

Statutory auditor's report

to the General Meeting of

Wockhardt Bio AG, Zug

Report on the audit of the statutory financial statements

Balmer-Etienne AG

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Opinion

We have audited the financial statements of Wockhardt Bio AG (the company), which comprise the balance sheet as at 31 March 2025, the income statement 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 for the year ended 31 March 2025 comply with Swiss law and the company's articles of incorporation.

Basis for Opinion

We conducted our audit in accordance with Swiss law and Swiss Auditing Standards. Our responsibilities under those provisions and 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 provisions of Swiss law and the requirements of the Swiss audit profession and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibility of the Board of Directors for the financial statements

The Board of Directors is responsible for the preparation of the financial statements in accordance with the provisions of Swiss law and the company's articles of incorporation, and for such internal controls as the Board of Directors 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, the Board of Directors 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 the Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the auditing 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 Swiss law and Swiss Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located at the website of EXPERTsuisse: <http://www.expertsuisse.ch/en/auditreport-for-public-companies>. This description forms part of our auditor's report.

Report on other legal and statutory requirements

In accordance with article 728a paragraph 1 item 3 CO and Swiss Auditing Standard 890, we confirm that an internal control system exists, which has been designed for the preparation of financial statements according to the instructions of the Board of Directors.

We further confirm that the proposed appropriation of available earnings complies with Swiss law and the company's articles of incorporation.

Furthermore, we draw attention to the fact that the Board of Directors did not call the general meeting within six months after the close of the business year 2024 as stipulated in article 805 para. 2 CO.

We recommend that the financial statements submitted to you be approved.

Lucerne, 1 July 2025

uma/TLA

Balmer-Etienne AG

Urs Matter
Licensed audit expert
(Auditor in charge)

Tu'uyen Maria Lang
Licensed audit expert

Financial statements 2024/25
Proposed appropriation of available earnings

Balance Sheet as per 31 March	2025	2024
	CHF	CHF
Current assets		
Cash and bank balances	1 261 946	591 059
Short Term Deposits with Banks	59 516	60 734
Prepayments - third parties	2 580 502	1 951 789
Advances - shareholders	4 944 945	5 050 400
Advances - subsidiaries	2 688 943	2 740 260
Accounts receivable - third parties	7 814 234	7 011 902
Accounts receivable - shareholders	519 584	7 124 195
Accounts receivable - subsidiaries	61 846 271	55 684 533
Receivable VAT	225 410	-
Other receivables	42 357	24 192
Inventories	545 346	386 841
	<u>82 529 054</u>	<u>80 625 905</u>
Total current assets		
Fixed assets		
Investments - subsidiaries	141 477 963	141 477 963
	<u>141 477 963</u>	<u>141 477 963</u>
Tangible assets	117 196	118 272
Accumulated depreciation	-110 471	-109 515
Tangible assets net	<u>6 725</u>	<u>8 757</u>
Capitalized Work in Progress	32 624 168	33 341 673
Licences and trade marks	32 904 957	34 242 310
Accumulated amortisation	-32 580 912	-33 276 781
Licences and trade marks net	<u>324 045</u>	<u>965 529</u>
Intangible assets under development	<u>157 138 447</u>	<u>172 999 156</u>
	<u>331 571 348</u>	<u>348 793 078</u>
Total fixed assets		
Total assets	<u>414 100 402</u>	<u>429 418 983</u>

Balance Sheet as per 31 March	2025	2024
	CHF	CHF
Liabilities		
Accounts payable - third parties	9 359 890	17 369 595
Accounts payable - shareholders	37 357 802	38 170 639
Accounts payable - subsidiaries	97 567 763	102 970 897
Advances from customers	-55 311	481 818
Payable VAT	0	878 658
Loan - third party - interest bearing	353 208	0
Loans - group companies	4 618 144	5 206 217
Accrued expenses	5 824 627	4 695 537
Deferred Revenue	7 935 994	9 105 547
Accrued taxes	258 471	212 738
<i>Total short term liabilities</i>	<u>163 220 588</u>	<u>179 091 646</u>
Loan - third party - interest bearing	-	-
<i>Total long term liabilities</i>	<u>-</u>	<u>-</u>
<i>Total liabilities</i>	<u>163 220 588</u>	<u>179 091 646</u>
Share capital	51 948 000	51 948 000
Statutory Capital Reserves		
Capital contribution reserve	1 696 502	1 696 502
Other Capital Reserves	1 691 757	1 691 757
	<u>3 388 259</u>	<u>3 388 259</u>
Statutory retained earnings		
General Reserves	23 474 000	23 474 000
Currency translation adjustments	16 033 205	18 225 660
Profit carried forward	153 291 418	141 509 775
Profit/(Loss) of the year	2 744 931	11 781 643
Retained earnings	<u>156 036 349</u>	<u>153 291 418</u>
<i>Total shareholders' equity</i>	<u>250 879 814</u>	<u>250 327 337</u>
<i>Total liabilities and shareholders' equity</i>	<u>414 100 402</u>	<u>429 418 983</u>

