

SUN PHARMA ITALIA SRL

Statutory Statements

31 March 2025



Independent Auditor's Report
pursuant to Article 14 of Legislative Decree No. 39 of January 27, 2010

To the Shareholders of SUN PHARMA ITALIA SRL

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of SUN PHARMA ITALIA SRL, which comprise the statement of financial position as of March 31, 2025, the income statement for the year then ended, the cash flow statement, and the notes to the financial statements.

In our opinion, the financial statements give a true and fair view of the financial position of SUN PHARMA ITALIA SRL as of March 31, 2025, and of its financial performance and cash flows for the year then ended in accordance with the Italian regulations governing the preparation of financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the section Auditor's Responsibilities for the Audit of the Financial Statements of this report. We are independent of the Company in accordance with the ethical and independence requirements that are applicable under Italian law to the audit of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

As required by law, the Company has included in the notes to the financial statements the essential data from the most recent financial statements of the entity that exercises management and coordination over it. Our opinion on the financial statements of SUN PHARMA ITALIA SRL does not extend to such data.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the regulations governing their preparation, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The directors are 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 they 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISA Italia 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 financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Report on Other Legal and Regulatory Requirements

Opinions and Declaration pursuant to Article 14, paragraph 2, letters e), e-bis), and e-ter) of Legislative Decree No. 39/10

The directors of SUN PHARMA ITALIA SRL are responsible for the preparation of the report on operations as of March 31, 2025, including its consistency with the corresponding financial statements and its compliance with the applicable law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- Express an opinion on the consistency of the report on operations with the financial statements of SUN PHARMA ITALIA SRL as of March 31, 2025;
- Express an opinion on the compliance of the report on operations with the applicable law;
- Issue a declaration regarding any material misstatements in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of the Company as of March 31, 2025, and is prepared in accordance with the applicable law.

With respect to the declaration referred to in Article 14, paragraph 2, letter e-ter), of Legislative Decree No. 39/10, based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Brescia, May 8, 2025
REV01 S.R.L.

Carmelo Battaglia
Partner

SUN PHARMA ITALIA SRL

Registered office: Viale Giulio Richard, 3 Milano (MI)

Registered with the Register of Trading Companies in Milan

Tax payer Code and registration no. 04974910962

Registered in the R.E.A. of Milan no.1787791

Share capital subscribed € 50.000 fully paid-in

VAT number: 04974910962

Sole shareholder

Company exercising the management and coordination activity: Sun Pharmaceuticals Industries Limited

Management Report

Financial Statements at 31 March 2025

Dear Shareholder,

We would like to bring to your attention the Financial Statements for the Fiscal year ended on 31 March 2025, showing a profit before tax of € 630.827, and a net profit of € 32.447.

First of all, we would like to highlight that this Directors' Report has been drawn up in compliance with the provisions set forth by art. 2428 of the Civil Code, so as amended by the Legislative Decree of 2 February 2007, n. 32 and by the subsequent art. 2, paragraphs 1, Legislative Decree of 6 November 2007, n. 195 and by the recent D.Lgs. 139/2015.

In the Supplementary Notes you have been given details concerning the financial statements at 31st March 2023; in this document, pursuant to the provisions set forth by art. 2428 of the Civil Code, we would like to provide you with the information concerning the situation of your Company and on the management trend.

This report, drawn up with figures in Euros (thousands separated by “.” and decimals separated by “,”), is presented together with the financial statements for the Fiscal Year for the purpose of providing income, assets, financial information of the Company together with – whenever possible – historical elements and prospective evaluations.

Company Information

The Company operates in the sector of pharmaceutical products distribution, both in the the market segment related to generic drugs and in the so-called “brand” segment represented by drugs with patent protection.

In the generic segment, Sun Pharma supplied during this fiscal year drugs in the hospital channel, both public and public, and in the “retail” channel.

As for previous years, the year ended at 31 March 2025 also saw the further affirmation of the “brand” division, thanks to the growth of sales of the product Odomzo® (launched in 2019) and the maintainance of the market share associated to the sale of hospital generic products, while the overall turnover of retail sales, whose business was reorganized in 2022 (with the cessation of direct presence at the final points of sale represented by pharmacies, and switch of focus on intermediate distribution), was reduced.

In addition, a less significant share of the Company's turnover is attributable to the "business to business" (B2B) activity that sees Sun Pharma Italia supplying drugs to some companies operating in the sector.

The financial year ended 31 March 2025 recorded an increase in the value of production from € 43.154.272 to € 48.523.720, equal to 12%.

This increase is attributable to the following factors:

- the increase product sales of € 2.496.525
- the positive effect in the variation of inventory for € 2.122.683
- the increase of € 750.240 in the item "Other revenues and income"

Regarding revenues from sales of goods, the increase of € 2.496.525 (+6%) is the result of different dynamics: sales of Odomzo® increased by approximately €2,9 million (+18%), and compensated for the drop of approximately € -0,6 million (-3%) in hospital generic market, and the decrease of € -0,2 million in retail division; finally the turnover attributable to the B2B segment increased by 30% meaning about € 0,4 million.

Below is the percentage composition of revenues by type:

Channel	31 March 2025	31 March 2024
Hospital Generic	43%	47%
Brand	43%	39%
Retail	10%	11%
B2B	4%	3%

Total	100%	100%
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The variation in the value of production is also explained:

- as already described above, by a positive effect of the change in inventories of finished products (€ 2.122.683);
- an increase in the item "Other revenues" (€ 750.240) mainly represented by chargebacks of costs to Group companies.

The cost of goods sold recorded an increase of 8%, in consideration of the increase in revenues; nevertheless the absolute incidence improved moving from 65% of the last financial year to 62% in the financial year to 31 March 2025.

General expenses remained substantially unchanged (+1% vs. prior financial year, approximately € 81 thousand), and therefore their incidence on total revenues decreased (13% compared to 15%).

The Added Value increased by 35%, representing approximately 25% of the value of production against 21% referred to financial year closed at 31 March 2024.

Personnel costs increased by 4% (around € 105 thousand) compared to the previous year; such increase is attributable to salary increases granted to personnel in force and to severances to personnel dismissed.

Thanks to the containment of expenses for services and personnel, the Gross Operating Margin grew by 47%, representing 20% of the value of production, compared to 15% in the previous financial year.

With reference to credit management and recovery, it is worth noting a sensible improvement in the DSO (Days of Sales Outstanding - the total value expressing credit recovery times) going from 139 to 117 days, thanks to the improvement of credit recovery activities towards public hospital entities which represent the main category of customers, despite the increased exposure towards some private hospital entities and customers in the retail channel (concessionaries).

The provision for bad debts was adjusted in consideration of the assessment of the risk of loss on trade receivables, in particular associated with specific situations of non-performing or long-term credit. Also, a further € 2,6 million was added to cover the risk of insolvency of a defaulting dealer whose commercial contract was terminated.

"Other provisions and other operating costs" increased by € 1.285.098, moving from € 4.923.790 of the financial year ended 31 March 2024 to 6.208.889 of the financial year ending 31 March 2025.

This difference is primarily attributable to the greater provision (around € 1 million) for hospital clawback risks and the higher value of costs for penalties for failure to supply drugs to public hospitals (for approximately € 0,6 million), also considering that during the previous financial year the following were recorded: a penalty (€ 0,5 million) paid in execution of a settlement agreement in closure of a legal dispute and the release of the remaining balance of the provision for restructuring costs of the retail division (approximately € 80 thousand).

The main cost component classified under this item is represented by the costs connected to the clawback procedure operating in the pharmaceutical market (€ 4,5 million out of a total of € 6,2 million). In the financial year ended 31 March 2025, the Company paid the hospital clawback for the year 2023, for which a risk provision had been made, albeit for an amount lower than the actual amount requested, it accounted for the difference in the income statement of the current financial year and allocated the best estimate of clawback risk for the year 2024 and for the first quarter of 2025.

“Other operating costs” increased by approximately € 318 thousands (moving from € 1,4 million to € 1,7 million), and include the penalties charged by public hospital entities which the Company recharges to Sun Pharmaceutical Industries Limited.

During the year, the Company focused on the management of a portfolio of products including specialistic generic products and branded products, leveraging in particular complex products (such as the so-called "bags" and injectable drugs) capable of differentiating the offer to hospitals and retail market.

In addition, your Company has continuously monitored costs, focused on achieving savings, and has constantly evaluated the margins indicators in order to implement initiatives aimed at improving the Gross Operating Margin.

Sun Pharma Italia srl is committed to pursuing the group's vision 'Reaching People and Touching Lives Globally as a Leading Provider of Valued Medicines.', through the support and implementation of a strategy focused on sustainable growth, cost leadership, business development, balanced investments and future profitability.

The Company will continue to focus on the following strategies:

- Differentiation of its market positioning, through the offering on the market of the so-called “complex generic products” and "differentiated products”;
- Maintaining the presence in the retail market, through partnership agreements with distributors and with an optimized product portfolio;
- Affirmation of Odomzo® and preparation of the "brand" sector for future products that will be marketed;
- Decrease in the incidence of fixed costs, through an increase in turnover volumes and control of overheads;
- Improvement of profitability in the various business units and in the various channels;
- Efficiency in inventory rotation, with minimization of obsolescence phenomena, as well as product stock out issues;
- Credit management in order to reduce the risk of insolvency and improve payment times.

