SUN PHARMA ITALIA SRL

Statutory Statements

31 March 2026

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Independent Auditor's Report
pursuant to Article 14 of Legislative Decree No. 39 of January 27, 2010

To the Shareholders of SUN PHARMA ITALIA SRL

Report on the Audit of the Financial Statements

Opinion
We have audited the financial statements of SUN PHARMA ITALIA SRL, which comprise the statement of financial position as of March 31, 2026, the income statement for the year then ended, the cash flow statement, and the notes to the financial statements.

In our opinion, the financial statements give a true and fair view of the financial position of SUN PHARMA ITALIA SRL as of March 31, 2026, and of its financial performance and cash flows for the year then ended in accordance with the Italian regulations governing the preparation of financial statements.

Basis for Opinion
We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the section Auditor's Responsibilities for the Audit of the Financial Statements of this report. We are independent of the Company in accordance with the ethical and independence requirements that are applicable under Italian law to the audit of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters
As required by law, the Company has included in the notes to the financial statements the essential data from the most recent financial statements of the entity that exercises management and coordination over it. Our opinion on the financial statements of SUN PHARMA ITALIA SRL does not extend to such data.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with the regulations governing their preparation, and for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Registered office: Via Creta 26 25124 Brescia – Tel. 03013870193- P.I. 03949190981
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Auditor's Responsibilities for the Audit of the Financial Statements

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

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

As part of an audit in accordance with ISA Italia, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- 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 management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance, identified at an appropriate level as required by ISA Italia, 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.

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Report on Other Legal and Regulatory Requirements

Opinions and Declaration pursuant to Article 14, paragraph 2, letters e), e-bis), and e-ter) of Legislative Decree No. 39/10
The directors of SUN PHARMA ITALIA SRL are responsible for the preparation of the report on operations as of March 31, 2026, including its consistency with the corresponding financial statements and its compliance with the applicable law.

We have performed the procedures required under auditing standard (SA Italia) 720B in order to:

- Express an opinion on the consistency of the report on operations with the financial statements of SUN PHARMA ITALIA SRL as of March 31, 2026;
- Express an opinion on the compliance of the report on operations with the applicable law;
- Issue a declaration regarding any material misstatements in the report on operations.

In our opinion, the report on operations is consistent with the financial statements of the Company as of March 31, 2026, and is prepared in accordance with the applicable law.

With respect to the declaration referred to in Article 14, paragraph 2, letter e-ter), of Legislative Decree No. 39/10, based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have nothing to report.

Brescia, May 14, 2026
REV01 S.R.L.

Carmelo Battaglia
Partner

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SUN PHARMA ITALIA SRL

Registered office: Viale Giulio Richard, 3 Milano (MI)
Registered with the Register of Trading Companies in Milan
Tax payer Code and registration no. 04974910962
Registered in the R.E.A. of Milan no.1787791
Share capital subscripted € 50.000 fully paid-in
VAT number: 04974910962
Sole shareholder
Company exercising the management and coordination activity: Sun Pharmaceuticals Industries Limited

Management Report

Financial Statements at 31 March 2026

Dear Shareholder,

We would like to bring to your attention the Financial Statements for the Fiscal year ended on 31 March 2026, showing a profit before tax of € 1.469.318, and a net profit of € 877.945.

First of all, we would like to highlight that this Directors' Report has been drawn up in compliance with the provisions set forth by art. 2428 of the Civil Code, so as amended by the Legislative Decree of 2 February 2007, n. 32 and by the subsequent art. 2, paragraphs 1, Legislative Decree of 6 November 2007, n. 195 and by the recent D.Lgs. 139/2015.

In the Supplementary Notes you have been given details concerning the financial statements at 31st March 2023; in this document, pursuant to the provisions set forth by art. 2428 of the Civil Code, we would like to provide you with the information concerning the situation of your Company and on the management trend.

This report, drawn up with figures in Euros (thousands separated by "." and decimals separated by ","), is presented together with the financial statements for the Fiscal Year for the purpose of providing income, assets, financial information of the Company together with – whenever possible – historical elements and prospective evaluations.

Company Information

The Company operates in the sector of pharmaceutical products distribution, both in the the market segment related to generic drugs and in the so-called “brand” segment represented by drugs with patent protection.
In the generic segment, Sun Pharma supplied during this fiscal year drugs in the hospital channel, both public and public, and in the “retail” channel.

As for previous years, the year ended at 31 March 2026 confirmed the positive trend of the hospital market, thanks to the affirmation of the “brand” division by virtue of the growth in turnover of the Odomzo product Odomzo® (launched in 2019), and the increase in sales of generic hospital products; however, the share – within the overall turnover – represented by the sale of generic Retail products, whose business was reorganized in has further reduced, while a less significant share of the Company’s turnover is attributable to the “business to business” (B2B) activity which sees Sun Pharma Italia as a supplier of drugs to some companies operating in the sector.

The financial year ended 31 March 2026 recorded an increase in the value of production from € 48.523.720 to € 61.436.809, equal to 27%.
This increase is attributable to the following factors:
- the increase product sales of € 4.393.498
- the positive effect in the variation of inventory for € 9.321.267
- the decrease of € 801.675 in the item "Other revenues and income"

Regarding revenues from sales of goods, the increase of € 4.393.498 (+10%) is the result of different dynamics: sales of Odomzo® increased by approximately €2,7 million (+15%), as well as sales in hospital generic market, increased by € 2,3 million (+12%), compensating the drop of approximately € -0,5 million (-12%) in retail division and in B2B (€ -0,1 milion equal to 9%).

Below is the percentage composition of revenues by type:

Channel	31 March 2025	31 March 2024
Brand	45%	43%
Hospital Generic	44%	43%
Retail	8%	10%
B2B	3%	4%
Total	100%	100%

The variation in the value of production is also explained:
- as already described above, by a positive effect of the change in inventories of finished products (€ 9.321.267);
- a decrease in the item "Other revenues" (€ 801.675) mainly represented by chargebacks of costs to Group companies.

The cost of goods sold recorded an increase of 52%, mainly attributable to the effect of the increase in turnover of products with higher purchase prices.

General expenses decreased by 9% (approx. € 591 thousand), and therefore their incidence on total revenues decreased (9% compared to 13%).

The Added Value decreased by 17%, representing approximately 16% of the value of production against 25% referred to financial year closed at 31 March 2025.

Personnel costs remained unchanged (decreasing by approximately €30,000) compared to the figure at March 31, 2025; the increases attributed to current staff were absorbed by the negligible decrease in the number of employees.

Gross Operating Margin decreased by 22%, representing 12% of the value of production, compared to 20% in the previous year.

With reference to credit management and recovery, it is worth noting a sensible improvement in the DSO (Days of Sales Outstanding - the total value expressing credit recovery times) going from 117 to 110 days, thanks to the improvement of credit recovery activities towards public hospital entities which represent the main category of customers, despite the increased exposure towards some private hospital entities and and the value of outstanding in the retail channel where a risk of loss is assessed (pharmacies and concessionaries).

The provision for bad debts was adjusted in consideration of the assessment of the risk of loss on trade receivables, in particular associated with specific situations of non-performing or long-term credit.

“Other provisions and other operating costs” decreased by around € 180 thousand, moving from € 6.208.889 of the financial year ended 31 March 2025 to 6.029.115 of the financial year ending 31 March 2026 (-3%).

This difference is primarily attributable to the lower provision (around € 369 thousand) for hospital clawback risks and the higher value of costs for penalties for failure to supply drugs to public hospitals (for approximately € 273 thousand).

The main cost component classified under this item is represented by the costs connected to the clawback procedure operating in the pharmaceutical market (€ 4,2 million out of a total of € 6,0 million). In the financial year ended 31 March 2026, the Company paid the hospital clawback for the year 2024, for which a risk provision had been made, and set aside the best estimate of clawback risk for 2025 and the first quarter of 2026 in the risk provision.

“Other operating costs” increased by approximately € 189 thousands (moving from € 1,7 million to € 1,9 million), and include the penalties charged by public hospital entities which the Company recharges to Sun Pharmaceutical Industries Limited (€1,6 Million)

During the year, the Company focused on the management of a portfolio of products including specialistic generic products and branded products, with innovative and complex characteristics capable of differentiating the offering to hospitals and the retail market.

In addition, your Company has continuously monitored costs, focused on achieving savings, and has constantly evaluated the margins indicators in order to implement initiatives aimed at improving the Gross Operating Margin.

Sun Pharma Italia srl is committed to pursuing the group's vision 'Reaching People and Touching Lives Globally as a Leading Provider of Valued Medicines.', through the support and implementation of a strategy focused on sustainable growth, cost leadership, business development, balanced investments and future profitability.

The Company will continue to focus on the following strategies:

- Differentiation of its market positioning, through the offeing on the market of the so-called “complex generic products” and "differentiated products”;
- Maintaining the presence in the retail market, through partnership agreements with distributors and with an optimized product portfolio;
- Affirmation of Odomzo® and preparation of the "brand" sector for future products that will be marketed;
- Decrease in the incidence of fixed costs, through an increase in turnover volumes and control of overheads;
- Improvement of profitability in the various business units and in the various channels;
- Efficiency in inventory rotation, with minimization of obsolescence phenomena, as well as product stock out issues;
- Credit management in order to reduce the risk of insolvency and improve payment times.

