


Jubilant Therapeutics Inc.
Balance Sheet as at 31 March 2024

| | | USD | USD |
|--------------------------------------|-------|------------------------|------------------------|
| | Notes | As at 31 March 2024 | As at 31 March 2023 |
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 4,125 | 7,946 |
| Right of use assets | 11 | 50,186 | 50,634 |
| Financial assets | | | |
| (i) Investments | 4 | 35,277,562 | 30,832,562 |
| (ii) Loans | 5 | 24,323 | 64,026 |
| Other non-current assets | 6 | 92,332 | 107,122 |
| Total non-current assets | | 35,448,528 | 31,062,290 |
| Current assets | | | |
| Financial assets | | | |
| (i) Cash and cash equivalents | 7 | 722,473 | 2,108,006 |
| (ii) Other financial assets | 8 | 1,056,709 | 927,718 |
| Other current assets | 9 | 109,851 | 151,917 |
| Total current assets | | 1,889,033 | 3,187,641 |
| Total assets | | 37,337,561 | 34,249,931 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Share capital | 10 | 560 | 562 |
| Other equity | | (40,445,562) | (25,714,674) |
| Total equity | | (40,445,002) | (25,714,112) |
| LIABILITIES | | | |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| (i) Lease liabilities | 11 | 3,792 | 1,773 |
| (ii) Borrowings | 12 | 75,996,634 | 58,143,060 |
| Total non-current liabilities | | 76,000,426 | 58,144,833 |
| Current liabilities | | | |
| Financial liabilities | | | |
| (i) Lease liabilities | 11 | 51,489 | 54,293 |
| (ii) Trade payables | 13 | 1,373,738 | 1,354,252 |
| (iii) Other financial liabilities | 14 | 354,761 | 409,565 |
| Current tax liabilities | 15 | 2,150 | 1,100 |
| Total current liabilities | | 1,782,138 | 1,819,210 |
| Total liabilities | | 77,782,563 | 59,964,043 |
| Total equity and liabilities | | 37,337,561 | 34,249,931 |


Syed Kazmi
CEO

Place: New Jersey
Date: 23 May 2024


Shyam Pattabiraman
CFO

Place: New Jersey
Date: 23 May 2024

Jubilant Therapeutics Inc.
Statement of profit and loss for the year ended 31 March 2024

| | | USD | USD |
|--|-------|-------------------------------------|-------------------------------------|
| | Notes | For the Year ended 31 March 2024 | For the Year ended 31 March 2023 |
| Revenue | | | |
| Revenue from operations | | - | - |
| Other income | 16 | 60,311 | 29,861 |
| Total income | | 60,311 | 29,861 |
| Expenses | | | |
| Employee benefit expenses | 17 | 1,796,807 | 1,611,982 |
| Finance cost | 18 | 10,554,394 | 9,193,145 |
| Depreciation and amortisation expense | 19 | 52,153 | 58,349 |
| Other expenses | 20 | 2,337,719 | 3,374,378 |
| Total expenses | | 14,741,074 | 14,237,854 |
| Loss before tax | | (14,680,763) | (14,207,993) |
| Tax expense | 21 | | |
| Current taxes | | 1,050 | 1,100 |
| Total tax expense | | 1,050 | 1,100 |
| Loss for the year | | (14,681,813) | (14,209,093) |
| Other comprehensive loss | | | - |
| Total comprehensive loss for the year | | (14,681,813) | (14,209,093) |


