ALIDAC HEALTHCARE (MYANMAR) LIMITED
Incorporated in the Republic of the Union of Myanmar,
Registration Number 148900353

FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

Currency – Myanmar Kyat (MMK)

ALIDAC HEALTHCARE (MYANMAR) LIMITED
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 2026

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STATEMENT OF MANAGEMENT'S RESPONSIBILITY
ALIDAC HEALTHCARE (MYANMAR) LIMITED

It is the responsibility of the management to prepare the financial statements which give a true and fair view of the state of affairs of **Alidac Healthcare (Myanmar) Limited** (the "Company") as of March 31, 2026 and of its financial performance and its cash flows for the year then ended and a summary of significant accounting policies and other explanatory notes. In preparing these financial statements, the management is required to:

- Select suitable accounting policies and then apply them consistently; and
- Make judgments and estimates that are reasonable and prudent.

The management is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Company. We, the management committee, have general responsibility for taking such steps as are reasonably open to us to safeguard the assets of the Company and to prevent and detect fraud and other irregularities.

On behalf of Management

Aditya Vangala
Finance Manager
Alidac Healthcare (Myanmar) Limited.
May 21, 2026

Mr.Gulshan Arora
Director
Alidac Healthcare (Myanmar) Limited

May 21, 2026

INDEPENDENT AUDITOR'S REPORT

To the members of Alidac Healthcare (Myanmar) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Alidac Healthcare (Myanmar) Limited** ("the Company"), which comprise the statement of financial position as at March 31, 2026, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2026, and its financial performance and its cash flows for the year then ended in accordance with Myanmar Financial Reporting Standards ("MFRSs") and the provisions of the Myanmar Companies law ("the Law").

Basic 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 ethical requirements that are relevant to our audit of the financial statements in Myanmar, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with MFRSs and the provisions of the Law, 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.

In preparing the financial statements, management is 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 management either intends to liquidate the Company or to cease the operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

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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 exits. 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.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism 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 our 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 and Regulatory Requirements

In accordance with the provisions of the Law, we also report that:
(i) we have obtained all the information and explanations we have required; and
(ii) financial records have been maintained by the Company as required by Section 258 of the Law.

Loyal Audit & Assurance

Thawdar Kyaw (PAPP - 1328)
Engagement Partner
LOYAL AUDIT & ASSURANCE
CERTIFIED PUBLIC ACCOUNTANTS

May 21, 2026

ALIDAC HEALTHCARE (MYANMAR) LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2026

	Notes	2026	2025
			Restated*
		MMK	MMK
ASSETS			
Non-current assets			
Property, plant and equipment	4	**18,996,799,282**	18,594,462,751
Intangible assets	5	**11,875,259**	19,099,372
Deferred tax assets	6	**387,632,361**	4,659,265,134
		19,396,306,902	23,272,827,257
Current assets			
Inventories	7	**24,765,669,243**	31,525,642,155
Trade and other receivables	8	**16,122,745,861**	11,259,233,623
Cash and cash equivalents	9	**23,136,231,584**	52,665,570,748
		64,024,646,688	95,450,446,526
Total assets		**83,420,953,590**	118,723,273,783
EQUITY AND LIABILITIES			
Equity			
Paid-up capital	10	**43,780,641,000**	43,780,641,000
Retained earnings		**31,031,621,394**	(3,012,386,678)
		74,812,262,394	40,768,254,322
Non-current liabilities			
Borrowing	11	–	30,104,883,804
		–	30,104,883,804
Current liabilities			
Borrowing	11	–	–
Trade and other payables	12	**8,608,691,196**	47,850,135,657
		8,608,691,196	47,850,135,657
Total equity and liabilities		**83,420,953,590**	118,723,273,783

** See Note 21*
The accompanying notes form an integral part of these financial statements.

Authenticated by:

(1)

Aditya Vangala
Finance Manager
Alidac Healthcare (Myanmar) Limited.

