

**ALEMBIC PHARMACEUTICALS AUSTRALIA
PTY LTD
ABN 86 161 533 133**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 MARCH 2022

ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

**CONTENTS
FOR THE YEAR ENDED 31 MARCH 2022**

	PAGE
FINANCIAL STATEMENTS	
Directors' Report	1
Auditor's Independence Declaration under Section 307C of the Corporations Act 2001	3
Statement of Profit or Loss and Other Comprehensive Income	4
Statement of Financial Position	5
Statement of Changes in Equity	6
Statement of Cash Flows	7
Notes to the Financial Statements	8
Directors' Declaration	13
Independent Auditor's Report	14
Compilation Report	17
Detailed Income and Expenditure Statement	18

ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

DIRECTORS' REPORT

31 MARCH 2022

The directors present their report on Alembic Pharmaceuticals Australia Pty Ltd for the financial year ended 31 March 2022.

1. General information

Information on directors

The names of each person who has been a director during the year and to the date of this report are:

Pranav Amin

Janki Jadeja

Directors have been in office since the start of the financial year to the date of this report unless otherwise stated.

Principal activities

The principal activity of Alembic Pharmaceuticals Australia Pty Ltd during the financial year were licensing and commercialisation of pharmaceuticals for pharmacy and hospital markets in Australia.

No significant changes in the nature of the Company's activity occurred during the financial year.

2. Operating results and review of operations for the year

Operating results

The loss of the Company after providing for income tax amounted to \$ 44,781(2021: \$ 764,347 profit).

Review of operations

A review of the operations of the Company during the financial year and the results of those operations show that during the year, the company continued to engage in its principal activities, the result of which are disclosed in the attached financial statements.

3. Other items

Significant changes in state of affairs

There have been no significant changes in the state of affairs of the Company during the year.

ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

DIRECTORS' REPORT

31 MARCH 2022

3. Other items

Events after the reporting date

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Company, the results of those operations or the state of affairs of the Company in future financial years.

Future developments and results

Likely developments in the operations of the Company and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is likely to result in unreasonable prejudice to the Company.

Indemnification and insurance of officers and auditors

No indemnities have been given or insurance premiums paid, during or since the end of the financial year, for any person who is or has been an officer or auditor of Alembic Pharmaceuticals Australia Pty Ltd.

Auditor's independence declaration

The lead auditor's independence declaration in accordance with section 307C of the Corporations Act 2001, for the year ended 31 March 2022 has been received and can be found on page 3 of the financial report.

Signed in accordance with a resolution of the Board of Directors:

A red circular stamp with a white 'C' is positioned to the left of the signature. The signature 'Janki Jadeja' is written in a black cursive font.

Director:

Janki Jadeja

Dated: 26 April 2022



Level 13, Freshwater Place, 2 Southbank Boulevard,
Southbank VIC 3006

Phone: 03 9690 5700
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Website: www.morrrows.com.au

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

I declare that, to the best of my knowledge and belief, during the year ended 31 March 2022, there have been:

- (i) no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (ii) no contraventions of any applicable code of professional conduct in relation to the audit.

 MORROWS

MORROWS AUDIT PTY LTD



A.M. FONG

Director

Melbourne: 26 April 2022



ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
	AUD\$	AUD\$
Administration expenses	(44,781)	(32,561)
Registration costs	-	796,908
(Loss)/profit before income tax	(44,781)	764,347
Income tax expense	-	-
(Loss)/profit for the year	(44,781)	764,347
Total comprehensive income for the year	(44,781)	764,347

ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

**STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2022**

	Note	2022 AUD\$	2021 AUD\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4	145,701	552,815
Trade and other receivables	5	362,251	1,018
TOTAL CURRENT ASSETS		<u>507,952</u>	<u>553,833</u>
TOTAL ASSETS		<u>507,952</u>	<u>553,833</u>
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	6	6,380	7,480
TOTAL CURRENT LIABILITIES		<u>6,380</u>	<u>7,480</u>
TOTAL LIABILITIES		<u>6,380</u>	<u>7,480</u>
NET (LIABILITIES)/ASSETS		<u>501,572</u>	<u>546,353</u>
EQUITY			
Issued capital	7	810,000	810,000
Accumulated losses		(308,428)	(263,647)
TOTAL (DEFICIT)/EQUITY		<u>501,572</u>	<u>546,353</u>

The accompanying notes form part of these financial statements.

ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

**STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2022**

	Issued Capital AUD\$	Accumulated Losses AUD\$	Total AUD\$
Balance at 1 April 2021	810,000	(263,647)	546,353
Loss for the year	-	(44,781)	(44,781)
Balance at 31 March 2022	810,000	(308,428)	501,572

	Issued Capital AUD\$	Accumulated Loses AUD\$	Total AUD\$
Balance at 1 April 2020	810,000	(1,027,994)	(217,994)
Profit for the year	-	764,347	764,347
Balance at 31 March 2021	810,000	(263,647)	546,353

The accompanying notes form part of these financial statements.

ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

**STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
Note	AUD\$	AUD\$
CASH FLOWS FROM OPERATING ACTIVITIES:		
Payments to suppliers and employees	(407,114)	(227,717)
Recharge of filing fees	-	986,099
Net cash used in operating activities	10 (407,114)	758,382
CASH FLOWS FROM FINANCING ACTIVITIES:		
Loan from related entity	-	(399,988)
Net cash provided by financing activities	-	(399,988)
Net (decrease)/increase in cash and cash equivalents held	(407,114)	358,394
Cash and cash equivalents at beginning of year	552,815	194,421
Cash and cash equivalents at end of financial year	4 145,701	552,815

The accompanying notes form part of these financial statements.

ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

The financial report covers Alembic Pharmaceuticals Australia Pty Ltd as an individual entity. Alembic Pharmaceuticals Australia Pty Ltd is a for-profit proprietary Company, incorporated and domiciled in Australia.

The functional and presentation currency of Alembic Pharmaceuticals Australia Pty Ltd is Australian dollars.

Comparatives are consistent with prior years, unless otherwise stated.

1 Basis of Preparation

In the Directors' opinion, the Company is not a reporting entity since there are unlikely to exist users of the financial statements who are not able to command the preparation of reports tailored so as to satisfy specifically all of their information needs. This special purpose financial report has been prepared to meet the reporting requirements of the Corporations Act 2001.

The financial statements have been prepared in accordance with the recognition and measurement requirements of the Australian Accounting Standards and Accounting Interpretations, and the disclosure requirements of AASB 101 Presentation of Financial Statements, AASB 107 Statement of Cash Flows, AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors and AASB 1054 Australian Additional Disclosures.

2 Summary of Significant Accounting Policies

(a) Income Tax

Income tax expense (income) comprises current income tax expense (income) plus deferred tax expense (income). There is no income tax expense (income) for the year.

Current tax is the amount of income taxes payable (recoverable) in respect of the taxable profit (loss) for the year and is measured at the amount expected to be paid to (recovered from) the taxation authorities, using the tax rates and laws that have been enacted or substantively enacted by the end of the reporting period. Current tax liabilities (assets) are measured at the amounts expected to be paid to (recovered from) the relevant taxation authority.

(b) Revenue and other income

Revenue from contracts with customers

The core principle of AASB 15 is that revenue is recognised on a basis that reflects the transfer of promised goods or services to customers at an amount that reflects the consideration the Company expects to receive in exchange for those goods or services. Revenue is recognised by applying a five-step model as follows:

ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2 Summary of Significant Accounting Policies

(b) Revenue and other income

Revenue from contracts with customers

1. Identify the contract with the customer
2. Identify the performance obligations
3. Determine the transaction price
4. Allocate the transaction price to the performance obligations
5. Recognise revenue as and when control of the performance obligations is transferred

Licencing income

Licencing income is recognised at a point in time when the control of the licence is transferred to the customer.

(c) Goods and services tax (GST)

Revenue, expenses and assets are recognised net of the amount of goods and services tax (GST), except where the amount of GST incurred is not recoverable from the Australian Taxation Office (ATO).

