

Independent Auditor's Report on the Special Purpose Ind AS Financial Statements

To the members of,

GLAND PHARMA USA INC.

Opinion

1. We have audited the accompanying special purpose Ind AS financial information of **GLAND PHARMA USA INC**, which comprise the balance sheet as of 31st March 2025 and the statement of profit and loss (including other comprehensive income), the cash flow statement and the statement of changes in equity, and the related notes to the financial statements (together hereinafter referred to as 'special purpose financial information').
2. In our opinion, the accompanying special purpose financial information for the year ended 31st March 2025, has been prepared, in all material respects, in accordance with the basis of accounting specified in note 2.1 to the special purpose financial information.

Basis for Opinion

3. We conducted our audit in accordance with International Standards on Auditing (ISAs) subject to the materiality specified in the audit instructions as described further in paragraph 9 below. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities' section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants ('IESBA Code of Ethics') and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of accounting and Restriction on Use and Distribution

4. We draw attention to note 2.1 to the special purpose financial information which describes the basis of accounting for the aforesaid special purpose financial information. The special purpose financial information has been prepared by the Management solely for the limited purpose to enable its ultimate holding company, **Gland Pharma Limited**, to prepare its financial statements for the period ended 31st March 2025, and therefore, it may not be suitable for another purpose. This report is issued solely for the aforementioned purpose and intended only for the use by the management of the Group and the statutory auditors of the ultimate holding company in relation to the audit of financial statements of the ultimate holding company, and accordingly, should not be used, referred to or distributed for any other purpose or to any other party without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come without our prior consent in writing.



Responsibilities of Management and Those Charged with Governance for the special purpose financial information

5. Management is responsible for the preparation of the special purpose financial information in accordance with the basis of accounting specified in note 2.1 to the special purpose financial information and for such internal control as management determines is necessary to enable the preparation of special purpose financial information that are free from material misstatement, whether due to fraud or error.
6. In preparing the special purpose financial information, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
7. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the special purpose financial information

8. Our objectives are to obtain reasonable assurance about whether the special purpose financial information as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose financial information.
9. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:
 - i) Identify and assess the risks of material misstatement of the special purpose financial information, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - ii) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
 - iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the special purpose financial information or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v) Evaluate the overall presentation, structure and content of the special purpose financial information, including the disclosures, and whether the special purpose financial information represent the underlying transactions and events in a manner of the basis of accounting specified in note 2.1 to the special purpose financial information.

We have planned and performed our audit using the materiality level specified in their audit instructions, which is different from the materiality level that we would have used, had we been designing the audit to express an opinion on the special purpose financial information alone. We communicate with the management regarding, among other matters, the planned scope and timing of the audit and significant audit findings that we identify during our audit.

for **V R P S & CO.,**
Chartered Accountants
ICAI Firm Registration Number: 006340S



per **M V L T PRAVEEN**
Partner
M.No.258468
UDIN: 25258468BMJAUL3119

Place: Hyderabad
Date: April 23, 2025

Gland Pharma USA Inc.**Balance Sheet**

As at March 31, 2025

(Expressed in US Dollars)

| Particulars | Note | As at 31-Mar-25 | As at 31-Mar-24 |
|-------------------------------------|------|--------------------|--------------------|
| ASSETS | | | |
| Current Assets | | | |
| Financial Assets | | | |
| Trade receivable | 3 | - | 113,139 |
| Cash and cash equivalents | 4 | 471,236 | 388,075 |
| Other financial assets | 5 | 6,610 | 5,231 |
| Other current assets | 6 | 3,212 | 2,952 |
| Total Assets | | 481,058 | 509,397 |
| EQUITY AND LIABILITIES | | | |
| Equity | | | |
| Equity share capital | 7 | 500,000 | 500,000 |
| Other equity | 8 | (20,342) | 6,134 |
| Total Equity | | 479,658 | 506,134 |
| Liabilities | | | |
| Current liabilities | | | |
| Financial liabilities | | | |
| Trade Payables | 9 | 1,400 | 356 |
| Income tax liabilities, net | 10 | - | 2,907 |
| Total Liabilities | | 1,400 | 3,263 |
| Total Equity and Liabilities | | 481,058 | 509,397 |

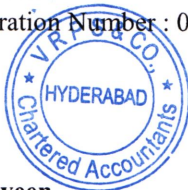
The accompanying notes are an integral part of the financial statements.

