

KIRTANE & PANDIT^{LLP}

Chartered Accountants

Pune | Mumbai | Bengaluru | New Delhi | Nashik | Hyderabad | Chennai

INDEPENDENT AUDITORS' REPORT

To the Board of Directors of Pinnacle Chile SpA.

Report on the Audit of the Special purpose on the IND AS Financial Statements

Opinion

We have audited the Special purpose IND AS financial statements of Pinnacle Chile SpA ("the Company"), which comprise the balance sheet as at 31st December 2023, and the statement of Profit and Loss including other comprehensive income, statement of changes in equity and statement of cash flows for the period 31st December, 2023, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements are prepared in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31st December 2023, and profit and other comprehensive income, changes in equity and its cash flows for the for the period 31st December 2023.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs 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 Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian accounting Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



601, 6th Floor, Earth Vintage, Senapati Bapat Marg, Dadar West, Mumbai- 400 028, India

☎ 022 69328846/47/48

✉ kpcamumbai@kirtanepandit.com

🌐 www.kirtanepandit.com

In preparing the financial statements, management and Board of Directors are 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.

Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs 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 SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances on whether the company has adequate internal financial controls with reference to the financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report.
- However, future events or conditions may cause the Company to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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



Restriction on distribution or use

This report is intended solely for the information of the Company's and its ultimate holding company's board of directors for their internal use and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company, the Company's and ultimate holding company's board of directors, for our audit work, for this report, or for the opinions we have formed.

**For Kirtane & Pandit LLP,
Chartered Accountants
Firm's Registration No.105215W/W100057**

Kanetkar

**Aditya A Kanetkar
Partner
Membership No.149037**



UDIN: 24149037BJZXQL1505

Place of Signature: Mumbai
Date: April 08, 2024.

| PINNACLE CHILE SpA | | | |
|--|------------|-----------------------|----------------------|
| Balance Sheet as at 31st Dec, 2023 | | | |
| Particulars | Note No. | In 'CLP | |
| | | As at 31st Dec, 2023 | As at 31st Dec, 2022 |
| ASSETS | | | |
| (1) Non-current Assets | | | |
| (a) Property, Plant and Equipment | 3 | 44,73,087 | 10,21,466.00 |
| (b) Other Intangible assets | 3 | 2,54,509 | - |
| Total Non-current Assets | A | 47,27,596 | 10,21,466 |
| (2) Current Assets | | | |
| (a) Inventories | 4 | 2,57,96,23,182 | 15,45,84,061 |
| (b) Financial Assets | 5 | 2,99,30,24,448 | 7,72,96,067 |
| (i) Trade receivables | 6 | 22,58,83,587 | 2,75,54,583 |
| (ii) Cash and cash equivalents | 7 | 65,35,166 | 77,18,134 |
| (iii) Other financial assets | 8 | 29,03,56,041 | 3,73,39,602 |
| (c) Other current assets | 8 | 29,03,56,041 | 3,73,39,602 |
| Total Current Assets | B | 6,09,54,22,424 | 30,44,92,447 |
| Total Assets | A+B | 6,10,01,50,020 | 30,55,13,913 |
| EQUITY AND LIABILITIES | | | |
| (1) EQUITY | | | |
| (i) Equity Share capital | 9 | 34,89,82,000 | 34,89,82,000 |
| (ii) Other Equity | 10 | 32,20,50,750 | (20,99,25,903) |
| Total equity | A | 67,10,32,750 | 13,90,56,097 |
| LIABILITIES | | | |
| (1) Current liabilities | | | |
| (a) Financial Liabilities | | | |
| (i) Borrowings | 11 | 49,99,05,000 | - |
| (ii) Trade payables | 12 | - | - |
| Total outstanding dues of micro enterprises and small enterprises | | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | | 4,69,84,92,386 | 15,47,31,556 |
| (b) Other current liabilities | 13 | 4,49,50,269 | 72,33,575 |
| (c) Provisions | 14 | 18,57,69,616 | 44,92,685 |
| Total current liabilities | B | 5,42,91,17,270 | 16,64,57,816 |
| Total Equity and Liabilities | A+B | 6,10,01,50,020 | 30,55,13,913 |

