

**Ranbaxy South Africa Proprietary Limited and subsidiary  
(Registration number 1993/001413/07)  
Consolidated Financial Statements  
for the year ended 31 March 2025**

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## General Information

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<b>Country of incorporation and domicile</b>	South Africa
<b>Directors</b>	A Ajoodha M Brown
<b>Registered office</b>	Ground Floor, Tugela Park, Riverside Office Park 1303 Heuwel Avenue Centurion Gauteng 0046
<b>Business address</b>	Ground Floor, Tugela Park, Riverside Office Park 1303 Heuwel Avenue Centurion Gauteng 0046
<b>Postal address</b>	PO Box 14058 Centurion Gauteng 0046
<b>Holding company</b>	Sun Pharma (Netherlands) BV incorporated in Netherlands
<b>Ultimate holding company</b>	Sun Pharmaceuticals Industries Limited incorporated in India
<b>Auditors</b>	BDO South Africa Incorporated Chartered Accountants (SA)
<b>Company registration number</b>	1993/001413/07
<b>Level of assurance</b>	These consolidated financial statements have been audited in compliance with the applicable requirements of the Companies Act of South Africa, No. 71 of 2008.
<b>Preparer</b>	The consolidated financial statements were internally compiled by: Melissa McGill CA(SA)
<b>Issued</b>	21 May 2025

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Contents

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The reports and statements set out below comprise the consolidated financial statements presented to the shareholder:

	<b>Page</b>
Directors' Responsibilities and Approval	3
Directors' Report	4 - 5
Independent Auditor's Report	6 - 7
Statement of Financial Position	8
Statement of Profit or Loss and Other Comprehensive Income	9
Statement of Changes in Equity	10 - 11
Statement of Cash Flows	12
Accounting Policies	13 - 20
Notes to the Consolidated Financial Statements	21 - 39

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Directors' Responsibilities and Approval

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The directors are required in terms of the Companies Act of South Africa, No. 71 of 2008 to maintain adequate accounting records and are responsible for the content and integrity of the consolidated financial statements and related financial information included in this report. It is their responsibility to ensure that the consolidated financial statements fairly present the state of affairs of the group as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with IFRS® Accounting Standards (IFRS Accounting Standards) and the requirements of the Companies Act of South Africa, No. 71 of 2008. The external auditors are engaged to express an independent opinion on the consolidated financial statements.

The consolidated financial statements are prepared in accordance with IFRS Accounting Standards and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgements and estimates.

The directors acknowledge that they are ultimately responsible for the system of internal financial control established by the group and place considerable importance on maintaining a strong control environment. To enable the directors to meet these responsibilities, the board of directors sets standards for internal control aimed at reducing the risk of error or loss in a cost-effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the group and all employees are required to maintain the highest ethical standards in ensuring the group's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the group is on identifying, assessing, managing and monitoring all known forms of risk across the group. While operating risk cannot be fully eliminated, the group endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The directors are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the consolidated financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The directors have reviewed the group's cash flow forecast for the next 12 months and, in light of this review and the current financial position, they are satisfied that the group has or had access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the group's consolidated financial statements. The consolidated financial statements have been examined by the group's external auditors and their report is presented on pages 6 to 7.

The consolidated financial statements set out on pages 8 to 39, which have been prepared on the going concern basis, were approved by the board of directors on 21 May 2025 and were signed on their behalf by:

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Signer ID: ZHAH2LBK9...  
**N Brown**

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Signer ID: K5SHPTSWQ8...  
**A Ajoodha**



# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Directors' Report

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The directors have pleasure in submitting their report on the consolidated financial statements of Ranbaxy South Africa Proprietary Limited and subsidiary and the group for the year ended 31 March 2025.

### 1. Nature of business

Ranbaxy South Africa Proprietary Limited and subsidiary and its subsidiary has interest in the import, marketing, manufacturing and trade of pharmaceutical goods and services.

There have been no material changes to the nature of the group's business from the prior year.

### 2. Review of financial results and activities

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards and the requirements of the Companies Act of South Africa, No. 71 of 2008. The accounting policies have been applied consistently compared to the prior year.

Full details of the financial position, results of operations and cash flows of the group are set out in these consolidated financial statements.

### 3. Share capital

There have been no changes to the authorised or issued share capital during the year under review.

### 4. Dividends

No dividends were declared or paid in the current year (2024: Rnil).

### 5. Directorate

The directors in office at the date of this report are as follows:

Directors	Changes
A Ajoodha	
DW Brothers	Resigned, 10 January 2025
M Brown	Appointed, 25 January 2025

### 6. Directors' interests in contracts

During the financial year, no contracts were entered into which directors or officers of the group had an interest and which significantly affected the business of the group.

### 7. Holding company

The group's holding company is Sun Pharma (Netherlands) BV which holds 100% (2024: 100%) of the group's equity. Sun Pharma (Netherlands) BV is incorporated in Netherlands.

### 8. Ultimate holding company

The group's ultimate holding company is Sun Pharmaceuticals Industries Limited which is incorporated in India.

### 9. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.

### 10. Liquidity and solvency

The directors have performed the required liquidity and solvency tests required by the Companies Act of South Africa, No. 71 of 2008.

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Directors' Report

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### 11. Going concern

The consolidated financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business

The directors believe that the group has adequate financial resources to continue in operation for the next twelve months and accordingly the consolidated financial statements have been prepared on a going concern basis. The directors have satisfied themselves that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors are not aware of any new material changes that may adversely impact the group. The directors are also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group.

### 12. Auditors

BDO South Africa Incorporated was appointed as auditors for the company and its subsidiaries for 2025.

## Independent Auditor's Report

To the shareholder of

### Ranbaxy South Africa Proprietary Limited

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#### Opinion

We have audited the consolidated and separate financial statements of Ranbaxy South Africa Proprietary Limited (the group and company) set out on pages 8 to 39 which comprise the consolidated and separate statements of financial position as at 31 March 2025, and the consolidated and separate statements of profit or loss and other comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial position of Ranbaxy South Africa Proprietary Limited as at 31 March 2025, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa.

#### Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements* section of our report. We are independent of the group and company in accordance with the Independent Regulatory Board for Auditors' *Code of Professional Conduct for Registered Auditors* (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)*. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Other Information

The directors are responsible for the other information. The other information comprises the information included in the document titled "Ranbaxy South Africa Proprietary Limited Annual Consolidated and Separate financial statements for the year ended 31 March 2025", which includes the Directors' Report as required by the Companies Act of South Africa. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibilities of the Directors for the Consolidated and Separate Financial Statements**

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act of South Africa, and for such internal control as the directors determine is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the group's and the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group and / or the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated and separate 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 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 consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's and the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group and / or the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

**BDO South Africa Incorporated**  
Registered Auditors

**S E Jassat**  
Director  
Registered Auditor

22 May 2025

Wanderers Office Park  
52 Corlett Drive  
Illovo, 2196

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Statement of Financial Position as at 31 March 2025

		Group		Company	
	Notes	2025 R	2024 R	2025 R	2024 R
<b>Assets</b>					
<b>Non-Current Assets</b>					
Property, plant and equipment	3	1 931 806	1 063 054	1 931 708	1 062 956
Right-of-use assets	4	4 846 654	7 375 342	4 846 654	7 375 342
Intangible assets	5	536 767	721 034	536 767	721 034
Investments in subsidiaries	6	-	-	905 342	905 342
Deferred tax	8	16 289 296	16 958 856	13 034 516	13 841 364
		<b>23 604 523</b>	<b>26 118 286</b>	<b>21 254 987</b>	<b>23 906 038</b>
<b>Current Assets</b>					
Inventories	9	36 606 910	94 539 013	15 003 308	27 609 024
Trade and other receivables	7	223 961 815	270 078 205	94 991 776	106 750 159
Current tax receivable		206 159	214 871	206 159	214 871
Cash and cash equivalents	10	217 781 684	159 209 619	69 969 330	114 747 115
		<b>478 556 568</b>	<b>524 041 708</b>	<b>180 170 573</b>	<b>249 321 169</b>
<b>Total Assets</b>		<b>502 161 091</b>	<b>550 159 994</b>	<b>201 425 560</b>	<b>273 227 207</b>
<b>Equity and Liabilities</b>					
<b>Equity</b>					
<b>Equity Attributable to Equity Holders of Parent</b>					
Share capital	11	17 511 923	17 511 923	17 511 923	17 511 923
Reserves		(211 831)	(211 831)	-	-
Retained income		292 289 958	271 036 963	116 855 748	107 616 802
		309 590 050	288 337 055	134 367 671	125 128 725
Non-controlling interest	6	37 556 023	32 407 146	-	-
		<b>347 146 073</b>	<b>320 744 201</b>	<b>134 367 671</b>	<b>125 128 725</b>
<b>Liabilities</b>					
<b>Non-Current Liabilities</b>					
Lease liabilities	4	2 714 138	5 432 796	2 714 138	5 432 796
Deferred tax	8	1 308 596	-	1 308 596	-
		<b>4 022 734</b>	<b>5 432 796</b>	<b>4 022 734</b>	<b>5 432 796</b>
<b>Current Liabilities</b>					
Trade and other payables	12	143 599 879	219 627 027	60 487 731	140 682 419
Lease liabilities	4	2 547 424	1 983 267	2 547 424	1 983 267
Current tax payable		4 844 981	2 372 703	-	-
		<b>150 992 284</b>	<b>223 982 997</b>	<b>63 035 155</b>	<b>142 665 686</b>
<b>Total Liabilities</b>		<b>155 015 018</b>	<b>229 415 793</b>	<b>67 057 889</b>	<b>148 098 482</b>
<b>Total Equity and Liabilities</b>		<b>502 161 091</b>	<b>550 159 994</b>	<b>201 425 560</b>	<b>273 227 207</b>

