



To,
Board of Directors
Gem Aromatics LLC

Report on the audit of the Special Purpose Financial Statements

Opinion

1. We have audited the accompanying special purpose financial statements of Gem Aromatics LLC ("the Company"), which comprise the Balance Sheet as at 31st March 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement for Cash Flow the year then ended and a summary of significant accounting policies and other explanatory notes. (collectively referred to as the "Special Purpose Financial Statements").
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid special purpose financial statements has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards referred to in Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rule, 2015 (as amended from time to time) and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of profit/ loss and other comprehensive income), for the year then ended.

Basis for opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on Special Purpose Financial Statements".

Emphasis of matter - Basis of Accounting

4. Gem Aromatic LLC is a company incorporated in Delaware, USA . The company is not required to get its books of accounts audited as per the US Laws. Also, the Indian Auditing Standards are as such are not applicable to it. However, as the Gem Aromatic Limited (the "Parent Company") incorporated in India is going for an Initial Public Offer, Schedule VI – Part A (11)(I)(A)(ii) of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended



("ICDR Regulations") requires mandatory audit for a material subsidiary included in restated consolidated financial statements to be included DRHP. Further sub clause (c) to Part A (11)(I)(A)(ii) states that "the financial statements of foreign entities consolidated may be audited as per the requirements of local regulation applicable in the respective jurisdiction. However, in cases where the local regulation does not mandate audit, financial statements should be audited as per the auditing standards/ requirements applicable in India". Therefore, Gem Aromatic LLC being its wholly owned material foreign subsidiary, audit is mandatory. As the company is not required to get its books of accounts audited as per the US Laws, we have audited the Special Purpose Financial Statements for the year 31st March 2025 as per Indian Auditing standards prescribed under the Companies Act (2013).

5. The Special Purpose Financial Statements for the year ended 31st March 2025 have been prepared by the management in accordance with the Indian Accounting standards prescribed under section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015 as amended ("Ind As") and other accounting principles generally accepted in India and are approved by the Board of Directors for the purpose of preparation of Restated Financial Information to be included in the in the Offer Documents in connection with the proposed initial public offering of equity shares of the Company.

Our opinion is not modified in respect of the above matters.

Responsibilities of management and those charged with governance for the Special Purpose Financial Statements

6. The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these special purpose financial statements that give a true and fair view of the financial position, financial performance, changes in net assets of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, relevant to the preparation and presentation of the Special Purpose financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

7. In preparing the Special Purpose financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

8. In preparing the Special Purpose financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



Auditor's responsibilities for the audit of the special purpose financial statements

9. Our objectives are to obtain reasonable assurance about whether the Special Purpose 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 a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these special purpose Ind AS financial statements.

10. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- i. Identify and assess the risks of material misstatement of the Special Purpose financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. 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.
- ii. 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 the Company's internal control.
- iii. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- iv. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Special Purpose financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- v. Evaluate the overall presentation, structure and content of the Special Purpose financial statements, including the disclosures, and whether the Special Purpose financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

11. We report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.



- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The balance sheet as at 31st March 2025, and the income statement, statement of changes in equity and cash flow statement for the year then ended, dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid Special Purpose financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
- (e) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position]
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.]
 - iii. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) In our opinion and based on the audit procedures, we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.



Restriction on Use

This report is addressed to and provided to the Board of Directors of the Company solely for the purpose to enable the submission of the accompanying Special Purpose Financial statements to Gem Aromatics Limited and to its auditors – Chhajed & Doshi, Chartered Accountants for the purposes of preparation of Gem Aromatics Limited's consolidated financial statements for the year ended March 31, 2025, and should not be used by any other person or for any other purpose. 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 TDK & Co

Firm Registration Number: 109804W

Chartered Accountants



Neelanj Tilakchand Shah
Partner

Membership Number 121057

UDIN: 25121057BMJHQT3435

Place: Mumbai

Date: 30th May 2025

