LUPIN PHILIPPINES, INC.
(A Wholly-Owned Subsidiary of Nanomi B.V.)

FINANCIAL STATEMENTS
March 31, 2024 and 2023

With Independent Auditors’ Report

REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
Lupin Philippines, Inc.
17th Floor Unit A, 8 Rockwell Building
Hidalgo Drive, Rockwell Center
Poblacion, Makati City

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Lupin Philippines Inc., (a wholly-owned subsidiary of Nanomi, B.V.), (the “Company”), which comprise the statements of financial position as at March 31, 2024 and 2023, and the statements of comprehensive income, statements of changes in equity and statements of cash flows for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2024 and 2023, and its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

Basis for Opinion

We conducted our audit in accordance with Philippine Standards on Auditing (PSAs). Our responsibilities under those standards are further described in the *Auditors’ Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. 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 the financial statements in accordance with PFRSs, 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 operations, or has no realistic alternative but to do so.

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

Auditors' 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 auditors' 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 PSAs 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.

As part of an audit in accordance with PSAs, we exercise professional judgment 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 auditors' 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 auditors' 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 audits.

Report on the Supplementary Information Required Under Revenue Regulations No. 15-2010 of the Bureau of Internal Revenue

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information in Note 18 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such supplementary information is the responsibility of management. The supplementary information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

R.G. MANABAT & CO.

VERNILO G. YU
Partner
CPA License No. 108798
Tax Identification No. 225-454-652
BIR Accreditation No. 08-001987-035-2024
Issued March 26, 2024; valid until March 26, 2027
PTR No. MKT 10075209
Issued January 2, 2024 at Makati City

April 30, 2024
Makati City, Metro Manila

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REPORT OF INDEPENDENT AUDITORS

The Board of Directors and Stockholders
Lupin Philippines, Inc.
17th Floor Unit A, 8 Rockwell Building
Hidalgo Drive, Rockwell Center
Poblacion, Makati City

Report on the Audit of the Financial Statements

Opinion

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In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2024 and 2023, and its financial performance and its cash flows for the year then ended in accordance with Philippine Financial Reporting Standards (PFRSs).

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As part of an audit in accordance with PSAs, we exercise professional judgment 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.

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- 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 auditors' 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 auditors' 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 audits.

Report on the Supplementary Information Required Under Revenue Regulations No. 15-2010 of the Bureau of Internal Revenue

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R.G. MANABAT & CO.

VERNILO G. YU
Partner
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**REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY FINANCIAL STATEMENTS FOR FILING
WITH THE BUREAU OF INTERNAL REVENUE**

The Board of Directors and Stockholders
Lupin Philippines, Inc.
17th Floor Unit A, 8 Rockwell Building
Hidalgo Drive, Rockwell Center
Poblacion, Makati City

We have audited the accompanying financial statements of Lupin Philippines, Inc., a wholly-owned subsidiary of Nanomi B.V.,(the "Company"), as at and for the year ended March 31, 2024, on which we have rendered our report dated April 30, 2024.

In compliance with Revenue Regulations V-20, we are stating that no partner of our firm is related by consanguinity or affinity to the president, manager or principal stockholder of the Company.

R.G. MANABAT & CO.

VERNILO G. YU
Partner
CPA License No. 108798
Tax Identification No. 225-454-652
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SUPPLEMENTAL WRITTEN STATEMENT OF AUDITOR

The Board of Directors and Stockholders
Lupin Philippines, Inc.
17th Floor Unit A, 8 Rockwell Building
Hidalgo Drive, Rockwell Center
Poblacion, Makati City

We have audited the accompanying financial statements of Lupin Philippines, Inc., a wholly-owned subsidiary of Nanomi B.V.,(the "Company"), as at and for the year ended March 31, 2024, on which we have rendered our report dated April 30, 2024.

In compliance with Revised Securities Regulations Code Rule 68, we are stating that the said Company has one (1) stockholder owning one hundred (100) or more shares.

R.G. MANABAT & CO.

VERNILO G. YU
Partner
CPA License No. 108798
Tax Identification No. 225-454-652
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April 30, 2024
Makati City, Metro Manila

LUPIN PHILIPPINES, INC.
(A Wholly-Owned Subsidiary of Nanomi B.V.)
STATEMENTS OF FINANCIAL POSITION

		March 31	
	Note	**2024**	2023
ASSETS			
Current Assets			
Cash	*4, 17*	**P34,746,084**	P80,726,438
Trade and other receivables - net	*5, 10, 17*	**806,848,886**	283,448,085
Due from related parties	*10, 17*	**24,095,528**	24,708,245
Inventories - net	*6, 13*	**81,682,794**	14,741,455
Prepayments and other current assets	*7*	**13,380,250**	13,657,997
Total Current Assets		**960,753,542**	417,282,220
Noncurrent Assets			
Property and equipment - net	*8*	**51,662**	33,693
Refundable security deposit	*16, 17*	**22,400**	22,400
Deferred tax asset	*15*	**9,306,908**	11,763,012
Total Noncurrent Assets		**9,380,970**	11,819,105
		P970,134,512	P429,101,325
LIABILITIES AND EQUITY			
Current Liabilities			
Trade and other payables	*9, 10, 17*	**P778,215,516**	P240,276,535
Due to related parties	*10, 17*	**22,625,931**	22,783,777
Income tax payable		**6,698,770**	13,190,949
Total Current Liabilities		**807,540,217**	276,251,261
Equity			
Share capital	*11*	**47,901,360**	47,901,360
Retained earnings		**114,692,935**	104,948,704
Total Equity		**162,594,295**	152,850,064
		P970,134,512	P429,101,325

See Notes to the Financial Statements.

LUPIN PHILIPPINES, INC.
(A Wholly-Owned Subsidiary of Nanomi B.V.)
STATEMENTS OF COMPREHENSIVE INCOME

		Years Ended March 31	
	Note	**2024**	2023
SALE OF GOODS	*12*	**P792,432,886**	P258,341,429
COST OF GOODS SOLD	*13*	**681,013,362**	208,424,826
GROSS PROFIT		**111,419,524**	49,916,603
OPERATING EXPENSES	*14*	**5,957,387**	12,036,099
INCOME FROM OPERATIONS		**105,462,137**	37,880,504
OTHER INCOME (CHARGES) - Net			
Foreign exchange loss - net		**(8,474,885)**	(5,870,188)
Bank charges		**(416,717)**	(388,597)
Interest income	*4*	**13,529**	5,726
Miscellaneous income		**-**	693,236
		(8,878,073)	(5,559,823)
PROFIT BEFORE TAX		**96,584,064**	32,320,681
INCOME TAX EXPENSE	*15*	**26,839,833**	8,153,562
TOTAL COMPREHENSIVE INCOME		**P69,744,231**	P24,167,119

See Notes to the Financial Statements.

LUPIN PHILIPPINES, INC.
(A Wholly-Owned Subsidiary of Nanomi B.V.)
STATEMENTS OF CHANGES IN EQUITY

	Years Ended March 31		
	Share Capital (see Note 11)	**Retained Earnings**	**Total**
Balance, March 31, 2022	P47,901,360	P80,781,585	P128,682,945
Profit for the year	-	24,167,119	24,167,119
Balance, March 31, 2023	47,901,360	104,948,704	152,850,064
Profit for the year	-	69,744,231	69,744,231
Cash Dividends	-	(60,000,000)	(60,000,000)
Balance, March 31, 2024	**P47,901,360**	**P114,692,935**	**P162,594,295**

See Notes to the Financial Statements.