As per our report of even date

for **V R P S & CO.,**

Chartered Accountants

ICAI Firm Registration Number : 006340S


per **M V L T Praveen**

Partner

M. No. 258468

Place: Hyderabad

Date: April 23, 2025

for and on behalf of the Board of Directors

Gland Pharma USA Inc.

Satnam Singh Loomba

Director

Gland Pharma USA Inc.
Statement of Profit and loss
For the year ended March 31, 2025
(Expressed in US Dollars)

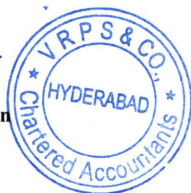
| Particulars | Note | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|------|--------------------------------------|--------------------------------------|
| Revenue from operations | 11 | 87,342 | 483,808 |
| Other income | 12 | 845 | 905 |
| Total income | | 88,187 | 484,713 |
| LESS: EXPENSES | | | |
| Employee benefit expenses | 13 | 45,242 | 344,209 |
| Finance expenses | 14 | 801 | 944 |
| Other expenses | 15 | 69,160 | 120,953 |
| Total expenses | | 115,203 | 466,106 |
| Profit /(Loss) before tax | | (27,016) | 18,607 |
| Current tax | | 500 | 3,907 |
| Taxes of earlier years | | (1,040) | 1,000 |
| Total Tax Expense | | (540) | 4,907 |
| Profit /(Loss) after tax | | (26,476) | 13,699 |
| Other Comprehensive Income | | - | - |
| Profit /(Loss) after tax and total comprehensive income for the year | | (26,476) | 13,699 |

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

As per our report of even date
for **V R P S & CO.,**
Chartered Accountants
ICAI Firm Registration Number : 006340S

Praveen

per **M V L T Praveen**
Partner
M. No. 258468
Place: Hyderabad
Date: April 23, 2025



for and on behalf of the Board of Directors
Gland Pharma USA Inc.

Satnam Singh Loomba

Satnam Singh Loomba
Director

Gland Pharma USA Inc.
Statement of Changes in Equity
For the year ended March 31, 2025
(Expressed in US Dollars)

| Particulars | Equity share capital | Other equity | Total equity |
|---|----------------------|--------------|--------------|
| Balance as at 31 March 2024 | 500,000 | 6,134 | 506,134 |
| Issue of share capital | - | - | - |
| Total comprehensive income for the year | - | (26,476) | (26,476) |
| Balance as at 31 March, 2025 | 500,000 | (20,342) | 479,658 |

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

As per our report of even date
for **V R P S & CO.,**
Chartered Accountants
ICAI Firm Registration Number : 006340S

per **M V L T Praveen**
Partner
M. No. 258468
Place: Hyderabad
Date: April 23, 2025



for and on behalf of the Board of Directors
Gland Pharma USA Inc.


Satnam Singh Loomba
Director

Gland Pharma USA Inc.
Statement of Cash Flows
For the year ended March 31, 2025
(Expressed in US Dollars)

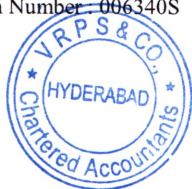
| Particulars | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|--------------------------------------|--------------------------------------|
| Cash flows from operations | | |
| Profit /(Loss) before tax | (27,016) | 18,607 |
| <i>Adjustments:</i> | | |
| Interest income | (845) | (905) |
| <i>Changes in operating assets and liabilities:</i> | | |
| Trade receivables | 113,139 | 222,092 |
| Prepayments and other assets | (260) | 4,096 |
| Trade Payable | 1,045 | (12,882) |
| Cash flows generated from operating activities | 86,063 | 231,008 |
| Income tax paid | (3,746) | (4,907) |
| Net cash flows generated from operating activities | 82,317 | 226,100 |
| Cash flows from investing activities | | |
| Interest received | 845 | 905 |
| Net cash generated from investing activities | 845 | 905 |
| Cash flows from financing activities | | |
| Proceeds from issue of equity shares | - | - |
| Net cash generated from financing activities | - | - |
| Net increase in cash and cash equivalents | 83,162 | 227,005 |
| Cash and cash equivalents at the beginning of the year | 388,075 | 161,070 |
| Cash and cash equivalents at the end of the year | 471,237 | 388,075 |

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

As per our report of even date
for **VRPS & CO.,**
Chartered Accountants
ICAI Firm Registration Number: 006340S

Praveen

per **M V L T Praveen**
Partner
M. No. 258468
Place: Hyderabad
Date: April 23, 2025



for and on behalf of the Board of Directors
Gland Pharma USA Inc.

