

GLENMARK PHARMACEUTICALS (KENYA) LIMITED

ANNUAL REPORTS & FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31ST MARCH 2025



Glenmark Pharmaceuticals (Kenya) Ltd
Annual report and financial statements
For the year ended 31st March 2025

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The following does not form an integral part of these financial statements:

Schedule of operating expenditure	Appendix I & II
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Glenmark Pharmaceuticals (Kenya) Ltd
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COMPANY INFORMATION

Board of directors

Dr. Alok Chopra
Dr. Catherine Mwendwa Maina

Company Registrars

Phoenix Registrars Ltd
P. O. Box 489-00606
Nairobi, Kenya.

Registered office

L.R. No. 1870/01/210
3rd Floor, Corner Plaza Building
Corner Plaza, Westlands
Parklands Road.
P.O. Box 489-00606
Nairobi, Kenya.

Auditor

Chandaria, Shah and Associated LLP
Certified Public Accountants,
P.O.Box 487-00606,
Nairobi, Kenya.

Principal bankers

Bank of India Limited
P.O. Box 69
Nairobi, Kenya.

Diamond Trust Bank Kenya Ltd
Westgate Branch
Nairobi, Kenya.

Bank of Baroda
Muthithi Road Branch
Nairobi, Kenya.

Glenmark Pharmaceuticals (Kenya) Ltd
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REPORT OF THE DIRECTORS

The directors submit their report together with the audited financial statements for the year ended 31st March 2025.

PRINCIPAL ACTIVITIES

The company imports, markets and distributes pharmaceutical products.

RESULTS FOR THE YEAR

	Ksh
Profit before tax	351,352,356
Tax Charge	(8,257,323)
Profit for the year transferred to retained earnings	<u>343,095,033</u>

DIVIDENDS

The Directors do not recommend the declaration of a dividend for the year.

DIRECTORS

The Directors who held office at the date of this report are shown on page 1.

DISCLOSURE OF INFORMATION TO AUDITORS

Directors confirm so far as they are aware, all relevant audit information which the Company Auditors are required to be aware of, has been made available to them for their review and information.

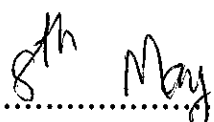
AUDITORS

The auditor, Chandaria, Shah & Associates, having expressed their willingness, will continue in office accordance with section 717(2) of the Companies Act 2015.

By order of the board


.....

DIRECTOR


DATE.....2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Kenyan Companies Act, 2015 requires the directors to prepare financial statements for each financial year that give a true and fair view of the financial position of the company as at the end of the financial year and of its profit or loss for that year. It also requires the directors to ensure that the company maintains proper accounting records that are sufficient to show and explain the transactions of the company and disclose, with reasonable accuracy, the financial position of the company. The directors are also responsible for safeguarding the assets of the company, and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

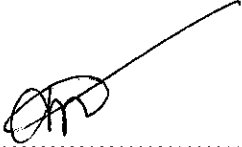
The directors accept responsibility for the preparation and presentation of these financial statements in accordance with International Financial Reporting Standards and in the manner required by the Kenyan Companies Act, 2015. They also accept responsibility for:

- i) designing, implementing and maintaining such internal control as they determine necessary to enable the presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- ii) selecting suitable accounting policies and applying them consistently; and
- iii) making accounting estimates and judgements that are reasonable in the circumstances.

Having made an assessment of the company's ability to continue as a going concern, the directors are not aware of any material uncertainties related to events or conditions that may cast doubt upon the company's ability to continue as a going concern.

The directors acknowledge that the independent audit of the financial statements does not relieve them of their responsibilities.

Approved by the board of directors on 8th May 2025 2025 and signed on its behalf by:


.....
Director

.....
Director

Glenmark Pharmaceuticals (Kenya) Limited
Report of the independent auditor to the members of Glenmark Pharmaceuticals (Kenya) Limited
For the year ended 31st March 2025

Opinion

We have audited the accompanying financial statements of Glenmark Pharmaceuticals (Kenya) Limited, set out on pages 6 to 17, which comprise the Statement of financial position as at 31st March 2025, the Statement of comprehensive income, Statement of changes in equity and Statement of cash flows for the year then ended, and notes, including a summary of significant accounting policies.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the company as at 31st March 2025 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the Kenyan Companies Act, 2015.

