



**2020-2021**

*Twelve-months Unaudited Financial Results ending 31 October 2021*

**INDIES PHARMA JAMAICA LIMITED**

“Caring for the Nation’s Health”

[www.indiespharma.com](http://www.indiespharma.com)



**2020-2021**

**Twelve-months Unaudited Financial Results**

**Period ending 31 October 2021**



# INDIES PHARMA JAMAICA LIMITED

"Caring for the Nation's Health"

## RELEASE TO SHAREHOLDERS

### TWELVE-MONTHS UNAUDITED FINANCIAL RESULTS - PERIOD ENDING 31 OCTOBER 2021.

The Board of Directors of Indies Pharma Jamaica Limited is pleased to present to our shareholders our twelve-months unaudited financial results for the financial period ended October 31, 2021.

	3 Months Ended 31 - Oct - 2021	3 Months Ended 31 - Oct - 2020	Year over Year	12 Months Ended 31 - Oct - 2021	12 Months Ended 31 - Oct - 2020	Year over Year	Audited Year Ended 31 - Oct - 2020
<b>Revenue</b>	<b>213,537,024</b>	<b>200,111,099</b>	<b>7%</b>	<b>846,832,692</b>	<b>765,948,581</b>	<b>11%</b>	<b>765,948,581</b>
<b>Gross Profit</b>	<b>150,209,877</b>	<b>128,504,960</b>	<b>17%</b>	<b>550,298,962</b>	<b>526,692,981</b>	<b>4%</b>	<b>526,692,981</b>
<b>Profit from Operations</b>	<b>69,638,466</b>	<b>51,726,280</b>	<b>35%</b>	<b>225,147,687</b>	<b>213,559,884</b>	<b>5%</b>	<b>213,559,884</b>
<b>Net Profit for the Period</b>	<b>54,034,381</b>	<b>48,072,937</b>	<b>12%</b>	<b>160,465,377</b>	<b>206,649,408</b>	<b>-22%</b>	<b>206,649,408</b>
<b>Comprehensive Income</b>	<b>342,497,583</b>	<b>48,072,939</b>	<b>612%</b>	<b>451,325,825</b>	<b>278,063,291</b>	<b>62%</b>	<b>278,063,291</b>
<b>Earnings per share (EPS)</b>	<b>0.04c</b>	<b>0.04c</b>	<b>13%</b>	<b>0.12c</b>	<b>0.16c</b>	<b>3%</b>	<b>0.16c</b>
<b>Total Assets</b>	<b>2,022,142,215</b>	<b>1,781,957,626</b>	<b>13%</b>	<b>2,022,142,215</b>	<b>1,781,957,626</b>	<b>13%</b>	<b>1,781,957,626</b>
<b>Shareholder's Equity</b>	<b>1,091,485,965</b>	<b>786,739,173</b>	<b>39%</b>	<b>1,091,485,965</b>	<b>786,739,173</b>	<b>39%</b>	<b>786,739,173</b>
<b>Total Liabilities</b>	<b>930,656,250</b>	<b>995,218,453</b>	<b>-6%</b>	<b>930,656,250</b>	<b>995,218,453</b>	<b>-6%</b>	<b>995,218,453</b>

For the twelve-month period ended 2021, Indies Pharma Jamaica Limited earned gross revenues of J\$847 million, 11% higher than the J\$766 million recorded in the prior twelve-month period of 2020. Revenue for the fourth quarter ended October 2021 was J\$214 million, 7% higher than the J\$200 million recorded in the prior fourth quarter, ended October 2020.

Gross profit for the Twelve-month period of 2021 shows an increase of 4% or J\$24 million when compared to the prior twelve-month period in 2020. The gross profit for the fourth quarter ended October 2021 shows an increase of 17% or J\$22 million when compared with the prior fourth quarter ended October 2020. The company continues to implement strategies to mitigate Covid-19 pandemic impact on cost of sales.

