Independent Auditors' Report

and

Audited Financial Statements

of

Sun Pharmaceuticals (Bangladesh) Limited

as at and for the period ended 31 March 2026

INDEPENDENT AUDITOR'S REPORT
To the Shareholders of
Sun Pharmaceutical (Bangladesh) Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Sun Pharmaceutical (Bangladesh) Limited (the Company), which comprise the statement of financial position as at 31 March 2026, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give true and fair view of the financial position of the Company as at 31 March 2026, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for 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 Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code and the Institute of Chartered Accountants of Bangladesh (ICAB) Bye Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with IFRSs, the Companies Act, 1994 and other applicable laws and regulations and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charge with governance are responsible for overseeing the Company’s financial reporting process.

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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement 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 auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

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

Report on Other Legal and Regulatory Requirements

In accordance with the Companies Act, 1994, we also report the following:

a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purposes of our audit and made due verification thereof;

b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appeared from our examination of those books; and

c) the statement of financial position and statement of profit or loss and other comprehensive income dealt with by the report are in agreement with the books of account.

Dated: 29 April 2026
Dhaka.

Ahmed Mashuque & Co.,
Chartered Accountants
FRC Enlistment No: CAF-001-115

Jahangir Hussain FCA
Partner
Enrolment Number-1960
DVC: 2604301960AS857679

Sun Pharmaceutical (Bangladesh) Limited
Statement of financial position
As at 31 March 2026

Particulars	Notes	Amount in Taka	
		31 March 2026	31 March 2025
ASSETS			
Non current assets		**3,977,038,185**	**3,670,600,734**
Property, plant and equipment	**4.00**	52,701,744	351,372,272
Capital work-in-progress	**5.00**	5,215,772	1,855,032
Long term deposits	**6.00**	16,802,919	15,075,000
Loan to subsidiary	**7.00**	3,791,828,700	3,200,120,000
Right-of-use asset	**8.00**	34,022,109	42,178,530
Deferred tax assets	**16.00**	16,467,041	-
Investment in shares	**9.00**	59,999,900	59,999,900
Current assets		**590,447,579**	**1,685,909,038**
Inventories	**10.00**	208,803,383	749,269,358
Trade and other receivables	**11.00**	121,308,265	235,185,706
Net Advance Income Tax	**20.00**	9,070,183	36,833,793
Advances, deposits and prepayments	**12.00**	51,529,504	115,654,327
Cash and cash equivalents	**13.00**	199,736,244	548,965,853
TOTAL ASSETS		**4,567,485,764**	**5,356,509,772**
EQUITY AND LIABILITIES			
Equity		**3,240,268,568**	**3,693,078,381**
Share capital	**14.00**	60,000,000	60,000,000
Share money deposits	**15.00**	56,929,462	56,929,462
Retained earnings		3,123,339,106	3,576,148,919
Liabilities			
Non current liabilities		**30,558,050**	**98,370,399**
Deferred tax liabilities		-	57,512,634
Lease liability	**17.00**	30,558,050	40,857,765
Current liabilities		**1,296,659,146**	**1,565,060,992**
Lease liability	**17.00**	6,748,928	8,069,531
Trade payable and liability for expenses	**18.00**	439,910,218	1,556,991,461
Short term loan	**19.00**	850,000,000	-
Total liabilities		**1,327,217,196**	**1,663,431,391**
TOTAL EQUITY AND LIABILITIES		**4,567,485,764**	**5,356,509,772**

These financial statements should be read in conjunction with the annexed notes.

Managing Director **Company Secretary** **Director**

As per our annexed report of same date.

Dated: 29 April 2026
Dhaka.

Ahmed Mashuque & Co.,
Chartered Accountants
FRC Enlistment No: CAF-001

Jahangir Hussain FCA
Partner

Sun Pharmaceutical (Bangladesh) Limited
Statement of profit or loss and other comprehensive income
For the year ended 31 March 2026

Particulars	Notes	01 April 2025 to 31 March 2026	01 April 2024 to 31 March 2025
Revenue		**1,418,058,991**	**2,713,562,182**
Net sales revenue	**21.00**	1,418,058,991	2,713,562,182
Less: Expenditures		**1,872,253,209**	**2,240,106,268**
Cost of materials	**22.00**	579,324,266	1,102,093,906
Changes in inventory of finished goods and WIP	**23.00**	59,784,762	1,900,673
Operating and other expenses	**24.00**	243,403,016	333,004,141
Selling, marketing and distribution expenses	**25.00**	688,799,969	757,225,635
Depreciation and amortization	**26.00**	300,941,196	45,881,913
Profit From Operations		**(454,194,218)**	**473,455,914**
Other Income/(Expenses)	**27.00**	24,972,203	59,781,353
Add: Interest income/(expense) - lease liability	**28.00**	932,993	(5,331,665)
Less: Finance cost	**29.00**	(29,040,476)	-
Profit before income tax		**(457,329,498)**	**527,905,602**
		(4,519,685)	**154,726,856**
Income tax expenses	**30.00**	69,459,990	171,590,007
Deferred tax income	**31.00**	(73,979,675)	(16,863,151)
Net profit after income tax		**(452,809,813)**	**356,315,594**
Other comprehensive income		-	
Total comprehensive income		**(452,809,813)**	**356,315,594**

These financial statements should be read in conjunction with the annexed notes.

