

Chairman and Managing Director's Message



Dilip Shanghvi
Chairman and Managing Director

Dear Shareholders,

Fiscal 2024-25 was marked by robust growth for Sun Pharma as the Company continued to make progress towards its strategic goals and improve its capabilities. As we navigate the evolving landscape of the global pharmaceutical industry, we remain firm in our commitment to growth and profitability while proactively addressing the increasing risks faced by our Company and the industry.

Over the past few years, Sun Pharma's operating environment has undergone a remarkable change, prompting us to evolve in step with the shifting dynamics. Early in the decade, the COVID-19 pandemic disrupted medicine availability during a time of critical need, which led us to redesign our supply chains and strengthen local sourcing. Over time, significant price erosion in parts of generic business, including the US, has led us to adopt a more conservative approach to those markets. As healthcare budgets continue to soar across the world, pharma buyers across both Developed and Emerging Markets are seeking greater value for their medicine purchases.

In response, we are fortifying our branded portfolio with products that enhance the 'standard of care' while remaining strongly cost-competitive in the generics business.

Some of the challenges cited above are likely to remain or even escalate in the future. Due to increasing geopolitical uncertainties, reliable supply of safe medicines has become high priority for nations worldwide, leading to demand for on-shoring or near-shoring of pharma manufacturing. It is likely that price pressures on drug manufacturers may further increase. In this dynamic environment, our endeavour has been to stay competitive by continuously offering compelling value to our patients, prescribers and buyers.

A characteristic feature of the pharma industry is that it is highly regulated, with varied regulations across countries adding to the complexity of operations. Regulatory changes can impact the way we operate in any geography, making it imperative for us to remain agile. Given that we operate over 100 countries, with a portfolio comprising both innovative and generic products, our readiness to adjust to changes in the external environment is a distinct advantage that has served us well and should remain a source of competitive advantage in future.

The Company has evolved alongside its expanding operations, with a demonstrated ability to manage and grow multiple pharma businesses simultaneously. This diversification has made us less dependent on any geography, event or specific product. Further, within each of our businesses, our focused efforts to minimise risks have positioned us for sustainable growth.

During FY25, our global consolidated revenues grew by 9.0% to ₹ 520 Billion, while EBITDA grew by 17.3% to ₹ 153 Billion. Adjusted net profit was up by 19.0% to ₹ 120 Billion. Our return ratios also continued their upward trend.

Our Global Specialty or Innovative Therapies business continued on its growth trajectory during the year. The contribution of Global Specialty to the consolidated revenue increased from 18% in FY24 to 20% in FY25.

Over the last few years, we have made substantial investments to enhance our capabilities in the Global Specialty business. This includes senior-level hires across various functions and the strengthening of our in-house clinical development capabilities. Our Specialty R&D spend increased to US\$ 154 Million in FY25, reflecting our commitment to innovation. Having reached a critical mass, we are poised to increase our investments to scale up in the Innovative Therapies segment.

During the year, our market share continued to improve across geographies, including in India. We remain dedicated to serving patients and prescribers, a principle that has guided us since inception. Our recent initiatives include expanding our Global Specialty pipeline with new product introductions and increasing our field force in India and other Emerging Markets.

Operational Performance

We lead the Pharmaceutical market in India in value as well as prescription volumes as per AIOCD-AWACS data. In FY25, our India Formulation sales reached ₹ 169 Billion, up by 13.7% and accounting for about 33% of overall revenues. According to AIOCD-AWACS, our market share improved to 8.3% on a Moving Annual Total (MAT) basis ending March 2025 against 8.0% during the previous period ending March 2024. Our growth in India is primarily driven by higher volumes and new product launches. We have consistently demonstrated volume-led growth in comparison to the industry, which in turn, is primarily growing through price increases.

As per Specialty Market and Sales Resource Centre (SMSRC) data for MAT February 2025, Sun Pharma ranks #1 by prescriptions across 13 different classes of doctors. We sustained our momentum in India with 42 new product launches during FY25. We undertook field force expansion in India during the reporting year, adding 8% to our existing field strength. Our India field force expansion, implemented in successive rounds over the last five years, has helped us declutter our portfolio and expand our presence in Tier II and Tier III towns.

In the US, our revenue grew by 5.8% to ₹ 162 Billion, accounting for approximately 31% of our consolidated revenues. Our growth in the US has been driven by Specialty sales, with several products gaining sustained traction. The Generics business in the US, on the other hand, was adversely affected by the ongoing compliance issues at our manufacturing facilities, as well as additional competition in certain products.

Our sales in Emerging Markets grew by 9.2% to ₹ 94 Billion, contributing ~18% to our consolidated revenues. Our core markets, including Romania and Brazil, have continued to do well, recording strong double-digit growth in local currency terms.

Sales in the Rest of World (RoW) markets grew by 6.7% to ₹ 72 Billion, contributing ~14% to the consolidated revenues. Our performance was impacted by price cuts in Japan in the early part of the year. In RoW, growth in the Specialty business compensated for pricing pressure in the Generics business.

Global Specialty Business Performance

The Global Specialty revenue recorded a strong 17.1% growth to reach US\$ 1,216 Million during FY25. Key products such as Ilumya, Winlevi, Cequa and Odomzo continued to perform well globally. FY25 also proved to be an eventful year in terms of enhancing our Specialty pipeline.

At present, a significant portion of our investment in the Specialty business has not started to yield revenues. Our spend on the acquisition of Concert Pharmaceuticals and Checkpoint Therapeutics will only provide commensurate returns over a longer time-frame. These long-term returns are not assured merely by paying up the transaction value, as these investments have given us ownership of pre-revenue assets. We believe that when such long-term bets pay off, they have the potential to transform the business at scale. We shall therefore continue to allocate capital for such investments while remaining focused on driving growth in our core businesses and retaining our competitive advantage across each of them.

In May 2025, our Company announced completion of the acquisition of Checkpoint Therapeutics, Inc., which is a focused on developing novel treatments for patients with solid tumour cancers. With the acquisition, Sun Pharma has added Unloxcyt™ (cosibelimab-ipdl) – the first and only US FDA-approved anti-PD-L1 treatment for metastatic or locally advanced cutaneous squamous cell carcinoma (cSCC) – to the Company's global onco-dermatology franchise.

In October 2024, Sun Pharma announced a globally exclusive agreement with Philogen for the commercialisation, licensing, and supply of Fibromun (L19TNF), an innovative anti-cancer immunotherapy. Sun Pharma will be responsible for the global commercialisation of Fibromun, currently in registration trials for the treatment of soft tissue sarcoma and glioblastoma.

In July 2024, US FDA approved Leqselvi, an oral Janus Kinase (JAK) inhibitor for the treatment of severe alopecia areata. In April 2025, the US Court of Appeals for the Federal Circuit vacated the preliminary injunction that had restricted the medicine's market launch.

In June 2024, the European Medicines Agency (EMA) validated the submission of the Marketing Authorisation Application (MAA) for Nidlegly (melanoma and non-melanoma skin cancers).

Chairman and Managing Director's Message

Key Products from our Global Specialty-marketed Portfolio

ILUMYA/ILUMETRI is an IL-23 inhibitor used in the treatment of adults with moderate-to-severe plaque psoriasis, who are also candidates for systemic therapy or phototherapy. We market the product ourselves in several countries, including the US, Canada, Australia, Japan, and through our partners in Western Europe and China.

WINLEVI is a first-in-class topical androgen receptor inhibitor, approved by the US FDA, for the topical treatment of acne vulgaris in patients above the age of 12.

CEQUA, indicated for topical ophthalmic use, is the first and only US FDA-approved cyclosporine treatment delivered with NCELL™ technology. This product offers the highest concentration of cyclosporine for ophthalmic use approved by the US FDA, and is indicated to increase tear production in patients with dry eye, an inflammatory disease that afflicts more than 16 Million people in the US.

ODOMZO, a hedgehog pathway inhibitor, is indicated for the treatment of adult patients with locally advanced basal cell carcinoma (laBCC) that has recurred following surgery or radiation therapy, or for those who are not candidates for surgery or radiation therapy. Odomzo is available in the US and several other international markets.

LEVULAN KERASTICK+BLU-U combines a powerful 20% aminolevulinic acid HCl (ALA) topical treatment with blue-light precision while limiting exposure to the deeper tissue. It is the only Photodynamic Therapy indicated for the treatment of minimally-to-moderately thick actinic keratoses of the face or scalp, or actinic keratosis of the upper extremities.

Research & Development (R&D)

Our R&D investment for FY25 stood at ₹ 32 Billion, or 6.2% of the overall sales. During the year, we filed approximately 280 formulation dossiers globally.

Out of total R&D spend, Sun Pharma spent 40% on Specialty or Innovative R&D. Sun Pharma's Specialty R&D pipeline comprises seven candidates in various stages of clinical trials. Our pipeline in advanced clinical stage or post-approval stage is made up of the following products:

- **LEQSELVI**, a US FDA-approved JAK inhibitor indicated for the treatment of adults with severe alopecia areata. Open Label Extension studies for Leqselvi are ongoing.
- **UNLOXCYT**, a US FDA-approved anti-PD-L1 treatment for advanced cutaneous squamous cell carcinoma. Unloxcyt further bolsters our innovative portfolio in onco-derm therapy.

- **NIDLEGY™** is filed with EMA for the treatment of locally advanced fully resectable melanoma. NIDLEGY™ is also being investigated for the treatment of locally advanced melanoma and for the treatment of high-risk basal cell carcinoma and other non-melanoma skin cancers. Sun Pharma is the partner for commercialisation of the candidate in EU, Australia and New Zealand.
- Our currently marketed product, **ILUMYA**, is undergoing Phase-3 clinical trials for additional indication of treatment of psoriatic arthritis. Topline data for the studies is expected during the second half of CY25.
- **FIBROMUN** consists of the L19 antibody fused to tumour necrosis factor (i.e.L19TNF). Late-stage clinical trials with registration potential are going on in soft tissue sarcoma and glioblastoma.

cGMP Compliance

Adherence to global cGMP standards is a key priority for us, and we keep a relentless focus on 24x7 compliance to ensure uninterrupted supplies to our customers and patients worldwide.

We are facing US FDA compliance-related issues at three of our facilities. These include an import alert at the Halol facility, receipt of non-compliance letter for the Mohali facility, both during FY23. Additionally, our Dadra facility was accorded an Official Action Indicated (OAI) status in FY24. Besides these three, all our facilities remain compliant with global regulatory standards, including those of US FDA. We have completed the implementation of Corrective and Preventive Action (CAPA) in the Halol facility, which is currently awaiting US FDA inspection, and we are in the process of implementing CAPA at the Mohali and Dadra facilities.

Sustainability

Sustainability has become pivotal in building a more equitable, environmentally conscious, and sustainable future for all. Sustainability is not just a commitment but a shared responsibility that calls for decisive action. Our approach focuses on embedding sustainable practices into our operations to deliver long-term value for all stakeholders.