Indies Pharma Jamaica Limited profit from operations for the twelve-month period 2021 is at J\$225 million and J\$214 million in the comparative period 2020. The fourth quarter ended October 2021, profit from operations reflected a 35% increase or J\$18 million from J\$52 million to J\$70 million.

Net Profit was J\$160 million and J\$207 million for the twelve-month period 2021 and 2020 respectively. This positive decline profit is primarily attributed to the finance cost associated with the loan **acquired for "Growth Capital"**, our strategic investment for long term value. Despite the quarterly interest payments, net profit for the quarter reflects a 12% increase of J\$6 million.

Total comprehensive income for the period 2021 grew by 62% due the gain on revaluation of the land that was purchased in prior year. The same is reflected in the quarter.

Earnings per share (EPS) for the twelve-month period was J\$0.12 cents per share compared to J\$0.16 cents in the prior period 2020 and for the fourth quarter EPS was J\$0.04 compared to J\$0.04 last year.

Total assets at the end of the Twelve-month period stood at J\$2 billion up from J\$1.7 billion in the comparative period 2020 reflecting an increase 13%.

Shareholders' equity was J\$1.1 billion compared to J\$786 million in the prior period 2020 and total liabilities decreased by 6% from J\$995 million to J\$931 million. The \$805 million bond attained in 2020 **towards "Growth Capital"** remain on the books as we continue to grow the company through the development and approval of two new drugs at the USFDA for the United States Market.

The Company continues to maintain a steady performance and remains healthy and consistent in these challenging and trying times and continues to execute on its strategy through strengthening its intellectual property (new drug approvals for the US market), tangible assets (prime real estate) and relations with customers, shareholders, and its employees.

We express sincere gratitude to all our shareholders and stakeholders for their continued support and wish everyone good health.

Sincerely Yours



Vishnu V. Muppuri (Mrs.)  
Co-Founder, Executive Director & COO  
30 November 2021.

**INDIES PHARMA JAMAICA LIMITED**  
**Unaudited Consolidated Statement of**  
**Comprehensive Income**  
**For the Twelve-months ended 31 October 2021**

	Three Months Ended Oct 31, 2021	Three Months Ended Oct 31, 2020	Twelve Months Ended Oct 31, 2021	Twelve Months Ended Oct 31, 2020	Audited Year Ended October 31, 2020
	\$	\$	\$	\$	\$
<b>REVENUE</b>	<b>213,537,024</b>	<b>200,111,099</b>	<b>846,832,692</b>	<b>765,948,581</b>	<b>765,948,581</b>
COST OF SALES	(63,327,145)	(71,606,139)	(296,533,730)	(239,255,600)	(239,255,600)
<b>GROSS PROFIT</b>	<b>150,209,877</b>	<b>128,504,960</b>	<b>550,298,962</b>	<b>526,692,981</b>	<b>526,692,981</b>
Other operating income	214,411	360,138	4,996,721	1,863,400	1,863,400
Administrative and other expenses	150,424,289	128,865,098	555,295,683	528,556,381	528,556,381
	(80,785,824)	(77,138,819)	(330,147,997)	(314,996,497)	(314,996,497)
<b>PROFIT FROM OPERATION</b>	<b>69,638,466</b>	<b>51,726,280</b>	<b>225,147,687</b>	<b>213,559,884</b>	<b>213,559,884</b>
Exchange Gain/(Loss)	184,035	(1,624,123)	2,764,812	4,304,727	4,304,727
Finance Cost (Loan Interest)	(15,788,121)	-	(67,447,122)	(9,185,983)	(9,185,983)
<b>NET PROFIT BEFORE TAXATION</b>	<b>54,034,381</b>	<b>50,102,158</b>	<b>160,465,377</b>	<b>208,678,628</b>	<b>208,678,628</b>
Taxation	-	(2,029,220)	-	(2,029,220)	(2,029,220)
<b>NET PROFIT FOR THE PERIOD</b>	<b>54,034,381</b>	<b>48,072,937</b>	<b>160,465,377</b>	<b>206,649,408</b>	<b>206,649,408</b>
OTHER COMPREHENSIVE INCOME					
Gain on revaluation of Fixed Assets	288,463,201	-	288,463,201	70,713,884	70,713,884
Profit on the sale of Fixed Assets	-	-	2,397,248	699,999	699,999
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>342,497,583</b>	<b>48,072,939</b>	<b>451,325,825</b>	<b>278,063,291</b>	<b>278,063,291</b>
<b>EARNINGS PER SHARE</b>	<b>0.04c</b>	<b>0.04c</b>	<b>0.12c</b>	<b>0.16c</b>	<b>0.16c</b>

