Biocon Sdn. Bhd.
Registration Number: 201101002193 (930330-U)
(Incorporated in Malaysia)

Financial statements for the year ended 31 March 2026

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Registration Number: 201101002193 (930330-U)
(Incorporated in Malaysia)

Directors' report for the year ended 31 March 2026

The Directors have pleasure in submitting their report and the audited financial statements of the Company for the financial year ended 31 March 2026.

Principal activities

The Company is engaged in the manufacture of various insulin products and in research and development activities of biopharmaceutical products. The Company has set up state of the art integrated manufacturing facility for insulin active pharmaceutical ingredients and insulin drug formulation at the Southern Industrial and Logistics Clusters ("SiLC"), Johor, Malaysia. There were no significant change to the nature of business activities during the current financial year.

Holding companies

During the financial year and until the date of this report, the immediate holding and intermediate holding companies are Biocon Biologics International Limited (formerly known as Biocon Biologics UK Limited), a company incorporated in the United Kingdom and Biocon Biologics Limited, a company incorporated in India, respectively. The ultimate holding company is Biocon Limited, a company incorporated in India and is listed on the Bombay Stock Exchange and National Stock Exchange of India.

Results

	RM'000
Profit for the year	74,689

Reserves and provisions

There were no material transfers to or from reserves and provisions during the financial year under review except as disclosed in the statement of changes in equity.

Dividends

No dividend has been paid or declared by the Company since the end of the previous financial year. The Directors do not recommend the payment of any dividend in respect of the current financial year.

Directors of the Company

Directors who served during the financial year until the date of this report are:

Declan Pearse MacFadden
Jaleeludeen bin Abu Baker
Cham Chean Fei @ Sian Chean Fei (appointed on 3 November 2025)
Arindam Chakrabarti (appointed on 3 November 2025)
Ganesh Reddy Degalahal (appointed on 3 November 2025)
Kiran Mazumdar Shaw (resigned on 4 November 2025)
Shreehas Pradeep Tambe (resigned on 4 November 2025)
Dr. Arun Suresh Chandavarkar (resigned on 4 November 2025)
Bobby Kanubhai Parikh (resigned on 11 August 2025)

Directors' interests in shares

The direct and deemed interests in the ordinary shares of the Company and of its related corporations of those who were Directors at financial year end (including the interests of the spouses or children of the Directors who themselves are not Directors of the Company) as recorded in the Register of Directors' Shareholdings are as follows:

		Number of ordinary shares			
Name of Director	**Interest**	**At 1 April 2025/ date of appointment**	**Bought**	**Sold**	**At 31 March 2026**
Ultimate holding company					
- Biocon Limited					
Declan Pearse MacFadden	Direct	293,832	--	--	293,832
Ganesh Reddy Degalahal	Direct	41,200	--	--	41,200
Intermediate holding company					
- Biocon Biologics Limited					
Ganesh Reddy Degalahal	Direct	1	--	--	1
Related companies					
- Syngene International Limited					
Ganesh Reddy Degalahal	Direct	10,772	--	--	10,772

None of the other Directors holding office as at 31 March 2026 had any interest in the ordinary shares of the Company and of its related corporations during the financial year.

Directors' benefits

Since the end of the previous financial year, no Director of the Company has received nor become entitled to receive any benefit (other than those shown below) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a Company in which the Director has a substantial financial interest.

The Directors' benefits paid to or receivable by Directors in respect of the financial year ended 31 March 2026 are as follows:

	RM'000
Directors of the Company:	
Fee	167
Fees paid to a company in which certain Directors are members	10
Remuneration	709
Estimated monetary value of any other benefits	66
	952

There were no arrangements during and at the end of the financial year which had the object of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

Issue of shares

There were no changes in the issued and paid-up capital of the Company during the financial year.

Options granted over unissued shares

No options were granted to any person to take up unissued shares of the Company during the financial year.

Indemnity and insurance costs

There were no indemnity given to or insurance effected for any Director, officer or auditor of the Company during the financial year.

Other statutory information

Before the financial statements of the Company were made out, the Directors took reasonable steps to ascertain that:

i) there are no bad debts to be written off and no provision needs to be made for doubtful debts, and

ii) any current assets which were unlikely to be realised in the ordinary course of business have been written down to an amount which they might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances:

i) that would render it necessary to write off any bad debts or provide for any doubtful debts, or

ii) that would render the value attributed to the current assets in the financial statements of the Company misleading, or

iii) which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate, or

iv) not otherwise dealt with in this report or the financial statements that would render any amount stated in the financial statements of the Company misleading.

At the date of this report, there does not exist:

i) any charge on the assets of the Company that has arisen since the end of the financial year and which secures the liabilities of any other person, or

ii) any contingent liability in respect of the Company that has arisen since the end of the financial year.

No contingent liability or other liability of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Company to meet its obligations as and when they fall due.

In the opinion of the Directors, the financial performance of the Company for the financial year ended 31 March 2026 has not been substantially affected by any item, transaction or event of a material and unusual nature nor has any such item, transaction or event occurred in the interval between the end of that financial year and the date of this report.

Auditors

The auditors, KPMG PLT, have indicated their willingness to accept re-appointment.

The details of remuneration paid by the Company to auditors of the Company during the financial year are as follows:

	RM'000
Auditors' remuneration	
- Statutory audit	287
- Non-audit fee	30
	317

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

sd/-

Cham Chean Fei @ Sian Chean Fei
Director

sd/-

Arindam Chakrabarti
Director

Date: 0 6 MAY 2026

Biocon Sdn. Bhd.

