Ranbaxy Farmacêutica Ltda.

A Sun Pharma Company

Financial statements as of
31 March 2025 and 2024

Content

Report of Independent Auditors

Balance Sheets

Statements of income

Statements of changes in stockholders' equity

Cash Flow Statements

Explanatory notes to Financial Statements

PEPPE ASSOCIADOS
Consultores & Auditores Independentes

INDEPENDENT AUDITORS' REPORT

To
The Quotaholders and Executive Board of
Ranbaxy Farmacêutica Ltda
Barueri - SP

Opinion

1. We have examined the financial statements of **RANBAXY FARMACÊUTICA LTDA**, which comprise the balance sheet as of March 31, 2025 and the respective statements of operations, changes in quotaholders' equity and cash flows for the year then ended, and other accompanying notes to the financial statements and a summary of significant accounting practices.

2. In our opinion, financial statements referred in paragraph above ***represent fairly***, in all material respects, the financial position of RANBAXY FARMACÊUTICA LTDA as of March 31, 2025, the performance of its operations and its cash flows for the year then ended, in accordance with accounting practices adopted in Brazil.

Base for Opinion

3. Our audit was conducted in accordance with Brazilian and international standards on auditing. Our responsibilities, in accordance with these standards, are described in the following section, "Auditor's responsibility for the audit of the financial statements". We are independent in relation to the Company, according to the relevant ethical principles established in the Accountants' Professional Code of Ethics and the professional standards issued by the Federal Accounting Council, and we comply with the other ethical responsibilities according to these standards. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis

4. During the year ended March 31, 2025, the Company had an unsecured liability scenario over assets of BRL 34,778 Mn. These financial statements have been prepared under the assumption that the Company will continue as a going concern. The Company's management has no intention of discontinuing its operations and, therefore, the financial statements do not include any adjustments to Asset or Liability accounts that might be required in the event of discontinuation of operations. As a mitigating circumstance, therefore, out of the total current and non-current liabilities, BRL 369,481 Mn, 84,55% are borrowings and supplies taken from controlling shareholders or related parties, and the rest of the liabilities with third parties is perfectly supported by current factor liquidity index at 6,50.

Management's responsibility and governance for the financial statements

5. The Company's management is responsible for the preparation and adequate presentation of the financial statements in accordance with the accounting practices adopted in Brazil, and the internal controls it deemed necessary to enable the preparation of these financial statements free of material misstatements, regardless of whether caused by fraud or error. In the preparation of the financial statements, management is responsible for evaluating the Company's ability to continue as a going concern, disclosing, when applicable issues related to the continuity of its operations and the use of this accounting base in the preparation of the financial statements, unless management has decided to settle the Company or to discontinue its operations, or does not have any realistic alternative to prevent the discontinuance of operations.

6. The ones responsible for the Company's governance are those with responsibility for overseeing the process of preparation of the financial statements.

Auditor's responsibilities for the audit of the financial statements

7. Our purposes are to obtain reasonable assurance that the financial statements, taken as a whole, are free from material misstatement, whether caused by fraud or error and to issue audit report containing our opinion. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted according to the Brazilian and international auditing standards will always detect any material misstatements. The misstatements may result from fraud or error and are considered relevant when, individually or in conjunction, they may affect, from a reasonable standpoint, economic decisions of the users based on such financial statements.

8. As part of an audit conducted according to the Brazilian and international auditing standards, we exercise professional judgment, and maintain professional skepticism during the audit. In addition:

- We identify and evaluate the risks of material misstatements in the financial statements, whether due to fraud or error, plan and perform audit procedures in response to such risks, as well as obtain appropriate and sufficient audit evidence to base our opinion. The risk of not detecting material misstatement caused by fraud is higher than that caused by error, since fraud may involve the act of deceiving the internal controls, collusion, forgery, omission or intentional misrepresentations.

- We obtained understanding of the internal controls relevant to audit in order to plan audit procedures appropriate to the circumstances, but not with the aim to express opinion on the effectiveness of the internal controls of the Company.

- We evaluated the fairness of the accounting policies used and the reasonableness of the accounting estimates and respective disclosures made by management.

- We take conclusion on the adequacy of adoption by management of the accounting basis of the ability to continue as going concern, and, based on the obtained audit evidences, whether there is a significant uncertainty in relation to Company's ability to continue as going concern. If we conclude that there is a significant uncertainty, we shall call attention in our audit report to the respective disclosures in the financial statements or include a modification in our opinion, if the disclosures are inadequate. Our conclusions are based on audit evidences obtained to the date of our report. However, future events or conditions may cause the Company not to continue as going concern.

- We evaluate the general presentation, structure and content of the financial statements, including disclosures and if the financial statements represent the corresponding transactions and events in compliance with the purpose of fair presentation.

9. We communicate with those responsible for governance with respect to, among other aspects, the planned scope, time of the audit and significant audit findings, including possible material weaknesses in internal controls identified by us during our work.

São Paulo, May 02, 2025

PEPPE ASSOCIADOS
Consultores & Auditores Independentes
CRC-SP nº 2SP021055/O-1

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Accountant CRC-SP nº 1SP195873/O-2

Ranbaxy Farmacêutica Ltda.