Summary of significant accounting policies and additional notes on accounts (Note 1 & 2)
The accompanying notes are an integral part of the financial statements

As per our report of even date

For Kirtane & Pandit LLP,

Chartered Accountants

Firm's Registration No: 105215W/W100057

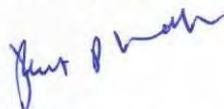

Aditya A. Kanetkar
Partner
M. No : 149037

Place: Mumbai
Date : 08/04/24



For and on behalf of the Board of Directors


Vishwa Harshit Savla
Director
(DIN: 03619810)


Harit Pragji Shah
Director
(DIN: 00005501)

| PINNACLE CHILE SpA | | | | |
|---|----------|---------------------------|---------------------------|--|
| Statement of Profit & Loss for the year ended 31st Dec, 2023 | | | | |
| | | | In 'CLP | |
| Particulars | Note No. | Year ended 31st Dec, 2023 | Year ended 31st Dec, 2022 | |
| I Revenue From Operations | 15 | 6,62,10,07,877 | 12,96,53,370 | |
| II Other Income | 16 | 97,156 | 21,06,188 | |
| III Total Income (I+II) | | 6,62,11,05,033 | 13,17,59,558 | |
| IV EXPENSES: | | | | |
| Purchases of Stock-in-Trade | 17 | 7,97,99,12,966 | 29,18,07,016 | |
| Changes in inventories of Stock- in - Trade | | (2,42,50,39,121) | (15,45,84,061) | |
| Employee benefits expense | 18 | 16,10,07,382 | 6,36,59,376 | |
| Finance costs | 19 | 7,73,59,916 | - | |
| Depreciation and amortization expense | 20 | 4,92,969 | 1,05,250 | |
| Other expenses | 21 | 15,61,86,677 | 5,67,01,562 | |
| Total expenses (IV) | | 5,94,99,20,789 | 25,76,89,143 | |
| V Profit/(loss) before exceptional items and tax (I- IV) | | 67,11,84,244 | (12,59,29,585) | |
| VI Exceptional Items | | - | - | |
| VII Profit/(loss) before tax (V-VI) (PBT) | | 67,11,84,244 | (12,59,29,585) | |
| VIII Income Tax expenses: | | | | |
| (1) Current tax | | 13,92,07,591.00 | - | |
| IX Profit / (Loss) for the year (PAT) | | 53,19,76,653 | (12,59,29,585) | |
| X Other Comprehensive Income | | | | |
| A. (i) Items that will not be reclassified to profit or loss | | - | - | |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | - | |
| B. (i) Items that will be reclassified to profit or loss | | - | - | |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - | |
| XI Total comprehensive income for the period | | 53,19,76,653 | (12,59,29,585) | |
| XII Earnings per equity share | 22 | | | |
| Basic | | 5319.77 | (1,259.30) | |

Summary of significant accounting policies and additional notes on accounts (Note 1 & 2)
The accompanying notes form an integral part of these standalone financial statements

As per our report of even date

For Kirtane & Pandit LLP,
Chartered Accountants

Firm's Registration No: 105215W/W100057

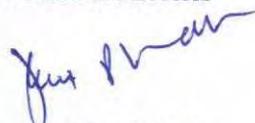

Aditya A. Kanetkar
Partner
M. No : 149037

Place: Mumbai
Date : 08/04/24



For and on behalf of the Board of Directors


Vishwa Harshit Savla
Director
(DIN: 03619810)


Harit Pragji Shah
Director
(DIN: 00005501)