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Statement of financial position
As at 31 March 2026

	Note	2026 RM'000	2025 RM'000
Assets			
Property, plant and equipment	2	1,664,452	1,521,350
Intangible assets	3	104,165	123,969
Prepayments and other assets	4	14,897	56,712
Total non-current assets		1,783,514	1,702,031
Inventories	5	280,535	306,742
Trade and other receivables	6	111,852	149,449
Prepayments and other assets	4	17,670	17,414
Current tax assets		1,551	1,542
Cash and cash equivalents		27,801	20,303
Total current assets		439,409	495,450
Total assets		2,222,923	2,197,481
Equity			
Share capital	7	312,349	312,349
Reserves	7	(359,282)	(443,272)
Total equity		(46,933)	(130,923)
Liabilities			
Loans and borrowings	8	1,541,579	1,625,561
Contract liabilities	9	6,502	5,515
Deferred income		65,150	76,485
Deferred tax liabilities	10	--	3,220
Total non-current liabilities		1,613,231	1,710,781
Trade and other payables	11	524,515	461,993
Loans and borrowings	8	132,110	155,630
Total current liabilities		656,625	617,623
Total liabilities		2,269,856	2,328,404
Total equity and liabilities		2,222,923	2,197,481

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Statement of profit or loss and other comprehensive income For the year ended 31 March 2026

	Note	2026 RM'000	2025 RM'000
Revenue	12	806,012	815,500
Other income		13,532	12,778
Raw materials and packing materials consumed		(310,898)	(327,150)
Change in inventories of finished goods, traded goods and work-in-progress		10,928	(27,968)
Employee benefits expense		(104,562)	(98,207)
Research and development expense		(4,930)	(17,077)
Depreciation and amortisation		(92,382)	(98,224)
Other expenses		(186,268)	(174,740)
Total expenses		(688,112)	(743,366)
Results from operating activities		131,432	84,912
Finance costs	13	(59,768)	(64,079)
Profit before tax		71,664	20,833
Tax income/(expense)	14	3,025	(1,394)
Profit for the year	15	74,689	19,439
Other comprehensive income, net of tax			
Items that are or may be reclassified subsequently to profit or loss			
Foreign currency translation differences/ **Total other comprehensive income for the year, net of tax**		9,301	9,485
Total comprehensive income for the year		83,990	28,924

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Statement of changes in equity
For the year ended 31 March 2026

	Non-distributable					
	Share capital RM'000	Non-cumulative redeemable convertible preference shares RM'000	Translation reserve RM'000	Capital reserve RM'000	Accumulated losses RM'000	Total equity RM'000
At 1 April 2024	66,528	245,821	100	52,366	(524,662)	(159,847)
Foreign currency translation differences/ Total other comprehensive income for the year	--	--	9,485	--	--	9,485
Profit for the year	--	--	--	--	19,439	19,439
Total comprehensive income for the year	--	--	9,485	--	19,439	28,924
At 31 March 2025/1 April 2025	66,528	245,821	9,585	52,366	(505,223)	(130,923)
Foreign currency translation differences/ Total other comprehensive income for the year	--	--	9,301	--	--	9,301
Profit for the year	--	--	--	--	74,689	74,689
Total comprehensive income for the year	--	--	9,301	--	74,689	83,990
At 31 March 2026	66,528	245,821	18,886	52,366	(430,534)	(46,933)

The accompanying notes form an integral part of the financial statements.

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Statement of cash flows
For the year ended 31 March 2026

	Note	2026 RM'000	2025 RM'000
Cash flows from operating activities			
Profit before tax		71,664	20,833
Adjustments for:			
Depreciation and amortisation		92,382	98,224
Interest expenses on borrowings	13	274	648
Unwinding of discount on NCRCPS	13	59,494	63,431
Property, plant and equipment written off		4,145	1,387
Gain on disposal of property, plant and equipment		(275)	--
Operating profit before changes in working capital		227,684	184,523
Change in inventories		(565)	(85,337)
Change in trade and other receivables		61,388	70,029
Change in trade and other payables		105,815	162,531
Change in deferred income		(4,799)	(5,187)
Change in contract liabilities		1,514	(354)
Cash generated from operations		391,037	326,205
Tax paid		(148)	(1,565)
Net cash from operating activities		390,889	324,640
Cash flows from investing activities			
Acquisition of property, plant and equipment	16	(364,137)	(309,083)
Proceeds from disposal of property, plant and equipment		346	--
Net cash used in investing activities		(363,791)	(309,083)
Cash flows from financing activities			
Drawndown of short-term loan		--	52,691
Repayment of working capital loan		(10,235)	(15,984)
Interest paid		(7,324)	(8,757)
Net cash (used in)/from financing activities		(17,559)	27,950
Net increase in cash and cash equivalents		9,539	43,507
Effect of foreign exchange rate changes		(2,041)	810
Cash and cash equivalents at 1 April		20,303	(24,014)
Cash and cash equivalents at 31 March		27,801	20,303

Cash and cash equivalents included in the statement of cash flows comprise the following statement of financial position amounts:

Cash and bank balances		27,801	20,303

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Statement of cash flows
For the year ended 31 March 2026
(continued)

Cash outflows for leases as a lessee

	Note	2026 RM'000	2025 RM'000
Included in net cash from operating activities			
Payment relating to short-term leases	15	796	179
Payment relating to leases of low-value assets	15	279	246
Total cash outflows for leases		1,075	425

Reconciliation of movements of liabilities to cash flows arising from financing activities

	At 1 April 2024 RM'000	Net changes from financing cash flows RM'000	Effect of foreign exchange rate changes RM'000	At 31 March 2025/ 1 April 2025 RM'000	Net changes from financing cash flows RM'000	Effect of foreign exchange rate changes RM'000	At 31 March 2026 RM'000
Working capital loan	32,298	(15,984)	(1,736)	14,578	(10,235)	(982)	3,361
Short-term loan	94,964	52,691	(6,603)	141,052	--	(12,303)	128,749
Total liabilities from financing activities	127,262	36,707	(8,339)	155,630	(10,235)	(13,285)	132,110

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Notes to the financial statements

Biocon Sdn. Bhd. is a private company, incorporated and domiciled in Malaysia. The addresses of the principal place of business and registered office of the Company are as follows:

Principal place of business
No. 1, Jalan Bioteknologi 1
Kawasan Perindustrian SiLC
79200 Iskandar Puteri
Johor

Registered office
Level 7, Menara Milenium
Jalan Damanlela
Pusat Bandar Damansara
Damansara Heights
50490 Kuala Lumpur

The Company is engaged in the manufacture of various insulin products and in research and development activities of biopharmaceutical products. The Company has set up state of the art integrated manufacturing facility for insulin active pharmaceutical ingredients and insulin drug formulation at the Southern Industrial and Logistics Clusters ("SiLC"), Johor, Malaysia.

