Annual Financial Statements

Management Report

and Auditor's Report

for the fiscal year from April 1, 2025, to March 31, 2026

of

Sun Pharmaceuticals Germany GmbH, Leverkusen

TRANSLATED VERSION OF THE GERMAN ORIGINAL

Sun Pharmaceuticals Germany GmbH, Leverkusen
Balance Sheet as at March 31, 2026

A S S E T S	€	31.03.2026 €	Previous year €
A. Fixed Assets			
I. Intangible fixed assets			
1. Purchased software	28.000,00		40.000,00
2. Prepayments	0,00		0,00
		28.000,00	40.000,00
II. Tangible fixed assets			
1. Other equipment, furniture and fixtures	0,00		0,00
2. Prepayments	0,00		0,00
		0,00	0,00
B. Current Assets			
I. Inventories			
Merchandise		24.540.767,51	16.944.550,31
II. Receivables and other assets			
1. Trade receivables	10.536.142,59		9.750.617,72
2. Receivables due from related companies	234.103,49		0,00
3. Other assets	418.188,40		78.651,74
		11.188.434,48	9.829.269,46
III. Cash on hand and bank balances		394.623,13	1.393.346,27
C. Prepaid expenses		0,00	57.521,91
		36.151.825,12	**28.264.687,95**

E Q U I T Y A N D L I A B I L I T I E S	€	31.03.2026 €	Previous year €
A. Equity			
I. Subscribed capital	25.000,00		25.000,00
II. Capital reserve	0,00		0,00
III. Retained earnings brought forward	1.767.371,92		698.719,28
IV. Annual net income	644.994,88		1.068.652,64
		2.437.366,80	1.792.371,92
B. Provisions / accruals			
1. Provisions for taxes	204.754,42		214.701,42
2. Other provisions	13.789.507,12		17.861.546,12
		13.994.261,54	18.076.247,54
C. Liabilities			
1. Trade payables	2.171.040,73		1.365.951,45
2. Liabilities due to related companies	16.706.214,34		6.774.091,01
3. Other liabilities	842.941,71		256.026,03
- thereof from taxes € 805.429,39 (Previous year: € 245.880,95) - thereof from social security € 12.917,00 (Previous year: € 9564,28)			
		19.720.196,78	8.396.068,49
		36.151.825,12	**28.264.687,95**

Sun Pharmaceuticals Germany, Leverkusen

Income Statement
for the period from April 1, 2025 bis March 31, 2026

			2025/26	Previous year
		€	€	€
1.	Gross profit		14.144.415,59	9.439.345,46
2.	Personnel expenses			
	a) Wages and salaries	-1.548.387,26		-895.290,69
	b) Social security, post-employment and other employee benefit costs	-343.193,33		-226.902,53
	- thereof for pensions: € 139.210,77 (Previous year: € 139.434,18)-			
			-1.891.580,59	-1.122.193,22
3.	Amortisation of intangible and depreciation of tangible fixed assets		-12.000,00	-12.000,00
4.	Other operating expenses		-11.452.348,23	-7.151.847,28
	-thereof expenses from currency translation: € 439.686,31 (Previous year: € 683.384,60)-			
5.	Other interest and similar income		73.312,86	165.552,26
6.	Interest and similar expenses		-387,00	-3.492,87
7.	Taxes on income		-280.351,67	-246.711,71
8.	Result after taxes		581.060,96	1.068.652,64
9.	Other taxes		63.933,92	0,00
10.	Net income		644.994,88	1.068.652,64

Sun Pharmaceuticals Germany GmbH, Leverkusen

Changes in fixed assets in fiscal year 2025/26

	Acquisition and production costs				Accumulated amortisation / depreciation				Net book value	
	As of 01.04.2025	Additions	Disposals	As of 31.03.2026	As of 01.04.2025	Additions	Disposals	As of 31.03.2026	31.03.2026	31.03.2025
	€	€	€	€	€	€	€	€	€	€
I. Intangible fixed assets										
1. Purchased software	195.000,00	0,00	-135.000,00	60.000,00	155.000,00	12.000,00	-135.000,00	32.000,00	28.000,00	40.000,00
2. Prepayments	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
	195.000,00	0,00	-135.000,00	60.000,00	155.000,00	12.000,00	-135.000,00	32.000,00	28.000,00	40.000,00
II. Tangible fixed assets										
Other equipment, furniture and fixtures	61.288,93	0,00	-26.806,72	34.482,21	61.288,93	0,00	-26.806,72	34.482,21	0,00	0,00
	256.288,93	0,00	-161.806,72	94.482,21	216.288,93	12.000,00	-161.806,72	66.482,21	28.000,00	40.000,00