I am happy to let you know that Sun Pharma has been included in the S&P Global Sustainability Yearbook 2025, earning its place among the top 5% of pharmaceutical companies assessed by S&P globally for this Yearbook, which recognises companies within their respective industries that have demonstrated strong performance in corporate sustainability.

We have an unwavering focus on combating climate change. Key focus areas include improving energy efficiency, increasing the share of renewable energy, strengthening

water conservation, and advancing sustainable waste management. Attracting, retaining and nurturing a highly diverse and skilled workforce are also key focus areas for us. Our Corporate Social Responsibility (CSR) initiatives for the local communities are centred around areas like healthcare, education, water & sanitation, rural development, and environmental conservation. We implement focused and socially responsible initiatives with the objective of promoting the holistic development of our local communities. Our comprehensive corporate governance framework underpins our commitment to upholding the highest standards of ethical governance and enabling sustainable outcomes for all our stakeholders.

We are conscious of our responsibility towards the future of our planet, and it demands increased focus on climate resilience and responsible business practices. We will continue to endeavour to integrate ESG into our business strategy.

Enhancing Efficiency and Impact

Our focus has always been on sustainable cost reduction via technology interventions and process enhancements. We are also directing our efforts towards reducing working capital deployment across our businesses. Sustained efforts are being made to further improve our manufacturing efficiency, optimise our production footprint, and reduce overall fixed costs.

Net Cash and Deployment Opportunities

With a strong net cash position of approximately US\$ 3.1 Billion as of March 31, 2025, we are well-positioned to explore inorganic growth opportunities, including but not limited to strengthening our Global Specialty portfolio.

Overall Outlook

We anticipate mid to high single-digit consolidated topline growth in FY26, and expect our Global Specialty business to continue on its growth path. Our R&D spend in FY26 is likely to be in the range of 6%-8% of sales, with increased spending expected on Specialty products.

Top Priorities for FY26

- Enhance compliance across our manufacturing operation, and work towards achieving full regulatory resolution at the three facilities facing US FDA action
- Ensure the readiness for our upcoming launches, namely LEQSELVI and UNLOXCYT
- Advance our pipeline of Global Specialty products
- Prepare the business for potential disruptions arising from tariffs and geopolitical issues

- Ensure supply chain continuity and simultaneously focus on inventory optimisation
- Enhance IT systems to facilitate business operations and ensure security and digital transformation
- Embed sustainability practices across our operations as per our clear and actionable targets to achieve our sustainability goals
- Continued focus on cost and operational efficiency
- Sustain the positive momentum in improving overall return ratios

Our growth over the past four decades would not have been possible without the Company's dedicated workforce. In FY25, Sun Pharma employed more than 43,000 people worldwide. We continue to work towards ensuring that our Human Resource management systems keep pace with this expansion. It is our constant endeavour to treat all our employees in a fair and equitable manner.

We are grateful to our Board of Directors for their guidance and support.

Your support to us as a shareholder is of vital importance, and we hope that you will continue to repose your confidence in us in the future.

Regards,

Dilip Shanghvi

Chairman and Managing Director
Sun Pharmaceutical Industries Limited

Board of Directors



Dilip S. Shanghvi
Chairman and Managing Director



Dr. Pawan Goenka
Lead Independent Director



Rolf Hoffmann
Independent Director



Sudhir V. Valia
Non-Executive and Non-Independent Director



Gautam Doshi
Independent Director



Rama Bijapurkar
Independent Director



Aalok D. Shanghvi
Whole-time Director and Chief Operating Officer



Vidhi D. Shanghvi
*Whole-time Director**

* (Appointed with effect from May 22, 2025)

Leadership Team



Aalok D. Shanghvi
Whole-time Director and
Chief Operating Officer



Abhay Gandhi
CEO - North America



Kirti Ganorkar
Head - India Business



C. S. Muralidharan
Chief Financial Officer



S. Damodharan
CEO - API Business



Suresh Rai
Chief Human Resource Officer



Dr. Meeta Chatterjee
Chief Strategy Officer



Reem Malki
Chief Quality Officer



Dheeraj Sinha
Chief Information Officer



Hellen de Kloet
Head - Western Europe, Australia and New Zealand



Dr. Azadar H. Khan
Head - India Regulatory, Corporate Relations & CSR



Jayashree Satagopan
EVP, Chief Financial Officer (Designate)*



Sreenivas Rao
Head - Global Supply Chain



Dr. Marek Honczarenko
Head - Clinical Development



Sridhar Shankar
Head - Centre for Global Product and Innovation



Rahul Awasthi
SVP, Sun Global Operations

* (Appointed as CFO with effect from July 1, 2025)

Management Discussion and Analysis



Global Pharmaceutical Industry¹

The global pharmaceutical industry witnessed a transformative phase in the past year, driven by scientific breakthroughs, demographic shifts, evolving patient needs and rapid digitalisation. Amidst evolving global health demands and economic pressures, the industry strengthened its foundation for long-term growth while adapting to structural changes across regions and therapeutic segments.

In 2024, global medicine spending continued its upward trajectory, reflecting a growing demand for chronic care, specialty treatments and innovative therapies. Total pharmaceutical spending remains on course to exceed US\$ 2.3 Trillion by 2028, supported by a projected CAGR of 5–8%. While volume growth plateaued in 2023, it is expected to grow at an average rate of 2.3% through 2028, driven by emerging markets such as China, India, Southeast Asia and Latin America. These regions are poised to drive the next phase of global demand, in contrast to mature markets such as North America, Western Europe and Japan, where per capita consumption levels are already high and future growth is expected to moderate.

Therapeutic innovation has remained a key driver with increased use of specialty medicines for chronic and rare conditions, along with growing adoption of novel biologics and small molecule therapies. Oncology and immunology have continued to lead growth in therapy areas, while new developments in neurology and mental health treatments have added momentum. In particular, the rapid uptake of GLP-1 agonists for diabetes and obesity are signalling a paradigm shift in metabolic care, further reshaping usage trends.

Despite lower manufacturer net sales due to confidential rebates and pricing pressures, last few years have seen robust spending across key regions, driven by the launch of new brands and the expansion of innovative treatment options. Developed economies, while mature in terms of volume, have continued to invest in high-value therapeutics, contributing to a more diverse and innovation-led portfolio mix.

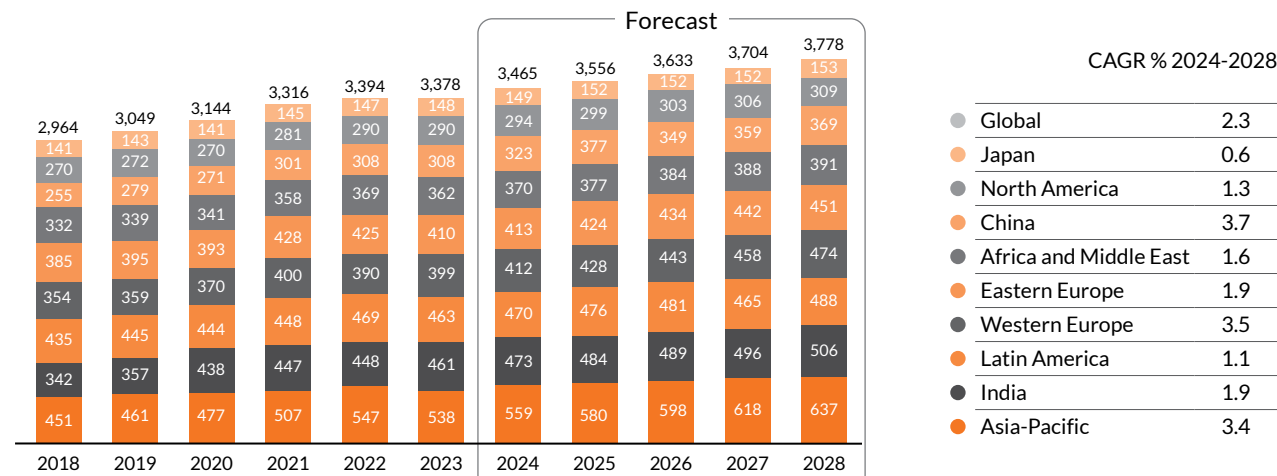
Digital transformation has advanced across the pharmaceutical value chain in last few years. Companies are adopting data-driven tools to optimise clinical trials, enhance patient targeting and strengthen supply chains. AI-enabled drug discovery, real-world evidence platforms and integrated digital health solutions are redefining how pharmaceutical organisations engage with patients and deliver care outcomes. Operational agility has also improved, supported by advancements in modular manufacturing and predictive analytics.

Global disparities in per capita consumption have persisted through last few years. High-income countries like Japan and Western Europe have recorded usage levels more than twice that of lower-income regions. While consumption is gradually rising in Africa and the Middle East, challenges in infrastructure, affordability and access continue to limit growth. These persistent gaps underscore the critical need for inclusive access strategies.

As cost pressures mount, particularly in developed economies, payers are recalibrating reimbursement models to ensure value-based outcomes. Efforts to moderate spending include greater emphasis on generics and biosimilars, performance-linked pricing mechanisms and cost-sharing arrangements with patients. Striking the balance between affordability and innovation remains a core priority for healthcare systems worldwide.

Graph 1
Global Pharmaceutical Industry Growth: 2018-2028¹

(Defined Daily Doses in Billions)



Source: IQVIA Institute, December 2023

Global Pharmaceutical Market
Table 1

(US\$ Billion)

Regions	2023	2019-2023 CAGR	2028	2024-2028 CAGR
Developed Markets	1,276	7.2%	1,775-1,805	5-8%
Pharmerging Markets	304	7.8%	400-430	10-13%
Other Markets	28	5.6%	33-37	3-6%
Global Pharmaceutical Market	1,607	7.3%	2,225-2,255	6-9%

Global Pharmaceutical Market - Share by Product Type¹
Table 2

(% of Total)

Region	Original Brands (%)		Non-original Brands (%)		Unbranded Generics (%)		OTC, Vaccines & Others (%)		Total (US\$ Billion)	
	2023	2028	2023	2028	2023	2028	2023	2028	2023	2028
Developed Markets	76	78-79	10	9-10	9	7-8	5	4-5	1,276	1,775-1,805
Pharmerging Markets	27	28-30	35	33-35	14	13-17	24	21-24	304	400-430
Other Markets	32	27-35	49	45-51	6	5-7	13	11-12	28	33-37
Global Markets	66	68-69	15	14-15	10	8-9	9	7-8	1607	2,225-2,255



Key Trends and Growth Drivers Shaping the Future

Global Demographic Dynamics

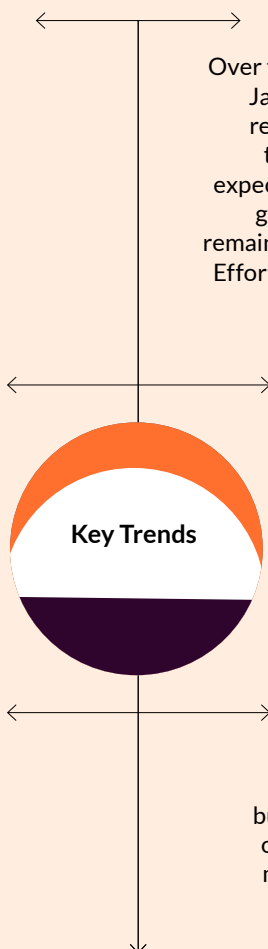
Demographic shifts are playing a key role in shaping future demand. Ageing populations and evolving disease burdens are increasing the need for advanced and long-term therapies, pushing companies to innovate around patient-centric solutions. Regions with younger populations and rising incomes are contributing to new consumption patterns.

