

Alkaloida Vegyészeti Gyár Zrt., Tiszavasvári

REPORT

on the audit
of the annual financial statements
as of 31 March 2025

Example No. 1

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ACCOUNT
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**I. BALANCE SHEET AND PROFIT AND LOSS
ACCOUNT**

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Statistical code

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Company registration number

ALKALOIDA Chemical Company Zrt.

01. "A" BALANCE Assets

USD

No	Item	Previous year 2024.03.31	Reference year 2025.03.31
a	b	e	e
01.	A FIXED ASSETS (03.+11.+19.)	382,504,020	651,599,855
02.	I. INTANGIBLE ASSETS (04. ... 10.)	99,925	70,243
03.	1 Capitalised value of foundation and restructuring costs		
04.	2 Capitalised value of research and development	0	0
05.	3 Concessions and similar rights and assets k	99,925	70,243
06.	4 Intellectual property	0	0
07.	5 Goodwill		
08.	6 Advance payments on intangible assets		
09.	7 Revaluation of intangible assets		
10.	II. TANGIBLE ASSETS (12. ... 18.)	32,377,367	31,623,542
11.	1 Land and buildings and related concessions and similar rights	28,457,211	27,434,530
12.	2 Technical equipment, machinery and vehicles	1,952,050	2,047,429
13.	3 Other equipment, fittings and vehicles	1,933,630	1,419,435
14.	4 Breeding stock	0	
15.	5 Capital WIP, renovations	34,476	659,098
16.	6 Advance payments on Capital WIP	0	63,050
17.	7 Revaluation of tangible assets		
18.	III. FINANCIAL INVESTMENTS (20. ... 29.)	350,026,728	619,298,599
19.	1 Long term investments in related companies	251,751,038	571,292,306
20.	2 Long term loans given to related companies	88,325,690	38,056,293
21.	3 Long term investments in non-related companies	7,550,000	8,250,000
22.	4 Long term loans given to non-related companies		
23.	5 Other long term investments	1,500,000	1,500,000
24.	6 Advance paid for investments	900,000	200,000
25.	7 Long term loans given to other investees		
26.	8 Other long term loans given		
27.	9 Securities representing long term loans		
28.	10 Revaluation of financial investments		
29.	11 Valuation difference of Financial investments		
30.	IV. DEFERRED TAX ASSETS	0	607,471
31.	1 Deferred tax assets	0	607,471
32.	B CURRENT ASSETS (31.+39.+47.+54.)	357,022,141	102,542,592
33.	I. INVENTORIES (32. ... 37.)	29,447,946	27,691,974
34.	1 Raw materials and consumables	10,289,599	12,875,741
35.	2 Work in progress and semi-finished products	10,217,491	8,979,835
36.	3 Animals		0
37.	4 Finished goods	8,893,335	5,836,398
38.	5 Goods	47,521	0
39.	6 Advance payments on inventories		
40.	II. RECEIVABLES (39. ... 46.)	21,477,542	36,930,367
41.	1 Trade accounts receivable	1,555,449	1,852,276
42.	2 Receivables from related companies	17,801,776	31,824,596
43.	3 Receivable from non-related companies		0
44.	4 Receivables from other investees		0
45.	5 Bills of exchange receivables		0
46.	6 Other receivables	2,120,317	3,253,495
47.	7 Valuation difference of Receivables		
48.	8 Positive valuation difference of derivatives		
49.	III. MARKETABLE SECURITIES (48. ... 53.)	0	0
50.	1 Investments in related companies		
51.	2 Investment in non-related companies in a significant degree		
52.	3 Other investments		
53.	4 Own shares, own quotas	0	0
54.	5 Securities representing loans held for sale		
55.	6 Valuation difference of securities		
56.	IV. LIQUID ASSETS (55.+56.)	306,096,653	37,920,251
57.	1 Cash in hand, cheques	3,870	3,195
58.	2 Bank deposits	306,092,783	37,917,056
59.	C PREPAID EXPENSES AND ACCRUED INCOME (58. ... 60.)	1,340,112	777,849
60.	1 Accrued income	1,111,034	476,260
61.	2 Prepaid expenses	229,078	301,589
62.	3 Deferred expenses		
63.	TOTAL ASSETS (02.+30.+57.)	740,866,273	754,920,296

Date: TISZAVASVARI, May 17, 2025

head of the company
(representative)

1	0	7	1	5	8	4	6	2	1	2	0	1	1	4	1	5
Statistical code																

1	5	---	1	0	---	0	4	0	3	3	0
Company registration number											

ALKALOIDA Chemical Company Zrt.
"A" BALANCE Liabilities

USD			
No	Item	Previous year 2024.03.31	Reference year 2025.03.31
a	b	e	e
64.	D SHAREHOLDERS' EQUITY (64.+68. ... 70.+73.)	730,043,691	744,666,336
65.	I. ISSUED CAPITAL	89,260,220	89,260,220
66.	Of line 64: ownership shares repurchased at face value		
67.	II. ISSUED BUT NOT PAID CAPITAL (-)		
68.	III. CAPITAL RESERVES	296,794,237	296,794,237
69.	IV. RETAINED EARNINGS FROM PREVIOUS YEAR	325,055,552	344,806,581
70.	V. NON DISTRIBUTABLE RESERVES		607,471
71.	VI. REVALUATION RESERVE		
72.	1. Revaluation reserve for value adjustment		
73.	2. Revaluation reserve for value assessment		
74.	VII. PROFIT AFTER TAX	18,933,682	13,197,827
75.	E PROVISIONS (75. ... 77.)	1,631,147	1,286,658
76.	1 Provisions for expected liabilities	1,631,147	1,286,658
77.	2 Provisions for future expenses		
78.	3 Other provisions		
79.	F LIABILITIES (79.+84.+94.)	6,695,612	6,638,486
80.	I. SUBORDINATED LIABILITIES (80. ... 83.)	0	0
81.	1 Subordinated liabilities to related companies		
82.	2 Subordinated liabilities to companies with investment at relevant degree		
83.	3 Subordinated liabilities to other investees		
84.	4 Subordinated liabilities to other enterprises		
85.	II. LONG TERM LIABILITIES (85. ... 93.)	0	0
86.	1 Long term credits		
87.	2 Convertible bonds		
88.	3 Debt on the issue of bonds		
89.	4 Investment and development loans		
90.	5 Other long term loans		
91.	6 Long term liabilities to related companies	0	0
92.	7 Long term liabilities to non related but invested companies		
93.	8 Long term liabilities to other investees		
94.	9 Other long term liabilities	0	0
95.	III. SHORT TERM LIABILITIES (95. ... 106.)	6,695,612	6,638,486
96.	1 Short term credits		
97.	Of line 95: convertible bonds		
98.	2 Short term loans	0	0
99.	3 Advance payments received from customers	17,759	374
100.	4 Trade accounts payable	2,855,682	3,362,129
101.	5 Bills of exchange payable	0	0
102.	6 Short term liabilities to related companies	2,280,771	1,301,982
103.	7 Short term liabilities to non related but invested companies		
104.	8 Short term liabilities to other investees	0	0
105.	9 Other short term liabilities	1,541,400	1,974,001
106.	10 Valuation difference of liabilities		
107.	11 Negative valuation difference of financial derivatives		
108.	G ACCRUED EXPENSES AND DEFERRED INCOME (108. ... 110.)	2,495,823	2,328,816
109.	1 Deferred revenues		
110.	2 Accrued expenses and deferred income	2,137,674	1,990,698
111.	3 Deferred income	358,149	338,118
112.	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (63.+74.+78.+107.)	740,866,273	754,920,296

Date: TISZAVASVARI, May 17, 2025

head of the company
(representative)

ALKALOIDA Chemical Company Zrt.