Managing Director **Company Secretary** **Director**

As per our annexed report of same date.

Dated: 29 April 2026
Dhaka.

Ahmed Mashuque & Co.,
Chartered Accountants
FRC Enlistment No: CAF-001-1

Jahangir Hussain FCA
Partner
Enrolment Number-1960
DVC: 2604301960AS857679

Sun Pharmaceutical (Bangladesh) Limited
Statement of changes in equity
For the year ended 31 March 2026

Amount in Taka

Particulars	Share capital	Share money deposits	Retained Earnings	Total
Balance as at 01 April 2024	**60,000,000**	**56,929,462**	**3,202,970,174**	**3,319,899,636**
Total comprehensive income	-	-	373,178,745	373,178,745
Balance as at 31 March 2025	**60,000,000**	**56,929,462**	**3,576,148,919**	**3,693,078,381**
Balance as at 01 April 2025	**60,000,000**	**56,929,462**	**3,576,148,919**	**3,693,078,381**
Total comprehensive income	**-**	**-**	(452,809,813)	(452,809,813)
Balance as at 31 March 2026	**60,000,000**	**56,929,462**	**3,123,339,106**	**3,240,268,568**

These financial statements should be read in conjunction with the annexed notes.

Managing Director **Company Secretary** **Director**

Dated: 29 April 2026
Dhaka.

Sun Pharmaceutical (Bangladesh) Limited
Statement of cash flows
For the year ended 31 March 2026

	Amount in Taka	
Particulars	**01 April 2025 to 31 March 2026**	**01 April 2024 to 31 March 2025**
Cash flows from operating activities		
Receipts from customers	1,556,908,635	2,857,061,962
Payments to suppliers and others	(2,107,357,672)	(2,175,741,168)
Income tax paid	(57,891,576)	(211,565,585)
Net cash generated from/(used in) operating activities (A)	**(608,340,613)**	**469,755,208**
Cash flows from investing activities		
Acquisition of property, plant and equipment and CWIP	(3,360,740)	(1,855,032)
Loan to subsidiary	(591,708,700)	(1,162,500,000)
Sale proceeds from property, plant and equipment	4,180,444	1,068,359
Net cash prvided by/(used in) investing activities (B)	**(590,888,996)**	**(1,163,286,673)**
Cash flows from financing activities		
Short term loan received	850,000,000	-
Net cash used in financing activities (C)	**850,000,000**	**-**
Net changes in cash and cash equivalents (A+B+C)	**(349,229,609)**	**(693,531,465)**
Cash and cash equivalents at the beginning of the year	548,965,853	1,242,497,316
Cash and cash equivalents at the end of the year	**199,736,244**	**548,965,851**

These financial statements should be read in conjunction with the annexed notes.

Managing Director **Company Secretary** **Director**

Dated: 29 April 2026
Dhaka.

Sun Pharmaceutical (Bangladesh) Limited
Notes, comprising significant accounting polices and other explanatory information
as at and for the period ended 31 March 2026

1.00 Company profile

1.01 Legal status of the company

Sun Pharmaceutical (Bangladesh) Limited is a private limited company incorporated in 2001 in Bangladesh under the Companies Act, 1994 with an authorized capital of Tk. 60 millions divided into 600,000 ordinary shares of Tk 100 each. During the year 2005-06, Company had increased its authorized capital from Tk. 60 millions to Tk 500 millions. The company was formed jointly with Sun pharmaceutical Industries Limited (SPIL), a company incorporated in India, City Overseas Limited (COL), a company incorporated in Bangladesh and Sun Pharma Holdings (earstwhile Nogad Holdings), a company incorporated in Mauritius.

1.02 Address of the Registered office

The registered office of the Company is located at Chandana, Joydevpur, Gazipur.

1.03 Nature of business

The company produces various pharmaceutical products, which are sold in the local market.

2.00 Basis of preparation

2.01 Statement of compliance

These financial statements have been prepared and the disclosure of information are made in accordance with International Accounting Standards (IASs) and the International Financial Reporting Standards (IFRSs) as adopted in Bangladesh by Financial Reporting Council (FRC), the Companies Act, 1994 and other relevant local Laws as applicable. The statement of financial position and the statement of profit or loss and other comprehensive income have been prepared according to International Accounting Standards *(IASs) 1: "Presentation of Financial Statements"* on accrual basis of accounting following going concern assumption under generally accepted accounting principles.