| PINNACLE CHILE SpA | | | |
|---|---|---------------------------|---------------------------|
| Cash Flow Statement for the year ended 31st Dec, 2023 | | | |
| S.No | Particulars | In 'CLP | |
| | | Year ended 31st Dec, 2023 | Year ended 31st Dec, 2022 |
| 1 | Cash Flow from Operating Activities: | | |
| | Net Profit before Tax and Extraordinary items (PBT) | 67,11,84,244 | (12,59,29,585) |
| | ADJUSTMENT FOR: | | |
| | Loss on sale of Investment | - | 1314569 |
| | Interest Paid | 7,73,59,916 | - |
| | Unrealised Foreign Exchange (Gain)/Loss (Net) | - | - |
| | Depreciation & Amortisation | 4,92,969 | 105250 |
| | Operating Profit before Working Capital Changes | 74,90,37,129 | (12,45,09,766) |
| | (Increase)/Decrease in Trade Receivables | (2,91,57,28,381) | (7,72,96,067) |
| | (Increase)/Decrease in Inventories | (2,42,50,39,121) | (15,45,84,061) |
| | (Increase)/Decrease in Other Current Assets | (25,30,16,439) | (3,52,58,091) |
| | (Increase)/Decrease in Other Financial Assets | 11,82,968 | (14,83,558) |
| | (Increase)/Decrease in Other Current Liability | 3,77,16,694 | 67,83,971 |
| | Increase/(Decrease) in Trade Payables & Other Current Liabilities | 4,54,37,60,830 | 15,36,34,942 |
| | (Increase)/Decrease in Other Provisions | 18,12,76,931 | 44,92,685 |
| | Cash generated from operation | -8,08,09,390 | (22,82,19,945) |
| | Less: Taxes Paid | -13,92,07,591 | |
| | Net Cash Flow from Operating Activities A | -22,00,16,981 | (22,82,19,945) |
| 2 | Cash Flow from Investing Activities: | | |
| | Sale/(Purchase) of Fixed Asset | -41,99,099 | (5,57,966) |
| | Sale/(Purchase) of Investment | | 9,68,48,199 |
| | Issue of Equity share | | 15,35,46,390 |
| | Net Cash Flow from Investing Activities B | -41,99,099 | 24,98,36,623 |
| 3 | Cash Flow from Financing Activities: | | |
| | Foreign Currency Translation Reserve | 49,99,05,000 | |
| | Proceeds/(Repayment) of Short Term Borrowings | -7,73,59,916 | |
| | Interest Paid | | |
| | Net Cash Flow from Financing Activities C | 42,25,45,084 | - |
| | Net Increase / (decrease) in Cash and Cash Equivalents (A+B+C) | D 19,83,29,004 | 2,16,16,678.00 |
| | Add: Opening Cash and Cash Equivalents | E 2,75,54,583 | 59,37,904.00 |
| | Closing Cash and Cash Equivalents (D+E) | 22,58,83,587 | 2,75,54,583.00 |

As per our report of even date

For Kirtane & Pandit LLP,

Chartered Accountants

Firm's Registration No: 105215W/W100057

Kanetkar
Aditya A. Kanetkar

Partner

M. No : 149037

Place: Mumbai

Date : 08/04/2024



For and on behalf of the Board of Directors

Vishwa Harshit Savla

Vishwa Harshit Savla

Director

(DIN: 03619810)

Harit Pragji Shah

Harit Pragji Shah

Director

(DIN: 00005501)

Statement of changes in Equity for the year ended 31st Dec, 2023

Note 9 EQUITY SHARE CAPITAL

A.

| Particulars | In 'CLP | |
|--|--------------|--|
| | Amount | |
| As at 31st December, 2022 | 34,89,82,000 | |
| Changes in equity share capital during the year 2022 | | |
| As at 31st December, 2023 | 34,89,82,000 | |

(1) Current reporting period

| Particulars | Amount | |
|--|---------------------------|--------------|
| | As at 31st December, 2021 | 19,54,35,610 |
| Changes in equity share capital during the year 2022 | 15,35,46,390 | |
| As at 31st December, 2022 | 34,89,82,000 | |

(2) Previous reporting period

Note 10 OTHER EQUITY

B.