Basis for opinion

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

Other information

The directors are responsible for the other information. Other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Directors' responsibility for the financial statements

The directors are responsible for the preparation and fair presentation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards and the requirements of the Kenyan Companies Act, 2015, and for such internal control as the directors determine is 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, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Glenmark Pharmaceuticals (Kenya) Limited

**Report of the independent auditor to the members of Glenmark Pharmaceuticals (Kenya) Limited
For the year ended 31st March 2025**

Auditor's responsibilities for the audit of the financial statements(continued)

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal requirements

As required by the Kenyan Companies Act, 2015 we report to you, based on our audit, that:

- i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii) in our opinion proper books of account have been kept by the company, so far as appears from our examination of those books; and
- iii) the company's Statement of financial position and Statement of comprehensive income are in agreement with the books of account.



Chandaria, Shah and Associates LLP

Certified Public Accountants

P.O. Box 487,00606

Nairobi

12th May 2025

**The engagement partner responsible for the audit resulting in this independent auditor's report was CPA
Sohin Shah, Practising Certificate No.2831.**

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STATEMENT OF COMPREHENSIVE INCOME

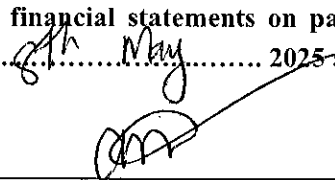
	Note	2024-25 Ksh	2023-24 Ksh
Sales	4	3,074,244,563	2,544,929,080
Cost of sales		<u>(1,601,423,364)</u>	<u>(1,265,350,738)</u>
Gross profit		1,472,821,199	1,279,578,343
Other income	5	144,029	17,414
Selling & Distribution expenses		<u>(626,968,966)</u>	<u>(538,093,023)</u>
Administrative expenses		<u>(478,772,022)</u>	<u>(458,716,565)</u>
Other operating expenses		<u>(31,684,188)</u>	<u>(32,762,144)</u>
Operating Profit	6	335,540,052	250,024,025
Finance costs	7	<u>15,812,303</u>	<u>(73,368,574)</u>
Profit before tax		351,352,356	176,655,451
Tax Charge	8	<u>(8,257,323)</u>	<u>(151,416,008)</u>
Profit for the year		343,095,033	25,239,443
Total Comprehensive Income for the year		<u>343,095,033</u>	<u>25,239,443</u>

Glenmark Pharmaceuticals (Kenya) Ltd
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STATEMENT OF FINANCIAL POSITION

	Note	2024-25 Ksh	2023-24 Ksh
EQUITY			
Share capital	11	156,040,000	156,040,000
Retained earnings	11	305,118,962	(37,976,071)
SHAREHOLDERS' FUNDS		461,158,962	118,063,929
NON-CURRENT LIABILITIES			
Borrowings	12	258,640,000	263,600,000
Lease Liability		-	5,825,726
		258,640,000	269,425,726
		719,798,962	387,489,655
REPRESENTED BY			
NON-CURRENT ASSETS			
Property, plant and equipment	13	7,551,837	7,146,023
Intangible Assets and Right to Use Asset	14	36,952,047	41,394,304
Deferred tax	9	30,957,872	-
Income Tax Receivable		7,096,097	-
Non-current financial assets	10	3,387,057	3,387,057
		85,944,910	51,927,385
CURRENT ASSETS			
Inventories	15	164,246,073	64,144,725
Trade receivables	16	3,128,401,715	2,344,532,261
Cash at bank and in hand	17	458,422,492	629,414,231
Tax Recoverable		49,926,979	36,614,637
		3,800,997,259	3,074,705,853
CURRENT LIABILITIES			
Trade and other payables	18	3,106,870,292	2,659,298,030
Other current financial liabilities	19	51,852,199	46,047,505
Other current liability	20	8,420,716	33,798,048
		3,167,143,207	2,739,143,583
NET CURRENT ASSETS			
		633,854,052	335,562,271
		719,798,962	387,489,655

The financial statements on pages 6 to 17 are approved for issue by the board of directors on *4th May* 2025 and were signed on its behalf by:



 DIRECTOR

 DIRECTOR

The notes on pages 9 to 17 form an integral part of these financial statements

Glenmark Pharmaceuticals (Kenya) Ltd
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11. STATEMENT OF CHANGES IN EQUITY