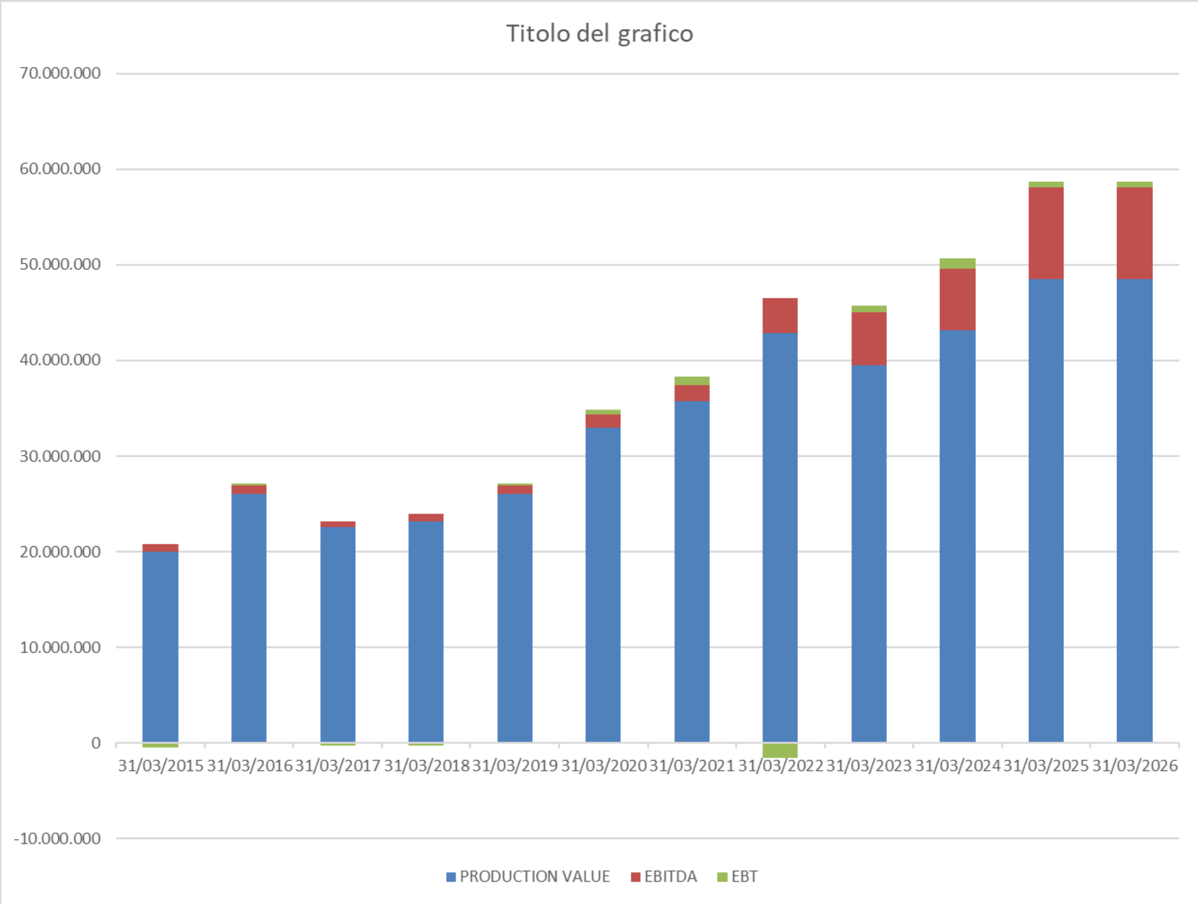
Profit & Loss

To better understand the results of the Company management, the chart below shows the Income statement reclassification.

	FY 01.04.2025 31.03.2026	%	FY 01.04.2024 31.03.2025	%	FY 01.04.2023 31.03.2024	%	FY 01.04.2022 31.03.2023	%
PRODUCTION VALUE	**61.436.809**	***100,0%***	**48.523.720**	***100,0%***	**43.154.272**	***100,0%***	**39.471.475**	***100,0%***
- Cost of goods sold	45.657.476	*74,3%*	30.082.423	*62,0%*	27.951.204	*64,8%*	24.328.239	*61,6%*
- General expenses	5.757.749	*9,4%*	6.348.787	*13,1%*	6.267.728	*14,5%*	7.057.052	*17,9%*
VALUE ADDED	**10.021.584**	***16,3%***	**12.092.510**	***24,9%***	**8.935.340**	***20,7%***	**8.086.184**	***20,5%***
- Personnel cost	2.584.640	*4,2%*	2.553.976	*5,3%*	2.449.388	*5,7%*	2.562.220	*6,5%*
EBITDA	**7.436.944**	***12,1%***	**9.538.534**	***19,7%***	**6.485.953**	***15,0%***	**5.523.964**	***14,0%***
- Amortization & Depreciation	22.332	*0,0%*	2.825.782	*5,8%*	383.364	*0,9%*	590.330	*1,5%*
GROSS OPERATING MARGIN	**7.414.612**	***12,1%***	**6.712.752**	***13,8%***	**6.102.588**	***14,1%***	**4.933.634**	***12,5%***
- Miscellaneous expenses	6.029.115	*9,8%*	6.208.889	*12,8%*	4.923.790	*11,4%*	4.132.578	*10,5%*
MARGIN BEFORE INTERESTS	**1.385.497**	***2,3%***	**503.863**	***1,0%***	**1.178.798**	***2,7%***	**801.056**	***2,0%***
- Financial income	*77.583*	*0,1%*	*129.498*	*0,3%*	*51.187*	*0,1%*	*1.052*	*0,0%*
+/- Forex adjustments	*12.574*	*0,0%*	- *44*	*0,0%*	- *9.316*	*0,0%*	- *1.522*	*0,0%*
NET OPERATING MARGIN	**1.475.654**	***2,4%***	**633.318**	***1,3%***	**1.220.669**	***2,8%***	**800.587**	***2,0%***
- Financial charges	- 6.337	*0,0%*	- 2.491	*0,0%*	- 176.142	*-0,4%*	- 103.619	*-0,3%*
PROFIT/(LOSS) BEFORE TAX	**1.469.318**	***2,4%***	**630.827**	***1,3%***	**1.044.527**	***2,4%***	**696.968**	***1,8%***
- Income Taxes	591.373	*1,0%*	598.380	*1,2%*	- 1.231.298	*-2,9%*	- 322.875	*-0,8%*
NET PROFIT/(LOSS)	**877.945**	***1,4%***	**32.447**	***0,1%***	**2.275.825**	***5,3%***	**1.019.843**	***2,6%***

Here below you can see the summary trend of sales and margins over the period 2015-31 March 2026:

	31/03/2015	31/03/2016	31/03/2017	31/03/2018	31/03/2019	31/03/2020	31/03/2021	31/03/2022	31/03/2023	31/03/2024	31/03/2025	31/03/2026
PRODUCTION VALUE	19.965.461	26.018.381	22.567.257	23.130.764	26.018.381	32.985.697	35.767.141	42.888.699	39.471.475	43.154.272	48.523.720	48.523.720
EBITDA	873.994	887.686	554.903	868.110	887.686	1.368.294	1.643.153	3.658.567	5.523.964	6.485.953	9.538.534	9.538.534
EBT	-441.719	186.663	-321.431	-252.678	186.664	471.538	886.907	-1.524.318	696.968	1.044.527	630.827	630.827



The expectation for the next fiscal year is to consolidate the positive trend, in particular the "Hospital" sector that also includes the "Brand" products. In detail, it is expected:

- the greater penetration into the hospital market, through:
- greater price competitiveness in participating in tenders for the supply of drugs to public hospitals;
- an increase of private hospital customers;
- an improved product acquisition process, both from group companies and third-party suppliers;
- the launch of new drugs characterized in particular by high complexity and low competitiveness;
- to maintain presence in the retail market through partnership agreements with dealers and an optimised product portfolio;
- the maintenance of the Odomzo® growth curve in the "brand" market sector;
- the increase in "B2B" turnover, thanks to the development of new commercial agreements.

The above, together with the continuous control and rationalization of costs, and the ever lower incidence of fixed costs, will allow a further improvement in the Gross Operating Margin.

Balance Sheet

To better understand the Company assets and the financial situation, the chart below shows the Balance Sheet reclassification.

Assets

Item	FY 01.04.2025 31.03.2026	%	FY 01.04.2024 31.03.2025	%	Variance	%	FY 01.04.2023 31.03.2024	%
WORKING CAPITAL	**36.110.297**	***100%***	**28.712.451**	***100%***	**7.397.846**	***101%***	**32.162.260**	***100%***
Cash & Bank Balances	**2.483.500**	***7%***	**3.647.498**	***13%***	**-1.163.998**	***-16%***	**5.080.390**	***16%***
Cash & Bank Balances	2.483.500	*7%*	3.647.498	*13%*	-1.163.998	*-16%*	5.080.390	*16%*
Current Assets	**13.404.553**	***37%***	**16.140.732**	***56%***	**-2.736.179**	***-37%***	**20.134.403**	***62%***
Sundry Debtors	10.400.867	*29%*	12.850.535	*45%*	-2.449.669	*-33%*	16.762.769	*52%*
Deferred Tax Assets	2.871.006	*8%*	3.165.432	*11%*	-294.426	*-4%*	3.241.200	*10%*
Accrued Income and Prepaid Expenses	132.681	*0%*	124.765	*0%*	7.916	*0%*	130.433	*0%*
Inventory	**20.222.244**	***56%***	**8.924.222**	***31%***	**11.298.022**	***154%***	**6.947.467**	***22%***
FIXED ASSETS	**24.099**	***0%***	**80.591**	***0%***	**-56.493**	***-1%***	**105.705**	***0%***
Intangible Fixed Assets	1.874	*0%*	50.181	*0%*	-48.306	*-1%*	63.681	*0%*
Tangible Fixed Assets	22.224	*0%*	30.411	*0%*	-8.186	*0%*	42.024	*0%*
TOTALE ASSETS	**36.134.396**	***100%***	**28.793.043**	***100%***	**7.341.353**	***100%***	**32.267.964**	***100%***

Liabilities

Item	FY 01.04.2025 31.03.2026	%	FY 01.04.2024 31.03.2025	%	Variance	%	FY 01.04.2023 31.03.2024	%
THIRD PARTIES CAPITAL	**31.893.431**	***88%***	**25.430.023**	***88%***	**6.463.408**	***88%***	**28.937.391**	***90%***
Current Liabilities	**26.686.370**	***74%***	**20.649.130**	***72%***	**6.037.240**	***82%***	**25.121.628**	***78%***
Short-term payables (Debts)	26.686.370	*74%*	20.649.130	*72%*	6.037.240	*82%*	25.121.628	*78%*
Loans Funds & Provisions	**5.207.062**	***14%***	**4.780.894**	***17%***	**426.168**	***6%***	**3.815.763**	***12%***
Provisions	5.091.204	*14%*	4.687.063	*16%*	404.141	*6%*	3.727.818	*12%*
Provision for Retirement Benefit	115.858	*0%*	93.831	*0%*	22.027	*0%*	87.945	*0%*
NET EQUITY	**4.240.965**	***12%***	**3.363.020**	***12%***	**877.945**	***12%***	**3.330.573**	***10%***
Share Capital	50.000	*0%*	50.000	*0%*	0	*0%*	50.000	*0%*
Reserves	18.237	*0%*	18.237	*0%*	0	*0%*	18.237	*0%*
Retained Earnings	3.294.783	*9%*	3.262.336	*11%*	32.447	*0%*	986.511	*3%*
Profit (loss) for the period	877.945	*2%*	32.447	*0%*	845.497	*12%*	2.275.825	*7%*
TOTAL SOURCES	**36.134.396**	***100%***	**28.793.043**	***100%***	**7.341.353**	***100%***	**32.267.964**	***100%***

Information ex art 2428 C.C.