(2)

Mr.Gulshan Arora
Director
Alidac Healthcare (Myanmar) Limited

ALIDAC HEALTHCARE (MYANMAR) LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED MARCH 31, 2026

	Notes	**2026**	2025 Restated*
		MMK	MMK
INCOME			
Revenue from operations	13	**87,732,700,959**	64,966,549,862
Other income	14	**4,951,429,013**	4,555,931.404
Total income		**92,684,129,972**	69,522,481,266
EXPENSES			
Cost of materials consumed	15	**18,452,009,554**	18,378,096,348
Change in inventories of finished goods and work in progress	16	**3,617,481,616**	(8,305,584,966)
Employee benefits expense	17	**4,612,733,198**	4,663,178,785
Finance costs	18	**(4,942,187,967)**	9,517,248,317
Depreciation and amortization expense	4/5	**1,372,852,329**	1,157,967.022
Other expenses	19	**31,255,600,397**	33,363,787,965
Total expenses		**54,368,489,127**	58,774,693,471
Profit before income tax		**38,315,640,845**	10,747,787,795
Income tax expense/(benefit)	20	**4,271,632,773**	(4,659,265,134)
Profit for the year		**34,044,008,072**	15,407,052,929
Other comprehensive income for the year		–	–
Total comprehensive income for the year		**34,044,008,072**	15,407,052,929

** See Note 21*
The accompanying notes form an integral part of these financial statements.

Authenticated by:

(1)

Aditya Vangala
Finance Manager
Alidac Healthcare (Myanmar) Limited.

(2)

Mr.Gulshan Arora
Director
Alidac Healthcare (Myanmar) Limited

ALIDAC HEALTHCARE (MYANMAR) LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED MARCH 31, 2026

	Paid-up capital **MMK**	Retained earnings **MMK**	Total **MMK**
Restated balance at March 31, 2025	43,780,641,000	(3,012,386,678)	40,768,254,322
Profit for the year	–	34,044,008,072	34,044,008,072
Other comprehensive income for the year	–	–	–
Balance at March 31, 2026	**43,780,641,000**	**31,031,621,394**	**74,812,262,394**
Balance at March 31, 2024	43,780,641,000	(18,419,439,607)	25,361,201,393
Profit for the year	–	15,407,052,929	15,407,052,929
Other comprehensive income for the year	–	–	–
Balance at March 31, 2025	**43,780,641,000**	**(3,012,386,678)**	**40,768,254,322**

The accompanying notes form an integral part of these financial statements.

Authenticated by:

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Aditya Vangala
Finance Manager
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(2)

Mr.Gulshan Arora
Director
Alidac Healthcare (Myanmar) Limited

ALIDAC HEALTHCARE (MYANMAR) LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 2026

	Notes	2026 MMK	2025 MMK
Cash flows from operating activities:			
Profit before tax		**38,315,640,845**	10,747,787,795
Adjustments for:			
Depreciation and amortization expense	4/5	**1,372,852,329**	1,159,499,182
(Gain)/Loss on disposal of property, plant and equipment		**(149,204)**	80,640
Foreign exchange (gain)/loss on borrowing	11	**(6,890,045,588)**	7,890,826,782
Interest expenses	18	**878,989,654**	1,590,138,473
Interest income	14	**(4,921,622,883)**	(4,215,247,814)
Operating profit before working capital changes		**28,755,665,153**	17,173,085,058
Changes in working capital:			
Decrease/(Increase) in inventories		**6,759,972,912**	(21,332,110,942)
(Increase) in trade and other receivables		**(5,046,577,437)**	(1,628,110,483)
(Decrease)/Increase in trade and other payables		**(35,730,703,812)**	14,707,081,153
Cash (used in)/generated from operations		**(5,261,643,184)**	8,919,944,786
Net cash (outflow)/inflow from operating activities		**(5,261,643,184)**	8,919,944,786
Cash flows from investing activities:			
Additions to property, plant and equipment	4	**(1,767,977,459)**	(297,343,906)
Additions to intangible assets	5	**-**	(21,087,500)
Proceed from sale of property, plant and equipment		**161,916**	-
Interest income received		**5,104,688,082**	4,626,220,629
Net cash inflow from investing activities		**3,336,872,539**	4,307,789,223
Cash flows from financing activities:			
(Repayment)/Proceeds from borrowing	11	**(23,214,838,216)**	1,374,070,200
Interest paid		**(4,389,730,303)**	-
Net cash (outflow)/inflow from financing activities		**(27,604,568,519)**	1,374,070,200
Net (decrease)/increase in cash and cash equivalents		**(29,529,339,164)**	14,601,804,209
Cash and cash equivalents			
Beginning of year		**52,665,570,748**	38,063,766,539
End of year	9	**23,136,231,584**	52,665,570,748