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Statement of Profit or Loss and Other Comprehensive Income

		Group		Company	
	Notes	2025 R	2024 R	2025 R	2024 R
Revenue	13	521 246 184	666 971 539	109 444 029	135 351 292
Cost of sales	14	(385 372 844)	(542 820 534)	(28 026 087)	(66 354 348)
<b>Gross profit</b>		<b>135 873 340</b>	<b>124 151 005</b>	<b>81 417 942</b>	<b>68 996 944</b>
Other operating income	15	-	610	-	610
Other operating gains (losses)	16	207 662	417 839	207 662	417 839
Other operating expenses		(113 295 869)	(99 481 911)	(84 850 138)	(68 653 172)
<b>Operating profit (loss)</b>	17	<b>22 785 133</b>	<b>25 087 543</b>	<b>(3 224 534)</b>	<b>762 221</b>
Investment income	18	16 981 718	11 722 923	15 471 561	9 680 848
Finance costs	19	(580 311)	(426 702)	(580 311)	(426 702)
<b>Profit before taxation</b>		<b>39 186 540</b>	<b>36 383 764</b>	<b>11 666 716</b>	<b>10 016 367</b>
Taxation	20	(10 918 046)	436 882	(2 427 769)	9 799 261
<b>Total comprehensive income for the year</b>		<b>28 268 494</b>	<b>36 820 646</b>	<b>9 238 947</b>	<b>19 815 628</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		21 252 995	34 801 688	9 238 947	19 815 628
Non-controlling interest		7 015 499	2 018 958	-	-
		<b>28 268 494</b>	<b>36 820 646</b>	<b>9 238 947</b>	<b>19 815 628</b>

## Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

### Statement of Changes in Equity

	Share capital	Share premium	Total share capital	Common control reserves	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	R	R	R	R	R	R	R	R
<b>Group</b>								
<b>Balance at 01 April 2023</b>	<b>361 917</b>	<b>17 150 006</b>	<b>17 511 923</b>	<b>(211 831)</b>	<b>236 235 275</b>	<b>253 535 367</b>	<b>31 988 998</b>	<b>285 524 365</b>
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>34 801 688</b>	<b>34 801 688</b>	<b>2 018 958</b>	<b>36 820 646</b>
Changes in ownership interest - control not lost	-	-	-	-	-	-	(1 600 810)	(1 600 810)
<b>Balance at 01 April 2024</b>	<b>361 917</b>	<b>17 150 006</b>	<b>17 511 923</b>	<b>(211 831)</b>	<b>271 036 963</b>	<b>288 337 055</b>	<b>32 407 146</b>	<b>320 744 201</b>
<b>Total comprehensive income for the year</b>	-	-	-	-	<b>21 252 995</b>	<b>21 252 995</b>	<b>7 015 499</b>	<b>28 268 494</b>
Dividends	-	-	-	-	-	-	(1 866 622)	(1 866 622)
<b>Balance at 31 March 2025</b>	<b>361 917</b>	<b>17 150 006</b>	<b>17 511 923</b>	<b>(211 831)</b>	<b>292 289 958</b>	<b>309 590 050</b>	<b>37 556 023</b>	<b>347 146 073</b>
Note(s)	11	11	11				6	

## Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

### Statement of Changes in Equity

	Share capital	Share premium	Total share capital	Common control reserves	Retained income	Total attributable to equity holders of the group / company	Non-controlling interest	Total equity
	R	R	R	R	R	R	R	R
<b>Company</b>								
<b>Balance at 01 April 2023</b>	<b>361 917</b>	<b>17 150 006</b>	<b>17 511 923</b>	<b>-</b>	<b>87 801 174</b>	<b>105 313 097</b>	<b>-</b>	<b>105 313 097</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>19 815 628</b>	<b>19 815 628</b>	<b>-</b>	<b>19 815 628</b>
<b>Balance at 01 April 2024</b>	<b>361 917</b>	<b>17 150 006</b>	<b>17 511 923</b>	<b>-</b>	<b>107 616 801</b>	<b>125 128 724</b>	<b>-</b>	<b>125 128 724</b>
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>9 238 947</b>	<b>9 238 947</b>	<b>-</b>	<b>9 238 947</b>
<b>Balance at 31 March 2025</b>	<b>361 917</b>	<b>17 150 006</b>	<b>17 511 923</b>	<b>-</b>	<b>116 855 748</b>	<b>134 367 671</b>	<b>-</b>	<b>134 367 671</b>
Note(s)	11	11	11					



# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Statement of Cash Flows

		Group		Company	
	Note(s)	2025 R	2024 R	2025 R	2024 R
<b>Cash flows from operating activities</b>					
Cash (used in)/generated from operations	21	54 121 994	(45 590 977)	(55 739 608)	82 815 253
Interest income	18	16 981 718	11 722 923	11 116 110	5 945 625
Finance costs	19	(580 311)	(426 702)	(580 311)	(426 702)
Tax paid	22	(6 458 900)	(4 352 127)	(303 613)	(681 092)
<b>Net cash from operating activities</b>		<b>64 064 501</b>	<b>(38 646 883)</b>	<b>(45 507 422)</b>	<b>87 653 084</b>
<b>Cash flows from investing activities</b>					
Purchase of property, plant and equipment	3	(1 740 496)	(286 456)	(1 740 496)	(286 456)
Proceeds from sale of property, plant and equipment		269 183	426 789	269 183	426 789
Purchases of intangible assets	5	-	(408 661)	-	(408 661)
Dividends received	18	-	-	4 355 451	3 735 223
<b>Net cash from investing activities</b>		<b>(1 471 313)</b>	<b>(268 328)</b>	<b>2 884 138</b>	<b>3 466 895</b>
<b>Cash flows from financing activities</b>					
Cash repayments on lease liabilities	4	(2 154 501)	(2 936 091)	(2 154 501)	(2 936 091)
Dividends paid		(1 866 622)	(1 600 810)	-	-
<b>Net cash from financing activities</b>		<b>(4 021 123)</b>	<b>(4 536 901)</b>	<b>(2 154 501)</b>	<b>(2 936 091)</b>
<b>Total cash movement for the year</b>		<b>58 572 065</b>	<b>(43 452 112)</b>	<b>(44 777 785)</b>	<b>88 183 888</b>
Cash and cash equivalents at the beginning of the year		159 209 619	202 661 731	114 747 115	26 563 227
<b>Cash and cash equivalents at the end of the year</b>	10	<b>217 781 684</b>	<b>159 209 619</b>	<b>69 969 330</b>	<b>114 747 115</b>

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Accounting Policies

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### 1. Material accounting policies

Management has considered the principles of materiality in IFRS Practice Statement 2 Making Materiality Judgements, and only those accounting policies which are considered material have been presented in these consolidated financial statements.

#### 1.1 Basis of preparation

The annual financial statements have been prepared on the going concern basis in accordance with, and in compliance with, IFRS Accounting Standards and IFRIC® Interpretations Standards (IFRIC interpretations) issued and effective at the time of preparing these annual financial statements and the Companies Act of South Africa, No. 71 of 2008 of South Africa.

The consolidated financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the material accounting policies set out below. They are presented in Rands, which is the group and company's functional currency.

These accounting policies are consistent with the previous period.

