

Deloitte Haskins & Sells

Chartered Accountants
Prestige Trade Tower, Level 19
46, Palace Road, High Grounds
Bengaluru - 560 001
Karnataka, India

Tel: +91 80 6188 6000
Fax: +91 80 6188 6011

The Board of Directors
Stelis Biopharma Limited
Star 1, Opp IIM Bangalore, Bilekahalli,
Bannerghatta Road
Bangalore - 560076

Independent Auditor's Certificate certifying the accounting treatment contained in the Proposed Scheme of Arrangement amongst Strides Pharma Science Limited ("Transferor Company 1" or "Demerged Company 1"), Steriscience Specialties Private Limited ("Transferor Company 2" or "Demerged Company 2") and Stelis Biopharma Limited ("Transferee Company" or "Resulting Company" or "Company") and their respective shareholders under section 230 to 232 and other applicable provisions of the Companies Act, 2013

1. This certificate is issued in accordance with the terms of our engagement letter dated September 22, 2023.
2. We, Deloitte Haskins & Sells, Chartered Accountants (Firm's Registration No. 008072S), the statutory auditors of Stelis Biopharma Limited ("Transferee Company" or "Company"), have examined the proposed accounting treatment specified in Clause 13 and 23 of the Proposed Scheme of Arrangement (hereinafter referred as 'the Scheme') amongst Strides Pharma Science Limited ("Transferor Company 1"), Steriscience Specialties Private Limited ("Transferor Company 2") and the Transferee Company and their respective shareholders in terms of the provisions of Sections 230 to 232 of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 ("the Act") and rules framed thereunder, with reference to its compliance with the applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under and other generally accepted accounting principles.

Management's responsibility

3. The responsibility for the preparation of the Scheme and its compliance with the relevant laws and regulations is that of the Boards of Directors of the Companies involved. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Scheme and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances. The responsibility for complying with the applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under and other generally accepted accounting principles as aforesaid, is that of the Board of Directors of the Transferee Company.

Auditor's responsibility

4. Our responsibility is only to examine and report whether the accounting treatment referred to in Clause 13 and 23 of the Scheme referred to above comply with the applicable Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the rules made there under and other generally accepted accounting principles. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Company.
5. We carried out our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India (ICAI) and Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. This Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by ICAI.



**Deloitte
Haskins & Sells**

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements. Further our examination did not extend to any other parts and aspects of a legal or proprietary nature in the aforesaid Scheme.

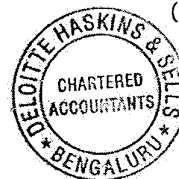
Opinion

7. Based on our examination and according to the information and explanations given to us, we are of the opinion that the accounting treatment contained in Clause 13 and 23 of the Scheme, is in compliance with Indian Accounting Standards notified under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standard) Rules, 2015, and other generally accepted accounting principles, as applicable.
8. For ease of references, Clause 13 and 23 of the Scheme, duly authenticated on behalf of the Company, is reproduced in Annexure to this Certificate and is stamped and initialed by us only for the purposes of identification.

Restriction on use

9. This certificate is issued at the request of the Company pursuant to the requirements of provisions of sections 230 to 232 and other applicable provisions of the Companies Act, 2013 for onward submission by the Company to the National Company Law Tribunal, Securities and Exchange Board of India and other regulatory bodies as applicable. This Certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(Firm's Registration No. 008072S)



Parthesh Thaker

Parthesh Thaker
Partner

(Membership No. 620126
(UDIN: 23620126BHAZGF3903)

Place: Bengaluru
Date: September 25, 2023



ANNEXURE TO OUR INDEPENDENT AUDITOR'S CERTIFICATE

Extracts from the Scheme of the Clauses covering the proposed accounting treatment

Demerger of the Demerged Undertaking 1 of the Transferor Company 1 into the Transferee Company

13. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEEE COMPANY

13.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the Transferee Company will account for the demerger of Demerged Undertaking 1 of the Transferor Company 1 in its books of accounts using the principles laid down in Indian Accounting Standard 103 - Business Combinations and other applicable generally accepted accounting principles as follows:

13.1.1 Upon the Scheme becoming effective, the Transferee Company shall record the assets and liabilities transferred to and vested in it pertaining to the Demerged Undertaking 1 of the Transferor Company 1 pursuant to this Scheme at the fair values as on the Appointed Date.

13.1.2 The shareholding in the Transferee Company held by Transferor Company 1 as on the Appointed Date shall stand cancelled. Upon cancellation, the Transferee Company shall debit to its equity share capital the aggregate face value of such cancelled equity shares with a corresponding credit to the investments recognised as part of 13.1.1. The difference (if any) would be adjusted against the securities premium of the Transferee Company.

13.1.3 The Transferee Company shall credit the aggregate face value of the equity shares of Transferee Company issued and allotted by it as per clause 11 above to the members of the Transferor Company 1, to its share capital in its books of account. The excess, if any, of the fair value of the equity shares over the face value of the equity shares shall be credited to the securities premium of the Transferee Company.

13.1.4 Upon the Scheme becoming effective, the intercompany balances between the Transferee Company and the Demerged Undertaking 1 of the Transferor Company 1, if any appearing in the books of the Transferee Company shall stand cancelled.



Stelis Biopharma Limited

Stelis Biopharma Limited

Stelis Biopharma Limited

Stelis Biopharma Limited

Stelis Biopharma Limited

Stelis Biopharma Limited

Stelis Biopharma Limited



13.1.5 The excess/deficit of the fair value of net assets pertaining to the Demerged Undertaking 1, vested in the Transferee Company and the fair value of equity shares issued as per clause 13.1.3, after considering the effect of clause 13.1.2 above, shall be adjusted to the capital reserve/ goodwill of the Transferee Company, as applicable.

13.1.6 In case of any difference in accounting policy between the Demerged Undertaking 1 of the Transferor Company 1 and the Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.

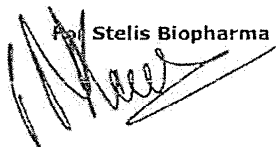
Demerger of the Demerged Undertaking 2 of the Transferor Company 2 into the Transferee Company

23. ACCOUNTING TREATMENT IN THE BOOKS OF TRANSFEEE COMPANY

23.1 Upon the Scheme becoming effective and with effect from the Appointed Date, the demerger of the Demerged Undertaking 2 from the Transferor Company 2 to the Transferee Company shall be accounted for, in the books of the Transferee Company, in accordance with the Indian Accounting Standard 103 - Business Combinations and other applicable generally accepted accounting principles.

23.2 Upon the Scheme becoming effective, the intercompany balances between the Transferee Company and the Demerged Undertaking 2 of the Transferor Company 2, if any appearing in the books of the Transferee Company shall stand cancelled.

23.3 In case of any difference in accounting policy between the Demerged Undertaking 2 of the Transferor Company 2 and the Transferee Company, the accounting policies followed by the Transferee Company will prevail to ensure that the financial statements reflect the financial position based on consistent accounting policies.


For Stelis Biopharma Limited

P R Kannan
CFO and Executive Director
DIN: 03435209

Place: Bangalore
Date: September 25, 2023



Stelis Biopharma Limited

Stelis Biopharma Limited
Corporate Office: 10th Floor, 100 Feet Road, Bengaluru - 560025
Tel: +91 80 2777 1000
Fax: +91 80 2777 1001
Email: info@stelis.com, hr@stelis.com
Website: www.stelis.com