RANBAXY NIGERIA LIMITED

FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

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BOARD OF DIRECTORS, PROFESSIONAL ADVISERS, ETC.

Company Registration No: 95102

Shareholders:	Sun Pharma (Netherlands) B.V. Individual Shareholders		
		Designation	**Nationality**
Chairman of the Board	Olaogun Badru Atanda	Chiarman	(Nigerian)
Board of Directors:	Hanwant Singh Arora	Managing Director	(Indian)
	Samson Yomi Osewa	Director	(Nigerian)
	Koneti Chelvanaranan Badrinaranyanan	Director	(Indian)
	Gunakesh Kumar	Director	(Indian)
	Mathew Binu Philip	Director	(Indian)
Registered Address:	24 Abimbola Street Abimbola House Ilasamaja, Isolo Lagos.		
Company Secretary:	Mr. Kufre Udoh 24, Abimbola Street Ilasamaja, Isolo Lagos.		
Independent Auditors:	Grant Thornton Nigeria (Chartered Accountants) 2A Ogalade Close, Off Ologun Agbaje Street, Off Adeola Odeku Street, Victoria Island, Lagos		
Bankers:	Access Bank Plc Citibank Nigeria Limited Standard Chartered Bank Plc Wema Bank Plc Zenith Bank Plc		

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2025

The directors present their report on the affairs of Ranbaxy Nigeria Limited ("the company"), together with the financial statements and independent auditor's report for the year ended 31 March 2025.

Legal Form

Ranbaxy Nigeria Limited ("the company") was incorporated as a private limited liability company in Nigeria on 12 May 1987 under the name Ranmax Laboratories Nigeria Limited. The Company name was changed to Ranbaxy Nigeria Limited at an extra ordinary general meeting held on 6 October 1995, under the Companies and Allied Matters Act 2020, Laws of the Federation of Nigeria, 2004.

Principal Activities

The principal activities of the company involve manufacturing, importation and sale of pharmaceutical products in Nigeria.

Directors

The directors who held office during the year and to the date of this report were:

	Designation	Nationality
Olaogun Badru Atanda	Chiarman	(Nigerian)
Hanwant Singh Arora	Managing Director	(Indian)
Samson Yomi Osewa	Director	(Nigerian)
Koneti Chelvanaranan Badrinaranyanan	Director	(Indian)
Gunakesh Kumar	Director	(Indian)
Mathew Binu Philip	Director	(Indian)

Directors and their Interest

The directors who served during the year and their interest in the shares of the company at the year end were as follows:

			Number of shares held	
			2025	2024
	Designation	Nationality	₦'000	₦'000
Olaogun Badru Atanda	Chiarman	(Nigerian)	684,104	684,104
Hanwant Singh Arora	Managing Director	(Indian)	Nil	Nil
Samson Yomi Osewa	Director	(Nigerian)	Nil	Nil
Koneti Chelvanaranan Badrinaranyanan	Director	(Indian)	Nil	Nil
Gunakesh Kumar	Director	(Indian)	Nil	Nil
Mathew Binu Philip	Director	(Indian)	Nil	Nil

Directors Interests in Contracts

For the purpose of section 303 of the Companies and Allied Matters Act 2020 none of the directors has notified the company of any direct or indirect interest in contracts or proposed contracts with the company during the year.

Operating Results

The following is the summary of the company's operating results:

	2025 ₦,000	2024 ₦,000
Revenue	18,494,540	11,864,686
Loss before taxation	(5,355,401)	(47,851,963)
Taxation	(99,213)	(141,248)
Loss after taxation	**(5,454,614)**	**(47,993,210)**

Shareholders and shareholdings

The shareholder structure of the company at the end of the year was as follows:

	2025		2024	
	No. of ordinary shares		No. of ordinary shares	
	%	of ₦1 each	%	of ₦1 each
Sun Pharma (Netherlands) B.V.	86.2	34,464,134	86.16	34,464,134
Sun Pharmaceutical Industries Limited, India	-	-	0	
Individual Shareholders	13.8	5,535,866	13.8	5,535,866
	100	**40,000,000**	**100**	**40,000,000**

The current shareholding structure is shown above: Sun Pharma (Netherlands) B.V.(86.16%) (2024:86.16%) and Individual shareholding (13.84%) (2024:13.84%).

Donations and Charitable Gifts

In compliance with section 38 (2) of the Company and Allied Matter Act 2020, the company did not make any donation or gift to any political party, political association or for any political purpose during the year.

Employment and Employees

Employment of physically challenged persons disabled persons

It is the policy of the company that there is no discrimination in considering applications for employment including those of physically challenged persons. All employees, whether or not physically challenged, are given equal opportunities to develop their skill and knowledge and qualify for promotion in furtherance of their careers. In the event of members of staff becoming physically challenged, every effort is made to ensure that their employment with the company continues. It is the policy of the Company that the training, career development and promotion of physically challenged persons should, as far as possible, be identical with other employees.

Applications for employment by physically challenged persons are always fully considered bearing in mind the respective aptitudes and abilities of the applicants concerned. In the event of members of staff becoming physically challenged, every efforts is made to ensure that their employment with the company continues and that appropriate training is arranged. It is the policy of the company that training, career development and promotion of physically challenged persons should, as far as possible, be identical with those of other employees.

RANBAXY NIGERIA LIMITED

DIRECTORS' REPORT
FOR THE YEAR ENDED 31 MARCH 2025 (CONT'D)

Employee involvement and training
The company is committed to keeping employees fully informed as much as possible, about the company's performance and progress and in seeking their views, whenever practicable on matters which particularly affect them as employees. The company organises on-the-job training for its staff using in-house training facilities complimented, when and where necessary, with external and overseas training, this has broaden opportunities for career development within the organisation.

Health, Safety and welfare at work
Health and safety regulations are in force within the premises of the Company. The Company places a high premium on its human resources and there is existing provision for staff welfare in the areas of lunch, rent and transportation subsidy. The Company has various forms of insurance policies to adequately secure an protect its employees.

Events after Reporting year
There are no events after reporting date which could have had a material effect on the state of affairs of the company as at 31 March 2025 which have not been adequately provided for or disclosed.

Independent Auditors
In accordance with Section 401(2) of the Companies and Allied Matters Act 2020, Messrs. Grant Thornton (Chartered Accountants) will be reappointed to continue in office as Auditors to the Company having indicated their willingness to do so. A resolution will be proposed to re-appoint them and to authorize the directors to fix their remuneration.

LAGOS, NIGERIA.

BY ORDER OF THE BOARD
Mr. Kufre Udoh
24, Abimbola Street,
Abimbola House,
Ilasamaja, Isolo
Lagos

RANBAXY NIGERIA LIMITED

STATEMENT OF DIRECTORS' RESPONSIBILITIES
FOR THE YEAR ENDED 31 MARCH 2025

The Companies and Allied Matters Act 2020 requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the company at the end of each financial year and its profit or loss. The responsibilities include ensuring that the company:

- Keeps proper accounting records that disclose with accuracy, the financial position of the company and comply with the requirement of the Companies and Allied Matters Act 2020;

- Establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and

- Prepares its financial statements using suitable accounting policies supported by reasonable and prudent judgements and estimates that are consistently applied.

The Directors accept responsibility for the annual financial statements which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates in conformity with the International Financial Reporting Standards (IFRS), Financial Reporting Council (Amendment) Act 2023 and the Companies and Allied Matters Act 2020.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its profit or loss. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the company will not remain a going concern for at least twelve months from the date of this statement.

Gunakesh Kumar **Director**	**Hanwant Singh Arora** **Director**

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Ranbaxy Nigeria Limited

Chartered Accountants

Grant Thornton Nigeria
2A Ogalade Close
Off Ologun Agbaje Str.
Off Adeola Odeku Str.
Victoria Island, Lagos
P. O. Box 5996 Surulere,
Lagos - Nigeria.

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Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Ranbaxy Nigeria Limited** (the Company), which comprise the statement of financial position as at **31 March 2025**, statement of profit or loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at **31 March 2025**, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs), the Financial Reporting Council of Nigeria (Amendment) Act of 2023 and the provision of the Companies and Allied Matters Act 2020.

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 *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code),* and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, 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 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's 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 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 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 skepticism throughout the audit. We also:

i) 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.

ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstance, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.

iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

iv) Conclude on the appropriateness of management's use of the going concern 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.

v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transaction 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.

Report on Other Legal and Regulatory Requirements

The "Fifth Schedule" of the Companies and Allied Matters Act 2020 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

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

ii) In our opinion, proper books of account have been kept by the company; and

iii) The Company's Statement of Financial Position and Statement of Profit or Loss are in agreement with the books of account.