Shifting Therapeutic Area Landscape

There has been continued expansion in advanced therapy areas, particularly oncology, immunology and endocrinology. These segments benefited from broader access to targeted treatments and innovation in clinical development.

Digital Health and Advanced Analytics

AI, machine learning and data-driven tools are transforming drug discovery, clinical trials and patient engagement. The growing adoption of digital health solutions is improving the speed, efficiency and personalisation of care delivery.



Per Capita Consumption Disparities

Over the past couple of years, countries including Japan and Western Europe have continued to report more than double the usage compared to developing regions. While consumption is expected to rise gradually across all geographies, growth in Africa and parts of the Middle East remains constrained by access-related challenges. Efforts to close this gap are likely to shape access and pricing strategies going forward.

Rise of Innovative Therapies

Biologics, small molecule therapies and precision treatments are increasingly gaining prominence in clinical practices. Their targeted approach, better efficacy and reduced side effects have made them popular among patients and physicians, especially in developed markets.

Supply Chain and Operational Agility

In response to economic and geopolitical shifts, companies continued to invest in building more resilient supply chains. The use of real-time analytics, AI-led forecasting and modular production models helped enhance responsiveness and efficiency.

Budget Pressures and Cost Containment

Developed markets are under pressure to manage rising drug expenditures. Strategies include broader adoption of generics and biosimilars, value-based reimbursement and stricter cost control measures; all of which influence product launches and market access planning.

Developed Markets

In developed markets, medicine spending growth is projected to range from US\$ 1.775 Trillion to US\$ 1.805 Trillion by 2028. This growth trajectory is driven by innovative therapeutics despite challenges from generic and biosimilar competition. Immunology treatments exhibit steady utilisation rises, with nearly half facing biosimilar competition, thereby driving increased usage. Over the forecast period, spending in developed markets is expected to accelerate, led by existing branded medicines and new products.

Developed Markets - Pharmaceutical Spending and Growth¹

Table 3

Region	2023	2019-2023 CAGR	2028	(US\$ Billion)	
				2024-2028 CAGR	
Top 10 Developed Markets	1,082	7.0%	1,505-1,535	5-8%	
Other Developed Markets	194	8.5%	255-285	5-8%	
Total Developed Markets	1,276	7.2%	1,775-1,805	5-8%	

US¹

Pharmaceutical spending in the US is projected to continue its steady growth through 2028, with invoice-level spending expected to increase by approximately US\$ 299 Billion over this period. This growth will be primarily driven by higher usage of existing protected branded products, which are estimated to contribute around US\$ 322 Billion in additional spending. A strong pipeline of innovation is also anticipated, with more than 250 new active substances (NASs) expected to launch, collectively adding around US\$ 119 Billion to overall spending. Notably, areas such as oncology, immunology, diabetes and obesity are expected to see significant advances, supported by a robust wave of next generation biotherapeutics.

However, the market will also face headwinds. Loss of exclusivity for both small molecules and biologics is expected to result in US\$ 145 Billion in reduced brand spending through 2028. This marks a significant increase compared to the previous five-year period. Additionally, the growing influence of biosimilars is expected to further moderate brand growth, although the uptake of interchangeable biosimilars has so far been slower than initially expected.

At the same time, broader market dynamics including expanded off-invoice discounts and rebates, shifting usage patterns, and increased generic and biosimilar competition are expected to shape overall net spending trends. As a result, while spending at invoice prices is forecast to reach US\$ 1,010 Billion by 2028, net spending is projected to increase more modestly by US\$ 91 Billion over the five years. The gap between invoice and net spending is also set to widen as discounts and rebates were estimated to lower net spending by 37% compared to invoice levels in 2023, expanding to 47% by 2028, particularly under the provisions of the Inflation Reduction Act (IRA).

Overall, while the U.S. pharmaceutical market remains on a growth trajectory driven by innovation and continued brand strength, pricing pressures and competitive dynamics are expected to intensify over the period.



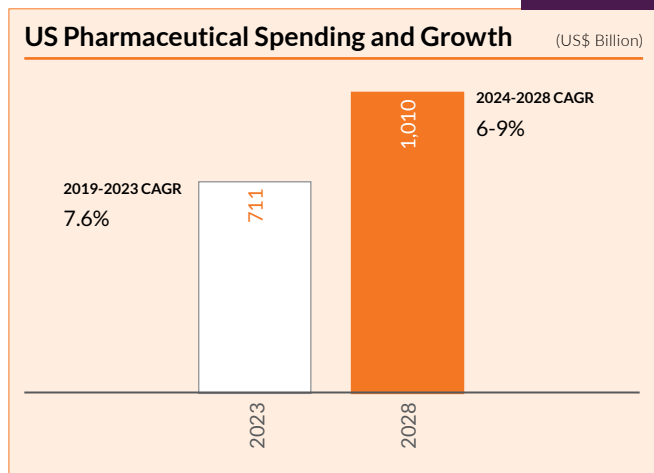
Top 5 Western European Markets (WE5)¹

Medicine spending in the top five European markets – Germany, France, Italy, Spain, and the UK – is projected to increase by US\$ 70 Billion over the next five years, compared to US\$ 65 Billion in the prior period. While growth continues, underlying dynamics are shifting, with budgetary constraints and evolving payer behaviour playing a more central role in shaping outcomes.

Spending growth will continue to be led by new brand launches, which contributed significantly between 2018 and 2023 and are expected to add US\$ 50 Billion through 2028. However, growth from new products may be tempered in the early years by residual pandemic-related challenges in commercialisation and later by increased scrutiny from health technology assessments and constrained reimbursement decisions as healthcare systems face broader inflationary and fiscal pressures.

Despite a substantial expected loss of exclusivity (LOE) impact of US\$ 32.2 Billion, net growth will remain positive. Over half of the LOE impact is anticipated to come from biologics, with biosimilars continuing to play a key role in cost savings. Europe's leadership in biosimilar adoption supported by an established regulatory framework since 2004; reinforces its ability to realise value from patent expiries, although increased biosimilar uptake will exert downward pressure on net spending.

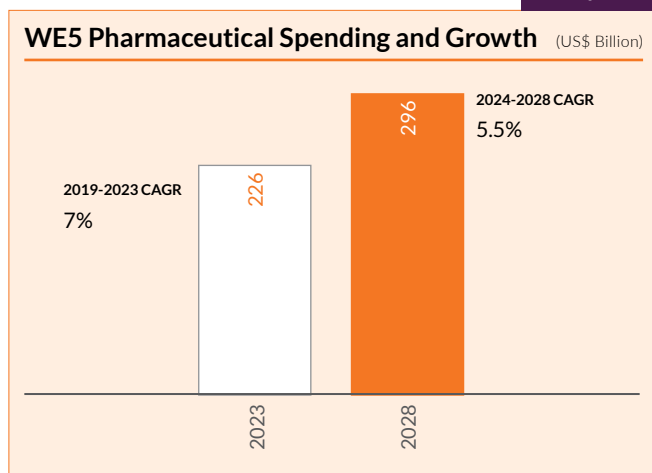
Graph 2



Generics and biosimilars are expected to contribute US\$ 18 Billion to growth over the next five years, in line with the past five years, as volume gains from LOEs are largely offset by continued price erosion and deflationary trends.

Over 175 new active substances (NASs) are expected to launch across the five leading markets by 2028, with new launches averaging 35–40 annually and contributing over US\$ 9 Billion per year in spending. Oncology will remain the dominant therapy area, accounting for nearly one-third of new products, alongside notable activity in neurology and rare diseases, and a growing pipeline of next-generation biotherapeutics, including cell and gene therapies and RNA-based treatments. While these innovations signal strong scientific progress, high upfront costs and limited patient populations are expected to prompt rigorous value assessments by national authorities.

Graph 3



Japan¹

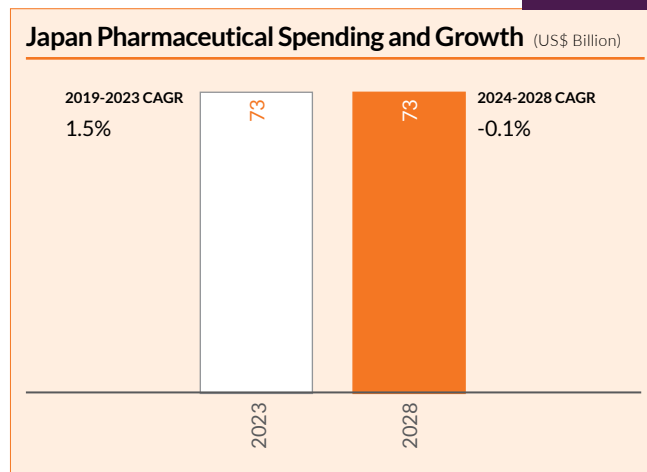
Japan's medicine spending is expected to remain nearly flat, with annual growth projected between -2% and 1% from 2023 to 2028. This outlook reflects a combination of structural pricing policies and ongoing shifts in market composition. Annual price revisions are set to continue throughout the forecast period. While price cuts in non-biennial years may be less pronounced, the shift to yearly revisions continues to weigh on overall spending. These pricing mechanisms are a key factor limiting growth, despite the steady introduction of new therapies.

Over the past decade, the share of protected brands in total spending has increased from 48% to 54%, indicating a shift in focus toward earlier launches of innovative medicines in Japan. Policy support has improved access to novel therapies, encouraging manufacturers to prioritise the market.

Spending on long-listed products, including older medicines that remain available despite the loss of exclusivity, has steadily declined, from 24% in 2014 to 11% in 2023, and is expected to fall further to 7% by 2028. This trend reflects a gradual move toward newer, more cost-effective treatment options.

Spending on generics is also expected to rise, supported by longstanding government policies aimed at increasing adoption. These include a combination of prescriber incentives and penalties for underuse, reinforcing the system-wide push for cost efficiency.

