



**2022-2023**

*Three months (Q1) Unaudited Financial Results ending 31 January 2023*

**INDIES PHARMA JAMAICA LIMITED**

“Caring for the Nation’s Health”

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



**2022-2023**

**Three-months (Q1) Unaudited Financial Results**

**Period ending 31 January 2023**



# INDIES PHARMA JAMAICA LIMITED

"Caring for the Nation's Health"

## RELEASE TO SHAREHOLDERS

### THREE-MONTHS (Q1) UNAUDITED FINANCIAL RESULTS - PERIOD ENDING 31 JANUARY 2023.

The Board of Directors of Indies Pharma Jamaica Limited is pleased to present to our shareholders our first quarter unaudited financial results for the financial period ended January 31, 2023.

	3 Months Ended 31 - Jan - 2023	3 Months Ended 31 - Jan - 2022	Year over Year	Audited Year Ended 31- Oct- 2022
<b>Revenue</b>	255,643,121	212,304,908	20%	937,282,761
<b>Gross Profit</b>	175,270,257	156,252,703	12%	655,817,730
<b>Profit from Operations</b>	76,085,586	64,691,974	18%	282,790,681
<b>Net Profit for the Period</b>	59,030,496	50,219,964	18%	220,791,265
<b>Earnings per share (EPS)</b>	0.04	0.04	0%	0.17
<b>Total Assets</b>	2,226,013,663	2,055,657,416	8%	2,060,997,851
<b>Shareholder's Equity</b>	1,215,994,163	1,157,407,778	5%	1,156,963,665
<b>Total Liabilities</b>	1,010,019,500	898,249,739	12%	904,034,186

For the three-month period ended Jan 31, 2023, Indies Pharma Jamaica Limited earned gross revenues of J\$256 million versus J\$212 million in the prior comparable quarter of 2022. Gross profits for the three-month period increased to J\$175 million, representing a 12% increase or J\$19 million when compared to the similar period in 2022.

Revenues for the period under review outperformed prior year performance by \$43.3M or 20% and was largely responsible for the increase in profit from operations of J\$11M or 18% to end at J\$76 million vs. J\$65M in 2022, despite increased administrative expenses. Net Profit was J\$59 million compared to J\$50 million for the three-month period 2023 and 2022 respectively, a 18% increase.

Earnings per share (EPS) for the three-month period 2023 remain consistent at J\$0.04 when compared to the same period last year.

Total assets at the end of the three-month period stood at J\$2.2 billion up from J\$2 billion in the comparative period 2022 reflecting an increase of 8%.

Shareholders' equity was J\$1.22 billion compared to J\$1.16 million in the prior period 2022 and total liabilities increased by 12% to J\$1 billion from J\$898 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 of two new drugs at the USFDA for the United States Market out of which we have successfully submitted our very first ANDA (Dossier) on the 25 January 2023 at the USFDA.

The Company remains very optimistic with its upward trajectory in terms of financial performance. Indies Pharma remains healthy and solid, having checked all the positive boxes in the respective analytical ratios of liquidity, solvency, profitability, and efficiency. We continue to execute on our strategy through strengthening our intellectual property (new drug development for the US market), tangible assets (prime real estate) and relations with customers, shareholders, and our esteemed employees.

We express our 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  
March 10, 2023.

**INDIES PHARMA JAMAICA LIMITED**  
**Unaudited Consolidated Statement of**  
**Comprehensive Income**  
**For the three-months ended 31 January 2023**