"A" STATEMENT OF INCOME
(with total cost method)

No	Item	Previous year 2024.03.31	Reference year 2025.03.31
a	b	e	e
01.	01. Net domestic sales revenues	780,607	802,732
02.	02. Net export sales revenues	43,650,585	74,288,605
03.	I. NET SALES REVENUES (01+02)	44,431,192	75,091,337
04.	03. Change in self-manufactured inventories	1,502,136	-4,294,593
05.	04. Capitalised value of self-manufactured assets	1,101,417	663,461
06.	II. CAPITALISED VALUE OF OWN PERFORMANCE (03+04)	2,603,553	-3,631,132
07.	III. OTHER INCOME	1,591,975	664,934
08.	Of which: loss of value written back	1,237,582	274,894
09.	05. Cost of raw materials	24,556,291	35,179,019
10.	06. Value of services used	6,889,584	9,393,006
11.	07. Value of other services	297,251	331,523
12.	08. Cost of goods sold	1,061,718	562,044
13.	09. Value of recharged services	0	0
14.	IV. MATERIAL-TYPE EXPENDITURES (05+06+07+08+09)	32,804,844	45,465,592
15.	10 Wages costs	8,891,339	9,680,678
16.	11. Other payments to personnel	1,167,956	1,275,434
17.	12. Personnel related contributions	1,248,269	1,432,230
18.	V. PAYMENTS TO PERSONNEL (10+11+12)	11,307,564	12,388,342
19.	VI. DEPRECIATION CHARGE	3,254,001	2,765,230
20.	VII. OTHER EXPENSES	3,162,672	2,543,574
21.	Of which: impairment loss provision	2,311,320	1,232,150
22.	A. TRADING PROFIT (I+II+III-IV-V-VI-VII)	-1,902,361	8,962,401
23.	13. Dividend received	0	0
24.	- Of which: received from related companies	0	0
25.	14. Gain on sale of investment		
26.	- Of which: received from related companies		
27.	15. Interest received and gain on financial investments		
28.	- Of which: received from related companies		
29.	16. Other interest received	22,318,927	6,047,566
30.	- Of which: received from related companies	19,489,247	2,133,029
31.	17 Other revenues from financial transactions	16,192	37,895
32.	- Of which: revaluation differences		
33.	VII. REVENUES FROM FINANCIAL TRANSACTIONS (09+10+11+12+13)	22,335,119	6,085,461
34.	18. Financial and foreign exchange loss of investments	0	0
35.	- Of which: related companies	0	0
36.	19. Financial and foreign exchange loss of long term financial assets (securities, loans)	0	0
37.	- Of which: paid to related companies	0	0
38.	20. Interest paid	0	0
39.	- Of which: given to related companies	0	0
40.	21. Losses on shares, securities and bank deposits	0	0
41.	22. Other expenditures of financial transactions	94,346	97,979
43.	- of which: valuation difference		
44.	IX. EXPENDITURES OF FINANCIAL TRANSACTIONS (14+15+16+17+18)	94,346	97,979
45.	B. FINANCIAL PROFIT (VII.-VIII.)	22,240,773	5,987,482
46.	C. NET PROFIT BEFORE TAXATION (+-A+-B)	20,338,412	14,949,883
47.	X. TAX LIABILITY	1,404,730	934,708
48.	DEFERRED TAX		817,348
49.	D. NET PROFIT PER BALANCE SHEET (±C-IX)	18,933,682	13,197,827

Date: TISZAVASVARI, May 17, 2025

head of the company
(representative)

II. NOTES TO THE FINANCIAL STATEMENT

1 PRESENTATION OF THE COMPANY

Our company limited was established by János Kabay in the North-Eastern part of Hungary, in Tiszavasvári, in 1927, as Alkaloida Chemical Factory. ALKALOIDA Chemical Company Zrt. (hereinafter referred to as “Company”) is the member of the SUN Pharmaceutical Industries Ltd. international corporation based in India.

The abbreviated name of the Company: Alkaloida Chemical Company Zrt

Headquarters, site: Tiszavasvári, Kabay János street 29.

Tax number: 10715846-2-15

Company registration number: 15-10-040330

Company owner (ownership:99.99%)

Sun Pharma Holdings

MU-Sesroches & St Louis Streets

Port Louis

Registration number: C114331

Registry office: Republic of Mauritius

Company is involved in consolidation by the SUN PHARMA, prepares its consolidated financial statement.

The persons who are entitled for representation of the company and signing the report.

Name: Béla Szabad Board member

Address: 4225 Debrecen, Kastély str. 45/C

Name: Andreidesz Péter Board member

Address: 4027 Debrecen, Fűreti str. 67/B

The company is obliged to audit according to the accounting law.

Data of the auditing company

Company name: Grant Thohton Audit Ltd._

Company registration number: 01-09-691274

Data of the responsible auditor

Name: Judit Gittinger

Address: 2030 Érd, Fazekas str. 3

Chamber membership no.: 007105

Person who is responsible for managing the accounting services.

Name: Timea Levenda Baloghné

Address: 4440, Tiszavasvári, Árpád str. 67

Registration number: 176726

ALKALOIDA Chemical Company Limited by Shares

SUPPLEMENTARY ANNEX 01/04/2024 – 31/03/2025

(DATA IN USD)

Core activities of ALKALOIDA Chemical Company Zrt.

Manufacturing of 2120 Pharmaceutical Products

- Vegetable based active pharmaceutical ingredients: morphine alkaloids, codeine and its derivatives as well as Sennozide.
- Synthetic API.
- Chloroquine salts used against malaria and rheumatics as well as Phenobarbital used for tranquilizers;
- Intermediate products and finished preparations (some thirty different types of pharmaceutical preparations. Solid dosage forms, tablets, film coated tablets and capsules).

Our medicines are used typically to the following scopes of therapies: cardio-vascular diseases, disorders of the digestive system and those of the nervous system.

Manufacturing License of the Company has been extended with import, analyze and release of solid pharmaceutical products from third countries in European Union.

ALKALOIDA Chemical Company Zrt. has no subsidiary company in Hungary.

Data of foreign subsidiaries are detailed on the Annex 3.-

ALKALOIDA Chemical Company Zrt. has no authorities in any enterprise on the basis of which or in pursuance of the accounting standards it shall be considered as a corporation of joint administration or associate company.

Issued capital stock of the Company: 89.260.220.USD, which is composed of the following elements:

Shares providing general rights

7.034.397 pieces of face values: 0,006 USD/pieces

14.489.167 pieces of face value: 6 USD/pieces

Dividend priority share

36.500 pieces of face value: 6 USD /pieces

Redeemable shares

344.000 pieces of face value: 6 USD /pieces

Small investor shares

1.939 pieces of face value: 0.006 USD/pieces

Ownership structure:

Shareholders	Number of shares				Par value (USD)				Percentage of ownership	
	2024.03.31		2025.03.31		2024.03.31		2025.03.31		2024.03.31	2025.03.31
	0.006 - USD	6. -USD	0.006 - USD	6. -USD	0.006 - USD	6. -USD	0.006 - USD	6. -USD	%	%
Sun Pharma Holdings Limited (Earlier Known as Nogad Holdings)	7,034,397	14,869,667	7,034,397	14,869,667	42,206.38	89,218,002	42,206.38	89,218,002	100.00%	100.00%
Small investors	1,939		1,939		11.63		11.63		0.00%	0.00%
Total	7,036,336	14,869,667	7,036,336	14,869,667	42,218.02	89,218,002	42,218.02	89,218,002	100.00%	100.00%

2 ACCOUNTING POLICY

2.1 General Information

Form of the report

Based on the legislative criteria determining the form of the report – as the net income, total balance sheet, number of employees – the Company is required to prepare an “Annual report”.

The method of chosen profit and loss statement: **Total Cost Procedure** („A” version)

The “A” version balance occurs according to the act C. of 2000.

Business year

In accordance with the reporting system of the parent company the business year is determined differently from the calendar year from the 1st April to 31th March based on the article 11(2) of act C of 2000 by the Company.

Date of balance preparation

The date of balance preparation is the 15th April after the period.

Accounting

The company keep the books according to the rules of double-accounting in US dollars.

2.2 Major elements of the accounting policy

During the accounting, the Company enforces the evaluation methods, procedures, the order of value loss accounting are written in the compilation of the annual report, in the accounting principles and accounting policies. This ensures that report is reliable and provides a realistic view on the property of the Company, its composition, financial position and the results of the activities.

With respect to the report all and any information the omission or incorrect presentation of which may affect the decisions of the users shall be considered essential.

An error or impact of the error with effect on profit and loss or equity capital with the value of which is in excess of 2% of the aggregate amount of the balance shall be qualified as consequential (significant) error during the audit or internal audit.

Our company considers annual costs and revenues exceeding 2% of the balance sheet total as exceptional items. The company considers as exceptional items those items of income and expenses that are outside the normal course of business and are not directly related to the normal business activities.

Evaluation procedures applied at the compilation of annaul report.

Intangible Assets

The purchase or production cost of intangible assets reduced with the accumulated depreciation shall be indicated. Calculation of depreciation shall be made with the application of the linear method.

Expectable useful life of intangible assets is the following:

Intellectual products	3 - 10 years
Capitalised value of research and development	5 - 10 years

The residual value in the case of intangible assets is specified individually.

Intellectual products under the purchasing value of 200 000 HUF shall be accounted in full amount.

Tangible Assets

Tangible assets are included in the balance sheet at purchase value, or at production cost deduced with cumulated depreciation. Calculation of depreciation is made by means of the linear method. The expectable useful lives of assets are the following:

Land and buildings	50 -100 years
Technological equipment	7 - 10 years
Other equipment	2 - 7 years

The expectable useful life time of tangible assets is defined with regard to the time of their continuous serviceability.

