



2021-2022

Six Months Unaudited Financial Results Ending 30 April 2022

INDIES PHARMA JAMAICA LIMITED

“Caring for the Nation's Health”

www.indiespharma.com



2021-2022

Six- months Unaudited Financial Results

Period ending 30 April 2022



INDIES PHARMA JAMAICA LIMITED

"Caring for the Nation's Health"

RELEASE TO SHAREHOLDERS

SIX-MONTHS UNAUDITED FINANCIAL RESULTS - PERIOD ENDING 30 APRIL 2022.

The Board of Directors of Indies Pharma Jamaica Limited is pleased to present to our shareholders Six months unaudited financial results for the period ending April 30, 2022.

	3 Months Ended 1 Feb – Apr 30 - 2022	3 Months Ended 1 Feb- Apr 30-2021	Year over Year	6 Months Ended 30 Apr-2022	6 Months Ended 30 Apr- 2021	Year over Year	Audited Year Ended 31- Oct- 2021
Revenue	250,577,258	200,718,041	25%	462,882,166	424,252,367	9%	846,832,692
Gross Profit	178,527,166	119,761,086	49%	335,516,772	257,873,666	30%	550,931,488
Profit from Operations	79,782,134	34,382,010	131%	144,790,124	97,818,907	48%	231,591,527
Net Profit for the Period	64,118,597	20,487,852	213%	114,654,576	68,014,912	68%	178,564,371
Earnings per share (EPS)	0.05c	0.02c	150%	0.09c	0.05c	80%	0.13c
Total Assets	2,254,953,844	1,674,136,982	35%	2,254,953,844	1,674,136,982	35%	2,036,545,837
Shareholder's Equity	1,071,265,649	709,493,460	51%	1,071,265,649	709,493,460	51%	1,107,187,714
Total Liabilities	1,183,688,195	964,643,522	23%	1,183,688,195	964,643,522	23%	929,358,123

RESULTS FOR THE SIX MONTHS ENDED APRIL 2022

The six-month period ended April 30, 2022, Indies Pharma Jamaica Limited earned gross revenues of J\$463 million and J\$424 million in the prior comparable quarter 2021. Gross profit for the six-month period increased to J\$336 million, representing a 30% increase or J\$78 million when compared to the similar period in 2021. The company has maintained its focus on managing and implementing strategies to mitigate Covid-19 pandemic and contingent impacts on cost of sales.

There as an increased in administrative expenses by 19% year on year principally due to high-level of fleet vehicles maintenance, salaries and royalty obligation, nonetheless profit from the operations grew by 48% to J\$144 million in 2022 from J\$98 million in the similar period 2021.

Net Profit for the six-month period has increased by 68% to J\$115 million from J\$69 million for the same six-month period 2021. This encouraging increase was not by accident, and it represents the company's strategic management of the business to yield positive profit levels despite the interest payments bring incurred on the loan acquired in 2020 towards the growth capital.

Total assets at the end of the six-month period stood at J\$2.3 billion up from J\$1.7 billion in the comparative period 2021 reflecting an increase 35%.

Shareholders' equity has increased by 51% this year to J\$1.07 billion compared to J\$710 million in the prior period 2021 and total liabilities increases by 23% in 2022 to J\$1.2 billion from J\$965 million in 2021. The \$805 million bond attained in 2020 towards "**Growth Capital**" continues to remain on the books as we continue to grow the company through the organic development and approval of two new drugs at the USFDA for the United States Market.

- ❖ Earnings per share (EPS) for the six-month period 2022 **increased by 80%** to J\$0.09c/unit from 0.05c/unit when compared to the same period last year.

RESULTS FOR THE SECOND QUARTER ENDED APRIL 2022

For the second quarter ended April 2022 revenue increase by \$50 million (25%) to that of the corresponding period 2021 of \$201 million. This is as a result of the strong demand for the Indies Pharma Products along with the strategies implemented to drive sales.

Gross profits for the quarter increase to \$179 million which represent an increase of 49% or \$59 million in comparison to \$120 million for the previous quarter 2021. One of the main contributing factors are the robust approach taken in monitoring inventory and to mitigate the write off expired stock.

Operating Expenses increase to \$99 million for the current quarter in comparison to \$85 million of prior quarter, which represent an increase of 16%. Contributing factors are due to increases in servicing cost for fleet vehicles and contractual agreement for Bioprist royalty.

Net Profit for the three-month period has increased by 213% to J\$64 million from J\$20 million during the same three-month period in 2022 and 2021 respectively. This is a strategic move to contain operating cost and the continuous push to drive/increase sales.

