Registered number: 147396

# Sterling Pharma Ringaskiddy Limited

## Directors' report and financial statements

## 31 March 2025

## Sterling Pharma Ringaskiddy Limited

## Company Information

| | |
|---|---|
| **Directors** | K P Cook (British)<br>M Byrne (Irish)<br>A Henderson (British)<br>M Anderson (American) |
| **Company secretary** | Arthur Cox |
| **Registered number** | 147396 |
| **Registered office** | Ringaskiddy<br>Co. Cork<br>P43 FR63 |
| **Independent auditors** | PricewaterhouseCoopers<br>One Albert Quay<br>Cork<br>T12 X8N6 |

**Sterling Pharma Ringaskiddy Limited**

## Contents

# Directors' report
## Year ended 31 March 2025

The directors present their annual report and the audited financial statements of the company for the year ended 31 March 2025. The corresponding financial period is the 15 months ended 31 March 2024.

**Directors' responsibilities statement**

The directors are responsible for preparing the directors' report and the financial statements in accordance with Irish law.

Irish company law requires the directors to prepare financial statements for each financial year giving a true and fair view of the company's assets, liabilities and financial position at the end of the financial year and the profit or loss of the company for the financial year. Under the law, the directors have elected to prepare the financial statements in accordance with Irish Generally Accepted Accounting Practice (accounting standards issued by the UK Financial Reporting Council, including Financial Reporting Standard 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland' and Irish law).

Under company law, the directors must not approve the financial statements unless they are satisfied they give a true and fair view of the assets, liabilities and financial position of the company as at the end of the financial year, and of the profit or loss of the company for that financial year.

In preparing the financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and accounting estimates that are reasonable and prudent;
- state whether the financial statements have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for ensuring that the company keeps adequate accounting records that are sufficient to: correctly explain and record the transactions of the company, enable at any time the assets, liabilities, financial position and profit or loss of the company to be determined with reasonable accuracy, enable the directors to ensure that the financial statements and directors' report comply with the Companies Act 2014 and enable the financial statements to be audited. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

**Principal activities**

Sterling Pharma Ringaskiddy Limited, incorporated in Ireland, was founded in 1989 and its principal activity is the manufacture of Active Pharmaceutical Ingredients (APIs) and intermediates for the pharmaceutical industry. The company’s core vision is to be a preferred partner and service provider to the pharmaceutical industry.

On 31 December 2022, the company was sold by the Novartis Group (sold by its subsisiary Novartis Pharma AG, incorporated in Switzerland) to Sterling Bidco Ireland Limited, part of the Sterling group of companies (a global development and manufacturing organisation headquartered in the UK). As part of the sale agreement, the company will continue to manufacture medicines for Novartis until 2027, whilst also expanding its customer base. Novartis was the company's largest customer during the financial year to 31 March 2025.

**Dividends**

The directors do not recommend a dividend in respect of the year.

## Business review and future developments

The directors are satisfied with the operational performance of the company in the year ended 31 March 2025. Turnover was €136.8m (15 months ended 31 March 2024: €157.0m) and cost of sales was €110.5m (15 months ended 31 March 2024: €133.2m). The gross profit was €26.3m (15 months ended 31 March 2024: €23.8m).

Operating profit of €15.1m (15 months ended 31 March 2024: €10.9m) is a 73% increase on a like-for-like basis, due to changes in the product portfolio and volume demands for the products manufactured by the company.

Net assets at the end of the year are €44.9m (2024: €32.0m), an increase of €12.9m. This relates to the profit for the financial year.

The company has in place a programme of financial and non-financial performance indicators as part of its management reporting system. Management review financial key performance indicators including revenue, margin, profitability, cash flow and investment in working capital. Management also monitor plant efficiency, customer service levels, supplier service levels, environmental compliance and Health and Safety matters as part of this process. The key performance indicators relevant to the company's financial reporting are included this report.

## Research and development activities

The company engages in late-stage development activities including production of APIs (Active Pharmaceutical Ingredients) for late-stage clinical trials and other pre-commercial usage. These activities include scale-up and process validation in commercial API plants, which is a necessary activity in the development lifecycle of a new API.

## Principal risks and uncertainties

The principal risks and uncertainties faced by the company are as follows:

***Risk of liability and supply disruption from manufacturing issues***
The manufacture of our products is both highly regulated and complex, which introduces a greater chance for disruptions and liabilities. Government authorities closely regulate our manufacturing processes, and if those processes fail to meet the necessary requirements, then there is a risk that our production facilities could be shut down. The global geopolitical landscape continues to be unpredictable, with ongoing tensions that have the potential to disrupt markets and supply chains. Global trade tensions and tariffs could introduce new cost pressures, particularly on raw materials. These factors may put additional strain on business costs.

***Potential liability arising from legal proceedings and government investigation***
Sterling Pharma Ringaskiddy Limited is obligated to comply with the laws of Ireland, with new requirements imposed on us as government and public expectations of corporate behaviour develop. While management are not aware of any such investigations, Sterling Pharma Ringaskiddy Limited could be impacted by any such legal proceedings or investigations that are performed on its customers.

***Talent and culture***
This relates to the ability to attract, retain and develop the right talent, skills and capabilities within our workforce. We continue to invest in internal and external talent to strengthen capability in key roles, develop future leaders and drive internal career progression.

