Better health. Within reach. Every day.

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Annual Report 2025

hikma.

Better health. Within reach. Every day.

Hikma puts better health within reach, every day. By creating high-quality products and making them accessible to those who need them, we are helping to shape a healthier world that enriches all our communities.

STRATEGIC REPORT

What we do 2
Executive Chairman and CEO statement 4
Our strategy 6
Our business model 10
Investment case 12
Our progress 16
Our markets 18
Stakeholder engagement 22
Business and financial review 28
– Group 29
– Injectables 30
– Branded 32
– Hikma Rx 34
– Group performance 36
Sustainability 40
– Sustainability at Hikma 42
– TCFD disclosure 66
Risk management 80
Going concern and longer-term viability 89
Non-financial and sustainability information statement 92

CORPORATE GOVERNANCE REPORT

Executive Chairman's overview 96
Corporate governance at a glance 98
Board of Directors 100
Executive Committee 102
Corporate governance 103
Committee reports 107
Annual report on remuneration 132
Other statutory disclosures 150

FINANCIAL STATEMENTS

Independent auditors' report 156
Consolidated financial statements 162
Notes to the consolidated financial statements 167
Company financial statements 212
Notes to the Company financial statements 214

SHAREHOLDER INFORMATION

Shareholder information 219

Cover image

Merkuba Erceg is a Senior Lab Technician at Hikma's Zagreb R&D hub. She helps develop standard, complex and differentiated generic injectable medicines.

Financial highlights

Revenue
$3,349m
+7% 2024: $3,127m

Core[1] revenue
$3,349m
+6% 2024: $3,156m

Operating profit
$542m
(11)% 2024: $612m

Core operating profit
$741m
+3% 2024: $719m

Profit to shareholders
$402m
+12% 2024: $359m

Core profit to shareholders
$503m
+2% 2024: $495m

Basic earnings per share
182c
+12% 2024: 162c

Core basic earnings per share[2]
228c
+2% 2024: 224c

Dividend per share
84c
+5% 2024: 80c

Non-financial highlights

Value of our donated medicines
$2.6m
2024: $4.1m

Reduction in Scope 1 and 2 GHG emissions since 2020[3]
16%
2024: 17%

Employee engagement score (2024)
73%

Strategic progress

Driving top-line growth
6% Group core revenue growth

Increasing scale
of our manufacturing through automation and increased capacity

Expanding our portfolio
84 products launched

Adding differentiation
to the portfolio through acquisition and partnerships

Investing for the future
4.5% of Group core revenue invested in R&D for continued growth

Positive outlook
as we build on strong momentum with a clear strategy for growth

1. Core results are presented to show the underlying performance of the Group, excluding the exceptional items and other adjustments set out in Note 6 of the Group consolidated financial statements
2. Core basic earnings per share is reconciled to basic earnings per share in Note 11 of the Group consolidated financial statements
3. We have committed to reducing Scope 1 and 2 greenhouse gas emissions (market-based) by 25% by 2030, using a 2020 baseline year. For reporting in this Annual Report, we have used data from January to September 2025 and extrapolated to estimate quantities for October to December 2025. More information on this methodology can be found on our website. We have restated our 2020 base year emissions footprint to take into account our Xellia acquisition, 2024 and 2023 comparatives remain unchanged. More details are available on page 59

What we do

We bring patients across North America, MENA and Europe a broad range of generic, specialty and branded pharmaceutical products.

Our markets

North America

Our large manufacturing facilities in the United States (US) supply generic and specialty products to the US and Canadian markets across a broad range of therapeutic areas, including respiratory, oncology and pain management. We have an R&D hub in Columbus, Ohio.

59.0% Group core revenue

c.2,300 Employees

MENA

We sell branded generics and in-licensed patented products across the Middle East and North Africa (MENA). We have manufacturing facilities in six MENA countries, including US FDA-inspected plants in Jordan and Saudi Arabia. Around 2,000 sales representatives and support staff market our brands to healthcare professionals across 17 markets. We also have an R&D hub in Amman, Jordan.

32.5% Group core revenue

c.5,700 Employees

Europe and Rest of World

Our injectable manufacturing facilities in Portugal, Italy and Germany have a range of capabilities, including dedicated capacity for oncology and cephalosporins. These facilities supply injectable products to North America, MENA and a growing number of markets in Europe. We also have an R&D hub in Zagreb, Croatia.

8.5% Group core revenue

c.1,400 Employees

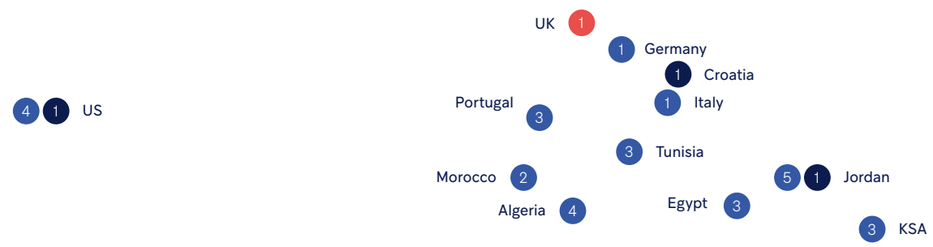
Global reach

9,400 Employees

3 R&D hubs

825+ Products

29 Manufacturing plants



● Manufacturing plants ● R&D hubs ● Corporate HQ

Following the restructuring and centralising of R&D during 2025, we now have three key R&D hubs in Columbus, Ohio, US; Zagreb Croatia; and Amman, Jordan

Our business segments

Injectables

We supply hospitals across our markets with generic and specialty injectable products, supported by our manufacturing facilities in the US, Europe and MENA.