Sun Pharmaceuticals Germany GmbH,
Leverkusen

Notes to the financial statements for the financial year
from April 1, 2025, to March 31, 2026

I. General

Sun Pharmaceuticals Germany GmbH has its registered seat in Leverkusen and is registered in the Register of Companies of the Local Court in Cologne (Reg. No. HRB 85786).

The annual financial statements were prepared on the basis of the German accounting regulations of the Commercial Code (HGB). In addition to these regulations, the provisions of the GmbH Act had to be observed. The total cost method was chosen for the profit and loss account.

According to § 267 HGB, the company is a medium-sized company.

II. Accounting and valuation principles

The valuation of **intangible assets and property, plant, and equipment** is carried out at acquisition cost minus scheduled straight-line depreciation over the useful life of the asset or at the lower fair value.

The **inventories** are measured, observing the lower of cost or market principle, at acquisition cost or the lower value attributable at the balance sheet date.

The valuation of the **accounts receivable,** the **other assets** as well as the **liquid funds** is carried out at nominal value.

The **prepaid expenses and deferred charges** show expenses prior to the date of the balance sheet as far as these expenses relate to a particular period after the date of the balance sheet.

The **provisions** are measured at the fulfillment amount necessary according to reasonable commercial judgment. They take into account all identifiable risks and uncertain obligations.

The **liabilities** are recognized at the settlement amount.

Foreign currency receivables and liabilities are valuated using the mean spot exchange rate as at balance sheet date.

III. Explanations of individual items of the financial statements

The **accounts receivable and the other assets** are all due within up to one year.

The **receivables from affiliated companies** relate to trade receivables amounting to k€ 234.

The **other provisions** mainly include obligations from discount agreements with various health insurance companies (k€ 12,623), outstanding invoices (k€ 935), and obligations from the personnel area (k€ 232). The amount of obligations from discount agreements is essentially estimated based on the quantities of the products included in the discount agreements sold to the pharmaceutical wholesalers.

All **liabilities** - as in the previous year - have a remaining term of less than one year. Liabilities to affiliated companies relate to liabilities from deliveries and services.

IV. Other information

Other financial obligations from lease agreements amount to k€74 (gross); the subject of the lease agreements is vehicles.

The company's staff comprises 14 employees on an annual average.

In the financial year under review,

Hellen de Kloet, pharmacist, Amsterdam, Netherlands,

was the appointed director.

The company takes advantage of the option provided by article 286 para. 4 HGB.

Members of the advisory board:

Hellen de Kloet	Pharmacist	Amsterdam (Netherlands)
Prashant Savla	Merchant	Hoofddorp (Netherlands), correspondence address
Ahmed Banjaddi	Merchant	Leverkusen

Sun Pharmaceuticals Germany GmbH is a wholly owned subsidiary of Alkaloida Chemical Company ZRT, Tiszavasvári/Hungary, and is integrated in the consolidated financial statements of Sun Pharmaceutical Industries Limited, Mumbai/India. The consolidated financial statements of Sun Pharmaceutical Industries Limited can be inspected at https://sunpharma.com/investors-annual-reports-presentations.

After the end of the financial year, no events of particular significance have occurred that could lead to a changed assessment of the company.

The management proposes to carry forward the net profit to a new account.

Leverkusen, May 08, 2026

Sun Pharmaceuticals Germany GmbH,
Leverkusen

Hellen de Kloet

Sun Pharmaceuticals Germany GmbH,
Leverkusen

MANAGEMENT REPORT
for the 2025/26 Annual Financial Statements

Object of the company

Sun Pharmaceuticals Germany GmbH primarily distributes generic pharmaceutical products of the parent company Sun Pharmaceutical Industries Limited, based in Mumbai, India. Sun Pharmaceutical Industries Limited is the largest pharmaceutical company in India and is among the top 5 largest producers of generics worldwide.

