Grant Thornton

SUN PHARMACEUTICAL PERU S.A.C.

Financial Statements

As of December 31st., 2024 and 2023

With the independent auditors' opinion

(Free translation of the original audit report in Spanish version)

SUN PHARMACEUTICAL PERU S.A.C.

Financial Statements
As of December 31st., 2024 and 2023

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Independent auditors' report

To the shareholders of:
Sun Pharmaceutical Peru S.A.C.

Opinion

1. We have audited the accompanying financial statements of Sun Pharmaceutical Peru S.A.C., (a subsidiary of Sun Pharmaceutical Industries Limited, domiciled in Mumbai, India), hereinafter referred to as the Company, which comprise the statement of financial position as of December 31st., 2024, and the related statements of income and other comprehensive income, changes in equity and cash flows for the year then ended, and the notes to the financial statements which include a summary of material accounting policies.

2. In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31st., 2024, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

Basis for opinion

3. We conducted our audit in accordance with International Standards on Auditing (ISAs) approved for application in Peru by the Peruvian Board of Deans of Colleges of Public Accountants. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountant´s International Code of Ethics for Professional Accountants (IESBA Code), together with the ethical requirements that are relevant to our audit of the financial statements in Peru, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. As shown in the financial statements, the Company has experienced recurring losses from its operations and maintains accumulated losses as of December 31st, 2024 of S/8,743,884 (S/8,612,784 as of December 31st., 2023), and we have not evidenced whether the Management has made an assessment of the Company´s ability to continue as a going concern. These facts indicate material evidence that casts significant doubt on the Company´s ability to continue as a going concern and therefore may not be able to settle its liabilities in the normal course of business.

Responsibilities of management and those charged with corporate governance for the financial statements

5. Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as adopted by law for application in Peru, and for such internal control as management determines is necessary to enable the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

6. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as appropriate, matters related to going concern and using to going concern basis of accounting unless management either intends to liquidate the Company or cease operations, or has no realistic alternative, but to do so.

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

Auditor's responsibilities for the audit of financial statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor´s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISAs) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

9. As part of an audit in accordance with International Standards on Auditing (ISAs), approved for application in Peru by the Peruvian Board of Deans of Public Accountants, we exercised our professional judgment and maintain professional skepticism throughout the audit. In addition:

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

   b. 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.

   c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

   d. Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether material uncertainties related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern were identified. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors´ report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modified 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 be a going concern.

   e. Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with corporate governance 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 identified during our work.

We also provide those charged with corporate governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

Lima, Peru

May 08, 2025

Countersigned by:

Navarrete y Asociados Contadores Públicos S.C.

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Mario Navarrete Chirito (Partner)
Certified Public Accountant
Registration N° 31092

SUN PHARMACEUTICAL PERU S.A.C.

Statement of financial position
As of December 31st., 2024 and 2023

Assets	Notes	2024 S/	2023 S/	Liabilities and equity	Notes	2024 S/	2023 S/
Current assets				**Current liabilities**			
Cash and cash equivalents	4	17,659	40,049	Other accounts payable	5	-	21,240
				Total current liabilities		**-**	**21,240**
				Non-current liabilities			
				Accounts payable to related parties	6	295,007	8,630,093
				Total liabilities		**295,007**	**8,651,333**
				Equity	7		
				Capital		8,466,536	1,500
				Accumulated losses		(8,743,884)	(8,612,784)
				Total equity		**(277,348)**	**(8,611,284)**
Total assets		**17,659**	**40,049**	**Total liabilities and equity**		**17,659**	**40,049**

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

SUN PHARMACEUTICAL PERU S.A.C.

Statement of income and other comprehensive income
For the years ended as of December 31st., 2024 and 2023

	Notes	2024 S/	2023 S/
Revenue		-	-
Cost of sales		-	-
Gross margin		-	-
Administrative expenses		(1,149)	(1,776)
Operating results		(1,149)	(1,776)
Other income (expenses)			
Exchange difference, net	8	(129,951)	243,943
Other expenses			-
Result before income tax		(131,100)	242,167
Income tax	5	-	(21,240)
Net result		**(131,100)**	**220,927**

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

Statement of changes in equity
For the year ended December 31st., 2024 and 2023

	Capital S/	Accumulated Losses S/	Total S/
Balances as of January 1st., 2023	1,500	(8,833,711)	(8,832,211)
Net result	-	220,927	220,927
Balances as of December 31st., 2023	1,500	(8,612,784)	(8,611,284)
Capitalization	8,465,036	-	8,465,036
Net result	-	(131,100)	(131,100)
Balances as of December 31st., 2024	**8,466,536**	**(8,743,884)**	**(277,348)**