LUPIN PHILIPPINES, INC.
(A Wholly-Owned Subsidiary of Nanomi B.V.)
STATEMENTS OF CASH FLOWS

		Years Ended March 31	
	Note	**2024**	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**P96,584,064**	P32,320,681
Adjustments for:			
Unrealized foreign exchange loss - net		**10,077,003**	21,764,642
Depreciation and amortization	*8*	**33,370**	33,920
Provision for (reversal of) doubtful accounts	*5, 14*	**(5,878,522)**	5,878,522
Interest income	*4*	**(13,529)**	(5,726)
Operating cash flows before working capital changes		**100,802,386**	59,992,039
Decrease (increase) in:			
Trade and other receivables		**(517,522,279)**	(42,314,215)
Due from related parties		**612,717**	34,342
Inventories		**(66,941,339)**	10,051,580
Prepayments and other current assets		**277,747**	(588,750)
Increase (decrease) in:			
Trade and other payables		**527,861,978**	(17,541,759)
Due to related parties		**(157,846)**	357,949
Cash generated from operations		**44,933,364**	9,991,186
Interest income received		**13,529**	5,726
Income taxes paid		**(30,875,908)**	(7,438,859)
Net cash flows provided by operating activities		**14,070,985**	2,558,053
CASH FLOWS FROM AN INVESTING ACTIVITY			
Additions to property and equipment	*8*	**(51,339)**	-
CASH FLOWS FROM A FINANCING ACTIVITY		**(60,000,000)**	-
Dividends paid			
NET INCREASE (DECREASE) IN CASH		**(45,980,354)**	2,558,053
CASH AT BEGINNING OF YEAR		**80,726,438**	78,168,385
CASH AT END OF YEAR	*4*	**P34,746,084**	P80,726,438

See Notes to the Financial Statements.

LUPIN PHILIPPINES, INC.
(A Wholly-Owned Subsidiary of Nanomi B.V.)
NOTES TO THE FINANCIAL STATEMENTS

1. Reporting Entity

Lupin Philippines, Inc. (the "Company") was incorporated in the Philippines and registered with the Securities and Exchange Commission (SEC) on December 20, 2010. The Company is wholly owned by Nanomi, B.V., (the “Parent Company”), an entity registered in the Netherlands. The Company’s ultimate parent is Lupin Limited (LL), an entity incorporated under the laws of India and listed in the Bombay Stock Exchange. The Company was incorporated primarily for the following purposes:

a. To hold product registrations of LL and other in-licensed products and to enable it to invest in strategic alliances;

b. To carry on the business of manufacturers, importers, exporters, marketeers, buyers, sellers, formulators, processors, extractors, dealers, distributors, and packers of pharmaceutical, medicinal, and veterinary compounds, preparations and drugs of all kinds and all substances intended to be used in the diagnosis, treatment, mitigation or prevention of any disease or disorder in human beings or animals; and

c. To establish, develop, provide, and render on commercial basis, projects, services, or training in the nature of scientific research and development of and improvement in bulk drugs, pharmaceutical and medicinal substances and finished products of all kinds and related to all branches of medicines, and to hold products of all kinds and related to all branches of medicines, and to hold product registrations related to the forgoing including in-licensed products.

The Company’s registered office address and principal place of business is at 17th Floor Unit A, 8 Rockwell Building, Hidalgo Drive, Rockwell Center, Poblacion, Makati City.

2. Basis of Preparation

Statement of Compliance
The financial statements have been prepared in compliance with Philippine Financial Reporting Standards (PFRSs). PFRSs are based on International Financial Reporting Standards (IFRSs) issued by the International Accounting Standards Board (IASB). PFRSs which are issued by the Philippine Financial Reporting Standards Council (FRSC), consist of PFRSs, Philippine Accounting Standards (PASs), and Philippine Interpretations.

Basis of Measurement
The financial statements have been prepared on the historical cost basis of accounting.

Functional and Presentation Currency
The financial statements are presented in Philippine Peso, which is the Company’s functional currency. All financial information presented have been rounded to the nearest peso, unless when otherwise indicated.

The accompanying financial statements as at March 31, 2024 were approved and authorized for issue by the Board of Directors of the Company on April 26, 2024.

3. Summary of Material Accounting Policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements, except for the changes in accounting policies as explained below.

Adoption of Amendments to Standards and Interpretations
The Company has adopted the following new standards, amendments to standards and interpretations starting April 1, 2023 and accordingly, changed its accounting policies. Except as otherwise indicated, the adoption did not have any significant impact on the Company's financial statements.

- Definition of Accounting Estimates *(*Amendments to PAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors).* To clarify the distinction between changes in accounting policies and changes in accounting estimates, the amendments introduce a new definition for accounting estimates, clarifying that they are monetary amounts in the financial statements that are subject to measurement uncertainty. The amendments also clarify the relationship between accounting policies and accounting estimates by specifying that an accounting estimate is developed to achieve the objective set out by an accounting policy. Developing an accounting estimate includes both selecting a measurement technique and choosing the inputs to be used when applying the chosen measurement technique. The effects of changes in such inputs or measurement techniques are changes in accounting estimates. The definition of accounting policies remain unchanged. The amendments also provide examples on the application of the new definition.

  The amendments will apply prospectively to changes in accounting estimates and changes in accounting policies occurring on or after the beginning of the first annual reporting period in which the amendments are applied.

- Disclosure of Accounting Policies (Amendments to PAS 1 and PFRS Practice Statement 2, *Making Materiality Judgments*). The amendments are intended to help companies provide useful accounting policy disclosures.

  The key amendment to PAS 1 include:

  - requiring companies to disclose their material accounting policies rather than their significant accounting policies;

  - clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and as such need not be disclosed; and

  - clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material to a company's financial statements.

  The amendments to PFRS Practice Statement 2 includes guidance and additional examples on the application of materiality to accounting policy disclosures, assisting companies to provide useful, entity-specific accounting policy information that users need to understand other information in the financial statements.

The Company reviewed the accounting policies and although the amendments did not result in any changes to the accounting policies themselves, updates were made to the accounting policy information disclosed in Note 3 Summary of Material Accounting Policies in certain instances in line with the amendments.

- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to PAS 12, *Income Taxes*). The amendments clarify that that the initial recognition exemption does not apply to transactions that give rise to equal taxable and deductible temporary differences such as leases and decommissioning obligations.

For leases and decommissioning liabilities, the associated deferred tax assets and liabilities will be recognized from the beginning of the earliest comparative period presented, with any cumulative effect recognized as an adjustment to retained earnings or other appropriate component of equity at that date. For all other transactions, the amendments apply to transactions that occur after the beginning of the earliest period presented.

Standards Issued But Not Yet Adopted

A number of amendments to standards are effective for annual periods beginning after April 1, 2023. However, the Company has not early adopted the following amendments to standards in preparing these financial statements. Unless otherwise indicated, none of these is expected to have a significant effect on the Company's financial statements.

Effective January 1, 2024

- Classification of Liabilities as Current or Noncurrent - 2020 amendments and Non-current Liabilities with Covenants - 2022 amendments (Amendments to PAS 1, *Presentation of Financial Statements*). To promote consistency in application and clarify the requirements on determining whether a liability is current or noncurrent, the amendments:

    - removed the requirement for a right to defer settlement of a liability for at least twelve months after the reporting period to be unconditional and instead requires that the right must have substance and exist at the end of the reporting period;
    - clarified that only covenants with which a company must comply on or before the reporting date affect the classification of a liability as current or non-current and covenants with which the entity must comply after the reporting date do not affect a liability's classification at that date;

    - provided additional disclosure requirements for non-current liabilities subject to conditions within 12 months after the reporting period to enable the assessment of the risk that the liability could become repayable within twelve months; and

    - clarified that settlement of a liability includes transferring a company's own equity instruments to the counterparty, but conversion options that are classified as equity do not affect classification of the liability as current or noncurrent.

