

GLENMARK PHARMACEUTICALS (MALAYSIA) SDN. BHD.
[200401021892 (660397 W)]
(Incorporated in Malaysia)

*Report on review of financial statements
for the year ended 31 March 2023*

S P TAN & SUNDAR
Chartered Accountants

GLENMARK PHARMACEUTICALS (MALAYSIA) SDN. BHD.
[200401021892 (660397 W)]
(Incorporated in Malaysia)

*Report on review of financial statements
for the y 31 March 2023*

Contents

	Page
Independent auditors' report	1
Statement of financial position	2
Statement of comprehensive income	3
Statement of changes in equity	4
Statement of cash flows	5
Notes to the financial statements	6 - 13

INDEPENDENT AUDITORS' REPORT TO THE BOARD OF DIRECTORS OF
GLENMARK PHARMACEUTICALS (MALAYSIA) SDN. BHD.

(Incorporated in Malaysia)
Company No : 200401021892 (660397 W)

Report on Review of Interim Financial Information

Introduction

We have reviewed the accompanying statement of financial position of Glenmark Pharmaceuticals (Malaysia) Sdn. Bhd. as of 31 March 2023 and the related statements of comprehensive income, changes in equity and cash flows for the year ended 31 March 2023, and other explanatory notes as set out on pages 2 to 13. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with International Financial Reporting Standards issued by the International Accounting Standard Board. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standards on Review Engagements 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not present fairly, in all material respects, the financial position of the entity as at 31 March 2023, and of its financial performance and its cash flows for the year ended 31 March 2023 in accordance with International Financial Reporting Standards issued by the International Accounting Standard Board.



S P TAN & SUNDAR
AF No : 1527
Chartered Accountants



LEONG WAI LENG
2898/03/25 (J)
Chartered Accountant

Dated : 12 MAY 2023

Kuala Lumpur

GLENMARK PHARMACEUTICALS (MALAYSIA)
SDN. BHD. [200401021892 (660397 W)]
(Incorporated in Malaysia)

Statement of financial position
as at 31 March 2023

	Note	31-Mar-23	31-Mar-22
		RM	RM
Assets			
Non current assets			
Property, plant and equipment	1	224,368	223,460
Right of use - office premises	2	75,638	301,929
Deferred tax assets	3	-	61,262
Total non current assets		300,006	586,651
Current assets			
Trade receivables	4	32,496,708	22,548,139
Other short-term financial assets	5	182,369	154,419
Cash and cash equivalents	6	25,066,477	23,764,878
Total current assets		57,745,554	46,467,436
Total assets		58,045,560	47,054,087
Equity			
Share capital		5,686,618	5,686,618
Retained earnings		9,909,555	7,719,981
Total equity		15,596,173	13,406,599
Non current liabilities			
Lease liabilities		-	86,223
Deferred tax liabilities	3	38,322	-
Total non current liabilities		38,322	86,223
Current liabilities			
Trade and other payables	7	42,013,000	33,270,907
Other current liabilities	8	23,000	21,000
Lease liabilities (current portion)		86,223	233,481
Current tax liabilities		288,842	35,877
Total current liabilities		42,411,065	33,561,265
Total liabilities		42,449,387	33,647,488
Total equity and liabilities		58,045,560	47,054,087

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


S P TAN & SUNDAR
 AF NO : 1527
 Chartered Accountants


LEONG WAI LENG
 2898/03/25 (J)
 Chartered Accountant

Dated : 12 MAY 2023

Kuala Lumpur

**GLENMARK PHARMACEUTICALS (MALAYSIA)
SDN. BHD.** [200401021892 (660397 W)]
(Incorporated in Malaysia)

**Statement of comprehensive income
for the year ended 31 March 2023**

	Note	01-Apr-22 to 31-Mar-23 RM	01-Apr-21 to 31-Mar-22 RM
Income			
Income from operations		80,768,080	56,760,867
Other income		-	-
Total income		80,768,080	56,760,867
Cost of materials	9	33,901,252	27,450,336
Employee benefits expenses	10	7,642,799	6,092,021
Depreciation, amortisation and impairment of non-financial assets		129,453	121,904
Depreciation of right-of-use assets		226,291	229,422
Other expenses	11	35,913,446	21,894,300
Total expenses		77,813,241	55,787,983
Operating profit		2,954,839	972,884
Profit before tax		2,954,839	972,884
Income tax expense	12	(765,265)	(280,698)
Profit after tax from continuing operations		2,189,574	692,186
Post tax profit for the year from discontinued operations		-	-
Profit after tax carried to balance sheet		2,189,574	692,186
Profit for the year attributable to:			
Owners of the parent		2,189,574	692,186

