

Independent Auditor's Report

To the Board of Directors of **Syngene International Limited**

Report on the Audit of Special Purpose Financial Statements of Syngene USA Inc.

Opinion

We have audited the special purpose financial statements of Syngene USA Inc. ("the Company"), which comprise the special purpose balance sheet as at 31 March 2026, the special purpose statement of profit and loss (including other comprehensive income), special purpose statement of changes in equity and statement of cash flows for the year then ended, and notes to the special purpose financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the special purpose financial statements").

The special purpose financial statements have been prepared in accordance with the basis of the preparation as set out in Note 1.2(a) of the special purpose financial statements.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2026, and its profit and, other comprehensive income changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act, 2013 ("Act"). Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Special Purpose Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the special purpose financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting and Restriction on Use and Distribution

Without modifying our opinion, we draw attention to Note 1.2(a) to the special purpose financial statements, which describes the basis of preparation of the special purpose financial statements. The special purpose financial statements are prepared solely for the purpose of entity's internal use as mentioned in Note 1.2(a) of the special purpose financial statements. As a result, the special purpose financial statements may not be suitable for any other purpose. Our report is intended solely for the Company and should not be used by or distributed to any party other than the Company without our prior consent in writing.

Our opinion is not modified in respect of this matter.

Management and Board of Directors' Responsibility for the Special Purpose Financial Statements

The Company's Management and Board of Directors are responsible for the preparation of these special purpose financial statements in accordance with the basis of preparation as set out in Note 1.2 to the special purpose financial statements.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy

and completeness of the accounting records, relevant to the preparation and presentation of the special purpose financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the special purpose financial statements, the Management and Board of 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 Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Special Purpose Financial Statements

Our objectives are to obtain reasonable assurance about whether the special purpose financial statements as a whole are 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 SAs 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 statements.

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

- Identify and assess the risks of material misstatement of the special purpose 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 whether the Company has in place an adequate internal financial control system with reference to special purpose financial statements and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the Special Purpose Financial Statements made by Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of 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 Auditor's Report to the related disclosures in the special purpose 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 Auditor's Report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the special purpose financial statements, including the disclosures, and whether the special purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the special purpose financial statements.

We communicate with those charged with governance 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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Place: Bengaluru
Date: 28 April 2026

G Prakash
Partner
Membership No.: 099696
ICAI UDIN:26099696VOKPIC9053

Special Purpose Balance Sheet

as at March 31, 2026

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

	Note	31 March 2026	31 March 2025
ASSETS			
Non-current assets			
Property, plant and equipment	3	3,641,366	3,641,366
Capital work-in-progress	3	43,297,570	34,892,339
Financial assets			
Other financial assets	6(a)	82,503	-
Income tax assets (net)		841,304	200,726
Deferred tax assets (net)	10	893,226	123,084
Other non-current assets	7(a)	14,189	1,771,971
Total non-current assets		48,770,158	40,629,486
Current assets			
Financial assets			
Trade receivables	4	761,900	521,705
Cash and cash equivalents	5	5,997,714	12,903,082
Other financial assets	6(b)	9,952	14,104
Other current assets	7(b)	516,844	120,207
Total current assets		7,286,410	13,559,098
Total assets		56,056,568	54,188,584
Equity			
Equity share capital	8	278,300	278,300
Other equity	9	50,623,098	51,675,561
Total equity		50,901,398	51,953,861
Current liabilities			
Financial liabilities			
Borrowings		1,000,000	-
Trade payables	11	3,036,773	1,931,430
Other financial liabilities	12	73,144	-
Current tax liabilities (net)		810,990	303,293
Other current liabilities	13	234,263	-
Total current liabilities		5,155,170	2,234,723
Total equity and liabilities		56,056,568	54,188,584