Graph 4



Pharmerging Markets¹

Medicine spending in pharmerging markets is expected to continue expanding through 2028, largely driven by increased use of generic and non-originator branded medicines. These markets remain price-sensitive and focus on improving access to basic healthcare needs, with growth primarily coming from higher volume rather than adoption of high-cost therapies.

Although some countries such as Russia and Turkey have transitioned into the 'other developed' category due to rising healthcare spending and improvements in GDP per capita, most pharmerging markets continue to operate under constrained healthcare budgets. As a result, specialty medicines accounted for just 13% of total pharmaceutical spending in 2023, and this share is not expected to change meaningfully over the next five years.

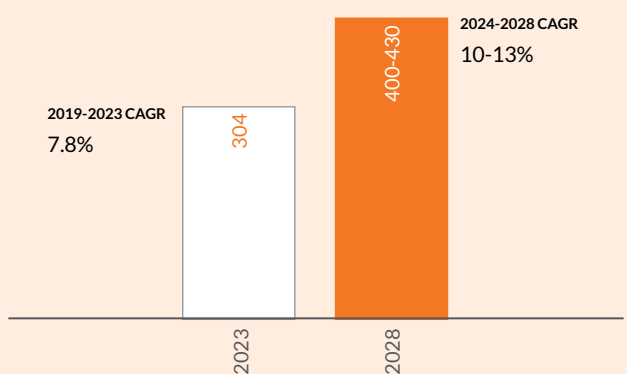
The lower spending share on originator products reflects the broader market reliance on generics and cost-effective alternatives. Pricing levels for pharmaceutical products in these regions remain well below those in developed markets, shaped by a combination of affordability challenges and policy emphasis on essential medicines.

While the overall outlook is positive in terms of access and volume growth, limitations in infrastructure, reimbursement frameworks, and access to advanced therapies continue to constrain the broader uptake of innovation. Nonetheless, sustained efforts to expand healthcare coverage and the role of local manufacturing are likely to support continued growth across these markets.

Graph 5

Pharmerging Markets – Pharmaceutical Spending and Growth

(US\$ Billion)



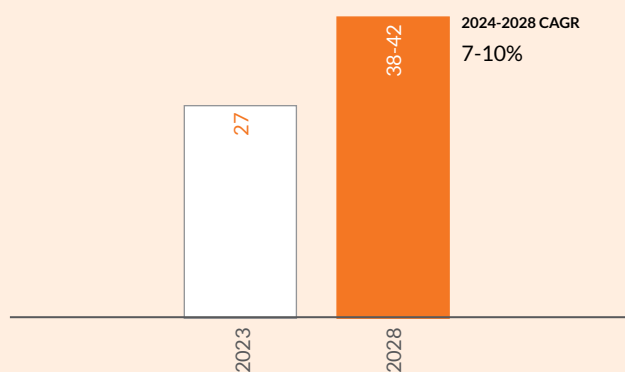
indicating a recovery in demand patterns. At the same time, chronic therapy areas like cardiac and respiratory treatments have sustained robust performance, supported by the rising burden of non-communicable diseases and improved diagnosis rates.

India's cost-sensitive market continues to favour high-volume, lower-cost products, with generics dominating the therapeutic landscape. However, ongoing investments in domestic manufacturing, greater healthcare outreach, and increasing insurance coverage are expected to further support growth across therapy areas.

Graph 6

Indian Pharmaceutical Spending and Growth

(US\$ Billion)



India¹

India's pharmaceutical market is projected to see strong growth, with medicine spending expected to reach US\$ 38-42 Billion by 2028, with a CAGR of 7-10% from 2024 to 2028. This growth is driven by a combination of expanding access, growing demand for treatments across both acute and chronic conditions, and continued reliance on affordable generic medicines.

In 2023, acute therapies such as anti-infectives and vitamins/minerals recorded notable volume increases,

Growth Drivers

Growing Population

India's growing population provides a larger consumer base for pharmaceutical products, driving demand.

Expertise in Low-Cost Manufacturing

India's proficiency in cost-effective end-to-end manufacturing processes enables competitive pricing of pharmaceutical products, both domestically and globally.

Demographic and Lifestyle Changes

Shifts in demographics and lifestyle patterns, such as an aging population and increasing prevalence of chronic diseases, lead to higher consumption of medications, particularly chronic medications.

Improving Affordability

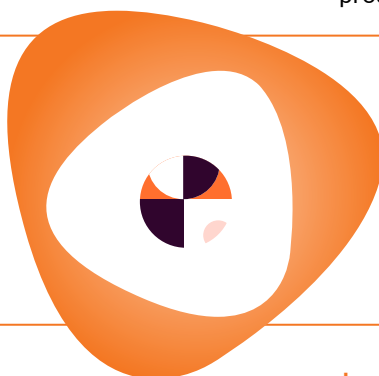
Rising per capita incomes contribute to improved affordability of healthcare and pharmaceuticals, making them more accessible to a broader segment of the population.

Government Support and Incentives

Various government schemes and incentives, such as the Production Linked Incentive (PLI) scheme, bolster the pharmaceutical industry, encouraging investment and growth.

Increasing Access to Modern Medicines

Efforts to enhance healthcare infrastructure and distribution networks are expanding access to modern and innovative medicines across the country.



Specialty Medicines¹

Specialty medicines are set to become an increasingly prominent segment of global pharmaceutical spending, with their share projected to reach 43% by 2028. In developed markets, this share is expected to exceed 55%, reflecting a continued shift toward therapies targeting chronic, complex and rare conditions. This trend highlights a growing focus on precision treatment and unmet medical needs.

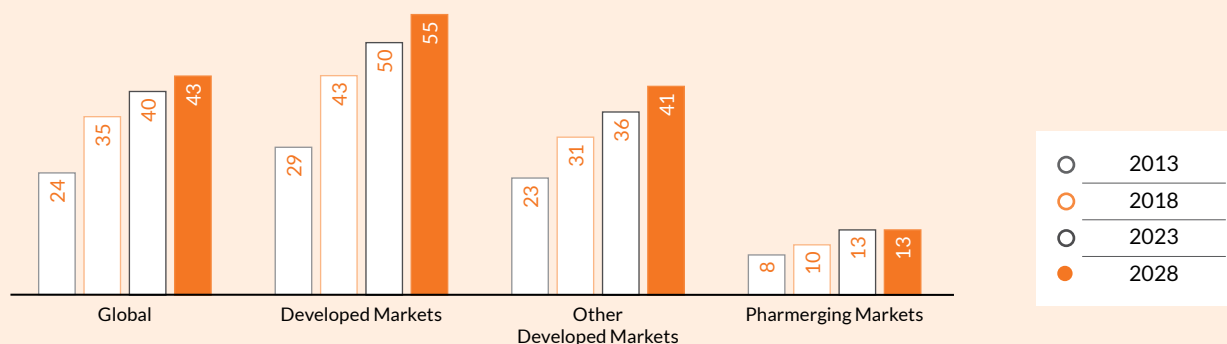
In contrast, specialty medicines account for a much smaller share of spending in pharmerging markets around 13%, which is likely to remain stable through 2028. Cost remains a key barrier, limiting broader access to these high-value therapies in lower-income settings.

While specialty medicines are typically used by a small portion of the population (2–3%), they play a critical role in managing serious diseases. Their continued growth underscores the evolving landscape of global healthcare, where treatment effectiveness and patient outcomes are increasingly prioritised despite higher unit costs.

Graph 7

Share of Specialty Medicines in Overall Pharmaceutical Spending – By Market

(%)



Active Pharmaceutical Ingredients (APIs)²

The global Active Pharmaceutical Ingredients (API) market was valued at US\$ 216.5 Billion in 2024 and is projected to grow at a CAGR of 6.7%, reaching US\$ 422.8 Billion by 2034.

This growth is driven by several factors, including the increasing prevalence of chronic diseases, the rising demand for generic and biosimilar drugs and advancements in drug manufacturing technologies. Additionally, the expansion of healthcare infrastructure in developing economies and the adoption of advanced technologies like artificial intelligence (AI) and machine learning (ML) in API development and manufacturing are contributing to the market's expansion.

Consumer Healthcare (CHC) Market³

The global consumer healthcare market is experiencing significant growth, with projections indicating a substantial increase in market size and evolving consumer behaviours. According to a report by The Business Research Company, the global consumer healthcare market is expected to grow from US\$ 537.77 Billion in 2023 to US\$ 663.81 Billion in 2024, reflecting a CAGR of 23.4%. This growth is attributed to factors such as an aging population, increased reliance on over the counter (OTC) medications, a focus on wellness and prevention, the expansion of e-commerce and online pharmacies and heightened health and fitness trends.

Looking further ahead, the market is projected to reach US\$ 1,476.45 Billion by 2028, maintaining a CAGR of 22.1%. This anticipated growth is driven by advancements in personalised health and genetics, the proliferation of digital health and telemedicine services, increased use of remote patient monitoring, the popularity of health apps and wearables and a rising demand for nutraceuticals and dietary supplements.

Sun Pharma: A Leading Global Pharmaceutical Company

Sun Pharmaceutical Industries Ltd. (hereinafter referred to as 'Sun Pharma', 'our Company' or 'we'), along with our subsidiaries and associates, is a global pharmaceutical company and the largest in India by market share. With a presence in over 100 countries, we offer medicines that address a wide range of healthcare needs across both chronic and acute therapies.

Building on this global reach, our diversified portfolio comprises specialty medicines, branded generics, generics and active pharmaceutical ingredients (APIs). We follow a therapy-focused approach, particularly in chronic and complex disease areas, to ensure relevance and impact across varied healthcare systems.

To support this diverse portfolio, we draw on strong R&D capabilities, scaled-up manufacturing and an extensive commercial network. Our products span multiple dosage forms, including tablets, capsules, injectables, sprays,

ointments, creams and liquids, enabling us to serve diverse markets effectively.

Our manufacturing infrastructure includes 40 facilities approved by leading global regulatory authorities. These are complemented by integrated R&D capabilities that encompass both early-stage novel research and generic development, backed by global clinical trial operations.

Driving these efforts is a committed workforce of over 43,000 employees, representing more than 50 nationalities. Their expertise and dedication underpin our innovation, quality and operational excellence across the value chain.

Guided by our purpose of Reaching People and Touching Lives Globally, we remain focused on expanding access to high-quality healthcare and creating long-term value through operational discipline, scientific progress and strategic growth.