***Information security***
A data breach or cyber attack would adversely impact the business. A dedicated information security team is in place and regular cyber-security training is provided to employees.

**Principal risks and uncertainties (continued)**

***Climate change***
Our operations have an environmental impact which we manage carefully. The company has ISO14001 accreditation. ISO 14001 is an international standard that requires businesses to implement an Environmental Management System (EMS) to reduce their environmental impact.

***Customer base***
The company currently has one major customer, but is working to expand the customer base as part of its strategy under the Sterling group.

**Financial risk management**

The company's operations expose it to a variety of financial risks that include the effects of changes in liquidity risk, interest rate and foreign exchange risk. The company has in place a risk management programme that seeks to manage the financial exposures of the company by monitoring the risk factors involved.

***Interest rate risk***
Interest rate risk is not material to the company as there is no third party leverage (debt) in the capital structure.

***Liquidity risk***
Liquidity risk is managed and monitored centrally by the an intermediate parent undertaking, Sterling Pharma Solutions Limited. The company monitors its cash requirements on a daily basis and draws down or repays cash to the group as required.

***Foreign exchange risk***
The company has limited exposure to foreign exchange risk, as the vast majority of transactions are denominated in Euros.

**Directors**

The directors who served during the year ended 31 March 2025 and up to the date of signing this Annual Report were as follows:

K P Cook
M Byrne
A Henderson
T J Bahadur (resigned 22 November 2024)
M Anderson (appointed 22 November 2024)

**Directors' and secretary's interests in shares and debentures**

The directors and secretary in office at the year-end have availed of the exemptions available under the Companies Act 2014, Section 260. On that basis, the directors and secretary in office at the year-end had no disclosable interests in the shares of the company or any other group company at 31 March 2025.

**Political contributions**

The Electoral (Amendment) (Political Funding) Act 2012 requires companies to disclose all political donations over €200 in aggregate made during the financial year. The directors, on enquiry, have satisfied themselves that no such donations have been made by the company.

**Events since the end of the year**

There have been no significant events affecting the company since the end of the year.

### Accounting records

The measures taken by the directors to ensure compliance with the requirements of Sections 281 to 285 of the Companies Act 2014 with regard to the keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Ringaskiddy, Co. Cork.

### Compliance statement

The directors acknowledge that they are responsible for securing the company's compliance with its relevant obligations.

The directors confirm that:

1) A compliance policy statement setting out the company's policies, that in our opinion are appropriate to the company, respecting compliance by the company with its relevant obligations, has been drawn up.
2) Appropriate arrangements or structures that are designed to secure material compliance with the company's relevant obligations have been put in place.
3) A review of the arrangements and structures referred to at 2 above has been conducted during the financial period ended 31 March 2025.

### Audit committee

The directors of the company have satisfied themselves that the intended activities and responsibilities set out in Section 167 of the Companies Act 2014 are being substantively discharged in an adequate manner by certain directors of the company who are also part of executive leadership team of the one of the company's intermediate parent undertakings, Sterling Pharma Solutions Limited. The company also has adequate internal policies, controls and procedures in place with respect to risk management and audit. For these reasons the directors of the company have decided not to establish a separate audit committee.

### Statement on relevant audit information

In accordance with section 330 of the Companies Act 2014, each of the persons who are directors at the time when this directors' report is approved has confirmed that:

- so far as the director is aware, there is no relevant audit information of which the company's auditors are unaware, and
- the director has taken all the steps that ought to have been taken as a director in order to be aware of any relevant audit information and to establish that the company's auditors are aware of that information.

### Auditors

The auditors, PricewaterhouseCoopers, have indicated their willingness to continue in office and a resolution that they be re-appointed will be proposed at the Annual General Meeting.

This report was approved by the board on 25 September 2025 and signed on its behalf by:

| | |
|---|---|
| M Anderson<br>Director | M Byrne<br>Director |

Date: 25 September 2025

# *Independent auditors' report to the members of Sterling Pharma Ringaskiddy Limited*

## Report on the audit of the financial statements

### Opinion

In our opinion, Sterling Pharma Ringaskiddy Limited's financial statements:

- give a true and fair view of the company's assets, liabilities and financial position as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with Generally Accepted Accounting Practice in Ireland (accounting standards issued by the Financial Reporting Council of the UK, including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and Irish law); and
- have been properly prepared in accordance with the requirements of the Companies Act 2014.

We have audited the financial statements, included within the Directors' report and financial statements, which comprise:

- the balance sheet as at 31 March 2025;
- the statement of comprehensive income for the year then ended;
- the statement of changes in equity for the year then ended; and
- the notes to the financial statements, which include a description of the accounting policies.

### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) ("ISAs (Ireland)") and applicable law.

Our responsibilities under ISAs (Ireland) are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

*Independence*

We remained independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Ireland, which includes IAASA's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

### Conclusions relating to going concern

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from the date on which the financial statements are authorised for issue.

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

However, because not all future events or conditions can be predicted, this conclusion is not a guarantee as to the company's ability to continue as a going concern.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

## Reporting on other information

The other information comprises all of the information in the Directors' report and financial statements other than the financial statements and our auditors' report thereon. The directors are responsible for the other information. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except to the extent otherwise explicitly stated in this report, any form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If we identify an apparent material inconsistency or material misstatement, we are required to perform procedures to conclude whether there is a material misstatement of the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report based on these responsibilities.