Application of International Accounting Standards (IASs) and International Financial Reporting Standards (IFSRs)

IASs or IFRSs No.	Name of IASs or IFRSs
IAS-1	Presentation of Financial Statements
IAS-2	Inventories
IAS-7	Statement of Cash Flows
IAS-8	Accounting Policies, Changes in Accounting Estimates and
IAS-10	Events After the Reporting Period
IAS-12	Income Taxes
IAS-16	Property, Plant and Equipment
IAS-19	Employee Benefits
IAS-21	The Effects of Changes in Foreign Exchange Rates
IAS-24	Related Party Disclosures
IAS- 32	Financial Instruments: Presentation
IAS- 36	Impairment of Assets
IAS-37	Provisions, Contingent Liabilities and Contingent Assets
IAS-39	Financial Instruments: Recognition and Measurement
IFRS-7	Financial Instruments: Disclosures
IFRS-9	Financial Instruments
IFRS-13	Fair Value Measurement
IFRS-15	Revenue from Contracts with Customers
IFRS-16	Leases

2.02 Reporting period

The financial period of the company has been determined to be from April 01 to March 31 each year. These financial statements cover one year from 01 April 2025 to 31 March 2026.

2.03 Basis of accounting

The financial statements have been prepared under the accrual basis of accounting.

2.04 Going concern

The financial statements have been prepared on going concern basis. As per the management assessment, there is no material uncertainties related to events or conditions which may cast significant doubt upon the Companie's ability to continue as a going concern.

2.05 Basis of measurement

The financial statements have been prepared under the historical cost convention.

2.06 Date of authorization for issue of financial statements

On 29 April 2026 the Board of Directors reviewed the financial statements and authorized for issue.

2.07 Use of estimates and judgment

The preparation of the financial statements in conformity with International Financial Reporting Standards (IFRSs) requires management to make judgment, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual result may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the year in which the estimates are revised and in any future periods affected.

Judgments

Information about judgments made in applying accounting policies that have most significant effect on the amount recognized in the financial statements is included in the following notes:

Note # 3.01	Depreciation
Note # 3.04	Inventories

Assumption and estimation uncertainties

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year is included in the following notes:

Note	
	Deferred tax liabilities
18	Trade payable and liability for expenses
	Current tax liabilities

2.08 Functional and presentational currency and level of precision

The financial statements are presented in Bangladesh; Taka (BDT) currency, which is the Company's functional currency. All financial information presented in BDT has been rounded off to the nearest Taka.

3.00 Significant accounting policies

3.01 Property, plant and equipment

a) Recognition and measurement

Property, plant and equipment are stated at cost net of accumulated depreciation. Cost includes expenditures that are directly attributable to the acquisition of the assets.

b) Subsequent cost

The cost of replacing component of an item of property, plant and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits are embodied within the component will flow to the company and its cost can be measured reliably. The costs of the day to day servicing of property, plant and equipment are recognized in the statement of profit or loss and other comprehensive income as incurred.

c) Depreciation

Depreciation is provided to amortise the cost of the assets after commissioning, over the period of their expected useful lives in accordance with IAS-16. Depreciation on assets is charged from the day in which the asset is brought into use under straight-line basis at the following rates:

Leasehold land	2.51%
Factory building	1.63%
Plant and machinery	4.75%
Motor vehicle/motor cycle	16.21%
Equipments	4.75%
Computer erquipment	4.75%
Furniture and fixtures	6.33%

d) Retirements and Disposals

On disposal of property, plant and equipment the cost and accumulated depreciation are eliminated and gain or loss on such disposal is reflected in the income statement, which is determined with reference to the net book value of the assets and net sales proceeds.

3.02 Right-of-use assets and lease liability

IFRS 16 introduces a single, on-balance sheet lease accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard – i.e. lessors continue to classify leases as finance or operating leases.

IFRS 16 replaces existing leases guidance, including IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases – Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

Recognition

A right-of-use asset and a lease liability is recognized by the company at the commencement date.

Measurement

Initial measurement of the right-of-use asset

At the commencement date, the right-of-use asset are measured at cost.

Initial measurement of the lease liability

At the commencement date, the lease liabilities are measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the *interest rate implicit in the lease/incremental borrowing rate* which is 10%.

Subsequent measurement of the right-of-use asset

After the commencement date, the right-of-use asset are measured applying a cost model.

Cost model

To apply a cost model, a lessee shall measure the right-of-use asset at cost:

a) Less any accumulated depreciation and any accumulated impairment losses; and

b) Adjusted for any remeasurement of the lease liability.

The straight-line depreciation is applying as per requirements in IAS-16: "*Property, Plant and Equipment" is applied in* depreciating the right-of-use asset.

IAS-36: "*Impairment of Assets" is applied to* determine whether the right-of-use asset is impaired and to account for any impairment loss identified.

Subsequent measurement of the lease liability

After the commencement date, the lease liabilities are measured by:

(a) Increasing the carrying amount to reflect interest on the lease liability.

(b) Reducing the carrying amount to reflect the lease payments made; and

(c) Remeasuring the carrying amount to reflect any reassessment or lease modifications, or to reflect revised in-substance fixed lease payments

3.03 Investment

Investment are measured at cost value.

3.04 Inventories

Inventories are stated at the lower of cost and their corresponding net realisable value in accordance with IAS-2 "Inventories". Method used for valuation of inventory of Raw and Packing material is Specific identification method. Cost of finished stocks and work in progress are arrived by using weighted average method including allocation of manufacturing overheads related to bringing the inventories to their present condition. Net realisable value is based on estimated selling price less any further costs expected to be incurred to make the sale.

3.05 Trade and other receivables

Trade and other receivables are stated net of provisions.

