

Jubilant Cadista Pharmaceuticals Inc.
Balance Sheet as at 31 March 2023
(All amounts in USD, unless otherwise stated)

	Notes	As at 31 March 2023	As at 31 March 2022
ASSETS			
Non-current assets			
Property, plant and equipment	3	34,630,224	33,335,271
Capital work-in-progress	3	3,078,636	5,251,860
Investment properties			
Other intangible assets	4	3,458,107	1,664,594
Intangible assets under development	4	6,908,285	9,311,054
Right-of-use assets	5	11,187	24,611
Financial assets			
i. Loans	6	400,000	-
Deferred tax assets (net)		15,910,580	10,190,348
Other non-current assets	7	11,925	1,153,124
Total non-current assets		64,408,944	60,930,862
Current assets			
Inventories	8	27,745,770	31,968,187
Financial assets			
i. Trade receivables	9	20,302,133	19,629,182
ii. Cash and cash equivalents	10	8,287,902	4,342,403
iii. Other financial assets	11	11,218,952	2,298,977
Other current assets	7	7,549,815	19,237,790
Total current assets		75,104,572	77,476,539
Total assets		139,513,516	138,407,401
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	1	1
Other equity		70,441,124	92,217,493
Equity attributable to equity holders of the Parent		70,441,125	92,217,494
Non-controlling interest			
Total equity		70,441,125	92,217,494
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	13	22,500,000	13,300,000
ii. Lease liabilities		-	10,896
Total non-current liabilities		22,500,000	13,310,896
Current liabilities			
Financial liabilities			
i. Lease liabilities		11,595	14,295
ii. Trade payables	14	27,832,114	18,396,156
iii. Other financial liabilities	15	1,721,892	4,120,636
Other current liabilities	16	70,837	590,122
Provisions	17	3,133,627	4,825,158
Current tax liabilities (net)		13,802,326	4,932,644
Total current liabilities		46,572,391	32,879,011
Total liabilities		69,072,391	46,189,907
Total equity and liabilities		139,513,516	138,407,401

Jubilant Cadista Pharmaceuticals Inc.
Statement of Profit and Loss for the year ended 31 March 2023
(All amounts in USD, unless otherwise stated)

	Notes	For the year ended 31 March 2023	For the year ended 31 March 2022
Revenue from operations	18	63,253,775	86,906,774
Other income	19	71,817	85,212
Total income		63,325,592	86,991,986
Expenses			
Cost of materials consumed	20	21,728,943	21,591,196
Purchases of stock-in-trade	21	1,006,165	21,121,961
Changes in inventories of finished goods, stock-in-trade and work-in-progress	22	4,267,797	1,397,478
Excise duty on sales		-	-
Employee benefits expense	23	29,526,231	34,078,004
Finance costs	24	932,637	52,719
Depreciation and amortisation expense	25	9,542,902	4,597,220
Other expenses	26	23,753,396	27,349,267
Total expenses		90,758,071	110,187,845
Loss before exceptional items and tax		(27,432,479)	(23,195,859)
Exceptional items		-	-
Loss before tax		(27,432,479)	(23,195,859)
Tax expense			
- Current tax		64,122	(136,795)
- Deferred tax (credit)/charge		(5,720,232)	(5,013,763)
Total tax expense		(5,656,110)	(5,150,558)
Loss for the year		(21,776,369)	(18,045,301)
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive loss for the year		(21,776,369)	(18,045,301)

Jubilant Cadista Pharmaceuticals Inc.
Statement of Changes in Equity for the year ended 31 March 2023
(All amounts in USD, unless otherwise stated)

A. Equity share capital				Amount
Balance as at 1 April 2021				1
Changes in equity share capital during the year				-
Balance as at 31 March 2022				1
Changes in equity share capital during the year				-
Balance as at 31 March 2023				1

B. Other equity	Reserves and surplus			Total
	Merger reserve	Other capital reserve	Retained earnings	
Balance as at 1 April 2021	-	33,126	110,229,668	110,262,794
Loss for the year	-	-	(18,045,301)	(18,045,301)
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income for the year	-	-	(18,045,301)	(18,045,301)
Balance as at 31 March 2022	-	33,126	92,184,367	92,217,493
Loss for the year	-	-	(21,776,369)	(21,776,369)
Other comprehensive income/(loss)	-	-	-	-
Total comprehensive income for the year	-	-	(21,776,369)	(21,776,369)
Balance as at 31 March 2023	-	33,126	70,407,998	70,441,124