The amendments will apply retrospectively for annual reporting periods beginning on or after January 1, 2024, with earlier application permitted. Entities that have early applied the 2020 amendments may retain application until the 2022 amendments are applied. Entities that will early apply the 2020 amendments after issue of the 2022 amendments must apply both amendments at the same time.

Financial Instruments

Non-derivative Financial Instruments. Non-derivative financial instruments consist of cash, trade and other receivables, due from related parties, trade and other payables and due to related parties.

Recognition and Initial Measurement. Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Financial Assets

Classification and Subsequent Measurement. On initial recognition, the Company classifies its financial assets in the following measurement categories: amortized cost; fair value through other comprehensive income (FVOCI) - debt investment; FVOCI - equity investment; or FVTPL.

The classification depends on the Company's business model for managing the financial assets and the contractual terms of the cash flows.

The Company has no financial assets classified as measured at: FVOCI - debt investment; FVOCI - equity investment; or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Company changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortized cost using the effective interest method if it meets both of the following conditions and is not designated as at FVTPL:

- It is held within a business model whose objective is to hold assets to collect contractual cash flows; and

- Its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on derecognition is recognized in profit or loss.

Included in this category are the Company's cash, trade and other receivables and due from related parties.

Cash includes cash on hand and deposits held at call with the bank. They are carried in the statements of financial position at face or nominal amount. Cash in bank earns interest at the prevailing bank deposit rates.

Business Model Assessment. The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets;

- how the performance of the portfolio is evaluated and reported to the Company's management;

- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;

- how managers of the business are compensated - e.g., whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Solely Payments of Principal and Interest Assessment. Principal is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin. In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;

- terms that may adjust the contractual coupon rate, including variable-rate features;

- prepayment and extension features; and

- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

Impairment of Financial Assets

The Company uses 'expected credit loss' (ECL) model in the impairment of its financial assets measured at amortized cost, contract assets and debt investments at FVOCI, but not to investments in equity instruments. ECL is the probability-weighted estimate of credit losses over the expected life of the financial instrument, representing the present value of expected cash shortfalls. The Company applies either a 12-month ECL or a lifetime ECL. Lifetime ECL applies to the financial assets that have experienced a significant increase in credit risk or are already credit-impaired.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- Internal credit rating

- External credit rating (as far as available)

- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations

- Actual or expected significant changes in the operating results of the debtor

- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtor and changes in the operating results of the debtor

Regardless of the analysis above, a significant risk is presumed if a debtor is more than thirty (30) days due in making a contractual payments.

A default on a financial asset is when the counterparty fails to make contractual payments and objective evidence of impairment exists. A financial asset is credit-impaired when an event that has a detrimental impact on the estimated future cash flows have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;

- a breach of contract such as default;

- it is probable that the borrower will enter bankruptcy or either financial reorganization; or

- the disappearance of an active market for a security because of financial difficulties.

Financial assets are written off when there is no reasonable expectation of recovery. The Company categorizes a receivable for write off when a debtor fails to make payments or when it is no longer probable that the receivable will be collected. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Derecognition of Financial Assets and Financial Liabilities

Financial Assets. A financial asset (or, where applicable a part of a financial asset or part of a group of similar financial assets) is derecognized when:

- the rights to receive cash flows from the asset have expired;

- the Company retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass-through' arrangement; or

- the Company has transferred its rights to receive cash flows from the asset and either: (a) has transferred substantially all the risks and rewards of the asset; or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a 'pass-through' arrangement, and has neither transferred nor retained substantially all the risks and rewards of the asset nor transferred control of the asset, the asset is recognized to the extent of the Company's continuing involvement in the asset. Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to pay.

Financial Liabilities. A financial liability is derecognized when the obligation under the liability is discharged, cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such as an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

Determination of Fair Values

A number of the Company's accounting policies and disclosures require the determination of fair value, for both financial and nonfinancial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes, when necessary, based on the market values, being the estimated amount for which assets could be exchanged on the date of the valuation between a willing buyer and a willing seller in an arm's length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability. The different levels of fair value of financial instruments carried at fair value, by valuation method have been defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;

- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. Transfers between levels of the fair value hierarchy are recognized at the end of the reporting period during which the change has occurred.

Inventories

Inventories are initially measured at cost. Subsequently, inventories are valued at the lower of cost and net realizable value (NRV). Costs of inventories are assigned using the weighted average method and includes expenditures incurred in acquiring the inventories, production or conversion costs, and other costs incurred in bringing them to their existing location and condition. NRV is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

When the NRV of the inventories is lower than the cost, the Company provides an allowance for the decline in the value of the inventory and recognizes the write-down as an expense in profit or loss. The amount of any reversal of any write-down of inventories, arising from an increase in NRV, is recognized as a reduction in the amount of inventories recognized as an expense in the period in which the reversal occurs.

When inventories are sold, the carrying amounts of those inventories are recognized under “Cost of Goods Sold” account in statements of comprehensive income in the period in which the related revenue is recognized.

Prepayments

Prepayments represent expenses not yet incurred but already paid in cash. Prepayments are initially recorded as assets and measured at the amount of cash paid. Subsequently, these are charged to profit or loss as they are consumed in operations or expire with the passage of time.

Prepayments are classified in the statements of financial position as current assets when the cost of goods or services related to the prepayments are expected to be incurred within one (1) year or the Company’s normal operating cycle, whichever is longer. Otherwise, prepayments are classified as noncurrent assets.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and amortization, and impairment losses, if any.

Initially, an item of property and equipment is measured at its cost, which consists of purchase price and any directly attributable costs of bringing the asset to the location and condition for its intended use. Subsequent expenditures are added to the carrying amount of the asset when it is probable that future economic benefits associated with the assets, in excess of the originally assessed standard of performance, will flow to the Company.

All other subsequent expenditures are recognized as an expense in the period in which it is incurred.

Depreciation and amortization are computed using the straight-line method over the following estimated useful lives of the assets:

	Number of Years
Office furniture and fixtures	5
Office equipment	3
Transportation equipment	5

Leasehold improvements are amortized over the improvements' useful life of five (5) years or when shorter, the terms of the relevant lease.

The useful lives and method of depreciation and amortization are reviewed at each reporting date to ensure that the period and method of depreciation and amortization are consistent with the expected pattern of economic benefits from items of property and equipment.

When an asset is disposed of, or is permanently withdrawn from use and no future economic benefits are expected from its disposal, the cost and accumulated depreciation, amortization and impairment losses, if any, are removed from the accounts and any resulting gain or loss arising from the retirement or disposal is recognized in profit or loss.

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized in profit or loss, whenever the carrying amount of an asset exceeds its recoverable amount or its future cash flows expected to be generated.

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

Impairment of Nonfinancial Assets

At the end of each reporting period, the Company assesses whether there is any indication that any of its property and equipment may have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. If a reasonable and consistent basis of allocation can be identified, assets are also allocated to individual CGUs, or otherwise they are allocated to the smallest group of CGUs for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value-in-use. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset or CGU is reduced to its recoverable amount. An impairment loss is recognized as an expense. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to the unit, and then to reduce the carrying amounts of the other assets in the unit (group of units) on a pro-rata basis.

Impairment losses recognized in prior periods are assessed at the end of each reporting period for any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. A reversal of an impairment loss is recognized as income.

<u>Equity</u>

Capital Stock

Capital stock is classified as equity. Incremental costs directly attributable to the issue of common shares are recognized as a deduction from equity, net of any tax effects.

