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PISGAH LABS INC., USA  
AUDITED FINANCIAL STATEMENTS  
MARCH 31, 2023 AND 2022

Virendra K Jain  
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## Independent Accountant's Report

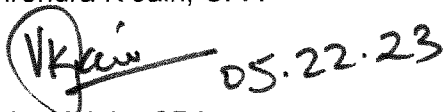
To,  
The Shareholders of  
Pisgah Laboratories Inc.  
d/b/a - Pisgah Labs Inc.,  
3222 Old Hendersonville Hwy,  
Pisgah Forest, NC – 28768, USA

I have audited the accompanying financial statements of Pisgah Labs Inc., USA as of March 31, 2023 and 2022, and the related statements of Income, Retained earnings for the year then ended in accordance with standards established by the American Institute of Certified Public Accountants. These financial statements are the responsibility of the company's management. My responsibility is to express an opinion on these financial statements based on our audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In my opinion, the financial statements referred to above present fairly, in all material respect, the financial position of Pisgah Labs Inc. USA as of March 31, 2023 and 2022, and the result of operations for the year ended March 31, 2023 and 2022, in conformity with accounting principles generally accepted in the United States of America.

For Virendra K Jain, CPA



Virendra K Jain, CPA  
New York, NY  
License No. 093066  
Date: May 22, 2023

**PISGAH LABORATORIES INC. USA**  
**BALANCE SHEET**  
**MARCH 31, 2023 AND 2022**

	<b>As at March 31</b>	<b>As at March 31</b>
	<b><u>2023</u></b>	<b><u>2022</u></b>
	\$	\$
<b>Current Assets:</b>		
Cash & Bank	1,792,785	79,047
Accounts Receivables	150,650	644,133
Inventory	746,309	783,704
Prepaid Expenses	49,527	48,563
<b>Total Current Assets</b>	<b><u>2,739,271</u></b>	<b><u>1,555,447</u></b>
<b>Fixed &amp; Intangible Assets:</b>		
Fixed Assets	3,697,847	3,584,337
Accumulated Depreciation	<u>(1,391,069)</u>	<u>(1,136,789)</u>
Net Fixed Assets	2,306,778	2,447,548
Intangible Assets	5,916,504	5,916,504
Accumulated Amortization & Impairment	<u>(5,487,291)</u>	<u>(5,401,448)</u>
Net Intangible Assets	429,213	515,056
<b>Total Fixed &amp; Intangible Assets</b>	<b><u>2,735,991</u></b>	<b><u>2,962,604</u></b>
<b>Other Assets:</b>		
Construction - WIP	955,998	46,900
Deferred Taxes	210,118	262,647
Security Deposit	3,000	----
<b>Total Other Assets</b>	<b><u>1,169,116</u></b>	<b><u>309,547</u></b>
<b>Total Assets</b>	<b><u>6,644,378</u></b>	<b><u>4,827,598</u></b>

See accompanying notes to Financial Statements

**PISGAH LABORATORIES INC. USA  
BALANCE SHEET  
MARCH 31, 2023 AND 2022**

**LIABILITIES AND STOCKHOLDERS EQUITY**

	<b>As at March 31 <u>2023</u> \$</b>	<b>As at March 31 <u>2022</u> \$</b>
<b>Current Liabilities:</b>		
Accounts Payable	286,171	14,040
Accrued Expenses	83,615	34,110
Other Payable	----	827,398
<b>Total Current Liabilities</b>	<b><u>369,786</u></b>	<b><u>875,548</u></b>
<b>Stockholders' Equity:</b>		
Fair Value Adjustment Reserve	9,733,879	9,733,879
Common Stock (Note 3)	92,000	92,000
Redeemable Pref. Shares	10,700,000	7,200,000
Retained Earnings	<u>(14,251,287)</u>	<u>(13,073,829)</u>
<b>Total Stockholders' Equity</b>	<b><u>6,274,592</u></b>	<b><u>3,952,050</u></b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS EQUITY</b>	<b><u>6,644,378</u></b>	<b><u>4,827,598</u></b>

See accompanying notes to Financial Statements

**PISGAH LABORATORIES INC. USA**  
**STATEMENT OF INCOME**  
**FOR THE YEAR ENDED MARCH 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
	\$	\$
<b><u>Revenue:</u></b>		
Revenue from Operations	900,141	458,936
PPP - Loan forgiveness	239,000	239,000
Other Income	<u>1,122,197</u>	<u>99,314</u>
<b>Total Income</b>	<b>2,261,338</b>	<b>797,250</b>
<b><u>Expenses:</u></b>		
Cost of Materials Consumed & Inventory Adjustment	444,926	115,354
Employee Benefit Expenses	1,815,418	1,654,275
Depreciation, Amortization & Impairment	340,122	361,958
Other Expenses	<u>775,801</u>	<u>664,125</u>
<b>TOTAL OPERATING EXPENSES</b>	<b><u>3,376,267</u></b>	<b><u>2,795,712</u></b>
<b>Income / (Loss) before Corporate Taxes</b>	<b>(1,114,929)</b>	<b>(1,998,462)</b>
Deferred Taxes	52,529	
Corporate Taxes (Note 4)	10,000	7,000
<b>Net Income (loss)</b>	<b>(1,177,458)</b>	<b>(2,005,462)</b>

See accompanying notes to Financial Statements

**PISGAH LABORATORIES INC. USA**  
**STATEMENT OF RETAINED EARNINGS**  
**FOR THE YEAR ENDED MARCH 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
	\$	\$
Retained Earnings – Beginning of the Year	(13,073,829)	(11,068,367)
Dividend Adjustment of Prior Year	----	----
Income / (Loss) for the year	<u>(1,177,458)</u>	<u>(2,005,462)</u>
<b>Retained Earnings – End of the Year</b>	<b><u>(14,251,287)</u></b>	<b><u>(13,073,829)</u></b>