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

SUN PHARMACEUTICAL PERU SAC

Statement of cash flows
For the year ended December 31st., 2024 and 2023

	2024 S/	2023 S/
Operating activities		
Result of the year	(131,100)	220,927
Exchange difference, net	129,951	(243,943)
Others	23,539	(23,083)
Cash and cash equivalents used in operating activities	**(22,390)**	**(46,099)**
Investment activities		
Acquisitions of property, plant and equipment	-	-
Acquisition of other assets	-	-
Cash and cash equivalents used in investing activities	**-**	**-**
Financing activities		
Contributions from related parties	-	-
Dividends	-	-
Cash and cash equivalents used in financing activities	**-**	**-**
Net decrease in cash	**(22,390)**	**(46,099)**
Cash and cash equivalents at beginning of the period	40,049	86,148
Cash and cash equivalents at the end of the period	**17,659**	**40,049**

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

Notes to the financial statements
For the years ended December 31st., 2024 and 2023

1. Background and economic activity

a. Identification

Sun Pharmaceutical Peru S.A.C., (a subsidiary of Sun Pharmaceutical Industries Limited, domiciled in Mumbai, India), hereinafter referred to as the Company, was incorporated on June 26th., 2004. The legal domicile and administrative offices are located at Republica de Panama Avenue N° 3418, office 1501, San Isidro, Lima, Peru.

The main activity of the company is the commercialization of pharmaceutical products. Within the corporate purpose are included the acts related to the activities described in the preceding paragraphs that contribute to the achievement of its purposes for the fulfillment of the corporate purpose, the company may perform all legal acts and contracts without any restriction or limitation whatsoever.

The activity of SUN PHARMACEUTICAL PERU S.A.C. is governed by the New General Law of Commercial Companies and by the provisions of the articles of incorporation and by-laws and by-laws of incorporation and amendments.

b. Approval of financial statements

The financial statements as of December 31st., 2024 have not been approved by the General Shareholders' Meeting; In Management's opinion, these financial statements will be approved by the General Shareholders' Meeting, without modifications.

2. Summary of significant accounting policies

2.1. Basis of preparation and presentation

The accompanying financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) established by the International Accounting Standards Board (IASB) and approved for application in Peru by the Peruvian Accounting Standards Board (“CNC” for its acronym in Spanish). The information contained in these financial statements is the responsibility of the Company's Management, which expressly confirms that the criteria and practices of IFRS issued by the IASB and approved for implementation in Peru by the CNC, in effect at the date of the financial statements, have been applied in their preparation.

The Company has prepared its financial statements on a going concern basis. In making its going concern assessment, management has taken into consideration matters that could cause a business interruption. Management has considered all available forward-looking information obtained after the reporting date up to the date of approval and issuance of the accompanying financial statements.

The financial statements have been prepared on a historical cost basis, based on the accounting records maintained by the Company.

2.2. Use of accounting estimates

The preparation of the financial statements requires management to make estimates that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the current period. The final results may differ from these estimates.

Estimates are continually evaluated and are based on historical experience and other factors. It also requires management to exercise judgment in the process of applying the Company's accounting policies.

2.3. Significant accounting principles and practices

The accounting principles and practices adopted by the Company are as follows:

a. Functional and presentation currency

The Company prepares and presents its financial statements in Soles, which is its functional currency. The functional currency is the currency of the primary economic environment in which an entity operates, that which influences the selling prices of the services it provides, as well as, based on management's assessment, most appropriately reflects the exposure of transactions, among other aspects.

b. Financial instruments

b.1 Financial assets

Recognition and initial measurement
The Company classifies its financial assets in the following measurement categories:

- Measured at fair value (either through other comprehensive income or through profit or loss), and
- Measured at amortized cost.

The classification depends on the Company's business model for the management of its financial assets and whether the contractual terms represent only principal and interest payments.

Upon initial recognition, financial assets are measured at fair value plus, in the case of a financial asset that is not at fair value through profit or loss (FV through profit or loss), transaction costs directly attributable to the acquisition of the financial asset. Transaction costs of financial assets at fair value through profit or loss are recorded in profit or loss.

Subsequent measurement of debt instruments
The subsequent measurement of debt instruments depends on the business model that the Company has established for the management of the asset and the characteristics of the cash flows derived from the asset. There are three measurement categories with which the Company classifies its debt instruments: (i) assets at amortized cost, (ii) assets at fair value through other comprehensive income and (iii) assets at fair value through profit or loss.

The Company classifies all of its financial assets (debt instruments) as assets at amortized cost, because it holds them with the intention of collecting their contractual cash flows and these cash flows represent only principal and interest payments. Interest income generated by these financial assets is recognized as interest income using the effective interest rate method. Any gain or loss arising from the derecognition of this type of financial asset is recognized directly in income.