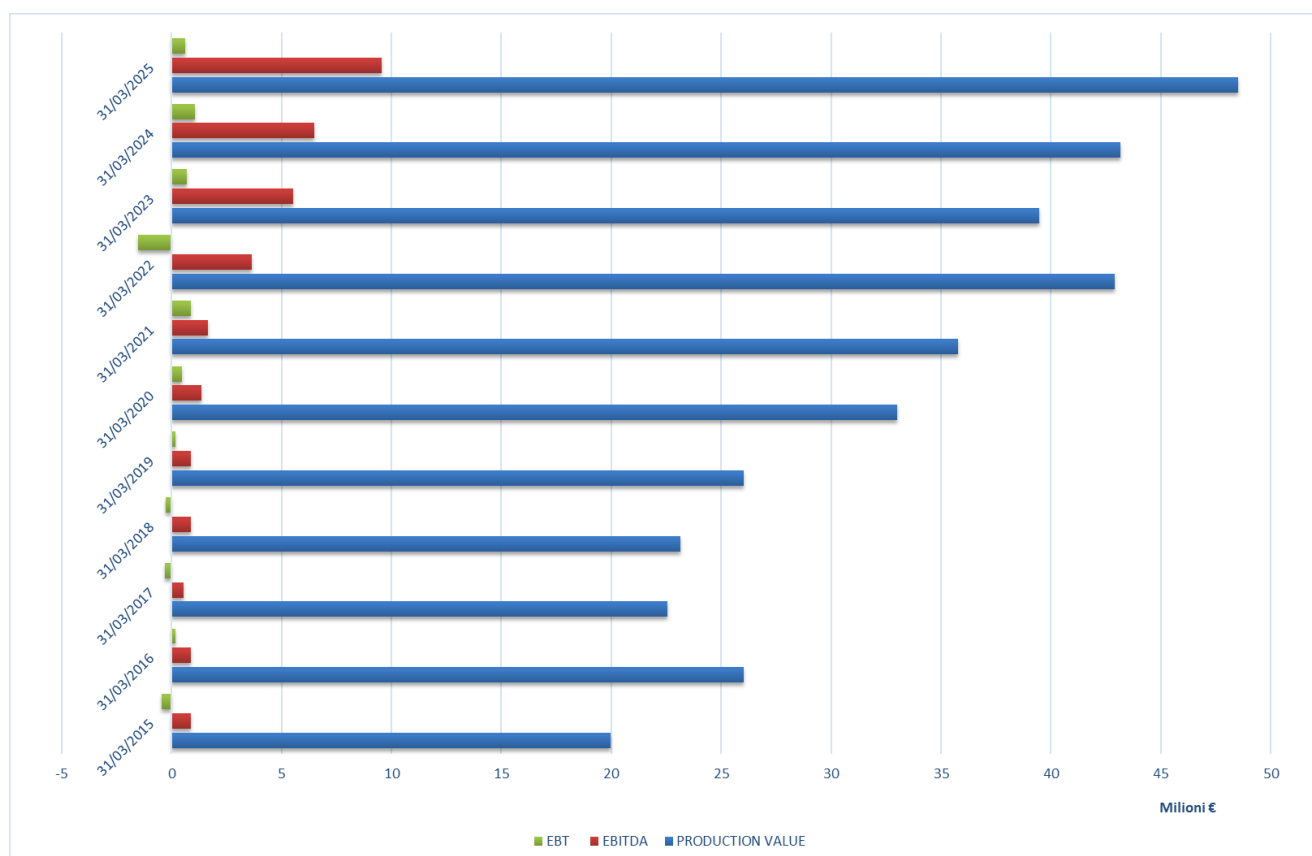
Profit & Loss

To better understand the results of the Company management, the chart below shows the Income statement reclassification.

	FY 01.04.2024 31.03.2025		FY 01.04.2023 31.03.2024		FY 01.04.2022 31.03.2023		FY 01.04.2021 31.03.2022	
		%		%		%		%
PRODUCTION VALUE	48.523.720	100,0%	43.154.272	100,0%	39.471.475	100,0%	41.734.912	100,0%
- Cost of goods sold	30.082.423	62,0%	27.951.204	64,8%	24.328.239	61,6%	22.736.625	54,5%
- General expenses	6.348.787	13,1%	6.267.728	14,5%	7.057.052	17,9%	9.564.339	22,9%
VALUE ADDED	12.092.510	24,9%	8.935.340	20,7%	8.086.184	20,5%	9.433.948	22,6%
- Personnel cost	2.553.976	5,3%	2.449.388	5,7%	2.562.220	6,5%	5.775.381	13,8%
EBITDA	9.538.534	19,7%	6.485.953	15,0%	5.523.964	14,0%	3.658.567	8,8%
- Amortization & Depreciation	2.825.782	5,8%	383.364	0,9%	590.330	1,5%	244.839	0,6%
GROSS OPERATING MARGIN	6.712.752	13,8%	6.102.588	14,1%	4.933.634	12,5%	3.413.728	8,2%
- Miscellaneous expenses	6.208.889	12,8%	4.923.790	11,4%	4.132.578	10,5%	4.887.300	11,7%
MARGIN BEFORE INTERESTS	503.863	1,0%	1.178.798	2,7%	801.056	2,0%	1.473.572	-3,5%
- Financial income	129.498	0,3%	51.187	0,1%	1.052	0,0%	83	0,0%
+/- Forex adjustments	- 44	0,0%	- 9.316	0,0%	- 1.522	0,0%	- 4.464	0,0%
NET OPERATING MARGIN	633.318	1,3%	1.220.669	2,8%	800.587	2,0%	1.477.952	-3,5%
- Financial charges	- 2.491	0,0%	- 176.142	-0,4%	- 103.619	-0,3%	- 46.366	-0,1%
PROFIT/(LOSS) BEFORE TAX	630.827	1,3%	1.044.527	2,4%	696.968	1,8%	1.524.318	-3,7%
- Income Taxes	598.380	1,2%	- 1.231.298	-2,9%	- 322.875	-0,8%	- 289.779	-0,7%
NET PROFIT/(LOSS)	32.447	0,1%	2.275.825	5,3%	1.019.843	2,6%	1.234.539	-3,0%

Here below you can see the summary trend of sales and margins over the period 2015-31 March 2025:

	31/03/2015	31/03/2016	31/03/2017	31/03/2018	31/03/2019	31/03/2020	31/03/2021	31/03/2022	31/03/2023	31/03/2024	31/03/2025
PRODUCTION VALUE	19.965.461	26.018.381	22.567.257	23.130.764	26.018.381	32.985.697	35.767.141	42.888.699	39.471.475	43.154.272	48.523.720
EBITDA	873.994	887.686	554.903	868.110	887.686	1.368.294	1.643.153	3.658.567	5.523.964	6.485.953	9.538.534
EBT	-441.719	186.663	-321.431	-252.678	186.664	471.538	886.907	-1.524.318	696.968	1.044.527	630.827



The expectation for the next fiscal year is to consolidate the positive trend, in particular the “Hospital” sector that also includes the “Brand” products. In detail, it is expected:

- the greater penetration into the hospital market, through:
 - greater price competitiveness in participating in tenders for the supply of drugs to public hospitals;
 - an increase of private hospital customers;
 - an improved product acquisition process, both from group companies and third-party suppliers;
 - the launch of new drugs characterized in particular by high complexity and low competitiveness;
- the greater stabilization of the distribution model in the retail channel, and the improvement of its profitability also through the revaluation of the product portfolio offered;
- the maintenance of the Odomzo® growth curve in the “brand” market sector;
- the increase in "B2B" turnover, thanks to the development of new commercial agreements.

The above, together with the continuous control and rationalization of costs, and the ever lower incidence of fixed costs, will allow a further improvement in the Gross Operating Margin.

Balance Sheet

To better understand the Company assets and the financial situation, the chart below shows the Balance Sheet reclassification.

Assets

Item	FY 01.04.2024 31.03.2025	%	FY 01.04.2023 31.03.2024	%	Variance	%	FY 01.04.2022 31.03.2023	%
WORKING CAPITAL	28.712.451	100%	32.162.260	100%	-3.449.809	99%	25.326.670	100%
Cash & Bank Balances	3.647.498	13%	5.080.390	16%	-1.432.892	41%	780.333	3%
Cash & Bank Balances	3.647.498	13%	5.080.390	16%	-1.432.892	41%	780.333	3%
Current Assets	16.140.732	56%	20.134.403	62%	-3.993.671	115%	17.452.942	69%
Sundry Debtors	12.850.535	45%	16.762.769	52%	-3.912.234	113%	15.597.306	61%
Deferred Tax Assets	3.165.432	11%	3.241.200	10%	-75.769	2%	1.701.224	7%
Accrued Income and Prepaid Expenses	124.765	0%	130.433	0%	-5.668	0%	154.412	1%
Inventory	8.924.222	31%	6.947.467	22%	1.976.755	-57%	7.093.395	28%
FIXED ASSETS	80.591	0%	105.705	0%	-25.113	1%	60.665	0%
Intangible Fixed Assets	50.181	0%	63.681	0%	-13.500	0%	5.804	0%
Tangible Fixed Assets	30.411	0%	42.024	0%	-11.613	0%	54.861	0%
TOTALE ASSETS	28.793.043	100%	32.267.964	100%	-3.474.921	100%	25.387.335	100%

Liabilities

Item	FY 01.04.2024 31.03.2025	%	FY 01.04.2023 31.03.2024	%	Variance	%	FY 01.04.2022 31.03.2023	%
THIRD PARTIES CAPITAL	25.430.023	88%	28.937.391	90%	-3.507.368	101%	24.332.587	96%
Current Liabilities	20.649.130	72%	25.121.628	78%	-4.472.499	129%	21.154.022	83%
Short-term payables (Debts)	20.649.130	72%	25.121.628	78%	-4.472.499	129%	21.154.022	83%
Loans Funds & Provisions	4.780.894	17%	3.815.763	12%	965.131	-28%	3.178.565	13%
Provisions	4.687.063	16%	3.727.818	12%	959.245	-28%	3.058.842	12%
Provision for Retirement Benefit	93.831	0%	87.945	0%	5.885	0%	119.723	0%
NET EQUITY	3.363.020	12%	3.330.573	10%	32.447	-1%	1.054.748	4%
Share Capital	50.000	0%	50.000	0%	0	0%	50.000	0%
Reserves	18.237	0%	18.237	0%	0	0%	18.237	0%
Retained Earnings	3.262.336	11%	986.511	3%	2.275.825	-65%	- 33.332	0%
Profit (loss) for the period	32.447	0%	2.275.825	7%	-2.243.378	65%	1.019.843	4%
TOTAL SOURCES	28.793.043	100%	32.267.964	100%	-3.474.921	100%	25.387.335	100%

Information ex art 2428 C.C.

Here below the information required by the provisions of art. 2428 of the Civil Code are analysed in detail.

