

**Aragen Life Sciences B.V.**  
**Utrecht, the Netherlands**

**Financial Statements 2021/2022**

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**1.1 Balance sheet as of March 31, 2022**

(After result appropriation)

<b>ASSETS</b>	<u>March 31, 2022</u>		<u>March 31, 2021</u>	
	€	€	€	€
<b>Current assets</b>				
<i>Receivables</i>				
Trade debtors	437.647		412.758	
Taxes	8.580		403	
Other receivables	-		255	
		446.227		413.416
<i>Cash and cash equivalents</i>		255.881		114.453
<b>Total assets</b>		<u>702.108</u>		<u>527.869</u>

**1.1 Balance sheet as of March 31, 2022**

(After result appropriation)

<b>EQUITY AND LIABILITIES</b>	<u>March 31, 2022</u>		<u>March 31, 2021</u>	
	€	€	€	€
<b>Shareholders' equity</b>				
Issued share capital	391.141		391.141	
Other reserves	<u>-352.431</u>		<u>-461.847</u>	
		38.710		-70.706
<b>Current liabilities</b>				
Creditors	181.234		134.912	
Debts to shareholders and related parties	450.410		426.439	
Taxes	10.352		6.747	
Accrued liabilities	<u>21.402</u>		<u>30.477</u>	
		663.398		598.575
<b>Total shareholder's equity and liabilities</b>		<u><u>702.108</u></u>		<u><u>527.869</u></u>

**1.2 Profit and loss account 2021/2022**

	2021/2022		2020/2021	
	€	€	€	€
Net turnover		1.928.174		1.969.702
Cost of sales		<u>932.924</u>		<u>1.286.617</u>
<b>Gross operating result</b>		995.250		683.085
Wages and salaries	528.385		385.502	
Social security charges	107.499		147.623	
Other personnel expenses	69.583		12.787	
Selling expenses	4.724		-	
Travel and car expenses	41.237		-6.996	
Office expenses	5.855		3.815	
General expenses	<u>112.246</u>		<u>48.994</u>	
<b>Total operating costs</b>		869.529		591.725
<b>Operating result</b>		<u>125.721</u>		<u>91.360</u>
Interest income and similar revenues	7		35.664	
Interest expenses and similar charges	<u>-26.412</u>		<u>-4.575</u>	
<b>Total financial income and expenses</b>		-26.405		31.089
Result before taxation		<u>99.316</u>		<u>122.449</u>
Taxation		10.100		-
<b>Result after taxation</b>		<u><u>109.416</u></u>		<u><u>122.449</u></u>

## **1.3 Notes to the financial statements**

### **GENERAL**

#### **Company**

Aragen Life Sciences B.V. (the Company) is a private company with limited liability incorporated under the laws of the Netherlands on 28 June 2013, having its statutory seat in Breda, the Netherlands and its registered address at Melissekade 215 in Utrecht.

The Company is registered at the Dutch Chamber of Commerce under number 58267026.

#### **Activities**

The activities of the Company are:

- Biotechnical research and development on medical products and pharmaceutical processes and of food;
- Biotechnical research and development on agricultural products and processes;
- Financing and holdings;
- Marketing and sales support to group companies.

#### **Group structure**

The Company's sole shareholder is Aragen Life Sciences Pvt. Ltd located in India.

#### **Related-party transactions**

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party.

Also, entities which can control the Company are considered a related party. In addition, statutory directors, other key management of Aragen Life Sciences B.V. [or the ultimate parent company] and close relatives are regarded as related parties.

Significant transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information is disclosed if this is required for to provide the true and fair view.

#### **Estimates**

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. If necessary for the purposes of providing the view required under Section 362(1), Book 2, of the Dutch Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question.

#### **Translation of foreign currencies**

Receivables, liabilities and obligations denominated in foreign currency are translated at the exchange rates prevailing at balance sheet date.

Transactions in foreign currency during the financial year are recognised in the financial statements at the exchange rates prevailing at transaction date. The exchange differences resulting from the translation as of balance sheet date, taking into account possible hedge transactions, are recorded in the profit and loss account.

#### **Proposed appropriation of result for the financial year 2021/2022**

The board of directors proposes to the general meeting that the result for the 2021/2022 financial year, amounting to € 109.416 should be transferred fully to other reserves and that no dividend should be paid.

This proposal has been already incorporated in the financial statements.

#### **Subsequent events**

No events have occurred since balance sheet date, which would change the financial position of the Company and which would require adjustments of or disclosure in the annual accounts now presented.

### **1.3 Notes to the financial statements**

#### **PRINCIPLES OF VALUATION OF ASSETS AND LIABILITIES**

##### **General**

The financial statements have been prepared in accordance with Title 9, Book 2, of the Dutch Civil Code. The statements are prepared in euro. Assets and liabilities are valued at nominal value unless stated otherwise.

The financial statements have been valued at fiscal values as provided for by article 396 section 6, Book 2 of the Dutch Civil code.

Valuation of assets and liabilities and determination of the result takes place under the historical cost convention. Unless presented otherwise, the relevant principle for the specific balance sheet item, assets and liabilities are presented at face value.

