Jubilant Pharma Limited
Condensed Consolidated Statement of Financial Position
(All amounts in USD, unless otherwise stated)

	As at June 30, 2017	As at March 31, 2017
ASSETS		
Non-current assets		
Property, plant and equipment	266,405,344	262,522,265
Goodwill	155,765,724	153,002,409
Other intangible assets	130,567,737	125,605,865
Other financial assets	51,036,719	50,742,009
Income tax assets	204,629	94,888
Deferred tax assets (net)	24,117,781	24,397,589
Other non-current assets	2,433,859	2,754,127
Total non-current assets	**630,531,793**	**619,119,152**
Current assets		
Inventories	114,599,848	108,242,489
Trade receivables	89,576,887	95,450,918
Other financial assets	3,340,573	1,217,890
Income tax assets	1,705,546	1,390,674
Other current assets	16,153,652	14,089,619
Cash and cash equivalents	42,149,426	48,409,120
Total current assets	**267,525,932**	**268,800,710**
Total assets	**898,057,725**	**887,919,862**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	326,758,994	326,758,994
Merger reserve	(68,787,724)	(68,787,724)
Retained earnings	129,340,617	111,186,516
Foreign currency translation reserve	(21,486,364)	(29,087,576)
Other components of equity	(11,879,654)	(11,839,299)
Total equity	**353,945,869**	**328,230,911**
LIABILITIES		
Loans and borrowings	378,404,837	378,731,279
Employee benefits	3,347,320	3,208,722
Other financial liabilities	30,900,001	28,700,000
Deferred tax liabilities (net)	20,240,156	18,869,081
Other non-current liabilities	1,480,531	1,494,823
Total non-current liabilities	**434,372,845**	**431,003,905**
Current liabilities		
Loans and borrowings	23,472,254	37,653,814
Employee benefits	13,995,575	12,000,470
Trade payables	53,665,655	50,187,151
Other financial liabilities	7,505,583	11,532,822
Income tax liabilities	3,238,150	9,188,829
Other current liabilities	7,861,794	8,121,960
Total current liabilities	**109,739,011**	**128,685,046**
Total liabilities	**544,111,856**	**559,688,951**
Total equity and liabilities	**898,057,725**	**887,919,862**

See accompanying notes to the Condensed consolidated interim financial statements

Jubilant Pharma Limited
Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income
(All amounts in USD, unless otherwise stated)

	Quarter ended June 30, 2017	**Quarter ended June 30, 2016**
Revenue from operations	125,133,331	111,565,703
Other income	377,818	186,182
Total income	**125,511,149**	**111,751,885**
Cost of materials consumed	29,354,196	23,283,846
Purchases of stock-in-trade	1,465,998	2,607,260
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(4,150,498)	(2,327,877)
Employee benefits expense	34,343,092	31,934,979
Depreciation, amortisation and impairment	8,013,180	7,563,865
Other expenses	24,109,826	20,074,838
Result from operating activities	**32,375,355**	**28,614,974**
Finance income	1,167,031	138,020
Finance costs	6,341,148	5,569,107
Net finance costs	**(5,174,117)**	**(5,431,087)**
Profit before tax	**27,201,238**	**23,183,887**
Income tax expense	9,047,137	4,673,742
Profit for the year	**18,154,101**	**18,510,145**
Other comprehensive income/(loss)		
Items that will be reclassified to profit or loss		
Exchange differences on translation of foreign operations	7,601,212	(1,142,998)
Items that will not be reclassified to profit or loss		
Remeasurements of defined benefit obligations	(61,712)	(25,165)
Income tax relating to items that will not be reclassified to profit or loss	21,357	8,709
Other comprehensive income for the year, net of tax	**7,560,857**	**(1,159,454)**
Total comprehensive income for the year	**25,714,958**	**17,350,691**
Profit is attributable to:		
Equity holders of the Parent	18,154,101	18,510,145
Other comprehensive income is attributable to:		
Equity holders of the Parent	7,560,857	(1,159,454)
Total comprehensive income is attributable to:		
Equity holders of the Parent	25,714,958	17,350,691

