INDIES PHARMA
JAMAICA LIMITED

Member of Bioprist Group

Caring for the Nation's Health

www.indiespharma.com

ANNUAL REPORT
2022

CON-TENTS

The Company

Jointly founded by a medical doctor, Dr. Guna Muppuri, and his wife Mrs. Vishnu Muppuri, Indies Pharma Jamaica Limited was incorporated in Jamaica on 09 December 2003 as a Pharmaceutical Distribution Company.

The Company is headquartered in a commercial complex in Freeport, Montego Bay, Jamaica. Its retail unit, the Trident Pharmacy business is located nearby in Sam Sharpe Square, Montego Bay, Jamaica. Having sold its first pharmaceutical on 18 April 2005, the company distributes over 150 prescription and non-prescription or 'over the counter' generic pharmaceutical products for Bioprist Holdings Limited under the 'Bioprist Pharmaceuticals' brand in addition to the new line of products being sold under the Orthopedic and Joint Rehabilitation segment.

The Company currently services customers across all 14 parishes of the island, including over 400 pharmacies, private and public hospitals and government agencies including the National Health Fund as well as medical practitioners, and directly to individual end users. The Company strives to provide unique, quality, and affordable pharmaceutical and complementary products, and to maintain efficient and effective product distribution across the island. It also aims to be a leading and trusted pharmaceutical distribution company with strong customer relationships, a commitment to brand and product development, and a large and reliable distribution network.

The Company continues to be managed by its founding members and the newly appointed Non- Executive Directors, with the support of a professional team of approximately 60 plus employees.

Our Vision

- Making Medicines available & affordable for everyone.
- Creating stable employment opportunities in Jamaica.

Our Objectives

- Welfare of the 'common man' and the 'Nation' in its entirety by way of the role of the (Generic) Pharmaceuticals on our economy.
- To be an equal opportunity company geared towards growth & development of 'everyone' committed in its interests" while trying to be a strategic partner for the major manufacturers & suppliers.
- To become a one-stop shop for the majority of pharmaceutical, health care, consumer & hygiene products with the objective of becoming a topnotch promoter & distributor focusing towards maintaining a long-term presence in the field of promotion & distribution in Jamaica in the short-term and the Caribbean region in the longer term.

Essence

***INDIES PHARMA'* is trying to change the old saying, 3 Basic Necessities "Food, Shelter & Clothing" to the new one, 4 necessities by adding – "Medicine" to it. Medicine, being the most crucial element to mankind, always dictates the quality & productivity of the human life.**

Mission

Caring for the Nation's Health

Mission Statement

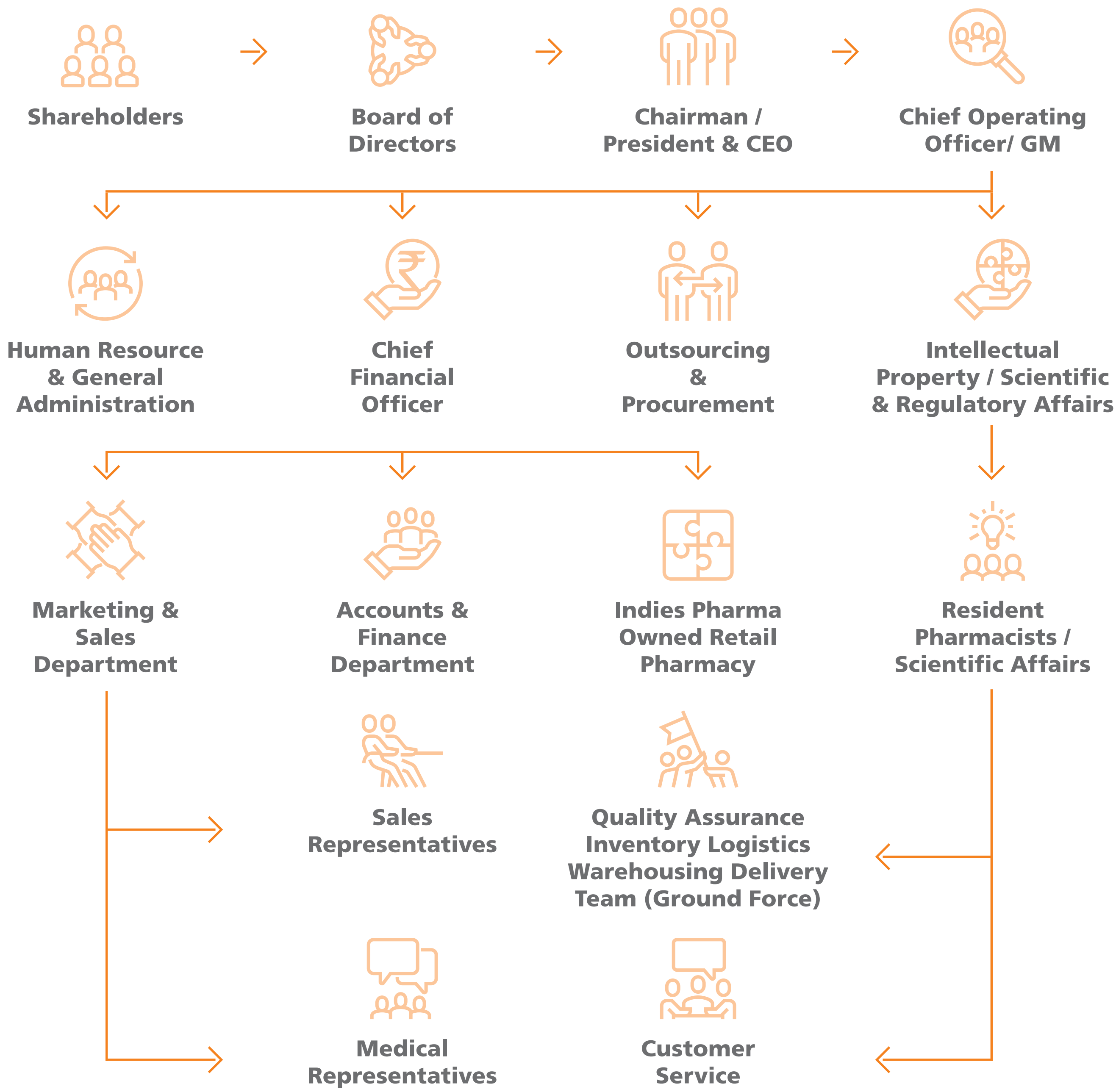
TO BRING SOMETHING MEANINGFUL & GOOD TO THIS 'BLESSED NATION' in its entirety in the fields of Health care (by sourcing the medicines of highest quality and efficacy) & Economy (by creating more employment without compromising the values set by the Governmental regulatory bodies.

TO PROVIDE THE HIGHEST LEVEL OF SATISFACTION & TRUST to the "Prescriber, Dispenser, Stocking client & the End user (Physician, Pharmacist, Owners of the business & the Patient))" by providing the Nation with the Produce (Medicines) of highest quality and efficacy.

TO CREATE A COMMON & A VIABLE PLATFORM FOR OUR PRINCIPALS to Promote & Distribute their produce in the Local & Regional market while being Loyal, Dedicated & Committed to the mutual best interests.

TO BE COMMITTED TO BUILD A HEALTHY NATION by introducing innovative & affordable medicines that would contribute to the better health of our fellow citizens through our Qualified, Competent & highly Motivated team while remaining Dynamic, Flexible, & Competitive".

Organizational Structure



Founder & Chairman's message

"Persistence Pays Off as Long-Term Work Plans Get Moving."

On behalf of the Board of Directors of 'Indies Pharma Jamaica Limited', I am pleased to report on the performance of the company for the financial year that ended on 31 October 2022, four years, and ten weeks after we got listed on the Junior Stock Market of the Jamaica Stock Exchange.

During this year, while the market started slowly recovering from the effects of the pandemic, our perseverance to achieve something notable despite difficulties helped to continue our sustained performance and the steadfast growth pattern. We cautiously maintained our supply chain management and solidified our product offerings by maintaining consistency in our inventory levels.

The sustained year-on-year increase in our revenues has yielded one of the best net profits years in our history. The support extended by our very loyal customers and the resolve demonstrated by the employees of Indies Pharma was unflappable and have ultimately benefited our patient population (end users) imparting them good health along with a decent return on investment to our shareholders.

During the 2021-22 financial year, INDIES PHARMA recorded gross revenues of J$937 million, 11% higher than the J$847 million recorded in the prior twelve-month period of 2021. The profit from operations for the twelve-month period 2022 was J$283 million compared to J$221 million for 2021. Net Profit was J$221 million and J$168 million for the twelve-month periods, 2022 and 2021 respectively. This relative increase in net profit is directly attributable to the uplift in revenues as indicated above. Total comprehensive income for the period 2022 fell by 52% due to the huge gain on revaluation of fixed assets in the prior year.

In anticipation of the positive outcome of the approval process at the USFDA by the last quarter of 2023, the company continued investing a portion of its proceeds from the 2020 Growth capital (bond funds $805 million) towards R & D and the USFDA approvals of its two generic formulations.

The 3 acres of prime real estate on the elegant corridor in Ironshore, Montego Bay that was acquired from the proceeds of the bond funds, continued to hold its prime value pending the approval of the plans by the respective planning authorities.

The above information continues to be a testimony to our consistency and solid performance.

On behalf of the Board and the Management, I take this opportunity to thank again our most valued customers, regulatory agencies, shareholders, staff of Indies Pharma and Trident Pharmacy for their unwavering support and for believing in us, our products and finally, for being part of our history.

I also use this opportunity to thank the members of the Board and the founding members for the leadership and guidance which they have provided throughout the period while allowing us to step into another interesting year ahead.

Sincerely,

Dr. GUNA MUPPURI
Founding Chairman & CEO

"Positive Mood & Efforts Yields A Profitable Outcome"

Co-Founder & COO's message

As we continued to recover from the aftermath of the recent pandemic, the positive mood and efforts collectively yielded a profitable outcome in terms of the profits during the year that ended on the 31st of October 2022. The company's net profit numbers substantiate my above statement.

The company has maintained its focus on managing the supply chain logistics and thereby retained its market share while significantly reducing the product losses due to the loss of shelf life.

As the finance cost incurred towards our growth capital continued to take its bite from our net profits, the sheer optimistic reports from the continued positive developments on our new drug development for USFDA submission made us much closer to our target finish line. We anticipate by or before the end of 2023 to obtain at least one approval from the USFDA. The 3-acre property the company acquired continues to lure us with its long-awaited approval process by the several planning agencies.

As a result of the above:

- Earnings per share (EPS) for the twelve-month period was J$0.17 per share compared to J$0.13 in the prior period of 2021.
- Total comprehensive income for the year ended October 31, 2022, fell by 52% due to the $228M gain on revaluation of the land in prior year.
- Total assets at the end of the Twelve-month period stood at J$2.048 billion up by 0.6% or J$11.7 million in the comparative 2021 period.
- Shareholders' equity was J$1.16 billion compared to J$1.1 billion in the prior period 2021 and total liabilities declined by 7% from J$950 million to J$891million.
- Our stock price closed at $3.03 per share on 31st October 2022 compared to $3.38 per share on Friday, 29th October 2021.

As always, during this year, the company continued its corporate social responsibility by supporting the medical and pharmacist fraternities in their academic activities, medical camps, and other philanthropic activities.

For and behalf of the Board of Directors, I take this opportunity to express our gratitude to our staff, customers, the regulators and shareholders for their continued support while wishing good health and safekeeping.

Sincerely,

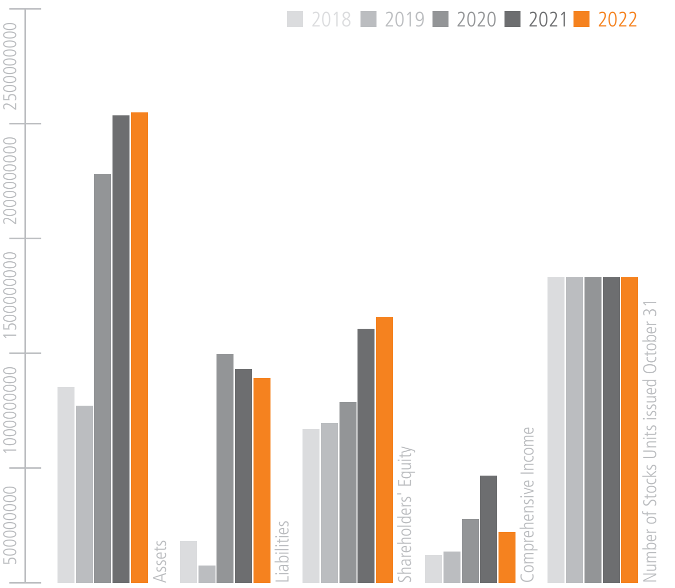
M. Vishnu Vandana

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

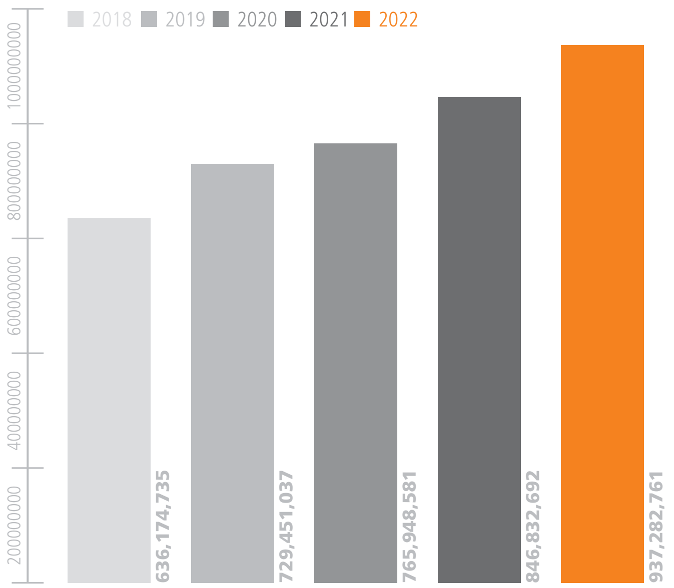
Five Year Financial Review

	2018	2019	2020	2021	2022
Assets	852,259,572	770,905,886	1,781,957,626	2,036,545,837	2,048,228,741
Liabilities	182,623,397	75,674,873	995,218,453	929,358,123	891,265,078
Shareholders' Equity	668,636,175	695,231,013	786,739,173	1,107,187,714	1,156,963,663
Comprehensive Income	119,701,287	136,111,692	278,063,291	467,027,572	220,791,265
Number of Stocks Units issued October 31	1,332,536,649	1,332,536,649	1,332,536,649	1,332,536,649	1,332,536,649
Earnings per Stock Unit	$0.08	$0.10	$0.16	$0.13	$0.17

5 Year Financial Summary



Revenues



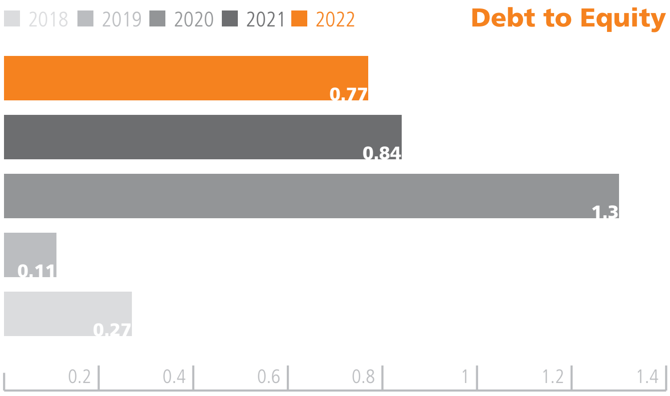
Revenues grew by 47.3% from J$636.2M in 2018 to J$937.3M in fiscal year 2022.

