

Financial Statements and independent auditors report for
the period ended 31st March, 2022

Unichem Farmaceutica do Brasil Ltda.

Directors' Report

The Director present his report and the audited financial statements for the year ended 31st March, 2022.

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.

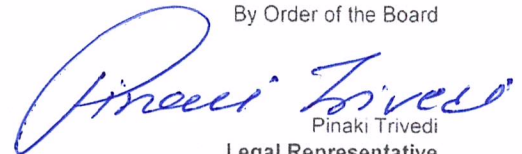
AUDITORS

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 2022 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 2022 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



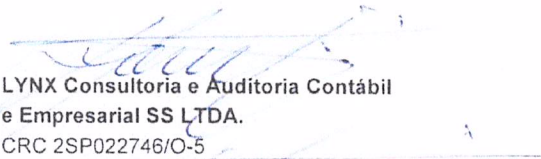
Pinaki Trivedi
Legal Representative
April 28th , 2022

Unichem Farmaceutica do Brasil Ltda.

Balance Sheet as at 31st March, 2022

		<i>In Brazilian Reais</i>	
		Period ended	Period ended
Schedule		31st March, 2022	31st March, 2021
I. SOURCES OF FUNDS			
PARTNERS' FUNDS			
	Partners' Share Capital	I 30.133.684	30.133.684
	Profit & Loss Account	II (36.944.149)	(38.822.451)
	TOTAL	(6.810.465)	(8.688.767)
II. APPLICATION OF FUNDS			
FIXED ASSETS			
	Gross Block	III 1.851.434	1.846.754
	Less : Depreciation	(1.581.914)	(1.523.363)
	Net Block	269.520	323.391
CURRENT ASSETS			
	Cash & Bank Balances	IV 1.701.686	2.713.375
	Sundry Debtors	6.525.333	5.401.123
	Loans & Advances	V 1.010.450	918.748
	Stock on Hand	VI 5.272.740	3.172.717
	TOTAL	14.510.208	12.205.963
LESS : CURRENT LIABILITIES AND PROVISIONS			
	Current Liabilities & Provisions	VII 21.590.193	21.218.121
	TOTAL	21.590.193	21.218.121
NET CURRENT ASSETS			
	TOTAL	(7.079.985)	(9.012.158)
	TOTAL	(6.810.465)	(8.688.767)

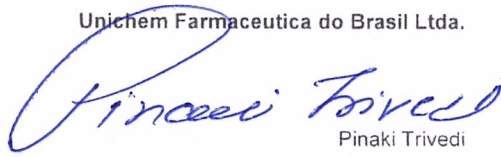
The schedules referred to above form an integral part of the Balance Sheet.
This is the Balance Sheet referred to in our report of even date.


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

José Donizete Valentina
Partner
Campinas - Brazil
April 28th , 2022

JOSÉ DONIZETE VALENTINA
CONTADOR - CNAI 3810
CRC 1SP124700/O-0
CPF 059.265.398-62

Unichem Farmaceutica do Brasil Ltda.

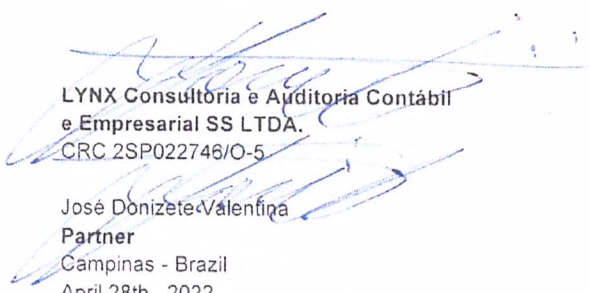

Pinaki Trivedi
Legal Representative

Unichem Farmaceutica do Brasil Ltda.

Profit & Loss Account for the year ended on 31st March, 2022

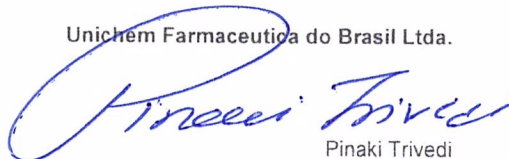
		<i>In Brazilian Reais</i>		
		Period ended	Period ended	
		31st March,	31st March,	
		2022	2021	
INCOME, SALE & STOCK				
	Sale	VIII	20.397.764	12.119.914
	Increase (Decrease) of Stock	VI	(17.025.735)	(9.795.859)
	Other Income	IX	331.319	617.860
	TOTAL		3.703.348	2.941.915
EXPENDITURE				
	Personnel Expenses	X	1.383.850	1.368.142
	Administrative Expenses	XI	1.413.683	1.337.935
	Finance Charges & Exch Variations	XII	(3.901.307)	1.510.154
	Federal & Other Taxes	XIII	115.087	36.548
	Depreciation	III	58.551	151.097
	Marketing Expenses	XIV	894.962	563.280
	Distribution Expenses	XV	1.213.534	664.028
	Regulatory & Q.C Expenses	XVI	646.687	898.069
	TOTAL		1.825.047	6.529.252
PROFIT (LOSS) BEFORE TAXATION			1.878.302	(3.587.337)
PROFIT (LOSS) BROUGHT FORWARD FROM PREVIOUS YEAR			(38.822.451)	(35.235.114)
TOTAL			(36.944.149)	(38.822.451)