The reduced value of devices which purchase value is less than 200 000 HUF is accounted for an amount.

Invested Financial Assets

Investments meaning proportion of property are valued at purchase price until their market values permanently decline under their registered value. In this case the market price at the time of balancing shall form basis for the valuation, or – if such is not available – the proportion possessed by the Company in the shareholders' equity as per the statement.

Inventory

The purchased stocks are reported. The valuation of stocks of private (own-) production (semi-finished and finished products, work in progress) occurs with the actual production cost determined with post calculation.

Accounting of Securities and Transactions in Foreign Currency

In accordance with Section 60 of the Act on accounting, the determination of the assets and liabilities shall be accounted in USD at the middle exchange rate being valid on the day of the transaction and announced by Hungarian National Bank.

Valuation at Real Value

ALKALOIDA Chemical Company Ltd. shall not avail itself of the opportunity of valuation at real value, thus there exists neither valuation difference not valuation reserve for real valuation in the balance sheet, and the income statement includes no valuation difference either.

Deferred Tax

Our company has decided to recognise a deferred tax asset and a deferred tax liability in the balance sheet in accordance with § 3(16) 5.

3 COMPLETION TO THE REPORTING DATA**3.1 Composition of assets**

Description	2024.03.31	2025.03.31	Difference	Index % 2024/2025
Intangible assets	99,925	70,243	-29,682	70.30%
Tangible assets	32,377,367	31,623,542	-753,825	97.67%
Invested financial assets	350,026,728	619,298,599	269,271,871	176.93%
Deferred tax asset	0	607,471	607,471	100.00%
Fixed assets	382,504,020	651,599,855	269,095,835	170.35%
Inventories	29,447,946	27,691,974	-1,755,972	94.04%
Receivables	21,477,542	36,930,367	15,452,825	171.95%
Securities	0	0	0	0.00%
Liquid assets	306,096,653	37,920,251	-268,176,402	12.39%
Current assets	357,022,141	102,542,592	-254,479,549	28.72%
Accrued and deferred assets	1,340,112	777,849	-562,263	58.04%
Total of assets	740,866,273	754,920,296	14,054,023	101.90%

3.1.1 Intangible assets

The value of the intangible assets developed during the reporting period according to those contained in annex No.1.

The method of accounting for depreciation in the case of intangible assets has not changed compared to last year.

3.1.2 Tangible assets

The value of the tangible assets developed during the reporting period according to those contained in annex No.2.

The changing in the tangible assets has been caused by the net value of the accounted depreciation. The value of the activated capital expenditure is 1,294 thousand USD, the stock of WIP capital expenditure is 659 thousand USD and the advance for capital expenditure is 63 thousand USD in the reported period.

Changes in the stock are given in the Annex 2.

Renewal and enlarge of assets will continue.

The tangible asset directly serves the protection of environment so the recovery system works on the territory of the Company which data are the followings:

	2024.04.01 Opening USD	Increasing USD	Decreasing USD	2025.03.31. Closing USD
Gross value	5,399,846	474	0	5,400,320
Depreciation	4,972,124	397,220	0	5,369,344
Net value	427,722	474	397,220	30,976

3.1.3 Invested Financial Assets

Description	2024.03.31	2025.03.31
Long term investment to associated companies	251,751,038	571,292,306
Long term investments in non-related companies	7,550,000	8,250,000
Long term investment to others	1,500,000	1,500,000
Advance for long term investment	900,000	200,000
Long-term credits given to associated companies	88,325,690	38,056,293
Invested financial asset	350,026,728	619,298,599

Long-term loans to parent company: 0 USD

Long-term loans to the subsidiary: 36,556,293 USD

Long term credit given to Sun Pharma Laboratoires USD 13 500 000 was reclassified to current receivables from affiliated companies due to its maturity.

The development of the Company's share is contained in annex No.3.

Long-term loans are detailed in annex No.4.

In the year under review advance for long term invested of USD 700,000 was converted into long term investment in non-related companies.

3.1.4 Inventory

Description	2024.03.31	Discard value	Write off	Deduct from prev years write off	2025.03.31	Index %
Raw Materials and consumables	10,289,599	53,957	411,546	151,669	12,875,741	125%
Semi-finished goods and work in progress	10,217,491	88,628	437,941	34,635	8,979,835	88%
Finished goods	8,893,335	0	240,077	68,552	5,836,398	66%
Goods	47,521				0	-100%
Advance payments for stock, goods	0				0	0%
Total	29,447,946	142,585	1,089,564	254,855	27,691,974	94%

ALKALOIDA Chemical Company Limited by Shares

SUPPLEMENTARY ANNEX 01/04/2024 – 31/03/2025

(DATA IN USD)

Raw material inventory increased in the actual financial year. Own product inventories decreased for both work in progress and semi-finished goods.

Advance payment for stock was not paid.

3.1.5 Receivables

Discription	2024.03.31	2025.03.31
Domestic trade receivables	110,805	149,910
Export trade receivables	1,444,644	1,702,366
Receivables to related companies	17,801,776	31,824,596
Other receivables	2,120,317	3,253,495
Követelések	21,477,542	36,930,367

Our receivables from affiliated companies relate to the supply of goods and services and the current portion of the loan granted has been reclassified (in USD 13.5 m).

At the end of the period the Company has no overdue receivables at related parties.

Receivables against parent company: 3,635,709 USD

Receivables against subsidiaries: 909,558 USD

Classification of receivables

Description	2024.03.31	2025.03.31
Due receivables	1,515,508	1,414,957
Overdue receivables	87,056	464,395
of which: between 0-90 days	42,726	437,319
between 91-180 days	2,998	0
between 181-360 days	5,745	0
over days	35,587	27,076
Total	1,602,564	1,879,352

The change in the devaluation of the receivables during the year developed as below:

Description	2024.03.31	2025.03.31
Opening	0	47,115
Growth in devaluation	47,115	0
Devaluation writeback	0	20,039
Bad debt writte-off	0	0
Closing	47,115	27,076

Impairment losses recognized in previous year was reversed of USD 20,039 as the costumer settled the invoices.

The details of other receivables are shown in the table below

Other receivables	2024.03.31	2025.03.31
Advance payments for services	21,928	85,838
Advance payment for salary to employee	38,668	20,991
Duty	29,484	-
Advance payments against rendering accounts	23,629	22,566
Refundable VAT	1,757,643	2,950,065
Extraprofit Tax	191,547	174,033
Other receivables	57,418	2
Total	2,120,317	3,253,495

Among other receivables the VAT receivables increased significantly.

3.1.6 Cash and Bank

At the end of the current year the total USD value of the cashes was 37,920,251 USD of which 3,195 USD was in the home cash office. 37,500,000 USD was held as a short-term deposit.

In the reported period the Company's domestic account-keeping bank is The Hungarian branch office of CIB Bank Zrt.

The company has forint and foreign exchange accounts at the bank.

3.1.7 Amount of accrued income

Description	2024.03.31	2025.03.31	Index %
Services, sold energy	170,526	52,822	31%
Interest on deposit	132,904	63,361	48%
Interest on loan given	807,603	360,077	45%
Accrued income	1,111,034	476,260	43%
Description	2024.03.31	2025.03.31	Index %
Car tax	1,090	753	69%
Agency		76,874	
Insurance fee	11,513	13,133	114%
Membership fees	21,676	13,176	61%
Registration cost	117,707	123,477	105%
Construction and civil engineering tax	49,692	43,674	88%
Energy capacity fee	23,150	0	
Subscription fees	4,250	10,933	257%
Fleet management of vehicles	0	19,569	
Accrued expenses	229,078	301,589	132%
Deferred expenses	-	-	
Total	1,340,112	777,849	58%

The amount of accruals decreased during the reported period. IC affiliates have paid most of the interests on their given loans which is the reason why the accrued income decreased.

3.2 Composition, presentation of sources

Description	Data in USD			Index % 2025/2024
	2024.03.31	2025.03.31	Differences	
Issued capital stock	89,260,220	89,260,220	0	100%
Capital reserve	296,794,237	296,794,237	0	100%
Profit reserve	325,055,552	344,806,581	19,751,029	106%
Tied up reserves	0	607,471	607,471	
Profit or loss per balance sheet	18,933,682	13,197,827	-5,735,855	70%
Equity capital	730,043,691	744,666,336	14,622,645	102%
Provisions	1,631,147	1,286,658	-344,489	79%
Deferred liabilities	0	0	0	
Long-term liabilities	0	0	0	
Short-term liabilities	6,695,612	6,638,486	-57,126	99%
Liabilities	6,695,612	6,638,486	-57,126	99%
Accrued and deferred liabilities	2,495,823	2,328,816	-167,007	93%
Total of Sources	740,866,273	754,920,296	14,054,023	102%

3.2.1 Shareholder' equity

Description	2024.03.31	2025.03.31	Difference 2024/2025	Index % 2025/2024
Subscribed capital	89,260,220	89,260,220	0	100%
Capital reserve	296,794,237	296,794,237	0	100%
Accumulated profit reserve	325,055,552	344,806,581	19,751,029	106%
Tied-up reserve	0	607,471	607,471	0%
Net profit per balance sheet	18,933,682	13,197,827	-5,735,855	70%
Own capital	730,043,691	744,666,336	14,622,645	102%

The profit reserve has increased compared to the previous year due to the net profit in the previous year. The net profit per balance sheet also increased in the period compared to the previous year.

