

BIOCON PHARMA INC.**BALANCE SHEET AS AT MARCH 31, 2025****(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)**

| | <u>Note</u> | <u>March 31, 2025</u> | <u>March 31, 2024</u> |
|-------------------------------------|-------------|-----------------------|-----------------------|
| ASSETS | | | |
| Non-current assets | | | |
| Property, plant and equipment | 3 | 160,671 | 11,159 |
| Capital work in progress | 3 | 54,191 | 54,191 |
| Intangible assets | 4 | 4,253,919 | 3,462,500 |
| Intangible asset under development | 4 | 2,815,376 | 3,409,636 |
| Right-of-use assets | 5 | 265,995 | 368,956 |
| Financial assets | | | |
| (i) Investments | 6 | 14,045,032 | 13,782,403 |
| (ii) Other financial assets | 7 | 14,083 | 14,083 |
| Income-tax assets (net) | | 3,534,834 | 3,293,834 |
| Total non-current assets | | 25,144,101 | 24,396,762 |
| Current assets | | | |
| Inventories | 8 | 45,391,227 | 28,707,717 |
| Financial assets | | | |
| (i) Trade receivables | 9 | 29,893,989 | 38,610,644 |
| (ii) Cash and cash equivalents | 10 | 45,200,039 | 1,921,709 |
| (iii) Other financial assets | 7 | 182,531 | 351,148 |
| Other current assets | 11 | 874,391 | 618,824 |
| Total current assets | | 121,542,177 | 70,210,042 |
| TOTAL ASSETS | | 146,686,278 | 94,606,804 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 12(a) | 1,400,000 | 1,400,000 |
| Preference share capital | 12(b) | 16,900,000 | 16,900,000 |
| Other equity | | 9,804,266 | 8,277,212 |
| Total equity | | 28,104,266 | 26,577,212 |
| Non-current liabilities | | | |
| Financial liabilities | | | |
| (i) Borrowings | 13 | 14,500,000 | 14,500,000 |
| (ii) Lease liabilities | | 181,642 | 280,680 |
| | | 14,681,642 | 14,780,680 |
| Current liabilities | | | |
| Financial liability | | | |
| (i) Borrowings | 13 | 35,999,990 | 5,000,000 |
| (ii) Trade payables | 14 | 63,072,178 | 44,061,479 |
| (iii) Lease liabilities | | 102,960 | 102,960 |
| (iv) Other financial liabilities | 15 | 581,429 | 564,381 |
| Income-tax liability (net) | | 2,960,742 | 2,413,184 |
| Deferred tax Liability | | 1,183,071 | 1,106,908 |
| Total current liabilities | | 103,900,370 | 53,248,912 |
| TOTAL LIABILITIES | | 118,582,012 | 68,029,592 |
| TOTAL EQUITY AND LIABILITIES | | 146,686,278 | 94,606,804 |

The accompanying notes are an integral part of the financial statements.

*for and on behalf of the Board of Directors of Biocon Pharma Inc***Sd/-****Kiran Mazumdar-Shaw**
*Director***Sd/-****Abhijit Zutshi**
*Director*Date: May 07, 2025
Place: BengaluruDate: May 07, 2025
Place:

BIOCON PHARMA INC.**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2025**

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

| | Note | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|------|------------------------------|------------------------------|
| Income | | | |
| Revenue from operations | 16 | 105,941,062 | 83,977,550 |
| Other income | 17 | 122,220 | 3,877,919 |
| Total income | | 106,063,282 | 87,855,469 |
| Expenses | | | |
| Purchases of product | | 100,806,249 | 82,390,814 |
| Changes in inventories | 18 | (16,683,510) | (10,521,674) |
| Employee benefits expense | 19 | 3,914,108 | 2,627,666 |
| Finance Costs | 20 | 1,397,240 | 576,423 |
| Depreciation and amortisation expense | 21 | 1,249,697 | 645,856 |
| Other expenses | 22 | 12,491,557 | 7,878,024 |
| Total expenses | | 103,175,341 | 83,597,109 |
| Profit before Tax and exceptional item | | 2,887,941 | 4,258,360 |
| Exceptional Items, net | | 999,790 | 467,500 |
| Profit before Tax | | 1,888,151 | 3,790,860 |
| Tax expense | | | |
| Current tax | | 547,564 | (0) |
| Deferred Tax | 23 | - | 1,106,908 |
| Profit for the year | | 1,340,587 | 2,683,952 |
| Other comprehensive Income / expense | | | |
| Equity investments through other comprehensive income - net change in fair value | | 262,630 | - |
| Income tax effect | | (76,163) | - |
| | | 186,467 | |
| Earnings per equity share | | | |
| Basic and diluted (in USD) | 28 | 9.58 | 19.17 |

The accompanying notes are an integral part of the financial statements.

for and on behalf of the Board of Directors of Biocon Pharma Inc.**Sd/-****Kiran Mazumdar-Shaw***Director*

Date: May 07, 2025

Place: Bengaluru

Sd/-**Abhijit Zutshi***Director*

Date: May 07, 2025

Place:

BIOCON PHARMA INC.