Income statement	2024/25	2023/24
	CHF	CHF
Revenues		
Sales export	102 144 245	110 859 415
Other operating income	7 309 099	850 851
Fee for service/Royalty paid	-951 484	-1 673 436
Bad debts	-5 791	-2 838
<i>Total revenues</i>	108 496 069	110 033 992
Operating expenses		
Cost of goods, materials and freight sold	87 036 875	76 999 136
Selling and distribution expenses	2 505 825	2 117 285
Export costs	86 349	74 118
Employee costs	1 585 886	1 735 438
Repairs and maintenance	17 431	8 927
Insurance	-72 472	212 075
Research and development costs	3 230 882	3 797 984
Legal and consultancy costs	1 177 096	1 095 363
Trade mark costs	80 157	68 392
Management fees	381 118	380 616
Travel expenses	130 228	133 830
Other operating expenses	8 082 781	8 866 836
<i>Total operating expenses</i>	104 242 156	95 490 000
<i>Net profit / (loss) from operations</i>	4 253 913	14 543 992
Depreciation and valuation adjustments on fixed assets		
Depreciation	274 433	640 973
<i>Total depreciation and valuation adjustments on fixed assets</i>	274 433	640 973
<i>Net profit / (loss) after depreciation and valuation adjustment</i>	3 979 480	13 903 019
Financial Income/Expenses		
<i>Financial income</i>		
Exchange gains	28 996	63 615
<i>Total financial income</i>	28 996	63 615
<i>Financial expenses</i>		
Interest charges - third party	-40 290	310 302
Interest charges - group companies	537 465	1 228 867
Bank charges	306 904	635 411
Exchange losses	53 356	11 289
<i>Total financial expenses</i>	857 435	2 185 869
<i>Total financial result</i>	-828 439	-2 122 254
<i>Net Profit/(loss) for the year before tax and extraordinary items</i>	3 151 041	11 780 765
Exceptional Items	-306 212	0
<i>Net Profit/(loss) before tax</i>	2 844 829	11 780 765
Direct taxes	-99 898	878
<i>Profit/ (Loss) of the year</i>	2 744 931	11 781 643

Notes to the financial statements for the year ended 31 March

2025

2024

CHF

CHF

1 General Information

These financial statements of Wockhardt Bio AG, Grafenauweg 6, CH-6300 Zug were prepared according to the provisions of the Swiss Law on Accounting and Financial Reporting (32nd title of the Swiss Code of Obligations). Where not prescribed by law, the significant accounting and valuation principles applied are described below.

2 Functional currency

Wockhardt Bio AG accounting currency is USD. The Income Statement has been translated into CHF at the annual average rate. The Balance Sheet has been translated into CHF at year end rate with the exception of investments and shareholders' equity, which are translated at historical rates. Currency conversion differences resulting from the translation of the financial statements are recognized in Equity and are shown under the heading Currency translation adjustments. Accordingly in the current year currency conversion gain of CHF 27.81 Mn has been presented under Equity under the heading Currency translation adjustments like prior year currency conversion gain of CHF 18.23 Mn.

Company used the following exchange rates for translating financials in CHF from USD :

Average rate - CHF/USD: 1.129

Closing rate - CHF/USD: 1.132

3 Development Expenses on QIDP status products

The Company's New chemical Entity ("NCE") clinical development programme continued to get a major boost during the Financial Year 2024-25:

WCK 771 & WCK 2349: Filing for nine different countries of emerging market (Nigeria, Kenya, Uganda, Tanzania, Thailand, Philippines, Vietnam, Myanmar, and Cambodia) has been completed so far. Kenya and Uganda have successfully audited manufacturing sites of Emrok and Emrok O. Uganda health authority has granted the Marketing Authorization approval in June 2025. Marketing Authorization approval from other countries is expected in June/August 2025. Philippines has granted GMP certificate (Permit to register) for Emrok Injection manufacturing facility i.e. Wockhardt Shendra, while Thai FDA has granted GMP certificate to Wockhardt, Waluj which is manufacturing site for Emrok O Tablets. For Saudi Arabia, Emrok Injection NDA has been filed in June 2025. In Russia, our licensing partner company has secured approval for the conduct of Emrok/Emrok O clinical trial which is required for marketing authorization. The supply of WCK 771 injection and WCK 2349 tablets for the proposed clinical study in Russia has been arranged from the respective manufacturing sites in Aurangabad. The clinical trial is ongoing.

