

**BIOCON PHARMA INC.**

**BALANCE SHEET AS AT MARCH 31, 2023**

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

	<u>Note</u>	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	13,222	36,622
Capital work in progress	3	54,191	54,191
Intangible assets	4	10,41,697	12,99,514
Intangible asset under development	4	34,26,869	17,38,038
Right-of-use assets	5	4,71,917	30,409
Financial assets			
(i) Investments		99,65,478	-
(ii) Loans	6	-	90,00,000
(iii) Other financial assets	7	14,083	14,083
Income-tax assets (net)		27,03,834	24,78,834
<b>Total non-current assets</b>		<b><u>1,76,91,291</u></b>	<b><u>1,46,51,691</u></b>
<b>Current assets</b>			
Inventories	8	1,81,86,043	2,84,24,683
Financial assets			
(i) Trade receivables	9	2,67,52,053	2,17,91,741
(ii) Cash and cash equivalents	10	22,66,515	21,21,999
(ii) Other financial assets	7	5,08,803	16,82,638
Other current assets	11	6,14,886	22,27,726
<b>Total current assets</b>		<b><u>4,83,28,300</u></b>	<b><u>5,62,48,787</u></b>
<b>TOTAL</b>		<b><u>6,60,19,591</u></b>	<b><u>7,09,00,478</u></b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12(a)	14,00,000	14,00,000
Preference share capital	12(b)	1,69,00,000	1,69,00,000
Other equity		55,93,260	53,32,094
<b>Total equity</b>		<b><u>2,38,93,260</u></b>	<b><u>2,36,32,094</u></b>
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	13	1,45,00,000	1,45,00,000
(ii) Lease liabilities		3,73,959	-
		<b><u>1,48,73,959</u></b>	<b><u>1,45,00,000</u></b>
<b>Current liabilities</b>			
Financial liability			
(i) Borrowings	13	50,00,000	50,00,000
(ii) Trade payables	14	1,94,40,196	2,53,13,687
(iii) Lease liabilities		1,02,969	40,297
(iv) Other financial liabilities	15	2,96,023	1,40,289
Income-tax liability (net)		24,13,184	22,20,079
Other liabilities	16	-	54,032
<b>Total current liabilities</b>		<b><u>2,72,52,372</u></b>	<b><u>3,27,68,384</u></b>
<b>TOTAL</b>		<b><u>6,60,19,591</u></b>	<b><u>7,09,00,478</u></b>

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

**BIOCON PHARMA INC.**

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2023**

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

	<u>Note</u>	Year ended Mar 31, 2023	Year ended March 31, 2022
<b>Income</b>			
Revenue from operations	17	6,46,11,063	6,21,26,451
Other income	18	7,13,974	9,28,604
<b>Total income</b>		<b>6,53,25,037</b>	<b>6,30,55,055</b>
<b>Expenses</b>			
Purchases of product		4,43,47,289	5,81,14,633
Changes in inventories	19	1,02,38,640	(1,07,24,758)
Employee benefits expense	20	22,88,839	20,54,988
Finance Costs	21	3,49,870	1,27,859
Depreciation and amortisation expense	22	5,20,120	4,75,586
Other expenses	23	71,26,008	90,34,300
<b>Total expenses</b>		<b>6,48,70,766</b>	<b>5,90,82,608</b>
<b>Profit before Tax</b>		<b>4,54,271</b>	<b>39,72,447</b>
<b>Tax expense</b>			
Current tax		1,93,105	11,98,796
<b>Profit for the year</b>		<b>2,61,166</b>	<b>27,73,651</b>

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

BIOCON PHARMA INC.

STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED March 31, 2023

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

	Year ended March 31, 2023	Year ended March 31, 2022
<b>I Cash flows from operating activities</b>		
Profit for the year	4,54,271	39,72,447
<u>Adjustments to reconcile profit before tax to net cash flows</u>		
Depreciation and amortisation expense	5,20,120	4,75,586
Interest expense	3,49,870	1,27,859
Interest Income	-	(1,94,500)
Operating profit before working capital changes	<u>13,24,261</u>	<u>43,81,392</u>
<b>Movements in working capital</b>		
Decrease/(increase) in inventories	1,02,38,640	(54,76,851)
Decrease/(increase) in other assets	(26,78,506)	14,82,532
(Decrease)/increase in trade payable, other liabilities and provisions	(63,88,132)	(91,47,511)
Direct taxes paid (net of refunds)	(2,25,000)	(13,80,648)
<b>Net cash used in operating activities</b>	<u><u>22,71,263</u></u>	<u><u>(1,01,41,086)</u></u>
<b>II Cash flows from investing activities</b>		
Purchase of intangible assets	(18,54,438)	(17,20,665)
Interest from loan given to fellow subsidiaries	-	-
	<u><u>(18,54,438)</u></u>	<u><u>(17,20,665)</u></u>
<b>III Cash flows from financing activities</b>		
Proceeds from issuance of Preference share capital	-	49,00,000
Loan to fellow subsidiaries	-	66,56,448
Proceeds from long-term borrowings	-	50,00,000
Proceeds from short-term borrowings	-	(50,00,000)
Repayment of Lease liabilities, net	(89,825)	(1,03,736)
Interest paid	(1,82,488)	(3,45,444)
<b>Net cash flow from/ (used in) financing activities</b>	<u><u>(2,72,313)</u></u>	<u><u>1,11,07,268</u></u>
<b>III Net increase in cash and cash equivalents (I + II)</b>	<b>1,44,512</b>	<b>(7,54,483)</b>
<b>IV Effect of exchange differences on cash and cash equivalents held in foreign currency</b>	-	-
<b>V Cash and cash equivalents at the beginning of the year</b>	21,21,999	53,79,011
<b>VI Cash and cash equivalents at the end of the year (III+ IV + V)</b>	<u><u>22,66,511</u></u>	<u><u>46,24,528</u></u>
<b>Components of cash and cash equivalents</b>		
Balances with banks - on current accounts	22,66,515	21,21,999
<b>Total cash and cash equivalents [refer note 5]</b>	<u><u>22,66,515</u></u>	<u><u>21,21,999</u></u>

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

**BIOCON PHARMA INC.**

**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED MARCH 31, 2023**

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

**A. Equity share capital**

	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Opening balance	14,00,000	14,00,000
<b>Closing balance</b>	<b>14,00,000</b>	<b>14,00,000</b>

**B. Preference share capital**

	<u>March 31, 2023</u>	<u>March 31, 2022</u>
Opening balance	1,69,00,000	1,69,00,000
Share issued during the year	-	-
<b>Closing balance</b>	<b>1,69,00,000</b>	<b>1,69,00,000</b>

**C. Other equity**

Particulars	Retained earnings	Share application money pending allotment	Total other equity
<b>Balance as at March 31, 2021</b>	<b>25,58,443</b>	-	<b>25,58,443</b>
Application money received / (transferred) during the year	-	-	-
Profit for the year	27,73,651	-	27,73,651
<b>Balance as at March 31, 2021</b>	<b>53,32,094</b>	-	<b>53,32,094</b>
Profit for the year	2,61,166	-	2,61,166
<b>Balance as at March 31, 2023</b>	<b>55,93,260</b>	-	<b>55,93,260</b>

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

**BIOCON PHARMA INC.**

Notes to financials statements for the period ended March 31, 2023

(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	Total	Capital work in progress
<b>Gross carrying amount</b>						
At March 31, 2021	63,591	53,219	47,072	27,440	1,91,322	-
Additions	-	-	-	-	-	54,191
Disposal / transfers	-	-	-	-	-	-
At March 31, 2022	63,591	53,219	47,072	27,440	1,91,322	54,191
Additions	-	-	-	-	-	-
Disposal / transfers	-	-	-	-	-	-
At March 31, 2023	63,591	53,219	47,072	27,440	1,91,322	54,191
<b>Accumulated amortisation</b>						
At March 31, 2021	(31,825)	(53,099)	(25,744)	(17,159)	(1,27,827)	-
Depreciation for the year	(10,598)	-	(9,415)	(6,860)	(26,873)	-
At March 31, 2022	(42,423)	(53,099)	(35,159)	(24,019)	(1,54,700)	-
Depreciation for the year	(10,599)	-	(9,380)	(3,421)	(23,400)	-
At March 31, 2023	(53,022)	(53,099)	(44,539)	(27,440)	(1,78,100)	-
<b>Net carrying amount</b>						
At March 31, 2022	21,168	120	11,913	3,421	36,622	54,191
At March 31, 2023	10,569	120	2,533	-	13,222	54,191