Balance Sheets ended as of 31 March 2025 and 31 March 2024

(In thousands of Brazilian Reais)

Asset	Note	31/Mar-2025	31/Mar-2024	Liability	Note	31/Mar-2025	31/Mar-2024
Current				**Current**			
Cash and cash equivalents	4	3.552	1.844	Suppliers	9	253.383	338.847
Other investments	4	30.787	114.105	Loans	10	0	25.405
Accounts receivable from customers	5	103.594	59.589	Taxes and contribution payable	11	6.390	10.238
Inventories	6	100.185	101.977	Salaries and holiday payable		614	680
Current tax assets	7	95.016	73.434	Other provisions	12	39.788	26.754
Other accounts receivable		779	1.368	Other accounts payable		4.024	6.098
Total of current assets		**333.913**	**352.317**	**Total of current liabilities**		**304.199**	**408.022**
				Non-current			
				Provision for contingencies	13	6.254	1.653
				Loans	10	59.029	25.405
						65.283	**27.058**
Non-current				**Net Equity**			
Fixed Assets	8	663	995	Share Capital	14	17.367	17.367
Intangible Assets		130	186	Accumulated Losses		(52.143)	(98.949)
Total of non-current assets		**793**	**1.181**	**Total net equity**		**(34.776)**	**(81.582)**
Total of assets		**334.706**	**353.498**	**Total of liabilities and net equity**		**334.706**	**353.498**

The accompanying notes are an integral part of these financial statements.

Ranbaxy Farmacêutica Ltda.
Statements of income
Balance Sheets ended as of 31 March 2025 and 31 March 2024
(In thousands of Brazilian Reais)

	Note	31/Mar-2025	31/Mar-2024
Net Operating Revenue	16	445.054	363.632
Cost of goods sold		(323.935)	(266.663)
Gross Profit		**121.119**	**96.969**
Operating expenses:			
Sales	17	(13.401)	(13.713)
Administrative and General	18	(76.270)	(74.906)
Other operating (expenses) income	19	(1.005)	5.365
Earnings before net financial (expenses) revenue and taxes		**30.443**	**13.715**
Financial expenses		(14.202)	(6.512)
Financial revenues		14.122	8.629
Net financial (expenses) revenue	20	**(80)**	**2.117**
Profit before taxes		**30.363**	**15.832**
Income tax and social contribution		**16.443**	**314**
Income tax		21.118	918
Social Contribution		(4.675)	(604)
Income for the fiscal year		**46.806**	**16.146**

The accompanying notes are an integral part of these financial statements.

Ranbaxy Farmacêutica Ltda.

Statements of changes in stockholders' equity

Balance Sheets ended as of 31 March 2025 and 31 March 2024

(In thousands of Brazilian Reais)

	Share Capital	Losses Accumulated	Total
Balances as of 31 March 2023	17,367	(115,095)	(97,728)
Income for the fiscal year		16,146	16,146
Balances as of 31 March 2024	17,367	(98,949)	(81,582)
Income for the fiscal year		46,806	46,806
Balances as of 31 March 2025	17,367	(52,143)	(34,776)

The accompanying notes are an integral part of these financial statements.

Ranbaxy Farmacêutica Ltda.

Statements of Cash Flows - indirect method

Balance Sheets ended as of 31 March 2025 and 31 March 2024

(In thousands of Brazilian Reais)

	Nota	31/Mar-2025	31/Mar-2024
Cash flow from operating activities			
Profit before taxes		**30.363**	**15.832**
Adjusted for:			
Depreciation		388	534
Amortization		56	54
Gain/Loss on sale of assets		(260)	(106)
Net adjusted PBT before changes in working capital		**30.547**	**16.314**
(Increase) decrease in current and non current assets			
Accounts receivable from customers		(44.005)	(14.962)
Inventories		1.792	103.176
Current tax assets		(21.580)	(22.568)
Other accounts receivable		589	2.174
		(63.204)	**67.820**
(Increase) decrease in current and non current liabilities			
Accounts Payable		(85.465)	(60.288)
Taxes and contributions payable		(3.848)	5.720
Salaries and charges thereon payable		(66)	118
Other provisions		13.034	(2.174)
Other accounts payable		(2.074)	5.002
Payment of tax contingencies		4.601	234
		(73.818)	**(51.388)**
Income tax and social contribution		16.443	314
Cash flow from operating activities		**(90.032)**	**33.060**
Cash Flow from Investing activities			
Purchase of fixed assets		(77)	(44)
Purchase of intangible assets		0	(90)
Sale of fixed assets		279	132
		202	**(2)**
Cash Flow from Financing activities			
Variation of current liabilities		(25.405)	(821)
Variation of non current liabilities		33.624	(821)
		8.219	**(1.642)**
Net decrease in Cash and cash equivalents		**(81.611)**	**31.416**
Statement of decrease in cash and cash equivalents			
At the beginning of the financial year		115.950	84.534
At the end of the financial year		34.339	115.950
		(81.611)	**31.416**
		0	**0**

Explanatory notes to financial statements
(In thousands of Brazilian Reais)

1 - *Operating context*

Ranbaxy Farmacêutica Ltda., incorporated on 27 October 1993, having its tax domicile in the state of Rio de Janeiro, and having as its main economic activity the import of allopathic medicinal products for human use, as well as the distribution and sale of pharmaceutical products.