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

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

for and on behalf of **Board of Directors of Syngene USA Inc.**

G Prakash

Partner

Membership number: 099696

Bengaluru

Date: 28 April 2026

Deepak Jain

Director

Bengaluru

Date: 28 April 2026

Dave Kohler

Director

Special Purpose Statement of Profit and Loss

for the year ended March 31, 2026

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

	Note	Year ended 31 March 2026	Year ended 31 March 2025
Income			
Revenue from operations	14	11,940,632	11,337,482
Other income	15	315,250	14,104
Total income		12,255,882	11,351,586
Expenses			
Employee benefits expense	16	9,692,559	7,254,441
Finance costs	17	1,270	-
Other expenses	18	4,031,937	3,486,236
Total expenses		13,725,765	10,740,677
Profit before Tax		(1,469,883)	610,909
Tax Expenses	22		
Current tax		352,722	287,934
Other deferred tax		(770,142)	(126,744)
Total tax expense		(417,420)	161,190
Profit for the year		(1,052,463)	449,719
Other comprehensive income for the year, net of taxes		-	-
Total comprehensive income for the year		(1,052,463)	449,719
Earnings per equity share	24		
Basic		(378.18)	899.44
Diluted		(378.18)	712.31

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

As per our report of even date attached

for and on behalf of **Board of Directors of Syngene USA Inc.**

for **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

G Prakash

Partner

Membership number: 099696

Bengaluru

Date: 28 April 2026

Deepak Jain

Director

Bengaluru

Date: 28 April 2026

Dave Kohler

Director

Special Purpose Statement of Changes in Equity

for the year ended March 31, 2026

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

A. Equity share capital	31 March 2026	31 March 2025
Opening balance	278,300	50,000
Changes in equity share capital during the year	-	228,300
Closing balance	278,300	278,300

B. Other equity (refer note 9)

Particulars	Retained earnings	Securities Premium	Total other equity
Balance as at 01 April 2024	1,468,337	-	1,468,337
Profit for the year	449,719	-	449,719
Equity shares issued during the year	-	49,757,505	49,757,505
Balance as at 31 March 2025	1,918,056	49,757,505	51,675,561
Profit for the year	(1,052,463)	-	(1,052,463)
Balance as at 31 March 2026	865,593	49,757,505	50,623,098

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

As per our report of even date attached for and on behalf of **Board of Directors of Syngene USA Inc.**

for **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

G Prakash

Partner

Membership number: 099696

Bengaluru

Date: 28 April 2026

Deepak Jain

Director

Bengaluru

Date: 28 April 2026

Dave Kohler

Director

Special Purpose Statement of Cash Flows

for the year ended March 31, 2026

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

	Year ended 31 March 2026	Year ended 31 March 2025
I Cash flows from operating activities		
Profit/ (loss) for the year	(1,052,463)	449,719
Adjustment to reconcile profit/ (loss) after tax to net cash flows		
Interest Income	(315,250)	(14,104)
Interest Expense	1,270	-
Tax expense	(417,420)	161,190
Operating profit before working capital changes	(1,783,863)	596,805
Movements in working capital		
Decrease/(increase) in trade receivables	(240,195)	1,757,587
Decrease/(increase) in other financial assets and current assets	(493,329)	(31,616)
(Decrease)/increase in trade payables and other liabilities	1,411,480	881,871
(Decrease)/increase in other assets and liabilities	-	(1,779,365)
Cash generated from operations	(1,105,907)	1,425,282
Income taxes paid (net of refunds)	(485,603)	(146,300)
Net cash flow generated from / (used in) operating activities	(1,591,510)	1,278,982
II Cash flows from investing activities		
Purchase of property, plant and equipment	(6,633,260)	(38,533,705)
Interest received	319,402	14,104
Net cash flow used in investing activities	(6,313,858)	(38,519,601)
III Cash flows from financing activities		
Proceeds from issue of equity shares	-	49,985,805
Proceeds/ (repayments) from short term borrowings, net	1,000,000	-
Net cash flow generated from financing activities	1,000,000	49,985,805
IV Net increase / (decrease) in cash and cash equivalents	(6,905,368)	12,745,186
V Cash and cash equivalents at the beginning of the year	12,903,082	157,896
VI Cash and cash equivalents at the end of the year (IV+ V)	5,997,714	12,903,082
Components of cash and cash equivalents as at the end of the year		
Balances with banks - On current accounts	5,997,714	12,903,082
Total cash and cash equivalents [refer note 5]	5,997,714	12,903,082