3.06 Statement of cash flows

Statement of cash flows is prepared in accordance with IAS-7: "Statement of cash flows" under direct method.

3.07 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, bank deposits and investment in fixed deposit which were held and available for use by the company without any restriction.

3.08 Payables and accruals

Liabilities are recognized for amounts to be paid in future for goods and services received whether or not billed to the company.

3.09 Provisions

In accordance with the guidelines as prescribed by IAS-37: "*Provisions, Contingent Liabilities and Contingent Assets"* provisions are recognised when all the following criteria are met :

- When the company has a present obligation as a result of past event;
- When it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- Reliable estimate can be made of the amount of the obligation.

3.10 Revenue recognition

IFRS 15 provides a single, principles-based approach to the recognition of revenue from all contracts with customers. It focuses on the identification of performance obligations in a contract and requires revenue to be recognized when or as those performance obligations are satisfied.

'The new standard is based on A new five-step process must be applied before revenue from contract with customer can be recognized:

i. Identify the contracts with customers;
ii. Identify the separate performance obligation;
iii. Determine the transaction price of the contract;
iv. Allocate the transaction price to each of the separate performance obligations; and
v. Recognize the revenue as each performance obligation is satisfied.

3.11 Foreign currency translations

Transactions denominated in foreign currencies are translated into Bangladesh taka at the rate of exchange ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Bangladesh taka at the exchange rates ruling at the Statement of financial position. Non monetary assets and liabilities denominated in foreign currencies, which are stated at historical cost, are translated into Bangladesh taka at the exchange rate ruling at the date of the transaction. Foreign exchange differences arising on translation are recognized in the Statement of profit or loss and other comprehensive income.

3.12 Income tax expenses

Income tax expenses comprises current and deferred tax. current tax and deferred tax is recognised in profit or loss except to the extent that its relates to items recognised directly in equity in which case it is recognized in equity.

Current tax:

Income tax expense is recognized in the Statement of profit or loss and other comprehensive income as per the Income Tax Act,2023.

Deferred tax:

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

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised for tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.13 Earning per share

The Company calculates its earnings per share in accordance with IAS-33: "Earning per Share" which has been shown on the face of Statement of profit or loss and other comprehensive income.

Basic earnings

This represents earnings for the year attributable to ordinary shareholders. As there were no preference shares requiring returns or dividends, minority interest or extraordinary items, the net profit after tax for the year has been considered as fully attributable to the ordinary shareholders.

Basic earnings per share

This has been calculated by dividing the basic earnings by the weighted average number of ordinary shares outstanding during the year.

Diluted earnings per share

No diluted EPS is required to be calculated for the year as there was no scope for dilution during the year under review.

3.14 Employees' benefit schemes

The company maintains both defined contribution plan and defined benefit plan for its eligible permanent employees. The eligibility is determined according to the terms and conditions set forth in the respective deeds.

The company has accounted for and disclosed employee benefits in compliance with the provisions of IAS-19: "Employee Benefits". The cost of employee benefits is charged off as revenue expenditure in the period to which the contributions relate.

3.15 Events after the reporting date

In accordance with IAS-10: "Events after the reporting period", amount recognized in the financial statements are adjusted for event after the reporting period that provide additional evidence of conditions that existed at the end of the reporting period. No adjustment is given in the financial statements for event after the reporting period that are indicative of conditions that arose after the reporting period. Material non-adjusting events are disclosed in the financial statements.

3.16 Contingent liabilities and assets

Contingent liabilities and assets are current or possible obligations or assets, arising from past events and whose existence is due to the occurrence or non-occurrence of one or more uncertain future events which are not within the control of the company. In accordance with IAS-37: "Provision, Contingent Liabilities and Contingent Assets", they are disclosed in the notes to the financial statements.

3.17 Financial risk management policies

The management of the company has the overall responsibility for the establishment and oversight of the company’s risk management framework. Financial risk management policies require establishing standard procedures to identify and analyze the main risks to which the company is exposed and continually deploying and managing risk management systems designed to eliminate or reduce the probability that risks will arise and to limit their impact.

The company is exposed to credit risk, liquidity risk and market risk.

3.18 Comparative figures

Comparative information has been disclosed in respect of the previous year for all numerical information in the financial statements and also the narrative and descriptive information when it is relevant for understanding of the current year financial statements.

Previous year’s figure has been re-arranged whenever considered necessary to ensure comparability with the current year’s presentation as per IAS-8: "Accounting Policies, Changes in Accounting Estimates and Errors".