Kingsley Opara, FCA
FRC/2014/PRO/ICAN/004/00000005881
FOR: GRANT THORNTON
(CHARTERED ACCOUNTANTS)
LAGOS, NIGERIA.

Date: 19 May 2025

RANBAXY NIGERIA LIMITED

STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED 31 MARCH 2025

	Notes	2025 ₦'000	2024 ₦'000
Revenue	6	18,494,540	11,864,686
Cost of Sales	7	(12,106,564)	(9,082,329)
Gross Profit		**6,387,976**	**2,782,357**
Other Income	8	20,645	3,488
Less Expenses:			
Selling and Distribution Expenses	9	(1,527,919)	(1,097,201)
Administrative Expenses	10	(8,825,039)	(48,386,459)
Loss from Operation		**(3,944,337)**	**(46,697,815)**
Finance Income	11	1,327,501	536,213
Finance Cost	12	(2,738,565)	(1,690,361)
		(1,411,064)	**(1,154,147)**
Loss Before Taxation		**(5,355,401)**	**(47,851,963)**
Taxation	14	(99,213)	(141,248)
Loss After Taxation		**(5,454,614)**	**(47,993,210)**

Earnings per share attributable to owners of the Company (Naira)			
Per Share Data:			
Earnings per share (Naira)		**(136.4)**	**(1,199.8)**

The statement of accounting policies and notes on pages 13 to 47 form an integral part of these financial statements.

RANBAXY NIGERIA LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

ASSETS	Notes	2025 ₦'000	2024 ₦'000
NON-CURRENT ASSETS			
Property, Plant & Equipment	15	2,991,258	2,617,644
Deferred Tax Asset	14.3	-	125,955
		2,991,258	**2,743,599**
CURRENT ASSETS			
Inventory	16	4,431,185	2,396,185
Trade and Other Receivables	17	642,827	997,494
Cash and Cash Equivalent	18	10,449,754	12,143,771
		15,523,766	**15,537,450**
TOTAL ASSETS		**18,515,024**	**18,281,049**
EQUITY AND LIABILITIES			
Equity Attributable to Owners			
Share Capital	24	40,000	40,000
Share Premium	25	38,951	38,951
Revenue Reserve	26	(62,030,562)	(56,449,993)
TOTAL EQUITY		**(61,951,611)**	**(56,371,042)**
LIABILITIES			
NON-CURRENT LIABILITIES			
Employment Benefits Obligation	22	35,077	29,410
		35,077	**29,410**
CURRENT LIABILITIES			
Borrowing	19	47,559,934	39,640,778
Trade and Other Payables	20	32,672,326	34,846,325
Provisions	21	94,322	60,510
Income Tax	14	104,976	75,068
		80,431,558	**74,622,681**
TOTAL EQUITY AND LIABILITIES		**18,515,024**	**18,281,049**

These accounts were approved by the Board of Directors on 12 May 2025 and signed on its behalf by:

Gunakesh Kumar
Director

Hanwant Singh Arora
Director

The statement of accounting policies and notes on pages 13 to 47 form an integral part of these financial statements.

RANBAXY NIGERIA LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MARCH 2025

	Equity Share ₦,000	Share Premium ₦,000	Retain Earnings ₦,000	Total ₦,000
Year Ended 31 March 2024				
Balance as at 1 April 2023	40,000	38,951	(8,456,783)	**(8,377,832)**
Loss for the year	-	-	(47,993,210)	**(47,993,210)**
Balance as at 31 March 2024	**40,000**	**38,951**	**(56,449,993)**	**(56,371,043)**
Year Ended 31 March 2025				
Balance as at 1 April 2024	40,000	38,951	(56,449,993)	**(56,371,042)**
Profit adjustment on deffered Tax			(125,954)	**(125,954)**
Loss for the year	-	-	(5,454,614)	**(5,454,614)**
Balance as at 31 March 2025	**40,000**	**38,951**	**(62,030,562)**	**(61,951,611)**

The statement of accounting policies and notes on pages 13 to 47 form an integral part of these financial statements.

RANBAXY NIGERIA LIMITED

STATEMENT OF CASHFLOWS
FOR THE YEAR ENDED 31 MARCH 2025

		2025	2024
Cash Flows from Operating Activities	**Notes**	**₦'000**	**₦'000**
Loss Before Taxation		(5,355,401)	(47,851,963)
Adjustments:			
Depreciation of Property, Plant and Equipment	15	867,658	782,792
Finance Income	11	(1,327,501)	(536,213)
Employee Cost Under Defined Benefit Plan		5,667	(868)
Profit on Disposal of PPE	8	(16,407)	-
Operating Loss Before Working Capital Changes		**(5,825,983)**	**(47,606,253)**
Changes in Working Capital:			
Increase in Inventories		(2,035,001)	28,860
Decrease Trade and Other Receivables		354,667	(508,027)
Increase/(Decrease) in Trade and Other Payables		(2,173,999)	25,110,819
Increase in Provisions		33,812	15,666
Increase in Interest on Borrowings		7,919,156	27,844,059
		(1,727,348)	**4,885,124**
Tax Paid	14	(69,305)	(115,924)
Net Cash Flow from Operating Activities		**(1,796,654)**	**4,769,200**
Cash flow from Investing Activities:			
Purchase of Property, Plant and Equipment	15	(1,241,272)	(345,133)
Proceed from disposal of assets	8	16,407	-
Finance Income	11	1,327,501	536,213
Net Cash flow from Investing Activities		**102,636**	**191,080**
Cash Flow from Financing Activities:			
Share Capital		-	-
Net Cash Flow from Financing Activities		**-**	**-**
Net Cash Flow for the year		**(1,694,017)**	**4,960,280**
Cash and Cash Equivalents as at 1 April		12,143,771	7,183,491
Cash and Cash Equivalents as at 31 March		**10,449,754**	**12,143,771**
Cash and Cash Equivalent Consist of :			
Cash at Bank		**10,449,754**	**12,143,771**

The statement of accounting policies and notes on pages 13 to 47 form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2025

1 Nature of Operation

The principal activities of the company involves manufacturing, importation and sale of pharmaceutical products in Nigeria.

Sale Pharmaceutical Product: The Company involve sales of pharmaceutical product through marketing, sales promotion, the company make use of marketers to promote their product and reach out to the consumers.

2 General Information, Statement of Compliance with IFRS and Going Concern Assumption

Ranbaxy Nigeria Limited ("the company") was incorporated as a private limited liability company in Nigeria on 12 May 1987 under the name Ranbaxy Laboratories Nigeria Limited. The Company name was changed to Ranbaxy Nigeria Limited at an extra ordinary general meeting held on 6 October, 1995 under the Companies and Allied Matters Act, 2020, Laws of the Federation of Nigeria, 2004. The Company is a subsidiary of Ranbaxy Laboratories Limited- India until March 2015, when Ranbaxy Laboratories Limited (RLL) merged with the SUN Pharmaceutical Industries Limited, India. Ranbaxy Netherland BV (RNBV), a subsidiary of Ranbaxy Laboratories Limited (RLL) India holds 86.16% of the ordinary share capital of the Company, with effect from 6 February 2020, the name Ranbaxy Netherland BV was changed to Sun Pharma (Netherlands) B.V.

The financial statements of the company have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB). They have been prepared under the assumption that the company operates on a going concern basis. The company's audited balances for the year under review are comparable with the prior year balances in all aspects.

The financial statements for the year ended 31 March 2025 (including comparatives) were approved and authorised for issue by the board of directors of Ranbaxy Nigeria Limited on 12 May **2025**

3 New or Revised Standards or Interpretations

3.1 New Standards, amendments and interpretations to existing standards adopted as at 1 April

The Company adopted the following standards and amendments that are effective for the first time in 01 April 2024:

- Classification of Liabilities as Current or Non-current (Amendments to IAS 1)
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)
- Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)
- Non-current Liabilities with Covenants (Amendments to IAS 1) Practice Statement 2)

These amendments do not have a significant impact on these financial statements and therefore the disclosures have not been made. However, they do not affect these financial statements.

3.2 Standards, amendments and interpretations to existing standards that are not yet effective and have not been adopted early by the Company.

At the date of authorisation of these financial statements, certain new IFRS standards, amendments and interpretations to existing standards have been published by the IASB but are not yet effective, and have not been adopted early by the company. Management anticipates that all of the relevant pronouncements will be adopted in the company's accounting policies for the first period beginning after the effective date of the pronouncement.

Information on new standards, amendments and interpretations that are expected to be relevant to the company's financial statements is provided below. Certain other new standards and interpretations have been issued but are not expected to have a material impact on the company's financial statements.

