

**SUN PHARMA LABORATORIOS, S.L.U.**

**Auditor´s Report  
Annual Accounts at March 31<sup>st</sup>, 2023  
and Management report for the year ended  
March 31<sup>st</sup>, 2023**

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



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

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

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### Opinion

We have audited the annual accounts of SUN PHARMA LABORATORIOS, S.L.U (the Company), which comprise the balance sheet as at March 31<sup>st</sup>, 2023, the profit and loss account, the income statement, statement of changes in equity, cash flow statement and related report or notes for the year then ended.

In our opinion, the accompanying annual accounts present fairly, in all material respects, the equity and financial position of the Company as at March 31<sup>st</sup>, 2023, as well as its financial performance and cash flows for the year then ended, in accordance with the applicable financial reporting framework (as identified in Note 2 of the notes to the annual accounts), and in particular, with the accounting principles and criteria included therein.

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### Basis of the opinion

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

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

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

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### Most relevant aspects of the audit

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

### Inventories

#### Risk description

The Company's balance sheet at 31<sup>st</sup> March 2023 shows a balance of EUR 3.297 million in inventories. Given the importance of said figure in terms of amount with respect to the Company's total assets and the existence of a wide variety of products with different prices and obsolescence, we consider this area significant and susceptible to material misstatement, which is why we have considered inventories as one of the most relevant aspects of the audit.

**Audit response**

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

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

**Revenue recognition and customer balances.****Risk description**

Description revenues recognition is a significant area susceptible to material misstatement, from the fact that all revenue is not recorded, or it is incorrectly measured. Revenue from sales amounted to EUR 19 million at year-end, as shown in the accompanying income statement, and customer balances amounted to EUR 3.4 million as at 31 March 2023, as shown on the asset side of the balance sheet

**Audit response**

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

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

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**Emphasis of Matter**

We draw attention to the content of Note 11 of the accompanying notes to the financial statements, in which it is stated that, due to a review procedure of the Tax authorities, the Corporate Income Taxes corresponding to the years ended March 31, 2019 and March 31, 2020, were modified, as the Tax authorities did not recognize the Negative Taxable Bases pending to be offset from previous years in the amount of 6.921 million euros. As reported in the same note, the Company has filed a claim with the Regional Economic Administrative Court, which has not been resolved as of the date of presentation of this report. Taking into account that the Company had not recognized the corresponding tax credits in previous years, in accordance with the accounting principles and criteria contained in the financial reporting framework applicable to the entity, this fact does not alter the financial statements of the entity as of March 31, 2023 or prior years. Our opinion has not been modified in relation to this matter.

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**Other information: Management report**

Other information comprises only the management report for the March 31, 2023 financial year, the formulation of which is the responsibility of the Company's Board of directors' and it does not form an integral part of the annual accounts.

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

Based on the work performed, as described in the previous paragraph, the information contained in the management report is consistent with that contained in the annual accounts for the year ended 31 March 2023, and its content and presentation are in accordance with the applicable regulations.

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### **Responsibility of the Board of Directors' for the annual accounts**

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

In preparing the annual accounts, the Company's Board of directors' is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of directors' either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

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### **Auditor's responsibilities for the audit of the annual accounts**

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

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with legislation governing the audit practice in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts.

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

- Identify and assess the risks of material misstatement of the annual accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Company's Board of directors'.
- Conclude on the appropriateness of the Board of directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Company's Board of directors' regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

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

Original signed in Spanish by  
M<sup>a</sup> Eugènia Bailach Aspa  
Registered in ROAC under No 12855

May 12<sup>th</sup>, 2023



**ANNUAL FINANCIAL STATEMENTS**

**FROM 1 / 4 / 2022 TO 31 / 03 / 2023**



**BALANCE SHEET**

**FROM 1 / 4 / 2022 TO 31 / 03 / 2023**



**SUN PHARMA LABORATORIOS, S.L.U. (Single Member Company)**  
**BALANCE SHEET AT 31 MARCH 2023 (stated in Euros)**

ASSETS	Note	31/03/2023	31/03/2022
<b>NON-CURRENT ASSETS</b>		<b>681.573</b>	<b>423.039</b>
<b>Intangible fixed assets</b>	<b>6</b>	<b>9.526</b>	<b>18.068</b>
Development		-	-
Concessions		-	-
Patents, licenses, trade marks and similar		1.464	3.267
Goodwill		-	-
Computer software		8.062	14.801
Other intangible fixed assets		-	-
<b>Tangible fixed assets</b>	<b>5</b>	<b>81.097</b>	<b>122.231</b>
Land and buildings		-	-
Plant, machinery and others		81.097	122.231
Assets in course and advance payments		-	-
<b>Investments in property and real estate</b>		<b>-</b>	<b>-</b>
Land		-	-
Buildings		-	-
<b>Long-term investments in group and associated entities</b>		<b>-</b>	<b>-</b>
Equity based instruments		-	-
Loans to companies		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		-	-
<b>Long-term investments</b>	<b>8</b>	<b>442.700</b>	<b>282.739</b>
Equity based instruments		-	-
Loans to the third parties		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		442.700	282.739
<b>Deferred tax assets</b>		<b>148.251</b>	<b>-</b>
<b>CURRENT ASSETS</b>		<b>9.210.061</b>	<b>8.033.432</b>
<b>NON-CURRENT ASSETS FOR SALE</b>		<b>-</b>	<b>-</b>
<b>Stocks</b>	<b>9</b>	<b>3.296.548</b>	<b>3.580.146</b>
Goods for resale		3.296.548	3.580.146
Raw materials and consumables		-	-
Work in progress and partially finished goods		-	-
Finished goods		-	-
By-products, waste and materials recovered		-	-
Payments on account		-	-
<b>Accounts receivable - commercial and other</b>	<b>8</b>	<b>3.461.021</b>	<b>2.786.522</b>
Accounts receivable for sales and services		3.419.990	2.737.923
Trade debtors - group and associated entities	<b>8 16</b>	27.531	2.755
Sundry debtors		-	-
Employees	<b>8</b>	13.500	10.500
Current tax assets		-	35.345
Tax, Social Security and Government entities		-	-
<b>Short-term investments in group and associated entities</b>		<b>-</b>	<b>-</b>
Equity based instruments		-	-
Loans to companies		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		-	-
<b>Short-term financial investments</b>		<b>-</b>	<b>-</b>
Equity instruments		-	-
Loans to third parties		-	-
Debt based instruments		-	-
Derivatives		-	-
Other financial assets		-	-
<b>Short-term accruals and prepayments</b>		<b>16.226</b>	<b>16.689</b>
<b>Cash and equivalent liquid assets</b>	<b>8</b>	<b>2.436.266</b>	<b>1.650.074</b>
Cash resources		2.436.266	1.650.074
Other equivalent liquid assets		-	-
<b>TOTAL ASSETS</b>		<b>9.891.634</b>	<b>8.456.470</b>

