in which the entity operates is normally the one in which it generates and expends cash.

According to the rule must be considered functional currency the following:

- In which funds from financing activities are generated (i.e., the one corresponding to the debt and equity instruments issued),
- In which receipts from operating activities are maintained,
- In which purchases are financed,
- That mainly influences the costs of labor, materials and other costs of providing goods or services (this will often be the currency in which such costs are denominated and settled).

The U.S. dollar is the currency that best reflects the transactions, events and conditions that are relevant to the Company on the basis that the Glenmark group functional currency is the U.S. dollar.

The accounting records are maintained simultaneously in Uruguayan pesos and in U.S. dollars.

RSM

Initialed with the only purpose of its relation with the accompanying CPA report.

Sheet 8 / 11

GLENMARK URUGUAY S.A.

**NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31st, 2019**

2.3 Going concern

The Company continued to incur loss for the year ended March 31st, 2019. The Company did not generate funds from operations.

The Group is interested in exploring Uruguayan markets from their facilities in Argentina. However they are currently undertaking restructuring in Argentina due to the ongoing crisis in the country. Once Argentina restructuring is undertaken the Group is going to start exploring Uruguay.

The Company therefore adopts the going concern basis in preparing these financial statements.

2.4 Assignment and recognition criteria of revenues and expenses

The different items of the profit and loss statement are registered in accordance with the accrual basis, considering the time when they are generated or incurred regardless of the moment they are received or paid.

2.5 Cash and cash equivalents

Cash and cash equivalents include bank balances without restrictions.

The cash flow statement was prepared using the indirect method, which includes the reconciliation of net income of the year with cash provided by operating activities.

2.6 Accounts in local currency

All transactions in a currency other than the functional one, were booked in their equivalent in US dollars according to the prevailing exchange rates in the market at the time those transactions were effectively carried out.

Assets and liabilities in foreign currencies (currencies other than the functional currency) were translated at the exchange rate of each transaction. Exchange differences were recognized in the statement of comprehensive income. The exchange rates used were as follows: US Dollars 1 = Uy \$ 33,484 as at March 31st, 2019 and US Dollars 1 = Uy \$ 28,389 as at March 31st, 2018.

Income and expenses resulting from the settlement of transactions and the conversion of assets and liabilities denominated in currencies other than the functional currency are reflected on the income statement as foreign exchange differences.

NOTE 3 – SALE OF INVESTMENTS

On March 27th, 2013 Glenmark Uruguay S.A sold its investments in associates to Glenmark Pharmaceuticals Limited.

On March 28th, 2016 Glenmark Holding S.A. sold all their capital shares to Glenmark Pharmaceuticals Limited for Uy \$ 201.240.258 of Uy \$ 1 each at a nominal value of Uy \$ 0,24.

In the current year Glenmark Uruguay S.A. has no events or transactions to this purpose.

RSM

Initialed with the only purpose of its relation with the accompanying CPA report.

Sheet 9 / 11

GLENMARK URUGUAY S.A.

NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31st, 2019

NOTE 4 - RELATED PARTY DISCLOSURES

Balances and transactions with related parties

Description	March 31 st , 2019		March 31 st , 2018	
	USD		USD	
	Glenmark Pharmaceutical s Limited (India)	Glenmark Farmaceutica Ltda. (Brazil)	Glenmark Pharmaceuticals Limited (India)	Glenmark Farmaceutica Ltda. (Brazil)
Receivable	9.997.028	-	9.997.028	-
Payable	151.645	-	151.645	-
Advance for expenses	-	6.208	-	32.164

Key management personnel

President: Mrs. CHERYLLANN PINTO
First Vice-President: Ms. MEERA VANJARI

NOTE 5 - TAXES

5.1 Income tax

In accordance with current Uruguayan law, Glenmark Uruguay S.A. is liable to pay income taxes.

5.2 Deferred income tax

There were no deferred tax profits or losses for the fiscal year ended at March 31st, 2019.

5.3 Net worth tax

In accordance with legal provisions in force, Glenmark Uruguay S.A. is liable to pay the net worth tax.

5.4 Control tax on share companies (ICOSA)

In accordance with legal provisions in force, Glenmark Uruguay S.A. is included in ICOSA rules.

The charges for control tax on share companies (ICOSA) are included in the statement of comprehensive income as current year tax.

GLENMARK URUGUAY S.A.

NOTES TO THE FINANCIAL STATEMENTS
AS AT MARCH 31st, 2019

NOTE 6 – SHAREHOLDERS' FUNDS

6.1 Capital

As at March 31st, 2019, the total shareholder's equity of Glenmark Uruguay S.A. amounts to U.S. dollars 9.997.717.

NOTE 7 - APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements will be considered in the next General Meeting of Shareholders.

NOTE 8 – EVENTS AFTER THE END OF REPORTING YEAR

Since March 31st, 2019 to the date of release of this report, no events or transactions have occurred or were made that might have a material effect on the financial statements so as to require disclosure therein.

RSM

Initialed with the only purpose of its relation
with the accompanying CPA report.

Sheet 11 / 11