

Jubilant HollisterStier LLC
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	66,402,304	71,150,445
Capital work-in-progress	3	60,882,357	11,280,322
Other intangible assets	4	262,468	326,200
Right-of-use assets	5	519,088	752,776
Deferred tax assets (net)		3,861,515	-
Other non-current assets	6	11,069,021	10,141,148
Total non-current assets		142,996,753	93,650,891
Current assets			
Inventories	7	60,049,856	47,519,682
Financial assets			
i. Trade receivables	8	32,110,947	28,508,299
ii. Cash and cash equivalents	9	42,649,787	54,926,243
iii. Other financial assets	10	4,594,554	1,460,777
Other current assets	6	1,227,889	2,537,542
Total current assets		140,633,033	134,952,543
Total assets		283,629,786	228,603,434
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	21,521,278	21,521,278
Other equity		153,716,572	138,397,057
Equity attributable to equity holders of the Parent		175,237,850	159,918,335
Non-controlling interest			
Total equity		175,237,850	159,918,335
Liabilities			
Non-current liabilities			
Financial liabilities			
i. Borrowings	13(a)	13,852,554	16,616,126
ii. Lease liabilities		83,711	401,496
Deferred tax liabilities (net)		-	3,330,758
Other non-current liabilities	14	31,920,681	-
Total non-current liabilities		45,856,946	20,348,380
Current liabilities			
Financial liabilities			
i. Borrowings	13(b)	2,763,919	2,713,088
ii. Lease liabilities		452,332	386,147
iii. Trade payables	15	34,592,404	33,107,266
iv. Other financial liabilities	16	19,380,694	4,978,461
Other current liabilities	14	4,021,690	5,724,286
Provisions	17	1,290,652	1,181,084
Current tax liabilities (net)		33,299	246,387
Total current liabilities		62,534,990	48,336,719
Total liabilities		108,391,936	68,685,099
Total equity and liabilities		283,629,786	228,603,434

Jubilant HollisterStier LLC**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	193,665,940	218,681,288
Other income	19	449,061	273,698
Total income		194,115,001	218,954,986
Expenses			
Cost of materials consumed	20	23,001,918	17,629,609
Purchases of stock-in-trade	21	4,524,268	3,992,645
Changes in inventories of finished goods, stock-in-trade and work-in-progress	22	(6,181,992)	1,890,058
Employee benefits expense	23	72,129,492	68,952,905
Finance costs	24	49,282	124,930
Depreciation and amortisation expense	25	7,569,663	7,443,421
Other expenses	26	42,503,628	36,789,877
Total expenses		143,596,259	136,823,445
Profit before tax		50,518,742	82,131,541
Tax expense			
- Current tax		17,391,500	17,568,781
- Deferred tax (credit)/charge		(7,192,273)	733,421
Total tax expense		10,199,227	18,302,202
Profit for the year		40,319,515	63,829,339
Other comprehensive loss for the year, net of tax		-	-
Total comprehensive income for the year		40,319,515	63,829,339

Jubilant HollisterStier LLC**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	21,521,278		
Changes in equity share capital during the year	-		
Balance as at 31 March 2022	21,521,278		
Changes in equity share capital during the year	-		
Balance as at 31 March 2023	21,521,278		
B. Other equity			
	Reserves and surplus		Total
	Capital reserve	Retained earnings	
Balance as at 1 April 2021	(19,054,303)	115,622,021	96,567,718
Profit for the year	-	63,829,339	63,829,339
Other comprehensive income/(loss)	-	-	-
Total comprehensive income for the year	-	63,829,339	63,829,339
Dividend distribution to shareholder	-	(22,000,000)	(22,000,000)
Balance as at 31 March 2022	(19,054,303)	157,451,360	138,397,057
Profit for the year	-	40,319,515	40,319,515
Other comprehensive income/(loss)	-	-	-
Total comprehensive income for the year	-	40,319,515	40,319,515
Dividend distribution to shareholder	-	(25,000,000)	(25,000,000)
Balance as at 31 March 2023	(19,054,303)	172,770,875	153,716,572

