

UNICHEM FARMACEUTICA DO BRASIL LTDA.

Financial Statements and independent auditors report for the period ended 31st March, 2024

Unichem Farmaceutica do Brasil Ltda.

Directors´ Report

The Director present his report and the audited financial statements for the year ended 31st March, 2024.

REVIEW OF OPERATIONS

Unichem Farmaceutica do Brasil Ltda. is incorporated, organized and existing under the laws of the Federative Republic of Brazil, keeping its accounting records and legal books according to the Brazilian legal system.

AUDITORS

The Auditor, LYNX Consultoria e Auditoria Contábil e Empresarial SS LTDA., Independent Accountants, has audited the enclosed financial statements for the period ended 31st March 2024 and their opinion is shown herewith.

STATEMENT BY DIRECTOR

In the opinion of the Director, the accompanying financial statements were drawn up so as to give a true and fair view of the state of affairs of the Company as at 31st March 2024 and of the results of the business for that period. The Director has taken all reasonable steps to prepare these financial statements on a going concern basis and that suitable accounting policies have been adopted consistently.

By Order of the Board

Pinaki Trivedi
Legal Representative
April 30th , 2024

Unichem Farmaceutica do Brasil Ltda.
Balance Sheet as at 31st March, 2024

		<i>In Brazilian Reais</i>	
		Period ended 31st March, 2024	Period ended 31st March, 2023
Schedule			
I. SOURCES OF FUNDS			
PARTNERS' FUNDS			
	Partners' Share Capital	I	30.133.684
	Profit & Loss Account	II	(30.688.016)
	TOTAL		(554.332)
II. APPLICATION OF FUNDS			
FIXED ASSETS			
	Gross Block	III	2.072.935
	Less : Depreciation		(1.697.946)
	Net Block		374.989
CURRENT ASSETS			
	Cash & Bank Balances	IV	2.387.012
	Sundry Debtors		13.816.492
	Loans & Advances	V	1.031.413
	Stock on Hand	VI	8.422.173
	TOTAL		25.657.090
LESS : CURRENT LIABILITIES AND PROVISIONS			
	Current Liabilities & Provisions	VII	26.586.412
	TOTAL		26.586.412
NET CURRENT ASSETS			(929.322)
	TOTAL		(554.333)

The schedules referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

**LYNX Consultoria e Auditoria Contábil
e Empresarial SS LTDA.**
CRC 2SP022746/O-5

José Donizete Valentina
Partner
Campinas - Brazil
April 30th , 2024

Unichem Farmaceutica do Brasil Ltda.

Pinaki Trivedi
Legal Representative

Unichem Farmaceutica do Brasil Ltda.**Profit & Loss Account for the year ended on 31st March, 2024***In Brazilian Reais*

	Schedule	In Brazilian Reais	
		Period ended 31st March, 2024	Period ended 31st March, 2023
INCOME, SALE & STOCK			
Sale	VIII	53.161.313	42.424.371
Increase (Decrease) of Stock	VI	(38.100.442)	(31.347.165)
Other Income	IX	1.098.703	408.390
TOTAL		16.159.574	11.485.597
EXPENDITURE			
Personnel Expenses	X	1.623.886	1.724.636
Administrative Expenses	XI	1.814.703	1.513.460
Finance Charges & Exch Variations	XII	(298.792)	1.355.745
Federal & Other Taxes	XIII	250.294	300.025
Depreciation	III	59.787	56.245
Marketing Expenses	XIV	2.823.130	1.669.045
Distribution Expenses	XV	2.526.540	1.598.943
Regulatory & Q.C Expenses	XVI	1.281.449	856.790
TOTAL		10.080.998	9.074.888
PROFIT (LOSS) BEFORE TAXATION		6.078.576	2.410.709
PROVISION OF PAYABLE INCOME TAX & SSC ON PROFIT		(1.522.454)	(710.698)
PROFIT (LOSS) BROUGHT FORWARD FROM PREVIOUS YEAR		(35.244.138)	(36.944.149)
TOTAL		(30.688.016)	(35.244.138)

The schedules referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.

**LYNX Consultoria e Auditoria Contábil
e Empresarial SS LTDA.**
CRC 2SP022746/O-5

José Donizete Valentina
Partner
Campinas - Brazil
April 30th , 2024

Unichem Farmaceutica do Brasil Ltda.

