

BIOSIMILARS NEWCO LIMITED
BALANCE SHEET AS AT MARCH 31, 2024

(All amounts in US Dollars Thousands, except share data and unless otherwise stated)

	<u>Notes</u>	<u>March 31,</u> <u>2024</u>	<u>March 31,</u> <u>2023</u>
ASSETS			
Non-current assets			
Goodwill	3	15,52,291	15,51,463
Intangible assets	3	4,82,163	5,26,320
Intangible assets under development	3	3,43,627	3,19,526
Financial assets			
(i) Derivative assets		2,193	-
(ii) Other financial assets	7	9,000	1,10,093
Total non-current assets		23,89,274	25,07,402
Current assets			
Inventories	4	3,359	30,330
Financial assets			
(i) Trade receivables	5	3,04,111	3,11,277
(ii) Cash and cash equivalents	6	3,098	165
(iii) Derivative assets		5,564	-
(iv) Other financial assets	7	-	1
Other current assets	8	223	89
Total current assets		3,16,355	3,41,862
TOTAL		27,05,629	28,49,264
EQUITY AND LIABILITIES			
Equity			
Equity share capital	9	14,12,000	12,12,000
Other equity	10	(46,535)	(39,385)
Total equity		13,65,465	11,72,615
Non-current liabilities			
Borrowings	11	9,32,308	11,81,781
Financial liabilities			
(i) Derivative liability		-	-
(ii) Other financial liabilities	12(a)	-	1,45,837
Deferred tax liability		2,554	3,162
Total current liabilities		9,34,862	13,30,780
Current liabilities			
Financial liabilities			
(i) Trade payables	13	2,50,579	3,06,932
(ii) Other financial liabilities	12(b)	1,54,411	14,256
Other current liabilities	14	312	24,681
Total current liabilities		4,05,302	3,45,869
TOTAL		27,05,629	28,49,264

BIOSIMILARS NEWCO LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2024

(All amounts in US Dollars Thousands, except share data and unless otherwise stated)

	<u>Notes</u>	<u>Year ended March 31, 2024</u>	<u>Period ended March 31, 2023</u>
Income			
Revenue from operations	15	5,25,905	1,76,863
Other income	16	1,20,382	(16,091)
Total revenue		6,46,287	1,60,772
Expenses			
Purchases of traded goods	17	2,43,812	51,454
Changes in inventories of traded goods	18	26,971	33,211
Employee benefits expense	19	598	-
Amortisation	3	44,158	14,881
Other expenses	20	2,86,232	76,537
Finance cost	21	78,506	25,154
Total expenses		6,80,277	2,01,237
(Loss) / Profit before tax		(33,990)	(40,465)
Tax expense			
Current tax		(18,476)	-
Deferred Tax		(607)	(1,080)
Tax expense		(19,083)	(1,080)
(Loss) / Profit for the year		(14,907)	(39,385)
Other comprehensive (expense)/income			
(i) Items that will be reclassified subsequently to profit or loss			
Effective portion of gain/(loss) on hedging instrument		7,757	-
Other comprehensive income for the year, net of taxes		7,757	-
Total comprehensive (Loss) for the year		(7,150)	(39,385)

BIOSIMILARS NEWCO LIMITED**STATEMENT OF CASH FLOW FOR THE YEAR ENDED MARCH 31, 2024**

(All amounts in US Dollars Thousands, except share data and unless otherwise stated)