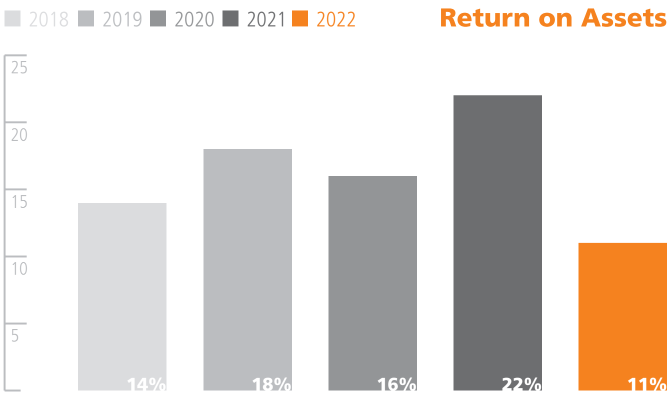
Five Year Financial Review *(Continued)*

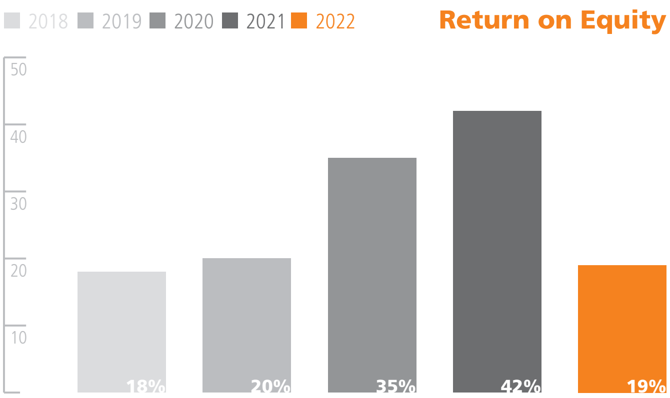
J$'000	2018	2019	2020	2021	2022
REVENUES	**636,174,735**	**729,451,037**	**765,948,581**	**846,832,692**	**937,282,761**
COST OF SALES	(243,383,661)	(268,777,844)	(239,255,600)	(295,901,204)	(281,465,031)
GROSS PROFIT	**392,791,074**	**460,673,193**	**526,692,981**	**550,931,488**	**655,817,730**
Other operating income	813,221	782,450	1,863,400	7,493,026	3,837,635
	393,604,295	461,455,643	528,556,381	558,424,514	659,655,365
937,282,761Administrative and other expenses	(239,866,994)	(338,121,941)	(314,996,497)	(337,529,969)	(376,864,684)
PROFIT FROM OPERATION	**153,737,302**	**123,333,702**	**213,559,884**	**220,894,545**	**282,790,681**
Exchange Gain/(Loss)	(4,482,462)	4,707,387	4,304,727	14,763,441	(1,747,697)
Finance Cost- Loan Interest	(11,209,463)	(196,728)	(9,185,983)	(67,790,597)	(60,251,719)
NET PROFIT BEFORE TAXATION	**138,045,377**	**127,844,360**	**208,678,628**	**167,867,389**	**220,791,265**
Taxation	(18,344,089)	3,117,744	(2,029,220)	-	-
NET PROFIT FOR THE PERIOD	**119,701,288**	**130,962,104**	**206,649,408**	**167,867,389**	**220,791,265**
OTHER COMPREHENSIVE INCOME					
Gain on revaluation of fixed assets			70,713,884	288,463,201	0
Profit on Disposal of Fixed Asset		5,149,587	699,999	-	-
Total other comprehensive income		(338,121,941)	71,413,883	456,330,590	220,791,265
TOTAL COMPREHENSIVE INCOME	**119,701,288**	**136,111,691**	**278,063,291**	**456,330,590**	**220,791,265**

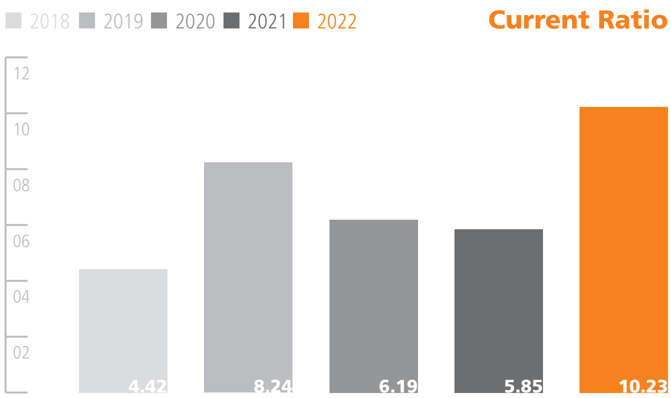
Important Ratios

	2018	2019	2020	2021	2022
Debt to Equity	0.27	0.11	1.3	0.84	0.77
Return on Equity	18%	20%	35%	42%	19%
Return on Assets	14%	18%	16%	22%	11%
Current Ratio	4.42	8.24	6.19	5.85	10.23









- **Debt to Equity Ratio:** Our company's debt to equity ratio was reduced from 0.84 in 2020 to 0.77 in 2022 in keeping with the strategic decision to keep debt within manageable proportions.
- **Return on Equity:** has decreased from 42% to 19% in 2022, a direct result of the huge revaluation increase in previous year. Nevertheless it should be stated that a ROE of 19% is well within the industry's benchmarks for solid performing companies.
- **Return on Assets:** fell by about half compared to 2021, 11% vs 22% respectively; the rationale is the same as indicated above. It should be noted that 11% Return on Assets is very remarkable for a pharmaceutical distribution company.
- **Current Ratio:** The company's current ratio has improved significantly to 10.23 from 5.85 in the prior year, indicating that the company has sufficient liquid resources to meet any contingent liabilities in the near future.
- Working Capital for 2022 is J$ 559M, an increase of J$ 83.6M or 18% over the corresponding period of 2021. This is a solid showing and aligns with the Current Ratio above and shows the healthy liquid resources of the company.

Management Discussion & Analysis

31 December 2022

PUBLIC RELEASE
Management Discussion and Analysis
INDIES PHARMA JAMAICA LIMITED
2021-2022 Fiscal year – AUDITED FINANCIAL REPORT

The 2022 financial year is another good year for INDIES PHARMA with its bottom-line revenues having an upside growth. The markets demonstrated continued recovery from the impact of the pandemic and Indies Pharma continued its trajectory towards growth and profitability.

The net profits increased by 32% (year on year) attributable to increased revenues. However, the total comprehensive income was reduced by 52% compared to the prior year due to huge gain on the revaluation of real estate that was acquired through the bond funds.

We were able to achieve sustainable growth by strategically managing the supply chain logistics, minimal inventory loss due to expiry of goods and a continued hold on our market share without much of a repeat of the out-of-stock situations as in the past. The following narrative is reflective of the aforementioned statements.

GROSS REVENUES UP 11% TO $937 MILLION

- During the 2021-22 financial year, INDIES PHARMA recorded gross revenues of J$937 million, 11% higher than the J$847 million recorded in the prior twelve-month period of 2021.
- The profit from operations for the twelve-month period 2022 was J$283 million compared to J$221 million for 2021. However, the net Profit was J$221million and J$168 million for the twelve-month periods of 2022 and 2021 respectively.
- Earnings per share (EPS) for the twelve-month period was J$0.17 cents per share compared to J$0.13 cents in the prior period.
- Total comprehensive income for the period 20221 grew by 55% compared to last year due to the huge gain on revaluation of the land (J228M) that was purchased in 2020.
- Total assets at the end of the Twelve-month period stood at J$2.048 billion up from J$11.7 million in the comparative period of 2021 reflecting an increase 0.6%.
- Shareholders' equity was J$1.16 billion compared to J$1.1 billion in the prior period 2021 and total liabilities declined by 7% from J$950 million to J$891million.
- Our stock price closed at $3.03 per share on 31st October 2022 compared to $3.38 per share on Friday, 29th October 2021.
- Another positive indicator was, despite the finance cost payable towards the Growth Capital bond, the earnings per share increased by 30% per cent to $0.17 per share, coming from the $0.13 share for prior year 12-month period.

LIQUIDITY POSITION REMAINS STRONG

Indies Pharma's liquidity continues to remain strong, and the following ratios are indicators of good financial health and put us in a good position for growth:

- Debt to Equity Ratio: Our company's debt to equity ratio was reduced from 0.84 in 2020 to 0.77 in 2022 in keeping with the strategic decision to keep debt within manageable proportions.
- Current Ratio: The company's current ratio has improved significantly to 10.23 from 5.85 in the prior year, indicating that the company has sufficient liquid resources to meet any contingent liabilities in the near future.
- Working Capital for 2022 is J$ 559M, an increase of J$ 83.6M or 18% over the corresponding period of 2021. This is a solid showing and aligns with the 'Current Ratio' above and shows the healthy liquid resources of the company.

The company maintained stable and consistent growth, a true reflection of our undeterred focus towards the success path. The management continued its vigilance on the operations of the supply chain and the near expiry date goods mitigating the shelf life of the stocks at hand, allowing us to better able to manage, evaluate and measure performance of our operations translating into clearly defined profits.

Delays in the product registrations caused by the COVID-19 induced challenges at the Ministry of Health and Wellness continue to persist. We will continue our relentless forward-thinking efforts to yield better profits to our shareholders.

Sincerely,

Dr. GUNA MUPPURI
Founding Chairman & CEO
Indies Pharma Jamaica Limited

Notice of Annual General Meeting - AGM

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Annual General Meeting of Indies Pharma Jamaica Limited (the "Company") will be held on Wednesday, May 31, 2023, at 10:30 a.m. at the Indies Pharma Distribution Center, Bioprist HQ Building, 1A Pimento Way, Freeport, Montego Bay, St. James to consider and, if thought fit, pass the following resolutions:

SPECIAL RESOLUTIONS

1. Amendment to the articles of incorporation
To approve the adoption of the amended Articles of Incorporation of the Company if there are any?

Special Resolution no. 1: 'To approve the adoption of any special resolution.'

ORDINARY RESOLUTIONS

1. RECEIPT OF AUDITED ACCOUNTS
To receive the Audited Accounts for the financial year of the company ended October 31, 2022, together with the reports of the Directors and Auditors thereon, The Company is asked to consider, and if thought fit, pass the following resolution:

Ordinary Resolution no. 1: 'That the Audited Accounts for the financial year of the Company ended October 31, 2022, together with the Reports of the Directors and Auditors thereon be and are hereby adopted'.

2. TO ELECT DIRECTORS.
The Directors retiring by rotation in accordance with Regulation 99 of the Company's Articles of Incorporation are Messrs. Lissant Mitchell, Kevin Donaldson, Prof. Trevor McCartney and Dev Singh, who being eligible for re-election, offer themselves for re-election. The Company is being asked to consider, and if thought fit, pass the following resolutions:

Ordinary Resolution No. 2: "That the Directors retiring by rotation, be re-elected by a Single Resolution."

Ordinary Resolution No. 3: "That Messrs. Lissant Mitchell, Kevin Donaldson, Prof. Trevor McCartney and Dev Singh, be and are hereby re-elected as Directors of the Company."

3. DIRECTORS REMUNERATION
To authorize the Board of Directors to approve the Remuneration of the Directors. The Company is asked to consider, and if thought fit, to pass the following resolution:

Ordinary Resolution no. 4: 'That the amount shown in the Audited Accounts for the year ended 31 October 2022, as fees to the Directors for services as Directors, be and is hereby approved'.

4. APPOINTMENT AND REMUNERATION OF AUDITORS
To appoint the Auditors and authorize the Board of Directors to fix the remuneration of the Auditors.

Ordinary Resolution no. 5: 'To authorize the Board of Directors to appoint Auditors of the Company by way of a tender by the Company and to fix the remuneration of the Auditors'.

Ordinary Resolution no. 6: 'That the Board of Directors are hereby authorized to appoint BDO CHARTERED ACCOUNTANTS, Auditors of the Company to hold office until the next fiscal year 2023 / Annual General Meeting or, by way of a tender and at a remuneration to be fixed by the Directors of the Company'.

5. OTHER ROUTINE BUSINESS
To deal with any other business that is considered routine and appropriate for the Annual General Meeting.

Ordinary Resolution no. 7: 'To transact any other ordinary business of the Company that can be transacted at an Annual General Meeting'.

By Order of The Board

VENICE WILLIAMS-GORDON (Mrs.)
Company Secretary

Dated this
21st Day of April 2023.

FORM OF PROXY

INDIES PHARMA JAMAICA LIMITED
Reg. office: Unit 5 Trade Center, Catherin Hall, Howard Cooke Boulevard Montego Bay, Jamaica (West Indies).

I/We

____ of ______________________________

in the Parish of ____ being member/members of the

above named company hereby appoint ____ of

______________________ or failing him/he ______________________________________ of

______________________ as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held at the Indies Pharma Distribution Center, Bioprist HQ Building, 1A Pimento Way, Freeport, Montego Bay, St. James on Wednesday the 31st of May 2023 at 10:30 a.m. and at any adjournment thereof.

Signed this ____________________________ day of ______________________________ 2023

Signature ____

Notes:

1. An instrument appointing a proxy, shall, unless the contrary is stated thereon be valid as well for any adjournment of the meeting as for the meeting to which it relates and need not be witnessed.
2. If the appointer is a corporation, this form must be under its common seal or under the hand of an officer or attorney duly authorized in writing.
3. In the case of joint holders, the vote of the senior will be accepted to the exclusion of the votes of others, seniority being determined by the order in which the names appear on the register.
4. To be valid, this form must be received by the Registrar of the Company at the address given below not less than 48 hours before the time fixed for holding the meeting or adjourned meeting.
5. The proxy form should bear stamp duty of One Hundred dollars ($100.00) which may be in the form of adhesive stamp duly cancelled by the person signing the proxy form.