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


S P TAN & SUNDAR
AF NO : 1527
Chartered Accountants


LEONG WAI LENG
2898/03/25 (J)
Chartered Accountant

Dated : 12 MAY 2023

Kuala Lumpur

**GLENMARK PHARMACEUTICALS (MALAYSIA)
SDN. BHD.** [200401021892 (660397 W)]
(Incorporated in Malaysia)

**Statement of changes in equity
for the year ended 31 March 2023**

	Share capital RM	Retained earnings RM	Total equity RM
Balance as at April 1, 2021	5,686,618	7,027,795	12,714,413
Profit for the year	-	692,186	692,186
As at March 31, 2022	5,686,618	7,719,981	13,406,599
Profit for the year	-	2,189,574	2,189,574
Issue of share capital	-	-	-
Balance as at March 31, 2023	5,686,618	9,909,555	15,596,173

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



S P TAN & SUNDAR
AF NO : 1527
Chartered Accountants



LEONG WAI LENG
2898/03/25 (J)
Chartered Accountant

Dated : 12 MAY 2023

Kuala Lumpur

**GLENMARK PHARMACEUTICALS (MALAYSIA)
SDN. BHD.** [200401021892 (660397 W)]
(Incorporated in Malaysia)

**Statement of cash flows
for the year ended 31 March 2023**

	01-Apr-22 to 31-Mar-23 RM	01-Apr-21 to 31-Mar-22 RM
(A) Cash flows from operating activities		
Profit before tax	2,954,839	972,884
<i>Adjustments for:</i>		
Depreciation of plant and equipment	129,453	121,904
Depreciation of right-of-use asset	226,291	229,422
Interest expenses	19,747	26,014
Cash flow from operations before changes in working capital	3,330,330	1,350,224
<i>Changes in operating assets and liabilities</i>		
- Non-current liabilities, trade payables and other current liabilities	8,744,093	866,251
- Trade receivables and unbilled revenue	(9,948,569)	3,161,950
- Other current assets	(27,950)	81,414
- Taxes paid	(412,716)	(694,649)
Net cash generated from operating activities	1,685,188	4,765,190
(B) Cash flow used in investing activities		
Purchase of property, plant and equipment	(130,361)	(30,348)
(C) Cash flow used in financing activities		
Repayment of lease liability (including interest)	(253,228)	(244,496)
Net change in cash and cash equivalents from continuing activities	1,301,599	4,490,346
FCTR Adjustment	-	-
Net (decrease)/increase in cash and cash equivalents	1,301,599	4,490,346
Cash and cash equivalents at the beginning of the year	23,764,878	19,274,532
Effect of change in exchange rate on cash and cash equivalents included in disposal group	-	-
Cash and cash equivalents at the end of the year (Note 6)	25,066,477	23,764,878

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


S P TAN & SUNDAR
AF NO : 1527
Chartered Accountants


LEONG WALLENG
2898/03/25 (J)
Chartered Accountant

Dated : 12 MAY 2023

Kuala Lumpur

GLENMARK PHARMACEUTICALS (MALAYSIA)
SDN. BHD. [200401021892 (660397 W)]
(Incorporated in Malaysia)

1. Property, plant and equipment

The Company's property, plant and equipment comprises computer equipment, office equipment and furniture and fixtures. The carrying amount is analysed as follows:-

RM				
	Computer Equipment	Office Equipment	Furniture & Fixtures	Total
Cost				
Balance as at April 1, 2022	251,844	40,640	443,943	736,427
- Acquisitions through business combinations	-	-	-	-
- Other acquisitions	121,761	8,600	-	130,361
- Disposals/Transfers/ Written Off	-	-	-	-
- Translation adjustment	-	-	-	-
Balance as at Mar 31, 2023	373,605	49,240	443,943	866,788
Accumulated depreciation				
Balance as at April 1, 2022	167,582	26,670	318,715	512,967
- Depreciation charge for the period	33,444	8,765	87,244	129,453
- Impairment loss recognized	-	-	-	-
- Disposals/Transfers/ Written Off	-	-	-	-
- Translation adjustment	-	-	-	-
Balance as at Mar 31, 2023	201,026	35,435	405,959	642,420