The Company evaluates, on a forward-looking basis, expected credit losses associated with debt instruments measured at amortized cost. The methodology applied to determine impairment depends on whether the credit risk of an asset has experienced a significant increase; however, the Company maintains accounts receivable with a maximum period of 30 days.

For accounts receivable from related entities, the Company applies the general approach that requires determining the expected loss in several phases, an initial phase for the twelve-month term, a second phase if a significant increase in the counterparty's credit risk is observed and a third phase if an impairment in the instrument is observed. The Company has not constituted expected loss for these accounts, since it considers that the credit risk is not relevant because it is very short term.

Impairment losses are presented as a separate line item in the statement of comprehensive income.

The Company reclassifies debt instruments when it changes its business model for the management of these assets.

Write-off of accounts
A financial asset (or where applicable, a part of a financial asset or a part of a group of similar financial assets) is derecognized when: (i) the rights to receive cash flows from the asset have terminated; (ii) the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay all cash flows received immediately in full to a third party under a transfer agreement; and (iii) the Company has transferred substantially all the risks and rewards of the asset or, if it has neither transferred nor retained substantially all the risks and rewards of the asset, control of the asset has been transferred.

b.2 Financial liabilities

Recognition and initial measurement
The Company classifies its financial liabilities, for measurement purposes, at amortized cost. As an exception, when appropriate, it classifies them to be measured at fair value through profit or loss. Management determines the classification of its financial liabilities at initial recognition.

Financial liabilities are recognized when the Company is a party to the contractual arrangements of the instrument. All financial liabilities are initially recognized at fair value less, in the case of financial liabilities carried at amortized cost, incremental costs that are directly attributable to the purchase or issue of the liability.

As of December 31st., 2024, the Company only presents liabilities measured at amortized cost, which include trade accounts payable, sundry accounts payable to related entities and other current liabilities.

Subsequent measurement
After initial recognition, when the effect of the time value of money is material, financial liabilities are measured at amortized cost using the effective interest rate method. The amortized cost is calculated considering any discount or premium on the issue and the costs that are an integral part of the effective interest rate.

Financial liabilities are classified as short-term liabilities unless the Company has the irrevocable right to defer settlement of the obligations for more than twelve months after the date of the financial statements.

Write-off of accounts
A financial liability, or when applicable a part of a financial liability or a part of a group of similar financial liabilities, is derecognized when the obligation specified in the related contract has been paid or cancelled or has expired. When an existing financial liability is replaced by another from the same creditor on substantially different terms, or if the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the values of the liabilities is recognized directly in profit or loss.

b.3 Clearing of financial instruments
Financial assets and financial liabilities that are subject to offset are presented net in the statement of financial position only if there is at that time a legally enforceable right to offset the recognized amounts, and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

c. Classification of current and non-current items

The Company presents assets and liabilities in the statement of financial position classified as current and non-current. An asset is classified as current when the Company:

- Expects to realize the asset or intends to sell or consume it in its normal operating cycle;
- Holds the asset primarily for the purpose of trading;
- Expects to realize the asset within twelve months of the reporting period; or
- The asset is cash or a cash equivalent, unless it is restricted and cannot be exchanged or used to settle a liability, for at least twelve months following the reporting period.

All other assets are classified as non-current.

A liability is classified as current when the Company:

- Expects to settle the liability in its normal operating cycle;
- Holds the liability primarily for trading purposes;
- The liability must be settled within twelve months of the reporting period; or
- It does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred income tax assets and liabilities are classified as non-current assets and liabilities in all cases.

d. Fair value of financial instruments

The Company measures the fair value of financial instruments measured at amortized cost.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The measurement at fair value is based on the assumption that the transaction to sell the asset or transfer the liability takes place, either:

- In the principal market for the asset or liability, or.
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or most advantageous market must be accessible to the Company.

The fair value of an asset or liability is measured using the assumptions that market participants would use in placing a value on the asset or liability, assuming that market participants act in their best economic interest.

The fair value measurement of non-financial assets takes into consideration the ability of a market participant to generate economic benefits through the highest and best use of the asset, or by selling it to another market participant that would use the asset in the best possible way.

The Company uses valuation techniques that are appropriate in the circumstances and for which it has sufficient information available to measure at fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair values are determined or disclosed in the financial statements are classified within the fair value hierarchy described below, based on the lowest level of inputs used that are significant to the fair value measurement as a whole:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Valuation techniques for which the lowest level of inputs that is significant to the fair value measurement is either directly or indirectly observable.
- Level 3: Valuation techniques by which the lowest level of inputs that is significant to the fair value measurement is not observable.

For assets and liabilities that are recognized at fair value in the financial statements on a recurring basis, the Company determines whether transfers between levels within the hierarchy have occurred by reviewing the categorization at the end of each reporting period.