Syed Kazmi
CEO

Place: New Jersey
Date: 23 May 2024

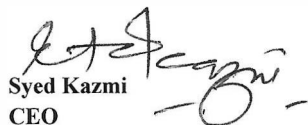

Shyam Pattabiraman
CFO

Place: New Jersey
Date: 23 May 2024

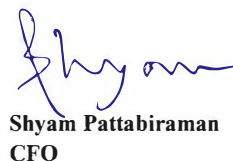
Jubilant Therapeutics Inc.
Statement of changes in equity for the year ended 31 March 2024

| | |
|--|------------|
| A. Share capital | USD |
| Balance as at 31 March 2022 | 564 |
| Changes in share capital during the year | (2) |
| Balance as at 31 March 2023 | 562 |
| Changes in share capital during the year | (2) |
| Balance as at 31 March 2024 | 560 |

| | | | | |
|-------------------------------------|-------------------------------|--|------------------------------|---------------------|
| B. Other equity | Reserves and surplus | | | USD |
| | Securities premium | Share based payment reserve | Retained earnings | Total |
| Balance as at 31 March 2022 | 8,699,275 | 58,696 | (20,253,540) | (11,495,569) |
| Addition/(Deletion) during the year | (23,693) | 3,591 | - | (20,102) |
| Loss for the year | - | - | (14,209,093) | (14,209,093) |
| Prior Period adjustment | - | - | 10,090 | 10,090 |
| Balance as at 31 March 2023 | 8,675,582 | 62,287 | (34,452,543) | (25,714,674) |
| Addition/(Deletion) during the year | (30,260) | 26,170 | (49,996) | (54,086) |
| Loss for the year | - | - | (14,681,813) | (14,681,813) |
| Prior Period adjustment | - | - | 5,011 | 5,011 |
| Balance as at 31 March 2024 | 8,645,322 | 88,457 | (49,194,442) | (40,445,562) |


Syed Kazmi
CEO

Place: New Jersey
Date: 23 May 2024


Shyam Pattabiraman
CFO

Place: New Jersey
Date: 23 May 2024

Jubilant Therapeutics Inc.
Statement of cash flow for the year ended 31 March 2024

| | USD | USD |
|--|-------------------------------------|-------------------------------------|
| | For the Year ended 31 March 2024 | For the Year ended 31 March 2023 |
| A. Cash flow from operating activities | | |
| Net loss before tax | (14,680,763) | (14,207,993) |
| <i>Adjustments:</i> | | |
| Depreciation expense | 52,153 | 58,349 |
| Loss on sale/ disposal/ discard/ impairment of fixed assets (net) | (5,431) | - |
| Finance costs | 10,554,394 | 9,193,145 |
| Interest income | (60,311) | (29,861) |
| Operating cash flow before working capital changes | (4,139,958) | (4,986,361) |
| Decrease/ (increase) in loans, other financial assets and other assets | (32,432) | (176,110) |
| Decrease/ (increase) in trade payables, other financial liabilities | (90,035) | 449,818 |
| Cash used in operations | (4,262,425) | (4,712,652) |
| Income tax paid (net of refund) | - | (1,100) |
| Net cash used in operating activities | (4,262,425) | (4,713,752) |
| B. Cash flow from investing activities | | |
| Purchase of property, plant, equipment | - | (219) |
| Loss on sale/ disposal/ discard/ impairment of fixed assets (net) | 5,431 | - |
| Interest received | 60,311 | 29,861 |
| Investment in subsidiaries | (4,445,000) | (5,850,000) |
| Net cash used in investing activities | (4,379,258) | (5,820,357) |
| C. Cash flow from financing activities | | |
| Proceeds from borrowings | 7,500,000 | 11,000,002 |
| Interest paid on borrowing | (190,019) | - |
| Finance costs paid under finance lease | (5,162) | (4,457) |
| Principal payments under finance lease | (48,669) | (50,456) |
| Net cash generated from financing activities | 7,256,150 | 10,945,089 |
| Net increase in cash and cash equivalents (A+B+C) | (1,385,533) | 410,980 |
| Cash and cash equivalents at the beginning of year | 2,108,006 | 1,697,026 |
| Cash and cash equivalents at the end of the year | 722,473 | 2,108,006 |


Syed Kazmi
 CEO

Place: New Jersey
 Date: 23 May 2024


Shyam Pattabiraman
 CFO

Place: New Jersey
 Date: 23 May 2024

1. Corporate information

Jubilant Therapeutics Inc. ("the Company") was incorporated in United States of America under the local laws of Delaware on 19 February 2019. The Company is a fully owned subsidiary of Jubilant Therapeutics India Limited. The Company will focus on the discovery and development of novel drugs for the treatment of cancer in the area of Oncology and Auto-Immune disorders.