Other Standards and amendments that are not yet effective and have not been adopted early by the

3.2.1 Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Effective on or after January 1, 2026.

when a financial liability should be derecognised when it is settled by electronic payment. Previously, an entity was required to wait until the settlement date of the transaction to discharge the liability, but the new guidance allows for the liability to be discharged before the settlement date if:

- the payment cannot be withdrawn, stopped or cancelled
- the entity no longer has the practical ability to access the cash, and
- settlement risk associated with the electronic payment system is insignificant.

3.2.2 IFRS 18 Presentation and Disclosure in Financial Statement Effective for on or after 1 January 2027.

IFRS 18 introduces newly defined 'operating profit' and 'profit or loss before financing and income tax' subtotals and a requirement for all income and expenses to be allocated between three new distinct categories based on a company's main business activities: operating, investing and financing.

Under IFRS 18, companies are no longer permitted to disclose operating expenses only in the notes. A company presents operating expenses in a way that provides the 'most useful structured summary' of its expenses by either:

• nature
• function; or
• using a mixed presentation

If any operating expenses are presented by function, then new
IFRS 18 also requires some 'non-GAAP' measures to be reported in the financial statements. It introduces a narrow definition for Management-defined Performance Measures ("MPMs"), requiring them to be:

• a subtotal of income and expenses;
• used in public communications outside the financial statements; and
• reflective of management's view of financial performance.

For each MPM presented, companies need to explain in a single note to the financial statements why the measure provides useful information, how it is calculated and reconcile it to an amount determined under IFRS Accounting Standards.

New or revised standards or interpretations(CONTD)

3.2.3 IFRS 19 Subsidiaries without Public Accountability Disclosures effective 1 January 2027

IFRS 19 allows eligible subsidiaries to apply IFRS Accounting Standards with the reduced disclosure requirements of IFRS 19.A subsidiary may choose to apply the new standard in its consolidated, separate or individual financial statements provided that, at the reporting date:

• it does not have public accountability

• its parent produces consolidated financial statements under IFRS Accounting Standards available for

A subsidiary applying IFRS 19 is required to clearly state in its explicit and unreserved statement of compliance with IFRS Accounting Standards that IFRS 19 has been adopted.

3.2.4 Lack of Exchangeability (Amendments to IAS 21) Effective from 01 January 2025

In August 2023, the IASB amended IAS 21 ‘The Effects of Changes in Foreign Exchange Rates’ to clarify the approach that should be taken by preparers of financial statements when they are reporting foreign currency transactions, translating foreign operations, or presenting financial statements in a different currency, and there is a long-term lack of exchangeability between the relevant currencies.

The amendments include both updates to guidance to assist preparers in correctly accounting for foreign currency items and increases the level of disclosure required to help users understand the impact of a lack of exchangeability on the financial statements. The amendments:

• introduce a definition of whether a currency is exchangeable, and the process by which an entity should assess this exchangeability.

• provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is not exchangeable

• require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability, including the nature and financial impact of the lack of exchangeability, and details of the spot exchange rate used and the estimation process.

• liquidity risk information.

The additional disclosure requirements provide useful information about the additional level of estimation uncertainty, and risks arising for the entity due to the lack of exchangeability.

3.2.5 Annual Improvements to IFRS Standards –Volume 11- Effective 1 January 2026

In this volume of improvements, the IASB makes minor amendments to IFRS 9 Financial Instruments and to a further four accounting standards. The amendments to IFRS 9 address:

• a conflict between IFRS 9 and IFRS 15 Revenue from Contracts with Customers over the initial measurement of trade receivables; and

• how a lessee accounts for the derecognition of a lease liability under paragraph 23 of IFRS 9

The amendments to IFRS 9 require companies to initially measure a trade receivable without a significant financing component at the amount determined by applying IFRS 15. Theyalso clarify that when lease liabilities are derecognised under IFRS 9, the difference between the carrying amount and the consideration paid is recognised in profit or loss.

4 Significant Accounting Policies

The accounting policies set out below have been applied consistently to all years presented in the financial statements.

4.1 Basis of Preparation

The Company's financial statements have been prepared on an accrual basis and under the historical cost convention. Monetary amounts are expressed in Nigerian Currency Naira (₦).

4.2 Foreign Currency Translation

4.2.1 Functional and presentation currency

These financial statements are presented in Nigeria Naira (₦) which is the company's functional currency. Except otherwise indicated. All financial information presented in Nigeria Naira has been rounded to the nearest thousand except where otherwise stated.

4.2.2 Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency of the respective entities, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the remeasurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in profit or loss.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

4.3 Revenue Recognition

Revenue from contracts with customers is recognised when control of the services are transferred to the customer at an amount that reflects the consideration to which the company expects to be entitled in exchange for those services. Revenue arises mainly from manufacture, imports and sale of pharmaceutical products to customers in Nigeria.

To determine whether to recognize revenue, the Company follows a 5-step process:

(i) Identifying the contract with a customer
(ii) Identifying the performance obligations
(iii) Determining the transaction price
(iv) Allocating the transaction price to the performance obligations
(v) Recognizing revenue when/as performance obligation(s) are satisfied.

4.3 Revenue Recognition (Cont'd)

The Company manufactures, imports and sells pharmaceutical products in the wholesale market. Sales are recognised based on invoices raised on or before the 24th day of each months for up- country customers (i.e. customers outside Lagos) and on or before 28th day of each month for local customers (i.e. customers within Lagos). All invoices raised after these dates are recognised when control of products has transferred, being when the products are delivered to the wholesaler, the wholesaler has full discretion over the channel and price to sell the products, and there is no unfulfilled obligation that could affect the wholesaler's acceptance of the products. Delivery occurs when the products have been shipped to the specific location, the risks of obsolescence and loss have been transferred to the wholesaler, and either the wholesaler has accepted the products in accordance with the sales contract, or the Company has objective evidence that all criteria for acceptance have been satisfied. The product is often sold with retrospective allowance for sales returns based on 0.5% of the aggregate sales over a 12 months period.

Revenue from these sales is recognised based on the price specified on the invoice, net of estimated volume discounts(/if any). Accumulated experience is used to estimate and provide for the sales returns, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. No element of financing is deemed present as the sales are made with a credit term of 30 days, which is consistent with market practice. The Company's obligation to provide a refund for returned products under the standard terms is recognised as a provision.

The Company often enters into transactions involving a range of the Company’s pharmaceutical products. In all cases, the total transaction price for a contract is allocated amongst the various performance obligations based on their relative stand-alone selling prices.

Revenue is recognized either at a point in time or over time, when (or as) the Company satisfies performance obligations by transferring the promised services to its customers.

The company recognizes contract liabilities for consideration received in respect of unsatisfied performance obligations and reports these amounts as other liabilities in the statement of financial position. Similarly, if the Company satisfies a performance obligation before it receives the consideration, the Company recognizes either a contract asset or a receivable in its statement of financial position, depending on whether something other than the passage of time is required before the consideration is due.

4.4 Finance Income/ Finance Cost

Finance income and finance income represent interest income on fund invested. Interest income is recognised as it accrues in profit or loss, using the effective interest method.

Finance costs comprise interest expense on borrowing. Interest expense is recognised as it accrues in profit or loss, using the effective interest method.

Foreign currency gains and losses on financial assets and financial liabilities are reported on a net basis as either finance income or finance cost depending on whether foreign currency movements are in a net gain or net loss position.

4.5 Operating

Operating expenses are recognized in statements of profit or loss upon utilization of the service or as incurred.

4.6 Income and deferred tax

Income tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent of items recognized directly in equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates statutorily enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized in respect of temporary differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss.

Deferred tax asset is recognized in profit or loss account except to the extent that it relates to a transaction that is recognized directly in equity. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the amount will be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

4.7 Property, plant and equipment

4.7.1 Recognition and measurement

Items of property, plant and equipment are measured at cost or deemed cost less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. Property, plant and equipment under construction are disclosed as capital work-in-progress. The cost of self-constructed asset includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use including, where applicable, the costs of dismantling and removing the items and restoring the site on which they are located and borrowing costs on qualifying assets.

Purchased software that is integral to the functionality of the related equipment is capitalized as part of the equipment. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

If significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

4.8.2 Derecognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal.

Gains and losses on derecognition or disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of the item of property, plant and equipment, and are recognised net in profit or loss.

4.8.3 Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the company and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of property, plant and equipment are recognized in profit or loss as incurred.