**INDIES PHARMA JAMAICA LIMITED**  
**Unaudited Consolidated Statement of Financial Position**  
**For the Twelve-months ended 31 October 2021**

	Twelve Months Ended Oct 31, 2021	Twelve Months Ended Oct 31, 2020	Audited Year Ended October 31, 2020
	\$		\$
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS:</b>			
Intangible assets	317,628,967	114,698,809	114,698,809
Right-of-use asset	39,620,932	77,222,845	77,222,845
Investment	134,572,935	147,500,000	147,500,000
Property, plant, and equipment	946,570,343	627,781,814	627,781,814
	1,438,393,177	967,203,468	967,203,468
Related Companies	18,858,471	62,145,502	62,145,502
<b>CURRENT ASSETS</b>			
Inventories	222,144,532	146,520,962	146,520,962
Receivables	149,811,789	221,599,270	221,599,270
Taxation recoverable	774,306	632,834	632,834
Cash and cash equivalents	191,826,275	313,648,274	313,648,274
Director's Current Account	333,665	70,207,316	70,207,316
	564,890,567	752,608,656	752,608,656
<b>TOTAL ASSETS</b>	<b>2,022,142,215</b>	<b>1,781,957,626</b>	<b>1,781,957,626</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	244,576,999	244,576,999	244,576,999
Revaluation reserve	470,800,266	182,337,065	182,337,065
Retained earnings	376,108,700	359,825,109	359,825,109
	1,091,485,965	786,739,173	786,739,173

**INDIES PHARMA JAMAICA LIMITED**  
**Unaudited Consolidated Statement of Financial Position**  
**For the Twelve-months ended 31 October 2021**

	Twelve Months Ended Oct 31, 2021	Twelve Months Ended Oct 31, 2020	Audited Year Ended Oct 31, 2020
	\$	\$	\$
<b>NON-CURRENT LIABILITIES</b>			
Long term loan	805,000,000	805,000,000	805,000,000
Lease Liability	3,734,154	41,194,958	41,194,958
Related Companies	35,821,732	27,342,633	27,342,633
	844,555,886	873,537,591	873,537,591
<b>CURRENT LIABILITIES</b>			
Payables	62,261,085	79,673,603	79,673,603
Short Term loans	1,434,356	6,150,445	6,150,445
Current portion of Lease Liability	22,404,924	35,856,814	35,856,814
	86,100,364	121,680,862	121,680,862
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,022,142,215</b>	<b>1,781,957,626</b>	<b>1,781,957,626</b>

Approved for issue by the Board of Directors and signed on its behalf by:



Guna Sekhar Muppuri – Director



Vishnu Vandana Muppuri – Director



**INDIES PHARMA JAMAICA LIMITED**  
**Unaudited Consolidated Statement of Changes in Equity**  
**For the Twelve-months ended 31 Oct 2021**