#### 1.2 Consolidation

##### Basis of consolidation

The consolidated financial statements incorporate the consolidated financial statements of the company and subsidiary. Subsidiaries are entities which are controlled by the group.

The results of subsidiaries are included in the consolidated financial statements from the date of obtaining control.

The accounting policies of all subsidiaries are the same as those of the parent.

All inter-company transactions, balances, and unrealised gains on transactions between group companies are eliminated in full on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

##### Non-Controlling Interests

Non-controlling interests (NCI) represent the portion of equity in subsidiary not attributable, directly or indirectly, to the parent company and are presented separately in the consolidated statement of financial position within equity. They are also presented separately in the consolidated statement of profit or loss and other comprehensive income.

##### Recognition and Initial Measurement

On acquisition of the subsidiary not wholly owned by the Group, the Group elected to measure non-controlling interests the non-controlling interests' proportionate share of the acquiree's identifiable net assets.

This choice affects the amount of goodwill recognised at acquisition. The proportionate method only recognises the parent's share of goodwill.

##### Subsequent Measurement

Post-acquisition, the carrying amount of NCI is adjusted to reflect:

- The proportionate share of profit or loss attributable to the NCI;
- The proportionate share of other comprehensive income;
- Dividends paid to NCI holders; and
- Any other equity movements attributable to NCI.

Total comprehensive income is allocated to the owners of the parent and to the non-controlling interests even if this results in a deficit balance for the non-controlling interests.

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Accounting Policies

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### 1.2 Consolidation (continued)

#### Changes in Ownership Interests

Changes in the Group's ownership interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the controlling and non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary. Any difference between:

- The amount by which the non-controlling interests are adjusted; and
- The fair value of the consideration paid or received,

is recognised directly in equity and attributed to the equity holders of the parent.

#### Loss of Control

When the Group loses control of a subsidiary:

- The assets (including goodwill) and liabilities of the subsidiary, and any related non-controlling interests and other components of equity, are derecognised;
- Any resulting gain or loss is recognised in profit or loss; and
- Any retained investment in the former subsidiary is measured at fair value and recognised as an investment, with fair value serving as the deemed cost at initial recognition.

#### Investments in subsidiaries in the separate financial statements

Investments in subsidiaries are carried at cost less any accumulated impairment losses in the separate financial statements.

### 1.3 Significant judgements and sources of estimation uncertainty

The preparation of consolidated financial statements in conformity with IFRS requires management, from time to time, to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

#### Key sources of estimation uncertainty

##### Impairment of financial assets

The expected credit loss provisions for financial assets are based on assumptions about risk of default and expected loss rates. The group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. For details of the key assumptions and inputs used, refer to the individual notes addressing financial assets.

The group assesses its trade receivables and loans and receivables for impairment at the end of each reporting period. In determining whether an impairment loss should be recorded in profit or loss, the group makes judgements as to whether there is observable data indicating a measurable decrease in the estimated future cash flows from a financial asset.

At the end of the reporting period, the group estimated the expected credit loss as per the following methodology:

- Obtain a historical loss % based on the prior period bad debts written off;
- Obtain a forward looking % (based on probability of default % multiplied the average loss given default %) at which debts are expected to default based on the sector the customer belongs to;
- Determine the age bracket at which point a customer is expected to be at risk of default;
- Add the historical loss % and forward looking % and multiply this by the age bracket from where debt is deemed to be a credit risk, in order to obtain the expected credit loss.

##### Allowance for slow moving, damaged and obsolete inventory

Management assesses whether inventory is impaired by comparing its cost to its estimated net realisable value. Where an impairment is necessary, inventory items are written down to net realisable value. The write down is included in cost of sales.

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Accounting Policies

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### 1.3 Significant judgements and sources of estimation uncertainty (continued)

#### Impairment of non financial assets

The group reviews and tests the carrying value of assets when events or changes in circumstances suggest that the carrying amount may not be recoverable. When such indicators exist, management determine the recoverable amount by performing value in use and fair value calculations. These calculations require the use of estimates and assumptions. When it is not possible to determine the recoverable amount for an individual asset, management assesses the recoverable amount for the cash generating unit to which the asset belongs.

#### Useful lives of property, plant and equipment

Management assess the appropriateness of the useful lives of property, plant and equipment at the end of each reporting period. The useful lives of motor vehicles, furniture and computer equipment are determined based on group replacement policies for the various assets. Individual assets within these classes, which have a significant carrying amount are assessed separately to consider whether replacement will be necessary outside of normal replacement parameters. The useful life of manufacturing equipment is assessed annually based on factors including wear and tear, technological obsolescence and usage requirements.

When the estimated useful life of an asset differs from previous estimates, the change is applied prospectively in the determination of the depreciation charge.

#### Taxation

Judgement is required in determining the provision for income taxes due to the complexity of legislation. There are many transactions and calculations for which the ultimate tax determination is uncertain during the ordinary course of business. The group recognises liabilities for anticipated tax audit issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

The group recognises the net future tax benefit related to deferred income tax assets to the extent that it is probable that the deductible temporary differences will reverse in the foreseeable future. Assessing the recoverability of deferred income tax assets requires the group to make significant estimates related to expectations of future taxable income. Estimates of future taxable income are based on forecast cash flows from operations and the application of existing tax laws in each jurisdiction. To the extent that future cash flows and taxable income differ significantly from estimates, the ability of the group to realise the net deferred tax assets recorded at the end of the reporting period could be impacted.

#### Lease term

In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

The assessment is reviewed if a significant event or a significant change in circumstances occurs which affects this assessment and that is within the control of the lessee.

### 1.4 Property, plant and equipment

Property, plant and equipment is initially measured at cost.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the group and the cost can be measured reliably. Day to day servicing costs are included in profit or loss in the year in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and impairment losses except for land which is not depreciated.

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Accounting Policies

### 1.4 Property, plant and equipment (continued)

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Fixtures and fittings	Straight line	6 years
Motor vehicles	Straight line	5 years
Office equipment	Straight line	6 years
Computer equipment	Straight line	3 years
Leasehold improvements	Straight line	10% - 33.33% per annum

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting . No material changes were made.

There were no indicators of impairment for property, plant and equipment and no impairment tests were performed.

### 1.5 Intangible assets

Intangible assets are initially recognised at cost.

Intangible assets are subsequently measured at cost less any accumulated amortisation and impairment losses.

Amortisation is provided to write down the intangible assets, on a straight line basis, to their residual values as follows:

Item	Depreciation method	Average useful life	Remaining useful life
Computer software	Straight line	2 years	1 year
Copyrights, patents and other industrial rights, service and operating rights	Straight line	5 years	2 years

The useful life and amortisation method of intangible assets are reviewed at the end of each reporting . No material changes were made.

There were no indicators of impairment for intangible assets and no impairment tests were performed.

### 1.6 Financial instruments

Financial instruments are recognised when the group becomes a party to the contractual provisions. They are measured, at initial recognition, at fair value plus transaction costs, if any.

All regular way purchases or sales of financial assets are recognised and de-recognised on a trade date basis.

The material accounting policies for each type of financial instrument held by the group are presented below:

#### Trade and other receivables

Trade and other receivables, excluding, when applicable, VAT and prepayments, are measured, subsequent to initial recognition, at amortised cost.

The amortised cost is the amount recognised on the receivable initially, minus principal repayments, plus cumulative amortisation (interest) using the effective interest method of any difference between the initial amount and the maturity amount, adjusted for any loss allowance.

The accounting policy for impairment of trade and other receivables is set out in the loss allowances and write-offs accounting policy.

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Accounting Policies

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### 1.6 Financial instruments (continued)

#### Impairment - Expected credit losses and write-offs

A forward looking allowance for expected credit losses is recognised for all debt instruments not held at fair value through profit or loss. Expected credit losses are based on the difference between contractual cash flows due in accordance with the contract and all the cash flows that the company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

The measurement of expected credit losses incorporates the probability of default, loss given default and the exposure at default, taking the time value of money, historical data and forward-looking information into consideration.

The movement in credit loss allowance is recognised in profit or loss with a corresponding adjustment to the carrying amount of the instrument through a loss allowance account.

The group writes off an instrument when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings. Instruments written off may still be subject to enforcement activities under the group's recovery procedures. Any recoveries made are recognised in profit or loss.

#### Trade and other payables

Trade and other payables, excluding VAT and amounts received in advance, are classified as financial liabilities subsequently measured at amortised cost.

#### Cash and cash equivalents

Cash and cash equivalents are stated at carrying amount which is deemed to be fair value.