Jubilant HollisterStier LLC
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 profit before tax	50,518,742	82,131,541
Adjustments:		
Depreciation and amortisation expense	7,569,663	7,443,421
Finance costs	49,282	124,930
Interest income	(175,591)	-
	7,443,354	7,568,351
Operating cash flow before working capital changes	57,962,096	89,699,892
Increase in trade receivables, loans, other financial assets and other assets	(3,967,594)	(3,607,053)
(Increase)/decrease in inventories	(12,530,173)	982,375
Decrease in trade payables, other financial liabilities, other liabilities and provisions	(15,961,219)	(14,108,114)
Cash generated from operations	25,503,110	72,967,100
Income tax paid (net of refund)	(1,359,988)	(2,416,813)
Net cash generated from operating activities	24,143,122	70,550,287
B. Cash flow from investing activities		
Purchase of property, plant and equipment and other intangible assets	(38,476,368)	(13,653,302)
Receipt of asset-related government grant	30,461,504	-
Interest received	175,591	-
Net cash used in investing activities	(7,839,273)	(13,653,302)
C. Cash flow from financing activities		
Proceeds from long term borrowings	-	20,000,000
Repayment of long term borrowings	(2,712,742)	(670,786)
Payment of lease liabilities	(488,658)	(447,668)
Repayment of loans taken from subsidiaries	-	(553,008)
Dividend paid	(25,000,000)	(22,000,000)
Finance costs paid	(378,905)	(217,862)
Net cash used in financing activities	(28,580,305)	(3,889,324)
Net decrease in cash and cash equivalents (A+B+C)	(12,276,456)	53,007,661
Cash and cash equivalents at the beginning of year	54,926,243	1,918,582
Cash and cash equivalents at the end of the year	42,649,787	54,926,243

Note 1: Corporate information

Jubilant HollisterStier LLC ("the Company" or "HollisterStier") 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. ("the holding company") whose ultimate parent company is Jubilant Pharmova Limited, a company incorporated in India. HollisterStier is a nationally recognized contract manufacturer of sterile injectable vials, syringes and lyophilized products that provides a complete range of services to support the pharmaceuticals and biopharmaceuticals industries. Additionally, HollisterStier is a manufacturer of allergenic extracts, targeted primarily at treating allergies and asthma. Allergenic products are sold by direct sales force in USA and through distributors primarily in Canada and Europe.

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 HollisterStier LLC

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	Buildings- factory	Plant and machinery	Furniture and fixtures	Office equipment	Total	Capital work-in- progress
Gross carrying amount as at 1 April 2021	747,202	34,418,363	66,090,799	1,443,082	2,042,545	104,741,991	10,255,036
Additions	-	36,848	4,453,049	416,941	107,872	5,014,710	6,039,996
Deductions	-	-	-	-	-	-	(5,014,710)
Gross carrying amount as at 31 March 2022	747,202	34,455,211	70,543,848	1,860,023	2,150,417	109,756,701	11,280,322
Accumulated depreciation as at 1 April 2021	-	8,578,704	21,389,815	361,339	1,577,105	31,906,963	-
Depreciation charge for the year	-	1,450,816	4,841,574	149,359	257,544	6,699,293	-
Accumulated depreciation as at 31 March 2022	-	10,029,520	26,231,389	510,698	1,834,649	38,606,256	-
Net carrying amount as at 31 March 2022	747,202	24,425,691	44,312,459	1,349,325	315,768	71,150,445	11,280,322

Description	Land - freehold	Buildings- factory	Plant and machinery	Furniture and fixtures	Office equipment	Total	Capital work-in- progress
Gross carrying amount as at 1 April 2022	747,202	34,455,211	70,543,848	1,860,023	2,150,417	109,756,701	11,280,322
Additions	-	794,976	1,154,265	13,218	169,515	2,131,974	51,734,009
Deductions	-	-	-	-	-	-	(2,131,974)
Gross carrying amount as at 31 March 2023	747,202	35,250,187	71,698,113	1,873,241	2,319,932	111,888,675	60,882,357
Accumulated depreciation as at 1 April 2022	-	10,029,520	26,231,389	510,698	1,834,649	38,606,256	-
Depreciation charge for the year	-	1,470,217	4,958,352	266,606	184,940	6,880,115	-
Accumulated depreciation as at 31 March 2023	-	11,499,737	31,189,741	777,304	2,019,589	45,486,371	-
Net carrying amount as at 31 March 2023	747,202	23,750,450	40,508,372	1,095,937	300,343	66,402,304	60,882,357

Jubilant HollisterStier LLC

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

(All amounts in USD, unless otherwise stated)

Note 4: Other intangible assets

Description	Other intangible assets		
	Acquired trademarks/ trade names and customer contracts	Softwares	Total
Gross carrying amount as at 1 April 2021	84,906	4,700,191	4,785,097
Additions during the year	-	100,000	100,000
Gross carrying amount as at 31 March 2022	84,906	4,800,191	4,885,097
Accumulated depreciation as at 1 April 2021	80,695	4,184,138	4,264,833
Depreciation charge for the year	2,301	291,763	294,064
Accumulated depreciation as at 31 March 2022	82,996	4,475,901	4,558,897
Net carrying amount as at 31 March 2022	1,910	324,290	326,200