Main risks and uncertainties for the company

According to the first paragraph of art. 2428 of the Civil Code, it was not considered necessary to provide further information on this subject as, given the size of the Company, the memo accounts and the information specified in the supplementary notes, are already properly expressed on any risk and uncertainty related with the corporate business.

Non-financial main ratios

According to the second paragraph of art. 2428 of the Civil Code, for a better understanding of the Company current position, of the business trend and result, indicating the non-financial ratios was considered irrelevant.

Environment information

The Company has not proceeded with any particular environmental policy, as unnecessary to its business.

Personnel information

The staff at 31 March 2025 was composed of 23 units, with no material deviations from 31 March 2024, as an evidence that no substantial organizational changes have been made.

1. R&D activity

According to and setting forth on point 1) of the third paragraph of art. 2428 from Civil Code, no R&D activity was performed during this financial year.

2. Relationships with subsidiaries, associated and parent companies

According to the provisions on point 2) of the third paragraph of art. 2428 from Civil Code the Company holds no shares. Sun Pharma Italia has a sole shareholder of 100%, Sun Pharma (Netherlands) B.V., which is itself a subsidiary of Sun Pharmaceutical Industries Ltd .

During the year, commercial relationships and financial transactions were entertained with certain companies of the Group.

The following table summarizes the debtor credit positions and the revenues and costs deriving from all the transactions with related parties:

Entity	Description	Amount €
Payables		
Sun Pharmaceutical Industries Limited	Purchase of finished products, chargeback of administrative and insurance costs	15.319.912,13
Basics GmbH	Purchase of finished products	1.202,40
Terapia S.A.	Purchase of finished products	80.465,00
Sun Pharma Holdings USA Inc	Purchase of finished products	157.008,76
Sun Pharma France	Purchase of finished products	13.875,40
Sun Pharmaceutical Industries (Europe) B.V.	Chargeback of administrative costs, costs for quality analysis of products, regulatory expenses and miscellaneous expenses	368.131,64
Alkaloida Chemical Co. ZRT	Purchase of finished products and inherent expenses	48.489,19
<i>Total</i>		<i>15.989.084,52</i>

Entity	Description	Amount €
Receivables		
Sun Pharma France	Sale of finished products	83.548,14
Sun Pharmaceutical Industries Limited	Chargeback of penalty costs, regulatory costs and "Brand" division costs	440.330,53
<i>Total</i>		<i>523.878,67</i>

Entity	Description	Amount €
Expenses		
Sun Pharmaceutical Industries Limited	Purchase of finished products	18.917.488,76
Sun Pharmaceutical Industries Limited	Chargeback of administrative expenses	30.031,00
Sun Pharmaceutical Industries Limited	Chargeback of insurance expenses	4.048,93
Terapia S.A.	Purchase of finished products	254.068,00
Sun Pharma France	Purchase of finished products	13.875,40
Basics GmbH	Purchase of finished products	2.450,40
Sun Pharma Laboratorios S.L.U.	Purchase of finished products	8.293,56
Sun Pharmaceutical Industries (Europe) B.V.	Chargeback of administrative expenses	862.878,00
Sun Pharmaceutical Industries (Europe) B.V.	Chargeback of expenses for quality analysis of products	294.200,28
Sun Pharmaceutical Industries (Europe) B.V.	Chargeback of miscellaneous expenses (e.g. travel expenses, handling fees)	45.214,34
Sun Pharmaceutical Industries (Europe) B.V.	Chargeback of regulatory expenses	52.805,20
Alkaloida Chemical Co. ZRT	Purchase of finished products	261.994,97
Alkaloida Chemical Co. ZRT	Chargeback of expenses for quality analysis of products	10.532,91
Sun Pharma (Netherlands) BV	Chargeback of insurance expenses	32.029,15
Total		20.789.910,90

Entity	Description	Amount €
Income		
Sun Pharmaceutical Industries (Europe) B.V.	Sale of finished products	18.720,00
Sun Pharma France	Sale of finished products	95.965,38
Sun Pharmaceutical Industries Limited	Chargeback of "brand" division expenses	615.176,29
Sun Pharmaceutical Industries Limited	Chargeback of penalties	1.372.148,93
Sun Pharmaceutical Industries Limited	Chargeback of regulatory expenses	1.224.878,58
Total		3.326.889,18

3. Own shares

According to art. 2428, paragraphs 3, points 3 and 4 from the Civil Code, the Company has no own shares.

4. Shares/interests of parent company

According to art. 2428, paragraphs 3, points 3 and 4 from the Civil Code, the Company holds no interests of parent Company.

5. Business forecast

Pursuant to and for the purposes of what indicated in point 6) of the third paragraph of art. 2428 of the Civil Code, it should be noted that the Company will continue its commitment to improve the operating result. To this end, an economic budget was prepared which foresees also for the financial year ending 31 March 2026 the achievement of a positive result, thanks to the organic growth in the volume of business, the launch of new products, in particular in the hospital channel, and to operational efficiency initiatives which will allow to maintain a constant level of operating expenses.

5bis. Use of relevant financial tools for assessment of financial position and results

The Company makes no use of financial tools to manage its exposure to market price risks, credit risks, cash risks and other risks arising from swing of cash flows, except for an "overdraft" credit line € 5 million at Deutsche Bank currently not used.

Company locations

The Company does not have secondary offices.

For the Board of Directors
Hellen de Kloet

Company Data

Denomination:	SUN PHARMA ITALIA SRL
Registered Office:	VIALE GIULIO RICHARD, 1 – 20143 MILANO
Share Capital:	50.000,00
Share Capital Fully paid:	yes
CCIAA code:	MI
VAT Code:	04974910962
Fiscal Code:	04974910962
REA Number:	1787791
Legal Form:	SOCIETA' A RESPONSABILITA' LIMITATA
Sector of main activity (ATECO):	464610
Company in liquidation:	no
Sole Shareholders Company:	yes
Company subject to management and coordination of others:	yes
Name of the Company or Entity exercising the management and coordination activity:	SUN PHARMACEUTICALS INDUSTRIES LIMITED
Group membership:	yes
Name of Parent Company:	SUN PHARMACEUTICALS INDUSTRIES LIMITED
Country of the Parent Company:	INDIA

Financial statements at 31 March 2025

Balance Sheet

	31 March 2025	31 March 2025
ASSETS		
B) FIXED ASSETS		
I - INTANGIBLE ASSETS		
3) Industrial patent rights and others	627	1.794
4) Concessions, licenses, trademarks and similar rights	49.553	61.887
5) Goodwill	-	-
7) Other intangible assets	-	-
TOTAL INTANGIBLE ASSETS	50.181	63.681
II - TANGIBLE ASSETS		
2) Equipment and machinery		
4) Other tangible assets	30.411	42.024
TOTAL TANGIBLE ASSETS	30.411	42.024
TOTAL FIXED ASSETS (B)	80.591	105.705
C) CURRENT ASSETS		
I – INVENTORY		
1) Raw materials and consumables	-	-
4) Finished goods and goods for resale	8.924.222	6.947.467
TOTAL INVENTORY	8.924.222	6.947.467
II – RECEIVABLES		
1) Trade receivables	11.937.875	15.764.424
Trade receivables within 12 months	11.937.875	15.764.424
Trade receivables beyond 12 months		
4) Receivable from Parent Companies	440.331	808.734
Receivable from Parent Companies within 12 months	440.331	808.734

	31 March 2025	31 March 2025
Receivable from Parent Companies beyond 12 months		
5) Receivable from Companies controlled by Parent Companies	83.548	-
Receivable from Companies controlled by Parent Companies within 12 months	83.548	-
Receivable from Companies controlled by Parent Companies beyond 12 months		
5-bis) Tax credit	277.599	115.368
Tax credits within 12 months	277.599	115.368
Tax credits beyond 12 months		
5-ter) Advanced taxes	3.165.432	3.241.200
Advanced taxes w ithin 12 months	3.165.432	3.241.200
Advanced taxes beyond 12 months		
5-quater) Other receivables from third parties	111.182	74.243
Other receivables from third parties w ithin 12 months	111.182	74.243
Other receivables from third parties beyond 12 months		
TOTAL RECEIVABLES	16.015.967	20.003.970
IV - CASH AND BANKS		
1) Bank and postal deposits	3.646.612	5.079.504
2) Checks		
3) Cash	885	885
TOTAL CASH AND BANKS	3.647.498	5.080.390
TOTAL CURRENT ASSETS (C)	28.587.686	32.031.826
D) DEFERRALS AND ACCRUALS – ASSETS		
Prepayments and deferred expenditures	124.765	130.433
TOTAL DEFERRALS AND ACCRUALS - ASSETS (D)	124.765	130.433
TOTAL ASSETS	28.793.043	32.267.964
LIABILITIES		
A) SHAREHOLDERS' EQUITY		
I – Share capital	50.000	50.000
IV - Legal reserve	16.548	16.548
VII - Other reserves	1.689	1.689
Total Other Reserves	1.689	1.689
VIII - Profits and Losses brought forward	3.262.336	986.511
IX - Profit (loss) for the period		
Profit (loss) for the period	32.447	2.275.825
Profit (loss) residual	3.363.020	2.275.825

	31 March 2025	31 March 2025
TOTAL SHAREHOLDERS' EQUITY (A)	3.363.020	3.330.573
B) CONTINGENCY RESERVES		
1) Reserve for pensions and similar obligations	-	-
2) Deferred taxes		
3) Others	4.687.063	3.727.818
<i>TOTAL CONTINGENCY RESERVES (B)</i>	4.687.063	3.727.818
C) STAFF LEAVE INDEMNITY	93.831	87.945
D) PAYABLES		
3) Debts towards shareholders for financing	-	-
Debts towards shareholders for financing within 12 months		
Debts towards shareholders for financing beyond 12 months	-	-
4) Debts to Bank	-	-
Payables within 12 months	-	-
Payables beyond 12 months	-	-
7) Trade payables	3.735.220	3.650.300
Trade payables within 12 months	3.735.220	3.650.300
Trade payables beyond 12 months		
11) Payables to parent companies	15.319.912	17.258.157
Payables to parent companies within 12 months	15.319.912	17.258.157
Payables to parent companies beyond 12 months		
11 bis) Payables to companies subject to control of parent company	669.172	3.524.381
Payables to companies subject to control of parent company within 12 months	669.172	3.524.381
Payables to companies subject to control of parent company beyond 12 months		
12) Taxes payables	305.473	90.808
Taxes payables within 12 months	305.473	90.808
Taxes payables beyond 12 months		
13) Social security payables	195.325	184.119
Social security payables within 12 months	195.325	184.119
Social security payables beyond 12 months		
14) Other payables	424.027	413.865
Other payables within 12 months	424.027	413.865
Other payables beyond 12 months		
<i>TOTAL PAYABLES (D)</i>	20.649.130	25.121.629
E) DEFERRALS AND ACCRUALS – LIABILITIES		