4.8.4 Depreciation

Depreciation is calculated over the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant, and equipment which reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Leased assets are depreciated over the shorter of the lease term and their useful lives unless it is reasonably certain that the company will obtain ownership by the end of the lease term in which case the assets are depreciated over the useful life.

Depreciation of an asset begins when it is available for use, i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

The estimated useful lives for the current and comparative years are as follows:

- Leasehold improvements	Over the period of the lease
- Plant and machinery	10 -15 years
- Motor	4 - 6 years
- Furniture and fittings	5 -7 years
- Generators	4 - 6 years

Depreciation methods, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

4.9 Intangible Assets

4.9.1 Recognition and measurement

The cost of an intangible asset is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably.

4.9.2 Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefit are expected from the use. Gain or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in profit or loss when the asset is derecognised.

4.9.3 Subsequent costs

Subsequent expenditure is capitalised only when it increases the future economic benefits embedded in the specific asset to which it relates. All other expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

4.9.4 Amortisation

Amortisation is calculated over the cost of the asset, or other amount substituted for cost, less its residual value. Amortisation is recognised in profit or loss on a straight-line bases over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, since this most closely reflects the expected pattern of consumption of the future economic benefits embedded in the asset.

The estimated useful lives for the current year are as follows:

Computer software	5 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

4.9.5 Impairment testing of property, plant and equipment

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some impairment losses for cash-generating units reduce first the carrying assets are tested individually for impairment and some are tested at cash-generating unit level.. All other individual assets or cash-generating units are tested for impairment 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 asset’s or cash-generating unit’s carrying amount exceeds its recoverable amount, which is the higher of fair value less costs to sell and value-in use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable interest rate in order to calculate the present value of those cash flows.

4.9.5 Impairment testing of property, plant and equipment (Cont'd)

The data used for impairment testing procedures are directly linked to the entity's latest approved budget, adjusted as necessary to exclude the effects of future reorganizations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect management's assessment of respective risk profiles, such as market and asset-specific risks factors. amount of any assets allocated to that cash-generating unit. Any remaining impairment loss is charged pro rata to the other assets in the cash-generating unit. With the exception of goodwill, all assets are subsequently reassessed for indications that an impairment loss previously recognized may no longer exist. An impairment charge is reversed if the cash-generating unit's recoverable amount exceeds its carrying amount.

4.10 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventory include purchase cost and all relevant costs that have been incurred in bringing the items of inventory to their present location and obligation. Inventories comprise of finished products and goods-in-transit.

The basis of costing is as follows:

Raw materials: Raw materials includes purchase cost and other costs incurred to bring the materials to their location and condition. Raw materials are valued using weighted average cost.

Finished products: Purchase cost on a first-in, first-out basis including transportation and applicable delivering charges.

Goods in transit: Purchase cost incurred to date.

Net realisable value represents the estimated selling price less all estimated costs of completion and costs to be incurred in marketing, selling and distribution.

4.11 Cash and cash equivalents

Cash and Cash Equivalents comprise of notes on hand, demand deposits and other short term, highly liquid financial assets with original maturities of three months or less that are convertible to a known amount of cash which are subject to insignificant risk of changes in value, all of which are available for use by the company unless otherwise stated. In the statement of financial position, company overdrafts are included in current liabilities.

4.12 Financial Instruments

4.12.1 Recognition and derecognition

Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expires.

4.12.2 Classification and initial measurement of financial assets

Except for those trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs (where applicable).

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- Amortized cost
- Fair value through profit or loss (FVTPL)
- Fair value through other comprehensive income (FVOCI).

In the periods presented the corporation does not have any financial assets categorized as FVOCI.

The classification is determined by both:

- The entity's business model for managing the financial asset.
- The contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognized in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within other expenses.

4.12.3 Subsequent measurement of financial assets

4.12.3.1 Financial assets at amortized cost

Financial assets are measured at amortized cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows.
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents, trade and most other receivables fall into this category of financial instruments as well as listed bonds that were previously classified as held-to-maturity under IAS 39.

4.12.3.2 Financial assets at fair value through profit or loss (FVTPL)

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorized at fair value through profit and loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at FVTPL. All derivative financial instruments fall into this category, except for those designated and effective as hedging instruments, for which the hedge accounting requirements apply.

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

4.12.3.3 Financial assets at fair value through other comprehensive income (FVOCI)

The Company accounts for financial assets at FVOCI if the assets meet the following conditions:

- they are held under a business model whose objective it is "hold to collect" the associated cash flows and sell and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

Financial assets classified as available for sale (AFS) under IAS 39 (comparative periods) AFS financial assets are non-derivative financial assets that are either designated to this category or do not qualify for inclusion in any of the other categories of financial assets (FVTPL or held to maturity and loans and receivables).

Within equity, except for interest and dividend income, impairment losses and foreign exchange differences on monetary assets, which are recognised in profit or loss. When the asset was disposed of or was determined to be impaired, the cumulative gain or loss recognised in other comprehensive income was reclassified from the equity reserve to profit or loss. Interest calculated using the effective interest method and dividends were recognised in profit or loss within finance income.

4.12.4 Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognize expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements included loans and other debt-type financial assets measured at amortized cost and FVOCI, trade receivables, contract assets recognized and measured under IFRS 15 and loan commitments and some financial guarantee contracts (for the issuer) that are not measured at fair value through profit or loss.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

In applying this forward-looking approach, a distinction is made between:

- financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and
- financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').
- would cover financial assets that have objective evidence of impairment at the reporting date

Twelve month expected credit losses' are recognized for the first category while 'lifetime expected credit losses' are recognized for the second category. Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

4.12.5 Trade and other receivables and contract assets

The Company makes use of a simplified approach in accounting for trade and other receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses using a provision matrix.

The Company assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics they have been grouped based on the days past due.

4.12.6 Classification and measurement of financial liabilities

As the accounting for financial liabilities remains largely the same under IFRS 9 compared to IAS 39, the Company's financial liabilities were not impacted by the adoption of IFRS 9. The Company's financial liabilities include borrowings, trade and other payables and derivative financial instruments.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss (other than derivative financial instruments that are designated and effective as hedging instruments).

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

4.12.7 Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

4.12.8 Trade and other payables

Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

4.13 Prepayments and advances are non-

Prepayments and advances are non-financial assets which result when payments are made in advance of the receipt of goods or services. They are recognised when the company expects to receive future economic benefits equivalent to the value of the prepayment. The receipt or consumption of the goods or services results in a reduction in the prepayment and a corresponding increase in expenses or assets for that reporting period.

4.14 Borrowing

Borrowings are recognised initially at their issue proceeds and subsequently stated at cost less any repayments. Transaction costs where immaterial, are recognised immediately in the income statements. Where transaction costs are material, they are capitalised and amortised over the life of the loan. Interest paid on borrowing is recognised in the income statement for the period.

4.15 Post-employment benefits

4.15.1 Defined contribution plan

A defined contribution plan is a post-employment benefit plan (pension fund) under which the company pays fixed contributions into a separate entity. The company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior years.

In line with the provisions of the Pension Reform Act, the company has instituted a defined contribution pension scheme for its permanent staff. Staff contributions to the scheme are funded through payroll deductions while the company's contribution is recognized in profit or loss as employee benefit expense in the years during which services are rendered by employees. Employees contribute 8 % each of their Basic salary, Transport and Housing Allowances to the Fund on a monthly basis. The company's contribution is 10 % of each employee's Basic salary, Transport and Housing Allowances.

4.15.2 Defined benefit plan

For defined benefit plans, the cost of providing benefit is determined using the projected unit credit method, with actuarial valuations being carried out periodically so that a provision for the present value of the estimated cost for liabilities due at the reporting date in respect of employee's terminal gratuities based on qualifying years of service and applicable emoluments as per operating collective agreement is being made in the statement of financial position.

4.15.3 Termination benefits

Termination benefits are recognized as an expense and liability at the earlier of when the company can no longer withdraw the offer of those benefits and when the company recognizes costs for a restructuring that is within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and involve the payment of termination of benefits. If benefits are payable more than 12 months after the reporting year, then they are discounted to their present value.

4.15.4 Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short-term cash bonuses if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

4.15.5 Gratuity Scheme
The employee gratuity scheme is a defined benefit plan, as at the reporting date, 31 March 2025; a memorandum of understanding was reached on the 24th February 2022 between the Management of Ranbaxy Nigeria Limited and In-House workers of the National Union of Chemical, Footwear, Rubber, Leather and Non-metallic Products Employees (NUCFRLANMPE) to discontinue the defined benefit Scheme.