- ❖ Earnings per share (EPS) during the second quarter (for the three-month period) 2022 **increased by 150%** to J\$0.05c/unit from 0.02c/unit when compared to the same period last year.

The Company remains healthy and consistent in these challenging and trying times and continues to deliver and maintain a consistent upward trend in its performance and profitability to its shareholders. It is all possible due to its ethos "Caring for the Nation's Health", looking out for the welfare of its end-users which wouldn't have been possible without its loyal customers and hardworking employees.

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

Sincerely Yours



Vishnu V. Muppuri (Mrs.)
Co-Founder, Executive Director & COO
MAY 17, 2022.

INDIES PHARMA JAMAICA LIMITED
Unaudited Consolidated Statement of
Comprehensive Income
For The Six-Months Ended 30 April 2022

	Three Months Ended 1 Feb - Apr 30, 2022	Three Months Ended 1Feb - Apr 30, 2021	Six Months Ended Apr 30, 2022	Six Months Ended Apr 30, 2021	Audited Year Ended October 31, 2021
	\$	\$	\$	\$	\$
REVENUE	250,577,258	200,718,041	462,882,166	424,252,367	846,832,692
COST OF SALES	(72,050,091)	(80,956,954)	(127,365,394)	(166,378,701)	(295,901,204)
GROSS PROFIT	178,527,166	119,761,086	335,516,772	257,873,666	550,931,488
Other operating income	292,236	145,565	730,695	355,186	7,493,026
Administrative and other Expenses	178,819,403	119,906,651	336,247,466	258,228,852	558,424,514
	(99,037,269)	(85,524,641)	(191,457,343)	(160,409,945)	(326,832,987)
PROFIT FROM OPERATION	79,782,134	34,382,010	144,790,124	97,818,907	231,591,527
Exchange Gain/(Loss)	(887,206)	1,524,621	(275,058)	1,192,936	14,763,441
Finance Cost (Loan Interest)	(14,776,331)	(15,418,779)	(29,860,490)	(30,996,931)	(67,790,597)
NET PROFIT BEFORE TAXATION	64,118,597	20,487,852	114,654,576	68,014,912	178,564,371
Taxation	-	-	-	-	-
NET PROFIT FOR THE PERIOD	64,118,597	20,487,852	114,654,576	68,014,912	178,564,371
OTHER COMPREHENSIVE INCOME					
Gain on revaluation of Fixed Assets	-	-	-	-	288,463,201
Profit on the sale of Fixed Assets	-	1318,407	-	1,318,407	-
TOTAL COMPREHENSIVE INCOME	64,118,597	21,806,259	114,654,576	69,333,319	467,027,572
EARNINGS PER SHARE	0.05c	0.02c	0.09c	0.05c	0.13c

INDIES PHARMA JAMAICA LIMITED
Unaudited Consolidated Statement of Financial Position
For the Six-months ended 30 April 2022

	Six Months Ended Apr 30, 2022	Six Months Ended Apr 30, 2021	Audited Year Ended October 31, 2021
	\$	\$	\$
ASSETS			
NON-CURRENT ASSETS:			
Intangible assets	346,024,561	145,691,842	317,628,968
Right-of-use asset	140,213,595	58,421,889	39,620,932
Investment	121,018,441	302,241,200	146,751,564
Property, plant, and equipment	944,402,521	650,231,439	940,252,921
	<u>1,551,659,118</u>	<u>1,156,586,369</u>	<u>1,444,254,385</u>
Related Companies	36,144,278	20,911,521	18,940,932
CURRENT ASSETS			
Inventories	215,379,859	182,991,193	222,596,257
Receivables	180,705,733	218,130,556	161,479,266
Taxation recoverable	901,422	770,243	774,306
Cash and cash equivalents	260,252,084	84,873,371	187,744,545
Director's Current Account	9,638,951	9,936,728	756,146
	<u>665,976,627</u>	<u>496,639,091</u>	<u>573,350,520</u>
TOTAL ASSETS	<u>2,254,953,844</u>	<u>1,674,136,981</u>	<u>2,036,545,837</u>
EQUITY AND LIABILITIES			
EQUITY			
Share capital	244,576,999	244,576,999	244,576,999
Revaluation reserve	458,484,190	182,337,065	458,484,190
Retained earnings	368,204,460	282,579,396	404,126,525
	<u>1,071,265,649</u>	<u>709,493,460</u>	<u>1,107,187,714</u>