#### De-recognition

The group de-recognises a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the group retains substantially all the risks and rewards of ownership of a transferred financial asset, the group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

The group de-recognises financial liabilities when its obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss.

### 1.7 Tax

#### Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Accounting Policies

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### 1.7 Tax (continued)

#### Deferred tax assets and liabilities

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base used for taxation purposes.

A deferred tax liability is recognised for all taxable temporary differences.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

A deferred tax asset is recognised for the carry forward of unused tax losses to the extent that it is probable that future taxable profit will be available against which they can be utilised.

When management assess the extent to which is it probable that taxable profit will be available against which potential deferred tax assets can be utilised, they take into consideration that the utilisation of assessed losses are limited to the greater of 80% of the taxable income or R1 million in the year of assessment.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The deferred tax rate applied to assets is determined by the expected manner of recovery. Where the expected recovery of the asset is through sale, the capital gains tax rate is applied. The normal tax rate is applied when the expected recovery is through use. A combination of these rates is applied if the recovery is expected to be partly through use and sale.

Deferred tax assets are reviewed at each reporting date and are reduced if it is no longer probable that the related tax benefit will be realised. Such reductions are reversed when the probability of future taxable profits improves. The review by management has not resulted in the reduction of the deferred tax assets.

#### Tax expenses

The income tax expense consists of current and deferred tax and is recognised in profit or loss.

### 1.8 Leases

The group assesses whether a contract is, or contains a lease, at the inception of the contract.

No contracts were identified that required specific judgement as to whether they contained leases.

#### Group as lessee

A lease liability and corresponding right-of-use asset are recognised at the lease commencement date, for all lease agreements for which the group is a lessee, except for short-term leases of 12 months or less, or leases of low value assets. For these leases, the group recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

#### Lease liability

Lease liabilities are initially measured at the present value of the lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect lease payments made. Interest charged on the lease liability is included in finance costs.

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Accounting Policies

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### 1.8 Leases (continued)

#### Right-of-use assets

Right-of-use assets are presented as a separate line item on the Statement of Financial Position.

They are measured initially at the initial amount of the lease liability plus upfront payments and initial direct costs.

Right-of-use assets are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated, from commencement date, over the shorter period of lease term and useful life of the underlying asset.

Refer to the accounting policy for property, plant and equipment for details of useful lives of underlying assets.

The residual value, useful life and depreciation method of each asset are reviewed at the end of each reporting period. No material changes were made.

### 1.9 Inventories

Inventories are measured at the lower of cost and net realisable value on the weighted average basis.

The cost of inventories comprises of all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Write downs and reversals of write downs of inventories are included as part of the cost of goods sold.

### 1.10 Impairment of assets

The recoverable amount of an asset is the higher of its fair value less costs to sell and its value in use. If the recoverable amount cannot be determined for an individual asset, then it is determined for the cash generating unit to which the asset belongs.

Impairment losses are recognised immediately in profit or loss.

### 1.11 Share capital and equity

Equity instruments issued by the group are recognised at the proceeds received, net of direct issue costs.

### 1.12 Employee benefits

#### Short-term employee benefits

Short-term employee benefits, which consist of paid annual leave and sick leave, bonuses, and medical care, are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

#### Defined contribution plans

Payments are charged as an expense as they fall due.



# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Accounting Policies

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### 1.13 Revenue from contracts with customers

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties. The group recognises revenue when it transfers control of a product or service to a customer.

#### Sale of goods

Revenue from the sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. The normal credit term is 30 to 90 days upon delivery. The company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of goods, the company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any). The payment terms above do not constitute a significant financing component.

### 1.14 Cost of sales

When inventories are sold, the carrying amount of those inventories is recognised as an expense in the period in which the related revenue is recognised. The amount of any write-down of inventories to net realisable value and all losses of inventories are recognised as an expense in the period the write-down or loss occurs. The amount of any reversal of any write-down of inventories, arising from an increase in net realisable value, is recognised as a reduction in the amount of inventories recognised as an expense in the period in which the reversal occurs.

The related cost of providing services recognised as revenue in the current period is included in cost of sales.

### 1.15 Translation of foreign currencies

#### Foreign currency transactions

A foreign currency transaction is recorded, on initial recognition in Rands, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

Foreign currency monetary items are translated at the end of the reporting period using the closing rate.

Cash flows arising from transactions in a foreign currency are recorded in Rands by applying to the foreign currency amount the exchange rate between the Rand and the foreign currency at the date of the cash flow.

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

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### 2. New Standards and Interpretations

#### 2.1 Standards and interpretations effective and adopted in the current year

In the current year, the group has adopted the following standards and interpretations that are effective for the current financial year and that are relevant to its operations:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none"><li>Supplier finance arrangements - amendments to IAS 7 and IFRS 7</li></ul>	01 January 2024	The impact of the amendments is not material.
<ul style="list-style-type: none"><li>Non-current liabilities with covenants - amendments to IAS 1</li></ul>	01 January 2024	The impact of the amendments is not material.
<ul style="list-style-type: none"><li>Lease liability in a sale and leaseback</li></ul>	01 January 2024	The impact of the amendments is not material.

#### 2.2 Standards and interpretations not yet effective

The group has chosen not to early adopt the following standards and interpretations, which have been published and are mandatory for the group's accounting periods beginning on or after 01 April 2025 or later periods:

Standard/ Interpretation:	Effective date: Years beginning on or after	Expected impact:
<ul style="list-style-type: none"><li>Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</li></ul>	01 January 2009	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>IFRS 19 Subsidiaries without Public Accountability: Disclosures</li></ul>	01 January 2027	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>IFRS 18 Presentation and Disclosure in Financial Statements</li></ul>	01 January 2027	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>Amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards.</li></ul>	01 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>Amendments to IFRS 7 Financial Instruments: Disclosures</li></ul>	01 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>Amendments to IFRS 9 Financial Instruments</li></ul>	01 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>Amendments to IFRS 9 Financial Instruments</li></ul>	01 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>Amendments to IFRS 10 Consolidated Financial Statements</li></ul>	01 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>Amendments to IAS 10 Statement of Cash flows</li></ul>	01 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>Amendments to IFRS 9 and IFRS 7: Amendments to the Classification and Measurement of Financial Instruments.</li></ul>	01 January 2026	Unlikely there will be a material impact
<ul style="list-style-type: none"><li>Lack of exchangeability - amendments to IAS 21</li></ul>	01 January 2025	Unlikely there will be a material impact

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

### 3. Property, plant and equipment

Group and company	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Furniture and fixtures	1 768 815	(1 726 455)	42 360	1 768 815	(1 715 245)	53 570
Motor vehicles	1 004 662	(408 593)	596 069	886 025	(491 307)	394 718
Office equipment	32 287	(6 920)	25 367	-	-	-
IT equipment	3 948 510	(2 680 598)	1 267 912	2 666 526	(2 051 858)	614 668
Leasehold improvements	-	-	-	623 289	(623 289)	-
<b>Total</b>	<b>6 754 274</b>	<b>(4 822 566)</b>	<b>1 931 708</b>	<b>5 944 655</b>	<b>(4 881 699)</b>	<b>1 062 956</b>

#### Reconciliation of property, plant and equipment - Group - 2025

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Plant and machinery	80	-	-	-	-	80
Furniture and fixtures	53 588	-	-	-	(11 210)	42 378
Motor vehicles	394 718	426 243	(61 521)	-	(163 371)	596 069
Office equipment	-	28 246	-	4 023	(6 902)	25 367
IT equipment	614 668	1 286 007	-	(4 023)	(628 740)	1 267 912
	<b>1 063 054</b>	<b>1 740 496</b>	<b>(61 521)</b>	<b>-</b>	<b>(810 223)</b>	<b>1 931 806</b>

#### Reconciliation of property, plant and equipment - Group - 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Plant and machinery	80	-	-	-	80
Furniture and fixtures	10 341	54 243	(8)	(10 988)	53 588
Motor vehicles	467 222	-	-	(72 504)	394 718
IT equipment	936 866	232 213	(8 942)	(545 469)	614 668
	<b>1 414 509</b>	<b>286 456</b>	<b>(8 950)</b>	<b>(628 961)</b>	<b>1 063 054</b>

#### Reconciliation of property, plant and equipment - Company - 2025

	Opening balance	Additions	Disposals	Transfers	Depreciation	Total
Furniture and fixtures	53 570	-	-	-	(11 210)	42 360
Motor vehicles	394 718	426 243	(61 521)	-	(163 371)	596 069
Office equipment	-	28 246	-	4 023	(6 902)	25 367
IT equipment	614 668	1 286 007	-	(4 023)	(628 740)	1 267 912
	<b>1 062 956</b>	<b>1 740 496</b>	<b>(61 521)</b>	<b>-</b>	<b>(810 223)</b>	<b>1 931 708</b>

#### Reconciliation of property, plant and equipment - Company - 2024

	Opening balance	Additions	Disposals	Depreciation	Total
Furniture and fixtures	10 323	54 243	(8)	(10 988)	53 570
Motor vehicles	467 222	-	-	(72 504)	394 718
IT equipment	936 866	232 213	(8 942)	(545 469)	614 668
	<b>1 414 411</b>	<b>286 456</b>	<b>(8 950)</b>	<b>(628 961)</b>	<b>1 062 956</b>

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

### 4. Right of use assets and Lease liabilities

The group has the option to purchase the plant at a nominal amount on completion of the lease term.