	Share capital Ksh	Retained earnings Ksh	Total Ksh
As at 1st April 2023	156,040,000	(63,215,514)	92,824,486
Profit for the year	-	25,239,443	25,239,443
Other comprehensive income	-	-	-
Total comprehensive income	-	25,239,443	25,239,443
At 31st March 2024	156,040,000	(37,976,071)	118,063,929
As at 1st April 2024	156,040,000	(37,976,071)	118,063,929
Profit for the year	-	343,095,033	343,095,033
Other comprehensive income	-	-	-
Total comprehensive income	-	343,095,033	343,095,033
At 31st March 2025	156,040,000	305,118,962	461,158,962

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STATEMENT OF CASH FLOWS

	Note	2024-25 Ksh	2023-24 Ksh
Cash flows from operating activities			
Profit Before Tax		351,352,356	176,655,451
Adjustments for:			
Depreciation of property, plant and equipment	13	2,194,905	1,868,475
Amortisation of intangible assets	14	3,629,062	4,776,179
Amortisation of Right to use Asset	14	10,522,145	12,518,768
(Gain) on Disposal of Plant, Property and Equipment		(4,000)	(17,414)
Interest Income		(140,029)	-
Unrealised Exchange (Gain)		(158,042,438)	(233,241,614)
Interest expense	7	23,427,656	26,564,501
Interest- Lease	7	1,575,029	3,727,052
Operating profit/(loss) before working capital changes		234,514,686	(7,148,602)
Decrease / (Increase) in:			
Inventories		(100,101,349)	(5,838,586)
Trade and other receivables		(804,277,894)	(316,863,031)
Increase / (Decrease) in:			
Trade and other payables		600,632,554	349,229,608
Other current and financial liabilities		40,505,686	(1,699,698)
Cash generated from operations		(28,726,317)	17,679,691
Tax paid		(89,142,173)	(18,500,000)
Net cash (used in) operating activities		(117,868,489)	(820,309)
Cash flows from investing activities			
Purchase of property, plant and equipment	13	(2,600,720)	(2,806,620)
Intangible assets	14	(638,610)	(1,908,750)
Disposals of Property Plant and Equipment		4,000	17,414
Translation of Right Of Use Asset		(9,070,340)	-
Interest Income		140,029	-
Net cash (used) in investing activities		(12,165,641)	(4,697,956)
Cash flows from financing activities			
Interest paid		(23,427,656)	(26,564,501)
Payment of Lease liabilities		(17,529,954)	(18,353,548)
Net cash(used) in financing activities		(40,957,610)	(44,918,049)
Net (Decrease) in cash and cash equivalents		(170,991,740)	(50,436,315)
Cash and cash equivalents at start of the year		629,414,231	679,850,546
Cash and cash equivalents at 31st March 2025		458,422,492	629,414,232

NOTES TO ACCOUNTS

1. General Information

Glenmark Pharmaceutical Kenya Limited is domiciled in Kenya where it is incorporated under the Kenyan Companies Act as a private company limited by shares. The address of its registered office shown on page 1 and the principal place of business is 9 West Building in Westlands, Nairobi. The principal activities are that of importing, marketing and distributing of pharmaceutical products.

For Kenyan Companies Act reporting purposes, the balance sheet is represented by the statement of financial position and the profit and loss account by the statement of comprehensive income, in these financial

2. Basis of preparation and summary of significant accounting policies

The principal accounting policies adopted in the preparation of these financial statements are set out below:

a) Basis of preparation

The financial statements are prepared in compliance with the International Financial Reporting Standard for Small and Medium-sized Entities under the historical cost convention, and are presented in the functional currency, Kenya Shillings (Ksh).

The preparation of financial statements in conformity with the International Financial Reporting Standard for Small and Medium-sized Entities requires the use of estimates and assumptions. It also requires management to exercise its judgement in the process of applying the accounting policies adopted by the company. Although such estimates and assumptions are based on the directors' best knowledge of the information available, actual results may differ from those estimates.

b) Revenue recognition

Sales represent the fair value of consideration received or receivable for the sale of goods, and are stated net of Value Added Tax, rebates and trade discounts.