As per our report of even date attached

for **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

for and on behalf of **Board of Directors of Syngene USA Inc.**

G Prakash

Partner

Membership number: 099696

Bengaluru

Date: 28 April 2026

Deepak Jain

Director

Bengaluru

Date: 28 April 2026

Dave Kohler

Director

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

1 Company Overview

1.1 Reporting Entity

Syngene USA Inc ("the Company"), wholly owned subsidiary of Syngene International Limited, was incorporated on 24 August 2017, with registered office in the state of Delaware, the United States of America. The Company was incorporated to provide marketing and business development support services to Syngene International Limited, India in USA and other Global markets.

1.2 Basis of preparation of special purpose financial statements

a) Statement of compliance

The special purpose financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

These special purpose financial statements have been prepared for inclusion in the annual report of the holding company, Syngene International Limited under the requirements of Section 129(3), of the Act.

These special purpose financial statements have been prepared by the Company as a going concern on the basis of relevant Ind AS that are effective at the Company's annual reporting date, 31 March 2026.

Details of the Company's accounting policies are included in Note 2.

b) Functional and presentation currency

These special purpose financial statements are presented in US Dollars (USD), which is also the functional currency of the Company.

c) Basis of measurement

These special purpose financial statements have been prepared on the historical cost basis (i.e., on accrual basis).

d) Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires Management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the special purpose financial statements is included in the following notes:

Note 2(a) and 17 — Financial instruments; and

Note 2(d) and 19 — Provision for income taxes.

1.3 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values.

The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is used to measure fair values, then the finance team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 2(a) and 17 – financial instruments.

2 Material Accounting Policies

a. Financial instruments

i. Recognition and initial measurement

Trade receivables are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument.

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value through Profit or Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as FVTPL:

- the asset is held within a business model whose objective is to hold assets 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.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; 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.

All financial assets not classified as measured at amortized cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in statement of profit and loss.
Financial assets at amortized cost	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in statement of profit and loss. Any gain or loss on derecognition is recognized in statement of profit and loss.

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognized as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognized in OCI and are not reclassified to statement of profit and loss.
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Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held- for- trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in statement of profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in statement of profit and loss. Any gain or loss on derecognition is also recognized in statement of profit and loss.

iii. Derecognition

Financial assets

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expire.

The Company also derecognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in statement of profit and loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and settle the liability simultaneously.

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

v. Cash and cash equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash Management.

b. Employee benefits

i. Short-term employee benefits

All employee benefits falling due within twelve months from the end of the period in which the employees render the related services are classified as short-term employee benefits, which include benefits like salaries, wages, short term compensated absences, performance incentives, etc. and are recognised as expenses in the period in which the employee renders the related service and measured accordingly.

ii. Share-based compensation

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. The grant date fair value of options granted (net of estimated forfeiture) to employees of the Company is recognised as an employee expense.

The expense is recorded for each separately vesting portion of the award as if the award was, in substance, multiple awards. The increase in equity recognised in connection with share based payment transaction is presented as a separate component in equity under "share based payment reserve". The amount recognised as an expense is adjusted to reflect the actual number of stock options that vest. For the option awards, grant date fair value is determined under the option-pricing model (Black-Scholes-Merton). Forfeitures are estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures materially differ from those estimates.

c. Provisions (other than for employee benefits)

A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost. Expected future operating losses are not provided for.