NET EQUITY AND LIABILITIES	Note	31/03/2023	31/03/2022
<b>NET EQUITY</b>		<b>7.546.120</b>	<b>6.797.918</b>
<b>Shareholders' funds</b>	<b>8</b>	<b>7.546.120</b>	<b>6.797.918</b>
<b>Capital</b>		<b>1.000.000</b>	<b>1.000.000</b>
Authorised share capital		1.000.000	1.000.000
(Share capital not issued and not called up)		-	-
<b>Share issue premium</b>		<b>-</b>	<b>-</b>
<b>Reserves</b>		<b>1.297.918</b>	<b>986.770</b>
Legal and statutory		200.000	200.000
Other reserves		1.097.918	786.770
<b>Own shares, treasury stock and similar</b>		<b>-</b>	<b>-</b>
<b>Prior year results</b>		<b>-</b>	<b>-</b>
Remainder		-	-
(Retained losses from prior years)		-	-
<b>Other contributions from shareholders</b>	<b>8</b>	<b>4.500.000</b>	<b>4.500.000</b>
<b>Result for the year</b>	<b>3</b>	<b>748.202</b>	<b>311.148</b>
(Dividend paid on account)		-	-
<b>Other share based instruments</b>		<b>-</b>	<b>-</b>
<b>Valuation adjustments</b>		<b>-</b>	<b>-</b>
Financial assets for sale		-	-
Hedging operations		-	-
Others		-	-
<b>Subsidies, grants and donations</b>		<b>-</b>	<b>-</b>
<b>NON-CURRENT LIABILITIES</b>		<b>-</b>	<b>-</b>
<b>Long-term provisions</b>		<b>-</b>	<b>-</b>
Long-term commitments with employees		-	-
Environmental liabilities		-	-
Restructuring provisions		-	-
Other provisions		-	-
<b>Long-term borrowings</b>		<b>-</b>	<b>-</b>
Debentures and other negotiable instruments		-	-
Borrowings from financial institutions		-	-
Finance lease borrowings		-	-
Derivatives		-	-
Other financial liabilities		-	-
<b>Long-term debts with group and associated entities</b>		<b>-</b>	<b>-</b>
<b>Deferred tax liabilities</b>		<b>-</b>	<b>-</b>
<b>Long-term accruals</b>		<b>-</b>	<b>-</b>
<b>CURRENT LIABILITIES</b>		<b>2.345.514</b>	<b>1.658.552</b>
<b>Liabilities linked to non-current assets held for sale</b>		<b>-</b>	<b>-</b>
<b>Short-term provisions</b>	<b>8 13</b>	<b>476.089</b>	<b>338.753</b>
<b>Short-term borrowings</b>		<b>-</b>	<b>-</b>
Debentures and other negotiable instruments		-	-
Borrowings from financial institutions		-	-
Finance lease borrowings		-	-
Derivatives		-	-
Other financial liabilities		-	-
<b>Short-term debts with group and associated entities</b>		<b>-</b>	<b>-</b>
Loans due to group and associated entities		-	-
<b>Accounts payable - commercial and other</b>		<b>1.869.425</b>	<b>1.319.799</b>
Suppliers	<b>8</b>	553.904	605
Trade creditors, group and associated entities	<b>8 16</b>	697.250	682.421
Sundry creditors	<b>8</b>	164.875	217.054
Employees (payroll creditor)	<b>8</b>	120.473	117.138
Customer advanced		-	-
Tax, Social Security and Government entities		332.923	302.582
Advances received from customers		-	-
<b>Short-term accruals</b>		<b>-</b>	<b>-</b>
<b>TOTAL NET EQUITY AND LIABILITIES</b>		<b>9.891.634</b>	<b>8.456.470</b>

Notes 1 to 19 to the annual accounts form an integral part of the balance sheet at 31 March, 2023





**PROFIT AND LOSS STATEMENT**

**FROM 1 / 4 / 2022 TO 31 / 03 / 2023**



**SUN PHARMA LABORATORIOS, S.L.U. (Single Member Company)**  
**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 MARCH, 2023**  
**(stated in euros)**

<b>(Stated en EUROS)</b>	<b>Note</b>	<b>31/03/2023</b>	<b>31/03/2022</b>
<b>Continuing Operations:</b>			
<b>Net turnover</b>	<b>18</b>	<b>19.376.296</b> <span style="color: green;">▲</span>	<b>17.030.237</b>
Sales		19.376.296	17.030.237
Services Rendered		-	-
<b>Variation in stocks of finished goods and work-in-progress</b>		<b>-</b>	<b>-</b>
<b>Own work capitalised</b>		<b>-</b>	<b>-</b>
<b>Supplies</b>		<b>(15.005.377)</b>	<b>(13.392.817)</b>
Consumption of goods for resale	12	(14.866.276)	(12.927.812)
Consumption of raw materials and other consumables		-	-
Subcontracting and similar		-	-
Impairment of raw materials, goods for resale and supplies		(139.101)	(465.005)
<b>Other operating income</b>		<b>4.933</b>	<b>3.947</b>
Ancillary income and other income from normal operations		4.933	3.947
Operating subsidies transferred to income		-	-
<b>Employee costs</b>		<b>(1.481.750)</b>	<b>(1.319.894)</b>
Salaries, wages and similar		(1.157.861)	(1.023.407)
Allowances		-	-
Social Security and similar costs	12	(323.889)	(296.488)
Provisions		-	-
<b>Other operating costs</b>	▲	<b>(2.284.694)</b> <span style="color: green;">▲</span>	<b>(1.844.859)</b>
External services		(1.936.547)	(1.592.793)
Taxes		(351.228)	(241.267)
Losses, impairment and movement on provisions for commercial operations	8	3.081	(10.799)
Other normal operating costs		-	-
<b>Depreciation of fixed assets</b>	5 6	<b>(43.484)</b>	<b>(58.359)</b>
<b>Transfer of grants for non-financial assets and others</b>		<b>-</b>	<b>-</b>
<b>Excess provisions</b>		<b>-</b>	<b>-</b>
<b>Impairment and results on sale of fixed assets</b>	5	<b>35.519</b>	<b>-</b>
Impairment and losses		35.519	-
Results on sale and others		-	-
<b>OPERATING RESULT</b>		<b>601.443</b>	<b>418.256</b>
<b>Financial income</b>		<b>-</b>	<b>-</b>
From holdings in equity based instruments	▲	<span style="color: green;">▲</span>	<span style="color: green;">▲</span>
In group and associated entities		-	-
In third parties		-	-
From tradable investments and other financial instruments		-	-
Group and associated entities		-	-
Third parties		-	-
<b>Financial costs</b>		<b>-</b>	<b>-</b>
Borrowings from group and associated entities		-	-
Borrowings from third parties		-	-
Recalculation of provisions		-	-
<b>Variation in fair value of financial instruments</b>		<b>-</b> <span style="color: green;">▲</span>	<b>-</b>
Investment portfolio and others		-	-
Transfer to results for the year concerning financial assets held for sale		-	-
<b>Differences on Exchange</b>	10	<b>-</b>	<b>(3.244)</b>
<b>Impairment and results on sale of financial assets</b>		<b>-</b>	<b>-</b>
Impairment and losses		-	-
Results on sale and others		-	-
<b>FINANCIAL RESULT</b>		<b>-</b>	<b>(3.244)</b>
<b>RESULT BEFORE TAX</b>		<b>601.443</b>	<b>415.012</b>
Corporation tax	11	146.759	(103.864)
<b>RESULT FOR THE YEAR</b>	3	<b>748.202</b>	<b>311.148</b>

Notes 1 to 19 to the annual accounts form an integral part of the balance sheet at 31 March, 2023



**STATEMENT OF CHANGES IN NET EQUITY**

**FROM 1 / 4 / 2022 TO 31 / 03 / 2023**



**SUN PHARMA LABORATORIOS, S.L.U. (Single Member Company)**  
**STATEMENT OF CHANGES IN THE NET EQUITY FOR THE YEAR ENDED 31 MARCH, 2023**  
 (stated in euros)

**A) STATEMENT OF RECOGNISED INCOME AND EXPENSES FOR THE YEAR ENDED 31 MARCH, 2023**

(stated in euros)	2023	2022
Profit and loss account - result	748.202	311.148
Total income and expenses recognised directly in equity	-	-
Total transfers to the profit and loss account	-	-
<b>TOTAL RECOGNISED INCOME AND EXPENSES</b>	<b>748.202</b>	<b>311.148</b>