Income and expenses are accounted for on accrual basis. Profit is only included when realized on balance sheet date. Losses originating before the end of the financial year are taken into account if they have become known before preparation of the financial statements.

##### **Receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

##### **Cash and cash equivalents**

Cash and cash equivalents are valued at nominal value and, insofar as not stated otherwise, is at the free disposal of the company.

##### **Current liabilities**

The current liabilities concern the liabilities with a duration shorter than one year. Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, being the amount received taking account of any premium or discount, less transaction costs.

### **1.3 Notes to the financial statements**

#### **PRINCIPLES FOR THE DETERMINATION OF THE RESULT**

##### **General**

Revenues from services are recognised in proportion to the services rendered based on the cost-incurred in respect of the service performed up to balance sheet date in proportion to the estimated costs of the aggregate services to be performed. The cost price of these services is allocated to the same period.

##### **Net turnover**

Net turnover represents the total amount received by the Company for the sale of goods and services rendered to third parties.

Revenues from services are recognised in proportion to the services rendered. The cost price of these services is allocated to the same period.

##### **Cost of sales**

The purchase value of the turnover consists of the costs of delivered goods and services, which are directly attributable to this deliveries. This value includes the movement in devaluation because of unmarketable stocks.

##### **Operating costs**

Costs are attributed to the financial year to which they relate. Profits are accounted for in the year in which goods have been provided or services have been performed. Losses are assumed in the year in which these are foreseeable.

##### **Employee benefits**

Wages, salaries and social security contributions are recognized in the profit and loss account on the basis of the conditions of employment to the extent that they are owed to employees.

##### **Financial income and expenses**

Interest paid and received is recognised on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognising interest paid, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

##### *Exchange differences*

Exchange differences arising upon the settlement or conversion of monetary items are recognised in the profit and loss account in the period that they arise, unless they are hedged.

##### **Taxation**

Corporate income tax is calculated at the applicable rate on the result for the financial year, taking into account permanent differences between profit calculated according to the financial statements and profit calculated for taxation purposes, and with which deferred tax assets (if applicable) are solely measured insofar as their realisation is likely.

**1.4 Notes to the balance sheet**

**ASSETS**

**CURRENT ASSETS**

**Receivables**

	March 31, 2022	March 31, 2021
	€	€
<b>Trade debtors</b>		
Balance as of	437.647	412.758

A provision for doubtful debtors is not considered to be necessary.

	March 31, 2022	March 31, 2021
	€	€
<b>Taxes</b>		
Corporate income tax	8.580	-
Value added tax	-	403
	8.580	403

	March 31, 2022	March 31, 2021
	€	€
<b>Other receivables</b>		
Other receivable	-	255

	March 31, 2022	March 31, 2021
	€	€
<b>Cash and cash equivalents</b>		
Citibank EUR account	83.148	43.916
Citibank USD account	172.711	70.515
Citibank GBP account	22	22
	255.881	114.453

Cash and cash equivalents are at free disposal of the Company.

**1.4 Notes to the balance sheet**

**SHAREHOLDERS' EQUITY AND LIABILITIES**

**SHAREHOLDERS' EQUITY**

	<u>2021/2022</u>	<u>2020/2021</u>
	€	€
<b>Issued share capital</b>		
Balance as of 31 March	<u>391.141</u>	<u>391.141</u>

The initial issued share capital amounts to € 1, divided into 1 ordinary share with a nominal value of € 1 per share. In December 2014 another 391,140 ordinary shares have been issued with a nominal value of € 1 par share. On the balance sheet date all shares have been paid in.

	<u>2021/2022</u>	<u>2020/2021</u>
	€	€
<b>Other reserves</b>		
Balance as of 1 April	-461.847	-584.296
From proposal profit appropriation	<u>109.416</u>	<u>122.449</u>
Balance as of 31 March	<u>-352.431</u>	<u>-461.847</u>

**CURRENT LIABILITIES**

	<u>March 31, 2022</u>	<u>March 31, 2021</u>
	€	€
<b>Creditors</b>		
Balance as of	<u>181.234</u>	<u>134.912</u>

**1.4 Notes to the balance sheet**

	March 31, 2022	March 31, 2021
	€	€
<b>Debts to shareholders and related parties</b>		
Loan from Aragen Life Sciences Pvt Ltd	450.410	426.439
	<u>450.410</u>	<u>426.439</u>
	<u>2021/2022</u>	<u>2020/2021</u>
	€	€
<i>Loan from Aragen Life Sciences Pvt Ltd</i>		
Balance as of 1 April	426.439	456.371
Currency exchange difference	23.971	-29.932
Balance as of 31 March	<u>450.410</u>	<u>426.439</u>

Above loan was initially made and executed on 1 October 2014 for a period of one year and renewed till 30 September 2017. The interest is at 3 months USD Libor rate plus 500 BPS per annum on the month end outstanding balance. Libor rate is fixed at the beginning of respective quarter. No securities have been determined.