See accompanying notes to the Condensed consolidated interim financial statements

Jubilant Pharma Limited
Condensed Consolidated statement of changes in Equity
(All amounts in USD, unless otherwise stated)

	Attributable to owners of the Company							
	Equity share capital **	**Merger reserve #**	**Other capital reserve # #**	**Retained earnings**	**Foreign currency translation reserve $**	**Fair value reserve @**	**Remeasurements of defined benefit obligations @@**	**Total equity**
Balance as at April 01, 2016	**326,758,994**	**(68,787,724)**	**(4,428,352)**	**56,079,440**	**(31,795,343)**	**4,847,114**	**(240,703)**	**282,433,426**
Profit for the year				18,510,145				18,510,145
Other comprehensive income					(1,142,998)		(16,456)	(1,159,454)
Total comprehensive income for the year	**-**	**-**	**-**	**18,510,145**	**(1,142,998)**	**-**	**(16,456)**	**299,784,117**
Transactions with equity holders in their capacity as equity holders:								
Stock-based compensation expense for stock options granted by Jubilant, India			7,405					7,405
Balance as at June 30, 2016	**326,758,994**	**(68,787,724)**	**(4,420,947)**	**74,589,585**	**(32,938,341)**	**4,847,114**	**(257,159)**	**299,791,522**
Balance as at April 01, 2017	**326,758,994**	**(68,787,724)**	**(11,441,561)**	**111,186,516**	**(29,087,576)**	**-**	**(397,738)**	**328,230,911**
Profit for the year				18,154,101				18,154,101
Other comprehensive income					7,601,212		(40,355)	7,560,857
Balance as at June 30, 2017	**326,758,994**	**(68,787,724)**	**(11,441,561)**	**129,340,617**	**(21,486,364)**	**-**	**(438,093)**	**353,945,869**

represent difference between the consideration and carrying amount of net assets/liabilities for transactions among entities under common control to transfer out/in of any business or shares of entities under common control
primarily represents effect of transations with shareholders (other than those accounted for in merger reserve)

$ exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within the equity. The cummulative amount is reclassified to profit or loss when the Company dispose or partially dispose off its interest in a foreign operation through sale, liquidation, repayment of share capital or abandonment of all, or part of, that entity
@ represents changes in fair value of investments designated as fair value through other comprehensive income
@@ Remeasurement of defined obligations comprises actuarial gains and losses and return on plan assets
** No. of shares as at June 30, 2017 and March 31, 2017 is 326,758,994. There is no change in the number of shares during the quarter.

Jubilant Pharma Limited
Condensed Consolidated Statement of Cash Flows
(All amounts in USD, unless otherwise stated)