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2025

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

| | Year ended March 31, 2025 | Year ended March 31, 2024 |
|--|------------------------------|------------------------------|
| I Cash flows from operating activities | | |
| Profit for the year | 1,888,151 | 3,790,860 |
| <u>Adjustments to reconcile profit before tax to net cash flows</u> | | |
| Depreciation and amortisation expense | 1,249,697 | 645,856 |
| Interest expense | 1,397,240 | 576,423 |
| ECL Provision | (139,018) | 259,600 |
| Exceptional Item(s) | 999,790 | 467,500 |
| Fair Value Movement on investment | - | (3,816,925) |
| Operating profit before working capital changes | 5,395,860 | 1,923,314 |
| Movements in working capital | | |
| Increase in inventories | (16,683,510) | (10,521,674) |
| Decrease/(increase) in other assets | 8,768,724 | (11,964,475) |
| Increase in trade payable, other liabilities and provisions | 19,010,699 | 24,621,283 |
| Direct taxes paid (net of refunds) | (241,006) | (590,000) |
| Net cash used in operating activities | 16,250,767 | 3,468,448 |
| II Cash flows from investing activities | | |
| Purchase of intangible assets | (2,493,197) | (3,411,902) |
| | (2,493,197) | (3,411,902) |
| III Cash flows from financing activities | | |
| Proceeds from short-term borrowings | 30,999,990 | - |
| Repayment of Lease liabilities, net | (99,038) | (93,287) |
| Interest paid | (1,380,192) | (308,065) |
| Net cash flow from/ (used in) financing activities | 29,520,760 | (401,352) |
| III Net increase in cash and cash equivalents (I + II) | 43,278,330 | (344,806) |
| IV Effect of exchange differences on cash and cash equivalents held in foreign currency | - | - |
| V Cash and cash equivalents at the beginning of the year | 1,921,709 | 2,266,515 |
| VI Cash and cash equivalents at the end of the year (III+ IV + V) | 45,200,039 | 1,921,709 |
| Components of cash and cash equivalents | | |
| Balances with banks - on current accounts | 45,200,039 | 1,921,709 |
| Total cash and cash equivalents [refer note 10] | 45,200,039 | 1,921,709 |

The accompanying notes are an integral part of the financial statements.

for and on behalf of the Board of Directors of Biocon Pharma Inc.

Sd/-

Kiran Mazumdar-Shaw
Director

Date: May 07, 2025
Place: Bengaluru

Sd/-

Abhijit Zutshi
Director

Date: May 07, 2025
Place:

BIOCON PHARMA INC.
STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2025
(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

| <u>A. Equity share capital</u> | March 31, 2025 | March 31, 2024 |
|--------------------------------|----------------|----------------|
| Opening balance | 1,400,000 | 1,400,000 |
| Closing balance | 1,400,000 | 1,400,000 |

| <u>B. Preference share capital</u> | March 31, 2025 | March 31, 2024 |
|------------------------------------|----------------|----------------|
| Opening balance | 16,900,000 | 16,900,000 |
| Share issued during the year | - | - |
| Closing balance | 16,900,000 | 16,900,000 |

| <u>C. Other equity</u> | | | | |
|--|-------------------|---|-------------------------------------|--------------------|
| Particulars | Retained earnings | Share application money pending allotment | Items of other comprehensive income | Total other equity |
| Balance at April 01, 2023 | 5,593,260 | - | - | 5,593,260 |
| Application money received / (transferred) during the year | - | - | | - |
| Profit for the year | 2,683,952 | - | | 2,683,952 |
| Balance at March 31, 2024 | 8,277,212 | - | - | 8,277,212 |
| Profit for the year | 1,340,587 | - | 186,467 | 1,527,054 |
| Balance at March 31, 2025 | 9,617,799 | - | 186,467 | 9,804,266 |

The accompanying notes are an integral part of the financial statements.

for and on behalf of the Board of Directors of Biocon Pharma Inc.

Sd/-
Kiran Mazumdar-Shaw
Director

Sd/-
Abhijit Zutshi
Director

Date: May 07, 2025
Place: Bengaluru

Date: May 07, 2025
Place:

BIOCON PHARMA INC.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

3. Property, plant and equipment

| | Furniture and fixture | Computers | Office equipment | Leasehold improvements | Vehicles | Total | Capital work in progress |
|---------------------------------|--------------------------|-----------------|---------------------|---------------------------|-----------------|------------------|-----------------------------|
| Gross carrying amount | | | | | | | |
| At March 31, 2023 | 63,591 | 53,219 | 47,072 | 27,440 | - | 191,322 | 54,191 |
| Additions | 12,633 | - | - | - | - | 12,633 | - |
| Disposal / transfers | - | - | - | - | - | - | - |
| At March 31, 2024 | 76,224 | 53,219 | 47,072 | 27,440 | - | 203,955 | 54,191 |
| Additions | - | - | - | - | 172,496 | 172,496 | - |
| Disposal / transfers | - | - | - | - | - | - | - |
| At March 31, 2025 | 76,224 | 53,219 | 47,072 | 27,440 | 172,496 | 376,451 | 54,191 |
| Accumulated amortisation | | | | | | | |
| At March 31, 2023 | (53,022) | (53,099) | (44,539) | (27,440) | - | (178,100) | - |
| Depreciation for the year | (12,163) | - | (2,503) | - | - | (14,696) | - |
| At March 31, 2024 | (65,185) | (53,099) | (47,042) | (27,440) | - | (192,796) | - |
| Depreciation for the year | (2,105) | - | - | - | (20,879) | (22,984) | - |
| At March 31, 2025 | (67,290) | (53,099) | (47,042) | (27,440) | (20,879) | (215,780) | - |
| Net carrying amount | | | | | | | |
| At March 31, 2024 | 11,039 | 120 | - | - | - | 11,159 | 54,191 |
| At March 31, 2025 | 8,934 | 120 | 30 | - | 151,617 | 160,671 | 54,191 |

3 (a) Capital work in progress ageing schedule

| As at March 31, 2025 | | | | | |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|--------|
| Particulars | Amount in CWIP for a period of | | | | Total |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | - | - | - | 54,191 | 54,191 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | | | | | |

(i) There are no capital work-in-process whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2024

4. Intangible assets

| | Software | Marketing rights | Total | Intangible under development |
|---------------------------------|-----------------|--------------------|--------------------|---------------------------------|
| Gross carrying amount | | | | |
| At March 31, 2023 | 115,607 | 2,043,000 | 2,158,607 | 3,426,869 |
| Additions | 21,911 | 2,927,091 | 2,949,002 | (17,233) |
| At March 31, 2024 | 137,518 | 4,970,091 | 5,107,609 | 3,409,636 |
| Additions | - | 2,839,959 | 2,839,959 | (594,260) |
| Deletions | - | (1,046,337) | (1,046,337) | - |
| At March 31, 2025 | 137,518 | 6,763,713 | 6,901,231 | 2,815,376 |
| Accumulated amortisation | | | | |
| At March 31, 2023 | (11,529) | (1,105,381) | (1,116,910) | - |
| Amortisation for the year | (27,504) | (500,695) | (528,199) | - |
| At March 31, 2024 | (39,033) | (1,606,076) | (1,645,109) | - |
| Amortisation for the year | (27,503) | (1,096,249) | (1,123,752) | - |
| Deletions | - | 121,549 | 121,549 | - |
| At March 31, 2025 | (66,536) | (2,580,776) | (2,647,312) | - |
| Net carrying amount | | | | |
| At March 31, 2024 | 98,485 | 3,364,015 | 3,462,500 | 3,409,636 |
| At March 31, 2025 | 70,982 | 4,182,937 | 4,253,919 | 2,815,376 |

4 (a) Intangible assets under development ageing schedule

| As at March 31, 2025 | | | | | |
|--------------------------------|---|------------------|----------------|-------------------|------------------|
| Particulars | Amount in Intangible assets under development for a period of | | | | Total |
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Projects in progress | 1,148,600 | 1,207,500 | 459,276 | - | 2,815,376 |
| Projects temporarily suspended | - | - | - | - | - |
| Total | 1,148,600 | 1,207,500 | 459,276 | - | 2,815,376 |

(i) There are no intangible assets under development whose completion is overdue or has exceeded its cost compared to its original plan as at March 31, 2025 and March 31, 2024.

BIOCON PHARMA INC.**Notes to financial statements for the year ended March 31, 2025****(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)****5. Right-of-use-assets**

| | Amount |
|---------------------------------|------------------|
| Gross carrying amount | |
| At March 31, 2024 | 818,782 |
| Additions | - |
| At March 31, 2025 | <u>818,782</u> |
| Accumulated amortisation | |
| At March 31, 2024 | (449,826) |
| additions | - |
| Amortisation for the year | (102,961) |
| At March 31, 2025 | <u>(552,787)</u> |
| Net carrying amount | |
| At March 31, 2024 | 368,956 |
| At March 31, 2025 | <u>265,995</u> |

| | March 31, 2025 | March 31, 2024 |
|--|-------------------|-------------------|
| 6. Investments | | |
| (a) Non-current | | |
| I. Quoted equity instruments | | |
| In others at fair value through other comprehensive income: | | |
| Bicara Therapeutics Inc. : 1,080,775 (March 31, 2024 - 1,080,775) equity shares of USD 0.0001 each | 14,045,032 | 13,782,403 |
| | <u>14,045,032</u> | <u>13,782,403</u> |
| 7. Other financial assets | | |
| (a) Non-current | | |
| Deposits | 14,083 | 14,083 |
| | <u>14,083</u> | <u>14,083</u> |
| (b) Current | | |
| Interest accrued | 182,531 | 351,148 |
| | <u>182,531</u> | <u>351,148</u> |
| 8. Inventories | | |
| Traded goods | 45,391,227 | 28,707,717 |
| | <u>45,391,227</u> | <u>28,707,717</u> |
| 9. Trade receivables | | |
| Unsecured, considered good | 30,014,571 | 38,870,244 |
| Allowance for credit loss | 120,582 | 259,600 |
| | <u>29,893,989</u> | <u>38,610,644</u> |

(i) During the current year, the Company has availed invoice purchase facility from the banks which met the derecognition criteria since the Company had transferred substantially all the risks and rewards of ownership over such receivables as the factoring arrangement represents a true sale and is without recourse to the Company. Accordingly, as at March 31, 2025, USD 44,265,809 has been derecognized from trade receivables.

