

**GLENMARK PHARMACEUTICALS
EGYPT COMPANY, S.A.E
IFRS REPORTING PACKAGE
FOR THE PERIOD ENDED
31-Mar-25
TOGETHER WITH AUDITOR
REPORT ON THEM**

Glenmark Pharmaceuticals Egypt S.A.E
Cairo, Egypt

Auditor's Report and Financial Statements
For the year ended March 31, 2025

	Pages
Independent Auditor Report	1-2
Statement of Financial Position	3
Statement of Comprehensive Income	4
Statement of Other Comprehensive Income	5
Statement of Cash Flow	6
Statement of Changes in Shareholders' Equity	7
Notes to the Financial Statements	8-23

Auditor's Report

To the Shareholders of Glenmark Pharmaceuticals Egypt – “S.A.E.”

Report on the Financial Statements

We have audited the accompanying financial statements of **Glenmark Pharmaceuticals Egypt “S.A.E.”**, which comprise the statement of financial position as at March 31, 2025, and statements of income, comprehensive income, changes in equity and cash flow for the financial year then ended, and a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

These financial statements are the responsibility of Company's management. Management is responsible for the preparation and fair presentation of these financial statements in accordance with the Egyptian Accounting Standards and in the light of the prevailing Egyptian laws, management responsibility includes, designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error; management responsibility also includes selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Egyptian Standards on Auditing and in the light of the prevailing Egyptian laws. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.



SW

Ayman Kamel

Accountants & Business Advisors

21 Mahmoud Bassiouny St.
Talaat Harb Square, Cairo, Egypt. 11111
Tel. : +20 2 2578 2775
Fax : +20 2 2578 2776
Email : info@aymanfathykamel.com
Web : www.aymanfathykamel.com

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Glenmark Pharmaceuticals Egypt "S.A.E."** of March 31, 2025, and of its financial performance and its cash flows for the year then ended in accordance with the Egyptian Accounting Standards and the Egyptian laws and regulations relating to the preparation of these financial statements.

Attention Paragraphs

- Without qualifying our opinion, we draw attention that in the financial statements. Where the accumulated losses, including net loss for the year, amounted to approximately EGP 196 million as of March 31, 2025, which exceeded the paid-up capital as of the date and had resulted in negative equity approximately EGP 141 million as of the same date. These conditions among attention paragraphs, indicate the existence of a material uncertainty that may cast significant doubt about the company's ability to continue as a going concern. The company's management believe that the company will continue its operations despite the accumulated losses incurred as the company shareholders are willing to support the company's financial obligations, as they fall due.

- According the companies' Law No. 159 of 1981, the company shall hold an extraordinary general assembly meeting to decide on the continuity of the company as a going concern.

Report on Other Legal and Regulatory Requirements

The Company maintains proper accounting records that comply with the laws and the company's articles of association and the financial statements agree with the company's records. Inventory count was conducted by management according to relevant practices.

Cairo: April 28, 2025

Dr. Ayman F. Kamel

(R.A.A 7663)

(M.M.R 243)



Glenmark Pharmaceuticals Egypt Co. S.A.E
Statement of Financial Position

	Sch	March-31-2025	March-31-2024
		EGP	EGP
		IFRS	IFRS
ASSETS			
Current assets			
Cash and cash equivalents	S 1	15,925,195	5,669,125
Trade receivables	S 2	27,470,294	31,605,332
Inventories	S 3	36,786,635	21,968,924
Other current financial assets	S 4	4,644,667	3,514,197
Total current assets		84,826,792	62,757,578
Non-current assets			
Property, plant and equipment	S 5	92,673	71,786
Other intangible Assets	S 6 (A)	87,117	65,267
Right to Use Asset	S 6 (B)	874,437	199,249
Deferred tax assets (net)		-	-
Total non-current assets		1,054,227	336,301
Assets and disposal group classified as held for sale		-	-
Total assets		85,881,019	63,093,879
LIABILITIES AND STOCKHOLDERS' EQUITY			
Current liabilities			
Provisions		-	-
Trade payables	S 7	11,478,901	20,911,356
Other liabilities	S 8	26,943,086	9,912,627
Short term financial liabilities	S 9	158,240	260,227
Lease Liability		417,622	242,034
Total current liabilities		38,997,848	31,326,243
Non-current liabilities			
Long-term borrowings	S 10	187,254,166	162,446,752
Other non-current liabilities		-	-
Other non-current financial liabilities	S 11	462,248	-
Total non-current liabilities		187,716,415	162,446,752
Total liabilities		226,714,263	193,772,996
Stockholders' equity			
Equity share capital	S 12	55,426,520	55,426,520
Share premium		-	-
Currency translation reserve		-	-
Retained earnings (losses)		(196,259,764)	(186,105,636)
		(140,833,244)	(130,679,116)
Non Controlling Interest		-	-
Total stockholders' equity		(140,833,244)	(130,679,116)
Total liabilities and stockholders' equity		85,881,019	63,093,879