The figures required for the analysis of the financial situation of the Company are included in Annexes 6-7-8.

3.2.2 Long term liabilities

There was no long-term liability of the company during the period.

3.2.3 Short term liabilities

Actual liabilities against the related companies are resulted from delivery.

Liabilities to parent company: 1,049,333 USD

Liabilities to subsidiaries: 0 USD

Description	2024.03.31	2025.03.31
Short term loans	0	0
Advance from costumers	17,759	374
Suppliers	2,855,682	3,362,129
Short term liabilities to related company	2,280,771	1,301,982
Other liabilities	1,541,400	1,974,001
Total	6,695,612	6,638,486

Other Short term liabilities:

Description	2024.03.31	2025.03.31	Index%
Other tax liabilities	2,266	72,150	3184%
Personnal income tax	95,764	165,785	173%
Social security contribution	122,897	181,921	148%
Social contribution tax	82,026	144,184	176%
Corporate income tax	599,938	272,842	45%
Company car tax	2,739	3,355	122%
Innovation fee	20,804	79,267	381%
Rehabilitation contribution	32,166	34,761	108%
Miscellaneous	2,212	2,186	99%
Liabilities for employee	498,719	587,296	118%
Local Taxes	81,869	430,254	526%
Total	1,541,400	1,974,001	128%

3.2.4 Accrued and deferred liabilities

Accrued and deferred liabilities can be classified into the following groups:

Description	2024.03.31	2025.03.31	Index%
Deferred costs	2,137,674	1,990,698	93%
Accrued income	358,149	338,118	94%
Total	2,495,823	2,328,816	93%

The amount of deferred income is equal to the net undepreciated value of the buildings constructed with the aid and the tangible fixed assets found.

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(DATA IN USD)

The detailed costs, investments of accrued and deferred liabilities are shown by the following table.

Megnevezés	2024.03.31	2025.03.31	Index%
Maintanance	40,693	131,518	323%
Environmental protection cost	197,180	326,597	166%
Audit	25,647	14,618	57%
Energy supply	904,984	420,653	46%
Bonus	765,192	889,753	116%
Safety technology cost	40,623	45,152	111%
Cleaning, insect control	56,957	18,696	33%
Miscellaneous	1,983	5,195	262%
Export agent fee	74,549	117,209	
Insurance	2,145	-	
Freight	22,395	18,691	83%
Material consumption	-	2,616	
Professional	5,326	-	
Deferred costs	2,137,674	1,990,698	93%

3.3 Data of profit and loss account

3.3.1 Sales revenue

Domestic and export sales distribution:

Description	2024.03.31	2025.03.31	Index%
Domestic	780,607	802,732	103%
Export	43,650,585	74,288,605	170%
Total	44,431,192	75,091,337	169%

98.93 percent of the total revenue comes from the export.

Export sales in the accounting period developed as below broken down by geographically separated markets:

Description	2024.03.31	2025.03.31
	USD	USD
Europe	5,975,620	4,233,884
of which: EU	5,210,943	3,904,483
America	17,620,036	18,345,088
Asia	19,993,588	51,385,530
Africa	61,341	324,103
Australia	0	0
Total	43,650,585	74,288,605

3.3.2 Other income

Description	2024.03.31	2025.03.31
Revenue from sale of intangible and tangible	0	0
Revenue related to previous years	1,237,582	254,855
Writeback of receivable devaluation from prev	0	20,038
Other	6,322	23,344
Rounding	0	7
Received delay interest, compensation	502	1,868
Provision writeback	327,598	344,489
Received subsidy for costs compensation	19,971	20,333
Total	1,591,975	664,934

Other income was more significantly affected by the reversal of the write-down of inventories and the release of the provision.

3.3.3 Breakdown of cost by types of cost

Description	2024.03.31	2025.03.31
Capitalised value of own performance	2,603,553	- 3,631,132.00
Capitalised value of self produced assets	1,101,417.00	663,461.00
Change in self-produced inventory	1,502,136.00	- 4,294,593.00
Material related expenses	32,804,844	45,465,592
Material cost	24,556,291	35,179,019
Services rendered	6,889,584	9,393,006
Cost of goods sold	1,061,718	562,044
Intermediated services	-	-
Value of other services	297,251	331,523
Staff expenses	11,307,564	12,388,342
Wages and salaries	8,891,339	9,680,678
Personal related expenses	1,167,956	1,275,434
Social security contribution	1,248,269	1,432,230
Depreciation and amortisation	3,254,001	2,765,230

Services rendered

Description	2024.03.31	2025.03.31
Rents	77,947	193,914
Subcontract work	275,651	479,500
Safety, EHS expenses	526,575	551,546
Agency fee	425,441	247,933
Freight	491,400	685,481
Pharmacy registration fee	239,208	252,867
waste incineration	1,136,899	2,682,739
Internet, IT related expenses	58,701	54,690
Maintenance	2,110,390	2,588,813
Environmental protection	428,313	145,792
Professions	353,601	600,118
Cleaning	324,844	329,879
Travel, accommodation expenses	55,408	97,934
Other unspecified services	385,206	481,800
Total	6,889,584	9,393,006

Environmental protection cost

Description	2024.03.31	2025.03.31
Operation of a remediation system	428,313	143,120
Waste burning	1,174	2,157
Material cost	7,906	218
Profession	0	296
Maintenance	370	11,443
Insurance	1,863	
Depreciation	499,377	397,219
Total	939,003	554,453

Salary and headcount data

Payroll taxes

Payroll taxes by title	USD
Social security contribution	1,305,448
Miscellaneous	3
Rehabilitation	126,779
Total	1,432,230

In the reporting period the wages and personal allowances and the relating contributions were as follows:

Staff group	Average statistical headcount	Wage costs	Contributions of wages	Other Compensation	Staff costs altogether
	fö	USD	USD	USD	USD
Full-time, blue collar	308	4,747,804	709,652	632,592	6,090,048
Full-time white collar	142.5	4,843,467	712,472	626,044	6,181,983
Part time employees	6.5	66,963	9,028	13,388	89,379
Others not in staff	9	22,444	1,078	3,410	26,932
Total	466	9,680,678	1,432,230	1,275,434	12,388,342

3.3.4 Other expenditure

Description	2024.03.31	2025.03.31
Provision for expected costs	1,733,521	1,089,564
Devaluation Inventory and receivable	0	0
Taxes	805,971	1,184,195
Fines	1,117	0
Compensation for damages	722	6,345
Other	23,615	21,037
Scrapping	381,303	142,585
Penalty interest	971	22,050
Environment pollution fee	17,700	19,287
Accumulation of provisions	47,115	0
Rounding	1,256	13
Depreciation	149,381	0
Uncollectible debts	0	58,498
Total	3,162,672	2,543,574

3.3.5 Result of financial operations

Description	2024.03.31	2025.03.31
Revenues from financial trans.		
Other interest received	2,829,680	3,914,537
Interest received from related companies	19,489,247	2,133,029
Other revenues from financial transactions exchange gain	16,192	37,895
Revenues from financial trans.	22,335,119	6,085,461
Expenses on financial transactions		
Interest paid	0	0
Interest paid to related companies	0	0
Receivables, liabilities, exchange loss	94,346	97,979
Expenses on financial transactions	94,346	97,979
Profit (loss) of financial transactions	22,240,773	5,987,482

3.3.6 Taxation

Corporate Tax	2024.03.31	2025.03.31	2025.03.31
Income before taxation	20,338,412	14,949,883	5,548,948
Items deductible from income before tax			
Loss carried forward utilised	12,009,504	8,679,086	3,221,416
Depreciation accounted as per the act on taxation, and the registration value defined when the asset was derecognised	3,371,951	2,803,261	1,040,486
Reverse amount of devaluation accounted as expenditure for receivables for previous years		20,038	7,438
Amount of provision reversed	327,598	344,489	127,864
Amount recognised as revenue for the year under review due	0	0	0
Total	15,709,053	11,846,874	4,397,204
Items increasing the income before tax			
Depreciation accounted as cost and the amount accounted as expenditure when the asset is derecognised	3,403,382	2,765,230	1,026,370
Amount of devaluation accounted as expenditure for receivables	47,115		0
Costs related to activities other than business	1,117	61,051	22,660
Binding judgements	8,681	2,881	1,069
Costs expenses and reduction of sales revenues, revenues, as a consequence of tax inspection, self-revision	0	0	0
Difference between market price actual price applied to group companies /interest free loan/	3,919,849	2,746,915	1,019,572
Total	7,380,144	5,576,077	2,069,672
Tax base	12,009,503	8,679,086	3,221,416
Corporate tax 9%	1,080,855	779,905	289,927
Tax paid abroad	462,679	0	0
Tax deductible for tax paid abroad	138,804	0	0
Tax payable	942,051	779,905	289,927
Global minimum Tax		154,803	57,458
Tax in the P&L	1,404,730	934,708	347,386
Deferred tax		817,348	303,375
Profit after tax	18,933,682	13,197,827	4,898,187

Correlation's between the outcome forming basis of accounting and taxation:
Corporate tax arised due to self-revision related to the previous year.