	31 March 2025	31 March 2025
Accruals and deferred income	-	-
TOTAL DEFERRALS AND ACCRUALS - LIABILITIES (E)	-	-
TOTAL LIABILITIES	28.793.043	32.267.964

Profit and Loss

	31 March 2025	31 March 2024
A) PRODUCTION VALUE		
1) Net sales from products and services	43.279.619	40.783.094
2) Variation of inventory products	1.976.755	(145.928)
5) Other operating income		
Others	3.267.346	2.517.107
<i>Total other operating income</i>	3.267.346	2.517.107
TOTAL PRODUCTION VALUE	48.523.720	43.154.272
B) PRODUCTION COSTS		
6) Costs of raw materials, auxiliary materials, merchandise and other goods	30.082.423	27.951.204
7) Costs of services	6.113.146	6.056.597
8) Costs for use of third parties assets	235.641	211.132
9) Labour costs		
a) Salaries and wages	1.772.537	1.717.981
b) Costs of social security	574.725	565.739
c) Staff leave indemnity	122.106	121.906
d) Pensions and similar commitments	42.260	43.762
e) Other labour costs	42.439	-
<i>Total Labour Costs</i>	2.553.976	2.449.388
10) Depreciation and write downs		
a) Depreciation of intangible fixed assets	13.500	2.123
b) Depreciation of tangible fixed assets	11.613	14.457
c) Other Depreciation of fixed assets		
d) Current assets written off	2.800.668	366.784
<i>Total depreciation and write downs</i>	2.825.782	383.364
12) Provision for risks	4.522.088	3.554.842
13) Other provisions		

	31 March 2025	31 March 2024
14) Other operating expenses	1.686.800	1.368.948
TOTAL PRODUCTIONS COSTS	48.019.856	41.975.475
Net income from operating activities (A - B)	503.863	1.178.798
C) FINANCIAL INCOME AND EXPENSES		
16) Other financial income		
d) Other financial income		
Others	129.498	51.187
<i>Total other financial income different from the previous</i>	<i>129.498</i>	<i>51.187</i>
<i>Total Other financial income</i>	<i>129.498</i>	<i>51.187</i>
17) Interests payable and other financial expenses		
Interests payable to Parent Companies		
Interests payable to Companies controlled by Parent Companies	-	(174.992)
Others	(2.491)	(1.150)
<i>Total Interests payable and other financial expenses</i>	<i>(2.491)</i>	<i>(176.142)</i>
17-bis) Profit and loss on exchange	(44)	(9.316)
<i>Total financial income (loss) (15+16-17-17bis)</i>	<i>126.963</i>	<i>(134.271)</i>
Result before taxes (A-B+-C+-D)	630.827	1.044.527
20) Current, deferred and advanced income taxes for the period		
Income taxes for the period	522.611	191.420
Income taxes for the prior years	0	117.258
Deferred and advanced taxation	75.769	(1.539.976)
<i>Total current, deferred and advanced income taxes for the period</i>	<i>598.380</i>	<i>(1.231.298)</i>
21) Net income (loss) for the year	32.447	2.275.825

Supplementary Notes to Financials Statements closed at 31 March 2025

Supplementary Notes Initial session

Dear Shareholders, these supplementary Notes are an integral part of the financial statements at 31 March 2025.

The criteria used in the preparation of the financial statements for the period ended March 31, 2025 comply with the provisions of article 2426 of the civil code as amended by Legislative decree 139/15 through which the 2013/34 / EU directive was implemented, and have not been modified compared to the previous year.

The financial statements comply with the provisions of articles 2423 and following of the civil code interpreted and supplemented by the national accounting principles as published by the Italian Accounting Organization ("OIC Accounting Standards") and consist of the following documents: Balance Sheet, Income Statement, Cash Flow and Supplementary Notes. They therefore clearly, truthfully and correctly describe the company's balance sheet and financial position and the financial result for the year.

The contents of the balance sheet and income statement are those provided in Articles 2424 and 2425 of the Italian Civil Code, while the Cash flow statements have been prepared in accordance with art. 2425-ter.

The Cash Flow Statement presents the positive or negative variations in the cash flows that occurred during the year and was prepared applying the indirect method using the template provided by the OIC 10 Accounting Standard.

The Supplementary Notes, prepared pursuant to art. 2427 of the Italian Civil Code also contain all the information necessary to provide a correct interpretation of the statements.

Significant events occurred after the end of the financial year and the proposal to allocate the result for the year are shown in the related paragraphs in these Notes.

Drafting Information

Financial Statements Drafting

The information contained herein are presented in the order in which the related items are reported in the balance sheet and income statement.

With reference to what is stated in the introduction to these Notes, we certify that, pursuant to art. 2423, paragraph 3 of the Civil Code, the information required by specific provisions of the law are not sufficient to give a true and fair view of the company, additional information deemed necessary for the purpose are provided.

There were no exceptional circumstances that required the use of derogations under Article. 2423, paragraph 4 and article. 2423 paragraph 2 Civil Code.

The Financial Statements, as well as these notes, have been prepared in Euros in accordance with the Civil Code.

Financial Statements Drafting principles

The evaluation of balance sheet items was made in accordance with the principle of prudence and with a view to the scope of the company. In accordance with national accounting standards and the Community arrangements, in the representation of the assets and liabilities items, it has been given prelevance at the substantive aspects over the formal ones.

In preparing the financial statements income and expense were recorded on an accrual basis, regardless of their actual cash flow.

Main management events

The year ended 31 March 2025 recorded an increase in turnover of € 2.496.525 compared to the previous year, mainly attributable to higher sales in which offset the slight decline in the retail division and the slight drop in the hospital division, while the B2B sector closed the year with a positive change.

Structure and contents of the Financial Statements

The Balance Sheet, the Income Statement and the accounting information contained in these notes are in accordance with the accounting records, from which they have been directly derived.

In drafting the balance sheet and income statement, no items preceded by Arabic numbers or by lower-case letters have been grouped together, as optionally provided by art. 2423 ter of the Civil Code.

Under Article. 2424 of the Civil Code it is confirmed that there are no assets or liabilities that fall under several items of the draft Financial Statements.

Evaluation Criteria

The criteria applied to evaluate the items posted and the value adjustments complies with the provisions of the Civil Code and the guidance provided in the accounting standards issued by OIC. The same also has not varied compared to the previous year.

The most significant valuation criteria adopted in compliance with the provisions of article 2426 of the Civil Code are illustrated below, and with particular reference to those items of the financial statements for which the legislator allows different evaluation and adjustment criteria or for which no specific criterias are set.

Other Information

Translation criteria for values expressed in foreign currency

The accounting amounts expressed in foreign currencies have been posted, after conversion into euros at the rate of exchange ruling at the time of recognition, or the exchange rate at the close of the financial year as shown in the accounting standard OIC 26.

The assets and liabilities that are not fixed assets are stated at the spot exchange rate at the date of the closing of balance sheet. Gains and losses which are derived from the conversion have been credited and debited to the income statement under item 17 bis foreign exchange gains and losses.

There are no intangible assets in foreign currency to the balance sheet date.

Between the end of the year and the date of preparation of financial statements there were no significant effects of changes in exchange rates.

Operations with compulsory relegation to end

The company during the year has not placed any operation under an obligation to relegation to the end.

Supplementary Notes - Assets

The amounts recorded in the balance sheet were evaluated in accordance with Article 2426 of the Civil Code and in accordance with national accounting standards; in the sections related to the individual items the specific criteria applied are shown.

Fixed Assets

Fixed assets are recorded at their purchase cost.

Pursuant to and for the purposes of article 10 of the law March 19, 1983, and No. 72, and as also recalled by the subsequent laws ruling monetary valuation, it should be noted that for the tangible and intangible assets that still exist no monetary revaluation has ever been carried out.

Intangible fixed assets

Intangible assets are recorded in the balance sheet, upon the prior consent of the Statutory Board of Auditors where required, at their cost of acquisition and they are depreciated on a straight-line basis according to their useful life.

The value of fixed assets is represented net of accumulated amortization and depreciation funds.

Depreciation was operated in accordance with the following pre-established scheme, which is thought to properly allocate the cost incurred over the useful life of such assets:

Intangible fixed assets items	Period
Start-up and expansion costs	{ 20,00 } %
Concessions, licenses and trademarks (software)	{ 33,33 } %
Concessions, licenses and trademarks (marketing authorisations, "AIC")	{ 20,00 } %
Concessions, licenses and trademarks (trademarks)	{ 5,56 } %
Other fixed assets (improvement of third parties' assets)	{ 16,67 } % Based on duration of rental agreement

The criteria for the amortization of intangible assets remained unchanged compared to the previous year.

Movements of intangible fixed assets

Intangible assets amount of € 50.181: they refer to licenses (marketing authorizations) purchased from third parties outside the group and fully depreciated, to the regulatory costs capitalized during the year relating to a product awaiting launch and to the residual software costs to be amortized.

The total impact on the income statement at 31 March 2025 of depreciation of intangible assets summed up to € 13.500.

For a complete evaluation and analysis on movements of such assets, please refer to the information detailed in the annexes to these notes.