Here below the information required by the provisions of art. 2428 of the Civil Code are analysed in detail.

Main risks and uncertainties for the company

According to the first paragraph of art. 2428 of the Civil Code, it was not considered necessary to provide further information on this subject as, given the size of the Company, the memo accounts and the information specified in the supplementary notes, are already properly expressed on any risk and uncertainty related with the corporate business.

Non-financial main ratios

According to the second paragraph of art. 2428 of the Civil Code, for a better understanding of the Company current position, of the business trend and result, indicating the non-financial ratios was considered irrelevant.

Environment information

The Company has not proceeded with any particular environmental policy, as unnecessary to its business.

Personnel information

The workforce as of March 31, 2026, consisted of 22 units, with a difference of only one unit compared to March 31, 2025, demonstrating that no substantial organizational changes have been made.

1. R&D activity

According to and setting forth on point 1) of the third paragraph of art. 2428 from Civil Code, no R&D activity was performed during this financial year.

2. Relationships with subsidiaries, associated and parent companies

According to the provisions on point 2) of the third paragraph of art. 2428 from Civil Code the Company holds no shares.
Sun Pharma Italia has a sole shareholder of 100%, Sun Pharma (Netherlands) B.V., which is itself a subsidiary of Sun Pharmaceutical Industries Ltd .
During the year, commercial relationships and financial transactions were entertained with certain companies of the Group.

The following table summarizes the debtor credit positions and the revenues and costs deriving from all the transactions with related parties:

Entity	Description	Amount €
Payables		
Sun Pharmaceutical Industries Limited	Purchase of finished products, chargeback of administrative and insurance costs	22.413.110,05
Terapia S.A.	Purchase of finished products	37.468,00
Sun Pharma France	Purchase of finished products	26.100,00
Sun Pharmaceutical Industries (Europe) B.V.	Chargeback of administrative costs, costs for quality analysis of products, regulatory expenses and expenses for promotional and business development activities, travel expenses and miscellaneous	546.049,38
	Total	*23.022.727,43*

Entity	Description	Amount €
Receivables		
Sun Pharmaceuticals Germany GmbH	Sale of finished products	3.660,00
Sun Pharma France	Sale of finished products	1.720,00
Sun Pharmaceutical Industries Limited	Chargeback of penalty costs, regulatory costs and "Brand" division costs	299.484,55
	Total	*304.864,55*

Entity	Description	Amount €
Expenses		
Sun Pharmaceutical Industries Limited	Purchase of finished products	37.064.634,00
Sun Pharmaceutical Industries Limited	Chargeback of administrative expenses	22.407,91
Sun Pharmaceutical Industries Limited	Chargeback of insurance expenses	4.003,57
Sun Pharma France	Purchase of finished products	270.189,33
Terapia S.A.	Purchase of finished products	218.044,00
Sun Pharmaceuticals Germany GmbH	Purchase of finished products	26.100,00
Sun Pharma Laboratorios S.L.U.	Purchase of finished products	114.234,00
Sun Pharmaceutical Industries (Europe) B.V.	Purchase of finished products	114.450,36
Sun Pharmaceutical Industries (Europe) B.V.	Chargeback of administrative expenses	717.986,00
Sun Pharmaceutical Industries (Europe) B.V.	Chargeback of expenses for quality analysis of products (testing and handling fee	276.118,68
Sun Pharmaceutical Industries (Europe) B.V.	Chargeback of miscellaneous expenses (e.g. travel expenses, consultancies, etc.)	33.728,70
Sun Pharmaceutical Industries (Europe) B.V.	Chargeback of regulatory expenses	22.928,58
Sun Pharmaceutical Industries (Europe) B.V.	Chargeback of business development and promotional expenses	362.356,76
Alkaloida Chemical Co. ZRT	Purchase of finished products	248.939,99
Sun Pharma (Netherlands) BV	Chargeback of insurance expenses	34.477,59
	Total	*39.530.599,47*

Entity	Description	Amount €
Income		
Sun Pharmaceutical Industries (Europe) B.V.	Sale of finished products	37.125,60
Sun Pharma France	Sale of finished products	207.390,00
Sun Pharma Laboratorios S.L.U	Sale of finished products	3.496,00
Sun Pharmaceuticals Germany GmbH	Sale of finished products	3.660,00
Sun Pharmaceutical Industries Limited	Chargeback of "brand" division expenses	325.799,89
Sun Pharmaceutical Industries Limited	Chargeback of penalties	1.623.097,91
Sun Pharmaceutical Industries Limited	Chargeback of regulatory expenses	515.419,04
	Total	*2.715.988,44*

3. Own shares

According to art. 2428, paragraphs 3, points 3 and 4 from the Civil Code, the Company has no own shares.

4. Shares/interests of parent company

According to art. 2428, paragraphs 3, points 3 and 4 from the Civil Code, the Company holds no interests of parent Company.

5. Business forecast

Pursuant to and for the purposes of what indicated in point 6) of the third paragraph of art. 2428 of the Civil Code, it should be noted that the Company will continue its commitment to improve the operating result. To this end, an economic budget was prepared which foresees also for the financial year ending 31 March 2026 the achievement of a positive result, thanks to the organic growth in the volume of business, the launch of new products, in particular in the hospital channel, and to operational efficiency initiatives which will allow to maintain a constant level of operating expenses.

5bis. Use of relevant financial tools for assessment of financial position and results

The Company makes no use of financial tools to manage its exposure to market price risks, credit risks, cash risks and other risks arising from swing of cash flows, except for an "overdraft" credit line € 5 million at Deutsche Bank currently not used.

Company locations

The Company does not have secondary offices.

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For the Board of Directors
Prashant Savla

Company Data

Denomination:	SUN PHARMA ITALIA SRL
Registered Office:	VIALE GIULIO RICHARD, 1 – 20143 MILANO
Share Capital:	50.000,00
Share Capital Fully paid:	yes
CCIAA code:	MI
VAT Code:	04974910962
Fiscal Code:	04974910962
REA Number:	1787791
Legal Form:	SOCIETA' A RESPONSABILITA' LIMITATA
Sector of main activity (ATECO):	464610
Company in liquidation:	no
Sole Shareholders Company:	yes
Company subject to management and coordination of others:	yes
Name of the Company or Entity exercising the management and coordination activity:	SUN PHARMACEUTICALS INDUSTRIES LIMITED
Group membership:	yes
Name of Parent Company:	SUN PHARMACEUTICALS INDUSTRIES LIMITED
Country of the Parent Company:	INDIA

Financial statements at 31 March 2026

Balance Sheet

	31 March 2026	31 March 2025
ASSETS		
B) FIXED ASSETS		
I - INTANGIBLE ASSETS		
3) Industrial patent rights and others	0	627
4) Concessions, licenses, trademarks and similar rights	1.874	49.553
5) Goodwill		
7) Other intangible assets	-	-
TOTAL INTANGIBLE ASSETS	*1.874*	*50.181*
II - TANGIBLE ASSETS		
2) Equipment and machinery		
4) Other tangible assets	22.224	30.411
TOTAL TANGIBLE ASSETS	22.224	30.411
TOTAL FIXED ASSETS (B)	24.099	80.591
C) CURRENT ASSETS		
I – INVENTORY		
1) Raw materials and consumables	-	-
4) Finished goods and goods for resale	20.222.244	8.924.222
TOTAL INVENTORY	20.222.244	8.924.222
II – RECEIVABLES		
1) Trade receivables	9.360.261	11.937.875
Trade receivables within 12 months	9.360.261	11.937.875
Trade receivables beyond 12 months		
4) Receivable from Parent Companies	299.485	440.331
Receivable from Parent Companies w ithin 12 months	299.485	440.331
Receivable from Parent Companies beyond 12 months		
5) Receivable from Companies controlled by Parent Companies	5.380	83.548

	31 March 2026	31 March 2025
Receivable from Companies controlled by Parent Companies within 12 months	5.380	83.548
Receivable from Companies controlled by Parent Companies beyond 12 months		
5-bis) Tax credit	627.652	277.599
Tax credits within 12 months	627.652	277.599
Tax credits beyond 12 months		
5-ter) Advanced taxes	2.871.006	3.165.432
Advanced taxes w ithin 12 months	2.871.006	3.165.432
Advanced taxes beyond 12 months		
5-quater) Other receivables from third parties	108.088	111.182
Other receivables from third parties w ithin 12 months	108.088	111.182
Other receivables from third parties beyond 12 months		
TOTAL RECEIVABLES	13.271.872	16.015.967
IV - CASH AND BANKS		
1) Bank and postal deposits	2.483.500	3.646.612
2) Checks		
3) Cash	0	885
TOTAL CASH AND BANKS	2.483.500	3.647.498
TOTAL CURRENT ASSETS (C)	35.977.616	28.587.686
D) DEFERRALS AND ACCRUALS – ASSETS		
Prepayments and deferred expenditures	132.681	124.765
TOTAL DEFERRALS AND ACCRUALS - ASSETS (D)	132.681	124.765
TOTAL ASSETS	36.134.396	28.793.043
LIABILITIES		
A) SHAREHOLDERS' EQUITY		
I – Share capital	50.000	50.000
IV - Legal reserve	16.548	16.548
VII - Other reserves	1.689	1.689
Total Other Reserves	1.689	1.689
VIII - Profits and Losses brought forward	3.294.783	3.262.336
IX - Profit (loss) for the period		
Profit (loss) for the period	877.945	32.447
Profit (loss) residual	4.172.730	3.363.020
TOTAL SHAREHOLDERS' EQUITY (A)	4.240.965	3.363.020
B) CONTINGENCY RESERVES		