	Year ended March 31, 2024	Period ended March 31, 2023
I Cash flows from operating activities		
(Loss) after tax	(14,907)	(39,385)
<u>Adjustments to reconcile (loss) before tax to net cash flows:</u>		
Amortisation (net)	44,158	14,881
Fair value loss on financial assets measured at fair value through profit or loss	(1,19,573)	16,091
Finance cost	78,506	25,154
Interest income	(818)	-
Tax expense	(19,083)	(1,080)
Operating (loss) before working capital changes	<u>(31,717)</u>	<u>15,661</u>
Movements in working capital		
Decrease/ (Increase) in trade receivables	7,166	(385)
Decrease in inventories	26,971	96,753
Decrease in loans and advances and other assets	2,11,624	86,738
(Decrease) in trade payables, other liabilities and provisions	(84,468)	(3,10,750)
Cash generated from / (used in) operations	<u>1,29,576</u>	<u>(1,11,984)</u>
Direct taxes paid	-	-
Net cash flow generated from / (used in) activities	<u>1,29,576</u>	<u>(1,11,984)</u>
II Cash flows from investing activities		
Purchase of intangible assets	(921)	(430)
Interest received	818	-
Payment of Purchase consideration	-	(12,72,691)
Net cash flow (used in) investing activities	<u>(103)</u>	<u>(12,73,121)</u>
III Cash flows from financing activities		
Interest paid	(76,540)	(26,730)
Proceeds from issue of equity shares	2,00,000	2,12,000
Availment of term loan	-	12,00,000
Repayment of term loan	(2,50,000)	-
Net cash flow (used in) / generated from financing activities	<u>(1,26,540)</u>	<u>13,85,270</u>
IV Net increase in cash and cash equivalents (I + II + III)	2,933	165
V Effect of exchange differences on cash and cash equivalents held in foreign currency	-	-
VI Cash and cash equivalents at the beginning of the year	165	-
VIII Cash and cash equivalents at the end of the year (IV + V + VI)	<u>3,098</u>	<u>165</u>

BIOSIMILARS NEWCO LIMITED

Notes to financial statements for the year ended March 31, 2024

(All amounts in US Dollars Thousands, except share data and unless otherwise stated)

3. Intangible assets

	Intangible asstes				Intangible asstes under development		
	Goodwill	Patents & License	Brand & Trademark	Intellectual & Product Rights	Total intangible assets	Product under development	Total Product under development
Gross carrying amount							
Additions	15,51,463	2,42,121	23,833	2,75,247	5,41,201	3,19,526	3,19,526
Deletion					-	-	-
At March 31, 2023	15,51,463	2,42,121	23,833	2,75,247	5,41,201	3,19,526	3,19,526
Additions						24,101	24,101
At March 31, 2024	15,52,291	2,42,121	23,833	2,75,247	5,41,201	3,43,627	3,43,627
Amortisation for the year		8,087	610	6,184	14,881		
At March 31, 2023	-	8,087	610	6,184	14,881	-	-
Amortisation for the year	-	23,998	1,810	18,349	44,157		
At March 31, 2024	-	32,085	2,420	24,533	59,038	-	-
Net carrying amount							
At March 31, 2023	15,51,463	2,34,034	23,223	2,69,063	5,26,320	3,19,526	3,19,526
At March 31, 2024	15,52,291	2,10,036	21,413	2,50,714	4,82,163	3,43,627	3,43,627

BIOSIMILARS NEWCO LIMITED**Notes to financial statements for the year ended March 31, 2024**

(All amounts in US Dollars Thousands, except share data and unless otherwise stated)

	March 31, 2024	March 31, 2023
4. Inventories		
Traded goods	3,359	30,330
	<u>3,359</u>	<u>30,330</u>
5. Trade receivables		
(a) Unsecured, considered good	3,04,111	3,11,277
(b) Unsecured - credit impaired	5,561	2,388
	3,09,672	3,13,665
Allowance for credit loss	(5,561)	(2,388)
	<u>3,04,111</u>	<u>3,11,277</u>
6. Cash and cash equivalents		
Balances with banks:		
On current accounts	3,098	165
	<u>3,098</u>	<u>165</u>
7. Other financial assets		
Non-current		
Working capital receivable from Viartis	9,000	1,09,427
Deposits	-	664
Other non-current assets	(0)	2
	<u>9,000</u>	<u>1,10,093</u>
Current		
Other current assets	-	1
	<u>-</u>	<u>1</u>
8. Other current assets		
Advance to suppliers	29	-
Prepayments	76	-
VAT Receivable	118	89
	<u>223</u>	<u>89</u>
9. Share capital		
Authorised		
Issued, subscribed and fully paid-up		
1,21,20,00,001 equity shares of USD 1 each	14,12,000	12,12,000
Total issued, subscribed and fully paid-up share capital	<u>14,12,000</u>	<u>12,12,000</u>
10. Other equity		
(Deficit) in the statement of profit and loss		
Balance as per the last financial statements	(39,385)	-
(Loss) for the year	(14,907)	(39,385)
Net (deficit) in the statement of profit and loss	<u>(54,292)</u>	<u>(39,385)</u>
Cash flow hedging reserve		
Other comprehensive income/(expense), net of tax	7,757	-
Total other equity	<u>(46,535)</u>	<u>(39,385)</u>