Sun Pharmaceutical (Bangladesh) Limited
As at 31 March 2026

4.00 Property, plant and equipment

Amount in Taka

Sl.	Name of assets	Cost				Depreciation					Amortization during the year	Carrying value
		Balance as at 01 April 2025	Addition during the year	Disposal during the year	Balance as at 31 March 2026	Rate	Balance as at 01 April 2025	Charged during the year	Disposal during the year	Balance as at 31 March 2026		As at 31 March 2026
1	Leasehold Land	33,000	-	-	33,000	2.51%	20,090	810		20,900	10,450	1,650
2	Factory building	123,235,703	-	18,523	123,217,180	1.63%	29,804,246	2,080,339	2,615	31,881,970	85,174,351	6,160,859
3	Plant & machinery	432,669,027	-	-	432,669,027	4.75%	235,242,868	19,732,416		254,975,284	156,060,291	21,633,451
4	Motor Vehicles/Motor Cycles	57,998,876	-	13,323,079	44,675,798	16.21%	27,157,962	4,568,497	7,617,130	24,109,329	-	20,566,469
5	Equipemnts	28,503,880	-	-	28,503,880	4.75%	10,396,028	1,423,684		11,819,712	14,900,841	1,783,326
6	Computer equipment	21,695,760	150,527	2,430,199	19,416,086	4.75%	18,076,843	1,973,896	2,425,310	17,625,429	-	1,790,656
7	Furniture and fixture	15,559,818	-	253,184	15,306,634	6.33%	7,625,756	1,047,685	253,184	8,420,257	6,121,046	765,332
	As at 31 March 2026	**679,696,064**	**150,527**	**16,024,985**	**663,821,605**		**328,323,792**	**30,827,327**	**10,298,239**	**348,852,880**	**262,266,980**	**52,701,744**
	As at 31 March 2025	**696,236,409**	**-**	**16,540,345**	**679,696,064**		**309,422,764**	**34,373,014**	**15,471,986**	**328,323,792**	**-**	**328,323,792**

		Amount in Taka	
		31 March 2026	31 March 2025
5.00	**Capital work-in-progress**		
	Opening balance	1,855,032	-
	Addition during the year	3,360,740	1,855,032
	Closing balance	**5,215,772**	**1,855,032**
6.00	**Long term deposits**		
	Opening balance	15,075,000	15,102,500
	Addition during the year	1,727,919	-
	Less: Paid during the year	-	(27,500)
	Closing balance	**16,802,919**	**15,075,000**
7.00	**Loan to Sun Pharmaceuticals (EZ) Limited**		
	Opening balance	3,200,120,000	2,037,620,000
	Addition during the year	591,708,700	1,162,500,000
		3,791,828,700	**3,200,120,000**

The amount has been paid through banking channel

8.00	**Right-of-use asset**		
	Opening Balance	42,178,530	20,808,591
	Addition during the year	16,064,445	30,024,049
	Disposal during the year	(16,373,977)	-
	Depreciation during the year	(7,846,889)	(8,654,109)
	Closing balance	**34,022,109**	**42,178,530**
9.00	**Investment in shares**		
	Sun Pharmaceuticals (EZ) Limited	59,999,900	59,999,900
		59,999,900	**59,999,900**

SPBL has invested as capital contribution of 99.99% of total shares (i.e. 599,999 ordinary shares @ 100/- taka each) of Sun Pharmaceuticals (EZ) Ltd., registered in RJSCB under the Companies Act (Act XVIII) of 1994. Sun Pharmaceuticals (EZ) Ltd is a subsidiary of Sun Pharma group and ultimate parent company is Sun Pharmaceutical Industries Limited, India , registered in India.

10.00	**Inventories**			
	Finished products - depot & factory		185,624,029	212,301,264
	Raw materials		19,188,070	462,759,847
	Packing materials		92,330	34,948,761
	Work in progress		2,729,356	35,836,883
	Stores and spares		1,169,598	3,422,603
			208,803,383	**749,269,358**
11.00	**Trade and other receivables**			
	Trade receivables		121,308,265	214,417,071
	Interest receivable		-	20,768,635
			121,308,265	**235,185,706**
12.00	**Advances and prepayments**			
	Advances:			
	Advance VAT on depots stock		-	66,926,647
	Advance to suppliers and others		49,569,352	35,779,429
			49,569,352	**102,706,075**
	Prepayments:			
	Prepaid expenses		1,960,153	12,948,252
			1,960,153	**12,948,252**
	Total		**51,529,504**	**115,654,328**
13.00	**Cash and cash equivalents**			
	Cash in hand		2,407,080	2,938,163
	Cash at bank :	Note 13.01	196,771,732	66,088,974
	Margin money		-	29,381,284

	Amount in Taka	
	31 March 2026	31 March 2025
Fixed deposit	557,432	450,557,432
	199,736,244	**548,965,853**

	Amount in Taka	
	31 March 2026	**31 March 2025**
13.01 Current account		
Eastern Bank Ltd. (C/A # 0104-106-0005667)	2,435,430	9,049,651
Standard Chartered bank (C/A # 0111-8462001)	49,070,575	48,177,950
Dutch-Bangla Bank Limited (C/A # 138-110-1281)	4,403,335	1,008,406
Standard Chartered bank (Ac/No # 32-118462001)	2,468,338	497,449
Citi bank N.A. (C/A # 0200352009)	136,471,747	2,003,784
Citi bank N.A. (C/A # 0200352017)	90,000	90,000
State Bank of India (C/A # 05120686920201)	1,277,903	3,501,604
DHAKABANK_1201540000059	554,403	1,760,130
	196,771,732	**66,088,974**