Movements of Intangible Assets

Description	Detail	Historical cost	Beginning balance	Movements	Description	Detail	Historical cost	Beginning balance
<i>Start-up costs</i>								
	Corporate Expenses	8.467						8.467
	Provision for Depreciation of corporate Expenses		(8.467)					(8.467)
<i>R&D and advertising Costs</i>								
	Advertising Costs	40.109						40.109
	Provision for depreciation of advertising costs		(40.109)					(40.109)
<i>Patents and copyrights</i>								

Description	Detail	Historical cost	Beginning balance	Movements	Description	Detail	Historical cost	Beginning balance
	Capitalized own software	117.055						117.055
	Provision for capitalized own software		(115.261)				(1.167)	(116.428)
Concessions, licences, trademarks and similar rights and assets								
	Marketing Authorisation acquired	3.723.676			0			3.723.676
	Concessions and licences	6.006						6.006
	Provision for Marketing Authorisation acquired		(3.664.299)				12.000	(3.676.299)
	Provision for Concessions and licences		(3.496)				(334)	(3.830)
Other intangible Assets								
	Depreciated maintenance expenses	92.743						92.743
	Provision for Depreciated maintenance expenses		92.743-					92.743-

Tangible fixed assets

The assets belonging to the category of tangible assets are recorded at acquisition cost, increased by accessories costs incurred to bring the asset to use.

The criteria for the depreciation of fixed assets have not changed with respect to those applied the previous year.

It should be noted that it was not necessary to operate any depreciation under art. 2426, paragraph 1 no. 3 of the Civil Code.

Movements of tangible fixed assets

Tangible assets before accumulated depreciation summed up to € 269.308; the accumulated depreciation is equal to € 238.898.

The impact to the income statement as at 31 March 2025 for the amortization of tangible fixed assets was € 11.613.

The table below shows the movements of such assets.

Movements of Tangible Assets

Description	Detail	Historical cost	Beginning balance	Movements	Description	Detail	Historical cost	Beginning balance
<i>Other tangible assets</i>								
	Furniture and fitting	106.748						106.748
	Electronic office machinery	147.181						147.181
	Mobile telephones	15.379						15.379
	Provision for depreciation of furniture and fitting		(78.870)				(4.600)	(83.470)
	Provision for depreciation of electronic Office machinery		(133.663)				(6.404)	(140.067)
	Provision for depreciation of mobile Telephone		(14.752)				(609)	(15.361)

Operations of finance lease

Information on operations of finance lease

The company, at the date of year end closure, has no on-going finance lease contract.

Current Assets

Current assets are evaluated in accordance with the numbers 8 to 11 of Article 2426 of the Civil Code. The criteria used are listed in the paragraphs of the respective items.

Stock

Stocks refer to finished goods. These have been posted at the lowest value between the purchase cost and the fair value as it can be inferred from market trends.

The purchase cost includes the possible additional direct charges.

The cost of inventories of finished products, of a fungible nature, was calculated by taking the weighted average cost method, in order to reflect the trend in market prices, considering the most recent stock costs.

The value so calculated has been duly compared with the fair value that can be inferred from the market trend, as explicitly required by art. 2426 of the Civil Code.

The depreciation of obsolete and slow moving items is carried out, in accordance with accounting standard OIC 13 creating depreciation funds. The depreciation provision is deducted from assets.

Analysis of stock movements

	Initial Value	Change in figures	Final value
Finished products	6.947.467	1.976.755	8.924.222
<i>Total</i>	6.947.467	1.976.755	8.924.222

The finished products are stated net of provision for depreciation, which had moved during the year as follows:

Description	Total
Balance at 31 March 2024	316.256
Use during the year	(624.282)
Provision for the year	750.167
Balance at 31 March 2025	442.141

Finished products

The cost of inventories of finished products and fungible goods was calculated using the weighted average cost method.

The value thus determined was appropriately compared with the realizable value inferable from the market trend, as explicitly required by art. 2426 of the Civil Code.

The stock rotation indexes remained almost unchanged compared to the previous year.

Current asset: Receivables

Receivables are stated at estimated realizable value, in accordance with Art. 2426, n. 8 of Civil Code; the adjustment to this value was made by allocation of a provision for bad debts whose amount and whose movements are detailed following in these notes.

Movements of receivables posted in current assets

The following table shows the information related to movements of receivables posted in current assets and, if material, the due date of the same.

Analysis of movements and due date of receivables posted in current assets

	Initial Value	Change in figures	Final value
Trade Receivables	15.764.424	(3.826.549)	11.937.875
Receivables from Parent Companies	808.734	(368.403)	440.331
Receivables from Companies controlled by Parent Companies	-	83.548	83.548
Tax credit	115.368	162.231	277.599
Advance income taxes	3.241.200	(75.769)	3.165.432
Accounts receivable from other undertakings	74.243	36.939	111.182
	20.003.970	(3.988.003)	16.015.967

Comments

Accounts receivables decreased by € 3.826.549, mainly due to:

- Hospital receivables decreased by € 1,6 million, due to the improvement in credit recovery activities, also considering the increased sales volumes in the "branded" business division; the DSO (value that expresses the time of credit recovery) has improved, from 118 to 89 days, although it should be noted that there is greater exposure to private conventioned hospitals.
- Retail receivables changed by € 0,1 million where the exposure to distributors, who represent the Company's new business partners, has increased. The DSO also increased, from 339 to 362 days, due to a defaulting customer for whom an appropriate bad debt provision was set aside.
- Customers receivables in the B2B channel increased by approximately € 0,1 million, in consideration of the increased volume of business, and while compliance with payment deadlines remained unchanged.
- Invoices to be issued increased by approximately € 0,3 million mainly represented by hospital penalties to be charged back to group companies.
- On the other hand, it is worth mentioning the increase in the provision for doubtful accounts of approximately € 2,8 million, mainly attributable to the provision for the risk of total loss of receivables from a defaulting concessionaire whose commercial contract has been terminated.

The overall DSO improved, from 139 to 117 days, thanks to the improvement in credit recovery activities with public hospitals, which represent the main category of customers.

Credits are shown net of credit depretiation fund, which fluctuation is shown below and it has been adjusted in order to represent the most conservative scenario reagarding insolvency risk.

Description	Total
Balance at 31 March 2024	2.160.304
Use during the year	(6.444)
Provision for the year	2.800.468
Balance at 31 March 2025	4.954.328

The balance of credits towards parent companies is represented by invoices issued towards Sun Pharmaceutical Industries Limited, related to the recharge of penalties received from customers because of missed product supply under public tender agreements, the regular delivery of the drugs supply of public tenders, and the recharge of expenses of the business unit "brand".

The balance of receivables from companies subject to the control of parent companies is represented by invoices for the sale of products to the French subsidiary.

Tax credits at 31 March 2025 are composed mainly by withholding taxes on interest income and on the collection of invoices for costs recharged to the branch Sun Pharmaceutical Limited located in the United Arab Emirates.

Other receivables mainly include to suppliers and employees prepayments of approximately € 86 thousand, a credit towards Inail of € 22 thousand.

There are no credits with a residual life longer than 5 years.

Deferred tax assets

Receivables include deferred tax assets of € 3.165.432 whose recovery is expected with reasonable certainty against taxable income expected in the coming years in the business plan.

For the details of the movements, please refer to the paragraph on deferred taxation in these Explanatory Notes.

Breakdown by geographical area of receivables included in current assets

The breakdown of receivables by geographical area is as follows:

	Italy	India	France	Ireland	Switzerland	Iceland	San Marino Republic	Emirates	Total
Trade Receivables	11.922.249	660	1.950	6.647	4.340	660	1.369	-	11.937.875
Receivable from Parent Companies	-	325.475	-					114.855	440.331
Receivable from Companies controlled by Parent Companies	-	-	83.548					-	83.548
Tax Credits	277.599	-	-					-	277.599

Advanced taxes	3.165.432	-	-					-	3.165.432
Other Receivable	111.182	-	-					-	111.182
Total	15.476.462	326.135	85.498	6.647	4.340	660	1.369	114.855	16.015.967

Current assets: cash and banks

Cash and banks are posted at their nominal value.

Analysis of movements of cash and banks

	Initial value	Change in figures	Final value
Current bank accounts and post-office deposits	5.079.504	(1.432.892)	3.646.612
Cheques	-	-	-
Cash and cash equivalents	885	-	885
Total	5.080.390	(1.432.892)	3.647.498

Effects of changes in money and values in cash

Description	Initial value	Value at the date of preparation of financial statements	Change in figures
Checks	0	0	0
Euro	357	357	0
Stamps	528	528	0
Total	885	885	0

Comment

Evolution of cash and banks is described in the cash flow statement.

Prepayments and accrued income

Prepayments and accrued income have been posted in the Financial statements on an accrual basis, through repartition of costs and revenues across two fiscal years.

There are no accrued income or prepaid expenses lasting more than 5 years.

Analysis of movements of prepayments and accrued income

	Beginning balance	Change in figures	Closing Balance
Prepaid expenses	130.433	(5.668)	124.765
Total prepayments and accrued income	130.433	(5.668)	124.765

Prepayments consist mainly in long-term costs related to bank guarantees issued to participate in hospital tenders, membership fees paid but related to future periods and rents paid but of future competence.

Capitalised financial charges

All interest and financial charges were entirely posted in the Income Statement during the Fiscal Year. Therefore, no capitalised financial charges are posted pursuant to art. 2427, par. 1, n. 8 of the Italian Civil Code.

Supplementary Notes – Liabilities and Net Equity

The liability items in the balance sheet have been recorded in accordance with the provisions of Article 2426 of the Civil Code and in compliance with national accounting principles, the specific application criteria are indicated in the sections relating to the individual items.

Net Equity

Items are recorded at their accounting balance in accordance with the instructions contained in the accounting standard OIC 28.

Movements of components of net equity

With reference to the closure changes in the individual components of shareholders' equity are shown in the table below, as well as the breakdown of other reserves, if any in the Statements.

Analysis of changes of components of net equity

	Beginning balance	Allocation	Others change in figures - increases	Others change in figures - decreases	results for the year	Beginning balance
Share capital	50.000					50.000
Legal Reserve	16.548					16.548
Other Reserves	1.689					1.689

	Beginning balance	Allocation	Others change in figures - increases	Others change in figures - decreases	results for the year	Beginning balance
Total Other Reserves	1.689					1.689
Income (losses) carried forward	986.511	2.275.825				3.262.336
Profit of the FY	2.275.825	(2.275.825)			32.447	32.447

During the year, there were no particular changes in shareholders' equity, with the exception of the carry forward of the profit operating of the previous year approved in the minutes of the Shareholders' Meeting of 3 July 2024.

