

SUN PHARMA LABORATORIOS, S.L.U.

**Auditor´s Report
Annual Accounts at March 31st, 2022
and Management report for the year ended
March 31st, 2022**

This version of our report is a free translation of the original, which was prepared in Spanish. All possible care has been taken to ensure that the translation is an accurate representation of the original. However, in all matters of Interpretation or Information, views opinions, the original language version of our report takes precedence over this translation.



AUDITOR'S REPORT ON THE ANNUAL ACCOUNTS ISSUED BY AN INDEPENDENT AUDITOR

To the sole partner of SUN PHARMA LABORATORIOS, S.L.U.:

Opinion

We have audited the annual accounts of SUN PHARMA LABORATORIOS, S.L.U (the Company), which comprise the balance sheet as at March 31st, 2022, the profit and loss account, the income statement, statement of changes in equity, cash flow statement and related report or notes for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as at March 31st, 2022, as well as its financial performance and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in Note 2 of the notes to the annual accounts), and in particular, with the accounting principles and criteria included therein.

Basis of the opinion

We have undertaken our audit in accordance with accounts auditing standards in place in Spain. Our responsibilities in accordance with said regulations are described later in the section titled *Auditor's responsibilities for the audit of the financial statements* of our report.

We are independent from the Company in accordance with ethical requirements, including those of independence, applicable to our audit of financial statements in Spain, as required by legislation on accounts auditing. Accordingly, we have not provided services other than the audit of accounts and no situations or circumstances have arisen which, in accordance with the provisions of the aforementioned regulations, have compromised our necessary independence in any way.

We believe that the audit evidence we have obtained provides a sufficient and adequate basis for our qualified opinion.

Most relevant aspects of the audit

The most important aspects of the audit were those which, in our professional judgement, were considered the most significant risks of material misstatements in our audit of the annual accounts for the current period. These risks have been addressed in the context of our audit of the annual accounts as a whole and when forming our opinion thereon; we do not express a separate opinion on such risks.

Inventories

Risk description

The Company's balance sheet at 31st March 2022 shows a balance of EUR 3.580 million in inventories. Given the importance of said figure in terms of amount with respect to the Company's total assets and the existence of a wide variety of products with different prices and obsolescence, we consider this area significant and susceptible to material misstatement, which is why we have considered inventories as one of the most relevant aspects of the audit.

Audit response Our auditing procedures for this aspect have included an adequate understanding of the internal control system and the valuation method used. We have applied the substantive procedures of a physical count of the units in the warehouse and substantive procedures to verify the valuation of the inventories, consisting of verifying cost prices and reviewing obsolescence, together with an appropriate cross-section of operations.

Finally, we have verified that the accompanying report includes the corresponding disclosures required by the applicable financial reporting framework. In this regard, Notes 4.6 and 9 of the accompanying report include the aforementioned disclosures.

Revenue recognition and customer balances.

Risk description Description revenues recognition is a significant area susceptible to material misstatement, from the fact that all revenue is not recorded, or it is incorrectly measured. Revenue from sales amounted to EUR 17 million at year-end, as shown in the accompanying income statement, and customer balances amounted to EUR 2.7 million as at 31 March 2022, as shown on the asset side of the balance sheet

Audit response Our procedures to address this issue have consisted of a proper understanding of the invoicing and internal control procedures implemented by management, through meetings with the relevant managers. We have also verified the reasonableness of the amount of revenue through the application of analytical and substantive procedures, based on the verification of a representative sample of sales. We have carried out a circularisation procedure on a sample of customer balances and an analysis of their ageing.

Finally, we verified that the accompanying notes to the financial statements include the related disclosures required by the applicable financial reporting framework.

Emphasis of Matter

We draw attention to the content of Note 11 of the accompanying notes to the financial statements, in which it is stated that, due to a review procedure of the Tax authorities, the Corporate Income Taxes corresponding to the years ended March 31, 2019 and March 31, 2020, were modified, as the Tax authorities did not recognize the Negative Taxable Bases pending to be offset from previous years in the amount of 6.921 million euros. As reported in the same note, the Company has filed a claim with the Regional Economic Administrative Court, which has not been resolved as of the date of presentation of this report. Taking into account that the Company had not recognized the corresponding tax credits in previous years, in accordance with the accounting principles and criteria contained in the financial reporting framework applicable to the entity, this fact does not alter the financial statements of the entity as of March 31, 2022 or prior years. Our opinion has not been modified in relation to this matter.

Other information: Management report

Other information comprises only the management report for the March 31, 2022 financial year, the formulation of which is the responsibility of the Company's Board of directors' and it does not form an integral part of the annual accounts.

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Our audit opinion on the annual accounts does not cover the management report. Our responsibility regarding the management report, in accordance with legislation governing the audit practice, is to evaluate and report on the consistency between the management report and the annual accounts as a result of our knowledge of the Company obtained during the audit of the aforementioned financial statements and to evaluate and report on whether the content and presentation of the management report is in accordance with applicable regulations. If, based on the work we have performed, we conclude that material misstatements exist, we are required to report that fact.

Based on the work performed, as described in the preceding paragraph, and except for the limitation to the scope described in the following paragraph, the information contained in the directors' report is consistent with that of the annual accounts for the year ended 31 March 2022. Furthermore, its content and presentation comply with applicable regulations.

As described in the section titled *Basis of the Qualified Opinion*, we have not been able to obtain sufficient and adequate audit evidence on the matter referred to in said section, which limits the scope of our work. As a result, we have not been able to draw a conclusion on whether the management report contains material misstatements relating to this matter.

Responsibility of the Board of Directors' for the annual accounts

The Board of Directors' is responsible for the preparation of the accompanying annual accounts, such that they fairly present the equity, financial position and financial performance of the Company in accordance with the financial reporting framework applicable to the entity in Spain, and for such Internal control as the Board of directors' determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts, the Company's Board of directors' 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 the Board of directors' either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the annual accounts

Our objectives are to obtain reasonable assurance about whether the annual accounts 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 legislation governing the audit practice in Spain 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 annual accounts.

As part of an audit in accordance with legislation governing the audit practice in Spain, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit

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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.

- 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's Board of directors'.
- Conclude on the appropriateness of the Board of directors' 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 annual accounts 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.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Company's Board of directors' 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.

From the significant risks communicated with the Company's Board of directors', we determine those matters that were of most significance in the audit of the annual accounts of the current period and are, therefore, considered to be the most significant risks.

We describe these risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

AUREN AUDITORES SP, S.L.P.
Registered in ROAC under No S2347

Original signed in Spanish by
M^a Eugènia Ballach Aspa
Registered in ROAC under No 12855

April 29, 2022

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ANNUAL FINANCIAL STATEMENTS

FROM 1 / 4 / 2021 TO 31 / 03 / 2022



BALANCE SHEET

FROM 1 / 4 / 2021 TO 31 / 03 / 2022

SUN PHARMA LABORATORIOS, S.L. (Single Member Company)
BALANCE SHEET AT 31 MARCH 2022 (stated in Euros)

ASSETS	Notes	31/03/2022	31/03/2021
NON-CURRENT ASSETS			
Intangible fixed assets	6	423,039	324,281
Development		18,068	20,910
Concessions		-	-
Patents, licenses, trade marks and similar		3,267	7,987
Goodwill		-	-
Computer software		14,801	20,943
Other intangible fixed assets		-	-
Tangible fixed assets	5	122,231	181,139
Land and buildings		122,231	181,139
Plant, machinery and others		-	-
Assets in course and advances payments		-	-
Investments in property and real estate		-	-
Land		-	-
Buildings		-	-
Long-term investments in group and associated entities		-	-
Equity based instruments		-	-
Loans to companies		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		282,739	134,232
Long-term investments		-	-
Equity based instruments		-	-
Loans to the third parties		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		282,739	134,232
Deferred tax assets		-	-
CURRENT ASSETS		8,033,432	9,885,951
NON-CURRENT ASSETS FOR SALE			
Stocks		3,880,146	4,698,145
Goods for resale		3,660,146	4,598,145
Raw materials and consumables		-	-
Work in progress and partially finished goods		-	-
Finished goods		-	-
By-products, waste and materials recovered		-	-
Payments on account		-	-
Accounts receivable - commercial and other		2,786,622	2,614,261
Trade debtors - group and associated entities		2,740,877	2,267,772
Sundry debtors		-	-
Employees		-	-
Current tax assets		10,500	10,500
Tax, Social Security and Government entities		35,346	168,162
Short-term investments in group and associated entities		-	-
Equity based instruments		-	-
Loans to companies		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		-	-
Short-term financial investments		-	-
Equity instruments		-	-
Loans to third parties		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		-	-
Short-term accruals and prepayments		18,889	16,213
Cash and equivalent liquid assets		1,650,074	2,788,331
Cash resources		1,650,074	2,788,331
Other equivalent liquid assets		-	-
TOTAL ASSETS		8,456,470	10,211,232

NET EQUITY AND LIABILITIES	Note	31/03/2022	31/03/2021
NET EQUITY			
Shareholders' funds	8	6,787,848	6,488,770
Capital		3,787,848	6,488,770
Authorized share capital		1,000,000	1,000,000
(Share capital not issued and not called up)		1,000,000	1,000,000
Share issue premium		-	-
Reserves		200,000	200,000
Legal and statutory		200,000	200,000
Other reserves		-	-
Own shares, treasury stock and similar		-	-
Prior year results		788,770	467,312
Remainder		-	-
(Rebated losses from prior years)		788,770	467,312
Other contributions from shareholders	8	4,500,000	4,500,000
Result for the year	3	311,148	318,488
(Dividend paid on account)		-	-
Other share based instruments		-	-
Valuation adjustments		-	-
Financial assets for sale		-	-
Hedging operations		-	-
Others		-	-
Subsidies, grants and donations		-	-
NON-CURRENT LIABILITIES			
Long-term provisions		-	-
Long-term commitments with employees		-	-
Environmental liabilities		-	-
Restructuring provisions		-	-
Other provisions		-	-
Long-term borrowings		-	-
Debentures and other negotiable instruments		-	-
Borrowings from financial institutions		-	-
Finance lease borrowings		-	-
Derivatives		-	-
Other financial liabilities		-	-
Long-term debts with group and associated entities		-	-
Deferred tax liabilities		-	-
Long-term accruals		-	-
CURRENT LIABILITIES		1,668,652	3,724,462
Liabilities linked to non-current assets held for sale		-	-
Short-term provisions	8 13	338,763	1,615,678
Short-term borrowings		-	-
Debentures and other negotiable instruments		-	-
Borrowings from financial institutions		-	-
Finance lease borrowings		-	-
Derivatives		-	-
Other financial liabilities		-	-
Short-term debts with group and associated entities		-	-
Loans due to group and associated entities		-	-
Accounts payable - commercial and other		1,318,789	2,108,886
Suppliers	8	605	26,518
Trade creditors, group and associated entities	8 16	862,421	873,915
Sundry creditors	8	217,054	159,727
Employees (payroll creditor)	8	117,138	101,286
Customer advanced		-	-
Tax, Social Security and Government entities		302,562	947,440
Advances received from customers		-	-
Short-term accruals		-	-
TOTAL NET EQUITY AND LIABILITIES		8,456,470	10,211,232