WCK 5222: The recruitment in the Global phase III study got completed in November 2024 with recruiting 530 patients and database lock is completed by 15 January 2025. Clinical Study report was finalised and available by April 2025. Marketing application will be filed to USFDA by August 2025. From India, WCK 5222 CRO phase II study recruitment has been completed in December 2024 with recruiting 72 patients. DCGI submission for commercial approval has been submitted by 31 March 2025. As of today we have saved 50 plus lives using compassionate program.

WCK 4873: Phase III study in community acquired bacterial pneumonia (CABP) in India has been completed. Study top line results have been published. Final Clinical study report writing is completed and signed in April 2024. WCK 4873 NDA filing has been completed in April 2024 and final commercial approval was granted by DCGI, India on 01 January 2025. In addition, NDA has been filed with Saudi FDA under Breakthrough Medicine Program on 16 September 2024. SFDA is expected to inspect Manufacturing site for GMP in October 2025 following which marketing approval is anticipated.

WCK 4282: Clinical development plan for WCK 4282 in India is amended to meet the Indian regulatory requirements. Accordingly, a combined Phase 2/3 study protocol for India has been developed. Post DCGI review, the study protocol is approved recently for conduct of study in India. The study has been started in July 2024 with 10 sites in India and as of today we have completed phase II study with 60 subjects. Phase III study has started and by 31 March 2025, we have recruited 71 trial subject out of 264 planned by February 2026.

WCK 6777: This is a combination of Ertapenem+Zidebactam to be administered intravenously. The US NIH sponsored Phase I study is progressing well, dosing has been completed and NIH team has completed preparing CSR by January 2025. Phase II study in India and EU is planned and study will start by July 2025.

The clinical development expenses on the NCE development programme for the year amounting to USD 25.32 Mn (CHF 22.43 Mn) prior year USD 19.22 Mn (CHF 17.02 Mn) pertaining to Company's NCE, and the amount has been capitalised during the year and included under 'Intangible Assets under Development as at 31 March 2025.

4 Fixed assets, depreciation / amortisation and impairment

Tangible assets:

Fixed assets are stated at cost less accumulated depreciation/amortisation and impairment loss if any. The Company capitalises all costs relating to the acquisition and installation of fixed assets.

The carrying amounts of fixed assets and intangible assets are reviewed at each balance sheet date to assess whether they are recorded in excess of their recoverable amounts and where carrying values exceed the estimated recoverable amount, assets are written down to the recoverable amount.

Intangible assets:

Intangible assets are amortised over a period of 3 - 15 years, which are based on their useful lives.

The intellectual Property Rights, Brands and Product Licenses are generally depreciated over a period of 10 years, however wherever the useful life is less than 10 years the depreciation period is reduced accordingly.

Notes to the financial statements for the year ended 31 March

2025

2024

CHF

CHF

5 Inventories

All inventories are valued at moving weighted average price other than finished goods, which are valued on quarterly moving average price. Finished goods and work in progress is computed based on respective moving weighted average price of procured materials and appropriate share of labour and other manufacturing overheads.

Inventories are valued at cost or net realizable value, whichever is lower. Cost also includes all charges incurred for bringing the inventories to their present location and condition. Duties accrued on production or import of goods, as applicable, is included in the valuation of finished goods.

Inventories of stores and spare parts are valued at cost. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

In the eventuality of cash discounts on inventories, it will be treated as reductions of the acquisition cost.

6 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, which generally coincides with dispatch of goods to customers. Revenues are recorded at invoice value, net of value added tax (VAT)/duties, returns and trade discounts.

Sale of Services

Revenues from services are recognised on completion of rendering of services.

Royalties

Revenue is recognised on an accrual basis in accordance with the terms of the relevant agreement.

Interest

Revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

7 Lease Obligations

Residual amount of leasing obligations

The maturity of leasing obligations which have a residual term of more than twelve months or which cannot be cancelled within the next twelve months is as follows:

Up to 1 year	328 900	330 714
1–5 years	996 109	1 174 459
More than 5 years*	106 657	108 808
Total Lease obligations	1 431 666	1 613 981

*Lease obligations considered until February 2030.

8 Head Count

The number of full time positions in the company on an annual average has been less than 50 (Previous year less than 50).

9 Investments

Valuation is based on historical cost less any necessary adjustment for impairment.

CP Pharma (Schweiz) AG

Incorporated in Switzerland

250 Registered shares of CHF 1'000.00

100% share in capital and voting rights

1

1

Wockhardt Bio (R) LLC.

Incorporated in Russia

5'150'000 Registered shares of Russian Roubles 1.00 each

100% share in capital and voting rights

83 491

83 491

Wockhardt Farmaceutica SA DE C.V.

Incorporated in Mexico

36'867'236 Ordinary shares of MXN 1.00

100% share in capital and voting rights

1

1

Wockhardt Services S.A. DE C.V.