Retained Earnings

The amount included in retained earnings includes earnings attributable to the Company's equity holders and reduced by dividends, if any, on share capital. Dividends on share capital are recognized as liability and deducted from equity when they are declared by the Company's stockholders. Dividends for the year that are approved after the financial reporting date are dealt as an event after the financial reporting date.

<u>Employee Benefits</u>

Short-term Benefits

The Company recognizes a liability net of amounts already paid and an expense for services rendered by employees during the period. Short-term benefits given by the Company to its employees include salaries and wages, social security contributions, short-term compensated absences, bonuses, medical insurance and other non-monetary benefits.

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

<u>Share-based Payments</u>

For cash-settled share-based payments, a liability is recognized for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognized in profit or loss for the year.

<u>Revenue Recognition</u>

Revenue from Contracts with Customers

The Company's business is primarily to engage in the business of buying, selling, importing, marketing, distribution by wholesale and retail, both domestic and international, all drugs, medicines, chemicals, medical devices and allied products, pharmaceuticals and other articles pertaining to the drug business.

The Company recognizes revenue when it transfers control over a product or service to a customer. Revenue is measured based on the consideration specified in a contract with a customer.

In the comparative period, revenue was measured at the fair value of the consideration received or receivable. Revenue from sale of goods and services was recognized when the significant risks and rewards of ownership had been transferred to the customer, recovery of the consideration was probable, the associated costs and possible return of goods or services could be estimated reliably, there was no continuing management involvement with the goods or services and the amount of revenue could be measured reliably.

Interest Income. Interest income is recognized as it accrues, using the effective interest method.

Other Income. Other income is recognized when earned.

Cost and Expense Recognition

Expenses are recognized in profit or loss when a decrease in future economic benefits related to a decrease in an asset or an increase in a liability has arisen that can be measured reliably. Expenses are recognized in profit or loss on the basis of a direct association between the costs incurred and the earning of specific items of income; on the basis of systematic and rational allocation procedures when economic benefits are expected to arise over several accounting periods and the association with income can only be broadly or indirectly determined; or immediately when an expenditure produces no future economic benefits or when, and to the extent that, future economic benefits do not qualify, or cease to qualify, for recognition in the statements of financial position as an asset.

Expenses in the statement of comprehensive income are presented using the function of expense method. Cost of goods sold consists of expenses incurred that are associated with the goods sold. Operating expenses are costs attributable to administrative, selling, and other business activities of the Company.

Short-term Leases

The Company has elected not to recognize right-of-use assets and lease liabilities for short term leases. The Company recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Foreign Currency Transactions

Transactions in foreign currencies are translated to the functional currency of the Company at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortized cost in foreign currency translated at the exchange rate at the end of the period. Foreign currency differences arising on retranslation are recognized in profit or loss.

Related Party Transactions
Transfer of resources, services or obligations between the Company and its related parties, regardless of whether a price is charged.

Parties are considered related if one party has control, joint control, or significant influence over the other party in making financial and operating decisions. These parties include: (a) individuals owning, directly or indirectly through one or more intermediaries, control or are controlled by, or under common control with the Company; (b) associates; and, (c) individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the Company and close members of the family of any such individual. An entity that has a post-employment benefit plan for the employees of the Company and the key management personnel of the Company are also considered to be related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship and not merely on the legal form.

Taxation
Income tax in profit or loss for the year comprises current and deferred tax. Income tax is recognized in profit or loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income in which case it is recognized in equity or other comprehensive income.

Current Tax
The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the statement of comprehensive income because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The liability for current tax is calculated using the regular corporate tax rate enacted or substantively enacted at the end of the reporting period.

Deferred Tax
Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Value Added Tax (VAT)
Revenues, expenses and assets are recognized net of the amount of VAT, except:

- where the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the tax is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

- receivables and payables that are stated with the amount of tax included.

The net amount of tax recoverable from or payable to the taxation authority is included as part of “Prepayments and other current assets” or “Trade and other payables” account, respectively.

Provisions

Provisions are recognized when the Company has a present obligation, either legal or constructive, as a result of a past event, it is probable that the Company will be required to settle the obligation through an outflow of resources embodying economic benefits, and the amount of the obligation can be estimated reliably.

The amount of the provision recognized is the best estimate of the consideration required to settle the present obligation at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation. A provision is measured using the cash flows estimated to settle the present obligation; its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that a transfer of economic benefits will be required to settle the obligation, the provision should be reversed.

Contingencies

Contingent liabilities are not recognized in the financial statements. They are disclosed in the notes to the financial statements unless the possibility of an outflow of resources embodying benefits is remote. Contingent assets are not recognized in the financial statements but are disclosed when an inflow of economic benefits is probable.

Events After the Reporting Date

Post year-end events that provide additional information about the Company’s financial position at the reporting date (adjusting events) are reflected in the financial statements when material. Post year-end events that are not adjusting events are disclosed in the notes to the financial statements when material.

Management’s Use of Judgment and Estimates and Assumptions

The preparation of the financial statements in conformity with PFRSs requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Judgments, estimates and underlying assumptions are reviewed on an ongoing basis and are based on historical experiences and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future period affected.

Judgments

In the process of applying the Company’s accounting policies, management has no significant judgments apart from those involving estimations, which have the most significant effect on the amounts recognized in the financial statements.

Accounting Estimates and Assumptions
The key assumptions concerning the future and other key sources of estimation uncertainty as at the reporting date that have the most significant risk of resulting in a material adjustment to the carrying amounts of assets, liabilities and equity within the next financial year are as follows:

Estimating Allowance for Impairment Losses on Receivables
The Company maintains an allowance for impairment losses at a level considered adequate to provide for potential uncollectible receivables. The level of this allowance is evaluated by management on the basis of factors that affect the collectability of the accounts. These factors include, but are not limited to, the length of the Company's relationship with the customers, the customers' payment behavior and known market factors. The Company reviews the age and status of receivables, and identifies accounts that are to be provided with allowance on a regular basis. The amount and timing of recorded expenses for any period would differ if the Company made different judgments or utilized different estimates. An increase in allowance for impairment losses would increase the recorded operating expenses and decrease current assets.

The Company provided allowance for impairment losses on receivables amounting to nil and P5,878,522 as at March 31, 2024 and 2023, respectively. The carrying value of receivables amounted to P806,848,886 and P283,448,085 as at March 31, 2024 and 2023, respectively (see Note 5).

Estimating Net Realizable Value (NRV) of Inventories
In determining the NRV of inventories, the Company considers inventory obsolescence, physical deterioration, physical damage and changes in price levels or other causes based on specific identification and as determined by management for inventories estimated to be salable in the future. The Company adjusts the cost of inventories to recoverable value at a level considered adequate to reflect market decline in value of the recorded inventories. The Company reviews its inventories on a regular basis to identify those which are to be written down to NRV.

The carrying amounts of inventories amounted to P81,682,794 and P14,741,455 as at March 31, 2024 and 2023, respectively (see Note 6).

Estimating Realizability of Deferred Tax Assets
The Company reviews its deferred income tax assets at each reporting date and reduces the carrying amount to the extent that it is no longer probable that sufficient future taxable profits will be available to allow all or part of the deferred income tax assets to be utilized. The Company also reviews the expected timing and tax rates upon reversal of temporary differences and adjusts the impact on deferred income tax accordingly. The Company's assessment on the recognition of deferred income tax assets is based on the forecasted taxable income of the subsequent reporting periods. This forecast is based on the Company's past results and future expectations on revenues and expenses. While the Company believes that its assumptions are appropriate and reasonable, significant changes in these assumptions may materially affect the Company's assessment of the realizability of deferred income tax assets and may lead to future addition to the provision for deferred income tax.

The Company's deferred tax assets amounted to P9,306,908 and P11,763,012 as at March 31, 2024 and 2023, respectively (see Note 15).