The accompanying notes form an integral part of these financial statements.

Authenticated by:

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Aditya Vangala
Finance Manager
Alidac Healthcare (Myanmar) Limited.

(2)

Mr.Gulshan Arora
Director
Alidac Healthcare (Myanmar) Limited

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. General information

Alidac Healthcare (Myanmar) Limited (the "Company") was incorporated in the Republic of the Union of Myanmar as per renewed Certificate of Incorporation Number 148900353 {Former Registration No. 7FC of 2016-2017 (TSEZ)} on June 17, 2016 as 100% foreign company under the Myanmar Special Economic Zone Law of 2014 and The Myanmar Companies Law upon obtaining Investment Permit No. TSEZ-IP-058-R-1 dated May 20, 2016 issued by Thilawa Special Economic Zone Management Committee under Section 11 (c) of the Myanmar Special Economic Zone Law of 2014.

The principal activities of the Company are the manufacturing and selling of pharmaceutical products.

The address of its registered office is Lot No. B19, Zone A, Thilawa SEZ, Thanlyin Township, Yangon Region, Republic of the Union of Myanmar.

The Company started its commercial operation on October 1, 2020.

2. Summary of material accounting policies

The principal accounting policies applied in the preparation of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation

The accompanying financial statements have been prepared in accordance with Myanmar Financial Reporting Standards ("MFRSs") and are based on historical cost convention. In preparation of these financial statements, certain reclassifications and rearrangements have been made in previous year to conform to the classification used in current year.

2.2 Foreign currency translation

2.2.1 Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Myanmar Kyat (MMK), which is the presentation currency as well as functional currency of the Company.

2. Summary of material accounting policies *(continued)*

2.2.2 Transactions and balances

Foreign currency transactions are translated into functional currency (MMK) using monthly market exchange rates prevailing at the time of transactions.

Monetary assets and liabilities denominated in USD at the end of the reporting period are translated into MMK at actual foreign currency transaction done by the Company (i.e., USD 1 = MMK 4,825) at the end of the reporting period.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

2.3 Property, plant and equipment

Property, plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation and any accumulated impairment losses.

The cost of maintenance and minor repairs are charged to income as incurred. Significant renewals and betterments are capitalized. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in the income statement.

Depreciation on property, plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives as follows:

Description	Useful lives
Furniture and fitting	10 years
Office equipment	3 years
Motor vehicles	8 years
Leasehold land	48 years
Factory buildings	30 years
Plant and equipment single shift	15 years
Plant and equipment two shift	10 years

The assets' useful lives are reviewed, and adjusted prospectively if appropriate, if there is any indication of a significant change since the last reporting date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Any gain or loss of disposal of an item of property, plant and equipment is recognized within "other gain/(losses) – net" in the statement of comprehensive income.

2. Summary of material accounting policies *(continued)*

2.4 Intangible assets

Intangible assets are initially recognized at cost, comprising the purchase price (net of discounts and rebates) and directly attributable costs of preparing the asset for its intended use, when future economic benefits are probable and the cost can be reliably measured. Subsequent expenditures that enhance or extend the performance of the asset are capitalized, while maintenance costs are expensed as incurred.

Computer software licenses are subsequently carried at cost less accumulated amortization and accumulated impairment losses. These costs are amortized to profit or loss using the straight-line method over their estimated useful lives of 4 years (25%).

