

**CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**

(Incorporated in Hong Kong with limited liability)

**CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED**

**MARCH 31, 2022**

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## **CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**

(Incorporated in Hong Kong with limited liability)

### **REPORT OF THE DIRECTORS**

The Directors hereby presents their report together with the audited financial statements of the Group for the year ended 31st March 2022.

#### **Principal Activity**

The principal activity of the Company is dealing in Pharmaceutical Products.

#### **Financial Statements**

The results for the year ended 31<sup>st</sup> March 2022 are set out in the statement of comprehensive income on page 6. The statement of financial position of the Company as at March 31, 2022 is set out in the Balance Sheet on page 7.

#### **Directors**

The directors who held office during the period beginning with the end of the financial year and ending on the date of this report are as follows:

Mr. Luis Francisco Valldares Barrientos  
Mr. Senthil Kumar Tati Balasubramanian  
Mr. Surendar Nandakumar  
Mr. Komattu Chacko John

#### **Directors' Interest**

No contract of significance to which the Company, was a party and in which the Directors had a material interest subsisted at the end of the year or at any time during the year.

At no time during the year was the Company, a party to any arrangements to enable the Directors of the Company to acquire benefits by means of acquisition of shares in or debenture of the Company or any other body corporate.

#### **Business Review**

The Company is a wholly owned subsidiary of another body corporate. Accordingly, the Company is exempt from preparing a business review.

#### **Permitted indemnity provisions**

Article 137 of Part I of Table A of the Predecessor Companies Ordinance, which forms part of the Company's Articles, provides that every director for the time being of the Company shall be indemnified out of the assets of the Company against any liability incurred by him in relation to the Company in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under section 358 of the Predecessor Companies Ordinance (equivalent to sections 902 to 904 of the Hong Kong Companies Ordinance) in which relief is granted to him by the Court. This permitted indemnity provision is in force during the financial year and at the time of approval of this report.

## **CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**

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### **Charitable Donations**

During the financial year, the Company made no charitable donations (2021: Nil).

### **Arrangement to purchase shares or debentures**

There did not subsist at the end of the year arrangements to which the company was a party which enabled the directors of the company to acquire benefits by means of acquisition of shares in or debentures of the company or any other body corporate.

### **Management contracts**

No contracts concerning the management and administration of the whole or any substantial part of the business of the Company were entered into or existed during the year.

### **Equity-linked arrangements**

During the financial year, the Company entered into no equity-linked agreement. At the end of the financial year, the Company subsisted of no equity-linked agreement.

### **Auditors**

The Company's auditors, C&N Certified Public Accountants, now retire and, being eligible, offer themselves for re-appointment.

For and on behalf of the Board

### **Chairman**

Hong Kong

11<sup>th</sup> May 2022

11<sup>th</sup> May 2022

## **INDEPENDENT AUDITOR'S REPORT**

### **TO THE SHAREHOLDER OF CAPLIN POINT FAR EAST LIMITED**

(Incorporated in Hong Kong with limited liability)

#### **Opinion**

We have audited the consolidated financial statements of CAPLIN POINT FAR EAST LIMITED, (the "Holding Company") and its Subsidiaries (collectively hereinafter referred to as 'Group'), set out on pages 6 to 19 which comprise the consolidated statement of financial position as at March 31, 2022, the consolidated statement of comprehensive income, consolidated cash flow statement and the statement of changes in equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at March 31, 2022, and of its financial performance and cash flows for the year then ended in accordance with Hong Kong Financial Reporting Standard for Private Entities ("HKFRS for Private Entities") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

#### **Basis for Opinion**

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Responsibilities of Director and Those Charged with Governance for the Financial Statements**

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with HKFRS for Private Entities issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

## **INDEPENDENT AUDITOR'S REPORT (Continued)**

In preparing the financial statements, the director is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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

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 auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA's 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 HKSA's, 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 Company's internal control.