Description	Other intangible assets		
	Acquired trademarks/ trade names and customer contracts	Softwares	Total
Gross carrying amount as at 1 April 2022	84,906	4,800,191	4,885,097
Additions during the year	-	155,070	155,070
Gross carrying amount as at 31 March 2023	84,906	4,955,261	5,040,167
Accumulated depreciation as at 1 April 2022	82,996	4,475,901	4,558,897
Depreciation charge for the year	1,910	216,892	218,802
Accumulated depreciation as at 31 March 2023	84,906	4,692,793	4,777,699
Net carrying amount as at 31 March 2023	-	262,468	262,468

Jubilant HollisterStier LLC**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	255,297	255,300	217,253	388,498
Office equipment	85,542	126,000	85,542	211,542
Vehicles	129,907	137,788	147,269	152,736
	470,746	519,088	450,064	752,776

Amount recognised in profit or loss:

	As at	As at
	31 March 2023	31 March 2022
Interest on lease liabilities	28,934	34,823
Rental expense relating to short-term leases	-	-
	28,934	34,823

Amount recognised in statement of cash flows:

	As at	As at
	31 March 2023	31 March 2022
Total cash outflow for leases	517,592	482,491

Jubilant HollisterStier LLC**Notes to the financial statements for the year ended 31 March 2020**

(All amounts in USD, unless otherwise stated)

Note 6: Other assets

	As at 31 March 2023	As at 31 March 2022
Non-current		
Capital advances	11,069,021	10,141,148
Total other non-current assets	11,069,021	10,141,148
Current		
Prepaid expenses	881,964	1,074,035
Recoverable from/balance with government authorities	44,489	733,005
Advance to employees	4,231	3,431
Advance for supply of goods and services	297,205	614,489
Others	-	112,582
Total other current assets	1,227,889	2,537,542

Note 7: Inventories

	As at 31 March 2023	As at 31 March 2022
Raw materials	20,375,856	14,910,057
Work-in-progress	15,428,145	9,667,565
Finished goods	11,249,717	11,961,410
Stock-in-trade	2,236,151	1,103,046
Stores and spares	10,759,987	9,877,604
Total inventories	60,049,856	47,519,682

Note 8: Trade receivables

	As at 31 March 2023	As at 31 March 2022
Unsecured and current		
Trade receivables - considered good	32,110,947	28,455,089
Receivables from related parties	-	53,210
Trade receivables - which have significant increase in credit risk	1,530,550	233,591
Less: Expected credit loss allowance	(1,530,550)	(233,591)
Total trade receivables	32,110,947	28,508,299

Note 9: Cash and cash equivalents

	As at 31 March 2023	As at 31 March 2022
Balances with banks		
- in current accounts	42,649,393	54,925,849
Cash on hand	394	394
Total cash and cash equivalents	42,649,787	54,926,243

Note 10: Other financial assets

	As at 31 March 2023	As at 31 March 2022
Current		
Government grant receivables	1,459,178	-
Recoverable from related parties	3,135,376	1,460,777
Total other current financial assets	4,594,554	1,460,777

Jubilant HollisterStier LLC**Notes to the financial statements for the year ended 31 March 2023**

(All amounts in USD, unless otherwise stated)

Note 11: Equity share capital

	As at 31 March 2023	As at 31 March 2022
Authorised		
1,000 (31 March 2022: 1,000) Common stock of no par value	-	-
	-	-
Issued and subscribed		
1,000 ((31 March 2022: 1,000) Common stock of no par value	21,521,278	21,521,278
	21,521,278	21,521,278
Movement in equity share capital	No. of shares	Amount
As at 1 April 2021	1,000	21,521,278
Additions during the year	-	-
As at 31 March 2022	1,000	21,521,278
Additions during the year	-	-
As at 31 March 2023	1,000	21,521,278

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 31 March 2023		As at 31 March 2022	
	No. of shares	% holding	No. of shares	% holding
Jubilant Pharma Holdings Inc., USA - the holding company	1,000	100.00%	1,000	100.00%
Common stock of no par value				

Note 12: Nature and purpose of other equity**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 HollisterStier LLC
Notes to the financial statements for the year ended 31 March 2023
(All amounts in USD, unless otherwise stated)
Note 13(a): Non-current borrowings