Sale of goods are recognised in the period in which the company delivers products to the customer, the customer has accepted the products and the collectibility of the related receivables are reasonably assured.

c) Property, plant and equipment

Items of property, plant and equipment, including investment property, are measured at cost less accumulated depreciation.

Depreciation is charged so as to allocate the cost of assets less their residual values over their estimated useful lives, using the Straight Line method. The following annual rates are used for the depreciation of property, plant and equipment:

	<u>Rate - %</u>
Furniture & fittings	10.0
Computers, copiers & office equipments	25
Vehicles	25

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance sheet date.

Property, plant and equipment are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

NOTES TO ACCOUNTS (CONTINUED)

2. Basis of preparation and summary of significant accounting policies(continued)

c) Property, plant and equipment (continued)

Gains and losses on disposal of property, plant and equipment are determined by reference to their carrying amount and are taken into account in determining operating profit.

d) Intangible assets

Computer's software is amortised at 20% per annum over a period of 5 years.

Marketing Rights is being amortised over the period of agreement i.e. 20 years.

Brand/Dossier acquisition is being amortised over period of 5 years.

e) Translation of foreign currencies

Transactions in foreign currencies during the year are converted into Kenya Shillings using the exchange rate prevailing at the transaction date. Monetary assets and liabilities at the balance sheet date denominated in foreign currencies are translated into Kenya Shillings using the exchange rate prevailing as at that date. The resulting gains and losses from the settlement of such transactions and translations are recognised on a net basis in the profit and loss account in the year in which they arise.

f) Inventories

Goods in transit are stated at invoice value

g) Borrowing costs

Borrowing costs are recognised as an expense in the year in which they are incurred.

h) Taxation

Tax expense in the profit and loss account is the aggregate of the current income tax and deferred income tax.

Current tax

Current tax is provided on the basis of results for the year adjusted in accordance with the fiscal laws of Kenya.

Deferred tax

Deferred tax is provided in full on all temporary differences except those arising at the initial recognition of an asset or liability, other than a business combination, that at the time of the transaction affects neither the accounting nor taxable profit or loss. Deferred tax is provided using the liability method on all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes, using tax rates enacted or substantively enacted at the balance sheet date and are expected to apply when the related deferred tax liability is settled.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which temporary differences can be utilised.

i) Cash and cash equivalents

Cash and cash equivalents include cash in hand, amounts on current account with banking institutions.

NOTES TO ACCOUNTS (CONTINUED)

2. Basis of preparation and summary of significant accounting policies(continued)

j) Financial assets

Trade and other receivables are initially recognised at the transaction price. Most sales are made on the basis of normal credit terms, and the receivables do not bear interest. At the end of each reporting period, the carrying amounts of trade and other receivables are reviewed to determine whether there is any objective evidence that the amounts are not recoverable. If so, an impairment loss is recognised immediately in profit or loss.

k) Financial liabilities

Trade payables are obligations on the basis of normal credit terms and do not bear interest.

l) IFRS 16 Leases

i) Adoption of IFRS 16 Leases

IFRS 16 became effective for the first time in the financial year beginning 1st January 2019 and has been adopted by the Company. This is applicable for the year of income April 2024 to 31st March 2025.

On the commencement date of each lease (excluding leases with a term, on commencement, of 12 months or less and leases for which the underlying asset is of low value) the Company recognises a right-of-use asset and a lease liability.

The Company has decided to comply with IFRS 16, Leases , which replaced IAS 17, Leases. The Company now recognises lease liabilities relating to leases under which the Company is the lessee that had previously been classified as operating leases. Such liabilities have been measured at 1st August 2019 at the present value of the lease payments discounted using the Company's incremental borrowing rate as at 1st August 2019. Corresponding right-of-use assets have been recognised and measured as if the Company's new accounting policy had been applied since the commencement of each lease but discounted using the Company's incremental borrowing rate as at 1st August 2019.

m) Share capital, share premium, and dividends

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of the par value are classified as 'share premium' in equity.

n) Comparatives

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year.

3 Financial risk management objectives and policies

The company's activities expose it to a variety of financial risks including credit liquidity and interest rates risks and changes in market prices of the company's products. The company's overall risk management programme focuses on unpredictability of changes in the business environment and seeks to minimise the potential adverse effect of such risks on its performance by setting acceptable levels of risk. The company does not hedge any risks and has in place policies to ensure that credit is extended to customers with an established credit history.