2. Material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these Standalone Financial Statements ("standalone financial statements").

(a) Basis of preparation

(i) Statement of compliance

These standalone financial statements have been prepared solely for the purpose of submission of Annual Performance Report to the Reserve Bank of India, in accordance with Indian Accounting Standards (Ind AS) issued by the Institute of Chartered Accountants of India (ICAI).

(ii) Historical cost convention

The Standalone 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 Standalone Balance Sheet based on current/ non-current classification.

An asset is treated as current when:

- It is expected to be realized 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 realized 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

Current assets include the current portion of non-current financial assets.

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 period less than twelve months as its operating cycle for the purpose of current/non-current classification of assets and liabilities.

Jubilant Therapeutics Inc.**Notes to financial statements for the year ended 31 March 2024****3. Property, plant and equipment**

USD

| Description | Furniture and fixtures | Office equipments | Total |
|---|------------------------|-------------------|---------------|
| Gross carrying amount as at 31 March 2022 | 2,479 | 33,541 | 36,020 |
| Additions during the year | - | 219 | 219 |
| Disposals/ other adjustments during the year | - | - | - |
| Gross carrying amount as at 31 March 2023 | 2,479 | 33,760 | 36,239 |
| Additions during the year | - | - | - |
| Disposals/ other adjustments during the year | - | - | - |
| Gross carrying amount as at 31 March 2024 | 2,479 | 33,760 | 36,239 |
| Accumulated depreciation as at 31 March 2022 | 268 | 18,299 | 18,567 |
| Depreciation for the year | 222 | 9,504 | 9,726 |
| Disposals/ other adjustments during the year | - | - | - |
| Accumulated depreciation as at 31 March 2023 | 490 | 27,803 | 28,293 |
| Depreciation for the year | 236 | 3,585 | 3,821 |
| Disposals/ other adjustments during the year | - | - | - |
| Accumulated depreciation as at 31 March 2024 | 726 | 31,388 | 32,114 |
| Net carrying amount as at 31 March 2023 | 1,989 | 5,957 | 7,946 |
| Net carrying amount as at 31 March 2024 | 1,753 | 2,372 | 4,125 |

Jubilant Therapeutics Inc.
Notes to financial statements for the year ended 31 March 2024

| 4. Non Current Investments | USD | | USD | |
|--|------------------------|--------------------------|------------------------|--------------------------|
| | As at 31 March 2024 | | As at 31 March 2023 | |
| Investment in equity shares (at cost) | | | | |
| Unquoted equity shares (fully paid up) | | | | |
| Investment in subsidiaries | | | | |
| Investment in Jubilant Epicore LLC | | 13,683,575 | | 11,883,575 |
| Investment in Jubilant Epipad LLC | | 8,006,230 | | 6,801,230 |
| Investment in Jubilant Episcribe LLC | | 5,836,440 | | 5,306,440 |
| Investment in Jubilant Prodel LLC | | 7,751,317 | | 6,841,317 |
| Aggregate amount of unquoted investments | | <u>35,277,562</u> | | <u>30,832,562</u> |
| Aggregate amount of impairment in value of investments | | - | | - |
| Total non-current investments | | <u>35,277,562</u> | | <u>30,832,562</u> |
| 5. Loans | | USD | | USD |
| | | As at | | As at |
| | | 31 March 2024 | | 31 March 2023 |
| | | Current | Non-current | Current |
| | | | | Non-current |
| Unsecured, considered good | | | | |
| Security deposits | - | 13,200 | - | 13,200 |
| Loan to employees | - | 11,123 | - | 50,826 |
| | - | <u>24,323</u> | - | <u>64,026</u> |
| 6. Other non-current assets | | USD | | USD |
| | | As at | | As at |
| | | 31 March 2024 | | 31 March 2023 |
| Unearned compensation - Restricted stock awards | | 92,332 | | 107,122 |
| | | <u>92,332</u> | | <u>107,122</u> |
| 7. Cash and cash equivalents | | USD | | USD |
| | | As at | | As at |
| | | 31 March 2024 | | 31 March 2023 |
| Balances with banks | | | | |
| - in current accounts | | 722,473 | | 2,108,006 |
| | | <u>722,473</u> | | <u>2,108,006</u> |
| 8. Other financial assets | | USD | | USD |
| | | As at | | As at |
| | | 31 March 2024 | | 31 March 2023 |
| | | Current | Non-current | Current |
| | | | | Non-current |
| Recoverable from related parties | 1,056,709 | - | 927,718 | - |
| | <u>1,056,709</u> | - | <u>927,718</u> | - |
| 9. Other current assets | | USD | | USD |
| | | As at | | As at |
| | | 31 March 2024 | | 31 March 2023 |
| Prepaid expenses | | 1,954 | | 19,076 |
| Advance for supply of goods and services | | 85,671 | | 90,480 |
| Unearned compensation - Restricted stock awards | | 22,227 | | 42,362 |
| | | <u>109,851</u> | | <u>151,917</u> |