14.00 Share capital

Authorized share capital :		
5,000,000 Ordinary shares of Tk 100 each	**500,000,000**	**500,000,000**
Issued, subscribed and paid-up:		
600,000 Ordinary shares of Tk 100 each	**60,000,000**	**60,000,000**

Shareholding position of the company is as follows:

	31-Mar-26		31-Mar-25	
	Nominal value (Tk)	% of present holding	Nominal value (Tk)	% of present holding
Sun Pharmaceutical Industries Limited, India	43,446,900	72.41	43,446,900	72.41
City Overseas Limited	16,500,000	27.50	16,500,000	27.50
Sun Pharma Holdings	53,100	0.09	53,100	0.09
	60,000,000	**100**	**60,000,000**	**100**

15.00 Share money deposits

Sun Pharmaceutical Industries Limited, India	38,213,466	38,213,466
City Overseas Limited	18,702,944	18,702,944
Sun Pharma Holdings	13,052	13,052
	56,929,462	**56,929,462**

16.00 Deferred tax liabilities

Deferred tax has been recognized and measured in accordance with the provision of IAS-12: "Income Taxes'

Name of assets	Carrying amount as at 31 March 2026	Tax base 31 Mar 2026	Taxable/ (deductible) Temporary difference
Factory building	6,160,859	20,765,328	(14,604,469)
Plant and Machinery	21,633,451	68,218,181	(46,584,730)
Motor Vehicles/Motor Cycles	20,566,469	11,085,469	9,480,999
Equipments	1,783,326	7,353,758	(5,570,432)
Computer Equipment	1,790,656	109,229	1,681,427
Furniture and Fixtures	765,332	5,048,276	(4,282,944)
Property, plant and equipment	**52,700,094**	**112,580,242**	**(59,880,149)**
Total Taxable temporary difference			**(59,880,149)**
Tax rate			27.50%
Deferred tax liability/ (assets) on temporary difference			**(16,467,041)**

Closing Deferred tax (assets)/ liability	(16,467,041)	57,512,634
Opening Deferred tax (assets)/ liability	57,512,634	74,375,785
Deferred tax expense/(income)	**(73,979,675)**	**(16,863,151)**

17.00 Lease liability

Non current liabiility	30,558,050	40,857,765
Current liability	6,748,928	8,069,531
Total	**37,306,978**	**48,927,296**

Movement of lease liability as follows

	Amount in Taka	
	31 March 2026	31 March 2025
Opening lease liability	48,927,296	26,021,573
Addition during the year	16,064,445	30,024,049
Disposal during the year	(16,373,977)	-
Interest (income)/expense on lease liability	(932,993)	5,331,665
Actual rent paid during the year	(10,377,794)	(12,449,990)
Closing balance	**37,306,978**	**48,927,296**

			Amount in Taka	
			31 March 2026	31 March 2025
18.00	**Trade payable and liability for expenses**			
	Management fee payable		89,247,057	638,022,024
	Trade and other payable		96,325,745	511,179,272
	Other liabilities	Note: 18.01	254,337,416	407,790,164
			439,910,218	**1,556,991,461**
18.01	**Other liabilities**			
	Outstanding expenses		287,939,060	361,882,631
	VAT current account		(33,601,644)	45,907,533
			254,337,416	**407,790,164**
19.00	**Term loan**			
	Citibank N.A		850,000,000	-
			850,000,000	**-**

Term loan has been received from Citibank N.A. bearing interest rate 10.50%. The loan has been taken for working capital. As per term loan agreement, loan shall be repaid along with interest by eight (8) installments from the date of disbursement.

20.00	**Net current tax liability /(Net Advance Income Tax)**			
	Provision for income tax	Note: 20.01	384,372,686	326,480,139
	Advance income tax	Note: 20.02	393,442,869	363,313,931
			(9,070,183)	**(36,833,793)**
20.01	**Provision for income tax**			
	Opening balance		326,480,139	315,773,343
	Provision made during the year		57,892,547	171,590,007
	Adjustment during the year		-	(160,883,211)
	Closing balance		**384,372,686**	**326,480,139**
20.02	**Advance income tax**			
	Opening balance		363,313,932	312,631,557
	Add: Addition during the year		30,128,937	211,565,586
	Adjustment during the year		-	(160,883,211)
	Closing balance		**393,442,869**	**363,313,931**