Receivables and payable are stated inclusive of GST.

Cash flows in the statement of cash flows are included on a gross basis and the GST component of cash flows arising from investing and financing activities which is recoverable from, or payable to, the taxation authority is classified as operating cash flows.

(d) Impairment of assets

At the end of each reporting period, property, plant and equipment, intangible assets and investments are reviewed 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 (or group of related assets) is estimated and compared with its carrying amount. The recoverable amount is the higher of the asset's fair value less costs to sell and the present value of the asset's future cash flows discounted at the expected rate of return. If the estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount and an impairment loss is recognised immediately in profit or loss.

ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

2 Summary of Significant Accounting Policies

(e) Cash and cash equivalents

Cash and cash equivalents comprises of demand deposits held at call with banks.

(f) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares and share options which vest immediately are recognised as a deduction from equity, net of any tax effects.

(g) Research and development expenditure

Expenditure on research activities, undertaken with the prospect of obtaining new scientific or technical knowledge and understanding, is recognised in the statement of profit or loss and other comprehensive income as an expense when it is incurred. All expenditure has been classified as research expenditure.

ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

3 Result for the Year

The result for the year includes the following specific expenses:

	2022	2021
	AUD\$	AUD\$
- Auditor's fees	6,380	5,500
	<u>6,380</u>	<u>5,500</u>

4 Cash and Cash Equivalents

Cash at bank	<u>145,701</u>	<u>552,815</u>
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5 Trade and other receivables

CURRENT

Trade receivables	361,730	-
Input tax credit receivable	521	1,018

Total current trade and other receivables	<u>362,251</u>	<u>1,018</u>
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6 Trade and Other Payables

Current

Trade payables	<u>6,380</u>	<u>7,480</u>
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Total current trade and other payables	<u>6,380</u>	<u>7,480</u>
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7 Issued Capital

810,000 (2021: 810,000) fully paid ordinary shares	<u>810,000</u>	<u>810,000</u>
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The holders of ordinary shares are entitled to participate in dividends and the proceeds on winding up of the Company.

8 Auditors' Remuneration

Remuneration of the auditor Morrows Audit Pty Ltd
for:

- auditing the financial statements	<u>6,380</u>	<u>5,500</u>
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ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2022**

9 Contingencies

In the opinion of the Directors, the Company did not have any contingencies at 31 March 2022 (31 March 2021:None).

10 Cash Flow Information

(a) Reconciliation of result for the year to cashflows from operating activities

Reconciliation of net income to net cash provided by operating activities:

	2022	2021
	AUD\$	AUD\$
Loss for the year	(44,781)	764,347
Changes in assets and liabilities:		
- increase in trade and other receivables	(361,233)	(215)
- decrease in trade and other payables	(1,100)	(5,750)
Cashflows from operations	<u>(407,114)</u>	<u>758,382</u>

11 Statutory Information

The registered office and principal place of business of the company is:

Alembic Pharmaceuticals Australia Pty Ltd
Level 13, Freshwater Place
2 Southbank Boulevard
SOUTHBANK VIC 3006

ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

DIRECTORS' DECLARATION

The directors have determined that the Company is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies described in Note 2 to the financial statements.

The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 4 to 12, are in accordance with the Corporations Act 2001 and:
 - (a) comply with Australian Accounting Standards as stated in Note 1; and
 - (b) give a true and fair view of the Company's financial position as at 31 March 2022 and of its performance for the year ended on that date in accordance with the accounting policies described in Note 2 to the financial statements.
2. In the directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.

Director 
Janki Jadeja

Dated: 26 April 2022

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

Report on the Audit of the Financial Report

Opinion

We have audited the accompanying financial report, being a special purpose financial report of Alembic Pharmaceuticals Australia Pty Ltd (the Company), which comprises the statement of financial position as at 31 March 2022, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Company is in accordance with the Corporations Act 2001, including:

- (i) giving a true and fair view of the Company's financial position as at 31 March 2022 and of its financial performance for the year ended; and
- (ii) complying with Australian Accounting Standards to the extent described in Note 1 and the Corporations Regulations 2001.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Report section of our report. We are independent of the Company in accordance with the auditor independence requirements of the Corporations Act 2001 and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 Code of Ethics for Professional Accountants (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial report, which describes the basis of accounting. The financial report has been prepared for the purpose of fulfilling the directors' financial reporting responsibilities under the Corporations Act 2001. As a result, the financial report may not be suitable for another purpose. Our opinion is not modified in respect of this matter.