The immediate holding and intermediate holding companies are Biocon Biologics International Limited (formerly known as Biocon Biologics UK Limited), a company incorporated in the United Kingdom and Biocon Biologics Limited, a company incorporated in India, respectively. The ultimate holding company is Biocon Limited, a company incorporated in India and is listed on the Bombay Stock Exchange and National Stock Exchange of India.

These financial statements were authorised for issue by the Board of Directors on 0 6 MAY 2026.

1. Basis of preparation

(a) Statement of compliance

The financial statements of the Company have been prepared in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

The following are accounting standards, interpretations and amendments of the MFRS Accounting Standards that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Company:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments*

(a) Statement of compliance (continued)

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026 (continued)

- Amendments that are part of Annual Improvements — Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- MFRS 19, *Subsidiaries without Public Accountability: Disclosures*
- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Translation to a Hyperinflationary Presentation Currency*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Company plans to apply the abovementioned accounting standards, interpretations and amendments in the respective financial years when the above accounting standards, interpretations and amendments become effective, if applicable.

The initial application of the accounting standards, interpretations and amendments are not expected to have any material financial impacts to the current period and prior period financial statements of the Company upon their first adoption.

(b) Basis of measurement

The financial statements have been prepared on the historical cost basis and on a going concern basis. As at the year end, the Company's total current liabilities exceeded its total current assets by RM217,216,000 and the Company has accumulated losses of RM430,534,000. During the year, the Company has generated profit for the year of RM74,689,000 and continued to generate positive operating cashflows of RM390,889,000. At 31 March 2026, the Company held short-term borrowings of RM132,110,000 which can be rolled over at their maturity. Considering the existing financing facilities and the ability of the Company's history of generating sufficient operating cash flows, the Directors are of the opinion that the Company will be able to meet their liabilities as and when they fall due.

(c) Functional and presentation currency

These financial statements are presented in Ringgit Malaysia ("RM"), which is different from the the Company's functional currency U.S. Dollar ("USD") and has been rounded to nearest thousand, unless otherwise stated.

(d) Use of estimates and judgements

The preparation of the financial statements in conformity with MFRS Accounting Standards requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

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

There are no significant areas of estimation uncertainty and critical judgements in applying accounting policies that have significant effect on the amounts recognised in the financial statements.

2. Property, plant and equipment

	Freehold land RM'000	Buildings RM'000	Furniture and fixtures RM'000	Motor vehicles RM'000	Plant and machineries RM'000	Construction -in -progress RM'000	Total RM'000
At cost							
At 1 April 2024	85,189	481,210	6,142	518	1,068,941	344,603	1,986,603
Additions	--	--	--	--	--	317,192	317,192
Transfer	--	4,630	1,356	216	30,592	(36,794)	--
Written off	--	--	--	--	(4,224)	--	(4,224)
Reclassification	--	(36)	--	--	36	--	--
Effect of movement in exchange rates	(5,211)	(29,576)	(397)	(35)	(65,714)	(25,307)	(126,240)
At 31 March 2025/1 April 2025	79,978	456,228	7,101	699	1,029,631	599,694	2,173,331
Additions	--	--	--	--	--	371,187	371,187
Transfer	--	1,142	900	--	20,954	(22,996)	--
Disposal	--	--	--	--	--	(71)	(71)
Written off	--	--	--	--	(9,833)	(1,233)	(11,066)
Effect of movement in exchange rates	(6,976)	(39,828)	(645)	(59)	(90,125)	(62,134)	(199,767)
At 31 March 2026	73,002	417,542	7,356	640	950,627	884,447	2,333,614
Accumulated depreciation							
At 1 April 2024	--	121,461	4,688	387	478,356	--	604,892
Depreciation charge	--	17,460	612	68	70,083	--	88,223
Written off	--	--	--	--	(2,837)	--	(2,837)
Reclassification	--	(36)	--	--	36	--	--
Effect of movement in exchange rates	--	(7,693)	(295)	(25)	(30,284)	--	(38,297)
At 31 March 2025/1 April 2025	--	131,192	5,005	430	515,354	--	651,981
Depreciation charge	--	16,250	683	54	66,142	--	83,129
Written off	--	--	--	--	(6,921)	--	(6,921)
Effect of movement in exchange rates	--	(11,903)	(456)	(39)	(46,629)	--	(59,027)
At 31 March 2026	--	135,539	5,232	445	527,946	--	669,162
Carrying amounts							
At 1 April 2024	85,189	359,749	1,454	131	590,585	344,603	1,381,711
At 31 March 2025/1 April 2025	79,978	325,036	2,096	269	514,277	599,694	1,521,350
At 31 March 2026	73,002	282,003	2,124	195	422,681	884,447	1,664,452

2. Property, plant and equipment (continued)

2.1 Others

Included in the additions of construction-in-progress is an interest expense capitalised of RM7,049,860 (2025: RM8,108,993) at rate range of 2.50% - 4.82% (2025: 2.86% - 5.47%) per annum.

2.2 Material accounting policy information

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less any accumulated depreciation.

Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

(ii) Depreciation

Depreciation is based on the cost of an asset less its residual value. Significant components of individual assets are assessed, and if a component has a useful life that is different from the remainder of that asset, then that component is depreciated separately.

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each component of an item of property, plant and equipment from the date that they are available for use. Property, plant and equipment under construction are not depreciated until the assets are ready for their intended use. Freehold land is not depreciated.