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NOTES TO ACCOUNTS (CONTINUED)

	2024-25	2023-24
	Ksh	Ksh
	2024-25	2023-24
	Ksh	Ksh
4 Revenue		
Gross Sale of pharmaceutical products	3,127,485,045	2,677,037,747
Less: Returns/Expiry/Expiry Refund	(53,240,482)	(132,108,667)
Net Sale of pharmaceutical products	<u>3,074,244,563</u>	<u>2,544,929,080</u>
5 Other Income		
Interest Income	140,029	-
Profit on Disposal of Property Plant and Equipmen	4,000	17,414
	<u>144,029</u>	<u>17,414</u>
6 Operating profit		
(a) Items charged		
The following items have been charged in arriving at operating profit:		
Employee benefits expense (Appendix I (3))	330,712,840	314,415,876
Depreciation of property, plant and equipment	2,194,905	1,868,475
Amortisation (Refer Note 13)	14,151,207	17,294,947
Auditors' remuneration		
Current period	<u>496,800</u>	<u>519,420</u>
(b) Employee benefits expense		
The following items are included in employee benefits expense:		
Salaries and Wages	234,891,935	240,926,322
Staff Expenses	92,836,964	72,003,474
National Social Security Fund	<u>2,983,941</u>	<u>1,486,080</u>
7 Finance costs		
Loan interest	23,427,656	26,564,501
Interest- Right to Use Asset	1,575,029	3,727,052
Realised exchange Loss	117,227,450	276,318,635
Unrealised exchange (Gain)-Loan	(4,960,000)	(1,060,000)
Unrealised exchange (Gain)-Payable	<u>(153,082,438)</u>	<u>(232,181,614)</u>
	<u>(15,812,303)</u>	<u>73,368,574</u>

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NOTES TO ACCOUNTS (CONTINUED)

	2024-25	2023-24
	Ksh	Ksh
8 Tax		
Taxation has been provided at 30% on the profit for the year as adjusted per Income Tax Legislation.		
Current Tax	39,215,194	-
Deferred tax	(30,957,872)	151,416,007
	8,257,322	151,416,007

The tax on the company's profit before tax differs from the theoretical amount that would arise using the corporation tax rate as follows:

<u>Profit before tax</u>		
Profit before tax for the year	351,352,356	176,655,451
<u>Tax on above</u>		
Tax	105,405,707	52,996,635
Total Tax for the year	105,405,707	52,996,635
Tax effect of:		
Tax Impact of Items with Timing Difference	(43,464,962)	(75,722,186)
Effect of Tax Losses during the year	(22,725,551)	22,725,551
(Affirmation)/Reversal of DTA of Previous Years	(30,957,872)	151,416,007
Tax expense	8,257,322	151,416,007

9 Deferred Tax

Deferred tax is calculated using corporation tax rate of 30%. The movement on the deferred tax account is as follows:

At the start of the year	-	(151,416,008)
(Credit)/Charge to profit and loss account	(30,957,872)	151,416,008
	(30,957,872)	-

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NOTES TO ACCOUNTS (CONTINUED)

9 Deferred Tax (continued)

Deferred tax charge in the profit and loss account are attributable to the following items:

	At 1st April 2024 Ksh	Charge to profit & loss account Ksh	At 31st March 2025 Ksh
Motor vehicles	-	9,648	9,648
Computer equipments	-	(30,400)	(30,400)
Office equipment	-	977,730	977,730
Softwares	-	(24,780)	(24,780)
Provisions	-	22,448,173	22,448,173
Lease - Right to use	-	(37,935)	(37,935)
Unrealised exchange loss	-	7,615,437	7,615,437
	-	30,957,872	30,957,872

10 Non-current financial assets

Security deposits for operating leases and other services

	2024-25 Ksh	2023-24 Ksh
	3,387,057	3,387,057
	3,387,057	3,387,057

11 Share capital

Authorised:

7,635,000 ordinary shares of Ksh. 100 each

Issued and fully paid:

As at 31st March 2025, 1,560,400 shares of Ksh. 100 each

	No. of ordinary shares	Ksh
	7,635,000	763,500,000
	1,560,400	156,040,000

12 Borrowings

Loan from Glenmark Pharmaceuticals Limited (USD 2Million)

The effective interest rate for the year is 9% (PY: 9%).