Jubilant Cadista Pharmaceuticals Inc.
Statement of Cash Flows for the year ended 31 March 2023
(All amounts in USD, unless otherwise stated)

	As at 31 March 2023	As at 31 March 2022
A. Cash flow from operating activities		
Net loss before tax	(27,432,479)	(23,195,859)
Adjustments:		
Depreciation and amortisation expense	9,542,902	4,597,220
Finance costs	932,637	52,719
Interest income	(47,882)	(77,873)
	10,427,657	4,901,276
Operating cash flow before working capital changes	(17,004,822)	(18,294,583)
Decrease in trade receivables, loans, other financial assets and other assets	2,095,050	9,556,832
Decrease/(increase) in inventories	4,222,417	(820,330)
Increase in trade payables, other financial liabilities, other liabilities and provisions	5,963,902	4,053,028
Cash used in operations	(4,723,453)	(5,505,053)
Income tax paid (net of refund)	8,805,560	5,029,943
Net cash generated from/(used in) operating activities	4,082,107	(475,110)
B. Cash flow from investing activities		
Purchase of property, plant and equipment and other intangible assets	(7,986,686)	(15,006,960)
Loans given to related party	(400,000)	-
Interest received	47,882	77,873
Net cash used in investing activities	(8,338,804)	(14,929,087)
C. Cash flow from financing activities		
Payment of lease liabilities	(13,596)	(51,510)
Loan taken from related party	9,200,000	13,300,000
Finance costs paid	(984,208)	(1,148)
Net cash generated from financing activities	8,202,196	13,247,342
Net increase/(decrease) in cash and cash equivalents (A+B+C)	3,945,499	(2,156,855)
Cash and cash equivalents at the beginning of year	4,342,403	6,499,258
Cash and cash equivalents at the end of the year	8,287,902	4,342,403

Note 1: Corporate information

Jubilant Cadista Pharmaceuticals Inc. ("the Company" or "JCPI") was incorporated in the United States of America ("USA") under the local laws of Delaware. The Company is a wholly owned subsidiary of Jubilant Pharma Holdings Inc., a Delaware Corporation ("the holding company") whose immediate parent company is Jubilant Pharma Limited, Singapore and ultimate parent company is Jubilant Pharmova Limited, a company incorporated in India. The Company is primarily engaged in the business of development, manufacture and marketing of generic drugs in the United States. The Company's manufacturing facility is located in Salisbury, Maryland.

Note 2. Significant accounting policies

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. The accounting policies adopted are consistent with those of the previous financial year.

(a) Basis of preparation

(i) Statement of compliance

These financial statements with limited information have been prepared solely for consideration in the consolidated financial statements of the Ultimate Parent Company. These financial statements have been prepared in accordance with the Ultimate Parent's accounting policies which are in agreement with the recognition and measurement principles laid down under the Companies (Indian Accounting Standards) Rules, 2015, as amended.

(ii) Historical cost convention

These financial statements have been prepared under historical cost convention on accrual basis, unless otherwise stated.

(b) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (i.e. the "functional currency"). The functional currency of the Company is U.S. Dollars ("USD"). These financial statements are presented in USD.

(c) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is treated as current when:

- It is expected to be realised or intended to be sold or consumed in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is expected to be realised within twelve months after the reporting period; or
- It is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

The Company classifies all other assets as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle for the purpose of current-non-current classification of assets and liabilities.

Jubilant Cadista Pharmaceuticals Inc.
Notes to the financial statements for the year ended 31 March 2023
(All amounts in USD, unless otherwise stated)

Note 3: Property, plant and equipment and capital work-in-progress

Description	Land - Freehold	Building - Factory	Plant and machinery	Furniture and fixtures	Office equipment	Total	Capital work-in-progress
Gross carrying amount as at 1 April 2021	1,044,014	19,261,428	27,640,653	567,146	1,816,473	50,329,714	4,904,036
Additions	-	-	4,797,549	18,400	12,869	4,828,818	5,176,642
Deductions	-	-	-	-	-	-	(4,828,818)
Gross carrying amount as at 31 March 2022	1,044,014	19,261,428	32,438,202	585,546	1,829,342	55,158,532	5,251,860
Accumulated depreciation as at 1 April 2021	-	4,085,120	12,122,179	308,184	1,143,028	17,658,511	-
Depreciation charge for the year	-	740,481	3,168,907	61,800	193,562	4,164,750	-
Accumulated depreciation as at 31 March 2022	-	4,825,601	15,291,086	369,984	1,336,590	21,823,261	-
Net carrying amount as at 31 March 2022	1,044,014	14,435,827	17,147,116	215,562	492,752	33,335,271	5,251,860

