

INDEPENDENT AUDITOR'S REPORT

To,
The Board of Directors, **Glenmark Distribuidora de Medicamentos e Produtos Cosméticos Ltda.**

Report on the Financial Statements

We have audited the accompanying financial statements of **Glenmark Distribuidora de Medicamentos e Produtos Cosméticos Ltda.**, which comprise the statement of financial position as at March 31, 2020.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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 International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about 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.

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, (or give a true and fair view of) the financial position of **Glenmark Distribuidora de Medicamentos e Produtos Cosméticos Ltda.** as at March 31, 2020.

São Paulo, May 29, 2020

BOUCINHAS, CAMPOS & CONTI
Auditores Independentes S/S
CRC 2SP 5.528/0-2




João Paulo Antonio Pompeo Conti
Contador
CRC 1SP 057611/O-0

Glenmark Distribuidora de Medicamentos e Produtos Cosméticos Ltda.


Statement of Financial Position	Sch	March 31, 2020	March 31, 2019
ASSETS			
<i>Non current assets</i>			
Property, plant and equipment	S 1	-	
Goodwill	S 2 A	-	
Other Intangible Assets	S 2 B	3.840.995	
Deferred tax assets	S 3	-	
Total non- current assets		3.840.995	
Inventories	S 4	1.183.741	
Trade receivables	S 5	-	
Unbilled revenue	S 9	-	
Derivative financial instruments	S 10	-	
Short term investment	S 11	-	
Other short-term financial assets	S 6	-	
Current tax assets	S 7	-	
Cash and cash equivalents	S 8	-	
Total current assets		1.183.741	
Assets and disposal group classified as held for sale	S 15	-	
Total assets		5.024.736	
EQUITY AND LIABILITIES			
Equity			
Equity attributable to owners of the parent:			
Share capital		5.024.737	
APIC/ Share Premium		-	
Retained earnings		-	
Reserves & Surplus		-	
Currency translation reserve		-	
Non Controlling Interest		-	
Total Equity		5.024.737	
Liabilities			
Current liabilities			

For identification


 Guilherme Cruz T da Cunha
 Boucinhas, Campos & Condi

Provisions	S 9	-	
Trade payables	S 10	-	
Other current liabilities	S 11	-	
Current portion of borrowings		-	
Current tax liabilities		-	
Total current liabilities		-	
Liabilities included in disposal group held for sale		-	
Total liabilities		-	
Total equity and liabilities			5.024.737

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Glenmark Distribuidora de Medicamentos e Produtos Cosméticos Ltda.

Amt in BRL

Statement of Comprehensive Income	Sch		March 31, 2020	March 31, 2019
INCOME				
Income from operations			-	
Other income	S16		-	
Total			-	
Cost of materials	S 12		-	
Employee benefit expenses	S 13		-	
Depreciation, amortisation and impairment of non-financial assets	S1/S 2		-	
Other expenses	S26 S 14		-	
Total	-		-	
Operating profit			-	
Share of profit from equity accounted investments			-	
Finance costs	S17		-	
Finance income	S 28		-	
Other financial expenses			-	
Profit/(Loss) before tax			-	
Income tax (expense)/credit	S15		-	
Profit/(Loss) after tax from continuing operations			-	
Post tax profit/ (loss) for the year from discontinued operations			-	
Profit/(Loss) after tax carried to balance sheet			-	
Profit for the year attributable to:				
Non Controlling Interest				
Owners of the parent				

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Amt in BRL

Statement of Comprehensive Income	Sch	March 31, 2020	March 31, 2019
Profit for the year		-	
Other comprehensive income:			
Exchange differences on translating foreign operations	-	-	-
Other comprehensive income for the period, net of tax		-	-
Total comprehensive income for the period		-	-
Total Comprehensive Income attributable to:			
Non Controlling Interest			
Owners of the parent		-	-

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Statement of Cash Flows

Amt in BRL

Particulars	March 31, 2020	March 31, 2019
(A) Cash flow from operating activities		
Profit before tax	-	-
<i>Adjustments for non cash items:</i>		
Amortization	-	-
Depreciation	-	-
Impairment of goodwill	-	-
Rent (unwinding of prepayments arisen on discounting long term security deposits at fair value)	-	-
Interest expenses	-	-
Profit / Loss on sale of assets	-	-
Cash flows from operations before changes in working capital	-	-
<i>Changes in operating assets and liabilities</i>		
Non current liabilities, trade payables and other current liabilities	-	-
Long term financial assets	-	-
Trade receivables and unbilled revenue	-	-
Other current assets	(1.183.741)	-
Taxes paid	-	-
Net cash generated from operating activities	(1.183.741)	
(B) Cash flow from investing activities		
Purchase of property, plant and equipment	3.840.995	-
Purchase of other intangible assets	(3.840.995)	-
Proceeds from sale of property, plant and equipment	-	-
Net cash generated from / (used in) investing activities	-	
(C) Cash flows from financing activities		
Proceeds from issue of shares	5.024.737	-
Repayment of borrowings	-	-
Interest paid on borrowings	-	-
Net cash (used in)/ generated from financing activities	5.024.737	
Net change in cash and cash equivalents from continuing operations	3.840.996	
FCTR Adjustments		
Net cash flows from discontinued operations	-	-
Net change in cash and cash equivalents	3.840.996	
Cash and cash equivalents at the beginning of the year	-	-
Cash and cash equivalents acquired on merger	-	-

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Effect of change in exchange rate on cash and cash equivalents included in	
Cash and cash equivalents at the end of the year	3.840.996

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