



MATTIG  
SUTER &  
PARTNER

**REPORT OF THE STATUTORY AUDITOR AND  
FINANCIAL STATEMENTS 2024/25**

**Strides Pharma International AG  
6300 Zug**

**Index**

1. Report of the  
statutory auditor
2. Financial Statements
  - Balance sheet
  - Income statement
  - Notes
3. Proposal to carry forward  
the accumulated losses



MATTIG  
SUTER &  
PARTNER

Report of the statutory auditor  
on the limited statutory examination  
to the general meeting of  
Strides Pharma International AG  
6300 Zug

As statutory auditor, we have examined the financial statements (balance sheet, income statement and notes) of Strides Pharma International AG for the financial year ended March 31, 2025.

These financial statements are the responsibility of the Board of Directors. Our responsibility is to perform a limited statutory examination on these financial statements. We confirm that we meet the licensing and independence requirements as stipulated by Swiss law.

We conducted our examination in accordance with the Swiss Standard on the Limited Statutory Examination. This standard requires that we plan and perform a limited statutory examination to identify material misstatements in the financial statements. A limited statutory examination consists primarily of inquiries of company personnel and analytical procedures as well as detailed tests of company documents as considered necessary in the circumstances. However, the testing of operational processes and the internal control system, as well as inquiries and further testing procedures to detect fraud or other legal violations, are not within the scope of this examination.

Based on our limited statutory examination, nothing has come to our attention that causes us to believe that the financial statements and the proposal to carry forward the accumulated losses do not comply with Swiss law and the company's articles of incorporation.

Treuhand- und  
Revisionsgesellschaft  
Mattig-Suter und Partner

Bahnhofstrasse 28  
Postfach 556  
CH-6431 Schwyz

+41 (0)41 819 54 00  
info@mattig.ch  
www.mattig.swiss



EXPERTsuisse zertifiziertes Unternehmen



SWISS  
EXCELLENCE  
FORUM  
Network to Success





We draw attention to the fact that Strides Pharma International AG is over-indebted as per article 725b of the Swiss Code of Obligations (CO). Due to the fact that creditors of Strides Pharma International AG subordinated their claims amounting to CHF 21'000'954.17, the Board of Directors has refrained from notifying the court.

Schwyz, July 10, 2025 nva

Treuhand- und Revisionsgesellschaft  
Mattig-Suter und Partner



Norbert Valis  
Licensed audit expert  
Auditor in charge



Urs Krienbühl  
Licensed audit expert

<u>Balance sheet</u>	<u>March 31, 2025</u>		<u>March 31, 2024</u> (previous year)		<u>Note</u>
	CHF		CHF		
<b>ASSETS</b>					
Cash and cash equivalents		166'469.09		44'533.25	12
Trade receivables					
- from third parties	5'084'133.79		1'746'206.71		
- from related parties	<u>10'463'897.60</u>	15'548'031.39	<u>4'299'037.99</u>	6'045'244.70	1
Other current receivables					
- from third parties	218'335.18		1'127'174.78		
- related parties	<u>28'313.58</u>	246'648.76	<u>2'671'294.04</u>	3'798'468.82	
Inventory		1'471'671.86		163'426.56	
Prepaid expenses and accrued income		333'591.02		88'746.69	
<b>Current assets</b>		<b>17'766'412.12</b>		<b>10'140'420.02</b>	
Financial assets					
- Loans towards related parties		141'703.89		4'850'376.00	1/2
Investments		0.97		0.98	3/10
Fixed assets		3'000.43		5'520.43	
Intangible assets		264'488.28		357'977.99	4
<b>Non-current assets</b>		<u><b>409'193.57</b></u>		<u><b>5'213'875.40</b></u>	
<b>TOTAL ASSETS</b>		<b>18'175'605.69</b>		<b>15'354'295.42</b>	