Pinaki Trivedi
Legal Representative

Unichem Farmaceutica do Brasil Ltda.
Schedules

In Brazilian Reais

	Period ended 31st March, 2024	Period ended 31st March, 2023
I. PARTNER'S SHARE CAPITAL Paid-Up		
Equity Shares of R\$ 1 each fully paid-up & Registered	30.133.684	30.133.684
TOTAL	30.133.684	30.133.684
Unichem Laboratories Ltd. 30,133.684 Equity quotas of R\$ 1 each	30.133.684	30.133.683
Dr. P. A. Mody 1 Equity Share of R\$ 1 each fully paid-up	-	1
TOTAL	30.133.684	30.133.684

QUOTAHOLDERS' SHARE CAPITAL

The shareholders' liability is limited by subscription to capital. 100% of the paid up Share Capital is being held by Unichem Laboratories Limited

II. PROFIT & LOSS ACCOUNT

Previous year loss net of tax provisions	(35.244.138)	(36.944.148)
Current Profit / Loss	4.556.122	1.700.011
TOTAL	(30.688.016)	(35.244.138)

III. FIXED ASSETS

In Brazilian Reais

	Gross Block		Depreciation		Net Block	
	As at 31st March,23	As at 31st March,24	As at 31st March,23	As at 31st March,24	As at 31st March,23	As at 31st March,24
Furniture and fixtures	118.651	118.651	52.935	62.182	65.717	56.470
Computers	104.990	126.026	96.242	99.764	8.748	26.262
Office Equipment	18.410	18.410	10.412	11.498	7.998	6.912
Software	63.864	63.864	63.864	63.864	-	-
Q.C Installations	206.578	206.578	206.578	206.578	-	-
Q.C Parts & tools	45.263	45.263	44.813	44.923	450	340
Q.C Equipment	1.267.631	1.343.742	1.117.572	1.149.040	150.059	194.702
Lease Hold Developmen	143.578	143.578	38.921	53.274	104.657	90.304
Security Equipment	6.822	6.822	6.823	6.823	-	-
Total	1.975.787	2.072.935	1.638.159	1.697.946	337.628	374.990

Unichem Farmaceutica do Brasil Ltda.
Schedules of Balance Sheet

In Brazilian Reais

		Period ended 31st March, 2024	Period ended 31st March, 2023
IV CASH & BANK BALANCES			
Cash on Hand		712	541
Bank balance - Current A/c		1.192.801	23.503
Bank Deposits		1.193.498	841.443
TOTAL		2.387.012	865.488
V LOANS & ADVANCES			
Debtors less than six months old - Considered Good	XVII	13.415.504	
Debtors more than six months old		550.247	
Less - Bad debt Allowance		(149.259)	
Advances		575.403	405.357
Tax Credit		440.853	526.321
Pre Paid Insurance Premium		15.158	8.796
TOTAL		14.847.905	16.993.837
VI STOCK			
Opening Stock		2.448.228	5.272.740
Purchase		44.074.387	28.522.653
Less: Closing Stock		8.422.173	2.448.228
Cost of Goods Sold (COGS)		38.100.442	31.347.165
VII CURRENT LIABILITIES & PROVISION			
Creditors – Overseas	XVIII	25.728.162	24.473.029
Creditors –Other		542.261	658.079
Payable Fiscal Expenses		276.763	540.942
Provision of Vacation Pay		9.082	11.505
Provision of Bonus Salary – 13 th Salary		20.016	50.503
Provision of Provident Fund - FGTS		7.798	16.618
Provision of Social Security – INSS		2.328	4.961
TOTAL		26.586.412	25.755.635

Unichem Farmaceutica do Brasil Ltda.**Schedules of P&L***In Brazilian Reais*

	Year ended 31st March, 2024	Year ended 31st March, 2023
VIII SALE		
Sale	56.877.779	45.013.334
Less : Taxes	(1.666.564)	(1.269.711)
Less : Sales Return	(2.049.903)	(1.319.253)
TOTAL	53.161.313	42.424.371
IX OTHER INCOME		
Sale Comission, Sample Sale & DN - Unichem India	984.685	235.996
Interest on Bank short term deposits	114.019	172.393
TOTAL	1.098.703	408.390
X PERSONNEL EXPENSES		
Salaries & Contributions	1.623.886	1.724.636
TOTAL	1.623.886	1.724.636
XI ADMINISTRATIVE EXPENSES		
Communication Expenses	20.912	21.664
Consultant - Expenses	256.010	257.824
Energy Expenses	36.188	25.531
Insurance Expenses	190.180	152.170
Legal Expenses & Audit fees	195.912	154.338
Office Expenses	450.923	337.989
Rent Expenses	232.953	221.381
Security Expenses	257.462	241.520
Travel Expenses	94.427	28.785
Vehicle Expenses	79.737	72.260
TOTAL	1.814.703	1.513.460
XII FINANCE CHARGES & EXCH. VARIATIONS		
Exchange Variations	(328.508)	1.325.194
Bank charges	29.716	30.550
TOTAL	(298.792)	1.355.745
XIII FEDERAL & OTHER TAXES		
Municipal Taxes	18.672	13.949
Federal Taxes	202.222	260.357
Trade Union charges	29.401	25.720
TOTAL	250.294	300.025