4. Cash

This account consists of:

	Note	**2024**	2023
Cash in banks	*17*	**P34,726,084**	P80,706,438
Cash on hand		**20,000**	20,000
		P34,746,084	P80,726,438

Interest income related to cash in banks amounted to P13,529 and P5,726 for the years ended March 31, 2024 and 2023, respectively. Cash in banks earn interest income at average annual interest rate of 0.06% and 0.10% in 2024 and 2023, respectively.

5. Trade and Other Receivables

The Company's trade and other receivables - net consists of:

	Note	**2024**	2023
Trade receivables - third parties		**P96,848,204**	P34,553,153
Less: Allowance for doubtful accounts		**-**	5,878,522
		96,848,204	28,674,631
Trade receivables - related party	*10*	**707,206,170**	244,355,154
Advances to employees and others		**2,794,512**	10,418,300
		P806,848,886	P283,448,085

Trade and other receivables are non-interest bearing, unsecured and are generally on 60 to 120-day term.

In determining the recoverability of trade receivables, the Company considers any change in the credit quality of the trade receivables from the date credit was initially granted up to the end of the reporting period.

Movements in the allowance for doubtful accounts are as follows:

	2024	2023
Balance at the beginning of the year	**P5,878,522**	P -
Provision for (reversal of) impairment loss	**(5,878,522)**	5,878,522
	P -	P5,878,522

6. Inventories

The Company's inventories are as follows:

	2024	2023
Finished goods	**P81,682,794**	P14,741,455
Less: Allowance for inventory obsolescence	**-**	-
	P81,682,794	P14,741,455

All inventories are valued at lower of cost or NRV. Management believes that the NRV of the Company's inventories exceeds their carrying values. Provision for inventory obsolescence amounting to nil for the years ended March 31, 2024 and 2023, respectively, is recorded as part of purchases and other direct costs under "Cost of Goods Sold" account.

7. Prepayments and Other Current Assets

The Company's prepayments and other current assets consists of:

	2024	2023
Input VAT - net	**P12,790,978**	P12,893,817
Prepaid tax	**-**	143,340
Prepaid others	**589,272**	620,840
	P13,380,250	P13,657,997

8. Property and Equipment - net

The movements in this account are as follows:

	Note	**Office Furniture and Fixtures**	**Office Equipment**	**Transportation Equipment**	**Total**
Costs					
March 31, 2022		P26,700	P371,060	P -	P397,760
Additions		-	-	-	-
March 31, 2023		26,700	371,060	-	397,760
Additions		-	51,339	-	51,339
March 31, 2024		**26,700**	**422,399**	**-**	**449,099**
Accumulated Depreciation					
March 31, 2022		26,700	303,447	-	330,147
Depreciation	*14*	-	33,920	-	33,920
March 31, 2023		26,700	337,367	-	364,067
Depreciation	*14*	-	33,370	-	33,370
March 31, 2024		**26,700**	**370,737**	**-**	**397,437**
Carrying Amount					
March 31, 2023		P -	P33,693	P -	P33,693
March 31, 2024		**P -**	**P51,662**	**P -**	**P51,662**

Management believes that there is no indication of impairment on its property and equipment for the years ended March 31, 2024 and 2023.

9. Trade and Other Payables

This account consists of:

	Note	**2024**	2023
Trade payables:			
Related parties	*10*	**P729,510,050**	P198,537,116
Third parties		**46,323,124**	14,232,438
Non-trade payables:			
Accrued expenses		**682,187**	1,595,490
Statutory payables		**54,512**	20,254
Advances from customers and others		**1,645,643**	25,891,237
		P778,215,516	P240,276,535

Trade payables have an average 60-day credit term. No interest is charged on the trade payables. The Company has financial risk management policies in place to ensure that all payables are paid within the credit timeframe.

Details of accrued expenses are shown below:

	2024	2023
Professional fees	**P132,004**	P527,105
Audit fees	**212,000**	241,500
Salaries and allowances	**277,472**	419,731
Others	**60,711**	407,154
	P682,187	P1,595,490

Others include accruals for tax adjustment.

10. Related Party Transactions

Details of the transactions and outstanding balances with related parties for the years ended March 31, 2024 and 2023 are as follows:

Relationship	Period	*Note*	Amount of the Transaction	Outstanding Balance Receivables	Outstanding Balance Payables	Terms and Conditions
Ultimate Parent Company						
Lupin Limited (LL)						
▪ Purchase of goods	**2024**	*a*	**P575,518,761**	**P -**	**P729,510,050**	Non-interest bearing;
	2023	*a*	68,099,959	-	198,537,116	unsecured, 60-day term
▪ Service rebilling	**2024**	*b*	**1,216,446**	**-**	**309,939**	Non-interest bearing;
	2023	*b*	813,428	-	475,877	unsecured, 60-day term
▪ Share-based payment	**2024**	*c*	**-**	**-**	**-**	Non-interest bearing;
	2023	*c*	-	612,718	-	unsecured, 60-day term
▪ Reimbursement of expenses	**2024**	*g*	**-**	**24,095,528**	**-**	Non-interest bearing;
	2023	*g*	-	24,095,527	-	unsecured, no impairment, 60-day term
Under Common Control						
Multicare Pharmaceuticals Philippines, Inc. (MPPI)						
▪ Advances	**2024**	*d*	**-**	**-**	**-**	Non-interest bearing;
	2023	*d*	82,800	-	6,900	unsecured, 60-day term
▪ Sale of goods	**2024**	*e*	**580,604,386**	**707,206,170**	**-**	Non-interest bearing;
	2023	*e*	108,070,880	244,355,154	-	unsecured, no impairment, 60-day term
▪ Rental, Utilities & Others	**2024**	*f*	**1,466,984**	**-**	**34,992**	Non-interest bearing;
	2023	*f*	240,000	-	20,000	unsecured, 60-day term
▪ Provision for liquidated damages	**2024**	*h*	**-**	**-**	**22,281,000**	Non-interest bearing;
	2023	*h*	-	-	22,281,000	unsecured, 60-day term
Parent Company						
Dividends	**2024**		**60,000,000**	**-**	**-**	
	2023		-	-	-	
	2024			**P731,301,698**	**P752,135,981**	
	2023			P269,063,399	P221,320,893	

Outstanding balance of related party receivables and payables as at March 31, 2024 and 2023, respectively are as follows:

	2024	2023
Trade receivables	**P707,206,170**	P244,355,154
Due from related parties	**24,095,528**	24,708,245
Trade payables	**729,510,050**	198,537,116
Due to related parties	**22,625,931**	22,783,777

a. Purchases of traded from related parties are unsecured, non-interest bearing and are payable within 60 days from invoice date. Purchases from related parties amounted to P575.52 million and P68.10 million in 2024 and 2023, respectively.

b. Cross charges includes expense incurred by the Parent Company for providing accounting and support services.

c. The Company enters into a share-based payments arrangement related to LL’s implementation of “Lupin Subsidiary Companies Employee Stock Option Plan 2014” which has expired during 2019.

d. The Company has cost reimbursement for the Company’s employees providing services to MPPI and payments of rental and utilities.

e. The Company sells inventories to its related parties based on its existing price list as at the date of sale. Sales to related parties are unsecured, non-interest bearing and are normally with 90 days credit term. Sales to related parties amounted to P580.60 million and P108.07 million in 2024 and 2023, respectively.

f. The Company has an operating and cancellable lease agreement for its corporate office with a lease term of one (1) year, renewable by agreement of both parties (see Note 16).

g. Reimbursement of expenses pertains to the amount receivable from Lupin Limited, Inc., as a supplier of the Company.

h. Provision for liquidated damages refers to the accrual of liquidated damages to be paid to MPPI due to late deliveries of inventories.