The following agreement was reached:

- Both parties agreed on 5% compound interest rate on cumulative shall be from 2008 to 31 March 2019;
- Other cases already paid/settled is closed and cannot be revisited by this agreement;
- That there shall be no victimization and intimidation from both parties as a result of this

To this effect provision for gratuity has been made in the books to settle employees who meet the requirement to receive benefits based on the Company's policy. No valuation by an Actuarist will be required going forward as the Fund is being liquidated.

4.16 Share Capital and Share Premium
Shares are classified as equity when there is no obligation to transfer cash or other assets. Any amounts received over and above the par value of the shares issued is classified as 'share premium' in equity. Incremental costs directly attributable to the issue of equity instruments are shown in equity as a deduction from the proceeds, net of tax.

4.17 Provisions and contingent liabilities

4.17.1 Provisions
A provision is recognized if, as a result of a past event, the company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

A provision for restructuring is recognized when the company has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating losses are not provided for.

A provision for onerous contracts is recognized when the expected benefits to be derived by the company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the company recognizes any impairment loss on the assets associated with that contract.

4.18 Contingent liabilities
A contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company, or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are only disclosed and not recognized as liabilities in the statement of financial position. If the likelihood of an outflow of resources is remote, the possible obligation is neither a provision nor a contingent liability and no disclosure is made.

4.19 Related parties

Related parties include the holding company and other group entities. Directors, their close family members and any employee who are able to exert a significant influence on the operating policies of the company are also considered to be related parties. Key management personnel are also regarded as related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the company, direct or indirectly, including any direct (whether executive or otherwise) of the company.

Related party transactions of similar nature are disclosed in aggregate except where separate disclosure is necessary for understanding the effects of the related party transactions on the financial statements of the company.

4.20 Statement of cash flows
The statement of cash flows is prepared using the direct method. Changes in statement of financial position items that have not resulted in cash flows such as translation differences, fair value changes, equity-settled share-based payments and other non-cash items, have been eliminated for the purpose of preparing the statement. Dividends paid to ordinary shareholders are included in financing activities. Finance costs paid is also included in financing activities while finance income is included in investing activities.

4.21 Significant management judgement in applying accounting policies and estimation
When preparing the financial statements, management undertakes a number of judgements, estimates and assumptions about the recognition and measurement of assets, liabilities, income and expenses.

The following are significant management judgements in applying the accounting policies of the entity that have the most significant effect on the financial statements.

4.21.1 Recognition of deferred tax assets
The extent to which deferred tax assets can be recognised is based on an assessment of the probability of the company’s future taxable income against which the deferred tax assets can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

4.21.2 Estimation uncertainty

Information about estimates and assumptions that have the most significant effect on recognition and measurement of assets, liabilities, income and expenses is provided below. Actual results may be substantially different.

4.21.3 Impairment

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation of uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

4.21.4 Useful lives of depreciable assets

Management reviews its estimate of the useful lives of depreciable assets at each reporting date, based on the expected utility of the assets.

5 Financial Risk Management

5.1 Introduction

The company uses its financial skills to provide competitive product pricing and delivery to a broad range of customers.

Risk Management is essential to help ensure business sustainability thereby providing customers and the shareholders with a long-term value proposition.

Key elements of risk management are:

- Strong corporate governance including relevant and reliable management information and internal control processes;
- Ensuring significant and relevant skills and services are available consistently to the company;
- Influencing the business and environment by being active participants in the relevant regulatory and business forums; and
- Keeping abreast of technology and consumer trends and investing capital and resources where required.

The overall company focus within an appropriate risk framework is to give value to the customers through effective and efficient execution of transactions.

The board of directors acknowledges its responsibility for establishing, monitoring and communicating appropriate risk and control policies.

The company has exposure to significant risks which are categorised as follows:

(i) Regulatory (capital adequacy, legal, accounting and taxation);
(ii) Business environment (reputation and strategic);
(iii) Operational (people, information technology and internal control processes);
(iv) Liquidity
(v) Credit risk

5.2 Detailed discussion of significant risks

5.2.1 Regulatory risk

Regulatory risk is the risk arising from a change in regulations in any legal, taxation and accounting pronouncements or specific industry that pertain to the business of the company. In order to manage this risk, the company is an active participant in the marketing and research industry and engages in discussions with policy makers and regulators.

5.2.2 Legal risk

Legal risk is the risk that the company will be exposed to contractual obligations which have not been provided for.

The company has a policy of ensuring all contractual obligations are documented and appropriately evidenced to agreements with the relevant parties to the contract.

All significant contracted claims are reviewed by independent legal resources and amounts are provided for if there is consensus as to any possible exposure. At 31 March 2025, the directors are not aware of any significant obligation not provided for.

5.2.3 Taxation risk

Taxation risk is the risk of suffering a loss, financial or otherwise, as a result of an incorrect interpretation and application of taxation legislation or due to the impact of new taxation legislation on existing products or services.

Taxation risk occurs in the following key areas:

- Transactional risk;
- Operational risk;
- Compliance risk; and
- Financial accounting risk.

- **Transactional risk**

The risk which concerns specific transactions entered into by the company, including restructuring projects and reorganizations.

- **Operational risk**

The underlying risks of applying tax laws, regulations and decisions to the day-to-day business operations of the company.

- **Compliance risk**

The risk associated with meeting the company's statutory obligations.

- **Financial accounting risk**

The risk relates to the inadequacy of proper internal controls over financial reporting, including tax provision.

In managing the company's taxation risk, the company tax policy is as follows:

The company will fulfil its responsibilities under tax law in each of the jurisdictions in which it operates, whether in relation to compliance, planning or client service matters. Tax law includes all responsibilities which the company may have in relation to company taxes, personal taxes, capital gains taxes, indirect taxes and tax administration.

Compliance with this policy is aimed at ensuring that:

- All taxes due by the company are correctly identified, calculated, paid and accounted for in accordance with the relevant tax legislation;
- The company continually reviews its existing operations and planned operations in this context;

Compliance with this policy is aimed at ensuring that:

- The company ensures that, where clients participate in company products, these clients are either aware of the probably tax consequences, or are advised to consult with independent professionals to assess these consequences, or both.

The identification and management of tax risk is the primary objective of the company tax function, and this objective is achieved through the application of a formulated tax risk approach, which measures the fulfilment of tax responsibilities against the specific requirements of each category of tax to which the company is exposed, in the context of the various types of activities the company conducts.

Accounting risk is the risk that the company fails to explain the current events of the business in the financial statements.

Accounting risk can arise from the failure of management to:

- Maintain proper books and records, accounting system and to have proper accounting policies;
- Establish proper internal accounting controls;
- Prepare periodic financial statements that reflect an accurate financial position; and
- Be transparent and fully disclose all important and relevant matters.

Measures to control accounting risk are the use of proper accounting systems, books and records based on proper accounting policies as well as the establishment of proper internal accounting controls. Proposed accounting changes are researched by accounting resources, and if required external resources, to identify and advise on any material impact on the company.

Financial statements are prepared in a transparent manner that fully discloses all important and relevant matters as well as accurately reflecting the financial position, results and cash flows of the company.

5.3 Business environment

5.3.1 Reputational risk

Reputational risk is the risk of loss caused by a decline in the reputation of the company or any of its specific business units from the perspective of its stakeholders, shareholders, customers, staff, business partners or the general public.

Reputational risk can both cause and result from losses in all risk categories such as market or credit risk.

5.3.2 Strategic risk

Strategic Risk is the risk of an unexpected negative change in the company value, arising from the adverse effect of executive decisions on both business strategies and their implementation.

This risk is a function of the compatibility between strategic goals, the business strategies developed to achieve those goals and the resources deployed to achieve those goals. Strategic risk also includes the ability of management to effectively analyse and react to external factors, which could impact the future direction of the relevant business units.

Company risk identifies and assesses both those risks qualitatively as part of a periodic evaluation. On the basis of this evaluation, company risk creates an overview of local and global risks which also includes reputational risks, analyses of the risk profile of the company and regularly informs directors and management.

5.3.3 Operational risk

Operational risk is the risk of direct or indirect loss resulting from inadequate or failed internal processes, people and systems or from external events.

The initiation of all transactions and their administration is conducted on the foundation of segregation of duties that has been designed to ensure materially the completeness, accuracy and validity of all transactions. These controls are augmented by management and executive review of control accounts and systems, electronic and manual checks and controls, back-up facilities and contingency planning. The internal control systems and procedures are also subjected to regular internal audit reviews.

5.3.4 Credit risk

Credit risk is the risk of financial loss to the company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the company's trade

The Board of Directors considers that the company is not exposed to significant concentration risk in relation to trade receivables. However, credit risk may arise in the event of non-performance of a counterparty. Credit limits are established for each customer and reviewed periodically.