Notes 1 to 18 to the annual accounts form an integral part of the balance sheet at 31 March, 2022



PROFIT AND LOSS STATEMENT

FROM 1/4/2021 TO 31/03/2022

SUN PHARMA LABORATORIOS, S.L. (Single Member Company)
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2022
 (stated in euros)

(Stated in EUROS)	Note	31/03/2022	31/03/2021
Continuing Operations:			
Net turnover			
Sales	18	17,030,237	13,056,403
Services Rendered		17,030,237	13,056,403
Variation in stocks of finished goods and work-in-progress		-	-
Own work capitalised		-	-
Supplies	12	(13,382,817)	(8,182,357)
		(12,927,812)	(8,634,875)
Consumption of goods for resale		-	-
Consumption of raw materials and other consumables		-	-
Subcontracting and similar		-	-
Impairment of raw materials, goods for resale and supplies		(465,005)	(557,482)
Other operating income		3,847	5,763
Auxiliary income and other income from normal operations		3,847	5,763
Operating subsidies transferred to income		-	-
Employee costs		-	-
Salaries, wages and similar		(1,318,894)	(1,248,248)
Allowances		(1,023,407)	(874,873)
Social Security and similar costs		-	-
Provisions	12	(288,488)	(271,575)
Other operating costs		-	-
External services		(1,844,959)	(2,203,283)
Taxes		(1,592,785)	(1,520,812)
Losses, impairment and movement on provisions for commercial operators		(241,287)	(852,149)
Other normal operating costs		(10,789)	(30,322)
Depreciation of fixed assets		-	-
Transfer of grants for non-financial assets and others	8	(68,359)	(57,924)
Excess provisions	5 6	-	-
Impairment and results on sale of fixed assets		-	-
Impairment and losses		-	-
Results on sale and others		-	-
OPERATING RESULT		418,286	382,364
Financial income		-	-
From holdings in equity based instruments		-	-
in group and associated entities		-	-
in third parties		-	-
From tradable investments and other financial instruments		-	-
Group and associated entities		-	-
Third parties		-	-
Financial costs		-	-
Borrowings from group and associated entities		-	-
Borrowings from third parties		-	-
Recalculation of provisions		-	-
Variation in fair value of financial instruments		-	-
Investment portfolio and others		-	-
Transfer to results for the year concerning financial assets held for sale		-	-
Differences on Exchange		-	-
Impairment and results on sale of financial assets	10	(3,244)	-
Impairment and losses		-	-
Results on sale and others		-	-
FINANCIAL RESULT		(3,244)	382,364
RESULT BEFORE TAX	11	415,042	382,364
Corporation tax	3	(102,894)	(42,886)
RESULT FOR THE YEAR		311,148	319,458

Notes 1 to 18 to the annual accounts form an integral part of the balance sheet at 31 March, 2022



STATEMENT OF CHANGES IN NET EQUITY

FROM 1/4/2021 TO 31/03/2022

SUN PHARMA LABORATORIOS, S.L.
STATEMENT OF CHANGES IN THE NET EQUITY FOR THE YEAR ENDED 31 MARCH, 2022
(stated in euros)

A) STATEMENT OF RECOGNISED INCOME AND EXPENSES FOR THE YEAR ENDED 31 MARCH, 2022

(stated in euros)	2022	2021
Profit and loss account - result	311.148	319.458
Total income and expenses recognised directly in equity	-	-
Total transfers to the profit and loss account	-	-
TOTAL RECOGNISED INCOME AND EXPENSES	311.148	319.458

B) STATEMENT OF TOTAL CHANGES IN NET EQUITY FOR THE YEAR ENDED 31 MARCH, 2022

(stated in euros)	Authorised capital	Reserves	Prior year results	Other contributions from shareholders	Result for the year	TOTAL
CLOSING BALANCE 2021						
Adjusted Opening Balance 2022	1.000.000	687.312	-	4.500.000	319.458	6.486.770
Total recognised income and expenses	1.000.000	687.312	-	4.500.000	319.458	6.486.770
Share capital reduction	-	-	-	-	311.148	311.148
cancellation of borrowings)	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
Distribution of the result	-	-	-	-	-	-
Other movements in net equity	-	-	-	-	-	-
Shareholders contribution	-	319.458	-	-	(319.458)	0
CLOSING BALANCE 2022	1.000.000	986.770	-	4.500.000	311.148	6.797.918

Notes 1 to 19 to the annual accounts form an integral part of the statement of changes in net equity for the year ended 31 March, 2022



CASH FLOW STATEMENT

FROM 1 / 4 / 2021 TO 31 / 03 / 2022

SUN PHARMA LABORATORIOS, S.L.
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2022
(stated in euros)

(stated in euros)	Note	31/03/2022	31/03/2021
CASH FLOWS FROM OPERATING ACTIVITIES		(951,141)	108,543
Result for the year before tax		415,012	362,363
Adjustments to the result:		(1,207,666)	(4,986,561)
Depreciation of fixed assets (+)		58,359	57,924
Valuation correction for impairment (+/-)		10,799	30,322
Movement on provisions (+/-)		(1,276,824)	(5,074,807)
Transfer of subsidies (-)		-	-
Results on sale and withdrawal of fixed assets (+/-)		-	-
Results on sale and withdrawal financial instruments (+/-)		-	-
Financial income (-)		-	-
Financial expense (+)		-	-
Differences on exchange (+/-)		-	-
Change in fair value of financial instruments (+/-)		-	-
Other income and expenses (-/+)		-	-
Changes in working capital:		590,236	4,773,647
Stock (+/-)		1,018,000	98,459
Debtors and other accounts receivable (+/-)		(283,060)	7,523,180
Other current assets (+/-)		(476)	12,745
Creditors and other accounts payable (+/-)		(144,228)	(2,880,737)
Other current liabilities (+/-)		-	-
Other non-current assets and liabilities (+/-)		-	-
Other cash flows from operating activities:		(748,722)	(42,896)
Interest paid (-)		-	-
Dividends received (+)		-	-
Interest received (+)		-	-
Receipts (payments) for corporation tax (+/-)		(748,722)	(42,896)
Other payments (receipts)		-	-
CASH FLOWS FROM INVESTMENT ACTIVITIES		(157,118)	(15,369)
Payments for Investments (-):		(157,118)	(15,369)
Group and associated companies (-)		-	-
Intangible fixed assets (-)		(7,342)	(4,500)
Tangible fixed assets (-)		(1,287)	(8,082)
Investments in property (-)		-	-
Other financial assets (-)		(148,507)	(4,787)
Non-current assets maintained for sale (-)		-	-
Other assets (-)		-	-
Collections on disposal of investments (+):		-	-
Group and associated companies (-)		-	-
Intangible fixed assets (-)		-	-
Tangible fixed assets (-)		-	-
Investments in property (-)		-	-
Other financial assets (-)		-	-
Non-current assets maintained for sale (-)		-	-
Other assets (-)		-	-
CASH FLOWS FROM FINANCING ACTIVITIES		-	-
Collections and payments from equity based instruments		-	-
Issues of equity based instruments (+)		-	-
Cancellation of equity based instruments (-)		-	-
Purchase of own equity based instruments (-)		-	-
Transfer of equity based instruments (+)		-	-
Subsidies, donations and similar (-)		-	-
Collections and payments for financial liability instruments:		-	-
Issue:		-	-
Debentures and similar (+)		-	-
Borrowings from financial institutions (+)		-	-
Borrowings from group and associated entities (+)		-	-
Other borrowings (+)		-	-
Repayment and cancellation of:		-	-
Debentures and similar (+)		-	-
Borrowings from financial institutions (+)		-	-
Borrowings from group and associated entities (+)		-	-
Other borrowings (+)		-	-
Payments of dividends and remuneration of other equity based instruments		-	-
Dividends (-)		-	-
Remuneration of other equity based instruments (-)		-	-
Exchange rates impact		-	-
NET INCREASE/REDUCTION IN CASH AND EQUIVALENTS		(1,108,257)	91,174
Opening cash and equivalent resources		2,758,331	2,667,157
Closing cash and equivalent resources		1,650,074	2,758,331

Notes 1 to 19 to the annual accounts form an integral part of the cash flow statement for the year ended 31 March, 2022



FINANCIAL YEAR REPORT

FROM 1/4/2021 TO 31/03/2022



NOTE 1 - BUSINESS ACTIVITY OF THE COMPANY

SUN PHARMA LABORATORIOS, S.L.U., formerly LABORATORIOS RANBAXY, S.L.U. (hereinafter, the "Company") was founded on 5 February 2004. Its registered office is Rambla de Catalunya, 53-55 5ª planta, 08007, Barcelona. Pursuant to Article 13.1 of the Recast Text of the Capital Companies Act, the Company is recorded in the Companies Registry as a sole proprietorship. Its tax code is B-63424444.

In accordance with the company's articles of association, the corporate purpose is the production, preparation, marketing, export and import, and representation of chemical products, antibiotics, medical preparations or substances, pharmaceutical specialties, generic pharmaceutical specialties, registry formulas, official formulas or preparations and prefabricated medications, intermediary products, health devices, as well as baby food and special food for disabled persons, chemical, medicinal and pharmaceutical products, and household goods, along with any kind of activity directly or indirectly associated to or ancillary to the foregoing, and whereby the marketing of the aforementioned products represents the company's main activity.

On 1 August 2007, the merger through takeover of Mundogen Farma, S.A. (absorbed company) by LABORATORIOS RANBAXY, S.L. (absorbing company) was approved, with termination through dissolution without winding-up of the absorbed company and the universal mass transfer to the absorbing company, as the universal successor, of all the goods, rights and obligations comprised in the equity, as from 1 October 2007 (the date of formal execution of the merger in a public deed). The merger was carried out under the special system of mergers laid down in articles 83 to 96 of Legislative Royal Decree 4/2004, of 5 March, which approves the rewritten text of the Corporate Income Tax Act.

On 17 December 2013, the sole shareholder agreed to modify the date for the closing of the business year to 31 March.

During the last quarter of 2013, the Company considered it necessary to implement a change in its business model, due to the market trends. That decision led to the elimination of its business of direct sales to pharmacies through the internal sales network. In recent years the Company has won several auctions for the supply of pharmaceutical products to the Ministry of Health of the Regional Government of Andalusia. The change of government within this administration has led to the end of this kind of procurement in December 2020,

The Company and its sole shareholder, Sun Pharma (Netherlands) BV, form a part of the Sun Pharma Group, whose ultimate controlling company is Sun Pharmaceuticals Industries Limited. The registered address of Sun Pharma (Netherlands) BV is Polarisavenue 87, 2132 JH Hoofddorp, Amsterdam, and the registered corporate address of Sun Pharmaceuticals Industries Limited is in Mumbai, Maharashtra, India. This latter company is the one that formulates consolidated annual financial statements.