11. Equity

Details of share capital as at March 31, 2024 and 2023 are as follows:

	No. of Shares	Amount
Authorized common shares at P10 par value:		
Common shares at P10 par value	**10,000,000**	**P100,000,000**
Issued, fully paid and outstanding balance, end	**4,790,136**	**P47,901,360**

The Company has one class of common shares which does not carry any right to fixed income.

Dividends

The Company has declared the following dividends to its equity holders:

	Dividends Per Share March 31 2024	Total Dividends March 31 2024
Cash dividends	**12.52**	**60,000,000**

On November 24, 2023, the BOD approved the declaration of cash dividend amounting to P60 million out of the unrestricted retained earnings of the Company to be distributed to stockholders of record as of date of declaration and payable not later than January 15, 2024. As at March 31, 2024, the Company paid dividends amounting to P60 million.

Retained Earnings

The Company's retained earnings, after adjustments made pursuant to the Revised Securities Regulation Code Rule 68, has exceeded its paid-up capital as at March 31, 2024.

Under Section 42 of the Revised Corporation Code, stock corporations are prohibited from retaining surplus profits in excess of one hundred (100%) percent of their paid-in capital stock, except:

a. when justified by definite corporate expansion projects or programs approved by the board of directors; or

b. when the corporation is prohibited under any loan agreement with any financial institutions or creditors, whether local or foreign, from declaring dividends without their consent, and such consent has not yet been secured; or

c. when it can be clearly shown that such retention is necessary under special circumstances obtaining in the corporation, such as when there is need for special reserve for probable contingencies.

The Company has no appropriation or any restriction of its retained earnings. These unappropriated retained earnings will be subjected to yearly cycle of capital structure review wherein management will either declare cash or stock dividends, make appropriations or a combination of these.

12. Sale of Goods

This account consists of sales to foreign and local customers. The breakdown is as follows:

	2024	2023
Local sales	**P580,604,386**	P108,070,880
Foreign sales	**211,828,500**	150,270,549
	P792,432,886	P258,341,429

13. Cost of Goods Sold

Details of the Company's cost of sales are as follows:

	Note	**2024**	2023
Inventories, beginning - at cost	*6*	**P14,741,455**	P24,793,035
Purchases and other direct costs		**747,954,701**	198,373,246
Cost of goods available-for-sale		**762,696,156**	223,166,281
Less: Inventories, ending - at cost	*6*	**81,682,794**	14,741,455
		681,013,362	208,424,826
Add: Loss on inventory obsolescence		**-**	-
Cost of goods sold		**P681,013,362**	P208,424,826

14. Operating Expenses

This account consists of:

	Note	**2024**	2023
Professional fees		**P3,476,852**	P1,521,955
Salaries and wages		**2,266,953**	2,093,379
Penalties and other charges		**2,217,589**	330,305
Taxes and licenses		**1,557,075**	1,059,943
Transportation and travel		**564,411**	217,990
Rental	*16*	**412,813**	240,000
Insurance expense		**351,376**	510,288
Communication, light, water		**114,000**	115,000
Delivery		**67,746**	-
Depreciation and amortization	*8*	**33,370**	33,920
Provision for (reversal of) doubtful accounts		**(5,878,522)**	5,878,522
Others		**773,724**	34,797
		P5,957,387	P12,036,099

15. Income Taxes

On March 26, 2021, the President of the Philippines has approved the Corporate Recovery and Tax Incentives for Enterprises or the CREATE Act, with nine (9) provisions vetoed by the President. Below are the salient features of the Act that are relevant to the Company.

a) Corporate income tax rate is reduced from 30% to 20% for domestic corporations with net taxable income not exceeding P5million and with total assets not exceeding P100million. All other domestic corporations and resident foreign corporations will be subject to 25% income tax. Said reductions are effective July 1, 2020.

b) Minimum corporate income tax (MCIT) rate is reduced from 2% to 1% effective July 1, 2020 to June 30, 2023.

c) The imposition of improperly accumulated earnings tax has been repealed.

The income tax expense consists of:

	2024	2023
Current tax expense	**P25,217,254**	P15,064,353
Deferred tax benefit	**2,456,104**	(6,910,791)
Current tax of prior periods	**(833,525)**	-
	P26,839,833	P8,153,562

The reconciliation of the income tax expense computed at the statutory income tax rate to the income tax expense shown in the statement of comprehensive income is as follows:

	2024	2023
Income before income tax	**P96,584,064**	P32,320,681
Income tax at statutory income tax rate of 25%	**P24,146,016**	P8,080,170
Add (deduct) income tax effects:		
Deferred Tax Liability of Prior Period	**3,505,724**	-
Nondeductible expenses	**25,000**	74,823
Interest income subject to final tax	**(3,382)**	(1,431)
Adjustment to current tax expense of prior period	**(833,525)**	-
	P26,839,833	P8,153,562

Breakdown of the Company's deferred tax assets as at March 31, 2024 are as follows:

	March 31, 2023	**Charged to Profit/Loss**	**March 31, 2024**
Deferred Tax Assets			
Allowance for doubtful accounts	**P1,469,630**	**(P1,469,630)**	**P -**
Unrealized foreign exchange loss	**10,293,382**	**(986,474)**	**9,306,908**
	P11,763,012	**(P2,456,104)**	**P9,306,908**

Breakdown of the Company's deferred tax assets as at March 31, 2023 are as follows:

	March 31, 2022	Charged to Profit/Loss	March 31, 2023
Deferred Tax Assets			
Allowance for doubtful accounts	P -	P1,469,630	P1,469,630
Unrealized foreign exchange loss	4,852,221	5,441,161	10,293,382
	P4,852,221	P6,910,791	P11,763,012

16. Commitments and Contingencies

Lease Commitments
The Company has an operating and cancellable lease agreement for its corporate office with a lease term of one (1) year, renewable by agreement of both parties.

The Company renewed its existing lease for another period of one (1) year up to November 30, 2020. The contract will be subjected to automatic renewal every year unless terminated by either party by giving at least one month prior written notice during the renewal term and subsequent renewals. The lease agreement required the Company to pay a security deposit amounting to P22,400, as presented in the statement of financial position, under "Refundable security deposit" account. Rental expenses amounted to P412,813 and P240,000 for the years ended March 31, 2024 and 2023, respectively.

Future minimum payments are presented below:

	2024	2023
Due within one year	**P412,813**	P240,000

Contingencies
The Company is currently involved in various tax assessments. The estimate of the probable costs for the resolution of those tax assessments has been developed in consultation with the external legal counsel handling the Company's defense in these matters and is based upon an analysis of potential results. The Company currently does not believe that the tax assessments will have a material adverse effect on its financial position. It is possible, however, that future results of operations could be materially affected by changes in estimates or in the effectiveness of the strategies relating to these tax assessments.

17. Financial and Operational Risk Management

Financial Risk Management Objectives and Policies
The Company's activities expose it to a variety of financial risks such as market risk (which includes foreign exchange risk and interest rate risk) credit risk and liquidity risk. The Company's overall risk management program seeks to minimize potential adverse effects on the financial performance of the Company. The policies for managing specific risks are summarized below.

Credit Risk
Credit risk represents the loss that the Company would incur if counterparties fail to perform under their contractual obligations. The Company established controls and procedures on its credit policy to determine and monitor the credit worthiness of customers and counterparties.

Generally, the Company's gross maximum exposure to credit risk as at March 31, 2024 and 2023 is equal to the carrying amount of its financial assets. There are no significant concentrations of credit risk within the Company.