Carrying value

Balance as at April 1, 2022	84,262	13,970	125,228	223,460
Balance as at Mar 31, 2023	172,579	13,805	37,984	224,368



**GLENMARK PHARMACEUTICALS (MALAYSIA)
SDN. BHD.** [200401021892 (660397 W)]
(Incorporated in Malaysia)

2. Right of use – Office premises

The Company's right of use comprises office premises. The carrying amount is analysed as follows:-

	RM	
	Office Premises	Total
Cost		
Balance as at April 1, 2022	451,964	451,964
- Acquisitions through business combinations	-	-
- Other acquisitions	-	-
- Disposals/Transfers/Written Off/Deletion	-	-
- Translation adjustment	-	-
Balance as at Mar 31, 2023	451,964	451,964
Accumulated depreciation		
Balance as at April 1, 2022	150,035	150,035
- Depreciation charge for the period	226,291	226,291
- Impairment loss recognized	-	-
- Disposals/Transfers/Written Off/Deletion	-	-
- Translation adjustment	-	-
Balance as at Mar 31, 2023	376,326	376,326
Carrying value		
Balance as at April 1, 2022	301,929	301,929
Balance as at March 31, 2023	75,638	75,638



GLENMARK PHARMACEUTICALS (MALAYSIA)
SDN. BHD. [200401021892 (660397 W)]
(Incorporated in Malaysia)

3. Deferred tax assets/(liabilities)

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

	RM				
	01-Apr-22	Recognised in other comprehensive income	Recognised in business combination	Recognised in profit and loss account	31-Mar-23
Deferred tax assets/ (liabilities)					
Plant and equipment	(13,250)	-	-	(8,974)	(22,224)
Other provisions	74,512	-	-	(90,610)	(16,098)
Net deferred tax assets/ (liabilities)	61,262	-	-	(99,584)	(38,322)

4. Trade receivables

The carrying amount of trade receivables are analysed as follows :

Particulars	31-Mar-23	31-Mar-22
	RM	RM
Gross value		
Third Party receivable	26,104,114	18,204,212
Third Party receivable	6,392,594	4,343,927
Less : Allowance for credit losses	-	-
Net trade receivables	32,496,708	22,548,139

5. Other short term financial assets

Particulars	31-Mar-23	31-Mar-22
	RM	RM
Short term - deposits	65,590	87,420
Prepaid - staff welfare	46,919	39,380
GST	27,619	27,619
HRDF	42,241	-
Total	182,369	154,419



GLENMARK PHARMACEUTICALS (MALAYSIA)
SDN. BHD. [200401021892 (660397 W)]
(Incorporated in Malaysia)

6. Cash and cash equivalents

Cash and cash equivalents include the components as follows:

Particulars	31-Mar-23	31-Mar-22
	RM	RM
Cash on hand	1,341	2,346
Cash in current accounts	25,065,136	23,762,532
Total	25,066,477	23,764,878

7. Trade and other payables

Particulars	31-Mar-23	31-Mar-22
	RM	RM
Trade payables		
- Glenmark India	37,125,121	31,572,526
- Glenmark Switzerland	1,025,041	-
Other payables		
- Third parties	3,862,838	1,698,381
Total	42,013,000	33,270,907

8. Other current liabilities

Other current liabilities are summarized as follows:

Particulars	31-Mar-23	31-Mar-22
	RM	RM
Accruals	23,000	21,000
Total	23,000	21,000

9. Cost of materials

Particulars	01-Apr-22 to 31-Mar-23	01-Apr-21 to 31-Mar-22
	RM	RM
Finished goods purchased	33,901,252	27,450,336
Total	33,901,252	27,450,336



GLENMARK PHARMACEUTICALS (MALAYSIA)
SDN. BHD. [200401021892 (660397 W)]
(Incorporated in Malaysia)