The carrying amount of financial assets represents the maximum credit exposure to credit risk at the reporting date are as follows:

	Note	2025 ₦,000	2024 ₦,000
Trade receivables (Net)	17	642,827	997,494
Cash and cash equivalents (excluding cash in hand)	18	10,449,710	12,143,649
		11,092,537	**13,141,143**

Impairment of trade receivables

The Company has trade receivables for the sales of inventory that is subject to the expected credit loss model. While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets. To measure the expected credit losses, trade receivables and contract assets have been grouped based on share credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of sales over a period of 12 months before 31 March 2025 and the corresponding historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability oft the customers to settle the receivables .

On that basis, the loss allowance as at 31 March 2025 and 31 March 2024 was determined as follows for trade receivables

31-Mar-25	**Current**	**30 days past due**	**60 days past due**	**180 days past due**	**360 days past due**	**More than 360 days past due**	**Total**
Expected Loss	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Gross Amount	195,769	34,066	144,185	200,767	63,922	209,536	848,245
Loss allowance	-	-	-	-	-	**209,536**	**209,536**

31-Mar-24	**Current**	**30 days past due**	**60 days past due**	**180 days past due**	**360 days past due**	**More than 360 days past due**	**Total**
Expected Loss	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	
	₦'000	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Gross Amount	189,991	12,375	59,113	47,176	59,846	116,493	484,995
Loss allowance	-	-	-	-	-	**116,493**	**116,493**

Impairment losses

The impairment related to doubtful trade receivables due from customers that are not expected to be able to pay outstanding balances, mainly due to economic circumstances. The company believes that the unimpaired amounts are still collectible, based on historical payment behaviour and extensive analysis of the customers.

The movement in the allowance for impairment in respect of trade receivables during the year was as follows:

	2025	**2024**
Balance as at 1 April	**₦'000**	**₦'000**
Provision for bad debt	647,837	175,911
Provision for capital advance	190,302	190,302
Balance as at 31 March	**838,139**	**366,212**

Cash and cash equivalents

The company held cash and cash equivalents of ₦10.45billion (excluding cash at hand) as at 31 March (2024: ₦12.14billion) which represents its maximum credit exposure on these assets. The company mitigates its credit risk exposure in respect of bank balance by selecting a reputable bank with a history of strong financial performance.

5.3.5 Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The company's approach to managing liquidity is to ensure as far as possible, that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the company's reputation.

The following are the contractual maturities of financial liabilities, including estimated interest:

	Carrying amount	Contractual cash flows	One year or less	1-5 years
31 March 2025 Non-derivative financial liabilities	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Borrowing	47,559,934	47,559,934	761,000	46,798,934
Trade and other payables*	32,672,326	32,672,326	32,672,326	-
Provisions	94,322	94,322	94,322	-
Employment benefits payables	35,077	35,077	35,077	-
	80,361,659	**80,361,659**	**33,562,725**	**46,798,934**
31 March 2024 Non-derivative financial liabilities	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Borrowing	39,640,778	39,640,778	761,000	38,879,778
Trade and other payables*	34,846,325	34,846,325	34,846,325	-
Provisions	60,510	60,510	60,510	-
Employment benefits payables	29,410	29,410	29,410	-
	74,577,023	**74,577,023**	**35,697,245**	**38,879,778**

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

5.4 Fair values

Classification of financial instruments and fair values

The classification and fair values of financial assets and liabilities, together with the carrying amounts shown in the statement of financial position are as follows:

	2025		2024	
Assets carried at amortised cost	**Carrying Amount**	**Amortised Cost**	**Carrying Amount**	**Amortised Cost**
Receivables and cash	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Trade receivables	642,827	642,827	997,494	997,494
Cash and cash equivalents	10,449,754	10,449,754	12,143,771	12,143,771
	11,092,581	**11,092,581**	**13,141,265**	**13,141,265**
Liabilities carried at amortised cost				
Other financial liabilities				
Trade and other payables	32,672,326	32,672,326	34,846,325	34,846,325
	32,672,326	**32,672,326**	**34,846,325**	**34,846,325**

All the Company's financial assets and liabilities are short term. Accordingly, management believes that the carrying amounts are reasonable approximations of their fair values due to the insignificant impact of discounting. Thus no further fair value information was disclosed.

	2025	2024
6 Revenue	**₦'000**	**₦'000**
Private	17,859,095	11,588,510
Institution	190,251	52,702
Government	445,194	223,474
	18,494,540	**11,864,686**

6.1 Revenue by location		
South East	6,471,187	4,312,394
South South	1,675,312	1,147,327
South West	3,981,960	2,504,932
North Central	2,174,896	1,410,064
North East	192,849	74,286
North West	3,998,336	2,415,683
	18,494,540	**11,864,686**

Revenue involves sale of pharmaceutical products through marketing and sales promotion. The company makes use of marketers to promote their product and reach out to the consumers.

	2025	2024
7 Cost of Sales	**₦'000**	**₦'000**
Purchases of pharmaceutical products	12,106,564	9,082,329
	12,106,564	**9,082,329**

Cost of sales comprise of pharmaceutical products and the other related cost that are incurred to bringing the goods to the point of sales.

	2025	2024
8 Other Income	**₦'000**	**₦'000**
Profit on disposal of property, plant and equipment	16,407	-
Sale of scrap	4,238	3,488
	20,645	**3,488**

Sales scrap represents the amount recovered from the sale of scrap property,plant,and equipment items during the year

	2025	2024
9 Selling and Distribution Expenses	**₦'000**	**₦'000**
Selling and promotion expenses	1,331,437	913,747
Distribution expenses	196,482	183,454
	1,527,919	**1,097,201**

Selling and distribution expenses are all costs that facilitate the marketing, sales, and distribution of goods or services, which includes: selling expenses marketing cost, advertisement cost, shiping cost, warehousing, storage cost, commission, direct mailing flyers, disease awareness programmmes cost,conference and seminars expenses.

		2025	2024
10	**Administrative Expenses**	**₦'000**	**₦'000**
	Salaries and Wages	953,022	979,470
	Depreciation	867,658	782,792
	Audit Fee	8,348	7,354
	Professional fees	9,167	8,334
	Rents and rates	121,979	94,899
	Transport and travelling expenses	20,562	13,938
	Repairs and maintenance	26,281	23,805
	Regulatory expenses	46,162	55,979
	Insurance	122,351	33,346
	Gifts and entertainment	45	-
	Bank charges	5,833	15,482
	Printing, stationery and communication	47,330	31,367
	Impairment on trade receivables	33,626	14,637
	Security services	8,234	5,643
	Electricity	101,127	65,836
	Foreign exchange loss	6,427,158	46,222,839
	Other administrative expenses	24,071	29,383
	Training expenses	2,085	1,356
		8,825,039	**48,386,459**

Administrative expenses consist of the expenses stated above. Professional and legal fees comprise of payment made in respect of legal charges, consultant charges Other administrative expenses represents insurance, other auditor's expenses, taxes (non deductible), computer software expenses. Directors meetings were held online. Hence, there was no payment for non-physical appearances by the directors during the year.

		2025	2024
10.1	**Depreciation and Amortisation Expense**	**₦'000**	**₦'000**
	Depreciation expense	867,658	782,792
		867,658	**782,792**
10.2	**Classification by nature**		
	Selling and distribution expenses	1,527,919	1,097,201
	Other Expenses	7,004,359	46,624,197
	Personnel expenses	953,022	979,470
	Depreciation expense	867,658	782,792
		10,352,958	**49,483,660**

	2025	2024
11 Finance income	**₦'000**	**₦'000**
Interest received on fixed deposit	1,327,501	536,213
	1,327,501	**536,213**
12 Finance Cost		
Interest on Loan - Ranbaxy Netherlands	-	-
Interest on Loan (USD20M)	2,738,565	1,690,361
	2,738,565	**1,690,361**

The Company obtained a loan of $8,000,000 from SUN Pharma (Netherlands) B.V. (formerly Ranbaxy Netherlands BV)to finance its factory project. The principal amount is to be repaid in 15 equa linstallments, falling due on 31 December, 2024. However, as at the year-end, the loan is still outstanding. The Company also obtained another loan of USD 20,000,000 for its funding activities, which is repayable in 12 quarterly instalments falling due on June 30, 2022. (Repayment is starting from June 30, 2022, and ending on March 31, 2025.). The loan is not secured on any property of the Company. The loan is priced at the rate of 6 monthly US Dollar LIBOR plus 300 BP per annum on the principal amount outstanding and shall be calculated on the basis of actual/360 days. The loan is stated at amortised cost using a floating interest rate, which approximates the effective interest rate.