INDIES PHARMA JAMAICA LIMITED**Unaudited Consolidated Statement of Financial Position (CONTINUED)**

For the Six-months ended 30 April 2022

	Six Months Ended Apr 30, 2022	Six Months Ended Apr 30, 2021	Audited Year Ended Oct 31, 2021
	\$	\$	\$
NON-CURRENT LIABILITIES			
Long term loan	805,000,000	805,000,000	805,000,000
Lease Liability	70,530,245	-	-
Related Companies	63,418,943	32,050,707	46,595,363
	938,949,188	837,050,707	851,595,363
CURRENT LIABILITIES			
Payables	45,626,534	70,025,211	48,185,982
Short Term loans	4,103,516	5,723,750	3,437,700
Dividend Payable	150,576,642	-	-
Taxation	-	-	-
Current portion of Lease Liability	44,432,316	51,843,854	26,139,078
	244,739,008	127,592,814	77,762,760
TOTAL EQUITY AND LIABILITIES	2,254,953,844	1,674,136,981	2,036,545,837

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 Six-months ended 30 Apr 2022

	Number of Stock Units \$	Share Capital \$	Capital Reserve \$	Retained Earnings \$	Total \$
Balance at 1 November 2020	1,332,536,649	244,576,999	182,337,065	359,825,109	786,739,173
Dividends paid	-	-	-	(146,579,031)	(146,579,031)
Total Comprehensive Income					
Reclassification	-	-	(12,316,076)	12,316,076	-
Other Comprehensive Income	-	-	288,463,201	-	288,463,201
NET PROFIT FOR THE PERIOD	-	-	-	178,564,371	178,564,371
Balance at 31 October 2021	1,332,536,649	244,576,999	458,484,190	404,126,525	1,107,187,714
Balance at 1 November 2021	1,332,536,649	244,576,999	458,484,190	404,126,525	1,107,187,714
Dividend Declared	-	-	-	(150,576,641)	(150,576,641)
Revaluation	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-
NET PROFIT FOR THE PERIOD	-	-	-	114,654,576	114,654,576
Balance at 30 April 2022	1,332,536,649	244,576,999	458,484,190	368,204,459	1,071,265,649

INDIES PHARMA JAMAICA LIMITED
Unaudited Consolidated Statement of Cash Flows
For the Six-months ended 30 April 2022

	Six Months Ended April 30, 2022	Six Months Ended April 30, 2021	Audited Year Ended October 31, 2021
	\$	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit	114,654,576	68,014,917	178,564,371
Adjustment for			
Depreciation	31,043,776	25,556,516	53,731,771
Interest expense	30,075,233	31,167,068	67,790,597
Interest Income	(508,464)	(299,117)	(4,835,943)
Gain on disposal of property, plant and equipment	-	-	(2,397,248)
	175,265,121	124,439,384	292,853,547
Changes in operating assets and liabilities			
Trade Receivables	(19,226,467)	3,468,714	60,120,004
Inventories	7,216,397	(36,470,231)	(76,075,295)
Trade payables	(2,559,448)	(10,075,087)	(31,487,620)
Related company	(652,166)	45,942,054	62,457,300
Director's a/c	(8,882,805)	60,270,588	69,451,170
Taxation	(127,115)	74,409	(141,472)
Recoverable/(payable)	(24,231,603)	63,061,630	84,324,087
Taxation paid	-	-	-
Net Cash used in operating activities	151,033,518	187,649,831	377,177,634
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest Received	508,464	299,177	4,835,943
Purchase of fixed assets	(14,246,976)	(46,867,457)	(40,716,517)
Right of use assets	(121,539,064)	(18,800,956)	-
Purchase of intangible assets	(28,395,593)	(30,993,033)	(202,930,159)
Purchase of investments	25,733,123	(154,741,200)	748,436
Disposal Proceed of fixed assets	-	1,776,000	2,976,000
Net cash used in investing activities	(137,940,046)	(249,327,530)	(235,086,295)

INDIES PHARMA JAMAICA LIMITED

Unaudited Consolidated Statement of Cash Flows (CONTINUED)