Strong Global Positioning^{4,5}

Largest

Pharmaceutical company in India

Among the

Largest

Indian pharmaceutical companies in Emerging Markets

100+

Countries reach

43,000+

Global employee base

Leading

Global Specialty generic company

12th

Largest generic pharmaceutical company in the US

40

Global manufacturing sites across six continents

50+

Employee nationalities

Major Deals

Year	Deals	Country	Rationale
2025	Checkpoint Therapeutics Inc.	Global	First and only US FDA approved anti-PD-L1 treatment for metastatic or locally advanced cutaneous squamous cell carcinoma (cSCC)
2024	Completed Taro merger	Israel	Acquired outstanding shares of Taro, now a 100% subsidiary of Sun
2024	In-licensed Fibromun	Global	Innovative anti-cancer immunotherapy for the treatment of soft tissue sarcoma and glioblastoma
2023	In-licensed Nidlegly™	Europe, ANZ	New anti-cancer biopharmaceutical for the treatment of melanoma and non-melanoma skin cancers
2023	In-licensed Sezaby	US	Addition to portfolio of specialty branded products. Treatment of neonatal seizures
2023	Acquired Concert Pharma in the US	US	Adding a late-stage specialty product to dermatology franchise. Treatment of alopecia areata
2022	Acquired Ureactiv™ Portfolio from Fiterman Pharma	Romania	Expand non-prescription product basket in Romania and neighbouring markets
2022	In-licensing agreement to expand Winlevi®	Japan, Australia, New Zealand, Brazil, Mexico and Russia	Increasing access to new markets for Winlevi®
2022	Taro (Sun's subsidiary company) acquired Alchemee Business from Galderma	US, Japan and Canada	Acquired the 'Proactiv', 'Restorative Elements' and 'In Defense of Skin' brands. Strengthens Taro's OTC portfolio
2021	In-licensed agreement for Winlevi®	US and Canada	Topical treatment of acne vulgaris
2020	Exclusive out-licensing agreement with Hikma for Ilumya	Middle East and North Africa	Registration and commercialisation of the product in all Middle East & North Africa (MENA) markets
2020	In-licensing agreement with SPARC for SCD-044	Global	Potential indication in psoriasis, atopic dermatitis and other auto-immune disorders
2019	Out-licensing agreement with AstraZeneca UK for ready-to-use infusion oncology products	Mainland China	Access to oncology market in Mainland China
2019	Licensing agreement with CMS for tildrakizumab, Cequa and 8 generic products	Greater China	Access to Greater China market
2018	Acquired Pola Pharma in Japan	Japan	Access to Japanese dermatology market
2016	Acquired global rights for Cequa and Odomzo	Global	Enhances specialty pipeline
2016	Acquired Biosintez	Russia	Local manufacturing capability to enhance presence in Russian market
2016	Out-licensing agreement with Almirall for tildrakizumab	Europe	Access to European market for tildrakizumab
2016	Acquired 14 brands from Novartis	Japan	Entry into Japan
2015	Acquired InSite Vision Inc.	US	Strengthens branded ophthalmic portfolio in the US
2015	Sun Pharma-Ranbaxy merger	Global Markets	Strengthen position in the Global Generic Pharma Industry. #1 Pharma Company in India and strong positioning in emerging markets
2014	In-licensing agreement with Merck for tildrakizumab	Global Markets	Strengthening the specialty product pipeline
2014	Acquired Pharmeducence	US	Access to sterile injectable capacity in the US
2012	Acquired DUSA Pharma, Inc.	US	Access to specialty drug-device combination in dermatology segment
2010	Acquired Taro Pharmaceutical Industries Ltd.	Israel	Access to dermatology generics portfolio, manufacturing facilities at Israel & Canada
1997	Acquired Caraco	US	Entry into the US market

Global Specialty Business

Specialty medicines represent the latest generation of pharmaceuticals designed to treat chronic, complex and rare diseases. By 2023, specialty medicines constituted approximately 40% of global pharmaceutical spending, a notable increase from 35% in 2018. This upward trajectory is evident in the top 10 developed markets, where specialty medicines accounted for 50% of pharmaceutical spending in 2023 and are projected to reach 55% by 2028. This highlights the sustained growth momentum of specialty medicines in addressing the unmet medical needs of patients worldwide.

Share of Specialty Medicines in Overall Pharmaceutical Spending – By Market¹

Table 4

Year	2013	2018	2023	(US\$ Billion)	
				2028	
Top 10 Developed Market	29	43	50	55	
Other Developed Market	23	31	36	41	
Pharmerging Market	8	10	13	13	
Global Market	24	35	40	43	

Sun Pharma's Specialty Portfolio and Highlights

Since the acquisition of DUSA in 2012, we have steadily built a differentiated Global Specialty business, with a focused approach in dermatology, ophthalmology and onco-dermatology. These therapy areas continue to present unmet patient needs and we remain committed to addressing them through targeted innovation and strategic execution.

Our investments in the specialty segment are anchored in three core pillars:

Product Access

We continue to strengthen our portfolio through a combination of internal R&D, strategic acquisitions and in-licensing arrangements, enabling us to bring differentiated therapies to market.

Clinical Development

We are actively investing in the clinical development of specialty assets, aiming to introduce effective treatment options backed by strong scientific data.

Commercial Infrastructure

To support our growing specialty presence, we have built a dedicated front-end infrastructure in key markets, including the US and other global markets. This includes our own sales force, marketing capabilities and distribution channels to ensure efficient product availability and physician engagement.

Global Specialty revenues are tracked and reported separately, while also being integrated into the Company's geographical business segments, including the US market and other key regions.



FY25 Highlights

As of FY25, we have marketed 26 specialty products across global markets, with the majority of revenues coming from the US market. These products contributed ~20% to our consolidated revenues in FY25, a significant rise from ~9% in FY20, showcasing the success of our focused and long-term investment in the specialty business.

Currently Marketed Specialty Portfolio

Table 5

Product	Description
Ilumya/Ilumetri	<p>For treatment of adults with moderate-to-severe plaque psoriasis who are candidates for systemic therapy or phototherapy</p> <ul style="list-style-type: none"> Long-term clinical data shows that the significant response rate seen in 52 and 64 weeks were maintained over five years¹ Ongoing Phase-3 trials for Psoriatic Arthritis Current Markets: US, Australia, Japan, Canada, Europe (by partner) China (by partner) Out licensed to Hikma for Middle East & North Africa
Cequa	<p>To increase tear production in patients with keratoconjunctivitis sicca (dry eye)</p> <ul style="list-style-type: none"> Phase 3 confirmatory study observed clinically and statistically significant improvements in tear production and ocular surface integrity in patients⁶ Current Markets: US, Canada Out licensed to CMS for Greater China in June 2019
Odomzo	<p>Treatment of adult patients with locally advanced basal cell carcinoma (BCC) that has recurred following surgery or radiation therapy, or those who are not candidates for surgery or radiation therapy.</p> <ul style="list-style-type: none"> ODOMZO was shown to shrink laBCC in almost 6 out of 10 patients (56%) in a clinical study. laBCC Patients were treated with ODOMZO[®] and followed for at least 18 months⁵ Currently marketed in US, Canada, EU, Australia and Israel
Levulan Kerastick + BLU-U	<p>For photodynamic therapy (treatment) of minimally to moderately thick actinic keratoses of the face or scalp, or actinic keratoses of the upper extremities</p> <ul style="list-style-type: none"> First and only PDT-approved to treat the face and scalp as well as the upper arms, forearms and hands³ Current Markets: US
Winlevi	<p>Topical treatment of acne vulgaris in patients 12 years of age and older</p> <ul style="list-style-type: none"> Results from two pivotal clinical trials showed favourable safety and efficacy data for WINLEVI in patients with acne aged 12 years and older² Current Markets: US, Canada and Australia
Absorica LD	<p>Treatment of severe recalcitrant nodular acne in non-pregnant patients 12 years of age and older with multiple inflammatory nodules with a diameter of 5 mm or greater</p> <ul style="list-style-type: none"> After one 20-week course of ABSORICA therapy, 95% of patients didn't require additional isotretinoin treatment up to two years post treatment⁴ Current Markets: US
Yonsa	<p>In combination with methylprednisolone for the treatment of patients with metastatic castration resistant prostate cancer (CRPC).</p> <ul style="list-style-type: none"> YONSA[®] was shown in clinical studies to be an effective form of abiraterone acetate and can be taken with or without food, in combination with methylprednisolone⁹ Current Markets: US
Sezaby	<p>First and only product approved in the US for treating seizures in neonatal patients</p> <ul style="list-style-type: none"> NEOLEV2 study compared phenobarbital to levetiracetam in the first-line treatment of neonatal seizures. 24 hours following the administration, 73% vs. 25% were seizure-free in the respective groups¹⁰ Current Markets: US
Sprinkle portfolio	<p>For therapeutic solutions for long-term care (LTC) patients</p> <ul style="list-style-type: none"> Products using sprinkle technology for patients who have difficulty swallowing Sprinkle versions of metoprolol (cardiology), rosuvastatin (cardiology) & duloxetine (neuropsychiatry) Current Markets: US

Source: (1,2,4, 6, 9 & 10 - Sun press release), (3 - Levulan website), (5 - Product label),

Specialty Pipeline

Sun Pharma has a pipeline of seven specialty molecules undergoing clinical trials:

Global Specialty Pipeline

Table 6

Candidate	Mechanism of action	Indication	Preclinical	Phase 1	Phase 2	Phase 3	Registration
Leqselvi	JAK Inhibitor	severe alopecia areata	[Progress bar]				
Unloxyt	anti-PD-L1	metastatic cutaneous squamous cell carcinoma (cSCC) or locally advanced cSCC	[Progress bar]				
Nidlegy™	Immunocytokines	melanoma & non-melanoma skin cancers	[Progress bar]				
Ilumya	IL-23 Antagonist	psoriatic arthritis	[Progress bar]				
Fibromun	Innovative anti-cancer immunotherapy	soft tissue sarcoma	[Progress bar]				
		glioblastoma	[Progress bar]				
GL0034	GLP-1R Agonist	Type 2 diabetes	[Progress bar]				
MM-II	Liposomal intra-articular lubrication	pain in osteoarthritis	[Progress bar]				

All candidates for global markets except Nidlegy™ where Sun is commercial partner for Europe, Australia & New Zealand. Nidlegy™ is a trademark of Philogen.



Business Model

At Sun Pharma, we aim to drive sustainable growth, reinforce global leadership, and improve patient outcomes through a well-defined strategy delivered through our business model. Innovation enables us to bring differentiated therapies to market, addressing critical healthcare needs. We pursue cost leadership with a focus on affordability and access, reaching millions of patients across the world every day. Our business development efforts enhance capabilities and accelerate access to novel treatments. With a balanced approach to profitability and investment, we remain committed to delivering value while advancing patient care.