On 31 March 2016, a commercial agreement was signed with the company SUN PHARMACETUCIALS SPAIN, S.L. to concentrate the businesses of Spain of the two companies of the same Indian group. The Company LABORATORIOS RANBAXY, S.L. acquired the business, including the assets, employees, contracts and assumed obligations.

In April 2019, as part of its strategic plan of harmonisation with the other Group companies, the Company changed its name, which is now SUN PHARMA LABORATORIOS, S.L.U. That change in name also coincided with a change in its registered office. The Company has finalized the process of changing the names of all the products it markets, to complete its strategic renaming process (even though there are still products with the former name in the distribution channel).

The functional currency of the Company is the euro. Consequently, operations in currencies other than the euro are deemed to be called in "foreign currency".



NOTE 2 - BASES FOR PRESENTING THE ANNUAL FINANCIAL STATEMENTS

a) TRUE AND FAIR VIEW

The attached annual financial statements have been obtained from the accounting records of the Company, and they are presented in accordance with commercial legislation in force and with the standards established in the General Accounting Plan, approved by Royal Decree 1514/2007 of 16 November, such that they show a true and fair view of the equity, of the financial situation, of the profits/losses of the company and of the cash flows during the financial year.

The attached annual financial statements of the company have been formulated by the Board of Directors and will be submitted to the approval of the sole shareholder, and they are expected to be approved without modification.

All the standards and criteria in force established in the General Accounting Plan at the time when these financial statements were prepared have been followed, without exception.

b) NON-MANDATORY ACCOUNTING PRINCIPLES APPLIED

No non-mandatory accounting principles have been applied.

c) CRITICAL ASPECTS OF ASSESSMENT AND ESTIMATION OF UNCERTAINTY

The Company directors deem that there are no uncertainties, beyond those that are normal for the business activity, which could bring into question the application of the going concern basis.

Estimates by the Company's Directors have been used to assess some of the assets, liabilities, income, expenses and commitments reported in the attached annual financial statements. These estimates basically refer to:

- Calculation of impairment in accounts receivable and inventories (Notes 8 g) and 9 respectively).
- Determination of trade operation forecasts.

d) COMPARISON OF INFORMATION

There have not been any exceptional reasons that justify a modification of the structure of the balance sheet, of the profit and loss statement, of the statement of changes in net equity and of the cash flow statement of the preceding financial year, except for what it has been disclosed in .Note i) First application of the PGC (General Chart of Accounts) modifications approved by Royal Decree 1/2021.

There is no cause that might prevent a comparison between the financial statements of the current year and those of the preceding financial year.

e) GROUPING OF ITEMS

There are no items that have been the object of grouping on the Balance Sheet, in the Profit and Loss Statement, in the statement of changes in net equity or in the cash flow statement.

f) ELEMENTS RECORDED IN VARIOUS ITEMS

There are no equity elements that are recorded in more than one item of the Balance Sheet.



g) **CHANGES IN ACCOUNTING CRITERIA**

No changes have been made due to changes in accounting criteria during the year.

h) **CORRECTION OF ERRORS**

No errors existing at the close of the financial year have been detected, which would require a reformulation of the financial accounts. Any significant events that were learned about after the close and that could make it advisable to adjust the estimates at the close of the financial year have been mentioned in the corresponding sections.

i) **FIRST APPLICATION APLICACIÓN OF PGC (GENERAL CHART OF ACCOUNTS) MODIFICATIONS APPROVED BY ROYAL DECREE 1/2021**

On January 30, 2021, Royal Decree 1/2021, dated January 12, was published in the Official State Gazette, amending the General Accounting Plan approved by Royal Decree 1514/2007, dated November 16, 2007; the General Accounting Plan for Small and Medium-Sized Companies approved by Royal Decree 1515/2007, dated November 16, 2007; the Rules for the Preparation of Consolidated Financial Statements approved by Royal Decree 1159/2010, of September 17; and the Rules for the Adaptation of the General Accounting Plan to Non-Profit Entities approved by Royal Decree 1491/2011, of October 24.

Likewise, and as a consequence of this Royal Decree 1/2021, on February 13, 2021, the Resolution of the Spanish Accounting and Audit Institute (ICAC) was published in the Official State Gazette, which sets forth the rules for recording, valuation and preparation of annual accounts for the recognition of income from the delivery of goods and the rendering of services (hereinafter "Income Resolution").

In accordance with section 1) of the First Transitional Provision of Royal Decree 1/2021, the Company has opted for the application of the new criteria considering January 1, 2021 as the transition date. The figures for the year 2020, which are included for comparative purposes in the annual accounts for the year 2021, have not been adapted in accordance with the new criteria, without prejudice to the reclassification of the previous year's items of financial instruments to the new presentation in application of Transitional Provision 2, section 6 e).

i.1) qualitative information to understand how the company has applied the new classification criteria

The changes affect the Company mainly in the item **Financial Instruments**. The main differences between the accounting and classification criteria used in fiscal year 2020 and those applied in 2021 that have affected the are as follows.

- Financial instruments are now classified based on our management or business model for managing financial assets and the contractual terms of the cash flows from them.
- The classification of financial assets falls into the following main categories:
 - **Amortized cost:** The previous portfolio of "Loans and receivables" has been included in this category to the extent that it is held for the purpose of receiving cash flows from the execution of the contract, and the contractual terms of the financial asset give rise, on specific dates, to cash flows that are solely collections of principal and interest on the principal amount outstanding. This category also includes trade receivables and non-trade receivables.
- The classification of financial liabilities falls into the following main categories:
 - **Amortized cost:** This category includes all financial liabilities. Therefore, it includes the previous portfolio of "Loans and payables" and "Debits and payables" for both commercial and non-commercial operations.



I.2) Reconciliation at the date of first-time application between each class of financial assets and financial liabilities and impact on equity

On the date of initial application of RD 1/2021, January 1, 2021, the Company has opted for the application of the 2nd TP (Transitory Provision) and to include comparative information without re-expressing reclassifying the items of fiscal year 2020 to show the balances of said fiscal year adjusted to the new presentation criteria. Therefore, the Company has applied the new categories of financial instruments in accordance with RD 1/2021 for the year ended March 31, 2022 and has applied the new categories, for presentation purposes only, for the comparative year ended March 31, 2021. Consequently, the main effects of this reclassification as of April 1, 2021 are as follows:

Financial Assets

Euros	Ending Balance 31/03/2021 RD 1814/2007	Reclassifications	Categories RD 1/2021	Beginning Balance 01/04/2021 RD 1/2021	Impact on valuation adjustments "financial assets available for sale" to "financial assets at fair value with changes in equity."	Impact on Reserves
Long Term						
Loans and Receivables	134.232,29	0,00	Financial assets at amortized cost	134.232,29		
Investments held to maturity	0,00	0,00	-	0,00		
Financial assets held for trading	0,00	0,00	Financial assets at fair value with changes in P&L statement	0,00		
Other Financial Assets at fair value, with changes in P&L statement	0,00	0,00	-	0,00		
Investments in the equity of group, multigroup and associated companies	0,00	0,00	Financial assets at cost	0,00		
Financial assets available for sales	0,00	0,00	Financial assets at fair value with changes in Net Equity	0,00		
TOTAL LONG TERM	134.232,29	0,00		134.232,29	0,00	0,00
Short term						
Loans and Receivables	2.316.099,22	0,00	Financial assets at amortized cost	2.316.099,22		
Investments held to maturity	0,00	0,00	-	0,00		
Financial assets held for trading	0,00	0,00	Financial assets at fair value with changes in P&L statement	0,00		
Other Financial Assets at fair value, with changes in P&L statement	0,00	0,00	-	0,00		
Investments in the equity of group, multigroup and associated companies	0,00	0,00	Financial assets at cost	0,00		
Financial assets available for sales	0,00	0,00	Financial assets at fair value with changes in Net Equity	0,00		
TOTAL SHORT TERM	2.316.099,22	0,00		2.316.099,22	0,00	0,00

Financial Liabilities

Euros	Ending Balance 31/03/2021 RD 1814/2007	Reclassifications	Categories RD 1/2021	Beginning Balance 01/04/2021 RD 1/2021
Long Term				
Debts and payables	0,00	0,00		0,00
Financial liabilities held for trading	0,00	0,00	Financial liabilities at fair value with changes in P&L statement	0,00
Other financial liabilities at fair value with changes in P&L statement	0,00	0,00	-	0,00
TOTAL LONG TERM	0,00	0,00		0,00
Short Term				
Debts and payables	2.777.021,94	0,00	Financial liabilities at amortized cost	2.777.021,94
Financial liabilities held for trading	0,00	0,00	Financial liabilities at fair value with changes in P&L statement	0,00
Other financial liabilities at fair value with changes in P&L statement	0,00	0,00	-	0,00
TOTAL SHORT TERM	2.777.021,94	0,00		2.777.021,94



Exceptions

In applying the new criteria for financial instruments, the Company has not availed itself of any of the exceptions contemplated in the Second Transitional Provision of Royal Decree 1/2021.

NOTE 3 - APPROPRIATION OF EARNINGS

a) PROPOSED APPROPRIATION OF EARNINGS OF THE FINANCIAL YEAR

AVAILABLE FOR DISTRIBUTION	2021	2020
Balance of the Profit and Loss Statement	311.148,03	319.457,75
TOTAL AVAILABLE FOR DISTRIBUTION = TOTAL APPROPRIATION	311.148,03	319.457,75
APPLIED TO	2021	2020
Voluntary Reserve	311.148,03	319.457,75
TOTAL APPROPRIATION = TOTAL AVAILABLE FOR DISTRIBUTION	311.148,03	319.457,75

b) DISTRIBUTION OF INTERIM DIVIDENDS

No interim dividends were distributed during the financial year.

c) LIMITATIONS ON THE DISTRIBUTION OF DIVIDENDS

There is no limitation on the distribution of dividends.

NOTE 4 - RECORDING AND ASSESSMENT STANDARDS

1. INTANGIBLE FIXED ASSETS

Intangible fixed assets are initially recognised at their cost of acquisition, and they are subsequently valued at cost, less the corresponding cumulative depreciation, calculated according to their useful life and the impairment losses that may have been experienced, if applicable.

The Company recognises, accounting-wise, any loss that may have occurred in the recorded value of these assets as a consequence of impairment. The criteria for recognising the impairment losses of these assets and, if applicable, the recoveries of the same recorded in previous financial years are similar to those applied for tangible fixed assets.

Computer applications

The costs of acquisition and development of IT programmes are recorded as IT Applications. The maintenance costs are charged to the income statement in the year in which they occur.



IT applications are only recognised as an intangible fixed asset if they meet the following conditions:

- They are perfectly individualised by projects and their cost is clearly established so that it can be distributed over time.
- There are well-founded reasons for the technical success and for the commercial and financial return of the project in question.