			Amount in Taka	
			01 April 2025 to 31 March 2026	01 April 2024 to 31 March 2025
21.00	**Net sales revenue**			
	Sale of manufactured goods		1,418,058,991	2,713,562,182
	Total		**1,418,058,991**	**2,713,562,182**
22.00	**Cost of materials**			
	Raw material consumed	Notes: 22.01	540,913,626	1,041,181,325
	Packing material consumed	Notes: 22.02	38,410,640	60,912,581
	Cost of materials		**579,324,266**	**1,102,093,906**
22.01	**Raw material consumed**			
	Opening inventory		462,759,847	256,486,346
	Add: Addition during the year-RM		97,341,849	1,247,454,826
	Less: Closing inventory		(19,188,070)	(462,759,847)
			540,913,626	**1,041,181,325**
22.02	**Packing material consumed**			
	Opening inventory		34,948,761	33,169,586
	Add: Addition during the year-PM		3,554,209	62,691,757
	Less: Closing inventory		(92,330)	(34,948,761)
			38,410,640	**60,912,581**
23.00	**Changes in inventory of finished goods and WIP**			
	Opening finished goods -depot & factory		212,301,264	214,275,840
	Closing finished goods -depot & factory		(185,624,029)	(212,301,264)
	Opening work in progress		35,836,883	35,762,980
	Closing work in progress		(2,729,356)	(35,836,883)
			59,784,762	**1,900,673**
24.00	**Operating and other expenses**			
	Stores and spares consumed		6,124,459	15,626,791
	Conversion and other manufacturing charges		9,584,342	17,810,155
	Electricity, Gas and other Utilities		21,813,193	33,719,581
	Bank charges		266,564	831,482
	License fees		1,364,019	612,100
	Management fees (Royalty fee)		84,745,502	162,298,558
	Rent		1,105,569	3,678,588
	Insurance		10,994,652	15,701,304
	Repairs and maintenance-building		614,571	761,191
	Repairs and maintenance-plant and machinery		6,145,204	16,946,950
	Repairs/Maintenance- Others		6,698,694	4,838,884
	Printing and stationery		4,068,796	1,705,121
	Telephone , internet and mobile		788,672	1,626,539
	Briefing materials & stationery		18,776	197,773
	Statutory audit fees		250,000	311,333
	Loss on expiry of prohance		42,936,928	-
	Professional and consultancy fees		2,332,526	2,925,214
	Security services		4,727,763	5,836,433
	Entertainment		1,511,897	3,195,016
	Manpower supply service		36,138,511	42,817,414
	Miscellaneous expenses		1,156,471	631,118
			243,403,016	**333,004,141**

		Amount in Taka	
		01 April 2025 to 31 March 2026	01 April 2024 to 31 March 2025
25.00	**Selling, marketing and distribution expenses**		
	Drug testing fees/license fees	4,382,495	11,238,838
	Insurance	2,305,380	3,362,715
	Sales promotion expenses	38,189,144	40,867,278
	Depot conveyance expenses	14,270,649	19,112,253
	Knowledge update expenses	230,116,410	271,418,787
	Distribution service charge	215,397,844	248,980,632
	Briefing materials & stationery	21,227,900	17,289,523
	Training expenses	70,061,406	55,791,992
	Breakage,expiry and samples	35,791,843	28,018,144
	Entertainment	9,065,713	10,570,571
	Legal and consultancy fees	47,892,759	50,482,528
	Miscellaneous expenses	98,425	92,374
		688,799,969	**757,225,635**
26.00	**Depreciation and amortization**		
	Depreciation on property plant and equipı (Notes-4)	30,827,327	34,373,014
	Amortization on property plant and equipı (Notes-4)	262,266,980	-
	Depreciation on Right-of-use assets (RoU)	7,846,889	11,508,899
		300,941,196	**45,881,913**

Assets are old and depreciation charged througout the previous years was lower than required. As per prevalent company practice, machines are valued @5%. It is a change in estimated life of machines.

27.00	**Other Income/(Expenses)**		
	Interest income	19,520,754	59,487,294
	Gain/(Loss) on sale of Fixed Assets	4,180,444	(138,762)
	Scrap Sales	1,271,005	432,820
		24,972,203	**59,781,353**
28.00	**Interest income/(expense) - lease liability**	932,993	(5,331,665)
		932,993	**(5,331,665)**
29.00	**Financial expenses**		
	Bank loan processing charge	11,977,976	-
	Interest on term loan	17,062,500	-
		29,040,476	**-**
30.00	**Income tax expenses**		
	Current tax	57,892,547	171,590,007
	Income tax for AY 2020-2021	11,567,443	-
		69,459,990	**171,590,007**
31.00	**Deferred tax income**		
	Closing deferred tax assets	16,467,041	57,512,634
	Opening deferred tax liability	(57,512,634)	74,375,785
	Changes in deferred tax assets/ (liability)	**73,979,675**	**(16,863,151)**
32.00	**Capacity utilization**	**31-Mar-26**	**31-Mar-25**
	Installed capacity (tablets/capsules) in pieces	363,000,000	363,000,000
	Utilized capacity (tablets/capsules) in pieces	167,229,849	321,595,864
	Percentage of utilization (%)	**46.07%**	**88.59%**

33.00 Information relating to consumption of materials

	Amount in Taka			
			01 April 2025 to 31 March 2026	01 April 2024 to 31 March 2025
	01 April, 2025 to 31 March, 2026		01 April, 2024 to 31 March, 2025	
	Quantity Kg	Value Taka	Quantity Kg	Value Taka
Raw materials & packing materials	104,606	615,161,149	205,148	915,429,764

32.00 Value of imports calculated on CIF basis

During the year, the company imported the following items in foreign currencies including in transit :

Particulars	Currency	31-Mar-2026		31-Mar-2025	
		Foreign currency	Equivalent Taka	Foreign currency	Equivalent Taka
Raw materials and Packing materials	USD USD	879,837	107,756,048	8,128,446	966,412,514
Capital machinery and spare parts & lab chemical	USD	27,547	3,360,740	48,277	5,849,658
Total		**907,384**	**111,116,788**	**8,176,724**	**972,262,172**

	Amount in Taka	
	31-Mar-26	**31-Mar-25**
33.00 Basic earnings per share (EPS)		
Profit after tax	(452,809,813)	266,225,548
Number of shares	600,000	600,000
EPS	**(754.68)**	**443.71**
34.00 Contingent liability		
(a) Bank guarantee	557,432	2,557,432
(b) Letter of credit	-	34,252,663
	557,432	**36,810,095**

34.01 (a) The company has a contingent liability aggregating guarantees issued by the banker on behalf of the Company Tk. 557,432.