	31 March 2026	31 March 2025
1) Reserve for pensions and similar obligations	-	-
2) Deferred taxes		
3) Others	5.091.204	4.687.063
TOTAL CONTINGENCY RESERVES (B)	5.091.204	4.687.063
C) STAFF LEAVE INDEMNITY	115.858	93.831
D) PAYABLES		
3) Debts towards shareholders for financing	-	-
Debts towards shareholders for financing within 12 months		
Debts towards shareholders for financing beyond 12 months	-	-
4) Debts to Bank	-	-
Payables within 12 months	-	-
Payables beyond 12 months	-	-
7) Trade payables	1.259.816	3.735.220
Trade payables within 12 months	1.259.816	3.735.220
Trade payables beyond 12 months		
11) Payables to parent companies	24.217.444	15.319.912
Payables to parent companies within 12 months	24.217.444	15.319.912
Payables to parent companies beyond 12 months		
11 bis) Payables to companies subject to control of parent company	609.617	669.172
Payables to companies subject to control of parent company within 12 months	609.617	669.172
Payables to companies subject to control of parent company beyond 12 months		
12) Taxes payables	10.278	305.473
Taxes payables within 12 months	10.278	305.473
Taxes payables beyond 12 months		
13) Social security payables	170.129	195.325
Social security payables within 12 months	170.129	195.325
Social security payables beyond 12 months		
14) Other payables	419.085	424.027
Other payables within 12 months	419.085	424.027
Other payables beyond 12 months		
TOTAL PAYABLES (D)	26.686.370	20.649.130
E) DEFERRALS AND ACCRUALS – LIABILITIES		
Accruals and deferred income	-	-
TOTAL DEFERRALS AND ACCRUALS - LIABILITIES (E)	-	-

	31 March 2026	31 March 2025
TOTAL LIABILITIES	36.134.396	28.793.043

Profit and Loss

	31 March 2026	31 March 2025
A) PRODUCTION VALUE		
1) Net sales from products and services	47.673.117	43.279.619
2) Variation of inventory products	11.298.021	1.976.755
5) Other operating income		
Others	2.465.671	3.267.346
Total other operating income	2.465.671	3.267.346
TOTAL PRODUCTION VALUE	61.436.809	48.523.720
B) PRODUCTION COSTS		
6) Costs of raw materials, auxiliary materials, merchandise and other goods	45.657.476	30.082.423
7) Costs of services	5.451.935	6.113.146
8) Costs for use of third parties assets	305.814	235.641
9) Labour costs		
a) Salaries and wages	1.808.093	1.772.537
b) Costs of social security	597.705	574.725
c) Staff leave indemnity	123.924	122.106
d) Pensions and similar commitments	54.916	42.260
e) Other labour costs	0	42.439
Total Labour Costs	*2.584.640*	*2.553.976*
10) Depreciation and write downs		
a) Depreciation of intangible fixed assets	12.864	13.500
b) Depreciation of tangible fixed assets	8.186	11.613
c) Other Depreciation of fixed assets		
d) Current assets written off	1.282	2.800.668
Total depreciation and write downs	22.332	2.825.782
12) Provision for risks	4.153.023	4.522.088
13) Other provisions		
14) Other operating expenses	1.876.092	1.686.800
TOTAL PRODUCTIONS COSTS	*60.051.312*	*48.019.856*

	31 March 2026	31 March 2025
Net income from operating activities (A - B)	**1.385.497**	**503.863**
C) FINANCIAL INCOME AND EXPENSES		
16) Other financial income		
d) Other financial income		
Others	77.583	129.498
Total other financial income different from the previous	77.583	129.498
Total Other financial income	*77.583*	*129.498*
17) Interests payable and other financial expenses		
Interests payable to Parent Companies		
Interests payable to Companies controlled by Parent Companies	-	-
Others	(6.337)	(2.491)
Total Interests payable and other financial expenses	*(6.337)*	*(2.491)*
17-bis) Profit and loss on exchange	12.574	(44)
Total financial income (loss) (15+16-17-17bis)	*83.820*	*126.963*
Result before taxes (A-B+-C+-D)	**1.469.318**	**630.827**
20) Current, deferred and advanced income taxes for the period		
Income taxes for the period	296.947	522.611
Income taxes for the prior years	0	0
Deferred and advanced taxation	294.426	75.769
Total current, deferred and advanced income taxes for the period	*591.373*	*598.380*
21) Net income (loss) for the year	**877.945**	**32.447**

Supplementary Notes to Financials Statements closed at 31 March 2026

Supplementary Notes Initial session

Dear Shareholders, these supplementary Notes are an integral part of the financial statements at 31 March 2026.

The criteria used in the preparation of the financial statements for the period ended March 31, 2026 comply with the provisions of article 2426 of the civil code as amended by Legislative decree 139/15 through which the 2013/34 / EU directive was implemented, and have not been modified compared to the previous year.

The financial statements comply with the provisions of articles 2423 and following of the civil code interpreted and supplemented by the national accounting principles as published by the Italian Accounting Organization ("OIC Accounting Standards") and consist of the following documents: Balance Sheet, Income Statement, Cash Flow and Supplementary Notes. They therefore clearly, truthfully and correctly describe the company's balance sheet and financial position and the financial result for the year.

The contents of the balance sheet and income statement are those provided in Articles 2424 and 2425 of the Italian Civil Code, while the Cash flow statements have been prepared in accordance with art. 2425-ter.

The Cash Flow Statement presents the positive or negative variations in the cash flows that occurred during the year and was prepared applying the indirect method using the template provided by the OIC 10 Accounting Standard.

The Supplementary Notes, prepared pursuant to art. 2427 of the Italian Civil Code also contain all the information necessary to provide a correct interpretation of the statements.

Significant events occurred after the end of the financial year and the proposal to allocate the result for the year are shown in the reletaed paragraphs in these Notes.

Drafting Information

Financial Statements Drafting

The information contained herein are presented in the order in which the related items are reported in the balance sheet and income statement.

With reference to what is stated in the introduction to these Notes, we certify that, pursuant to art. 2423, paragraph 3 of the Civil Code, the information required by specific provisions of the law are not sufficient to give a true and fair view of the company, additional information deemed necessary for the purpose are provided.

There were no exceptional circumstances that required the use of derogations under Article. 2423, paragraph 4 and article. 2423 paragraph 2 Civil Code.

The Financial Statements, as well as these notes, have been prepared in Euros in accordance with the Civil Code.

Financial Statements Drafting principles

The evaluation of balance sheet items was made in accordance with the principle of prudence and with a view to the scope of the company. In accordance with national accounting standards and the Community arrangements, in the representation of the assets and liabilities items, it has been given prelevance at the substantive aspects over the formal ones.

In preparing the financial statements income and expense were recorded on an accrual basis, regardless of their actual cash flow.

Main management events

The year ended 31 March 2026 recorded an increase in turnover of € 4.393.498 compared to the previous year, mainly attributable to higher sales in the hospital channel - both in the “brand” and “generic” product divisions – which offset the decline in the “retail” division.

Structure and contents of the Financial Statements

The Balance Sheet, the Income Statement and the accounting information contained in these notes are in accordance with the accounting records, from which they have been directly derived.

In drafting the balance sheet and income statement, no items preceded by Arabic numbers or by lower-case letters have been grouped together, as optionally provided by art. 2423 ter of the Civil Code.

Under Article. 2424 of the Civil Code it is confirmed that there are no assets or liabilities that fall under several items of the draft Financial Statements.

Evaluation Criteria

The criteria applied to evaluate the items posted and the value adjustmens complies with the provisions of the Civil Code and the guidance provided in the accounting standards issued by OIC. The same also has not varied compared to the previous year.

The most significant valuation criteria adopted in compliance with the provisions of article 2426 of the Civil Code are illustrated below, and with particular reference to those items of the financial statements for which the legislator allows different evaluation and adjustment criteria or for which no specific criterias are set.

Other Information

Translation criteria for values expressed in foreign currency

The accounting amounts expressed in foreign currencies have been posted, after conversion into euros at the rate of exchange ruling at the time of recognition, or the exchange rate at the close of the financial year as shown in the accounting standard OIC 26.

The assets and liabilities that are not fixed assets are stated at the spot exchange rate at the date of the closing of balance sheet. Gains and losses which are derived from the conversion have been credited and debited to the income statement under item 17 bis foreign exchange gains and losses.

There are no intangible assets in foreign currency to the balance sheet date.

Between the end of the year and the date of preparation of financial statements there were no significant effects of changes in exchange rates.

Operations with compulsory relegation to end

The company during the year has not placed any operation under an obligation to relegation to the end.

Supplementary Notes - Assets

The amounts recorded in the balance sheet were evaluated in accordance with Article 2426 of the Civil Code and in accordance with national accounting standards; in the sections related to the individual items the specific criteria applied are shown.

Fixed Assets

Fixed assets are recorded at their purchase cost.

Pursuant to and for the purposes of article 10 of the law March 19, 1983, and No. 72, and as also recalled by the subsequent laws ruling monetary valuation, it should be noted that for the tangible and intangible assets that still exist no monetary revaluation has ever been carried out.

Intangible fixed assets

Intangible assets are recorded in the balance sheet, upon the prior consent of the Statutory Board of Auditors where required, at their cost of acquisition and they are depreciated on a straight-line basis according to their useful life.

The value of fixed assets is represented net of accumulated amortization and depreciation funds.

Depreciation was operated in accordance with the following pre-established scheme, which is thought to properly allocate the cost incurred over the useful life of such assets:

Intangible fixed assets items	Period
Start-up and expansion costs	{20,00}%
Concessions, licenses and trademarks (software)	{33,33}%
Concessions, licenses and trademarks (marketing authorisations, “AIC”)	{20,00}%
Concessions, licenses and trademarks (trademarks)	{5,56}%
Other fixed assets (improvement of third parties’ assets)	{16,67}% Based on duration of rental agreement

The criteria for the amortization of intangible assets remained unchanged compared to the previous year.