Particulars	Quarter ended June 30, 2017	Quarter ended June 30, 2016
A. Cash flow from operating activities		
Profit before tax	27,201,238	23,183,887
Adjustments:		
Depreciation, amortization and impairment	8,013,180	7,563,865
Unrealised foreign exchange (gain)/loss, net	(568,218)	544,362
Finance income	(1,167,031)	(138,020)
Finance costs	6,341,148	5,569,107
Share-based payment expense	-	7,405
Gain on sale/disposal/discard of property, plant and equipment (net)	(264)	(7,177)
	12,618,815	**13,539,542**
Operating cash flow before working capital changes	**39,820,053**	**36,723,429**
Increase in trade receivable	12,138,342	5,547,295
(Increase)/decrease in other assets including other financial assets	(2,326,995)	4,678,345
Increase in inventories	(5,840,018)	(2,993,902)
Increase/(decrease) in trade payables	616,852	(1,528,890)
Decrease in other liabilities including other financial liabilities	(1,667,931)	(7,775,964)
Cash generated from operations	**42,740,303**	**34,650,313**
Income taxes paid (net of refund)	(13,479,607)	(4,278,852)
Net cash generated from operating activities	**29,260,696**	**30,371,461**
B. Cash flows from investing activities		
Acquisition/ purchase of property, plant and equipment and other intangible assets	(12,949,831)	(7,814,775)
Sale of property, plant and equipment	481	8,100
Sale of investments	-	2,765,009
Interest received	231,561	138,019
Others	(48,792)	(15,445)
Net cash used in investing activities	**(12,766,581)**	**(4,919,092)**
C. Cash flow arising from financing activities		
Repayment of long term loans and borrowings ^	(21,307,023)	(13,818,900)
Proceeds/(repayments) from/of short term loans repayable on demand, net	6,979,813	(17,800,028)
(Repayments)/Proceeds of/from loans to related parties	(1,050,000)	3,000,000
Finance costs paid	(7,957,507)	(6,241,087)
Net cash used in financing activities	**(23,334,717)**	**(34,860,015)**
D. Effect of exchange rate changes	580,908	(49,458)
Net decrease in cash and cash equivalents (A+B+C+D)	**(6,259,694)**	**(9,457,104)**
Cash and cash equivalents at the beginning of the period	48,409,120	27,474,518
Cash and cash equivalents at the end of the period	**42,149,426**	**18,017,414**

^ Revolver credit facility of Jubilant HollisterStier LLC is prepared on net basis

See accompanying notes to the Condensed Consolidated interim financial statements

Note 1. Corporate Information

Jubilant Life Sciences Limited (“Jubilant India”) is an Indian Company and the ultimate holding company of the Jubilant Group which comprises of Jubilant India and its subsidiaries. Jubilant Group is a global Pharmaceutical and Life Sciences player engaged in manufacture and supply of Active Pharmaceutical Ingredients (“APIs”), Generics, Specialty Pharmaceuticals and Life Science Ingredients.

During May 2005, Jubilant India incorporated Jubilant Pharma Limited (“JPL, Singapore” or “the Company”) in Singapore as its wholly owned subsidiary which has since become an intermediate holding company for various entities of Jubilant Group across the globe.

Jubilant Pharma through its subsidiaries in USA, Canada, Europe and India is engaged in manufacturing and marketing of various pharmaceutical products and services like active pharmaceutical ingredients, dosage forms (tablets and capsules), contract manufacturing of sterile injectables, allergy therapy products and radiopharmaceutical products in various markets spread over United States, Canada, Europe, Asia and other geographies identified on the basis of revenue earned.

Note 2. Basis of accounting

These condensed consolidated interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting*, and should be read in conjunction with the Group’s last annual consolidated financial statements as at and for the year ended March 31, 2017 (‘last annual financial statements’). They do not include all of the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group’s financial position and performance since the last annual financial statements.

Note 3. Significant accounting policies

The accounting policies applied in these condensed consolidated interim financial statements are the same as those applied in the last annual financial statements.

Note 4. Use of judgements and estimates

In preparing these condensed consolidated interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended March 31, 2017.

(a) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.
Fair values are categorised 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 Group 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 finance team 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 IFRS, 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 Group 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 categorised 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 Group recognises 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 used in preparing these financial statements is included in the respective notes.

Note 5. Recent accounting pronouncements

Standards issued but not adopted

The amendment to IAS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Consolidated Statement of Financial Position for liabilities arising from financing activities, to meet the disclosure requirement.

The Group is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

IFRS 15, Revenue from Contracts with Customers

In May 2014, the IASB issued IFRS 15, "Revenue from Contracts with Customers". The core principle of the guidance is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. The new standard also will result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements.

The new revenue recognition standard was issued with an effective date of January 1, 2017. However, in April 2015, the IASB voted to defer the effective date of the new revenue recognition standard to January 1, 2018. Early application of the new standard is permitted. The Company is in the process of evaluating the impact of the new standard on its consolidated financial statements.