The company has its administration office at Alameda Tocantins, 125, 24^{th} Floor, Alphaville, Barueri, São Paulo, duly registered with JUCESP [Board of Trade of the State of São Paulo, whose corporate purpose is that of an administrative office.

1.1 - *Management plan for 2025 and 2024*

The balance sheet ended as at 31st March 2025 has a negative net worth of BRL 34,776.

From 2021-22, the company started importing in local currency BRL, which would thus reduce the impact of the dollar rate on imports and loan outstanding.

Management believes that the amounts will be reversed in the coming years, considering the increase in operational volumes, product portfolio especially with launch of new products in both Retail and Institutional sales segments, and committed steady supply of products by the manufacturing plants in India

There is direct involvement of commercial team in the demand planning and forecasting activity, whereby Rolling Sales Forecast is given for the subsequent twelve months, and production is aligned according to the demand and commercial aspirations and expectations. This process is helping to impact increase in sales in a positive manner

2 - *Presentation of the Financial Statements*

The financial statements were prepared in accordance with accounting practices adopted in Brazil and comprise the period from April to March, having their issue authorized by the Board on 3rd May, 2024.

The Company adopts the Law no. 6.404/76 and its amendments introduced by Law no. 11.638/07, which modified, revoked and introduced new provisions to the Brazilian Companies Law.

The aforementioned law aimed, mainly, to update the Brazilian corporate law to allow the process of convergence of accounting practices adopted in Brazil with those comprised in the International Financial Accounting Standards (IFRS).

2.1 *Functional currency and presentation currency*

The financial statements are presented in Brazilian Real, which is the functional currency of the Company. All financial information presented in Real have been rounded up to the nearest thousands, except where indicated otherwise.

2.2 *Use of estimates and judgments*

The preparation of financial statements in accordance with the accounting practices adopted in Brazil requires that the Management of the Company make judgments, estimates and assumptions that affect the application of accounting policies and the reported values of assets, liabilities, revenues and expenses. Actual results could differ from those estimates.

Estimates and assumptions are reviewed in a continuous manner. Revisions with respect to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

The information on assumptions and estimates that have a significant risk of result in material adjustments within the next few years are included in the following explanatory notes:

Note 5 - Provision for doubtful receivables
Note 6 - Provision for inventory obsolescence
Note 8 - Review of the useful life of fixed asset
Note 13 - Provision for contingencies

3 Summary of Significant Accounting Policies

a. Determination of Net Income

Net income from operations of the company is established in accordance with the accounting on accrual basis for the financial year, which covers the period from April to March of each year.

Operating revenues from the sale of products, as well as costs and expenses are recognized in the outcome as a function of its implementation, i.e., when there is convincing evidence that the risks and rewards significant and inherent to ownership have been transferred to the purchaser.

b. Cash and cash equivalents

Cash and cash equivalents include cash in hand, balances in current bank accounts and financial investments of high liquidity. The financial investments are recorded at cost, plus income earned during the financial year, duly regulated by the central bank of Brazil.

c. Accounts receivable from customers

Accounts receivable from customers are initially recorded at the invoiced value, including their indirect taxes, tax liability of the Company, minus the taxes withheld at source, which are considered as tax credits.

The provision for credit losses was made at an amount considered sufficient by the Management to compensate for any losses on the realization of the credits earned, overdue for more than 12 months and or when identified as unable to recover.

As provided in the CPC12, adjustment to the present value was not registered by virtue of not having material effect on the financial statements.

d. Inventories

Inventories are stated on the basis of historic cost of acquisition and production, plus expenses relating to transport, storage and non-recoverable taxes. In the case of industrialized products, under work-in-progress and finished, the inventory includes the manufacturing overheads based on the normal capacity of production. The cost is determined by the weighted average cost. The values of inventories recorded does not exceed the net value of realization. The net value of realization, which corresponds to the estimated selling price in the ordinary course of business, less the estimated costs of completion and those necessary to make the sale.

e. Fixed assets

- **Fixed assets**

Items of fixed asset (property, plant and equipment) are measured at historic cost of acquisition or construction, less accumulated depreciation and loss of reduction to the recoverable amount (impairment), if applicable.

The cost includes expenditure that is directly attributable to the acquisition of an asset. The cost of assets constructed by the company itself includes the cost of materials and labor, other direct costs to place the asset in the location and condition necessary for these to be capable of operating in the manner sought by the management, the costs of dismantling and restoration of the site where these assets are located.

The improvement in third parties' properties is amortized in accordance with the duration of the lease contract.

Gains and losses on disposal of an item of property, plant and equipment are calculated by comparison between the resources deriving from disposal with the carrying amount of property and are recognized net inside of other revenues in the result.

Other costs are capitalized only when there is an increase in the economic benefits of the item of fixed asset. Any other type of expense is recognized in the result as an expense when incurred.

- **Depreciation**

Depreciation is calculated on the depreciable value, which is the cost of an asset, or other substitute value of the cost minus the residual value.

Depreciation is recognized in the results based on the straight-line method over the estimated useful lives of each part of an item of the fixed asset, since this method is that one that more closely reflects the pattern of consumption of future economic benefits embodied in the asset. Lands are not depreciated.

