

Zydus Therapeutics Inc.

FINANCIAL STATEMENTS

Years Ended March 31, 2024 and 2023

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Zydus Therapeutics Inc.

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors and Stockholder's
of Zydus Therapeutics Inc.

Opinion

We have audited the accompanying financial statements of Zydus Therapeutics Inc. (a Delaware Corporation), which comprise the balance sheets as of March 31, 2024 and 2023, and the related statements of operations, changes in stockholder's equity (deficit), and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Zydus Therapeutics Inc. as of March 31, 2024 and 2023, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Zydus Therapeutics Inc. and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Zydus Therapeutics Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- 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 the effectiveness of Zydus Therapeutics Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Zydus Therapeutics Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Ram Associates

Ram Associates

Hamilton, NJ

May 10, 2024

Zydus Therapeutics Inc.
Balance Sheets
March 31,

(all in thousands except shares)

	2024	2023
<u>ASSETS</u>		
Current assets :		
Cash	\$ -	\$ 577
Prepaid expenses	167	53
Other current assets	51	1
Total current assets	218	631
Fixed assets, net	30	53
Intangible assets, net	16,633	16,600
Operating lease right of use asset	217	281
TOTAL ASSETS	\$ 17,098	\$ 17,565
<u>LIABILITIES AND STOCKHOLDER'S DEFICIT</u>		
Current liabilities :		
Accounts payable and accrued expenses	\$ 3,064	\$ 1,097
Other current liabilities	432	2,510
Current portion of operating lease	66	63
Total current liabilities	3,562	3,670
Long-term liabilities :		
Loan from related parties	57,237	26,100
Operating lease - net of current portion	156	222
Accrued dividend on preference shares	34,359	21,247
Total current and long-term liabilities	95,314	51,239
Stockholder's deficit		
Series A non-convertible preferred stock, \$0.001 par value 5,000 shares authorized, 3,000 shares issued and outstanding	210,000	210,000
Common stock, \$0.001 par value - 5,000 shares authorized, 3,000 shares issued and outstanding	129,495	129,495
Capital reserve	(275,889)	(275,889)
Accumulated deficit	(141,822)	(97,280)
Total stockholder's deficit	(78,216)	(33,674)
TOTAL LIABILITIES AND STOCKHOLDER'S DEFICIT	\$ 17,098	\$ 17,565

-See accompanying notes to financial statements-

Zydus Therapeutics Inc.
Statements of Operations
For The Years Ended March 31,

(all in thousands except shares)

	2024	2023
Operating expenses:		
Research and development	\$ 18,727	\$ 11,184
General and administrative expenses	10,346	8,183
Total operating expenses	29,073	19,367
Operating loss before other income and (expense)	(29,073)	(19,367)
Other income and (expense):		
Depreciation and amortization	(19)	(7)
Interest expense	(2,337)	(606)
Total other income and (expense)	(2,356)	(613)
Net operating loss before income tax	(31,429)	(19,980)
Income taxes:		
State income tax	(1)	(1)
Total income taxes	(1)	(1)
Net loss	(31,430)	(19,981)
Dividend on preferred stock	(13,112)	(12,375)
Net loss attributable to common stockholder's	\$ (44,542)	\$ (32,356)

-See accompanying notes to financial statements-

Zydus Therapeutics Inc.
Statements of Changes in Stockholder's Deficit
For The Years Ended March 31, 2024 and 2023

(all in thousands except shares)

	<u>Common stock</u>		<u>Preferred stock</u>		Capital reserve	Accumulated deficit	Total stockholder's deficit
	Number of shares	Amount	Number of shares	Amount			
Balance at March 31, 2022	3,000	\$ 129,495	3,000	\$ 210,000	\$ (275,889)	\$ (64,924)	\$ (1,318)
Net loss						(32,356)	(32,356)
Balance at March 31, 2023	3,000	\$ 129,495	3,000	\$ 210,000	\$ (275,889)	\$ (97,280)	\$ (33,674)
Net loss						(44,542)	(44,542)
Balance at March 31, 2024	<u>3,000</u>	<u>\$ 129,495</u>	<u>3,000</u>	<u>\$ 210,000</u>	<u>\$ (275,889)</u>	<u>\$ (141,822)</u>	<u>\$ (78,216)</u>

-See accompanying notes to financial statements-

Zydus Therapeutics Inc.
Statements of Cash Flows
For The Years Ended March 31,

(all in thousands except shares)