Jubilant Therapeutics Inc.
Notes to financial statements for the year ended 31 March 2024

| 10. Equity share capital and other equity | USD | |
|---|---------------|---------------|
| | As at | As at |
| | 31 March 2024 | 31 March 2023 |

(a) Equity share capital

| | USD | |
|--|---------------|---------------|
| | As at | As at |
| | 31 March 2024 | 31 March 2023 |
| Authorised | | |
| 200,000 (31 March 2023: 200,000) Common stock with par value USD 0.005 | 1,000 | 1,000 |
| | 1,000 | 1,000 |
| Issued and subscribed | | |
| 111,954 (31 March 2023: 112,401) Common stock with par value USD 0.005 | 560 | 562 |
| | 560 | 562 |

| Movement in equity share capital | USD | | USD | |
|---------------------------------------|----------------|------------|----------------|------------|
| | As at | | As at | |
| | 31 March 2024 | | 31 March 2023 | |
| | No. of shares | Amount | No. of shares | Amount |
| At the commencement of the year | 112,401 | 562 | 112,751 | 564 |
| Additions/ (Deletion) during the year | (447) | (2) | (350) | (2) |
| At the end of the year | 111,954 | 560 | 112,401 | 562 |

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.

No participant in the Restricted Stock Award shall be deemed to be the holder of any shares of Common Stock unless and until such participant has satisfied all requirements for exercise or settlement of the award.

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

| | USD | | USD | |
|--|---------------|-----------|---------------|-----------|
| | As at | | As at | |
| | 31 March 2024 | | 31 March 2023 | |
| | No. of shares | % holding | No. of shares | % holding |
| Jubilant Therapeutics India Limited - The holding company (Common stock of par value USD 0.005) | 105,200 | 94 | 105,200 | 94 |
| Restricted Stock Award (Restricted Stock at par value USD 0.005) | 6,754 | 6 | 7,201 | 6 |

(b) Nature and purpose of other equity

(i) Securities premium

The unutilised accumulated excess of issue price over face value on issue of shares

(ii) Share based payment reserve

This reserve represents the accrued expenses incurred for unvested Non-qualified stock options

(iii) Retained earnings

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

| 11. Leases | USD | |
|------------|--------------------|--------------------|
| | For the Year ended | For the Year ended |
| | 31 March 2024 | 31 March 2023 |

| | | |
|-------------------------|----------------|----------------|
| Lease cost | 246,412 | 198,527 |
| Total Lease Cost | 246,412 | 198,527 |

| | As at | As at |
|---|---------------|---------------|
| | 31 March 2024 | 31 March 2023 |
| Right of Use Asset (ROU) | | |
| Gross carrying amount of ROU asset | 246,412 | 198,527 |
| Less: Accumulated depreciation | 196,226 | 147,893 |
| Net carrying amount of ROU asset | 50,186 | 50,634 |

| | | |
|--|-------|-------|
| Long-term portion of lease liabilities | 3,792 | 1,773 |
|--|-------|-------|

Jubilant Therapeutics Inc.

