

Financial Statements  
年次決算書

自 令和5年4月 1日  
至 令和6年3月31日  
For the year ended  
March 31, 2024

YL Biologics Limited  
YLバイオロジクス株式会社

## 独立監査人の監査報告書

2024年4月23日

YL バイオロジクス株式会社  
代表取締役 日比野 俊彦 殿

北井徹公認会計士事務所  
公認会計士 北井 徹



### 監査意見

私は YL バイオロジクス株式会社の 2023 年 4 月 1 日から 2024 年 3 月 31 日までの第 11 期事業年度の財務諸表、すなわち、貸借対照表、損益計算書、個別注記表及び附属明細書について監査を行った。

私は、上記の財務諸表が、全ての重要な点において個別注記表に記載された会計の基準に準拠して作成されているものと認める。

### 監査意見の根拠

私は、我が国において一般に公正妥当と認められている監査の基準に準拠して監査を行った。監査の基準における私の責任は、「財務諸表監査における監査人の責任」に記載されている。私は、我が国における職業倫理に関する規定に従って、会社から独立しており、また、監査人としてのその他の倫理上の責任を果たしている。私は、意見表明の基礎となる十分かつ適切な監査証拠を入手したと判断している。

### 強調事項—財務諸表作成の基礎並びに配布及び利用制限

個別注記表に記載されているとおり、財務諸表は、取引先である株式会社陽進堂及び Lupin Atlantis SA に提出するために個別注記表に記載された会計の基準に準拠して作成されており、したがって、それ以外の目的には適合しないことがある。当該事項は、私の意見に影響を及ぼすものではない。

本報告書は株式会社陽進堂及び Lupin Atlantis SA のみを利用者として想定しており、株式会社陽進堂及び Lupin Atlantis SA 以外に配布及び利用されるべきものではない。

### その他の記載内容

その他の記載内容は、監査した財務諸表を含む開示書類に含まれる情報のうち、財務諸表及びその監査報告書以外の情報である。

## 財務諸表に対する経営者の責任

経営者の責任は個別注記表に記載された会計の基準に準拠して財務諸表を作成することにある。これには、不正又は誤謬による重要な虚偽表示のない財務諸表を作成するために経営者が必要と判断した内部統制を整備及び運用することが含まれる。

## 財務諸表監査における監査人の責任

監査人の責任は、監査人が実施した監査に基づいて、全体としての財務諸表に不正又は誤謬による重要な虚偽表示がないかどうかについて合理的な保証を得て、監査報告書において独立の立場から財務諸表に対する意見を表明することにある。虚偽表示は、不正又は誤謬により発生する可能性があり、個別に又は集計すると、財務諸表の利用者の意思決定に影響を与えると合理的に見込まれる場合には、重要性があると判断される。

監査人は、我が国において一般に公正妥当と認められる監査の基準に従って、監査の過程を通じて、職業的専門家としての判断を行い、職業的懐疑心を保持し以下を実施する。

- ・不正又は誤謬による重要な虚偽表示リスクを識別し、評価する。また、重要な虚偽表示リスクに対応した監査手続を立案し、実施する。監査手続の選択及び適用は監査人の判断による。さらに、意思表明の基礎となる十分かつ適切な監査証拠を入手する。
- ・財務諸表監査の目的は、内部統制の有効性について意見表明するためのものではないが、監査人はリスク評価の実施に際して、状況に応じた適切な監査手続を立案するために、監査に関連する内部統制を検討する。
- ・経営者が採用した会計方針及びその適用方法の適切性、並びに経営者によって行われた会計上の見積もりの合理性及び関連する注記事項の妥当性を評価する。
- ・財務諸表の表示及び注記事項が、個別注記表に記載された会計の基準に準拠しているかどうかを評価する。

## 利害関係

会社と私との間には、公認会計士法の規定により記載すべき利害関係はない。

以上

INDEPENDENT AUDITOR'S REPORT (Translated)

April 23, 2024

To the Representative Director of  
YL Biologics Limited,  
Toshihiko Hibino, Ph-D

Kitai Toru Certified Public Accountant Firm  
Certified Public Accountant Toru Kitai

**Auditor's Opinion**

I have audited the accompanying financial statements of YL Biologics Limited in the fiscal year from April 1st, 2023 to March 31st, 2024 which comprise the Balance Sheet, the Statement of Income, Individual Note to the Financial Statement and its Annex.

I recognize that the above financial statements are prepared, in all materials respects, in accordance with Regulation on Corporate Accounting described on the individual note to Financial Statement.

**Basis for Audit Opinion**

I have audited in accordance with generally accepted Auditing Standards in Japan. My responsibility in Audit Standards is specified as "Auditor's Responsibilities in Auditing Financial Statements". According to the Code of Professional Ethics", I am independent of the Company and fulfilling other ethical responsibilities as an auditor. I believe that I have obtained sufficient and appropriate information on which to base my opinion.