	Number of Stock Units \$	Share Capital \$	Capital Reserve \$	Retained Earnings \$	Total \$
<b>Balance at 1 November 2019</b>	<b>1,332,536,649</b>	<b>244,576,999</b>	<b>110,923,182</b>	<b>339,730,832</b>	<b>695,231,013</b>
Dividends paid	-	-	-	(186,555,131)	(186,555,131)
Revaluation	-	-	70,713,884	-	70,713,884
<b>Total Comprehensive Income</b>					
Other Comprehensive Income	-	-	699,999	-	699,999
<b>NET PROFIT FOR THE PERIOD</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>206,649,408</b>	<b>206,649,408</b>
<b>Balance at 31 October 2020</b>	<b>1,332,536,649</b>	<b>244,576,999</b>	<b>182,337,065</b>	<b>359,825,109</b>	<b>786,739,173</b>
<b>Balance at 1 November 2020</b>	<b>1,332,536,649</b>	<b>244,576,999</b>	<b>182,337,065</b>	<b>359,825,109</b>	<b>786,739,173</b>
Dividend Paid	-	-	-	(146,579,031)	(146,579,031)
Revaluation	-	-	288,463,201	-	288,463,201
Other Comprehensive Income	-	-	-	2,397,248	2,397,248
<b>NET PROFIT FOR THE PERIOD</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>160,465,377</b>	<b>160,465,377</b>
<b>Balance at 31 October 2021</b>	<b>1,332,536,649</b>	<b>244,576,999</b>	<b>470,800,266</b>	<b>376,108,700</b>	<b>1,091,485,965</b>

**INDIES PHARMA JAMAICA LIMITED**  
**Unaudited Consolidated Statement of Cash Flows**  
**For the Twelve-months ended 31 Oct 2021**

	Twelve Months Ended October 31, 2021	Twelve Months Ended October 31, 2020	Audited Year Ended October 31, 2020
	\$	\$	\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit	160,465,377	206,649,408	206,649,408
Adjustment for			
Depreciation	53,731,771	48,903,104	48,903,104
Interest expense	67,853,735	9,185,983	9,185,983
Interest Income	(4,835,943)	(515,981)	(515,981)
Taxation	-	2,029,220	2,029,220
	<b>277,214,939</b>	<b>266,251,734</b>	<b>266,251,734</b>
<b>Changes in operating assets and liabilities</b>			
Trade Receivables	71,787,481	71,379,528	71,379,528
Inventories	(75,623,570)	10,415,248	10,415,248
Trade payables	(22,128,608)	12,259,307	12,259,307
Related company	51,766,130	(24,827,491)	(24,827,491)
Director's a/c	69,873,651	(13,646,547)	(13,646,547)
GCT Recoverable/Recoverable	(141,472)	(120,574)	(120,574)
	372,748,551	321,711,205	321,711,205
Taxation paid	-	-	-
<b>Net Cash used in operating activities</b>	<b>372,748,551</b>	<b>321,711,205</b>	<b>321,711,205</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	4,835,943	515,981	515,981
Purchase of fixed assets	(47,033,939)	(431,234,595)	(431,234,595)
Right of use assets		(114,824,755)	(114,824,755)
Purchase of intangible assets	(202,930,158)	(114,698,809)	(114,698,809)
Purchase of investments	12,927,065	(147,500,000)	(147,500,000)
Disposal Proceed of fixed assets	2,976,000	700,000	700,000
<b>Net cash used in investing activities</b>	<b>(229,225,090)</b>	<b>(807,042,178)</b>	<b>(807,042,178)</b>



**INDIES PHARMA JAMAICA LIMITED**  
**Unaudited Consolidated Statement of Cash Flows**  
**For the Twelve-months ended 31 Oct 2021**

	Twelve Months Ended Oct 31, 2021	Twelve Months Ended Oct 31, 2020	Audited Year Ended October 31, 2020
	\$	\$	\$
<b>CASH FLOWS FROM FINANCE ACTIVITIES</b>			
Interest paid	(67,853,735)	(9,185,983)	(9,185,983)
Loan received	-	799,577,858	799,577,858
Dividends paid	(146,579,031)	(186,555,131)	(186,555,131)
Lease liabilities	(50,912,964)	77,051,772	77,051,772
<b>Net cash provided by financing activities</b>	<b>(265,345,460)</b>	<b>680,888,516</b>	<b>680,888,516</b>
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>(121,821,999)</b>	<b>195,557,543</b>	<b>195,557,543</b>
Cash and cash equivalents at beginning of year	<b>313,648,274</b>	<b>114,778,721</b>	<b>114,778,721</b>
<b>CASH AND CASH EQUIVALENT AT YEAR END</b>	<b>191,826,275</b>	<b>310,336,264</b>	<b>310,336,264</b>