Movements of intangible fixed assets

Intangible assets amount to €1,874 and refer to licenses (marketing authorizations) purchased from third parties external to the group and fully amortized, regulatory costs capitalized during the financial year relating to a product awaiting launch, and the residual amount of software costs to be amortized.

The total impact on the income statement at 31 March 2026 of depreciation of intangible assets summed up to € 12.864.

Please note that it was necessary to make a write-down pursuant to art. 2426 paragraph 1 no. 3 of the Civil Code equal to Euro 35,443 relating to the SUGAMMADEX LICENCE FEE.

For a complete evaluation and analysis on movements of such assets, please refer to the information detailed in the annexes to these notes.

Movements of Intangible Assets

Description	Detail	Historical cost	Beginning balance	Movements	Description	Detail	Historical cost	Beginning balance
Start-up costs								
	Corporate Expenses	**8.467**						**8.467**
	Provision for Depreciation of corporate Expenses		(8.467)					(8.467)
R&D and advertising Costs								
	Advertising Costs	**40.109**						**40.109**
	Provision for depreciation of		(40.109)					(40.109)

Description	Detail	Historical cost	Beginning balance	Movements	Description	Detail	Historical cost	Beginning balance
	advertising costs							
Patents and copyrights								
	Capitalized own software	**117.055**						**117.055**
	Provision for capitalized own software		(116.428)				(627)	(117.055)
Concessions, licences, trademarks and similar rights and assets								
	Marketing Authorisation acquired	**3.723.676**			**0**	**(60.000)**		**3.663.676**
	Concessions and licences	**6.006**						**6.006**
	Provision fof Marketing Authorisation acquired		(3.676.299)			**24.557**	**(11.894)**	(3.663.676)
	Provision for Concessions and licences		(3.830)				(302)	(4.132)
Other intangible Assets								
	Depreciated maintenance expenses	**92.743**						**92.743**
	Provision for Depreciated maintenance expenses		(92.743)					(92.743)

Tangible fixed assets

The assets belonging to the category of tangible assets are recorded at acquisition cost, increased by accessories costs incurred to bring the asset to use.

The criteria for the depreciation of fixed assets have not changed with respect to those applied the previous year.

It should be noted that it was not necessary to operate any depreciation under art. 2426, paragraph 1 no. 3 of the Civil Code.

Movements of tangible fixed assets

Tangible assets before accumulated depreciation summed up to € 269.308; the accumulated depreciation is equal to € 247.084.

The impact to the income statement as at 31 March 2026 for the amortization of tangible fixed assets was € 8.186.

The table below shows the movements of such assets.

Movements of Tangible Assets

Description	Detail	Historical cost	Beginning balance	Movements	Description	Detail	Historical cost	Beginning balance
Other tangible assets								
	Furniture and fitting	**106.748**						**106.748**
	Electronic office machinery	**147.181**						**147.181**
	Mobile telephones	**15.379**						**15.379**
	Provision for depreciation of furniture and fitting		(83.470)				(4.296)	(87.766)
	Provision for depreciation of electronic Office machinery		(140.067)				(3.871)	(143.939)
	Provision for depreciation of mobile Telephone		(15.361)				(18)	(15.379)

Operations of finance lease

Information on operations of finance lease

The company, at the date of year end closure, has no on-going finance lease contract.

Current Assets

Current assets are evaluated in accordance with the numbers 8 to 11 of Article 2426 of the Civil Code. The criteria used are listed in the paragraphs of the respective items.

Stock

Stocks refer to finished goods. These have been posted at the lowest value between the purchase cost and the fair value as it can be inferred from market trends.

The purchase cost includes the possible additional direct charges.

The cost of inventories of finished products, of a fungible nature, was calculated by taking the weighted average cost method, in order to reflect the trend in market prices, considering the most recent stock costs.

The value so calculated has been duly compared with the fair value that can be inferred from the market trend, as explicitly required by art. 2426 of the Civil Code.

The depreciation of obsolete and slow moving items is carried out, in accordance with accounting standard OIC 13 creating depreciation funds. The depreciation provision is deducted from assets.

Analysis of stock movements

	Initial Value	Change in figures	Final value
Finished products	8.924.222	11.298.022	20.222.244
Total	8.924.222	11.298.022	20.222.244

The finished products are stated net of provision for depreciation, which had moved during the year as follows:

Description	Total
Balance at 31 March 2025	442.141
Use during the year	(288.862)
Provision for the year	211.791
Balance at 31 March 2026	**365.070**

Finished products

The cost of inventories of finished products and fungible goods was calculated using the weighted average cost method.

The value thus determined was appropriately compared with the realizable value inferable from the market trend, as explicitly required by art. 2426 of the Civil Code.

The stock rotation indexes remained almost unchanged compared to the previous year, with the exception of year end balance, in consideration of March purchases for the main product, Odomzo, representing around five months of sales.

Current asset: Receivables

Receivables are stated at estimated realizable value, in accordance with Art. 2426, n. 8 of Civil Code; the adjustment to this value was made by allocation of a provision for bad debts whose amount and whose movements are detailed following in these notes.

Movements of receivables posted in current assets

The following table shows the information related to movements of receivables posted in current assets and, if material, the due date of the same.

Anaysis of movements and due date of receivables posted in current assets

	Initial Value	Change in figures	Final value
Trade Receivables	11.937.875	(2.577.614)	9.360.261
Receivables from Parent Companies	440.331	(140.846)	299.485
Receivables from Companies controlled by Parent Companies	83.548	(78.168)	5.380
Tax credit	277.599	350.053	627.652
Advance income taxes	3.165.432	(294.426)	2.871.006
Accounts receivable from other undertakings	111.182	(3.094)	108.088
	16.015.967	**(2.744.095)**	**13.271.872**

Comments

Accounts receivables decreased by € 2.577.614, mainly due to:

- Hospital receivables decreased by approximately €0.7 million, thanks to improved debt collection activity, also considering increased sales volumes in both the brand and generics business divisions; the DSO (debt collection time) improved from 89 to 82 days.

- Retail receivables decreased by approximately €0.4 million, reflecting a reduction in exposure to distributors (€0.3 million), the Company's new business partners. However, the DSO increased from 362 to 362 days due to a defaulting customer, for which an appropriate loss risk provision was made during pror fiscal year.

- Receivables from customers in the B2B channel decreased by €0.3 million, also reflecting the decline in business volume in this segment; compliance with payment deadlines remains unchanged.

- The item "invoices to be issued" decreased by approximately €0.9 million, and the balance primarily represents chargebacks to be made to group companies for penalties.

- The allowance for doubtful accounts decreased by €0.2 million, due to its use to cover losses on receivables recognized during the year.

The overall DSO improved, from 117 to 110 days, thanks to the improvement in credit recovery activities with hospitals, which represent the main category of customers.

Credits are shown net of credit depretiation fund, which fluctuation is shown below and it has been adjusted in order to represent the most conservative scenario reagarding insolvency risk.

Description	Total
Balance at 31 March 2025	**4.954.328**
Use during the year	(204.139)
Provision for the year	1.282
Balance at 31 March 2026	**4.751.470**

The balance of credits towards parent companies is represented by invoices issued towards Sun Pharmaceutical Industries Limited, relating to the recharge of penalties received from customers for failure to supply drugs awarded in public tenders.

The balance of receivables from companies subject to the control of parent companies is represented by invoices for the sale of products to the French and German subsidiaries.

Tax receivables as of March 31, 2026, consist of withholding taxes on interest income and the collection of invoices for the recharge of costs to the branch of Sun Pharmaceutical Industries Limited located in the United Arab Emirates, VAT credits, and the receivable from the tax authorities for the increased payment of advance payments on direct taxes.

Receivables from others mainly include advance payments to suppliers and employees of approximately €86 thousand and a receivable from INAIL of approximately €22 thousand.There are no credits with a residual life longer than 5 years.

Deferred tax assets

Receivables include deferred tax assets of € 2.871.006 whose recovery is expected with reasonable certainty against taxable income expected in the coming years in the business plan.

For the details of the movements, please refer to the paragraph on deferred taxation in these Explanatory Notes.

Breakdown by geographical area of receivables included in current assets

The breakdown of receivables by geographical area is as follows:

	I	IND	F	DE	IE	CH	IS	San Marino	Total
Trade Receivables	9.337.822	660			6.647	4.340	600	5.007	9.360.261
Receivable from Parent Companies	-	299.485	-						299.485
Receivable from Companies controlled by Parent Companies			1.720	3.660					5.380
Tax Credits	627.652	-							627.652
Advanced taxes	2.871.006	-							2.871.006
Other Receivable	108.088	-	-						108.088
Total	**12.944.568**	**300.145**	**1.720**	**3.660**	**6.647**	**4.340**	**600**	**5.007**	**13.271.872**

Current assets: cash and banks

Cash and banks are posted at their nominal value.

Analysis of movements of cash and banks

	Initial value	Change in figures	Final value
Current bank accounts and post-office deposits	3.646.612	(1.163.112)	2.483.500
Cheques	-	-	-
Cash and cash equivalents	885	(885)	-
Total	*3.647.498*	*(1.163.998)*	*2.483.500*

Effects of changes in money and values in cash

Description	Initial value	Value at the date of preparation of financial statements	Change in figures
Checks	0	0	0
Euro	357	0	(357)
Stamps	528	0	(528)
Total	**885**	**0**	**(885)**

Comment

Evolution of cash and banks is described in the cash flow statement.

Prepayments and accrued income

Prepayments and accrued income have been posted in the Financial statements on an accrual basis, through repartition of costs and revenues across two fiscal years.

There are no accrued income or prepaid expenses lasting more than 5 years.

Analysis of movements of prepayments and accrued income

	Beginning balance	Change in figures	Closing Balance
Prepaid expenses	124.765	7.916	132.681
Total prepayments and accrued income	**124.765**	**7.916**	**132.681**

Prepayments consist mainly in long-term costs related to bank guarantees issued to participate in hospital tenders, membership fees paid but related to future periods and rents paid but of future competence.

Capitalised financial charges

All interest and financial charges were entirely posted in the Income Statement during the Fiscal Year. Therefore, no capitalised financial charges are posted pursuant to art. 2427, par. 1, n. 8 of the Italian Civil Code.