Unichem Farmaceutica do Brasil Ltda.
Schedules of P&L

In Brazilian Reais

Period ended 31st March, 2024	Period ended 31st March, 2023
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XIV MARKETING EXPENSES

Commission & Promotion	2.380.696	1.180.499
Traveling , Promotional Exps & Other Sales Exps	442.434	488.546
TOTAL	2.823.130	1.669.045

XV DISTRIBUTION EXPENSES

Logistic Services	2.526.540	1.598.943
TOTAL	2.526.540	1.598.943

XVI REGULATORY & Q.C EXPENSES

Regulatory Expenses	676.174	429.037
Q.C Expense	605.275	427.754
TOTAL	1.281.449	856.790

XVII DETAILS OF TRADE RECEIVABLES

Particulars	Outstanding for following periods from due date of payment #				
	Unbilled (if grouped under trade receivables)	Not due	Less than 6 months	6 months - 1 year	Total
(i) Undisputed Trade receivables - considered good	-	12.821.684	593.820	550.247	13.965.751
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-				-
Total		12.821.684	593.820	550.247	13.965.751

Bad debt Allowance

-149.259

XVIII DETAILS OF TRADE PAYABLES

Particulars	Outstanding for following periods from due date of payment			
	Unbilled	Not due	Less than 1 year	Total
MSME	-	-	-	-
Creditors & Payables	-	13.931.469	11.796.693	25.728.162
(iii) Disputed dues - MSME	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-

LYNX Consultoria e Auditoria Contábil e Empresarial SS LTDA.
 CRC 2SP022746/O-5

Unichem Farmaceutica do Brasil Ltda.

José Donizete Valentina
Partner
 Campinas - Brazil
 April 30th , 2024

Pinaki Trivedi
Legal Representative

XIX NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD

Presentation of the Financial Statements

The financial statements were prepared and are being presented in accordance with the accounting practices adopted in Brazil, including the pronouncements issued by the Accounting Pronouncements Committee (CPC), as well as the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

All references to the Pronouncements of the CPC shall also be understood as references to the corresponding IFRS Pronouncements, and vice versa, and it should be noted that, in general, the early adoption of revisions or new IFRSs is not available in Brazil.

1. Statement of Significant Accounting Policies

The preparation of financial statements requires the Company's Management to use certain critical accounting estimates and exercise judgment in the process of application of accounting policies. The areas that require a higher degree of judgment and have higher complexity, as well as those in which assumptions and estimates are significant to the financial statements are here in disclosed.

The main bases of evaluation used in the accounting estimates are here summarized:

a) Basis of preparation:

The financial statements have been prepared under the historical cost convention and on accrual basis.

b) Fixed Assets and Depreciation

i) Fixed assets are stated at cost less accumulated depreciation. Cost includes freight, duties, taxes and any attributable cost of bringing the asset to its working condition for its intended use.

ii) Depreciation is provided on straight-line method as prescribed by the Income-Tax laws.

c) Retirement Benefits:

The Firm's contributions to social security are recognized on accrual basis.

d) Foreign Currency Transactions:

Foreign currency transactions arising during the year are recorded at the exchange rates prevailing at the transaction dates.

XIX NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED ON 31st MARCH 2024 AND MARCH 2023

2. Leases

The Firm has no finance leases. Operating leases are mainly in the nature of lease of office premises with no restrictions and are

3. Quotaholders' Share Capital

The quotaholders' liability is limited by subscription to capital. 100% of the paid up Share Capital is being held by Unichem

4. Related Party Transactions

a) List of related parties

(i) Holding company:	(ii) Key management personnel and their relatives: (disclosed to the extent of transactions)
Unichem Laboratories Ltd (India)	-

b) Disclosure of related party transactions :

(Amt.R\$)

Particulars	2023-2024	2022-2023
i) Sale of finished goods (Net of returns) Unichem Laboratories Ltd (India)	33.235	31.558
ii) Purchase of finished goods (Net of returns) Unichem Laboratories Ltd (India)	40.826.174	26.276.818
iii) Commission Income : Unichem Laboratories Ltd	918.433	203.467
iv) Managerial remuneration (including defined contribution plan) Key Management Personnel		N A

c) Disclosure of related party balances:

(Amt.R\$)

Particulars	2023-2024	2022-2023
i) Trade Receivables Unichem Laboratories Ltd (India)		-
ii) Trade Payables Unichem Laboratories Ltd (India)	25.728.162	24.473.029
iii) Commission receivable Unichem Laboratories Ltd (India)	523.348	-

XIX NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED ON 31st MARCH 2024 AND MARCH 2023

**Contingent Liabilities and Commitments:
Borrowings from Banks & FI's:**

(i) Where the company has not used the borrowings from banks and financial institutions for the specific purpose for which it was

Not Applicable

Particulars	2023-2024	2022-2023
(i) Claims not acknowledged as debts *		
(ii) Other money for which the company is contingently liable		
(iii) Other bank guarantees		
Total	-	-

**LYNX Consultoria e Auditoria Contábil
e Empresarial SS LTDA.**

CRC 2SP022746/O-5

José Donizete Valentina
Partner
Campinas - Brazil
April 30th , 2024

Unichem Farmaceutica do Brasil Ltda.