Details pertaining to leasing arrangements, where the group is lessee are presented below:

Group	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Leasehold property	7 586 066	(2 739 412)	4 846 654	7 586 066	(210 724)	7 375 342

  

Company	2025			2024		
	Cost	Accumulated depreciation	Carrying value	Cost	Accumulated depreciation	Carrying value
Buildings	7 586 066	(2 739 412)	4 846 654	7 586 066	(210 724)	7 375 342

### Reconciliation of right-of-use assets - Group - 2025

	Opening balance	Depreciation	Total
Buildings	7 375 342	(2 528 688)	4 846 654

### Reconciliation of right-of-use assets - Group - 2024

	Opening balance	Additions	Termination of lease	Depreciation	Total
Buildings	4 905 555	7 586 066	(2 559 420)	(2 556 859)	7 375 342

### Reconciliation of right-of-use assets - Company - 2025

	Opening balance	Depreciation	Total
Buildings	7 375 342	(2 528 688)	4 846 654

### Reconciliation of right-of-use assets - Company - 2024

	Opening balance	Additions	Termination of lease	Depreciation	Total
Buildings	4 905 555	7 586 066	(2 559 420)	(2 556 859)	7 375 342

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

	Group		Company	
	2025 R	2024 R	2025 R	2024 R

### 4. Right of use assets and Lease liabilities (continued)

#### Lease liabilities

The maturity analysis of lease liabilities is as follows:

Within one year	2 547 424	1 983 267	2 547 424	1 983 267
Two to five years	2 714 138	5 432 796	2 714 138	5 432 796
	<b>5 261 562</b>	<b>7 416 063</b>	<b>5 261 562</b>	<b>7 416 063</b>

#### Minimum lease payments due

Within one year	2 905 853	5 739 480	2 905 853	5 739 481
Two to five years	2 833 618	2 715 750	2 833 618	2 715 750
	<b>5 739 471</b>	<b>8 455 230</b>	<b>5 739 471</b>	<b>8 455 231</b>

Non-current liabilities	2 714 138	5 432 796	2 714 138	5 432 796
Current liabilities	2 547 424	1 983 267	2 547 424	1 983 267
	<b>5 261 562</b>	<b>7 416 063</b>	<b>5 261 562</b>	<b>7 416 063</b>

### 5. Intangible assets

Group	2025			2024		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Patents, trademarks and other rights	1 133 550	(596 783)	536 767	6 980 003	(6 258 969)	721 034

  

Company	2025			2024		
	Cost	Accumulated amortisation	Carrying value	Cost	Accumulated amortisation	Carrying value
Patents, trademarks and other rights	1 133 550	(596 783)	536 767	6 980 003	(6 258 969)	721 034

#### Reconciliation of intangible assets - Group - 2025

	Opening balance	Amortisation	Total
Patents, trademarks and other rights	721 034	(184 267)	536 767

#### Reconciliation of intangible assets - Group - 2024

	Opening balance	Additions	Transfers	Amortisation	Total
Patents, trademarks and other rights	5 082 144	408 661	(245 726)	(4 524 045)	721 034

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

	Group		Company	
	2025 R	2024 R	2025 R	2024 R

### 5. Intangible assets (continued)

#### Reconciliation of intangible assets - Company - 2025

	Opening balance	Amortisation	Total
Patents, trademarks and other rights	721 034	(184 267)	536 767

#### Reconciliation of intangible assets - Company - 2024

	Opening balance	Additions	Transfers	Amortisation	Total
Patents, trademarks and other rights	5 082 144	408 661	(245 726)	(4 524 045)	721 034

### 6. Non-controlling interest

The following table lists the entities which are controlled by the group, either directly or indirectly through subsidiaries.

#### Company

Name of company	% holding 2025	% holding 2024	Carrying amount 2025	Carrying amount 2024
Sonke Proprietary Limited	70,00 %	70,00 %	905 342	905 342

#### Subsidiaries with material non-controlling interests

The following information is provided for subsidiaries with non-controlling interests which are material to the reporting company. The summarised financial information is provided prior to intercompany eliminations.

#### Summarised statement of financial position

	Sonke Pharmaceuticals Proprietary Limited 2025
<b>Assets</b>	
Non-current assets	3 254 878
Current assets	298 605 567
<b>Total assets</b>	301 860 445
<b>Liabilities</b>	
Current liabilities	88 176 704
<b>Total liabilities</b>	88 176 704
<b>Total net assets (liabilities)</b>	213 683 741

Carrying amount of non-controlling interest	37 556 023
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#### Non-controlling interest per statement of financial position

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

	Group		Company	
	2025 R	2024 R	2025 R	2024 R
<b>6. Non-controlling interest (continued)</b>				
<b>Summarised statement of profit or loss and other comprehensive income</b>				
				Sonke Pharmaceuticals Proprietary Limited
				2025
Revenue			411 802 155	
Other income and expenses			(379 926 881)	
<b>Profit before tax</b>			31 875 274	
Tax expense			(8 490 277)	
<b>Profit (loss)</b>			23 384 997	
<b>Total comprehensive income</b>			23 384 997	
<b>Profit (loss) allocated to non-controlling interest</b>				7 015 499
<b>Summarised statement of cash flows</b>				
				Sonke Pharmaceuticals Proprietary Limited
				2025
Cash flows from operating activities			109 571 923	
Cash flows from financing activities			(6 222 073)	
Net increase(decrease) in cash and cash equivalents			103 349 850	
<b>Dividend paid to non-controlling interest</b>				(1 866 622)
<b>7. Trade and other receivables</b>				
<b>Financial instruments:</b>				
Trade receivables	144 989 250	209 328 006	44 985 406	71 440 912
Trade receivables - related parties	85 897 867	69 215 504	46 119 980	33 479 605
Allowances for returns	(164 990)	(1 403 850)	(12 807)	-
Loss allowance	(10 772 604)	(11 144 960)	(108 595)	(1 718 453)
Trade receivables at amortised cost	219 949 523	265 994 700	90 983 984	103 202 064
Other receivables	956 718	957 375	956 718	956 717
<b>Non-financial instruments:</b>				
VAT	-	511 752	-	-
Employee costs in advance	4 500	144 055	-	121 055
Prepayments	3 051 074	2 470 323	3 051 074	2 470 323
<b>Total trade and other receivables</b>	<b>223 961 815</b>	<b>270 078 205</b>	<b>94 991 776</b>	<b>106 750 159</b>
<b>Split between non-current and current portions</b>				
Current assets	223 961 815	270 078 205	94 991 776	106 750 159

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

	Group		Company	
	2025 R	2024 R	2025 R	2024 R

### 7. Trade and other receivables (continued)

#### Financial instrument and non-financial instrument components of trade and other receivables

At amortised cost	220 906 241	266 952 075	91 940 702	104 158 781
Non-financial instruments	3 055 574	3 126 130	3 051 074	2 591 378
	<b>223 961 815</b>	<b>270 078 205</b>	<b>94 991 776</b>	<b>106 750 159</b>

#### Exposure to credit risk

Trade receivables inherently expose the group to credit risk, being the risk that the group will incur financial loss if customers fail to make payments as they fall due.

A loss allowance is recognised for all trade receivables, in accordance with IFRS 9 Financial Instruments, and is monitored at the end of each reporting period. In addition to the loss allowance, trade receivables are written off when there is no reasonable expectation of recovery, for example, when a debtor has been placed under liquidation. Trade receivables which have been written off are not subject to enforcement activities.