**Emphasis-Basics of preparation of financial statements**

As stated in the Notes to Financial Statements, Financial Statements are prepared in compliance with regulation on Corporate Accounting described on the Note to Financial Statements for the purpose of submitting to Yoshindo Holdings and Lupin Atlantis SA which are the business partner and therefore, may not be suitable for other purposes. The matter does not affect my opinion.

This report was prepared with the assumption that only Yoshindo Holdings and Lupin Atlantis SA will be the user and should not be distributed or used by anyone other than Yoshindo Holdings and Lupin Atlantis SA.

**Other Information**

Other information is the information other than the audit report contained in the disclosure document.

### **Management's responsibility for the Financial Statements**

Management's responsibility is to prepare the financial statements in accordance with Regulation on the Corporate Accounting described on the Note to Financial Statements and to control internally as management determines is necessary to enable the preparation of financial statement that are free from material misstatement, whether due to fraud or error.

### **Auditor's responsibility for auditing Financial Statements**

Auditor's responsibility is to express an opinion on the financial statements in the audit report based on our audit, after obtaining reasonable assurance that the financial statements, as a whole, are free of material misstatement due to fraud or error. Misstatements can arise from fraud or error and are considered material if, individually or collectively, they could reasonably be expected to influence decisions to use the financial statements. Throughout the audit process, the auditor shall exercise professional judgement in the following, maintaining professional skepticism in accordance with generally accepted audited standards in Japan.

- Auditor is to identify and assess material misstatement risks due to fraud or error and design and implement audit procedures in response to the risk of material misstatement.
- Furthermore, auditor is to obtain sufficient and appropriate audit evidence for expression of opinion, depending on the choice of audit procedures and preference of the applicable auditor.
- The purpose of the financial statement audit is not to express an opinion on the effectiveness of internal control, but the audit should consider internal controls over the audit procedures that are appropriate to the circumstances in performing the risk management.
- Auditor is to check the appropriateness of the accounting policies and methods of application adopted by management, the reasonableness of accounting estimates made by management, and the adequacy of related notes.
- Auditor evaluates whether the presentation and notes in the financial statements comply with the accounting standards set forth in the notes to the financial statements.

### **Conflict of Interest**

There is no conflict of interest between the company and me that should be stated in accordance with the provisions of the Certified Public Accountants Act.

## Balance Sheet (貸借対照表)

As of March 31, 2024

(Unit: Yen) 単位:円)

Assets 【資産の部】		Liabilities 【負債の部】	
Accounts 科目	Amounts金額	Accounts 科目	Amounts金額
<b>Current asset</b>		<b>Current liabilities</b>	
Cash and equivalents	1,098,617,821	Other payable	14,404,407
Accounts receivable	1,097,918,264	Income tax payable	550,925
Consumption tax receivable	565,020	Advance received	180,000
	134,537	Deposits received	13,656,972
		預り金	16,510
<b>Non-Current assets</b>		<b>Total liabilities</b>	
Property, plants and equipment	14,918	負債合計	14,404,407
Building fixtures	14,918		
Tool, equipment and fixtures	0	<b>Equity</b>	
Accumulated depreciation	1,086,500	<b>Shareholders' equity</b>	
	(1,071,582)	Capital stock	1,084,228,332
		Capital surplus	50,000,000
Intangible assets	0	Legal capital surplus	50,000,000
Software	0	Other capital surplus	12,500,000
		Retained earnings	37,500,000
		Other retained earnings	984,228,332
		Retained earnings carried out	984,228,332
		繰越利益剰余金	984,228,332
		<b>純資産合計</b>	
<b>Total assets</b>	1,098,632,739	負債・純資産合計	1,098,632,739

## Statement of Income (損益計算書)

From April 1, 2023 to March 31, 2024

(単位:円)

Accounts 科目		Amounts 金額
<b>Sales</b>		
	<b>【売上高】</b>	
R&D revenue	研究開発売上	15,839,535
Product sales	商品販売売上	0
Service revenue	役務収益	0
		15,839,535
<b>Cost of Sales</b>	<b>【売上原価】</b>	
R&D expenses	研究開発費	
Cost of product sales	商品販売原価	0
		0
	Gross of Profit	15,839,535
<b>Selling, general and administrative expenses</b>	<b>【販売費及び一般管理費】</b>	
	営業利益	15,893,072
	Operating Income	△ 53,537
<b>Other Income</b>	<b>【営業外収益】</b>	
Interest Income	受取利息	10,948
Miscellaneous income	雑収入	42,680
		53,628
	Ordinary income	91
	Income before income taxes	91
	Income taxes - current	法人税、住民税及び事業税
	Income taxes - deferred	法人税等調整額
	Net income	△ 181,585
		当期純利益

## Statement of Changes in Equity (株主資本等変動計算書)

From April 1, 2023 to March 31, 2024

(Unit; Yen) (単位: 円)