The estimated useful lives for the current and comparative periods are as follows:

Buildings	12 - 30 years
Furniture and fixtures	6 years
Motor vehicles	6 years
Plant and machineries	3 - 15 years

3. Intangible assets

	Intangible assets			
	Develop -ment cost RM'000	Intellectual property rights RM'000	Intangible assets under development RM'000	Total RM'000
At cost				
At 1 April 2024	144,847	105,766	241,872	492,485
Effect of movement in exchange rate	(8,859)	(6,469)	(14,793)	(30,121)
At 31 March 2025/1 April 2025	135,988	99,297	227,079	462,364
Effect of movement in exchange rate	(11,862)	(8,661)	(19,807)	(40,330)
At 31 March 2026	124,126	90,636	207,272	422,034

3. Intangible assets (continued)

	Intangible assets			
	Develop -mint cost RM'000	Intellectual property rights RM'000	Intangible assets under development RM'000	Total RM'000
Accumulated amortisation				
At 1 April 2024	61,387	46,689	--	108,076
Amortisation charge	5,856	4,145	--	10,001
Effect of movement in exchange rate	(3,843)	(2,918)	--	(6,761)
At 31 March 2025/1 April 2025	63,400	47,916	--	111,316
Amortisation charge	5,418	3,835	--	9,253
Effect of movement in exchange rate	(5,684)	(4,288)	--	(9,972)
At 31 March 2026	63,134	47,463	--	110,597
Accumulated impairment loss				
At 1 April 2024	--	--	241,872	241,872
Effect of movement in exchange rate	--	--	(14,793)	(14,793)
At 31 March 2025/1 April 2025	--	--	227,079	227,079
Effect of movement in exchange rate	--	--	(19,807)	(19,807)
At 31 March 2026	--	--	207,272	207,272
Carrying amounts				
At 1 April 2024	83,460	59,077	--	142,537
At 31 March 2025/1 April 2025	72,588	51,381	--	123,969
At 31 March 2026	60,992	43,173	--	104,165

In February 2013, a related company, Biocon SA ("BSA") entered into an agreement with Mylan GmbH, granting a right to become exclusive co-development partner and manufacturer for bio similar insulin analogs in the territory stipulated. During the year ended 31 March 2017, BSA has transferred the commercialisation and development rights for insulin and insulin analogs to the Company.

Pursuant to the above transaction during the year ended March 2017, an amount of RM52,366,087, being the difference between the fair value of USD22.3 million (equivalent to RM94.6 million) and the consideration of USD10 million (equivalent to RM42.3 million) was recorded in capital reserve (Note 7).

3.1 Material accounting policy information

(i) Amortisation

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually and whenever there is an indication that they may be impaired.

Intangible assets with definite useful life is subject to amortisation as and when the product is commercialised in the developed nation.

3. Intangible assets (continued)

3.1 Material accounting policy information (continued)

(i) Amortisation (continued)

Amortisation is based on the cost of an asset less its residual value. Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets.

The estimated useful lives for the current and comparative periods are as follows:

- Intangible assets 15 years

Amortisation methods and useful lives are reviewed at the end of the reporting period and adjusted as appropriate.

4. Prepayments and other assets

	2026 RM'000	2025 RM'000
Non-current		
Deposits	588	562
Capital advances	14,252	55,281
Prepayments	57	869
	14,897	56,712
Current		
Advances recoverable	14,282	12,251
Prepayments	3,388	5,163
	17,670	17,414
	32,567	74,126

5. Inventories

	2026 RM'000	2025 RM'000
Raw materials	104,481	179,298
Semi-finished/Finished goods	176,054	127,444
	280,535	306,742
Recognised in profit or loss:		
- Inventories recognised as cost of goods sold	683,182	726,289

5.1 Security

The entire inventories are pledged with banks for credit facilities granted to the Company as disclosed in Note 8.

5.2 Material accounting policy information

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is calculated using the first-in first-out method.

6. Trade and other receivables

	2026 RM'000	2025 RM'000
Trade receivables	87,452	115,219
Other receivables	--	821
Due from ultimate holding company - trade	8	--
Due from intermediate holding company - trade	21,478	9,568
Due from immediate holding company - non-trade	20	22
Due from related companies - trade	2,894	23,819
	111,852	149,449

The trade amount due from ultimate holding company, intermediate holding company and related companies is subject to normal trade terms. The non-trade amount due from immediate holding company is unsecured, interest free and repayable on demand.

Security

The trade receivables are pledged with banks for credit facilities granted to the Company as disclosed in Note 8.

7. Capital and reserves

Share capital

	2026 RM'000	2025 RM'000	Number of shares 2026 '000	Number of shares 2025 '000
Issued and fully paid				
Ordinary shares				
At 1 April/31 March	66,528	66,528	6,653	6,653
Non-cumulative redeemable convertible preference shares ("NCRCPS")				
At 1 April	1,614,829	1,704,026	149,753	149,753
Effect of movement in exchange rates	(119,413)	(89,197)	--	--
At 31 March	1,495,416	1,614,829	149,753	149,753
	1,561,944	1,681,357	156,406	156,406

	2026 RM'000	2025 RM'000
Classified as follows:		
Equity		
- Ordinary shares	66,528	66,528
- NCRCPS	245,821	245,821
	312,349	312,349
Liability - NCRCPS	1,249,595	1,369,008
	1,561,944	1,681,357

7. Capital and reserves (continued)

Reserves

	2026 RM'000	2025 RM'000
Non-distributable		
Translation reserve	18,886	9,585
Capital reserve	52,366	52,366
Accumulated losses	(430,534)	(505,223)
	(359,282)	(443,272)

7.1 Non-cumulative redeemable convertible preference shares

The salient features of the NCRCPS are as follows:

(a) Each NCRCPS shall confer on the holder thereof a right to receive a non-cumulative coupon of 2.5% per annum, subject to the availability of the post taxation profits for distribution.

(b) The NCRCPS shall not confer any further rights of participation in the profits of the Company.