Notes to financial statements for the year ended 31 March 2024

| | | |
|---|-----------------------|-----------------------|
| Current installment of lease liabilities | 51,489 | 54,293 |
| Total lease liabilities | 55,281 | 56,065 |
| Total lease liabilities | 55,281 | 56,065 |
| | As at | As at |
| | 31 March 2024 | 31 March 2023 |
| Supplemental cash flow information: | | |
| Cash paid for amounts included in the measurement of lease liabilities : | | |
| Financing cash flow from the leases | 5,946 | 54,912 |
| Weighted average remaining lease term: | | |
| Leases | 1.08 Years | 1.08 Years |
| Weighted-average discount rate: | | |
| Leases | 5.5% | 5.5% |
| | As at | As at |
| | 31 March 2024 | 31 March 2023 |
| | Lease Payments | Lease Payments |
| Years ending March 31, | | |
| 2024 | - | 55,968 |
| 2025 | 53,769 | 2,332 |
| 2026 | 4,488 | |
| Thereafter | - | - |
| Total undiscounted lease payments | 58,257 | 58,300 |
| Less: imputed interest | 2,976 | 2,231 |
| Total lease liabilities | 55,281 | 56,069 |

Jubilant Therapeutics Inc.
Notes to financial statements for the year ended 31 March 2024

| 12. Non-current borrowings | USD | |
|--|------------------------|------------------------|
| | As at 31 March 2024 | As at 31 March 2023 |
| *Stock settled debt instruments (Convertible Promissory Notes) | 67,827,357 | 52,116,542 |
| **Optionally Convertible Debenture-JTI | 8,169,277 | 6,026,518 |
| | <u>75,996,634</u> | <u>58,143,060</u> |

* Is due for repayment after 5 years with interest coupon of 3% per annum, if on or prior to such repayment date there has been no equity financing year from date of issuance of this promissory note till the date of maturity

** Is due for repayment after 5 years with interest coupon of 3.8% per annum, if on or prior to such repayment date there has been no equity financing year from date of issuance of this Optionally Convertible Debenture till the date of maturity

| 13. Trade payables | USD | |
|---|------------------------|------------------------|
| | As at 31 March 2024 | As at 31 March 2023 |
| Current | | |
| Trade payables* | 1,373,738 | 1,354,252 |
| | <u>1,373,738</u> | <u>1,354,252</u> |
| * Amount payable to related party included in the above | 1,192,874 | 1,231,538 |

| 14. Other current financial liabilities | USD | |
|---|------------------------|------------------------|
| | As at 31 March 2024 | As at 31 March 2023 |
| Interest accrued on loan ICD-Payble-InterCo | 72,787 | 67,150 |
| Employee benefits payable | 281,974 | 342,414 |
| | <u>354,761</u> | <u>409,565</u> |

| 15. Current tax liability | USD | |
|---------------------------|------------------------|------------------------|
| | As at 31 March 2024 | As at 31 March 2023 |
| Opening Balance | 1,100 | - |
| Current tax | 1,050 | 1,100 |
| Closing Balance | <u>2,150</u> | <u>1,100</u> |

Jubilant Therapeutics Inc.
Notes to financial statements for the year ended 31 March 2024