Supplementary Notes – Liabilities and Net Equity

The liability items in the balance sheet have been recorded in accordance with the provisions of Article 2426 of the Civil Code and in compliance with national accounting principles, the specific application criteria are indicated in the sections relating to the individual items.

Net Equity

Items are recorded at their accounting balance in accordance with the instructions contained in the accounting standard OIC 28.

Movements of components of net equity

With reference to the closure changes in the individual components of shareholders' equity are shown in the table below, as well as the breakdown of other reserves, if any in the Statements.

Analysis of changes of components of net equity

	Beginning balance	Allocation	Others change in figures - increases	Others change in figures - decreases	results for the year	Beginning balance
Share capital	50.000					50.000
Legal Reserve	16.548					16.548
Other Reserves	1.689					1.689
Total Other Reserves	1.689					1.689
Income (losses) carried forward	3.262.336	32.447				3.294.783
Profit of the FY	32.447	(32.447)			877.945	877.945

During the year, there were no particular changes in shareholders' equity, with the exception of the carry forward of the profit operating of the previous year approved in the minutes of the Shareholders' Meeting of 4 July 2025.

Movements of Net Equity

Description	Share capital	Legal Reserve	Income (losses) carried forward	Other Reserves	Result for the year	Description
Value at 31/03/23	**50.000**	**16.548**	**(33.332)**	**1.689**	**1.019.843**	**1.054.747**
Allocation result 31/03/23			**1.019.843**		**(1.019.843)**	
Dividend payments						
Other destinations						
Change in figures						
Result for the year					**2.275.825**	**2.275.825**

Value at 31/03/24	**50.000**	**16.548**	**986.511**	**1.689**	**2.275.825**	**3.330.573**

Description	Share capital	Legal Reserve	Income (losses) carried forward	Other Reserves	Result for the year	Description
Value at 31/03/24	**50.000**	**16.548**	**986.511**	**1.689**	**2.275.825**	**3.330.573**
Allocation result at 31/03/24			**2.275.825**		**(2.275.825)**	**0**
Dividend payments						
Other destinations						
Change in figures						
Result for the year					**32.447**	**32.447**
Value at 31/03/25	**50.000**	**16.548**	**3.262.336**	**1.689**	**32.447**	**3.363.020**

Description	Share capital	Legal Reserve	Income (losses) carried forward	Other Reserves	Result for the year	Description
Value at 31/03/25	**50.000**	**16.548**	**3.262.336**	**1.689**	**32.447**	**3.363.020**
Allocation result at 31/03/25			**32.447**		**(32.447)**	**0**
Dividend payments						
Other destinations						
Change in figures						
Result for the year					**877.945**	**877.945**
Value at 31/03/26	**50.000**	**16.548**	**3.294.783**	**1.689**	**877.945**	**4.240.965**

To be noted that all the subscribed quotes have been fully paid.

Availability and use of net equity

In the following table net equity elements are analytically shown, indicating their origin, possibility of use and distribution, as well as their use in previous years.

Descriprion	Amount	Origin/type	Possibility of using
Share capital	50.000	Capitale	
Legal Reserve	16.548	Capitale	B
Other Reserves	1.689	Capitale	B, C
Total Other Reserves	1.689	Capitale	B, C
Income (losses) carried forward	3.294.783		A, B, C
Total	**3.363.020**		
Quote not distributable	3.363.020		
Residual distributable	0		

In the table above for each item the possibilities of use are provided as indicated below:

- A: for capital increase
- B: to cover losses
- C: for distribution to shareholders.

Provisions for liabilities and charges

Information on provisions for liabilities and charges

Analysis of changes in provisions for risks and charges

	Beginning balance	Increase	Decrease	Net Variations	Closing Balance
Provision for pensions and Similar obligations	-	-	-	-	-
Others	4.687.063	4.161.810	(3.757.669)	404.141	5.091.204
Total	4.687.063	4.161.810	(3.757.669)	404.141	5.091.204

The "other" item includes:

- The provision for hospital clawback risk for 2025 and the first quarter of 2026, amounting to €4.934.331. During the financial year, the hospital clawback procedure for 2024 was concluded, for which a total payment of €3.748.882 was made, recording in the income statement (€230.826) the amount not set aside in the previous financial year.

- The provision for returns totaling €156.763 is consistent with the estimate of credit notes to be recognized.Employees leaving indemnity

Information on employee leaving indemnity

Employees leaving indemnity has been calculated in accordance with art. 2120 of the Italian Civil Code, taking into account the provisions of the law and the specifics of the contracts and the professional categories and it includes all the annual accruals and the revaluations calculated on the basis of the ISTAT (Central Statistics Institute) rates.

The amount of the provision is calculated net of advance payments and accruals paid for the termination of employment contracts during the Financial Year and it represents the true amount owed to subordinate employees at the balance sheet date.

	Beginning balance	Increase	Decrease	Quotes to Funds	Net movements	Closing Balance
Provision for subordinates employees leaving indemnity	93.831	123.572	(1.721)	(99.824)	22.027	115.858

The uses refer to the total liquidations of the fund following the termination of the relationship with the employees.

Payable

Payables are shown in the financial statements at their nominal value, eventually adjusted in case of subsequent variations.

Payable movements and due date

The following table shows information on changes in payables and any information on their maturity.

All debts are deemed to be due within the following financial year.

Analysis of variations and debt expiring

	Beginning balance	Increase/Decrease	Closing balance
Amounts due to banks	-	-	-
Trade creditors	3.735.220	(2.475.404)	1.259.816
Amounts due to parent companies	15.319.912	8.897.532	24.217.444
Amounts due to companies under control of parent companies	669.172	(59.555)	609.617
Taxation	305.473	(295.195)	10.278
Social security	195.325	(25.196)	170.129
Other debts	424.027	(4.942)	419.085
Total	**20.649.130**	**6.037.240**	**26.686.370**

Debts towards the parent companies refer to trade payables to the indirect parent company Sun Pharma Ltd for the purchase of finished products as better illustrated in the Management Report.

Payables to companies controlled by parent companies primarily include exposure to Sun Pharmaceutical Industries (Europe) B.V. (the company that serves as headquarters for the region in which Sun Pharma Italia srl operates), for the chargeback of administrative costs, product quality testing costs, regulatory expenses, promotional and business development costs, travel expenses, and miscellaneous minor expenses. Payables to companies controlled by parent companies also include certain exposures to other group companies for the purchase of finished products.

The item "other debts" at 31 March 2026 includes:

- Debts towards employees for approximately € 329 thousand, bonuses and rewards for about € 132 thousand, additional holidays and monthly payments for about € 169 thousand and severance for € 10 thousand.
- Payables for the payment of the 1.83% payback on retail products reimbursed by the National Health System for € 86 thousand.
- Debts for TARI duty of € 4 thousand.

Breakdown of payables by geographic area

Below the breakdown of the debts by geographical area:

	I	NL	RO	DK	ES	EL	DE	UK	IN	EAU	Totale
Trade Amounts	653.741	2.440		38.072	559.968	(10.448)		16.043			1.259.816
Amounts due to parent companies									4.298.144	19.919.300	24.217.444
Amounts due to companies under control of parent companies		546.049	37.468				26.100				609.617
Tax amount	10.278										10.278
Social security	170.129										170.129
Other debts	419.085										419.085
Total	1.253.233	548.489	37.468	38.072	559.968	(10.448)	26.100	16.043	4.298.144	19.919.300	26.686.369

Debts secured by mortgages on company assets

Pursuant to and by effect of art. 2427, c. 1 n. 6 of the Civil Code, it is stated that there are no social debts secured by any collateral.

Loans made by company shareholders

As of 31 March 2025, the company has no shareholder loans.

There are no payables with a residual duration of more than five years.

Deferred income and accrued liabilities

Accruals and deferred income were calculated on an accrual basis, through repartition of costs and/or income common to two fiscal years

	Opening balance	Increase/Decrease	Closing balance
Accrued liabilities	-	-	-
Total accrued expenses and deferred income	-	-	-

There were no deferred income and accrued expenses to report at 31 March 2026.

Commitments not disclosed in the balance sheet and memorandum accounts

Under Article 2427, paragraph I, paragraph 22-ter) of the Civil Code it is specified that the amount of guarantees issued by banking institutions and insurance companies towards the Company amounts to € 22.746.627.

It is specified that the guarantees have been given in order to allow the participation of the Company in hospital tenders.

Supplementary Notes – Profit & Loss

Revenues, income, costs and charges are recognized in accordance with Article 2425-bis of the Civil Code.

Production Value

Introduction

Revenues from product sales and income from services were recognized at the time of transfer of title which corresponded, respectively, with the criterion of delivery or shipment of the goods and their return. Revenues of a financial nature have instead been recognized on an accrual basis.

Revenues and income, costs and charges relating to currency transactions are calculated at the exchange rate on the date on which the relevant transaction is placed.

The value of production totalizing € 61.436.809, below it is shown a breakdown of revenues between sales, changes in inventories, other operating income and changes in absolute terms compared to the previous year.

Description	31 March 2025	Change in figures	31 March 2026
Sales	43.279.619	4.393.498	47.673.117
Changes in inventories of finished goods	1.976.755	9.321.266	11.298.021
Other operating income	3.267.346	(801.675)	2.465.671
Total	**48.523.720**	**12.913.089**	**61.436.809**

Revenues on sales of goods increased by € 2.393.498 mainly attributable to the hospital channel both in relation to sales of Odomzo® from the brand division, which increased by approximately €2.7 million, and in relation to sales from the generics division, which increased by approximately €2.3 million.

The B2B segment and sales in the retail channel, however, recorded a decline of (€0.1) and (€0.5) million respectively.

The item "other revenues and income" mainly includes the recharge to the Sun Pharmaceutical Industries Limited group company of certain expenses incurred for the "brand" Business Unit, amounting to approximately €326 thousand, penalties, amounting to approximately €1.6 million, charged by hospital entities for failure to supply drugs awarded in tenders, and regulatory expenses of approximately €515 thousand.