Glenmark Pharmaceuticals Egypt Co. S.A.E
Statement of Comprehensive Income

	Sch	March-31-2025	March-31-2024
		EGP	EGP
		IFRS	IFRS
Revenues			
Operating revenue		160,645,838	104,652,419
Other income		-	-
Total revenues		160,645,838	104,652,419
Expenses			
Materials consumed	S 13	93,262,916	18,971,757
Changes in inventories of finished goods and work-in-process	S 13	(17,182,391)	36,921,013
Employee costs	S 14	19,331,659	11,965,613
Other expenses	S 15	61,989,145	89,728,205
Depreciation, amortisation and impairment expense	S5 & S6	385,031	488,756
Total expenses		157,786,359	158,075,345
Operating profit / (loss)		2,859,479	(53,422,925)
Finance income		-	-
Finance costs	S 16	(13,013,607)	(8,608,150)
Profit/(Loss) before tax		(10,154,128)	(62,031,075)
Tax expense		-	-
Current tax expenses		-	-
Deferred tax benefit		-	-
Total tax expenses		-	-
Profit/(Loss) for the year		(10,154,128)	(62,031,075)
Post tax profit/ (loss) for the year from discontinued operations		-	-
Profit/(Loss) after tax carried to balance sheet		(10,154,128)	(62,031,075)
Profit (Loss) for the year attributable to:			
Non Controlling Interest		-	-
Equity shareholders of Glenmark Pharmaceuticals Egypt Co. S.A.E		(10,154,128)	(62,031,075)



Glenmark Pharmaceuticals Egypt Co. S.A.E
Statement of Comprehensive Income

	Sch	March-31-2025	March-31-2024
		EGP	EGP
		IFRS	IFRS
Profit (Loss) for the year		(10,154,128)	(62,031,075)
Other comprehensive income			
Items that will not be reclassified subsequently to income statement			
- Measurement of the net defined benefit plans			
- Income tax relating to the above			
Items that will be reclassified subsequently to income statement			
Exchange differences on translating foreign operations			
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income / (loss) for the period		(10,154,128)	(62,031,075)
Total Comprehensive Income attributable to:			
Non-controlling interest		-	-
Equity shareholders of Glenmark Pharmaceuticals Egypt Co. S.A.E		(10,154,128)	(62,031,075)



Glenmark Pharmaceuticals Egypt Co. S.A.E
STATEMENT OF CASHFLOW

	March-31-2025	March-31-2024
	EGP	EGP
(A) Cash inflow/(outflow) from operating activities		
Profit/(Loss) Before Taxes	(10,154,128)	(62,031,075)
Adjustments to reconcile profit before tax to net cash provided by operating activities:		
Depreciation and amortisation	385,031	488,756
Gain on disposal of property, plant and equipment		
Finance costs		
- Intercompany	12,995,336	8,575,019
- Others	18,271	33,131
Interest income		
Dividend income		
(Profit)/loss on sale of property, plant and equipments	-	-
Employee benefit obligation		
Provision for doubtful debts / expected credit losses		
Employee share based compensation		
Provision for sales returns		
Unrealised exchange (gain)/loss	12,278,599	57,928,652
Operating profit before changes in operating assets and liabilities	15,523,109	4,994,483
Changes in operating assets and liabilities		
- Decrease/(increase) in trade receivables	4,135,037	(11,117,291)
- Decrease/(Increase) in inventories	(14,817,711)	(5,309,531)
- Decrease/(Increase) in other assets	(1,130,470)	(120,669)
- Increase/(Decrease) in trade payable and other liabilities		
- Others	7,491,745	14,213,529
- Intercompany	-	-
Net changes in operating assets and liabilities	(4,321,399)	(2,333,962)
Income taxes paid		
Net cash generated from operating activities	11,201,710	2,660,521
(B) Cash inflow/(outflow) from investing activities		
Restricted cash		
Interest received		
Dividend received		
Payments for Purchase of Property, plant and equipment and Intangible assets (including assets under construction)	(190,500)	(186,160)
Proceeds from sale of property, plant and equipment and Intangible assets	-	-
Net cash used in investing activities	(190,500)	(186,160)
(C) Cash inflow/(outflow) from financing activities		
Proceeds from long-term borrowings	-	
Repayments of long-term borrowings		
Proceeds from /(repayment) of short-term borrowings (net)		
Lease payment	(755,139)	47,655
Proceeds from issue of share capital	-	-
Dividend paid (including tax on dividend)		
Share Application Money	-	-
Net cash generated /(used) from financing activities	(755,139)	47,655
Effect of exchange rate changes on cash and cash equivalents		
Net increase in cash and cash equivalents	10,256,070	2,522,016
Cash and cash equivalents at the beginning of the year	5,669,125	3,147,110
Cash and cash equivalents at the end of the year	15,925,195	5,669,125