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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

Other Information

The directors are responsible for the other information. The other information obtained at the date of this auditor's report relates to the Directors' Report, (but does not include the financial report and our auditor's report thereon).

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

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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.

Responsibilities of Directors for the Financial Report

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view and have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the requirements of the Corporations Act 2001 and is appropriate to meet the needs of the members. The directors' responsibility also includes such internal control as the directors determine necessary to enable the preparation of a financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, 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.

The Director's are responsible for overseeing the Company's financial reporting process.





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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is 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 Australian Auditing Standards 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 the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/auditors_responsibilities/ar4.pdf. This description forms part of our auditor's report.

 MORROWS

MORROWS AUDIT PTY LTD

 Adrian Fong

A.M. FONG

Director

Melbourne: 26 April 2022



COMPILATION REPORT ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

Scope

We have compiled the accompanying special purpose financial statements of Alembic Pharmaceuticals Australia Pty Ltd, which comprises the attached Detailed Income and Expenditure statement for the year ended 31 March 2022. The specific purposes for which the special purpose financial statements have been prepared is to provide information relating to the performance of the entity that satisfies the information needs of the directors.

The Responsibility of the Directors of Alembic Pharmaceuticals Australia Pty Ltd

The directors of Alembic Pharmaceuticals Australia Pty Ltd are solely responsible for the information contained in the special purpose Detailed Income and Expenditure statement, the reliability, accuracy and completeness of the information and for the determination that the basis of accounting used is appropriate to meet their needs and for the purpose that the special purpose Detailed Income and Expenditure statement was prepared.

Our Responsibility

On the basis of the information provided by the directors of Alembic Pharmaceuticals Australia Pty Ltd we have compiled the accompanying Detailed Income and Expenditure statement in accordance with the basis of accounting as described in the notes to the financial statements and APES 315: Compilation of Financial Information.

We have applied our expertise in accounting and financial reporting to compile the special purpose Detailed Income and Expenditure statement in accordance with the requirements of the directors.

Assurance Disclaimer

Since a compilation engagement is not an assurance engagement, we are not required to verify the reliability, accuracy or completeness of the information provided to us by the directors to compile the special purpose Detailed Income and Expenditure statement. Accordingly, we do not express an audit opinion or a review conclusion on the special purpose Detailed Income and Expenditure statement.

The special purpose Detailed Income and Expenditure statement was compiled exclusively for the benefit of the directors, who are responsible for the reliability, accuracy and completeness of the information used to compile them. We do not accept responsibility for the contents of the special purpose Detailed Income and Expenditure statement.

 MORROWS

MORROWS AUDIT PTY LTD

Melbourne: 26 April 2022



ALEMBIC PHARMACEUTICALS AUSTRALIA PTY LTD

ABN 86 161 533 133

**DETAILED INCOME AND EXPENDITURE STATEMENT
FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2019
	\$	\$
REVENUE		
EXPENDITURE		
Administration expenses		
Accounting fees	(9,700)	(13,450)
Audit fees	(6,380)	(5,500)
Bank charges	(1,127)	(1,144)
Consultancy fees	(26,810)	(8,785)
Administrative & legal expense	-	(4,000)
Other expenses	-	1,019
Subscriptions	(764)	(701)
	<hr/>	<hr/>
	(44,781)	(32,561)
Registration costs	-	796,908
	<hr/>	<hr/>
Total Expenditure	(44,781)	764,347
(Loss)/profit before income taxes	(44,781)	764,347
Income tax expense	-	-
	<hr/>	<hr/>
(Loss)/profit for the year	(44,781)	764,347

The accompanying notes form part of these financial statements.