| 16. Other income | USD | USD |
|---|---|---|
| | For the Year ended 31 March 2024 | For the Year ended 31 March 2023 |
| Interest income | 60,311 | 29,861 |
| | <u>60,311</u> | <u>29,861</u> |
| 17. Employee benefit expense | USD | USD |
| | For the Year ended 31 March 2024 | For the Year ended 31 March 2023 |
| Salaries, bonus and allowances | 1,423,504 | 1,351,276 |
| Insurance-Mediclaim | 233,161 | 217,317 |
| Employee share-based payment expense | 3,739 | 21,055 |
| Staff recruitment and training | 130,234 | 12,460 |
| Staff welfare expenses | 6,169 | 9,875 |
| | <u>1,796,807</u> | <u>1,611,982</u> |
| 18. Finance costs | USD | USD |
| | For the Year ended 31 March 2024 | For the Year ended 31 March 2023 |
| Interest expense | 195,656 | 67,151 |
| Finance cost on finance lease obligation | 5,162 | 4,457 |
| Net loss arising on financial liabilities measured at fair value through profit or loss | 10,353,576 | 9,121,536 |
| | <u>10,554,394</u> | <u>9,193,145</u> |
| 19. Depreciation and amortisation Expense | USD | USD |
| | For the Year ended 31 March 2024 | For the Year ended 31 March 2023 |
| Depreciation of property, plant and equipment | 3,821 | 9,726 |
| Depreciation on right of use assets | 48,333 | 48,623 |
| | <u>52,153</u> | <u>58,349</u> |
| 20. Other expenses | USD | USD |
| | For the Year ended 31 March 2024 | For the Year ended 31 March 2023 |
| Processing charges | 775,995 | 1,495,294 |
| Legal and professional fees | 1,226,343 | 1,496,923 |
| Advertisement, publicity and sales promotion | 52,820 | 86,902 |
| Office Maintenance | 33,005 | 9,513 |
| Travel and conveyance | 68,501 | 114,472 |
| Rates and taxes | 5,293 | 22 |
| License Fees | 140,165 | 124,527 |
| Bank charges | 24,351 | 28,512 |
| Miscellaneous expenses | 15,256 | 17,690 |
| Exch loss/(gain) | 91 | 523 |
| Gain on Sale of Fixed Assets | (5,431) | - |
| Audit Fees | 1,331 | - |
| | <u>2,337,719</u> | <u>3,374,378</u> |

Jubilant Therapeutics Inc.
Notes to financial statements for the year ended 31 March 2024

21. Income tax expense

The Company files Federal and State tax returns as per the regulations applicable to the Chapter C corporations in USA. The Company files combined returns with its fellow subsidiary company, Jubilant Pharma Holding Inc, in certain states. The state tax liability attributable to such combined returns forms part of current tax expense and is due to Jubilant Pharma Holdings Inc. The expense for the year is USD 1,050 and amount due at 31 March 2024 is USD 1,050

Reconciliation between average effective tax rate and applicable tax rate:

| | <u>2,024</u> | <u>2,023</u> |
|---|--------------|--------------|
| | <u>(USD)</u> | <u>(USD)</u> |
| Loss from continuing operations before income tax expense | (14,680,763) | (14,207,993) |
| Applicable tax rate | 21% | 21% |
| Tax at the applicable tax rate | (3,082,960) | (2,983,677) |
| - Effect of State tax | 855 | 869 |
| - Permanent Difference | 1,928,178 | 1,708,386 |
| - Effect of unrecognised deferred tax | 1,154,978 | 1,275,522 |
| | <u>1,050</u> | <u>1,100</u> |

Deferred tax assets and liabilities are attributable to the following items

| | <u>2,024</u> | <u>2,023</u> |
|---|------------------|------------------|
| | <u>(USD)</u> | <u>(USD)</u> |
| Deferred tax assets | | |
| - Net operating loss carry-forward | 4,156,800 | 1,957,318 |
| - PPE | (947) | (3,919) |
| - Accrued liabilities and other expenses | 66,784 | 82,336 |
| - Others | 197,421 | 2,029,381 |
| Net deferred tax assets | <u>4,420,058</u> | <u>4,065,116</u> |
| Less: Deferred tax asset (net) not recognised in absence of reasonable certainty of realisation | (4,420,058) | (4,065,116) |
| Deferred tax assets (net) | <u>-</u> | <u>-</u> |

Deferred tax asset is not recognized as it is not probable that taxable profit will be available against which a deductible temporary difference can be utilized.