**B) STATEMENT OF TOTAL CHANGES IN NET EQUITY FOR THE YEAR ENDED 31 MARCH, 2023**

(stated in euros)	Authorised capital	Reserves	Prior year results	Other contributions from shareholders	Result for the year	TOTAL
<b>CLOSING BALANCE 2022</b>	<b>1.000.000</b>	<b>986.770</b>	-	<b>4.500.000</b>	<b>311.148</b>	<b>6.797.918</b>
<b>Adjusted Opening Balance 2023</b>	<b>1.000.000</b>	<b>986.770</b>	-	<b>4.500.000</b>	<b>311.148</b>	<b>6.797.918</b>
Total recognised income and expenses	-	-	-	-	748.202	<b>748.202</b>
Share capital reduction (cancellation of financial liabilities in equity (cancellation of debentures, cancellation of borrowings).	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
Distribution of the result	-	-	-	-	-	-
Other movements in net equity	-	-	-	-	-	-
Shareholders contribution	-	311.148	-	-	(311.148)	-
<b>CLOSING BALANCE 2023</b>	<b>1.000.000</b>	<b>1.297.918</b>	-	<b>4.500.000</b>	<b>748.202</b>	<b>7.546.120</b>

Notes 1 to 19 to the annual accounts form an integral part of the statement of changes in net equity for the year ended 31 March, 2023



**CASH FLOW STATEMENT**

**FROM 1 / 4 / 2022 TO 31 / 03 / 2023**

**SUN PHARMA LABORATORIOS, S.L.U. (Single Member Company)**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2023**  
**(stated in euros)**

(stated in euros)	Note	31/03/2023	31/03/2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>939.960</b>	<b>(951.141)</b>
<b>Result for the year before tax</b>		<b>601.443</b>	<b>415.012</b>
<b>Adjustments to the result:</b>		<b>188.205</b>	<b>(1.207.666)</b>
Depreciation of fixed assets (+)		43.484	58.359
Valuation correction for impairment (+/-)		7.384	10.799
Movement on provisions (+/-)		137.336	(1.276.824)
Transfer of subsidies (-)		-	-
Results on sale and withdrawal of fixed assets (+/-)		-	-
Results on sale and withdrawal financial instruments (+/-)		-	-
Financial income (-)		-	-
Financial expense (+)		-	-
Differences on exchange (+/-)		-	-
Change in fair value of financial instruments (+/-)		-	-
Other income and expenses (-/+)		-	-
<b>Changes in working capital:</b>		<b>(26.788)</b>	<b>590.236</b>
Stock (+/-)		283.598	1.018.000
Debtors and other accounts receivable (+/-)		(717.228)	(283.060)
Other current assets (+/-)		(112.443)	(476)
Creditors and other accounts payable (+/-)		519.284	(144.228)
Other current liabilities (+/-)		-	-
Other non-current assets and liabilities (+/-)		-	-
<b>Other cash flows from operating activities:</b>		<b>177.101</b>	<b>(748.722)</b>
Interest paid (-)		-	-
Dividends received (+)		-	-
Interest received (+)		-	-
Receipts (payments) for corporation tax (+/-)		177.101	(748.722)
Other payments (receipts)		-	-
<b>CASH FLOWS FROM INVESTMENT ACTIVITIES</b>		<b>(153.768)</b>	<b>(157.116)</b>
<b>Payments for investments (-):</b>		<b>(253.982)</b>	<b>(157.116)</b>
Group and associated companies (-)		-	-
Intangible fixed assets (-)		-	(7.342)
Tangible fixed assets (-)		(94.022)	(1.267)
Investments in property (-)		-	-
Other financial assets (-)		(159.960)	(148.507)
Non-current assets maintained for sale (-)		-	-
Other assets (-)		-	-
<b>Collections on disposal of investments (+):</b>		<b>100.214</b>	<b>-</b>
Group and associated companies (-)		-	-
Intangible fixed assets (-)		-	-
Tangible fixed assets (-)		100.214	-
Investments in property (-)		-	-
Other financial assets (-)		-	-
Non-current assets maintained for sale (-)		-	-
Other assets (-)		-	-
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>-</b>	<b>-</b>
<b>Collections and payments from equity based instruments</b>		<b>-</b>	<b>-</b>
Issues of equity based instruments (+)		-	-
Cancellation of equity based instruments (-)		-	-
Purchase of own equity based instruments (-)		-	-
Transfer of equity based instruments (+)		-	-
Subsidies, donations and similar (-)		-	-
<b>Collections and payments for financial liability instruments:</b>		<b>-</b>	<b>-</b>
Issue:		-	-
Debentures and similar (+)		-	-
Borrowings from financial institutions (+)		-	-
Borrowings from group and associated entities (+)		-	-
Other borrowings (+)		-	-
Repayment and cancellation of:		-	-
Debentures and similar (+)		-	-
Borrowings from financial institutions (+)		-	-
Borrowings from group and associated entities (+)		-	-
Other borrowings (+)		-	-
<b>Payments of dividends and remuneration of other equity based instruments</b>		<b>-</b>	<b>-</b>
Dividends (-)		-	-
Remuneration of other equity based instruments (-)		-€	-€
		-€	-€
		-€	-€
<b>Exchange rates impact</b>		<b>-</b>	<b>-</b>
<b>NET INCREASE/REDUCTION IN CASH AND EQUIVALENTS</b>		<b>786.192</b>	<b>(1.108.257)</b>
Opening cash and equivalent resources		1.650.074	2.758.331
Closing cash and equivalent resources		2.436.266	1.650.074

Notes 1 to 19 to the annual accounts form an integral part of the cash flow statement for the year ended 31 March, 2023



**FINANCIAL YEAR REPORT**

**FROM 1 / 4 / 2022 TO 31 / 03 / 2023**



#### **NOTE 1 - BUSINESS ACTIVITY OF THE COMPANY**

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

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

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

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

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

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

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

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

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



**NOTE 2 - BASES FOR PRESENTING THE ANNUAL FINANCIAL STATEMENTS**

**a) TRUE AND FAIR VIEW**

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

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

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

**b) NON-MANDATORY ACCOUNTING PRINCIPLES APPLIED**

No non-mandatory accounting principles have been applied.

**c) CRITICAL ASPECTS OF ASSESSMENT AND ESTIMATION OF UNCERTAINTY**

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

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

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

**d) COMPARISON OF INFORMATION**

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

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

**e) GROUPING OF ITEMS**

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

**f) ELEMENTS RECORDED IN VARIOUS ITEMS**

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

**g) CHANGES IN ACCOUNTING CRITERIA**

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

**h) CORRECTION OF ERRORS**

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

**NOTE 3 - APPROPRIATION OF EARNINGS**

**a) PROPOSED APPROPRIATION OF EARNINGS OF THE FINANCIAL YEAR**

<b>AVAILABLE FOR DISTRIBUTION</b>	<b>2022</b>	<b>2021</b>
Balance of the Profit and Loss Statement	748.202,00	311.148,03
<b>TOTAL AVAILABLE FOR DISTRIBUTION = TOTAL APPROPRIATION</b>	<b>748.202,00</b>	<b>311.148,03</b>
<b>APPLIED TO</b>	<b>2022</b>	<b>2021</b>
Voluntary Reserve	748.202,00	311.148,03
<b>TOTAL APPROPRIATION = TOTAL AVAILABLE FOR DISTRIBUTION</b>	<b>748.202,00</b>	<b>311.148,03</b>

**b) DISTRIBUTION OF INTERIM DIVIDENDS**

No interim dividends were distributed during the financial year.

**c) LIMITATIONS ON THE DISTRIBUTION OF DIVIDENDS**

There is no limitation on the distribution of dividends.