With respect to the Directors' report, we also considered whether the disclosures required by the Companies Act 2014 have been included.

Based on the responsibilities described above and our work undertaken in the course of the audit, ISAs (Ireland) and the Companies Act 2014 require us to also report certain opinions and matters as described below:

- In our opinion, based on the work undertaken in the course of the audit, the information given in the Directors' report for the year ended 31 March 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.
- Based on our knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified any material misstatements in the Directors' report.

## Responsibilities for the financial statements and the audit

### *Responsibilities of the directors for the financial statements*

As explained more fully in the Directors' responsibilities statement set out on page 1, the directors are responsible for the preparation of the financial statements in accordance with the applicable framework and for being satisfied that they give a true and fair view.

The directors are also responsible for such internal control as they determine 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 directors are 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 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 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 ISAs (Ireland) 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.

Our audit testing might include testing complete populations of certain transactions and balances, possibly using data auditing techniques. However, it typically involves selecting a limited number of items for testing, rather than testing complete populations. We will often seek to target particular items for testing based on their size or risk characteristics. In other cases, we will use audit sampling to enable us to draw a conclusion about the population from which the sample is selected.

A further description of our responsibilities for the audit of the financial statements is located on the IAASA website at:

https://www.iaasa.ie/getmedia/b2389013-1cf6-458b-9b8f-a98202dc9c3a/Description_of_auditors_responsibilities_for_audit.pdf

This description forms part of our auditors' report.

*Use of this report*

This report, including the opinions, has been prepared for and only for the company's members as a body in accordance with section 391 of the Companies Act 2014 and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

# Other required reporting

## Companies Act 2014 opinions on other matters

- We have obtained all the information and explanations which we consider necessary for the purposes of our audit.
- In our opinion the accounting records of the company were sufficient to permit the financial statements to be readily and properly audited.
- The financial statements are in agreement with the accounting records.

## Other exception reporting

*Directors' remuneration and transactions*

Under the Companies Act 2014 we are required to report to you if, in our opinion, the disclosures of directors' remuneration and transactions specified by sections 305 to 312 of that Act have not been made. We have no exceptions to report arising from this responsibility.

Declan Maunsell

Declan Maunsell
for and on behalf of PricewaterhouseCoopers
Chartered Accountants and Statutory Audit Firm
Cork
25 September 2025

## Statement of comprehensive income
### Year ended 31 March 2025

| | Note | Year ended 31 March 2025 €000 | 15m ended 31 March 2024 €000 |
|---|---|---|---|
| Turnover | 5 | **136,822** | 153,318 |
| Cost of sales | | **(110,527)** | (128,106) |
| **Gross profit** | | **26,295** | 25,212 |
| Administrative expenses | | **(11,222)** | (12,913) |
| Other operating expenses | | **-** | (1,440) |
| **Operating profit** | 6 | **15,073** | 10,859 |
| Interest receivable and similar income | 11 | **645** | 1,094 |
| Interest payable and similar charges | 12 | **(284)** | (3) |
| **Profit before taxation** | | **15,434** | 11,950 |
| Tax on profit | 13 | **(2,465)** | 2,761 |
| **Profit and total comprehensive income for the financial year** | | **12,969** | 14,711 |

There was no other comprehensive income for the year ended 31 March 2025 or the period ended 31 March 2024.

The notes on pages 11 to 29 form part of these financial statements.

## Balance sheet
## At 31 March 2025

| | Note | | 2025 €000 | | 2024 €000 |
|---|---|---|---|---|---|
| **Fixed assets** | | | | | |
| Intangible assets | 14 | | **4,784** | | 4,966 |
| Tangible assets | 15 | | **30,779** | | 23,397 |
| | | | **35,563** | | 28,363 |
| **Current assets** | | | | | |
| Stocks | 16 | **11,235** | | 14,090 | |
| Debtors: amounts falling due within one year | 17 | **31,823** | | 37,596 | |
| Cash at bank and in hand | 18 | **21,375** | | 18,497 | |
| | | **64,433** | | 70,183 | |
| Creditors: amounts falling due within one year | 19 | **(49,347)** | | (60,284) | |
| **Net current assets** | | | **15,086** | | 9,899 |
| **Total assets less current liabilities** | | | **50,649** | | 38,262 |
| Creditors: amounts falling due after more than one year | 20 | | **(2,326)** | | (2,908) |
| **Provisions for liabilities** | | | | | |
| Other provisions | 23 | | **(3,379)** | | (3,379) |
| **Net assets** | | | **44,944** | | 31,975 |
| **Capital and reserves** | | | | | |
| Called up share capital | 25 | | **2,000** | | 2,000 |
| Profit and loss account | 25 | | **42,944** | | 29,975 |
| **Total equity** | | | **44,944** | | 31,975 |

The financial statements were approved and authorised for issue by the board:

**M Anderson**
Director

**M Byrne**
Director

Date: 25 September 2025

The notes on pages 11 to 29 form part of these financial statements.