For the Six-months ended 30 April 2022

	Six Months Ended Apr 30, 2022	Six Months Ended Apr 30, 2021	Audited Year Ended October 31, 2021
	\$	\$	\$
CASH FLOWS FROM FINANCE ACTIVITIES			
Interest paid	(30,075,233)	(31,167,069)	(61,373,300)
Loan received	665,816	-	599,264
Dividends paid		(146,579,031)	(146,579,031)
Lease liabilities	88,823,483	10,648,896	(57,329,991)
Net cash provided by financing Activities	59,414,066	(167,097,204)	(264,683,058)
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	72,507,539	(228,774,902)	(122,591,719)
Cash and cash equivalents at beginning of year	187,744,545	313,648,274	310,336,264
CASH AND CASH EQUIVALENT AT YEAR END	260,252,084	84,873,372	187,744,545

INDIES PHARMA JAMAICA LIMITED
Notes to the Unaudited Financial Statements
For the Six-months ended 30 April, 2022

1. IDENTIFICATION AND ACTIVITIES

INDIES PHARMA JAMAICA LIMITED is a limited liability company incorporated under the laws of Jamaica on the 09th 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 15th, 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 31st 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 2021.

- ❖ 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.

INDIES PHARMA JAMAICA LIMITED
Notes to the Unaudited Financial Statements (CONTINUED)
For the Six-months ended 30 April, 2022

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 Apr 2022	Unaudited Year to date Apr 2021
	\$	\$
Proven Investment Limited	121,018,441	302,241,300
	121,018,441	302,241,300

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

4. RECEIVABLES

	Unaudited Year to date Apr 2022	Unaudited Year to date Apr 2021
	\$	\$
Trade Receivables	148,759,231	161,518,908
Other	31,946,502	56,611,648
	180,705,733	218,130,556

INDIES PHARMA JAMAICA LIMITED
Notes to the Unaudited Financial Statements (CONTINUED)
For the Six-months ended 30 April, 2022

5. RELATED COMPANIES

	Unaudited Year to date Apr 2022 \$	Unaudited Year to date Apr 2021 \$
Due From - Mercury Wireless Limited	36,416,678	20,911,522
Bioprist Las Americas	-	
	36,416,678	20,911,522
Due to - Bioprist Holdings Inc	63,418,943	32,050,707
	63,418,943	32,050,707

6. LONG-TERM LOANS

	Unaudited Year to date Apr 2022 \$	Unaudited Year to date Apr 2021 \$
Sagicor Bank Jamaica Ltd	805,000,000	805,000,000
	805,000,000	805,000,000

7. PAYABLES

	Unaudited Year to date Apr 2022 \$	Unaudited Year to date Apr 2021 \$
Trade Payables	17,229,985	42,552,948
General Consumption Tax	12,166,447	1,543,003
Statutory Tax	3,475,686	3,071,391
Other Payables and Accruals	12,803,155	22,857,870
	45,626,534	70,025,212

INDIES PHARMA JAMAICA LIMITED
Notes to the Unaudited Financial Statements (CONTINUED)
For the Six-months ended 30 April, 2022

8. LEASE IFRS 16

	Unaudited as at Apr 2022 \$	Unaudited as at Apr 2021 \$
<u>Right of Use Asset -</u>		
Lease properties on recognition November 1, 2019	236,363,819	114,824,755
Less: accumulated depreciation charge	<u>(96,150,224)</u>	<u>(56,402,867)</u>
Balance	<u>140,213,595</u>	<u>58,421,889</u>
<u>Lease Liabilities</u>		
Contractual discounted cash flows	114,962,561	51,843,854
Less: current portion	<u>44,432,316</u>	<u>51,843,854</u>
Non-current portion	70,530,245	-

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%.

9. Dividend Declared

	Unaudited Year to date Apr 2022 \$	Unaudited Year to date Apr 2021 \$
Dividend Declared	150,576,641	-
	150,576,641	-

The company by its Board of Directors declared interim dividend on record as of 6th May 2022 at 11.3cents per share to shareholders. Scheduled payment date will be on 26th May 2022

TOP TEN (10) SHAREHOLDERS

SHAREHOLDERS	NUMBER OF UNITS	SHAREHOLDING %
Bioprist Holdings Inc.	1,042,858,249	78.26%
SunandGogineni	44,903,438	3.37%
GK Investments Limited	39,898,926	2.99%
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%
TOTAL	1,199,429,793	90.01%
Other Minority Shareholders	133,106,856	9.99%
TOTAL ISSUED SHARES	1,332,536,649	100%

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	NIL	-	--

MANAGEMENT HOLDINGS

SENIOR MANAGERS / EXECUTIVES	TOTAL SHAREHOLDINGS	DIRECT	CONNECTED PARTIES
Ricardo Stephenson	101,000	101,000	-
Sabrina Serrant	65,000	65,000	-
Dwight Brown	50,000	50,000	-