**4. Intangible assets**

	Software	Marketing rights	Total	Intangible under development
<b>Gross carrying amount</b>				
At March 31, 2021	-	14,43,000	14,43,000	8,66,475
Additions	-	5,50,000	5,50,000	8,71,563
At March 31, 2022	-	19,93,000	19,93,000	17,38,038
Additions	1,15,607	50,000	1,65,607	16,88,831
At March 31, 2023	1,15,607	20,43,000	21,58,607	34,26,869
<b>Accumulated amortisation</b>				
At March 31, 2021	-	-3,35,962	(3,35,962)	-
Amortisation for the year	-	-3,57,524	(3,57,524)	-
At March 31, 2022	-	(6,93,486)	(6,93,486)	-
Amortisation for the year	(11,529)	(4,11,895)	(4,23,424)	-
At March 31, 2023	(11,529)	(11,05,381)	(11,16,910)	-
<b>Net carrying amount</b>				
At March 31, 2022	-	-	12,99,514	17,38,038
At March 31, 2023	-	1,04,078	9,37,619	34,26,869

**5. Right-of-use-assets**

	Amount
<b>Gross carrying amount</b>	
At March 31, 2022	3,03,978
Additions	5,14,804
At March 31, 2023	8,18,782
<b>Accumulated amortisation</b>	
At March 31, 2022	(2,73,569)
additions	-
Amortisation for the year	(73,296)
At March 31, 2023	(3,46,865)
<b>Net carrying amount</b>	
At March 31, 2022	30,409
At March 31, 2023	4,71,917

**BIOCON PHARMA INC.**

**Notes to financial statements for the period ended March 31, 2023**

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

**6. Loans**

**(a) Non-current**

Loans to related Parties

<u>March 31, 2023</u>	<u>March 31, 2022</u>
-	90,00,000
<u>-</u>	<u>90,00,000</u>

**7. Other financial assets**

**(a) Non-current**

Deposits

14,083	14,083
<u>14,083</u>	<u>14,083</u>

**(b) Current**

Other receivable

Interest accrued

5,08,803	11,77,769
-	5,04,869
<u>5,08,803</u>	<u>16,82,638</u>

**8. Inventories**

Products

1,81,86,043	2,84,24,683
<u>1,81,86,043</u>	<u>2,84,24,683</u>

**9. Trade receivables**

Unsecured, considered good

2,67,52,053	2,17,91,741
<u>2,67,52,053</u>	<u>2,17,91,741</u>

**10. Cash and bank balances**

**Cash and cash equivalents**

Balances with banks:

On current accounts

**Total cash and cash equivalents**

22,66,515	21,21,999
<u>22,66,515</u>	<u>21,21,999</u>

**11. Other current assets**

Prepayments

Advance to suppliers

1,24,431	1,37,066
4,90,455	20,90,660
<u>6,14,886</u>	<u>22,27,726</u>

	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<b>12(a). Share capital</b>		
<b>Authorised share capital</b>		
500,000 shares of common stock (March 31, 2020 - 500,000) of USD 10 each	50,00,000	50,00,000
<b>Issued, subscribed and fully paid-up</b>		
140,000 (March 31, 2020 - 140,000) equity shares of USD 10 each	14,00,000	14,00,000
16,90,000 (March 31, 2020 - 12,00,000) preference shares of USD 10 each	1,69,00,000	1,69,00,000
	<u>1,83,00,000</u>	<u>1,83,00,000</u>

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

Equity shares	<u>March 31, 2023</u>		<u>March 31, 2022</u>	
	No.	USD	No.	USD
At the beginning of the year	1,40,000	14,00,000	1,40,000	14,00,000
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<u>1,40,000</u>	<u>14,00,000</u>	<u>1,40,000</u>	<u>14,00,000</u>
<b>Preference shares</b>				
	<u>March 31, 2023</u>		<u>March 31, 2022</u>	
	No.	USD	No.	USD
At the beginning of the year	16,90,000	1,69,00,000	16,90,000	1,69,00,000
Issued during the year	-	-	-	-
<b>Outstanding at the end of the year</b>	<u>16,90,000</u>	<u>1,69,00,000</u>	<u>16,90,000</u>	<u>1,69,00,000</u>

**(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**

	<u>March 31, 2023</u>		<u>March 31, 2022</u>	
	No.	% holding	No.	% holding
<b>Equity shares of Rs 10 each fully paid</b>				
Biocon Pharma Limited, the holding company (including shares held through nominees)				
Equity shares of USD 10 each fully paid up	1,40,000	100%	1,40,000	100%
<b>Convertible preferred stock of USD 10 each fully paid</b>				
Biocon Pharma Limited, the holding company (including shares held through nominees)				
Preferred Stock of USD 10 each fully paid up	16,90,000	100%	16,90,000	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.