10. Employee benefits expenses

Particulars	01-Apr-22 to 31-Mar-23	01-Apr-21 to 31-Mar-22
	RM	RM
Salaries and bonuses	7,064,767	5,476,572
Contribution to provident fund and other funds	578,032	615,449
Total	7,642,799	6,092,021

11. Other expenses

Particulars	01-Apr-22 to 31-Mar-23	01-Apr-21 to 31-Mar-22
	RM	RM
Bank charges	2,691	2,081
Sales promotion and other selling expenses	29,513,772	17,439,594
Telephone expenses	10,459	7,533
Travelling expenses	1,597,025	1,368,271
Insurance	-	-
Electricity charges	27,068	16,976
Interest expenses	19,747	26,014
Repair and maintenance	-	-
Auditors remuneration	34,471	32,547
Other operating expenses	1,196,444	1,126,029
Foreign exchange loss	2,089,747	857,157
Loss on disposal of motor vehicles	-	-
Commission expenses	1,422,022	1,018,098
Total	35,913,446	21,894,300

12. Income tax (expenses)/credit

Particulars	01-Apr-22 to 31-Mar-23	01-Apr-21 to 31-Mar-22
	RM	RM
Current income tax	(663,841)	(398,322)
Previous year income tax	(1,840)	(3,323)
Deferred tax liabilities	-	-
Deferred tax asset created	(99,584)	120,947
Total	(765,265)	(280,698)



13. Related party transactions

The Company's related parties include its associates and joint ventures, 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.

13.1 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.	Holding company	Glenmark India
VI.	Related company	Glenmark Switzerland

13.2 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:

	1-Apr-22 to 31-Mar-23
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	-



**GLENMARK PHARMACEUTICALS (MALAYSIA)
SDN. BHD.** [200401021892 (660397 W)]
(Incorporated in Malaysia)

13. Related party transactions (contd.)

	01-Apr-22 to 31-Mar-23
13.3 Transactions with holding and related companies	RM
Transactions and Closing Balances with related companies:	
(a) the amount of the transactions	
Services Provided	<u>Nil</u>
Purchases from	
Glenmark Pharmaceuticals Limited, India	32,901,971
Glenmark Specialty S.A, Switzerland	<u>999,281</u>
	<u>33,901,252</u>
Investment Received	<u>Nil</u>
(b) the amount of outstanding balances	As at
Payable to :-	31-Mar-23
Glenmark Pharmaceuticals Limited, India	37,125,121
Glenmark Specialty S.A, Switzerland	<u>1,025,041</u>
	<u>38,150,162</u>

14. Other financial information

14.1 Trade receivables ageing analysis

Particulars	RM					Total
	Less	6 months	1 year	2 years	More	
	than	to	to	to	than	
	6 months	1 year	2 years	3 years	3 years	
Undisputed trade receivables						
- Considered good	32,496,708	-	-	-	-	32,496,708
- Considered doubtful	-	-	-	-	-	-
Disputed trade receivables						
- Considered good	-	-	-	-	-	-
- Considered doubtful	-	-	-	-	-	-
Net trade receivables	32,496,708	-	-	-	-	32,496,708



14. Other financial information (contd.)

14.2 Trade payables ageing analysis

RM					
Particulars	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
Undisputed trade payables					
- Micro Small and Medium Enterprises	-	-	-	-	-
- Holding company	37,125,121	-	-	-	37,125,121
- Fellow subsidiary	1,025,041	-	-	-	1,025,041
Disputed trade payables					
- Micro Small and Medium Enterprises	-	-	-	-	-
- Others	-	-	-	-	-
Net trade payables	38,150,162	-	-	-	38,150,162

14.3 Capital work-in-progress and intangibles analysis

RM					
Particulars	Less than 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	Total
Capital work in progress	-	-	-	-	-
Intangible assets under developments	-	-	-	-	-
	-	-	-	-	-

14.4 Ratio analysis

Particulars	31-Mar-23	31-Mar-22
	RM	RM
Current ratio	1.40	1.39
Debt equity ratio	2.44	2.51
Return equity ratio	0.20	0.05
Trade receivables turnover ratio	2.93	2.35
Trade payables turnover ratio	0.97	0.92
Net capital turnover ratio	4.87	4.40
Net profit ratio	0.04	0.01
Return on capital employed	0.27	0.07