The estimated useful lives are as follows:

	Years
Machines and equipment	14
Furniture and utensils	12
IT equipment	10
Vehicles	12
Improvement on third parties' property	5

The depreciation methods were reviewed, and new rates will be adopted, each closing of the financial year and any adjustments are recognized as changes in accounting estimates.

- **Intangible Assets**

It is valued at cost of acquisition, less accumulated depreciation and losses by reducing the recoverable amount, when applicable.

The intangible asset of the company has defined life, composed by software. The record of depreciation is done in the demonstration of the income statement of the fiscal year, under the heading "Depreciation and amortization".

The estimated useful life for the current fiscal and year is:	**Years**
Software	10

- **Reduction in the recoverable value of assets**

According to NBC TG 01 (R4) – Impairment of Assets – Related to IAS 36.

Aims to ensure that the assets are not recorded accounted for a higher value than the one that can be recovered in time for use of the company's operations or its eventual sale.

f. Leasing Operation

In line with the pronouncement of the new Accounting Standard on Leasing, through CPC 06 (R2) and in India (Where Ranbaxy's headquarters are located) from April 1, 2019 through Ind AS 116. It establishes principles for the recognition and measurement of leases, the purpose of which is to ensure relevant information that faithfully represents these transactions.

As part of an economic group, w.e.f. April 1, 2019, Ranbaxy Farmacêutica Ltda. adhered to the referred norm, and began to treat the property rental according as required. The company started to present its Assets - Right of Use (Net Present Value of the Lease Agreement) and its Lease Liabilities (Net Present Value of the Lease Payable, updated by interest). The Right of Use is amortized over the term of the contract and its effects are reflected in the result.

g. Current and non-current liabilities

The current and non-current liabilities are demonstrated by the known or calculated estimated plus, when applicable the corresponding charges, monetary variations and/or exchange rate incurred up to the date of the balance sheet.

h. Short-term benefits to employees

Obligations of short-term benefits to employees are measured on an undiscounted basis and are incurred as expenses as the related service is provided.

Provision was made for the payment of bonuses on individual performance and was recognized by the amount expected to be paid under the plans of bonuses on money or participation in profits in the short term if the company has a legal or constructive obligation to pay this value in function of past service rendered by the employee, and the obligation can be estimated reliably.

i. Loans and Financing

The financial charges and the monetary indexations of the loans are accounted for on the basis of the period elapsing, being established in accordance with the terms of the contracts. There are no external loans, the existing ones being from group companies only. Interest is calculated as per SOFR rates with agreed spread of basis points. The loans are meant to meet working capital needs.

j. Provisions

A provision is recognized in the balance sheet when the company has an obligation or as a result of a past event, and it is probable that an economic resource will be required to settle the obligation. Provisions are recorded taking as a basis the best estimates of the risk involved.

k. Income tax and social contribution

The fiscal year for calculation of income tax is determined by law, and comprises the period from January to December, unlike the corporate year depicted in the financial statements, which comprises the period from April to March.

The income tax and social contribution of current and deferred charges are calculated on the basis of rates of 15%, plus an additional 10% on the taxable profit surplus of BRL 240.000,00 for income tax and 9% on taxable profit for social contribution on net profits and consider the offsetting of tax losses and negative social contribution base, limited to 30% of the real profit.

The current tax is the tax payable or receivable expected on the taxable profit or loss for the year, the tax rates enacted or substantively enacted at the date of presentation of the financial statements and any adjustment to tax payable in relation to previous years.

The Company has recognized the Income Tax and Social Contribution, of deferred tax assets on tax loss and negative base of social contribution. The deferred asset of Income Tax and Social Contribution are recognized based on the expected generation of future taxable profits. Deferred tax is measured by the tax rates that are expected to be applied to temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the date of presentation of the financial statements.

l. Financial Instruments

The financial instruments are only recognized as from the date on which the company becomes part of the contractual provisions of the financial instruments. When recognized, are initially recorded at its fair value plus transaction costs that are directly attributable to the acquisition or contracting.

On March 31, 2025, the accounting value of the financial instruments of the company, represented mainly by cash, accounts receivable, accounts payable to suppliers and loans with financial institutions and related companies were equivalent to its market value. The company does not use financial instruments in exchange operations of indices (SWAP) or involving operations in the form of derivatives risk. Other Assets and Liabilities

Other Assets and Liabilities

An asset is recognized in the balance sheet when it is probable that future economic benefits will be generated in favor of the company and its cost or value can be measured with security.

The current and non-current liabilities are demonstrated by the known or calculated values plus, when applicable the corresponding charges and monetary variations incurred up to the date of the balance sheet.

Provisions are recorded taking as a basis the best estimates of the risk involved. The financial statements therefore include various estimates based on objective and subjective factors, based on the judgment of the management for the determination of appropriate values to be recorded. The settlement of transactions involving these estimates may result in divergent values of the recorded in the financial statements due to the inaccuracies inherent to the process of determining them, for which reason the management periodically revise such estimates and assumptions.

