BIOCON PHARMA MALTA LIMITED

Reg. No.: C 97969

Annual report

For the year ended 31 March 2024

CONTENTS

INDEPENDENT AUDITORS' REPORT
To the Shareholder of Biocon Pharma Malta Limited

Report on the audit of the financial statements

Opinion

In our opinion, the accompanying separate financial statements (the "financial statements") of Biocon Pharma Malta Limited (the "Company"):

- Give a true and fair view of the unconsolidated financial position of the Company as at 31 March 2024, and of its unconsolidated financial performance for the year then ended in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations ("GAPSME"); and
- Have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386) (the "Act").

What we have audited

The company's financial statements, which comprise of:

- the balance sheet as at 31 March 2024;
- the income statement for the year then ended; and
- the notes to the financial statements, which include significant accounting policies and other explanatory information.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities* for the *Audit of the Financial Statements* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ('IESBA Code'), together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

INDEPENDENT AUDITORS' REPORT
To the Shareholder of Biocon Pharma Malta Limited

Responsibilities of the directors for the financial statements

The directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with GAPSME and are properly prepared in accordance with the provisions of the Act and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatements, whether due to fraud or error.

In preparing the financial statements the directors are 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 the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The directors are also responsible for overseeing the financial reporting process.

Auditors' responsibility for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, 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.

- 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

- Conclude on the appropriateness of the directors' 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 auditors' report to the related disclosures in the financial statements 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

AUDIT

INDEPENDENT AUDITORS' REPORT
To the Shareholder of Biocon Pharma Malta Limited

Auditors' responsibility for the audit of the financial statements - continued

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other Legal and Regulatory Requirements

Matters on which we are required to report by exception by the Act

Pursuant to articles 179(10) and 179(11) of the Act, we have nothing to report to you with respect to the following matters:

- proper accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records; or
- we have not obtained all the information and explanations which, to the best of our knowledge and belief, we require for the purpose of our audit.

The Principal authorized to sign on behalf of CSA Audit Ltd on the audit resulting in this independent auditors' report is Norbert Bugeja.

CSA Audit Ltd
Registered Auditors

13 May 2024

Balance sheet

	Note	As at 31 March 2024 €	2023 €
ASSETS			
Non-current assets			
Investment in subsidiary	4	**1,200**	1,200
Total non-current assets		**1,200**	1,200
Current assets			
Trade and other receivables	5	**8,344**	8,288
Cash and cash equivalents		**8,964**	63,534
Total current assets		**17,308**	71,822
Total assets		**18,508**	73,022
EQUITY AND LIABILITIES			
Share capital		**1,200**	1,200
Accumulated losses		**(37,044)**	(34,745)
Total equity		**(35,844)**	(33,545)
Current liabilities			
Trade and other payables	6	**54,352**	106,567
Total current liabilities		**54,352**	106,567
Total liabilities		**54,352**	106,567
Total equity and liabilities		**18,508**	73,022

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

The financial statements on pages 5 to 13 were approved and authorised for issue by the Board of directors on 13 May 2024 and signed by:

Sd/-
Joseph Debono & Anthony Vella
F/ obo Ecovis Tfc Limited
Director

Sd/-
Abhijit Zutshi
Director

Income statement

		Year ended 31 March	
	Note	**2024**	2023
		€	€
Administrative expenses		**(17,377)**	(62,471)
Other income		**15,078**	47,948
Loss for the year	8	**(2,299)**	(14,523)

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

Notes to the financial statements

1 Basis of preparation

1.1 Basis of measurement and statement of compliance

These financial statements of Biocon Pharma Malta Limited (the "Company") have been prepared and presented in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-Sized Entities) Regulations, 2015 and the Schedule accompanying and forming an integral part of those Regulations ("GAPSME"). These financial statements have also been prepared in accordance with the Maltese Companies Act (Cap. 386).