(1) Current Reporting period

| Particulars | Other Equity | | | In 'CLP | |
|--------------------------------------|---------------------|-----------------|-------------------|----------------------------|----------------|
| | Reserve and Surplus | | | Other Comprehensive Income | Total Equity |
| | Revaluation Reserve | General Reserve | Retained Earnings | | |
| As at 1st January, 2022 | | | (8,39,96,318) | | (8,39,96,318) |
| Profit for the Period | | | (12,59,29,585) | | (12,59,29,585) |
| Foreign Currency Translation Reserve | | | | | |
| Balance as at 31st December, 2022 | | | (20,99,25,903) | | (20,99,25,903) |
| Profit for the Period | | | 53,19,76,653 | | 53,19,76,653 |
| Balance as at 31st December, 2023 | | | 32,20,50,750 | | 32,20,50,750 |

(2) Previous Reporting Period

| Particulars | Other Equity | | | In 'CLP | |
|-----------------------------------|---------------------|-----------------|-------------------|----------------------------|----------------|
| | Reserve and Surplus | | | Other Comprehensive Income | Total Equity |
| | Revaluation Reserve | General Reserve | Retained Earnings | | |
| As at 1st January, 2021 | | | (2,20,64,148) | | (2,20,64,148) |
| Profit for the Period | | | 6,19,32,170 | | 6,19,32,170 |
| Balance as at 31st December, 2021 | | | (8,39,96,318) | | (8,39,96,318) |
| Profit for the Period | | | (12,59,29,585) | | (12,59,29,585) |
| Balance as at 31st December, 2022 | | | (20,99,25,903) | | (20,99,25,903) |

As per our report of even date
For Kirtane & Pandit LLP,
Chartered Accountants
Firm's Registration No. 105215W/W/100057

Aditya A. Kanetkar

Aditya A. Kanetkar
Partner
M. No : 149037

Place: Mumbai
Date : 08/04/2024



For and on behalf of the Board of Directors

Vishwa Harshit Savla

Vishwa Harshit Savla
Director
(DIN: 03619810)

Harit Pragti Shah
Director
(DIN: 00005501)

PINNACLE CHILE SpA
NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENT FOR THE YEAR ENDED DECEMBER 2023

Corporate Information:

PINNACLE CHILE SpA ("the Company") is a company by shares established by public writing incorporated and domiciled in Chile. The registered office of Company is located at Calle Santa Maria, Department 14, Commune of Vitacura, Santiago, Metropolitan City.

The Company is primarily involved in Trading and Marketing of Tablets, Capsules & Syrups.

Note: 1 Significant Accounting Policies and Accounting Estimates and Judgements

1) **Basis of preparation:**

Statement of Compliance

These financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) to be read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016. The Company's Financial Statements for the year ended December 31, 2023 comprises of the Balance Sheet, Statement of Profit and Loss, Cash Flow Statement, Statement of Changes in Equity and the Notes to Financial Statements.

Classification of Assets and Liabilities:

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

The Statement of Cash flows have been prepared under Indirect Method.

Historic Cost Convention:

The financial statements have been prepared on a historical cost convention on the accrual basis, except for certain financial instruments that are measured at fair value, viz employee benefit plan assets. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Functional and presentation currency

The currency in the home country is Chilean peso (CLP), The financial statements are presented in Chilean peso (CLP) which is the Reporting currency of the company.

Use of estimates and Judgments:

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, Judgment & Assumptions. These estimates, judgments & assumption affect the application of accounting policies and the reported amounts of assets & liabilities, the disclosures of contingent assets & liability at the date of the financial statement & reported amounts of revenues and expenses during the period. The application of accounting policies that require critical accounting estimates involving complex and subjective judgments. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which the changes are made and, if material, their effects are disclosed in the notes to the financial statements.

2) **Revenue recognition:**

Revenue from contract with customer

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government

(i) Sale of goods: Revenue from contracts with customers is recognised on satisfaction of performance obligation, when control of the goods is passed to customer, at an amount that reflect the consideration the company expects to receive. The point at which control passes is determined based on terms of agreement with customer or as per general industry / market practice.

(ii) Interest Income: Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principle outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3) **Property, plant and equipment (PPE):**

All items of property, plant and equipment other than Leasehold Land are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

Cost includes cost of acquisition, installation or construction, other direct expenses incurred to bring the assets to its working condition and finance costs incurred up to the date the asset is ready for its intended use and excludes Taxes eligible for credit / setoff.

When significant parts of plant and equipment are required to be replaced at intervals, the same is depreciated separately based on their specific useful lives. All other repair and maintenance costs are recognized in the statement of profit or loss as incurred.

Property, plant and equipment are eliminated from financial statements, either on disposal or when retired from active use. Losses arising in the case of the retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in the statement of profit and loss in the year of occurrence.