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Following table presents tax base calculated based on income minimum.

Description	Data in USD		Data in thHUF	
	2024.03.31	2025.03.31	2024.03.31	2025.03.31
Total income	68,358,286	81,841,732	25,110,049	30,377,196
Income increasing items	0	0	0	0
Income decreasing items	0	0	0	0
Adjusted income	68,358,286	81,841,732	25,110,049	30,377,196
2% of adjusted income	1,367,166	1,636,835	502,201	607,544
Tax base	1,367,166	1,636,835	502,201	607,544
Tax liability based on minimum income calculation	123,045	147,315	45,198	54,679

Following table presents deferred tax asset calculation

	Opening balance 2024.04.01	Increase	Decrease	Closing balance 2025.03.31
Sum of deferred tax asset	1,590,662	-	813,925	776,737
Loss carryforward from previous years	1,439,617		781,118	658,499
Provision	146,805		31,004	115,801
Devaluation for receivables	4,240		1,803	2,437
Sum of deferred tax liability	165,843	3,423	-	169,266
Difference of local GAAP and tax	165,843	3,423		
Deferred tax asset in the balance sheet	1,424,819		817,348	607,471

Global minimum tax calculation

	data in USD
Income before taxation	14,949,883
Taxes	1,019,007
Local Industrial tax	799,221
Extraprofit tax	99,903
Innovation fee	119,883
Transfer price correction	2,746,915
Tax base	18,715,805
Recognosed tax	2,616,259
Local Industrial tax	799,221
Extraprofit tax	99,903
Innovation fee	119,883
CIT	779,905
Deferred tax	817,348
rate of tax burden	13.98%
rate of additional tax (to 15%)	1.02%
Tax base reduction (salaries)	1,089,065
Tax base reduction (fixed assets)	2,466,636
Tax base	15,160,104
Tax	154,803

3.4 Transactions with businesses within a group.

Associated Company	Customer turnover	Supplier turnover	Customer/Supplier turnover
Sun Pharmaceutical Industries Limited	45,388,141	2,541,834	47,929,975
Sun Pharma Italia / Ranbaxy Italia S.p.A	291,031	0	291,031
Ranbaxy UK / SUN Pharma UK Limited	139,912	0	139,912
Sun Pharmaceutical Industries (Europe) B.V.	2,419,164	104,398	2,523,562
Taro Pharmaceutical Industries Ltd	230,435	1,227	231,663
Sun Pharmaceutical Industries (Australia) Pty Ltd.		14,924,707	14,924,707
Sun Pharma Holdings USA Inc.	17,150,067	0	17,150,067
Sum	65,618,750	17,572,166	83,190,917

4 Other complements

4.1 Research, development, investment

In the years 2024-2025 research, experimental and development costs were not incurred at the company in its own activities.

4.2 Environmental protection, outgoings on Environmental protection

In addition to complying with its obligations under environmental legislation, the Company's management will seek to prevent environmental pollution in cooperation with the sister company lessor.

The biological treatment plant has been operating continuously. Sewage sludge generated during the treatment process, which is considered hazardous waste, was transferred to a licensed waste manager.

During the period under review, hazardous waste was disposed of by incineration and regenerated, while some of the non-hazardous waste was landfilled and some was sent for recovery.

The following declarations and reports for the past year have been prepared for the environmental authorities:

- Declarations on hazardous and non-hazardous wastes
- Declarations on stationary point sources of air pollution and points of organic solvent emissions
- Groundwater protection data sheets (tank farms and wastewater treatment plant)
- Annual report on water quality of wastewater discharges to surface water

A water pollution fine was imposed on the company in 2024/2025, no air pollution fines were imposed.

The company Környezettechnológiai Kft. has carried out the air quality emission/immission, as well as wastewater and legionella tests required by the authority.

The company Három Kör DELTA Kft. has carried out the remediation groundwater and shallow layer water monitoring tests required by the authority twice a year and prepared the evaluation report.

The existing monitoring system was in operation continuously.

The operation of the groundwater remediation system installed by Biocentrum Kft. in the contaminated areas SZ-I-SZ-VIII-SZ-X and the remediation operation of the SZU-II area was also continuous.

4.3 There are no off balance sheet items

4.4 The balance sheet does not contain any correction relating for the earlier periods.

4.5 Balance sheet and the profit and loss statement include further breakdown beyond the determined breakdown.

In the previous year the company paid advance for long term investment of 200.000 USD for Cosmose, this amount is shown separately among the investments.

4.6 Business Management, Board of Directors, Supervisory Board

The members of the executive officers, the Board of Directors and the Business Management are unrewarded for their activities during the current year.

The Company Management and the Work Council agreed in 2007 that based on the possibilities are provided by the Act on New Economic Companies (Act IV of 2006) no Supervisory Board is elected. The law has since been replaced by the Civil Code (Act V of 2013) which controls the establishment of a supervisory board.

4.7 Cash flow account

A Cash-Flow account is included by the attachment – 5.

The Cash Flow statement corrections are used by the following table content

1b. Corrections in Profit Before Tax		2025.03.31	
Dividends received			
Cash permanently transferred			
Cash permanently transferred for development			
Debt forgiven			
Subsidy permanently received (change in deferred income)			
Revaluation of foreign currency funds	(21 f.)	-	91,598
Revaluation of long-term financial investments	(21 g.)	-	3,420
Revaluation of long-term and and subordinated debt	(21 g.)		-
	(21 g.)		-
		-	95,018

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(DATA IN USD)

3. Impairment and reversal of impairment recognised+				2025.03.31
	(+)	(-)		total
Impairment of receivables	-	-	20,038	- 20,038
Impairment of inventory	1,089,564	-	254,855	834,709
Extraordinary depreciation	-			-
Uncollectable dept	58,498			58,498
Shortage, scrap	142,585			142,585
				1,015,754

differences due to corrections				2025.03.31
6. Change in trade payables +/-				
7. Change in other short-term payables +				306,347
8. Change in accruals and deferred income +				
9. Change in trade receivables +				20,038
10. Change in working capital (without trade receivables and cash and bank) +		-		1,035,793
11. Aktív időbeli elhatárolások változása +				-
14. Change in deferred tax asset				607,471
15. Change in long term dept		-		13,500,000
				- 13,601,936

4.8 Liquidity, capital structure, profitability

Indexes are contained by the attachment – 6, 7, 8.

5 Going concern

We have reviewed and assessed the impact of geopolitical crises and the changes in the economic and legal environment in the period after the balance sheet date and up to the date of signing the annual report on the financial and asset situation of the Company, as well as its future operability.

On the basis of our review and assessment, we have concluded that the impacts identified do not have such significant or materially negative impact on the financial and liquidity position of the Company in the short term (for the period of 12 months following the balance sheet date), on the valuation of the assets presented in the balance sheet, as well as on the business operations of the Company in this period that would materially influence or make significantly uncertain the Company's ability to continue as a going concern, or the evaluation of the above at the time of the balance sheet preparation, with respect to the same period.

