Jubilant Pharma Limited

Condensed Consolidated Statement of Financial Position

(All amounts in USD, unless otherwise stated)

	As at 31 December 2018	**As at 31 March 2018**
ASSETS		
Non-current assets		
Property, plant and equipment	281,134,472	278,365,913
Goodwill	163,679,258	168,634,149
Other intangible assets	109,641,896	117,320,360
Other financial assets	47,578,104	50,843,675
Income tax assets	1,329,785	1,422,997
Deferred tax assets (net)	23,214,351	25,759,953
Other non-current assets	5,973,247	4,763,262
Total non-current assets	**632,551,113**	**647,110,309**
Current assets		
Inventories	130,766,343	112,185,889
Trade receivables	101,297,442	105,941,967
Other financial assets	9,367,030	8,679,471
Income tax assets	1,513	910,651
Other current assets	28,335,346	23,213,426
Cash and cash equivalents	59,609,588	27,086,489
Total current assets	**329,377,262**	**278,017,893**
Total assets	**961,928,375**	**925,128,202**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	326,758,994	326,758,994
Merger reserve	(68,787,724)	(68,787,724)
Retained earnings	229,135,101	160,303,396
Foreign currency translation reserve	(55,373,855)	(22,222,177)
Other components of equity	(11,916,032)	(11,885,843)
Total equity	**419,816,484**	**384,166,646**
LIABILITIES		
Loans and borrowings	400,277,310	394,002,286
Employee benefits	3,553,950	3,808,701
Deferred tax liabilities (net)	19,269,849	16,693,790
Provisions	2,182,271	2,168,810
Other non-current liabilities	1,032,164	1,190,536
Total non-current liabilities	**426,315,544**	**417,864,123**
Current liabilities		
Loans and borrowings	9,987,257	14,489,963
Employee benefits	16,088,407	16,956,491
Trade payables	65,478,324	62,176,755
Other financial liabilities	11,926,329	11,488,868
Income tax liabilities	5,470,738	9,395,279
Other current liabilities	6,845,292	8,590,077
Total current liabilities	**115,796,347**	**123,097,433**
Total liabilities	**542,111,891**	**540,961,556**
Total equity and liabilities	**961,928,375**	**925,128,202**

The accompanying notes form an integral part of these condensed consolidated 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 31 December 2018	**Quarter ended 31 December 2017**	**Nine months ended 31 December 2018**	**Nine months ended 31 December 2017**
Revenue from operations	196,748,013	168,782,953	562,858,842	426,760,422
Other income	5,249,643	(52,219)	6,576,606	471,112
Total income	**201,997,656**	**168,730,734**	**569,435,448**	**427,231,534**
Cost of materials consumed	51,100,727	49,432,156	151,498,247	110,341,181
Purchases of stock-in-trade	1,849,252	4,262,078	9,229,025	8,045,038
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(661,844)	(3,465,617)	(13,440,287)	(7,235,404)
Employee benefits expense	54,100,442	49,704,434	160,275,347	126,111,931
Depreciation, amortisation and impairment	10,484,889	9,245,698	29,921,059	25,947,647
Other expenses	40,460,153	33,788,315	106,547,547	85,903,903
Result from operating activities	**44,664,037**	**25,763,670**	**125,404,510**	**78,117,238**
Finance income	1,139,048	1,109,730	3,443,835	3,472,313
Finance costs	6,105,757	7,775,554	18,596,625	20,198,832
Net finance costs	**(4,966,709)**	**(6,665,824)**	**(15,152,790)**	**(16,726,519)**
Profit before tax	**39,697,328**	**19,097,846**	**110,251,720**	**61,390,719**
Income tax expense	11,655,275	4,948,603	33,251,015	17,788,065
Profit for the period	**28,042,053**	**14,149,243**	**77,000,705**	**43,602,654**
Other comprehensive income/(loss)				
Items that will be reclassified to profit or loss				
Exchange differences on translation of foreign operations	(3,213,544)	4,489,340	(33,151,678)	17,831,365
Items that will not be reclassified to profit or loss				
Remeasurements of defined benefit obligations	(59,352)	(62,335)	(46,405)	(187,270)
Income tax relating to items that will not be reclassified to profit or loss	20,740	21,573	16,216	64,810
Other comprehensive income for the period, net of tax	**(3,252,156)**	**4,448,578**	**(33,181,867)**	**17,708,905**
Total comprehensive income for the period	**24,789,897**	**18,597,821**	**43,818,838**	**61,311,559**