Trade receivables ageing schedule

| | Unbilled | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|--|----------|-------------------|--|-------------------|-----------|-----------|-------------------|-------------------|
| | | | Less than 6 Months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables - considered good | - | 48,965,468 | 12,767,714 | 2,301,893 | - | - | - | 64,035,075 |
| Undisputed Trade receivables - credit impaired | - | - | 120,582 | - | - | - | - | 120,582 |
| Gross at March 31, 2025 | - | 48,965,468 | 12,647,132 | 2,301,893 | - | - | - | 63,914,493 |
| Provision for chargebacks, rebates & others | - | - | - | - | - | - | - | (34,020,504) |
| Total As at March 31, 2025 | | | | | | | | 29,893,989 |

| | Unbilled | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|--|----------|-------------------|--|-------------------|-----------|-----------|-------------------|-------------------|
| | | | Less than 6 Months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Undisputed Trade Receivables - considered good | | 58,260,098 | 40,628,054 | - | - | - | - | 98,888,152 |
| Undisputed Trade receivables - credit impaired | | - | 259,600.00 | - | - | - | - | 259,600 |
| Gross at March 31, 2024 | - | 58,260,098 | 40,368,454 | - | - | - | - | 98,628,552 |
| Prov for CHB, Rebates & others | | | | | | | | (60,017,908) |
| Total As at March 31, 2024 | | | | | | | | 38,610,644 |

10. Cash and bank balances

Cash and cash equivalents

Balances with banks:

 On current accounts

| | | |
|--|-------------------|------------------|
| | 45,200,039 | 1,921,709 |
| Total cash and cash equivalents | <u>45,200,039</u> | <u>1,921,709</u> |

11. Other current assets

Prepayments

Advance to suppliers

| | | |
|--|----------------|----------------|
| | 309,455 | 243,824 |
| | 564,936 | 375,000 |
| | <u>874,391</u> | <u>618,824</u> |

BIOCON PHARMA INC.**Notes to financial statements for the year ended March 31, 2025**

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

| | March 31, 2025 | March 31, 2024 |
|--|-------------------|-------------------|
| 12(a). Share capital | | |
| Authorised share capital | | |
| 500,000 shares of common stock (March 31, 2024 - 500,000) of USD 10 each | 5,000,000 | 5,000,000 |
| Issued, subscribed and fully paid-up | | |
| 140,000 (March 31, 2024 - 140,000) equity shares of USD 10 each | 1,400,000 | 1,400,000 |
| 16,90,000 (March 31, 2024 - 12,00,000) preference shares of USD 10 each | 16,900,000 | 16,900,000 |
| | 18,300,000 | 18,300,000 |

(i) Reconciliation of the shares outstanding at the beginning and at the end of the reporting year

| | March 31, 2025 | | March 31, 2024 | |
|---|-----------------------|-------------------|-----------------------|-------------------|
| Equity shares | No. | USD | No. | USD |
| At the beginning of the year | 140,000 | 1,400,000 | 140,000 | 1,400,000 |
| Issued during the year | - | - | - | - |
| Outstanding at the end of the year | 140,000 | 1,400,000 | 140,000 | 1,400,000 |
| Preference shares | March 31, 2025 | | March 31, 2024 | |
| | No. | USD | No. | USD |
| At the beginning of the year | 1,690,000 | 16,900,000 | 1,690,000 | 16,900,000 |
| Issued during the year | - | - | - | - |
| Outstanding at the end of the year | 1,690,000 | 16,900,000 | 1,690,000 | 16,900,000 |

(ii) Terms/ rights attached to shares

Equity shares are at a par value of USD 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, if any. The distribution will be in proportion to the number of equity shares held by the shareholders.

Optionally convertible redeemable cumulative preference shares (OCRPS) are at a par value of USD 10 per share. Each holder of OCRPS is entitled to one vote per share on all matters pertaining to the rights of OCRPS holders.

(iii) Details of shareholders holding more than 5% shares in the Company

| | March 31, 2025 | | March 31, 2024 | |
|---|----------------|------------------|----------------|------------------|
| | No. | % holding | No. | % holding |
| Equity shares of Rs 10 each fully paid | | | | |
| Biocon Pharma Limited, the holding company (including shares held through nominees) | | | | |
| Equity shares of USD 10 each fully paid up | 140,000 | 100% | 140,000 | 100% |
| Convertible preferred stock of USD 10 each fully paid | | | | |
| Biocon Pharma Limited, the holding company (including shares held through nominees) | | | | |
| Preferred Stock of USD 10 each fully paid up | 1,690,000 | 100% | 1,690,000 | 100% |

As per records of the Company, including its register of shareholders/ members, the above shareholding represents both legal and beneficial ownerships of shares.