Movements of Net Equity

Description	Share capital	Legal Reserve	Income (losses) carried forward	Other Reserves	Result for the year	Description
Value at 31/03/22	50.000	16.548	1.201.208	1.689	(1.234.540)	34.905
Allocation result 31/03/22			(1.234.540)		1.234.540	
Dividend payments						
Other destinations						
Change in figures						
Result for the year					1.019.843	1.019.843
Value at 31/03/23	50.000	16.548	(33.332)	1.689	1.019.843	1.054.747

Description	Share capital	Legal Reserve	Income (losses) carried forward	Other Reserves	Result for the year	Description
Value at 31/03/23	50.000	16.548	(33.332)	1.689	1.019.843	1.054.747
Allocation result at 31/03/23			1.019.843		(1.019.843)	
Dividend payments						
Other destinations						
Change in figures						
Result for the year					2.275.825	2.275.825

Value at 31/03/24	50.000	16.548	986.511	1.689	2.275.825	3.330.573
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Descrizione	Capitale sociale	Riserva Legale	Utile/Perdita portata a nuovo	Altre riserve	Risultato d'esercizio	Totale
Value at 31/03/24	50.000	16.548	986.511	1.689	2.275.825	3.330.573
Allocation result at 31/03/24			2.275.825		(2.275.825)	0
Dividend payments						
Other destinations						
Change in figures						
Result for the year					32.477	32.477
Value at 31/03/25	50.000	16.548	3.262.336	1.689	32.477	3.363.050

To be noted that all the subscribed quotes have been fully paid.

Availability and use of net equity

In the following table net equity elements are analytically shown, indicating their origin, possibility of use and distribution, as well as their use in previous years.

Descrption	Amount	Origin/type	Possibility of using
Share capital	50.000	Capitale	
Legal Reserve	16.548	Capitale	B
Other Reserves	1.689	Capitale	B, C
Total Other Reserves	1.689	Capitale	B, C
Income (losses) carried forward	3.262.336		A, B, C
Total	3.330.573		
Quote not distributable	3.330.573		
Residual distributable	0		

In the table above for each item the possibilities of use are provided as indicated below:

- A: for capital increase
- B: to cover losses

- C: for distribution to shareholders.

Provisions for liabilities and charges

Information on provisions for liabilities and charges

Analysis of changes in provisions for risks and charges

	Beginning balance	Increase	Decrease	Net Variations	Closing Balance
Provision for pensions and Similar obligations	-	-	-	-	-
Others	3.727.818	4.522.229	(3.562.984)	959.245	4.687.063
Total	3.727.818	4.522.229	(3.562.984)	959.245	4.687.063

The fund for retirement benefits and similar obligations, which includes the FIRR and FISC funds, was released during previous fiscal year in consideration of the termination of the entire network of agents, and the legal deadline for any appeal by the agents themselves having expired.

The "other" item includes:

- The risk provision for hospital clawback for the year 2024 and for the first quarter of 2025 is equal to € 4.530.300. During the year, the hospital clawback procedure for the years 2023 was closed, for which a total payment of € 3.554.868, booking in Profit & Loss (€ 729.638) what was not provisioned in the previous fiscal year.
- The provision for returns for a total of € 156.763 is consistent with the historical trend of credit notes issued for returns.

Employees leaving indemnity

Information on employee leaving indemnity

Employees leaving indemnity has been calculated in accordance with art. 2120 of the Italian Civil Code, taking into account the provisions of the law and the specifics of the contracts and the professional categories and it includes all the annual accruals and the revaluations calculated on the basis of the ISTAT (Central Statistics Institute) rates.

The amount of the provision is calculated net of advance payments and accruals paid for the termination of employment contracts during the Financial Year and it represents the true amount owed to subordinate employees at the balance sheet date.

	Beginning balance	Increase	Decrease	Quotes to Funds	Net movements	Closing Balance
Provision for subordinates employees leaving indemnity	87.945	122.938	(16.301)	(100.751)	(177.052)	93.831

The uses refer to the total liquidations of the fund following the termination of the relationship with the employees.

Payable

Payables are shown in the financial statements at their nominal value, eventually adjusted in case of subsequent variations.

Payable movements and due date

The following table shows information on changes in payables and any information on their maturity.

All debts are deemed to be due within the following financial year.

Analysis of variations and debt expiring

	Beginning balance	Increase/Decrease	Closing balance
Amounts due to banks	-	-	-
Trade creditors	3.650.300	84.920	3.735.220
Amounts due to parent companies	17.258.157	(1.938.244)	15.319.912
Amounts due to companies under control of parent companies	3.524.381	(2.855.208)	669.172
Taxation	90.808	214.665	305.473
Social security	184.119	11.207	195.325
Other debts	413.865	10.162	424.027
Total	25.121.629	(4.472.499)	20.649.130

Debts towards the parent companies refer to trade payables to the indirect parent company Sun Pharma Ltd for the purchase of finished products as better illustrated in the Management Report.

Payables to companies under control of parent companies mainly include exposure to Sun Pharmaceutical Industries (Europe) B.V. (a company that acts as Headquarters for the region in which Sun Pharma Italia srl belongs), for the chargeback of administrative costs, costs for quality analysis on products, regulatory expenses and miscellaneous expenses. Payables to companies under the control of the parent companies also include certain exposures to other group companies for the purchase of finished products.

The item “other debts” at 31 March 2025 includes:

- Debts towards employees for approximately € 311 thousand, bonuses and rewards for about € 132 thousand, additional holidays and monthly payments for about € 169 thousand and severance for € 10 thousand.
- Payables for the payment of the 1.83% payback on retail products reimbursed by the National Health System for € 109 thousand.
- Debts for TARI duty of € 4 thousand.

Breakdown of payables by geographic area

Below the breakdown of the debts by geographical area:

	I	NL	RO	DK	ES	HU	DE	UK	US	F	IN	Emirates	Total
Trade Amounts	3.271.308	(60.860)		(106.422)	596.892			17.063	17.239		17.239		3.735.220
Amounts due to parent companies											6.106.012	9.213.900	15.319.912
Amounts due to companies under control of parent companies		368.131	80.465			48.489	1.202		157.009	13.875			669.172
Tax amount	305.473												305.473
Social security	195.325												195.325
Other debts	424.027												424.027
Total	4.196.133	307.271	80.465	(106.422)	596.892	48.489	1.202	17.063	174.248	13.875	6.123.251	9.213.900	20.649.130

Debts secured by mortgages on company assets

Pursuant to and by effect of art. 2427, c. 1 n. 6 of the Civil Code, it is stated that there are no social debts secured by collateral.

Loans made by company shareholders

As of 31 March 2025, the company has no shareholder loans.

There are no payables with a residual duration of more than five years.

Deferred income and accrued liabilities

Accruals and deferred income were calculated on an accrual basis, through repartition of costs and/or income common to two fiscal years

	Opening balance	Increase/Decrease	Closing balance
Accrued liabilities	-	-	-
Total accrued expenses and deferred income	-	-	-

There were no deferred income and accrued expenses to report at 31 March 2025.

Commitments not disclosed in the balance sheet and memorandum accounts

Under Article 2427, paragraph I, paragraph 22-ter) of the Civil Code it is specified that the amount of guarantees issued by banking institutions and insurance companies towards the Company amounts to € 33.497.013.

It is specified that the guarantees have been given in order to allow the participation of the Company in hospital tenders.

Supplementary Notes – Profit & Loss

Revenues, income, costs and charges are recognized in accordance with Article 2425-bis of the Civil Code.

Production Value

Introduction

Revenues from product sales and income from services were recognized at the time of transfer of title which corresponded, respectively, with the criterion of delivery or shipment of the goods and their return. Revenues of a financial nature have instead been recognized on an accrual basis.

Revenues and income, costs and charges relating to currency transactions are calculated at the exchange rate on the date on which the relevant transaction is placed.

The value of production totalizing € 48.523.720, below it is shown a breakdown of revenues between sales, changes in inventories, other operating income and changes in absolute terms compared to the previous year.

Description	31 March 2024	Change in figures	31 March 2025
Sales	40.783.094	2.496.525	43.279.619
Changes in inventories of finished goods	(145.928)	2.122.683	1.976.755
Other operating income	2.517.107	750.240	3.267.346
Total	43.154.272	5.369.447	48.523.720

Revenues on sales of goods increased by € 2.496.525 as the net effect among the increase of Odomzo® sales for about € 2,9 million. The B2B segment also recorded an increase, amounting to approximately € 0,4 million, while a negative decrease was recorded in hospital sales of genetic drugs (€ 0,6 million) and in the retail channel (€ 0,2 million).

The item "other revenues and income" mainly includes the chargeback to Sun Pharmaceutical Industries Limited of the expenses incurred for the "brand" Business Unit, equal to approximately € 615 thousand, the chargeback of penalties (charged by hospitals for failures on supply under public tenders agreements) for approximately € 1,4 M, and the chargeback of regulatory fees paid of approximately € 1,2 M.

It also includes some invoices issued for "downpayment" provided for in some contracts (€ 55,000).

Breakdown of sales and service revenues by business segment and by geographic area

Breakdown of sales and service revenues by business segment is not provided as the information is not significant; the breakdown by geographical area is also not significant, since the predominance of sales (99%) is made to customers in the Italian territory.

Production Costs

Comment

Costs and charges are allocated on an accrual basis, in compliance with the principle of correlation with revenues, and recorded in the respective items in accordance with the provisions of accounting standard OIC 12.

The costs for the acquisition of goods and services are recognized in the income statement net of adjustments for returns, discounts, allowances, and bonuses.

The costs of production amounted to a total of € 48.019.856. Below it is shown the composition and changes in absolute value compared to the previous year.