The Company is not required to draw up consolidated financial statements since it has taken advantage of the exemption from doing so conferred to by Article 173 of the Act on the grounds that it qualifies as being a parent company of a small group in accordance with the provisions of Article 185(5) of the Act. These financial statements represent the separate financial statements of the Company in which the investment in subsidiary is accounted for on the basis of the direct equity interest, rather than on the basis of the reported results and net assets of the investee.

The preparation of financial statements in conformity with GAPSME requires the use of certain critical accounting estimates. It also requires the directors to exercise their judgement in the process of applying the Company's accounting policies (Note 3 - Critical accounting estimates and judgements).

These financial statements have been prepared under the historical cost convention. These financial statements present information about the Company as an individual undertaking.

1.2 Functional and presentation currency

The financial statements are presented in Euro, which is the Company's functional currency.

1.3 Going concern

Notwithstanding that as at 31 March 2024, the Company's current liabilities exceed current assets by €37,044 (2023: €34,745) whilst as at 31 March 2024 and accumulated losses exceed share capital by €35,844 (2023: €33,545), the financial statements have been prepared on a going concern basis as the directors consider it appropriate to assume that the Company will continue in existence in the foreseeable future.

The directors note that the operations of the subsidiary are improving and that the Company has the financial support of the Group through advances by related entities to fund its operations amounting to €40,907 (2023: €90,321). Furthermore, the parent company has indicated its intention to provide sufficient financial support to the Company for the foreseeable future to enable it to meet its liabilities when due, if not met by the Company itself.

These financial statements have been prepared on a going concern basis and do not include any adjustments to the carrying amounts and classification of assets, liabilities and reported expenses that may otherwise be required if the going concern basis was not appropriate.

2 Summary of significant accounting policies - continued

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

2.1 Foreign currency translation

Transactions denominated in foreign currencies are converted to the functional currency at the rates of exchange ruling on the dates on which the transactions first qualify for recognition. Monetary assets and monetary liabilities denominated in foreign currencies at balance sheet date are translated at period end closing rates of exchange. Any exchange differences arising on the settlement of monetary assets and monetary liabilities, or on translating foreign denominated monetary assets and liabilities at the balance sheet date at rates different from those at which they were previously translated, are recognised in profit or loss.

2.2 Financial assets, financial liabilities and equity

A financial asset or a financial liability is recognised on the Company's balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially recognised at their fair value plus in the case of financial assets and financial liabilities not classified as held for trading and subsequently measured at fair value, transaction costs attributable to the acquisition or issue of the financial assets and financial liabilities.

Financial assets and financial liabilities are derecognised if and to the extent that, it is no longer probable that any future economic benefits associated with the item will flow to or from the entity.

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

A financial instrument, or its component parts, is classified as a financial liability, financial asset or an equity instrument in accordance with the substance of the contractual arrangement rather than its legal form.

(a) Trade and other receivables

Trade receivables comprise amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer) they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are stated at their nominal value unless the effect of discounting is material in which case trade and other receivables are measured at amortised cost using the effective interest method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence of impairment;

2 Summary of significant accounting policies - continued

2.2 Financial assets, financial liabilities and equity - continued

(b) Trade and other payables

Trade payables comprise obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

Trade and other payables are stated at their nominal value unless the effect of discounting is material, in which case trade and other payables are measured at amortised cost using the effective interest method.

(c) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Dividends to ordinary shareholder is debited directly to equity and are recognised as liabilities in the period in which they are declared.

2.3 Investments in subsidiary

A subsidiary is an entity which is controlled by the Company. Control is the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

An investment in a subsidiary is initially measured at cost.

After initial recognition, the investment in subsidiary is measured using the cost method. Under the cost method, the investment is measured at cost less accumulated impairment losses.

Distributions received from the subsidiary are recognised as investment income in profit or loss when the Company's right to receive the dividend is established.

2.4 Impairment

The Company's investment in subsidiary and financial assets are tested for impairment.

(a) Investment in subsidiary

The carrying amounts of the Company's investment in subsidiary are reviewed at each balance sheet date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use.