	Three Months Ended Jan 31, 2023	Three Months Ended Jan 31, 2022	Three Months Ended Jan 31, 2023	Three Months Ended Jan 31, 2022	Audited Year Ended October 31, 2022
	\$	\$	\$	\$	\$
<b>REVENUE</b>	<b>255,643,121</b>	<b>212,304,908</b>	<b>255,643,121</b>	<b>212,304,908</b>	<b>937,282,761</b>
COST OF SALES	(80,372,864)	(56,052,204)	(80,372,864)	(56,052,204)	(281,465,031)
<b>GROSS PROFIT</b>	<b>175,270,257</b>	<b>156,252,703</b>	<b>175,270,257</b>	<b>156,252,703</b>	<b>655,817,730</b>
Other operating income	440,135	946,499	440,135	946,499	3,837,635
Administrative and other expenses	175,710,392	157,199,202	175,710,392	157,199,202	659,655,365
	(99,624,806)	(92,507,229)	(99,624,806)	(92,507,229)	(326,832,987)
<b>PROFIT FROM OPERATION</b>	<b>76,085,586</b>	<b>64,691,974</b>	<b>76,085,586</b>	<b>64,691,974</b>	<b>282,790,681</b>
Exchange Gain/(Loss)	(452,384)	(612,149)	(452,384)	(612,149)	(1,747,697)
Finance Cost (Loan Interest)	(16,602,706)	(15,084,159)	(16,602,706)	(15,084,159)	(60,251,719)
<b>NET PROFIT BEFORE TAXATION</b>	<b>59,030,496</b>	<b>50,219,964</b>	<b>59,030,496</b>	<b>50,219,964</b>	<b>220,791,265</b>
Taxation	-	-)	-	-)	-
<b>NET PROFIT FOR THE PERIOD</b>	<b>59,030,496</b>	<b>50,219,964</b>	<b>59,030,496</b>	<b>50,219,964</b>	<b>220,791,265</b>
OTHER COMPREHENSIVE INCOME					
Gain on revaluation of Fixed Assets	-	-	-	-	-
Profit on the sale of Fixed Assets	-	-	-	-	-
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>59,030,496</b>	<b>50,219,964</b>	<b>59,030,496</b>	<b>50,219,964</b>	<b>220,791,265</b>
<b>EARNINGS PER SHARE</b>	<b>0.04</b>	<b>0.04</b>	<b>0.04</b>	<b>0.04</b>	<b>0.17</b>

**INDIES PHARMA JAMAICA LIMITED**  
**Unaudited Consolidated Statement of Financial Position**  
**For the three-months ended 31 January 2023**

	Three Months Ended Jan 31, 2023	Three Months Ended Jan 31, 2022	Audited Year Ended October 31, 2022
	\$	\$	\$
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS:</b>			
Intangible assets	441,618,910	320,307,372	379,311,777
Right-of-use asset	112,458,672	29,153,177	2,019,018
Investment	16,610,010	146,751,564	79,442,695
Property, plant, and equipment	949,459,803	938,511,761	947,382,947
	<u>1,520,147,395</u>	<u>1,434,723,761</u>	<u>1,408,156,437</u>
Related Companies	21,712,128	98,988,188	21,008,330
<b>CURRENT ASSETS</b>			
Inventories	185,713,185	182,690,560	175,509,630
Receivables	169,237,435	145,351,145	166,804,086
Taxation recoverable	1,182,838	828,364	1094,346
Cash and cash equivalents	281,135,195	187,042,870	234,633,949
Director's Current Account	46,885,488	6,032,528	41,021,964
	<u>684,154,140</u>	<u>521,945,467</u>	<u>619,063,975</u>
<b>TOTAL ASSETS</b>	<b><u>2,226,013,663</u></b>	<b><u>2,055,657,416</u></b>	<b><u>2,048,228,741</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Share capital	244,576,999	244,576,999	244,576,999
Revaluation reserve	458,484,190	458,484,190	458,484,190
Retained earnings	512,932,974	454,346,489	453,902,474
	<u>1,215,994,163</u>	<u>1,157,407,678</u>	<u>1,156,963,663</u>