12(b). Other equity**Retained earnings**

The amount that can be distributed by the Company as dividends to its equity shareholders.

| | March 31, 2025 | March 31, 2024 |
|---------------------------|-------------------|-------------------|
| 13. Borrowings | | |
| (a) Non-Current | | |
| Loan from related parties | 14,500,000 | 14,500,000 |
| | 14,500,000 | 14,500,000 |
| (b) Current | | |
| Cash credit | 35,999,990 | 5,000,000 |
| | 35,999,990 | 5,000,000 |

The Company has short term unsecured Working capital loan of USD 36 million as on 31 March 2025 [31 March 2024 : USD 5 million] that carries interest rate of one month SOFR + 75 bps

14. Trade payables

| | | |
|------------------|-------------------|-------------------|
| Trade payables # | 63,072,178 | 44,061,479 |
| | 63,072,178 | 44,061,479 |

#Includes dues to related parties [refer note 24]

(a) Trade payables Ageing Schedule

| | Unbilled | Not due | Outstanding for following periods from due date of payment | | | | | Total |
|-----------------------------|------------------|-------------------|--|-------------------|----------------|-----------|-------------------|-------------------|
| | | | Less than 6 Months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Trade payables | 4,900,420 | 39,546,193 | 18,625,565 | - | - | - | - | 63,072,178 |
| As at March 31, 2025 | 4,900,420 | 39,546,193 | 18,625,565 | - | - | - | - | 63,072,178 |
| | Unbilled | Not due | Outstanding for following periods from due date of payment | | | | | Total |
| | | | Less than 6 Months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| Trade payables | 4,709,951 | 34,464,824 | 2,897,667 | 1,849,427 | 139,610 | - | - | 44,061,479 |
| As at March 31, 2024 | 4,709,951 | 34,464,824 | 2,897,667 | 1,849,427 | 139,610 | - | - | 44,061,479 |

15. Other financial liabilities**(a) Current**

| | | |
|------------------------------|----------------|----------------|
| Interest accrued but not due | 581,429 | 564,381 |
| | 581,429 | 564,381 |

BIOCON PHARMA INC.**Notes to financial statements for the year ended March 31, 2025**

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

| | Year ended March 31, 2025 | Year ended March 31, 2024 |
|---|------------------------------|------------------------------|
| <u>16. Revenue from operations</u> | | |
| Sale of products | | |
| Traded goods | 105,941,062 | 83,977,550 |
| Revenue from operations | 105,941,062 | 83,977,550 |

16.1 Disaggregated revenue information

Set out below is the disaggregation of revenue

Revenues from Sale of services by geography

| | | |
|--------------------------|--------------------|-------------------|
| United States of America | 105,941,062 | 83,977,550 |
|--------------------------|--------------------|-------------------|

Geographical revenue is allocated based on the location of the customers.

17. Other income

| | | |
|------------------------------------|----------------|------------------|
| Fair Value Movement on investment* | - | 3,816,925 |
| Interest Income | 12,686 | 21,606 |
| Others | 109,534 | 39,388 |
| | 122,220 | 3,877,918 |

(a) During the previous year March 31, 2024, Bicara Therapeutics Inc. (Bicara) raised funds from third parties resulting into dilution of interest, which resulted in loss of significant influence over the investee. Accordingly, the Company has fair valued its investment in Bicara on the date of loss of significant influence resulting in a gain of USD 3,816,925. The same has been disclosed in other income. The Company has designated its investment in equity shares of Bicara to be accounted at fair value through other comprehensive income (FVOCI).

18. (Increase)/ Decrease in inventories of traded goods

| | | |
|--|---------------------|---------------------|
| Inventory at the beginning of the year | | |
| Traded goods | 28,707,717 | 18,186,043 |
| | 28,707,717 | 18,186,043 |
| Inventory at the end of the year | | |
| Traded goods | 45,391,227 | 28,707,717 |
| | 45,391,227 | 28,707,717 |
| (Increase)/ decrease in inventories | (16,683,510) | (10,521,674) |

19. Employee benefits expense

| | | |
|-----------------------------|------------------|------------------|
| Salaries, wages and bonus | 2,932,327 | 2,448,775 |
| Share based payment expense | 724,137 | 5,260 |
| Staff welfare expenses | 257,644 | 173,631 |
| | 3,914,108 | 2,627,666 |

20. Finance cost

| | | |
|---|------------------|----------------|
| Interest on | | |
| Interest expenses on finance lease liabilities measured on amortised cost | 1,381,894 | 557,345 |
| Interest on lease liabilities [refer note 28] | 15,346 | 19,078 |
| | 1,397,240 | 576,423 |

21. Depreciation and amortisation expenses

| | | |
|--|------------------|----------------|
| Depreciation on Property, plant and equipment [refer note 3] | 22,984 | 14,696 |
| Amortisation on intangible assets [refer note 4] | 1,123,752 | 528,199 |
| Depreciation on Right-of-use-assets [refer note 5] | 102,961 | 102,961 |
| | 1,249,697 | 645,856 |