(c) The NCRCPS shall have no voting right or right to move or second any resolutions at any general meetings of the Company, except:

  (i) upon any resolution which varies or is deemed to vary the right and privileges attached to the NCRCPS; and
  (ii) upon any resolution for the winding up of the Company.

(d) The Company shall have the rights to create or issue further NCRCPS provided always that they are issued on such terms and conditions that agreeable by the existing NCRCPS holders.

(e) The NCRCPS shall be redeemable at an amount equal to the issue price, in full or in part, and in any number of tranches in RM equivalent to the amounts received in USD at the time of the initial subscription of the NCRCPS at the option of the Company by giving 7 days notice periods or NCRCPS shareholder at any time from the date of issue of the NCRCPS.

(f) The NCRCPS shall be convertible at par value to ordinary shares of the Company of RM10 each at any time at the option of the NCRCPS shareholder.

Based on the above terms, the Company has a potential obligation to deliver cash to the shareholder of the NCRCPS shareholder arising from the non-cumulative coupon of 2.5% per annum and the Company's option by giving not less than seven (7) days' notice in writing to the holders of the NCRCPS. Accordingly, an amount of RM1,249,595,000 (2025: RM1,369,008,000) representing the fair value of the liability component has been classified as non-current liability. The balance of RM245,821,000 (2025: RM245,821,000) has been classified as equity.

7.2 Translation reserve

The translation reserve relates to foreign currency differences arising from the translation of the financial statements of the Company from functional currency to presentation currency.

7.3 Capital reserve

The capital reserve is in respect of capital contribution from the preference shareholders and the amount is non-reciprocal.

8. Loans and borrowings

	2026 RM'000	2025 RM'000
Non-current		
Non-cumulative redeemable convertible preference shares - unsecured (see Note 7)	1,541,579	1,625,561
Current		
Working capital loan - secured	3,361	14,578
Short-term loan - secured	128,749	141,052
	132,110	155,630
	1,673,689	1,781,191

The portion of NCRCPS that are classified as liability is as follows:

	2026 RM'000	2025 RM'000
Issued and fully paid (Note 7)	1,249,595	1,369,008
Accrued interests	291,984	256,553
	1,541,579	1,625,561

The working capital loan are secured by a charge over the inventories and trade receivables of the Company as disclosed in Notes 5 and 6 respectively.

9. Contract liabilities

The contract liabilities primarily relates to the advance consideration received from customers arising from licensing arrangement, which revenue is recognised over time. The contract liabilities are expected to be recognised as revenue over the period which the customers could benefit from the licensing arrangement.

10. Deferred tax liabilities

10.1 Recognised deferred tax liabilities

Deferred tax assets and liabilities are attributable to the following:

	2026 RM'000	2025 RM'000
Corporate guarantee income receivables	--	(3,220)

10.2 Movements in temporary difference during the year

	At 1 April 2025 RM'000	Exchange difference RM'000	Recognised in profit or loss (Note 14) RM'000	At 31 March 2026 RM'000
Corporate guarantee income receivables	(3,220)	(195)	(3,025)	--

10. Deferred tax liabilities (continued)

10.2 Movements in temporary difference during the year (continued)

	At 1 April 2024 RM'000	Exchange difference RM'000	Recognised in profit or loss (Note 14) RM'000	At 31 March 2025 RM'000
Corporate guarantee income receivables	(1,967)	141	(1,394)	(3,220)

10.3 Unrecognised deferred tax assets

Deferred tax assets have not been recognised in respect of the following items (stated at gross):

	2026 RM'000	2025 RM'000
Taxable temporary differences	(399,939)	(455,939)
Unutilised tax losses	245,380	245,377
Unabsorbed capital allowances	174,722	359,098
	20,163	148,536

The Company has been granted 100% income tax exemption under P.U. (A) 112 Income Tax Order (Exemption) (No. 11) 2006 for a period of 10 years and an additional 5 years from the first year statutory income is derived.

The deferred tax assets have not been recognised in the financial statements in respect of above temporary differences as they are expected to be crystallised during the tax incentive period.

The comparative figures have been restated to reflect the revised tax losses, capital allowances carry-forward and taxable temporary differences available to the Company.

The unutilised tax losses will expire in the following year of assessment:

	2026 RM'000	2025 RM'000
2028	19,503	21,366
2029	30,754	33,693
2030	73,350	80,360
2031	121,773	109,958
	245,380	245,377

The unabsorbed capital allowances do not expire under the current tax legislation.

11. Trade and other payables

	2026 RM'000	2025 RM'000
Trade		
Trade payables	110,858	195,336
Due to ultimate holding company	--	153
	110,858	195,489
Non-trade		
Other payables	91,754	74,819
Due to ultimate holding company	672	--
Due to intermediate holding company	19,509	--
Due to related companies	301,722	191,685
	413,657	266,504
	524,515	461,993

The trade amount due to ultimate holding company is subject to normal trade terms.

The non-trade amount due to ultimate holding company, intermediate holding company and related companies is unsecured, interest free and repayable on demand.

12. Revenue

	2026 RM'000	2025 RM'000
Revenue from contracts with customers	806,012	815,500

12.1 Disaggregation of revenue

	2026 RM'000	2025 RM'000
Primary geographical markets		
United States	485,228	457,656
Mexico	46,266	93,275
India	52,420	66,027
Malaysia	8,636	18,251
Europe	77,397	45,856
The Middle East	85,302	83,169
Others	50,763	51,266
	806,012	815,500
Major services and product line		
Sales of insulin	805,420	814,690
Licensing income	592	810
	806,012	815,500
Timing and recognition		
Point in time	805,420	814,690
Over time	592	810
	806,012	815,500

12. Revenue (continued)

12.2 Nature of goods and services

The following information reflects the typical transactions of the Company:

Nature of goods or services	Timing of recognition or method used to recognise revenue	Significant payment terms
Sales of insulin	Revenue is recognised when the goods are delivered and accepted by the customers	Credit period of 90 days from invoice date
Licensing income	Revenue is recognised overtime over the period which the customers are expected to benefit from the licensing arrangement	Based on agreed milestone

The revenue from contracts with customers of the Company is not subject to variable element in the consideration, warranty and obligation for returns or refunds.