## Statement of changes in equity
## Year ended 31 March 2025

| | Called up share capital | Profit and loss account | Total equity |
|---|---|---|---|
| | €000 | €000 | €000 |
| **At 1 January 2023** | 2,000 | 28,092 | 30,092 |
| Profit for the period | - | 14,711 | 14,711 |
| **Total comprehensive income for the period** | - | 14,711 | 14,711 |
| Dividends paid (note 26) | - | (12,828) | (12,828) |
| **Total transactions with owners, recognised directly in equity** | - | (12,828) | (12,828) |
| **At 31 March 2024 and 1 April 2024** | 2,000 | 29,975 | 31,975 |
| Profit for the year | - | 12,969 | 12,969 |
| **At 31 March 2025** | 2,000 | 42,944 | 44,944 |

The notes on pages 11 to 29 form part of these financial statements.

## 1. General information

Sterling Pharma Ringaskiddy Limited ('the company') is incorporated as a company limited by shares in the Republic of Ireland. The address of its registered office is Ringaskiddy, Co Cork. The company registration number is 147396.

The company was founded in 1989. Its principal activity is the manufacture of chemicals and chemical products, primarily under a contract manufacturing agreement with Novartis Group.

The company's immediate parent undertaking is Sterling Bidco Ireland Limited (a company registered in Ireland). The ultimate parent undertaking and controlling party is GHO Capital Partners LLP (incorporated in the United Kingdom and registered in England). A summary of the company's controlling parties is set out in note 30.

## 2. Statement of compliance

The financial statements have been prepared in accordance with accounting standards issued by the UK Financial Reporting Council and the Companies Act 2014. The financial statements comply with Financial Reporting Standard 102, *'The Financial Reporting Standard applicable in the UK and Republic of Ireland'* ('FRS 102').

## 3. Accounting policies

The significant accounting policies used in the preparation of the financial statements are set out below. These policies have been consistently applied to all financial periods presented, unless otherwise stated.

### 3.1 Basis of preparation of financial statements

The financial statements are prepared on a going concern basis and under the historical cost convention. They are presented in Euros (which is also the company's functional currency) and rounded to the nearest €000, unless indicated otherwise.

***Estimates and judgments***
The preparation of financial statements in conformity with FRS 102 requires the use of certain key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date. It also requires the directors to exercise judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or areas where assumptions and estimates have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are disclosed in note 4.

***Going concern***
The directors, after making enquiries, have a reasonable expectation that the company has adequate resources to continue operating for the foreseeable future. This reflects their assumptions about the company's trading prospects and finance available to the company for the future. Accordingly, the going concern basis continues to be adopted in preparing the financial statements.

## 3. Accounting policies (continued)

### 3.2 Disclosure exemptions for qualifying entities under FRS 102

The company has taken advantage of various exemptions available under FRS 102 to qualifying entities:

***Cash flow:*** no statement of cash flows is presented (FRS 102, paragraph 1.12(b)).

***Key management compensation*** is not disclosed (FRS 102, paragraph 33.7).

***Financial instruments:*** Disclosures required under FRS 102 paragraphs 11.39 to 11.48A and paragraphs 12.26 to 12.29 are not presented.

The company is a qualifying entity because it is included in the consolidated financial statements of Vanquish Bidco Limited, whose financial statements are publicly available from its registered office (see note 30).

### 3.3 Foreign currency translation

Foreign currency transactions are translated into Euros using the spot exchange rates at the dates of the transactions.

At each period-end foreign currency monetary items are translated into Euros using the closing rate. Exchange gains and losses are recognised in the profit and loss account.

### 3.4 Revenue

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. Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes. In addition:

***Contract development and manufacturing services - Novartis***
Revenue from toll manufacturing services to Novartis is based on the recharge of costs incurred plus a fixed mark-up as provided in the company's toll manufacturing agreement with Novartis.

***Other revenue***
Rental income is recognised on a straight-line basis over the lease term. Other revenue is recognised in the period the service is provided.

For all revenue streams, if revenue recognised exceeds payments received, the difference is included within debtors on the balance sheet as ('amounts recoverable on contracts'). Payments received in excess of revenue recognised are deferred on the balance sheet within creditors ('payments received on account').

### 3.5 Operating leases

Operating lease costs are charged to the profit and loss account on a straight-line basis over the period of the lease.

## 3. Accounting policies (continued)

### 3.6 Employee benefits

The company provides a range of benefits to employees, including short term employee benefits such as discretionary bonus arrangements, paid holiday arrangements and post-employment benefits (in the form of defined contribution pension plans).

***Short-term benefits***
Short term employee benefits, including paid holiday arrangements and other similar non-monetary benefits, are recognised as an expense in the financial year in which employees render the related service. The company operates a discretionary annual bonus plan for employees. An expense is recognised in the profit and loss account when the company has a present legal or constructive obligation to make payments under the plan as a result of past events and a reliable estimate of the obligation can be made.

***Post-employment benefits: defined contribution pension plan***
The company operates a defined contribution plan for its employees. A defined contribution plan is a pension plan under which the company pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further contributions or to make direct benefit payments to employees. The assets of the plan are held separately from the company in independently administered funds. The contributions to the defined contribution plan are recognised as an expense when they are due. Amounts not paid are included in creditors in the balance sheet.

### 3.7 Taxation

***Current tax***
Current tax is the amount of income tax payable in respect of the taxable profit for the current or past reporting periods. It is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the period end.

***Deferred tax***
Deferred tax arises from timing differences, which are temporary differences between profits as computed for tax purposes and profits as stated in the financial statements. These timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements.