Finance cost comprise of interest charged due to loan received from the group company and exchange loss incurred in the course of importation.

	2025	2024
13 Personnel expenses	**₦'000**	**₦'000**
Salaries, wages and allowances	944,022	970,470
Workmen and staff welfare	-	-
Net benefit expenses	-	-
Gratuity/pension cost	13,200	15,806
	957,222	**986,276**

Personnel expenses represents employee expenses incurred during the year.

14 Current Tax Liabilities		
Income tax payable		
Balance as at 1 April	75,068	49,744
Provision for the year:		
Company income tax	-	-
Education tax	-	7,283
Minimum tax	99,213	62,021
Additional assessment	-	71,943
	174,281	**190,991**
Payment during the year	(69,305)	(115,923)
Balance as at 31 March	**104,976**	**75,068**

		2025 ₦'000	2024 ₦'000
14.1	**Income Tax Expense (Cont'd)**		
14.1	**Income Tax Expense**		
	Company income tax	-	-
	Education tax	-	7,283
	Minimum tax	99,213	62,021
	Additional assessment	-	71,943
		99,213	**141,248**
	Deferred tax asset	-	-
	Total income tax expenses	**99,213**	**141,248**

The charge for taxation has been computed in accordance with provisions of the Company Income Tax Act CAP, C21, LFN 2004 as amended to date and Education Tax Act, CAP E4, LFN 2004. The rate used for the 2024 tax computation is 30% payable by corporate entities in Nigeria and 3% for Education Tax. Also, the minimum income tax is 0.25% of gross turnover.

		2025 ₦'000	2024 ₦'000
14.2	**Reconciliation of effective tax rate**		
	Loss for the year	(5,355,401)	(47,851,963)
	Income tax using the domestic:		
	Tax at the statutory corporation tax rate of 30%	-	-
	Non-deductible expenses	-	-
	Effect of tax exempt income	-	-
	Minimum Tax	99,213	62,021
	Tertiary education tax	-	7,283
	NITDA levy	-	-
	Additional assessment	-	71,943
	Police levy	-	-
	Tax income recognised in profit or loss	**99,213**	**141,247**
	The effective tax rate	-2%	0%

		2025	2024
14.3	**Deferred Taxation**		
	Balance as at 1 April	125,955	125,955
	Movement during the year	(125,955)	-
	Write-off to retain earnings	-	-
	Balance as at 31 March	**-**	**125,955**

As at 31 March 2025, deferred tax computation resulted in deferred tax asset of ₦16,678,791,244 (2024 :₦14,929,262,716).

15 Property, Plant and Equipment

	Land and Building	Leasehold Improvement ₦,000	Furniture & Fittings ₦,000	Motor Vehicles ₦,000	Plant & Machinery ₦,000	Total Amount ₦,000
Cost						
As at 1 April 2024	4,150,894	114,654	267,497	1,031,427	2,560,646	8,125,119
Additions	39,488	-	69,197	175,000	957,586	1,241,272
Disposals	-	-	(3,738)	(42,599)	(71,182)	(117,519)
As at 31 March 2025	**4,190,382**	**114,654**	**332,956**	**1,163,828**	**3,447,050**	**9,248,871**
Depreciation						
As at 1 April 2024	2,763,696	114,654	203,023	634,029	1,792,073	5,507,475
Charge for the year	400,953	-	24,997	172,165	269,542	867,658
Disposal	-	-	(3,738)	(42,599)	(71,182)	(117,519)
As at 31 March 2025	**3,164,649**	**114,654**	**224,282**	**763,595**	**1,990,433**	**6,257,614**
Carring Amount						
As at 31 March 2025	**1,025,733**	**-**	**108,674**	**400,233**	**1,456,617**	**2,991,258**
As at 31 March 2024	**1,387,198**	**-**	**64,474**	**397,399**	**768,573**	**2,617,644**

	2025	2024
16 Inventory	**₦'000**	**₦'000**
Raw materials	1,654,021	1,296,849
Work-In-Progress	157,596	91,490
Finished goods	4,071,369	1,747,926
Spare parts	4,851	4,252
Packaging materials	789,043	700,516
Goods-In-transit	51,474	418,871
	6,728,354	**4,259,902**
Allowance for obsolete spare parts and slow moving stock	(2,297,168)	(1,863,718)
	4,431,185	**2,396,185**

The carrying amount of the inventories is the lower of their costs and net realisable values as at the reporting dates.

Movement in allowance for impairment for inventory is as stated below:

Balance at beginning of the year	1,863,718	503,331
Impairment allowance	433,451	1,360,387
Balance at the end of the year	**2,297,168**	**1,863,718**

	2025	2024
17 Trade and Other Receivables	**₦'000**	**₦'000**
Trade receivables	848,246	941,888
Allowance for impairment of trade receivables	(838,139)	(366,212)
Trade receivables - net	10,107	575,676
Other receivables	374,567	182,473
Loans and advances	54,060	28,164
Prepayments	204,093	203,400
Security deposit	-	7,781
	642,827	**997,494**

All amount are short-term. The net carrying amount of trade receivables is considered to be at transaction price.

Trade receivables are amounts due from customers for goods sold in the ordinary course of business. They are generally due for settlement within 30 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Company holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

The age analysis of trade receivables is as follows:	**₦'000**	**₦'000**
Not due	195,769	467,552
Past due 1-30 days	34,066	139,176
Past due 31-60 days	144,185	32,628
Past due 61-180 days	200,767	116,182
Past due 181-360 days	63,922	42,219
Amount due above 360 days and impaired	209,536	144,130
	848,245	**941,887**

	2025	2024
	₦'000	₦'000

The Company does not hold any collateral as security for trade receivables.

The Company applies the IFRS 9 simplified approach to measuring expected credit loss 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.

18 Cash and Cash Equivalents

	2025 ₦'000	2024 ₦'000
Cash and cash equivalents consist of the following:		
Cash at Bank	1,349,710	3,143,649
Cash at Hand	45	122
Short-term investments	9,100,000	9,000,000
	10,449,754	**12,143,771**

These comprise of balance on hand and balance at bank as at the year end 31 March 2025.

19 Borrowings

	2025 ₦'000	2024 ₦'000
Short-Term Borrowings	36,458,768	31,457,768
Accrued interest expense	11,101,166	8,183,010
	47,559,934	**39,640,778**
Movement in long term loan is as follows:		
Balance at beginning of year	31,457,768	11,796,719
Accrued interest expense	11,101,166	8,183,010
Additions	2,307,690	31,462,398
Repayment	-	(4,630,000)
Exchange loss	2,693,310	(7,171,349)
Balance at end of year	**47,559,934**	**39,640,778**
Amount due within one year	47,559,934	15,092,858
Amount due after one year	-	24,547,921

In 2024, the Company obtained a loan of $8,000,000 from SUN Pharma (Netherlands) B.V. (formerly Ranbaxy Netherlands BV) to finance its factory project. The principal amount is to be repaid in 15 equal installments, falling due on 31, 2024. However, as at the year-end, the loan is still outstanding. The Company also obtained another loan of USD 20,000,000 for its funding activities, which is repayable in 12 quarterly instalments falling due on June 30, 2022. (Repayment is starting from June 30, 2022, and ending on March 31, 2025.). The loan is not secured on any property of the Company. The loan is priced at the rate of 6 monthly US Dollar LIBOR plus 300BP per annum on the principal amount outstanding and shall be calculated on the basis of actual/360 days. The loan is stated at amortised cost using a floating interest rate, which approximates the effective interest rate.

Accrued interest relates to portion of borrowing cost capitalised during the period but not yet paid as at the year end 31 March 2025.

	2025	2024
20 Trade and Other Payables	**₦'000**	**₦'000**
Trade payables	348,714	126,055
Amount due to related parties	31,625,066	34,314,545
Other payables and accruals	698,547	405,726
	32,672,326	**34,846,325**

The carrying amount of trade and other payables are considered to be at their amortized cost. Other payables and accruals represents withholding tax payables, value added tax payable, provident fund payable, incentive and commission payable to field staff, provision for proposed dividend, bonus payable, payable to employee, provision for leave encashment, union control account.

	2025	2024
21 Provisions	**₦'000**	**₦'000**
Balance at the beginning of the year	60,510	-
Movement during the year	33,812	60,510
Balance at the end of the year	**94,322**	**60,510**

Provision represent management estimate of the value of goods sold but are probable of being returned if they are yet to be sold before their expiry date as contained in the contract of sales with the customers.