12.3 Transaction price allocated to the remaining performance obligations

The following table shows revenue from performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date. The disclosure is only providing information for contracts that have a duration of more than one year.

	2026 RM'000	2025 RM'000
Licensing income	590	630

The Company applies the practical expedient for exemption on disclosure of information for sale of insulin on remaining performance obligation that have original expected durations of one year or less.

13. Finance costs

	2026 RM'000	2025 RM'000
Interest expenses on borrowings	(274)	(648)
Unwinding of discount on NCRCPS	(59,494)	(63,431)
	(59,768)	(64,079)

14. Tax (income)/expense

14.1 Recognised in profit or loss

Major components of income tax expense include:

	2026 RM'000	2025 RM'000
Deferred tax (income)/expense		
- Origination of temporary differences/ Total deferred tax recognised in profit or loss	(3,025)	1,394
Total tax (income)/expense	(3,025)	1,394

The Company is within the scope of the Organization for Economic Co-operation and Development (OECD) Pillar Two model rules. Pillar Two legislation has been enacted in Malaysia introducing a global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax effective for accounting periods starting on or after 1 January 2025. The Company has performed an assessment of the potential exposure to Pillar Two income taxes, and it is not expected to have a material impact on tax charge of the Company.

14.2 Reconciliation of tax (income)/expense

	2026 RM'000	2025 RM'000
Profit before tax	71,664	20,833
Income tax calculated using Malaysian tax rate of 24%	17,199	5,000
Non-taxable income	(679)	(333)
Unrecognised deferred tax assets	(30,810)	(19,721)
Effect of translating tax base from local currency to functional currency	11,265	16,448
Tax (income)/expense	(3,025)	1,394

15. Profit for the year

	Note	2026 RM'000	2025 RM'000
Profit for the year is arrived at after charging/(crediting)			
Audit remuneration:			
- Audit fee		287	287
- Non-audit fee		30	30
Expenses relating to short-term leases	a	796	179
Expenses relating to leases of low-value assets	b	279	246
Personnel expenses (including key management personnel):			
- Contributions to state plans		7,496	7,780
- Wages, salaries and others		97,067	90,427
Property, plant and equipment written off		4,145	1,387
Gain on disposal of property, plant and equipment		(275)	--
Net foreign exchange loss		8,145	9,471
Research and development expense:			
- Incurred		22,492	26,426
- Amount received/receivable from a related company/development partner		(17,563)	(9,349)

15. Profit for the year (continued)

Note a

The Company leases guest houses, warehouses, motor vehicles and equipment with contract terms of less than 1 year. These leases are short-term leases. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

Note b

The Company leases office equipment with contract terms of 3 years. These leases are low-value assets. The Company has elected not to recognise right-of-use assets and lease liabilities for these leases.

16. Acquisition of property, plant and equipment

	2026 RM'000	2025 RM'000
Current year additions	371,187	317,192
Less: Finance cost capitalised	(7,050)	(8,109)
	364,137	309,083

17. Financial instruments

17.1 Categories of financial instruments

All financial assets and liabilities are categorised as amortised ("AC").

17.2 Net gains and losses arising from financial instruments

	2026 RM'000	2025 RM'000
Net gains/(losses) on:		
Financial assets recognised as AC (Note 17.2.1)	(4,635)	(8,967)
Financial liabilities recognised as AC (Note 17.2.2)	(63,278)	(64,583)
	(67,913)	(73,550)

17.2.1 Financial assets at AC

Included in the net gains on financial assets at AC are foreign exchange gains and losses which are recognised in profit or loss.

17.2.2 Financial liabilities at AC

Included in the net losses on financial liabilities at AC are interest expense and foreign exchange gains and losses which are recognised in profit or loss.

17.3 Financial risk management

The Company has exposure to the following risks from its financial instruments:

- Credit risk
- Liquidity risk
- Market risk

17. Financial instruments (continued)

17.4 Credit risk

Credit risk is the risk of a financial loss if a customer or counterparty to a financial instrument fails to meet its contractual obligations. The Company's exposure to credit risk arises principally from its receivables from customers, intermediate holding company, immediate holding company and related companies. There are no significant changes as compared to prior period.

Trade receivables

Risk management objectives, policies and processes for managing the risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Normally credit evaluations are performed on customers requiring credit over a certain amount.

At each reporting date, the Company assesses whether any of the trade receivables are credit impaired.

The gross carrying amounts of credit impaired trade receivables are written off (either partially or full) when there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. Nevertheless, trade receivables that are written off could still be subject to enforcement activities.

There are no significant changes as compared to prior period.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk arising from trade receivables is represented by the carrying amounts in the statement of financial position.

Concentration of credit risk

The Company trades extensively with a few established customers which the Company has a long standing business relationship. As at the end of the reporting period, the Company's three largest group of customers constitute approximately 47% (2025: 67%) of the total trade receivables.

Recognition and measurement of impairment loss

In managing credit risk of trade receivables, the Company manages its debtors and takes appropriate actions (including but not limited to legal actions) to recover long overdue balances. Generally, trade receivables will pay within 90 days.

As there are only a few customers, the Company assessed the risk of loss of each customer individually based on their financial information, past trend of payments and external credit ratings, where applicable. All of these customers have low risk of default.

17. Financial instruments (continued)

17.4 Credit risk (continued)

Trade receivables (continued)

Recognition and measurement of impairment loss (continued)

The following table provides information about the exposure to credit risk and expected credit losses ("ECLs") for trade receivables as at the end of reporting period which are grouped together as they are expected to have similar risk nature.