Onerous contracts

A contract is considered to be onerous when the expected economic benefits to be derived by the Company from the contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision for an onerous contract is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before such a provision is made, the Company recognizes any impairment loss on the assets associated with that contract.

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

d. Revenue

Sale of services

The company derives its revenue from marketing and business development support services. The amount of revenue to be recognised (transaction price) is recognized based on a “cost plus” basis and is billed in accordance with the terms of the arrangement with the customers when the services are performance obligation as per the contract with customer is satisfied.

e. Income taxes

Income tax comprises of current and deferred income tax. Income tax expense is recognized in statement of profit and loss except to the extent that it relates to an item recognized directly in equity in which case it is recognized in other comprehensive income. Current income tax for current year and prior periods is recognized at the amount expected to be paid or recovered from the tax authorities, using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

Deferred income tax assets and liabilities are recognized for all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements except when:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction; and
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred income tax assets and liabilities are measured using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or substantive enactment date. A deferred income tax assets is recognized to the extent it is probable that future taxable income will be available against which the deductible temporary timing differences and tax losses can be utilized. The Company offsets income-tax assets and liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that future taxable profits will be available against which they can be used.

f. Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

g. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Recent pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

In May 2025, MCA notified amendments to Ind AS 21 - The Effects of Changes in Foreign Exchange Rates, applicable w.e.f. April 1, 2025. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

In August 2025, MCA notified the following amendments to:

1. Ind AS 1, Presentation of Financial Statements, applicable w.e.f. April 1, 2025 – The amendment relates to classification of liabilities as current or non-current and non-current liabilities with covenants. In the context of classifying a liability as current, it removes the requirement of existence of a right to defer settlement for at least 12 months after the reporting date and instead requires that the said right should exist on the reporting date and have substance. The amendment also introduces guidance on classification of liabilities with covenants. The Company has no impact of these amendments in its classification criteria of current and non-current liabilities.
2. Ind AS 7, Statement of Cash Flows and Ind AS 107, Financial Instruments: Disclosures, applicable w.e.f. April 1, 2025 – The amendment in Ind AS 7 requires to inform users of financial statements of the existence of supplier finance arrangements and explain the nature of the arrangements, the carrying amount of liabilities and the range of payment due dates. Ind AS 107 has been amended to add supplier finance arrangements as a factor that may cause concentration of liquidity risk. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.
3. Ind AS 12, International Tax Reform – Pillar Two Model Rules applicable immediately - The amendments provide a temporary mandatory relief from deferred tax accounting for top-up tax and disclose that they have applied the relief. This relief is immediate and applies retrospectively. The Company has reviewed the amendment and based on its evaluation has determined that it does not have any significant impact in its financial statements.

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

3. Property, plant and equipment and Capital work-in-progress

	Land	Total	Capital work-in-progress
Gross carrying amount			
At 1 April 2024	-	-	-
Additions	3,641,366	3,641,366	34,892,339
Disposals / other adjustments	-	-	-
At 31 March 2025	3,641,366	3,641,366	34,892,339
Additions	-	-	8,405,231
Disposals / other adjustments	-	-	-
At 31 March 2026	3,641,366	3,641,366	43,297,570
Accumulated depreciation			
At 1 April 2024	-	-	-
Depreciation for the year	-	-	-
Disposals	-	-	-
At 31 March 2025	-	-	-
Depreciation for the year	-	-	-
At 31 March 2026	-	-	-
Net carrying amount			
At 31 March 2025	3,641,366	3,641,366	34,892,339
At 31 March 2026	3,641,366	3,641,366	43,297,570

Capital work-in-progress aging schedule:

31 March 2026	Less than 1 year	1-2 years	2-3 years	"More than 3 years"	Total
Projects in progress	8,405,231	34,892,339	-	-	43,297,570
	8,405,231	34,892,339	-	-	43,297,570

Capital work-in-progress aging schedule:

31 March 2025

	Not due	Less than 6 months	6 months – 1 year	More than 1 year	Total
Projects in progress	34,892,339	-	-	-	34,892,339
	34,892,339	-	-	-	34,892,339

*Note - During the year ended 31 March 2025, the Company has acquired biologics site in the USA fitted with multiple monoclonal antibody (mAbs) manufacturing lines from Emergent Manufacturing Operations Baltimore, LLC (a subsidiary of Emergent BioSolutions Inc.). This acquisition will increase the company's total single-use bioreactor capacity to 50,000L for large molecule discovery, development, and manufacturing services. This acquisition will also increase the options that can be offered to global customers, providing commercial scale biologics manufacturing capabilities across our global network. The transaction has been

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

classified as an 'asset acquisition' under Ind AS 103. The costs incurred till 31 March 2025 eligible for capitalization are being accumulated as Capital Work in Progress amounting to USD 3,48,92,339. An amount of USD 36,41,366 has been capitalized as Land. These amount includes pre-transaction costs of USD 11,82,577. During the year ended 31 March 2026, additional pre-operating cost of USD 84,05,231 eligible for capitalisation has been accumulated under capital work in progress.

4. Trade receivables

	31 March 2026	31 March 2025
Unsecured, considered good *	761,900	521,705
	761,900	521,705

*Includes receivables from related party (refer note 17)

(a) Aging schedule

31 March 2026	Outstanding for following periods from due date of payment					Total
	Unbilled	Not due	Less than 6 months	6 months – 1 year	More than 1 year	
Undisputed trade receivables - considered good	743,680	18,220	-	-	-	761,900
	743,680	18,220	-	-	-	761,900

31 March 2025	Outstanding for following periods from due date of payment					Total
	Unbilled	Not due	Less than 6 months	6 months – 1 year	More than 1 year	
Undisputed trade receivables - considered good	521,705	-	-	-	-	521,705
	521,705	-	-	-	-	521,705

All trade receivables are 'current'. The Company's exposure to credit risks related to trade receivables are disclosed in note 18.

5. Cash and cash equivalents

	31 March 2026	31 March 2025
Balances with banks:		
On current accounts	2,997,714	2,903,082
Deposits with original maturity of less than 3 months	3,000,000	10,000,000
Total cash and cash equivalents	5,997,714	12,903,082

6. Other financial assets

	31 March 2026	31 March 2025
(a) Non-current		
Security deposits	82,503	-
	82,503	-
(b) Current		
Interest accrued on Bank Deposit	9,952	14,104
	9,952	14,104

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

7. Other asset

	31 March 2026	31 March 2025
(a) Non-current		
Capital advances	-	1,771,971
Prepayments	14,189	-
	14,189	1,771,971
(b) Current		
Advances other than capital advances	268,870	120,207
Balances with statutory / government authorities	4,650	-
Prepayments	243,324	-
	516,844	120,207

8. Equity share capital

	31 March 2026	31 March 2025
Authorised		
5,000 (31 March 2025: 5,000) equity shares of USD 100 each (31 March 2025: USD 100 each)	500,000	500,000
Issued, subscribed and fully paid-up		
2783 (31 March 2025: 2783) equity shares of USD 100 each (31 March 2025: USD 100 each)	278,300	278,300

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

Equity shares	31 March 2026		31 March 2025	
	No.	Rs	No.	Rs
At the beginning of the year	2,783	278,300	500	50,000
Issued during the year	-	-	2,283	228,300
At the end of the year	2783	278,300	2,783	278,300

(ii) Terms / rights attached to equity shares

The Company has only one class of equity shares having a par value of USD 100 per share. Each holder of equity shares is entitled to one vote per share.

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

	31 March 2026		31 March 2025	
	No.	% holding	No.	% holding
Equity shares of USD 100 each fully paid				
Syngene International Limited, the holding company	2783	100%	2,783	100%

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

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

9. Other equity

Retained earnings

The amount represents surplus in statement of profit and loss not transferred to any reserve and can be distributed by the Company as dividends / issue of bonus shares to its equity shareholders.