They are depreciated according to the useful life, which must be estimated at 5 years, and the possible capital losses are analysed to make the corresponding value correction due to impairment. At the time when the intangible assets are fully amortised, the Company derecognises them from its assets.

2. TANGIBLE FIXED ASSETS

The goods included in Tangible Fixed Assets are valued at their acquisition price or cost of production, less cumulative depreciation and, if applicable, the cumulative amount of the recognised value corrections due to impairment. The following constitute a greater value of the items of tangible fixed assets:

- Indirect taxes that encumber elements of tangible fixed assets and that cannot be directly recovered from public finance.
- The initial estimate of the current value of the assumed obligations derived from dismantling or removal of the asset.
- The costs of renovation, expansion or improvement that represent an increase in capacity, productivity or expansion of useful life.

For fixed assets that need a period of time greater than one year to be in condition for use, the financial expenses accrued before placing the asset in conditions for use, which have been drawn by the supplier or corresponding to loans or another type of third-party financing, whether specific or generic and directly attributable to the acquisition, manufacture or construction of the asset, are included in the acquisition price or cost of production.

The costs of major repairs are recognised at the carrying value of the fixed asset as replacements, as long as the conditions for the recognition thereof are met.

Technical installations, machinery and tools

The valuation thereof includes all acquisition or manufacturing and construction expenses until they are placed in operating condition.

Implements and tools incorporated in mechanical elements

The implements and tools that do not form a part of a machine and whose period of use is not estimated to be over one year are charged as an expense of the financial year. If their period of use is more than one year, an annual adjustment is made by taking a physical count.

The templates and moulds that are used permanently in mass manufacturing form a part of tangible fixed assets, and the depreciation thereof is calculated according to their estimated useful life. Custom-ordered moulds used for isolated manufacturing are not considered subject to inventory, except when they have a net realisable value.



Tangible fixed assets in progress

The expenditures made during the financial year due to the projects and works that the company carries out for itself are charged to the expense accounts of the financial year. The accounts of tangible fixed assets in progress are charged by the amount of said expenses, with a credit to the Income item that includes the work performed by the company for itself.

Depreciation

Items of tangible fixed assets are depreciated systematically and rationally according to the useful life of the goods and their residual value. Each part of an element with a useful life that is different from the rest is depreciated differently.

	Useful life
TECHNICAL FACILITIES	5 years
OTHER FACILITIES	10 years
FURNITURE	5-10 years
VEHICLES	5 years

Impairment of tangible and intangible assets

On the date of the balance sheet, the Company revises the book amounts of its tangible and intangible assets to determine if there are signs that said assets have sustained a loss due to impairment. If there is any sign, the recoverable amount of the asset is calculated (the greater value of either the fair value less the cost of sale or the value of use) in order to determine the scope of the loss due to impairment (if there were any). In the event that the asset does not generate cash flows that are independent from other assets, the recoverable amount of the cash-generating unit to which the asset belongs is calculated.

When a loss due to impairment is subsequently reversed, the book value of the asset increases to the revised estimate of its recoverable amount, but such that the increased book value does not exceed the book value that would have been determined had there not been a loss due to impairment in previous financial years. A reversal of an impairment loss is immediately recognised as income.

3. LEASES

Tangible assets acquired under a financial lease are recorded in the asset category to which the leased good belongs, and it is depreciated according to its expected useful life, following the same method as for owned assets.

Leases are classified as financial leases whenever the conditions of the same substantially transfer the risks and advantages derived from ownership to the lessee. All other leases are classified as operational leases



4. SWAPS

No swap occurred during the financial year.

5. FINANCIAL INSTRUMENTS

Categories of financial assets and liabilities

a. Financial assets

Financial assets are recognised on the balance sheet when they are acquired, and they are classified as:

- **Financial assets at amortized cost:** Receivables from trade operations and receivables from non-trade operations.
 - **Initial valuation:** at fair value, which, unless there is evidence to the contrary, is the transaction price, which is the fair value of the consideration given, plus directly attributable transaction costs.

Credits for commercial operations that have a maturity of no more than one year and that have no explicit contractual interest rate, as well as advances or credits to personnel, dividends receivable and payouts required on equity instruments that are expected to be received in the short term, are valued at their nominal value when the effect of not discounting the cash flows is not significant.

- **Subsequent valuation:** at amortized cost, except for loans maturing in less than one year which, in accordance with the preceding paragraph, were initially valued at their face value, which will continue to be valued at that amount, unless they are impaired.

Accrued interests are recognized in the profit and loss statement using the effective interest rate method.

b. Financial Liabilities

Financial liabilities are classified, according to the content of the contractual agreements and considering the economic background of the operation, into the following category:

- **Financial liabilities at amortized cost:**
 - **Initial valuation:** at fair value, which, unless there is evidence to the contrary, is the transaction price, which is the fair value of the consideration received adjusted for directly attributable transaction costs.

Debts due to commercial operations that have a maturity of no more than one year and that have no contractual interest rate and except for payouts required by third parties on equity holdings that are expected to be paid in the short term, are valued at their nominal value, when the effect of not discounting cash flows is not significant.

- **Subsequent valuation:** at their amortised cost, except for debts with a maturity of no more than one year, - which, in accordance with the provisions of the preceding paragraph, were initially valued at their face value- which will continue to be valued at that amount.

Accrued Interest will be posted in the profit and loss statement, thereby applying the effective interest rate method.



c. Own equity instruments

In the event that the company carries out any type of transaction with its own equity instruments, the amount of these instruments is recorded in equity, as a change in shareholders' equity.

The expenses derived from transactions with own equity instruments are recorded directly against own equity as lower reserves.

Impairment

Valuation corrections are made at the end of the year due to impairment whenever there is objective evidence that the value of a credit or of an investment has been impaired.

The loss is:

- For financial assets as amortized cost: the difference between the book value of the asset and the present value of future cash flows, including, if applicable, those arising from the enforcement of collateral and personal guarantees, estimated to be generated, discounted at the effective interest rate calculated at the time of initial recognition. Alternatively, the market value of the asset may be used, if it is sufficiently reliable.
- For financial assets at cost: the difference between their carrying amount and the recoverable amount, understood as the higher of their fair value less costs to sell and the present value of future cash flows arising from the investment. Unless there is better evidence of the recoverable amount of investments in equity instruments, the estimate of the impairment loss is calculated on the basis of the equity of the investee and the unrealized gains existing at the valuation date, net of the tax effect.

All corrections, as well as the reversal thereof, are recognised as an expense or as income, respectively, in the profit and loss statement. The reversal of impairment has a limit of the book value of the credit or of the investment that would be recognised on the reversal date if impairment of the value had not been recorded

Interests and dividends received from financial assets

Interest on financial assets accrued after the time of acquisition is recognized as income in the income statement, applying the effective interest rate method

De-registration of financial assets and liabilities

The criteria used for de-registering a financial asset are the following:

- it must have expired or
- the contractual rights over the cash flows of the financial asset have been transferred, with substantial transfer of the risks and profits inherent in the ownership thereof.

Once the asset has been de-registered, the profit or loss generated by the operation forms a part of the profit/loss of the financial year in which it occurs.

In the case of financial liabilities, the company de-registers them when the obligation has extinguished. A financial liability is also de-registered when an exchange of financial instruments occurs, with substantially different conditions. The difference between the book value of the financial liability and the consideration paid, including the attributable transaction costs, is recorded in the profit and loss statement.



6. INVENTORY

Inventory is valued at its acquisition price or at the cost of production. All indirect taxes that encumber inventory and that are not directly recoverable from public finance are included in the acquisition price.

When the net realisable value of inventories is lower than the acquisition cost or cost of production, valuation corrections are made, recognising them as an expense in the profit and loss statement.

Those goods and services that may have been the object of a firm contract of sale or for the provision of services, according to which compliance will take place subsequently, are not the object of a valuation correction if the sale price stipulated in the contract at least covers the cost of the goods and services, plus all the pending costs that may be necessary for performance of the contract.

In the event that the circumstances that caused a value correction cease to exist, such a correction will be reversed and will be recognised as income in the profit and loss statement.

7. TRANSACTIONS IN FOREIGN CURRENCY

Transactions in foreign currency are recorded at the time of initial recognition, therefore using the functional currency and applying the exchange rate in force between the functional currency and the foreign currency on the date of the transaction.

On the date of each balance sheet, all monetary assets and liabilities in foreign currency are converted according to the exchange rates in force on the close date. All non-monetary items in foreign currency measured in terms of the historical cost are converted at the exchange rate on the transaction date. The exchange rate differences of monetary items arising when settled and when converting them to the closing interest rate are recognised in the profits/(losses) for the year, except those forming part of investing in a foreign business, which are recognised directly in equity, net of tax and up to the time of their disposal

On some occasions, in order to cover exposure to certain exchange rate risks, the Company formally executes term contracts and options in foreign currency.

The adjustments of goodwill and the fair value generated in the acquisition of an entity with a functional currency other than the euro are considered assets and liabilities of that entity, and they are converted at the exchange rate at close.

8. INCOME TAXES

The income tax expense of the financial year is calculated by totalling the current tax that results from applying the tax rate to the tax base of the financial year after applying the deductions that are fiscally permitted, plus the variation of the assets and liabilities due to deferred taxes.

Assets and liabilities due to deferred taxes include the temporary differences that are identified as those amounts expected to be payable or recoverable due to the differences between the book values of assets and liabilities and their tax value, as well as negative tax bases that are pending offset and credits through tax allowances that are not fiscally applied. These amounts are recorded by applying the tax rate to the temporary difference or credit at which they are expected to be recovered or settled.

Deferred tax liabilities are recognised due to all attributable, temporary differences, except if they arise from the initial recognition of goodwill or from the initial recognition of an asset or liability in a transaction that is not a business combination and that did not affect either the accounting result or the tax base of the tax.



In turn, deferred tax assets are only recognised in the event that it is deemed likely that the Company, in the future, will have sufficient tax income advantages against which to make them effective, and they do not come from the initial recognition of an asset or liability in a transaction that is not a business combination and that did not affect either the accounting result or the tax base of the tax.

On occasion of the accounting close, recognised deferred tax assets and those that were not previously recognised are reviewed in order to check that the recovery thereof is likely, making the appropriate corrections to the same according to the result of the analyses that are conducted.

9. INCOME AND EXPENSES

Income and expenses are attributed according to the accrual basis

RD 1/2021 establishes a new model for the revenue recognition from contracts with customers, where revenue should be recognized based on the fulfillment of performance obligations to customers. Revenue represents the transfer of committed goods or services to customers for an amount that reflects the consideration to which the entity expects to be entitled in exchange for these goods and services.

The Company has reviewed the internal revenue recognition policies for the different types of contracts with customers, identifying the compliance obligations, the determination of the schedule for the satisfaction of these obligations, the transaction price and its allocation, with the objective of identifying possible differences with the revenue recognition model of the new standard, without finding significant differences between the two or compliance obligations that would give rise to the recognition of liabilities for contracts with customers.