The table below shows the aging analysis of financial assets per class that the Company held as at March 31, 2024 and 2023. A financial asset is past due when a counterparty has failed to make a payment when contractually due.

2024	***Note***	**Neither Past Due nor Impaired**	**Past Due but not Impaired: Less than 30 Days**	**Past Due but not Impaired: More than 31 Days**	**Impaired**	**Total**
Cash in banks*	*4*	**P34,726,084**	**P -**	**P -**	**P -**	**P34,726,084**
Trade and other receivables - net	*5*	**420,363,940**	**76,251,399**	**307,439,035**	**-**	**804,054,374**
Due from related parties	*10*	**24,095,528**	**-**	**-**	**-**	**24,095,528**
Refundable security deposit	*16*	**22,400**	**-**	**-**	**-**	**22,400**
		P479,207,952	**P76,251,399**	**P307,439,035**	**P -**	**P862,898,386**

**Excluding cash on hand amounting to P20,000*

2023	*Note*	Neither Past Due nor Impaired	Past Due but not Impaired: Less than 30 Days	Past Due but not Impaired: More than 31 Days	Impaired	Total
Cash in banks*	*4*	P80,706,438	P -	P -	P -	P80,706,438
Trade and other receivables	*5*	31,554,591	10,788,776	236,564,940	-	278,908,307
Due from related parties	*10*	24,708,245	-	-	-	24,708,245
Refundable security deposit	*16*	22,400	-	-	-	22,400
		P136,991,674	P10,788,776	P236,564,940	P -	P384,345,390

**Excluding cash on hand amounting to P20,000*

The Company evaluates credit quality on the basis of the credit strength of the security and or counter party/issuer. The Company's financial assets that are neither past due nor impaired are considered high grade. Cash in banks is considered high grade as the Company trades only with top banks in the Philippines. Receivables are high grade because they are from related parties, employees and accredited customers who are highly reputable, progressive and consistently pay their accounts. Deposits are high grade since these were paid to creditworthy third parties.

Liquidity Risk

Liquidity risk arises when the Company encounters difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective of managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by: a) ensuring that adequate funding is available at all times; b) meeting commitments as they arise without incurring unnecessary costs; c) being able to access funding when needed at the least possible cost; and d) maintaining an adequate time spread of refinancing maturities.

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities, which include trade and other payables and due to related parties as at March 31, 2024 and 2023. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

The Company's remaining contractual maturity for its non-derivative financial liabilities, are as follows:

	Note	Less than One Year
2024		
Trade and other payables*	*9, 10*	**P778,161,004**
Due to related parties	*10*	**22,625,931**
		P800,786,935
2023		
Trade and other payables*	*9, 10*	P240,256,281
Due to a related party	*10*	22,783,777
		P263,040,058

**Excluding payables to government agencies amounting to P54,512 and P20,254 as at March 31, 2024 and 2023, respectively.*

Market Risk

Market risk refers to the possibility that changes in market prices, such as foreign exchange rates and interest rates will affect the Company's profit or the value of its holdings of financial statements. The Company focuses on two market risk areas such as interest rate risk and foreign currency risk. The objective and management of these risks are discussed below:

Foreign Exchange Risk

Foreign exchange risk refers to the effects of fluctuations in currency exchange rates that affect or changes an investment's value. Foreign exchange risk arises from future commercial transactions and recognized assets and liabilities that are denominated in a currency that is not the Company's functional currency. Significant fluctuation in the exchange rates could significantly affect the Company's financial position. The Company undertakes certain transactions denominated in US Dollars; hence, exposures to exchange rate fluctuations arise with respect to these transactions denominated in US Dollars.

The Company has no established policy in managing foreign exchange rate risk. Any favorable or unfavorable movements of foreign currency exchange rates are absorbed by the Company.

The carrying amounts of the Company's foreign currency denominated balances are as follows:

2024	**In USD**	**In EUR**	**Peso Equivalent**
Cash in banks	**261,740**	**914**	**14,776,009**
Trade receivables	**1,105,904**	**568,800**	**96,878,533**
Due from related parties	**425,081**	**-**	**23,906,570**
Trade payables	**13,333,074**	**396,840**	**774,049,351**
Due to related parties	**5,511**	**-**	**309,939**

2023	In USD	In EUR	Peso Equivalent
Cash in banks	263,955	491,891	43,441,869
Trade receivables	557,324	75,034	34,740,799
Due from related parties	436,323	-	23,724,204
Trade payables	150,722	70,415	12,359,468
Due to related parties	4,165	-	226,464

Foreign exchange rates for the years ended March 31, 2024 and 2023 are as follows:

	2024	2023
USD	**P56.2400**	P54.3730
EUR	**60.9748**	59.1388

The sensitivity rate used in reporting foreign currency risk internally to key management personnel is 5% and it represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 5% change in foreign currency rates. The sensitivity analysis includes all of the Company's foreign currency denominated asset and liabilities.

A positive number below indicates an increase in profit and equity where the Peso strengthens 5% against the relevant currency. For a 5% weakening of the Peso against the relevant currency, there would be an equal and opposite impact on the profit and equity for the year.

	Effect on Profit and Equity	
	2024	2023
Cash in banks	**P738,800**	P2,172,093
Trade receivables	**4,843,927**	1,737,040
Due from related parties	**1,195,329**	1,186,210
Trade payables	**38,702,468**	617,973
Due to related parties	**15,497**	11,323

Capital Risk Management

The primary objective of the Company's capital management is to maintain a sound capital base and to ensure its ability to continue as a going concern thereby continue to provide returns to shareholders and other stakeholders.

The management has overall responsibility for monitoring capital in proportion to risk. Profiles for capital ratios are set in the light of changes in the Company's external environment and the risks underlying its business, operation and industry. The Company defines capital as total equity excluding other comprehensive income presented in the statement of financial position.

There were no changes in the Company's approach to capital management during the year. The Company is not subject to externally-imposed capital requirements.

The net debt-to-equity ratio of the Company as at March 31, 2024 and 2023 are as follows:

	Note	**2024**	2023
Total liabilities		**P807,540,217**	P276,251,261
Less: Cash	*4*	**34,746,084**	80,726,438
Net debt		**772,794,133**	195,524,823
Total equity		**162,594,295**	152,850,064
Net debt to equity ratio		**4.75:1**	1.28:1

18. Supplementary Information Required by the Bureau of Internal Revenue (BIR) Under Revenue Regulations No. 15-2010

The following supplementary information for the year ended March 31, 2024 is presented for purposes of filing with the BIR and is not a required part of the basic financial statements.

A. VAT

Output VAT
Details of the Company's gross revenue subjected to VAT are as follows:

	Amount
1. Output VAT	**P4,967,202**
Basis of the Output VAT:	
Vatable sales	**P41,393,346**
Exempt and zero-rated sales	**751,039,540**
	P792,432,886
2. Input VAT	
Input tax carried over	**P1,291,566**
Deferred input tax, beginning	**-**
Input tax, beginning of the year, April 1, 2023	**1,291,566**
Current year purchases:	
a. Capital goods not exceeding 1 million	**6,161**
b. Importation of goods other than capital goods	**4,669,764**
c. Service	**839,220**
Input tax on exempt sales allocated to expense	**(543,602)**
Total available input VAT	**6,263,109**
Less: Input VAT claimed against output VAT during the year	**(4,967,202)**
Balance, March 31, 2024	**P1,295,907**

B. Taxes on Importation of Goods

	Amount
Landed cost of imports	**P561,072,863**
Tariff fees paid or accrued	**5,832,162**
Customs duties paid or accrued	**8,934,826**
	P575,839,851

C. Documentary Stamp Tax

	Amount
On importations	**P62,512**
Others	**-**
	P62,512

D. Withholding Tax

	Amount
Withholding tax on compensation	**P259,948**
Expanded withholding tax	**347,519**
Final withholding tax	**6,000,000**
	P6,607,467

E. Other Taxes and Licenses

	Amount
Payments to Local Government Units	**P901,763**
License and Permit Fees	**202,662**
Other taxes and license fees	**447,458**
	P1,551,883

F. Deficiency Tax Assessments and Tax Cases

Taxable Year 2023

The Company received on September 19, 2023, a Letter of Authority (LOA) from the BIR dated September 11, 2023, for the examination of books of accounts and other accounting records of all internal revenue taxes for the taxable year ended March 31, 2023. The BIR issued a Notice of Discrepancy (NOD) dated February 26, 2024 which was received by the company on February 27, 2024. As of March 31, 2024, the company was granted an extension to submit protest letter and supporting documents against the NOD.