The accompanying notes form an integral part of these condensed consolidated 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 # #**	**Remeasurements of defined benefit obligations @@**	**Foreign currency translation reserve ^**	**Retained earnings**	**Total attributable to owners of the Company**
At 1 April 2017	**326,758,994**	**(68,787,724)**	**(11,441,561)**	**(397,738)**	**(29,087,576)**	**111,186,516**	**328,230,911**
Total comprehensive (loss)/income for the period							
Profit for the period	-	-	-	-	-	43,602,654	43,602,654
Other comprehensive (loss)/income for the period, net of tax	-	-	-	(122,460)	17,831,365	-	17,708,905
Total comprehensive (loss)/income for the period	**-**	**-**	**-**	**(122,460)**	**17,831,365**	**43,602,654**	**61,311,559**
At 31 December 2017	**326,758,994**	**(68,787,724)**	**(11,441,561)**	**(520,198)**	**(11,256,211)**	**154,789,170**	**389,542,470**
At 1 April 2018	**326,758,994**	**(68,787,724)**	**(11,441,561)**	**(444,282)**	**(22,222,177)**	**160,303,396**	**384,166,646**
Total comprehensive (loss)/income for the period							
Profit for the period	-	-	-	-	-	77,000,705	77,000,705
Other comprehensive (loss)/income for the period, net of tax	-	-	-	(30,189)	(33,151,678)	-	(33,181,867)
Total comprehensive (loss)/income for the period	**-**	**-**	**-**	**(30,189)**	**(33,151,678)**	**77,000,705**	**43,818,838**
Transactions with equity holders in their capacity as equity holders							
Dividend distribution to shareholders*	-	-	-	-	-	(8,169,000)	(8,169,000)
Total comprehensive (loss)/income for the period	**-**	**-**	**-**	**(30,189)**	**(33,151,678)**	**68,831,705**	**35,649,838**
At 31 December 2018	**326,758,994**	**(68,787,724)**	**(11,441,561)**	**(474,471)**	**(55,373,855)**	**229,135,101**	**419,816,484**

** No. of shares as at 31 December 2018 and 31 March 2018 is 326,758,994. There is no change in the number of shares during the current quarter. All issued ordinary shares are fully paid. There is no par value for these ordinary shares. The holders of ordinary shares are entitled to receive dividends as declared from time to time, and are entitled to one vote per share at

\# Represents 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 transactions with shareholders (other than those accounted for in merger reserve).

@@ Remeasurement of defined benefit obligations comprises actuarial gains and losses and return on plan assets

^ Exchange differences arising on translation of foreign operations are recognised in other comprehensive income and accumulated in a separate reserve within the equity. The cumulative amount is reclassified to profit or loss when the Group 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.

* The board of directors of the Company at its meeting held on 12 September 2018 declared an interim dividend amounting to USD 8,169,000 (USD 0.025 per equity share) to the shareholder of the Company.

The accompanying notes form an integral part of these condensed consolidated financial statements.

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

Particulars	Nine months ended 31 December 2018	Nine months ended 31 December 2017
A. Cash flow from operating activities		
Profit before tax	110,251,720	61,390,719
Adjustments for:		
Depreciation, amortization and impairment	29,921,059	25,947,647
Unrealised foreign exchange (gain)/loss, net	(2,730,393)	48,264
Finance income	(3,443,835)	(3,472,313)
Finance costs	18,596,625	20,198,832
Gain on disposal of property, plant and equipment (net)	(290,255)	(29,146)
Dividend income	-	(2,114)
Operating cash flow before working capital changes	**152,304,921**	**104,081,889**
Decrease in trade receivable	2,399,667	30,166,988
Increase in other assets including other financial assets	(1,375,695)	(20,181,714)
Increase in inventories	(22,045,571)	(2,116,474)
Increase in trade payables	1,844,993	4,569,178
Decrease in other liabilities including other financial liabilities	(3,279,264)	(6,507,572)
Cash generated from operations	**129,849,051**	**110,012,295**
Income taxes paid (net of refund)	(31,031,536)	(26,954,529)
Net cash generated from operating activities	**98,817,515**	**83,057,766**
B. Cash flows from investing activities		
Acquisition of property, plant and equipment and other intangible assets	(35,300,833)	(36,235,949)
Proceeds from disposal of property, plant and equipment	731,086	568,991
Acquisition of business (refer note 9)	(1,462,353)	(20,143,369)
Interest received	1,899,438	3,082,708
Dividend received	-	2,114
Net cash used in investing activities	**(34,132,662)**	**(52,725,505)**
C. Cash flow from financing activities		
Repayment of long term loans and borrowings ^	(3,337,413)	(34,620,250)
(Repayments of)/proceeds from short term loans repayable on demand, net	(2,590,542)	2,503,101
Repayments of short term loans to related parties, net	(1,045,869)	(1,800,000)
Dividend paid	(8,169,000)	-
Finance costs paid	(15,409,087)	(17,122,638)
Net cash used in financing activities	**(30,551,911)**	**(51,039,787)**
Net increase/(decrease) in cash and cash equivalents (A+B+C+D)	**34,132,942**	**(20,707,526)**
D. Effect of exchange rate changes	(1,609,843)	1,027,843
Cash and cash equivalents at the beginning of the period	27,086,489	48,409,120
Cash and cash equivalents at the end of the period	**59,609,588**	**28,729,437**