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 28th, 2022

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Unichem Farmaceutica do Brasil Ltda.
Schedules

	<i>In Brazilian Reais</i>	
	Period ended	Period ended
	31st March, 2022	31st March, 2021
I. PARTNER'S SHARE CAPITAL Paid-Up		
Equity Shares of R\$ 1 each fully paid-up & Registered	30.133.684	28.514.584
		1.619.100
TOTAL	30.133.684	30.133.684
Unichem Laboratories Ltd. 30,133.683 Equity quotas of R\$ 1 each	30.133.683	30.133.683
Dr. P. A. Mody 1 Equity Share of R\$ 1 each fully paid-up	1	1
TOTAL	30.133.684	30.133.684

QUOTAHOLDERS' SHARE CAPITAL

The shareholders' liability is limited by subscription to capital. 99.99% of the paid up Share Capital is being held by Unichem Laboratories Limited, and the remaining 0.01% is being held by Dr. P. A. Mody.

II. PROFIT & LOSS ACCOUNT

Previous year loss net of tax provisions	(38.822.450)	(35.235.113)
Current Loss as on 31st March, 2022	1.878.300	(3.587.337)
TOTAL	(36.944.150)	(38.822.450)

III. FIXED ASSETS

	<i>In Brazilian Reais</i>					
	Gross Block		Depreciation		Net Block	
	As at 31st March,21	As at 31st March,22	As at 31st March,21	As at 31st March,22	As at 31st March,21	As at 31st March,22
Furniture and fixtures	118.651	118.651	34.439	43.686	84.212	74.965
Computers	99.410	99.410	92.331	94.040	7.079	5.370
Office Equipment	13.730	18.410	8.182	9.321	5.548	9.089
Software	63.864	63.864	59.311	63.864	4.554	-
Q.C Installations	206.578	206.578	205.402	206.578	1.176	(0)
Q.C Parts & tools	45.263	45.263	44.413	44.706	850	556
Q.C Equipment	1.161.527	1.161.527	1.059.872	1.087.174	101.654	74.353
Lease Hold Development	130.911	130.911	12.633	25.724	118.278	105.186
Security Equipment	6.822	6.822	6.780	6.823	42	-
Total	1.846.754	1.851.434	1.523.364	1.581.917	323.391	269.519

Unichem Farmaceutica do Brasil Ltda.
Schedules of Balance Sheet

		<i>In Brazilian Reais</i>	
Schedule		Period ended 31st March, 2022	Period ended 31st March, 2021
IV CASH & BANK BALANCES			
Cash on Hand		1.200	490
Bank balance - Current A/c		52.817	104.589
Bank Deposits		1.647.670	2.608.296
TOTAL		1.701.686	2.713.375
V LOANS & ADVANCES			
Debtors less than six months old - Considered Good	XVII	6.540.567	
Debtors more than six months old - Considered Good		-	
Less - Bad debt Allowance		<u>(15.234)</u>	5.401.123
Advances		385.953	382.583
Tax Credit		616.651	530.626
Pre Paid Insurance Premium		7.845	5.538
TOTAL		7.535.783	6.319.871
VI STOCK			
Opening Stock		3.172.717	1.358.107
Purchase		19.125.757	11.610.469
Less: Closing Stock		5.272.740	3.172.717
Increase (Decrease) of Stocks		<u>17.025.735</u>	<u>9.795.859</u>
VII CURRENT LIABILITIES & PROVISION			
Creditors – Overseas	XVIII	20.974.597	20.542.556
Creditors –Other		270.363	274.417
Payable Fiscal Expenses		296.954	358.493
Provision of Vacation Pay		7.340	9.934
Provision of Bonus Salary – 13 th Salary		28.608	21.701
Provision of Provident Fund - FGTS		2.835	2.531
Provision of Social Security – INSS		9.496	8.488
TOTAL		21.590.193	21.218.121