The Company has reviewed the internal revenue recognition policies for the different types of contracts with customers, identifying the compliance obligations, the determination of the schedule for the satisfaction of these obligations, the transaction price and its allocation, with the objective of identifying possible differences with the revenue recognition model of the new standard, without finding significant differences between the two or compliance obligations that would give rise to the recognition of liabilities for contracts with customers.

10. PROVISIONS AND CONTINGENCIES

The Company's annual financial statements record all the significant provisions with respect to which it is estimated that there is the likelihood that an obligation will have to be taken care of. Contingent liabilities are not recognised in the annual financial statements, rather they are included in the annual report, if they exist.

Provisions are only recognised based on present or past events that generate future obligations. They are quantified considering the best available information about the consequences of the event from which they are originated, and they are re-estimated on the occasion of each accounting close. They are used to cover the specific obligations for which they were originally recognised. They are completely or partially reversed when the obligations cease to exist or decrease.

11. PERSONNEL EXPENSES

Personnel expenses include all remuneration and mandatory or voluntary social security obligations reported at any given time, therefore recognising the obligations for bonuses, holidays or variable remuneration and the associated expenses thereof.



12. BUSINESS COMBINATIONS

The company did not conduct any operations of this nature during the financial year.

13. JOINT VENTURES

There is no economic activity controlled jointly with another natural or legal person.

14. CRITERIA USED IN RELATED-PARTY TRANSACTIONS

Commercial or financial operations with related parties are conducted at market price. No profit or loss is recognised in internal operations.



NOTE 5 - TANGIBLE FIXED ASSETS

MOVEMENT OF TANGIBLE FIXED ASSET ITEMS DURING THE YEAR FINANCIAL YEAR ENDED AT 31/03/2022

FIXED ASSETS	FIXED ASSETS										BALANCE AT 31/03/2022	
	BALANCE AT 31/03/2021	BUSINESS COMBINAT	NON-MONETARY CONTRIB.	ADDITIONS	EXPANSIONS AND IMPROVEMENT \$	ALL OTHER ENTRIES	DISPOSALS, WRITE-OFFS OR REDUCTIONS	TRANSFERS TO/FROM NCAHS OR INTERRUPT . OPS.	TO/FROM M OTHER ITEMS	VALUE CORRECTIONS DUE TO REAPPRAISA L		
TECHNICAL FACILITIES	45,122.23	0.00	0.00	0.00	1,266.76	0.00	0.00	0.00	0.00	0.00	0.00	46,388.99
OTHER FACILITIES	87,846.14	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	87,846.14
FURNITURE	31,518.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	31,518.04
VEHICLES	100,213.77	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	100,213.77
OTHER TANGIBLE FIXED ASSETS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS	264,700.18	0.00	0.00	0.00	1,266.76	0.00	0.00	0.00	0.00	0.00	0.00	265,966.94
TOTAL FIXED ASSETS IN PROGRESS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	264,700.18	0.00	0.00	0.00	1,266.76	0.00	0.00	0.00	0.00	0.00	0.00	265,966.94

FIXED ASSETS	DEPRECIATION						BALANCE AT 31/03/2022	NET FIXED ASSETS (FIX. ASST.-DEPREC.)
	BALANCE AT 31/03/2021	DEPRECIATION CHARGES	INCREASES	REDUCTIONS	VALUE CORRECTIONS DUE TO REAPPRAISAL	TRANSFERS TO/FROM NCAHS OR INTERRUPT . OPS.		
TECHNICAL FACILITIES	20,756.41	8,143.90	0.00	0.00	0.00	0.00	28,900.31	17,488.68
OTHER FACILITIES	15,153.36	9,247.01	0.00	0.00	0.00	0.00	24,400.37	63,445.77
FURNITURE	12,025.60	2,740.96	0.00	0.00	0.00	0.00	14,766.55	16,751.49
VEHICLES	55,625.97	20,042.75	0.00	0.00	0.00	0.00	75,668.72	24,545.05
OTHER TANGIBLE FIXED ASSETS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS	103,551.34	40,174.61	0.00	0.00	0.00	0.00	143,735.95	122,230.99
PROPERTY, PLANT AND EQUIPMENT IN PROGRESS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL	103,551.34	40,174.61	0.00	0.00	0.00	0.00	143,735.95	122,230.99

During the financial year that closed on 31 March 2022, there have been no specific circumstances that have led to the need to apply impairment to the Company's fixed assets.



FINANCIAL YEAR ENDED AT 31/03/2021

FIXED ASSETS	FIXED ASSETS										BALANCE AT 31/03/2021
	BALANCE AT 31/03/2020	ADDITIONS			DISPOSALS, WRITE-OFFS OR REDUCTIONS	TRANSFERS		VALUE CORRECTIONS DUE TO REAPPRAISAL			
		BUSINESS COMBINATIONS	NON-MONETARY CONTRIBUTIONS	EXPANSIONS AND IMPROVEMENTS		ALL OTHER ENTRIES	TO/ FROM NCAHS OR INTERRUPTED OPS.				
TECHNICAL FACILITIES	38,039.46	0,00	0,00	6,082.78	0,00	0,00	0,00	0,00	0,00	0,00	45,122.23
OTHER FACILITIES	87,803.02	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	-8,956.88	87,846.14
FURNITURE	21,581.44	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	8,956.80	31,518.04
VEHICLES	100,213.48	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,28	100,213.77
OTHER TANGIBLE FIXED ASSETS	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS	258,617.40	0,00	0,00	6,082.78	0,00	0,00	0,00	0,00	0,00	0,00	264,700.19
TOTAL FIXED ASSETS IN PROGRESS	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TOTAL	258,617.40	0,00	0,00	6,082.78	0,00	0,00	0,00	0,00	0,00	0,00	264,700.19

INMOVILIZADO	DEPRECIATION						BALANCE AT 31/03/2021	NET FIXED ASSETS (FIX. ASST.-DEPREC.)	
	BALANCE AT 31/03/2020	DEPRECIATION CHARGES		TRANSFERS		REDUCTIONS			VALUE CORRECTIONS DUE TO REAPPRAISAL
		DEPRECIATION CHARGES		INCREASES					
TECHNICAL FACILITIES	12,684.97	8,071.44	0,00	0,00	0,00	0,00	20,756.41	24,365.82	
OTHER FACILITIES	13,782.53	6,247.01	-7,876.18	0,00	0,00	0,00	15,153.36	72,692.78	
FURNITURE	1,556.21	2,740.95	7,728.44	0,00	0,00	0,00	12,025.60	19,492.44	
VEHICLES	35,435.48	20,042.75	147,740	0,00	0,00	0,00	55,625.97	44,587.80	
OTHER TANGIBLE FIXED ASSETS	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	
TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS	63,459.19	40,102.15	0,00	0,00	0,00	0,00	103,561.34	151,138.84	
PROPERTY, PLANT AND EQUIPMENT IN PROGRESS								0,00	
TOTAL FIXED ASSETS IN PROGRESS								0,00	
TOTAL	63,459.19	40,102.15	0,00	0,00	0,00	0,00	103,561.34	151,138.84	

During the financial year that closed on 31 March 2021, there have been no specific circumstances that have led to the need to apply impairment to the Company's fixed assets.



NOTE 6 - INTANGIBLE FIXED ASSETS

MOVEMENT OF INTANGIBLE FIXED ASSET ITEMS DURING THE YEAR

FINANCIAL YEAR ENDED AT 31/03/2022

FIXED ASSETS	BALANCE AT 31/03/2021	ADDITIONS				FIXED ASSETS			TRANSFERS		BALANCE AT 31/03/2022
		BUSINESS COMBINAT.	NON-MONETARY CONTRIB.	EXPANSIONS AND IMPROVEMENTS	ALL OTHER ENTRIES	DISPOSALS, WRITE-OFFS OR REDUCTIONS	TO/FROM NCAHS OR INTERRUPT. OPS.	TO/FROM OTHER ITEMS			
INDUSTRIAL PROPERTY	23,500,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	23,500,00
COMPUTER APPLICATIONS	80,530,29	0,00	0,00	0,00	7,342,00	0,00	0,00	0,00	0,00	0,00	87,872,29
TOTAL	104,030,29	0,00	0,00	0,00	7,432,00	0,00	0,00	0,00	0,00	0,00	111,372,29

FIXED ASSETS	BALANCE AT 31/03/2021	DEPRECIATION CHARGES	INCREASES	REDUCTIONS	BALANCE AT 31/03/2022	NET FIXED ASSETS (FIX. ASST.-DEPREC.)
INDUSTRIAL PROPERTY	15,532,78	4,700,00	0,00	0,00	20,232,78	3,267,22
COMPUTER APPLICATIONS	59,587,36	13,484,07	0,00	0,00	73,071,43	14,800,86
TOTAL	75,120,14	18,184,07	0,00	0,00	93,304,21	18,068,08



FINANCIAL YEAR ENDED AT 31/03/2021

FIXED ASSETS	FIXED ASSETS									
	BALANCE AT 31/03/2020	ADDITIONS				DISPOSALS, WRITE-OFFS OR REDUCTIONS	TRANSFERS		BALANCE AT 31/03/2021	
		BUSINESS COMBINAT.	NON-MONETARY CONTRIB.	EXPANSIONS AND IMPROVEMENTS	ALL OTHER ENTRIES		TO/FROM NCAHS OR INTERRUPT. OPS.	TO/FROM OTHER ITEMS		
INDUSTRIAL PROPERTY	23,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23,500.00	
COMPUTER APPLICATIONS	76,030.29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	80,530.29	
TOTAL	99,530.29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	104,030.29	

FIXED ASSETS	DEPRECIATION						NET FIXED ASSETS (FIX. ASST.-DEPREC.)
	BALANCE AT 31/03/2020	DEPRECIATION CHARGES	INCREASES	REDUCTIONS	BALANCE AT 31/03/2021	NET FIXED ASSETS (FIX. ASST.-DEPREC.)	
INDUSTRIAL PROPERTY	10,832.78	4,700.00	0.00	0.00	15,532.78	7,967.22	
COMPUTER APPLICATIONS	46,465.36	13,122.00	0.00	0.00	59,587.36	20,942.93	
TOTAL	57,298.14	17,822.00	0.00	0.00	75,120.14	28,910.15	

There have been no specific circumstances that lead to the need to apply impairment to the Company's fixed assets for the financial year that closed on 31/03/2022, or the previous year that closed on 31/03/2021