	2024	2023
Cash flows from operating activities		
Net loss	\$ (44,542)	\$ (32,356)
Adjustment to reconcile net loss to net cash used in operating activities		
Depreciation and amortization	19	7
Amortization of right of use asset	-	4
Provision for preferred dividend	13,112	12,375
Changes in assets and liabilities :		
(Increase) / decrease in :		
Prepaid expenses	(114)	(24)
Other current assets	(50)	191
Increase / (decrease) in :		
Accounts payable and accrued expenses	1,968	666
Other current liabilities	(2,078)	(179)
Total adjustments	12,857	13,040
Net cash used in operating activities	(31,685)	(19,316)
Cash flows from investing activities		
Capital expenditures	(29)	(36)
Net cash used in investing activities	(29)	(36)
Cash flows from financing activities		
Increase in loan from related parties	31,137	19,650
Net cash provided by investing activities	31,137	19,650
Net increase (decrease) in cash and cash equivalents	(577)	298
Cash and cash equivalent at the beginning of the year	577	279
Cash and cash equivalent at the end of the year	\$ -	\$ 577
Supplementary disclosure of cash flows information:		
Cash paid during the years for:		
Income taxes	\$ 1	\$ 1
Interest	1,939	506

-See accompanying notes to financial statements-

ZYDUS THERAPEUTICS INC.

NOTES TO FINANCIAL STATEMENTS For the years ended March 31, 2024 and 2023 (In thousands except share and per share data)

1) Organization and Description of Business

Zydus Therapeutics Inc. (“the Company”) was incorporated in Delaware on February 18, 2021 and is a 100% subsidiary of Zydus Worldwide DMCC (Zydus Dubai). Zydus Dubai is fully owned by Zydus Lifesciences Limited, India, (“Zydus Life”), the ultimate parent company.

The Company is a clinical stage, specialty-focused bio-pharmaceutical company focused on developing transformative treatments. The Company aims to market and distribute these transformative branded pharmaceutical products post regulatory approval.

The corporate office of the Company is located at Pennington, New Jersey. The building is owned by Zydus Healthcare (USA) LLC (“Zydus Healthcare”), a related party.

2) Summary of Significant Accounting Policies

Accounting Policies

These financial statements are prepared on the accrual basis of accounting in conformity with accounting principles generally accepted in the United States of America (US GAAP); consequently, revenue is recognized when services are rendered, and expenses are reflected when costs are incurred.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and use assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are often based on judgments, probabilities and assumptions that management believes are reasonable but that are inherently uncertain and unpredictable. As a result, actual result could differ from those estimates. Management periodically evaluates estimates used in the preparation of the financial statements for continued reasonableness. Appropriate adjustment, if any, to the estimates used are made prospectively based on such periodic evaluations. The company has not reported any revenue in the current or previous fiscal years.

Revenue Recognition

The Company has not recognized any revenue during the year under audit since the Company is still in the development stage.

ZYDUS THERAPEUTICS INC.

NOTES TO FINANCIAL STATEMENTS For the years ended March 31, 2024 and 2023 (In thousands except share and per share data)

Cash and cash equivalents.

The Company considers all highly liquid investments (including money market funds) with an original maturity at acquisition of three months or less to be cash equivalents.

Property and Equipment

Property and equipment are stated at cost less accumulated depreciation and impairment loss if any. The Company provides for depreciation of property and equipment using the straight-line method over the estimated useful lives of the related assets ranging from 3 to 8 years.

Intangible assets

Company owns global ex-India license for a product. Company to start amortization of the license on commercialization of the underlying product. Intangible assets are reviewed annually for impairment or when events or circumstances indicate their carrying amount may not be recoverable. Based on the evaluation of intangible assets completed during the years ended March 31, 2024 and 2023, no impairment was recorded.

Concentrations

Financial instruments that potentially subject the Company to concentrations of credit risk are primarily cash and cash equivalents and trade accounts receivable. The Company maintains cash balances, which may exceed federally insured limits. As on March 31, 2024, the Company had no cash balances exceeding the federally insured limits. The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash.