Kerdely
Glenmark
 PHARMACEUTICALS EGYPT



Glenmark Pharmaceuticals Egypt Co. S.A.E
Statement of Changes in Shareholders' Equity
[All amounts are stated in EGP, unless otherwise stated]

	Equity attributable to shareholders of Glenmark Pharmaceuticals Egypt Co. S.A.E						Non-controlling interest	Total stockholders' equity
	Share capital - No. of shares	Share capital	Share premium	Currency Translation reserve	Retained earnings	Total attributable to owners of the parent company		
Balance as at 1 April 2024	55,426,520	55,426,520	-	-	(186,105,636)	(130,679,116)	-	(130,679,116)
Dividends to equity shareholders (including dividend distribution tax)	-	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-
Shares issued under Employee Stock Option ('ESOP') Scheme	-	-	-	-	-	-	-	-
Employee share based compensation	-	-	-	-	-	-	-	-
Transaction with non controlling interest	-	-	-	-	-	-	-	-
Transactions with owners	55,426,520	55,426,520	-	-	(186,105,636)	(130,679,116)	-	(130,679,116)
Net income for the year	-	-	-	-	(10,154,128)	(10,154,128)	-	(10,154,128)
Other Comprehensive Income:	-	-	-	-	-	-	-	-
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-
Remeasurement of the net defined benefit plans (net of tax)	-	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-	-	-	-
Balance as at 31 Mar 2025	55,426,520	55,426,520	-	-	(196,259,764)	(140,833,244)	-	(140,833,244)

[All amounts are stated in EGP, unless otherwise stated]

	Equity attributable to shareholders of Glenmark Pharmaceuticals Egypt Co. S.A.E						Non-controlling interest	Total stockholders' equity
	Share capital - No. of shares	Share capital	Share premium	Currency Translation reserve	Retained earnings	Total attributable to owners of the parent company		
Balance as at 1 April 2023	55,426,520	55,426,520	-	-	(124,074,561)	(68,648,041)	-	(68,648,041)
Dividends to equity shareholders (including dividend distribution tax)	-	-	-	-	-	-	-	-
Issue of share capital	-	-	-	-	-	-	-	-
Shares issued under Employee Stock Option ('ESOP') Scheme	-	-	-	-	-	-	-	-
Employee share based compensation	-	-	-	-	-	-	-	-
Transaction with non controlling interest	-	-	-	-	-	-	-	-
Transactions with owners	55,426,520	55,426,520	-	-	(124,074,561)	(68,648,041)	-	(68,648,041)
Net income for the year	-	-	-	-	(62,031,075)	(62,031,075)	-	(62,031,075)
Other Comprehensive Income:	-	-	-	-	-	-	-	-
Exchange difference on translation of foreign operations	-	-	-	-	-	-	-	-
Remeasurement of the net defined benefit plans (net of tax)	-	-	-	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	-	-	-	-
Balance as at 31 Mar 2024	55,426,520	55,426,520	-	-	(186,105,636)	(130,679,116)	-	(130,679,116)



S 1**Cash and cash equivalents**

Cash and cash equivalents include the components as follows:

	EGP	EGP
Particulars	March-31-2025	March-31-2024
Cash on hand	-	268
Cash in current accounts	15,875,195	5,648,857
Cash in deposit accounts	50,000	20,000
Total	15,925,195	5,669,125

S 2**Trade receivables**

The carrying amount of trade receivables are analysed as follows:

	EGP	EGP
Particulars	March-31-2025	March-31-2024
Gross value	27,865,706	31,605,332
Less: Allowance for credit losses	395,412	-
Net trade receivables	27,470,294	31,605,332

S 3**Inventories**

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

	EGP	EGP
Particulars	March-31-2025	March-31-2024
Raw materials & Packing Materials	24,121,462	17,487,079
Finished Goods	12,665,173	4,481,844
	-	-
Total	36,786,635	21,968,924

S 4**Other short term financial assets**

	EGP	EGP
Particulars	March-31-2025	March-31-2024
Prepayments and Other current assets	4,644,667	3,514,197
Other Receivable	-	-
Total	4,644,667	3,514,197



S 5

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:

Particulars	EGP		
	Furniture and fixture	Office Equipment	Total
Cost			
Balance as at 1 April 2024	266,770	603,059	869,829
- Acquisitions through business combinations	14,250	101,250	115,500
- Other acquisitions	-	-	-
- Disposals/Transfers	-	-	-
- Translation adjustment	-	-	-
Balance as at 31 Mar 2025	281,020	704,309	985,329
Accumulated Depreciation			
Balance as at 1 April 2024	266,770	531,274	798,043
- Depreciation charge for the year	3,562	91,050	94,612
- Impairment loss recognized	-	-	-
- Disposals/Transfers	-	-	-
- Translation adjustment	-	-	-
Balance as at 31 Mar 2025	270,332	622,324	892,656
Carrying value			
At April 1, 2024	-	71,786	71,786
At Mar 31, 2025	10,687	81,986	92,673



S 6 (A)

Other intangible assets

A		EGP	
Particulars	Brands	Total	
Cost	-	-	
Balance as at 1 April 2024	3,074,995	3,074,995	
- Internally developed	-	-	
- Acquired through business combinations	-	-	
- Other acquisitions	-	-	
- Disposals/ Transfers / Adjustment	75,000	75,000	
- Translation adjustment	-	-	
Balance as at 31 Mar 2025	3,149,995	3,149,995	
Balance as at 31 Mar 2025	3,149,995	3,149,995	
Amortisation and impairment	-	-	
Balance as at 1 April 2024	3,009,728	3,009,728	
- Amortisation charge for the year	53,150	53,150	
- Impairment loss	-	-	
- Amortisation charge for disposals/ transfers	-	-	
- Translation adjustment	-	-	
Balance as at 31 Mar 2025	3,062,878	3,062,878	

Carrying value

At April 1, 2024	65,267	65,267
At Mar 31, 2025	87,117	87,117

S 6 (B)

Right to Use Asset

B		EGP	
Particulars	Office Premises	Total	
Cost	-	-	
Balance as at 1 April 2024	1,135,476	1,135,476	
- Internally developed	-	-	
- Acquired through business combinations	-	-	
- Other acquisitions	912,456	912,456	
- Disposals/ Transfers	-	-	
- Translation adjustment	-	-	
Balance as at 31 Mar 2025	2,047,932	2,047,932	
Amortisation and impairment	-	-	
Balance as at 1 April 2024	936,227	936,227	
- Amortisation charge for the year	237,268	237,268	
- Impairment loss	-	-	
- Amortisation charge for disposals/ transfers	-	-	
- Translation adjustment	-	-	
Balance as at 31 Mar 2025	1,173,495	1,173,495	

At April 1, 2024	199,249	199,249
At Mar 31, 2025	874,437	874,437
At Mar 31, 2025	874,437	874,437



Schedule - S 7

Trade payables

	EGP	EGP
Particulars	March 31, 2025	March 31, 2024
	IFRS	IFRS
Sundry creditors	-	-
Trade payables to related party:	10,231,515	19,745,948
- Payable to Glenmark Pharma Kenya Limited	1,247,386	1,165,408
Total	11,478,901	20,911,356

S 8

Other liabilities

Other current liabilities are summarized as follows:

	EGP	EGP
Particulars	March-31-2025	March-31-2024
Statutory dues	6,765,042	6,295,824
Advance from customers	10,515,832	-
Provisions	9,662,212	3,616,802
Total	26,943,086	9,912,626

Schedule - S 9

Short term financial liabilities

	EGP	EGP
Particulars	March 31, 2025	March 31, 2024
	IFRS	IFRS
Employee Dues	158,240	260,227
Lease Liability	-	-
Total	158,240	260,227