OTHER INFORMATION

	FINANCIAL YEAR ENDED AT 31/03/2022		FINANCIAL YEAR ENDED AT 31/03/2021	
	CARRYING VALUE	CUMULATIVE DEPREC. DUE TO IMPAIRMENT	CARRYING VALUE	CUMULATIVE DEPREC. DUE TO IMPAIRMENT
INTANGIBLE FIXED ASSETS ACQUIRED FROM GROUP COMPANIES (TOTAL)	0.00	0.00	0.00	0.00
INTANGIBLE FIXED ASSETS ACQUIRED FROM ASSOCIATED COMPANIES (TOTAL)	0.00	0.00	0.00	0.00
INVESTMENTS IN INTANGIBLE FIXED ASSETS OUTSIDE SPANISH TERRITORY (TOTAL)	0.00	0.00	0.00	0.00
INTANGIBLE FIXED ASSETS NOT DIRECTLY RELATED TO OPERATIONS (TOTAL)	0.00	0.00	0.00	0.00
ASSETS SUBJECT TO GUARANTEES				
ASSETS SUBJECT TO REVERSAL				
AMOUNT OF RESTRICTIONS TO OWNERSHIP				
FINANCIAL EXPENSES CAPITALISED DURING THE YEAR				
AMOUNT OF COMPLETELY DEPRECIATED ASSETS IN USE			1,984,929.68	1,984,929.68
GRANTS, DONATIONS AND BEQUESTS RECEIVED AND RELATED TO INTANG. FIXED ASSETS				
PROFIT/LOSS FOR THE YEAR DERIVED FROM DISPOSAL OR SALE OF INTANG. FIXED ASSET ITEMS BY OTHER MEANS				
AGGREGATE AMOUNT OF DISBURSEMENTS FOR RESEARCH AND DEVELOPMENT RECOGNISED AS AN EXPENSE OF THE YEAR				
AMOUNT OF ASSETS OTHER THAN GOODWILL WITH AN INDEFINITE USEFUL LIFE				

	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021
AMOUNT OF THE GRANT	0.00	0.00
AMOUNT OF THE ASSETS	0.00	0.00
AMOUNT OF THE GRANT	0.00	0.00
AMOUNT OF THE ASSETS	0.00	0.00
AMOUNT OF THE GRANT	0.00	0.00
AMOUNT OF THE ASSETS	0.00	0.00



NOTE 7 - LEASES AND OTHER OPERATIONS OF A SIMILAR NATURE

OPERATIONAL LEASES

The total amount of future minimum payments of the lease, corresponding to non-cancellable operational leases, depending on the terms, and the amount of the contingent instalments recognised as income of the year, are the following:

	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021
Up to 1 year	72.856,78	88.887,26
Between 1 and 5 years	56.469,82	124.130,04
Over 5 years	0,00	0,00
Total	129.326,70	194.017,30

The Company's most significant operating lease agreement at the end of the financial year is basically the rent of the office it occupies in Barcelona and which matures in January 2024.

Total Office rent expenditure for the year ended 31/03/2022 for leases of a different nature amounted to 54,622.38 euros (53,880.00 euros for the year ended 31/03/2021).

The other lease contracts correspond to the lease of vehicles.



NOTE 8 - FINANCIAL INSTRUMENTS

1. INFORMATION ABOUT THE RELEVANCE OF FINANCIAL INSTRUMENTS IN THE FINANCIAL SITUATION AND PROFIT/LOSS OF THE COMPANY

a) Categories of financial assets and liabilities:

- Long-term financial assets:

CATEGORY	CLASSES OF LONG-TERM FINANCIAL ASSETS							
	EQUITY INSTRUMENTS (except equity holdings of group, multi-group and associated companies)		SECURITIES REPRESENTING DEBT		CREDITS, DERIVATIVES AND OTHERS		TOTAL	
	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021
FINANCIAL ASSETS AT AMORTIZED COST ASSETS AT FV WITH CHANGES IN P&L	0,00	0,00	0,00	0,00	282.739,35	134.232,29	282.739,35	134.232,29
FINANCIAL ASSETS AT COST	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
FINANCIAL ASSETS AT FV WITH CHANGES IN P&L	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TOTAL	0,00	0,00	0,00	0,00	282.739,35	134.232,29	282.739,35	134.232,29

Receivables mainly correspond to bonds through contractual relations and leases.

- Short-term financial assets:

CATEGORY	CLASSES OF SHORT-TERM FINANCIAL ASSETS									
	EQUITY INSTRUMENTS (except equity holdings of group, multi-group and associated companies)		SECURITIES REPRESENTING DEBT		TRADE DEBTORS AND OTHER ACCOUNTS RECEIVABLE		CREDITS, DERIVATIVES AND OTHERS		TOTAL	
	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021
FINANCIAL ASSETS AT AMORTIZED COST ASSETS AT FV WITH CHANGES IN P&L	0,00	0,00	0,00	0,00	2.761.177,12	2.316.099,22	0,00	0,00	2.761.177,12	2.316.099,22
FINANCIAL ASSETS AT COST	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
FINANCIAL ASSETS AT FV WITH CHANGES IN P&L	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TOTAL	0,00	0,00	0,00	0,00	2.761.177,12	2.316.099,22	0,00	0,00	2.761.177,12	2.316.099,22



- Short-term financial liabilities:

CLASSES OF SHORT-TERM FINANCIAL LIABILITIES											
DEBTS WITH CREDIT INSTITUTIONS		DEBENTURES AND OTHER MARKETABLE SECURITIES		TRADE CREDITORS AND OTHER ACCOUNTS PAYABLE		DERIVATIVES AND OTHERS		TOTAL			
FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021		
0,00	0,00	0,00	0,00	1.017.217,53	1.161.445,43	398.752,84	1.616.576,51	1.355.970,37	2.777.021,94		
0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00		
0,00	0,00	0,00	0,00	1.017.217,53	1.161.445,43	398.752,84	1.616.576,51	1.355.970,37	2.777.021,94		
TOTAL											

Balances with Public Administrations are not included in the above tables.

The company does not have any long-term financial liabilities in the financial year that closed on 31 March 2022 or the previous year that ended on 31 March 2021.

b) Classification by maturity:

All of the company's financial assets are classified as financial assets at amortised cost and financial liabilities are classified as financial liabilities at amortised cost, so there are no financial assets or financial liabilities measured at fair value through profit or loss.

c) Reclassification:

No reclassification of financial asset categories has been necessary in accordance with the provisions of accounting and valuation standard 9.

d) Offsetting of financial assets and liabilities:

The company has no offsets of financial assets or liabilities.

e) Assets assigned and accepted as collateral:

The company has neither pledged assets as collateral nor accepted assets from third parties as collateral.



f) Compound financial instruments with multiple embedded derivatives:

The company has no compound financial instruments.

g) Corrections due to impairment caused by the credit risk:

	CLASSES OF FINANCIAL ASSETS					
	SECURITIES REPRESENTING DEBT		CREDITS, DERIVATIVES AND OTHERS		TOTAL	
	LONG TERM	SHORT TERM	LONG TERM	SHORT TERM	LONG TERM	SHORT TERM
LOSSES FOR IMPAIRMENT AT 01/04/2020	0,00	0,00	0,00	41.045,24	0,00	41.045,24
+ VALUE CORRECTION DUE TO IMPAIRMENT	0,00	0,00	0,00	34.867,14	0,00	34.867,14
- REVERSAL OF IMPAIRMENT	0,00	0,00	0,00	-4.545,52	0,00	-4.545,52
- DISPOSALS AND REDUCTIONS	0,00	0,00	0,00	-16.221,96	0,00	-16.221,96
+/- TRANSFERS AND OTHER VARIATIONS	0,00	0,00	0,00	0,00	0,00	0,00
LOSSES FOR IMPAIRMENT AT 31/03/2021	0,00	0,00	0,00	55.144,90	0,00	55.144,90
+ VALUE CORRECTION DUE TO IMPAIRMENT	0,00	0,00	0,00	32.359,38	0,00	32.359,38
- REVERSAL OF IMPAIRMENT	0,00	0,00	0,00	-21.560,43	0,00	-21.560,43
- DISPOSALS AND REDUCTIONS	0,00	0,00	0,00	0,00	0,00	0,00
+/- TRANSFERS AND OTHER VARIATIONS	0,00	0,00	0,00	0,00	0,00	0,00
LOSSES FOR IMPAIRMENT AT 31/03/2022	0,00	0,00	0,00	65.943,85	0,00	65.943,85

h) Non-payment and non-compliance with contractual conditions

There have been no defaults or non-compliance with contractual conditions during the year.

i) Debts with special features

There are no debts with special characteristics.

j) Group, multi-group and associated companies:

The company does not have any stake whatsoever in group, jointly-controlled or associate companies.

k) Cash and cash equivalents:

The Company has liquid funds at year-end amounting to EUR 1,650 thousand (31 March 2021: EUR 2,758 thousand).

l) Other information:

- Hedge accounting: no hedging transactions have been carried out.
- Fair value: the company's financial assets and liabilities are measured at amortised cost, which is an acceptable approximation of fair value.
- Firm commitments to purchase financial assets and foreseeable sources of financing, as well as firm commitments to sell: there are none.
- Contracts for the purchase or sale of non-financial assets: none.
- Any other substantive circumstances affecting the financial assets, such as litigation, liens or similar situations: none.
- Amount of secured debts: the company has no secured debts.
- Assets located abroad: the company has no assets or rights located abroad.



m) Risk policy and risk management:

Financial risks are managed by the Finance Department, which has the mechanisms required to control exposure to changes in interest rates and exchange rates, as well as credit and liquidity risks. The main financial risks that have an impact on the Company are shown below:

- Credit risk:

In general, the Company keeps its cash and cash equivalents at banks with a high credit rating.

The Company has not taken out any insurance policies to cover the risk of bad debts. The Company's credit policy is based on the characteristics of each customer, and a range is therefore established for the purposes of setting the credit limit.

There is no significant concentration of credit risk with third parties.

- Exchange rate risk:

The company has not made any hedges for the risk of fluctuations of exchange rates.

- Liquidity risk:

To guarantee liquidity and deal with its payment commitments as a result of its activity, the Company has the cash balance shown on the balance sheet. It likewise has the financial support of the Group.