Description	Plant and machinery	Plant and machinery	Plant and machinery	Furniture and fixtures	Office equipment	Total	Capital work-in-progress
Gross carrying amount as at 1 April 2022	1,044,014	19,261,428	32,438,202	585,546	1,829,342	55,158,532	5,251,860
Additions	-	661,407	4,807,929	132,531	30,108	5,631,975	3,458,751
Deductions	-	-	-	-	-	-	(5,631,975)
Gross carrying amount as at 31 March 2023	1,044,014	19,922,835	37,246,131	718,077	1,859,450	60,790,507	3,078,636
Accumulated depreciation as at 1 April 2022	-	4,825,601	15,291,086	369,984	1,336,590	21,823,261	-
Depreciation charge for the year	-	752,600	3,325,891	76,666	181,865	4,337,022	-
Accumulated depreciation as at 31 March 2023	-	5,578,201	18,616,977	446,650	1,518,455	26,160,283	-
Net carrying amount as at 31 March 2023	1,044,014	14,344,634	18,629,154	271,427	340,995	34,630,224	3,078,636

Jubilant Cadista Pharmaceuticals Inc.

Notes to the financial statements for the year ended 31 March 2023

(All amounts in USD, unless otherwise stated)

Note 4: Intangible assets and intangible assets under development

Description	Intangible assets				Intangible assets under development
	Internally generated Product registration/market authorisation	Acquired trademarks/ trade names and customer contracts	Softwares	Total	
Gross carrying amount as at 1 April 2021	5,839,142	22,500	1,689,092	7,550,734	1,171,638
Additions during the year	964,432	-	39,699	1,004,131	9,143,547
Deductions	-	-	-	-	(1,004,131)
Gross carrying amount as at 31 March 2022	6,803,574	22,500	1,728,791	8,554,865	9,311,054
Accumulated depreciation as at 1 April 2021	5,076,673	22,500	1,409,929	6,509,102	-
Depreciation charge for the year	179,692	-	201,477	381,169	-
Accumulated depreciation as at 31 March 2022	5,256,365	22,500	1,611,406	6,890,271	-
Net carrying amount as at 31 March 2022	1,547,209	-	117,385	1,664,594	9,311,054

Description	Other intangible assets				Intangible assets under development
	Acquired trademarks/ trade names and customer contracts	Acquired trademarks/ trade names and customer contracts	Softwares	Total	
Gross carrying amount as at 1 April 2022	6,803,574	22,500	1,728,791	8,554,865	9,311,054
Additions during the year	4,010,172	-	668,599	4,678,771	4,583,200
Deductions	-	-	-	-	(6,985,969)
Gross carrying amount as at 31 March 2023	10,813,746	22,500	2,397,390	13,233,636	6,908,285
Accumulated depreciation as at 1 April 2022	5,256,365	22,500	1,611,406	6,890,271	-
Depreciation charge for the year	2,690,622	-	194,636	2,885,258	-
Accumulated depreciation as at 31 March 2023	7,946,987	22,500	1,806,042	9,775,529	-
Net carrying amount as at 31 March 2023	2,866,759	-	591,348	3,458,107	6,908,285

Jubilant Cadista Pharmaceuticals Inc.**Notes to the financial statements for the year ended 31 March 2023****(All amounts in USD, unless otherwise stated)****Note 5: Right-of-use assets****The details of the right-of-use assets held by the Company is as follows:**

	As at		As at	
	31 March 2023		31 March 2022	
	Depreciation	Net block	Depreciation	Net block
Buildings	-	-	-	-
Plant and machinery	-	-	37,875	-
Office equipment	13,424	11,187	13,426	24,611
Vehicles	-	-	-	-
	13,424	11,187	51,301	24,611

Amount recognised in profit or loss:

	As at	As at
	31 March 2023	31 March 2022
Interest on lease liabilities	430	1,148
Rental expense relating to short-term leases	37,477	34,191
	37,907	35,339

Amount recognised in statement of cash flows:

	As at	As at
	31 March 2023	31 March 2022
Total cash outflow for leases	51,503	86,849

Jubilant Cadista Pharmaceuticals Inc.
Notes to the financial statements for the year ended 31 March 2023
(All amounts in USD, unless otherwise stated)

Note 6: Non-current loans

	As at	As at
	31 March 2023	31 March 2022
Unsecured, considered good		
Loan to related parties	400,000	-
Total non-current loans	400,000	-