	Gross carrying amount/ Net balance	
	2026	**2025**
	RM'000	**RM'000**
Current (not past due)	63,835	56,722
1 - 30 days past due	2,810	37,113
31 - 60 days past due	5,369	310
61 - 90 days past due	--	7,798
> 90 days	15,438	13,276
	87,452	115,219

As at the end of the reporting period, the Company does not recognise any allowance for impairment losses.

Cash and cash equivalents

The cash and cash equivalents are held with banks. As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

These banks have low credit risks. In addition, some of the bank balances is insured by government agencies. Consequently, the Company is of the view that the loss allowance is not material and hence, it is not provided for.

Other receivables

The Company monitors the exposure to credit risk on individual basis.

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position and the Company does not recognise any allowance for impairment losses.

Financial guarantees

Biocon Biologics Global PLC, a fellow subsidiary of the ultimate holding company, has raised RM3,376,400,000 by allotment of U.S. Dollar denominated senior secured notes ("notes") and Biocon Biologics UK PLC (formerly known as Biosimilars NewCo Limited), another fellow subsidiary of the ultimate holding company had raised funds through syndicate facility ("loan facility") amounting to RM1,431,497,000. The Company along with intermediate holding Company and other fellow subsidiaries of ultimate holding company has provided corporate guarantee towards the notes and loan facility. As at 31 March 2026, the carrying amounts of the notes and loan facility are amounted to RM3,238,960,000 (2025: RM3,548,480,000) and RM1,295,584,000 (2025: RM1,419,392,000) respectively.

17. Financial instruments (continued)

17.4 Credit risk (continued)

Inter-company balances

Risk management objectives, policies and processes for managing the risk

The Company monitors the ability of the ultimate holding company, intermediate holding company, immediate holding company and related companies to repay the balances on an individual basis.

Exposure to credit risk, credit quality and collateral

As at the end of the reporting period, the maximum exposure to credit risk is represented by their carrying amounts in the statement of financial position.

Recognition and measurement of impairment loss

The Company considers amounts due from ultimate holding company, intermediate holding company, immediate holding company and related companies have low credit risk. The Company assumes that there is a significant increase in credit risk when the inter-companies' financial position deteriorates significantly. The Company considers amounts due from ultimate holding company, intermediate holding company, immediate holding company and related companies to be credit impaired when:

- The ultimate holding company, intermediate holding company, immediate holding company and related companies are unlikely to repay its amount due to the Company in full; or
- The ultimate holding company, intermediate holding company, immediate holding company and related companies are continuously loss making and is having a deficit shareholders' fund.

The Company determines the probability of default for these inter-companies balances individually using internal information available.

The following table provides information about the exposure to credit risk for inter-companies balances as at the end of the reporting period:

	Gross carrying amount/ Net balance	
	2026 RM'000	**2025 RM'000**
Low credit risk	24,400	33,409

As at the end of the reporting period, the Company does not recognise any loss allowance for impairment losses.

17.5 Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's exposure to liquidity risk arises principally from various payables and loans and borrowings.

The Company maintains a level of cash and cash equivalents and bank facilities deemed adequate by the management to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due.

It is not expected that the cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

17. Financial instruments (continued)

17.5 Liquidity risk (continued)

Maturity analysis

The table below summarises the maturity profile of the Company's financial liabilities as at the end of the reporting period based on undiscounted contractual payments:

	Carrying amount RM'000	Contractual interest rate %	Contractual cash flows RM'000	Under 1 year RM'000	1 - 2 years RM'000	2 - 5 years RM'000	More than 5 years RM'000
2026							
Non-derivative financial liabilities							
Working capital loan	3,361	2.50 - 2.73	3,361	3,361	--	--	--
Short term loan	128,749	4.77 - 4.82	128,749	128,749	--	--	--
Due to ultimate holding company	672	--	672	672	--	--	--
Due to intermediate holding company	19,509	--	19,509	19,509	--	--	--
Due to related companies	301,722	--	301,722	301,722	--	--	--
Non-cumulative redeemable convertible preference shares	1,541,579	2.50	1,646,431	36,729	36,729	1,010,244	562,729
Trade and other payables	202,612	--	202,612	202,612	--	--	--
	2,198,204		2,303,056	693,354	36,729	1,010,244	562,729
2025							
Non-derivative financial liabilities							
Working capital loan	14,578	2.86 - 4.87	14,578	14,578	--	--	--
Short term loan	141,052	5.42 - 5.47	141,052	141,052	--	--	--
Due to ultimate holding company	153	--	153	153	--	--	--
Due to related companies	191,685	--	191,685	191,685	--	--	--
Non-cumulative redeemable convertible preference shares	1,625,561	2.50	1,856,343	40,295	40,295	332,482	1,433,271
Trade and other payables	270,155	--	270,155	270,155	--	--	--
	2,243,184		2,473,966	657,918	40,295	332,482	1,433,271

17.6 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates and interest rates that will affect the Company's financial position or cash flows.

Currency risk

The Company is exposed to foreign currency risk on sales and purchases that are denominated in a currency other than the functional currency of the Company. The currencies giving rise to this risk are primarily Ringgit Malaysia ("RM") and Euro ("EUR").

Risk management objectives, policies and processes for managing the risk

The Company does not hedge its financial assets and liabilities in foreign currency.

17. Financial instruments (continued)

17.6 Market risk (continued)

Currency risk (continued)

Exposure to foreign currency risk

The Company's exposure to foreign currency (a currency which is other than the functional currency of the Company) risk, based on carrying amounts as at the end of the reporting period was:

	Denominated in	
	EUR	**RM**
	RM'000	**RM'000**
2026		
Trade and other receivables	9,405	26,365
Cash and cash equivalents	--	721
Loans and borrowings	(3,360)	--
Trade and other payables	(11,956)	(106,440)
	(5,911)	(79,354)
2025		
Trade and other receivables	6,383	22,586
Cash and cash equivalents	--	2,280
Loans and borrowings	(10,388)	--
Trade and other payables	(15,520)	(49,896)
	(19,525)	(25,030)

Currency risk sensitivity analysis

A 10% (2025: 10%) strengthening of the U.S. Dollar against the following currencies at the end of the reporting period would have increased/(decreased) post-tax profit or loss by the amounts shown below. This analysis is based on foreign currency exchange rate variances that the Company considered to be reasonably possible at the end of the reporting period. The analysis assumes that all other variables, in particular interest rates and remained constant.