Depreciation:

Depreciable amount of all items of property, plant and equipment other than Land is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Property, plant and equipment are provided on straight line method, over the useful life of the assets, as specified in Schedule II to the Companies Act, 2013.

Property, plant and equipment which are added / disposed off during the year, depreciation is provided on pro-rata basis.

The asset's residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively; if appropriate an asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

4) **Inventories:**

Packing materials, Traded goods are valued at the lower of cost and net realisable value. The cost of packing materials and traded goods includes all cost of purchase, duties and taxes (other than those subsequently recoverable from the tax authorities) and all other cost incurred in bringing the inventory to its present location and conditions. Cost is arrived on moving stock on FIFO basis.

Goods in transits are valued at cost incurred upto to the date of balance sheet.

5) **Foreign Currency Transactions:**

Transaction denominated in foreign currencies is recorded at the exchange rate that approximates the actual rate prevailing at the date of the transaction. Monetary item denominated in foreign currency remaining unsettled at the year end are translated at year end rates. Differences arising on settlement or conversion of monetary items are recognised in statement of profit and loss. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transactions. The premium in case of forward contracts is dealt with in the Profit and Loss Account proportionately over the period of contracts. The exchange differences arising on settlement/translation are dealt with in the Statement of Profit and Loss.

6) **Income Taxes:**

Current taxes are recognized in Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity, respectively.

Current income tax:

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the respective jurisdiction. The current tax is calculated using tax rates that have been enacted or substantively enacted, at the reporting date.

7) **Borrowing Costs:**

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Premium in the form of fees paid on refinancing of loans are accounted for as an expense over the life of the loan using effective interest rate method. All other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

8) **Provisions and Contingent Liabilities and Contingent Assets**

Provisions:

Provisions for legal claims, chargeback and sales returns are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period.

Contingent Liabilities:

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which 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 where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets:

Contingent Assets are not recognised in the financial statements. Contingent Assets if any, are disclosed in the notes to the financial statements.

Note 3: Property, Plant & Equipment

In 'CLP

| Particulars | Gross block | | | | Depreciation | | | Net block | |
|--------------------------|--------------------|------------------|-----------|--------------------|--------------------|------------------------|-------------|--------------------|--------------------|
| | As at 01-Jan-23 | Additions | Disposals | As at 31-Dec-23 | As at 01-Jan-23 | Charge for the year | Adjustments | As at 31-Dec-23 | As at 31-Dec-22 |
| Tangible Assets | | | | | | | | | |
| Electrical Fittings | - | - | - | - | - | - | - | - | - |
| Office equipment | 11,42,966 | 33,69,016 | - | 45,11,982 | 1,21,500 | 4,45,004 | - | 39,45,478 | - |
| Computers & Peripherals | - | 5,75,574 | - | 5,75,574 | - | 47,965 | - | 5,27,609 | 10,21,466 |
| Furniture | - | - | - | - | - | - | - | - | - |
| Total (A) | 11,42,966 | 39,44,590 | - | 50,87,556 | 1,21,500 | 4,92,969 | - | 44,73,087 | 10,21,466 |
| Intangible Assets | | | | | | | | | |
| Computer software (B) | - | 2,54,509 | - | 2,54,509 | - | - | - | 2,54,509 | - |
| Total (A+B) | 11,42,966 | 41,99,099 | - | 53,42,065 | 1,21,500 | 4,92,969 | - | 47,27,596 | 10,21,466 |

PINNACLE CHILE SpA
Notes on Financial Statements for the Period ended 31st Dec,2023

| | | In CLP | |
|------------------------|-----------------------|----------------------|--|
| Note No 4: Inventories | | | |
| Particulars | As at 31st Dec, 2023 | As at 31st Dec, 2022 | |
| Packing Materials | | | |
| Finished Goods | | | |
| TOTAL | 2,57,96,23,182 | 15,45,84,061 | |
| | 2,57,96,23,182 | 15,45,84,061 | |