COVER SHEET

for

AUDITED FINANCIAL STATEMENTS

SEC Registration Number

C	S	2	0	1	0	2	0	7	8	9

COMPANY NAME

LUPIN PHILIPPINES, INC.
(A Wholly-Owned Subsidiary of
Nanomi B.V.)

PRINCIPAL OFFICE (No. / Street / Barangay / City / Town / Province)

17th Floor Unit A, 8 Rockwell
Building, Hidalgo Drive
Rockwell Center, Poblacion
Makati City

Form Type	Department requiring the report	Secondary License Type, If Applicable
A A F S		

COMPANY INFORMATION

Company's email Address	Company's Telephone Number/s	Mobile Number
	(632) 88110636	(63917) 880 8504

No. of Stockholders	Annual Meeting (Month / Day)	Fiscal Year (Month / Day)
5	Any day in April	March 31

CONTACT PERSON INFORMATION

The designated contact person ***MUST*** be an Officer of the Corporation

Name of Contact Person	Email Address	Telephone Number/s	Mobile Number
Buenafe I. Morales	buenafemorales@ multicare.com.ph	(632) 88110636	(63917) 880 8504

CONTACT PERSON's ADDRESS

17th Floor Unit A, 8 Rockwell Building, Hidalgo Drive, Rockwell Center, Poblacion, Makati City

Note 1: *In case of death, resignation or cessation of office of the officer designated as contact person, such incident shall be reported to the Commission within thirty (30) calendar days from the occurrence thereof with information and complete contact details of the new contact person designated.*

2: All Boxes must be properly and completely filled-up. Failure to do so shall cause the delay in updating the Corporation's records with the Commission and/or non-receipt of Notice of Deficiencies. Further, non-receipt of Notice of Deficiencies shall not excuse the corporation from liability for its deficiencies.

R.G. Manabat & Co.
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Internet www.home.kpmg/ph
Email ph-inquiry@kpmg.com

REPORT OF INDEPENDENT AUDITORS
TO ACCOMPANY SUPPLEMENTARY INFORMATION FOR FILING
WITH THE SECURITIES AND EXCHANGE COMMISSION

The Board of Directors and Stockholders
Lupin Philippines, Inc.
17th Floor Unit A, 8 Rockwell Building
Hidalgo Drive, Rockwell Center
Poblacion, Makati City

We have audited, in accordance with Philippine Standards on Auditing, the financial statements of Lupin Philippines, Inc. (the "Company") as at and for the year ended March 31, 2024, on which we have rendered our report dated April 30, 2024.

Our audit was made for the purpose of forming an opinion on the basic financial statements of the Company taken as a whole. The supplementary information included in the Reconciliation of Retained Earnings Available for Dividend Declaration is the responsibility of the Company's management.

This supplementary information is presented for purposes of complying with the Revised Securities Regulations Code Rule 68, and is not a required part of the basic financial statements. Such supplementary information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

R.G. MANABAT & CO.

VERNILO G. YU
Partner
CPA License No. 108798
Tax Identification No. 225-454-652
BIR Accreditation No. 08-001987-035-2024
  Issued March 26, 2024; valid until March 26, 2027
PTR No. MKT 10075209
  Issued January 2, 2024 at Makati City

April 30, 2024
Makati City, Metro Manila

RECONCILIATION OF RETAINED EARNINGS AVAILABLE FOR DIVIDEND DECLARATION FOR THE REPORTING PERIOD ENDED MARCH 31, 2024

LUPIN PHILIPPINES, INC.

17th Floor Unit A, 8 Rockwell Building, Hidalgo Drive, Rockwell Center
Poblacion, Makati City

Unappropriated Retained Earnings, beginning of the reporting period		**P104,948,704**
Add: Category A: Items that are directly credited to Unappropriated Retained Earnings		
Reversal of Retained Earnings Appropriation/s	P -	
Effect of restatements or prior-period adjustments	-	
Others (describe nature)	-	**-**
Less: Category B: Items that are directly debited to Unappropriated Retained Earnings		
Dividend declaration during the reporting period	(60,000,000)	
Retained Earnings appropriated during the reporting period	-	
Effects of restatements or prior-period adjustments	-	
Others (describe nature)	-	**(60,000,000)**
Unappropriated Retained Earnings, as adjusted		**44,948,704**
Add/Less: Net Income (loss) for the current year		**69,744,231**
Less: Category C.1: Unrealized income recognized in the profit or loss during the reporting period (net of tax)		
Equity in net income of associate/joint venture, net of dividends declared	-	
Unrealized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Unrealized fair value adjustments (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Unrealized foreign exchange gain of Investment Property	-	
Other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-	
Sub-total		**-**
Add: Category C.2: Unrealized income recognized in the profit or loss in prior reporting periods but realized in the current reporting period (net of tax)		
Realized foreign exchange gain, except those attributable to cash and cash equivalents	-	
Realized fair value adjustments (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Realized foreign exchange gain of Investment Property	-	
Other realized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS (describe nature)	-	
Sub-total		**-**

Forward

Add: <u>Category C.3</u>: Unrealized income recognized in profit or loss in prior reporting periods but reversed in the current reporting period (net of tax)		
Reversal of previously recorded foreign exchange gain, except those attributable to cash and cash equivalents	-	
Reversal of previously recorded fair value adjustments (mark-to-market gains) of financial instruments at fair value through profit or loss (FVTPL)	-	
Reversal of previously recorded fair value gain of Investment Property	-	
Reversal of other unrealized gains or adjustments to the retained earnings as a result of certain transactions accounted for under the PFRS, previously recorded (describe nature)	-	
Sub-total		**-**
Adjusted Net Income/Loss		**69,744,231**
Add: <u>Category D</u>: Non-actual losses recognized in profit or loss during the reporting period (net of tax)		
Depreciation on revaluation increment (after tax)	-	
Sub-total		**-**
Add/Less: <u>Category E</u>: Adjustment related to relief granted by the SEC and BSP		
Amortization of the effect of reporting relief	-	
Total amount of reporting relief granted during the year	-	
Others (describe nature)	-	
Sub-total		**-**
Add/Less: <u>Category F</u>: Other items that should be excluded from the determination of the amount of available for dividend distribution		
Net movement of treasury shares (except for reacquisition of redeemable shares)	-	
Net movement of deferred tax asset not considered in the reconciling items under the previous categories	2,456,104	
Net movement in deferred tax asset and deferred tax liabilities related to same transaction, e.g., set-up of right of use of asset and lease liability, set-up of asset and asset retirement obligation, and set-up of service concession asset and concession payable	-	
Adjustment due to deviation from PFRS/GAAP - gain (loss)	-	
Others - Deferred Tax Asset, beginning of the reporting period	(11,763,012)	
Sub-total		**(9,306,908)**
Total Retained Earnings, end of the reporting period available for dividend		**P105,386,027**