

UMUTHI HEALTHCARE SOLUTIONS PLC

# INTERIM RESULTS 31 AUG 2021

LEMS PHARMACEUTICAL LIMITED

10-8-2022

# LEMS Pharmaceutical Limited

(Registration Number 2014/170940/06)

Interim Results for the six months to 31 August 2021

## Directors' Responsibilities and Approval

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The directors are required by the Companies Act of South Africa to maintain adequate accounting records and are responsible for the content and integrity of the annual financial statements and related financial information included in this report. It is their responsibility to ensure that the annual financial statements satisfy the financial reporting standards with regards to form and content and present fairly the statement of financial position, results of operations and business of the company, and explain the transactions and financial position of the business of the company at the end of the financial year. The annual financial statements are based upon appropriate accounting policies consistently applied throughout the company and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the company and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the directors set standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the company and all employees are required to maintain the highest ethical standards in ensuring the company's business is conducted in a manner that in all reasonable circumstances is above reproach.

The focus of risk management in the company is on identifying, assessing, managing and monitoring all known forms of risk across the company. While operating risk cannot be fully eliminated, the company endeavors to minimize it by ensuring that appropriate infrastructure, controls, systems and ethical behavior are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the annual financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss. The going-concern basis has been adopted in preparing the financial statements. Based on forecasts and available cash resources the directors have no reason to believe that the company will not be a going concern in the foreseeable future. The financial statements support the viability of the company.



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Director

8 October 2022

# LEMS Pharmaceutical Limited

(Registration Number 2014/170940/06)

Financial Statements for the six months to 31 August 2021

## Directors' Report

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The directors present their report for six months to 31 August 2021.

### 1. Review of activities

#### Main business and operations

The company supplies prescription and other medicines to medical practitioners and health centers with onsite dispensaries in rural and non-rural areas of South Africa. There were no major changes herein during the year.

The operating results and statement of financial position of the company are fully set out in the attached financial statements and do not in our opinion require any further comment.

### 2. Going concern

The annual financial statements have been prepared based on accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realization of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

### 3. Events after reporting date

All events after the date of the annual financial statements and for which the applicable financial reporting framework requires adjustment or disclosure have been adjusted or disclosed.

The directors are not aware of any matter or circumstance arising since the end of the financial year to the date of this report that could have a material effect on the financial position of the company.

### 4. Dividend

No dividend was declared or paid to the shareholder during the year.

### 5. Directors

The directors of the company during the year and up to the date of this report are as follows:

P Grimes  
G.P Viljoen

### 6. Shareholder

There have been no changes in ownership during the current financial year.

The shareholder and its interest at the end of the year is:

Umuthi Healthcare Solutions Plc	<b>Holding</b> 100.00%
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# LEMS Pharmaceutical Limited

(Registration Number 2014/170940/06)

Financial Statements for the six months to 31 August 2021

## Interim Condensed Statement of Financial Position

Figures in Great British Pound Sterling (GBP)

	Six months 31 Aug 2021	Six months 31 Aug 2020	Year ended 28 Feb 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	237,025	357,061	237,025
Loan to group company	371,020	431,343	360,020
<b>Total non-current assets</b>	<b>608,045</b>	<b>788,404</b>	<b>597,045</b>
<b>Current assets</b>			
Inventory	8,734	11,863	927
Trade and other Receivables	7,633	29,351	8,795
<b>Total current assets</b>	<b>16,367</b>	<b>41,214</b>	<b>9,788</b>
<b>Total assets</b>	<b>624,412</b>	<b>829,618</b>	<b>606,833</b>
<b>Equity and liabilities</b>			
<b>Share Capital</b>			
Share Capital	41,293	40,260	41,293
<b>Share Premium</b>			
Share Premium	690,273	679,025	690,273
<b>Capital Contribution</b>			
Capital Contribution	1,144,450	999,924	1,075,066
<b>Accumulated loss</b>			
Accumulated loss	-1,441,769	-1,099,161	-1,355,710
<b>Currency translation difference (CTD)</b>			
Currency translation difference (CTD)	<b>18,534</b>	<b>25,110</b>	<b>-17,067</b>
<b>Total Equity</b>	<b>452,781</b>	<b>645,158</b>	<b>433,855</b>
<b>Non-Current liabilities</b>			
Other financial liabilities	154,188	151,676	154,188
<b>Current liabilities</b>			
Trade and other payables	17,443	32,784	18,790
<b>Total liabilities</b>	<b>171,631</b>	<b>184,460</b>	<b>172,978</b>
<b>Total equity and liabilities</b>	<b>624,412</b>	<b>829,618</b>	<b>606,833</b>

# LEMS Pharmaceutical Limited

(Registration Number 2014/170940/06)

Financial Statements for the six months to 31 August 2021

## Condensed Statement of Profit or Loss and Other

### Comprehensive Income

Figures in Great British Pound Sterling (GBP)