	As at 31 March 2023	As at 31 March 2022
From banks		
Term loan (secured)	16,616,473	19,329,214
Total non-current borrowings	16,616,473	19,329,214
Add: Current maturities of non-current borrowings	(2,763,919)	(2,713,088)
Total Non-current borrowings (including current maturities)	13,852,554	16,616,126

Note 13(b): Current borrowings

	As at 31 March 2023	As at 31 March 2022
Current maturities of non-current borrowings	2,763,919	2,713,088
Total current borrowings	2,763,919	2,713,088

Note 14: Other liabilities

	As at 31 March 2023	As at 31 March 2022
Non-current		
Deferred income - government grant	31,920,681	-
Total other non-current liabilities	31,920,681	-
Current		
Contract liabilities	2,942,514	2,913,371
Income received in advance/unearned revenue	442,763	933,902
Statutory dues payables	636,413	1,877,013
Total other current liabilities	4,021,690	5,724,286

Note 15: Trade payables

	As at 31 March 2023	As at 31 March 2022
Current		
Dues to related parties	21,479,601	22,790,195
Dues to others	13,112,803	10,317,071
Total trade payables	34,592,404	33,107,266

Note 16: Other financial liabilities

	As at 31 March 2023	As at 31 March 2022
Current		
Interest accrued but not due on borrowings	-	20,703
Capital creditors	15,048,695	1,017,032
Employee benefits payable	4,331,999	3,940,726
Total other current financial liabilities	19,380,694	4,978,461

Note 17: Provisions

	As at 31 March 2023	As at 31 March 2022
Current		
Unsecured, considered good		
Provision for employee benefits	1,290,652	1,181,084
Total provisions	1,290,652	1,181,084

Jubilant HollisterStier LLC
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	75,093,678	65,712,711
Sale of services	118,572,262	152,968,577
Total revenue from operations	193,665,940	218,681,288

Note 19: Other income

	For the year ended	For the year ended
	31 March 2023	31 March 2022
Interest income	175,591	-
Net foreign exchange income	27,479	-
Other non-operating income	245,991	273,698
Total other income	449,061	273,698

Note 20: Cost of materials consumed

	For the year ended	For the year ended
	31 March 2023	31 March 2022
Raw materials consumed	23,001,918	17,629,609
Total cost of materials consumed	23,001,918	17,629,609

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	4,524,268	3,992,645
Total purchase of stock-in-trade	4,524,268	3,992,645

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	9,667,566	10,635,205
Finished goods	11,961,410	12,424,421
Stock-in-trade	1,103,046	1,562,454
Total opening balance	22,732,022	24,622,080
Closing balance		
Work-in-progress	15,428,145	9,667,566
Finished goods	11,249,717	11,961,410
Stock-in-trade	2,236,152	1,103,046
Total closing balance	28,914,014	22,732,022
Total changes in inventories of finished goods, stock-in-trade and work-in-progress	(6,181,992)	1,890,058

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	57,539,774	55,382,471
Contribution to provident fund, superannuation and other funds	6,830,946	6,184,365
Staff welfare expenses	7,758,772	7,386,069
Total employee benefits expense	72,129,492	68,952,905

Jubilant HollisterStier LLC
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	49,282	124,930
Total finance costs	49,282	124,930

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	6,880,115	6,699,293
Amortisation of intangible assets	218,802	294,064
Depreciation on right of use assets	470,746	450,064
Total depreciation and amortisation expense	7,569,663	7,443,421

Note 26: Other expenses

	For the year ended	For the year ended
	31 March 2023	31 March 2022
Power and fuel	2,982,092	2,454,095
Consumption of stores and spares and packing materials	11,161,545	8,921,477
Processing charges	62,637	38,575
Rates and taxes	1,949,930	2,113,367
Insurance	1,072,642	1,316,310
Advertisement, publicity and sales promotion	901,998	642,885
Travel and conveyance	830,040	409,007
Repairs and maintenance:		
i. Plant and machinery	4,221,189	3,992,053
ii. Buildings	1,597,254	1,751,891
iii. Others	1,686,911	1,417,250
Office expenses	448,151	383,636
Vehicle running and maintenance	175,483	131,585
Printing and stationery	291,348	346,475
Telephone and communication charges	291,361	228,836
Staff recruitment and training	331,511	213,910
Legal and professional fees	11,173,536	10,824,233
Freight and forwarding (including ocean freight)	554,352	271,198
Bank charges	1,164,820	1,104,314
Provision/write off of bad debts/irrecoverable advances (net)	1,423,771	45,000
Net foreign exchange loss	-	5,096
Miscellaneous expenses	183,057	178,684
Total other expenses	42,503,628	36,789,877