**NOTE 4 - RECORDING AND ASSESSMENT STANDARDS**

**1. INTANGIBLE FIXED ASSETS**

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

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

### **Computer applications**

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

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

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

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

## **2. TANGIBLE FIXED ASSETS**

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

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

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

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

### **Technical installations, machinery and tools**

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

### **Implements and tools incorporated in mechanical elements**

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

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

**Tangible fixed assets in progress**

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

**Depreciation**

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

	<b>Useful life</b>
TECHNICAL FACILITIES	5 years
OTHER FACILITIES	10 years
FURNITURE	5-10 years
VEHICLES	5 years

**Impairment of tangible and intangible assets**

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

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

**3. LEASES**

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

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

#### 4. SWAPS

No swap occurred during the financial year.

#### 5. FINANCIAL INSTRUMENTS

##### Categories of financial assets and liabilities

##### a. Financial assets

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

- **Financial assets at amortized cost:** Receivables from trade operations and receivables from non-trade operations.

- Initial valuation: at fair value, which, unless there is evidence to the contrary, is the transaction price, which is the fair value of the consideration given, plus directly attributable transaction costs.

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

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

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

##### b. Financial Liabilities

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

- **Financial liabilities at amortized cost:**

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

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

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

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

### **c. Own equity instruments**

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

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

#### **Impairment**

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

The loss is:

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

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

#### **Interests and dividends received from financial assets**

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

#### **De-registration of financial assets and liabilities**

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

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

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

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

## **6. INVENTORY**

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

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

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

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

## **7. TRANSACTIONS IN FOREIGN CURRENCY**

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

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

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

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

## **8. INCOME TAXES**

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

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

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



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

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

## **9. INCOME AND EXPENSES**

Income and expenses are attributed according to the accrual basis

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

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

## **10. PROVISIONS AND CONTINGENCIES**

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

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

## **11. PERSONNEL EXPENSES**

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

## **12. BUSINESS COMBINATIONS**

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





### **13. JOINT VENTURES**

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

### **14. CRITERIA USED IN RELATED-PARTY TRANSACTIONS**

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

**NOTE 5 - TANGIBLE FIXED ASSETS**

**MOVEMENT OF TANGIBLE FIXED ASSET ITEMS DURING THE YEAR  
FINANCIAL YEAR ENDED AT 31/03/2023**

FIXED ASSETS	FIXED ASSETS									
	BALANCE AT 31/03/2022	BUSINESS COMBINAT	NON-MONETARY CONTRIB.	EXPANSIONS AND IMPROVEMENTS	ALL OTHER ENTRIES	DISPOSALS, WRITE-OFFS OR REDUCTIONS	TRANSFERS		VALUE CORRECTIONS DUE TO REAPPRAISAL	BALANCE AT 31/03/2023
							TO/FROM NCAHS OR INTERRUPT OPS.	TO/FROM OTHER ITEMS		
TECHNICAL FACILITIES	46.388,99	0,00	0,00	0,00	3.628,65	0,00	0,00	0,00	0,00	50.017,64
OTHER FACILITIES	87.846,14	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	87.846,14
FURNITURE	31.518,04	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	31.518,04
VEHICLES	100.213,77	0,00	0,00	0,00	0,00	-100.213,77	0,00	0,00	0,00	0,00
OTHER TANGIBLE FIXED ASSETS	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS</b>	<b>265.966,94</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>3.628,65</b>	<b>-100.213,77</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>169.381,82</b>
<b>TOTAL FIXED ASSETS IN PROGRESS</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>
<b>TOTAL</b>	<b>265.966,94</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>3.628,65</b>	<b>-100.213,77</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>169.381,82</b>

FIXED ASSETS	DEPRECIATION						NET FIXED ASSETS (FIX. ASST.-DEPREC.)
	BALANCE AT 31/03/2022	DEPRECIATION CHARGES	INCREASES	REDUCTIONS	VALUE CORRECTIONS DUE TO REAPPRAISAL	BALANCE AT 31/03/2023	
TECHNICAL FACILITIES	28.900,31	8.242,92	0,00	0,00	0,00	37.156,22	12.861,42
OTHER FACILITIES	24.400,37	9.247,01	0,00	0,00	0,00	33.647,38	54.198,76
FURNITURE	14.766,55	2.727,86	0,00	0,00	0,00	17.481,32	14.036,72
VEHICLES	75.668,72	14.724,78	0,00	-90.393,50	0,00	0,00	0,00
OTHER TANGIBLE FIXED ASSETS	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS</b>	<b>143.735,95</b>	<b>34.942,47</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>88.284,92</b>	<b>81.096,90</b>
PROPERTY, PLANT AND EQUIPMENT IN							0,00
<b>TOTAL FIXED ASSETS IN PROGRESS</b>							<b>0,00</b>
<b>TOTAL</b>	<b>143.735,95</b>	<b>34.942,47</b>	<b>0,00</b>	<b>-90.393,50</b>	<b>0,00</b>	<b>88.284,92</b>	<b>81.096,90</b>

During the financial year that closed on 31 March 2023, there have been no specific circumstances that have led to the need to apply impairment to the Company's fixed assets.

**FINANCIAL YEAR ENDED AT 31/03/2022**

FIXED ASSETS	FIXED ASSETS									
	BALANCE AT 31/03/2021	ADDITIONS				DISPOSALS, WRITE-OFFS OR REDUCTIONS	TRANSFERS		VALUE CORRECTIONS DUE TO REAPPRAISAL	BALANCE AT 31/03/2022
		BUSINESS COMBINAT	NON-MONETARY CONTRIB.	EXPANSIONS AND IMPROVEMENTS	ALL OTHER ENTRIES		TO/FROM NCAHS OR INTERRUPT OPS.	TO/FROM OTHER ITEMS		
TECHNICAL FACILITIES	45.122,23	0,00	0,00	0,00	1.266,76	0,00	0,00	0,00	0,00	46.388,99
OTHER FACILITIES	87.846,14	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	87.846,14
FURNITURE	31.518,04	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	31.518,04
VEHICLES	100.213,77	0,00	0,00	0,00	0,00	0,00	0,00	0,28	0,00	100.213,77
OTHER TANGIBLE FIXED ASSETS	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS</b>	<b>264.700,18</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>1.266,76</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>265.966,94</b>
TOTAL FIXED ASSETS IN PROGRESS	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>TOTAL</b>	<b>264.700,18</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>1.266,76</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>265.966,94</b>

INMOVILIZADO	DEPRECIATION							NET FIXED ASSETS (FIX. ASST.-DEPREC.)
	BALANCE AT 31/03/2021	DEPRECIATION CHARGES	TRANSFERS	INCREASES	REDUCTIONS	VALUE CORRECTIONS DUE TO REAPPRAISAL	BALANCE AT 31/03/2022	
TECHNICAL FACILITIES	20.756,41	8.143,90	0,00	0,00	0,00	0,00	28.900,31	17.488,68
OTHER FACILITIES	15.153,36	9.247,01	0,00	0,00	0,00	0,00	24.400,37	63.445,77
FURNITURE	12.025,60	2.740,95	0,00	0,00	0,00	0,00	14.766,55	16.751,49
VEHICLES	55.625,97	20.042,75	0,00	0,00	0,00	0,00	75.668,72	24.545,05
OTHER TANGIBLE FIXED ASSETS	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>TECHN. INSTALL. AND OTHER TANG. FIXED ASSETS</b>	<b>103.561,34</b>	<b>40.174,61</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>143.735,95</b>	<b>122.230,99</b>
PROPERTY, PLANT AND EQUIPMENT IN PROGRESS								0,00
<b>TOTAL FIXED ASSETS IN PROGRESS</b>								<b>0,00</b>
<b>TOTAL</b>	<b>103.561,34</b>	<b>40.174,61</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>143.735,95</b>	<b>122.230,99</b>