	Six months 31 Aug 2021	Six months 31 Aug 2020	Year ended 28 Feb 2021
Revenue	3,465	231,998	9,522
Cost of sales	(1,970)	(169,359)	(5,841)
<b>Gross profit</b>	<b>1,495</b>	<b>62,639</b>	<b>3,681</b>
Operating Expenses	(87,554)	-159,392	(182,918)
<b>Loss from operating activities</b>	<b>(86,059)</b>	<b>(96,753)</b>	<b>(179,237)</b>
<b>Loss for the year</b>	<b>(86,059)</b>	<b>(96,753)</b>	<b>(179,237)</b>

# LEMS Pharmaceutical Limited

(Registration Number 2014/170940/06)

Financial Statements for the six months ended 31 August 2021

## Statement of Changes in Equity

Figures in £	Issued capital	Share premium	Capital contribution	Foreign currency translation reserve	Accumulated loss	Total
<b>Balance at 1 September 2019</b>	44,027	805,228	1,048,408	9,978	(1,089,709)	817,932
<b>Changes in equity</b>						
Loss for the year	-	-	-	-	(231,205)	(231,205)
Total comprehensive income for the year	-	-	-	-	(231,205)	(231,205)
Currency translation difference (CTD)	(3,407)	(56,957)	-	15,132	93,644	48,412
<b>Balance at 31 Aug 2020</b>	<b>40,620</b>	<b>679,025</b>	<b>1,048,408</b>	<b>25,110</b>	<b>(1,227,270)</b>	<b>565,893</b>
<b>Balance at 1 September 2020</b>	40,620	679,025	1,048,408	25,110	(1,227,270)	565,893
<b>Changes in equity</b>						
Loss for the year	-	-	-	-	(179,237)	(179,237)
Total comprehensive income for the year	-	-	-	-	(179,237)	(179,237)
Currency translation difference (CTD)	673	11,248	26,658	(42,177)	50,797	47,199
<b>Balance at 31 Aug 2021</b>	<b>41,293</b>	<b>690,273</b>	<b>1,144,450</b>	<b>18,534</b>	<b>-1,441,769</b>	<b>452,781</b>

# LEMS Pharmaceutical Limited

(Registration Number 2014/170940/06)

Financial Statements for the six months ended 31 August

## INTERIM CONDENSED CASH FLOW STATEMENT

### Cash flows used in operations

Loss for the year	Six months 31 Aug 2020	Year ended 28 Feb 2021
<b>Adjustments to reconcile loss</b>		
Adjustments for decrease in inventories	8,600	15,218
Adjustments for decrease / (increase) in trade accounts receivable	3,069	(4,935)
Adjustments for decrease in other operating receivables	144	128
Adjustments for increase / (decrease) in trade accounts payable	532	(13,333)
Adjustments for decrease in other operating payables	(5,752)	(7,826)
Adjustments for depreciation and amortization expense	106,769	129,709
Currency translation difference (CTD)	21,884	(25,110)
<b>Total adjustments to reconcile loss</b>	<b>135,246</b>	<b>93,851</b>
<b>Net cash flows used in operations</b>	<b>(43,991)</b>	<b>(137,354)</b>
<b>Net cash flows used in operating activities</b>	<b>(43,991)</b>	<b>(137,354)</b>
<b>Cash flows from investing activities</b>		
Loan advanced to group company	2,966	-
<b>Cash flows from investing activities</b>	<b>2,966</b>	<b>-</b>
<b>Cash flows from financing activities</b>		
Proceeds from issuing / (buyback of) shares	11,921	(60,364)
Capital contribution introduced	26,658	189,977
Proceeds from other financial liabilities	2,512	7,733
<b>Cash flows from financing activities</b>	<b>41,091</b>	<b>137,346</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>66</b>	<b>(8)</b>
Cash and cash equivalents at beginning of the year	-	8
<b>Cash and cash equivalents at end of the year</b>	<b>66</b>	<b>-</b>

# LEMS Pharmaceutical Limited

(Registration Number 2014/170940/06)

Annual Financial Statements for the six months ended 31 August

## **1. Basis of preparation and summary of significant accounting policies**

The unaudited condensed interim financial statements of LEMS Pharmaceutical Limited for the six months ended 31 August 2021, have been prepared in accordance with International Financial Reporting Standards and the Companies Act of South Africa in accordance with IAS 34 “Interim Financial Reporting”. They do not include all the information required for full annual financial statements and should be read in conjunction with the financial statements for 28 February 2021. The accounting policies have been consistently applied to all the periods presented.

## **2. Related party transaction**

There have been no related party transactions save for those disclosed in the annual financial statements as at 28 February 2021.

## **3. Approval of the condensed interim financial statements**

The condensed interim financial statements were approved by the Board of Directors on 8 October 2022.