2.5 Inventories

Inventories are valued at the lower of cost and net realizable value. Costs incurred in bringing each product to its present location and condition are accounted for as follows:

a) Raw materials, packing materials, finished goods, stock-in-trade and works-in-progress are valued at lower of cost and net realizable value.
b) Cost of raw materials, packing materials, finished goods and stock-in-trade is determined on weighted average method.
c) Costs of finished goods and work-in-progress are determined by taking material cost, labour and relevant appropriate overheads based on the normal operating capacity but excluding borrowing costs.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

Write down of inventories to net realizable value is recognized as an expense and included in “Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade” and Cost of Materials Consumed” in the relevant note in the statement of comprehensive income.

2.6 Trade receivables

Trade receivables are initially recognized at fair value and subsequent measured at amortized cost using the effective interest method, less provision for impairment. Appropriate allowances for estimated irrecoverable amounts are recognized in profit or loss when there is objective evidence that the asset is impaired.

2. **Summary of material accounting policies** *(continued)*

2.7 Other receivables

If collection of other receivables is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Other receivables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end.

2.8 Impairment of assets

The Company assess whether there is an indication that any asset may be impaired. If any such indication exists, the Company makes an estimate of the asset recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the statement of comprehensive income. An asset recoverable amount is the higher of fair value less costs to sell and value in use.

2.9 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash in hand, balance with banks and short-term deposits with banks.

2.10 Paid-up capital

Ordinary shares are classified as equity.

2.11 Loans

Loans are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the balance sheet date, in which case they are presented as non-current liabilities.

Loans are initially recognized at fair value (net of transaction costs) and subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of loan using the effective interest method.

2.12 Borrowing costs

Borrowing costs consist of interest and other borrowing costs that are incurred in connection with the borrowing of funds. Other borrowing costs include ancillary charges at the time of acquisition of a financial liability, which is recognized as per EIR method. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs that are directly attributable to the acquisition/construction of a qualifying asset are capitalized as part of the cost of such assets, up to the date the assets are ready for their intended use.

2. **Summary of material accounting policies** *(continued)*

2.13 Trade and other payables

Trade and other payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Other payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

2.14 Provisions, contingent liabilities and contingent assets

Provisions are recognized when the Company has a present obligation as a result of past events and it is probable that the outflow of resources will be required to settle the obligation and in respect of which reliable estimates can be made. A disclosure for contingent liability is made when there is a possible obligation, that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision/ disclosure is made. Contingent assets are not recognized but are disclosed separately in the financial statements.

Provisions and contingencies are reviewed at each balance sheet date and adjusted to reflect the correct management estimates. Contingent assets are not recognized but are disclosed separately in financial statements.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate the risks specific to the liability.

2.15 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of consideration received or receivable.

Revenue from sale of goods

Revenue from sale of goods is recognized upon the transfer of significant risk and rewards of ownership of the goods to the customers. Revenue is not recognized to the extent where there are significant uncertainties regarding recovery of the consideration due, associated costs or the possible return of goods.

Other income

Other income is recognised when no significant uncertainty as to its determination or realisation exists.

2. **Summary of material accounting policies** *(continued)*

2.16 **Leases**

As a lessee

Finance leases

Leases are classified as finance leases whenever the terms of leases transfers substantially all the risks & rewards of the ownership to the lessee. All other leases are classified as operating leases.

Operating leases

Operating leases payments are recognized as expenses on straight-line basis over the lease terms, except if another systematic basis is more representative of the time pattern in which economic benefits will flow to the company.

2.17 **Employee benefits**

Short-term obligations

Liabilities for wages and salaries, including leave encashment that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting and are measured by the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

2.18 **Taxation**

Income tax expense represents the sum of the corporate income tax currently payable and any penalty in the statement of profit or loss and other comprehensive income.