See accompanying notes to Financial Statements

**PISGAH LABORATORIES INC. USA**  
**STATEMENT OF CASH FLOW**  
**FOR THE YEAR ENDED MARCH 31, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
	\$	\$
<b>Current Assets:</b>		
<b>Cash flows from operating activities:</b>		
Net Income (loss)	(1,177,458)	(2,005,462)
<b>Adjustments to reconcile net income to net cash provided by operating activities:</b>		
Depreciation	254,280	276,115
Amortization & impairment	85,842	85,842
<b>Changes in assets and liabilities:</b>		
Decrease / (Increase) in Accounts Receivables	493,483	(605,167)
Decrease / (Increase) in Inventory	37,395	(252,638)
Decrease / (Increase) in Prepaid Expenses	(964)	(1,467)
Decrease / (Increase) in Accrued Expenses	49,505	(31,091)
Decrease / (Increase) in Accounts Payable	272,133	10,767
(Decrease) / Increase in Other Payables	<u>(827,398)</u>	<u>583,123</u>
<b>Total adjustments</b>	<b><u>364,275</u></b>	<b><u>65,484</u></b>
<b>Net cash provided by operating activities</b>	<b><u>(813,183)</u></b>	<b><u>(1,939,978)</u></b>
<b>Cash flow from investing activities:</b>		
Decrease / (Increase) in Fixed Assets	(113,050)	(30,709)
Decrease / (Increase) in Capital WIP	(909,098)	(46,900)
Decrease / (Increase) in Capital WIP	49,529	----
<b>Net Cash from investing activities</b>	<b>(973,079)</b>	<b>(77,609)</b>
<b>Cash flow from financing activities:</b>		
Increase in Investments	3,500,000	1,750,000
(Decrease) in Dividend Payable	----	----
<b>Net Cash used from financing activities:</b>	<b><u>3,500,000</u></b>	<b><u>1,750,000</u></b>
Net Increase (Decrease) in cash	1,713,738	(267,587)
Cash at beginning of period	<u>79,047</u>	<u>346,634</u>
<b>CASH AT END OF PERIOD</b>	<b><u>1,792,785</u></b>	<b><u>79,047</u></b>

See accompanying notes to Financial Statements



**PISGAH LABORATORIES INC. USA**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023 and 2022**

**Note 1      Organization**

Pisgah Laboratories Inc. (Pisgah) is C Corporation organized and incorporated under the laws of state of North Carolina (NC) founded in the year 1981. Pisgah is a contract manufacturer and developer of Active Pharmaceutical Ingredients (APIs) and Intermediates.

**Note 2      Summary of Significant Accounting Policies**

**Basis of Accounting**

The financial statements of the Company are prepared on the accrual basis of accounting and in accordance with accounting principles generally accepted in the United States of America.

**Use of Estimates in Financial Statements preparation:**

The preparation of Financial statements in conformity with accounting principle generally accepted in United State of America require the use of estimates and assumptions that affect the reported amounts of assets & liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reported period. The Company's financial statements include amounts that are based on management's best estimates and judgment Actual results could differ from those estimates.

**Fixed Assets:**

Acquisition of equipment's, furniture and fixtures are capitalized in their respective accounts at cost. Ordinary maintenance and repair items are charged directly to expenses as incurred. The assets were revalued at the time of acquisition and fair market values were considered as carrying cost in the books.

Depreciation is being provided based in the estimated useful life using straight line method.

**PISGAH LABORATORIES INC. USA**  
**NOTES TO FINANCIAL STATEMENTS**  
**MARCH 31, 2023 and 2022**

**Intangible Assets:**

Intangible assets are stated at cost less accumulated amortization as at 03/31/2023 & 03/31/2022. However impairment of \$ 3,898,550 are included in accumulated amortization of \$ 5,487,291 & \$ 5,401,448 in 03/31/2023 & 03/31/2022. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset. Amortization methods and useful lives are reviewed periodically including at each financial year end.

**Inventories:**

Items of inventories are valued lower of cost or estimated net realizable value.

**Revenue:**

Revenue from sale of goods is recognized as net of returns when Company satisfies the performance obligation by transferring promised goods or services to customer. Revenue from services is recognized when all relevant activities are completed and the right to receive income is established.

**NOTE: 3      SHAREHOLDERS EQUITY**

Pisgah Labs Inc have following Shareholding pattern as of March 31, 2023:

**Authorized**

Common Stock : 100,000 shares @ \$ 1 per share :	Total \$	100,000
Redeemable Preference shares 100,000 shares @ \$ 1000 each	Total \$	100,000,000

**(Non-voting)**

**Issued and Paid up**

Common Stock: 92,000 shares @ \$ 1 per share	Total \$	92,000
Redeemable Preference shares 10700 shares @ \$ 1000	Total \$	10,700,000

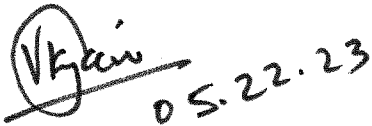
**(Non-voting)** (Previous Year \$ 7,200,000)

PISGAH LABORATORIES INC. USA  
NOTES TO FINANCIAL STATEMENTS  
MARCH 31, 2023 and 2022

**NOTE 4**      **CORPORATE TAX**

Since the corporation has loss in current year, Income tax provision not provided for Federal Corporate Tax. However, provision for NC State tax is included as per tax rates of the State of North Carolina

For Virendra K Jain, CPA

Handwritten signature of Virendra K Jain and date 05.22.23

Virendra K Jain, CPA  
New York, NY 10036  
License No. 093066  
Date: May 22, 2023