Satnam Singh Loomba

Satnam Singh Loomba
Director

Gland Pharma USA Inc.

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

(Expressed in US Dollars)

1 Corporate information

Gland Pharma USA Inc. (the 'Company') is domiciled in the United States of America and is incorporated on March 7, 2022 with its registered office at 208 West State Street Trenton, New Jersey, USA 08608-1002. The Company's Corporate Identification Number is 0450779329.

The principal activity of the Company is those of marketing and distribution of pharmaceutical products.

The Company is a 100% wholly owned subsidiary of Gland Pharma International Pte Ltd, which is incorporated in Singapore and the Ultimate holding company is Gland Pharma Limited, which is incorporated in India.

The financial statements were approved for issue in accordance with a resolution of the Board of directors on April 23, 2025.

2 Summary of Material accounting policies

2.1 Basis of Preparation and Statement of compliance

These special purpose financial statements are prepared in accordance with Indian Accounting Standards ('Ind AS') under the historical cost convention on the accrual basis of accounting except for certain financial instruments which are measured at fair values and the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standard) Amendment Rules, 2016 and relevant amendment rules issued thereafter.

The functional currency of the company is United States Dollars ("USD") and the financial statements are presented in USD, unless otherwise indicated.

These special purpose financial statements have been prepared for the limited purpose of facilitating the preparation of the consolidated financial statements of Gland Pharma Limited, the Ultimate Holding Company, as at and for the year ended March 31, 2025 in accordance with Generally Accepted Accounting Principles in India ('Indian GAAP') and to assist the Ultimate Holding Company Gland Pharma Limited to comply with the requirements of section 129(3) of the Act.

2.2 Current vs. Non-current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified 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 terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

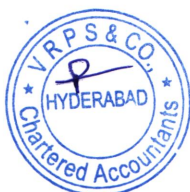
2.3 Accounting Estimates

The preparation of financial statements in conformity with Indian GAAP requires management of the Company to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

2.4 Revenue recognition:

Revenues and expenses are recognized using the accrual basis of accounting.

Interest income is recognized during the year in which it is accrued and stated at gross.



Gland Pharma USA Inc.

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

(Expressed in US Dollars)

2.5 Property, plant and equipment:

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation thereon. Direct costs attributable in bringing the assets to its working condition for intended use are capitalised as cost of acquisition. Borrowing cost directly attributable to acquisition of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are capitalised.

Depreciation:

Depreciation on all assets, other than leasehold improvements, is provided on Straight Line method on the basis of estimated useful life of assets as prescribed in Schedule II of Companies Act, 2013.

Leasehold improvements are depreciated over the period of lease agreement.

2.6 Financial Instrument:

Initial recognition

The Company recognizes financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair value on initial recognition, except for trade receivables which are initially measured at transaction price.

Subsequent measurement

Non-derivative financial instruments

(i) Financial assets carried at amortised cost

A financial asset is subsequently measured at amortised cost if it is held within a business model whose objective is to hold the asset to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Financial assets at fair value through other comprehensive income ('FVOCI')

Financial assets that are held within a business model whose objective is achieved by both, selling financial assets and collecting contractual cash flows that are solely payments of principal and interest, are subsequently measured at fair value through other comprehensive income.

(iii) Financial assets at fair value through profit or loss

A financial asset which is not classified in the above categories are subsequently fair valued through Statement of profit or loss.

(iv) Financial liabilities

Financial liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payable maturing within one year of Balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

2.7 Foreign currency transaction:

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on reporting Company's monetary items at rates different from those at which they were initially recorded during the year, are recognised as income or as expenses.

2.8 Cash and cash equivalents:

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value.



Gland Pharma USA Inc.