	258,640,000	263,600,000
	258,640,000	263,600,000

13 Property, plant and equipment

	Vehicles Ksh	Furniture & fittings Ksh	Computers, copiers & equipments Ksh	Total Ksh
Year ended 31st March 2024				
Opening carrying value	-	4,356,795	1,851,083	6,207,878
Additions	-	-	2,806,620	2,806,620
Disposals	-	-	(56,034)	(56,034)
Depreciation on Assets Disposed	-	-	56,034	56,034
Depreciation charge	-	(904,278)	(964,197)	(1,868,475)
Closing carrying value	-	3,452,517	3,693,506	7,146,023
At 31st March 2024				
Cost	324,965	14,832,917	9,756,286	24,914,169
Accumulated depreciation	(324,965)	(11,380,400)	(6,062,780)	(17,768,146)
Net carrying value	-	3,452,517	3,693,506	7,146,023
Year ended 31st March 2025				
Opening carrying value	-	3,452,517	3,693,506	7,146,023
Additions	-	406,000	2,194,720	2,600,720
Disposal	-	-	(42,243)	(42,243)
Depreciation on Assets Disposed	-	-	42,243	42,243
Depreciation charge	-	(731,901)	(1,463,004)	(2,194,905)
Closing carrying value	-	3,126,616	4,425,222	7,551,837
At 31st March 2025				
Cost	324,965	15,238,917	11,908,764	27,472,646
Accumulated depreciation	(324,965)	(12,112,301)	(7,483,542)	(19,920,809)
Net carrying value	-	3,126,616	4,425,222	7,551,837

Glenmark Pharmaceuticals (Kenya) Ltd
Annual report and financial statements
For the year ended 31st March 2025

NOTES TO ACCOUNTS (CONTINUED)

	Software	Marketing Rights & Brand Acquisition	Right to Use Asset - Office Premises	Total
14 Intangible assets and Right to	Ksh	Ksh	Ksh	Ksh
Year ended 31st March 2024				
Opening carrying value	-	39,172,335	17,608,166	56,780,501
Additions	1,908,750	-	-	1,908,750
Depreciation charge	(255,197)	(4,520,981)	(12,518,768)	(17,294,947)
Closing carrying value	1,653,553	34,651,354	5,089,398	41,394,304
At 31st March 2024				
Cost	5,017,659	47,044,298	52,086,347	104,148,304
Accumulated depreciation	(3,364,106)	(12,392,944)	(46,996,949)	(62,753,999)
Net carrying value	1,653,553	34,651,354	5,089,398	41,394,304
Year ended 31st March 2025				
Opening carrying value	1,653,553	34,651,354	5,089,398	41,394,304
Additions	638,610	-	9,070,340	9,708,950
Depreciation charge	(444,386)	(3,184,676)	(10,522,145)	(14,151,207)
Closing carrying value	1,847,776	31,466,678	3,637,593	36,952,047
At 31st March 2025				
Cost	5,656,269	47,044,298	61,156,687	113,857,254
Accumulated depreciation	(3,808,492)	(15,577,620)	(57,519,094)	(76,905,207)
Net carrying value	1,847,776	31,466,678	3,637,593	36,952,047

NOTES TO ACCOUNTS (CONTINUED)

	2024-25	2023-24
	Ksh	Ksh
15 Inventories		
Goods in transit	164,246,073	64,144,725
16 Trade and other receivables		
Trade receivables	2,878,192,267	2,232,862,580
Other receivables	250,209,448	111,669,681
	3,128,401,715	2,344,532,261
17 Cash and cash equivalents		
For the purpose of the statement of cash flows, cash and cash equivalents comprise the following:		
Bank account	458,255,547	629,365,222
Cash in hand	166,944	49,009
	458,422,492	629,414,231
18 Trade and other payables		
Related Parties Payable (Note 20(v))	2,960,256,751	2,564,803,530
Other payables	146,613,541	94,494,499
	3,106,870,292	2,659,298,030
19 Other current financial liabilities		
Lease Liability - Current	5,716,106	15,867,451
Accrued Expenses	46,136,092	30,180,054
	51,852,199	46,047,505
20 Other current liability		
Statutory Dues	8,420,716	5,367,091
Advances received from customer	-	28,430,958
	8,420,716	33,798,048

NOTES TO ACCOUNTS (CONTINUED)