	Shareholders' equity 株主資本						
	資本金 Capital stock	Capital surplus 資本剰余金			Retained earnings 利益剰余金		株主資本 合計 Total shareholders' equity
		資本準備金 Legal capital surplus	その他 資本 剰余金 Other capital surplus	資本 剰余金 合計 Total capital surplus	その他利益 剰余金 Other retained earnings	利益 剰余金 合計 Total retained earnings	
当期首残高 Beginning Balance	50,000,000	12,500,000	37,500,000	50,000,000	984,409,917	984,409,917	1,084,409,917
当期変動額 Changes during the year							
当期純利益 Net income				0	△ 181,585	△ 181,585	△ 181,585
当期変動額の合計 Total changes during the year	0	0	0	0	△ 181,585	△ 181,585	△ 181,585
当期末残高 Ending Balance	50,000,000	12,500,000	37,500,000	50,000,000	984,228,332	984,228,332	1,084,228,332



## Individual Notes Table

### 1. Summary of Significant Accounting Policies

#### (1) Basis of presenting Financial Statements

The accompanying financial statements and the supplementary schedule of YL Biologics Limited (the “Company”) have been prepared in accordance with Regulation on Corporate Accounting, from the accounts maintained by the Company in accordance with accounting principles generally accepted in Japan.

#### (2) Methods of Depreciation of Fixed Assets

Tangible Fixed Assets	Straight-line method adopted
Intangible Fixed Assets	Straight-line method adopted

#### (3) Accounting for consumption taxes

Consumption taxes are excluded from sales, costs and expenses in the Statement of Income.

#### (4) Standards for converting assets or liabilities demonstrated in foreign currencies into Japanese yen.

Assets and liabilities denominated in foreign currencies are translated to Japanese yen at the spot exchange rate on the settlement date.

### 2. Notes to the Balance Sheet

The balance of receivables and payables to affiliated companies are as follows:

Accounts receivable and Other receivable	¥565,020
Accounts payable, Other payable, and Advance payment	¥14,173,972

### 3. Notes to Statement of Income

Transactions with affiliated companies for the year are as follows:

R&D revenue	¥15,839,535
Product sales	¥0
Service revenue	¥0
R&D expenses	¥0
Purchase of inventories	¥0
Other expenses	¥9,426,365

#### 4. Notes to Statement of Changes in Equity

Total number of shares outstanding at the end of this fiscal year

Common stock: 1,000 shares

#### 5. Notes to transactions with related parties

##### (1) Parent company and other shareholders

Category	Name of the company	Percentage of voting rights (non-owned)	Relationship	Description of transactions	Amounts of transaction (*6)	Account	Balance at the end of term (*7)
Parent company	Yoshindo	Directly owned 55%	Contract service	Development service provided for pharmaceutical products (*1)	8,711,745	Account receivable	565,020
				Sales of promotional goods (*2)	-	Account receivable	-
				Trade administration fee revenue (*3)	-	Account receivable	-
				Subcontract for pharmaceutical products (*4)	-	Other payable	-
Other affiliate	Lupin Atlantis Holdings SA	Directly owned 45%	Contract service	Operating charge	5,826,365	Other payable	18,7000
				Development service provided for pharmaceutical products (*1)	7,127,700	Advanced receivable	13,656,972

##### (2) Subsidiaries of Parent company

Category	Name of the company	Percentage of voting rights (non-owned)	Relationship	Description of transactions	Amounts of transaction (*7)	Account	Balance at the end of term (*7)
Subsidiary of Parent company	AY Pharmaceuticals Co., Ltd.	None	Contract services	Subcontracted for charged for pharmaceutical products (*4)	-	Other payable	-
				Payment of outsourcing fee (*6)	3,600,000	Other payable	330,000
				Purchase of promotional goods (*2)	-	Account payable	-

Transaction conditions, policy for determining transaction conditions, etc., are as follows (Notes)

(\*1) The Company charged development service fee to Yoshindo Inc., (“Yoshindo”) and Lupin Atlantis Holdings SA (“LASHA”) at the service rate as set by the Joint Venture Agreement and the Contract Research Service Agreement with the two companies.

(\*2) The Company purchased promotional goods from AY Pharmaceuticals Co.,Ltd. (AY Pharma”) and sold them to Yoshindo, at a price determined in the same manner as general terms of transaction.

(\*3) Trade administration fee charged rate as agreed with Yoshindo is determined on the total trade volume and the charge rate as agreed with Yoshindo.

(\*4) Subcontract fee charged by Yoshindo and AY Pharma is determined in the same manner as general terms of transactions.

(\*5) Operating charges are determined based on the agreement with Yoshindo.

(\*6) Payment of outsourcing fees to AY Pharma is determined based on the agreement with AY Pharma.

(\*7) Consumption taxes are excluded from the number of transactions while it is included in the year end and balances.

## **6. Notes to the per share information**

(1) Book value per share                      **1, 084, 228. 33**

(2) Net earnings/loss per share              **▲ 181. 58**