REGISTRAR AND TRANSFER AGENTS

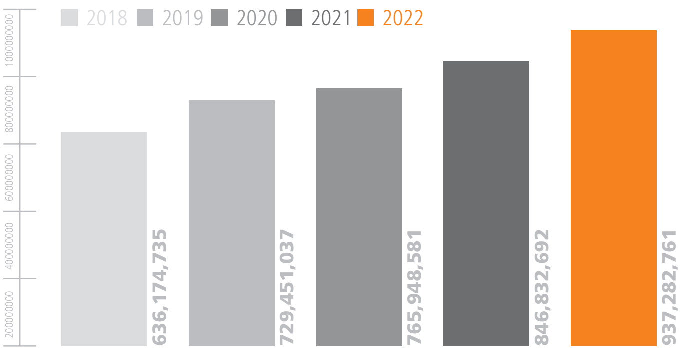
SAGICOR BANK JAMAICA LIMITED
R.Danny Williams Building, Pedestrian Mall, Ground Floor 28-48 Barbados Avenue, Kingston 5, Jamaica.

Executive Director's Report

Directors Report

The Directors of INDIES PHARMA JAMAICA LIMITED are pleased to present their Annual Report for the 12 months ending 31 October 2022.

Financial Highlights



Revenues grew by 47.3% from J$636.2M in 2018 to J$937.3M in fiscal year 2022.

J$'000	2018	2019	2020	2021	2022
REVENUES	**636,174,735**	**729,451,037**	**765,948,581**	**846,832,692**	**937,282,761**
COST OF SALES	(243,383,661)	(268,777,844)	(239,255,600)	(295,901,204)	(281,465,031)
GROSS PROFIT	**392,791,074**	**460,673,193**	**526,692,981**	**550,931,488**	**655,817,730**
Other operating income	813,221	782,450	1,863,400	7,493,026	3,837,635
	393,604,295	461,455,643	528,556,381	558,424,514	659,655,365
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PROFIT FROM OPERATION	**153,737,302**	**123,333,702**	**213,559,884**	**220,894,545**	**282,790,681**
Exchange Gain/(Loss)	(4,482,462)	4,707,387	4,304,727	14,763,441	(1,747,697)
Finance Cost- Loan Interest	(11,209,463)	(196,728)	(9,185,983)	(67,790,597)	(60,251,719)
NET PROFIT BEFORE TAXATION	**138,045,377**	**127,844,360**	**208,678,628**	**167,867,389**	**220,791,265**
Taxation	(18,344,089)	3,117,744	(2,029,220)	-	-
NET PROFIT FOR THE PERIOD	**119,701,288**	**130,962,104**	**206,649,408**	**167,867,389**	**220,791,265**
OTHER COMPREHENSIVE INCOME					
Gain on revaluation of fixed assets			70,713,884	288,463,201	0
Profit on Disposal of Fixed Asset		5,149,587	699,999	-	-
Total other comprehensive income		(338,121,941)	71,413,883	456,330,590	220,791,265
TOTAL COMPREHENSIVE INCOME	**119,701,288**	**136,111,691**	**278,063,291**	**456,330,590**	**220,791,265**

Executive Director's Report *(Continued)*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED 31 OCTOBER 2022

*Restated**

	Note	2022($)	2021($)
REVENUE	**6**	**937,282,761**	**846,832,692**
COST OF SALES	8	(281,465,031)	(295,901,204)
GROSS PROFIT		**655,817,730**	**550,931,488**
Other operating income	7	3,837,635	7,493,026
		659,655,365	558,424,514
Administrative and other expenses	8	(376,864,684)	(337,529,969)*
PROFIT FROM OPERATIONS		**282,790,681**	**220,894,545***
Exchange gain		(1,747,697)	14,763,441
Finance costs	9	(60,251,719)	(67,790,597)
NET PROFIT BEFORE TAXATION		220,791,265	167,867,389*
Taxation	10	-	-
NET PROFIT FOR THE YEAR		220,791,265	167,867,389*
OTHER COMPREHENSIVE INCOME:			
Item that will not be reclassified to profit or loss			
Gain on revaluation of fixed assets	22	-	288,463,201
TOTAL COMPREHENSIVE INCOME		220,791,265	456,330,590*
BASIC EARNINGS PER SHARE	11	**17¢**	**13¢**

List Of Directors

The Directors of the Company as of 31st October 2022 are:

- Dr. Guna S. Muppuri (Executive Chairman, CEO & Director)
- Mrs. Vishnu V Muppuri (Executive Director & COO)
- Mr. Lissant Mitchell (Mentor & Non-Executive Director)
- Mr. Kevin Donaldson (Non-Executive Director)
- Prof. Dr. Trevor McCartney (Non-Executive Director)
- Mr. Dev Kumar Singh (Non-Executive Director)

The Directors retiring by rotation in accordance with Regulation 99 of the Company's Articles of Incorporation are Messrs. Lissant Mitchell, Kevin Donaldson, Prof. Trevor McCartney and Dev Singh, who being eligible for re-election, offer themselves for re-election. But, being eligible, all will offer themselves for re-election.

Auditors

In furtherance of good corporate governance, the Board of Directors will propose that the office of Auditors of the Company be put to tender but, until the next fiscal year ending on 31st October 2023 the existing Auditors of the Company be continued.

We wish to thank all our customers, employees, agents and shareholders for their continued support and contribution to the Company's performance.

By Order of The Board

M. Vishnu Vandana

Vishnu Vandana Muppuri (Mrs)
Co-Founder, COO & Executive Director

Dated this
21st of April 2023.

Board of Directors

DR. GUNA MUPPURI
Executive Chairman, Director, Founder, President & CEO

An entrepreneur at heart, Dr. Guna Muppuri is a Medical Doctor by profession and the Founder of the Company. He has over 20 years' experience in the medical field inclusive of 15 years' experience as the founder and Chief Executive Officer of the Company. He currently sits on the Audit and Compensation committees of the Board.

Dr. Muppuri, holds a MBBS degree from the S.V University Medical College in Tirupati, India. He migrated to Jamaica in early 1992 and has worked in various capacities (private and public) as a medical officer in the Jamaican health care system.

He is also served as the President of the Business Process Industry Association of Jamaica and is a member of the Dean's Advisory Board for the School of Health Professions University of Alabama at Birmingham, USA, Member of the Board of Directors for The University of Common Wealth Caribbean (UCC) in Jamaica, is currently a Director of Bioprist Pharmaceuticals NA LLC, USA, Bioprist Holdings Inc., Bioprist Las Americas Limited, Bioprist Pharmaceuticals Limited (India), Bioprist (BPO ICT) Knowledge Parks, Bioprist Institute of Health and Medical Sciences – BIHMS and WINFRA Development Consortium Limited – Las Marinas Resort Condominiums & Winfra Homes.

In 2008, Dr. Muppuri received the 'Good Physician of the Year' inaugural award from the Medical Association of Jamaica, in 2015 he was nominated for the "Civic Leadership Award" by the American Chamber of Commerce, and in 2016 he was nominated for the "Entrepreneur of the Year Award" by the Jamaica Chamber of Commerce.

Dr. Muppuri also engages in other business ventures, including developing IT BPO Knowledge Parks and real estate.

Vishnu Muppuri is the Chief Operations Officer of the Company. She has over 14 years' experience with the Company in this capacity.

Mrs. Muppuri holds a Master of Science in Food and Nutrition Sciences (Honors) from Sri Venkateswara University, Tirupati, Andhra Pradesh, India. Following obtaining her masters degree in 1992, she lectured at the Sri Krishnaveni Junior College in Chittoor-Andhra, Pradesh, India in the Department of Food Science and Nutrition for 2 years prior to joining her life partner Dr. Guna Muppuri in 1994 in Jamaica.

She currently serves on the Board of Bioprist Group of companies in addition to Bioprist Pharmaceuticals North America, Bioprist Pharmaceuticals, India and GMP Greenfield India Limited.

VISHNU MUPPURI (Mrs.)
Co-Founder, Executive Director & Chief Operations Officer

Board of Directors *(Continued)*

Mr. LISSANT MITCHELL, MBA
Non-Executive Independent Director and Mentor

Mr. LISSANT L. MITCHELL, is an experienced financial services executive with a successful career spanning over twenty-five years at the senior management and executive levels. With tenures at local institutions as well as regional and international financial groups, he has a proven track record in designing and executing long term sustainable strategic priorities, change management, divestitures, mergers, acquisitions and share ownership privatization.

Mr. Mitchell has a Master's in Business Administration - Finance from the University of Manchester in the United Kingdom and a Bachelor of Science (Hons.) - Accounting with Economics from the University of the West Indies Mona, Jamaica.

A former Senior Vice President of Wealth Management at Scotiabank Group Jamaica Limited & former Chief Executive Officer at Scotia Investments Jamaica Limited (SIJL), Mr. Mitchell currently serves as a director of the National Insurance Fund Advisory Board, and Consolidated Bakeries Limited (PURITY), where he serves as Mentor for the Jamaica Stock Exchange Junior Market. He is also the Mentor for Future Energy Source Company Limited (FESCO). He has held directorships with the Jamaica Stock Exchange, SIJL and a number of companies within the Scotiabank Group locally and regionally.

Prof. McCartney is a non-executive director of the Company and sits on the Audit and Compensation committees of the Board.

He has over 30 years' experience as a General Surgeon and Administrator in the medical field. Since 1983, he has held the position of Consultant Surgeon with the St. Joseph's Hospital (Kingston), the Andrews Memorial Hospital (Kingston), the Nuttall Memorial Hospital, and the Maxfield Medical Centre.

Dr. McCartney is the Chairman of the Medical Relations Committee, Sagicor Jamaica Limited. He has previously held positions on the Boards of the Blue Cross of Jamaica, Kingston Public Hospital, South East Regional Health Authority, and the Medical Council of Jamaica. Dr. McCartney is a past student of the Faculty of Medical Sciences, University of the West Indies, and the University of Edinburgh, Scotland. He completed his residency in DM (Surgery) at the University of the West Indies. He also attended Jamaica College.

He is also a Medical Consultant to Guardian Life (Kingston). He previously held the positions of Consultant Surgeon (1983- 2007), Chairman, Department of surgery (1987-1992), and Senior Medical Officer (1989-2007) with the Kingston Public Hospital; and Consultant Surgeon and Medial Chief of Staff (2007-2015), Chief Executive Officer (2008-2013) and Honourary Consultant Surgeon (1983-2007) with the University Hospital of the West Indies.

Dr. McCartney is also the Chief of Medical Staff at the University Hospital of the West Indies, Deputy Dean and a Professor of Surgery at the Faculty of Medical Sciences, University of the West Indies, Mona. He previously served as Associate Senior Lecturer and Associate Lecturer in Surgery at the same institution.

Professor. TREVOR McCARTNEY, D.M., M.B.B.S, F.R.C.S, F.C.C.S
Non-Executive Independent Director

Board of Directors *(Continued)*

Mr. KEVIN ALEXIS DONALDSON, MBA
Non-Executive Independent Director

Mr. Kevin Donaldson is a non-executive director of the Company and sits on the Audit and Compensation committees of the Board.

He is the Principal and Founder of of Roots Financial Group and comes with 21 years of experience in the field of Banking and finance industry. His core competencies are Strategic Planning and Analysis, Corporate Finance and Capital Allocation, Financial Analysis and Valuation, Investment Management & Product Development & Team Building and Integration. Kevin Alexis Donaldson did MBA Banking & Finance from Mona School of Business and Management. BSc (Economics Special) from University of the West Indies.

Kevin Alexis Donaldson currently serves as the Director for Elite Diagnostics Limited listed on the Junior Market of Jamaica Stock Exchange. Formerly, he was also the Director of Advantage General Insurance Company, Jamaica Stock Exchange, Sagicor Select Fund of Sagicor Group.

He also worked as a Lecturer at Jamaica Institute of Management (2008 -2011) and was also a Mentor to University of the West Indies/Mona School of Business New Ventures Competition.

Mr Dev Kumar Singh is a non-executive director of the Company, currently employed in the capacity of COO at LEADING PHARMA LLC in New Jersey, United States of America.

A highly motivated, innovative and professional leader with proven track record in developing and executing a marketing program and building the organizations from scratch. Established green field pharma projects in India and UAE. He was the head of LIFE Pharma Dubai and was also part of the Sr. Management team at Jubilant Life Sciences Limited India, Accure Labs India where his role was pivotal in building midsize organizations to Global Pharma business.

He brings to the board his 24 years of experience in International Pharmaceuticals Formulations functions, Business Development, Marketing Strategies and Campaigns, establishing new projects including the green field pharma projects, General Management, P&L for the business, Product launches, Training and Consultations.

Commercially inclined senior leader who understands organizations wide imperatives, working with multicultural workforce in various countries, handling diverse projects / roles within Pharmaceutical Formulations sector.

Mr. DEV KUMAR SINGH, MBA
Non-Executive Independent Director

Corporate Data – Committees

Corporate Governance and Accountability

The Board has established the following committees in accordance with the Securities Act and regulations made thereunder, and Junior Market Rules of the JSE. The members of each committee of the Board and a summary of its terms of reference are as follows:

AUDIT AND COMPLIANCE COMMITTEE	TERMS OF REFERENCE
Mr. Lissant Mitchell (Independent Chairman) Mr. Kevin Donaldson (Independent Member) Prof. Trevor McCartney (Independent Member)	Oversight of good fiscal discipline, financial reporting, timely disclosure, and compliance.

COMPENSATION COMMITTEE	TERMS OF REFERENCE
Prof. Trevor McCartney (Independent Chairman) Mr. Kevin Donaldson (Independent Member) Mr. Lissant Mitchell (Independent Member) Mrs. Vishnu Muppuri (Member)	Oversight of the Company's remuneration arrangements of the Directors and senior officers.