IFRS 16, Leases

In January 2016, the IASB issued a new standard, IFRS 16, “Leases”. The new standard brings most leases on-balance sheet for lessees under a single model, eliminating the distinction between operating and finance leases. Lessor accounting, however, remains largely unchanged and the distinction between operating and finance leases is retained. IFRS 16 supersedes IAS 17, “Leases”, and related interpretations and is effective for periods beginning on or after January 1, 2019. Earlier adoption of IFRS 16 is permitted if IFRS 15, “Revenue from Contracts with Customers”, has also been applied.

The Company is currently in the process of evaluating the impact of this new accounting standard on its consolidated financial statements.

IFRIC 22, Foreign Currency Transactions and Advance Consideration

In December 2016, the IASB issued IFRIC Interpretation 22, “Foreign Currency Transactions and Advance Consideration,” which addresses the exchange rate to use in transactions that involve advance consideration paid or received in a foreign currency. IFRIC Interpretation 22 is effective for annual reporting periods beginning on or after January 1, 2018. Earlier application is permitted. The Company is currently in the process of evaluating the impact of this change in the accounting standard on its consolidated financial statements.

IFRIC 23, Uncertainty over Income Tax treatments

On June 7, 2017, the IFRS Interpretations Committee issued IFRIC 23, which clarifies how the recognition and measurement requirements of IAS 12 “Income taxes”, are applied where there is uncertainty over income tax treatments IFRIC 23 explains how to recognize and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. An uncertain tax treatment is any tax treatment applied by an entity where there is uncertainty over whether that treatment will be accepted by the applicable tax authority. For example, a decision to claim a deduction for a specific expense or not to include a specific item of income in a tax return is an uncertain tax treatment if its acceptability is uncertain under applicable tax law.

The interpretation provides specific guidance in several areas where previously IAS 12 was silent. IFRIC 23 applies to all aspects of income tax accounting where there is an uncertainty regarding the treatment of an item, including taxable profit or loss, the tax bases of assets and liabilities, tax losses and credits and tax rates.

Note 6. Loans and borrowings

The Group has repaid revolver credit loan of 20,265,434 during the quarter ended June 30, 2017.

Note 7. Fair value measurements

			As at June 30, 2017			As at March 31, 2017		
	Note	**Level of hierarchy**	**FVPL**	**FVOCI**	**Amortised cost**	**FVPL**	**FVOCI**	**Amortised cost**
Financial assets								
Trade receivables	(a)		-	-	89,576,887	-	-	95,450,918
Cash and cash equivalents	(a)		-	-	42,149,426	-	-	48,409,120
Other financial assets	(a,b)		-	-	54,377,292	-	-	51,959,899
Total financial assets			**-**	**-**	**186,103,605**	**-**	**-**	**195,819,937**
Financial liabilities								
Loans and borrowings	(c)	1,3	57,537,250	-	344,339,841	57,489,548	-	358,895,545
Trade payables	(a)		-	-	53,665,655	-	-	50,187,151
Employee benefits	(a)		-	-	17,342,895	-	-	15,209,192
Other financial liabilities	(a,b)		-	-	38,405,584	-	-	40,232,822
Total financial liabilities			**57,537,250**	**-**	**453,753,975**	**57,489,548**	**-**	**464,524,710**

Note:

(a) Fair valuation of financial assets and liabilities with short term maturities is considered as approximate to respective carrying amount due to the short term maturities of these instruments.

(b) Fair value of non-current financial assets and liabilities has not been disclosed as there is no significant difference between carrying value and fair value.

(c) Fair value of Loans and borrowings is as below:

	Level	**Fair value**	
		As at June 30, 2017	**As at March 31, 2017**
Bond	**1**	300,373,080	299,250,000
Other borrowings (including current maturities)*	**3**	106,589,714	117,827,127
Total		**406,962,794**	**417,077,127**

* The fair value of borrowings is based upon a discounted cash flow analysis that uses the aggregate cash flows from principal and finance costs over the life of the debt and current market interest rates.