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

The accompanying notes form an integral part of these condensed consolidated financial statements.

Note 1. Corporate Information

Jubilant Pharma Limited ("JPL, Singapore" or "the Company") is incorporated and domiciled in Singapore. The address of its registered office is 80 Robinson Road, #02-00 Singapore 068898. The address of its principal place of business is 6 Temasek Boulevard, #20-06 Suntec Tower Four, Singapore 038986.

Jubilant Life Sciences Limited ("Jubilant India") is the immediate and ultimate holding company of JPL, Singapore.

Jubilant Pharma Limited through its subsidiaries in United States, Canada, Europe, Asia and other geographies 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 31 March 2018 ('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 same as those applied in the last annual financial statements.

Effective 1 April 2018, the Group adopted IFRS 15 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as at 1 April 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted. There is no material effect on adoption of IFRS 15 on the condensed consolidated interim financial statements.

Effective 1 April 2018, the Group has adopted IFRS interpretation IFRIC 22 "Foreign Currency Transactions and Advance Consideration" which clarifies the date of transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency. The effect on account of adoption of this amendment was insignificant.

Note 4. Use of judgments and estimates

In preparing these condensed consolidated interim financial statements, management has made judgments, 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 judgments 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 31 March 2018.

Note 5. Recent accounting pronouncements

Standards issued but not adopted

IFRS 16, Leases

IFRS 16 replaces existing leases guidance, including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases – Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

The standard is effective for annual periods beginning on or after 1 January 2019. Early adoption is permitted for entities that apply IFRS 15 at or before the date of initial application of IFRS 16.

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

The Group has completed an initial assessment of the potential impact on its consolidated financial statements but has not yet completed its detailed assessment. The actual impact of applying IFRS 16 on the financial statements in the period of initial application will depend on future economic conditions, including the Group's borrowing rate at 1 April 2019, the composition of the Group's lease portfolio at that date, the Group's latest assessment of whether it will exercise any lease renewal options and the extent to which the Group chooses to use practical expedients and recognition exemptions.

So far, the most significant impact identified is that the Group will recognise new assets and liabilities for its operating leases of warehouse and factory facilities. Under the new standard, remaining lease payments of the operating leases will be recognised at their present value discounted using appropriate discount rates.

In addition, the nature of expenses related to those leases will now change as IFRS 16 replaces the straight-line operating lease expense with a depreciation charge for right-of-use assets and interest expense on lease liabilities.

The Group does not expect the adoption of IFRS 16 to impact its ability to comply with the loan covenants.

i. Determining whether an arrangement contains a lease

On transition to IFRS 16, the Group can choose whether to:
- apply the IFRS 16 definition of a lease to all its contracts; or
- apply a practical expedient and not reassess whether a contract is, or contains, a lease.

The Group plans to apply the practical expedient to grandfather the definition of a lease on transition. This means that it will apply IFRS 16 to all contracts entered into before 1 April 2019 and identified as leases in accordance with IAS 17 and IFRIC 4.

ii. Transition

As a lessee, the Group can either apply the standard using a:
- retrospective approach; or
- modified retrospective approach with optional practical expedients.

The lessee applies the election consistently to all of its leases.