Our Businesses

US

India

Emerging Markets

Rest of the World (RoW)

Global Specialty*

Global Consumer Healthcare**

Active Pharmaceutical Ingredients (API)

*Global Specialty revenues are separately reported but also are a part of geographical businesses, included US and others

**Global Consumer Healthcare revenues are reported as part of geographical businesses, included India and others

Growth Strategies

Sustainable Growth

- Achieve critical mass in key markets
- Clear and actionable targets on sustainability
- Embed sustainability practices in businesses

Cost Leadership

- Optimise operational costs
- Leverage benefits of vertically integrated operations

Business Development

- Use acquisitions to bridge critical capability gaps while yielding target ROI
- Focus on access to novel products, technology, market presence

Balance Profitability and Investments

- Increase contribution of specialty and complex products
- Direct future investments towards differentiated products

Focus Areas

- Enhance share of specialty products in overall business
- Develop and commercialise differentiated and difficult-to-manufacture products
- Maintain market leadership and high brand equity in India – leverage strengths for in-licensing latest generation innovative products for the domestic market
- Gain critical mass across key international markets
- Focus on improving return ratios

Key Performance Indicators



EBITDA = (Revenue from contracts with customers + Other operating income) - (cost of material consumed + purchase of stock-in-trade + changes in inventories of finished goods, stock-in-trade and work-in-progress + employee benefits expense + other expenses + Net gain/loss on foreign currency transactions)

*As on March 31 of the respective year

**Property, plant, equipment and other intangible assets (at cost) includes capital work-in-progress & intangible assets under development

[#]Adjusted net profit after minority interests and adjusted earnings per share exclude the impact of exceptional items

^{##}RoW includes Western Europe, Canada, Israel, Japan, Australia, New Zealand and other markets

Financial Ratios

Consolidated

Table 7

Ratio	FY25	FY24	Variance (%)	Reasons (if Variance is >25%)
Return on Net Worth (%)	15.1	15.0	0.7	
Debtors Turnover (times)	4.0	4.2	(4.8)	
Inventory Turnover (times)	1.0	1.1	(9.1)	
Interest Coverage	63.4	49.6	27.8	Increase in Profit before interest and tax and reduction in debt
Current Ratio (times)	2.9	2.6	11.5	
Debt Equity Ratio (times)	0.03	0.05	(40.0)	Reduction in debt and increase in Net Worth
Operating Profit Margin (%)	28.3	25.7	10.1	
Net Profit Margin (%)	21.0	20.1	4.5	

Standalone

Table 8

Ratio	FY25	FY24	Variance (%)	Reasons (if Variance is >25%)
Return on Net Worth (%)	17.6	12.1	45.9	Return on Net Worth is higher for the year ended 31 March 2025, due to increase in profit
Debtors Turnover (times)	1.9	2.2	(14.2)	
Inventory Turnover (times)	1.6	1.6	(3.7)	
Interest Coverage	6.6	5.7	16.7	
Current Ratio (times)	1.0	3.3	(69.3)	Primarily due to Classification of loans taken as current loans during the year
Debt Equity Ratio (times)	0.46	0.47	(2.1)	
Operating Profit Margin (%)	27.2	25.5	6.6	
Net Profit Margin (%)	18.9	14.4	31.5	Net profit margin is higher for year ended March 31, 2025 due to lower profit in previous year on account of impairment of an acquired intangible asset under development

FY25 Business Highlights

We delivered a robust performance across our global operations in FY25, with consolidated topline growth of 9.0% over FY24. This growth was driven by our India and Emerging Markets business, which recorded a 13.7% and 9.2% year-on-year increase, respectively. Our US business reported a 5.8% rise in revenue, while Rest of the World markets registered steady growth compared to the previous year.

Our EBITDA grew by 17.3%, with an EBITDA margin of 29%, reflecting improved operating leverage. Adjusted net profit rose by 19% year-on-year, underscoring our commitment to profitable growth. These results reflect our continued focus on execution, operational discipline and creating long-term value across key markets.

US Business

31%

Share of Revenue

₹ 162,403 Million

Revenue in FY25

659

Cumulative ANDAs filed as on March 31, 2025

542

Cumulative ANDAs approved as on March 31, 2025

117

ANDAs pending USFDA approval as on March 31, 2025

70

Cumulative NDAs filed as on March 31, 2025

57

Cumulative NDAs approved as on March 31, 2025

13

NDAs pending USFDA approval as on March 31, 2025

Our US business comprises a mix of Specialty, Generics and OTC products, reflecting our broad-based presence in one of the world's largest pharmaceutical markets. We continue to rank among the top players in the US generics space, currently positioned as the 12th largest generic pharmaceutical company and hold the 2nd position by prescriptions in the US dermatology market.

We have built a strong portfolio across multiple therapeutic areas, with a strategic focus on specialty segment, including dermatology, ophthalmology and oncology. In FY25, the US business contributed 31% to our consolidated revenues.

Our integrated manufacturing capabilities with both onshore and offshore facilities, enable us to deliver a wide range of dosage forms. This is further reinforced by our strong commercial relationships with wholesalers, distributors, retail chains, healthcare providers and payors, reinforcing our presence in the US. The US business remains a key contributor to our consolidated revenues and continues to be a core focus area for sustainable growth.

Through this acquisition, we added UNLOXCYT™, the first and only FDA-approved anti-PD-L1 treatment for advanced cutaneous squamous cell carcinoma, to our specialty portfolio.

We continue to strengthen our specialty portfolio with clinical evidence that underscores the value of our innovative therapies. LEQSELVI™ (deuruxolitinib) 8 mg tablets was approved by the US FDA for the treatment of adults with severe alopecia areata (AA). Clinical studies showed that 95% of patients taking deuruxolitinib twice daily reported improvement in their satisfaction with hair regrowth over a 24-week period, an important outcome for a condition often associated with depression and anxiety. Additional data demonstrated clinically meaningful improvements in mental health outcomes and provided dose optimisation insights at the 8 mg level, reinforcing the therapy's overall effectiveness.

We also presented 12 posters on ILUMYA® (tildrakizumab), highlighting its sustained efficacy and safety in moderate-to-severe plaque psoriasis, including interim findings from real-world clinical settings. These results further support ILUMYA®'s consistent performance and its role in improving patient outcomes in dermatology.

Milestones in the US Business

Table 9

Year	Major Initiatives
FY24	<ul style="list-style-type: none"> Acquired outstanding shares of Taro, now a 100% subsidiary of Sun
FY23	<ul style="list-style-type: none"> Launched SEZABY in the US
FY22	<ul style="list-style-type: none"> Launched Winlevi® in the US
FY20	<ul style="list-style-type: none"> Launched Cequa and Absorica LD in the US
FY19	<ul style="list-style-type: none"> Launched Ilumya, Yonsa & Xelpros in the US Released Ready-to-Infuse INFUGEM™
FY18	<ul style="list-style-type: none"> Launched Odomzo in the US
FY13	<ul style="list-style-type: none"> Acquired DUSA for entry into branded specialty
FY10	<ul style="list-style-type: none"> Acquired Taro Pharma for entry into US dermatology
FY98	<ul style="list-style-type: none"> Entry into the US through Caraco acquisition

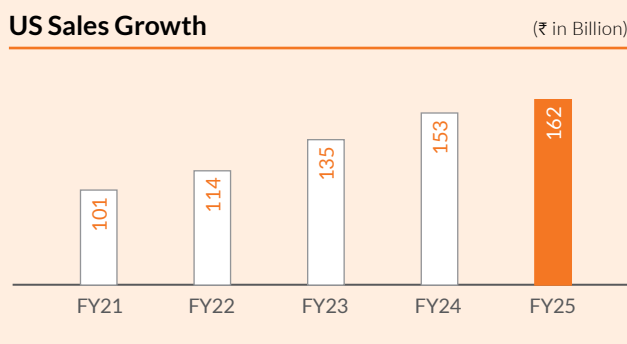
FY25 Highlights

Revenues from the US grew by 5.8% Y-o-Y to ₹162,403 Million in FY25. The growth was mainly driven by specialty with all growth products contributing, like Ilumya, Cequa, Winlevi and Odomzo.

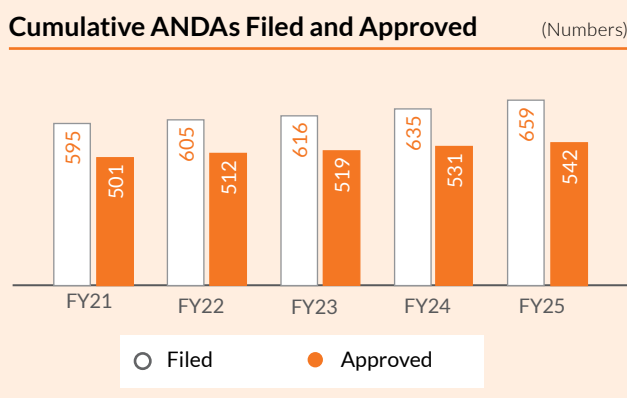
New Product Approvals, Launches and Acquisitions in the US

We acquired Checkpoint Therapeutics Inc. ('Checkpoint'), an immunotherapy and targeted oncology company.

Graph 18



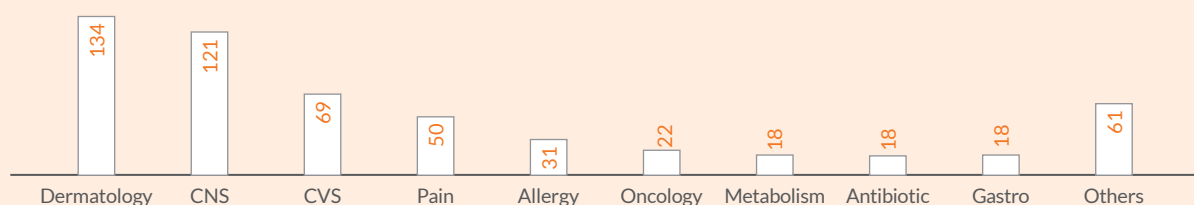
Graph 19



Graph 20

ANDA Approvals by Therapeutic Areas as of March 2025

(Numbers)



Road Ahead

- Enhance share of specialty/branded business
- Continue to focus on complex generics and high entry barrier segments
- Ensure broad product offering to customers across multiple dosage forms
- Focus on compliance, product robustness and supply chain efficiencies

India Business: Largest Pharma Company in India^{4,5}

33%

Share of Revenue

₹ 169,230 Million

Revenue in FY25

#1

Rank by prescription with 13 different classes of doctors

29

Brands among India's top 300 brands**

#1

Rank with 8.3% market share**

~15,000

Total field force

**As per AIOCD AWACS data for 12 months ended March 2025

Sun Pharma is India's largest pharmaceutical company, holding an 8.3% market share, with a strong presence in both the chronic and acute therapy segments. Our comprehensive portfolio spans a wide range of therapeutic areas including neuropsychiatry, cardiology, diabetes, gastroenterology, pain/analgesics, gynaecology, ophthalmology, urology, dermatology, respiratory, anti-infectives, oncology and more, enabling us to meet diverse patient needs across India.

We maintain leadership in the chronic segment and have a leading position in the acute space. Our product offerings include technically complex formulations and a well-diversified therapy basket, supporting our standing as a trusted partner for healthcare professionals.