21 Related party transactions	2024-25	2023-24
	Ksh	Ksh
The following transactions were carried out with related parties.		
i) Purchases from related parties		
Purchases comprise of pharmaceuticals product purchased from Glenmark India for transfer pricing basis		
Glenmark Pharmaceuticals Limited	1,215,760,936	945,485,942
Glenmark Generics S.A.	6,850,829	4,246,576
Glenmark Specialty S.A.	52,693,465	12,329,662
Glenmark Pharmaceuticals SA (PTY) Limited	1,896,523	3,504,142
ii) Interest payment to related party		
Glenmark Pharmaceuticals Limited	23,427,656	26,564,501
iii) Reimbursement of Expenses		
From Melcome Pharmaceuticals Limited	1,993,248	-
From Glenmark Pharmaceuticals Limited	3,279,906	2,442,709
iv) Loans from related parties		
Non-current		
Loan Amount	258,640,000	263,600,000
v) Payables due to related parties		
Glenmark Pharmaceuticals Sa (Pty) Limited	1,905,485	6,234,342
Glenmark Specialty S.A.	39,426,190	23,149,001
Glenmark Pharmaceuticals Limited	2,918,925,076	2,535,420,188
vi) Receivable from related parties against Reimbursement of Expenses		
Glenmark Pharmaceuticals Egypt S.A.E.	3,187,091	3,248,211
Melcome Pharmaceuticals Limited	1,993,248	-
Glenmark Pharmaceuticals Limited	5,664,323	2,522,438
22 Contingent Liability		
Contingent liabilities as on 31st March 2025 is as follows;		
Interest and Penalties on Income tax based audit done by KRA for period July'12 to Mar'15	8,579,014	8,579,014
Company has filed waiver application for interest and penalties with KRA on 9th October'2018.		
23 Previous year numbers are regrouped wherever required.		

Glenmark Pharmaceuticals (Kenya) Ltd
Schedule of operating expenditure
For the year ended 31st March 2025

SCHEDULE OF OPERATING EXPENDITURE

	2024-25	2023-24
	Ksh	Ksh
1. COST OF SALES		
Opening inventories	64,144,725	58,306,138
Purchases	1,625,724,882	1,193,707,308
Direct expenses	75,799,831	77,482,015
Less: Closing inventories	(164,246,073)	(64,144,725)
Cost of sales	1,601,423,364	1,265,350,738
2. SELLING AND DISTRIBUTION EXPENSES		
Sales promotion expenses	192,731,086	213,623,528
Sales & distribution expenses	434,237,880	324,469,495
	626,968,966	538,093,023
3. ADMINISTRATIVE EXPENSES		
Employment:		
Salaries and wages	237,875,876	242,412,402
Staff expenses	92,836,964	72,003,474
Total employment costs	330,712,840	314,415,876
Other administration expenses:		
Audit fees	496,800	519,420
Staff Travel expenses	114,596,320	111,107,496
Conveyance Expenses	1,751,786	1,529,259
Bank charges and commissions	616,607	538,663
Charity and Donations	318,315	-
Legal and professional fees	1,195,082	2,851,461
Office Maintenance Expenses A/c	3,403,830	2,267,819
Newspapers & periodicals	50,780	40,140
Courier and Telephone	2,759,303	2,373,782
Printing and stationery	442,622	812,597
Product registration charges	11,835,989	11,656,270
Meeting expenses	10,591,748	10,603,782
Total other administration expenses	148,059,182	144,300,688
Total administrative expenses	478,772,022	458,716,565

Glenmark Pharmaceuticals (Kenya) Ltd
Schedule of operating expenditure
For the year ended 31st March 2025

OPERATING EXPENSES

	2024-25	2023-24
	Ksh	Ksh
4. OTHER OPERATING EXPENSES		
Establishment:		
Electricity and water	691,302	647,843
Repairs and maintenance	2,054,477	1,488,772
Insurance	2,067,848	88,764
Licenses and subscriptions	3,653,959	4,425,670
Rent & Rates	6,870,489	6,947,673
Amortisation of intangible assets	3,629,062	4,776,179
Amortisation of Right to use Asset	10,522,145	12,518,768
Depreciation on property, plant and equipment	2,194,905	1,868,475
Total other operating expenses	31,684,188	32,762,144