Whenever the carrying amount of an asset exceeds its recoverable amount, an impairment loss is recognised and the carrying amount of the asset is reduced to its recoverable amount. Impairment losses are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation decrease to the extent that the impairment loss does not exceed the amount in the revaluation surplus for that asset.

2 Summary of significant accounting policies - continued

2.4 Impairment - continued

The carrying amounts of Company's assets are also reviewed at each balance sheet date to determine whether there is any indication that an impairment loss recognised in prior periods may no longer exist or may have decreased. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss previously recognised is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. When an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, to the extent that it does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Impairment reversals are recognised immediately in profit or loss, unless they relate to an asset which is carried at revalued amount, in which case they are treated as a revaluation increase unless an impairment loss on the same asset was previously recognised in profit or loss.

(b) Financial assets

A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

If there is objective evidence that an impairment loss on financial assets carried at amortised cost or cost has been incurred, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The amount of the loss is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss is reversed. The reversal does not result in a carrying amount of the financial asset that exceeds what the amortised cost/cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal is recognised in profit or loss.

2.5 Cash and cash equivalents

Cash comprises cash on hand and demand deposits. Cash equivalents are short-term investments that are held to meet short-term cash commitments rather than for investment or other purposes.

2 Summary of significant accounting policies - continued

2.6 Income taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognised in profit or loss except to the extent that the tax arises from a transaction or event which is recognised directly in equity, in which case it is recognised in equity.

Current tax is based on the taxable profit for the year, as determined in accordance with tax laws, and measured using tax rates, which have been enacted or substantively enacted by the balance sheet date.

Deferred tax is measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on temporary differences arising from differences between the carrying amount of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. The Company recognises a deferred tax liability in respect of all taxable temporary differences and a deferred tax asset in respect of all deductible temporary differences except to the extent that such deferred tax liability arises from the initial recognition of goodwill or the deferred tax asset/liability arises from the initial recognition of an asset or liability which is not a business combination and at the time of the transaction, affects neither accounting profit nor taxable profit or (loss). Recognition of a deferred tax asset is however limited to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. The Company re-assesses any unrecognised deferred tax asset at each balance sheet date to determine whether future taxable profit has become probable that allows the deferred tax asset to be recovered.

3 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances.

In the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of Section 5 of GAPSME.

4 Investment in subsidiary

	2024	2023
	€	€
Cost	**1,200**	1,200

	Registered office	Class of shares held	Percentage of shares held	
			2024	2023
Biocon Pharma Malta I Limited	The Victoria Centre, Unit 2, Lower Ground Floor, Valletta Road, Mosta, MST 9012, Malta	Ordinary shares	99.9%	99.9%

5 Trade and other receivables

	2024	2023
	€	€
Other receivables	**1,200**	1,200
Prepayments	**7,144**	7,088
	8,344	8,288

6 Trade and other payables

	2024	2023
	€	€
Trade payables	**11,259**	14,353
Amounts owed to related parties	**40,907**	90,321
Accruals	**2,186**	1,893
	54,352	106,567

Amounts owed to related parties are unsecured, interest free and are repayable on demand.

7 Related party disclosures

7.1 The ultimate parent company is Biocon Limited which has its registered address at 20km Electronics City, Hosur Road, Bangalore Ka 560100 India.

7.2 Related party balances are disclosed in note 6 to these financial statements.

7.3 Apart from financing of the Company's operations by the shareholder, the Company had the following related party transactions.

	2024	2023
	€	€
Net cross charges to related parties	**(28,509)**	-
Director's fees	**5,000**	5,000

8 Loss for the year

Auditors' remuneration for the year amounted to €1,250 (2023: €1,250) excluding.

The company had no employees during the current or previous financial year.

9 Statutory information

Biocon Pharma Malta Limited is registered in Malta as a limited liability company under the Maltese Companies Act (Cap. 386). The registered office is The Victoria Centre, Unit 2, Lower Ground Floor, Valletta Road, Mosta MST 9012, Malta.