10. Deferred tax Assets/(liability) (net)

	31 March 2026	31 March 2025
Deferred tax asset		
Property, plant and equipment and intangible assets, net	656,186	114,715
Employee benefit obligation	237,040	8,369
	893,226	123,084
Deferred tax liability		
Employee benefit obligation	-	-
	-	-
Deferred tax assets/(liability) (net)	893,226	123,084

13. Borrowings

	31 March 2026	31 March 2025
(a) Current borrowings		
Working capital term loan	1,000,000	-
	1,000,000	-
The above amount includes		
Secured borrowings	1,000,000	-
	1,000,000	-

Note:

The Company availed a short term loan of USD. 1 Mn at SOFR+1.40% during the year ended 31 March 2026. The credit facility was availed on 23 March 2026.

11. Trade payables

	31 March 2026	31 March 2025
Trade payables *	3,036,773	1,931,430
	3,036,773	1,931,430

*Includes payables to related party (refer note 17)

All trade payables are 'current'. The Company's exposure to liquidity risks related to trade payables is disclosed in note no 18.

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

Aging schedule

31 March 2026	Outstanding for following periods from due date of payment					
	Unbilled	Not due	Less than 6 Months	6 months – 1 year	1-2 years	Total
Trade payables	2,649,647	81,844	294,272	11,413	-	3,037,176
	2,649,647	81,844	294,272	11,413	-	3,037,176

31 March 2025	Outstanding for following periods from due date of payment					
	Unbilled	Not due	Less than 6 Months	6 months – 1 year	1-2 years	Total
Undisputed trade receivables - considered good	-	1,931,430	-	-	-	1,931,430
	-	-	-	-	-	1,931,430

12. Other financial liabilities

	31 March 2026	31 March 2025
Current		
Payable for capital goods	73,144	-
	73,144	-

13. Other liabilities

	31 March 2026	31 March 2025
Current		
Advances from customers	234,263	-
	234,263	-

14. Revenue from operations

	31 March 2026	31 March 2025
Sale of services *	11,903,409	11,337,482
Other operating revenues		
Others	37,223	-
	11,940,632	11,337,482

*Includes sales of services to related party (refer note 17)

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

14.1 Disaggregated revenue information

Set out below is the disaggregation of revenue:

	31 March 2026	31 March 2025
Revenues from Sale of services by geography		
India	11,641,297	11,337,482
USA	262,112	-
	11,903,409	11,337,482

	31 March 2026	31 March 2025
Revenue from other sources		
India	37,223	-
	37,223	-

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

	31 March 2026	31 March 2025
Revenues from Contract research and manufacturing services income by Timing of recognition		
Revenue recognised at a point of time	-	-
Revenue recognised over a period of time	11,940,632	11,337,482
Total revenue from operations	11,940,632	11,337,482

14.2 Contract balances

	31 March 2026	31 March 2025
Trade receivables [refer note (i) below]	761,900	521,705
Contract liabilities [refer note (ii) below]	234,263	-

Notes:

(i) Trade receivables are non-interest bearing.

(ii) Contract liabilities include advances from customers.

14.3 Performance obligation:

In relation to information about the Company's performance obligations in contracts with customers refer note 2(c).