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



**NOTE 6 - INTANGIBLE FIXED ASSETS**

**MOVEMENT OF INTANGIBLE FIXED ASSET ITEMS DURING THE YEAR**

**FINANCIAL YEAR ENDED AT 31/03/2023**

FIXED ASSETS	FIXED ASSETS								
	BALANCE AT 31/03/2022	ADDITIONS				DISPOSALS, WRITE-OFFS OR REDUCTIONS	TRANSFERS		BALANCE AT 31/03/2023
		BUSINESS COMBINAT.	NON-MONETARY CONTRIB.	EXPANSIONS AND IMPROVEMENTS	ALL OTHER ENTRIES		TO/FROM NCAHS OR INTERRUPT. OPS.	TO/FROM OTHER ITEMS	
INDUSTRIAL PROPERTY	23.500,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	23.500,00
COMPUTER APPLICATIONS	87.872,29	0,00	0,00	0,00	0,00	0,00	0,00	0,00	87.872,29
<b>TOTAL</b>	<b>111.372,29</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>111.372,29</b>

FIXED ASSETS	DEPRECIATION					BALANCE AT 31/03/2023	NET FIXED ASSETS (FIX. ASST.-DEPREC.)
	BALANCE AT 31/03/2022	DEPRECIATION CHARGES	INCREASES	REDUCTIONS			
INDUSTRIAL PROPERTY	20.232,78	1.802,74	0,00	0,00	22.035,52	1.464,48	
COMPUTER APPLICATIONS	73.071,43	6.739,17	0,00	0,00	79.810,60	8.061,69	
<b>TOTAL</b>	<b>93.304,21</b>	<b>8.541,91</b>	<b>0,00</b>	<b>0,00</b>	<b>101.846,12</b>	<b>9.526,17</b>	



**FINANCIAL YEAR ENDED AT 31/03/2022**

FIXED ASSETS	FIXED ASSETS								BALANCE AT 31/03/2022
	BALANCE AT 31/03/2021	ADDITIONS				DISPOSALS, WRITE-OFFS OR REDUCTIONS	TRANSFERS		
		BUSINESS COMBINAT.	NON-MONETARY CONTRIB.	EXPANSIONS AND IMPROVEMENTS	ALL OTHER ENTRIES		TO/FROM NCAHS OR INTERRUPT. OPS.	TO/FROM OTHER ITEMS	
INDUSTRIAL PROPERTY	23,500.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	23,500.00
COMPUTER APPLICATIONS	80,530.29	0.00	0.00	0.00	7,342.00	0.00	0.00	0.00	87,872.29
<b>TOTAL</b>	<b>104,030.29</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>7,342.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>111,372.29</b>

FIXED ASSETS	DEPRECIATION					BALANCE AT 31/03/2022	NET FIXED ASSETS (FIX. ASST.-DEPREC.)
	BALANCE AT 31/03/2021	DEPRECIATION CHARGES	INCREASES	REDUCTIONS			
INDUSTRIAL PROPERTY	15,532.78	4,700.00	0.00	0.00	20,232.78	3,267.22	
COMPUTER APPLICATIONS	59,587.36	13,484.07	0.00	0.00	73,071.43	14,800.86	
<b>TOTAL</b>	<b>75,120.14</b>	<b>18,184.07</b>	<b>0.00</b>	<b>0.00</b>	<b>93,304.21</b>	<b>18,068.08</b>	

There have been no specific circumstances that lead to the need to apply impairment to the Company's fixed assets for the financial year that closed on 31/03/2023, or the previous year that closed on 31/03/2022

## OTHER INFORMATION

	FINANCIAL YEAR ENDED AT 31/03/2023			FINANCIAL YEAR ENDED AT 31/03/2022		
	CARRYING VALUE	CUMULATIVE DEPREC.	VALUE CORREC. DUE TO IMPAIRMENT	CARRYING VALUE	CUMULATIVE DEPREC.	VALUE CORREC. DUE TO IMPAIRMENT
INTANGIBLE FIXED ASSETS ACQUIRED FROM GROUP COMPANIES (TOTAL)	0.00	0.00	0.00	0.00	0.00	0.00
INTANGIBLE FIXED ASSETS ACQUIRED FROM ASSOCIATED COMPANIES (TOTAL)	0.00	0.00	0.00	0.00	0.00	0.00
INVESTMENTS IN INTANGIBLE FIXED ASSETS OUTSIDE SPANISH TERRITORY (TOTAL)	0.00	0.00	0.00	0.00	0.00	0.00
INTANGIBLE FIXED ASSETS NOT DIRECTLY RELATED TO OPERATIONS (TOTAL)	0.00	0.00	0.00	0.00	0.00	0.00
				<b>FINANCIAL YEAR ENDED AT 31/03/2023</b>	<b>FINANCIAL YEAR ENDED AT 31/03/2022</b>	
ASSETS SUBJECT TO GUARANTEES				0.00	0.00	
ASSETS SUBJECT TO REVERSAL				0.00	0.00	
AMOUNT OF RESTRICTIONS TO OWNERSHIP				0.00	0.00	
FINANCIAL EXPENSES CAPITALISED DURING THE YEAR				0.00	0.00	
AMOUNT OF COMPLETELY DEPRECIATED ASSETS IN USE				2,062,394.68	1,984,929.68	
GRANTS, DONATIONS AND BEQUESTS RECEIVED AND RELATED TO INTANG. FIXED ASSETS			AMOUNT OF THE GRANT	0.00	0.00	
			AMOUNT OF THE ASSETS	0.00	0.00	
PROFIT/LOSS FOR THE YEAR DERIVED FROM DISPOSAL OR SALE OF INTANG. FIXED ASSET ITEMS BY OTHER MEANS				0.00	0.00	
AGGREGATE AMOUNT OF DISBURSEMENTS FOR RESEARCH AND DEVELOPMENT RECOGNISED AS AN EXPENSE OF THE YEAR				0.00	0.00	
AMOUNT OF ASSETS OTHER THAN GOODWILL WITH AN INDEFINITE USEFUL LIFE				0.00	0.00	

**NOTE 7 - LEASES AND OTHER OPERATIONS OF A SIMILAR NATURE**

**OPERATIONAL LEASES**

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

	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022
Up to 1 year	78.950,06	72.856,78
Between 1 and 5 years	74.715,07	56.469,92
Over 5 years	0,00	0,00
<b>Total</b>	<b>153.665,13</b>	<b>129.326,70</b>

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

Total Office rent expenditure for the year ended 31/03/2023 for leases of a different nature amounted to 56.849,52 euros (54.622,38 euros for the year ended 31/03/2022).

The other lease contracts correspond to the lease of vehicles.



**NOTE 8 - FINANCIAL INSTRUMENTS**

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

**a) Categories of financial assets and liabilities:**

**- Long-term financial assets:**

		CLASSES OF LONG-TERM FINANCIAL ASSETS							
		EQUITY INSTRUMENTS (except equity holdings of group, multi-group and associated companies)		SECURITIES REPRESENTING DEBT		CREDITS, DERIVATIVES AND OTHERS		TOTAL	
		FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022
CATEGORY	FINANCIAL ASSETS AT AMORTIZED COST	0,00	0,00	0,00	0,00	442.699,54	282.739,35	442.699,54	282.739,35
	ASSETS AT FV WITH CHANGES IN P&L	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	FINANCIAL ASSETS AT COST	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	FINANCIAL ASSETS AT FV WITH CHANGES IN P&L	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>TOTAL</b>		<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>442.699,54</b>	<b>282.739,35</b>	<b>442.699,54</b>	<b>282.739,35</b>

Receivables mainly correspond to bonds through contractual relations and leases.