### **INDEPENDENT AUDITOR'S REPORT (Continued)**

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

**C&N Certified Public Accountants**  
**Hong Kong**

## CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES

### STATEMENT OF COMPREHENSIVE INCOME

#### FOR THE YEAR ENDED 31ST MARCH 2022

	NOTE	2022 US\$	2021 US\$
<b>Turnover</b>	<b>4</b>	113,995,551	98,576,927
Cost of Sales		<u>(72,611,829)</u>	<u>(63,715,348)</u>
Gross Profit		41,383,722	34,861,579
Other Income		126,885	152,952
Administrative and other Expenses		(13,579,090)	(12,501,025)
Depreciation and Impairment of intangible assets		(351,626)	(269,637)
Finance Charges		<u>(82,349)</u>	<u>(191,762)</u>
<b>Profit before taxation</b>	<b>5</b>	<b>27,497,542</b>	<b>22,052,107</b>
Tax Expense	<b>7</b>	<u>(3,097,472)</u>	<u>(2,196,064)</u>
<b>Profit after taxation</b>		<b>24,400,070</b>	<b>19,856,043</b>
Less: Profit attributable to Non-Controlling Interest		(1,157,865)	(1,238,362)
Foreign Currency Translation		(33,667)	(62,309)
Dividend Paid		<u>(3,128,294)</u>	<u>(413,000)</u>
Comprehensive Income for the year		<u><b>20,080,245</b></u>	<u><b>18,142,372</b></u>
Gain on derecognition of non-controlling interests		-	35,106
<b>Retained Profits brought forward</b>		<u><b>43,079,590</b></u>	<u><b>24,902,112</b></u>
<b>Retained Profits carried forward</b>		<u><u><b>63,159,835</b></u></u>	<u><u><b>43,079,590</b></u></u>

The accompanying Accounting policies and Explanatory notes form an integral part of and should be read in conjunction with these financial statements

Approved by the Board of Directors on 11th May 2022

Director

Director

**CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**

**STATEMENT OF FINANCIAL POSITION**

**AS AT 31ST MARCH 2022**

	NOTE	2022 US\$	2021 US\$
<b>ASSETS</b>			
<b>NON-CURRENT ASSETS</b>			
Property Plant and Equipment	8A	1,419,062	1,370,168
Intangible Assets	8B	21,539	117,032
		<b>1,440,601</b>	<b>1,487,200</b>
<b>CURRENT ASSETS</b>			
Trade Receivables		36,192,022	24,472,998
Deposits and other advances		8,462,679	5,910,312
Stock in Trade		24,926,829	21,958,885
Cash and Bank Balances	11	14,534,905	3,377,131
		<b>84,116,435</b>	<b>55,719,326</b>
<b>CURRENT LIABILITIES</b>			
Borrowings		30,348	2,320,417
Trade and other Payable		18,227,216	8,964,059
Provision for Tax Expense		638,221	498,909
		<b>18,895,785</b>	<b>11,783,385</b>
<b>NET CURRENT ASSETS</b>		<b>65,220,650</b>	<b>43,935,941</b>
<b>TOTAL NET ASSETS</b>		<b>66,661,251</b>	<b>45,423,141</b>
<b>EQUITY</b>			
Share Capital	9	11,544	11,544
Retained Profits		63,159,835	43,079,590
<b>Equity attributable to owners of the company</b>		<b>63,171,379</b>	<b>43,091,134</b>
Non-Controlling Interest	10	3,489,872	2,332,007
		<b>66,661,251</b>	<b>45,423,141</b>

The accompanying Accounting policies and Explanatory notes form an integral part of and should be read in conjunction with these financial statements

Approved by the Board of Directors on 11th May 2022

Director

Director



**CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31ST MARCH 2022**

	Note	2022 US\$	2021 US\$
<b><u>OPERATING ACTIVITIES</u></b>			
<b>Cash flows from operating activities</b>			
Profit Before tax		27,497,542	22,052,107
Foreign Currency Translation Reserve		(33,667)	(62,309)
<b>Adjustment for:</b>			
Depreciation		351,626	269,637
Interest from Banks		(5,485)	(1,224)
Finance Charges		82,349	191,762
<b>Operating Profit before Taxes</b>		<b>27,892,365</b>	<b>22,449,973</b>
(Increase)/decrease in Non-Current Assets		-	643,972
Increase/(decrease) in Non-Current Liabilities		-	(693,132)
(Increase)/decrease in Accounts Receivables		(11,719,034)	(5,407,845)
(Increase)/decrease in Deposits and other Receivables		(2,552,367)	(2,329,996)
(Increase)/decrease in Stock in Trade		(2,967,944)	7,106,045
Decrease in the amount due to Director		-	(59,027)
Increase/(decrease) in Trade and other payables		9,263,167	(14,890,762)
<b>Net cash from operating activities</b>		<b>19,916,187</b>	<b>6,819,228</b>
Tax paid		<b>(2,958,161)</b>	<b>(1,883,517)</b>
<b>Net cash inflow from operating activities</b>		<b>16,958,026</b>	<b>4,935,711</b>
<b><u>INVESTING ACTIVITIES</u></b>			
Investment in Subsidiaries		-	(16,310)
Acquisition / (Disposal) of Property, Plant and Equipment		(303,864)	231,760
Purchase of Intangible Assets		(1,161)	(69,555)
		<b>(305,025)</b>	<b>145,895</b>
<b><u>FINANCING ACTIVITIES</u></b>			
Repayment of Loan		(2,290,069)	(2,480,903)
Dividend Paid During the year		(3,128,294)	(413,000)
Interest Received		5,485	1,224
Finance Charges		(82,349)	(191,762)
<b>Net cash (used in)/from financing activities</b>		<b>(5,495,227)</b>	<b>(3,084,441)</b>