Unichem Farmaceutica do Brasil Ltda.
Schedules of P&L

	<i>In Brazilian Reais</i>	
	Year ended 31st March, 2022	Year ended 31st March, 2021
VIII SALE		
Sale	21.936.535	13.407.865
Less : Taxes	(1.048.365)	(1.028.002)
Less : Sales Return	(490.405)	(259.950)
TOTAL	20.397.764	12.119.914
IX OTHER INCOME		
Sale Comission, Sample Sale & DN - Unichem India	185.853	578.261
Interest on Bank short term deposits	145.466	39.599
TOTAL	331.319	617.860
X PERSONNEL EXPENSES		
Salaries & Contributions	1.383.850	1.368.142
TOTAL	1.383.850	1.368.142
XI ADMINISTRATIVE EXPENSES		
Communication Expenses	20.374	23.354
Consultant - Expenses	280.455	156.650
Energy Expenses	24.909	23.889
Insurance Expenses	131.069	197.121
Legal Expenses & Audit fees	141.294	170.759
Office Expenses	289.901	256.601
Rent Expenses	209.812	232.689
Security Expenses	219.760	206.088
Travel Expenses	20.205	6.067
Vehicle Expenses	75.904	64.717
TOTAL	1.413.683	1.337.935
XII FINANCE CHARGES & EXCH. VARIATIONS		
Exchange Variations	(3.915.569)	1.490.805
Bank charges	14.262	19.349
TOTAL	(3.901.307)	1.510.154
XIII FEDERAL & OTHER TAXES		
Municipal Taxes	12.313	11.992
Federal Taxes	89.593	1.065
Trade Union charges	13.181	23.491
TOTAL	115.087	36.548

Unichem Farmaceutica do Brasil Ltda.
Schedules of P&L

In Brazilian Reais

	Period ended 31st March, 2022	Period ended 31st March, 2021
XIV MARKETING EXPENSES		
Commission & Promotion	876.962	546.095
Traveling & Daily Allowance	18.000	17.185
TOTAL	894.962	563.280
XV DISTRIBUTION EXPENSES		
Logistic Services	1.213.534	664.028
TOTAL	1.213.534	664.028
XVI REGULATORY & Q.C EXPENSES		
Regulatory Expenses	348.169	654.872
Q.C Expense	298.518	243.197
TOTAL	646.687	898.069

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	-	6.500.905	39.661	-	6.540.567
(ii) Undisputed Trade receivables - which have significant increase in credit risk	-	-	-	(15.234)	(15.234)
Total		6.500.905	39.661	(15.234)	6.525.333

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	-	4.895.526	16.646.388	21.541.914
(iii) Disputed dues - MSN	-	-	-	-
(iv) Disputed dues - Other	-	-	-	-

XIX NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED ON 31st MARCH 2022 AND MARCH 2021

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.

XIX NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED ON 31st MARCH 2022 AND MARCH 2021

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 2022 AND MARCH 2021

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 renewable at mutual consent.

3. Quotaholders' Share Capital

The quotaholders' liability is limited by subscription to capital. 99.99% of the paid up Share Capital is being held by Unichem Laboratories Limited and the remaining 0.01% is being held by Dr. P. A. Mody.

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)	Dr.P.A.Mody (Share Holder)

b) Disclosure of related party transactions:

Particulars	(Amt.R\$)	
	2021-2022	2020-2021
i) Sale of finished goods (Net of returns) Unichem Laboratories Ltd (India)	55.150	325.670
ii) Purchase of finished goods (Net of returns) Unichem Laboratories Ltd (India)	17.523.675	10.862.828
iii) Commission Income Unichem Laboratories Ltd	125.931	107.009

c) Disclosure of related party balances:

Particulars	(Amt.R\$)	
	2021-2022	2020-2021
i) Trade Receivables Unichem Laboratories Ltd (India)	-	374.881
ii) Trade Payables Unichem Laboratories Ltd (India)	20.974.597	20.542.556
iii) Commission receivable Unichem Laboratories Ltd (India)	32.534	133.228

Contingent Liabilities and Commitments:

Borrowings from Banks & FI's:

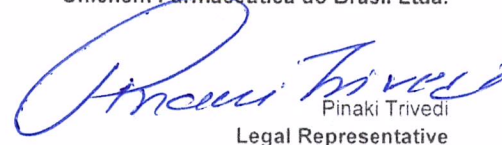
Not Applicable

Particulars	2021-2022	2020-2021
(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
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CRC 2SP022746/O-5

José Donizete Valentina
Partner
Campinas - Brazil
April 28th, 2022

Unichem Farmaceutica do Brasil Ltda.


Pinaki Trivedi
Legal Representative

JOSÉ DONIZETE VALENTINA
CONTADOR - CNAI 3810
CRC 1SP124700/O-0
CPF 059.265.396-62

INDEPENDENT AUDITOR'S REPORT

To the Quotaholders of Unichem Farmaceutica do Brasil Ltda. Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of **Unichem Farmaceutica do Brasil Ltda.**, which comprise the Balance Sheet as at 31st March 2022 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, 2022, 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, 2021

We have also audited the financial statements of **Unichem Farmaceutica do Brasil Ltda.** for the year ended 31 March 2021 prepared with accordance with the Brazilian accounting practices. Our report dated 23rd April 2021 expressed an unqualified opinion on those financial statements.

Campinas,
April 28th, 2022

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

José Donizete Valentina
Partner

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