17, May 2025, Tiszavasvári

Béla Szabad
Board member

Péter Andreidesz
Board member

ALKALOIDA Chemical Company Limited by Shares

SUPPLEMENTARY ANNEX 01/04/2024 – 31/03/2025

(DATA IN USD)

Annex No. 1

INTANGIBLE ASSETS
2024/2025

Description	Opening 2024.04.01 USD	Addition USD	Deletion USD	Closing 2025.03.31 USD
Gross value				
Capitalised value of foundation and restructuring costs				2,759,899
Capitalised value of research and development	2,759,899			
Concessions and similar rights and assets k	587,000			587,000
Intellectual property				
Goodwill				
Advance payments on intangible assets				
Total	3,346,899	0	0	3,346,899
Depreciation				
Capitalised value of foundation and restructuring costs				
Capitalised value of research and development	2,759,899			2,759,899
Concessions and similar rights and assets k	487,075	29,682		516,757
Intellectual property				
Goodwill				
Advance payments on intangible assets				
Total	3,246,974	29,682	0	3,276,656
Net value				
Capitalised value of foundation and restructuring costs				
Capitalised value of research and development				
Concessions and similar rights and assets k	99,925	0	29,682	70,243
Intellectual property				
Goodwill				
Advance payments on intangible assets				
Total	99,925	29,682	70,243	70,243

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SUPPLEMENTARY ANNEX 01/04/2024 – 31/03/2025

(DATA IN USD)

Annex No. 2

TANGIBLE ASSETS
2024/25

Description	Opening 2024.04.01 USD	Addition USD	Deletion USD	Closing 2025.03.31 USD
Gross value				
Land and buildings and related concessions and similar	55,476,754	408,784		55,885,538
Technical equipment, machinery and vehicles	25,821,804	724,772		26,546,576
Other equipment, fittings and vehicles	14,197,878	160,495		14,358,373
Breeding stock	0	0		
Capital WIP, renovations	34,476	1,918,673	1,294,051	659,098
Advance payments on Capital WIP	0	63,050		63,050
Total	95,530,912	3,275,774	1,294,051	97,512,635
Depreciation				
Land and buildings and related concessions and similar	27,019,543	1,431,465		28,451,008
Technical equipment, machinery and vehicles	23,869,754	629,393		24,499,147
Other equipment, fittings and vehicles	12,264,248	674,690		12,938,938
Breeding stock				
Capital WIP, renovations				
Advance payments on Capital WIP				
Total	63,153,545	2,735,548	0	65,889,093
Net value				
Land and buildings and related concessions and similar	28,457,211	408,784	1,431,465	27,434,530
Technical equipment, machinery and vehicles	1,952,050	724,772	629,393	2,047,429
Other equipment, fittings and vehicles	1,933,630	160,495	674,690	1,419,435
Breeding stock		0		
Capital WIP, renovations	34,476	1,918,673	1,294,051	659,098
Advance payments on Capital WIP	0	63,050		63,050
Total	32,377,367	3,275,774	4,029,599	31,623,542

ALKALOIDA Chemical Company Limited by Shares

SUPPLEMENTARY ANNEX 01/04/2024 – 31/03/2025

(DATA IN USD)

Annex No. 3

Investments

2024/2025

Company	Nominal value Value	Original book value	Revaluation	Book value USD 31/03/2025
<u>Domestic</u>				
Reanal Gyógyszer-és Finomvegyszergyár Zrt	1,167	4,225,746	- 4,225,746	-
Total Domestic		4,225,746	- 4,225,746	-
<u>Overseas</u>				
Aditya Acquisition Company Ltd	1	-	-	-
Taro Pharmaceutical Industries Ltd	2,711	559,382,318	-	559,382,318
Sun Ph. Industries (Europe) BV	18,000	22,154	- 2,664	19,490
Sun Ph Germany GmbH	25,000	30,770	- 3,700	27,070
SUN Farmacêutica do Brasil Ltda	23,307,436	11,749,882	-	11,749,882
Sun Pharmaceuticals Switzerland	100,000	104,450	9,096	113,546
Tarsier Pharma	8,250,000	8,250,000	-	8,250,000
Cosmose Inc.	1,500,000	1,500,000	-	1,500,000
Advance paid for investnment - Tarsier		200,000	-	200,000
Total overseas		581,239,574	2,732	581,242,306
SUM OF INVESTMENTS (31.03.2024)		585,465,320	- 4,223,014	581,242,306

ALKALOIDA Chemical Company Limited by Shares

SUPPLEMENTARY ANNEX 01/04/2024 – 31/03/2025

(DATA IN USD)

Annex No. 4

Long term given loans to related companies						
Company	Currency	31.03.2024	Increase	Decrease	Classification to short term	31.03.2025
						Book Value USD
SP Germany	EUR	250,000	0	250,000		0
SP Brasil	USD	36,556,293	0	0		36,556,293
Sun Pharma Laboratoires	USD	51,500,000	806,329	37,306,329	13,500,000	1,500,000
Total						38,056,293

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(DATA IN USD)

CASH-FLOW STATEMENT FOR THE YEAR 2024/2025 ("A" TYPE)			USD
No.	Designation	Previous year 2024.03.31	Reference year 2025.03.31
	I. Operating cash flow (lines 1-13.)	18,473,874	16,482,175
1a	± Profit or loss before tax	20,338,412	14,949,883
1b	Profit or loss before tax correction	-44,363	-95,018
1	Adjusted profit before tax (1a+1b) +	20,294,049	14,854,865
2	+ Depreciation write-off	3,254,001	2,765,230
3	± Impairment loss and reversal	1,073,738	1,015,754
4	± Difference between formation and utilization of provisions	-327,598	-344,489
5	± Fixed assets sold	0	0
6	± Change in trade accounts payable	-3,013,870	-472,342
7	± Change in other short term liabilities	-560,978	738,948
8	± Changes in accrued and deferred liabilities	743,616	-167,007
9	± Change in trade accounts receivables	-5,351,355	-816,993
10	± Change in current assets (except for: trade accounts and liquid assets)	1,496,430	-412,999
11	± Changes in accrued and deferred assets	1,754,344	562,263
12	- Corporate tax paid (payable)	-888,503	-1,241,055
13	- Dividend paid (payable)		
14	Change in deferred tax asset		0
	II. Investment cash flow (lines 14-16.)	286,283,240	-284,750,175
15	- Purchase of fixed assets	-1,215,794	-321,519,572
16	+ Sale of fixed assets		
17	+ Repayment, termination or redemption of long-term loans and bank deposits	303,272,959	37,575,726
18	Long-term loans and bank deposits -	-15,773,925	-806,329
19	Dividends and profit-sharing received +		
	III. Financial cash flow (lines 17-27.)		
20	+ Receipts from shares issue, capital raising (capital increase) +		
21	+ Receipts from the issue of bonds and debt securities +		
22	+ Borrowings		
23	+ Non-repayable assets received +		
24	+ Cancellation of shares, disinvestment (capital reduction) -		
25	- Redeemed bonds and debt securities -		
26	- Loan installment payments, repayment of loans -		
27	- Non-repayable liquid assets transferred -		
	IV. Movement in cash and cash equivalent (±I±II±III. lines)	304,757,114	-268,268,000
28	Revaluation of cash and equivalent	37,861	91,598
	V. Movement in cash and cash equivalent as per Balance Sheet	304,794,975	-268,176,402

LIQUIDITY	2023/24	2024/25	CHANGE
Liquidity ratio = $\frac{\text{Current assets}}{\text{Short term liabilities}}$	53.32	15.45	-71%
Quick asset ratio = $\frac{\text{Current assets} - \text{Stocks}}{\text{Short term liabilities}}$	48.92	11.28	-77%
Cash liquidity ratio (cash ratio) = $\frac{\text{Cash and Bank} + \text{Securities}}{\text{Short term liabilities}}$	45.72	5.71	-88%
Dynamic liquidity = $\frac{\text{Trading (operating) profit (loss)}}{\text{Short term liabilities}}$	-0.28	1.35	-575%
Term indicator (day) = $\frac{\text{Current assets} - \text{Stocks}}{(\text{Material-related expenses} + \text{staff expenses} + \text{Other expenses} + \text{Paid interest and interest related expenses} + \text{Tax payment liability}) / 365}$	2456.14	445.45	-82%
Short term operation safety indicator = $\frac{\text{Current assets} - \text{Short term liabilities}}{\text{Short term liabilities}}$	52.32	14.45	-72%
Long term operation safety indicator = $\frac{\text{Owner's equity} + \text{Deferred liabilities} + \text{Long term liabilities}}{\text{Fixed assets}}$	1.91	1.14	-40%

DEBT SERVICE	2022/23	2023/24	CHANGE
Interest coverage I. = $\frac{\text{Trading (operating) profit (loss)}}{\text{Paid interest and interest related expenses}}$	0.00	0.00	0%
Interest coverage II. = $\frac{\text{Ordinary entrepreneurial profit (loss)} + \text{Paid interest and interest related expenses} - \text{Received interest and interest related revenues}}{\text{Paid interest and interest related expenses}}$	0.00	0.00	0%
EBITDA coverage I. = $\frac{\text{Trading (operating) profit (loss)} + \text{Amortisation}}{\text{Paid interest and interest related expenses}}$	0.00	0.00	0%
EBITDA coverage II. = $\frac{\text{Ordinary entrepreneurial profit (loss)} + \text{Paid interest and interest related expenses} - \text{Received interest and interest related revenues} + \text{Amortisation}}{\text{Paid interest and interest related expenses}}$	0.00	0.00	0%
Cash-flow coverage = $\frac{\text{Profit (loss) after taxation} + \text{Amortisation}}{\text{Paid interest and interest related expense}}$	0.00	0.00	0%
Debt repayment ability = $\frac{\text{Profit (loss) after taxation} + \text{Amortisation}}{\text{Liabilities}}$	3.31	2.40	-27%