Pinaki Trivedi
Legal Representative

INDEPENDENT AUDITOR'S REPORT

To the Quotaholders of Unichem Farmaceutica do Brasil Ltda.

Opinion

We have audited the accompanying financial statements of **Unichem Farmaceutica do Brasil Ltda.**, which comprise the Balance Sheet as at 31st March 2024 and the Statement of Profit and Loss ended on that date, as well as the accompanying notes, including the summary of significant accounting policies.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information, in accordance with the law and regulations and give a true and fair view in conformity with the accounting standards and practices generally accepted in Brazil, of the state of affairs of the Company as at 31st March, 2024, of its statement of loss for the year ended on that date.

Basis for Opinion

Our audit was conducted in accordance with Brazilian and International audit standards. Our responsibilities, under such standards, are described in the section "Auditor's responsibilities for the audit of the financial statements", below. We are independent with relation to the Entity, in accordance with the applicable ethical principles of the Accountant's Professional Code of Ethics ('Código de Ética Profissional do Contador') and professional standards issued by the Federal Accounting Board ('Conselho Federal de Contabilidade'), and we comply with the other ethical requirements of these standards. We believe that the audit evidence that has been obtained is a sufficient and appropriate basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting practices accepted in Brazil, and for such internal controls it has deemed necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's capacity to continue operating, disclosing, when appropriate, issues related to its operational continuity and the use of that assumption as an accounting basis for the preparation of the financial statements, unless management intends to liquidate the Entity or to cease its operations, or does not have any realistic alternative to avoid the end of operations. The individuals responsible for the Entity's management are those with responsibility for the supervision of the preparation of financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable confidence that the financial statements, taken as a group, are free of material distortion, whether caused by fraud or error, and issue an audit report containing our opinion. Reasonable confidence is a high degree of confidence, but not a guarantee that an audit carried out in line with Brazilian and International audit standards always detects material distortions that may exist.

Distortions may result from fraud or error, and are deemed material when, individually or as a group, they may reasonably influence economic decisions based on the financial statements.

As part of the audit that was carried out, in line with Brazilian and international audit standards, we exercised professional judgement and maintained professional skepticism throughout the audit. In addition to this:

- We identified and assessed risks of material distortion in the financial statements, whether caused by fraud or error; planned and executed audit procedures in response to such risks; and obtained appropriate and sufficient audit evidence on which to base our opinion. The risk of not detecting material distortion resulting from fraud is greater than that resulting from error, as fraud can involve deliberate circumvention of internal controls, collusion, forgery, omission or intentionally false representation.
- We obtained an understanding of the internal controls that were relevant to the audit, to plan audit procedures that were appropriate in the circumstances, but not with the objective of expressing an opinion on the efficacy of the Entity's internal controls.

- We reached a conclusion on the adequacy of management's use of the accounting basis of operational continuity and, based on audit evidence obtained, whether there is material uncertainty with relation to events or conditions that may raise significant doubts regarding the Entity's capacity to continue operating as a going concern. If we conclude that there is material uncertainty, we must draw attention in our audit report to the corresponding disclosures in the financial statements, or, if the disclosures are inadequate, qualify our opinion. Our conclusions are based on the audit evidence obtained until the date of our report. However, future events or conditions may cause the Entity to cease operating.
- We evaluate the overall presentation, structure and content of financial statements, including disclosures and whether the financial statements represent the corresponding transactions and events in a manner consistent with the objective of adequate presentation.
- We communicated with management regarding, among other topics, the planned reach, the period of the audit and the significant audit findings, including possible significant deficiencies in internal controls identified during our work.

Audit of the financial statements as at March 31st, 2023

We have also audited the financial statements of **Unichem Farmaceutica do Brasil Ltda.** for the year ended 31 March 2023 prepared with accordance with the Brazilian accounting practices. Our report dated 23rd April 2023 expressed an unqualified opinion on those financial statements.

Campinas,
April 30th , 2024
LYNX Consultoria e Auditoria Contábil e Empresarial SS LTDA.
CRC 2SP022746/O-5

José Donizete Valentina
Partner