**- Short-term financial assets:**

		CLASSES OF SHORT-TERM FINANCIAL ASSETS									
		EQUITY INSTRUMENTS (except equity holdings of group, multi-group and associated companies)		SECURITIES REPRESENTING DEBT		TRADE DEBTORS AND OTHER ACCOUNTS RECEIVABLE		CREDITS, DERIVATIVES AND OTHERS		TOTAL	
		FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2021	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022
CATEGORY	FINANCIAL ASSETS AT AMORTIZED COST	0,00	0,00	0,00	0,00	3.462.020,75	2.751.177,12	0,00	0,00	3.462.020,75	2.751.177,12
	ASSETS AT FV WITH CHANGES IN P&L	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	FINANCIAL ASSETS AT COST	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	FINANCIAL ASSETS AT FV WITH CHANGES IN P&L	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>TOTAL</b>		<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>3.462.020,75</b>	<b>2.751.177,12</b>	<b>0,00</b>	<b>0,00</b>	<b>3.462.020,75</b>	<b>2.751.177,12</b>



**- Short-term financial liabilities:**

		CLASSES OF SHORT-TERM FINANCIAL LIABILITIES									
		DEBTS WITH CREDIT INSTITUTIONS		DEBENTURES AND OTHER MARKETABLE SECURITIES		TRADE CREDITORS AND OTHER ACCOUNTS PAYABLE		DERIVATIVES AND OTHERS		TOTAL	
		FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022
CATEGORY	FINANCIAL LIABILITIES AT AMORTIZED COST	0,00	0,00	0,00	0,00	1.536.052,00	1.017.217,53	476.089,20	338.752,84	2.012.591,20	1.355.970,37
	FINANCIAL LIABILITIES AT FV WITH CHANGES IN P&L	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TOTAL		<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>1.536.052,00</b>	<b>1.017.217,53</b>	<b>476.089,20</b>	<b>338.752,84</b>	<b>2.012.591,20</b>	<b>1.355.970,37</b>

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

The company does not have any long-term financial liabilities in the financial year that closed on 31 March 2023 or the previous year that ended on 31 March 2022.

**b) Classification by maturity:**

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

**c) Reclassification:**

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

**d) Offsetting of financial assets and liabilities:**

The company has no offsets of financial assets or liabilities.

**e) Assets assigned and accepted as collateral:**

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

**f) Compound financial instruments with multiple embedded derivatives:**

The company has no compound financial instruments.

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

	CLASSES OF FINANCIAL ASSETS					
	SECURITIES REPRESENTING DEBT		CREDITS, DERIVATIVES AND OTHERS		TOTAL	
	LONG TERM	SHORT TERM	LONG TERM	SHORT TERM	LONG TERM	SHORT TERM
<b>LOSSES FOR IMPAIRMENT AT 01/04/2020</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>55.144,90</b>	<b>0,00</b>	<b>55.144,90</b>
+ VALUE CORRECTION DUE TO IMPAIRMENT	0,00	0,00	0,00	32.359,38	0,00	32.359,38
- REVERSAL OF IMPAIRMENT	0,00	0,00	0,00	-21.560,43	0,00	-21.560,43
- DISPOSALS AND REDUCTIONS	0,00	0,00	0,00	0,00	0,00	0,00
+/- TRANSFERS AND OTHER VARIATIONS	0,00	0,00	0,00	0,00	0,00	0,00
<b>LOSSES FOR IMPAIRMENT AT 31/03/2021</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>65.943,85</b>	<b>0,00</b>	<b>65.943,85</b>
+ VALUE CORRECTION DUE TO IMPAIRMENT	0,00	0,00	0,00	2.755,66	0,00	2.755,66
- REVERSAL OF IMPAIRMENT	0,00	0,00	0,00	-10.139,78	0,00	-10.139,78
- DISPOSALS AND REDUCTIONS	0,00	0,00	0,00	0,00	0,00	0,00
+/- TRANSFERS AND OTHER VARIATIONS	0,00	0,00	0,00	0,00	0,00	0,00
<b>LOSSES FOR IMPAIRMENT AT 31/03/2022</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>58.559,73</b>	<b>0,00</b>	<b>58.559,73</b>

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

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

**i) Debts with special features**

There are no debts with special characteristics.

**j) Group, multi-group and associated companies:**

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

**k) Cash and cash equivalents:**

The Company has liquid funds at year-end amounting to EUR 2,436 thousand (31 March 2022: EUR 1,650 thousand).

**l) Other information:**

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

**m) Risk policy and risk management:**

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

- Credit risk:

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

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

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

- Exchange rate risk:

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

- Liquidity risk:

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

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

- **Financial instruments - assets:**

	MATURITY IN YEARS						
	1	2	3	4	5	OVER 5	TOTAL
INVESTMENTS IN GROUP AND ASSOCIATED COMPANIES	0,00	0,00	0,00	0,00	0,00	0,00	0,00
FINANCIAL INVESTMENTS	0,00	0,00	0,00	442.699,54	0,00	0,00	442.699,54
NON-CURRENT TRADE PAYABLES	0,00	0,00	0,00	0,00	0,00	0,00	0,00
ADVANCES TO SUPPLIERS	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TRADE DEBTORS AND OTHER ACCOUNTS RECEIVABLE							
CLIENTS FROM SALES AND PROVISION OF SERVICES	3.447.520,75	0,00	0,00	0,00	0,00	0,00	3.447.520,75
PERSONNEL	13.500,00	0,00	0,00	0,00	0,00	0,00	13.500,00
<b>TOTAL</b>	<b>3.461.020,75</b>	<b>0,00</b>	<b>0,00</b>	<b>442.699,54</b>	<b>0,00</b>	<b>0,00</b>	<b>3.903.720,29</b>

- **Financial instruments - liabilities:**

	MATURITY IN YEARS						
	1	2	3	4	5	OVER 5	TOTAL
DEBTS							
OTHER FINANCIAL LIABILITIES	476.089,20	0,00	0,00	0,00	0,00	0,00	476.089,20
DEBTS WITH GROUP AND ASSOCIATED COMPANIES	0,00	0,00	0,00	0,00	0,00	0,00	0,00
NON-CURRENT TRADE CREDITORS	0,00	0,00	0,00	0,00	0,00	0,00	0,00
TRADE CREDITORS AND OTHER ACCOUNTS PAYABLE							
SUPPLIERS	553.904,33	0,00	0,00	0,00	0,00	0,00	553.904,33
SUPPLIERS, GROUP AND ASSOCIATED COMPANIES	697.249,81	0,00	0,00	0,00	0,00	0,00	697.249,81
SUNDRY CREDITORS	164.874,97	0,00	0,00	0,00	0,00	0,00	164.874,97
PERSONNEL	120.472,89	0,00	0,00	0,00	0,00	0,00	120.472,89
DEBT WITH SPECIAL CHARACTERISTICS	0,00	0,00	0,00	0,00	0,00	0,00	0,00
<b>TOTAL</b>	<b>2.012.591,20</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>0,00</b>	<b>2.012.591,20</b>



## **2. OWN FUNDS**

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

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

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

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

There are no payments pending.

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

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

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

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

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

### NOTE 9 - INVENTORY

#### Value corrections due to impairment

	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022
Amount at the beginning of the financial year	195.422,02	612.310,98
Amount at the end of the financial year	136.475,75	195.422,02

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

Drugs that were already damaged worth 198.047,32 euros were destroyed during the year. (704.176,13 euros in Year 2022).

### NOTE 10 - FOREIGN CURRENCY

#### Assets and liabilities denominated in foreign currency

##### - Assets:

There are no assets in foreign currency.

##### - Liabilities:

There are no liabilities in foreign currency.