Net increase in cash and cash equivalents		11,157,774	1,997,165
Cash & cash equivalents at beginning of financial year		3,377,131	1,379,966
<b>Cash &amp; cash equivalents at end of financial year</b>	<b>11</b>	<b>14,534,905</b>	<b>3,377,131</b>

The accompanying Accounting policies and Explanatory notes form an integral part of and should be read in conjunction with these financial statements

Approved by the Board of Directors on 11th May 2022

**Director**

**Director**

## CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES

### STATEMENT OF CHANGES IN EQUITY

#### GROUP

	<b>Issued capital</b>	<b>Retained Profits</b>	<b>Total</b>
	<b>US\$</b>	<b>US\$</b>	<b>US\$</b>
At 1st April 2020	11,544	24,902,112	24,913,656
Profit for the year 2020-21	-	18,617,681	18,617,681
Surplus on acquisition of Subsidiaries	-	35,106	35,106
Foreign Currency Translation	-	(62,309)	(62,309)
Dividend paid during the year	-	(413,000)	(413,000)
At 31st March 2021	11,544	43,079,590	43,091,134
Profit for the year 2021-22	-	23,242,206	23,242,206
Foreign Currency Translation	-	(33,667)	(33,667)
Dividend paid during the year	-	(3,128,294)	(3,128,294)
At 31st March 2022	11,544	63,159,835	63,171,379

The accompanying Accounting policies and Explanatory notes form an integral part of and should be read in conjunction with these financial statements

Approved by the Board of Directors on 11th May 2022

**Director**

**Director**

## **CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**

(Incorporated in Hong Kong with limited liability)

### **NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022**

#### **1. GENERAL**

##### **(A) Reporting Entity**

CAPLIN POINT FAR EAST LIMITED (the ‘Company’) is incorporated in Hong Kong with limited liability. Its holding company is Caplin Point Laboratories Limited, a public limited company incorporated in India and its shares are listed on National Stock Exchange of India. The registered office of the Company is located at 20/F, Champion Building, 287-291 Des Voeux Road, Central Sheung Wan, Hong Kong

The principal activity of the Holding Company and its subsidiaries are dealing in Pharmaceutical Products.

##### **(B) Reporting currency**

Unless stated otherwise, all currency figures in these financial statements are presented in Unites States Dollars (US\$) rounded to the nearest one dollar.

#### **2. Basis of Preparation of Financial Statements**

The financial statements have been prepared in accordance with the Hong Kong Financial Reporting Standards for Private Entities (“HKFRSPE”) issued by the Hong Kong Institute of Certified Public Accountants and the requirements of the Hong Kong Companies Ordinance. A summary of significant accounting policies is set out in Note 3.

These financial statements have been prepared under the accrual basis of accounting and the measurement basis used in the preparation of the financial statements is historical cost modified by stating certain financial instruments, if any, at their fair value as explained in the accounting policies set out below.

#### **3. Summary of Significant Accounting Policies**

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements.

##### **(a) Group Accounting**

###### **A. Subsidiaries**

###### **(i) Consolidation**

The consolidated financial statements of the Group incorporate the financial statements of the Holding Company (Caplin Point Far East Limited, Hong Kong) and its Subsidiaries (Caplin Point El Salvador, S.A. De C.V. , Neoethicals CIA, LTDA, Ecuador, Neoethicals SA, Nicaragua, Deogueria Saimed De Honduras, S.A. Honduras and Nuevos Eticos Neoethicals S.A. Gautemala) for the year ended March 31, 2022. Subsidiaries are entities (including special purpose entities) over which the Group has power to govern the financial and operating policies so as to obtain benefits from its activities, generally accompanied by a shareholding giving rise to a majority of the voting rights.

**CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED MARCH 31, 2022**

**Summary of Significant Accounting Policies (Cont'd)**

The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date on which control ceases.

In preparing the consolidated financial statements, transactions, balances and unrealized gains on transactions between group entities are eliminated. Unrealized losses are also eliminated but are considered an impairment indicator of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interest are that part of the net results of operations and of net assets of subsidiaries attributable to the interests which are not owned directly or indirectly by the equity holders of the Company. They are shown separately in the consolidated statement of comprehensive income, statement of changes in equity and Statement of financial position. Total comprehensive income is attributed to the non-controlling interests based on their respective interests in subsidiaries, even if this results in the non-controlling interests having a deficit balance.

**(ii) Acquisitions**

The acquisition method of accounting is used to account for business combination by the Group. The consideration transferred for the acquisition of subsidiaries or business comprises the fair value of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiaries. Acquisition related costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognizes any non-controlling interest in the acquiree at the date of acquisition either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill. In case the consideration transferred is lower than the fair value of the net identifiable assets acquired, the same is recorded as surplus on acquisition of subsidiary arising as a result of bargain purchase and recognized in Other Comprehensive Income.

**CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED MARCH 31, 2022**

**Summary of Significant Accounting Policies (Cont'd)**

**(iii) Disposals**

When a change in the Group ownership interest in a subsidiary result in a loss of control over the subsidiary, the assets and liabilities of the subsidiary including any goodwill are derecognized. Amounts previously recognised in other comprehensive income in respect of that entity are also reclassified to profit or loss or transferred directly to retained earnings if required by a specific Standard. Any retained equity interest in the entity is remeasured at fair value. The difference between the carrying amount of the retained interest at the date when control is lost and its fair value is recognised in profit or loss.

**B. Transactions with non-controlling interests**

Changes in the Group's ownership interest in subsidiaries that do not result in a loss of control of over the subsidiaries are accounted for as transactions with equity owners of the Company. Any difference between the change in the carrying amounts of the non-controlling interest and the fair value of the consideration paid or received is recognized within equity attributable to the equity holders of the Company.

**(b) Revenue**

Revenue is recognised provided it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably. Interest income from bank deposits/balances is accrued on a time-apportioned basis taking into account the principal outstanding and the rate applicable.

**(c) Foreign Exchange Translation**

Foreign currency transactions in currencies other than the functional currency (foreign currencies) are recorded in the functional currency at the rates of exchanges prevailing on the dates of the transactions. At the end of the reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated. Exchange differences arising on the settlement and retranslation of monetary items and non-monetary items are recognised as profit or loss in the period in which they arise.

**(d) Cash and cash equivalents**

Cash and cash equivalents include cash on hand, demand deposits and other short-term highly liquid investments with original maturities of three months or less. Bank overdraft is shown within borrowings in current liabilities on the statement of financial position.

**CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED MARCH 31, 2022**

**Summary of Significant Accounting Policies (Cont'd)**

**(e) Trade receivables**

Trade receivables are recognised initially at the transaction price. They are subsequently measured at amortised cost using the effective interest method, less provision for impairment. A provision for impairment of trade receivables is established when there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the receivables.

**(f) Borrowings**

Borrowings are recognised initially at the transaction price and are subsequently stated at amortised cost. Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

Interest expense is recognised on the basis of the effective interest method and is included in finance costs.

**(g) Trade payables**

Trade payables are recognised initially at the transaction price and subsequently measured at amortised cost using the effective interest method.

**(h) Borrowing costs**

All borrowing costs are recognised in profit or loss in the period in which they are incurred.

**(i) Impairment of non-financial assets**

The investment in subsidiaries is considered as a non-financial asset. At each reporting date, investment in subsidiaries is reviewed to determine whether there is any objective evidence of impairment as result of any event that occurred after the initial recognition of the investment (a 'loss event') and that loss event has an impact on the net assets value of the subsidiaries and that can be reliably estimated. The recoverable amount of the net assets value of the subsidiaries is estimated and compared with its carrying amount. If estimated recoverable amount is lower, the carrying amount is reduced to its estimated recoverable amount, and an impairment loss is recognized immediately in the Statement of Comprehensive Income.

If an impairment loss subsequently reverses, the carrying amount is increased to the revised estimate of its recoverable amount, but not in excess of the amount that would have been determined had no impairment loss been recognized for the asset in prior years. A reversal of an impairment loss is recognized immediately in the Statement of Comprehensive Income.

**CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR**  
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**Summary of Significant Accounting Policies (Cont'd)**

**(j) Related parties**

For the purposes of these financial statements, a party is considered to be related to the Company if:

- i) directly, or indirectly through one or more intermediaries, the party:
  - controls, is controlled by, or is under common control with, the Company;
  - has an interest in the Company that gives it significant influence over the Company; or
  - has joint control over the Company;
- ii) the party is an associate of the Company;
- iii) the party is a joint venture in which the Company is a venture;
- iv) the party is a member of key management personnel of the Company or its parent;
- v) the party is a close member of the family of any individual referred to in (i) or (iv);
- vi) the party is an entity that is controlled, jointly controlled or significantly influenced by or for which significant voting power in such entity resides with, directly or indirectly, any individual referred to in (iv) or (v); or
- vii) the party is a post-employment benefit plan for the benefit of employees of the Company, or any entity that is a related party of the Company.

**4. Revenue**

An analysis of the Company's revenue is as follows:

	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>
Turnover	113,995,551	98,576,927
Other Income	126,885	152,952
<b>Total Revenue</b>	<b><u>114,122,436</u></b>	<b><u>98,729,879</u></b>

**5. Profit before taxation**

	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>
This is stated after charging:		
Auditor's remuneration	<u>9,500</u>	<u>7,675</u>



**CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**  
**(Incorporated in Hong Kong with limited liability)**

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED MARCH 31, 2022**

**6. Director's Remuneration**

The Directors received no remuneration for their services to the Company during the year (2021: Nil). There are no loans, quasi-loans and other dealings in favour of directors (including shadow directors) of the Company and its holding company. This is disclosed pursuant to section 383(1)(d) of the Hong Kong Companies Ordinance and Part 3 of the Companies (Disclosure of Information about Benefits of Directors) Regulations.

**7. Income Tax Expense**

Hong Kong Profits Tax has not been provided for the company as the entire activities are off-shore and the Profits will be exempt. Tax expenses of the group is the tax expense of the subsidiaries.

**8. A. Property, Plant and Equipment**

	Land	Building	Rights to use Asset	Office Equipments	Computers	Furniture	Motor Vehicles	Total
<b>Cost as on 1st April 2021</b>	305,362	635,874	126,559	238,586	171,891	379,051	406,330	<b>2,263,654</b>
Additions during 2021-22	-	-	129,014	54,459	36,585	43,580	76,576	<b>340,215</b>
Deductions during 2021-22	-	-	126,559	26,235	-	5,638	24,252	<b>182,684</b>
Translation Effect	(5,988)	(1,823)	-	(3,806)	(181)	676	(453)	<b>(11,575)</b>
<b>Cost as on 31st March 2022</b>	<b>299,375</b>	<b>634,051</b>	<b>129,014</b>	<b>263,004</b>	<b>208,295</b>	<b>417,669</b>	<b>458,201</b>	<b>2,409,609</b>
<b>Depreciation</b>								
Upto 1st April 2021	-	91,792	95,490	146,977	124,021	224,570	210,635	<b>893,486</b>
For the year 2021-22	-	26,157	40,608	35,993	27,485	55,475	66,912	<b>252,630</b>
Depreciation on Deductions	-	-	126,615	10,593	-	188	15,200	<b>152,597</b>
Translation Effect	-	(251)	-	(2,613)	(85)	481	(504)	<b>(2,971)</b>
<b>Upto 31st March 2022</b>	<b>-</b>	<b>117,698</b>	<b>9,483</b>	<b>169,763</b>	<b>151,422</b>	<b>280,339</b>	<b>261,843</b>	<b>990,548</b>
<b>Carrying amount</b>								
<b>As on 31st March 2022</b>	<b>299,375</b>	<b>516,353</b>	<b>119,531</b>	<b>93,241</b>	<b>56,873</b>	<b>137,330</b>	<b>196,358</b>	<b>1,419,062</b>
As on 31st March 2021	3,05,362	544,082	31,069	91,610	47,869	154,481	195,695	<b>1,370,168</b>

**CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED MARCH 31, 2022**

**B. Intangible Assets**

PARTICULARS	US\$
Cost as on 1st April 2021	271,862
Additions during 2021-22	1,161
Deductions during 2021-22	413
Translation Effect	56
Cost as on 31 <sup>st</sup> March 2022	<u>272,666</u>
Depreciation up to 1st April 2021	154,830
Depreciation for 2021-22	98,996
Depreciation on Deductions	1,837
Translation Effect	(862)
Depreciation up to 31st March 2022	<u>251,127</u>
Carrying amount as on 31st March 2022	<u>21,539</u>
Carrying amount as on 31st March 2021	<u>117,032</u>