Corporate income tax is measured at the amount expected to be paid to or recovered from the taxation authorities, using the tax rates enacted or substantially enacted as at the reporting date.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

2. Summary of material accounting policies *(continued)*

2.18 Taxation *(continued)*

Deferred tax *(continued)*

Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilized

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

Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

3. Significant accounting judgments and estimates

The preparation of the Company's financial statements in conformity with MFRS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. However, uncertainty about these assumptions and estimates could result in outcomes that could require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

4. **Property, plant and equipment**

	Leasehold land MMK	Factory building MMK	Plant and Equipment MMK	Furniture & fitting MMK	Office equipment MMK	Total MMK
Cost						
At April 1, 2025	3,698,967,495	6,916,559,426	13,318,299,533	182,822,270	513,867,753	24,630,516,477
Additions	–	–	1,550,854,431	24,591,975	192,531,053	1,767,977,459
Disposal	–	–	–	–	(762,750)	(762,750)
At March 31, 2026	3,698,967,495	6,916,559,426	14,869,153,964	207,414,245	705,636,056	26,397,731,186
Accumulated depreciation and impairment losses						
At April 1, 2025	(674,290,949)	(982,015,416)	(3,957,049,706)	(49,332,282)	(373,365,373)	(6,036,053,726)
Depreciation charge	(73,263,451)	(230,551,980)	(937,628,002)	(19,087,662)	(105,097,121)	(1,365,628,216)
Disposal	–	–	–	–	750,038	750,038
At March 31, 2026	(747,554,400)	(1,212,567,396)	(4,894,677,708)	(68,419,944)	(477,712,456)	(7,400,931,904)
Net book value						
At March 31, 2026	**2,951,413,095**	**5,703,992,030**	**9,974,476,256**	**138,994,301**	**227,923,600**	**18,996,799,282**
Cost						
At April 1, 2024	3,698,967,495	6,916,559,426	13,144,260,871	153,699,250	421,298,329	24,334,785,371
Additions	–	–	174,038,662	29,123,020	94,182,224	297,343,906
Disposal	–	–	–	–	(1,612,800)	(1,612,800)
At March 31, 2025	3,698,967,495	6,916,559,426	13,318,299,533	182,822,270	513,867,753	24,630,516,477
Accumulated depreciation and impairment losses						
At April 1, 2024	(597,229,126)	(762,988,729)	(3,168,204,050)	(30,672,184)	(325,583,454)	(4,884,677,543)
Depreciation charge	(77,061,823)	(219,026,687)	(788,845,656)	(18,660,098)	(49,314,079)	(1,152,908,343)
Disposal	–	–	–	–	1,532,160	1,532,160
At March 31, 2025	(674,290,949)	(982,015,416)	(3,957,049,706)	(49,332,282)	(373,365,373)	(6,036,053,726)
Net book value						
At March 31, 2025	**3,024,676,546**	**5,934,544,010**	**9,361,249,827**	**133,489,988**	**140,502,380**	**18,594,462,751**

5. **Intangible assets**

	2026 MMK	2025 MMK
Cost		
At beginning of year	**161,409,578**	140,322,078
Additions	**–**	21,087,500
At end of year	**161,409,578**	161,409,578
Accumulated amortization and impairment losses		
At beginning of year	**(142,310,206)**	(135,719,367)
Amortization charge	**(7,224,113)**	(6,590,839)
At end of year	**(149,534,319)**	(142,310,206)
Net book value		
At end of year	**11,875,259**	19,099,372

6. **Deferred tax assets**

	2026 MMK	2025 Restated* MMK
Beginning of year	**4,659,265,134**	–
During the year movement:		
- Tax loss in H2 FY26 that can be carried forward	**287,389,931**	–
- Due to depreciation	**207,719,505**	–
- Due to exchange gain/loss	**(4,668,741,068)**	4,659,265,134
- Due to provision impact	**(98,001,141)**	–
	387,632,361	4,659,265,134

** See Note 21*

As at March 31, 2026, the Company recognized a deferred tax asset amounting to **MMK 387,632,361/-** (March 31, 2025: MMK 4,659,265,134). The recognition is supported by management's forecast of future taxable profits. Management has concluded that it is probable that the Company will generate sufficient taxable income in future periods to utilize the underlying deductible temporary differences and tax losses before they expire.