Management determines the policies and procedures for recurring and non-recurring fair value measurements. At each reporting date, management analyzes movements in the values of assets and liabilities to be measured in accordance with the Company's accounting policies.

For purposes of fair value disclosures, the Company has determined the classes of assets and liabilities based on their nature, characteristics and risks and the level of the fair value hierarchy as explained above.

e. Cash and cash equivalents

Cash and cash equivalents considered in the statement of cash flows correspond to funds in current accounts. These accounts are not subject to a significant risk of changes in value. Likewise, the method used for the preparation of the statement of cash flows is the indirect method.

f. Accounts receivable

Accounts receivable are non-derivative financial assets whose collections are fixed or determinable, which are not traded in an active market, for which the Company does not intend to sell immediately or in the near future and which have no recovery risks other than credit impairment.

After initial recognition, accounts receivable are carried at amortized cost using the effective interest rate method, less allowance for impairment.

The allowance for doubtful accounts receivable is established if there is objective evidence that the Company will not be able to collect all amounts due according to the original terms of the transaction. This allowance is determined based on internal credit and counterparty risk assessments. The allowance for doubtful accounts is charged to income for the year in which it is determined to be necessary. In the opinion of the Company's management, this procedure allows a reasonable estimate of the allowance for doubtful accounts.

g. Provisions

Provisions are recognized when the Company has a present obligation (whether legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made. No provision is recognized for future operating losses.

The amount recognized as a provision corresponds to the best estimate, at the date of the statement of financial position, of the disbursement required to settle the present obligation, taking into consideration the risks and uncertainties surrounding most of the events and circumstances surrounding the valuation of the obligation.

If part or all of the expenditure required to settle the provision is expected to be reimbursed by a third party, the portion receivable is recognized as an asset when its recovery is virtually certain, and the amount of that portion can be reliably determined.

h. Trade accounts payable, accounts payable to related parties and other payables

Trade accounts payable are payment obligations for goods or services acquired from suppliers in the normal course of business and are initially recognized at fair value. There are no significant amounts of purchases that deviate from normal credit terms, for which reason no financial component has been identified in the purchases of goods or services. Trade and other accounts payable are initially recognized at fair value and subsequently remeasured at amortized cost using the effective interest method.

Trade and other accounts payable are classified as current liabilities when payment is due within one year or less. Otherwise, they are presented as non-current liabilities.

i. Contingent liabilities and assets

Contingent liabilities are not recognized in the financial statements, they are only disclosed in a note to the financial statements. When the possibility of an outflow of resources to cover a contingent liability is remote, such disclosure is not required.

Contingent assets are not recognized in the financial statements, they are only disclosed in the notes to the financial statements when it is probable that an inflow of resources will occur.

Items previously treated as contingent liabilities will be recognized in the financial statements in the period in which a change in probabilities occurs, that is, when it is determined that it is probable that an outflow of resources will be required to settle the liability. Items treated as contingent assets will be recognized in the financial statements in the period in which it is determined that an inflow of resources is virtually certain to occur.

j. Revenue from customer contracts

The Company considers the five-step model to be applied to revenues from ordinary activities from contracts with customers, which include:

- Identification of the customer contract.
- Identification of the performance obligations in the contract.
- Determination of the transaction price.
- Allocation of the transaction price to the performance obligations in the contract.
- Recognition of revenue from ordinary activities when (or as) the entity satisfies the performance obligations.

The accounting principles set out in IFRS 15 provide a more structured approach to measuring and recognizing revenue.

k. Income tax

Income tax for the period comprises current and deferred income tax and is recognized in profit or loss, except to the extent that it relates to items recognized as other comprehensive income or directly in equity.

Current income tax
Current income tax is calculated based on taxable income determined for tax purposes, which is determined using criteria that differ from the accounting principles used by the Company.

Deferred income tax
The accounting recording of deferred income tax has been made considering the guidelines of IAS 12 - Income Taxes; in this sense, deferred income tax reflects the effects of temporary differences between the balances of assets and liabilities for accounting purposes and those determined for tax purposes.

Deferred assets and liabilities are measured using the tax rates expected to apply to taxable income in the years in which these differences are recovered or eliminated.

The measurement of deferred assets and liabilities reflects the tax consequences of the manner in which the Company expects, at the date of the statement of financial position, to recover or settle the value of its assets and liabilities.

Deferred assets and liabilities are recognized regardless of when the temporary differences are expected to be reversed. Deferred assets are recognized when it is probable that sufficient future taxable profit will be available against which the deferred asset can be utilized. At the date of the statement of financial position, the Company's management evaluates unrecognized deferred assets and the balance of recognized deferred assets, recording a previously unrecognized deferred asset to the extent that it is probable that future tax benefits will allow its recovery or reducing a deferred asset to the extent that it is not probable that sufficient future tax benefits will be available to allow part or all of the deferred asset recognized for accounting purposes to be utilized.