Estimates and assumptions are used in the selection of the useful lives of the assets, for the constitution of adjustment for the possible risk of not carrying out their accounts receivable, as well as in the analysis of other risks for the determination of other provisions, including the contingent liabilities and other similar, in addition to the valuation of financial instruments and other assets and liabilities on the balance sheet date.

The realizable rights and obligations are classified as Current when their realization or settlement occur within twelve months following the date of presentation of the financial statements. Otherwise, they are shown as Non-current.

4 *Cash and cash equivalents*

	2025	2024
Cash and Banks	3,552	1,844
Other investments (Financial Investments)	30,787	114,105
Total	**34,339**	**115,949**

The composition of "Other investments" consists of: two JP Morgan accounts in CDB (with a minimum redemption period of 30 days, if opting for redemptions prior to this period, the CDI percentage drops significantly) and one Itaú account in CDB (no minimum term for redemptions). Both applications are available for immediate redemptions.

The variation in cash and cash equivalents is directly linked to higher payment during the year, to the group companies for the purchase of imported finished products, interest on loans and reimbursement of expenses allocated from Sun Brasil, as well as the higher amounts collected from customers which are invested in financial instruments (CDB, term deposits)

5 *Accounts receivable from customers*

Accounts receivable from customers are initially recorded by the invoiced value, including their direct taxes, tax liability of the Company, minus the taxes withheld at source, which are considered as tax credits.

The decrease in the revenue recognition adjustment value refers to the high value of deliveries to customers within the month of March, and therefore the lower value of invoices pending to be delivered as on 31st Mar,2025.

	2025	2024
Accounts receivable	111,094	68,286
Other accounts receivable	88	76
(-) Provision for doubtful debts	(4,327)	(3,448)
(-) Adjustment for Revenue recognition	(3,261)	(5,325)
Total	**103,594**	**59,589**

On 31st March, 2025 the total gross value of invoices receivable by the company, distributed by their ageing as per due dates are as follows:

Not Due	**BRL**	
Within 30 days	40,465	
From 31 to 60 days	41,395	
From 61 to 90 days	21,253	
Over 91 days	2,791	
Subtotal	**105,904**	
Due		
Overdue from 91 within 180 days	984	
Overdue within 365 days	1,968	
Overdue over 365 days	2,238	
Subtotal		**5,190**
Overall Total		**111,094**

6 Inventories

	2025	**2024**
Products for Resale (a)	69,277	119,443
Adjustment Revenue Recognition -Cogs	2,095	4,367
Packing material	0	88
Goods in transit (b)	58,315	36,267
Taxes on imports	504	(1,196)
Customs Agent	968	1,348
Others	0	39
(-) Adjustment Net Val of Realization (c)	(621)	(5,333)
(-) Adjustment Stock write-off provision (d)	(30,353)	(53,046)
Total	**100,185**	**101,977**

(a) Values of Products for Resale diminished considering lower volumes for supply issues, stock shortages, importation by sea mode with longer lead time, and in unit value due to price adjustments for imports of products to meet the Transfer Price Margin (TNMM)
(b) Goods in Transit increased due to change in transport mode for most products, leading to longer lead time.
(c) The decrease in the net realizable value is due to change in import prices of products for resale, after detailed analysis of purchase price vs sales price fluctuations to be able to result in lower Transfer Price margin adjustment at the end of the period
(d) The balances contained in the accounts above identified as (d) – expired stocks, short expiry in the next 6 months and 7-12 months and without movement for more than 1 year, in addition to stocks with no commercial value. Management made the provisions and awaits authorization from regulatory bodies so that they can be incinerated.

7 Current tax asset

	2025	**2024**
ICMS tax (a)	22,779	42,393
ICMS ST	1,431	1,324
IRPJ deferred tax (b)	28,436	2,151
CSLL deferred tax (b)	0	774
IRPJ recoverable (c)	33,630	20,791
CSLL recoverable (c)	7,209	5,338
TDS recoverable	1,177	592
Other Taxes	354	71
Total	**95,016**	**73,434**

(a) ICMS normal balance has reduced, due to non-accumulation of entry credit at full rate of 18% or reduced rate of 4% vide Rio Importa Mais scheme, since instead of doing imports customs clearance in Rio state, it is being done in Goiania state where Ranbaxy has the benefit of import ICMS deferral on entry. The reduction is also attributed to a higher rate of consumption per month due to increased sales from Rio state The expectation of liquidating this balance is 14 months.
(b) Deferred IRPJ and CSLL increased due to the high expense base of temporary expenses, driven by the increase in provision of OL and exchange rate variation
(c) The amounts recorded as IRPJ and CSLL recoverable as on 31st March,2025 were advances made to the Income Tax deptt, which will be set-off against annual tax due for 2025, and other federal taxes like PIS COFINS.

8 *Fixed assets*

The company has conducted tests of impairment for all its assets and did not have any devaluation losses. With the adoption of CPC 06. W.e.f. April 2019, the company began to present its Assets - Right of Use (Net Present Value of the Lease Contract) and its Lease Liabilities (Net Present Value of the Lease Payable, restated by interest). The Right of Use is amortized over the term of the contract and its effects are reflected in the result.