Incorporated in Mexico

50'000 Ordinary shares of MXN 1.00

100% share in capital and voting rights

1

1

Notes to the financial statements for the year ended 31 March

2025

2024

	CHF	CHF
Wockhardt Holding Corp. Incorporated in Delaware, USA 1'100 shares of Common Stock of USD 1.00 100% share in capital and voting rights	30 295 509	30 295 509
Wockhardt UK Limited Incorporated in the United Kingdom 50'000 Ordinary shares of GBP 1.00 100% share in capital and voting rights	123 508	123 508
Pinewood Healthcare Limited Incorporated in the United Kingdom 100'000 Ordinary shares of GBP 1.00 100% share in capital and voting rights	1	1
CP Pharmaceuticals Limited Incorporated in the United Kingdom 1'862'549 Ordinary A shares of GBP 1.00 570'000 Ordinary shares of GBP 1.00 100% share in capital and voting rights	11 013 787 3 370 574	11 013 787 3 370 574
Wockpharma Ireland Limited Incorporated in the Republic of Ireland 10'001'000 Ordinary shares of EUR 1.00 50'000'000 Cumulative Redeemable Preference shares of EUR 1.00 each 100% share in capital and voting rights	16 098 630 80 485 000	16 098 630 80 485 000
Z & Z Service GmbH Incorporated in Germany Nominal capital EUR 25'000.00 100% share in capital and voting rights	1	1
Wockhardt Bio Pty. Ltd. Incorporated in Australia Nominal Capital AUD 10'000 100% share in capital and voting rights	7 459	7 459

Besides the above Wockhardt Bio Ltd. has been incorporated in New Zealand on 11 November 2015 with an objective of trading, manufacturing, selling and marketing. Wockhardt Bio Ltd., New Zealand is yet to commence the business.

10 Loan & pledged assets

As per financial year-end there were open guarantees and bid-/performance bonds by UBS (formerly Credit Suisse) to third parties secured by a general deed of pledge in the amount of CHF 0.18 Mn (Previous Year CHF 0.21 Mn).

11 Board of Directors and executive management shareholdings

As of 31 March 2025 members of the non-executive and executive boards held the following shares. No Wockhardt Bio AG share options were held.

	Shares	Shares
Ajay Sahni Dr. Habil F.Khorakiwala	25 308	25 308
Managing Director Shareholder and Chairman of the Board of Directors of Wockhardt Ltd., India	5 000 000	5 000 000

Mrs Amelia Fernandes was appointed as Director with effect on 16th September 2024 until the next ordinary general meeting of shareholders.

Notes to the financial statements for the year ended 31 March

2025

2024

		CHF	CHF
12 Significant shareholders			
Wockhardt Ltd, Mumbai	Number of shares	44 600 000	44 600 000
	Capital and vote share	85.9%	85.9%
Dr. Habil F.Khorakiwala	Number of shares	5 000 000	5 000 000
	Capital and vote share	9.6%	9.6%

Dr. Habil F. Khorakiwala is the Chairman of the Board of Directors of Wockhardt Ltd.
Therefore, he collectively could influence the vote share of 95.48% of Wockhardt Bio AG.

13 Capitalisation of Borrowing Costs

Borrowing costs directly attributable to acquisition of qualifying assets have been capitalised. Borrowing costs amounting to NIL, prior year USD 0.12 Mn (CHF 0.10 Mn) have been capitalised, and is included under 'Intangible Assets under Development' as at 31 March 2025.

14 Other operating income

Profit from sale of assets includes CHF 7.23 Mn (USD 8.16 Mn) (previous year CHF 0.27 Mn (USD 0.30 Mn)) towards transfer of marketing authorisation for territory/product intellectual property rights to third parties and related parties.

Other operating income includes CHF 0.08 Mn (USD 0.09) Mn towards charge back of trade payables (previous year: CHF 0.56 Mn (USD 0.64 Mn)).

15 Capitalised Work in Progress

Capitalised Work in Progress essentially represent the expenses incurred on setting up a new Manufacturing facility for supply of pharmaceutical products to company's markets in US, Europe & Emerging Markets.

16 Subsequent events

No significant events occurred between balance sheet date and 1 July 2025, the date when the financial statements were signed off by the Board of Directors for publication.

Proposed appropriation of available earnings

31.03.2025 31.03.2024

CHF CHF

Proposed appropriation of available earnings

Profit carried forward	153 291 418	141 509 775
Profit / (Loss) of the year	2 744 931	11 781 643

Available earnings

156 036 349 153 291 418

The Board of Directors proposes to the shareholders at the Annual General Meeting the following allocation :

Balance to be carried forward	156 036 349	153 291 418
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Total

156 036 349 153 291 418