	1 <sup>st</sup> Quarter Ended Jan 31, 2023	1 <sup>st</sup> Quarter Ended Jan 31, 2022	Audited Year Ended Oct 31, 2022
	\$		\$
<b>NON-CURRENT LIABILITIES</b>			
Long term loan	805,000,000	805,000,000	805,000,000
Lease Liability	79,563,922	-	1,249,523
Related Companies	24,874,494	48,468,000	24,538,994
	<u>909,438,415</u>	<u>853,468,000</u>	<u>830,788,517</u>
<b>CURRENT LIABILITIES</b>			
Payables	62,350,587	29,822,547	51,391,655
Short Term loans	4,040,186	2,766,617	7,864,823
Related Companies		-	-
Taxation		-	-
Current portion of Lease Liability	34,190,32	12,192,574	1,220,083
	<u>100,581,085</u>	<u>70,132,176</u>	<u>60,476,561</u>
<b>TOTAL EQUITY AND LIABILITIES</b>	<u><b>2,226,013,663</b></u>	<u><b>2,055,657,416</b></u>	<u><b>2,048,228,741</b></u>

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 three-months ended 31 Jan 2023**

	Number of Stock Units \$	Share Capital \$	Capital Reserve \$	Retained Earnings \$	Total \$
<b>Balance at 1 November 2021</b>	<b>1,332,536,649</b>	<b>244,576,999</b>	<b>458,484,190</b>	<b>383,687,850</b>	<b>1,086,749,039</b>
Dividends paid	-	-	-	(150,576,641)	(150,576,641)
<b>Total Comprehensive Income</b>					
Reclassification	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-
<b>NET PROFIT FOR THE PERIOD</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>220,791,265</b>	<b>220,791,265</b>
<b>Balance at 31 October 2022</b>	<b>1,332,536,649</b>	<b>244,576,999</b>	<b>458,484,190</b>	<b>453,902,474</b>	<b>1,156,963,663</b>
<b>Balance at 1 November 2022</b>	<b>1,332,536,649</b>	<b>244,576,999</b>	<b>458,484,190</b>	<b>453,902,474</b>	<b>1,156,963,663</b>
Dividend Paid	-	-	-	-	-
Revaluation	-	-	-	-	-
Other Comprehensive Income	-	-	-	-	-
<b>NET PROFIT FOR THE PERIOD</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>59,030,496</b>	<b>59,030,496</b>
<b>Balance at 31 January 2023</b>	<b>1,332,536,649</b>	<b>244,576,999</b>	<b>458,484,190</b>	<b>512,932,970</b>	<b>1,215,994,159</b>

**INDIES PHARMA JAMAICA LIMITED**  
**Unaudited Consolidated Statement of Cash Flows**  
**For the three-months ended 31 January 2023**

	Three Months Ended January 31, 2023 \$	Three Months Ended January 31, 2022 \$	Audited Year Ended October 31, 2022 \$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Net profit	59,030,496	50,219,963	220,791,265
Adjustment for			
Depreciation	14,934,083	15,556,854	56,841,143
Interest expense	16,670,622	15,152,075	56,195,583
Interest Income			
Interest Exp –Right of Used Asset	(353,961)	(216,228)	(945,902)
Gain on disposal of property, plant and equipment	-	-	4,056,136
			(1,877,500)
	<b>90,281,240</b>	<b>80,712,664</b>	<b>335,060,725</b>
<b>Changes in operating assets and liabilities</b>			
Trade Receivables	12,136,633	16,128,121	(5,324,820)
Inventories	(11,009,121)	39,905,697	47,086,627
Trade payables	(2,805,481)	(19,034,516)	3,205,671
Related company	(368,298)	(78,174,618)	(24,123,768)
Director's a/c	(5,863,524)	(5,276,382)	(40,265,818)
GCT Recoverable/Recoverable	(88,492)	(54,057)	(141,472)
	(7,998,283)	(46,505,755)	(19,742,148)
Taxation paid	-	-	-
<b>Net Cash used in operating activities</b>	<b>82,282,957</b>	<b>34,206,,909</b>	<b>315,318,577</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest Received	353,961	216,228	945,902
Purchase of fixed assets	(6,695,526)	(3,347,826)	(26,369,252)
Right of use assets	(110,439,654)	-	-
Purchase of intangible assets	(62,307,134)	(2,678,404)	(61,682,809)
Purchase of investments	62,832,686	-	67,308,869
Disposal Proceed of fixed assets	-	-	1,877,500
<b>Net cash used in investing activities</b>	<b>(116,255,794)</b>	<b>(5,810,002)</b>	<b>(17,919,790)</b>