With its portfolio of products, the company operates mainly on the German health market, the focus being laid on generics on the pharma market. The main customers are wholesalers, hospital and public pharmacies. Furthermore, distribution channels via distributors in the Scandinavian countries are of great importance.

Economic report

General framework and business trend

In the period under consideration from April 1, 2025, to March 31, 2026, the total sales of the prescription-only generic market amounts to over €7.87 billion (Source: Insight Health, NPI MAT 03.2026). This represents a sales increase of approximately 3.1% compared to the previous period. In terms of sales volume, an increase of about 0.2% is recorded (Source: Insight Health, NPI MAT 03.2026).

Discount agreements continue to be established in the German pharmaceutical market in the generics-capable segment (generics, original drugs with expired patents) as a fixed component. The share of generic products regulated by discount agreements in physician prescriptions was approximately 76% in the period 03/2025-02/2026 (Source: Insight Health NVI-KT, MAT 02.2026).

Price competition remains intense. In addition, the further reduction of the reference price of certain, in part significant products and the continuing possibility for co-payment exemption will continue to affect profitability.

During this fiscal year as well, numerous statutory health insurance funds and hospital purchasing groups issued calls for bids for discount agreements, in which Sun Pharmaceuticals Germany GmbH successfully participated. To expand its portfolio, Sun Pharmaceuticals Germany GmbH launched one new drug during the fiscal year.

In the “Innovative Products” division (products with protected brand names), sales structures were expanded to further increase market share.

Business activities in the Scandinavian markets have developed in line with expectations.

Management considers the company's performance in the reporting year (net income of €0.6 million) to be satisfactory overall.

EARNINGS SITUATION

The key growth drivers for Sun Pharmaceuticals Germany GmbH's business in Germany are the expansion of its successful participation in tenders and the extension of contracts with purchasing groups. In the Scandinavian market, further growth is being driven by participation in tenders and the expansion of contracts with individual hospital regions. The "Innovative Products" segment is playing an increasingly significant role in the product portfolio across all countries.

Gross profit increased to €14.1 million during the reporting period (previous year: €9.4 million).

Operating expenses in both marketing and human resources as well as regulatory affairs rose disproportionately, resulting in a €0.3 million decrease in operating income.

Net financial income decreased by €0.1 million due to lower market interest rates.

After deducting income taxes, net income for the year amounts to €0.6 million.

FINANCIAL SITUATION

We cover our financial needs predominantly through obligations from rebate agreements that only become due in subsequent periods and our own funds. Cash flow from ongoing operations amounted to -€1.0 million for the fiscal year (previous year: -€0.4 million).

Inventories amount to €24.5 million. The increase of €7.6 million is attributable to inventory build-up in the "Innovative Products" segment.

Trade receivables rose by €0.8 million to €10.5 million due to year-end effects.

Other provisions decreased by €4.1 million to €13.8 million due to the reporting date.

Liabilities to affiliated companies increased by €9.9 million to €16.7 million as a result of inventory buildup measures.

The equity ratio improved from 6.3% to 6.7%.

Financial indicators

For our internal management control, we use the net sales and the operating result (EBIT) as well as the EBIT as a percentage of sales as indicators.

Forecast, risks and opportunities

We continue to view the expected development of Sun Pharmaceuticals Germany GmbH positively. The pharmaceutical industry offers significant growth potential in the generics sector, particularly with regard to the conclusion of additional discount agreements, provided that service, price, and quality are strictly aligned with customer requirements, as well as in the “Innovative Products” segment.

Accordingly, sales-boosting effects are expected in the coming years from the launch of additional new discount agreements and new product launches. It is particularly important here that product availability is ensured thanks to a professional inventory management system and that inventory undergoes a continuous review process.

For the new fiscal year, we plan to launch various new molecules on the German and Scandinavian markets. These include, in particular, additions and expansions to our existing portfolio, which will both enhance our competitiveness and have a positive impact on net income.

In the “Innovative Products” division, the company plans to increase its market share in both Germany and the Scandinavian countries by stepping up its marketing activities.

As part of a routine GMP inspection, a GMP non-compliance statement (NCS) was issued for a subcontractor of Sun Pharmaceuticals Germany GmbH and published in the EudraGMDP database. As a result, there may temporarily be supply interruptions or delivery delays for the affected products. Sun Pharmaceuticals Germany GmbH currently expects a duration of about six months and has immediately initiated appropriate countermeasures, including the qualification of alternative sources of supply. Based on the current assessment, it is assumed that the impact on sales and earnings development in the fiscal year will be limited and temporary.