## **1. IDENTIFICATION AND ACTIVITIES**

INDIES PHARMA JAMAICA LIMITED is a limited liability company incorporated under the laws of Jamaica on the 09<sup>th</sup> day of December 2003 and domiciled in Jamaica. The registered office of the company is Unit #5 Montego Bay Trade Centre, Catherine Hall, Montego Bay, St James. The principal activity of the company is the distribution and retailing of pharmaceutical and auxiliary products.

The company by special resolution dated 4th November 2014 converted from a private to a public company. **The Company's** shares were listed on the Junior Market of the Jamaica Stock Exchange on the August 15<sup>th</sup>, 2018.

## **2. BASIS OF PREPARATION**

These condensed unaudited interim financial statements for the 'Twelve Months ended October 31, 2021' have been prepared in accordance with IAS 34 – Interim Financial Reporting. The interim financial statements should be read in conjunction with the audited financial statements ended 31<sup>st</sup> October 2020 which have been prepared in accordance with The International Financial Reporting Standards (IFRS) and their interpretations adopted by the International Accounting Standards Board (IASB). The accounting policies are consistent with those applied to the audited financial statements for the year ended 31 October 2020.

- ❖ The financial statements are expressed in Jamaican Dollars.

### **IFRS 16 'Leases'**

The company has adopted IFRS 16 from 1 November 2019 and has not restated comparatives for the prior reporting period as submitted under the specific transitional provisions in the standard in applying the simplified transition approach. The reclassifications and the adjustments arising from the new leasing rules are therefore recognized in the opening statement of financial position on 1 November 2019.

IFRS 16 introduces a single lease accounting model for lessees. It requires lessees to recognize a lease **liability reflecting future lease payments and a “right-of-use-asset” for virtually all lease contracts**. The standard includes an optional exemption for certain short-term leases of low value assets. For lessors the accounting stays almost the same.

**Effective 1 November 2019, leases are recognized as a “right -of -use- asset” and a corresponding liability** at the date at which the lease asset is available for use by the company. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability each period. The right -of- **use asset is depreciated over the shorter of the asset’s useful life and the lease term** on the straight-line basis. Assets and liabilities arising from a lease are initially measured on a present value basis.

### 3. INVESTMENTS

	Unaudited Year to date Oct 2021	Unaudited Year to date Oct 2020
	\$	\$
Proven Investment Limited	134,572,935	147,500,000
	<b>134,572,935</b>	<b>147,500,000</b>

This represents participation in an indexed linked US\$ note issued by Proven Investment Limited.

### 4. RECEIVABLES

	Unaudited Year to date Oct 2021	Unaudited Year to date Oct 2020
	\$	\$
Trade Receivables	119,218,775	147,445,526
Other	30,593,014	74,153,744
	<b>149,811,789</b>	<b>221,599,270</b>

## 5. RELATED COMPANIES

	Unaudited Year to date Oct 2021 \$	Unaudited Year to date Oct 2020 \$
Due From - Mercury Wireless Limited	18,816,571	62,145,502
Bioprist Las Americas	41,900	
	<b>18,858,471</b>	<b>62,145,502</b>
Due to - Hanolu GVM	27,025	
Bioprist Holdings Inc	35,794,571	27,342,633
	<b>35,821,732</b>	<b>27,342,633</b>

## 5. LONG-TERM LOANS

	Unaudited Year to date Oct 2021 \$	Unaudited Year to date Oct 2020 \$
Sagicor Bank Jamaica Ltd	805,000,000	805,000,000
	<b>805,000,000</b>	<b>805,000,000</b>

## 7. TAXATION

	Unaudited Year to date Oct 2021 \$	Unaudited Year to date Oct 2020 \$
Company Tax	-	-
With-Holding Tax	774,306	632,834
	<b>774,306</b>	<b>632,834</b>