Our reach across the country is enabled by a large field force, deep distribution network and strong brand equity with prescribers. We continue to introduce new products developed through in-house R&D and actively pursue strategic in-licensing opportunities to strengthen access to innovative therapies.

Graph 22

India Business Therapeutic Revenue Break-up

(%)

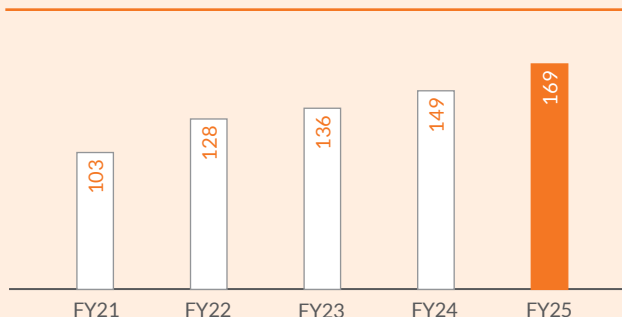


Therapy	(%)
Neuropsychiatry	20
Cardiology	17
Gastroenterology	14
Diabetology	8
Pain/Analgesics	7
Anti-infectives	6
Respiratory	5
Vitamins/Minerals/Nutrients	5
Dermatology	4
Gynaecology	4
Urology	3
Ophthalmology	3
Others	4

Graph 21

India Sales Growth

(₹ in Billion)



India Prescription Ranking - Leadership in Key Therapeutic Areas⁵

Table 10

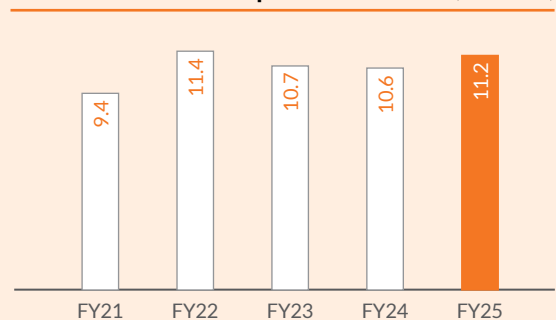
Specialist	February 2025	February 2024
Psychiatrists	1	1
Neurologists	1	1
Cardiologists	1	1
Diabetologists	1	1
Gastroenterologists	1	1
Nephrologists	1	1
Consultant Physicians	1	1
Urologists	1	1
Dermatology	1	1
ENT Specialists	1	1
Chest Physicians	1	1
Ophthalmologists	1	1
Oncology	1	3
Orthopaedic Specialists	2	2
General Surgeons	2	2
Gynaecologists	2	2

Best-in-class Field Force Productivity

Sun Pharma has built a team of well-trained and scientifically oriented sales representatives with a strong track record of performance. We continue to maintain the highest field force productivity among leading players in India. Over the years, including recent expansions, the sales force has been strategically strengthened to deepen geographical reach, enhance doctor coverage and improve brand focus across priority markets.

Graph 23

Sales Per Medical Representative (₹ in Million)



FY25 Highlights

Revenue from the India business* grew by 13.7% to ₹ 169,230 Million, driven by growth across most of the Company's therapies.

*Our India business comprises the branded formulations business, described here, and part of the global consumer healthcare business, described in a later section.

New Product Approvals, Launches and Acquisitions in India

- Sun Pharma entered into a non-exclusive patent licensing agreement with Takeda Pharmaceutical Company Limited (Takeda) to commercialise Vonoprazan tablets 10 mg, 20 mg in India under the brand name 'Voltapraz'. Vonoprazan is a novel, orally active potassium competitive acid blocker (PCAB), used to treat reflux esophagitis and other acid peptic disorders. Under the terms of this agreement, Takeda has granted Sun Pharma non-exclusive patent licensing rights for the commercialisation of Vonoprazan in India.
- Sun Pharma launched Tedizolid Phosphate tablets 200 mg in India under the brand name 'Starizo'. Starizo (Tedizolid Phosphate) is a novel, oxazolidinone-class antibacterial, used to treat Acute Bacterial Skin and Skin Structure Infection (ABSSI). Sun Pharma has obtained rights from MSD to develop, manufacture and commercialise Tedizolid Phosphate in India.
- Sun Pharma launched Fexuprazan tablets 40 mg in India under the brand name "Fexuclue®". Fexuclue®, a novel potassium competitive acid blocker (PCAB), is approved as a new treatment for adults with Erosive Esophagitis of all grades. Sun Pharma has obtained rights from Daewoong Pharmaceutical Co Ltd, Korea, a biopharmaceutical company, to manufacture and commercialise Fexuclue® (Fexuprazan) in India. As per agreement terms, Daewoong will be entitled to upfront and milestone payments, including royalties.

Sun Pharma launched its corporate brand campaign that highlights its profound impact on the lives of people. Centred around the theme of 'touching 1,000 lives every minute*', the campaign highlights Sun Pharma's contribution to the lives of patients, caregivers, doctors, pharmacists and communities. It reflects the Company's enduring commitment to innovation, improving access to medicine and patient care.

The campaign highlights how every minute 1,000 Sun Pharma medicines are prescribed across the world—bringing hope to millions, reinforcing its position as India's No. 1 pharma company#. The narrative brings to life how Sun Pharma is woven into the fabric of daily healthcare, illustrating the brand's presence in people's lives.

*Average number of prescriptions per minute based on IQVIA 2024. Prescription data for India and USA only.

#AIOCD AWACS 12 months ended Mar 2024

Road Ahead

- Focus on productivity enhancement
- Maintain leadership position in a fiercely competitive market
- Continuously innovate to ensure high brand equity with doctors
- Continue to evaluate in-licensing opportunities for latest generation patented products

Emerging Markets

18%

Share of Revenue

₹ 94,160 Million

Revenue in FY25

~80

Markets with sales reach

8

Markets with local manufacturing

Leading

Indian company in Emerging Markets

2,900+

Sales representatives

As a leading Indian pharmaceutical company in Emerging Markets, Sun Pharma has established a strong presence in over 80 countries. Our global footprint spans strategically important regions such as Romania, Russia, South Africa, Brazil and Mexico, where we continue to focus efforts to drive growth and expand reach.

With an extensive basket of branded generics and a customer-centric approach, we remain focused on understanding and addressing the specific needs of healthcare professionals and patients in each market. This has helped foster lasting relationships with prescribers and enhance brand adoption.

We support our global operations with a dedicated sales force of over 2,900 representatives across these markets. Additionally, we operate manufacturing facilities in countries including Bangladesh, South Africa, Malaysia, Romania, Egypt, Morocco, Nigeria and Russia, strengthening our supply chain and local manufacturing presence in key regions.

FY25 Highlights

Revenues from Emerging Markets grew by 9.2% Y-o-Y to ₹ 94,160 Million driven by growth across multiple markets.

Road Ahead

- Gain critical mass in key markets
- Enhance specialty product basket in Emerging Markets
- Focus on profitable growth

Rest of the World (RoW): Western Europe, Canada, Israel, Japan, Australia & New Zealand (ANZ) and Other Markets

14%

Share of Revenue

₹ 71,626 Million

Revenue in FY25

Leading

Indian company in RoW

4

Markets with local manufacturing

Sun Pharma is one of the leading Indian pharmaceutical companies with a strong presence across key international markets, including Western Europe, Canada, Australia & New Zealand (A&NZ), Japan, Israel and others. Leveraging our global expertise and strategic partnerships, we have built a formidable market presence in these regions.

Our expanding product basket includes specialty, hospital and retail offerings, with an increasing focus on developing and commercialising differentiated products to meet diverse healthcare needs.

We operate through a distribution-led model for our generic portfolio, while deploying a dedicated sales force to promote our specialty products in markets such as EU, Canada, Japan, Australia and Israel. Our manufacturing facilities in India continue to play a vital role in ensuring seamless supply and availability across these regions.

FY25 Highlights

Revenue from RoW markets increased by 6.7% to ₹ 71,626 Million

New Product Approvals, Launches and Acquisitions in Rest of World

- The European Medicines Agency (EMA) has validated the submission of the Marketing Authorisation Application (MAA) for Nidlegly™, which was finalised on June 3, 2025. Nidlegly™ is partnered with Sun Pharma for the treatment of skin cancers in Europe, New Zealand, and Australia.
- We presented abstracts from our dermatology portfolio at the 33rd European Academy of Dermatology and Venereology (EADV) Congress, held in Amsterdam, Netherlands, from September 25-28, 2024.

Road Ahead

- Enhance contribution of specialty products to revenues
- Focus on complex generic launches
- Gain critical mass in key markets

- Launched Revital Cal 500, a calcium supplement with a superior formulation to participate in the growing Calcium supplements market
- Entry into fast growing sodium alginate antacid segment with launch of Pepfix brand

Global Consumer Healthcare Business⁶**25+**

Countries footprint

Among

Top 10

Consumer healthcare companies in India, Romania, Nigeria and Myanmar

~500,000

Pharmacy and Retail outlets in India where Sun Pharma's products are available

Sun Pharma's Global Consumer Healthcare division continues to be recognised as one of the leading entities in India's healthcare sector. We operate in over 25 countries, including India, Romania, South Africa, Nigeria, Myanmar, Ukraine, Poland, Thailand, Belarus, Kazakhstan, Nepal, Morocco, UAE, Oman and others, underscoring our strong global presence. We have established strong brand equity in four countries and rank among the top 10 consumer healthcare companies in India, Romania, Nigeria and Myanmar.

In India, our flagship brands like Revital and Volini enjoy wide distribution through pharmacies, retail stores and e-commerce platforms. Our products are promoted through a dedicated sales force in each market, reinforcing our leadership in delivering quality healthcare solutions to consumers globally.

FY25 Highlights

- Sun Pharma's key brands – Volini and Revital – launched new communication campaigns focused on superiority to drive differentiation
- Implemented robust trade engagement programmes focused on improving trade recommendation, availability and visibility

Road Ahead

- Sustained focus and investments on our focus brands with a view of category development
- Leverage on our strong Brand Equity with launch of relevant line extensions and build a portfolio of products across new formats and benefit spaces
- Strengthening footprint in fast growing online and organised retail channels.
- Improving sales force efficiency and deploy effective trade marketing initiatives.
- Building 360 consumer outreach programmes to drive new trier acquisition across relevant touchpoints.

Active Pharmaceutical Ingredient (API) Business**4%**

Share of Revenue

₹ 21,292 Million

Revenue in FY25

~400 APIs

Product portfolio

~10-20 APIs

Scaled up annually

401

DMF/CEP approvals to date

529

DMF/CEP filings to date

14

Manufacturing units

With 14 state-of-the-art API facilities, we continue to strengthen our strategic backward integration, ensuring cost competitiveness and supply reliability. Our API division serves a wide clientele, including large generic and innovator companies and offers a diverse portfolio comprising approximately 400 APIs.

