

INDEPENDENT AUDITOR'S EXAMINATION REPORT ON RESTATED CONSOLIDATED FINANCIAL INFORMATION

The Board of Directors

Sai Life Sciences Limited

Plot No. DS- 7, IKP Knowledge Park
Turkapally Village, Shameerpet Mandal
Medchal – Malkajgiri District - 500 078
Telangana, India

Dear Sirs,

1. We have examined, as appropriate (refer paragraph 5 below), the attached Restated Consolidated Financial Information of Sai Life Sciences Limited (the "Company" or the "Issuer") and its subsidiaries (the Company and its subsidiaries collectively referred to as the "Group"), comprising the Restated Consolidated Statement of Assets and Liabilities as at September 30, 2024 and 2023 and as at March 31, 2024, 2023 and 2022, the Restated Consolidated Statements of Profit and Loss (including other comprehensive income), the Restated Consolidated Statements of Changes in Equity, the Restated Consolidated Statements of Cash Flows for the six month periods ended September 30, 2024 and 2023 and for the years ended March 31, 2024, 2023 and 2022, the Summary Statement of Material Accounting Policies, and other explanatory information (collectively, the "Restated Consolidated Financial Information"), as approved by the Board of Directors of the Company at their meeting held on November 26, 2024 for the purpose of inclusion in the Red Herring Prospectus ("RHP") and Prospectus (collectively, Offer Documents") prepared by the Company in connection with its proposed initial public offering of equity shares ("IPO") prepared in terms of the requirements of:
 - a) Section 26 of Part I of Chapter III of the Companies Act, 2013, as amended (the "Act");
 - b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended ("ICDR Regulations"); and
 - c) The Guidance Note on Reports in Company Prospectuses (Revised 2019) issued by the Institute of Chartered Accountants of India ("ICAI"), as amended (the "Guidance Note").
2. The Company's management is responsible for the preparation of the Restated Consolidated Financial Information which have been approved by the Board of Directors of the Company for the purpose of inclusion in the Offer Documents to be filed with Securities and Exchange Board of India (SEBI), BSE Limited and National Stock Exchange of India Limited (collectively, with BSE Limited, the "Stock Exchanges") and the Registrar of Companies, Telangana at Hyderabad ("RoC") in connection with the proposed IPO. The Restated Consolidated Financial Information has been prepared by the management of the Company on the basis of preparation stated in note 2A to the Restated Consolidated Financial Information. The respective board of directors of the companies included in the Group are responsible for designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the respective restated financial information. The respective board of directors are also responsible for identifying and ensuring that the Group complies with the Act, ICDR Regulations and the Guidance Note.
3. We have examined such Restated Consolidated Financial Information taking into consideration:
 - a) The terms of reference and terms of our engagement agreed upon with you in accordance with our engagement letter dated July 08, 2024 read with addendum to engagement letter dated November 22, 2024 in connection with the proposed IPO of equity shares of the Issuer;

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- b) The Guidance Note. The Guidance Note also requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI;
 - c) Concepts of test checks and materiality to obtain reasonable assurance based on verification of evidence supporting the Restated Consolidated Financial Information; and
 - d) The requirements of Section 26 of the Act and the ICDR Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act, the ICDR Regulations and the Guidance Note in connection with the IPO.
4. These Restated Consolidated Financial Information have been compiled by the management from:
- a) the audited special purpose interim consolidated financial statements of the Group as at and for the six month period ended September 30, 2024 (along with comparative financial information as at and for the six month period ended September 30, 2023) prepared in accordance with recognition and measurement principles of Indian Accounting Standard (Ind AS) 34 "Interim Financial Reporting", specified under section 133 of the Act and other accounting principles generally accepted in India ("Special Purpose Interim Consolidated Financial Statements"), which have been approved by the Board of Directors at their meeting held on November 26, 2024.
 - b) the audited consolidated Ind AS financial statements of the Group as at and for the years ended March 31, 2024, 2023 and 2022 prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, which have been approved by the Board of Directors of the Company at their meeting held on May 21, 2024, August 9, 2023 and August 17, 2022 respectively.
5. For the purpose of our examination, we have relied on:
- a) Auditors' reports issued by us dated November 26, 2024 on the Special Purpose Interim Consolidated Financial Statements as at and for the six month period ended September 30, 2024 as referred in Paragraph 4(a) above.
 - b) Auditors' reports issued by us dated May 21, 2024, August 9, 2023 and August 17, 2022 on the consolidated Ind AS financial statements of the Group as at and for the years ended March 31, 2024, 2023 and 2022 as referred in Paragraph 4(b) above.
 - c) As indicated in our audit reports referred above:
 - a) we did not audit financial statements of subsidiaries whose share of total assets, total revenues, and net cash inflows / (outflows) included in the Special Purpose Interim Consolidated Financial Statements/ consolidated Ind AS financial statements, for the relevant year tabulated below, which have been audited by other auditors (listed in Appendix 1), and whose report have been furnished to us by the Company's management and our opinion on the Special Purpose Interim Consolidated Financial Statements/consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these components, is based solely on the reports of the other auditors:

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(Rs in million, unless specified otherwise)

Particulars	As at/ for the period ended		As at/ for the year ended		
	September 30, 2024	September 30, 2023	March 31, 2024	March 31, 2023	March 31, 2022
Number of subsidiaries	2	2	2	2	1
Total assets	1,600.64	1,302.44	1,293.83	1,348.67	1,326.34
Total revenue	588.19	510.67	1,024.81	1,078.14	744.70
Net cash inflow/ (outflows)	277.26	(4.83)	4.98	(3.43)	3.52

Our opinion on the Special Purpose Interim Consolidated Financial Statements / consolidated Ind AS financial statements is not modified in respect of this matter.

- b) we did not audit financial statements of a subsidiary whose share of total assets, total revenues, net cash inflows / (outflows) included in the consolidated Ind AS financial statements, for the period tabulated below, which are unaudited (listed in Appendix 2) and have been furnished to us by the Company's management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of this component, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the management, these financial statements are not material to the Group (Refer Note 2(B)(b) to the Restated Consolidated Financial Information):

(Rs in million, unless specified otherwise)

Particulars	As at/ for the year ended March 31, 2022
Number of subsidiary	1
Total assets	1.36
Total revenue	-
Net cash inflow/ (outflows)	1.36

These other auditors of certain subsidiaries, as mentioned above, have examined the restated financial information (listed in Appendix 3) and have confirmed that the restated financial information:

- i. have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications in the six month period ended September 30, 2023 and in financial years ended March 31, 2024, 2023 and 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six month period ended September 30, 2024;
 - ii. do not require any adjustment for modification as there is no modification in the underlying audit report; and
 - iii. have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
6. Based on our examination and according to the information and explanations given to us and also as per the reliance placed on the examination reports submitted by the other auditors for the respective years, we report that the Restated Consolidated Financial Information:
- a) have been prepared after incorporating adjustments for the changes in accounting policies, material errors and regrouping/reclassifications retrospectively in the six month period ended

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September 30, 2023 and in the financial years ended March 31, 2024, 2023 and 2022 to reflect the same accounting treatment as per the accounting policies and grouping/classifications followed as at and for the six month period ended September 30, 2024;

- b) do not require any adjustment for modification as there is no modification in the underlying audit report; and
 - c) have been prepared in accordance with the Act, ICDR Regulations and the Guidance Note.
7. 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.
 8. The Restated Consolidated Financial Information do not reflect the effects of events that occurred subsequent to the respective dates of the reports on the Special Purpose Interim Consolidated Financial Statements / consolidated Ind AS financial statements mentioned in paragraph 4 above.
 9. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
 10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 11. Our report is intended solely for use of the Board of Directors of the Company for inclusion in the Offer Documents to be filed with SEBI, the Stock Exchanges and the RoC, in connection with the proposed IPO. Our report should not be used, referred to, or distributed for any other purpose except with our prior consent in writing. 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 report is shown or into whose hands it may come without our prior consent in writing.

For **Deloitte Haskins & Sells LLP**
Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Sathya P. Koushik
Partner
(Membership No. 206920)
UDIN: 24206920BKAOEG1353

Place: Bengaluru
Date: November 26, 2024

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Appendix 1

List of subsidiaries audited by other auditors

Sr. No	Name of the entity	Independent Auditors	Periods audited
1	Sai Life Sciences Inc.	Siva Krishnan & Narayan	As at/for the six months periods ended September 30, 2024 and September 30, 2023 As at/for the year ended March 31, 2024, 2023 and 2022
2	Sai Life Sciences GMBH	Siva Krishnan & Narayan	As at/for the six months periods ended September 30, 2024 and September 30, 2023 As at/for the year ended March 31, 2024 and 2023

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Appendix 2

List of subsidiary which is unaudited

Sr. No	Name of the entity	Period unaudited
1.	Sai Life Sciences GMBH	FY 2021-22

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Appendix 3

List of subsidiaries examined by other auditors

Sr. No	Name of the entity	Independent Auditor	Periods examined
1	Sai Life Sciences Inc.	Siva Krishnan & Narayan	As at/for the six months periods ended September 30, 2024 and September 30, 2023 As at/for the year ended March 31, 2024, 2023 and 2022
2	Sai Life Sciences GMBH	Siva Krishnan & Narayan	As at/for the six months periods ended September 30, 2024 and September 30, 2023 As at/for the year ended March 31, 2024 and 2023