INDIES PHARMA JAMAICA LIMITED
SHAREHOLDINGS OF THE TEN LARGEST SHAREHOLDERS AS AT 31 OCTOBER 2022

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	41,101,349	2.99%
Venugopal Naidu Kuntamukkala	23,171,070	1.74%
VM Wealth Equity Fund	18,013,411	1.03%
SAGICOR Select Fund Limited (Class C Shares) Manufacturing & Distribution	10,688,828	0.80%
Sagicor Pooled Equity Fund	8,172,077	0.61%
E Penny Barron	6,192,281	0.46%
NCB Capital Markets Ltd.	5,552,970	0.42%
JCSD Trustee Services Limited A/C Barita Unit Trust Capital Growth Fund	5,967,082	0.45%
TOTAL	**1,206,620,755**	**90.55%**
Other Minority Shareholders	125,915,894	9.45%
TOTAL ISSUED SHARES	**1,332,536,649**	**100%**

Corporate Data – Committees *(Continued)*

INDIES PHARMA JAMAICA LIMITED
AS AT 31 OCTOBER 2022

SHAREHOLDINGS OF DIRECTORS

	TOTAL SHAREHOLDINGS	DIRECT	CONNECTED PARTIES
DIRECTORS			
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			
Venice Williams-Gordon	NIL	-	-

MANAGEMENT HOLDINGS

SENIOR MANAGERS / EXECUTIVES	TOTAL SHAREHOLDINGS	DIRECT	CONNECTED PARTIES
Ricardo Stephenson	101,000	101,000	-
Sabrina Serrant	15,000	15,000	-
Dwight Brown	50,000	50,000	-

FINANCIAL INSTITUTIONS

- **SAGICOR BANK JAMAICA LIMITED**
- **NATIONAL COMMERCIAL BANK JAMAICA LIMITED**

PROFESSIONAL SERVICES

Legal Advisors
Chancellor & Co. / Attorneys-At-Law
ATT: Mr. Gordon Brown
6 East Street, White Sands Beach P.O.
Montego Bay, St. James
Tel: 876 940 4204 XTN 2102 / F: 876 940 4200
E-Mail: gordon.brown@chancellaw.com

External Auditors
BDO Chartered Accountants
ATT: Mr. Daswell Brown
Baywest Shopping Centre,
Montego Bay, St. James
Tel: 1-876-919-5128 / 876-952-2976 / 876-952-3078

CONTACT INFORMATION

Indies Pharma Jamaica Limited
Attention: Dr. Guna S. Muppuri, President & CEO
1A Pimento Way, Freeport, Montego Bay – St. James, Jamaica – West Indies.
Tel: 1-876-940-7984 / 876-940-7985 | Fax: 1-876-940-7980
E-Mail: guna.muppuri@indiespharma.com / businessinfo@indiespharma.com

Indies Pharma Jamaica Limited

Financial Statement 2022

DESCRIPTION	PAGE NO.

Independent Auditors’ Report

To the Members of
Indies Pharma Jamaica Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the company’s financial statements of Indies Pharma Jamaica Limited set out on pages 6 to 54 which comprise the group and the company’s statement of financial position at 31 October 2022, and the group and company’s statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the group and the company as at 31 October 2022, and of the group and company’s financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) and the requirements of the Jamaican Companies Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 group and the company in accordance with the International Ethics Standards Board for Accountants International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Measurement of Expected Credit Losses Refer to notes 3(g), 5(d) (ii) and 18 for management’s related accounting policies and disclosures The expected loss rates are based on the group’s historical credit losses experience over the period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information and macroeconomic factors affecting the ability of the customers to settle the receivables as well as probabilities of default representing the likelihood of a customer defaulting on its obligation over the next twelve months or over the remaining lifetime of the obligation. The group has identified the inflation rate of the country and economic variables as impactful on economic outcomes of the customer, and accordingly adjusts the historical loss rates based on estimated changes in these factors. Additionally, the uncertainty surrounding the economic impact of COVID-19 could result in a significant increase in credit risk (SICR) for customers based on the assessment of the industry sector in which the customer operates and other impactful factors. In the event of a SICR, a provision is required for ECL resulting from the possible default events over the expected life of the financial instrument (‘lifetime ECL’). The estimation and application of forward looking information is highly subjective and requires management to make significant judgement and estimates hence our focus on the area	Our audit procedures included: • Assessing the appropriateness of management’s assumptions and compliance with the requirements of IFRS 9, Financial Instruments. • Assessing the reasonableness of the methodologies and assumptions applied by validating the completeness of the inputs used to derive the loss rates used in determining the ECLs for trade receivables and other financial instruments. • Testing the aging of accounts receivable and testing the accuracy of the ECL calculation. • Assessment of the adequacy of disclosures in the financial statements. Based on the results of the procedures performed, no adjustment was considered.

Key audit matter	How our audit addressed the key audit matter
Capitalization of development costs related to pharmaceutical products as intangible assets and subsequent valuation Refer to notes 3 (q) and 12 for management's related accounting policies and disclosures Capitalized development costs amount to $379,311,777 as at 31 October 2022. Development costs comprise the expenditure under contracts to develop pharmaceutical products for the market. The group capitalizes the products' development costs upon meeting the criteria as described in IAS 38. Capitalization criteria assessment under IAS 38 requires significant judgment and measurement uncertainty at inception and throughout the life of the products' development stages. Judgements involved determination of the eligibility of the costs for capitalization and assessment by management of expectations and estimates of future outcomes.	Our audit procedures included, amongst others, review of the contracts for development of the products, assessment of the eligibility of the development costs for capitalization as intangible asset under IAS 38, performance of substantive test of details of the capitalized development costs and evaluating the assumptions and methodologies used by the group to test management's expectations and estimates of future economic cash flows as well as considerations of impairment. Based on the audit evidence we have gathered we are satisfied that management has reached its conclusions appropriately.

Other information

Management is responsible for the other information. The other information comprises the Annual Report but does not include the consolidated and stand-alone financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this auditors' report.

Our opinion on the consolidated and stand-alone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated and stand-alone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and stand-alone financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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

Management is responsible for preparation of financial statements that give a true and fair view in accordance with IFRS and the Jamaican Companies Act, 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 group'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 group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the group'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

Independent Auditors' Report *(Continued)*

is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it 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 ISAs, we exercise professional judgment and maintain professional scepticism 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 group and 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 group and 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 group 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 presents a true and fair view.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on additional matters as required by the Jamaican Companies Act

We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit.

In our opinion, proper accounting records have been kept, so far as appears from our examination of those records, and the financial statements, which are in agreement therewith, give the information required by the Jamaican Companies Act, in the manner required.

The engagement partner on the audit resulting in this independent auditors' report is Donna Hobson.

BDO Jamaica
Chartered Accountants
10 February 2023

Consolidated Statement Of Profit Or Loss And Other Comprehensive Income

Year Ended 31 October 2022

	Note	2022($)	Restated* 2021($)
REVENUE	**6**	**937,282,761**	**846,832,692**
COST OF SALES	8	(281,465,031)	(295,901,204)
GROSS PROFIT		**655,817,730**	**550,931,488**
Other operating income	7	3,837,635	7,493,026
		659,655,365	558,424,514
Administrative and other expenses	8	(376,864,684)	(337,529,969)*
PROFIT FROM OPERATIONS		**282,790,681**	**220,894,545***
Exchange gain		(1,747,697)	14,763,441
Finance costs	9	(60,251,719)	(67,790,597)
NET PROFIT BEFORE TAXATION		**220,791,265**	**167,867,389***
Taxation	10	-	-
NET PROFIT FOR THE YEAR		220,791,265	167,867,389*
OTHER COMPREHENSIVE INCOME:			
Item that will not be reclassified to profit or loss			
Gain on revaluation of fixed assets	22	-	288,463,201
TOTAL COMPREHENSIVE INCOME		**220,791,265**	**456,330,590***
BASIC EARNINGS PER SHARE	**11**	**17¢**	**13¢**

Consolidated Statement Of Financial Position

31 October 2022

	Note	2022($)	Restated* 2021($)	Restated* 2020($)
ASSETS				
NON-CURRENT ASSETS				
Intangible assets	12	379,311,777	317,628,968	114,698,809
Right-of-use assets	13	2,019,016	39,620,932	77,222,845
Investment	15	79,442,695	146,751,564	147,500,000
Property, plant and equipment	16	947,382,946	940,252,921	627,781,814
Related companies	17	21,008,331	18,940,932	62,145,502
		1,429,164,765	**1,463,195,317**	**1,029,348,970**
CURRENT ASSETS				
Inventories		175,509,630	222,596,257	146,520,962
Receivables	18	166,804,086	161,479,266	221,599,270
Taxation recoverable		1,094,346	774,306	632,834
Directors' current account	19	41,021,965	756,146	70,207,316
Cash and bank balances	20	234,633,949	187,744,545	313,648,274
		619,063,976	**573,350,520**	**752,608,656**
		2,048,228,741	**2,036,545,837**	**1,781,957,626**
EQUITY AND LIABILITIES				
EQUITY				
Share capital	21	244,576,999	244,576,999	244,576,999
Capital reserve	22	458,484,190	458,484,190	182,337,065
Retained earnings		453,902,474	383,687,850	350,083,416*
		1,156,963,663	**1,086,749,039**	**776,997,480**
NON-CURRENT LIABILITIES				
Lease liabilities	13	1,249,523	-	50,936,651*
Long term loan	23	805,000,000	805,000,000	805,000,000
Related companies	17	24,538,994	46,595,363	27,342,633
		830,788,517	**851,595,363**	**883,279,284**
CURRENT LIABILITIES				
Payables	24	51,391,655	48,185,982	79,673,603
Short term borrowings	25	7,864,823	3,437,700	6,150,445
Current portion of lease liabilities	13	1,220,083	46,577,753	35,856,814
		60,476,561	**98,201,435**	**121,680,862**
		2,048,228,741	**2,036,545,837**	**1,781,957,626**

Approved for issue by the Board of Directors on 10 February 2023 and signed on its behalf by:

M. Guna

Guna Sekhar Muppuri
– Director

INDIES PHARMA JAMAICA LIMITED
SEAL

M. Vishnu Vandana

Vishnu Vandana Muppuri
– Director

Consolidated Statement Of Changes In Equity

Year Ended 31 October 2022

	Note	Number of Stock Units ($)	Share Capital ($)	Capital Reserve ($)	Retained Earnings ($)	Total ($)
BALANCE AT 31 OCTOBER 2020 As previously stated		1,332,536,649	244,576,999	182,337,065	359,825,109	786,739,173
Correction of error	29	-	-	-	(9,741,693)	(9,741,693)
BALANCE AT 31 OCTOBER 2020 As restated		1,332,536,649	244,576,999	182,337,065	350,083,416	776,997,480
TOTAL COMPREHENSIVE INCOME						
Net profit		-	-	-	178,564,371	178,564,371
Prior year adjustment	29	-	-	-	(10,696,982)	(10,696,982)
As restated		-	-	-	167,867,389	167,867,389
Reclassification		-	-	(12,316,076)	12,316,076	-
Other comprehensive income		-	-	288,463,201	-	288,463,201
		-	-	276,147,125	180,183,465	456,330,590
TRANSACTION WITH OWNERS						
Dividends	26	-	-	-	(146,579,031)	(146,579,031)
BALANCE AT 31 OCTOBER 2021 As restated		1,332,536,649	244,576,999	458,484,190	383,687,850	1,086,749,039
TOTAL COMPREHENSIVE INCOME						
Net profit		-	-	-	220,791,265	220,791,265
TRANSACTION WITH OWNERS						
Dividends	26	-	-	-	(150,576,641)	(150,576,641)
BALANCE AT 31 OCTOBER 2022		1,332,536,649	244,576,999	458,484,190	453,902,474	1,156,963,663

Consolidated Statement Of Cash Flows

Year Ended 31 October 2022

	Note	2022($)	2021($)
			*Restated**
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit		220,791,265	167,867,389*
Items not affecting cash resources:			
Gain on disposal of property, plant and equipment		(1,877,500)	(2,397,248)
Depreciation – right of use assets		37,601,916	37,601,913
Depreciation		19,239,227	16,129,857
Interest income	7	(945,902)	(4,835,943)
Interest expense	9	56,195,583	61,373,300
Interest expense – right-of-use assets	9	4,056,136	6,417,297
Taxation expense	10	-	-
		335,060,725	**282,156,565**
Changes in operating assets and liabilities			
Inventories		47,086,627	(76,075,295)
Receivables		(5,324,820)	60,120,004
Payables		3,205,671	(31,487,620)
Related companies		(24,123,768)	62,457,300
Directors' current account		(40,265,818)	69,451,170
Taxation recoverable		(320,040)	(141,472)
Cash provided by operating activities		**315,318,577**	**366,480,652**
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	7	945,902	4,835,943
Purchase of property, plant and equipment	16	(26,369,252)	(40,716,515)
Purchase of intangible assets		(61,682,809)	(202,930,159)
Disposal of investment		67,308,869	748,436
Proceeds from disposal of property, plant and equipment		1,877,500	2,976,000
Cash used in investing activities		**(17,919,790)**	**(235,086,295)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(56,195,583)	(61,373,300)
Borrowing		3,431,817	599,264
Dividends paid	26	(150,576,641)	(146,579,031)
Lease payments/(liabilities)		(48,164,282)	(46,633,009)*
Cash used in financing activities		**(251,504,689)**	**(253,986,076)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**45,894,098**	**(122,591,719)**
Cash and cash equivalents at beginning of year		187,744,545	310,336,264
CASH AND CASH EQUIVALENTS AT END YEAR	**20**	233,638,643	187,744,545

Statement Of Profit or Loss and Other Comprehensive Income

Year Ended 31 October 2022

*Restated**

	Note	2022($)	2021($)
REVENUE	**6**	**937,282,761**	**846,832,692**
COST OF SALES	8	(281,465,031)	(295,901,204)
GROSS PROFIT		**655,817,730**	**550,931,488**
Other operating income	7	3,837,635	7,493,026
		659,655,365	558,424,514
Administrative and other expenses	8	(374,683,711)	(334,755,796)*
PROFIT FROM OPERATIONS		**284,971,654**	**223,668,718***
Exchange (loss)/gain		(1,747,697)	14,763,441
Finance costs	9	(60,251,719)	(67,790,597)
NET PROFIT BEFORE TAXATION		**222,972,238**	**170,641,562***
Taxation	10	-	-
TOTAL COMPREHENSIVE INCOME		**222,972,238**	**170,641,562***

Statement Of Financial Position

31 October 2022

	Note	2022($)	Restated* 2021($)	Restated* 2020($)
ASSETS				
NON-CURRENT ASSETS				
Intangible assets	12	379,311,777	317,628,968	114,698,809
Right-of-use asset	13	2,019,016	39,620,932	77,222,845
Investment in subsidiary	14	100	100	100
Investment	15	79,442,695	146,751,564	147,500,000
Property, plant and equipment	16	168,704,949	169,833,691	151,245,015
Related companies	17	445,359,290	430,648,568	444,375,684
		1,074,837,827	**1,104,483,823**	**935,042,453**
CURRENT ASSETS				
Inventories		175,509,630	222,596,257	146,520,962
Receivables	18	166,804,086	161,479,266	222,599,270
Taxation recoverable		1,094,346	774,306	632,834
Directors' current account	19	41,021,964	756,146	70,207,316
Cash and bank balances	20	234,633,949	187,744,545	313,648,274
		619,063,975	**573,350,520**	**752,608,656**
		1,693,901,802	**1,677,834,343**	**1,687,651,109**
EQUITY AND LIABILITIES				
EQUITY				
Share capital	21	244,576,999	244,576,999	244,576,999
Capital reserve	22	99,307,105	99,307,105	111,623,181
Retained earnings		459,557,620	387,162,023	350,783,416*
		803,441,724	**731,046,127**	**706,983,596**
NON-CURRENT LIABILITIES				
Lease liabilities	13	1,249,523	-	50,936,651*
Long term loan	23	805,000,000	805,000,000	805,000,000
Related companies	17	24,538,994	44,286,781	3,750,000
		830,788,517	**849,286,781**	**859,686,651**
CURRENT LIABILITIES				
Payables	24	50,586,655	47,485,982	78,973,603
Short term borrowings	25	7,864,823	3,437,700	6,150,445
Current portion of lease liabilities	13	1,220,083	46,577,753	35,856,814
		59,671,561	**97,501,435**	**120,980,862**
		1,693,901,802	**1,677,834,343**	**1,687,651,109**