7. **Inventories**

	2026 MMK	2025 MMK
Finished goods	**8,176,855,361**	11,597,944,593
Work-in-progress	**–**	196,392,384
Raw materials	**14,678,248,457**	17,488,769,068
Packing materials	**1,910,565,425**	2,242,536,110
	24,765,669,243	31,525,642,155

8. Trade and other receivables

	2026 MMK	2025 MMK
Trade receivables	**12,083,950,178**	6,970,392,183
Advance payments to suppliers	**2,199,883,294**	2,961,750,383
Advance payments for marketing expenses	**339,414,104**	237,505,475
Advance to employees	**101,335,608**	90,443,377
Advance for house rental against employees' HRA	**–**	101,802,399
Prepayments	**991,555,045**	384,028,605
Deposits	**57,717,500**	32,525,500
Accrued interest income	**279,663,013**	462,728,212
Advance income tax on export	**55,542,245**	4,372,615
Custom duty receivables on re-export	**13,684,874**	13,684,874
	16,122,745,861	11,259,233,623

9. Cash and cash equivalents

	2026 MMK	2025 MMK
Short-term fixed deposits	**19,500,000,000**	39,300,000,000
Balance with banks	**3,579,932,099**	13,307,174,878
Cash on hand	**56,299,485**	58,395,870
	23,136,231,584	52,665,570,748

10. Paid-up capital

	2026		2025	
	Number of shares	**Value of shares MMK**	Number of shares	Value of shares MMK
Beginning of year	**43,780,641**	**43,780,641,000**	43,780,641	43,780,641,000
Issues of shares	**–**	**–**	–	–
End of year	**43,780,641**	**43,780,641,000**	43,780,641	43,780,641,000

As at March 31, 2026, the share structure of the Company was as follows:

	2026		2025	
	Number of shares	**Value of shares MMK**	Number of shares	Value of shares MMK
Zydus Worldwide DMCC (ZWWD)	**43,780,641**	**43,780,641,000**	43,780,641	43,780,641,000
End of year	**43,780,641**	**43,780,641,000**	43,780,641	43,780,641,000

11. **Borrowing**

	2026 MMK	2025 MMK
At beginning of year	**30,104,883,804**	20,839,986,822
Additions	**–**	1,374,070,200
Realized foreign exchange gains	**(6,890,045,588)**	7,890,826,782
	23,214,838,216	30,104,883,804
Repayments	**(23,214,838,216)**	–
At end of year	**–**	30,104,883,804

The Company had obtained a long-term unsecured offshore loan from its parent company, Zydus World Wide DMCC to finance overdue import liabilities due to foreign exchange conversion restrictions. The loan was fully settled during the current year. Accordingly, no outstanding balance remains as at the reporting date.

	2026 MMK	2025 MMK
Current portion	–	**–**
Non-Current portion	–	**30,104,883,804**
	–	**30,104,883,804**

12. **Trade and other payables**

	2026 MMK	2025 MMK
Trade payables		
- ZLL -Trade Payables	**3,645,816,754**	40,048,073,757
- ZWWD -Interest Payable	–	3,510,740,649
- Others	**1,612,246,424**	2,291,108,610
Other payables		
- Payable to Government	**640,861,101**	48,951,728
- Payable to employees	**889,767,692**	793,725,770
- Provisions	**1,340,060,288**	1,157,535,143
- Facilitation charges	**479,938,937**	**–**
	8,608,691,196	47,850,135,657

13. **Revenue from operations**

The above represent revenue from manufacturing and selling of pharmaceutical products for the year ended March 31, 2026 amounting to **MMK 87,732,700,959** (March 31, 2025: MMK 64,966,549,862).