Breakdown of sales and service revenues by business segment and by geographic area

Breakdown of sales and service revenues by business segment is not provided as the information is not significant; the breakdown by geographical area is also not significant, since the predominance of sales (99%) is made to customers in the Italian territory.

Production Costs

Comment

Costs and charges are allocated on an accrual basis, in compliance with the principle of correlation with revenues, and recorded in the respective items in accordance with the provisions of accounting standard OIC 12.

The costs for the acquisition of goods and services are recognized in the income statement net of adjustments for returns, discounts, allowances, and bonuses.

The costs of production amounted to a total of € 60.051.312. Below it is shown the composition and changes in absolute value compared to the previous year.

Description	31 March 2024	Change in figures	31 March 2025
Raw materials, subsidiary materials, consumables and goods for resale	30.082.423	15.575.053	45.657.476
Services	6.113.146	(661.211)	5.451.935
Rents and leases	235.641	70.173	305.814
Personnel costs	2.553.976	30.664	2.584.640
Depreciation and other amounts written off tangible and intangible fixed assets;	2.825.782	(2.803.450)	22.332
Risk provisions	4.522.088	(369.065)	4.153.023
Other provisions			
Other operating costs	1.686.800	189.291	1.876.092
Totale	**48.019.856**	**12.031.456**	**60.051.312**

The increase in the cost of goods sold is driven by the increase in sales volumes and the increase in the purchase price of some high-turnover products.

Service costs decreased by approximately 11% and are the result of different dynamics of the individual items that make up this spending category.

The costs for the use of third-party assets only increased in the car rental cost component following changes in the fleet and its management.

Personnel costs remained essentially unchanged; the increases attributed to current staff were absorbed by the significant reduction in the number of employees.

The change in the item "amortization, depreciation and write-downs" is explained by the greater allocation to the bad debt provision made in the financial year ended March 31, 2025 and relating to an insolvent distributor.

The risk provision of €4,153,023 represents the amount recorded during the year as the best estimate of hospital clawback for 2025 and the first quarter of 2026 (approximately €3.9 million), as well as the integration made to the allocation for hospital clawback 2024 (approximately €0.2 million).

The item "other operating costs" mainly consists of: penalties charged by hospitals for failure to supply drugs totaling approximately €1.6 million, fines and penalties totaling €22 thousand, the 1.83% payback on the retail channel totaling approximately €115,000, membership fees totaling approximately €37 thousand, and the loss related to the write-down of a license totaling €35 thousand.

Financial income and expenses

Financial income and expenses are posted on an accrual basis in relation to the amount accrued in the year.

Composition of income from investments

There are no income from investments as per art. 2425, n. 15 of the Civil Code.

Allocation of interests and other financial costs by type of debt

The following table gives evidence of the interests and other financial expenses as per art. 2425, n. 16 of the Civil Code, with specific split between those concerned bonds, bank debt and other cases.

	From Parent Companies	From Companies controlled by Parent Companies	Others	Total
Interests and other financial income	-	-	77.583	77.583

Interest income refers to interest on bank accounts.

Breakdown of interest and other financial charges by type of debt.

The following table highlights the interest and other financial income referred to in art. 2425, no. 17 of the Civil Code, with a specific subdivision between those relating to bond loans, payables to banks and other cases.

	To Parent Companies	To Companies controlled by Parent Companies	Others	Total
Interests and other financial charges	-	-	6.337	6.337

Interest expense mainly refers to interest on bank accounts (€6,1 thousand).

Gains/losses on foreign exchange

Below the information regarding the gains or losses on exchange differences by distinguishing the component realized from valuations of assets and liabilities recorded in the balance sheet at year-end.

Description	**Amount in statement**	**Evaluation component**	**Realized component**
Profit and loss on exchange			
Profit on exchange	12.574	2.361	10.213
Loss on exchange	-	-	-
Total	**12.574**	**2.361**	**10.213**

Income taxes for the year, current and deferred

Income taxes for the year, current and deferred

The company posted the provision for income taxes based on the application of the tax laws in force. The taxes for the year are represented by current taxes, as well as resulting from the tax return, deferred taxes and deferred tax assets relating to positive or negative income components, respectively subject to taxation or deduction in other years than those of recording in compliance to the Civil code.

Below, in detail, the information required by. 2427, paragraph 1, point 14, letter a) and b), namely:

a) a description of the temporary differences that led to the recognition of deferred tax assets and liabilities, with specific indication of the rate applied, the changes compared to the previous year and the amounts credited or debited to the income statement or in equity; please note that there are no items excluded from the calculation;
b) the amount of deferred tax assets recognized in the balance sheet relating to losses occurring during this FY and the past FYs and the reasons for recording.

Below is the breakdown of the temporary differences that generated the deferred taxes.

		Fiscal Year @ 31 March 2026	
		Temporary Difference	Tax Effect
IRES	Bad debt provision	3.755.349	901.284
	Inventory provision	365.070	87.617
	Product return provision	139.666	33.520
	Bonus	146.804	35.233
	Hospital payback provision	4.934.420	1.184.261
	Tax losses	2.598.519	623.645
	Total	**11.939.828**	**2.865.559**
IRAP	Product return provision	139.666	5.447
	Total	**139.666**	**5.447**
	Total		**2.871.006**

The accounting treatment of deferred taxes was made as set forth by Accounting Standard OIC 25 of the Board of Certified Chartered Accountants and Registered Auditors as it is reasonably certain to achieve taxable income over the future FYs and that said losses can be indefinitely carried forward.

Reconciliation between tax liability from the balance sheet and theoretical tax charge

In compliance with the provisions of Accounting Standard n. 25 laid down by the National Association of Certified Chartered Accountants, we report here below the detail of the reconciliation between the statutory tax liability resulting from the Financial Statements and the theoretical tax burden.

IRES

Description	Amounts
Profit before tax	**1.469.318**
Tax (theoretical)	352.636
Permanent increase variances	137.387
Temporary increase variances	4.520.405
Total increase variances	**4.657.792**
Permanent decrease variances	42.867
Temporary decrease variances	4.398.933
Total decrease variances	**4.441.800**
Total variances	**215.992**
Tax loss use	**(1.348.248)**
Donations	**0**
Taxable Income	**337.062**

Current Tax IRES	**80.895**

IRAP

Description	Amounts
Difference between production value and production costs	**1.385.497**
Non deductible costs IRAP	6.678.711
Taxable Income IRAP	**8.064.208**
Theoretical Tax (rate 3,9%)	233.862
Permanent increase variances	-
Temporary increase variances	8.788
Total increase variances	**8.788**
Permanent decrease variances	
Temporary decrease variances	8.788
Total decrease variances	**8.788**
Total adjustments	**0**
Taxable Income	**8.064.208**
Deduction of increase in employment	2.524.406
Net taxable	**5.539.802**
IRAP current Tax	**216.052**

Also to be pointed out that:

- Deferred tax assets and liabilities were calculated on the basis of the average rates expected for the FY when temporary differences will be reversed;
- Deferred tax assets are recorded because it is reasonably certain that during the FY when the aforesaid temporary differences are reversed, the taxable income will not be lower than said losses;

Supplementary Notes – Other Information

Here following other information required by articles 2427 and 2427 bis of Civil Code are reported.

Employment Data

The chart below shows the average number of employees, grouped by category and calculated considering the daily average:

Category	Number
Managers	2
Executives	17
Office workers	4
Total	**23**

Remuneration to Directors and Statutory Board of Auditors

No remunerations is provided to the Board of Directors.
Following the change of the company name, which took place on 6 October 2020, the company decided to renounce, starting from that date, the function of the board of statutory auditors.

Remuneration to legal auditor of audit firm

The remuneration due to the Audit Firm (REV01 srl.) is:

- Fees for auditors: € 14.000.

Categories of shares issued by the company

The number of company’s shares is 50.000 and their nominal value is € 1 each.

There are no classes of shares other than ordinary. All shares are owned by the sole shareholder of the Company since its incorporation.

All subscribed shares have been fully paid.

Securities issued by the company

The company has not issued any securities or similar value falling within the provisions of art. 2427. 18 Civil Code.

Information on financial instruments issued by the company

The company has not issued other financial instruments referred to in n. 19 of the 1st paragraph of art. 2427 of the Civil Code.

Summary financial statements of the company exercising the management and coordination activity

Sun Pharmaceuticals Industries Limited is the company that now carries out the management and coordination activities with headquarters in Mumbai; as of the date of this Note, the latest available financial statements related to the year ended 31 March 2025, which are reported below:

Standalone Balance Sheet

As at March 31, 2025

₹ in Million

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3 (a) & 3 (b)	43,450.5	45,391.4
(b) Capital work-in-progress	3 (d)	5,633.9	3,882.4
(c) Goodwill	4	1,208.0	1,208.0
(d) Other intangible assets	4	25,226.7	30,768.0
(e) Intangible assets under development	5	3,758.4	3,778.7
(f) Financial assets			
(i) Investments	6 (a) & 6 (b) & 6 (c)	124,101.1	124,299.7
(ii) Loans	7	26,633.6	33,869.0
(iii) Other financial assets	8	603.1	520.4
(g) Deferred tax assets (Net)	9	11,676.4	9,945.2
(h) Income tax assets (Net)	10	-	5,033.8
(i) Other non-current assets	11	2,918.9	2,407.2
Total non-current assets		**245,210.6**	**261,103.8**
(2) Current assets			
(a) Inventories	12	37,874.9	34,236.2
(b) Financial assets			
(i) Trade receivables	13	117,014.3	88,341.6
(ii) Cash and cash equivalents	14	4,920.2	3,264.6
(iii) Bank balances other than (ii) above	15	4,184.8	119.3
(iv) Loans	16	8,687.9	6,555.1
(v) Other financial assets	17	4,097.5	7,695.5
(c) Other current assets	18	10,440.2	8,913.1
Total current assets		**187,219.8**	**149,125.4**
Assets classified as held for sale	3 (c)	**304.1**	**418.7**
TOTAL ASSETS		**432,734.5**	**410,647.9**