In accordance with IAS 12, the Company determines its income tax based on the income tax rate applicable to its retained earnings, recognizing any additional tax on dividend distributions at the date the liability is recognized.

Uncertain tax treatments
An uncertain tax treatment is any tax treatment applied by an entity for which there is uncertainty as to whether it will be accepted by the taxation authority. The recognition and measurement of current and deferred tax assets and liabilities may be affected in cases where an entity has uncertain tax treatments associated with income taxes, where it is considered that it is probable that the taxation authority will not accept the Company's treatment. The existence of uncertain tax treatments may affect the determination of taxable income or loss, the tax basis of assets and liabilities, tax credits or the tax rates used.

l. Cost and expense recognition

The cost of services corresponds to the cost of executing the projects and is recognized as accrued.

Interest is recognized in proportion to the time elapsed so as to reflect the effective cost of the financial instrument.

Exchange differences corresponding to the adjustment of monetary items represented in foreign currency that are unfavorable to the Company are recognized as a financial expense when the exchange rate fluctuates.

Other expenses are recognized as they accrue.

m. Transactions in foreign currencies

Transactions in foreign currency are considered to be those carried out in a currency other than the functional currency. Transactions in foreign currencies are initially recorded in the functional currency using the exchange rates in effect at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are subsequently adjusted to the functional currency using the exchange rate in effect at the statement of financial position date. Exchange gains or losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates at the statement of financial position date are recognized in the statement of income. Non-monetary assets and liabilities determined in foreign currency are translated to the functional currency at the exchange rate prevailing at the date of the transaction.

3. International Financial Reporting Standards (IFRS)

a. IFRS issued and in force in Peru as of December 31, 2024

The Accounting Standards Board (CNC), through several resolutions, has defined the effective date of relevant standards:

- Resolution No. 001-2024-EF/30, published on January 29, 2024: The Peruvian Financial Reporting Standard for Micro-enterprises was approved;

- Resolution N° 002-2024-EF/30 published on August 19, 2024: The complete set of IFRS version 2024 (IFRS, IAS, IFRIC and SIC) including the Conceptual Framework for Financial Reporting was approved;

- Resolution No. 003-2024-EF/30 published on September 27, 2024: International Financial Reporting Standard - IFRS 18 Presentation and Disclosures in Financial Statements was approved;

- Resolution No. 004-2024-EF/30 published on November 2, 2024: International Financial Reporting Standard - IFRS 19 Subsidiaries not publicly accountable: Disclosures.

In addition, the Accounting Standards Board, by means of Resolution No. 003-2022-EF/30 established the technical conditions for companies to adopt international financial reporting standards:

- Companies with annual revenues from ordinary activities exceeding 2,300 Tax Units (UIT) for two consecutive fiscal periods must apply the full set of International Financial Reporting Standards (IFRS).

- Companies with annual revenues from ordinary activities of more than 150 UIT and up to 2,300 UIT must apply the International Financial Reporting Standards for Small and Medium-Sized Companies (IFRS for SMEs).

Companies with revenues of less than 150 Tax Units (UIT) will apply the Peruvian Financial Reporting Standard for Micro-enterprises, according to Resolution No. 001-2024-EF/30 issued by the Accounting Standards Board.

b. New standards and amendments effective January 1, 2024

- Amendments to IAS 1: Classification of Liabilities as Current or Non-Current and Non-current Liabilities with agreed conditions;
- Amendments to IFRS 16: Lease liability in a Sale and Leaseback Transaction;
- Amendments to IAS 7 and IFRS 7: Disclosures - Supplier Financing Arrangements.

c. Approved standards not yet in effect as of December 31st, 2024

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Interchangeability (Effective January 1, 2025);
- Amendments to IFRS 9 Financial Instruments: Amendments to the Classification and Measurement of Financial Instruments (Effective January 1, 2026);

- IFRS 18 Presentation and Disclosure in Financial Statements: Replaces IAS 1 (Effective January 1, 2027);
- IFRS 19 Subsidiaries without public accountability - Disclosures: (effective as of January 1, 2027).

According to the Company's management, none of these standards have been adopted in advance of their effective date.

Management anticipates that all relevant pronouncements have been adopted in the Company's accounting policies for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations, which have not been adopted in the current year, have not been disclosed as they are not expected to have a material impact on the Company's financial statements.

4. Cash and cash equivalents

Composed of:

	2024 S/	2023 S/
Current accounts	17,659	40,049
	17,659	**40,049**

The Company maintains its checking accounts in first level local banks, which are denominated in soles and U.S. dollars and are freely available.