| Note No 5 : Trade receivable | | |
|------------------------------|-----------------------|----------------------|
| Particulars | As at 31st Dec, 2023 | As at 31st Dec, 2022 |
| Unsecured | | |
| -considered good | | |
| -considered doubtful | 2,99,30,24,448 | 7,72,96,067 |
| TOTAL | 2,99,30,24,448 | 7,72,96,067 |
| | 2,99,30,24,448 | 7,72,96,067 |

| Note No 6 : Cash and Bank Balances | | |
|--|----------------------|----------------------|
| Particulars | As at 31st Dec, 2023 | As at 31st Dec, 2022 |
| Cash on Hand | | |
| Balances with Scheduled Banks : | | |
| - Current Accounts | | |
| Deposit Accounts | 22,58,83,587 | 2,75,54,583 |
| Cash and cash equivalents | 22,58,83,587 | 2,75,54,583 |
| TOTAL | 22,58,83,587 | 2,75,54,583 |
| | 22,58,83,587 | 2,75,54,583 |

| Note No 7: Other Current Financial Assets | | |
|---|----------------------|----------------------|
| Particulars | As at 31st Dec, 2023 | As at 31st Dec, 2022 |
| Unsecured , Consider good | | |
| Loans & Advances - Employees & Others | | |
| TOTAL | 65,35,166 | 77,18,134 |
| | 65,35,166 | 77,18,134 |

| Note No 8: Other current assets | | |
|---|----------------------|----------------------|
| Particulars | As at 31st Dec, 2023 | As at 31st Dec, 2022 |
| Prepaid Expense | | |
| Other Non financial Assets | 7,88,67,125 | |
| Balances with Statutory/ Govt.Authority | 16,80,28,444 | |
| TOTAL | 4,34,60,472 | 3,73,39,602 |
| | 29,03,56,041 | 3,73,39,602 |

Note 9 Share Capital

| Particulars | In CLP | | In CLP | |
|---|----------------------|---------------------|----------------------|---------------------|
| | As at 31st Dec, 2023 | Amount | As at 31st Dec, 2022 | Amount |
| (a) Issued, Subscribed and Fully Paid Up Subscribed @ P 3500 Per Share | 1,00,000 | 35,00,00,000 | 1,00,000 | 35,00,00,000 |
| Partly Paid Up | 1,00,000 | 34,89,82,000 | 1,00,000 | 34,89,82,000 |
| Total | 1,00,000 | 34,89,82,000 | 1,00,000 | 34,89,82,000 |

Note: 100,000 Shares at par value of Chilean Peso 3500 per share

9.1 Reconciliation of the number of Shares outstanding at the beginning and at the end of the year

| Particulars | As at 31st Dec, 2023 | | As at 31st Dec, 2022 | |
|---|----------------------|---------------------|----------------------|---------------------|
| | No. of shares | Amount | No. of shares | Amount |
| At the beginning of the year | 1,00,000 | 34,89,82,000 | 1,00,000 | 19,54,35,610 |
| Add: Shares issued during the year | 1,00,000 | 34,89,82,000 | 1,00,000 | 15,35,46,390 |
| Outstanding at the end of the year | 1,00,000 | 34,89,82,000 | 1,00,000 | 34,89,82,000 |

9.2 Shares held by holding company, the ultimate holding company, their subsidiaries and associates.

| Particulars | As at 31st Dec, 2023 | |
|---------------------|----------------------|----------------|
| | No. of Shares | % Shareholding |
| Aarti Drugs Limited | 95,000 | 95.00 |

9.3 Details of equity shareholders holding more than 5% shares in the company

| Name of the Shareholder | As at 31st Dec, 2023 | |
|-------------------------|----------------------|----------------|
| | No. of shares | % Shareholding |
| Aarti Drugs Limited | 95,000 | 95.00 |

9.4 The company has only one class of shares referred to as equity shares having a par value of Peso 3500/- each. Each holder of equity shares is entitled to one vote per share.