BIOSIMILARS NEWCO LIMITED**Notes to financial statements for the year ended March 31, 2024**

(All amounts in US Dollars Thousands, except share data and unless otherwise stated)

	March 31, 2024	March 31, 2023
11. Borrowings		
(a) Non-current borrowings		
Term loan from Bank (secured) [refer note (a) below]	9,32,308	11,81,781
	9,32,308	11,81,781
<p>(a) During the year ended March 31, 2023, the Company has entered into a \$ 1.2 Billion long-term syndicated loan facility agreement for a tenure of 5 years. Loan amount is net of unamortised portion of debt raise cost of \$ 18 Mn. The term loan is repayable in quarterly installments starting after 30 months of the execution of the agreement and carries an interest rate of SOFR + margin of 1.75% p.a. The margin is fixed for the first year and is subject to change depending upon the adjusted net leverage of the Company. The loan is secured by first pari-passu charge movable fixed assets of Biocon Biologics Ltd, Biocon Sdn. Bhd., Malaysia., Biocon Biologics UK Ltd, Biosimilars Newco Limited and Biosimilars collaboration Ireland Limited. Further the loan is also secured by corporate guarantee by Biocon Biologics Ltd, Biocon Sdn. Bhd., Malaysia., Biocon Biologics UK Ltd and Biosimilars collaboration Ireland Limited</p> <p>The facility agreement provides for certain financial covenants at Group level. For the purpose of computing covenants at a given date, any funds raised by the Group subsequently through issue of equity shares or by any other means which is subordinate to the said facility will be considered retrospectively for all purposes. Accordingly, in May 2023, the Company has raised additional funding of \$79 Mn. A part of this funding has been considered to comply with the financial covenant requirements of the agreement. As at the date of adoption of these financial statements, the Company continues to comply with the financial covenants under this loan agreement.</p>		
12. Other financial liabilities		
(a) Non-current liabilities		
Deferred consideration payable	-	1,45,837
	-	1,45,837
(b) Current liabilities		
Deferred consideration payable	1,54,194	14,035
Interest accrued but not due	217	221
	1,54,411	14,256
13. Trade payables	2,50,579	3,06,932
14. Other liabilities		
(a) Current liabilities		
Deferred revenue	25	
Statutory dues	287	24,681
	312	24,681

BIOSIMILARS NEWCO LIMITED
Notes to financial statements for the year ended March 31, 2024

(All amounts in US Dollars Thousands, except share data and unless otherwise stated)

	Year ended March 31, 2024	Period ended March 31, 2023
15. Revenue from operations		
Sale of Products		
Traded goods	4,00,375	1,73,704
Profit share	1,25,530	2,790
Other operating revenue		
Others	-	369
	5,25,905	1,76,863
16. Other income		
Interest income	818	-
Foreign exchange fluctuations, net	(9)	-
Fair value loss on financial assets measured at fair value through profit or loss	1,19,573	(16,091)
	1,20,382	(16,091)
17. Purchase of traded goods		
	2,43,812	51,454
	2,43,812	51,454
18. Changes in inventories of traded goods		
Inventory at the beginning of the year		
Traded goods	30,330	63,541
Inventory at the end of the year		
Traded goods	3,359	30,330
	26,971	33,211
19. Employee benefits expense		
Salaries, wages and bonus	579	-
Staff welfare expenses	19	-
	598	-
20. Other expenses		
Rent	129	-
Rates and taxes	31	-
Legal and professional fees	92,590	1,780
Repair and Maintenance	536	-
Research and development expenses	56,452	6,978
Travelling and conveyance	22	-
Selling expenses		
Selling promotion expense	83,416	28,144
Freight outwards and clearing charges	134	-
Commission and brokerage	82	-
Transition Service Agreement charges	53,595	25,620
Acquisition related expenses	-	15,869
Miscellaneous expenses	8	-
Insurance Charges	13	-
Director's fees	153	30
	2,87,161	78,421
Expenses capitalised to intangible assets	(929)	(430)
Recovery of cost from co-development partners, net	-	(1,454)
	2,86,232	76,537
21. Finance cost		
Interest on term loan	62,770	20,098
Interest on over draft	21	-
Interest on financial instruments designated as FVTPL	15,715	5,056
	78,506	25,154