5. Other accounts payable

Composed of:

	2024 S/	2023 S/
Tax payable	-	21,240
	-	**21,240**

6. Accounts payable to related parties

Composed of:

	2024 S/	2023 S/
Sun Pharmaceutical Netherlands B.V.	129,949	8,465,036
Sun Pharmaceutical Industries S.A.C.	165,058	165,057
	295,007	**8,630,093**

Accounts payable include a loan balance to Sun Pharmaceutical Netherlands B.V. (before Sun

Pharma Global FZE) for US$34,469 and to Sun Pharmaceutical Industries S.A.C. for US$43,782. The loan will not accrue interest and has no specific collateral.

7. Equity

a. Capital

As of December 31st., 2024 and 2023, the capital is represented by 846,653 fully subscribed and paid common shares, with a par value of S/10 per share.

The shareholding structure is composed as follows:

Individual participation	Shares	Participation %
Sun Pharmaceutical Netherlands BV	846,652	99
Sun Pharma Holdings Uk Limited	1	1
	846,653	**100**

b. Accumulated losses

In accordance with the provisions of Legislative Decree N° 30296, which amended the Income Tax Act, dividends distributed or paid for profits as from 2017 are subject to a rate of 5% (For 2016 and 2015 the rate is 6.8%; and for 2014 the rate is 4.1%).

8. Exchange differences, net

Composed of:

	2024 S/	2023 S/
Foreign exchange profit	**(129,951)**	**243,943**

9. Tax situation

a. The Company is subject to the Peruvian tax regime. The income tax rate as of December 31, 2024 and 2023 is 29.5% of taxable income determined in accordance with current regulations, after deducting employee profit sharing, by applying the rate of 5% on taxable income, determined in accordance with current regulations.

Legal entities not domiciled in Peru and individuals are subject to the withholding of an additional tax on dividends received. In this regard, in accordance with Legislative Decree N°1261, the additional tax on dividends for profits generated as of January 01, 2017 is 5%.

b. For income tax purposes, the transfer prices of transactions between related entities and with entities resident in low or non-taxable and/or non-cooperative territories must be supported by documentation and information on the valuation methods used and the criteria considered for their determination (transfer pricing rules). Based on the analysis of the Company's operations, Management considers that, as a result of the application of the aforementioned rules, no significant contingencies will arise as of December 31, 2024 and 2023.

   Companies that have recorded expenses or costs as a result of services received from related entities must take into account that, for income tax purposes, the deductibility of 100% of such expenses will be subject to proving compliance with the Benefit Test. Such requirement came into effect as from January 1, 2017.

c. The Tax Authority has the authority to audit and, if applicable, correct the Company's income tax for the four periods subsequent to the filing of the tax return.

   The income tax returns for the periods 2020 to 2024 and the general sales tax for the periods 2020 to December 2024 are pending audit by the Tax Authority.

   Due to the possible interpretations that the Tax Authority may give to the legal regulations in force, it is not possible to determine, at this date, whether as a result of the reviews that may be carried out, liabilities will result or not for the Company; therefore, any additional tax or surcharge that may result from possible tax reviews would be attributed to the results of the year in which it is determined. However, in Management's opinion, any potential additional tax assessment would have a material impact on the Company's financial statements as of December 31, 2024 and 2023.

d. As from the 2021 period, the limit for the deduction of debt expenses is determined considering as a reference 30% of the so-called tax EBITDA, which is given by the net income of the previous period, after offsetting losses, plus the net interest, depreciation and amortization that would have been deducted in the previous period. In the case of taxpayers with losses in the previous year or that, having obtained income, the amount of compensable losses would have been equal or greater, the tax EBITDA will be equal to the sum of net interest, depreciation and amortization deducted in that period.

   Net interest is calculated by deducting interest expense that meets the requirements to be deductible and that is allocable in the period, the interest income taxed with income tax.

   Net interest that is not deductible in the taxable year because it exceeds the limit of 30% of the taxable EBITDA, may be deducted in the following four periods, together with the net interest of the corresponding period. In this case, the non-deducted net interest must be added to the net interest of the following period(s), being deductible only in the proportion that does not exceed 30% of the EBITDA. It should be noted that for this purpose the net interest of the oldest period will be considered first, provided that the period of 4 years from the period following the generation of each net interest has not expired.

e. By means of Legislative Decree No. 1549, published on April 22, 2023, it was established to modify the heading of Article 19 of the Income Tax Law, in order to extend the validity of the exemptions contained in the aforementioned article until December 31, 2026.