9.5 No dividend has been declared by the company during the year ended December 31, 2023.

9.6 Shareholding of Promoters*

| Sr.No. | Promoter Name | As at 31st Dec, 2023 | | % change during the year |
|--------------|---------------------|----------------------|-------------------|--------------------------|
| | | No. of Shares | % of total shares | |
| 1 | Aarti Drugs Limited | 95,000 | 95.00 | |
| 2 | Mr. Juan Gomez | 5,000 | 5.00 | |
| Total | | 1,00,000 | 100% | |

*Promoters here means promoters as defined in the Companies Act, 2013.
**Details shall be given separately for each class of shares
***% change shall be computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.

| Note No 11 : Short term Borrowings | | |
|---|----------------------|----------------------|
| Particulars | As at 31st Dec, 2023 | As at 31st Dec, 2022 |
| Loans repayable on demand From Banks Secured Borrowings | 49,99,05,000 | - |
| TOTAL | 49,99,05,000 | - |

| Note No 12 : Trade payables | | |
|--|-----------------------|----------------------|
| Particulars | As at 31st Dec, 2023 | As at 31st Dec, 2022 |
| Due to micro enterprises and small enterprises | - | - |
| Due to others | 4,69,84,92,386 | 15,47,31,556 |
| TOTAL | 4,69,84,92,386 | 15,47,31,556 |

| Note No 13 : Other current liabilities | | |
|--|----------------------|----------------------|
| Particulars | As at 31st Dec, 2023 | As at 31st Dec, 2022 |
| Other Payable - Duties & Taxes | - | 58,85,211 |
| Other Payable for Goods & Expenses | 4,49,50,269 | 13,48,364 |
| TOTAL | 4,49,50,269 | 72,33,575 |

| Note No 14 : Short term provision | | |
|---|----------------------|----------------------|
| Particulars | As at 31st Dec, 2023 | As at 31st Dec, 2022 |
| Provision for Expenses | 3,48,82,080 | 85,002 |
| Provision for Employee benefits | 1,16,79,945 | 44,07,683 |
| Income Tax Provision (Net of Advance Tax and TDS) | 13,92,07,591 | - |
| TOTAL | 18,57,69,616 | 44,92,685 |

PINNACLE CHILE SpA
Notes to Financial Statements for the year ended 31st Dec, 2023
Year ended 31st Dec, 2023

| Particulars | In CLP | |
|--|---------------------------|---------------------------|
| | Year ended 31st Dec, 2023 | Year ended 31st Dec, 2022 |
| Note No 15 - Revenue from operation | | |
| Sale Of Goods | 6,62,10,07,877 | 12,96,53,370 |
| Total | 6,62,10,07,877 | 12,96,53,370 |

| Particulars | In CLP | |
|--|---------------------------|---------------------------|
| | Year ended 31st Dec, 2023 | Year ended 31st Dec, 2022 |
| Note No 16 - Other Operating Income | | |
| Miscellaneous Income | 97,156 | 21,06,188 |
| Total | 97,156 | 21,06,188 |

| Particulars | In CLP | |
|---|---------------------------|---------------------------|
| | Year ended 31st Dec, 2023 | Year ended 31st Dec, 2022 |
| Note No 17 - Purchases of Stock-in-Trade | | |
| Purchases of Stock-in-Trade | 7,97,99,12,966 | 29,18,07,016 |
| Total | 7,97,99,12,966 | 29,18,07,016 |

| Particulars | In CLP | |
|--|---------------------------|---------------------------|
| | Year ended 31st Dec, 2023 | Year ended 31st Dec, 2022 |
| Note No 18 - Changes in inventory | | |
| Inventories at the end of the year (A) | 2,57,96,23,182 | 15,45,84,061 |
| Inventories at the beginning of the year (B) | 15,45,84,061 | - |
| Net Increase/(Decrease) [B-A] | (2,42,50,39,121) | (15,45,84,061) |

| Particulars | In CLP | |
|---|---------------------------|---------------------------|
| | Year ended 31st Dec, 2023 | Year ended 31st Dec, 2022 |
| Note No 18 - Employee benefits expense | | |
| Salaries, Wages and Bonus | 15,61,07,131 | 6,36,59,376 |
| Staff insurance | 49,00,251 | - |
| Total | 16,10,07,382 | 6,36,59,376 |

| Particulars | In CLP | |
|----------------------------------|---------------------------|---------------------------|
| | Year ended 31st Dec, 2023 | Year ended 31st Dec, 2022 |
| Note No 19 - Finance Cost | | |
| Interest on Working Capital | 7,73,59,916 | - |
| Total | 7,73,59,916 | - |