Approved for issue by the Board of Directors on 10 February 2023 and signed on its behalf by:

Guna Sekhar Muppuri
– Director

INDIES PHARMA JAMAICA LIMITED SEAL

Vishnu Vandana Muppuri
– Director

Statement Of Changes In Equity

Year Ended 31 October 2022

	Note	Number of Stock Units ($)	Share Capital ($)	Capital Reserve ($)	Retained Earnings ($)	Total ($)
BALANCE AT 31 OCTOBER 2020 As previously stated		1,332,536,649	244,576,999	111,623,181	360,525,109	716,725,289
Correction of error	29	-	-	-	(9,741,693)	(9,741,693)
BALANCE AT 31 OCTOBER 2020 As restated		1,332,536,649	244,576,999	111,623,181	350,783,416	706,983,596
TOTAL COMPREHENSIVE INCOME						
Net profit		-	-	-	181,338,544	181,338,544
Prior year adjustment	29	-	-	-	(10,696,982)	(10,696,982)
As restated		-	-	-	170,641,562	170,641,562
Reclassification		-	-	(12,316,076)	12,316,076	-
		-	-	(12,316,076)	182,957,638	170,641,562
TRANSACTION WITH OWNERS						
Dividends	26	-	-	-	(146,579,031)	(146,579,031)
BALANCE AT 31 OCTOBER 2021 As restated		1,332,536,649	244,576,999	99,307,105	387,162,023	731,046,127
TOTAL COMPREHENSIVE INCOME						
Net profit		-	-	-	222,972,238	222,972,238
TRANSACTION WITH OWNERS						
Dividends	26	-	-	-	(150,576,641)	(150,576,641)
BALANCE AT 31 OCTOBER 2022		1,332,536,649	244,576,999	99,307,105	459,557,620	803,441,724

Statement Of Cash Flows

Year Ended 31 October 2022

	Note	2022($)	2021($) Restated*
CASH FLOWS FROM OPERATING ACTIVITIES			
Net profit		222,972,238	170,641,562*
Items not affecting cash resources:			
Gain on sale of fixed assets		(1,877,500)	(2,397,248)
Depreciation – right-of-use assets		37,601,916	37,601,913
Depreciation		19,239,227	16,129,857
Interest income	7	(945,902)	(4,835,943)
Interest expense	9	56,195,583	61,373,300
Interest expenses – right-of-use assets	9	4,056,136	6,417,297
Taxation expense	10	-	-
		337,241,698	**284,930,738**
Changes in operating assets and liabilities			
Inventories		47,086,627	(76,075,295)
Receivables		(5,324,820)	60,120,004
Payables		3,100,672	(31,487,620)
Related companies		(34,458,509)	54,263,897
Directors' current account		(40,265,818)	69,451,170
Taxation recoverable		(320,040)	(141,472)
Cash provided by operating activities		**307,059,810**	**361,061,422**
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	7	945,902	4,835,943
Disposal of investment		67,308,869	748,436
Purchase of property, plant and equipment	16	(18,110,485)	(35,297,285)
Purchase of intangible assets		(61,682,809)	(202,930,159)
Proceed from disposal of property, plant and equipment		1,877,500	2,976,000
Cash used in investing activities		**(9,661,023)**	**(229,667,065)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid		(56,195,583)	(61,373,300)
Borrowing		3,431,817	599,264
Dividends paid	26	(150,576,641)	(146,579,031)
Lease payments/liabilities		(48,164,282)	(46,633,009)*
Cash used in financing activities		**(251,504,689)**	**(253,986,076)**
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS		**45,894,098**	**(122,591,719)**
Cash and cash equivalents at beginning of year		187,744,545	310,336,264
CASH AND CASH EQUIVALENTS AT END YEAR	**20**	233,638,643	187,744,545

1. IDENTIFICATION AND PRINCIPAL ACTIVITIES

a. Indies Pharma Jamaica Limited ("the company") is a limited liability company incorporated and domiciled in Jamaica. The registered office of the company is 1a Pimento Way, Freeport, Montego Bay, St. James.

b. The principal activity of the company is the distribution and retailing of pharmaceutical and auxiliary products.

c. On 15 August 2018, Indies Pharma Jamaica Limited became a public listed entity on the Junior Market of the Jamaica Stock Exchange. Consequently, the company is entitled to a remission of income taxes for ten (10) years providing it complies with the requirements of the Jamaica Stock Exchange for the Junior Market.

d. The principal activity of the subsidiary is real estate development.

2. FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the financial statements of the group are measured using the currency of the primary economic environment in which the group operates ('the functional currency'). These financial statements are presented in Jamaican dollars, which is considered the group's functional and presentation currency, unless otherwise stated.

3. SIGNIFICANT ACCOUNTING POLICIES

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

(a) Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), and have been prepared under the historical cost convention. They are also prepared in accordance with requirements of the Jamaican Companies Act.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the group's accounting policies. Although these estimates are based on management's best knowledge of current events and action, actual results could differ from those estimates. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in Note 4.

New, revised and amended standards and interpretations that became effective during the year

Certain new standards, interpretations and amendments to existing standards have been published that became effective during the current financial year. The group has assessed the relevance of all such new standards, interpretations and amendments and has concluded that the following new standards, interpretations and amendments are immediately relevant to its operations.

IFRS 16, 'Leases' – Covid-19 related rent concessions (effective for accounting periods beginning on or after 1 April 2021). As a result of the COVID-19 pandemic, rent concessions have been granted to lessees. Such concessions might take a variety of forms, including payment holidays and deferral of lease payments. In May 2021, the IASB made an amendment to IFRS 16, 'Leases' which provides lessees with an option to treat qualifying rent concessions in the same way as they would if they were not lease modifications. In many cases, this will result in accounting for the concessions as variable lease payments in the period in which they are granted. The adoption of these amendments did not have a significant impact on the group.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (effective for accounting periods beginning on or after 1 January 2021). These address issues that might affect financial reporting during the reform of an interest rate benchmark, including the effects of changes to contractual cash flows or hedging relationships arising from the replacement of an interest rate benchmark with an alternative benchmark rate (replacement issues). Major changes:

- Added a practical expedient that enables a company to account for a change in the contractual cash flows that are required by the reform by updating the effective interest rate to reflect, for example, the change in an interest rate benchmark from IBOR to an alternative benchmark rate.
- Provide relief from specific hedge accounting requirements.

There was no impact on the group's financial statements from the adoption of this amendment.

New standards, amendments and interpretations not yet effective and not early adopted

Amendment to IAS 16, 'Property, Plant and Equipment' (effective for accounting periods beginning on or after 1 January 2022). This amendment prohibits an entity from deducting from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use. Instead, the entity will recognize such sales proceeds and related cost in profit or loss. It also clarifies that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset. The financial performance of the asset is not relevant to this assessment. Entities must disclose separately the amounts of proceeds and costs relating to items produced that are not an output of the entity's ordinary activities. The group will assess the impact of future adoption of this amendment on its financial statements.

Amendments to IAS 1, 'Presentation of Financial Statements' on Classification of Liabilities (effective for accounting periods beginning on or after 1 January 2023). These narrow-scope amendments to IAS 1, 'Presentation of Financial Statements', clarify that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectation of the entity or events after the reporting date (for example, the receipt of a waiver or a breach of covenant). The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The group will assess the impact of future adoption of this amendment on its financial statements.

Annual Improvements 2018-2020 (effective for accounting periods beginning on or after 1 January 2022). The IASB issued its Accounting Improvements to IFRSs 2018 – 2020 cycle amending a number of standards, of which the following are relevant to the company: IFRS 9, 'Financial Instruments' to clarify the fees that should be included in the 10% test for derecognition of financial liabilities; IFRS 16, 'Leases', which was amended to remove the reimbursement of payments from the lessor relating to leasehold improvements, to remove any confusion about the treatment of lease incentives. The adoption of this amendment is not expected to have a significant impact on the group.

Amendments to IAS 1 and IAS 8 on the definition of material (effective for accounting periods beginning on or after 1 January 2023). These amendments to IAS 1 'Presentation of Financial Statements', and IAS 8, 'Accounting Policies, Changes in Accounting Estimates and Errors', and consequential amendments to other IFRSs: (i) use a consistent definition of materiality throughout IFRSs and the conceptual Framework for Financial Reporting; (ii) clarify the explanation of the definition of material; and (iii) incorporate some of the guidance in IAS 1 about immaterial information. The adoption of this standard is not expected to have a significant impact on the group.

Amendment to IAS 37, 'Provisions, Contingent Liabilities and Contingent Assets', (effective for accounting periods beginning on or after 1 January 2022). This amendment clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognizing a separate provision for an onerous contract, the entity recognizes any impairment loss that has occurred on assets used in fulfilling the contract. The adoption of this amendment is not expected to have a significant impact on the group.

Amendment to IFRS 3, 'Business Combinations', (effective for accounting periods beginning on or after 1 January 2022). This amendment updates the reference to the Conceptual Framework for Financial Reporting and adds an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37, Provisions, Contingent Liabilities and Contingent Assets' and Interpretation 21, 'Levies'. The amendment also confirms that contingent assets should not be recognized at the acquisition date. The group will apply this amendment to future business combinations.

The group does not expect any other standards or interpretations issued by the IASB, but not yet effective, to have a material effect on its financial position.

(b) Basis of consolidation

A subsidiary is an enterprise controlled by the company. Control exists when the company has the power, directly or indirectly, to govern the financial and operating policies of an enterprise so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable or convertible are taken into account. The financial statements of the subsidiary are included in the consolidated financial statements from the date control commences until the date that control ceases. The consolidated financial statements include the financial statements of the company and its wholly-owned subsidiary, Indies Pharma Business Park Limited. The company and its subsidiary are collectively referred to as the group. The parent company currently administers the affairs of the subsidiary, handles its banking transactions and bears the related expenses. Balances and transactions between companies within the group, and any unrealized gains arising from those transactions, are eliminated in preparing the consolidated financial statements.

(c) Foreign currency translation

Foreign currency transactions are accounted for at the exchange rates prevailing at the dates of the transactions.

Monetary items denominated in foreign currency are translated to Jamaican dollars using the closing rate as at the reporting date. Non-monetary items measured at historical cost denominated in a foreign currency are translated using the exchange rate as at the date of initial recognition; non-monetary items in a foreign currency that are measured at fair value are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising from the settlement of transactions at rates different from those at the dates of the transactions and unrealized foreign exchange differences on unsettled foreign currency monetary assets and liabilities are recognized in profit or loss. Translation differences on non-monetary financial instruments, such as equities classified as available-for-sale financial assets, are included in equity.

(d) Property, plant and equipment

Items of property, plant and equipment are recorded at historical cost, less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Freehold land and buildings are subsequently carried at fair value, based on periodic valuations by a professionally qualified valuer. These revaluations are made with sufficient regularity to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. Changes in fair value are recognised in other comprehensive income and accumulated in capital reserve except to the extent that any decrease in value in excess of the credit balance on the revaluation surplus, or reversal of such a transaction, is recognised in profit or loss.

Depreciation is calculated on the straight line basis at such rate as will write off the carrying value of the assets over the period of their expected useful lives. Land is not depreciated. The annual rates are as follows:

Freehold buildings	2½%
Plant, machinery, furniture, fixtures and equipment	10%
Motor vehicles	20%
Computer equipment	22½%

At the date of revaluation, the accumulated depreciation on the revalued freehold property is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset. On disposal of the asset the balance of the revaluation reserve is transferred to retained earnings.

(e) Inventories

Inventories are stated at the lower of cost and fair value less costs to sell, cost being determined on the first-in, first-out basis. Fair value less costs to sell is the estimated selling price in the ordinary course of business, less selling expenses. Obsolete inventory is expensed in cost of sales.

(f) Impairment of non-current assets

Property, plant and equipment and other non-current assets are reviewed for impairment losses whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the carrying amount of the assets exceeds its recoverable amount, which is the greater of an asset's net selling price and value in use. For the purpose of assessing impairment, assets are grouped at the lowest level for which there are separately identified cash flows. Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

(g) Financial instruments

A financial instrument is any contract that gives rise to both a financial asset for one entity and a financial liability or equity of another entity.

Financial assets

i. Recognition and derecognition

Financial assets are initially recognised on the settlement date, which is the date that an asset is delivered to the group. This includes regular purchases of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

The group derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred, or it neither transfers nor retains all or substantially all the risks and rewards of ownership and does not retain control over the transferred asset. Any interest in such de-recognized financial assets that is created or retained by the group is recognized as a separate asset or liability.

ii. Classification

The group classifies all of its financial instruments at initial recognition based on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, except in the case of financial assets recorded at fair value through profit or loss (FVPL), transaction costs are added to, or subtracted from, this amount.

The group classifies its financial assets as those measured at fair value through profit or loss and amortized cost.

iii. Measurement

Fair value through profit or loss: These are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of comprehensive income in the finance income or expense line. The group does not have any assets held for trading nor does it voluntarily classify any financial assets as being at fair value through profit or loss.

Amortized cost: These assets arise principally from the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of financial assets where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest (SPPI). They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortized cost using the effective interest rate method, less provision for impairment.

The group's financial assets measured at amortized cost comprise trade and other receivables, short term deposits and cash and cash equivalents in the statement of financial position.

Cash and cash equivalents are carried in the statement of financial position at fair value. For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank and in hand, net of bank overdraft.

iv. Impairment

Impairment provisions for current and non-current trade receivables are recognized based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognized within the statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognized based on a forward looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognized. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognized. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognized.

Financial liabilities

The group's financial liabilities are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost using the effective interest method. At the reporting date, the following items were classified as financial liabilities: payables, long term loan, related company balances and lease liabilities.

The group derecognises a financial liability when its contractual obligations expire or are discharged or cancelled.

(h) Share capital

Ordinary shares are classified as equity. Incremental cost directly attributed to the issue of ordinary shares are recognized as a deduction from equity.