Schedule - S 10

Long-term borrowings

	EGP	EGP
Particulars	March 31, 2025	March 31, 2024
	IFRS	IFRS
Loan from Glenmark Pharmaceuticals Limited, India	114,264,772	106,755,332
Interest on Loan	72,989,394	55,691,420
Total	187,254,166	162,446,752

Schedule - S 11

Other non-current financial liabilities

Particulars	EGP	EGP
	March 31, 2025	March 31, 2024
	IFRS	IFRS
Lease Liability	462,248	-
Total	462,248	-



Details of Shareholding of Promoters are as below :

Shares held by promoters at the end of the year				% change during the year ***
Sr. No.	Promoter Name	No. of Shares **	% of total shares **	
1	Glenmark Pharmaceuticals Limited	55,426,520	100%	0%
Total		55,426,520	100%	



Schedule - S 13

COGS

Particulars	EGP	
	March 31, 2025	March 31, 2024
	IFRS	IFRS
<u>Consumption of Raw and Packing material</u>		
Opening Stock	17,487,079	8,448,233
Add: Purchases	99,897,299	28,010,603
Less: Closing stock	24,121,462	17,487,079
Consumption of Raw and Packing material	93,262,916	18,971,757
<u>Finished Stock</u>		
Purchases	(8,999,063)	33,191,698
Opening stock	4,481,844	8,211,159
Closing stock	12,665,173	4,481,844
(Increase)/Decrease in stock of Finished goods	(8,183,328)	3,729,315
Total	76,080,524	55,892,770

Schedule - 14

Employee benefit expenses

Particulars	EGP	
	March 31, 2025	March 31, 2024
	IFRS	IFRS
Salaries and bonus	16,897,024	10,281,337
Contribution to provident fund and other funds	-	-
Social insurance- company share	1,257,548	785,358
Recruitment, Training & Education allowance	-	-
Medical, Life insurance & Hospitality	1,177,087	898,919
Staff welfare expenses	-	-
Total	19,331,659	11,965,613

Schedule - S 15

Other expenses

Particulars	EGP	
	March 31, 2025	March 31, 2024
	IFRS	IFRS
Sales promotion expenses	18,231,770	12,324,732
Telephone expenses	-	156,237
Travelling expenses	1,453,490	2,036,623
Repairs & Maintenance	98,860	70,170
Rent	115,065	106,972
Warehouse Rent	337,075	364,640
Electricity charges	60,028	15,845
Auditors remuneration	-	-
Commission	18,813,249	11,010,988
Other operating expenses	9,591,862	4,995,785
Legal Fees	7,000	91,184
Data Services	205,122	193,682
Allowance for doubtful debts - other Expenses	395,412	-
Social Contribution Statutory	401,615	432,696
Exchange Gain/loss	12,278,599	57,928,652
Total	61,989,145	89,728,205



Schedule S 16

Finance costs

Finance costs is analysed as follows:

	EGP	EGP
	March-31-2025	March-31-2024
- Interest on loan to Glenmark Pharmaceuticals Ltd	12,995,336	8,575,019
- Interest on Right to Use Asset	18,271	33,131
Total	13,013,607	8,608,150



Ageing Schedules
i Trade Receivables

Particulars	As on 31st Mar 25				
	Outstanding for following periods from due date of payments				Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	
(i) Undisputed Trade Receivable - considered good	27,007,973	170,877	686,856	-	27,865,706
(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	-	-	-	-	-

As on 31st March 24					
Outstanding for following periods from due date of payments					
Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
31.605.332	-	-	-	-	31.605.332
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-					

ii Trade Payables

Particulars	As on 31st Mar 25				
	Outstanding for following periods from due date of payments				Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	
(i) Micro Small and Medium Enterprises (MSME)	8,977,913	676,192	577,409	-	10,231,515
(ii) Others	-	-	-	-	-
(iii) Others Intercompany	-	-	-	-	-
(iii) Disputed Dues - MSMEs;	-	-	-	-	-
(iv) Disputed Dues - Others;	-	-	-	-	-

As on 31st March 24					
Outstanding for following periods from due date of payments					
Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	Total
18,946,297	16,602	783,050	-	-	19,745,948
-	-	-	-	1,165,408	1,165,408
-	-	-	-	-	-
-	-	-	-	-	-

Shineding
PHARMACEUTICALS EGYPT



Glenmark Pharmaceuticals Egypt Company, S.A.E.