Description	31 March 2024	Change in figures	31 March 2025
Raw materials, subsidiary materials, consumables and goods for resale	27.951.204	2.131.219	30.082.423
Services	6.056.597	56.550	6.113.146
Rents and leases	211.132	24.509	235.641
Personnel costs	2.449.388	104.589	2.553.976
Depreciation and other amounts written off tangible and intangible fixed assets;	383.364	2.442.417	2.825.782
Risk provisions	3.554.842	967.246	4.522.088
Other provisions			
Other operating costs	1.368.948	317.852	1.686.800
Totale	41.975.475	6.044.382	48.019.856

The increase in the cost of goods sold is driven by the increase in sales volumes; however, the absolute incidence of the cost of sales on the value of production decreased, falling to 62% compared to 65% in the previous year.

The costs for services are almost similar to the last fiscal year, although with different dynamics of the individual items that make up this category of expenditure.

The costs for the use of third-party assets have only increased in the car rental costs component as a result of changes in the car fleet and in its management

The increase in personnel costs is mainly attributable to salary increases granted to personnel in force during the year and to costs for transactions with discontinued personnel.

The change in the item "Depreciation, amortization and impairment losses" is mainly composed of the higher provision for doubtful accounts made in the year to 31 March 2025 and which has already been commented on.

The provision for risks of € 4.522.088 represents what was recorded during the year as the best estimate of hospital clawback for the year 2024 and for the first quarter of 2025 (approximately € 3,6 million), as well as the integration made to the allocation for hospital clawback 2023 (approximately € 0.9 million).

The item "other operating expenses" mainly consists of: the costs for penalties charged by hospitals for failure to supply medicines for approximately € 1,4 million; the 1.83% payback on the retail channel for approximately € 157.000; membership fees of approximately € 70 thousand.

Financial income and expenses

Financial income and expenses are posted on an accrual basis in relation to the amount accrued in the year.

Composition of income from investments

There are no income from investments as per art. 2425, n. 15 of the Civil Code.

Allocation of interests and other financial costs by type of debt

The following table gives evidence of the interests and other financial expenses as per art. 2425, n. 16 of the Civil Code, with specific split between those concerned bonds, bank debt and other cases.

	From Parent Companies	From Companies controlled by Parent Companies	Others	Total
Interests and other financial income	-	-	129.498	129.498

Interest income refers to interest on bank accounts (€ 119.498) and interest paid by a customer with whom a settlement agreement has been signed (€ 10.000).

Breakdown of interest and other financial charges by type of debt.

The following table highlights the interest and other financial income referred to in art. 2425, no. 17 of the Civil Code, with a specific subdivision between those relating to bond loans, payables to banks and other cases.

	To Parent Companies	To Companies controlled by Parent Companies	Others	Total
Interests and other financial charges	-	-	2.491	2.491

Interest expense mainly refers to interest on bank accounts.

Gains/losses on foreign exchange

Below the information regarding the gains or losses on exchange differences by distinguishing the component realized from valuations of assets and liabilities recorded in the balance sheet at year-end.

Description	Amount in statement	Evaluation component	Realized component
<i>Profit and loss on exchange</i>			
Profit on exchange	399	399	-
Loss on exchange	(356)	(356)	-
Total	44	44	-

Income taxes for the year, current and deferred

Income taxes for the year, current and deferred

The company posted the provision for income taxes based on the application of the tax laws in force. The taxes for the year are represented by current taxes, as well as resulting from the tax return, deferred taxes and deferred tax assets relating to positive or negative income components, respectively subject to taxation or deduction in other years than those of recording in compliance to the Civil code.

Below, in detail, the information required by. 2427, paragraph 1, point 14, letter a) and b), namely:

- a) a description of the temporary differences that led to the recognition of deferred tax assets and liabilities, with specific indication of the rate applied, the changes compared to the previous year and the amounts credited or debited to the income statement or in equity; please note that there are no items excluded from the calculation;
- b) the amount of deferred tax assets recognized in the balance sheet relating to losses occurring during this FY and the past FYs and the reasons for recording.

Below is the breakdown of the temporary differences that generated the deferred taxes.

		Fiscal Year 31 March 2025	
		Temp diff	Tax effect
IRES	Bad debt provision	3.966.132	951.872
	Inventory provision	442.140	106.114
	Product return provision	139.666	33.520
	Bonus	131.619	31.589
	Severance	10.000	2.400
	Payback provision	4.530.300	1.087.272
	Tax Losses	7.630.047	1.831.211
	Total	16.849.904	4.043.977
		-	-
IRAP	Product return provision	139.525	5.441
	Total	139.525	5.441
Total			4.049.419

The accounting treatment of deferred taxes was made as set forth by Accounting Standard OIC 25 of the Board of Certified Chartered Accountants and Registered Auditors as it is reasonably certain to achieve taxable income over the future FYs and that said losses can be indefinitely carried forward.

Reconciliation between tax liability from the balance sheet and theoretical tax charge

In compliance with the provisions of Accounting Standard n. 25 laid down by the National Association of Certified Chartered Accountants, we report here below the detail of the reconciliation between the statutory tax liability resulting from the Financial Statements and the theoretical tax burden.

IRES

Description	Amounts
Profit before tax	<u>630.827</u>
Tax (theoretical)	151.398
Permanent increase variances	403.024
Temporary increase variances	8.134.427
Total increase variances	8.537.450
Permanent decrease variances	232.800
Temporary decrease variances	4.331.177
Total decrease variances	4.564.177
Total variances	3.973.273
Tax loss use	(3.683.280)
Donations	0

ACE	
Taxable Income	920.820
Current Tax IRES	220.997

IRAP

Description	Amounts
Difference between production value and production costs	503.863
Non deductible costs IRAP	9.876.733
Taxable Income IRAP	10.380.596
Theoretical Tax (rate 3,9%)	404.843
Permanent increase variances	-
Temporary increase variances	10.141
Total increase variances	10.141
Permanent decrease variances	94.944
Temporary decrease variances	8.116
Total decrease variances	103.060
Total adjustments	(92.919)
Taxable Income	<u>10.287.677</u>
Deduction of increase in employment	2.553.976
Net taxable	<u>7.733.701</u>
IRAP current Tax	301.614

Also to be pointed out that:

- Deferred tax assets and liabilities were calculated on the basis of the average rates expected for the FY when temporary differences will be reversed;
- Deferred tax assets are recorded because it is reasonably certain that during the FY when the aforesaid temporary differences are reversed, the taxable income will not be lower than said losses;

Supplementary Notes – Other Information

Here following other information required by articles 2427 and 2427 bis of Civil Code are reported.

Employment Data

The chart below shows the average number of employees, grouped by category and calculated considering the daily average:

Category	Number
Managers	2
Executives	16
Office workers	6
Total	24

Remuneration to Directors and Statutory Board of Auditors

No remunerations is provided to the Board of Directors.

Following the change of the company name, which took place on 6 October 2020, the company decided to renounce, starting from that date, the function of the board of statutory auditors.

Remuneration to legal auditor of audit firm

The remuneration due to the Audit Firm (REV01 srl.) is:

- Fees for auditors: € 14.000.

Categories of shares issued by the company

The number of company's shares is 50.000 and their nominal value is € 1 each.

There are no classes of shares other than ordinary. All shares are owned by the sole shareholder of the Company since its incorporation.

All subscribed shares have been fully paid.

Securities issued by the company

The company has not issued any securities or similar value falling within the provisions of art. 2427. 18 Civil Code.

Information on financial instruments issued by the company

The company has not issued other financial instruments referred to in n. 19 of the 1st paragraph of art. 2427 of the Civil Code.

Summary financial statements of the company exercising the management and coordination activity

Sun Pharmaceuticals Industries Limited is the company that now carries out the management and coordination activities with headquarters in Mumbai; as of the date of this Note, the latest available financial statements related to the year ended 31 March 2024, which are reported below:

Standalone Balance Sheet

As at March 31, 2024

		₹ in Million	
Particulars	Notes	As at March 31, 2024	As at March 31, 2023
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3 (a) & 3 (b)	45,391.4	47,332.5
(b) Capital work-in-progress	3 (d)	3,882.4	3,288.7
(c) Goodwill	4 (a)	1,208.0	1,208.0
(d) Other intangible assets	4 (a)	30,768.0	38,576.2
(e) Intangible assets under development	4 (b)	3,778.7	5,240.4
(f) Investments in the nature of equity in subsidiaries	5 (a)	123,985.8	123,985.8
(g) Investments in the nature of equity in associates	5 (b)	245.1	-
(h) Financial assets			
(i) Investments	6	68.8	144.0
(ii) Loans	7	33,869.0	6,327.0
(iii) Other financial assets	8	520.4	570.5
(j) Deferred tax assets (Net)	9	9,945.2	10,323.9
(j) Income tax assets (Net)	10	5,033.8	5,861.3
(k) Other non-current assets	11	2,407.2	2,365.1
Total non-current assets		261,103.8	245,223.4
(2) Current assets			
(a) Inventories	12	34,236.2	39,891.9
(b) Financial assets			
(i) Investments	13	-	2,002.6
(ii) Trade receivables	14	88,341.6	71,250.2
(iii) Cash and cash equivalents	15	3,264.6	4,102.8
(iv) Bank balances other than (iii) above	16	119.3	110.0
(v) Loans	17	6,555.1	33,470.3
(vi) Other financial assets	18	7,695.5	5,824.0
(c) Other current assets	19	8,913.1	7,785.7
Total current assets		149,125.4	164,437.5
Assets classified as held for sale	3 (c)	418.7	214.0
TOTAL ASSETS		410,647.9	409,874.9

Standalone Balance Sheet

As at March 31, 2024

			₹ in Million
Particulars	Notes	As at March 31, 2024	As at March 31, 2023
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	20	2,399.3	2,399.3
(b) Other equity	21	234,544.7	235,084.3
Total equity		236,944.0	237,483.6
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	22	110,360.1	75,867.3
(ii) Lease liabilities	48	1,669.1	1,815.1
(iii) Other financial liabilities	23	10,772.0	3,912.2
(b) Other non-current liabilities	24	4,254.0	5,074.5
(c) Provisions	25	2,197.3	2,061.6
Total non-current liabilities		129,252.5	88,730.7
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	26	106.0	59.4
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	45	704.6	1,194.2
(b) total outstanding dues of creditors other than micro and small enterprises	45	25,491.2	30,061.6
(iii) Lease liabilities	48	133.9	166.4
(iv) Other financial liabilities	27	7,188.1	40,640.1
(b) Other current liabilities	28	4,730.5	3,437.7
(c) Provisions	29	6,090.8	8,095.0
Total current liabilities		44,445.1	83,654.4
Liabilities directly associated with assets classified as held for sale	3 (c)	6.3	6.2
Total liabilities		173,703.9	172,391.3
TOTAL EQUITY AND LIABILITIES		410,647.9	409,874.9

The accompanying notes are an integral part of the standalone financial statements.