Overall, net income is expected to remain at the previous year’s level.

In general, the discount agreement business in which Sun Pharmaceuticals Germany GmbH operates entails certain risks. These include, in some cases, significant contractual penalties in the event of an inability to deliver, as well as write-down costs that may arise from excess inventory of products with low turnover rates. The latter are exacerbated by the legal requirement to maintain a six-month inventory of pharmaceuticals under discount agreements. This can lead to an increased need for write-downs. To minimize these risks and ensure a continuous and needs-based supply of products, internal processes are continuously optimized accordingly. Furthermore, the strained financial situation of some hospitals is leading to cuts in patient care as well as hospital closures. Markets not governed by discount agreements, such as those in Finland and Norway, are also subject to risks due to increasing competition.

To further minimize business risks on the procurement side, sourcing is also diversified geographically (Europe and Asia) wherever possible.

Rising energy and raw material prices are leading to higher production and distribution costs and are consequently affecting the overall cost of products.

The conflict between Russia and Ukraine, as well as the conflicts in the Middle East, currently have no direct impact on the Company’s business activities. However, negative effects cannot be ruled out in the future due to the global interdependence of the Group’s supply chains.

Given our Company’s stable liquidity and equity position, we do not foresee any risks that could jeopardize our continued existence.

Leverkusen, May 08, 2026

General Management

Hellen de Kloet

TRANSLATED VERSION OF THE GERMAN ORIGINAL

INDEPENDENT AUDITOR'S REPORT

To Sun Pharmaceuticals Germany GmbH

Opinion

I have audited the financial statements of Sun Pharmaceuticals Germany GmbH - consisting of the balance sheet and the income statement for the fiscal year from April 1, 2025 to March 31, 2026 and the income statement for the financial year than ended, and the notes to the financial statements, including a summary of significant accounting and valuation policies. In addition, I have audited the management report for that financial year.

In my opinion

- the accompanying financial statements present fairly, in all material respects, the financial position of the Company and of its financial performance for the year then ended in accordance with the German commercial law applicable to corporations and generally accepted accounting principles in Germany.
- the accompanying management report provides a true picture of the state of the company. In all material respects, this management report is consistent with the financial statements, complies with German regulations and accurately presents the opportunities and risks of future development.

In accordance with § 322 (3) HGB ("German commercial law"), I declare that my audit has not led to any objections to the regularity of the financial statements and the management report.

Basis for Opinion

I conducted my audit in accordance with generally accepted audit principles defined by the German Institute of Chartered Auditors (IDW). My responsibility under those standards are further described below in the "Auditor's Responsibilities for the Audit" section of this report. I am independent of the Company in accordance with the rules and ethical requirements that are relevant to the audit of the financial statements in Germany, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the German commercial law applicable to corporations and generally accepted accounting principles in Germany. Furthermore, management is responsible for such internal control as they, in accordance with German Generally Accepted Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e. accounting manipulation or misappropriation) 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.

In addition, the management is responsible for the preparation of the management report, which as a whole provides a suitable view of the Company's position and is consistent with the financial statements in all material respects, complies with German legal requirements and suitably presents the opportunities and risks of future development. In addition, management is responsible for the precautions and measures (internal control systems) they have deemed necessary to permit the preparation of a management report in accordance with the applicable German legal requirements and to provide sufficient and suitable evidence for the statements in the management report.

Auditor’s Responsibilities for the Audit

My 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 the management report as a whole provides a suitable view of the Company's position and whether it is consistent with the annual financial statements and the findings of my audit in all material respects, complies with German legal requirements and suitably presents the opportunities and risks of future development and to issue an auditor’s report that includes my opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) 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 annual financial statements and management report.

A further description of the auditor’s responsibilities for the audit of the financial statements is located at IDW’s (Institut der Wirtschaftsprüfer) website at: https://www.idw.de/idw/verlautbarungen/bestaetigungsvermerk/hgb-ja-non-pie. This description forms part of my auditor’s report.

Hamburg, May 8, 2026

Dietmar Genz
Wirtschaftsprüfer
(German Public Auditor)