Notes to the IFRS reporting Package
For the year ended March 31, 2025

1. Background on the company and purpose

Glenmark Pharmaceuticals' Egypt Company, S.A.E. was established on November 6, 2008 as a joint Stock Company in Egypt under the provisions of Companies' Law no. 159 for year 1981 and Law no. 95 for year 1992 and their executive regulations.

The company was registered under number 35429 in the commercial register on November 6, 2008.

The purpose of the company is trading in medical and pharmaceutical products of all types (purchasing, selling, and exporting), obtaining, acquiring, utilizing, and selling patents, invention certificates, licences, inventions, and developments relevant to technical procedures, trademarks, commercial names relating to intellectual rights whether on its own or through others.

2. Compliance and basis of preparation

a. Statement of compliance

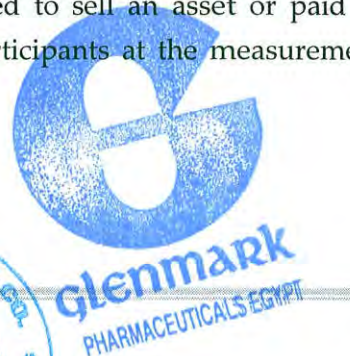
These financial statements have been prepared in accordance with Egyptian Accounting Standards (EAS) and the applicable Laws and regulations and are the statutory financial statements of the company.

b. Basis of preparation

The financial statements have been prepared on going concern basis and the historical cost basis, except for certain financial instruments that are measured at revalued amounts or fair values at the end of each reporting period.

Historical cost is generally based on the fair value of the consideration given in exchange for goods or services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The financial statements are presented in Egyptian pound.



Fair value

Fair value of financial instruments hierarchy levels 1 to 3 is based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices in active markets for identical assets or liabilities
- Level 2 fair value measurements are those derived from inputs other than quoted prices included in level 1 that are observable for the asset or liability either directly or indirectly.
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data.

3. Significant accounting policies

The principal accounting policies are set out below.

a. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable and is reduced for estimated customers' returns; rebates and other similar allowances. Revenues from the sale of goods are recognized when control of the goods had been transferred; when the goods are delivered and titles have passed, at which time the company had transferred to the buyer the significant risks and rewards of ownership of the goods. Delivery of products occurs when the products have been shipped to the customers' specific locations.

b. Foreign currencies

The functional and reporting currency of the company is the Egyptian pound. In preparing the financial statements of the company, transactions in currencies other than its functional currency (foreign currencies) are recognized at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated. Exchange differences are recognized in profit or loss in the period in which they arise.

c. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax is calculated in accordance with the Egyptian tax law.



Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from “profit before tax” as reported in the company’s statement of profit or loss because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

The company’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities are generally recognized for all taxable temporary differences, and deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

A deferred tax asset is recognized for the unused tax losses carried forward only to the extent that the company has sufficient taxable temporary differences against which unused tax losses can be utilized.

Based on current years’ tax loss and past years’ carry forward tax losses, aggregating to EGP 26,243,834 (PY EGP 109,897,025), the company could have created deferred tax assets amounting to EGP 5,904,863 (PY EGP 24,726,831) @ prevailing tax rate of 22.5%. However the company has not recognized any deferred tax asset on such losses.

d. Property, plant and equipment

Property, plant and equipment are stated in the statement of financial position at the acquisition cost less accumulated depreciation and any recognized impairment loss. Items of property, plant and equipment are depreciated using the straight-line method.

Depreciation is charged so as to write off the cost of assets, over their estimated useful lives, using the straight-line method. The estimated useful lives, residual values and depreciation method are reviewed at each year end, with the effect of any changes in estimate accounted for on a prospective basis.

The estimated useful lives for each class of fixed assets are illustrated below:

Asset category	Estimated useful life
Computers and software	3 years
Office furniture	3 years
Leasehold improvements	4.8 years
Air Conditions	4 years

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of the asset is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

e. Intangible assets

Intangible assets are purchased products' licenses that are stated at cost less accumulated amortization and any recognized accumulated impairment losses. They are amortized over their estimated life which is the period since its acquisition date (date of approval of the Ministry of Health to transfer title of the product to Glenmark Pharmaceuticals' Egypt) to invalidation date (i.e. 10 years from registering the product at the Ministry of Health).