f. The rules that regulate the obligation of legal persons and/or legal entities to report the identification of their beneficial owners are in force. These rules are applicable to legal entities domiciled in the country, according to the provisions of article 7 of the Income Tax Law, and to legal entities incorporated in the country. The obligation reaches non-domiciled legal persons and legal entities incorporated abroad as long as: a) they have a branch, agency or other permanent establishment in the country; b) the natural or legal person that manages the autonomous patrimony or investment funds abroad, or the natural or legal person that has the capacity of protector or administrator, is domiciled in the country and c) any of the parties of a consortium is domiciled in the country. This obligation will be fulfilled by submitting to the Tax Authority an informative Affidavit, which must contain the information of the beneficial owner and must be submitted in accordance with the regulations and within the terms established by Resolution of the National Superintendence of Customs and Tax Administration (SUNAT).

g. General Anti-elusive Rule - Through Legislative Decree No. 1422, the Tax Code was amended, and as part of this amendment, a new case of joint and several liability is provided for, when the tax debtor is subject to the application of the measures provided by Rule XVI in case of detection of cases of tax evasion. In this regard, the most relevant aspects correspond to:

- Presumption of joint and several liability of the legal representatives: If the taxpayer is subject to the assumptions of this rule, it will be presumed that there is fraud, gross negligence or abuse of powers of the legal representative, which derives in joint and several liability with the taxpayer, unless there is evidence to the contrary. The liability is attributed to the legal representatives whenever they have collaborated with the design or approval or execution of acts, situations or economic relations foreseen in said rule.

- Role of the Board of Directors: In the case of entities that have a Board of Directors, this corporate body is responsible for defining the Company's tax strategy and for deciding whether or not to approve acts, situations or economic relationships to be carried out within the framework of tax planning. This power cannot be delegated.

In July 2019, Superintendence Resolution N°152 2009/SUNAT was published through which the form and conditions for companies to declare before SUNAT the data of all those involved in the design or approval or execution of the acts, situations or economic relations that are reviewed in the framework of an audit in application of Rule XVI (Tax Code) were established.

h. By means of Law No. 32201 published on December 18, 2024, and its regulations approved by Supreme Decree No. 285-2024-EF published on December 26, 2024, an exceptional income tax regime was established to promote the formalization of the economy and to broaden the tax base with respect to undeclared income until December 31, 2022. This regime is also applicable to taxes not withheld or paid and to unjustified capital gains. The applicable rates were 10% for non-repatriated income and 7% for income repatriated and invested in the country for at least 12 months.

The deadline for filing the tax return expired on December 30, 2024; however, there is the possibility of correcting material or formal errors until June 30, 2025.

The taxpayers that could benefit from the exceptional regime were individuals, undivided estates and conjugal partnerships that opted to be taxed as such, who in any taxable year prior to 2023 had been domiciled in the country. The subjects who requested to be included in the temporary regime established by Legislative Decree No. 1264 could also do so, in order to declare all those incomes that had not been approved or included in said regime.

Excluded are those who have committed tax crimes, own assets in high-risk jurisdictions or have income determined by SUNAT in final rulings.

The application to the regime extinguishes debts, fines and criminal actions related to income tax, except in cases with proceedings already initiated at the time of application.

i. Law No. 32217, published on December 29, 2024, extended until December 31, 2030 the accelerated depreciation tax benefit approved by Legislative Decree No. 1058, which promotes investment in the activity of electricity generation with water and other renewable resources, which was extended until December 31, 2025 by Law No. 30327.

   The referred tax benefit consists of accelerated depreciation applicable to machinery, equipment and civil works necessary for the installation and operation of the plant that generates electricity with water and other renewable resources, which will have an annual depreciation rate of no more than 20% as a global annual rate.

j. By means of Supreme Decree No. 254-2024-EF published on December 14, 2024, and effective as of January 1, 2025, the regulations of the Selective Consumption Tax (ISC) on remote gaming and remote sports betting were approved and will be applicable as of January 1, 2025.

   This standard regulates aspects such as when the tax obligation arises and the moment in which the tax must be collected; the form of determination of the taxable base; the applicable exchange rates; the declaration and payment and the compensation and refund of the tax collected in an undue manner or in excess of players declared and paid by a legal entity incorporated abroad.

k. Legislative Decree No. 1634, published on August 30, 2024, established a special installment payment regime for tax debts administered by the Tax Authority, for obligations due until December 31, 2023. For this purpose, it was established that the term for the application of this special regime would be until December 20, 2024.

   Likewise, Law No. 32220 published on December 29, 2024 extended until February 28, 2025 the term for the special installment payment of tax debts.

10. Classification of financial instruments

The Company's financial assets and liabilities as of December 31st., 2024 consist of:

	2024 S/	2023 S/
Financial assets:		
Cash and cash equivalents	17,659	40,049
	17,659	**40,049**
Financial liabilities:		
Accounts payable to related parties	295,007	8,630,093
Other accounts payable	-	-
	295,007	**8,630,093**

11. Financial risk management

The Company is continuously exposed to market risks, credit risks and liquidity risks. Market risks are originated by variations in exchange rates, interest rates and prices. These risks are managed through specific policies and procedures established by the Company's management, which identifies, evaluates and hedges financial risks.

a. Market risk

Exchange rate risk
The Company makes its sales in U.S. dollars, which allows it to meet its obligations in that currency. However, the exchange rate risk arises from balances held in U.S. dollars such as cash, accounts receivable for accounts payable, among others.