Note 7: Other assets

	As at	As at
	31 March 2023	31 March 2022
Non-current		
Capital advances	11,925	1,153,124
Prepaid expenses	-	-
Total other non-current assets	11,925	1,153,124
Current		
Prepaid expenses	1,489,872	1,081,835
Recoverable from/balance with government authorities	-	-
Advance to employees	-	-
Advance for supply of goods and services	6,059,943	18,155,955
Assets held for sale	-	-
Others	-	-
Total other current assets	7,549,815	19,237,790

Note 8: Inventories

	As at	As at
	31 March 2023	31 March 2022
Raw materials	13,850,994	13,923,360
Work-in-progress	5,030,625	5,225,114
Finished goods	5,442,280	5,361,045
Stock-in-trade	1,951,857	6,106,400
Stores and spares	1,470,014	1,352,268
Total inventories	27,745,770	31,968,187

* Goods-in-transit included in above

Raw materials	460,560	3,149,910
Total goods-in-transit	460,560	3,149,910

Note 9: Trade receivables

	As at	As at
	31 March 2023	31 March 2022
Unsecured and current		
Trade receivables - considered good	20,302,133	19,629,182
Receivables from related parties	-	-
Trade receivables - which have significant increase in credit risk	918,579	200,881
Less: Expected credit loss allowance	(918,579)	(200,881)
Total trade receivables	20,302,133	19,629,182

Note 10: Cash and cash equivalents

	As at	As at
	31 March 2023	31 March 2022
Balances with banks		
- in current accounts	8,287,902	4,342,403
Total cash and cash equivalents	8,287,902	4,342,403

Note 11: Other current financial assets

	As at	As at
	31 March 2023	31 March 2022
Other bank balances:		
Deposits with maturity after 12 months from the reporting date	-	-
Foreign-exchange forward contracts	-	-
Recoverable from related parties	11,218,952	2,298,977
Insurance claims receivable	-	-
Unbilled revenue	-	-
Interest receivable	-	-
Others	-	-
Total other current financial assets	11,218,952	2,298,977

Jubilant Cadista Pharmaceuticals Inc.
Notes to the financial statements for the year ended 31 March 2023
(All amounts in USD, unless otherwise stated)

Note 12: Equity share capital

	As at	As at
	31 March 2023	31 March 2022
Authorised		
100 Common stock of no par value	-	-
	-	-
Issued and subscribed		
1 Common stock of no par value	1	1
	1	1
Movement in equity share capital	No. of shares	Amount
As at 1 April 2021	1	1
Additions during the year	-	-
As at 31 March 2022	1	1
Additions during the year	-	-
As at 31 March 2023	1	1

Terms and rights attached to equity shares

The Company has only one class of Common stock referred to herein as equity shares. Each holder of common stock is entitled to one vote per common stock. In the event of liquidation of the Company, the stockholders shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such amounts will be in proportion to the number of common stock of equity shares held by the stockholders.

Details of shareholders holding more than 5% shares in the Company:

	As at		As at	
	31 March 2023		31 March 2022	
	No. of shares	% holding	No. of shares	% holding
Jubilant Pharma Holdings Inc., USA - the holding company	1	100.00%	1	100.00%
Common stock of no par value				

Note 12(b): Nature and purpose of other equity

Merger reserve

Represents difference between the consideration and carrying amount of net assets/liabilities for transactions among entities under common control to transfer out/in of any business or shares of entities under common control.

Other capital reserve

Accumulated capital surplus not available for distribution of dividend and expected to remain invested permanently. This also includes reserves arising on transaction with owners of the Company (other than those accounted for in merger reserve).

Retained earnings

Retained earnings represent the amount of accumulated earnings/(loss) of the Company.

Jubilant Cadista Pharmaceuticals Inc.

Notes to the financial statements for the year ended 31 March 2023

(All amounts in USD, unless otherwise stated)

Note 13: Non-current borrowings

	As at 31 March 2023	As at 31 March 2022
Term loans		
From related parties		
Loans from related parties (unsecured)	22,500,000	13,300,000
Total non-current borrowings	22,500,000	13,300,000
Add: Current maturities of non-current borrowings	-	-
Total Non-current borrowings (including current maturities)	22,500,000	13,300,000

Note 14: Trade payables

	As at 31 March 2023	As at 31 March 2022
Current		
Dues to related parties	16,713,909	13,223,909
Dues to others	11,118,205	5,172,247
Total trade payables	27,832,114	18,396,156

Note 15: Other current financial liabilities

	As at 31 March 2023	As at 31 March 2022
Interest accrued but not due on borrowings	-	51,571
Capital creditors	10,907	1,096,841
Employee benefits payable	1,710,985	2,972,224
Total other current financial liabilities	1,721,892	4,120,636