ALKALOIDA Chemical Company Limited by Shares

SUPPLEMENTARY ANNEX 01/04/2024 – 31/03/2025

(DATA IN USD)

Annex No. 7

CAPITAL STRUCTURE		2022/23	2023/24	CHANGE
Capital adequacy = $\frac{\text{Owner's equity}}{\text{Assets total}}$		0.99	0.99	0.10%
Rate of indebtedness = $\frac{\text{Liabilities}}{\text{Assets total}}$		0.01	0.01	-2.70%
Net indebtedness = $\frac{\text{Liabilities - Receivables}}{\text{Owner's equity}}$		-0.02	-0.04	100.90%
Capital strain indicator = $\frac{\text{Liabilities}}{\text{Owner's equity}}$		0.01	0.01	-2.80%
Long term indebtedness = $\frac{\text{Deferred liabilities + Long term liabilities}}{\text{Deferred liabilities + Long term liabilities + Owner's equity}}$		0.00	0.00	0.00%
Liabilities / Tangible assets = $\frac{\text{Liabilities}}{\text{Tangible assets}}$		0.21	0.21	1.51%
Liabilities / Tangible net worth = $\frac{\text{Liabilities}}{\text{Owner's equity - Intangible asse}}$		0.01	0.01	-2.80%
Internal generation of equity capital = $\frac{\text{Profit (loss) after taxation}}{\text{Owner's equity}}$		0.03	0.02	-31.66%
WORKING CAPITAL		2022/23	2023/24	CHANGE
Working capital adequacy = $\frac{\text{Current assets - Short term liabilities}}{\text{Assets total}}$		0.47	0.13	-73.13%
Turnaround of working capital = $\frac{\text{Net sales revenue}}{\text{Current assets - Short term liabilities}}$		0.13	0.78	517.36%
Short term liabilities / Tangible net worth = $\frac{\text{Buyer stock}}{\text{Supplier stock}}$		0.54	0.55	1.15%
Short term liabilities / Tangible net worth = $\frac{\text{Short term liabilities}}{\text{Owner's equity - Intangible asse}}$		0.01	0.01	-2.80%

ALKALOIDA Chemical Company Limited by Shares

SUPPLEMENTARY ANNEX 01/04/2024 – 31/03/2025

(DATA IN USD)

Annex No. 8

PROFITABILITY I.		2022/23	2023/24	CHANGE
Return on Equity (ROE)	Profit (loss) after taxation = Owner's equity	2.59%	1.77%	-31.68%
Return on Sales (ROS)	Profit (loss) after taxation = Net sales revenue	42.61%	17.58%	-58.76%
Return on Assets (ROA)	Profit (loss) after taxation = Assets total	2.56%	1.75%	-31.59%
Profit (loss) after taxation / Working capital	Profit (loss) after taxation = Current assets - short term liabilities	5.40%	13.76%	154.63%
Profit (loss) after taxation / Tangible net worth	Profit (loss) after taxation = Owner's equity- Intangible ε	2.59%	1.77%	-31.67%
Equity-proportional profit (loss) before taxation	Profit (loss) before taxation = Owner's equity	2.79%	2.01%	-27.94%
Sales-proportional profit(loss) before taxation	Profit (loss) before taxation = Net sales revenue	45.78%	19.91%	-56.51%
Asset-proportional profit (loss) before taxation	Profit (loss) before taxation = Assets total	2.75%	1.98%	-27.86%
Profit rate of activity 1	Trading (operating) profit (loss) = Net sales revenue	-4.28%	11.94%	-378.76%
Profit rate of activity 2	Ordinary entrepreneurial profit (loss) + Paid interest and interest related expenses - Received = interest and interest related revenue	-4.46%	11.86%	-365.96%
Trading profit (loss) /Owner's equity	Net sales revenue Trading (operating) profit (loss) = Owner's equity	-0.26%	1.20%	-561.87%

ALKALOIDA Chemical Company Limited by Shares

SUPPLEMENTARY ANNEX 01/04/2024 – 31/03/2025

(DATA IN USD)

Annex No. 9

PROFITABILITY II.		2022/23	2023/24	CHANGE
Trading profit (loss) / Assets total	Trading (operating) profit (loss) = Assets total	-0.26%	1.19%	-562.35%
EBIT / Assets total	Ordinary entrepreneurial profit (loss) + Paid interest and interest related expenses - Assets total	-0.27%	1.18%	-541.13%
EBIT / Tangible net worth	Ordinary entrepreneurial profit (loss) + Paid interest and interest related expenses - Owner's equity - Intangible assets	-0.27%	1.20%	-540.65%
EBITDA / Assets total	Ordinary entrepreneurial profit (loss) + Paid interest and interest related expenses- Received Interest and interest related revenue+ Amortisation	0.17%	1.55%	799.13%
Return on Investment (ROI)	Assets total Profit (loss) after taxation = Owner's equity + Deferred liabilities + Long term liabilities	2.59%	1.77%	-31.66%
Return on Capital Employed (ROCE) (Capital- proportional EBITDA)	Ordinary entrepreneurial profit (loss) + Paid interest and interest related expenses -Received Interest and interest related revenue Owner's equity + Deferred liabilities + Long term liabilities	-0.27%	1.20%	-540.67%
Return on Invested Capital (ROIC)	Trading (operating) profit (loss) * (1 - Company tax rate) = Total liabilities - Suppliers - Accruals	-0.24%	1.09%	-562.50%
Profit reinvestment ratio (Rate of capital growth)	Profit (loss) after taxation = Owner's equity	2.59%	1.77%	-31.66%
Gross margin	Sales sales revenue - (Material related expenses + Staff expenses) = Net sales revenue	0.72%	22.96%	3099.44%
Export ratio	Net export sales revenue = Net sales revenue	98.24%	98.93%	0.70%

III. BUSINESS REPORT

BUSINESS REPORT
to the
2025 ANNUAL REPORT
of
Alkaloida Chemical Company Zrt.

ALKALOIDA Chemical Company Zrt, a private limited company (hereinafter: the “Company”) is currently a member of the international group of SUN Pharmaceutical Industries Ltd., based in India.

The short name of the company: Alkaloida Chemical Company Zrt.

Registered seat, business premises: Tiszavasvári, Kabay János utca 29.

Tax number: 010715846-2-15

Company registration number: 15-10-040330

The owner of the Company (ownership share: 99.99%)

Sun Pharma Holdings

MU-Sesroches & St Louis Streets

Port Louis

Registration number: C114331

Registered in: Republic of Mauritius

The subscribed capital of the Company: USD 89,260,220, consisting of the following shares:

Ordinary shares providing general rights

7,034,397 shares par value: USD 0.006/share

14,489,167 shares par value: USD 6/share

Dividend preference shares

36,500 shares par value: USD 6/share

Redeemable shares

344,000 shares par value: USD 6/share

Small investor shares

1,939 shares par value: USD 0.006/share

1. Expected development

Alkaloida's key objective is to serve its third party and parent company customers through more efficient production processes. In the area of active pharmaceutical ingredient (API) production, an important objective is to optimise the product structure and to reduce the weight of morphine and codeine derivatives.

2. Investments

The value of investments capitalised during the reporting period amounted to T USD 1,294 while the value of investments in progress amounted to T USD 659.

The company made investments directly supporting production during the year 2024/2025.

3. Assets, liquidity and profitability

The development of business during the year

In the area of Active Pharmaceutical Ingredients, realised sales significantly exceeded the planned sales and the sales achieved in previous years, with almost maximum utilisation of production capacity. The production volume of the Pharmaceuticals Dispensing Division was significantly below plan, and the scale of production did not allow full utilisation of the installed capacity.

As a result of the above, the operating result was positive, which was further boosted by interest income, and the company closed the financial year with a profit.

Financial and assets position

The development of business is also reflected in the development of balance sheet positions.

The balance sheet total increased from T USD 740,866 in the previous year to T USD 754,920. The main change is due to the increase in the financial investments.

The equity capital amounted to T USD 744.666 which means an increase of T USD 14,622 from the previous year.

The financial position of the company was balanced in the year 2024-2025.

Profitability

In the previous financial year (2023-2024), the company had a negative operating result of USD 1,902,361 while in the current year it is positive USD 8,962,401. The main reason for this significant change is the increase in sales volume in the API manufacturing area, contributed significantly to the company's revenue increase of USD 30,660,145 compared to the previous financial year. The decrease in inventories of own production amounted to USD 6,234,685.