22. Other expenses

| | | |
|--|-------------------|------------------|
| Rent | - | - |
| Communication expenses | 27,351 | 23,183 |
| Travelling and conveyance | 322,335 | 233,584 |
| Professional charges | 585,595 | 613,569 |
| Insurance | 181,532 | 238,648 |
| Rates, taxes and fees | 34,141 | 13,355 |
| Repairs and maintenance | | |
| Plant and machinery | 30,314 | 21,883 |
| Building | 5,200 | 6,025 |
| Others | 41,197 | 56,095 |
| Research & development expenses | - | 37,888 |
| Selling expenses | | |
| Freight outwards and clearing charges | 3,922,248 | 3,921,547 |
| Sales promotion expenses | 7,273,180 | 2,277,599 |
| Printing and stationery | 9,216 | 12,576 |
| Foreign exchange fluctuation, net | 2,946 | 3,357 |
| Provision/(reversal) for doubtful debts and Advances | (139,018) | 259,600 |
| Miscellaneous expenses | 195,320 | 159,115 |
| | 12,491,557 | 7,878,024 |

BIOCON PHARMA INC.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

23. Tax expense

| | March 31, 2025 | March 31, 2024 |
|--|------------------|------------------|
| (a) Amount recognised in Statement of profit and loss | | |
| Current tax | 547,564 | - |
| Deferred tax expense | - | 1,106,908 |
| Tax expense for the year | 547,564 | 1,106,908 |
| (b) Reconciliation of effective tax rate | | |
| Profit/(loss) before tax | 1,888,151 | 3,790,860 |
| Less: Fair Value Movement on investment | - | 3,816,925 |
| Profit/(loss) before tax | 1,888,151 | (26,065) |
| Tax at statutory income tax rate 29% (March 31, 2023- 24) | 547,564 | - |
| <i>Tax effects of amounts which are not deductible / (taxable) in calculating taxable income</i> | | |
| Tax effect on Fair Value Movement on investment | - | 1,106,908 |
| Income tax expense | 547,564 | 1,106,908 |

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BIOCON PHARMA INC.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

23. (c) Recognized deferred tax assets and liabilities

The following is the movement of deferred tax assets/liabilities presented in the balance sheet:

| For the year ended March 31, 2025 | Opening Balance | Recognized in profit or loss | Recognized in OCI | Closing Balance |
|---|----------------------------|---|------------------------------|----------------------------|
| Deferred tax liability | | | | |
| Convertible preference shares | - | - | - | - |
| Property, plant and equipment and intangible assets | - | - | - | - |
| Derivative assets | - | - | - | - |
| Gross deferred tax liability | - | - | - | - |
| Deferred tax assets | | | | |
| Defined Benefit Obligation | - | - | - | - |
| Losses available for offsetting against future taxable | - | - | - | - |
| MAT credit entitlement | - | - | - | - |
| Derivative liability | - | - | - | - |
| Others | 1,106,908 | - | 76,163 | 1,183,071 |
| Gross deferred tax assets | 1,106,908 | - | 76,163 | 1,183,072 |
| Net deferred tax (liability)/ asset | 1,106,908 | - | 76,163 | 1,183,072 |
| For the year ended March 31, 2024 | Opening Balance | Recognized in profit or loss | Recognized in OCI | Closing Balance |
| Deferred tax liability | | | | |
| Property, plant and equipment and intangible assets | - | - | - | - |
| Derivative assets | - | - | - | - |
| Derivative assets | - | - | - | - |
| Gross deferred tax liability | - | - | - | - |
| Deferred tax assets | | | | |
| Defined Benefit Obligation | - | - | - | - |
| Losses available for offsetting against future taxable differences | - | - | - | - |
| MAT credit entitlement | - | - | - | - |
| Derivative liability | - | - | - | - |
| Others | - | 1,106,908 | - | 1,106,908 |
| Gross deferred tax assets | - | 1,106,908 | - | 1,106,908 |
| Net deferred tax (liability)/ asset | - | 1,106,908 | - | 1,106,908 |

BIOCON PHARMA INC.**Notes to financial statements for the year ended Mar 31, 2025****(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)****24. Related Party Disclosures:**

The following table provides the value of transactions that have been entered into with related parties for the relevant financial year:

| Sl No | Name of related party | Relationship | Description | For the year ended March 31, 2025 Expenses / (Income) / Other Transaction | March 31, 2025 Payables/ (Receivables) | For the year ended March 31, 2024 Expenses / (Income) / Other Transaction | March 31, 2024 Payables/ (Receivables) |
|-------|-----------------------|--------------------------|---------------------------|--|--|--|---|
| 1 | BIOCON PHARMA LTD | Holding Company | Purchases of goods | 76,275,064 | | 51,239,642 | |
| | | | Other Expenses | | | 32,447 | |
| | | | Trade Payable | | 47,642,154 | | 30,702,441 |
| 2 | BIOCON LTD | Ultimate Holding Company | Purchases of goods | 481,200 | | 2,335,500 | |
| | | | Corporate Gurantee | 45,757 | | 35,512 | |
| | | | Reimbursement of expenses | 642,950 | 642,950 | | |
| | | | Trade Payable | | 607,119 | | 1,440,985 |
| | | | Trade receivable | | 35,831 | | |
| 3 | BIOCON SA | Fellow Subsidiary | Intrest on Loan | 220,521 | 684,376 | 218,384 | 463,855 |
| 4 | BIOCON GENERICS INC | Fellow Subsidiary | Advance Given | | 584,137 | | |
| | | | Purchases of goods | 3,601,380 | | | |
| | | | Reimbursement of Expenses | 32,360 | | | 182531 |