	Machines and equipment	Furniture And utensils	Vehicles	Lease rental expenses	Total
Cost					
Balance as of March 31, 2024	**3,682**	**2,122**	**1,884**	**6,233**	**13,921**
Additions	64	13	0	0	77
Disposals and retirements	(41)	(65)	(140)	0	(246)
Transference	0	0	0	0	0
Balance as of March 31, 2025	**3,705**	**2,070**	**1,744**	**6,233**	**13,751**
Depreciation					
Balance as of March 31, 2024	**(3,590)**	**(1,916)**	**(1,166)**	**(6,233)**	**(12,905)**
Additions	(50)	(67)	(274)	(0)	(391)
Disposals and retirements	41	57	127		225
Balance as of March 31, 2025	**(3,599)**	**(1,926)**	**(1,313)**	**(6,233)**	**(13,071)**
Loss on assets devaluation					
Balance as of March 31, 2024	(17)	(1)	-	-	(18)
Additions	(0)	(0)	(0)	-	(0)
Disposals and retirements					
Balance as of March 31, 2025	(17)	(1)	(0)	-	(18)
Net fixed asset as at March 31, 2024	**74**	**203**	**718**	**0**	**995**
Net fixed asset as at March 31, 2025	**89**	**143**	**431**	**0**	**663**

In the FY ended 31st March, 2025, impairment testing of fixed assets was carried out and realizable value evaluated, whereby it was identified that there is no loss due to devaluation of assets in accordance with accounting standards. Therefore, no impact of impairment was recorded in the accounts.

9 Suppliers

	2025	2024
Intercompany – Principal (a)	249,490	322,710
Intercompany – Unrealized exchange impact	12	1,173
Intercompany – In Transit	58,315	36,267
Intercompany – TP Adjustments (b)	(59,298)	(81,207)
Intercompany – Insurance cross-charge	216	119
Intercompany – Expense Allocation (*)	4,648	59,785
Total	**253,383**	**338,847**

(a) Drop in payables is due to higher payments to group companies – 347mn to SPIL and 123mn to Sun Farmacêutica Ltda.
(b) Lower impact of Transfer price adjustment DN/CN by SPIL

(*) The company adopted the practice of issuance of Debit Notes to reallocate expenses between Sun Farmacêutica and Ranbaxy Farmacêutica, (being of the same economic group) aiming to represent better, the operational results of each of the entities. This amount is constituted of expenses for analyzing Ranbaxy's products by Sun's laboratory, in addition to direct and indirect selling & marketing and general administrative expenses. The direct allocation was based on expenses pertaining to the Generic/Retail division business of Ranbaxy, incurred by Sun. Indirect allocation was based on the proportion of sales of the two companies. The amount allocated between the entities is recorded in Sun in the asset and as credit to each expense account and in Ranbaxy in the liability and as debit to each corresponding expense account. In 24-25 25.99mn was recognized as this expense allocation.

10 Loans and Financing

			2025		2024	
Loans and Financing	**Maturity**	**Charges**	**Current**	**Non Current**	**Current**	**Non Current**
Related Parties - Sun Pharma Netherlands B.V	2027 / 2028	6.09% a.a.	0	59,029	25,405	25,405
			0	**59,029**	**25,405**	**25,405**

The balance refers to two contracts with a principal value of USD 5 Mn each, whose maturity dates are January 2027 and March 2025.

Interest is accrued at 6months SOFR rates, calculated with a spread of 2.50% per year + SOFR 6 months, without contractual guarantees. In the year ended March 31, 2025, the total interest paid was R$2,353, and the balance payable is R$ 1607.

11 Taxes and contributions payable

	2025	2024
Social contributions payable		
INSS payable on payroll	79	78
INSS withheld at source	1	1
FGTS payable on payroll	21	19
Pis/Cofins/CSSL withheld at source	(6)	4
Subtotal	**95**	**102**

Taxes payable

Income tax withheld at source	98	157
Service tax withheld at source sales	0	1
ICMS on Sales	93	54
ICMS on tax substitution	684	760
ICMS on rate differential	4	0
ICMS provision on goods destruction (a)	5,418	9,497
(-) Cut Off adjustment – ICMS-ICMS St (b)	(2)	(333)
Subtotal	**6,295**	**10,136**
Total	**6,390**	**10,238**

(a) The variation in ICMS provision is due to the lower value of stock provision, due to lower importations cost.

(b) The adjustment related to sales taxes, such as PIS/COFINS and ICMS-ICMS ST, refers to the impact of recognizing revenue from invoices that were invoiced, dispatched and as on 31st March, had not been received by the customers.

12 Other Provisions

	2025	**2024**
Provision for Sales Commission (a)	7,002	6,766
Provision for performance bonus	790	714
Provision for Administrative Service Provider	2,115	1,051
Penalty	544	1,265
Provision for expenses on sales (b)	23,423	11,325
Provision for sales return	5,627	5,563
Market resource	287	70
Total	**39,788**	**26,754**

a) The company uses autonomous Commercial Representatives, hired in accordance with Law 4.886 of December 9, 1965, where they are remunerated through fixed percentages of primary and secondary sales. In order to reduce labor claims, legal settlements were made in the civil area, where 1/12 + 1/3 of the entire commission paid were paid. Accordingly, provisions have been made in 2018-2025, with balance likely to be paid over the course of the year 2025-26. Increase in Secondary sales in CY over LY, also attributes to this increase in provision.

b) The value of Provision for sales expenses is led by increase in the expense for OL and additional discount. Of this 8.5mn pertains to amount payable on Secondary sales realized, and the balance on channel stock, and estimated payout on Mar secondary sales.