The group measures the loss allowance for trade receivables by applying the simplified approach which is prescribed by IFRS 9. In accordance with this approach, the loss allowance on trade receivables is determined as the lifetime expected credit losses on trade receivables. These lifetime expected credit losses are estimated using a provision matrix, which is presented below. The provision matrix has been developed by making use of past default experience of debtors but also incorporates forward looking information and general economic conditions of the industry as at the reporting date.

For trade receivables and contract assets, a simplified approach is applied in calculating expected credit losses. Instead of tracking changes in credit risk, a loss allowance is recognised based on lifetime expected credit losses at each reporting date. A provision matrix was established that is based on the company's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The group's historical credit loss experience does not show significantly different loss patterns for different customer segments. The expected credit losses is therefore based on past due status without disaggregating into further risk profiles. The loss allowance is determined as follows:

Group	2025	2025	2024	2024
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
<b>Expected credit loss rate:</b>				
Not past due	96 321 574	-	176 831 615	-
31 - 60 days past due	14 231 142	-	12 628 813	-
61 - 90 days past due	3 076 475	-	518 330	-
91 - 120 days past due	28 454	-	3 583 815	-
More than 120 days past due	22 357 001	(10 772 604)	13 954 964	(11 144 960)
<b>Total</b>	<b>136 014 646</b>	<b>(10 772 604)</b>	<b>207 517 537</b>	<b>(11 144 960)</b>



# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

	Group		Company	
	2025 R	2024 R	2025 R	2024 R

### 7. Trade and other receivables (continued)

Company	2025	2025	2024	2024
	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)	Estimated gross carrying amount at default	Loss allowance (Lifetime expected credit loss)
<b>Expected credit loss rate:</b>				
Not past due	37 481 737	-	44 917 957	-
31 - 60 days past due	(3 062 509)	-	2 714 017	-
61 - 90 days past due	554 141	-	491 594	-
91 - 120 days past due	9 110	-	23 007	-
More than 120 days past due	1 038 342	(108 595)	862 745	(1 718 453)
<b>Total</b>	<b>36 020 821</b>	<b>(108 595)</b>	<b>49 009 320</b>	<b>(1 718 453)</b>

### Reconciliation of loss allowances

The following table shows the movement in the loss allowance (lifetime expected credit losses) for trade receivables:

Opening balance	(11 144 960)	(9 714 063)	(1 718 453)	(566 526)
Expected credit loss	372 356	(1 430 897)	1 609 858	(1 151 927)
<b>Closing balance</b>	<b>(10 772 604)</b>	<b>(11 144 960)</b>	<b>(108 595)</b>	<b>(1 718 453)</b>

### 8. Deferred tax

#### Deferred tax liability

Right of use asset	(1 308 596)	(1 991 342)	(1 308 596)	(1 991 342)
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#### Deferred tax asset

Property, plant and equipment	901 796	1 318 014	-	-
Provision for leave pay	1 220 454	1 468 472	1 058 710	1 306 679
Provision for bonus	2 372 696	2 794 741	2 059 249	2 494 788
Expected credit loss	1 896 915	1 962 482	19 122	302 597
Assessed loss	8 476 813	9 726 304	8 476 813	9 726 304
Lease liability	1 420 622	2 002 337	1 420 622	2 002 337
Prior year adjustment	-	(322 152)	-	-
Deferred tax balance from temporary differences other than unused tax losses	16 289 296	18 950 198	13 034 516	15 832 705

The deferred tax assets and the deferred tax liability relate to income tax in the same jurisdiction, and the law allows net settlement. Therefore, they have been offset in the statement of financial position as follows:

Deferred tax liability	(1 308 596)	(1 991 342)	(1 308 596)	(1 991 342)
Deferred tax asset	16 289 296	18 950 198	13 034 516	15 832 705
<b>Total net deferred tax asset</b>	<b>14 980 700</b>	<b>16 958 856</b>	<b>11 725 920</b>	<b>13 841 363</b>

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

	Group		Company	
	2025 R	2024 R	2025 R	2024 R
<b>8. Deferred tax (continued)</b>				
<b>Reconciliation of deferred tax asset / (liability)</b>				
At beginning of year	16 958 856	7 986 758	13 841 364	3 455 898
Movement in property, plant and equipment	(416 217)	(832 435)	-	-
Movement in assessed loss	(1 249 492)	9 726 304	(1 249 492)	9 726 304
Movement in right of use asset	682 746	(1 991 342)	682 746	(1 991 342)
Movement in lease liability	(581 715)	2 002 337	(581 715)	2 002 337
Movement in leave pay provision	(248 018)	5 520	(247 969)	(9 743)
Movement in bonus provision	(422 045)	188 034	(435 539)	189 050
Movement in expected credit loss	(65 567)	195 832	(283 475)	468 860
Prior year adjustment	322 152	(322 152)	-	-
	<b>14 980 700</b>	<b>16 958 856</b>	<b>11 725 920</b>	<b>13 841 364</b>
<b>9. Inventories</b>				
Finished goods	39 847 502	95 963 133	15 848 549	27 980 392
Merchandise	-	629 248	-	629 248
	<b>39 847 502</b>	<b>96 592 381</b>	<b>15 848 549</b>	<b>28 609 640</b>
Inventories (write-downs)	(3 240 592)	(2 053 368)	(845 241)	(1 000 616)
	<b>36 606 910</b>	<b>94 539 013</b>	<b>15 003 308</b>	<b>27 609 024</b>
<b>10. Cash and cash equivalents</b>				
Cash and cash equivalents consist of:				
Cash on hand	-	17	-	17
Bank balances	217 781 684	159 209 602	69 969 330	114 747 098
	<b>217 781 684</b>	<b>159 209 619</b>	<b>69 969 330</b>	<b>114 747 115</b>
<b>11. Share capital</b>				
<b>Authorised</b>				
1 000 000 Ordinary shares	<b>1 000 000</b>	<b>1 000 000</b>	<b>1 000 000</b>	<b>1 000 000</b>
<b>Issued</b>				
Ordinary	361 917	361 917	361 917	361 917
Share premium	17 150 006	17 150 006	17 150 006	17 150 006
	<b>17 511 923</b>	<b>17 511 923</b>	<b>17 511 923</b>	<b>17 511 923</b>

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

	Group		Company	
	2025 R	2024 R	2025 R	2024 R
<b>12. Trade and other payables</b>				
<b>Financial instruments:</b>				
Trade payables	29 856 482	67 136 892	25 127 223	51 642 223
Trade payables - related parties	72 470 452	79 166 447	2 392 885	28 923 632
Other payables	14 664 853	20 730 393	14 664 853	20 730 393
<b>Non-financial instruments:</b>				
Payroll accruals	3 505 654	3 631 962	3 437 893	3 527 749
Marketing and sales accruals	15 918 758	43 638 890	10 624 184	30 535 979
VAT	7 183 680	5 322 443	4 240 693	5 322 443
	<b>143 599 879</b>	<b>219 627 027</b>	<b>60 487 731</b>	<b>140 682 419</b>
<b>Financial instrument and non-financial instrument components of trade and other payables</b>				
At amortised cost	116 991 787	167 033 732	42 184 961	101 296 248
Non-financial instruments	26 608 092	52 593 295	18 302 770	39 386 171
	<b>143 599 879</b>	<b>219 627 027</b>	<b>60 487 731</b>	<b>140 682 419</b>
<b>13. Revenue</b>				
<b>Revenue from contracts with customers</b>				
Sale of goods	521 246 184	666 971 539	109 444 029	135 351 292
<b>14. Cost of sales</b>				
Sale of goods	385 372 844	542 820 534	28 026 087	66 354 348
<b>15. Other operating income</b>				
Insurance claim receivable	-	610	-	610
<b>16. Other operating gains (losses)</b>				
<b>Gains (losses) on disposals, scrappings and settlements</b>				
Property, plant and equipment	3 207 662	417 839	207 662	417 839
<b>17. Operating profit (loss)</b>				
Operating profit (loss) for the year is stated after charging (crediting) the following, amongst others:				
<b>Remuneration, other than to employees</b>				
Consulting and professional services	2 128 307	2 492 062	2 099 843	2 268 629
<b>Depreciation and amortisation</b>				
Depreciation of property, plant and equipment	810 223	628 962	810 223	628 962
Depreciation of right-of-use assets	2 528 689	2 556 859	2 528 689	2 556 859
Amortisation of intangible assets	184 267	3 556 711	184 267	3 556 711
<b>Total depreciation and amortisation</b>	<b>3 523 179</b>	<b>6 742 532</b>	<b>3 523 179</b>	<b>6 742 532</b>