Standalone Balance Sheet

As at March 31, 2025

₹ in Million

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	19	2,399.3	2,399.3
(b) Other equity	20	240,999.2	234,544.7
Total equity		**243,398.5**	**236,944.0**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	-	110,360.1
(ii) Lease liabilities	48	1,668.5	1,669.1
(iii) Other financial liabilities	22	-	10,772.0
(b) Other non-current liabilities	23	3,767.4	4,254.0
(c) Provisions	24	2,414.8	2,197.3
Total non-current liabilities		**7,850.7**	**129,252.5**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	25	109,544.7	106.0
(ii) Trade payables			
(a) total outstanding dues of micro and small enterprises	45	785.6	704.6
(b) total outstanding dues of creditors other than micro and small enterprises	45	33,553.8	25,491.2
(iii) Lease liabilities	48	166.4	133.9
(iv) Other financial liabilities	26	24,637.5	7,188.1
(b) Other current liabilities	27	5,558.0	4,730.5
(c) Provisions	28	5,024.0	6,090.8
(d) Current tax liabilities (Net)	29	2,215.3	-
Total current liabilities		**181,485.3**	**44,445.1**
Liabilities directly associated with assets classified as held for sale	3 (c)	-	**6.3**
Total liabilities		**189,336.0**	**173,703.9**
TOTAL EQUITY AND LIABILITIES		**432,734.5**	**410,647.9**

The accompanying notes are an integral part of the standalone financial statements.
As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2025

For and on behalf of the Board of Directors of
SUN PHARMACEUTICAL INDUSTRIES LIMITED

DILIP S. SHANGHVI
Chairman and Managing Director
(DIN: 00005588)

AALOK D. SHANGHVI
Whole-time Director
(DIN: 01951829)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

C. S. MURALIDHARAN
Chief Financial Officer
Mumbai, May 22, 2025

Growing with Purpose, Touching Lives Globally

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

₹ in Million

Particulars		Notes	Year ended March 31, 2025	Year ended March 31, 2024
(I)	Revenue from operations	30	230,033.3	202,751.7
(II)	Other income	31	3,694.3	4,657.6
(III)	**Total income (I + II)**		**233,727.6**	**207,409.3**
(IV)	Expenses			
	Cost of materials consumed	32	46,906.7	44,293.8
	Purchases of stock-in-trade		13,595.3	9,944.1
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	33	(691.7)	1,803.2
	Employee benefits expense	34	26,082.6	23,739.5
	Finance costs	35	8,932.1	7,840.8
	Depreciation and amortisation expense	3 (a), 3 (b) & 4	12,382.7	16,006.2
	Other expenses	36	78,759.6	67,972.2
	Net (gain)/loss on foreign currency transactions		(2,545.4)	(877.2)
	Total expenses (IV)		**183,421.9**	**170,722.6**
(V)	Profit/(loss) before exceptional item and tax (III - IV)		**50,305.7**	**36,686.7**
(VI)	Exceptional items	55 (2)	-	2,190.2
(VII)	Profit/(loss) before tax (V - VI)		**50,305.7**	**34,496.5**
(VIII)	Tax expense/(credit)			
	Current tax	38	9,086.2	5,461.0
	Deferred tax	9 & 38	(1,606.7)	453.7
	Total tax expense (VIII)		**7,479.5**	**5,914.7**
(IX)	Profit/(loss) for the year (VII - VIII)		42,826.2	28,581.8
(X)	Other comprehensive income			
	A) Items that will not be reclassified to profit or loss			
	a. Gain/(loss) on remeasurement of the defined benefit plans		(182.4)	(305.1)
	Income tax on above		63.7	106.5
	b. Gain/(loss) on equity instrument measured at fair value through other comprehensive income		6.0	4.8
	Income tax on above		(2.1)	(1.7)
	Total - (A)		**(114.8)**	**(195.5)**

Standalone Statement of Profit and Loss

for the year ended March 31, 2025

₹ in Million

Particulars	Notes	Year ended March 31, 2025	Year ended March 31, 2024
B) Items that may be reclassified to profit or loss			
a. Effective portion of gain/(loss) on designated portion of hedging instruments in a cash flow hedge		(180.1)	85.5
Income tax on above		62.9	(29.8)
Total - (B)		**(117.2)**	**55.7**
(X) Total other comprehensive income (A+B)		**(232.0)**	**(139.8)**
(XI) Total comprehensive income for the year (IX+X)		**42,594.2**	**28,442.0**
Earnings per equity share (face value per equity share - ₹ 1)	46		
Basic (in ₹)		17.8	11.9
Diluted (in ₹)		17.8	11.9

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

As per our report of even date

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per AMIT SINGH
Partner
Membership No.: 408869
Mumbai, May 22, 2025

For and on behalf of the Board of Directors of
SUN PHARMACEUTICAL INDUSTRIES LIMITED

DILIP S. SHANGHVI
Chairman and Managing Director
(DIN: 00005588)

AALOK D. SHANGHVI
Whole-time Director
(DIN: 01951829)

ANOOP DESHPANDE
Company Secretary and Compliance Officer

C. S. MURALIDHARAN
Chief Financial Officer
Mumbai, May 22, 2025

Cash Flow Statement

In accordance with the recommendation made by the OIC here below it is reported the cash flow statement in the "indirect scheme" format as per provisions of accounting OIC 10.

	Amount at 31.03.26	Amount at 31.03.25
A. CASH FLOWS FROM OPERATING INCOME		
Result for the year	877.945	32.447
Income tax	591.373	598.380
Interest expense (interest income)	-71.246	127.007
(Dividends)	-	-
(Gains) losses on disposal of assets	-	-
1. Result for the year before income tax,interests,dividends and gain/losses on the sale	*1.398.072*	*503.820*
Adjustments for non-cash items without impact in net working capital	-	-
Founds provisions	4.498.455	8.195.803
Depreciation of fixed assets	21.050	25.113
Devaluation of impairment losses	34.443	-
Other adjustments for non-cash items	-	-
2. Cash flow before changes in net working capital	*5.953.020*	*8.724.735*
Change in net working capital	-	-
Decrease (Increase) in inventories	(-11.220.952)	(2.102.639)
Decrease (Increase) in trade receivables	2.787.116	1.032.525
Increase (decrease) in trade payables	2.475.404	84.920
Decrease (Increase) in accrued income and prepaid expenses	(7.916)	(5.668)
Increase (decrease) in accrued expenses and deferred income	-	-
Other changes in net working capital	8.751.139	(4.249.017)
3. Cash flow after changes in net working capital	*3.787.002*	*3.484.857*
Other adjustments	-	-

	Amount at 31.03.26	Amount at 31.03.25
Interest received (paid)		(299.040)
(Income taxes paid)	(592.142)	(307.946)
Dividends received	-	-
(Use of funds)	(4.358.859)	(4.310.763)
CASH FLOWS OPERATING INCOME(A)	***(1.163.998)***	***(1.432.892)***
B. CASH FLOWS GENERATED BY INVESTMENT ACTIVITY	**-**	**-**
Tangible assets	-	-
(Investments)	-	-
Sale price of divestments	-	-
intangible assets	-	-
(Investments)	-	-
Sale price of divestments	-	-
Financial fixed assets	-	-
(Investments)	-	-
Sale price of divestments	-	-
Financial assets other than fixed assets	-	-
(Investments)	-	-
Sale price of divestments	-	-
Acquisition or disposal of subsidiaries or branches of businesses, net of cash	-	-
FLOW OF FINANCIAL ASSETS INVESTMENT(B)	**-**	**-**
C. CASH FLOWS GENERATED BY FINANCING ACTIVITY	**-**	**-**
Third-party funding	-	-
Increase (decrease) in accounts payable to banks	-	-
Turning funding	-	-
Repayment of loans	-	-
Equity	-	-
Capital increase in payment	-	-

	Amount at 31.03.26	Amount at 31.03.25
Sale (purchase) of treasury shares	-	-
Dividends (and interim dividends) paid	-	-
CASH FLOWS OF ACTIVITY OF FINANCING(C)	**-**	**-**
Net increase (decrease) in cash	***(1.163.998)***	***(1.432.892)***
Cash on 01/04/2023	3.647.498	5.080.390
Cash on 31 March 2024	2.483.500	3.647.498
Change in net financial position	(1.163.998)	(1.432.892)
Unlike quadrature	- 0	- 0

Assets allocated to a specific business

This is to certify that at the date of closure of financial statements there are no assets allocated to a specific transaction, as per n. 20 of the 1st paragraph of art. 2427 of the Civil Code.

Funding for a specific business

This is to certify that at the date of closure of financial statements there is no funding for a specific business, as per n. 21 of the 1st paragraph of art. 2427 of the Civil Code.

Information about the fair value of financial instruments

This is to certify that no derivaties financial contract was signed.

Related party transactions

All related party transactions were carried out at market conditions and the corresponding revenues and costs were in line with those that could have been realized with third parties.
Relations with subsidiaries, related, parent companies and controlled companies do not include atypical and / or unusual transactions and are governed by normal market conditions.
Please refer to the Management Report for details of credit and debit positions as well as revenues and costs arising from all related party transactions.

RInformation about the Company preparing the consolidated financial statements

It is reported, pursuant to art. 2427 C.C. Nos. 22-quinquies/sexies, that Sun Pharmaceuticals Industries Limited is the company that prepares the consolidated financial statements at whose registered office indicated below the document is available:

Sun Pharmaceutical Industries Ltd. - SUN HOUSE
CTS No. 201 B/1 - Western Express Highway
Goregaon (E) Mumbai 400063 - India

Events occurred after the closure of Fiscal Year.

Pursuant to Article 2428, paragraph 3, point 5 of the Italian Civil Code, there are no significant events to report.

To date, there are no significant critical issues in the ability to supply customers and meet deadlines, and no significant deterioration in cash flow management has been observed.
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Proposed allocation of profits or loss coverage

Dear Shareholder, in light of the above, and after notifying that the indications of the art. 2446 of the Civil Code are not applicable for the Company, the Board of Directors proposes to allocate the profit for the year of € 877.945 to retained earnings.

Notes – Final part

Dear Shareholder,

We confirm that these Financial Statements, consisting of Balance Sheet, Income Statement and Notes to the Financial Statements, represent a true and fair view of the company's balance sheet and financial position and correspond to the accounting entries, and we invite you to approve the draft Financial Statements at 31 March 2026 as prepared by the Board of Directors

For the Board of Directors
Prashant Savla