	Profit or loss	
	2026	**2025**
	RM'000	**RM'000**
EUR	449	1,484
RM	6,031	1,902

A 10% (2025: 10%) weakening of U.S. Dollar against the above currencies at the end of the reporting period would have had equal but opposite effect on the above currencies to the amounts shown above, on the basis that all other variables remained constant.

Interest rate risk

The Company's main interest rate risk arises from loans and borrowings.

Risk management objectives, policies and processes for managing the risk

Exposure to interest rate risk is monitored on an ongoing basis and the Company endeavours to keep the exposure to an acceptable level.

17. Financial instruments (continued)

17.6 Market risk (continued)

Interest rate risk (continued)

Exposure to interest rate risk

The interest rate profile of the Company's significant interest-bearing financial instruments, based on carrying amounts as at the end of the reporting period was:

	2026 RM'000	2025 RM'000
Fixed rate instruments		
Financial liabilities	132,110	155,630

Interest rate risk sensitivity analysis

- *Fair value sensitivity analysis for fixed rate instruments*

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Company does not designate derivatives as hedging instruments under a fair value hedged accounting model. Therefore, a change in interest rates at the end of the reporting period would not affect profit or loss.

17.7 Fair value information

The carrying amounts of cash and cash equivalents, short-term receivables and payables and short-term borrowings reasonably approximate their fair values due to the relatively short term nature of these financial instruments.

The carrying amount of the liability portion of the non-cumulative redeemable convertible preference shares approximate its fair value as the interest rate has not changed significantly from the market interest rate since initial recognition.

18. Capital management

The Company's capital is represented by its total equity in the statement of financial position. The Directors monitor the adequacy of capital on an ongoing basis.

There was no change in the Company's approach to capital management during the financial year.

The Company is not subject to any externally imposed capital requirements.

19. Capital commitment

	2026 RM'000	2025 RM'000
Capital expenditure commitments		
Property, plant and equipment		
Contracted but not provided for	156,935	248,577

20. Related parties

Significant related party transactions

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions of the Company are shown below. The balances related to the below transactions are shown in Notes 6 and 11.

		2026 RM'000	2025 RM'000
A.	**Ultimate holding company**		
	Recharge of expenses	(542)	(383)
B.	**Intermediate holding company**		
	Sale of goods	52,420	62,690
	Sale of property, plant and equipment	346	--
	Purchase of materials	(9,630)	(21,686)
	Recharge of expenses	(20,631)	(26,207)
C.	**Related companies**		
	Sales of goods	544,120	500,242
	Reimbursement of expenses	39,828	50,441
	Corporate guarantee income	4,971	6,868
	Purchase of materials	(2,618)	--
D.	**Key management personnel** ***Directors***		
	- Fee	(167)	(495)
	- Remuneration	(709)	--
		(876)	(495)
E.	**Fees paid to a company in which certain Directors are members**	(10)	(9)

The estimated monetary value of Directors' benefit-in-kind of the Company is RM66,080 (2025: NIL).

Biocon Sdn. Bhd.

Registration Number: 201101002193 (930330-U)
(Incorporated in Malaysia)

Statement by Directors pursuant to Section 251(2) of the Companies Act 2016

In the opinion of the Directors, the financial statements set out on pages 5 to 31 are drawn up in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board, IFRS Accounting Standards as issued by the International Accounting Standards Board and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 March 2026 and of its financial performance and cash flows for the year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors:

sd/-
Cham Chean Fei @ Sian Chean Fei
Director

sd/-
Arindam Chakrabarti
Director

Date: 0 6 MAY 2026

Biocon Sdn. Bhd.

Registration Number: 201101002193 (930330-U)
(Incorporated in Malaysia)

Statutory declaration pursuant to Section 251(1)(b) of the Companies Act 2016

I, **Arindam Chakrabarti**, the Director primarily responsible for the financial management of BIOCON SDN. BHD., do solemnly and sincerely declare that the financial statements set out on pages 5 to 31 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the declaration to be true, and by virtue of the Statutory Declarations Act 1960.

Subscribed and solemnly declared by the abovenamed Arindam Chakrabarti, Passport No. Z6629529, at Johor Bahru in the State of Johor on 06 MAY 2026

sd/-
Arindam Chakrabarti

Before me:

PESURUHJAYA SUMPAH
J246
LAU LAY SUNG
1.1.2024-31.12.2026
MALAYSIA

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF BIOCON SDN. BHD.

Registration Number: 201101002193 (930330-U)
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Biocon Sdn. Bhd., 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 material accounting policy information, as set out on pages 5 to 31.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2026, and of its financial performance and its cash flows for the year then ended in accordance with MFRS Accounting Standards as issued by the Malaysian Accounting Standards Board ("MFRS Accounting Standards"), IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards") and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our auditors' report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the *By-Laws (on Professional Ethics, Conduct and Practice)* of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' *International Code of Ethics for Professional Accountants (including International Independence Standards)* ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in the Directors' Report, but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company does not cover the Directors' Report and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Company, our responsibility is to read the Directors' Report and, in doing so, consider whether the Directors' Report is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Directors' Report, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Company, the Directors are responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and International Standards on Auditing 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 approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Company, 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.

Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- 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 internal control of the Company.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

- Conclude on the appropriateness of the Directors' 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 ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Company 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 auditors' 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 of the Company, including the disclosures, and whether the financial statements of the Company represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with the Directors 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.

Other Matter

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

sd/-

KPMG PLT
(LLP0010081-LCA & AF 0758)
Chartered Accountants

sd/-

Ong Huei Lin
Approval Number: 03740/05/2027 J
Chartered Accountant

Johor Bahru

Date: 0 6 MAY 2026