
STRIDES PHARMA GLOBAL (UK) LTD

**STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
	£	£
Administrative expenses	(821,449)	(1,980,066)
Fair value movements	(60,362)	249,947
Operating loss	(881,811)	(1,730,119)
Tax on loss	(15,973)	(47,470)
Loss for the financial year	(897,784)	(1,777,589)

There was no other comprehensive income for 2022 (2021:£NIL).

The notes on pages 9 to 15 form part of these financial statements.

STRIDES PHARMA GLOBAL (UK) LTD
REGISTERED NUMBER:09707843

BALANCE SHEET
AS AT 31 MARCH 2022

	Note	2022 £	2021 £
Fixed assets			
Investments	4	19,796,917	20,194,918
		<u>19,796,917</u>	<u>20,194,918</u>
Current assets			
Debtors: amounts falling due within one year	5	20,012	87,925
Cash at bank and in hand	6	170,536	170,288
		<u>190,548</u>	<u>258,213</u>
Creditors: amounts falling due within one year	7	(5,495,149)	(5,063,031)
Net current liabilities		(5,304,601)	(4,804,818)
Total assets less current liabilities		14,492,316	15,390,100
Net assets		14,492,316	15,390,100
Capital and reserves			
Called up share capital	8	43,357,438	43,357,438
Profit and loss account		(28,865,122)	(27,967,338)
Shareholder's funds		14,492,316	15,390,100

The financial statements have been prepared in accordance with the provisions applicable to companies subject to the small companies regime and in accordance with the provisions of FRS 102 Section 1A - small entities.

The financial statements were approved and authorised for issue by the board and were signed on its behalf on

Mr K T Parthasarathy
Director

The notes on pages 9 to 15 form part of these financial statements.

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

1. General information

Strides Pharma Global (UK) Ltd is a company limited by shares incorporated in England and Wales. The address of the registered office is Unit 4 Metro Centre, Tolpits Lane, Watford, Hertfordshire, WD18 9SS. The financial statements cover the period from 1 April 2021 to 31 March 2022.

2. Accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Section 1A of Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland and the Companies Act 2006.

The following principal accounting policies have been applied:

2.2 Going concern

The financial statements have been prepared on a going concern basis. The Directors have considered relevant information, including the annual budget, forecast future cash flows and the impact of subsequent events in making their assessment. The Directors have also considered the availability of continued financial support from the ultimate parent company – Strides Pharma Science Limited, in evaluating their assessment. The Strides Group has continued to trade through the COVID-19 pandemic as “essential” categorised entities (being manufacturer and wholesaler of pharmaceutical goods) and the forecasts and budgets suggest the group will continue to do so. In response to the COVID-19 pandemic, the Directors have performed a robust analysis of forecast future cash flows taking into account the potential impact on the business of possible future scenarios arising from the impact of COVID-19. This analysis also considers the effectiveness of available measures to assist in mitigating the impact.

The Company made a loss of £897,784 (2021: £1,777,589 loss) and, as at the year end date its current liabilities exceeded its current assets by £5,304,601 (2021: £4,804,818). The Company has its investment in subsidiaries operating in EU and USA markets and the management believes that there is a huge potential for these subsidiaries to be able to help the Company realise its assets and discharge its liabilities.

Based on these assessments and having regard to the resources available to the entity, the Directors have concluded that there is no material uncertainty and that they can continue to adopt the going concern basis in preparing the annual report and accounts.

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

2. Accounting policies (continued)

2.3 Foreign currency translation

Functional and presentation currency

The Company's functional and presentational currency is GBP and the financial statements are rounded to the nearest £.

Transactions and balances

Foreign currency transactions are translated into the functional currency using the spot exchange rates at the dates of the transactions.

At each period end foreign currency monetary items are translated using the closing rate. Non-monetary items measured at historical cost are translated using the exchange rate at the date of the transaction and non-monetary items measured at fair value are measured using the exchange rate when fair value was determined.

Foreign exchange gains and losses resulting from the settlement of transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss except when deferred in other comprehensive income as qualifying cash flow hedges.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the Statement of Comprehensive Income within 'finance income or costs'. All other foreign exchange gains and losses are presented in profit or loss within 'other operating income'.

2.4 Taxation

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Company operates and generates income.

Deferred tax balances are recognised in respect of all timing differences that have originated but not reversed by the Balance sheet date, except that:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred tax is determined using tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

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

2. Accounting policies (continued)

2.5 Valuation of investments

Investments in unlisted subsidiaries are measured at cost less accumulated impairment.

Investments in listed company shares are remeasured to market value at each Balance Sheet date. Gains and losses on remeasurement are recognised in the Statement of Comprehensive Income for the period.

2.6 Debtors

Short term debtors are measured at transaction price, less any impairment. Loans receivable are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method, less any impairment.

2.7 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value.

2.8 Creditors

Short term creditors are measured at the transaction price. Other financial liabilities, including bank loans, are measured initially at fair value, net of transaction costs, and are measured subsequently at amortised cost using the effective interest method.

2.9 Financial instruments

The Company only enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, loans from banks and other third parties, loans to related parties and investments in ordinary shares.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at present value of the future cash flows and subsequently at amortised cost using the effective interest method. Debt instruments that are payable or receivable within one year, typically trade debtors and creditors, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received. However, if the arrangements of a short-term instrument constitute a financing transaction, like the payment of a trade debt deferred beyond normal business terms or in case of an out-right short-term loan that is not at market rate, the financial asset or liability is measured, initially at the present value of future cash flows discounted at a market rate of interest for a similar debt instrument and subsequently at amortised cost, unless it qualifies as a loan from a director in the case of a small company, or a public benefit entity concessionary loan.