35.00 Financial risk management objective and policies

The Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board is responsible for developing and monitoring the Company's risk management policies.

35.01 Credit risk

Credit risk represents the accounting loss that would be recognized at the reporting date if counter parties fail completely to perform as contracted. It mainly comprises of Trade and other receivables, bank balances and Advances, deposits and prepayments (except receivable from Govt.). The Company's maximum exposure to credit risk at the reporting date is as follows:

	Notes	Amounts in taka	
		31/Mar/26	**31/Mar/25**
Trade and other receivables	11.00	121,308,265	235,185,706
Cash and cash equivalents (except cash in ha	13.00	199,736,244	548,965,853
Advances, deposits and prepayments (except receivable from Govt.)	12.00	51,529,504	115,654,328
		372,574,013	**899,805,887**

The aging of trade receivables at the reporting date is as follows:

	Amount in Taka	
	31-Mar-26	**31-Mar-25**
Due over twelve months	-	60,452,327
Due over six months	48,774,567	466,747
Due below six months	78,263,681	159,227,980
	127,038,248	**220,147,054**
Less: Provision for doubtful debts	5,729,983	5,729,983
	121,308,265	**214,417,071**

To mitigate the credit risk against trade receivables, the company has a system of specific credit line period to the parties. This outstanding period and amount are regularly monitored. The Company endeavors to cover the credit risks on all receivables, where possible, by restricting credit facility and stringent monitoring.

35.02 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The table below summarises the Company's financial liabilities as at the reporting date.

Trade payable and liability for expenses	18.00	439,910,218	1,556,991,461
Current tax liabilities	20.01	57,892,547	-
		497,802,764	**1,556,991,461**

Maintaining sufficient cash, the availability of funding through an adequate amount of committed bank facilities, the company manages the liquidity risk.

35.03 Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices such as foreign exchange rates, interest rates and other price risks. The objective of market risk management is to manage and control market risk exposures within an acceptable range.

Foreign currency risk

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to company's operating activities with the foreign suppliers.

The Company's exposure to foreign currency risk in major currencies at their gross values is as follows:

	Foreign currency	Amounts in BDT	
		31-Mar-25	**31-Mar-24**
Current liabilities	EURO	-	-
	POUND	-	-
	USD	79,514	8,455,699

The Company did not experience with any unusual profit or loss causing from foreign exchange fluctuation till date.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rate relates primarily to the Company's short-term deposits.

At the reporting date, the average interest rate of the Company's investment in Fixed Deposit was as follows:

	Effective rates %		Amounts in tk	
	31-Mar-26	**31-Mar-25**	**31-Mar-26**	**31-Mar-25**
Investment in Fixed Deposit	0.50% - 5.00%	0.50% - 5.00%	557,432	450,557,432
			557,432	**450,557,432**

Other price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk and currency risk). The Company is not exposed to any equity price risk, as the Company does not have any investment in equity shares. The Company also is not exposed to commodity price risk.

36.00 Related party disclosures

(a) Related party transactions

During the year, the company made a number of transactions with related party in the normal course of business. Name of the related party, nature of those transactions and total value have been set out in accordance with the provisions of IAS-24: "Related Party Disclosures".

Name of the related party transaction	Nature of transaction	Relationship	Opening balance as on 01 April 2025	Transaction value		Closing balance as on 31 March 2026
				DR	CR	
Sun Pharmaceutical Industries Limited, India	Raw materials	Parent company	-	123,538,554	128,040,109	4,501,555
	Management fees (Royalty fee)		638,022,024	759,859,729	206,583,207	84,745,502
Sun Pharmaceuticals (EZ) Limited.	Loan	Subsidiary	3,200,120,000	975,515,700	383,807,000	3,791,828,700

(b) Compensation of Key Management Personnel

The following disclosures are made in accordance with the provisions of IAS-24: "*Related Party Disclosures*", in respect of the compensation of key management personnel. Under IAS-24, 'Key Management Personnel' are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including any directors (whether executive or otherwise) of the entity. The transactions of the current members of the Board of Management is set out below.

Name of the related party transaction	Nature of transaction	Relationship	Opening balance as on 01 April 2025	Transaction value		Closing balance as on 31 March 2026
				DR	CR	
Mr. Sukumar Ranjan Ghosh	Factory Land Rent	Director	-	1,721,514	2,032,425	310,911
Mrs. Abha Rani Ghosh	Factory Land Rent	Spouse of Director	-	2,065,815	2,438,907	373,092