13 Others accounts payable

Others accounts payable	4,024	6,098
Total	**4,024**	**6,098**

Represents amounts payable to domestic suppliers, and variation is on account of timing difference of set-off of advances paid to suppliers

14 Contingencies

The company is defendant in lawsuits and in administrative proceedings before various courts and governmental bodies, arising from the normal course of operations, involving tax, labor, civil aspects and other matters.

Management, based on information from their legal advisors, analysis of lawsuits pending and, considering labor actions, based on previous experience relating to the amounts claimed, made provision for an amount considered sufficient to cover the probable estimated losses with the lawsuits in course, as follows:

	2025			2024
	Provision	**Judicial Deposit**	**Net**	**Net**
Labor	5,190	279	4,911	163
Civil	2,112	1,175	937	1.219
Tax	1,051	645	406	271
	8,353	**2,099**	**6,254**	**1,653**

Lawsuit movement during the period

	2025				
	Gross Opening Balance	**Provision addition**	**Write-off**	**Judicial Deposit**	**Net Closing Balance**
Labor	162	4,748	0	0	4,910
Civil	1,219	162	186	258	937
Tax	272	135	0	0	407
	1,653	**5,045**	**186**	**258**	**6,254**

There are other lawsuits assessed by the legal advisors as being of possible risk, which, based on the claims of the claimants, our lawyers assessed for future settlements the amount of BRL 13.94mn for possible loss for which no provision was made, considering that as per IFRS their value or timing is not determinable As of March 31, 2025, the Company had 13 cases of labor claims, which, according to legal advisors, are classified as a possible risk of loss.

As of March 31, 2025, the Company had 2 cases classified as a risk of probable loss, which have been provided for.

a. Summary of labor processes

As at 31st March, 2025, the Company had 13 cases of labor claims, which according to the legal advisors, are classified as possible risk of loss, and 1 case classified as a probable loss risk.

b. Summary of civil processes

As at 31st March, 2025, the Company had a total of 27 cases of complaints involving issues, infractions and/or questions from Anvisa. According to the legal advisors, of 23 Anvisa cases, classified as risk of possible (14) and remote (9) loss, are not part of the provision. The estimate of loss made is in accordance with the opinion of the legal advisors, and is duly updated of interest and its respective taxes.

15 Net Equity

Share capital is composed of 12.971.089 shares, being 12.482.664 shares of "Class A" on the nominal value of BRL 1,00 each and 488.425 shares of "Class B" in the nominal value of BRL 10,00 each, according to the 46th amendment to the Articles of Association, dated of 25 September 2020, which are distributed as follows:

Quota Holder	**Quotas**	**BRL**
Sun Pharma Netherlands B.V. - Class A	12,482.663	12,483
Sun Pharma Netherlands B.V. - Class B	488,425	4,884
Ranbaxy Holdings UK Limited	1	-
	12,971,089	**17,367**

On 31st March, 2025, the foreign capital registered at the Central Bank of Brazil, the basis for remittance of dividends and repatriation of capital, totalized BRL 17.367 (equivalent to USD 12.467)

16 Operating Revenue (Net)

	2025	**2024**
Resale of goods	567,607	416,932
Resale of samples for bioequivalence	121	212
Gross revenue from sales	567,728	417,144
Taxes on sales and resales	(30,543)	(23,834)
Finance Discounts *	(78,621)	(31,471)
Returns	(15,245)	(8,665)
(-) Sales Deductions	1,735	10,458
Operating Revenue (Net)	**445,054**	**363,632**

The company's sales in the domestic market are currently done to distributors, pharmacy chains, independent pharmacies, and distributors to hospitals.

The financial discount is related to a significant increase in values for OL, due to the increase in secondary sales.

- A reallocation has been done in current year, transferring cash discounts given to institutional customers to compensate penalties and fines paid by them, for delay in deliveries of Tender orders, from Operating Revenue, to Expenses with sales

17 Expenses with sales

	2025	**2024**
Sales Campaign (a)	3,918	2,765
Promotional material	2,124	1,341
Congress and events	2,542	1,985
Market survey services	613	779
Travelling Expenses (b)	3,004	1,689
Other promotion expenses *	1,200	5,154
	13,401	**13.713**

(a) Ranbaxy is seeking to increase sales in pharmacies and pharmacy chains, and has developed commercial actions, called "focus molecules", which aim to reward for sales achieved.