(i) Right-of-use assets

Right-of-use assets are initially measured at an amount equal to the initial value of the lease obligation which is subsequently, adjusted for the following items:

i. Any lease payments made at or before the commencement date, less any lease incentives received;
ii. Any initial direct costs incurred by the group;
iii. An estimate of costs to dismantle and remove the underlying asset or to restore the site on which the asset is located.

For short-term leases that have a lease term of 12 months or less and low-value assets, the group has elected to not recognize a lease obligation and right-of-use asset and instead will recognize a lease expense as permitted under IFRS 16.

Right-of-use assets are depreciated using the straight-line method from the date of commencement of the lease to the earlier of the end of the useful life of the asset or end of the lease term.

Under IFRS 16, right-of-use assets are tested for impairment in accordance with IAS 36, Impairment of Assets, which replaces the previous requirement to recognize a provision for onerous lease contracts under IAS 37, Provisions, Contingent Liabilities and Contingent Assets.

(j) Investment in subsidiaries

Investment by the company in its subsidiary is stated at cost.

(k) Dividend distribution

Dividends are recorded as a deduction from equity and recognized as a liability in the company's financial statements in the period in which the dividends are declared or approved. In the case of interim dividends to shareholders, this is when declared by the directors and final dividends when approved by the company's shareholders.

Dividend for the year that are declared after the reporting date are dealt with in the subsequent events note.

(l)Borrowings

Borrowings are recognized initially at the proceeds received, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost using the effective yield method. Any difference between proceeds, net of transaction costs, and the redemption value is recognized in profit or loss over the period of the borrowings.

(m) Provisions

Provisions are recognized when the group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole.

Provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

(n) Current and deferred income taxes

Current tax charges are based on taxable profits for the year, which differ from the profit before tax reported because taxable profits exclude items that are taxable or deductible in other years, and items that are never taxable or deductible. The group's liability for current tax is calculated at tax rates that have been enacted at the reporting date.

Deferred tax is the tax that is expected to be paid or recovered on differences between the carrying amounts of assets and liabilities and the corresponding tax bases. Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the reporting date and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilized.

Deferred tax is charged or credited to profit or loss, except where it relates to items charged or credited to other comprehensive income or equity, in which case deferred tax is also dealt with in other comprehensive income or equity.

(o) Employee benefits

Employee benefits include current and short term benefits such as salaries, statutory contributions paid, annual vacation and sick leave and non-monetary benefits such as medical care.

(p) Revenue recognition

The group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefit will flow to the entity and when specific criteria have been met. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances and discounts.

Interest income is recognized in the statement of comprehensive income for all interest bearing instruments on an accrual basis unless collectability is doubtful.

(q) Intangible assets

Intangible assets represent products being developed and are shown at cost incurred which will be amortized to profit or loss on commencement of commercial production and selling over the years on the straight line basis.

(r) Leases

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the group.

Assets and liabilities arising from a lease are initially measured on a present value basis.

The right-of-use asset is depreciated using the straight line method from the commencement date to the end of the lease term.

Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivable
- Payment of penalties for terminating the lease, if the lease reflects the group exercising that option.

The lease liability is measured at amortized cost using the effective interest method.

(s) Segment reporting

An operating segment is a component of the group that engages in business activities from which it may earn revenues and incur expenses and for which discrete financial information is available. The operating results are regularly reviewed by the entity's Chief Operating Decision Maker (CODM) to assess its performance and to make decisions about resources to be allocated to the segment. The CODM has been identified as the Board of Directors, in particular, to the executive members, who make strategic decisions.

Based on the internal management reports presented to and reviewed by the CODM, the entire operations of the group are considered as one operating segment.

4. CRITICAL ACCOUNTING JUDGEMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

Judgements and estimates are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

(a) Critical judgements in applying the group's accounting policies

In the process of applying the group's accounting policies, management has not made any judgements that it believes would cause a significant impact on the amounts recognized in the financial statements.

(b) Key sources of estimation uncertainty

The group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts and assets and liabilities within the next financial year are discussed below:

i. Depreciable assets

Estimates of the useful life and the residual value of property, plant and equipment are required in order to apply an adequate rate of transferring the economic benefits embodied in these assets in the relevant periods. The group applies a variety of methods in an effort to arrive at these estimates from which actual results may vary. Actual variations in estimated useful lives and residual values are reflected in profit or loss through impairment or adjusted depreciation provisions.

ii. Net realizable value of inventories

Estimates of net realizable value are based on the most reliable evidence available at the time the estimates are made, of the amount the inventories are expected to realize. The estimates take into consideration fluctuations of price or cost directly relating to events occurring after the end of the period to the extent that such events confirm conditions existing at the end of the period, Estimates of net realizable value also take into consideration the purpose for which the inventory is held.

iii. Allowance for expected credit losses on receivables

In determining amounts recorded for impairment of accounts receivable in the financial statements, management makes judgements regarding indicators of impairment, that is, whether there are indicators that suggest there may be a measurable decrease in the estimated future cash flows from accounts receivable, for example, repayment default and adverse economic conditions.

Management also makes estimates of the likely estimated future cash flows from impaired accounts receivable, as well as the timing of such cash flows. Expected credit losses (ECL) is applied to determine impairment of financial assets. When measuring ECL, the group considers the maximum contractual period over which the group is exposed to credit risk. All contractual terms are considered when determining the expected life. The expected life is estimated based on the period over which the group is exposed to credit risk and where the credit losses would be mitigated by management actions.

5. FINANCIAL RISK MANAGEMENT

The group is exposed through its operations to the following financial risks:

- Credit risk
- Fair value or cash flow interest rate risk
- Foreign exchange risk
- Market risk, and
- Liquidity risk

In common with all other businesses, the group's activities expose it to a variety of risks that arise from its use of financial instruments. This note describes the group's objectives, policies and processes for managing those risks to minimize potential adverse effects on the financial performance of the group and the methods used to measure them.

There have been no substantive changes in the group's exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure them unless otherwise stated in this note.

(a) Principal financial instruments

The principal financial instruments used by the group, from which financial instrument risk arises, are as follows:

- Trade receivables
- Cash and bank balances
- Trade and other payables
- Due to and from related parties
- Bank overdraft
- Borrowings

(b) Financial instruments by category

	The Group	
	2022($)	**2021($)**
Financial assets – loans and receivables		
Related parties	21,008,331	18,940,932
Investment	79,442,695	146,751,564
Cash and bank balances	234,633,949	187,744,545
Receivables	166,804,086	161,479,266
Total financial assets	**501,889,061**	**514,916,307**
Financial liabilities – at amortized cost		
Payables	51,391,655	48,185,982
Loans and borrowings	812,864,823	808,437,700
Related parties	24,538,994	46,595,363
Total financial liabilities	**888,795,472**	**903,219,045**

	The Company	
	2022($)	**2021($)**
Financial assets – loans and receivables		
Related parties	445,359,290	430,648,568
Investment	79,442,695	146,751,564
Cash and bank balances	234,633,949	187,744,545
Receivables	166,804,086	127,525,387
Total financial assets	**926,240,020**	**892,670,064**
Financial liabilities – at amortized cost		
Payables	50,586,655	34,869,330
Loans and borrowings	812,864,823	808,437,700
Related parties	24,538,994	44,286,781
Total financial liabilities	**887,990,472**	**887,593,811**

(c) Financial instruments not measured at fair value

Financial instruments not measured at fair value includes, cash and cash equivalents, receivables, related party balances, payables and long term liabilities.

Due to their short-term nature, the carrying value of cash and cash equivalents, receivables and payables approximates their fair value.

(d) Financial risk factors

The Board of Directors has overall responsibility for the determination of the group's risk management objectives and policies and, whilst retaining ultimate responsibility for them, it has delegated the authority for designing and operating processes that ensure the effective implementation of the objectives and policies to the group's finance function. The Board receives monthly reports from the financial controller through which it reviews the effectiveness of the process put in place and the appropriateness of the objective and policies it sets.

Notes To The Financial Statements *(Continued)*

The overall objective of the Board is to set policies that seek to reduce risk as far as possible without unduly affecting the group's competitiveness and flexibility. Further details regarding these policies are set out below:

i. Market risk

Currency risk: Currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

Currency risk arises from US dollar cash and bank balances. The group manages this risk by ensuring that the net exposure in foreign assets and liabilities is kept to an acceptable level by monitoring currency positions. The group further manages this risk by maximizing foreign currency earnings and holding net foreign currency assets.

Concentration of currency risk: The group is exposed to foreign currency risk in respect of US dollar cash and bank and payables balances amounting to $219,000,383 (2021: $179,312,243) and $4,315,906 (2021: $17,901,860) respectively.

Foreign currency sensitivity: The following table indicates the sensitivity of profit before taxation to changes in foreign exchange rates. The change in currency rate below represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis represents outstanding foreign currency denominated cash and bank balances, accounts receivable, investments and payable balances, and adjusts their translation at the year end for 8% (2021 – 6%) depreciation and a 2% (2021 – 2%) appreciation of the Jamaican dollar against the US dollar. The changes below would have no impact on other components of equity.

	% Change in Currency Rate 2022 ($)	Effect on Profit before Taxation 2022 ($)	% Change in Currency Rate 2021 ($)	Effect on Profit before Taxation 2022 ($)
Currency				
USD	-8	17,174,758	-6	9,684,623
USD	+2	(4,293,690)	+2	(3,228,208)

Cash flow and fair value interest rate risk: Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates.

Floating rate instruments expose the group to cash flow interest rate risk, whereas fixed rate instruments expose the group to fair value interest rate risk.

The group is primarily exposed to cash flow interest rate risk on its variable rate borrowings. The group analyses its interest rate exposure arising from borrowings on an ongoing basis, taking into consideration the options of refinancing, renewal of existing positions and alternative financing.

Short term deposits and borrowings are the only interest bearing assets and liabilities respectively, within the group. The group's short term deposits and borrowings are due to mature and re-price respectively, within 3 months of the reporting date.

Interest rate sensitivity: There is no significant exposure to interest rate risk on short term deposits, as these deposits have a short term to maturity and are constantly reinvested at current market rates.

There is no significant exposure to interest rate risk on long term borrowings as these are at a fixed rate of interest. Short term borrowings are immaterial.

ii. Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk arises from trade receivables, due from related companies and cash and bank balances.

Cash and bank balances: Cash transactions are limited to high credit quality financial institutions. The group has policies that limit the amount of credit exposure to any one financial institution.

Maximum exposure to credit risk: The maximum exposure to credit risk is equal to the carrying amount of trade and other receivables and cash and cash equivalents in the statement of financial position.

Trade receivables: The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The credit policy states that each customer must be analyzed individually for creditworthiness before the group's standard payment and delivery terms and conditions are offered. The group's review includes bank references.

The Board of Directors determines concentrations of credit risk by quarterly monitoring the creditworthiness of existing customers and through a monthly review of the trade receivables' ageing analysis.

Credit limits for all customers are reviewed at least annually, against the customers' payment history, assessment of customers' credit risk and sales department information.

The group applies the IFRS 9 simplified approach to measuring expected credit losses using a lifetime expected credit loss provision for trade receivables. To measure expected credit losses on a collective basis, trade receivables are grouped based on similar credit risk and aging.

The expected loss rates are based on the group's historical credit losses experienced over the period prior to the period end. The historical loss rates are then adjusted for current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The group has identified the inflation rate of the country in which it offers its service to be the most relevant factor, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The following table provides information about ECLs for trade receivables are as at 31 October 2022.

Aging	Gross Carrying Amount ($)	Expected Loss Rate (%)	ECL Allowance ($)
Trade receivables			
0-30 days	59,369,759	4	2,636,525
31-60 days	31,210,294	5	1,536,322
61-90 days	6,070,231	9	543,323
90-120 days	1,289,398	9	121,291
120 and over	15,497,914	11	1,767,686
	113,437,596		**6,605,147**
Trade receivables (2021)			
0-30 days	48,818,627	5	2,403,923
31-60 days	45,156,933	5	2,160,133
61-90 days	5,018,784	10	504,247
90-120 days	3,758,146	7	262,414
120 and over	24,857,945	15	3,752,492
	127,610,435		**9,083,209**

Movements in the impairment allowance for trade receivables are as follows:

	2022($)	2021($)
At 1 November	9,083,209	13,043,360
Impairment loss during the year	(2,478,062)	(3,960,151)
At 31 October	6,605,147	9,083,209

iii. Liquidity risk

Liquidity risk is the risk that the group will be unable to meet its payment obligations associated with its financial liabilities when they fall due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of committed credit facilities.

Liquidity risk management process: The group's liquidity risk management process, as carried out within the group and monitored by the Finance Department, includes:

i. Monitoring future cash flows and liquidity on a bi-weekly basis.
ii. Maintaining a portfolio of short term deposit balances that can easily be liquidated as protection against any unforeseen interruption to cash flow.
iii. Maintaining committed lines of credit.
iv. Optimizing cash returns on investments.

The table below presents the undiscounted cash flows (both interest and principal cash flows) of the group's financial liabilities based on contractual rights and obligations as well as expected maturity.

Cash flows of financial liabilities: The maturity profile of the group's financial liabilities, based on contractual undiscounted payments, is as follows:

The Group

	Within 1Year (J$)	Within 1 to 2 Year (J$)	Within 2 to 5 Year (J$)	Over 5 Years (J$)	Total (J$)
31 October 2022					
Payables	51,391,655	-	-	-	51,391,655
Loan term borrowing	56,350,000	56,350,000	861,350,000	-	974,050,000
Short term loans	7,864,823	-	-	-	7,864,823
Related companies	-	-	-	24,538,994	24,538,994
Total financial liabilities (contractual maturity dates)	**115,606,478**	**56,350,000**	**861,350,000**	**24,538,994**	**1,057,845,472**
31 October 2021					
Payables	48,185,982	-	-	-	48,185,982
Loan term borrowing	56,350,000	56,350,000	917,700,000	-	1,030,400,000
Short term borrowings	3,437,700	-	-	-	3,437,700
Related companies	-	-	-	46,595,363	46,595,363
Total financial liabilities (contractual maturity dates)	**107,973,682**	**56,350,000**	**917,700,000**	**46,595,363**	**1,128,619,045**

THe Company

	Within 1Year (J$)	Within 1 to 2 Year (J$)	Within 2 to 5 Year (J$)	Over 5 Years (J$)	Total (J$)
31 October 2022					
Payables	50,586,655	-	-	-	50,586,655
Loan term borrowing	56,350,000	56,350,000	861,350,000	-	974,050,000
Short term loans	7,864,823	-	-	-	7,864,823
Related companies	-	-	-	24,538,994	24,538,994
Total financial liabilities (contractual maturity dates)	**114,801,478**	**56,350,000**	**861,350,000**	**24,538,994**	**1,057,040,472**
31 October 2021					
Payables	47,485,982	-	-	-	47,485,982
Loan term borrowing	56,350,000	56,350,000	917,700,000	-	1,030,400,000
Short term loans	3,437,700	-	-	-	3,437,700
Related companies	-	-	-	44,286,781	44,286,781
Total financial liabilities (contractual maturity dates)	**107,273,682**	**56,350,000**	**917,700,000**	**44,286,781**	**1,125,610,463**

iv. Capital management

The group's objectives when managing capital are to safeguard the group's ability to continue as a going concern in order to provide returns for stockholders and benefits for other stakeholders. The Board of Directors monitors the return on capital, which the group defines as net operating income, excluding non-recurring items, divided by total stockholders' equity. The board of directors also monitors the level of dividends to stockholders.