<u>Balance sheet</u>	<u>March 31, 2025</u>		<u>March 31, 2024</u> (previous year)		<u>Note</u>
	CHF		CHF		
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Trade payables					
- third parties	231'333.10		1'174'536.10		
- related parties	<u>11'723'993.03</u>	11'955'326.13	<u>4'782'802.64</u>	5'957'338.74	
Other current liabilities		195'114.76		45'996.27	
Accrued expenses		495'051.63		786'119.15	
<b>Current liabilities</b>		<b>12'645'492.52</b>		<b>6'789'454.16</b>	
Non-current, interest-bearing liabilities					
- Loans from third parties	-		4'546'799.96		
- Loans from shareholders, subordination	12'400'954.17		11'889'767.72		
- Loan COVID-19	<u>-</u>	12'400'954.17	<u>334'180.51</u>	16'770'748.19	5
Other non-current liabilities					
- shareholders		-		8'604'865.26	
- shareholders, subordination		8'600'000.00		-	
Provisions		13.85		52'884.22	
<b>Non-current liabilities</b>		<b>21'000'968.02</b>		<b>25'428'497.67</b>	
Share capital		1'230'000.00		1'230'000.00	
Participation capital		840'000.00		-	
Legal reserves from capital contributions		1'546'999.00		1'379'000.00	
Treasury shares		-		-1.00	11
Accumulated losses					
- Brought forward from previous year	-19'472'655.41		-18'255'802.84		
- Change in Currency Translation Adjustment (CTA)	309'525.68		372'904.52		
- Net income / loss for the year	<u>75'275.88</u>	-19'087'853.85	<u>-1'589'757.09</u>	-19'472'655.41	
<b>Shareholders' equity</b>		<b><u>-15'470'854.85</u></b>		<b><u>-16'863'656.41</u></b>	
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>18'175'605.69</b>		<b>15'354'295.42</b>	

<u>Income statement</u>	<u>2024/25</u>	<u>2023/24</u>	<u>Note</u>
	CHF	(Previous year) CHF	
<b>Revenue</b>			
Revenue from trade	24'457'728.68	11'710'222.60	
Revenue from services	547'420.13	693'129.44	
Sales reductions trade	-28'177.62	-12'447.46	
Bad debt expense	<u>-144'396.00</u>	<u>-2'101.42</u>	
<b>NET REVENUE FROM TRADE AND SERVICES</b>	<b>24'832'575.19</b>	<b>12'388'803.16</b>	
<b>Cost of trade and services</b>			
Trade expenses	-19'462'550.64	-9'853'509.43	
Cost of services	-1'235'653.55	-616'112.56	
Regulatory fees	<u>-57'918.33</u>	<u>-3'118.86</u>	<u>-10'472'740.85</u>
<b>GROSS RESULT I</b>	<b>4'076'452.67</b>	<b>1'916'062.31</b>	
<b>Personnel expenses</b>			
Salaries	-1'029'556.07	-985'204.01	
Social insurances	-304'091.92	-339'633.39	
External staff expenses	-553'071.89	-	
Other personnel expenses	<u>-67'192.05</u>	<u>-1'953'911.93</u>	<u>-41'847.83</u>
<b>GROSS RESULT II</b>	<b>2'122'540.74</b>	<b>549'377.08</b>	
<b>Other operating expenses</b>			
Rent	-78'386.16	-80'435.04	
Maintenance and repair	-69'791.46	-123'875.51	
Insurance expenses	-182'527.07	-36'765.79	
Administration and consulting expenses	-290'698.56	-346'867.47	
Travel and representation expenses	<u>-126'871.45</u>	<u>-748'274.70</u>	<u>-91'240.40</u>
<b>OPERATING RESULT BEFORE DEPRECIATION AND AMORTIZATION, FINANCIAL RESULT AND TAXES</b>	<b>1'374'266.04</b>	<b>-129'807.13</b>	
<b>Depreciation and amortization</b>			
Depreciation and amortization of operational non-current assets	-132'075.57	-141'817.50	6
Release of impairment charges for non-current assets	<u>1'487'685.04</u>	<u>1'355'609.47</u>	<u>-</u>
<b>OPERATING RESULT BEFORE FINANCIAL RESULT AND TAXES</b>	<b>2'729'875.51</b>	<b>-271'624.63</b>	