(a) All transactions with these related parties are priced on an arm's length basis and none of the balances are secured.

(b) The above disclosures include related parties as per Ind AS 24 on "Related Party Disclosures"

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BIOCON PHARMA INC.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

25. Financial instruments: Fair value and risk managements

A. Accounting classification and fair values

| March 31, 2025 | Carrying amount | | | | Fair value | | | |
|---|-------------------|---------------|----------------------|--------------------|----------------|----------------|-------------------|-------------------|
| | FVTPL | FVTOCI | Amotised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| Non-current investments | 14,045,032 | - | - | 14,045,032 | - | - | 14,045,032 | 14,045,032 |
| Trade Receivables | - | - | 29,893,989 | 29,893,989 | - | - | - | - |
| Cash and cash equivalents and Other bank balances | - | - | 45,200,039 | 45,200,039 | - | - | - | - |
| Other financial assets | - | - | 196,614 | 196,614 | - | - | - | - |
| | 14,045,032 | - | 75,290,642 | 89,335,674 | - | - | 14,045,032 | 14,045,032 |
| Financial liabilities | | | | | | | | |
| Borrowings | - | - | 50,499,990 | 50,499,990 | - | - | - | - |
| Trade payables | - | - | 63,072,178 | 63,072,178 | - | - | - | - |
| Lease liabilities | - | - | 284,602 | 284,602 | - | - | - | - |
| Other financial liabilities | - | - | 581,429 | 581,429 | - | - | - | - |
| | - | - | 114,438,199 | 114,438,199 | - | - | - | - |
| March 31, 2024 | FVTPL | FVTOCI | Amotised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| Financial assets | | | | | | | | |
| Non-current investments | 13,782,403 | - | - | 13,782,403 | - | - | 13,782,403 | 13,782,403 |
| Trade Receivables | - | - | 38,610,644 | 38,610,644 | - | - | - | - |
| Cash and cash equivalents and Other bank balances | - | - | 1,921,709 | 1,921,709 | - | - | - | - |
| Other financial assets | - | - | 365,231 | 365,231 | - | - | - | - |
| | 13,782,403 | - | 40,897,584 | 54,679,987 | - | - | 13,782,403 | 13,782,403 |
| Financial liabilities | | | | | | | | |
| Borrowings | - | - | 19,500,000 | 19,500,000 | - | - | - | - |
| Trade payables | - | - | 44,061,479 | 44,061,479 | - | - | - | - |
| Lease liabilities | - | - | 383,640 | 383,640 | - | - | - | - |
| Other financial liabilities | - | - | 564,381 | 564,381 | - | - | - | - |
| | - | - | 64,509,500 | 64,509,500 | - | - | - | - |

B. Measurement of fair values

The Company's activities expose it to a variety of financial risks : credit risk, market risk and liquidity risk

(i) Risk management framework

The Company's risk management is carried out by the treasury department under policies approved by the Board of Directors. The Board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative and non-derivative financial instruments and investment of excess liquidity.

(ii) Credit risk

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The credit risk arises principally from its operating activities and its financing activities, including deposits with banks and financial institutions and other financial instruments.

Customer credit risk is managed by each business unit subject to Company's established policy, procedures and control relating to customer credit risk management. The Audit and Risk Management Committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes external ratings, where available, and other publicly available financial information. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

(iii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that the working capital is sufficient to meet its current requirements. Accordingly, no liquidity risk is perceived.

The following are the contractual maturities of financial liabilities and excluding interest payments . The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay:

| March 31, 2025 | | | | | |
|-------------------------------------|--------------------|----------------|----------------|-------------------|--------------------|
| Particulars | Less than 1 year | 1 - 2 years | 2-5 years | More than 5 years | Total |
| Borrowings | 50,499,990 | - | - | - | 50,499,990 |
| Trade payables | 63,072,178 | - | - | - | 63,072,178 |
| Lease Liabilities | 102,960 | 102,961 | 103,440 | - | 309,361 |
| Other current financial liabilities | 612,825 | 221,729 | 242,126 | - | 1,076,680 |
| Total | 114,287,953 | 324,690 | 345,566 | - | 114,958,209 |

The table below provides details regarding the undiscounted contractual maturities of significant financial liabilities as of March 31, 2024:

| March 31, 2024 | | | | | |
|-------------------------------------|-------------------|----------------|----------------|-------------------|-------------------|
| Particulars | Less than 1 year | 1 - 2 years | 2-5 years | More than 5 years | Total |
| Borrowings | 19,500,000 | - | - | - | 19,500,000 |
| Trade payables | 43,921,869 | 139,610 | - | - | 44,061,479 |
| Lease Liabilities | 102,961 | 102,961 | 163,021 | - | 368,943 |
| Other current financial liabilities | 322,255 | 147,562 | 94,564 | - | 564,381 |
| Total | 63,847,085 | 390,133 | 257,585 | - | 64,494,803 |

(iv) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices, such as foreign exchange rates, interest rates and equity prices.