## 8. PAYABLES

	Unaudited Year to date Oct 2021	Unaudited Year to date Oct 2020
	\$	\$
Trade Payables	37,999,719	57,212,066
General Consumption Tax	160,121	(1,850,930)
Statutory Tax	3,534,184	2,947,551
Other Payables and Accruals	20,567,060	12,960,563
Withholding Tax		5,553,449
NCB credit card		2,828,564
Sagicor credit card		22,340
	<b>62,261,085</b>	<b>79,673,603</b>

## 9. LEASE IFRS 16

	Unaudited as at Oct 2021	Unaudited as at Oct 2020
	\$	\$
<b><u>Right of Use Asset -</u></b>		
Lease properties on recognition November 1, 2019	114,824,755	114,824,755
Less: accumulated depreciation charge	<u>(75,203,824)</u>	<u>(37,601,910)</u>
Balance	<b><u>39,620,932</u></b>	<b><u>77,222,845</u></b>
<b><u>Lease Liabilities</u></b>		
Contractual discounted cash flows	22,404,924	35,856,814
Less: current portion	<u>3,734,154</u>	<u>41,194,958</u>
Non-current portion	26,139,078	77,051,772

The company adopted IFRS 16 “Leases” as on 1 November 2019 and recognized right of use asset and lease liability. Right of use assets are generally depreciated over the lease term on a straight-line basis. The lease liabilities were measured at the present value of the remaining lease payments discounted using the lessee’s incremental borrowing rate as of 1 November 2019 was 8%.

## TOP TEN (10) SHAREHOLDERS

SHAREHOLDERS	NUMBER OF UNITS	SHAREHOLDING %
Bioprist Holdings Inc.	1,042,858,249	78.26%
Sunand Gogineni	44,903,438	3.37%
GK Investments Limited	39,193,924	2.94%
Venugopal Naidu Kuntamukkala	23,171,070	1.74%
VM Wealth Equity Fund	13,695,613	1.03%
SAGICOR Select Fund Limited (Class C Shares) Manufacturing & Distribution	10,688,828	0.80%
E Penny Barron	7,192,281	0.54%
NCB Capital Markets Ltd.	5,933,411	0.45%
JCSD Trustee Services Limited A/C Barifa Unit Trust Capital Growth Fund	5,967,082	0.45%
Star Holdings ltd	5,120,895	0.38%
<b>TOTAL</b>	<b>1,198,724,791</b>	<b>89.96%</b>
Other Minority Shareholders	133,811,858	10.04%
<b>TOTAL ISSUED SHARES</b>	<b>1,332,536,649</b>	<b>100%</b>

## SHAREHOLDINGS OF DIRECTORS

DIRECTORS	TOTAL SHAREHOLDINGS	DIRECT	CONNECTED PARTIES
Dr. Guna S. Muppuri	1,042,858,249	-	1,042,858,249
Mrs. Vishnu Muppuri	1,042,858,249	-	1,042,858,249
Prof. Trevor McCartney	200,000	200,000	-
Mr. Kevin Donaldson	660,801	660,801	-
Mr. Lissant Mitchell	200,000	200,000	-
Dev Kumar Singh	NIL	-	-

COMPANY SECRETARY	TOTAL SHAREHOLDING	DIRECT	CONNECTED PARTIES
Venice Williams-Gordon	<i>NIL</i>	-	--

## MANAGEMENT HOLDINGS

SENIOR MANAGERS / EXECUTIVES	TOTAL SHAREHOLDINGS	DIRECT	CONNECTED PARTIES
Cynthia Hutchinson	<i>NIL</i>	-	-
Ricardo Stephenson	<i>101,000</i>	<i>101,000</i>	-
Sabrina Serrant	<i>65,000</i>	<i>65,000</i>	-
Ebany Gayle	<i>77,900</i>	<i>77,900</i>	-
Dwight Brown	<i>50,000</i>	<i>50,000</i>	-