<u>Income statement</u>	<u>2024/25</u>	<u>2023/24</u>	<u>Note</u>
	CHF	(Previous year) CHF	
<b>OPERATING RESULT BEFORE FINANCIAL RESULT AND TAXES</b>	<b>2'729'875.51</b>	<b>-271'624.63</b>	
<b>Financial result</b>			
Financial income	375'059.34	876'259.43	
Financial expenses	<u>-2'059'808.62</u>	<u>-3'936'508.71</u>	
<b>OPERATING RESULT BEFORE TAXES</b>	<b>1'045'126.23</b>	<b>-3'331'873.91</b>	
<b>Extraordinary result and result from prior periods</b>			
Extraordinary income	-	1'485'838.74	7
Extraordinary expenses	-969'544.84	-38'802.77	8
Income from prior periods	<u>-</u>	<u>295'002.31</u>	9
<b>NET RESULT BEFORE TAXES</b>	<b>75'581.39</b>	<b>-1'589'835.63</b>	
<b>Direct taxes</b>			
Taxes	<u>-305.51</u>	<u>78.54</u>	
<b>NET INCOME / LOSS FOR THE YEAR</b>	<b><u>75'275.88</u></b>	<b><u>-1'589'757.09</u></b>	

<u>Notes</u>	<u>2024/25</u>	<u>2023/24</u>
	CHF	(previous year) CHF

## Accounting principles

### General

The accounting principles applied in the preparation of these financial statements comply with article 957 et seq. of the Swiss Code of Obligations.

### Accounting in a foreign currency

In the financial year 2023/24, Strides Pharma International AG changed its principal accounting currency from CHF to EUR as at April 1, 2023. For statutory reporting purposes, the presentation currency was maintained in CHF and the following foreign currency rates (CHF/EUR) were applied for the translation of the financial statements.

Balance sheet (closing rate)	0.95575	0.97275
Income statement (year-average rate)	0.96264	0.97356
Equity	historical rates	historical rates

## Explanatory notes to the financial statements

### 1 Trade receivables and loans towards related parties

The subsidiary Fairmed Healthcare GmbH is over indebted as at March 31, 2025 because of insufficient results. The board of directors of Strides Pharma International AG is convinced that sufficient revenue can be generated from the sale of generic drugs in the near future in order to secure the going concern of the subsidiary, and therefore refrains from further value adjustments of the book values of the trade receivables and the loans towards this subsidiary.

### Details to balance sheet items

#### 2 *Loans towards related parties*

- Loans amounts	5'073'373.89	11'373'075.26
- Accumulated impairment charges	<u>-4'931'670.00</u>	<u>-6'522'699.26</u>
Total	141'703.89	4'850'376.00

#### 3 *Investments*

- Investment amounts (at-cost)	2'464'837.14	2'508'679.39
- Accumulated impairment charges	<u>-2'464'836.17</u>	<u>-2'508'678.41</u>
Total	0.97	0.98

Notes	2024/25		2023/24 (previous year)	
	CHF		CHF	
<b>4 Intangible assets</b>				
- CWP - Intangible		54'345.86		14'973.54
- Registration fees and licenses for substances (at-cost)	735'631.67		748'716.40	
- Accumulated amortization	<u>-525'489.24</u>	210'142.43	<u>-406'235.63</u>	342'480.77
- Software licenses (at-cost)	-		11'122.72	
- Accumulated amortization	<u>-</u>	<u>-</u>	<u>-10'599.04</u>	<u>523.68</u>
Total		264'488.29		357'977.99
<b>5 Loan COVID-19</b>				
To help secure liquidity, Strides Pharma International AG took out a warranted COVID-19-loan in 2020 in the amount of CHF 500'000. In 2024/25, interest on this loan is charged at a rate of 1.5% (prior period: 1.5%). The company fully repaid the COVID-19-loan in the financial year 2024/25. For the duration of the utilization of the COVID-19-loan, the company was not allowed to distribute any dividend or profit sharing payments and undertake any repayments of contributed capital. Furthermore, additional restrictions regarding the granting of loans towards group companies and company owners applied.				
<u>Details to income statement items</u>				
<b>6 Depreciation and amortization of operational non-current assets</b>				
- Depreciation of fixed assets		-4'295.41		-5'246.31
- Amortization of intangible assets		<u>-127'780.17</u>		<u>-136'571.19</u>
Total		-132'075.58		-141'817.50
<b>7 Extraordinary income</b>				
- Release of provision for unrealized foreign exchange gains		-		1'355'246.92
- FX-correction VAT Germany		-		128'022.64
- Other		<u>-</u>		<u>2'569.18</u>
Total		-		1'485'838.74
<b>8 Extraordinary expenses</b>				
- Loan waiver in favour of subsidiary		-962'640.00		-
- Payables from Sale of Eris Pharma GmbH		-		-38'323.70
- Other		<u>-6'904.84</u>		<u>-479.07</u>
Total		-969'544.84		-38'802.77
<b>9 Income from prior periods</b>				
- Supplier Debit Note for 2020/2021 deliveries		<u>-</u>		<u>295'002.31</u>
Total		-		295'002.31