	Three Months Ended Jan 31, 2023	Three Months Ended Jan 31, 2022	Audited Year Ended October 31, 2022
	\$	\$	\$
<b>CASH FLOWS FROM FINANCE ACTIVITIES</b>			
Interest paid	(16,670,622)	(15,152,075)	(56,195,583)
Loan received	(2,829,332)	-	3,431,817
Dividends paid	-	-	(150,576,641)
Lease liabilities	(100,969,341)	(13,946,504)	(48,164,282)
<b>Net cash provided by financing activities</b>	<b>81,469,551</b>	<b>(29,098,580)</b>	<b>(251,504,098)</b>
<b>NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS</b>	<b>47,496,551</b>	<b>(701,673)</b>	<b>45,894,098</b>
Cash and cash equivalents at beginning of year	<b>233,638,643</b>	<b>187,744,545</b>	<b>187,744,545</b>
<b>CASH AND CASH EQUIVALENT AT YEAR END</b>	<b>281,135,194</b>	<b>187,042,871</b>	<b>233,638,643</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 Three Months ended January 31, 2023, 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 2022 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 2022.

❖ 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 Jan 2023	Unaudited Year to date Jan 2022
	\$	\$
Proven Investment Limited	16,610,010	146,751,564
	<b>16,610,010</b>	<b>146,751,564</b>

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

### 4. RECEIVABLES

	Unaudited Year to date Jan 2023	Unaudited Year to date Jan 2022
	\$	\$
Trade Receivables	145,892,316	108,054,282
Other	23,345,119	37,296,863
	<b>169,237,435</b>	<b>145,351,145</b>

## 5. RELATED COMPANIES

	Unaudited Year to date Jan 2023 \$	Unaudited Year to date Jan 2022 \$
Due From -		
Mercury Wireless Limited	21,712,128	98,946,288
Bioprist Las Americas	-	41,900
	<b>21,712,128</b>	<b>98,988,188</b>
Due to -		
Bioprist Holdings Inc	24,874,494	48,468,000
	<b>24,874,494</b>	<b>48,468,000</b>

## 5. LONG-TERM LOANS

	Unaudited Year to date Jan 2023 \$	Unaudited Year to date Jan 2022 \$
Sagicor Bank Jamaica Ltd	805,000,000	805,000,000
	<b>805,000,000</b>	<b>805,000,000</b>

## 7. PAYABLES

	Unaudited Year to date Jan 2023 \$	Unaudited Year to date Jan 2022 \$
Trade Payables	17,530,359	9,151,385
General Consumption Tax	30,024,795	7,846,602
Statutory Tax	4,049,959	3,534,458
Other Payables and Accruals	10,745,474	9,290,101
	<b>62,350,587</b>	<b>29,822,547</b>

## 8. LEASE IFRS 16

	Unaudited as at Jan 2023 \$	Unaudited as at Jan 2022 \$
<b><u>Right of Use Asset -</u></b>		
Lease properties on recognition November 1, 2019	235,579,696	114,824,755
Less: accumulated depreciation charge	(123,121,024)	(85,671,579)
Balance	<b><u>112,458,672</u></b>	<b><u>29,153,177</u></b>
<b><u>Lease Liabilities</u></b>		
Contractual discounted cash flows	113,754,234	12,192,574
Less: current portion	(34,190,312)	(12,192,574)
Non-current portion	79,563,922	-

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	39,898,926	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 Barita Unit Trust Capital Growth Fund	5,967,082	0.45%
Star Holdings Ltd	5,120,895	0.38%
<b>TOTAL</b>	<b>1,199,429,793</b>	<b>90.01%</b>
Other Minority Shareholders	133,106,856	9.99%
<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	NIL	-	--

## MANAGEMENT HOLDINGS

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