Note 16: Other current liabilities

	As at 31 March 2023	As at 31 March 2022
Contract liabilities	70,837	-
Income received in advance/unearned revenue	-	88,820
Statutory dues payables	-	501,302
Total other current liabilities	70,837	590,122

Note 17: Current provisions

	As at 31 March 2023	As at 31 March 2022
Unsecured, considered good		
Provision for employee benefits	833,627	1,062,500
Other provisions	2,300,000	3,762,658
Total current provisions	3,133,627	4,825,158

Jubilant Cadista Pharmaceuticals Inc.
Notes to the financial statements for the year ended 31 March 2023
(All amounts in USD, unless otherwise stated)

Note 18: Revenue from operations

	For the year ended	For the year ended
	31 March 2023	31 March 2022
Sale of products	63,253,775	86,905,950
Other operating revenue	-	824
Total revenue from operations	63,253,775	86,906,774

Note 19: Other income

	For the year ended	For the year ended
	31 March 2023	31 March 2022
Interest income	47,882	77,873
Other non-operating income	23,935	7,339
Total other income	71,817	85,212

Note 20: Cost of materials consumed

	For the year ended	For the year ended
	31 March 2023	31 March 2022
Raw materials consumed	21,728,943	21,591,196
Total cost of materials consumed	21,728,943	21,591,196

Note 21: Purchase of stock-in-trade

	For the year ended	For the year ended
	31 March 2023	31 March 2022
Purchase of stock-in-trade	1,006,165	21,121,961
Total purchase of stock-in-trade	1,006,165	21,121,961

Note 22: Changes in inventories of finished goods, stock-in-trade and work-in-progress

	For the year ended	For the year ended
	31 March 2023	31 March 2022
Opening balance		
Work-in-progress	5,225,114	5,833,302
Finished goods	5,361,045	4,919,242
Stock-in-trade	6,106,400	7,337,493
Total opening balance	16,692,559	18,090,037
Closing balance		
Work-in-progress	5,030,625	5,225,114
Finished goods	5,442,280	5,361,045
Stock-in-trade	1,951,857	6,106,400
Total closing balance	12,424,762	16,692,559
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	4,267,797	1,397,478

Note 23: Employee benefits expense

	For the year ended	For the year ended
	31 March 2023	31 March 2022
Salaries, wages, bonus, gratuity and allowances	24,464,173	27,494,620
Contribution to provident fund, superannuation and other funds	2,510,034	2,803,938
Staff welfare expenses	2,552,024	3,779,446
Total employee benefits expense	29,526,231	34,078,004

Jubilant Cadista Pharmaceuticals Inc.
Notes to the financial statements for the year ended 31 March 2023
(All amounts in USD, unless otherwise stated)

Note 24: Finance costs

	For the year ended	For the year ended
	31 March 2023	31 March 2022
Interest expense	932,637	52,719
Total finance costs	932,637	52,719

Note 25: Depreciation and amortisation expense

	For the year ended	For the year ended
	31 March 2023	31 March 2022
Depreciation of property, plant and equipment	4,337,022	4,164,750
Amortisation of intangible assets	2,885,258	381,169
Depreciation on right of use assets	13,424	51,301
Total depreciation and amortisation expense	7,235,704	4,597,220

Note 26: Other expenses

	For the year ended	For the year ended
	31 March 2023	31 March 2022
Power and fuel	1,807,009	1,027,871
Consumption of stores and spares and packing materials	4,761,085	3,371,490
Processing charges	21,795	129,621
Rental charges	37,477	34,191
Rates and taxes	422,250	396,009
Insurance	583,999	521,685
Advertisement, publicity and sales promotion	268,314	72,961
Travel and conveyance	253,131	89,105
Repairs and maintenance:		
i. Plant and machinery	1,294,107	1,365,450
ii. Buildings	704,747	845,218
iii. Others	570,736	434,124
Office expenses	262,406	366,057
Vehicle running and maintenance	-	-
Printing and stationery	106,066	118,686
Telephone and communication charges	178,931	159,892
Staff recruitment and training	960,476	548,019
Legal and professional fees	8,441,246	9,405,103
Freight and forwarding (including ocean freight)	1,829,152	2,035,081
Bank charges	20,750	20,773
Loss on sale/ disposal/ discard of property, plant and equipment (net)	-	329,210
Net foreign exchange loss	-	2,099
Miscellaneous expenses	1,229,719	6,076,622
Total other expenses	23,753,396	27,349,267