There are no particular strategies to determine the optimal capital structure. The group met the capital requirements of at least $50,000,000 for listing on the Junior Market of the Jamaica Stock Exchange. There are no other external capital maintenance requirements to which the company is subject.

6. REVENUE

The Group and the Company

	2022($)	2021($)
Sale and distribution of pharmaceutical products	937,282,761	846,832,692

Notes To The Financial Statements *(Continued)*

7. OTHER OPERATING INCOME

	The Group and the Company	
	2022($)	**2021($)**
Interest received	945,902	4,835,943
Commission	-	8,522
Insurance claim	701,890	-
Credit card cash back	-	203,766
Gain on disposal of fixed assets	1,877,500	2,397,248
Miscellaneous	312,343	47,547
	3,837,635	**7,493,026**

Notes To The Financial Statements *(Continued)*

8. EXPENSES BY NATURE

Total cost of sales, administrative, selling and other operating expenses

	The Group	
		*Restated**
	2022($)	**2021($)**
Cost of sales recognized as an expense	281,465,031	295,901,204
Salaries, wages and statutory contributions	156,551,856	145,961,611
Directors' fees	4,069,997	2,930,000
Telephone	4,973,056	4,881,624
Electricity	5,852,478	6,822,877
Water rates	431,208	927,027
Rent	1,453,386	-
Audit and accounting fees -		
Current year	5,514,127	3,864,702
Prior year	-	(95,250)
Subscription and donations	2,027,523	258,466
Gifts	841,165	2,347,274
Printing, stationery and office supplies	4,560,651	5,414,489
Security	1,952,974	1,615,428
Insurance	10,252,945	8,809,265
Repairs and maintenance – furniture and equipment	9,211,631	6,657,832
Maintenance fee - building	11,437,147	11,558,836*
Trade licence, registration fee and trademark	748,480	1,187,000
Bank charges	2,217,325	2,587,785
Staff welfare	5,916,083	5,384,731
Legal and professional fees	13,414,634	10,038,298
Property taxes	764,600	1,762,423
Drug permit	10,000	310,200
Interest and penalty	229,295	1,164,714
Cleaning and Sanitation	99,835	141,900
Contract labour	940,312	1,161,817
Advertising and promotion	4,980,990	6,501,309
Packaging	460,642	281,682
Expected credit losses, net of recoveries	609,424	(278,369)
Postage and delivery	566,587	411,808
Motor vehicles, travel and entertainment	48,658,860	36,678,254
Royalties	20,575,942	14,508,454
Miscellaneous	700,388	2,012
Depreciation	56,841,143	53,731,770
	658,329,715	**633,431,173***

Notes To The Financial Statements *(Continued)*

	The Company	
		*Restated**
	2022($)	**2021($)**
Cost of sales recognized as an expense	281,465,031	295,901,204
Salaries, wages and statutory contributions	156,551,856	145,961,611
Directors' fees	4,069,997	2,930,000
Telephone	4,973,056	4,881,624
Electricity	5,852,478	6,822,877
Water rates	431,208	927,027
Rent	1,453,386	-
Audit and accounting fees -		
Current year	4,686,627	3,164,702
Subscription and donations	2,027,523	258,466
Gifts	841,165	2,347,274
Printing, stationery and office supplies	4,560,651	5,414,489
Security	1,952,974	1,615,428
Insurance	10,252,945	8,809,265
Repairs and maintenance – furniture and equipment	9,211,631	6,657,832
Maintenance fee - building	11,437,147	11,558,836*
Trade licence, registration fee and trademark	748,480	1,187,000
Bank charges	2,217,325	2,587,785
Staff welfare	5,916,083	5,384,731
Legal and professional fees	13,335,664	9,631,298
Drug permit	10,000	310,200
Interest and penalty	229,295	1,164,714
Cleaning and Sanitation	99,835	141,900
Contract labour	940,312	1,161,817
Advertising and promotion	4,980,990	6,501,309
Packaging	460,642	281,682
Expected credit losses - net of recoveries	609,424	(278,369)
Postage and delivery	566,587	411,808
Motor vehicles, travel and entertainment	48,658,860	36,678,254
Royalties	20,575,942	14,508,454
Miscellaneous	190,485	2,012
Depreciation	56,841,143	53,731,770
	656,148,742	**630,657,000**

Notes To The Financial Statements *(Continued)*

9. FINANCE COSTS

	The Group and the Company	
	2022($)	**2021($)**
Interest expense	60,251,719	67,790,597

10. TAXATION EXPENSE

Taxation is based on the operating results for the year, adjusted for taxation purposes, and comprises income tax @ 25%.

	The Group and the Company	
	2022($)	**2021($)**
Prior year under provision	-	-
Deferred taxation (Note 24)	-	-
Taxation charge in statement of profit or loss and other comprehensive income	-	-

The tax on profit before taxation differs from the theoretical amount that would arise using the applicable tax rate of 25%, as follows:

	2022($)	**2021($)**
Profit before taxation	220,791,265	167,867,389
Tax calculated at the applicable tax rates	55,197,816	41,966,847
Adjusted for the effects of:		
Expenses not deductible for tax purposes	14,872,702	8,457,881
Net effects of other charges and allowances	(2,801,895)	(1,859,060)
Remission of taxes	(67,268,623)	(48,565,668)
Taxation charge in statement of profit or loss and other comprehensive income	-	-

As a result of the company's listing on the Junior Market of the Jamaica Stock Exchange effective August 2018, the company is entitled to a remission of taxes for ten (10) years providing it adheres to the rules and regulations of the Junior Market of the Jamaica Stock Exchange as follows:

- **Years 1 – 5: (August 2018 – July 2023) 100%**
- **Years 6 – 10: (August 2023 – July 2028) 50%**

The financial statements have been prepared on the basis that the company will have the full benefits of the tax remission.

11. EARNINGS PER STOCK UNIT

	2022($)	2021($)
Net profit attributable to stockholders ($)	220,791,265	167,867,389
Weighted average number of stock unit in issue	1,332,536,649	1,332,536,649
Earnings per stock unit (cents per share)	17¢	13¢

Basic earnings per stock unit is calculated by dividing the net profit attributable to stockholders by the number of ordinary stock units in issue at year end.

12. INTANGIBLE ASSET

Intangibles relate to two pharmaceutical drugs being developed by the company through an agreement with KP Pharmaceutical Technology Inc.

13. RIGHT-OF-USE ASSET

(i) Amounts recognised in the statement of financial position.

(a) The statement of financial position shows the following amounts relating to leases:

	The Group and the Company	
	2022($)	**2021($)**
Right-of-use assets		
Building		
Balance at beginning of year	39,620,932	77,222,845
Depreciation	37,601,916	37,601,913
Balance at 31 October	**2,019,016**	**39,620,932**

(ii) Amounts recognised in the statement of profit or loss

The statement of comprehensive income shows the following amounts relating to leases:
Depreciation charge on right-of-use assets

	The Group and the Company	
	2022($)	**2021($)**
Buildings	**37,601,916**	**37,601,913**

Right–of-use assets are measured at cost comprising the following:
- the amount of the initial measurement of lease liability.
- Any lease payments made at the commencement date less any lease incentives received.

Right-of-use assets are generally depreciated over the lease term on a straight-line basis. If the company is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life

(iii) The company currently has long term lease agreements related to buildings.

(a) Amounts recognised in the statement of financial position.
The statement of financial position shows the following amounts relating to leases:

	The Group and the Company	
		Restated
	2022($)	**2021($)**
Lease liabilities –		
Contractual discounted cash flows	2,469,606	46,577,753*
Less: Current portion	(1,220,083)	(46,577,753)
Non-Current	1,249,523	-

(b) Amounts recognised in the statement of profit or loss
The statement of comprehensive income shows the following amounts relating to leases:

	The Group and the Company	
	2022($)	**2021($)**
Interest expense	4,056,136	6,417,297

Incremental borrowing rate: The incremental borrowing rate is derived using recent third-party financing received by bankers as a starting point, adjusted to reflect changes in financing conditions since third party financing was received, and makes adjustments specific to the lease, e.g. term, country, currency and security.

The weighted average rate applied is 8%.

14. INVESTMENT IN SUBSIDIARY

The company owns 100% of the shares of Indies Pharma Business Park Limited and is stated at cost.

15. INVESTMENT

This represents participation in an indexed linked US$ note issued by Proven Investments Limited which matures 16 April 2024 and earns interest at 3.25% per annum.

16. PROPERTY, PLANT AND EQUIPMENT

The Group

	Land ($)	Leasehold Improvements & Building	Furniture, Fixtures & Equipment ($)	Computer ($)	Motor Vehicles ($)	Signs ($)	Total ($)
Year ended 31 October 2022							
Net book value							
1 November 2021	792,700,000	118,813,144	8,232,849	3,540,346	16,966,581	1	940,252,921
Additions	-	8,258,767	9,300,000	680,050	8,130,435	-	26,369,252
Depreciation	-	(10,170,360)	(1,166,446)	(1,075,007)	(6,827,414)	-	(19,239,227)
31 October 2022	792,700,000	116,901,551	16,366,403	3,145,389	18,269,602	1	947,382,946
At cost or valuation	792,700,000	146,794,619	24,015,355	15,282,784	79,229,271	63,401	1,058,085,430
Depreciation	-	(29,893,068)	(7,648,952)	(12,137,395)	(60,959,669)	(63,400)	(110,702,484)
31 October 2022	792,700,000	116,901,551	16,366,403	3,145,389	18,269,602	1	947,382,946
Year ended 31 October 2021							
Net book value							
1 November 2020	504,236,799	111,036,040	1,162,727	437,798	10,908,449	1	627,781,814
Disposal	-	-	-	-	(578,752)	-	(578,752)
Additions	-	15,867,312	7,869,778	3,979,425	13,000,000	-	40,716,515
Revaluation	288,463,201	-	-	-	-	-	288,463,201
Depreciation	-	(8,090,208)	(799,656)	(876,877)	(6,363,116)	-	(16,129,857)
31 October 2021	792,700,000	118,813,144	8,232,849	3,540,346	16,966,581	1	940,252,921
At cost or valuation	792,700,000	138,535,852	14,715,355	14,602,734	71,098,836	63,401	1,031,716,178
Depreciation	-	(19,722,708)	(6,482,506)	(11,062,388)	(54,132,255)	(63,400)	(91,463,257)
31 October 2021	792,700,000	118,813,144	8,232,849	3,540,346	16,966,581	1	940,252,921

Notes To The Financial Statements *(Continued)*

The Company

	Land ($)	Leasehold Improvements & Building	Furniture, Fixtures & Equipment ($)	Computer ($)	Motor Vehicles ($)	Signs ($)	Total ($)
Year ended 31 October 2022							
Net book value							
1 November 2021	27,700,000	113,393,914	8,232,849	3,540,346	16,966,581	1	169,833,691
Additions	-	-	9,300,000	680,050	8,130,435	-	18,110,485
Depreciation	-	(10,170,360)	(1,166,446)	(1,075,007)	(6,827,414)	-	(19,239,227)
31 October 2022	27,700,000	103,223,554	16,366,403	3,145,389	18,269,602	1	168,704,949
At cost or valuation	27,700,000	133,116,622	24,015,355	15,282,784	76,929,271	63,401	277,107,433
Depreciation	-	(29,893,068)	(7,648,952)	(12,137,395)	(58,659,669)	(63,400)	(108,402,484)
31 October 2022	27,700,000	103,223,554	16,366,403	3,145,389	18,269,602	1	168,704,949
Year ended 31 October 2021							
Net book value							
1 November 2020	27,700,000	111,036,040	1,162,727	437,798	10,908,449	1	151,245,015
Disposal	-	-	-	-	(578,752)	-	(578,752)
Additions	-	10,448,082	7,869,778	3,979,425	13,000,000	-	35,297,285
Depreciation	-	(8,090,208)	(799,656)	(876,877)	(6,363,116)	-	(16,129,857)
31 October 2021	27,700,000	113,393,914	8,232,849	3,540,346	16,966,581	1	169,833,691
At cost or valuation	27,700,000	133,116,622	14,715,355	14,602,734	71,098,836	63,401	261,296,948
Depreciation	-	(19,722,708)	(6,482,506)	(11,062,388)	(54,132,255)	(63,400)	(91,463,257)
31 October 2021	27,700,000	113,393,914	8,232,849	3,540,346	16,966,581	1	169,833,691

17. RELATED PARTY TRANSACTIONS AND BALANCES

(a) Transactions between the company and its related company

	2022($)	2021($)
Mercury wireless Limited –		
Rental and maintenance expenses	57,832,499	55,255,096

(b) Key management compensation

	The Group and the Company	
	2022($)	2021($)
Salaries and other short-term benefits	23,320,000	22,770,000
Directors' emoluments		
Directors' fees	4,069,997	2,930,000
Management remuneration (above)	23,320,000	22,770,000

(c) Year end balances arising from transactions with related companies

	The Group	
	2022($)	2021($)
Due from		
Mercury Wireless Limited	21,008,331	18,940,932
	21,008,331	18,940,932
Directors' current account	41,021,964	756,146
The directors' balances are unsecured, interest free and have no set repayments terms.		
Due to		
Bioprist Holdings Limited	-	28,351,784
Hanolu GVM Limited	-	27,025
Bioprist Las America Limited	24,538,994	18,216,554
	24,538,994	**46,595,363**

i. The group is related to the above companies by having similar ownership and/or management control. Balances due from and/or due to these groups have no fixed repayment terms and are interest free. There are guarantees given by related parties for loans extended to the group and not repayable before 31 October 2023.

ii. The amounts due from/to related companies represent loans and expenses paid on their behalf.