Deferred tax is recognised on all timing differences at the reporting date, except that unrelieved tax losses and other deferred tax assets are only recognised when it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Deferred tax is measured at the tax rates that are expected to apply in the years in which the timing differences are expected to reverse, based on tax rates and laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax is not discounted.

### 3.8 Intangible assets

Intangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses.

Amortisation is provided on all intangible assets so as to write off the cost of the assets on a straight-line basis over their expected useful lives as follows:

| | | |
|---|---|---|
| Computer software | - | 3 to 10 years |

## 3. Accounting policies (continued)

### 3.9 Tangible assets

Tangible fixed assets are stated at cost less accumulated depreciation and any accumulated impairment losses. Cost includes the original purchase price, costs directly attributable to bringing the asset to its working condition for its intended use and dismantling and restoration costs.

Depreciation is provided on all tangible fixed assets, other than freehold land and assets in the course of construction, at rates calculated to write off the cost less estimated residual value of the assets on a straight-line basis over their expected useful lives, which are as follows:

| | | |
|---|---|---|
| Freehold property (buildings) | - | 20 to 40 years |
| Plant, machinery and equipment | - | 15 years |
| Vehicles | - | 4 to 10 years |
| IT Hardware | - | 3 to 5 years |

Tangible assets with a finite useful life are subject to review for impairment when events or circumstances indicate that the carrying value of these assets may exceed the recoverable amount. The recoverable amount is the higher of the asset net realisable value or value in use.

At each reporting date the company assesses whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is determined. If the carrying amount exceeds the recoverable amount an impairment loss is recognised in the profit and loss account.

### 3.10 Capital grants

Capital grants receivable are credited to the profit and loss account on the same basis as the depreciation on the assets to which the grant relates. The deferred element of grants is included in creditors as deferred income.

### 3.11 Stocks

Raw materials, consumables and spare parts inventory are stated at the lower of cost and net realisable value (value expected to be recovered through use). Cost reflects the cost of purchase (supplier invoice plus delivery costs and any irrecoverable taxes and duties) on a weighted average basis.

Any impairment losses arising due to cost exceeding net realisable value are recognised in the profit and loss account.

### 3.12 Share capital presented as equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

### 3.13 Dividends

Equity dividends are recognised when they become legally payable. Interim equity dividends are recognised when paid. Final equity dividends are recognised when approved by the shareholders at an annual general meeting.

**3. Accounting policies (continued)**

**3.14 Financial instruments**

The company has chosen to adopt sections 11 and 12 of FRS 102 in respect of financial instruments.

***Financial assets***
Basic financial assets, including trade, intercompany and other receivables and cash and bank balances are initially recognised at transaction price. Such assets are subsequently carried at amortised cost using the effective interest method.

At the end of each reporting period financial assets measured at amortised cost are assessed for objective evidence of impairment. Impairment provisions are determined on the basis of an individual assessment of each receivable and the amount of the loss arising from provisions is recognised within administrative expenses in the profit and loss account, as are reversals of impairment losses.

Financial assets are derecognised when (a) the contractual rights to the cash flows from the asset expire or are settled or (b) substantially all the risks and rewards of the ownership of the asset are transferred to another party or (c) control of the asset has been transferred to another party who has the practical ability to unilaterally sell the asset to an unrelated third party without imposing additional restrictions.

***Financial liabilities***
Basic financial liabilities, including trade, intercompany and other payables and intercompany loans, are recognised initially at the transaction price, and subsequently at amortised cost using the effective interest method.

Financial liabilities are derecognised when the liability is extinguished, that is when the contractual obligation is discharged, cancelled or expires.

**3.15 Related party transactions**

The company discloses transactions with related parties which are not wholly-owned within the same group. Where appropriate, transactions of a similar nature are aggregated unless, in the opinion of the directors, separate disclosure is necessary to understand the effect of the transactions on the financial statements.

## 3. Accounting policies (continued)

### 3.16 Provisions and contingencies

***Provisions***
Provisions are liabilities of uncertain timing or amount. Provisions are recognised when the company has a present legal or constructive obligation as a result of past events, it is probable that a transfer of economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are measured at the present value of the best estimate of the amount required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. Provisions are reviewed at the end of each financial year and adjusted to reflect the current best estimate of the amount required to settle the obligation. The unwinding of the discount is recognised as a finance cost in profit or loss, presented as part of ‘interest payable and similar charges’ in the financial year in which it arises.

***Contingencies***
Contingent liabilities, arising as a result of past events, are not recognised as a liability because it is not probable that the company will be required to transfer economic benefits in settlement of the obligation, or the amount cannot be reliably measured at the end of the financial year. Possible but uncertain obligations are not recognised as liabilities but are contingent liabilities. Contingent liabilities are disclosed in the financial statements unless the probability of an outflow of resources is remote.

Contingent assets are not recognised. Contingent assets are disclosed in the financial statements when an inflow of economic benefits is probable.

## 4. Critical accounting judgments and estimation uncertainty

Judgments and estimates made in the process of preparing the entity financial statements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

***Critical judgments in applying accounting policies***
There were no critical judgments required in applying the company's accounting policies.

***Critical accounting estimates and assumptions***
The directors make estimates and assumptions concerning the future in the process of preparing the entity financial statements. The resulting accounting estimates will, by definition, seldom equal the actual outcomes. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are detailed below.