14. **Other income**

	2026 MMK	2025 MMK
Sale of scarp	**29,806,130**	4,284,660
Interest income	**4,921,622,883**	4,215,247,814
Retainership fees	**–**	336,398,930
	4,951,429,013	4,555,931,404

15. **Cost of materials consumed**

	2026 MMK	2025 MMK
Opening		
Raw materials	**17,488,769,068**	6,189,460,835
Packing materials	**2,242,536,110**	515,318,367
Add: Purchases		
Raw materials	**13,388,419,895**	27,042,718,275
Packing materials	**1,921,098,363**	4,361,904,049
	35,040,823,436	38,109,401,526
Less: Closing		
Raw materials	**(14,678,248,457)**	(17,488,769,068)
Packing materials	**(1,910,565,425)**	(2,242,536,110)
	18,452,009,554	18,378,096,348

16. **Change in inventories of finished goods and work in progress**

	2026 MMK	2025 MMK
Opening		
Work in progress	**196,392,384**	61,881,257
Finished goods	**11,597,944,593**	3,426,870,754
Less: Closing		
Work in progress	**–**	(196,392,384)
Finished goods	**(8,176,855,361)**	(11,597,944,593)
	3,617,481,616	(8,305,584,966)

17. **Employee benefits expense**

	2026 MMK	2025 MMK
Salaries and wages	**4,107,643,522**	4,246,887,390
Social security	**12,382,500**	12,262,650
Other employee expenses	**492,707,176**	404,028,745
	4,612,733,198	4,663,178,785

18. **Finance costs**

	2026	2025
	MMK	MMK
Bank commission	**59,213,627**	36,283,062
Loan interest	**878,989,654**	1,590,138,473
Unrealized foreign exchange (gains)/losses: borrowing	**(5,880,391,248)**	7,890,826,782
	(4,942,187,967)	9,517,248,317

19. **Other expenses**

	2026	2025
	MMK	MMK
Product registration	**17,560,950**	43,133,825
Marketing expenses	**13,586,744,954**	11,512,863,357
Forex (gains)/ losses	**(3,983,595,528)**	11,449,037,456
Power	**1,335,525,861**	1,036,417,154
Fuel	**762,189,100**	502,049,574
Repair and maintenance	**776,121,366**	795,332,961
Consumables	**1,596,676,142**	1,875,584,942
Other operating costs	**1,651,444,951**	1,481,029,449
Printing and stationery	**13,004,250**	7,073,650
Legal and professional fees	**1,789,720**	28,327,674
Audit fees and expenses	**18,935,490**	22,159,880
Insurance expenses	**111,355,413**	96,662,188
Conveyance	**566,844,145**	476,044,619
Canteen expenses	**325,493,050**	198,823,760
Maintenance and administration charge	**189,064,053**	110,416,320
Guest house expenses	**33,492,026**	23,500,269
Internet expenses	**14,737,641**	19,508,400
Mobile expenses	**14,487,813**	10,597,190
Security service	**34,833,175**	31,666,824
Other general and admin expenses	**1,222,743,590**	954,968,124
Freight & forwarding on export sales	**113,318,980**	41,591,802
Hardship allowance to local employees	**107,291,358**	14,415,711
Remittance facilitation charges	**7,984,282,549**	1,872,823,090
Royalty fees	**1,360,835,225**	759,759,746
Reimbursement of variable expenses ZLL	**3,400,424,123**	–
	31,255,600,397	33,363,787,965

20. **Income tax expense/(benefit)**

	2026	2025
		Restated*
	MMK	MMK
Current income tax	–	–
Deferred tax assets	**4,271,632,773**	(4,659,265,134)
	4,271,632,773	(4,659,265,134)

** See Note 21*

21. Restatement of previous year

During the year, the Company discovered that the deferred tax asset has not been recognized in its financial statements during 2024-25 financial year. The error has been corrected by restating each of the affected financial statements line items for the year 2024-2025.