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

15. Other Income

	31 March 2026	31 March 2025
Interest Income		
Deposits with banks and financial institutions	315,250	14,104
	315,250	14,104

16. Employee benefits expense

	Year ended 31 March 2026	Year ended 31 March 2025
Salaries, wages and bonus	7,711,922	6,413,562
Share based compensation expense *	895,137	835,651
Staff welfare expenses	1,085,500	5,228
	9,692,559	7,254,441

*Includes reimbursement of expense to related party (refer note 17)

17. Finance costs

	31 March 2026	31 March 2025
Interest expense on:		
Borrowings	1,270	-
	1,270	-

18. Other expenses

	Year ended 31 March 2026	Year ended 31 March 2025
Rent	445,736	-
Travelling and conveyance	612,078	879,845
Professional charges	1,214,825	1,710,793
Power and fuel	422,790	-
Facility charges	9,186	-
Sales promotion expenses	258,356	248,273
Insurance	262,079	547,194
Repairs and maintenance		
Plant and machinery	117,285	-
Buildings	19,790	-
Others	94,091	-
Freight outwards and clearing charges	728	-
Printing and stationery	3,140	15
Rates and taxes	546,393	12,416
Miscellaneous expenses	25,460	87,700
	4,031,937	3,486,236

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

19. Related party transactions

Related parties where control exists and other related parties with whom transactions have taken place during the year are listed below :

List of Related parties

Particulars	Nature of relationship
A. Key management personnel	
Deepak Jain	Director(w.e.f 25 November 2025)
Jonathan Hunt	Director (till 10 February 2025)
Priyadarshini Mahapatra	Director (till 10 February 2025)
Dave Kohler	Director (w.e.f 10 February 2025)
Chethan Yogesh	Secretary (w.e.f 25 August 2025)
Abhijit Zutshi	Director (w.e.f 24 March 2026)
B. Holding company	
Syngene International Limited	Holding Company
Biocon Limited	Ultimate Holding Company
C. Fellow subsidiaries	
Syngene Scientific Solutions Limited	Fellow subsidiary
Syngene Manufacturing Solutions Limited	Fellow subsidiary

The Company has the following related parties transactions and balances

SI No	Name of the related party	Relationship	Description of transaction/ Balance	Transaction value for the year ended 31 March 2026	Balance as at 31 March 2026	Transaction value for the year ended 31 March 2025	Balance as at 31 March 2025
(a)	Syngene International Limited	Holding Company	Sale of services	(11,641,297)	(11,337,482)	-	-
			Reimbursement of expense	1,515,426	936,459	-	-
			Trade and other receivables	-	-	(500,375)	(559,078)
			Trade and other payables	-	-	552,170	1,520,085

Notes:

- (i) The Company has entered into an arrangement with Syngene International Limited, India to provide marketing and business development support services in United States of America and other Global markets .

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

(ii) The above disclosures include related parties as per IND-AS 24 on "Related Party Disclosures".

(iii) None of the balances are secured.

20. Financial instruments : Fair value and risk management

A. Accounting classification and fair values

31 March 2026	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Trade receivables	-	-	761,900	761,900	-	-	-	-
Cash and cash equivalents	-	-	5,997,714	5,997,714	-	-	-	-
Borrowings (current)	-	-	1,000,000	1,000,000	-	-	-	-
Other financial assets-Non current	-	-	82,503	82,503	-	-	-	-
Other financial assets-Current	-	-	9,952	9,952	-	-	-	-
	-	-	7,852,069	7,852,069	-	-	-	-
Financial liabilities								
Trade payables	-	-	3,036,773	3,036,773	-	-	-	-
Other financial liabilities-Current	-	-	73,144	73,144	-	-	-	-
	-	-	3,109,917	3,109,917	-	-	-	-

31 March 2025	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Trade receivables	-	-	521,705	521,705	-	-	-	-
Cash and cash equivalents	-	-	12,903,082	12,903,082	-	-	-	-
	-	-	13,424,787	13,424,787	-	-	-	-
Financial liabilities								
Trade payables	-	-	1,931,430	1,931,430	-	-	-	-
	-	-	1,931,430	1,931,430	-	-	-	-

The carrying amount of financial assets and financial liabilities measured at amortised cost in the special purpose financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

B. Financial risk management

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 Board of directors has overall responsibility for the establishment and oversight of the company's risk management framework.