Acquisition took place after registering the products within a period from 0 to 2.7 years at Ministry of Health, thus amortization period varies from (7.3 to 10 years). Amortization starts in the month following the acquisition date using the straight-line method.

The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

f. Inventories

Inventories are stated at the lower of cost and net realizable value. Cost comprises direct materials and overheads incurred in bringing the inventory to its present location and condition. Net realizable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale. Costs of inventories are calculated using the weighted average cost method.

g. Impairment of tangible and intangible assets

At the end of each reporting period, the company reviews the carrying amounts of its property, plant and equipment, and intangible assets, to determine whether there is any indication that those assets have suffered an impairment loss. If there is an indication of possible impairment, the recoverable amount of any affected asset is estimated and compared with its carrying amount. If the recoverable amount of the asset is estimated to be lower than its carrying amount, then the carrying amount of the asset is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in profit or loss.

Similarly, at each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired or expired, its carrying amount is reduced to selling price less costs to complete and sell, and an impairment loss is recognized immediately in profit or loss. Impairment loss on expired inventory items is charged to the statement of profit or loss.

If an impairment loss subsequently reverses, the carrying amount of the asset (or group of related assets) is increased to the revised estimate of its recoverable amount but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset (group of related assets) in prior years. A reversal of an impairment loss is recognized immediately in profit or loss.



h. Provisions

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, and it is probable that the company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

i. Financial instruments

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instruments. Financial assets and financial liabilities are initially measured at fair value. Financial assets are represented in cash and bank balances, trade and other receivables and debtors and other debit balances. Financial liabilities are represented mainly in other credit balances; trade payables and other credit balances.

All recognized financial assets are measured subsequently, in their entirety at either amortized cost using effective interest method or fair value depending on their classification. Financial assets held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows; are measured subsequently at amortized cost. These include trade receivables, debit balances and banks balances. The company derecognizes a financial asset only when the contractual rights to cash flows from the asset expire or when it transfers financial asset and substantially all the risks and rewards of ownership of the asset to another party.

All financial liabilities are measured subsequently at amortized cost using the effective interest method.

Other financial liabilities (including trade and other payables) are obligations on the basis of normal credit terms and do not bear interest.



j. Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets is substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

k. Cash and cash equivalent in the statement of cash flows

For the purpose of preparing the cash flow statement, cash and cash equivalents comprise cash in hand and cash at banks balances. Statement of cash flows has been prepared using the indirect method.

l. Use of estimates

In the application of the company's accounting policies described in this section, management is required to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

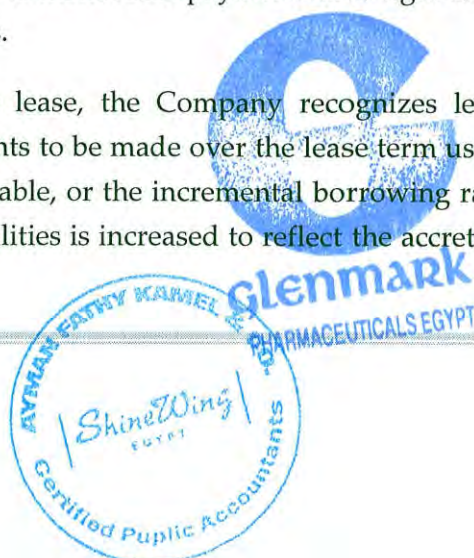
The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods. Significant areas of estimates include provisions, and useful lives of tangible and intangible assets.

m. Leases – Company as a lessee

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Lease liabilities: At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term using the implicit interest rate in the lease if readily determinable, or the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.



Right-of-use assets: The Company recognizes right-of-use assets at the commencement date of the lease. Right-of-use assets. The cost of right-of-use assets includes the amount of lease liabilities

recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received (if any), in addition to an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. After the commencement date, a lessee shall measure the right-of-use asset at cost, less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities.

Right-of-use assets are depreciated on the lease term if ownership of the leased asset transferred to the Company at the end of the lease term or if the Company will exercise the purchase option. Otherwise, Right-of-use assets are depreciated over the shorter of the lease term and the estimated useful lives of the assets.

n. Related Parties' transactions

Related parties' transactions are represented in transactions with affiliated companies, major shareholders, managers, and company senior management. Transactions with related parties also include companies that are controlled by the company or under joint control or significant influence by the company. The terms, conditions and pricing policies are agreed upon and approved by parties on a transaction level basis and approved by Company management.