The Group plans to apply IFRS 16 initially on 1 April 2019, using the modified retrospective approach. Therefore, the cumulative effect of adopting IFRS 16 will be recognised as an adjustment to the opening balance of retained earnings at 1 April 2019, with no restatement of comparative information.

When applying the modified retrospective approach to leases previously classified as operating leases under IAS 17, the lessee can elect, on a lease-by-lease basis, whether to apply a number of practical expedients on transition. The Group is assessing the potential impact of using these practical expedients.

IFRIC 23, Uncertainty over Income Tax treatments

On 7 June 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 recognise 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.

Annual improvements — 2015-2017 cycle

In December 2017, IASB has issued the Annual Improvements to IFRS Standards 2015–2017 Cycle, containing the following amendments to IFRSs. The amendments are effective for annual reporting periods beginning on or after 1 January 2019 with earlier application permitted.

IAS 12, Income Taxes

An entity shall recognise the income tax consequences of dividends as defined in IFRS 9 when it recognises a liability to pay a dividend. The income tax consequences of dividends are linked more directly to past transactions or events that generated distributable profits than to distributions to owners. Therefore, an entity shall recognise the income tax consequences of dividends in profit or loss, other comprehensive income or equity according to where the entity originally recognised those past transactions or events. The Group is in the process of evaluating the impact of the amendment on its consolidated financial statements.

IAS 23, Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group is in the process of evaluating the impact of the amendments on its consolidated financial statements.

Note 6. Loans and borrowings (current and non-current)

	Currency	Nominal interest rate	Year of maturity	Face value	Carrying amount
Balance as at 31 March 2018					**408,492,249**
Additions					
- Finance lease obligations	USD	4%-5% p.a.	2022	2,369,315	2,369,315
- Increase in fair value of convertible debt instrument	USD	-	-	-	6,577,565
Repayments					
- Repayment of convertible debt instrument	USD	-	-	(1,800,000)	(1,800,000)
- Short term loans repayable on demand, net	INR	6%-9% p.a.	-	(2,590,542)	(2,590,542)
- Short term loans from related parties, net	INR	7% p.a.	-	(1,045,869)	(1,045,869)
- Finance lease obligations	USD	4%-5% p.a.		(1,537,413)	(1,537,413)
Others					(200,738)
Balance as at 31 December 2018					**410,264,567**

Note 7. Fair value measurements

			As at 31 December 2018			As at 31 March 2018		
	Note	**Level of hierarchy**	**FVPL**	**FVOCI**	**Amortised cost**	**FVPL**	**FVOCI**	**Amortised cost**
Financial assets								
Trade receivables	(a)		-	-	101,297,442	-	-	105,941,967
Cash and cash equivalents	(a)		-	-	59,609,588	-	-	27,086,489
Other financial assets	(d),(e)	3	-	-	56,945,134	-	-	59,523,146
Total financial assets			**-**	**-**	**217,852,164**	**-**	**-**	**192,551,602**
Financial liabilities								
Loans and borrowings	(c),(e)	1,3	101,677,565	-	308,587,002	96,900,000	-	311,592,249
Trade payables	(a)		-	-	65,478,324	-	-	62,176,755
Employee benefits	(a),(b)		-	-	19,642,357	-	-	20,765,192
Other financial liabilities	(a)		-	-	11,926,329	-	-	11,488,868
Total financial liabilities			**101,677,565**	**-**	**405,634,012**	**96,900,000**	**-**	**406,023,064**

Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 3 fair values of loans and borrowings, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Loans and borrowings (convertible debt instrument)	*Discounted cash flows:* The valuation model considers the weighted present value of payments required to be made to the lender upon the occurrence or non-occurrence of specific events (i.e. Initial Public Offering, Private Equity Investment)	• Probabilities assigned to the occurrence of specific events each of which has a specified payout to the lender. • Adjusted discount rate 14.72% (31 March 2018: 14%)	The estimated fair value would increase (decrease) if the probabilities assigned to the occurrence of an IPO were greater (lower); the adjusted discount rate was lower (higher)

Financial instruments not measured at fair value

The following table shows the valuation techniques and the significant unobservable inputs used in determination of fair value of the Level 3 financial instruments not measured at fair value:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between key unobservable inputs and fair value measurement
Other financial assets (loan to related parties)	*Discounted cash flows:* The valuation model considers the present value of expected receipts discounted using an adjusted discount rate	Adjusted discount rate 8.57% (31 March 2018: 8.47%)	The estimated fair value would increase (decrease) if the adjusted discount rate was lower (higher)