**9. Changes in Equity**

**GROUP**

	Issued capital	Retained Profits	Total
	US\$	US\$	US\$
At 1st April 2020	11,544	24,902,112	24,913,656
Profit for the year 2020-21	-	18,617,681	18,617,681
Surplus on acquisition of Subsidiaries	-	35,106	35,106
Foreign Currency Translation	-	(62,309)	(62,309)
Dividend paid during the year	-	(413,000)	(413,000)
<b>At 31st March 2021</b>	<b>11,544</b>	<b>43,079,590</b>	<b>43,091,134</b>
Profit for the year 2021-22	-	23,242,206	23,242,206
Foreign Currency Translation	-	(33,667)	(33,667)
Dividend paid during the year	-	(3,128,294)	(3,128,294)
<b>At 31st March 2022</b>	<b>11,544</b>	<b>63,159,835</b>	<b>63,171,379</b>

**CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR**  
**ENDED MARCH 31, 2022**

**10. Non-Controlling Interest**

<b>Non-Controlling Interest</b>	<b>US\$</b>
Equity	2,332,007
Share of Reserves	1,157,865
<b>Balance at the end of the year</b>	<b><u>3,489,872</u></b>

**11. Cash and Cash Equivalents**

Cash and cash equivalents included in the statement of financial position comprise the following amounts:

	<b>Group</b>	
	<b>2022</b>	<b>2021</b>
	<b>US\$</b>	<b>US\$</b>
<b>Cash and Cash equivalents:</b>		
Cash at Bank	6,397,232	2,186,514
Cash on hand	69,534	90,617
Fixed Deposits	8,068,139	11,00,000
<b>Total</b>	<b><u>14,534,905</u></b>	<b><u>3,377,131</u></b>

**12. TRANSACTIONS WITH RELATED PARTIES**

**Purchases from Ultimate Holding Company for the year ended 31<sup>st</sup> March 2022**

Company Name	Purchase From	US (\$)
DROGUERIA SAIMED DE HONDURAS – HS	Caplin Point Laboratories Ltd	5,803,268
Nuevos Eticos Neoethicals, S A – GT	Caplin Point Laboratories Ltd	16,685,832
Neo Ethicals S.A Nicaragua	Caplin Point Laboratories Ltd	4,876,199
Neo Ethicals CIA.LTDA-Ecuador	Caplin Point Laboratories Ltd	4,149,412

**Payable to /(Receivable) from Ultimate Holding Company as at 31<sup>st</sup> March 2022**

Company Name	Payable to /(Receivable) from	US (\$)
DROGUERIA SAIMED DE HONDURAS – HS	Caplin Point Laboratories Ltd	(195,651)
Nuevos Eticos Neoethicals, S A – GT	Caplin Point Laboratories Ltd	1,430,998
Neo Ethicals S.A Nicaragua	Caplin Point Laboratories Ltd	(1,957,308)
Neo Ethicals CIA.LTDA-Ecuador	Caplin Point Laboratories Ltd	39,187

**CAPLIN POINT FAR EAST LIMITED AND ITS SUBSIDIARIES**  
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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR**  
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**13. Holding Company**

As at March 31, 2022, the Company's Holding Company is "Caplin Point Laboratories Limited", a public limited company incorporated in India and its shares are listed on National Stock Exchange of India (NSE) and in the Bombay Stock Exchange (BSE).

**14. Capital Risk Management**

The Company management manages its capital to ensure that the Company will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the debt and equity balance. The Company's overall strategy remains unchanged from prior year.

The capital structure of the Company consists of cash and cash equivalents, debt and equity attributable to equity holders of the Company, comprising issued share capital, share premium and accumulated profit.

The directors of the Company review the capital structure on an annual basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital.

**15. Liquidity Risk Management**

In the management of the liquidity risk, the Company monitor and maintain a level of cash and cash equivalents considered adequate by the management to finance the Company's operations and mitigate the effects of fluctuations in cash flows.

The contractual maturity of the Company's trade and other payables are all due within one year and the amounts due to related parties are all repayable on demand.

**16. Approval of Financial Statements**

These financial statements were authorised for issue by the Company's Board of Directors on 11<sup>th</sup> May 2022

**Director**

**Director**