(b) Variation due to the increase in sales staff and rise in the prices of air tickets and hotel accommodations

*A reallocation has been done in current year, transferring cash discounts given to institutional customers to compensate penalties and fines paid by them, for delay in deliveries of Tender orders, from Operating Revenue, to Expenses with sales

18 General and Administrative Expenses

	2025	**2024**
Personnel	25,822	25,177
Equipment Maintenance	720	863
Expenses with rents	96	341
Expenses with electricity	333	406
Services Provided (a)	3,531	11,183
Regulatory	1,127	3,970
Quality Control	1,712	2,780
Taxes and Fees	733	665
Expenses with Sales Commission	16,867	16,930
Expenses with freight and warehouse (b)	20,535	6,899
Other administrative expenses	4,351	5,160
Depreciation and Amortization	443	532
	76,270	**74,906**

(a) Reallocation of Freight expenses from Services Provided to Expenses with freight and warehouse in CY. LY impact 6mn

19 Other Operating revenue (expenses)

	2025	**2024**
Provision for Contingencies	(4,624)	39
Tax credit benefit	0	150
Other Operating revenues (expenses) (a)	3,619	5,176
	(1,005)	**5,365**

(b) LY interest update on Income tax dues, as a result of 5-year revision of Tax returns

20 Net financial (expenses) revenue

	2025	**2024**
Financial expenses		
Interest - Intercompany	(3,451)	(3,235)
Interest on Operational Lease	(12)	(6)
Realized exchange gain/loss	1,837	36
Unrealized Exchange gain/loss	(8,216)	1,006
Penalties on Taxes and contributions	(2,214)	(2,281)
Others	(2,146)	(2,032)
	(14,202)	**(6,512)**
Financial revenues		
Interests	111	206
Interest on financial investments (a)	13,935	8,319
Others	76	104
	14,122	**8,629**
	(80)	**2,117**

(a) Interest rate increased by govt by ~ 4%

21 Insurance coverage

The company has contracted Allianz Seguros no. 51772024453960000098, a property insurance, which aims to guarantee covers for possible claims, together with all the addresses of the Sunpharma group companies in the Brazilian territory. The amounts contracted are considered sufficient to cover possible claims, considering the nature of their activity.

As of 31st March, 2025, insurance coverage against operational risks comprises R$ 324mn, for Sun group in Brazil.

22 Financial Instruments

(i) Identification and valuation of financial instruments

The accounting balances of financial instruments such as cash, accounts receivable, taxes, loans and financing, when compared with the values that could be obtained on their negotiation in an active market or, in its absence, with its net present value is adjusted based on the prevailing rate of interest in the market approach, and is substantially approximate to their corresponding market values.

(ii) Credit risk

It arises from the possibility of the company suffering losses arising from defaults of their counterparts or depositary financial institutions of resources or financial investments. To mitigate these risks, the company adopts as a practice analysis of financial and equity status of its operations, as well as the definition of credit limits and permanent monitoring of open positions. Regarding financial institutions, the Management only carries out transactions with reputable financial institutions and of low risk, assessed by rating agencies.

(iii) Risk of price of the goods sold

It arises from the possibility of oscillation of market prices of products marketed by the company. These price fluctuations can cause substantial changes in their income and their costs. To mitigate these risks, Management permanently monitors the local and international markets, seeking to anticipate the price movements.

(iv) Interest rate risk

It arises from the possibility of the company suffering gains or losses arising from fluctuations in interest rates levied on its financial assets and liabilities. Aiming to mitigate this type of risk, Management seeks to diversify the acquisition of resources in terms of rates fixed or floating.

(v) Exchange rate risk

The associated risk arises from the possibility of the company coming to incur losses due regarding fluctuations in exchange rates, which increase the values obtained on the market. On March 31, 2025 the company had liabilities, denominated in foreign currency, there is no financial instrument to protect this exposure on that date.

	2025	**2024**
	USD	**USD**
Suppliers	63	960
Loans	10,280	10,170
	10,343	**11,130**

The following exchange rates were applied during the year:

Average Rate		Closure Rate on the date of the Financial Statements	
2025	**2024**	**2025**	**2024**
5.6092	4.9333	5.7422	4.9962

Exchange Rate Sensitivity Analysis

The Company has liabilities linked to foreign currency in the balance sheet as of 31st March, 2025, and for the purposes of analysis of sensitivity, adopted as a likely scenario the rate of BRL 5,20. Therefore, the table below shows the simulation of the effect of the exchange rate variation in the future outcome in scenarios of increases and reductions:

	Scenarios (increase)		
Exchange Rate Risk	**Likely**	**Possible**	**Remote**
Scenarios and price levels	5.20	5.40	5.60
Passive Position	53,784	55,852	57,921
Total net effect	6	4	1

	Scenarios (reduction)		
Exchange Rate Risk	**Likely**	**Possible**	**Remote**
Scenarios and price levels	4.80	4.60	4.50
Passive Position	49,646	45,578	46,544
Total net effect	(10)	(12)	(13)

(vi) Derivative financial instruments

The company has not used financial instruments in exchange operations of indices (SWAP) or involving operations in the modality of derivatives.

23 *Subsequent Events*

With regard to subsequent events, we analyzed possible impacts resulting from situations that occurred after 03/31/2025 and, except for the adjustments to revenues already recognized in the accounting on 03/31/2025 arising from extra orders at the end of March in order to meet future demand , there were no relevant subsequent events in the context of these Financial Statements.

24 *Approval of the set of Financial Statements and Explanatory Notes*

These financial statements were approved by the Management of Ranbaxy Farmacêutica Ltda., and authorized for issue on 3rd May, 2025

Walter Wiesmueller Coelho Filho
CFO - BRAZIL

Babita Roy
F&A Manager

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