| Particulars | In CLP | |
|---|---------------------------|---------------------------|
| | Year ended 31st Dec, 2023 | Year ended 31st Dec, 2022 |
| Note No 20 - Depreciation and Amortisation | | |
| Depreciation on Property, Plant & Equipment | 4,92,969 | 1,05,250 |
| Total | 4,92,969 | 1,05,250 |

| Particulars | In CLP | |
|---|---------------------------|---------------------------|
| | Year ended 31st Dec, 2023 | Year ended 31st Dec, 2022 |
| Note No 21 - Other expenses | | |
| Office & Administration Expenses | | |
| Rent | | |
| Legal & Professional Charges | 1,92,25,989 | 40,34,542 |
| Rates & Taxes | 4,01,88,923 | 4,24,67,847 |
| Insurance Charges | - | 5,13,260 |
| Miscellaneous Expenses | 3,31,174 | 86,191 |
| Travelling Expenses - Directors | 5,53,24,741 | 71,94,682 |
| - Others | - | - |
| Insurance Expenses | 1,38,92,598 | 6,47,591 |
| Bank Charges | - | 9,09,023 |
| Sub Total (a) | 2,72,23,252 | 8,48,426 |
| | 15,61,86,677 | 5,67,01,562 |

Note 22 Earnings Per Equity Share (EPS)

| Particulars | Year ended 31st Dec, | Year ended 31st Dec, |
|---|----------------------|----------------------|
| | 2023 | 2022 |
| Profit for the year attributable to Equity Shareholders | 53,19,76,653 | (12,59,29,585) |
| Weighted Average Number of Equity Shares Outstanding During The Year (Nos.) | 1,00,000 | 1,00,000 |
| Basic /Diluted Earnings Per Share | 5,319.77 | (1,259.30) |
| Nominal Value of Equity Share | 3,500 | 3,500 |

Note: 100,000 Shares at par value of Chilean Peso 3500 per share

Note 23 Related party disclosures

Note 23.1: Details of Related Parties

| Description of Relationship | Name of Related Party |
|-----------------------------|-----------------------------------|
| Holding Company | Aarti Drugs Limited |
| Fellow Subsidiary | M/S Pinnacle Life Science Pvt Ltd |
| Key Managerial Persons | Mr. Juan Gomez, Managing Director |

(Note: Related parties have been identified by the management)

Note 23.2: Details of transactions with related parties

| Particulars | Year ended 31st Dec, | Year ended 31st Dec, |
|--|----------------------|----------------------|
| | 2023 | 2022 |
| Purchase of Goods / Purchases of Traded Goods (Including Goods-in-Transit) | | |
| M/S Pinnacle Life Science Pvt Ltd | 4,79,73,13,634 | 29,18,07,016 |
| Key Managerial Remuneration | | |
| Mr. Juan Gomez, Managing Director | 4,05,13,490 | 3,53,20,515 |

Note 23.3: Details of balances with related parties as at year end

| Particulars | Year ended 31st Dec, | Year ended 31st Dec, |
|-----------------------------------|----------------------|----------------------|
| | 2023 | 2022 |
| M/S Pinnacle Life Science Pvt Ltd | (4,57,29,09,960) | (14,17,70,042) |

(* '+' balances if receivable & '-' Balances if payable)

Note 24 Other Disclosures

(a) Prior year comparatives have been regrouped and reclassified wherever necessary to confirm to the current year's presentation. Amounts and other disclosures for the prior year are included as an integral part of the current year financial statements and are to be read in relation to the amounts and other disclosures relating to the current year.

Note 25 Figures of the previous year have been regrouped and rearranged wherever necessary.

As per our report of even date
For Kirtane & Pandit LLP,
Chartered Accountants
Firm's Registration No: 105215W/W100057

Aditya A. Hanetkar
Aditya A. Hanetkar
Partner
M. No : 149037
Place: Mumbai
Date : 08/04/24



For and on behalf of the Board of Directors

Vishwa Harshit Savla *Harit Pragji Shah*
Vishwa Harshit Savla Director (DIN: 03619810)
Harit Pragji Shah Director (DIN: 00005501)