Investments in non-derivative instruments that are equity to the issuer are measured:

- at fair value with changes recognised in the Statement of comprehensive income if the shares are publicly traded or their fair value can otherwise be measured reliably;
- at cost less impairment for all other investments.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence of impairment is found,

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

2. Accounting policies (continued)

2.9 Financial instruments (continued)

an impairment loss is recognised in the Statement of comprehensive income.

For financial assets measured at amortised cost, the impairment loss is measured as the difference between an asset's carrying amount and the present value of estimated cash flows discounted at the asset's original effective interest rate. If a financial asset has a variable interest rate, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For financial assets measured at cost less impairment, the impairment loss is measured as the difference between an asset's carrying amount and best estimate of the recoverable amount, which is an approximation of the amount that the Company would receive for the asset if it were to be sold at the balance sheet date.

Financial assets and liabilities are offset and the net amount reported in the Balance sheet when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Derivatives, including interest rate swaps and forward foreign exchange contracts, are not basic financial instruments. Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. Changes in the fair value of derivatives are recognised in profit or loss in finance costs or income as appropriate. The company does not currently apply hedge accounting for interest rate and foreign exchange derivatives.

2.10 Dividends

Dividend income is recognised when the right to receive payment is established.

3. Employees

The average monthly number of employees, including directors, during the year was 2 (2021 - 3).

STRIDES PHARMA GLOBAL (UK) LTD

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

4. Fixed asset investments

	Investments in subsidiary companies £	Listed investments £	Total £
Cost or valuation			
At 1 April 2021	19,839,934	354,984	20,194,918
Additions	379,065	-	379,065
At 31 March 2022	<u>20,218,999</u>	<u>354,984</u>	<u>20,573,983</u>
Impairment			
Charge for the period	716,704	60,362	777,066
At 31 March 2022	<u>716,704</u>	<u>60,362</u>	<u>777,066</u>
Net book value			
At 31 March 2022	<u>19,502,295</u>	<u>294,622</u>	<u>19,796,917</u>
At 31 March 2021	<u>19,839,934</u>	<u>354,984</u>	<u>20,194,918</u>

Subsidiary undertakings

The following were subsidiary undertakings of the Company:

Name	Registered office	Class of shares	Holding
Strides Pharma (UK) Ltd	Unit 4 The Metro Centre, Dwight Road, Watford, WD18 9SS	Ordinary	100
Beltapharm S.p.A	Via Stelvio, 66, 20095, Cusano Milanino MI, Italy.	Ordinary	97.94

STRIDES PHARMA GLOBAL (UK) LTD

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

4. Fixed asset investments (continued)**Subsidiary undertakings (continued)**

The aggregate of the share capital and reserves as at 31 March 2022 and the profit or loss for the year ended on that date for the subsidiary undertakings were as follows:

Name	Aggregate of share capital and reserves £	Profit/(Loss) £
Strides Pharma (UK) Ltd	7,372,194	(2,316,812)
Beltapharm S.p.A	1,776,558	(218,671)

5. Debtors

	2022 £	2021 £
Amounts owed by group undertakings	20,012	87,925
	20,012	87,925

6. Cash and cash equivalents

	2022 £	2021 £
Cash at bank and in hand	170,536	170,288
	170,536	170,288

7. Creditors: Amounts falling due within one year

	2022 £	2021 £
Amounts owed to group undertakings	5,423,016	5,006,721
Accruals and deferred income	72,133	56,310
	5,495,149	5,063,031

STRIDES PHARMA GLOBAL (UK) LTD

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2022

8. Share capital

	2022 £	2021 £
Allotted, called up and fully paid		
22,086,538 (2021 - 22,086,538) Ordinary Shares shares of £1.00 each	22,086,538	22,086,538
212,709 (2021 - 212,709) Preference shares shares of £100.00 each	21,270,900	21,270,900
	43,357,438	43,357,438

9. Related party transactions

As the company is a wholly owned subsidiary of Strides Pharma Science Limited, the company has taken advantage of the exemption in FRS102 para 33.1A and has therefore not disclosed transactions or balances with other wholly-owned subsidiaries which form part of the group headed by Strides Pharma Science Limited.

At the year end the company was due £Nil (2021: £69,058 (due from)) to BeltaPharma S.p.A, a subsidiary company.

10. Controlling party

The company is owned by Strides Arcolab International Limited, a company registered in England and Wales. The ultimate parent company is Strides Pharma Science Ltd, an entity registered in India. The consolidated accounts are available at the registered address of the ultimate parent. The address is 201, Devavrata, Sector 17, Vashi, Navi Mumbai - 400 703, India. There is no ultimate controlling party.

The company is exempt from producing consolidated accounts under S.401 Companies Act 2006, as the parent company, Strides Pharma Science Limited, produces consolidated accounts for the group.

STRIDES PHARMA GLOBAL (UK) LTD

**DETAILED PROFIT AND LOSS ACCOUNT
FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
	£	£
Administration expenses	(821,449)	(1,980,066)
Fair value movements	(60,362)	249,947
Operating loss	(881,811)	(1,730,119)
Loss for the year	(881,811)	(1,730,119)

STRIDES PHARMA GLOBAL (UK) LTD

**SCHEDULE TO THE DETAILED ACCOUNTS
FOR THE YEAR ENDED 31 MARCH 2022**

	2022	2021
	£	£
Administration expenses		
Legal and professional	630	980
Auditor's remuneration	6,840	6,040
Bank charges	172	267
Difference on foreign exchange	97,103	(290,202)
Impairment charge in subsidiaries	716,704	2,262,981
	821,449	1,980,066