#### Purchase, sales and services received and rendered

	FINANCIAL YEAR ENDED AT 31/03/2023			FINANCIAL YEAR ENDED AT 31/03/2022		
	TOTAL	CLASSIFICATION BY CURRENCIES (euros)		TOTAL	CLASSIFICATION BY CURRENCIES (euros)	
		DOLLARS	POUNDS		DOLLARS	POUNDS
Purchases	0,00	0,00	0,00	36.954,71	36.954,71	0,00
Sales	0,00	0,00	0,00	0,00	0,00	0,00
Services received	0,00	0,00	0,00	0,00	0,00	0,00
Services rendered	0,00	0,00	0,00	0,00	0,00	0,00

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

	FINANCIAL YEAR ENDED AT 31/03/2023		FINANCIAL YEAR ENDED AT 31/03/2022	
	SETTLED	OPENING OR PENDING	SETTLED	OPENING OR PENDING
<b>D) CURRENT LIABILITY</b>	<b>0,00</b>	<b>0,00</b>	<b>-3.244,04</b>	<b>0,00</b>
4. Trade creditors and other accounts payable	0,00	0,00	-3.244,04	0,00

**NOTE 11 - TAX SITUATION**

**1. PROFITS TAX**

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

	Profit and loss statement Amount for the financial year ending on 31/03/2023			Profit and loss statement Amount for the financial year ending on 31/03/2022		
	Increases	Reductions	Net Effect	Increases	Reductions	Net Effect
<b>Balance of income and expenses of the year</b>			<b>748.202,00</b>			<b>311.148,03</b>
<b>Corporate income tax</b>	-	-	(146.759,47)	-	-	103.863,65
<b>Permanent differences</b>	572,18	-	572,18	442,93	-	442,93
<b>Temporary differences</b>						
- coming from the financial year	-	-	-	-	-	-
- coming from previous financial years	-	-	-	-	-	-
<b>Offsetting of tax loss carryforwards losses from previous years</b>	-	-	-	-	-	-
<b>Tax base (tax result)</b>	<b>572,18</b>		<b>602.014,71</b>	<b>442,93</b>		<b>415.454,61</b>

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

The tax on profits expense is 0.00 euros for the financial year ended on 31 March 2023. The expense entry posted in previous years in the amount of 146.759,47 euro was reversed. The tax on profit expense was 103.863,65 euros for the financial year ended 31 March 2022.

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

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

During 2019, inspection actions were initiated by the Spanish Tax Administration Agency in relation to Corporation tax for the period between 2013 - 2018. The review point was focused on the Negative Tax Bases for the years 2008 and 2013. During 2020, dissenting minutes were signed, as management considered that there was a legal route to defend the deductibility of the aforementioned tax losses, in agreement with its legal advisors. During 2020, a complaint was lodged with the Regional Economic Administrative Court, of which a favourable resolution has been received on 04/26/2022.

Likewise, the Tax Agency, on 10/17/2022, issued a Resolution for the Execution of the Economic-Administrative Resolution ESTIMATING the claim filed and recognizing the negative taxable income claimed.

On 03/05/2023 a resolution of Appeal for Reposition has been received REJECTING the modification of the negative taxable income as of 31.03.2022 for not accepting the adjustments for the amortization of the goodwill and the application of the provision accepted by the TEARC.

Based on the resolution of the TAX AGENCY, the negative taxable income pending to be offset as of March 31, 2023 amounts to 1,871,751.70 euros. On March 31, 2022 they amounted to € 2,473,766.41 according to the Administration.

The entity considers that the negative Taxable Bases pending to be compensated on 31.03.2022 would amount to € 3,188,971.27, for which reason it is going to file a Claim with the Regional Economic-Administrative Court.

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

## NOTE 12 - INCOME AND EXPENSES

### Information on significant judgements in the application of accounting and valuation standard 14<sup>th</sup>

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

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

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

### Information about certain expenses and other results

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

	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022
1. Consumption of goods purchased for resale *	14.866.275,69	12.927.812,38
a) Purchases, net returns and any discount *:	15.149.873,51	8.709.384,88
National *	0,00	339.151,30
Intra-community acquisitions *	15.149.873,51	8.370.233,58
Imports *	0,00	0,00
b) Change in inventory	-283.597,82	43.462,35
2. Consumption of raw materials and other consumables	0.00	0.00
a) Purchases, net returns and any discount:	0.00	0.00
b) Change in inventory	0.00	0.00
3. Social Security charges	323.889,22	296.487,84
a) Social Security paid by the Company	242.800,25	211.282,84
b) Contributions to and allocations for pensions	0.00	0.00
c) Other social security charges	81.088,97	60.292,28
4. Sale of goods and provision of services produced through the swap of non-monetary goods and services	0.00	0.00
5. Earnings originating outside the normal business activity of the company included in Other Profits/Losses	0.00	0.00
6. Expenses associated with restructuring:	0.00	0.00



**NOTE 13 - PROVISIONS AND CONTINGENCIES**

**1. PROVISIONS**

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

	BALANCE AT 31/03/2022	Reversals	Allocations	BALANCE AT 31/03/2023
PROVISIONS FOR RETURNS	338.752,84	-3.290.566,11	3.427.902,47	476.089,20
	<b>338.752,84</b>	<b>-3.290.566,11</b>	<b>3.427.902,47</b>	<b>476.089,20</b>

The provision for returns was estimated by applying a percentage of 1.5% to direct sales to pharmacies and to sales made through wholesalers. This percentage corresponds to an estimate made by the Company based on the expected value of returns and using, as the reference, the maximum amount of returns in accordance with the provisions of Royal Decree 726/1982 of 17 March, which regulates the expiry and returns of pharmaceutical specialities to pharmaceutical laboratories.

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

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

Costs incurred during the financial year ended on 31 March 2023 for protection and improvement of the environment amounted to 10,463.04 euros. During the previous year, this amount was 49,444.32 euros. Most of these expenses involved the controlled destruction of expired products.

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

**NOTE 15 - EVENTS AFTER THE CLOSE**

No events have occurred since the end of the financial year affecting the annual accounts closed at 31 March 2023 or the going concern principle (except already mentioned in Note 11).

**NOTE 16 - OPERATIONS WITH RELATED PARTIES**

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

- a) The persons and/or companies with whom related operations were carried out are listed below:
  - Parent company
  - Other group companies
- b) The nature of the relationship with the related parties is commercial.
- c) The details of the operations and the quantification thereof, as well as the profits or losses that the operations have caused at the company, are the following:

**FINANCIAL YEAR ENDED AT 31/03/2023**

	<b>PARENT COMPANY</b>	<b>OTHER GROUP COMPANIES</b>
Sales of current assets	0.00	5.023,50
Sales of non-current assets	0.00	0,00
Purchases of current assets *	7.292.323,19	4.671.932,96
Purchases of non-current assets	0.00	0,00
Provision of services	0.00	137.471,19
Reception of services	60.656,97	851.094,07
Income from interest charged	0.00	0,00
Income from interest accrued but not charged	0.00	0,00
Expenses due to interest paid	0.00	0,00
Expenses due to interest accrued but not paid	0.00	0,00

**FINANCIAL YEAR ENDED AT 31/03/2022**

	<b>PARENT COMPANY</b>	<b>OTHER GROUP COMPANIES</b>
Sales of current assets *	0.00	9.834,59
Sales of non-current assets	0.00	0,00
Purchases of current assets *	8.685.883,25	2.050.552,31
Purchases of non-current assets	0.00	0,00
Provision of services	0.00	106.292,24
Reception of services *	0.00	615.112,22
Income from interest charged	0.00	0,00
Income from interest accrued but not charged	0.00	0,00
Expenses due to interest paid	0.00	0,00
Expenses due to interest accrued but not paid	0.00	0,00

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

**FINANCIAL YEAR ENDED AT 31/03/2023**

	<b>PARENT COMPANY</b>	<b>OTHER GROUP COMPANIES</b>
<b>A) NON-CURRENT ASSETS</b>	<b>0.00</b>	<b>0.00</b>
1. Long-term financial investments	0.00	0.00
<b>B) CURRENT ASSETS</b>	<b>0.00</b>	<b>27.531,15</b>
1. Trade debtors and other accounts receivable	0.00	27.531,15
b) Clients from sales and service provision at short term, of which:	0.00	27.531,15
Corrections in value for doubtful clients	0.00	0.00
2. Short-term financial investments	0.00	0.00