Impairments

In accordance with U.S. GAAP, we evaluate the carrying amount of our long-lived assets such as property and equipment, and finite-lived intangible assets subject to amortization for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets held and used is measured by the comparison of its carrying amount with the future net cash flows the asset is expected to generate. We look primarily to the undiscounted future cash flows in the assessment of whether or not long-lived assets have been impaired. If the carrying amount of an asset exceeds its estimated undiscounted future cash flows, an impairment charge is recognized for the amount by which the carrying amount of the asset exceeds the estimated fair value of the asset. During the year the Company has not recorded any impairment

ZYDUS THERAPEUTICS INC.

NOTES TO FINANCIAL STATEMENTS For the years ended March 31, 2024 and 2023 (In thousands except share and per share data)

Fair Value Measurements

FASB ASC 820, *Fair Value Measurements and Disclosures* defines fair value and establishes a hierarchy for reporting the reliability of input measurements used to assess fair value for all assets and liabilities. FASB ASC 820 defines fair value as the selling price that would be received for an asset, or paid to transfer a liability, in the principal or most advantageous market on the measurement date. That framework provides a hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurement) and the lowest priority to unobservable inputs (level 3 measurements). The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. Certain financial instruments are carried at cost on the balance sheet, which approximates fair value due to their short-term, highly liquid nature. These instruments include cash, accounts receivable, accounts payable and accrued expenses and other liabilities.

Income taxes

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due plus deferred taxes. Deferred taxes are recognized for differences between the basis of assets and liabilities for financial statement and income tax purposes. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will either be deductible or taxable when the assets and liabilities are recovered or settled. Deferred taxes also are recognized for operating losses and tax credits that are available to offset future taxable income. As at March 31, 2024 and 2023 the Company had not recognizes any deferred tax asset.

Research and Development Cost

Research and development costs are expensed as incurred. ZTI has spent \$ 18,727 and \$11,184 on research and development for the years ended March 31, 2024 and 2023, respectively.

Advertising Costs

The Company expenses advertising cost as incurred. Advertising expense for the years ended March 31, 2024 and 2023 was \$Nil.

3) Property and Equipment

Property and equipment consisted of the following on March 31,

ZYDUS THERAPEUTICS INC.

NOTES TO FINANCIAL STATEMENTS
For the years ended March 31, 2024 and 2023
(In thousands except share and per share data)

	2024	2023
Computer and Equipment	\$ 52	\$ 23
Fixed Assets in progress	-	37
Gross Fixed Assets	52	60
Less: Accumulated Depreciation	22	7
Net Fixed Assets	\$ 30	\$ 53

Depreciation expenses during the years ended March 31, 2024 and 2023 were \$ 15 and \$ 7 respectively.

4) Intangible assets

Intangible assets consisted of the following at March 31,

	2024	2023
Product license	\$ 16,600	\$ 16,600
Website	37	-
	16,637	16,600
Less: Accumulated amortization	4	-
Total	\$ 16,633	\$ 16,600

Amortization expenses during the years ended March 31, 2024 and 2023 were \$ 4 and \$ Nil respectively.

5) Accounts payable

Accounts payable includes amounts due to Zydus Life, the ultimate parent Company. The balance due on March 31, 2024 and 2023 were \$ 163 and \$4 respectively.

Accounts payable includes amounts due to Zydus Pharmaceuticals (USA) Inc. The balance due on March 31, 2024 and 2023 were \$ 503 and \$106 respectively.

Accounts payable includes amounts due to Zydus Healthcare USA LLC. The balance due on March 31, 2024 and 2023 were \$ 6 and \$ 6 respectively.

ZYDUS THERAPEUTICS INC.

NOTES TO FINANCIAL STATEMENTS For the years ended March 31, 2024 and 2023 (In thousands except share and per share data)

Accounts payable includes amounts due to Viona Pharmaceuticals Inc. The balance due on March 31, 2024 and 2023 were \$ 160 and \$ Nil respectively.

6) Accrued expenses.

Accrued expenses represent amounts accrued towards various expenses. Accrued expenses outstanding on March 31, 2024 and 2023 were \$432 and \$2,510, respectively.

7) Short-Term Debt

Loan from Zydus Pharmaceuticals (USA) Inc.

The Company had outstanding loan \$ 57,237 and \$ 26,100 for the years ended March 31, 2024, and 2023 respectively from Zydus Pharmaceuticals (USA) Inc., a related party. The Company has paid interest at the applicable arm's length rate on this loan.