The loan has been used to fund the subsidiary GBO LLC. Since the subsidiary has been dissolved and the Company did not receive any gain out of the dissolution, the lender and the Company agreed to stop charging interest as of January 2017.

	March 31, 2022	March 31, 2021
	€	€
<b>Taxes</b>		
Value added tax	835	-
Wage tax	9.517	6.747
	<u>10.352</u>	<u>6.747</u>

	March 31, 2022	March 31, 2021
	€	€
<b>Accrued liabilities</b>		
Accrued personnel expenses	4.419	-
Accrued social security (NL part)	-	23.624
Accrued wages (GB part)	16.983	3.193
Accrued administration charges	-	3.660
	<u>21.402</u>	<u>30.477</u>

**1.5 Notes to the profit and loss account**

	<u>2021/2022</u>	<u>2020/2021</u>
	€	€
<b>Net turnover</b>		
Turnover outside EU	1.762.997	1.033.145
Turnover inside the Netherlands	124.409	57.255
Turnover inside EU	40.768	879.302
	<u>1.928.174</u>	<u>1.969.702</u>
<b>Cost of sales</b>		
Purchases outside EU	<u>932.924</u>	<u>1.286.617</u>
<b>Wages and salaries</b>		
Wages and salaries (NL part)	239.562	164.618
Wages and salaries (GB part)	159.427	144.084
30% allowance (NL part)	-	55.678
Wages and salaries (IT part)	115.606	17.929
Holiday payments	13.790	3.193
	<u>528.385</u>	<u>385.502</u>
Average number of employees:		
During the year 2021/2022 an average of 2 employees has been in service on base of a fulltime employment. The year 2020/2021 counted 3 employees.		
<b>Social security charges</b>		
Social security charges (IT part)	66.657	7.521
Social security charges (GB part)	22.026	130.062
Social security charges (NL part)	18.816	10.040
	<u>107.499</u>	<u>147.623</u>
<b>Other personnel expenses</b>		
Education and training expenses	33.846	-
Expense allowance Nagabushan	25.287	-
Insurances	10.450	2.681
Other personnel expenses	-	10.106
	<u>69.583</u>	<u>12.787</u>
<b>Selling expenses</b>		
Seminars and conferences expenses	2.050	-
Costs of representation	50	-
Promotion expenses	2.624	-
	<u>4.724</u>	<u>-</u>

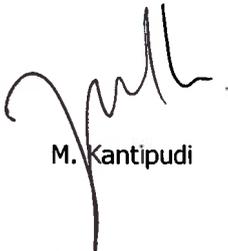
**1.5 Notes to the profit and loss account**

	<u>2021/2022</u>	<u>2020/2021</u>
	€	€
<b>Travel and car expenses</b>		
Travel and hotel expenses	13.019	-2.666
Car allowance	3.884	-
Taxi and car expenses	3.872	-746
Airfare and train expenses	3.497	-3.585
Food, drinks and beverages IT	2.467	69
Food, drinks and beverages NL	1.796	-
Other travel expenses	50	-68
Other car expenses	236	-
Lease cars	12.416	-
	<u>41.237</u>	<u>-6.996</u>
<b>Office expenses</b>		
Telecommunication	4.766	2.828
Internet expenses	754	865
Postage costs	142	79
Stationery costs	193	43
	<u>5.855</u>	<u>3.815</u>
<b>General expenses</b>		
Consultancy fee, Kalidas Kottakonda	39.343	9.639
Administrative charges	8.840	9.150
Promotional expenses	-	6.130
Consultancy fee GB	41.796	5.411
Consultancy charges payroll	11.033	3.847
Legal charges	5.371	2.096
Notary charges	1.021	-
Tax fines	17	-
Tax advisory charges	4.511	-205
Other general expenses	314	12.926
	<u>112.246</u>	<u>48.994</u>

**1.5 Notes to the profit and loss account**

	<u>2021/2022</u>	<u>2020/2021</u>
	€	€
<b>Financial income and expenses</b>		
<b>Interest income and similar revenues</b>		
Interest profit tax authority	7	-
Currency exchange rate differences	-	35.664
	<u>7</u>	<u>35.664</u>
<b>Interest expenses and similar charges</b>		
Currency exchange rate differences	20.733	-
Banking fees and provision	5.679	4.575
	<u>26.412</u>	<u>4.575</u>
<b>Taxation</b>		
Corporate income tax	<u>-10.100</u>	<u>-</u>

Utrecht, *11 August 2022*  
Aragen Life Sciences B.V.

  
M. Kantipudi

  
S.R. Mamidi

## **2. Other information**

### **2.1 Legal exemption**

The Company has utilized the exemption from an audit by virtue of article 2:396 paragraph 7 of the Dutch Civil Code.

### **2.2 Statutory rules concerning appropriation of result**

The profit is at free disposal of the general meeting of shareholders, as stated in article 19.1 of the articles of association.

### **2.3 Appropriation of result for the financial year 2020/2021**

The financial statements 2020/2021 is adopted in the general meeting of shareholders held on 16 November 2021. The general meeting of shareholders has adopted the appropriation of result in accordance with the proposal being made to that end.