	<b>PARENT COMPANY</b>	<b>OTHER GROUP COMPANIES</b>
<b>C) NON-CURRENT LIABILITIES</b>	<b>0.00</b>	<b>0.00</b>
1. Long-term debts	0.00	0.00
2. Long-term debts of special characteristics	0.00	0.00
<b>D) CURRENT LIABILITY</b>	<b>532.592,49</b>	<b>164.657,32</b>
1. Short-term debts	0.00	0.00
e) Other financial liabilities	0.00	0.00
2. Short-term debts of special characteristics	0.00	0.00
3. Trade creditors and other accounts payable	532.592,49	164.657,32
b) Short-term suppliers	532.592,49	164.657,32

FINANCIAL YEAR ENDED AT 31/03/2022

	PARENT COMPANY	OTHER GROUP COMPANIES
<b>A) NON-CURRENT ASSETS</b>	<b>0.00</b>	<b>0.00</b>
1. Long-term financial investments	0.00	0.00
<b>B) CURRENT ASSETS *</b>	<b>0,00</b>	<b>2.754,59</b>
1. Trade debtors and other accounts receivable *	<b>0,00</b>	2.754,59
b) Clients from sales and service provision at short term, of which:	<b>0,00</b>	2.754,59
Corrections in value for doubtful clients	0.00	0,00
2. Short-term financial investments	0.00	0.00

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

The information pertaining to **senior management personnel** is the following:

	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022
1. Salaries, per diems and other remuneration	454.187,54	394.406,07

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

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

No agreements with the sole shareholder exist.

**NOTE 17 - OTHER INFORMATION**

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

	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022
Senior executives	3.00	3.00
Other management staff	0.00	0.00
Technical staff, scientific and intellectual professionals and auxiliary staff	3.00	3.00
Administrative employees	4.00	5.00
Sales staff, sales reps and similar	9.00	7.00
Other skilled workers	0.00	0.00
Non-skilled workers	0.00	0.00
<b>Total average of employees</b>	<b>19,00</b>	<b>18,00</b>

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

	EJERCICIO CERRADO A 31/03/2023			EJERCICIO CERRADO A 31/03/2022		
	TOTAL	MEN	WOMEN	TOTAL	MEN	WOMEN
Directors	3,00	3,00	0,00	3,00	3,00	0,00
Senior executives (non-directors)	2,00	1,00	1,00	2,00	1,00	1,00
Other company management staff	0,00	0,00	0,00	0,00	0,00	0,00
Technical staff, scientific and intellectual professionals and auxiliary staff	3,00	1,00	2,00	3,00	1,00	2,00
Administrative employees	4,00	1,00	3,00	5,00	1,00	4,00
Sales staff, sales reps and similar	9,00	6,00	3,00	7,00	5,00	2,00
Other skilled workers	0,00			0,00		
Non-skilled workers	0,00			0,00		
<b>Total personnel at the end of the financial year</b>	<b>21,00</b>	<b>12,00</b>	<b>9,00</b>	<b>20,00</b>	<b>11,00</b>	<b>9,00</b>

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

	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022
<i>Services provided by account auditors</i>		
Professional fees for account auditing	10.200,00	10.000,00
Professional fees charged for other verification services	2.130,00	8.000,00
Professional fees charged for tax advising services	0,00	0,00
Other professional fees for services provided	0,00	0,00
<i>Services provided by the Auren Network</i>		
Professional fees for services provided	0,00	0,00
<b>Total</b>	<b>12.330,00</b>	<b>18.000,00</b>

### NOTE 18 - SEGMENTED INFORMATION

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

DESCRIPTION OF THE ACTIVITY	TURNOVER	
	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022
Generic products	19.376.295,61	17.030.237,25
<b>Total</b>	<b>19.376.295,61</b>	<b>17.030.237,25</b>

DESCRIPTION OF THE GEOGRAPHIC MARKET	TURNOVER	
	FINANCIAL YEAR ENDED AT 31/03/2023	FINANCIAL YEAR ENDED AT 31/03/2022
NATIONAL	19.266.683,86	16.922.088,02
REST OF THE EUROPEAN UNION	109.611,75	108.149,23
REST OF THE WORLD	0,00	0,00
<b>Total</b>	<b>19.376.295,61</b>	<b>17.030.237,25</b>

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

The information related to the average payment period to suppliers in commercial operations is as follows:

	<b>31/03/2023</b>	<b>31/03/2022</b>
	<b>Days</b>	<b>Days</b>
Average payment period to suppliers	25,8	25,52
Ratio of paid operations	26,45	26,63
Ratio of operations pending payment	9,76	4,77
	<b>Amount (euros)</b>	<b>Amount (euros)</b>
Total payments made	13.649.437,51	11.459.855,48
Total payments pending	529.084,31	611.423,90
Invoices paid in a period lower than the maximum established by the regulations on late payment		
Monetary volume	9.965,736,94	7.219.572,80
No. invoices	240	184
% of the total number of invoices	62,18%	56,44%
% of total monetary amount of payments to suppliers	73,01%	63,00%



The Balance Sheet, Profit and Loss Statement, Statement of Changes in Net Equity, Cash Flow Statement and Annual Report of SUN PHARMA LABORATORIOS, S.L.U. corresponding to the financial year ended 31 March 2022 have been prepared in Barcelona on 11<sup>th</sup> May 2023, numbered consecutively from 1 to 41 and approved by the Board of Directors of the Company by signing in witness whereof.

SIGNATURES

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Hellen de Kloet

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Pedro Luis Sala Lanz

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Prashant Lakhamshi Savla

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**MANAGEMENT REPORT**

**FROM 1 / 4 / 2022 TO 31 / 03 / 2023**

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

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

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

**NOTE 2 – EVENTS AFTER THE CLOSE**

No events have occurred since year-end that would affect the annual accounts closed as at 31 March 2023 or the going concern principle (except for already note 11 mentioned in the Note of account).

**NOTE 3 – RESEARCH AND DEVELOPMENT**

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

**NOTE 4 – ACQUISITION OF OWN SHARES**

The Company does not hold treasury stock.

**NOTE 5 – FORESEEABLE EVOLUTION OF THE COMPANY**

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

**NOTE 6 – DERIVATIVE FINANCIAL INSTRUMENTS**

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

**NOTE 7 – OTHER INFORMATION**

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

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

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



**NOTE 8 - OTHER INFORMATION**

The information related to the average payment period to suppliers in commercial operations is as follows:

	31/03/2023	31/03/2022
	Days	Days
Average payment period to suppliers	25,8	25,52
Ratio of paid operations	26,45	26,63
Ratio of operations pending payment	9,76	4,77
	Amount (euros)	Amount (euros)
Total payments made	13.649.437,51	11.459.855,48
Total payments pending	529.084,31	611.423,90
Invoices paid in a period lower than the maximum established by the regulations on late payment		
Monetary volume	9.965.736,94	7.219.572,80
No. invoices	240	184
% of the total number of invoices	62,18%	56,44%
% of total monetary amount of payments to suppliers	73,01%	63,00%



This Management Report of SUN PHARMA LABORATORIOS, S.L.U. for the financial year ended 31 March 2023 has been formulated in Barcelona on 11<sup>th</sup> May 2023, consisting of 4 pages, numbered in consecutive order from 1 to 4 and approved by the Board of Directors of the Company who sign in witness whereof.

SIGNATURES

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Hellen de Kloet

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Pedro Luis Sala Lanz

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Prashant Lakhamshi Savla

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