Notes To The Financial Statements *(Continued)*

	The Company	
	2022($)	**2021($)**
Due from		
Indies Pharma Business Park Limited	423,891,986	420,775,352
Mercury Wireless Limited	21,467,304	-
Bioprist Holdings Limited	-	9,873,216
	445,359,290	430,648,568
The directors' current account	41,021,964	756,146
The directors' balances are unsecured, interest free and have no set repayments terms.		
Due to		
Bioprist Las America Limited	24,538,994	18,216,554
Mercury Wireless Limited	-	26,043,202
Hanolu GVM Limited	-	27,025
	24,538,994	**44,286,781**

The company is related to the above companies by having similar ownership and/or management control. Balances due from and/or due to these companies have no fixed repayment terms and are interest free. There are guarantees given by related parties for loans extended to the company and not repayable before 31 October 2023.

18. RECEIVABLES

	The Group and the Company	
	2022($)	**2021($)**
Trade receivables	113,437,596	127,610,435
Less: Expected credit losses	(6,605,147)	(9,083,209)
	106,832,449	**118,527,226**
Prepayments	57,609,177	36,310,774
Other	2,362,460	6,641,266
	166,804,086	**161,479,266**

19. DIRECTORS' CURRENT ACCOUNT

Directors' current account is unsecured and interest free with no fixed repayment terms.

20. CASH AND CASH EQUIVALENTS

	The Group and the Company	
	2022($)	**2021($)**
Cash and bank balances	201,122	201,123
Petty cash	200,000	201,122
Cash on hand	3,218,330	686,738
National Commercial Bank Jamaica Limited – Foreign Currency Account	6,342,598	27,173,245
National Commercial Bank Jamaica Limited – Current Account	10,274,498	4,432,140
National Commercial Bank Jamaica Limited – Savings Account	157,584,620	108,835,051
Sagicor Bank Jamaica Limited – Current Account	1,940,739	592,205
Sagicor Bank Jamaica Limited – Savings Account	53,231,749	44,829,135
Sagicor Bank Jamaica Limited – Foreign Currency Savings Account	1,841,415	994,909
	234,633,949	**187,744,545**
Bank overdraft (note 25)	(995,306)	-
	233,638,643	**187,744,545**

Bank overdraft in the prior year represents unpresented cheques at year end.

21. SHARE CAPITAL

	The Group and the Company	
	2022($)	**2021($)**
Authorized		
4,863,553,500 ordinary shares		
Stated capital		
Issued and fully paid		
1,332,536,649 ordinary shares of no par value	244,576,999	244,576,999

Notes To The Financial Statements *(Continued)*

22. CAPITAL RESERVE

	The Group	
	2022($)	**2021($)**
At 1 November 2022	**458,484,190**	**182,337,065**
Movement during year		
Reclassification	-	(12,316,076)
Revaluation gain on property, plant and equipment	-	288,463,201
At 31 October 2022	**458,484,190**	**458,484,190**
Representing		
Revaluation surplus on land and building	458,484,190	458,484,190

	The Company	
	2022($)	**2021($)**
At 1 November 2021	**99,307,105**	**99,307,105**
Movement during year		
Profit on disposal of fixed assets	-	-
At 31 October 2022	**99,307,105**	**99,307,105**
Representing		
Revaluation surplus on land and building	99,307,105	99,307,105

23. LONG TERM LOAN

	The Group and The Company	
	2022($)	**2021($)**
7% Bond 2025	805,000,000	805,000,000

On September 8, 2020 the company issued a private bond of $805,000,000. The Bond matures September 2025 and has a fixed rate of 7% per annum with interest payable quarterly.

The Bond is secured by mortgage by way of guarantee over the property owned by Indies Pharma Business Park Limited; Debenture over all floating and fixed assets of the company; Deed of Subordination issued by the company for all inter-company and shareholders' loans and advances, as well as maintenance of a Debt Service Reserve Account funded with a minimum of three (3) months' interest payments payable under the Bond.

24. PAYABLES

	The Group		The Company	
	2022($)	**2021($)**	**2022($)**	**2021($)**
Trade payables	16,311,831	34,869,330	16,311,831	34,869,330
Other payables and accruals	35,079,824	13,316,652	34,274,824	12,616,652
	51,391,655	**48,185,982**	**50,586,655**	**47,485,982**

Notes To The Financial Statements *(Continued)*

25. SHORT TERM BORROWINGS

	The Group and the Company	
	2022($)	**2021($)**
National Commercial Bank Jamaica Limited – Bank overdraft	995,306	-
National Commercial Bank Jamaica Limited – Credit Card Account	3,437,208	3,298,865
Sagicor Bank Jamaica Limited - Credit Card Account	3,432,309	138,835
	7,864,823	**3,437,700**

Bank overdraft represents unpresented cheques at year end.

26. DIVIDENDS

	The Group and the Company	
	2022($)	**2021($)**
Dividends paid at 11¢ (2021 - 11¢) per stock unit	150,576,641	146,579,031

27. STAFF COSTS

Staff costs for the year amounted to $156,551,856 - (2021 – $145,961,611), while the number of employees at year end was sixty-six (66) (2021 – 68).

28. IMPACT OF COVID-19

The World Health Organization declared the novel Coronavirus (COVID-19), outbreak a pandemic on 11 March 2020. The pandemic and the measures to control its human impact have resulted in disruptions to economic activities and business operations. This could have negative financial effects on the group, depending on factors such as the duration and spread of the outbreak and the effects on the business sector, all of which are highly uncertain and cannot be estimated reliably. During the year material prices and shipping costs escalated, while the company maintained its current price throughout the year.

At the date of approval of these financial statements, the group will continue to monitor the overall business operations, ensuring special attention will be given to ensure strict cost and cash management are being controlled to mitigate any further unfavourable effects. The company's revenue performance has improved over the previous year and management anticipates this trend to continue.

29. RESTATEMENT OF PRIOR YEAR BALANCES

Maintenance fee

In prior year, the group recognized maintenance fee as part of lease payments toward lease liability. This has resulted in maintenance fee being understated.

Notes To The Financial Statements *(Continued)*

Effects on the group's consolidated statement of profit and loss and other comprehensive income at 31 October 2021 (extract)

	As Previously Reported ($)	Effect of Restatement ($)	As Restated ($)
Administrative and other expenses	(326,832,987)	(10,696,982)	(337,529,969)
Net of other items not affected by the restatement	505,397,358	-	(505,397,358)
NET PROFIT FOR THE YEAR	178,564,371	(10,696,982)	167,867,389
OTHER COMPREHENSIVE INCOME			
Gain on revaluation of fixed assets	288,463,201	-	288,463,201
Total other comprehensive income	288,463,201	-	288,463,201
TOTAL COMPREHENSIVE INCOME	467,027,572	(10,696,982)	456,330,590

Effects on the group's consolidated statement of financial position 31 October 2021 (extract)

	As Previously Reported ($)	Effect of Restatement ($)	As Restated ($)
TOTAL ASSETS NOT AFFECTED			
BY THE RESTATEMENT	2,036,545,837	-	2,036,545,837
EQUITY AND LIABILIITES			
EQUITY			
Share capital	244,576,999	-	244,576,999
Capital reserve	458,484,190	-	458,484,190
Retained earnings	404,126,525	(20,438,675)	383,687,850
	1,107,187,714	(20,438,675)	1,086,749,039
	851,595,363	-	851,595,363
LIABILIITES			
Items not affected by the restatement	903,219,045	-	903,219,045
Current portion of lease liabilities	26,139,078	20,438,675	46,577,753
	929,358,123	20,438,675	949,796,798
TOTAL EQUITY AND LIABILITIES	**2,036,545,837**	**-**	**2,036,545,837**

Effects on the group's consolidated statement of cash flows at 31 October 2021 (extract)

	As Previously Reported ($)	Effect of Restatement ($)	As Restated ($)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit for the year	178,564,371	(10,696,982)	167,867,389
Net of other items not affected by the restatement	198,613,263	-	198,613,263
Cash provided by operating activities	377,177,634	-	366,480,652
CASH FLOWS FROM INVESTING ACTIVITIES:			
Net of other items not affected by the restatement	(235,086,295)	-	(235,086,295)
Cash used in investing activities	(235,086,295)	-	(235,086,295)
CASH FLOWS FROM FINANCING ACTIVITIES:			
Net of other items not affected by the restatement	(207,353,067)	-	(207,353,067)
Lease payment/liabilities	(57,329,991)	10,696,982	(46,633,009)
Cash used in financing activities	(264,683,058)	10,696,982	(253,986,076)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(122,591,719)**		**(122,591,719)**
Cash and cash equivalents at beginning of year	310,336,264	-	310,336,264
CASH AND CASH EQIVALENTS AT END OF YEAR	**187,744,545**	**-**	**187,744,545**

Effects on the company's statement of profit and loss and other comprehensive income at 31 October 2021 (extract)

	As Previously Reported ($)	Effect of Restatement ($)	As Restated ($)
Administrative and other expenses	(324,058,814)	(10,696,982)	(334,755,796)
Net of other items not affected by the restatement	505,397,358	-	505,397,358
NET PROFIT BEFORE TAXATION	**181,338,544**	**(10,696,982)**	**170,641,562**
Taxation	-	-	-
TOTAL COMPREHENSIVE INCOME	**181,338,544**	**(10,696,982)**	**170,641,562**

Notes To The Financial Statements *(Continued)*

Effects on the company's statement of financial position at 31 October 2021 (extract)

	As Previously Reported ($)	Effect of Restatement ($)	As Restated ($)
TOTAL ASSETS NOT AFFECTED BY THE RESTATEMENT	**1,677,834,343**	**-**	**1,677,834,343**
EQUITY AND LIABILITIES			
EQUITY			
Share capital	244,576,999	-	244,576,999
Capital reserve	99,307,105	-	99,307,105
Retained earnings	407,600,698	(20,438,675)	387,162,023
	751,484,802	(20,438,675)	731,046,127
LIABILITIES			
Items not affected by restatement	900,210,463	-	900,210,463
Current portion of lease liabilities	26,139,078	20,438,675	46,577,753
	926,349,541	-	946,788,216
	1,677,834,343	**-**	**1,677,834,343**

Effects on the company's statement of cash flows at 31 October 2021 (extract)

	As Previously Reported ($)	Effect of Restatement ($)	As Restated ($)
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year	181,338,544	(10,696,982)	170,641,562
Net of other items not affected by restatement	190,419,860	-	190,419,860
Cash provided by operating activities	371,758,404	(10,696,982)	361,061,422
CASH FLOWS FROM INVESTING ACTIVITIES			
Net of other items not affected by restatement	(229,667,065)	-	(229,667,065)
Cash used in investing activities	(229,667,065)	-	(229,667,065)
CASH FLOWS FROM FINANCING ACTIVITIES			
Net of other items not affected by restatement	(207,353,067)	-	(207,353,067)
Lease payment/liabilities	(57,329,991)	10,696,982	(46,633,009)
Cash used in financing activities	(264,683,058)	10,696,982	(253,986,076)
NET DECREASE IN CASH AND CASH EQUIVALENTS	**(122,591,719)**		**(122,591,719)**
Cash and cash equivalents at beginning of year	310,336,264	-	310,336,264
CASH AND CASH EQIVALENTS AT END OF YEAR	**187,744,545**	**-**	**187,744,545**

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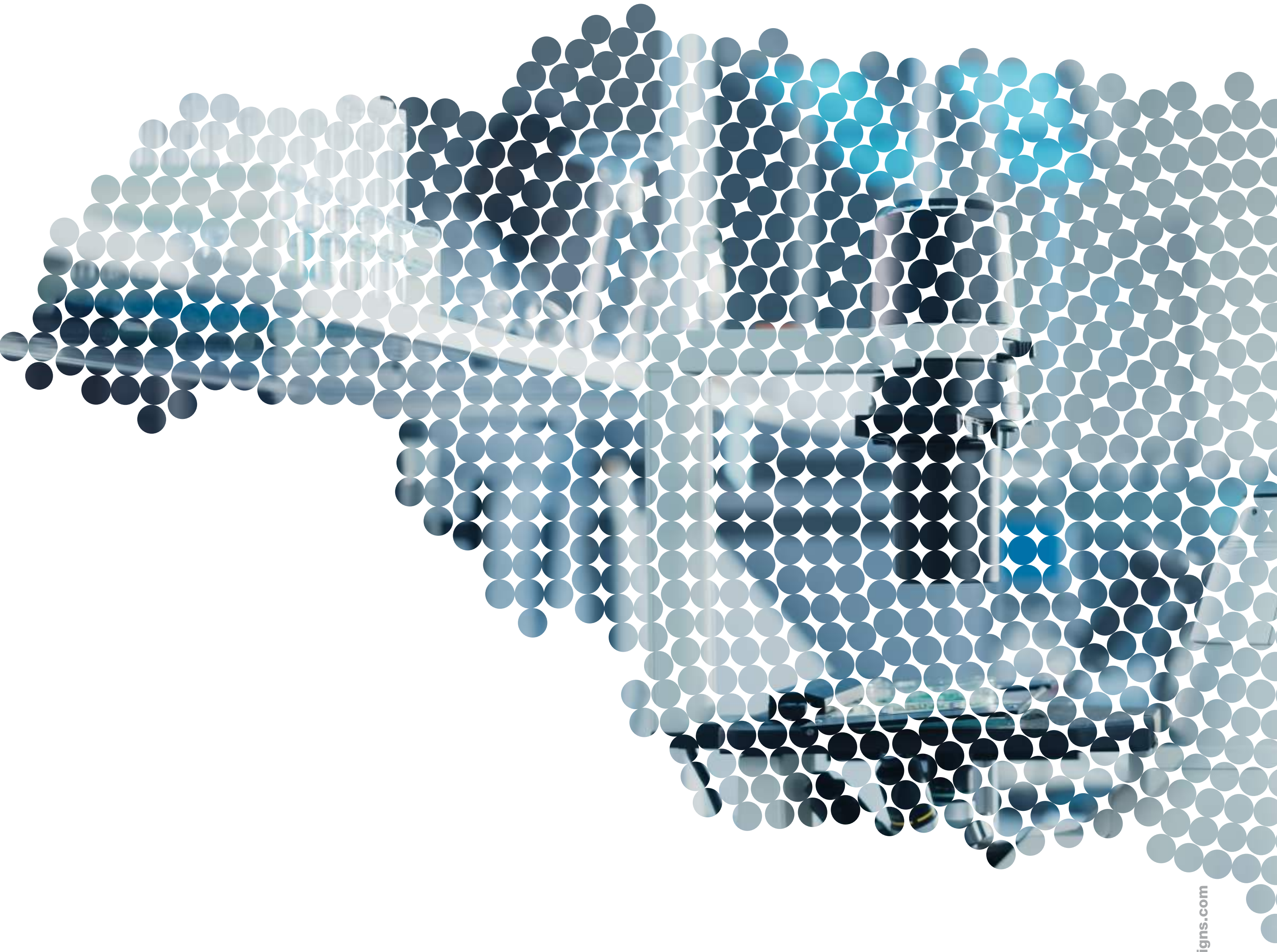

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