Although the Group believes that its estimates of fair value are appropriate, the use of different assumptions could lead to different measurements of fair value. For fair value measurements of the convertible debt instrument, changing one or more of the assumptions used to reasonably possible alternative assumptions would reduce profit or loss by the following amounts:

	Impact on profit or loss
31 December 2018	
100% probability assigned to an IPO being achieved one year later	(6,418,865)
31 December 2017	
100% probability assigned to an IPO being achieved one year later	(4,282,327)

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 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 31 December 2018	As at 31 March 2018
Bond	1	294,000,000	294,750,000
Other borrowings (including current maturities)*	3	113,028,590	111,951,024
Total		**407,028,590**	**406,701,024**

* 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.

	As at 31 December 2018	As at 31 March 2018
Opening balance	96,900,000	86,189,548
Loss recognised in profit or loss (included in finance costs)	6,577,565	10,710,452
Repayment	(1,800,000)	-
Closing balance	**101,677,565***	**96,900,000**

* Company is in the process of negotiating with IFC to explore possibility of repayment of Loan C through cash settlement.

(d) Fair value of other financial assets is as below:

	Level	Fair value	
		As at 31 December 2018	As at 31 March 2018
Other financial assets *	3	56,869,458	59,570,047

* The fair value of other financial assets is based upon a discounted cash flow analysis that uses the aggregate cash flows from principal and finance income over the life of the asset and current market interest rates.

(e) There are no transfers between level 1, level 2 and level 3.

Note 8. 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:

	Quarter ended 31 December 2018	Quarter ended 31 December 2017	Nine months ended 31 December 2018	Nine months ended 31 December 2017
Profit from continuing operations before income tax expense	39,697,328	19,097,846	110,251,720	61,390,719
Statutory tax rate	17%	17%	17%	17%
Tax at Singapore tax rate of 17%	6,748,545	3,246,633	18,742,792	10,436,422
Tax effect of amounts which are not deductible (taxable) in calculating taxable income				
Incremental allowance for research and development	(374,623)	(710,739)	(1,662,690)	(2,106,060)
Effect of prior year reassessments	(406,175)	1,079,644	(497,190)	(135,786)
Effect of state taxes	112,447	(619,062)	227,397	(605,486)
Tax rate difference	4,680,572	1,099,978	13,953,739	6,569,596
Non-deductible expenses*	894,509	852,149	2,486,967	3,629,379
	11,655,275	**4,948,603**	**33,251,015**	**17,788,065**

* Including effect of tax on exempt income and utilisation of deferred tax assets which was originally recognised through equity.

Note 9. Business combination

On 1 September 2017, subject to customary closing conditions, the Group, through Jubilant Draximage Radiopharmacies Inc. (a wholly owned step-down subsidiary), acquired through an Asset Purchase Agreement ("APA") substantially all of the assets comprising the Radiopharmacy Business and assumed only certain specific, related liabilities, from Triad Isotopes, Inc. ("Triad") for a purchase consideration of 21,605,722, including an increase of 1,181,364 pursuant to final settlement of working capital during the current period ("Business Combination"). The acquisition cost of 2,504,000 has been expensed as incurred and included as part of legal and professional expense within other expenses during the year ended 31 March 2018.

Triad operated one of the largest radiopharmacy network in the US with more than 50 pharmacies under its fold. This acquisition, forming part of Specialty Pharmaceuticals segment, is a strong strategic fit with our niche radiopharma business and will help us better directly serve healthcare providers and their patients with high quality radiopharma products.

The following table summarizes the recognised amount of assets acquired and liabilities assumed at the date of acquisition:

Particulars	**Fair value**
Property, plant and equipment	8,499,210
Other intangible assets	1,614,339
Inventories	4,774,213
Trade receivables	16,594,094
Other financial assets	4,212,043
Other assets	978,130
Loans and borrowings	(3,003,722)
Provisions	(2,158,863)
Trade payables	(17,616,382)
Employee benefits	(3,316,838)
Other liabilities	(344,336)
Net assets acquired	**10,231,888**
Goodwill	11,373,834
Total consideration paid in cash	**21,605,722**

Goodwill comprises value of acquired workforce and expected synergies arising from the acquisition. Goodwill is deductible for tax purposes.