<u>Notes</u>	<u>2024/25</u>	<u>2023/24</u>
	CHF	(previous year) CHF

### Declaration of the number of employees

The number of full-time employees on an annual average is not more than 250.

### Investments

#### 10 Directly held investments

Fairmed Healthcare GmbH, Hamburg, Germany  
 Business purpose: Sale and distribution of generic drugs  
 Share capital: EUR 210'000.00  
 Book value  
 Capital and voting share quote

0.97	0.98
100.00%	100.00%

11 <b>Treasury shares</b>	<i>Number</i>	<i>CHF</i>	<i>Number</i>	<i>CHF</i>
Opening balance at January 1	61'500.00	1.00	61'500.00	1.00
Sale (CHF 168'000.00)	-61'500.00	-1.00	-	-
Ending balance at December 31	-	-	61'500.00	1.00

### Liabilities toward pension funds

Total amount	49'624.67	33'869.76
--------------	-----------	-----------

### Rent and leasing liabilities

Total lease liability for office space	336'041.70	406'800.00
--	------------	------------

### Assets pledged or assigned to secure own liabilities / Assets under reservation of title

12 Cash and cash equivalents	-	42'303.82
------------------------------	---	-----------

**Disclosures regarding the going concern of the company**

Strides Pharma International AG has seen a turnaround in FY'25 with a significant increase in turnover and a positive EBITDA. In 2019 the Asian pharma group Strides Pharma Global Pte Ltd became the new majority shareholder and provided new capital through the share capital increase in 2019. Although first positive trends in increased revenue generation were visible in 2020 as several tenders and clients were successfully won, the funding for working capital was still required. To this effect, a third-party loan for EUR 10 million was secured in 2021. Since the beginning of 2022, the company has changed its business model from B2C to B2B, allowing for a leaner organization with higher profitability. The board of directors saw this change to be playing out well for the company, with operating expenses coming down since 2022 and revenues and profitability to start improving from 2023. In 2024, the third party loan of EUR 10 million has been paid back. With the positive business trend continuing, not only by improvement but also by moving all European business of Strides Pharma Global Pte Ltd to Strides Pharma International AG, making it the European headquarter for Strides Pharma Global Pte Ltd, the board of directors is therefore convinced that sufficient funding and revenues can be generated, so that the going concern of the company can be secured.

Further statutory disclosures in accordance with Art. 959c of the Swiss Code of Obligations are not required.

Strides Pharma International AG, 6300 Zug

<u>Proposal to carry forward the accumulated losses</u>	<u>2024/25</u>  CHF	<u>2023/24</u> (previous year) CHF
---	---------------------------	--

Accumulated losses available for the shareholder's meeting:

Brought forward from previous year	-19'472'655.41	-18'255'802.84
Change in Currency translation adjustment (CTA)	309'525.68	372'904.52
Net income / loss for the year	<u>75'275.88</u>	<u>-1'589'757.09</u>
<b>Accumulated losses</b>	<b>-19'087'853.85</b>	<b>-19'472'655.41</b>

The Board of Directors proposes to carry forward the accumulated losses:

<b>Balance to be brought forward</b>	<b><u>-19'087'853.85</u></b>	<b><u>-19'472'655.41</u></b>
--------------------------------------	------------------------------	------------------------------