BIOCON PHARMA INC.**Notes to financials statements for the year ended March 31, 2025****(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)****Foreign currency risk**

The Company operates internationally and a major portion of the business is transacted in USD and consequently, the company is not exposed to foreign exchange risk through operating and borrowing activities in foreign currency

Cash flow and fair value interest rate risk

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. During the year ended March 31, 2025 the Company's borrowings at variable rate were mainly denominated in USD

(a) Interest rate risk exposure

The exposure of the Company's borrowing to interest rate changes at the end of the reporting period are as follows:

| Particulars | 31 March 2025 | March 31, 2024 |
|--------------------------|-------------------|-------------------|
| Variable rate borrowings | 35,999,990 | 5,000,000 |
| Fixed rate borrowings | 14,500,000 | 14,500,000 |
| Total borrowings | 50,499,990 | 19,500,000 |

26. Capital management

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company.

The capital structure as of March 31,2025 and March 31, 2024 was as follows :

| Particulars | 31 March 2025 | March 31, 2024 |
|---|-------------------|-------------------|
| Total equity attributable to equity shareholders of the Company | 28,104,266 | 26,577,212 |
| As a percentage of total capital | 36% | 58% |
| Borrowings | 50,499,990 | 19,500,000 |
| Total borrowings | 50,499,990 | 19,500,000 |
| Debt equity ratio | 64% | 42% |
| Total capital (Equity and Borrowings) | 78,604,256 | 46,077,212 |

BIOCON PHARMA INC.**Notes to financials statements for the year ended March 31, 2025****(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)****27. Lease**

The Company has entered into lease agreements for use of land and buildings which expires over a period ranging upto the year of 2027. Gross payments for the year aggregate to USD 368,943

The followings is the movement in the lease liability :

| Particulars | Land | Buildings | Total |
|--------------------------------------|------|----------------|----------------|
| Balance at the April 1, 2024 | - | 383,640 | 383,641 |
| Finance cost accrued during the year | - | 15,346 | 15,346 |
| Payment of lease liabilities | - | (114,385) | (114,385) |
| Balance at the March 31, 2025 | - | 284,601 | 284,602 |
| Balance at the April 1, 2023 | - | 476,921 | 476,921 |
| Finance cost accrued during the year | - | 19,077 | 19,077 |
| Payment of lease liabilities | - | (112,357) | (112,357) |
| Balance at the March 31, 2024 | - | 383,641 | 383,641 |

The following is the breakup of current and non current lease liability

| Particulars | March 31, 2025 | March 31, 2024 |
|-----------------------------|----------------|----------------|
| Current lease liability | 102,960 | 102,961 |
| Non current lease liability | 181,641 | 280,680 |
| | 284,601 | 383,640 |

The table below provides details regarding the contractual maturities of lease liabilities on an undiscounted basis:

| | March 31, 2025 | March 31, 2024 |
|----------------------|----------------|----------------|
| Less than one year | 102,960 | 102,961 |
| One to Five years | 181,641 | 280,680 |
| More than Five years | - | - |
| Total | 284,601 | 383,640 |

The following are the amounts recognised in the statement of Profit or Loss for the year ended:

| | March 31, 2025 | March 31, 2024 |
|--|----------------|----------------|
| Amortisation expenses on right of use-assets | 102,961 | 102,961 |
| Interest expenses on lease liabilities | 15,346 | 19,078 |
| Total | 118,307 | 122,039 |

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BIOCON PHARMA INC.

Notes to financials statements for the year ended March 31, 2025

(All amounts are in United States Dollars, except share data and per share data, unless otherwise stated)

28. Earnings per share (EPS)

| Particulars | March 31, 2025 | March 31, 2024 |
|---|-----------------------|-----------------------|
| <i>Earnings</i> | | |
| Profit/(Loss) for the year | 1,340,587 | 2,683,950 |
| <i>Shares</i> | | |
| Basic outstanding shares | 140,000 | 140,000 |
| Add : Weighted average shares issued during the year | - | - |
| Weighted average shares used for computing basic and diluted EPS | 140,000 | 140,000 |
| Add: Effect of dilutive options granted but not yet exercised/not yet eligible for exercise-OCRPS | | |
| Weighted average shares used for computing diluted EPS | 140,000 | 140,000 |
| Earnings / (loss) per equity share | | |
| Basic (in Dollor) | 9.58 | 19.17 |
| Diluted (in Dollor) | 9.58 | 19.17 |