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

	Group		Company	
	2025 R	2024 R	2025 R	2024 R
<b>17. Operating profit (loss) (continued)</b>				
<b>Other</b>				
Distribution costs	10 881 823	9 918 227	5 303 141	1 903 049
Royalty expense	7 260 818	-	-	-
<b>18. Investment income</b>				
<b>Dividend income</b>				
<b>Group entities:</b>				
Subsidiaries - Local	-	-	4 355 451	3 735 223
<b>Interest income</b>				
<b>Investments in financial assets:</b>				
Bank and other cash	16 981 718	11 722 923	11 116 110	5 945 625
<b>Total investment income</b>	<b>16 981 718</b>	<b>11 722 923</b>	<b>15 471 561</b>	<b>9 680 848</b>
<b>19. Finance costs</b>				
Other interest paid	580 311	426 702	580 311	426 702
<b>20. Taxation</b>				
<b>Major components of the tax expense (income)</b>				
<b>Current</b>				
Local income tax - current period	8 939 890	8 535 216	312 325	586 205
<b>Deferred</b>				
Originating and reversing temporary differences	1 978 156	(8 972 098)	2 115 444	(10 385 466)
	<b>10 918 046</b>	<b>(436 882)</b>	<b>2 427 769</b>	<b>(9 799 261)</b>
<b>Reconciliation of the tax expense</b>				
Reconciliation between applicable tax rate and average effective tax rate.				
Applicable tax rate	27,00 %	27,00 %	27,00 %	27,00 %
Exempt income	- %	- %	(10,08)%	(10,07)%
Deferred tax for prior year (Restatement)	0,86 %	(28,20)%	3,89 %	(114,76)%
	<b>27,86 %</b>	<b>(1,20)%</b>	<b>20,81 %</b>	<b>(97,83)%</b>

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

	Group		Company	
	2025 R	2024 R	2025 R	2024 R
<b>21. Cash (used in)/generated from operations</b>				
Profit before taxation	39 186 540	36 383 764	11 666 716	10 016 367
<b>Adjustments for non-cash items:</b>				
Depreciation, amortisation, impairments and reversals of impairments	3 523 178	7 709 865	3 523 178	7 709 865
Gains on sale of assets and liabilities	(207 662)	(417 839)	(207 662)	(417 839)
Movement in expected credit loss	(372 356)	1 430 897	(1 609 858)	1 151 927
Movement in stock provision	(1 187 224)	212 914	(155 375)	727 277
Other non-cash movement in intangible assets	-	245 726	-	245 726
<b>Adjust for items which are presented separately:</b>				
Interest income	(16 981 718)	(11 722 923)	(11 116 110)	(5 945 625)
Dividends received	-	-	(4 355 451)	(3 735 223)
Finance costs	580 311	426 702	580 311	426 702
<b>Changes in working capital:</b>				
(Increase) decrease in inventories	59 119 327	45 937 849	12 761 091	10 604 109
(Increase) decrease in trade and other receivables	118 959 198	(72 739 198)	15 761 125	(26 548 204)
Increase (decrease) in trade and other payables	(148 497 600)	(53 058 734)	(82 587 573)	88 580 171
	<b>54 121 994</b>	<b>(45 590 977)</b>	<b>(55 739 608)</b>	<b>82 815 253</b>
<b>22. Tax paid</b>				
Balance at beginning of the year	(2 157 832)	2 025 257	214 871	119 984
Current tax recognised in profit or loss	(8 939 890)	(8 535 216)	(312 325)	(586 205)
Balance at end of the year	4 638 822	2 157 832	(206 159)	(214 871)
	<b>(6 458 900)</b>	<b>(4 352 127)</b>	<b>(303 613)</b>	<b>(681 092)</b>

## 23. Related parties

Relationships	
Ultimate holding company	Sun Pharmaceuticals Industries Limited
Holding company	Sun Pharma (Netherlands) BV
Members of key management	A Ajoodha
	M Brown
	DW Brothers

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

	Group		Company	
	2025 R	2024 R	2025 R	2024 R
<b>23. Related parties (continued)</b>				
<b>Related party balances</b>				
<b>Amounts included in trade receivables regarding related parties</b>				
Sun Pharmaceutical Industries Limited	179 987	-	179 987	196 176
Ranbaxy Pharmaceuticals Proprietary Limited	85 717 880	50 289 310	45 720 402	33 174 208
Sonke Pharmaceuticals Proprietary Limited	-	-	219 571	109 221
	<b>85 897 867</b>	<b>50 289 310</b>	<b>46 119 960</b>	<b>33 479 605</b>
<b>Amounts included in trade payables regarding related parties</b>				
Sun Pharmaceutical Industries Limited	(12 740 228)	(36 731 371)	(2 033 011)	(49 444 371)
Ranbaxy Pharmaceuticals Proprietary Limited	(59 730 224)	(55 171 588)	(359 874)	(802 596)
Sonke Pharmaceuticals Proprietary Limited	-	-	-	(11 092)
	<b>(72 470 452)</b>	<b>(91 902 959)</b>	<b>(2 392 885)</b>	<b>(50 258 059)</b>
<b>Related party transactions</b>				
<b>Sales to related parties</b>				
Ranbaxy Pharmaceuticals Proprietary Limited	-	16 247 348	-	16 247 348
<b>Purchases from related parties</b>				
Sun Pharmaceutical Industries Limited	30 542 754	55 990 325	15 556 040	55 990 325
Ranbaxy Pharmaceuticals Proprietary Limited	294 043 409	369 097 768	11 312 040	-
	<b>324 586 163</b>	<b>425 088 093</b>	<b>26 868 080</b>	<b>55 990 325</b>
<b>Management cross fee charge regarding related parties</b>				
Ranbaxy Pharmaceuticals Proprietary Limited	(115 015 339)	(92 911 689)	(115 015 339)	(92 911 689)
<b>Royalty fees paid regarding related parties</b>				
Ranbaxy Pharmaceuticals Proprietary Limited	7 260 818	9 022 801	-	-
<b>Dividends received from related parties</b>				
Sonke Pharmaceuticals Proprietary Limited	-	-	4 355 451	3 735 223

\*Refer to note 24 for details on key management compensation.

\*Refer to note 7 for further details on expected credit losses and defaults.

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

	Group		Company	
	2025 R	2024 R	2025 R	2024 R

### 24. Directors' emoluments

#### Executive

#### 2025

Directors' emoluments	Basic salary	Bonuses and performance related payments	Other benefits	Severance pay	Total
<b>Services as director or prescribed officer</b>					
DW Brothers	3 727 710	821 500	366 432	4 107 498	9 023 140
DM Sewnarain (prescribed officer)	1 801 254	375 585	135 094	-	2 311 933
A Ajoodha	1 919 666	326 653	194 255	-	2 440 574
M Brown	2 406 561	528 901	288 752	-	3 224 214
	<b>9 855 191</b>	<b>2 052 639</b>	<b>984 533</b>	<b>4 107 498</b>	<b>16 999 861</b>

#### 2024

Directors' emoluments	Basic salary	Bonuses and performance related payments	Other benefits	Total
<b>Services as director or prescribed officer</b>				
DW Brothers	3 550 788	773 128	210 685	4 534 601
DM Sewnarain (Prescribed officer)	1 762 471	293 323	99 407	2 155 201
A Ajoodha	1 791 171	295 039	107 396	2 193 606
	<b>7 104 430</b>	<b>1 361 490</b>	<b>417 488</b>	<b>8 883 408</b>

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

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### 25. Financial instruments and risk management

#### Categories of financial instruments

#### Categories of financial assets

##### Group - 2025

	Notes	Amortised cost	Total
Trade and other receivables	7	220 906 241	220 906 241
Cash and cash equivalents	10	217 781 684	217 781 684
		<b>438 687 925</b>	<b>438 687 925</b>

##### Group - 2024

	Notes	Amortised cost	Total
Trade and other receivables	7	266 952 075	266 952 075
Cash and cash equivalents	10	159 209 619	159 209 619
		<b>426 161 694</b>	<b>426 161 694</b>

##### Company - 2025

	Notes	Amortised cost	Total
Trade and other receivables	7	91 940 702	91 940 702
Cash and cash equivalents	10	69 969 330	69 969 330
		<b>161 910 032</b>	<b>161 910 032</b>

##### Company - 2024

	Notes	Amortised cost	Total
Trade and other receivables	7	104 158 781	104 158 781
Cash and cash equivalents	10	114 747 115	114 747 115
		<b>218 905 896</b>	<b>218 905 896</b>



# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

### 25. Financial instruments and risk management (continued)

#### Categories of financial liabilities

##### Group - 2025

	Notes	Amortised cost	Leases	Total
Trade and other payables	12	116 991 787	-	116 991 787
Lease liabilities	4	-	5 261 562	5 261 562
		<b>116 991 787</b>	<b>5 261 562</b>	<b>122 253 349</b>

##### Group - 2024

	Notes	Amortised cost	Leases	Total
Trade and other payables	12	167 033 735	-	167 033 735
Lease liabilities	4	-	7 416 063	7 416 063
		<b>167 033 735</b>	<b>7 416 063</b>	<b>174 449 798</b>

##### Company - 2025

	Notes	Amortised cost	Leases	Total
Trade and other payables	12	39 792 076	-	39 792 076
Lease liabilities	4	-	5 261 562	5 261 562
		<b>39 792 076</b>	<b>5 261 562</b>	<b>45 053 638</b>

##### Company - 2024

	Notes	Amortised cost	Leases	Total
Trade and other payables	12	101 296 250	-	101 296 250
Lease liabilities	4	-	7 416 063	7 416 063
		<b>101 296 250</b>	<b>7 416 063</b>	<b>108 712 313</b>

#### Capital risk management

The group's objective when managing capital (which includes share capital, borrowings, working capital and cash and cash equivalents) is to maintain a flexible capital structure that reduces the cost of capital to an acceptable level of risk and to safeguard the group's ability to continue as a going concern while taking advantage of strategic opportunities in order to maximise stakeholder returns sustainably.

The group manages capital structure and makes adjustments to it in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain the capital structure, the group may adjust the amount of dividends paid to the shareholder, return capital to the shareholder, repurchase shares currently issued, issue new shares, issue new debt, issue new debt to replace existing debt with different characteristics and/or sell assets to reduce debt.

#### Financial risk management

##### Overview

The group is exposed to the following risks from its use of financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (currency risk, interest rate risk and price risk).

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

### 25. Financial instruments and risk management (continued)

The board of directors has overall responsibility for the establishment and oversight of the group's risk management framework. The board has established the risk committee, which is responsible for developing and monitoring the group's risk management policies. The committee reports quarterly to the board of directors on its activities.

#### Credit risk

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

Credit risk is managed on a group basis. For banks and financial institutions, only independent rated parties with a minimum rating of 'A' are accepted.

If wholesale customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual risk limits are set based on internal or external ratings in accordance with limits set by the board. The compliance with credit limits by wholesale customers is regularly monitored by line management.

Sales to retail customers are required to be settled in cash. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

Management does not expect any significant losses from non-performance by these counterparties.

The company has borrowings that accrues interest to related parties within the group.

Expected credit loss policy:

- Obtain a historical loss % based on the prior period bad debts written off;
- Obtain a forward looking % (based on probability of default % multiplied the average loss given default %) at which debts are expected to default based on the sector the customer belongs to;
- Determine the age bracket at which point a customer is expected to be at risk of default;
- Add the historical loss % and forward looking % and multiply this by the age bracket from where debt is deemed to be a credit risk, in order to obtain the expected credit loss.

The policy is supported by a forward looking view on the recoverability of debtors, taking into account historical trends where we have had no write-off of state debt. Also owing to government debt being tender related, that is contracted with National Department of Health, thus a legally bound relationship exist and will continue to exist as demonstrated in other tender related business. When Tender contracts expire, management takes a forward looking view on recoverability of outstanding debt as per the expired contracts, and this is provided for over and above the conditions noted above. Based on historical events, State continues to pay debt related to expired tender agreements and as such we expect this trend to continue, as we have a mutually beneficial relationship and the entity is still engaged in other active contracts and as such, no separation of trade has occurred.

Due to thorough methodology, management is confident that the current methodology remains appropriate.

The maximum exposure to credit risk is presented in the table below:

Group		2025			2024		
		Gross carrying amount	Credit loss allowance	Amortised cost	Gross carrying amount	Credit loss allowance	Amortised cost
Trade and other receivables	7	234 899 409	(10 772 604)	224 126 805	282 627 015	(11 144 960)	271 482 055
Cash and cash equivalents	10	218 738 402	-	218 738 402	217 781 684	-	217 781 684
		<b>453 637 811</b>	<b>(10 772 604)</b>	<b>442 865 207</b>	<b>500 408 699</b>	<b>(11 144 960)</b>	<b>489 263 739</b>

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

### 25. Financial instruments and risk management (continued)

Company		2025			2024		
		Gross carrying amount	Credit loss allowance	Amortised cost	Gross carrying amount	Credit loss allowance	Amortised cost
Trade and other receivables	7	95 113 178	(108 595)	95 004 583	108 468 612	(1 718 453)	106 750 159
Cash and cash equivalents	10	69 969 330	-	69 969 330	114 747 115	-	114 747 115
		<b>165 082 508</b>	<b>(108 595)</b>	<b>164 973 913</b>	<b>223 215 727</b>	<b>(1 718 453)</b>	<b>221 497 274</b>

### Liquidity risk

The group is exposed to liquidity risk, which is the risk that the group will encounter difficulties in meeting its obligations as they become due.

The group manages its liquidity risk by effectively managing its working capital, capital expenditure and cash flows. The financing requirements are met through a mixture of cash generated from operations and long and short term borrowings.

The maturity profile of contractual cash flows of non-derivative financial liabilities, and financial assets held to mitigate the risk, are presented in the following table. The cash flows are undiscounted contractual amounts.

### Group - 2025

		Less than 1 year	2 to 5 years	Total	Carrying amount
<b>Non-current liabilities</b>					
Lease liabilities	4	-	2 714 138	2 714 138	2 714 138
<b>Current liabilities</b>					
Trade and other payables	12	44 521 335	-	44 521 335	116 991 787
Lease liabilities	4	2 547 424	-	2 547 424	2 547 424
		<b>149 370 312</b>	<b>2 714 138</b>	<b>49 782 897</b>	<b>122 253 349</b>

### Group - 2024

		Less than 1 year	2 to 5 years	Total	Carrying amount
<b>Non-current liabilities</b>					
Lease liabilities		-	5 432 796	5 432 796	5 432 796
<b>Current liabilities</b>					
Trade and other payables	12	185 587 324	-	185 587 324	167 033 735
Lease liabilities	4	1 983 267	-	1 983 267	1 983 267
		<b>115 817 502</b>	<b>5 432 796</b>	<b>193 003 387</b>	<b>174 449 798</b>

# Ranbaxy South Africa Proprietary Limited and subsidiary

(Registration number 1993/001413/07)

Consolidated Financial Statements for the year ended 31 March 2025

## Notes to the Consolidated Financial Statements

### 25. Financial instruments and risk management (continued)

#### Company - 2025

		Less than 1 year	2 to 5 years	Total	Carrying amount
<b>Non-current liabilities</b>					
Lease liabilities	4	-	2 714 138	2 714 138	2 714 138
<b>Current liabilities</b>					
Trade and other payables	12	39 792 076	-	39 792 076	39 792 076
Lease liabilities	4	2 547 424	-	2 547 424	2 547 424
		<b>42 339 500</b>	<b>2 714 138</b>	<b>45 053 638</b>	<b>45 053 638</b>

#### Company - 2024

		Less than 1 year	2 to 5 years	Total	Carrying amount
<b>Non-current liabilities</b>					
Lease liabilities	4	-	3 425 476	3 425 476	5 432 796
<b>Current liabilities</b>					
Trade and other payables	12	101 296 248	-	101 296 248	101 296 248
Lease liabilities	4	1 983 267	-	1 983 267	1 983 267
		<b>103 279 515</b>	<b>3 425 476</b>	<b>106 704 991</b>	<b>108 712 311</b>

#### Foreign currency risk

The group is not exposed to foreign currency risk as the company doesn't transact in foreign currency.

#### Interest rate risk

There have been no significant changes in the interest rate risk management policies and processes since the prior reporting period.

### 26. Going concern

The consolidated financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

The directors believe that the group has adequate financial resources to continue in operation for the next twelve months future and accordingly the consolidated financial statements have been prepared on a going concern basis. The directors have satisfied that the group is in a sound financial position and that it has access to sufficient borrowing facilities to meet its foreseeable cash requirements. The directors is not aware of any new material changes that may adversely impact the group. The directors is also not aware of any material non-compliance with statutory or regulatory requirements or of any pending changes to legislation which may affect the group.

### 27. Events after the reporting period

The directors are not aware of any material event which occurred after the reporting date and up to the date of this report.