The amounts falling due in each of the five years following the end of the financial year and the remainder until their final maturity, separately for each of the financial asset and liability items, are as follows:

- Financial instruments - assets:

	MATURITY IN YEARS						TOTAL
	1	2	3	4	5	OVER 5	
INVESTMENTS IN GROUP AND ASSOCIATED COMPANIES	0,00	0,00	0,00	0,00	0,00	0,00	0,00
FINANCIAL INVESTMENTS	0,00	0,00	0,00	0,00	0,00	0,00	0,00
NON-CURRENT TRADE PAYABLES	0,00	0,00	0,00	0,00	0,00	0,00	0,00
ADVANCES TO SUPPLIERS	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TRADE DEBTORS AND OTHER ACCOUNTS RECEIVABLE							
CLIENTS FROM SALES AND PROVISION OF SERVICES	2.740.677,12	0,00	0,00	0,00	0,00	0,00	2.740.677,12
PERSONNEL	10.500,00	0,00	0,00	0,00	0,00	0,00	10.500,00
TOTAL	2.751.177,12	0,00	0,00	0,00	0,00	0,00	2.751.177,12

- Financial instruments - liabilities:

	MATURITY IN YEARS						TOTAL
	1	2	3	4	5	OVER 5	
DEBTS							
OTHER FINANCIAL LIABILITIES	338.752,84	0,00	0,00	0,00	0,00	0,00	338.752,84
DEBTS WITH GROUP AND ASSOCIATED COMPANIES	0,00	0,00	0,00	0,00	0,00	0,00	0,00
NON-CURRENT TRADE CREDITORS	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TRADE CREDITORS AND OTHER ACCOUNTS PAYABLE							
SUPPLIERS	606,00	0,00	0,00	0,00	0,00	0,00	606,00
SUPPLIERS, GROUP AND ASSOCIATED COMPANIES	682.421,35	0,00	0,00	0,00	0,00	0,00	682.421,35
SUNDRY CREDITORS	217.053,53	0,00	0,00	0,00	0,00	0,00	217.053,53
PERSONNEL	117.137,65	0,00	0,00	0,00	0,00	0,00	117.137,65
DEBT WITH SPECIAL CHARACTERISTICS	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TOTAL	1.355.970,37	0,00	0,00	0,00	0,00	0,00	1.355.970,37



2. OWN FUNDS

Following the share capital increase carried out on 31 December 2008, the registered share capital amounted to 5,000,000 euros at 31 March 2014, represented by 500,000 equity units a face value of 10 euros each, all of the same class, fully subscribed and paid up, and conferring the same rights to the holders thereof.

After the capital decrease of 30 May 2014, the deeded capital amounts to 1,000,000 euros, represented by 500,000 equity units, each with face value of 2 euros.

At 31 March 2020 and 31 March 2019, all the share capital belongs to Sun Pharma (Netherlands), BV.

During the period between December 2005 and October 2009, Sun Pharma (Netherlands), BV, the sole shareholder of the Company, extended shareholder loans for an amount of 8.85 million euros. Subsequently, in 2014 it formalised another shareholder loan for 2 million. At the time of maturity of each of these loans and following settlement of one part of the loans granted, 3.35 million euros was used to offset prior years' losses, and 4.5 million euros was turned into a shareholder contribution. At the close date of this financial year, this amount is shown on an equity statements as net equity of the Company.

There are no payments pending.

At the close date of the financial year, there is no capital expansion in progress.

In accordance with the Recast Text of the Capital Companies Act, a sum equal to 10% of the year's profits must be allocated to the legal reserve until it reaches at least 20% of the share capital.

The legal reserve may only be used to increase capital by the part of the balance that exceeds 10% of the capital already increased. Barring the aforementioned purpose and whilst the reserve does not exceed 20% of the share capital, the reserve may only be available to offset losses and only as long as there are no other available reserves that are sufficient for this purpose. In allocation of the profits for last year, the Board of Directors proposed to allocate the full amount of the Legal Reserve required pursuant to commercial legislation.

There are no obstacles to the availability of reserves other than those derived from the legal scheme.

Considering the negative results of the Company over the last 5 years, no dividends have been distributed.



NOTE 9 - INVENTORY

Value corrections due to impairment

	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021
Amount at the beginning of the financial year	612.310,98	526.992,93
Amount at the end of the financial year	195.422,02	612.310,98

All expired products are also impaired completely (or partially to the extent that the expiry date approaches), in addition to those that belong to an auction that has been transferred to another laboratory.

Drugs that were already damaged worth 704.176,13 euros were destroyed during the year. (472.164,00 euros in Year 2021).

NOTE 10 - FOREIGN CURRENCY

Assets and liabilities denominated in foreign currency

- Assets:

There are no assets in foreign currency.

- Liabilities:

There are no liabilities in foreign currency.

Purchase, sales and services received and rendered

	FINANCIAL YEAR ENDED AT 31/03/2022			FINANCIAL YEAR ENDED AT 31/03/2021		
	TOTAL	CLASSIFICATION BY CURRENCIES (euros)		TOTAL	CLASSIFICATION BY CURRENCIES (euros)	
		DOLLARS	POUNDS		DOLLARS	POUNDS
Purchases	36.954,71	36.954,71	0,00	0,00	0,00	0,00
Sales	0,00	0,00	0,00	0,00	0,00	0,00
Services received	0,00	0,00	0,00	0,00	0,00	0,00
Services rendered	0,00	0,00	0,00	0,00	0,00	0,00

Exchange rate differences recognised in the profit/loss of the financial year

	FINANCIAL YEAR ENDED AT 31/03/2021		FINANCIAL YEAR ENDED AT 31/03/2020	
	SETTLED	OPENING OR PENDING	SETTLED	OPENING OR PENDING
D) CURRENT LIABILITY	-3.244,04	0,00	0,00	0,00
4. Trade creditors and other accounts payable	-3.244,04	0,00	0,00	0,00



NOTE 11 - TAX SITUATION

1. PROFITS TAX

Reconciliation between the net amount of income and expenses of the financial year and the tax base

	Profit and loss statement Amount for the financial year ending on 31/03/2022			Profit and loss statement Amount for the financial year ending on 31/03/2021		
	Increases	Reductions	Net Effect	Increases	Reductions	Net Effect
Balance of income and expenses of the year			311.148,03			362.353,57
Corporate Income tax	-	-	103.863,85	-	(42.895,82)	(42.895,82)
Permanent differences	442,93	-	442,93		-	-
Temporary differences						
- coming from the financial year	-	-	-	456,06	-	456,06
- coming from previous financial years	-	-	-	456,06	-	456,06
Offsetting of tax loss carryforwards losses from previous years	-	-	-	-	(191.226,34)	(191.226,34)
Tax base (tax result)			415.454,61			128.687,47

Reconciliation between expense and income due to income taxes and the result of multiplying the applicable tax rates to the total of recognised income and expenses

The tax on profits expense is 103.863,85 euros for the financial year ended on 31 March 2022, and it is 42.895,82 euros for the financial year ended 31 March 2021.

There are no tax losses pending offset at 31 March 2022. Nor at 31 March 2021.

In accordance with legislation in force, the statements made for the various taxes cannot be considered definitive until after having been audited by the tax authorities or after the statute of limitation has expired.

As at 31 March 2022, the Entity has all tax years not yet due for inspection.

During 2019, inspection actions were initiated by the Spanish Tax Administration Agency in relation to Corporation tax for the period between 2013 - 2018. The review point was focused on the Negative Tax Bases for the years 2008 and 2013. Currently, the amount of taxable income in dispute amounts to 6,921,665 euros, which, given that the entire amount is in legal proceedings, has been paid as a result without considering said negative taxable income. During 2020, dissenting minutes were signed, as management considered that there was a legal route to defend the deductibility of the aforementioned tax losses, in agreement with its legal advisors. During the previous year, a complaint was lodged with the Regional Economic Administrative Court and our decision was confirmed. At the date of authorisation for issue of these accounts, this has not yet been resolved.

For the remaining taxes that are open to inspection, the Company Directors do not expect any differences to arise that significantly affect the annual financial statements.



NOTE 12 - INCOME AND EXPENSES

Information on significant judgements in the application of accounting and valuation standard 14th

The application of the revenue recognition and measurement standard did not result in any changes to the criteria and judgements previously used.

Disclosure of assets recognised for costs to obtain or fulfil a customer contract

No costs have been incurred to obtain or fulfil customer contracts.

Information about certain expenses and other results

The breakdowns of the items, "Consumption of goods purchased for resale", "Consumption of raw materials and other consumables", "Social Security charges" and "Other profits/losses", are presented below, as well as the amount of the goods and the provision of services for the swap of non-monetary goods and services:

	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021
1. Consumption of goods purchased for resale *	12.927.812,38	8.752.847,23
a) Purchases, net returns and any discount *	11.492.923,90	8.709.384,88
National *	0,00	339.161,30
Intra-community acquisitions *	11.492.923,90	8.370.233,58
Imports *	0,00	0,00
b) Change in Inventory	1.434.888,48	43.462,35
2. Consumption of raw materials and other consumables	0,00	0,00
a) Purchases, net returns and any discount:	0,00	0,00
b) Change in Inventory	0,00	0,00
3. Social Security charges	298.487,84	271.575,12
a) Social Security paid by the Company	219.221,35	211.282,84
b) Contributions to and allocations for pensions	0,00	0,00
c) Other social security charges	77.266,49	60.292,28
4. Sale of goods and provision of services produced through the swap of non-monetary goods and services	0,00	0,00
5. Earnings originating outside the normal business activity of the company included in Other Profits/Losses	0,00	0,00
6. Expenses associated with restructuring:	0,00	0,00



NOTE 13 - PROVISIONS AND CONTINGENCIES

1. PROVISIONS

The movement of the Provisions items during the financial year has been the following:

	BALANCE AT 31/03/2021	Reversals	Allocations	BALANCE AT 31/03/2022
PROVISIONS FOR RETURNS	462.032,86	-819.083,86	695.804,04	338.752,84
OTHER CONTRACTUAL COMMITMENTS	1.153.543,85	-1683.480,49	529.916,64	0,00
	1.615.576,61	-2.502.544,35	1.225.720,68	338.752,84

The provision for returns was estimated by applying a percentage of 0.2% to direct sales to pharmacies and to sales made through wholesalers. This percentage corresponds to an estimate made by the Company based on the expected value of returns and using, as the reference, the maximum amount of returns in accordance with the provisions of Royal Decree 726/1982 of 17 March, which regulates the expiry and returns of pharmaceutical specialities to pharmaceutical laboratories.

Provisions for other contractual commitments correspond to price reductions (voluntary improvement) offered to the Andalusian Health Service (Servicio Andaluz de Salud -SAS) on sales made during the period, for settlement during the following year with certain contractual commitments acquired in relation to auctions of generic medicines in Andalusia. The reductions in auction sale prices are recorded as lower sales. These contractual commitments expired in December 2020. At the closing date the company has settled all outstanding amounts.

NOTE 14 - INFORMATION ABOUT THE ENVIRONMENT AND GREENHOUSE GAS EMISSION ALLOWANCES

Within its tangible fixed assets, the Company does not have any significant elements used to minimize environmental impact or to protect and improve the environment.

Costs incurred during the financial year ended on 31 March 2022 for protection and improvement of the environment amounted to 49,444.32 euros. During the previous year, this amount was 55,897.76 euros. Most of these expenses involved the controlled destruction of expired products.

In Year 2020 we changed the electricity supply rate to a Green/Ecologic rate.

NOTE 15 - EVENTS AFTER THE CLOSE

No events have occurred since the end of the financial year affecting the annual accounts closed at 31 March 2022 or the going concern principle.