(a) *Provision for asset retirement obligation*
The provision recognised for decommissioning the site in the event of closure required management's best estimate of the expenditure that will be incurred. The estimate was informed by professional advice received during 2022, and each year management consider whether an update is required. The significant uncertainty for this estimate is timing - decommissioning is not expected to take place until many years into the future, by which time the effect of inflation, and any developments in decommissioning methods and regulation could significantly alter the eventual cost. See note 23 for further details.

## 5. Turnover

Turnover analysis by class of business:

| | Year ended 31 March 2025 €000 | 15m ended 31 March 2024 €000 |
|---|---|---|
| Contract manufacturing services | **134,570** | 151,663 |
| Other | **2,252** | 1,655 |
| | **136,822** | 153,318 |

Turnover analysis by country of destination:

| | Year ended 31 March 2025 €000 | 15m ended 31 March 2024 €000 |
|---|---|---|
| Republic of Ireland | **2,367** | 114,165 |
| Switzerland | **128,870** | 39,153 |
| Rest of the world | **5,585** | - |
| | **136,822** | 153,318 |

## 6. Operating profit

Operating profit is stated after charging/(crediting):

| | Year ended 31 March 2025 €000 | 15m ended 31 March 2024 €000 |
|---|---|---|
| Research and development charged as an expense | **614** | 1,227 |
| Depreciation of tangible fixed assets (note 15) | **1,294** | 2,782 |
| Amortisation of intangible assets (note 14) | **1,914** | 709 |
| Amortisation of contract costs (note 21) | **(791)** | (469) |
| Foreign exchange loss | **240** | 79 |

See also note 7 in respect of exceptional items recognised in the profit and loss account.

## 7. Other operating expense

| | **Year ended 31 March 2025 €000** | 15m ended 31 March 2024 €000 |
|---|---|---|
| Impairment of tangible fixed assets | **-** | 1,440 |

**Impairment of tangible fixed assets** - in the prior year, the directors determined that there was a further impairment of the tangible assets of €1,440,000 as a result of the disposal of the company by Novartis Pharma AG in December 2022.

## 8. Auditors' remuneration

Remuneration (including expenses) for the statutory audit and other services carried out for the company by the company's auditors is as follows:

| | **Year ended 31 March 2025 €000** | 15m ended 31 March 2024 €000 |
|---|---|---|
| Audit of the company's financial statements | **90** | 125 |

## 9. Employees

Staff costs, including directors' remuneration, were as follows:

| | Year ended 31 March 2025 €000 | 15m ended 31 March 2024 €000 |
|---|---|---|
| Wages and salaries | **36,264** | 56,467 |
| Social insurance costs | **4,302** | 6,508 |
| Cost of defined-contribution pension scheme (note 24) | **3,564** | 4,863 |
| | **44,130** | 67,838 |

None of the staff costs have been capitalised into stock or fixed assets (2024 - none).

The average monthly number of employees, including the directors, during the period was as follows:

| | Year ended 31 March 2025 No. | 15m ended 31 March 2024 No. |
|---|---|---|
| Production | **313** | 347 |
| Management and administration | **22** | 15 |
| | **335** | 362 |

## 10. Directors' remuneration

| | Year ended 31 March 2025 €000 | 15m ended 31 March 2024 €000 |
|---|---|---|
| Emoluments | **284** | 389 |
| Company contributions to defined contribution pension schemes | **30** | 30 |
| | **314** | 419 |

The remuneration of other directors is paid by an intermediate parent undertaking, Sterling Pharma Solutions Limited (incorporated in the United Kingdom and registered in England) and no recharge is made to the company. These directors are also directors of other group undertakings and it is not possible to make an accurate apportionment of their remuneration in respect of the company and each of the other group undertakings. Accordingly, the above details include no remuneration in respect of these individuals. Their total remuneration is included in the aggregate of directors' remuneration disclosed in the financial statements of Sterling Pharma Solutions Limited.

## 11. Interest receivable and similar income

| | Year ended 31 March 2025 €000 | 15m ended 31 March 2024 €000 |
|---|---|---|
| Interest receivable from group companies | **645** | 1,094 |

## 12. Interest payable and similar charges

| | Year ended 31 March 2025 €000 | 15m ended 31 March 2024 €000 |
|---|---|---|
| Interest payable to group companies | **284** | 3 |

## 13. Taxation

| | Year ended 31 March 2025 €000 | 15m ended 31 March 2024 €000 |
|---|---|---|
| **Corporation tax** | | |
| Current tax on profits for the year | **75** | 8 |
| Adjustments in respect of previous periods | **6** | (179) |
| **Total current tax charge/(credit)** | **81** | (171) |
| **Deferred tax** | | |
| Origination and reversal of timing differences | **2,384** | (2,590) |
| **Total deferred tax charge/(credit)** | **2,384** | (2,590) |
| **Tax charge/(credit) on profit** | **2,465** | (2,761) |