Interest income on loans to subsidiaries in the current year (2024-2025) is USD 2,133,029 which is USD 17,356,218 lower than interest income in the previous financial year. Interest income recognized in 2024-2025 financial year was USD 6,047,566.

The company's after-tax profit for the 2024-2025 financial year is USD 13,197,827 with corporate income tax payable in the current year in the amount of USD 779,905 Global minimum tax is USD 154,803

Data in USD	2024	2025
Sales revenue	44.431.192	75.091.337
Operating profit	-1.902.361	8.962.401
Profit/loss of financial operations	22.240.773	5.987.482
After-tax profit or loss	18.933.682	13.197.827

4. Employment policy

The average (statistical) number of employees during the financial year was 451.

The employment policy of the Company has not changed in 2024/2025 and the management of the Company does not plan to make any significant changes.

5. Environmental issues

In addition to complying with its obligations under environmental legislation, the Company's management will seek to prevent environmental pollution in cooperation with the sister company lessor.

The biological treatment plant has been operating continuously. Sewage sludge generated during the treatment process, which is considered hazardous waste, was transferred to a licensed waste manager.

During the period under review, hazardous waste was disposed of by incineration and regenerated, while some of the non-hazardous waste was landfilled and some was sent for recovery.

The following declarations and reports for the past year have been prepared for the environmental authorities:

- Waste declaration for hazardous and non-hazardous waste
- Reporting of point sources of air pollutants and organic solvent emissions, submission of reports
- Submission of groundwater protection data (tank farms and sewage treatment plants)
- Annual reporting of surface water discharges to water quality, submission of sampling reports and summary report
- Submission of annual report, sampling reports and 1st - 2nd half-yearly report on groundwater remediation operations and environmental monitoring
- Submission of annual environmental report

A water pollution fine was imposed in 2024/25, no air pollution fine was imposed.

In 2025, the Single Environmental Use Permit was approved by the Authority for 10 years with a 5-year review, following a review.

The company Környezettechnológiai Kft. has carried out the air quality emission/immission, as well as wastewater and legionella tests required by the authority.

The company Tivatherm Kft. has carried out the remediation groundwater and shallow layer water monitoring tests required by the authority twice a year and prepared the evaluation report.

The existing monitoring system was in operation continuously.

The existing monitoring system and the groundwater remediation system installed in the contaminated areas SZ-I-SZ-VIII-SZ-X., as well as the remediation operation of the area SZU-II-SZ-VII. were continuously ensured by the own staff of Alkaloida Chemical Plant Zrt.

6. Research and development

The Company did not engage in any research and development activities in the financial year 2024-2025 either.

7. Events occurring after the balance sheet date

There were no other significant events affecting the financial statements after the balance sheet date.

8. Other

The Company aims to continue to increase its market share, further strengthen its market position and strive for profitability also in the future.

9. Going concern

We have reviewed and assessed the impact of the changes in the economic and legal environment and the impact of the geopolitical crises in the period after the balance sheet date and up to the date of signing the annual report on the financial and asset situation of the Company, as well as its future operability.

On the basis of our review and assessment, we have concluded that the impacts identified do not have such significant or materially negative impact on the financial and liquidity position of the Company in the short term (for the period of 12 months following the balance sheet date), on the valuation of the assets presented in the balance sheet, as well as on the business operations of the Company in this period that would materially influence or make significantly uncertain the Company's ability to continue as a going concern, or the evaluation of the above at the time of the balance sheet preparation, with respect to the same period.

17, May 2025, Tiszavasvári

Béla Szabad
Board member

Péter Andreiőesz
Board member

IV. INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report

To the shareholder of ALKALOIDA Vegyészeti Gyár Zrt.

Opinion

We have audited the Annual Report of ALKALOIDA Vegyészeti Gyár Zrt. („the Company”) for the year 2024/2025., which Annual Report comprises the balance sheet made at the balance sheet date of 31 March 2025 – presenting the balance sheet total of assets and liabilities in equal amount of USD 754.920.296 and the after-tax result of USD 13.197.827 (profit) -, the income statement for the financial year then ended and the supplementary notes, including also a summary of significant elements of accounting policies.

In our opinion the attached Annual Report provides a true and fair view of the assets and financial position of the Company as at 31 March 2025, as well as its income position for the financial year then ended in accordance with the provisions in force in Hungary of the Act C of 2000 on Accounting (hereinafter: „Accounting Act”).

Basis for opinion

We conducted our audit in accordance with the Hungarian National Standards on Auditing and the respective laws and other regulations applicable to auditing in Hungary. Our responsibilities under those standards are further described in the „Auditor's responsibilities for the audit of the Annual Report” section of our report.

We are independent of the Company in accordance with the requirements laid down in relevant legislation in force in Hungary and in the “Regulations on the code of conduct (ethical rules) of the audit profession and the disciplinary procedures” of the Chamber of Hungarian Auditors, as well as in respect of issues not settled therein, with the requirements of the “The International Code of Ethics for Professional Accountants (including International Independence Standards)” issued by the International Ethics Standards Board for Accountants (the IESBA Code). and also comply with additional ethical requirements contained within the same standards.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information: The Business Report

Other information consists of the 2024/2025. Business Report of ALKALOIDA Vegyészeti Gyár Zrt. The management is responsible for the preparation of the Business Report in accordance with the relevant provisions set out in the accounting act and other legislation. Our independent auditor's opinion expressed on the Annual Report in the „Opinion” section of our report does not cover the Business Report.

In the context of the audit carried out by us concerning the Annual Report, our responsibility is to read through the Business Report and during it to make a judgement whether the Business Report is significantly at odds with the Annual Report or with our knowledge obtained during the audit, or otherwise it seems that a material misstatement is contained therein. If, based on

the work we have performed, we conclude that there is a material misstatement contained in other information, we are required to report this fact and the nature of the misstatement.

On the basis of the Accounting Act, we are also responsible for making a judgement, whether the Business Report is consistent with the relevant provisions of the Accounting Act and other legislations and for expressing an opinion on this and as well as on the consistency of the Business Report and the Annual Report.

In our opinion, the Business Report for the year 2024/2025. of ALKALOIDA Vegyészeti Gyár Zrt., in all material respects, is consistent with the Annual Report for the 2024/2025. of ALKALOIDA Vegyészeti Gyár Zrt. and the relevant provisions of the Accounting Act. As there is no other legislation providing for additional requirements for the Company regarding the Business Report, so we do not express an opinion in this regard.

No material contradiction or material misstatement of other nature has been brought to our knowledge either in the Business Report, so thus we have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Annual Report

The management is responsible for the preparation of the Annual Report that give a true and fair view in accordance with the provisions of the Act on Accounting and for such internal controls as the management determines as necessary to enable the preparation of the Annual Report that is free from material misstatement, whether due to fraud or error.

In preparing the Annual Report, the management is responsible for assessing the Company's ability to continue as a going concern and for disclosing of information related to going concern as appropriate in the given circumstances and the management is also responsible for compiling of the Annual Report based on the principle of going concern. The management shall take the going concern principle as a starting point, unless enforcing of this principle is prevented by a different provision, or such a factor or circumstance exists that is inconsistent with the continuation of the business activity.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the audit of the Annual Report

The objectives of our audit are to obtain reasonable assurance about whether the Annual Report as a whole is free from material misstatements, whether due to fraud or error, and based on it 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 the Hungarian National Standards on Auditing 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 users' economic decisions taken on the basis of the given Annual Report.

Throughout the audit conducted in accordance with the Hungarian National Standards on Auditing we exercise professional judgement and maintain professional scepticism.

We also:

- Identify and assess the risks of material misstatements of the Annual Report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is

higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the given 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 management.
- Draw a conclusion, whether using of going concern as a basis, the compilation of the Annual Report by management is appropriate, and based on the audit evidence obtained also whether any material uncertainty exists in connection with such events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If it is concluded that there is a material uncertainty, then in our independent auditor's report we have to call the attention to the related disclosures in the Annual Report, or if the disclosures are not appropriate in this respect, then we have to issue a qualified opinion. Our conclusions are based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause that the Company will not be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Annual Report, including the disclosures made in the supplementary notes, and also whether the Annual Report represents the underlying transactions and events in a manner that achieves fair presentation.
- We communicate with those charged with governance – among other matters – the planned scope and timing of the audit and the significant audit findings, including any significant deficiencies in internal control that we identify during our audit, if there were any.

Budapest, 17 May 2025

Judit Gittinger
Grant Thornton Audit Kft.
1134 Budapest Dévai utca 26-28.
Company Court Registration Number: 000168

Judit Gittinger
Registered Auditor
Chamber Membership Reg. No.: 007105

“This Report has been prepared originally in Hungarian language and the Hungarian original version has been signed by the Parties. In case of disputes the Hungarian version shall prevail.”