As of December 31st., 2024 and 2023, the balances of monetary assets and liabilities denominated in foreign currencies are summarized as follows:

	2024 US$	2023 US$
Assets:		
Cash and cash equivalents	2,415	2,588
Accounts payable to related parties	(78,251)	(2,301,235)
Net liabilities position	**(75,836)**	**(2,298,647)**

As of December 31, 2024 the weighted average exchange rate of the free market, published by the Superintendency of Banking, Insurance and AFP (SBS), for transactions in U.S. dollars was S/3.758 - Purchase and S/3.770 - Sale (S/3,705 - Purchase and S/3.713 - Sale at December 31, 2023).

Interest rate risk
The Company has no borrowings from a related entity; operating income and cash flows are independent of changes in market interest rates.

As of December 31st., 2024, the Company believes it maintains this risk under control.

b. Credit risk

Credit risk arises from the inability of debtors to meet their obligations. The financial instruments that partially expose the Company to concentrations of credit risk consist mainly of cash and accounts receivable from related parties.

Concentrations of credit risk with respect to cash are limited by the Company, given that it places its liquidity surpluses in prestigious financial institutions, establishes conservative credit policies and constantly evaluates the conditions existing in the market in which it operates.

Concentrations of credit risk with respect to trade accounts receivable are limited, primarily due to the characteristics of the Company's business.

Accordingly, the Company does not estimate significant credit risk at December 31st., 2023.

c. Liquidity risk

Management has primary responsibility for liquidity risk management, which has established policies and procedures for short, medium and long-term indebtedness. Management manages liquidity risk by monitoring cash flows and maturities of its assets and liabilities.

As of December 31st., 2024 and 2023, the Company's non-derivative financial liabilities are current maturities and are as follows:

	Less than 1 year S/	Between 1 to 2 years S/	Between 2 to 5 years S/	Total S/
2024				
Accounts payable to related parties	-	-	295,007	295,007
Other accounts payable	-	-	-	-
Total	**-**	**-**	**295,007**	**295,007**

	Less than 1 year S/	Between 1 to 2 years S/	Between 2 to 5 years S/	Total S/
2023				
Accounts payable to related parties	-	-	8,630,093	8,630,093
Other accounts payable	21,240	-	-	21,240
Total	**21,240**	**-**	**8,630,093**	**8,651,333**

d. Capital risk management

The Company manages its capital to ensure ongoing continuity as a going concern, while maximizing the return to its shareholders through the optimization of debt and equity balances.

The Company's capital structure consists of net indebtedness (accounts payable to related entities less cash), and the respective shareholders' equity.

Management estimates that the carrying values of the Company's financial instruments (current financial assets and liabilities) at December 31st., 2024 do not differ significantly from their fair values due to their maturity in the short term.

e. Fair value of financial instruments

Management estimates that the carrying values of the Company's financial instruments (current financial assets and liabilities) at December 31st., 2024 do not differ significantly from their fair values due to their maturity in the short term.

12. Commitments and Contingencies

Commitments
The Company has not provided any guarantees or sureties to third parties, since its current activities do not require them.

Contingencies
As of December 31st., 2024, management is not aware of any contingencies facing the Company.

13. Subsequent events

Between December 31st., 2024 and the date of authorization for issuance of the financial statements, no subsequent events have been identified that would imply significant adjustments or disclosures to the figures reported as of December 31st., 2024.

COLEGIO DE
CONTADORES PÚBLICOS
DE LIMA

001- Nº 018372

IFAC

CONSTANCIA DE HABILITACIÓN

El Decano y el Director Secretario del Colegio de Contadores Públicos de Lima, que suscriben, declaran que, en base a los registros de la institución, se ha verificado que

NAVARRETE Y ASOCIADOS CONTADORES PUBLICOS SOCIEDAD CIVIL
SOCIEDAD AUDITORA: S0809

Se encuentra, HABIL, para el ejercicio de las funciones profesionales que le faculta la Ley Nº 13253 y su modificación Ley Nº 28951 y conforme al Estatuto y Reglamento Interno de este Colegio; en fe de lo cual y a solicitud de parte, se le extiende la presente constancia para los efectos y usos que estime conveniente. Esta constancia tiene vigencia hasta el 31 de MARZO del 2026.

Lima, 18 de FEBRERO del 2025.

CPC. Onofre Francisco Pizarro Chima
DECANO

CPC. Rafael César Orccón Herrera
DIRECTOR SECRETARIO

www.grantthornton.pe