8) Preferred Shares

With effect from July 1, 2021 Zydus Discovery DMCC [ZDD], Dubai, a related party, is merged with the Company. Pursuant to the merger of ZDD, the Company had acquired global ex-India license for a product, other current assets and current liabilities of ZDD. The merger is between the related parties and accounted for using accounting methodology of "Business Combinations under common control". All the assets and liabilities of ZDD are recorded by the Company at their book value as appearing in books of ZDD as on the effective date of merger. In consideration of the merger, the Company had issued 3,000 shares of Series A non-convertible preferred stock of USD 210,000 [per share par value of \$ 0.001 issued at \$70] and 3,000 common stock of USD 129,495 [per share par value of \$ 0.001 issued at f \$43.165]. The difference between the book value of the net assets acquired and the fair value of consideration given is accounted as "Capital Reserve" of USD (275,889).

The Company has accrued cumulative dividends on the outstanding shares from the date of issuance at the rate of 5.5% per annum. The balance accrued towards cumulative dividend were \$ 34,359 and \$21,247 as of March 31, 2024 and 2023, respectively.

9) Employee Benefit Plan

The Company participates in a savings plan under section 401(k) of the Internal Revenue Code (Code) covering all eligible employees. The plan provides that the Company can make matching contributions, which is equivalent to the employee's contributions subject to a maximum of 5% of the gross pay of the employee subject to Federal limits. All qualifying matching contributions are 100% vested at the completion of five years of service by an employee and are subject to certain withdrawal restrictions. For the years ended March 31, 2024 and 2023, the Company's contribution to the plan, were \$ 173 and \$84 respectively.

ZYDUS THERAPEUTICS INC.

NOTES TO FINANCIAL STATEMENTS For the years ended March 31, 2024 and 2023 (In thousands except share and per share data)

10) Contingent Liability

The Company has agreed a to pay severance package covering three to nine months of annual salary to an employee for the agreement period, in the event the Company terminates employment without any specific reasons (without cause). The contingent liabilities for the years ended March 31, 2024 and 2023 were approximately \$ 856 and \$ 319 respectively

11) Related Party Transactions

- a) During the years ended March 31, 2024, and 2023, the Company spent \$ 588 and \$ 264 respectively for support service provided by Zydus Life, the ultimate parent company.
- b) During the years ended March 31, 2024, and 2023, the Company has paid \$ 72 and \$ 70 respectively for the lease rentals to Zydus Healthcare and also reimbursed \$ 43 and \$ 92 respectively for IP and other expenses incurred by Zydus Healthcare on behalf of the Company.
- c) During the years ended March 31, 2024, and 2023, the Company incurred \$ 2337 and \$ 606 respectively for interest toward loan from Zydus Pharmaceuticals (USA) Inc (ZPU) and also reimbursed \$ 10 and \$ 6 respectively for various expenses incurred by ZPU on behalf of the Company. During the years ended March 31, 2024, and 2023, the Company also took additional loan of \$ 31137 and \$ 19,850, respectively from ZPU.
- d) During the years ended March 31, 2024, and 2023, the Company has advance payable to Viona Pharmaceuticals Inc. (Viona) \$ 160 and \$ 0 respectively.

12) Product Liability

Accruals for product liability claims if any are recorded, on an undiscounted basis, when it is probable that a liability has been incurred and the amount of the liability can be reasonably estimated based on existing information. The accruals are adjusted periodically as additional information becomes available. From time to time the Company is subject to claims and law suits arising in the ordinary course of business, including patent, product liability and other litigation. In determining whether liabilities should be recorded for pending claims, the Company assesses the allegations made and the likelihood that it will be able to defend against the claim successfully. The Company records provisions to the extent it concludes that a contingent liability is probable, and the amount thereof is estimable. Because litigation outcomes and contingencies are unpredictable, and because excessive verdicts can occur, these assessments involve complex judgments about future events and can rely heavily on estimates and assumptions. The Company is not involved in product liability lawsuits.

13) Income Tax

The Company accounts for income taxes in accordance with FASB ASC Topic 740, *Income Taxes*. Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts

ZYDUS THERAPEUTICS INC.

NOTES TO FINANCIAL STATEMENTS For the years ended March 31, 2024 and 2023 (In thousands except share and per share data)

used for income tax purposes. Management evaluates all available evidence about future taxable income and other possible sources of realization of deferred tax assets. Deferred tax asset realization for income from products under development to be initiated on major positive outcome/approval from the regulatory authorities.