## 13. Taxation (continued)

### Factors affecting tax charge/(credit) for the year/period

The tax assessed for the year/period is higher than (2024 - lower than) the standard rate of corporation tax in Ireland of 12.5% (2024 - 12.5%). The differences are explained below:

| | **Year ended 31 March 2025 €000** | 15m ended 31 March 2024 €000 |
|---|---|---|
| Profit before tax | **15,434** | 11,950 |
| Profit before tax multiplied by standard rate of tax in Ireland of 12.5% (15 month period ended 31 March 2024 - 12.5%) | **1,929** | 1,494 |
| **Effects of:** | | |
| Expenses not deductible for tax purposes | **75** | (14) |
| Tax relief at source on medical insurance payments | **136** | 184 |
| R&D tax credits | **(61)** | (275) |
| Income subject to higher rate of tax | **108** | 133 |
| Adjustments to tax charge in respect of previous periods | **6** | (179) |
| Deferred tax - recognition of previously unrecognised losses | **(211)** | (2,086) |
| Group relief | **(217)** | - |
| Deferred tax - recognition of previously unrecognised fixed assets timing differences | **-** | (2,018) |
| Deferred tax - temporary timing differences | **700** | - |
| **Total tax charge/(credit) for the year/period** | **2,465** | (2,761) |

The tax charge for the year has been reduced by €217,000 (15 month period ended 31 March 2024: €Nil) because of losses surrendered by a fellow group company. No payment for this surrender is to be made by the company.

## 14. Intangible assets

| | Computer software €000 |
|---|---|
| **Cost** | |
| At 1 April 2024 | **5,675** |
| Additions | **1,732** |
| At 31 March 2025 | **7,407** |
| **Accumulated amortisation** | |
| At 1 April 2024 | **709** |
| Charge for the year | **1,914** |
| At 31 March 2025 | **2,623** |
| **Net book value** | |
| At 31 March 2025 | **4,784** |
| At 31 March 2024 | 4,966 |

## 15. Tangible assets

| | Freehold property €000 | Plant and machinery €000 | Motor vehicles €000 | Computer equipment €000 | Construct'n in progress €000 | Total €000 |
|---|---|---|---|---|---|---|
| **Cost or valuation** | | | | | | |
| At 1 April 2024 | **141,829** | **536,169** | **1,079** | **10,482** | **9,553** | **699,112** |
| Additions | **-** | **-** | **-** | **-** | **8,680** | **8,680** |
| Disposals | **-** | **-** | **(16)** | **(52)** | **-** | **(68)** |
| Transfers from CIP | **-** | **1,514** | **-** | **221** | **(1,735)** | **-** |
| At 31 March 2025 | **141,829** | **537,683** | **1,063** | **10,651** | **16,498** | **707,724** |
| **Accumulated depreciation and impairment** | | | | | | |
| At 1 April 2024 | **132,714** | **531,449** | **1,072** | **10,480** | **-** | **675,715** |
| Charge for the year | **369** | **813** | **3** | **109** | **-** | **1,294** |
| Disposals | **-** | **-** | **(16)** | **(48)** | **-** | **(64)** |
| At 31 March 2025 | **133,083** | **532,262** | **1,059** | **10,541** | **-** | **676,945** |
| **Net book value** | | | | | | |
| At 31 March 2025 | **8,746** | **5,421** | **4** | **110** | **16,498** | **30,779** |
| At 31 March 2024 | 9,115 | 4,720 | 7 | 2 | 9,553 | 23,397 |

## 16. Stocks

| | 2025 €000 | 2024 €000 |
|---|---|---|
| Raw materials and consumables | **8,223** | 11,298 |
| Spare parts | **3,012** | 2,792 |
| | **11,235** | 14,090 |

There was no impairment of stock during the period, or reversal of write-offs (2024 - €nil).

## 17. Debtors: amounts falling due within one year

| | **2025** | 2024 |
|---|---|---|
| | **€000** | €000 |
| Trade debtors | **5,458** | 16,795 |
| Amounts recoverable on contracts | **18,035** | 3,858 |
| Amounts owed by group undertakings | **58** | 10,697 |
| Prepayments | **4,731** | 1,228 |
| Other debtors | **2,703** | 824 |
| Corporation tax receivable | **210** | 1,182 |
| Deferred tax asset (note 22) | **628** | 3,012 |
| | **31,823** | 37,596 |

Amounts recoverable on contracts relates to costs incurred on behalf the company's primary customer which are recharged to that entity.

Amounts owed by group undertakings are unsecured, interest-bearing (LIBOR +7%) and repayable on demand.

## 18. Cash and cash equivalents

| | **2025** | 2024 |
|---|---|---|
| | **€000** | €000 |
| Cash at bank and in hand | **21,375** | 18,497 |

## 19. Creditors: amounts falling due within one year

| | 2025 €000 | 2024 €000 |
|---|---|---|
| Payments received on account | **10,748** | 8,703 |
| Trade creditors | **15,329** | 26,241 |
| Amounts owed to group undertakings | **8,014** | 1,980 |
| Taxation and social insurance | **3,171** | 6,624 |
| Other creditors | **61** | 1,439 |
| Accruals | **11,763** | 14,828 |
| Deferred income - capital grants (note 21) | **261** | 469 |
| | **49,347** | 60,284 |

Payments received on account relate to advanced amounts received from the company's primary customer.