	<u>March 31, 2023</u>	<u>March 31, 2022</u>
<b>13. Borrowings</b>		
<b>(a) Non-Current</b>		
Loan from related parties	1,45,00,000	1,45,00,000
	<u>1,45,00,000</u>	<u>1,45,00,000</u>
<b>(b) Current</b>		
Cash credit	50,00,000	50,00,000
	<u>50,00,000</u>	<u>50,00,000</u>
<b>14. Trade payables</b>		
Trade payables	1,94,40,196	2,53,13,687
	<u>1,94,40,196</u>	<u>2,53,13,687</u>
<b>15. Other financial liabilities</b>		
<b>(a) Current</b>		
Interest accrued but not due	2,96,023	1,40,289
	<u>2,96,023</u>	<u>1,40,289</u>
<b>16. Other liabilities</b>		
<b>(a) Current</b>		
401K payable	-	-
Statutory dues	-	54,032
	<u>-</u>	<u>54,032</u>

**BIOCON PHARMA INC.**

**Notes to financials statements for the period ended March 31, 2023**

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

	Year ended Mar 31, 2023	Year ended March 31, 2022
<b><u>17. Revenue from operations</u></b>		
Sale of products		
Traded goods	6,46,11,063	6,21,26,451
<b>Revenue from operations</b>	<b>6,46,11,063</b>	<b>6,21,26,451</b>
<b><u>18. Other income</u></b>		
Interest on Loan to Group Company	-	1,94,500
Others	7,13,974	7,34,104
	<b>7,13,974</b>	<b>9,28,604</b>
<b><u>19. (Increase)/ Decrease in inventories of traded goods</u></b>		
Inventory at the beginning of the year		
Traded goods	2,84,24,683	1,76,99,925
	<b>2,84,24,683</b>	<b>1,76,99,925</b>
Inventory at the end of the year		
Traded goods	1,81,86,043	2,84,24,683
	<b>1,81,86,043</b>	<b>2,84,24,683</b>
(Increase)/ decrease in inventories	<b>1,02,38,640</b>	<b>(1,07,24,758)</b>
<b><u>20. Employee benefits expense</u></b>		
Salaries, wages and bonus	21,41,525	16,79,554
Share based payment expense	17,217	3,10,683
Staff welfare expenses	1,30,097	64,751
	<b>22,88,839</b>	<b>20,54,988</b>
<b><u>21. Finance cost</u></b>		
Interest on		
Interest expenses on finance lease liabilities measured on amortised cost	3,38,222	1,18,655
Lease liabilities	11,648	9,204
	<b>3,49,870</b>	<b>1,27,859</b>
<b><u>22. Depreciation and amortisation expenses</u></b>		
Depreciation of tangible assets	23,399	26,872
Amortisation of intangible assets	4,23,425	3,57,526
Amortisation of right-of-use-assets	73,296	91,188
	<b>5,20,120</b>	<b>4,75,586</b>
<b><u>23. Other expenses</u></b>		
Rent	31,658	58
Communication expenses	110	71
Travelling and conveyance	3,63,403	47,754
Professional charges	20,38,368	12,34,537
Insurance	2,63,059	1,30,043
Rates, taxes and fees	81,817	87,605
<b>Repairs and maintenance</b>		
Plant and machinery	-	5,898
Building	-1,031	-
Others	19,534	18,311
Research & development expenses	6,99,975	9,41,870
<b>Selling expenses</b>		
Freight outwards and clearing charges	25,53,357	23,94,314
Sales promotion expenses	9,32,055	40,03,198
Printing and stationery	2,794	8,346
Foreign exchange fluctuation, net	-4,216	5,949
Miscellaneous expenses	1,45,125	1,56,346
	<b>71,26,008</b>	<b>90,34,300</b>