The Company recognizes the tax benefit from uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the tax authorities, based on the technical merits of the position. The tax benefit is measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon ultimate settlement. The Company recognizes interest and penalties related to income tax matters as other expense in the statement of income. Based on management's evaluations, there are no uncertain tax positions requiring recognition as of the date of these financial statements.

The Company has not made any provision for income taxes since there is no taxable income for the years under audit. The Company files its income tax returns on a calendar year basis.

There are no on-going open period income tax audits with any Federal, State and/or local tax authorities.

14) New Accounting Pronouncements

i) Accounting Standards Update No. 2016-13, Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments (Credit Losses) - The amendment in this ASU affects entities holding financial assets and net investment in leases that are not accounted for at fair value through net income. The amendments affect loans, debt securities, trade receivables, net investments in leases, off-balance-sheet credit exposures, reinsurance receivables, and any other financial assets not excluded from the scope that have the contractual right to receive cash. The amendments in this update affect an entity to varying degrees depending on the credit quality of the assets held by the entity, their duration, and how the entity applies current GAAP. Accounting Standards Update 2019-10 amends the mandatory effective dates for implementation of accounting for Credit Losses for all entities as follows:

Public business entities that meet the definition of a Securities and Exchange Commission (SEC) filer, excluding entities eligible to be smaller reporting companies as defined by the SEC, for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. All other entities for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Early application continues to be allowed. The Company adopted ASU 2016-02 effective from April 1, 2023. The adoption of ASU 2016-02 standard did not have a material impact on the Company's financial statements.

ZYDUS THERAPEUTICS INC.

NOTES TO FINANCIAL STATEMENTS For the years ended March 31, 2024 and 2023 (In thousands except share and per share data)

15) Leasing Arrangements

The Company leases certain office space. The Company assesses whether an arrangement qualifies as a lease (i.e., conveys the right to control the use of an identified asset for a period of time in exchange for consideration) at inception and only reassesses its determination if the terms and conditions of the arrangement are changed. Leases with an initial term of 12 months or less are not recorded on the balance sheet. Lease expense is recognized for these leases on a straight-line basis over the lease term.

The lease terms include options to extend the leases when it is reasonably certain that the Company will exercise that option. These operating leases contain renewal options for periods ranging from three to five years that expire at various dates with no residual value guarantees. Future obligations relating to the exercise of renewal options is included in the measurement if, based on the judgment of management, the renewal option is reasonably certain to be exercised. Factors in determining whether an option is reasonably certain of exercise include, but are not limited to, the value of leasehold improvements, the value of the renewal rate compared to market rates, and the presence of factors that would cause a significant economic penalty to the Company if the option is not exercised. The exercise of lease renewal options is at the Company's sole discretion. Certain leases also include options to purchase the leased property. The depreciable life of assets and leasehold improvements are limited by the expected lease term unless there is a transfer of title or purchase option reasonably certain of exercise.

The lease assets and liabilities were calculated utilizing the risk-free discount rate (3.6%), according to the Company's elected policy.

	Classification	03/31/2024
Assets	Operating lease right of use assets	\$ 217
Liabilities	Current portion of operating lease	\$ 66
	Noncurrent portion of operating lease	\$ 156

Operating lease costs for the year ended March 31, 2024, was \$73 and is included in general and administrative expenses in the accompanying statement of operations.

Supplemental cash flow and other information is as follows:

Cash paid for amounts included in the measurement of lease liabilities:

Operating cash flows from operating leases	\$ 72
Lease assets obtained in exchange for lease liabilities	342
Weighted-average remaining lease term (years)	3.17
Weighted average discount rate	4.00%

ZYDUS THERAPEUTICS INC.

NOTES TO FINANCIAL STATEMENTS For the years ended March 31, 2024 and 2023 (In thousands except share and per share data)

Total future minimum payments required under the lease obligations are as follows as of March 31, 2024,

2025	\$	72
2026		74
2027		75
2028		13
Total lease payments		<u>234</u>
Less: amount representing interest		<u>12</u>
Total lease obligation	\$	<u><u>222</u></u>

16) Subsequent events

The Company has evaluated subsequent events through May 10, 2024, the date, which the financial statements were available to be issued. No reportable subsequent events have occurred through May 10, 2024, which would have a significant effect on the financial statements as of March 31, 2024, except as otherwise disclosed.