Amounts owed to group undertakings are unsecured, interest-free and repayable on demand.

| | 2025 €000 | 2024 €000 |
|---|---|---|
| **Other taxation and social insurance creditors comprise:** | | |
| PAYE and pay-related social insurance | **3,171** | 6,624 |

## 20. Creditors: amounts falling due after more than one year

| | 2025 €000 | 2024 €000 |
|---|---|---|
| Deferred income - capital grants (note 21) | **2,326** | 2,908 |

## 21. Deferred income

| | 2025 €000 | 2024 €000 |
|---|---|---|
| **Capital grants** | | |
| At beginning of year/period | **3,377** | 2,987 |
| New grants received | **-** | 859 |
| Credited to profit and loss account | **(790)** | (469) |
| **At end of year/period** | **2,587** | 3,377 |

| | 2025 €000 | 2024 €000 |
|---|---|---|
| **Shown as:** | | |
| Creditors: amounts falling due within one year | **261** | 469 |
| Creditors: amounts falling due after more than one year | **2,326** | 2,908 |
| | **2,587** | 3,377 |

## 22. Deferred tax asset

| | 2025 €000 | 2024 €000 |
|---|---|---|
| At beginning of year/period | **3,012** | 422 |
| (Charge)/credit to profit and loss account | **(2,384)** | 2,590 |
| At end of year/period | **628** | 3,012 |

The deferred tax asset is made up as follows:

| | 2025 €000 | 2024 €000 |
|---|---|---|
| Tangible fixed assets timing differences | **(481)** | 935 |
| Losses carried forward | **736** | 1,707 |
| Other short-term timing differences | **373** | 370 |
| | **628** | 3,012 |

## 23. Provisions

| | Asset retirement obligation €000 |
|---|---|
| At 1 April 2024 | **3,379** |
| **At 31 March 2025** | **3,379** |

**Asset retirement obligation**
The asset retirement obligation relates to the requirement to decommission the site in the event of closure. This requirement is set out in the company's environmental permit and the obligating event was the initial construction of the site in 1989 (and any significant additions since then). The provision of €3,379,000 currently recognised is a discounted amount.

The obligation is not expected to crystallise to any significant extent within the next 20 years. The current business plan is premised on continuing to operate from the site and significant amounts are spent on repairs and maintenance each year to preserve the assets.

## 24. Pensions

**Defined contribution scheme**
The company makes pension contributions to defined contribution pension plans (to which the members also make a personal contribution). Given that the contributions are fixed, it is not necessary to carry out an actuarial valuation in order to determine the required contribution input. The cost in respect of these plans for the year ended 31 March 2025 was €3,564,000 (15 month period ended 31 March 2024: €4,863,000). Amounts due but not yet paid at the end of the period were €58,000 (2024: €125,000).

## 25. Share capital and reserves

| | **2025 €000** | 2024 €000 |
|---|---|---|
| **Authorised** | | |
| 5,000,000 (2024 - 5,000,000) Ordinary shares of €1.27 each | **6,350** | 6,350 |
| **Allotted, called up and fully paid** | | |
| 1,575,000 (2024 - 1,575,000) Ordinary shares of €1.27 each | **2,000** | 2,000 |

## 25. Share capital and reserves (continued)

**Share capital**
There is a single class of equity shares. There are no restrictions on the distribution of dividends and the repayment of capital. All shares carry equal voting rights and rank for dividends to the extent to which the total amount on each share is paid up.

**Profit and loss account**
The profit and loss account represents accumulated comprehensive income for the financial year and prior financial years, less dividends paid.

## 26. Dividends

| | **2025** | 2024 |
|---|---|---|
| | **€000** | €000 |
| **Ordinary shares** | | |
| Ordinary dividends of €nil (2024 - €8.14) per share | **-** | 12,828 |

## 27. Contingent liabilities

A contingent liability exists in respect of government grants which may become repayable in certain circumstances and government grant agreements may also include restrictions on the availability of profits for distribution. The amount subject to these conditions at the balance sheet date is €2,586,000 (31 March 2024: €3,377,000).

A contingent liability in respect of a bank guarantee for customs of €200,000 (2024: €200,000) is also outstanding.

## 28. Capital commitments

At the balance sheet date the company has the following capital commitments:

| | **2025** | 2024 |
|---|---|---|
| | **€000** | €000 |
| Contractual commitments for the acquisition of tangible fixed assets | **2,837** | 4,429 |

## 29. Related party transactions

See note 10 for disclosure of the directors' remuneration. The company is exempt from disclosing key management compensation as it is a qualifying entity under FRS 102.

The company is exempt from disclosing other related party transactions as they are with other companies that are wholly-owned within the Sterling group.

## 30. Controlling parties

| | | |
|---|---|---|
| Immediate parent undertaking | - | Sterling Bidco Ireland Limited* |
| Ultimate parent undertaking and controlling party | - | GHO Capital Partners LLP*** |
| Smallest parent undertaking to consolidate the company in publicly available financial statements | - | Saffron Midco 1 Limited** |
| Largest parent undertaking to consolidate the company in publicly available financial statements | - | Vanquish Bidco Limited** |

| | |
|---|---|
| * incorporated in Ireland | *Registered address:* 10 Earlsfort Terrace, Dublin 2, D02 T380 |
| ** incorporated in the United Kingdom (England) | *Registered address:* Sterling Place, Dudley Cramlington, Northumberland, NE23 7QG |
| *** incorporated in the United Kingdom (England) | *Registered address*: St. James's Square, London, SW1Y 4JZ |

## 31. Events since the end of the financial period

There were no significant events since the balance sheet date that require adjustment or disclosure in these financial statements.

## 32. Approval of financial statements

The board of directors approved these financial statements for issue on 25 September 2025.