	2025	2024
22 Employee Benefit Obligation	**₦'000**	**₦'000**
Balance as at 1 April	29,410	30,278
Addition	13,200	13,200
Payment	(7,533)	(14,068)
Balance as at 31 March	**35,077**	**29,410**

As at the reporting date, 31 March 2025; a memorandum of understanding was reached between the Management of Ranbaxy Nigeria Limited and In-House workers of the National Union of Chemical, Footwear, Rubber, Leather and Non-metallic Products Employees (NUCFRLANMPE) to discontinue the defined benefit Scheme. No valuation by an Actuarist will be required going forward as the Fund is being liquidated. However, the addition during the year represent a provision of 3% of basic, housing and transport made on gratuity to cover uncertainty for the period of 12months.

	2025	2024
23 Authorised Share capital	**₦'000**	**₦'000**
40,000,000 Ordinary share of ₦1 each	**40,000**	**40,000**
24 Issued and Fully Paid-Up		
40,000,000 Ordinary share of ₦1 each	**40,000**	**40,000**

The Company has one class of ordinary shares which carry no right to fixed income.

25 Share Premium	**38,951**	**38,951**

26 Revenue Reserve	**2025** **₦'000**	**2024** **₦'000**
As at 1 April	(56,449,993)	(8,456,783)
Profit adjustment on deferred tax	(125,954)	-
Loss for the year	(5,454,614)	(47,993,210)
As at 31 March	**(62,030,562)**	**(56,449,993)**

27 Related Party Disclosures

The Company is a subsidiary of Ranbaxy Laboratories Limited - India up until March 2015, when Ranbaxy Laboratories Limited (RLL) merged with the SUN Pharmaceutical Industry Limited, India. Ranbaxy Netherland BV (RNBV), a subsidiary of Ranbaxy Laboratories Limited (RLL) India holds 86.16% of the ordinary share capital of the Company. With effect from 28 July 2017, the name Ranbaxy Netherland BV was changed to SUN Pharma (Netherlands) B.V.

The Company enters into various transactions with its related companies and with other key management personnel in the normal course of business. Details of the significant transactions carried out during the year with the related parties transaction are as follows:

	2025 **₦'000**	**2024** **₦'000**
Borrowings from Sun Pharma (Netherlands) B.V (formerly Ranbaxy Netherlands BV) (Note 21)	47,559,934	39,640,778
Due to related party (SPIL) for materials purchased (Note (22)	31,625,066	34,314,545
	79,185,000	**73,955,323**

28 Directors and Employees

The average number of persons including Directors whose duties were wholly and mainly discharged in Nigeria, receive remuneration (excluding pension costs and certain benefits) in the

28.1 Directors	Number **2025**	Number **2024**
Up to ₦10,000,000	-	-
₦10,000,001 and above	3	3
	3	**3**

28.2 Employees	**2025**	**2024**

The average number of persons employed (excluding Directors) in the Company during the year were as follows:

Production	78	77
Sales and marketing	115	117
Finance and administration	13	13
	206	**207**

28.2 Employees (Cont'd)

The number of employees of the Company (other than Directors who earned over N500,000 during the year and which fell within the range stated below:

	2025	2024
Up to ₦500,000	-	-
₦500,001 to ₦1,000,000	2	27
₦1,000,001 to ₦1,500,000	32	64
Above ₦1,500,001	172	116
	206	**207**

29 Contingent Liabilities, Litigation and Claims

There were contingent liabilities as at year end arising from legal suits against the Company. Based on correspondence with the Solicitors, potential liability may arise. However, no provision was made in the Books with regards to the law suits as the Directors, having taken legal advice, gives the assurance that no material liability will arise against the Company. Details of the outstanding litigations are stated below:

SUIT NO. & PARTIES

1 **ID/ADR/107/2014 BOREX INT. NIG. LTD. VS RANBAXY NIG. LTD**

NATURE OF LITIGATION

Borex is claiming general damages of ₦205,120,000.00 from Ranbaxy for breach of contract and ₦87,866,245.00 as accrued and outstanding sums arising out of the contract.

STATUS REPORT

Both parties testified and closed their cases. The case is adjourned to 24/04/25 for adoption of final Written Addresses. The case is pending before Oluyemi J., Ikeja High Court No. 32

MANAGEMENT RESPONSE

(i) Management is contesting vigorously the claims of Borex insisting that most of the items claimed for had already been paid while the excess claim is not covered by any purchase order(PO).

(ii) In the amendment statement of defence, paragraph 9.9, RXNL admit retention of the sum of N4,470,713 under the contract terms,i.e. pending the completion of the job.

LEGAL OPINION

i. Borex chances of success (apart from the admitted sum) is minimal as the excess sum claimed is not backed up by any Purchase Order issued by RXNL.

ii. In our legal opinion, there is no significant modification to the legal liability of RXNL as at 31/3/25.

31 Going concern

The Board of Directors are of the opinion that all known liabilities and commitments, which are relevant in assessing the state of affairs of the Company, have been taken into consideration in the preparation of these financial statements.

31 Other services provided to the Entity

Grant Thornton Nigeria is also the Tax Consultant to the Company, providing tax services and other related services to the Company as the need arises.

32 Rounding Disclaimer

Due to rounding amounts to the nearest thousand, numbers presented throughout this report may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

33 Authorisation of Financial Statements

The financial statements for the year ended 31 March 2025 were approved by the board of directors on 12 May **..................2025**

OTHER NATIONAL DISCLOSURES

RANBAXY NIGERIA LIMITED

VALUE ADDED STATEMENT
FOR THE YEAR ENDED 31 MARCH 2025

	2025 ₦'000	%	2024 ₦'000	%
Revenue	18,494,540		11,864,686	
Investment Income	1,327,501		536,213	
Other Income	20,645		3,488	
	19,842,686		12,404,388	
Cost of Bought-In materials, goods and services	(20,638,842)		(56,803,729)	
Value Added	**(796,156)**	**100**	**(44,399,341)**	**100**
Applied as follows:				
To Pay Employees:				
Salaries, Wages and Other Benefits	953,022	(120)	979,470	(2)
To Pay Government:				
Income and Education Taxes	99,213	(12)	141,248	(0)
To Pay Providers of Capital:				
To pay interest	2,738,565	(344)	1,690,361	(4)
Assets Replacement Provision:				
Depreciation	867,658	(109)	782,792	(2)
To Provide for the Future:				
Loss for the year	(5,454,614)	685	(47,993,210)	108
	(796,156)	**100**	**(44,399,341)**	**100**

Value Added represents the wealth created by the efforts of the company and its employees. The statements shows the distribution of the wealth among employees, government, providers of capital and the amount retained for future creation of wealth.

RANBAXY NIGERIA LIMITED

FIVE YEAR FINANCIAL SUMMARY
FOR THE YEAR ENDED 31 MARCH

	2025	2024	2023	2022	2021
Statement of Financial Position	**₦'000**	**₦'000**	**₦'000**	**₦'000**	**₦'000**
Assets Employed					
Non-Current Assets	2,991,258	2,743,599	3,181,257	3,655,651	4,162,287
Current Assets	15,523,766	15,537,450	10,098,002	7,711,472	6,250,341
Total Assets	**18,515,024**	**18,281,049**	**13,279,259**	**11,367,123**	**10,412,628**
Financed By:					
Share Capital	40,000	40,000	40,000	40,000	40,000
Share Premium	38,951	38,951	38,951	38,951	38,951
Revenue Reserve	(62,030,562)	(56,449,992)	(8,456,786)	(5,447,238)	(3,017,891)
Non-Current Liabilities	35,077	29,410	30,278	17,078	148,995
Current Liabilities	80,431,558	74,622,681	21,626,814	16,718,329	13,202,573
Net current (liability/assets)	-	-	-	-	-
Total Liabilities	**18,515,024**	**18,281,049**	**13,279,259**	**11,367,123**	**10,412,628**
Statement of Profit or Loss					
Revenue	18,494,540	11,864,686	8,792,860	7,067,424	6,069,604
(Loss)/profit Before Taxation	(5,355,401)	(47,851,963)	(2,710,181)	(2,411,672)	(949,059)
Income Tax Expense	(99,213)	(141,248)	(299,367)	(17,672)	(191,043)
(Loss)/profit for the Year	**(5,454,614)**	**(47,993,210)**	**(3,009,549)**	**(2,429,345)**	**(1,140,102)**
Per Share Data {in Naira (₦)}	**(136.37)**	**(1,199.83)**	**(75.24)**	(60.73)	**(28.50)**
Total Assets Per Share	46,288	45,703	33,198	28,417.81	26