FY25 Highlights

Revenue from the API business increased by 11.0% to ₹ 21,292 Million.

Road Ahead

- Continue to focus on supporting the formulations business through the development of strategic APIs
- Ensure consistent supplies and high service standards for customers

Research and Development (R&D)

6.2%

R&D spend as percentage of sales in FY25

₹ 300+ Billion

Cumulative R&D expenditure till date

2,900+

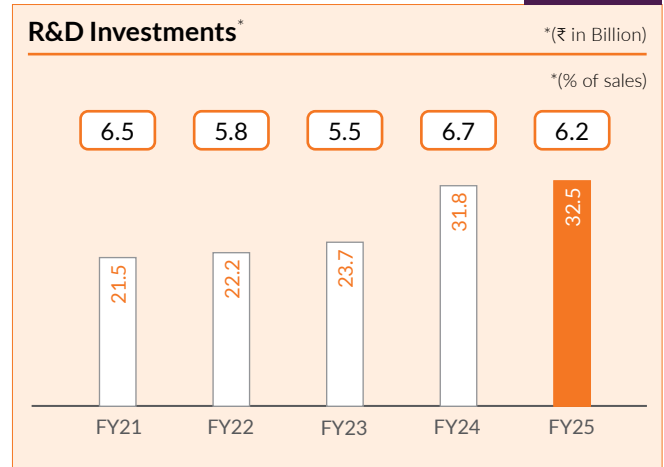
Strong R&D team

Our R&D capabilities span a wide range of dosage forms, including injectables, orals, liquids, ointments, gels, sprays, hormones and oral products. We continue to expand our global development capabilities, covering clinical trials, finished dosage development, biological support, chemistry and new drug development.

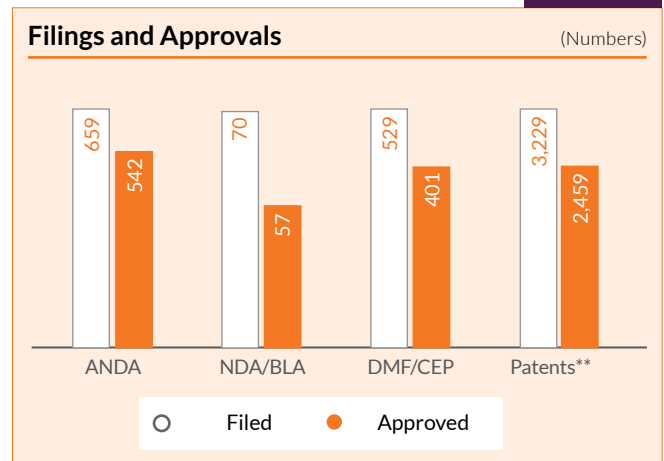
These efforts are backed by a strong and experienced team across multiple R&D centres globally. Our intellectual property experts play a critical role in supporting the development of specialty, complex and non-infringing formulations.

We remain committed to investing in innovation to build a robust portfolio of generics, branded generics and specialty products for markets around the world.

Graph 24



Graph 25



**Excludes Expired/Abandoned Patents (All data as of March 31, 2025)

FY25 Highlights

- Overall R&D investments for the year was ₹ 32,484 Million (6.2% of sales)
- Developed and filed ~280 product dossiers globally
- Addition and progress on Specialty R&D Pipeline

Road Ahead

- Focus on developing complex products across multiple dosage forms
- Invest to further build the specialty pipeline

Global Manufacturing Base: World-class Manufacturing Infrastructure

With a world-class manufacturing infrastructure and an extensive global footprint spanning India, the Americas, Asia, Africa, Australia and Europe, we have established a strong presence in the global pharmaceutical industry. Our vertically integrated network enables high-quality, cost-effective production and allows for swift market entry across geographies.

We are among a few companies with integrated manufacturing capabilities for oncology, hormones, peptides and steroidal drugs. Our facilities support a wide range of dosage forms, including orals, creams, ointments, injectables, sprays and liquids.

Our manufacturing facilities are approved by leading international regulatory authorities, including:

- US Food and Drug Administration (USFDA)
- UK Medicines and Healthcare Products Regulatory Agency (MHRA)
- European Medicines Evaluation Agency (EMA)
- Australia's Therapeutic Goods Administration (TGA)
- South Africa's Medicines Control Council (MCC)
- Germany's Federal Institute for Drugs and Medical Devices (BfArM)
- Brazilian Health Regulatory Agency (ANVISA)
- World Health Organization (WHO)
- South Korea's Ministry of Food and Drug Safety
- Japan's Pharmaceuticals and Medical Devices Agency (PMDA)

26

Finished dosage manufacturing facilities

14

API facilities

API Manufacturing Facilities

Table 11

Country	Number of API Facility
India	9
Australia	2
Israel	1
United States	1
Hungary	1
Total	14

Finishing Dosage Manufacturing Facilities

Table 12

Country	Number of Finished Dosage Facilities
India	12
United States	3
Morocco	1
Canada	1
Hungary	1
Israel	1
Bangladesh	1
South Africa	1
Malaysia	1
Romania	1
Egypt	1
Nigeria	1
Russia	1
Total	26

People: Nurturing a Diverse and Inclusive Global Workforce

With an extensive global workforce exceeding, 43,000 individuals from over 50 nations, Sun Pharma prioritises cultivating an inclusive workplace environment that fosters professional growth and advancement. Recognising the value of diverse perspectives, the Company promotes a culture of equality and opportunity. Through robust investment in learning and development initiatives, Sun Pharma empowers its workforce to stay ahead of the industry.

Quality Excellence

Our robust quality management system ensures that high standards are upheld across our research centres, manufacturing facilities, testing laboratories and distribution channels. We operate with a deep commitment to regulatory compliance and are certified under current Good Manufacturing Practices (cGMP) by global agencies, including:

- US Food and Drug Administration (USFDA)
- European Medicines Agency (EMA)
- World Health Organization (WHO)
- Australia's Therapeutic Goods Administration (TGA)

Our Corporate Quality Unit leads the implementation of evolving GMP standards and regulatory guidelines across the organisation, reinforcing our focus on delivering safe, effective and high-quality products to patients globally.

SWOT Analysis

Strengths	<p>Global Leadership</p> <ul style="list-style-type: none"> • Leading global specialty generics company • Largest pharmaceutical company in India by market share • Ranked #1 across 13 different classes of doctors in India • 12th largest generics company in the U.S. • 2nd largest by prescriptions in the U.S. dermatology segment • Among the largest Indian pharmaceutical companies in emerging markets <p>R&D and Product Development</p> <ul style="list-style-type: none"> • Robust R&D infrastructure and capabilities to develop technologically complex products in both generics and specialty segments <p>Growth and Profitability Focus</p> <ul style="list-style-type: none"> • Pragmatic mix of organic and inorganic growth initiatives <p>Strong Financial Position</p> <ul style="list-style-type: none"> • Strong balance sheet providing flexibility for inorganic growth without significant leverage, allowing future growth opportunities <p>Global Access and Affordability</p> <ul style="list-style-type: none"> • Ability to supply high-quality products at affordable prices across diverse global markets
Opportunities	<p>Favourable Macro-economic Environment</p> <ul style="list-style-type: none"> • Positive long-term growth for pharmaceutical products in India and emerging markets due to favourable macro-economic conditions <p>Specialty Products Growth</p> <ul style="list-style-type: none"> • Increasing contribution of specialty products in developed markets, with Sun Pharma positioned to capitalise on this trend through its existing specialty portfolio
Weaknesses	<p>Regulatory and Competitive Pressures</p> <ul style="list-style-type: none"> • Increased competitive intensity in the U.S. generics pricing environment, coupled with faster-paced generic drug approvals by the US FDA <p>Currency Volatility</p> <ul style="list-style-type: none"> • Significant volatility in forex markets, especially for emerging market currencies, potentially affecting reported growth despite growth in local currencies <p>Pricing Pressure</p> <ul style="list-style-type: none"> • Potential for government-mandated price controls in response to high global government deficits, impacting product pricing <p>Specialty Pipeline Investment</p> <ul style="list-style-type: none"> • High upfront investment in developing a specialty pipeline may impact short-term profitability
Threats	<p>Geopolitical Uncertainty</p> <ul style="list-style-type: none"> • Geopolitical issues impacting supply chains, inflation and overall economic stability <p>Regulatory and Pricing Pressures</p> <ul style="list-style-type: none"> • Rising regulatory scrutiny and potential government actions to control drug prices across global markets • Threat from government actions such as the imposition of tariffs and changes in payment models, including application of Most Favoured Nations model <p>Market Dynamics in Emerging Markets</p> <ul style="list-style-type: none"> • Competitive pressures from local and international pharmaceutical companies in emerging markets <p>Supply Chain Disruptions</p> <ul style="list-style-type: none"> • Global supply chain disruptions due to geopolitical tensions or economic downturns

Internal Control

Sun Pharma's leadership prioritises a strong internal control framework as a key pillar of sound governance and sustainable value creation. Designed to match the scale and complexity of operations, this framework ensures regulatory compliance, financial accuracy, and asset protection. It also enhances operational efficiency and supports strategic decision-making. By proactively identifying and mitigating risks, the Company reinforces investor confidence and long-term business resilience.

Global Internal Audit (GIA)

The Global Internal Audit (GIA) function operates independently at the corporate level, supported by a leading external audit firm. It conducts risk-based audits across all business units and support functions, ensuring strong financial and operational controls and effective risk mitigation. Staffed by highly qualified professionals, GIA provides assurance and strategic insights to enhance organisational efficiency. Governed by a Board-approved Audit Charter, its work is regularly reviewed by the Audit Committee.

In FY25, the Company implemented the Laser Audit Reporting System (LARS®), a web-based platform that streamlines the entire audit lifecycle and enhances real-time audit management and collaboration.

Disclaimer

Statements in this 'Management Discussion and Analysis' describing the Company's objectives, projections, estimates, expectations, plans or industry conditions or events

are 'forward-looking statements' within the meaning of applicable securities laws and regulations. Actual results, performance or achievements could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and Indian demand-supply conditions, finished goods prices, feedstock availability and prices, competitors' pricing in the Company's principal markets, changes in government regulations, tax regimes, economic conditions within India and the countries within which the Company conducts business and other factors, such as litigation and labour unrest or other difficulties. The Company assumes no responsibility to publicly update, amend, modify or revise any forward-looking statements, based on any subsequent development, new information or future events or otherwise except as required by applicable law. Unless the context otherwise requires, references in this document to 'we', 'us' or 'our' refers to Sun Pharmaceutical Industries Limited and consolidated subsidiaries.

References:

1. IQVIA Global Use of Medicines 2024
2. OG Analysis
3. The Business Research Company
4. AIOCD-AWACS Data
5. SMSRC Data
6. Euromonitor