The following tables summarize the impacts on the Company's financial statements.

i. Statement of financial position

	Impact of correction of error		
March 31, 2025	**As previously reported**	**Adjustment**	**As restated**
	MMK	MMK	MMK
Deferred tax asset	–	4,659,265,134	4,659,265,134
Total assets	114,064,008,649	4,659,265,134	118,723,273,783
Retained earnings	(7,671,651,812)	4,659,265,134	(3,012,386,678)
Total equity and liabilities	114,064,008,649	4,659,265,134	118,723,273,783

ii. Statement of comprehensive income

	Impact of correction of error		
March 31, 2025	**As previously reported**	**Adjustment**	**As restated**
	MMK	MMK	MMK
Income tax benefit	–	4,659,265,134	4,659,265,134
Profit for the year	10,747,787,795	4,659,265,134	15,407,052,929

22. Capital management

The primary objective of the Company's capital management is to maintain a sufficient liquidity in order to support its business and maximize the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants, if any.

23. **Financial risk management**

The Company's activities expose it to market risks (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management strategy seeks to minimize potential adverse effects from the unpredictability of financial market on the financial performance of the Company. These policies and procedures are formulated, approved and regularly reviewed by the Board of Directors (the "Board").

The Board is responsible for setting the objective and underlying principles of financial risk management and providing an oversight of the entire risk management system of the Company. The management then establishes the detailed policies such as authority levels, oversight responsibilities, risk identification and measurement and exposure limits in accordance with the objectives and underlying principles approved by the Board.

(a) **Market risk**

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in market interest rate. As at March 31, 2026, the Company is exposed to changes in market interest rates through borrowings at variable interest rates. The Company's investments in fixed deposits are at fixed interest rates.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of change in foreign currency rates. The Company's exposure to the risk of change in foreign currency rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

(b) **Credit risk**

The maximum exposure to credit risk is represented by the carrying amount of the financial assets as stated in the statement of financial position.

23. **Financial risk management** *(continued)*

(c) **Liquidity risk**

The Company's objective is to maintain a level of cash and bank balances deemed sufficient to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

The table below summarizes the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

			2026			2025
	1 year or less	**1 – 3 years**	**Total**	1 year or less	1 – 3 years	Total
	MMK	**MMK**	**MMK**	MMK	MMK	MMK
Financial liabilities:						
Borrowing	**–**	**–**	**–**	–	30,104,883,804	30,104,883,804
Trade and other payables	**8,608,691,196**	**–**	**8,608,691,196**	47,850,135,657	–	47,850,135,657
Total net undiscounted financial liabilities	**8,608,691,196**	**–**	**8,608,691,196**	47,850,135,657	30,104,883,804	77,955,019,461

24. **Related party transactions**

In addition to the information disclosed elsewhere in the financial statements, the following transactions took place between the Company and related parties at terms agreed between the parties:

(a) Purchase of goods. Service - related company (Zydus Lifesciences Limited), Finance Costs {Zydus Worldwide DMCC (ZWWD)} and Purchase of goods (Cadmach Machinery Co., Pvt Ltd.)

Significant transactions during the year ended March 31, 2026 and 2025 were as follows:

	2026	2025
	MMK	MMK
For ZLL		
Purchase of materials	**11,124,803,330**	11,686,665,503
Purchase of services	**1,360,835,225**	759,759,746
For ZWWD		
(Repayment)/Borrowing during the year	**(23,214,838,216)**	1,374,070,200
Finance costs (interest expenses)	**878,989,654**	1,590,138,473
For Cadmach Machinery Co., Pvt Ltd.		
Purchase of equipment	**165,078,820**	69,124,500

Outstanding balances at March 31, 2026 and 2025, arising from purchase of goods and services are unsecured and payable within 12 months from balance sheet date and are disclosed in Note 8 and 12 respectively.

(b) Key management personnel compensation

	2026	2025
	MMK	MMK
Salaries and allowances	**1,018,358,632**	1,271,376,897

25. **Comparative figures**

Certain comparative figures have been reclassified to conform with the current year's presentation.

26. **Authorization of financial statements**

These financial statements were authorized for issue in accordance with a resolution of the Board of Directors of the Company on May 21, 2026.