As per our report of even date

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration No.: 324982E/E300003

per **PAUL ALVARES**

Partner

Membership No.: 105754

Mumbai, May 22, 2024

For and on behalf of the Board of Directors of

SUN PHARMACEUTICAL INDUSTRIES LIMITED**DILIP S. SHANGHVI**

Chairman and Managing Director

(DIN: 00005588)

AALOK D. SHANGHVI

Whole-time Director

(DIN: 01951829)

ANOOP DESHPANDE

Company Secretary and Compliance Officer

C. S. MURALIDHARAN

Chief Financial Officer

Mumbai, May 22, 2024

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

Particulars	Notes	₹ in Million	
		Year ended March 31, 2024	Year ended March 31, 2023
(I) Revenue from operations	30	202,751.7	208,121.4
(II) Other income	31	4,657.6	2,790.3
(III) Total income (I + II)		207,409.3	210,911.7
(IV) Expenses			
Cost of materials consumed	32	44,293.8	51,656.3
Purchases of stock-in-trade		9,944.1	11,264.6
Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	1,803.2	(2,379.3)
Employee benefits expense	34	23,739.5	21,569.5
Finance costs	35	7,840.8	4,721.8
Depreciation and amortisation expense	3 (a) , 3 (b) & 4 (a)	16,006.2	16,008.7
Other expenses	36	67,972.2	61,784.3
Net (gain) / loss on foreign currency transactions		(877.2)	(502.6)
Total expenses (IV)		170,722.6	164,123.3
(V) Profit / (loss) before exceptional item and tax (III - IV)		36,686.7	46,788.4
(VI) Exceptional items	55 (2)	2,190.2	29,377.9
(VII) Profit / (loss) before tax (V - VI)		34,496.5	17,410.5
(VIII) Tax expense / (credit)			
Current tax	38	5,461.0	7,527.7
Deferred tax	9 & 38	453.7	(7,024.4)
Total tax expense (VIII)		5,914.7	503.3
(IX) Profit / (loss) for the year (VII - VIII)		28,581.8	16,907.2
(X) Other comprehensive income			
(A) Items that will not be reclassified to profit or loss			
a. Gain / (loss) on remeasurement of the defined benefit plans		(305.1)	113.4
Income tax on above		106.5	(39.6)
b. Gain / (loss) on equity instrument measured at fair value through other comprehensive income		4.8	(90.2)
Income tax on above		(1.7)	31.5
Total - (A)		(195.5)	15.1

Standalone Statement of Profit and Loss
for the year ended March 31, 2024

₹ in Million			
Particulars	Notes	Year ended March 31, 2024	Year ended March 31, 2023
(B) Items that may be reclassified to profit or loss			
a. Effective portion of gain / (loss) on designated portion of hedging instruments in a cash flow hedge		85.5	(192.4)
Income tax on above		(29.8)	67.2
Total - (B)		55.7	(125.2)
(X) Total other comprehensive income (A+B)		(139.8)	(110.1)
(XI) Total comprehensive income for the year (IX+X)		28,442.0	16,797.1
Earnings per equity share (face value per equity share - ₹ 1)	46		
Basic (in ₹)		11.9	7.0
Diluted (in ₹)		11.9	7.0

The accompanying notes are an integral part of the standalone financial statements.
As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **PAUL ALVARES**
Partner
Membership No.: 105754
Mumbai, May 22, 2024

For and on behalf of the Board of Directors of
SUN PHARMACEUTICAL INDUSTRIES LIMITED

DILIP S. SHANGHVI
Chairman and Managing Director
(DIN: 00005588)

AALOK D. SHANGHVI
Whole-time Director
(DIN: 01951829)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

C. S. MURALIDHARAN
Chief Financial Officer
Mumbai, May 22, 2024

Cash Flow Statement

In accordance with the recommendation made by the OIC here below it is reported the cash flow statement in the “indirect scheme” format as per provisions of accounting OIC 10.

	Amount at 31.03.25	Amount at 31.03.24
A. CASH FLOWS FROM OPERATING INCOME		
Result for the year	32.447	2.275.825
Income tax	598.380	(1.231.298)
Interest expense (interest income)	127.007	176.142
(Dividends)	-	-
(Gains) losses on disposal of assets	-	-
<i>1. Result for the year before income tax, interests, dividends and gain/losses on the sale</i>	<i>503.820</i>	<i>1.220.669</i>
Adjustments for non-cash items without impact in net working capital	-	-
Founds provisions	8.195.803	4.623.620
Depreciation of fixed assets	25.113	16.581
Devaluation of impairment losses	-	-
Other adjustments for non-cash items	-	-
<i>2. Cash flow before changes in net working capital</i>	<i>8.724.735</i>	<i>5.860.869</i>
Change in net working capital	-	-
Decrease (Increase) in inventories	(2.102.639)	2.349,928
Decrease (Increase) in trade receivables	1.032.525	(2.233.919)
Increase (decrease) in trade payables	84.920	(1.407.232)
Decrease (Increase) in accrued income and prepaid expenses	(5.668)	23.978
Increase (decrease) in accrued expenses and deferred income	-	-
Other changes in net working capital	(4.249.017)	8.048.224
<i>3. Cash flow after changes in net working capital</i>	<i>3.484.857</i>	<i>12.641.848</i>
Other adjustments	-	-

	Amount at 31.03.25	Amount at 31.03.24
Interest received (paid)	(299.040)	-
(Income taxes paid)	(307.946)	(231.647)
Dividends received	-	-
(Use of funds)	(4.310.763)	(5.748.525)
CASH FLOWS OPERATING INCOME(A)	(1.432.892)	6.661.676
B. CASH FLOWS GENERATED BY INVESTMENT ACTIVITY	-	-
Tangible assets	-	-
(Investments)	-	(61.620)
Sale price of divestments	-	-
intangible assets	-	-
(Investments)	-	-
Sale price of divestments	-	-
Financial fixed assets	-	-
(Investments)	-	-
Sale price of divestments	-	-
Financial assets other than fixed assets	-	-
(Investments)	-	-
Sale price of divestments	-	-
Acquisition or disposal of subsidiaries or branches of businesses, net of cash	-	-
FLOW OF FINANCIAL ASSETS INVESTMENT(B)	-	(61.620)
C. CASH FLOWS GENERATED BY FINANCING ACTIVITY	-	-
Third-party funding	-	-
Increase (decrease) in accounts payable to banks	-	-
Turning funding	-	-
Repayment of loans	-	(2.300.000)
Equity	-	-
Capital increase in payment	-	-

	Amount at 31.03.25	Amount at 31.03.24
Sale (purchase) of treasury shares	-	-
Dividends (and interim dividends) paid	-	-
<i>CASH FLOWS OF ACTIVITY OF FINANCING(C)</i>	-	(2.300.000)
Net increase (decrease) in cash	(1.432.892)	4.300.056
Cash on 01/04/2023	5.080.390	780.333
Cash on 31 March 2024	3.647.498	5.080.390
Change in net financial position	(1.432.892)	4.300.057
Unlike quadrature	- 0	- 0

Assets allocated to a specific business

This is to certify that at the date of closure of financial statements there are no assets allocated to a specific transaction, as per n. 20 of the 1st paragraph of art. 2427 of the Civil Code.

Funding for a specific business

This is to certify that at the date of closure of financial statements there is no funding for a specific business, as per n. 21 of the 1st paragraph of art. 2427 of the Civil Code.

Information about the fair value of financial instruments

This is to certify that no derivatives financial contract was signed.

Related party transactions

All related party transactions were carried out at market conditions and the corresponding revenues and costs were in line with those that could have been realized with third parties.

Relations with subsidiaries, related, parent companies and controlled companies do not include atypical and / or unusual transactions and are governed by normal market conditions.

Please refer to the Management Report for details of credit and debit positions as well as revenues and costs arising from all related party transactions.

Information about the Company preparing the consolidated financial statements

It is reported, pursuant to art. 2427 C.C. Nos. 22-quinquies/sexies, that Sun Pharmaceuticals Industries Limited is the company that prepares the consolidated financial statements at whose registered office indicated below the document is available:

Sun Pharmaceutical Industries Ltd. - SUN HOUSE
CTS No. 201 B/1 - Western Express Highway
Goregaon (E) Mumbai 400063 - India

Events occurred after the closure of Fiscal Year.

Pursuant to art. 2428 paragraph 3 point 5 of the Civil Code, there are no significant facts to report, except for the adhesion by Sun Pharma Italia srl, to the Verification Report (PVC) issued by the Revenue Agency - Provincial Directorate I Milan - regarding the verification for the purposes of Direct Taxes and IRAP for the tax period 1 April 2020 - 31 March 2021 and for VAT purposes for the tax period 2020. Following this adhesion, the Company proceeded to settle taxes and penalties on 6 May 2025 for a total amount of € 51.954,38

To date, there are no particular critical issues in the ability to supply customers and honor deadlines, and there have been no worsening in the management of cash flow worthy of reporting.

Proposed allocation of profits or loss coverage

Dear Shareholder, in light of the above, and after notifying that the indications of the art. 2446 of the Civil Code are not applicable for the Company, the Board of Directors proposes to allocate the profit for the year of € 32.447 to retained earnings.

Notes – Final part

Dear Shareholder,

We confirm that these Financial Statements, consisting of Balance Sheet, Income Statement and Notes to the Financial Statements, represent a true and fair view of the company's balance sheet and financial position and correspond to the accounting entries, and we invite you to approve the draft Financial Statements at 31 March 2025 as prepared by the Board of Directors

For the Board of Directors
Hellen de Kloet