(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 (primarily trade receivables & unbilled revenue).

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

The table below details the company's remaining contractual maturity for its financial liabilities as of 31 March 2026:

Particulars	Less than 1 year	1 - 5 years	Total
Trade payables	3,036,773	-	3,036,773
Total	3,036,773	-	3,036,773

The table below details the company's remaining contractual maturity for its financial liabilities as of 31 March 2025:

Particulars	Less than 1 year	1 - 5 years	Total
Trade payables	1,931,430	-	1,931,430
Total	1,931,430	-	1,931,430

(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.

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

21. 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 is 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.

22. Tax expense

(a) Amount recognised in Statement of profit and loss

	Year ended 31 March 2026	Year ended 31 March 2025
Current tax	352,722	287,934
Deferred tax	(770,142)	(126,744)
Tax expense for the year	(417,420)	161,190

(b) Reconciliation of effective tax rate

	Year ended 31 March 2026	Year ended 31 March 2025
Profit before tax	(1,469,883)	610,909
Tax at statutory income tax rate 28.40% (31 March 2025 : 26.39%)	(417,420)	161,190
Income tax expense	(417,420)	161,190

(c) Recognised deferred tax assets and liabilities

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

For the year ended 31 March 2026	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax asset				
Property, plant and equipment and intangible assets, net	114,715	541,471	-	656,186
Employee benefit obligation	12,029	228,671	-	240,700
Gross deferred tax assets	126,744	770,142	-	896,886
Deferred tax liability				
Employee benefit obligation	3,660	-	-	3,660
Gross deferred tax liability	3,660	-	-	3,660
Deferred tax asset / (liabilities), net	123,084	770,142	-	893,226

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

For the year ended 31 March 2025	Opening balance	Recognised in profit or loss	Recognised in OCI	Closing balance
Deferred tax asset				
Property, plant and equipment and intangible assets, net	-	114,715	-	114,715
Employee benefit obligation	-	12,029	-	12,029
Gross deferred tax assets	-	126,744	-	126,744
Deferred tax liabilities				
Employee benefit obligation	3,660	-	-	3,660
Gross deferred tax liability	3,660	-	-	3,660
Deferred tax asset / (liabilities), net	(3,660)	126,744	-	123,084

23. Segmental Information

Operating segments

The Company is engaged in a single operating segment of providing marketing and business development services. Accordingly, there are no additional disclosures to be provided Ind AS 108 'Operating Segments' other than those already provided in this special purpose financial statements.

Geographical information

The geographical information analyses the Company's revenues by the Company's country of domicile (i.e. USA) and other countries. In presenting the geographical information, revenue has been based on the geographic location of the customers. There are no non-current assets of the Company excluding deferred tax assets as at 31 March 2025.

	Year ended 31 March 2026	Year ended 31 March 2025
Marketing and business development services		
India	11,678,520	11,337,482
United States of America	262,112	-
Total	11,940,632	11,337,482

Major customer

Revenue from one customer (31 March 2025 - one customer) of the Company's Revenue from operations aggregates to USD 1,16,78,520 (31 March 2025 - USD 1,13,37,482) which is more than 10 percent of the Company's total revenue.

Notes to Special Purpose Financial Statements

for the year ended March 31, 2026

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

24. Earnings per equity share (EPS)

Particulars	31 March 2026	31 March 2025
Earnings		
Profit for the year	(1,052,463)	449,719
Shares		
Weighted average number of shares used for computing basic EPS	2,783	500
Weighted average number of shares used for computing diluted EPS	2,783	631
Basic	(378.18)	899.44
Diluted	(378.18)	712.31

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

As per our report of even date attached

for and on behalf of **Board of Directors of Syngene USA Inc.**

for **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

G Prakash

Partner

Membership number: 099696

Bengaluru

Date: 28 April 2026

Deepak Jain

Director

Bengaluru

Date: 28 April 2026

Dave Kohler

Director