There are no transfers between level 1, level 2 and level 3 during the quarter ended June 30, 2017 and year ended March 31, 2017.

Note 8. Segment information

The Chairman and Managing Director of the company has been identified as the Chief Operating Decision Maker (CODM) as defined by IFRS 8, Operating Segments. Operating Segments have been defined and presented based on the regular review by the CODM to assess the performance of segment and to make decision about allocation of resources. Accordingly, the Group has determined pharmaceuticals as the only reportable segment. There is no change in the composition of its reportable segment during the current quarter.

Note 9. Income tax expense

Income tax expense is recognised at an amount determined by multiplying the profit (loss) before tax for the interim reporting period by management's best estimate of the weighted-average annual income tax rate expected for the full financial year, adjusted for the tax effect of certain items recognised in full in the interim period. As such, the effective tax rate in the condensed consolidated interim financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

Reconciliation between average effective tax rate and applicable tax rate for the quarter ended June 30, 2017 and June 30, 2016:

	Quarter ended June 30, 2017	**Quarter ended June 30, 2016**
Profit from continuing operations before Income Tax Expense	27,201,238	23,183,887
Statutory Tax Rate	17%	17%
Tax at the Singapore Tax rate of 17%	4,624,210	3,941,261
Tax Effect of amounts which are not deductible (taxable) in calculating Taxable Income		
Incremental allowance for research and development	(597,067)	(1,580,820)
Effect of state taxes	30,413	143,925
Tax rate difference	3,858,634	2,873,499
Effect of other permanent differences*	1,130,947	(704,123)
	9,047,137	**4,673,742**

* Primarily includes effect of tax on exempt income, non-deductible expenses, utilisation of deferred tax assets etc. which was originally recognized through equity.

Note 10. First time adoption of IFRS

(A) Transition to IFRS

The Group has adopted IFRS on April 01, 2014 (the Group's date of transition). Refer last annual financial statements for exemptions and exceptions availed.

(B) Equity/profit reconciliation

		Equity reconciliation	Profit reconciliation
	Notes	As at June 30, 2016	Quarter ended June 30, 2016
Reported earlier under previous GAAP		218,489,321	**16,081,902**
Recognition of other intangible assets	(1)	105,474,122	3,403,897
Impact of fair value of investments	(2)	4,847,114	-
Tax adjustments (net)		(24,584,503)	(842,776)
Amounts of transferred subsidiaries		(4,434,532)	(132,878)
Now Reported under IFRS		**299,791,522**	**18,510,145**

Notes:

(1) Recognition of product development cost as other intangible assets
Under IFRS, in-house product development costs and acquired in-process product development costs are permitted to be recognized as intangible asset subject to meeting certain criteria. Group has evaluated the criteria to be met for recognition of such development costs as other intangible asset (including other intangible assets under development). Under previous GAAP such development costs were expensed as incurred. In addition to this, consequential impact on finance costs and depreciation, amortization and impairment, and deferred tax has also been recorded in the respective periods.

(2) Fair valuation of investments
Under the previous GAAP, investments that do not have readily determinable fair values were carried at cost adjusted for other-than temporary impairment. Under IFRS, these investments are required to be measured at fair value at each reporting date. The resultant fair value changes with respect to investments in equity instruments designated as FVOCI have been recognized in the other comprehensive income. Further, the resulting fair value changes with respect to investments in preference shares designated as FVPL have been recognised in the profit or loss.

Other than effect of certain reclassifications due to difference in presentation and the consequential impact of recognizing other intangible assets as fully explained in reconciliation above, there was no other material effect of cash flow from operating, investing and financing activities for all periods presented.

Note 11. Subsequent events

The Group evaluated all events and transactions that occurred after June 30, 2017 up through July 14, 2017, the date the condensed consolidated interim financial statements are issued. Based on the evaluation, the Group has determined that it is not aware of any other events or transactions that would require recognition or disclosure in these condensed consolidated interim financial statements.