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

(Expressed in US Dollars)

3 Trade receivable

| | As at March 31, 2025 | As at March 31, 2024 |
|---|-------------------------|-------------------------|
| Trade Receivables (from the Ultimate Holding Company) | | |
| Undisputed dues Less than 6 months | - | 113,139 |
| | - | 113,139 |

4 Cash and cash equivalents

| | As at March 31, 2025 | As at March 31, 2024 |
|--------------|-------------------------|-------------------------|
| Cash at bank | 471,236 | 388,075 |
| | 471,236 | 388,075 |

5 Other financial assets

| | As at March 31, 2025 | As at March 31, 2024 |
|-----------------------|-------------------------|-------------------------|
| Security deposit | 5,231 | 5,231 |
| Income Tax Receivable | 1,379 | - |
| | 6,610 | 5,231 |

6 Other Current assets

| | As at March 31, 2025 | As at March 31, 2024 |
|------------------|-------------------------|-------------------------|
| Prepaid expenses | 3,212 | 2,952 |
| | 3,212 | 2,952 |

7 Equity share capital

| | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------------------|-------------------------|-------------------------|
| Authorised Share Capital | | |
| 1,00,000 equity shares | 500,000 | 500,000 |
| | 500,000 | 500,000 |
| Issued, subscribed and paid up | | |
| 1,00,000 equity shares | 500,000 | 500,000 |
| | 500,000 | 500,000 |

(a) Reconciliation of number of shares

| Equity Shares | As at March 31, 2025 | | As at March 31, 2024 | |
|--|-------------------------|----------------|-------------------------|----------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Balance as at the beginning of the year | 100,000 | 500,000 | 100,000 | 500,000 |
| Add: Increase during the year | - | - | - | - |
| Balance as at the end of the year | 100,000 | 500,000 | 100,000 | 500,000 |

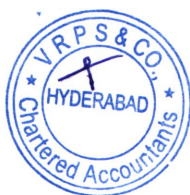
(b) Terms / rights attached to the equity share

The Company has only one class of equity shares having a no par value.

Each holder of equity shares is entitled to one vote per share without any restriction

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

| Name of the shareholder | As at March 31, 2025 | | As at March 31, 2024 | |
|-------------------------------------|-------------------------|-----------|-------------------------|-----------|
| | No. of Shares | % holding | No. of Shares | % holding |
| Gland Pharma International Pte Ltd. | 100,000 | 100.00% | 100,000 | 100% |



Gland Pharma USA Inc.

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

(Expressed in US Dollars)

8 Other equity

| | As at March 31, 2025 | As at March 31, 2024 |
|--------------------------------------|-------------------------|-------------------------|
| Balance at the beginning of the year | 6,134 | (7,565) |
| Add; Profit/(Loss) for the year | (26,476) | 13,699 |
| | (20,342) | 6,134 |

9 Trade payable

| | As at March 31, 2025 | As at March 31, 2024 |
|--|-------------------------|-------------------------|
| Other than micro and small enterprises | | |
| Trade Payable (less than one year) | 1,400 | 356 |
| | 1,400 | 356 |

10 Income tax liabilities, net

| | As at March 31, 2025 | As at March 31, 2024 |
|---------------------------------|-------------------------|-------------------------|
| Income tax (net of advance tax) | - | 2,907 |
| | - | 2,907 |

11 Revenue

| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|--------------------------------------|--------------------------------------|
| Revenue from operations (from the Ultimate Holding Company) | 87,342 | 483,808 |
| | 87,342 | 483,808 |

12 Other income

| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------------------|--------------------------------------|--------------------------------------|
| Interest on bank deposit | 845 | 905 |
| | 845 | 905 |

13 Employee benefit expenses

| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|----------|--------------------------------------|--------------------------------------|
| Salaries | 45,242 | 344,209 |
| | 45,242 | 344,209 |

14 Finance expenses

| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|--------------|--------------------------------------|--------------------------------------|
| Bank charges | 801 | 944 |
| | 801 | 944 |

15 Other expenses

| | For the year ended March 31, 2025 | For the year ended March 31, 2024 |
|---|--------------------------------------|--------------------------------------|
| Selling and business promotion expenses | 5,970 | 4,279 |
| Rental charges | 38,957 | 38,030 |
| Travelling and conveyance | 1,666 | 954 |
| Legal and professional charges | 22,567 | 77,690 |
| | 69,160 | 120,953 |