NOTE 16 - OPERATIONS WITH RELATED PARTIES

The most relevant information regarding operations with related parties during the year is set out below:

a) The persons and/or companies with whom related operations were carried out are listed below:

- Parent company
- Other group companies

b) The nature of the relationship with the related parties is commercial.

c) The details of the operations and the quantification thereof, as well as the profits or losses that the operations have caused at the company, are the following:

FINANCIAL YEAR ENDED AT 31/03/2022

	PARENT COMPANY	OTHER GROUP COMPANIES
Sales of current assets	0,00	9.834,59
Sales of non-current assets	0,00	0,00
Purchases of current assets *	8.885.883,25	2.050.552,31
Purchases of non-current assets	0,00	0,00
Provision of services	0,00	106.292,24
Reception of services	0,00	615.112,22
Income from interest charged	0,00	0,00
Income from interest accrued but not charged	0,00	0,00
Expenses due to interest paid	0,00	0,00
Expenses due to interest accrued but not paid	0,00	0,00

FINANCIAL YEAR ENDED AT 31/03/2021

	PARENT COMPANY	OTHER GROUP COMPANIES
Sales of current assets *	0,00	107.283,30
Sales of non-current assets	0,00	0,00
Purchases of current assets *	6.426.012,07	1.213.607,86
Purchases of non-current assets	0,00	0,00
Provision of services	0,00	148.473,11
Reception of services *	0,00	714.259,14
Income from interest charged	0,00	0,00
Income from interest accrued but not charged	0,00	0,00
Expenses due to interest paid	0,00	0,00
Expenses due to interest accrued but not paid	0,00	0,00



The amount of the pending balances of operations with related parties, as of the close date of the financial year, is the following:

FINANCIAL YEAR ENDED AT 31/03/2022

	PARENT COMPANY	OTHER GROUP COMPANIES
A) NON-CURRENT ASSETS	0.00	0.00
1. Long-term financial investments	0.00	0.00
B) CURRENT ASSETS	0.00	2.754,59
1. Trade debtors and other accounts receivable	0.00	2.754,59
b) Clients from sales and service provision at short term, of which:		
Corrections in value for doubtful clients	0.00	0.00
2. Short-term financial investments	0.00	0.00

	PARENT COMPANY	OTHER GROUP COMPANIES
C) NON-CURRENT LIABILITIES	0.00	0.00
1. Long-term debts	0.00	0.00
2. Long-term debts of special characteristics	0.00	0.00
D) CURRENT LIABILITY	316.904,90	365.516,45
1. Short-term debts	0.00	0.00
e) Other financial liabilities	0.00	0.00
2. Short-term debts of special characteristics	0.00	0.00
3. Trade creditors and other accounts payable	316.904,90	365.516,45
b) Short-term suppliers	316.904,90	365.516,45

FINANCIAL YEAR ENDED AT 31/03/2021

	PARENT COMPANY	OTHER GROUP COMPANIES
A) NON-CURRENT ASSETS	0.00	0.00
1. Long-term financial investments	0.00	0.00
B) CURRENT ASSETS *	0.00	7.826,90
1. Trade debtors and other accounts receivable *	0.00	7.826,90
b) Clients from sales and service provision at short term, of which:		
Corrections in value for doubtful clients	0.00	0.00
2. Short-term financial investments	0.00	0.00

	PARENT COMPANY	OTHER GROUP COMPANIES
C) NON-CURRENT LIABILITIES	0.00	0.00
1. 0.00	0.00	0.00
2. 0.00	0.00	0.00
D) CURRENT LIABILITY	899.332,84	-25.418,17
1. Short-term debts	0.00	0.00
e) Other financial liabilities	0.00	0.00
2. Short-term debts of special characteristics	0.00	0.00
3. Trade creditors and other accounts payable	899.332,84	-25.418,17
b) Short-term suppliers	899.332,84	-25.418,17



The information pertaining to senior management personnel is the following:

	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021
1. Salaries, per diems and other remuneration	394.408,07	434.027,55

The Board of Directors is the governing, management and representative body of the company. The Board of Directors is therefore deemed to be the body that ultimately directs the company. In this regard, the Board of Directors has not received any amount under the concept of salaries, per diems or remuneration for the performance of its duties, nor have obligations been contracted regarding pensions or the payment of life insurance regarding past or present members of the body. No compensation for dismissal has been satisfied to the Board of Directors, nor have any payments been made based on equity instruments. They also have not been granted any advances or credits.

In compliance with Article 229.3 of Law 31/2014 of 3 December, which approves the amendment of the recast text of the Corporate Enterprises Act, the Board Members have not reported any situation of direct or indirect conflict of interest with the company.

No agreements with the sole shareholder exist.

NOTE 17 - OTHER INFORMATION

The average number of employees during the present year, by categories, is as follows:

	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021
Senior executives	3,00	3,00
Other management staff	0,00	0,00
Technical staff, scientific and intellectual professionals and auxiliary staff	3,00	4,00
Administrative employees	5,00	3,00
Sales staff, sales reps and similar	7,00	6,00
Other skilled workers	0,00	0,00
Non-skilled workers	0,00	0,00
Total average of employees	18,00	16,00

At the end of the financial year, the distribution of company personnel by gender is the following:

	EJERCICIO CERRADO A 31/03/2022			EJERCICIO CERRADO A 31/03/2021		
	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN
Directors	3,00	3,00	0,00	3,00	3,00	0,00
Senior executives (non-directors)	2,00	1,00	1,00	2,00	1,00	1,00
Other company management staff	0,00	0,00	0,00	0,00	0,00	0,00
Technical staff, scientific and intellectual professionals and auxiliary staff	3,00	1,00	2,00	4,00	2,00	2,00
Administrative employees	5,00	1,00	4,00	3,00	1,00	2,00
Sales staff, sales reps and similar	7,00	5,00	2,00	6,00	2,00	4,00
Other skilled workers	0,00			0,00		
Non-skilled workers	0,00			0,00		
Total personnel at the end of the financial year	20,00	11,00	9,00	18,00	9,00	9,00



Professional fees for account auditing and other services provided by the account auditors and other companies from the AUREN network were as follows:

	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021
<i>Services provided by account auditors</i>		
Professional fees for account auditing	10.000,00	11.745,00
Professional fees charged for other verification services	8.000,00	7.800,00
Professional fees charged for tax advising services	0,00	0,00
Other professional fees for services provided	0,00	0,00
<i>Services provided by the Auren Network</i>		
Professional fees for services provided	0,00	0,00
Total	18.000,00	18.345,00

NOTE 18 - SEGMENTED INFORMATION

The distribution of the net amount of turnover corresponding to the company's ordinary activities, broken down by categories of activities, as well as by geographical markets, is the following:

DESCRIPTION OF THE ACTIVITY	TURNOVER	
	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021
Generic products	17.030.237,25	13.058.403,18
Total	17.030.237,25	13.058.403,18

DESCRIPTION OF THE GEOGRAPHIC MARKET	TURNOVER	
	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2021
NATIONAL	16.922.088,02	12.847.369,18
REST OF THE EUROPEAN UNION	108.149,23	209.034,00
REST OF THE WORLD	0,00	0,00
Total	17.030.237,25	13.056.403,18



**NOTE 19 - INFORMATION ABOUT THE AVERAGE PAYMENT PERIOD TO SUPPLIERS.
ADDITIONAL PROVISION THREE. "INFORMATION DUTY" OF LAW 15/2010 OF 5 JULY**

The Resolution of the ICAC of 29/01/2016 implements the obligation introduced by Law 31/2014 (Final Provision 2), which amends Law 15/2010 of 5 July, for the inclusion of information in the report of the annual financial statements about PPMP, which is defined as the average payment period (days) as from the delivery of goods or the provision of services until the payment thereof. The information to be provided for the 2022-2021 financial year is the following:

	31/03/2022	31/03/2021
	Days	Days
Average payment period to suppliers	25,52	123,76
Ratio of paid operations	28,63	124,32
Ratio of operations pending payment	4,77	118,11
	Amount (euros)	Amount (euros)
Total payments made	11.459.855,48	7.797.944,98
Total payments pending	611.423,90	1.060.169,56



The Balance Sheet, Profit and Loss Statement, Statement of Changes in Net Equity, Cash Flow Statement and Annual Report of SUN PHARMA LABORATORIOS, S.L.U. corresponding to the financial year ended 31 March 2022 have been prepared in Barcelona on 28th April 2022, numbered consecutively from 1 to 44 and approved by the Board of Directors of the Company by signing in witness whereof.

SIGNATURES

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Hellen de Kloet

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Pedro Luis Sala Lanz

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Prashant Lakhamshi Savia

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MANAGEMENT REPORT

FROM 1 / 4 / 2021 TO 31 / 03 / 2022



NOTE 1 – EVOLUTION OF THE BUSINESS AND SITUATION OF THE COMPANY

The Company has adapted well to the current regulatory environment governing the pharmaceutical sector, achieving a significant increase in turnover compared to the previous year.

Both the Hospital Division and the Oncology Division have driven this growth in sales, which is expected to continue in the coming years as a result of the launch of new products and the adaptation of its commercial structure to successfully meet the future challenges facing the Company.

NOTE 2 – EVENTS AFTER THE CLOSE

No events have occurred since year-end that would affect the annual accounts closed as at 31 March 2022 or the going concern principle.

NOTE 3 – RESEARCH AND DEVELOPMENT

There was no activity of particular relevance in this field during the financial year, or in the previous year.

NOTE 4 – ACQUISITION OF OWN SHARES

The Company does not hold treasury stock.

NOTE 5 – FORESEEABLE EVOLUTION OF THE COMPANY

With regard to future prospects, the accumulated experience, as well as the dedication and professionalism of our staff and collaborators, give us confidence that the Company will be able to respond effectively and successfully meet the challenges that will inevitably arise in the future.

NOTE 6 – DERIVATIVE FINANCIAL INSTRUMENTS

The Company has not contracted any derivative financial instruments during the year.

NOTE 7 – OTHER INFORMATION

The Company maintains no commitments with employees that have not been itemised in the attached report, and does not envisage any significant short-term changes in relation to its personnel.

It is not expected that the Company will generate any significant impact on the environment during the normal course of its operations.

The risks to which the Company is exposed, and policies related to the same have been adequately described in the report of the annual financial statements.



NOTE 8 - OTHER INFORMATION

The Resolution of the ICAC of 29/01/2016 implements the obligation introduced by Law 31/2014 (Final Provision 2), which amends Law 15/2010 of 5 July, for the inclusion of information in the report of the annual financial statements about PPMP, which is defined as the average payment period (days) as from the delivery of goods or the provision of services until the payment thereof. The information to be provided for the 2022-2021 financial year is the following:

	31/03/2022	31/03/2021
	Days	Days
Average payment period to suppliers	22,62	123,78
Ratio of paid operations	26,63	124,32
Ratio of operations pending payment	4,77	118,11
	Amount (euros)	Amount (euros)
Total payments made	11.459.855,48	7.797.944,98
Total payments pending	611.423,90	824.919,72



This Management Report of SUN PHARMA LABORATORIES, S.L.U. for the financial year ended 31 March 2022 has been formulated in Barcelona on 28th April 2022, consisting of 4 pages, numbered in consecutive order from 1 to 4 and approved by the Board of Directors of the Company who sign in witness whereof.

SIGNATURES

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Hellen de Kloet

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Pedro Luis Sala Lanz

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Prashant Lakhamshi Savla

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