Read more on page 30

Branded

We supply branded generics and in-licensed patented products, supported by our local manufacturing facilities, to retail and hospital customers across the MENA region.

Read more on page 32

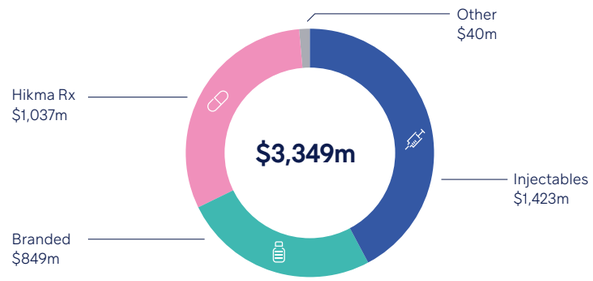
Hikma Rx[1]

We supply oral, respiratory and other generic and specialty products to the North American retail market, leveraging our state-of-the-art manufacturing facility in Columbus, Ohio.

Read more on page 34

1. During the year, the business formerly known as Generics was renamed Hikma Rx

Segmental core revenue



	2025 ($m)	2024 ($m)
Injectables	**1,423**	1,324
Branded	**849**	769
Hikma Rx	**1,037**	1,037
Other	**40**	26
Total	**3,349**	3,156

A culture of progress and belonging

We are one Hikma, supporting each other, driving onwards, growing our business and pursuing our collective promise – to put better health within reach, every day. At the heart of this are our three values: innovative, caring and collaborative.

Our purpose

Better health.
Within reach.
Every day.

Our values

Innovative Caring Collaborative

Executive Chairman and Chief Executive Officer's statement

Ensuring patients have access to the medicines they need is at the heart of everything we do. In 2025, we continued to invest in our people, capabilities, and infrastructure to strengthen our ability to deliver high-quality, affordable medicines across the communities we serve.

Core revenue – 2025

Injectables	42.5%	$1,423m
Branded	25.3%	$849m
Hikma Rx	31.0%	$1,037m
Other	1.2%	$40m
Total		**$3,349m**

Core operating profit – 2025[1]

Injectables	52.3%
Branded	26.5%
Hikma Rx	21.2%

1. Core operating profit is $741 million. Before unallocated corporate costs of $97 million and operating loss from Other business of $6 million, core operating profit contribution from business segments is $844 million

Hikma celebrated the twentieth anniversary of our listing on the London Stock Exchange during 2025 – a milestone I'm hugely proud of. When we listed we had six manufacturing plants, employed fewer than 2,000 people and generated $262 million in revenue. We now have 29 manufacturing plants, employ over 9,300 people and generate over $3.3 billion in revenue with enviable margins and cash generation. But more important than the growth we have delivered is the impact we have had on patients, providing vital, more affordable medicines to those who need them.

I am proud and energised to have stepped back into the CEO role at the end of 2025. I have a strong team around me both at a leadership level and throughout the business and we share a strong belief in the potential of our business and the many exciting opportunities ahead.

Looking back at 2025

We grew Group revenue by 7% and Group core operating profit by 3% in 2025, in line with market expectations. I am pleased with what we achieved, especially in our Branded and Hikma Rx businesses, which performed exceptionally well. We also faced some challenges in our Injectables business, but I am confident that we have solid plans in place to strengthen the long-term foundation of the business.

Injectables

Despite facing some headwinds in the year, the Injectables business still delivered an impressive 9% growth in revenue. Core EBIT margin was 31%, lower than in pervious years, reflecting our evolving geographic mix and an increase in products either partnered with or produced by third parties. This dynamic will continue into 2026, as these products are expected to make up an increasing percentage of Injectables revenue.

We are investing significantly in this business, with projects across our global footprint, and a renewed focus on R&D. Our patent-protected, ready-to-use, room temperature stable vancomycin bag, Tyzavan®, was launched in late 2025 and we are excited for the potential of this game-changing sepsis treatment. The team who developed Tyzavan®, based in our R&D facility in Zagreb, is working to build a pipeline of similarly differentiated injectable products and we are excited to be investing behind these opportunities.

Work on our Bedford plant continues at pace and we continue to expect full commercial production to commence in 2028.

Branded

Our Branded business delivered another strong performance in 2025, growing revenue 10% and core operating profit 19%, reinforcing its position as a leading healthcare company and trusted partner across MENA. I am immensely proud of this business: Branded consistently delivers growth at excellent margins and our reputation and scale in the region sets us up for continued success.

In 2025, we continued to invest in expanding our portfolio, introducing new products to meet the growing needs of patients and healthcare systems in the region. We are also launching products beyond medicines, such as diagnostics tools, through our partnership with Guardant Health, as we evolve into a full-service healthcare company in MENA. With all of this, our focus on quality, affordability, and local partnerships remains central to our success, enabling us to maintain a leading position, and I am thrilled to say that we have recently become the largest pharmaceutical company in MENA.[2]

Hikma Rx

During the year we renamed our US non-injectables business Hikma Rx, previously Generics. This is an important evolution as the new name better reflects this business's focus on delivering high-quality, differentiated non-injectable prescription medicines. In 2025, Hikma Rx has continued to be a driver of profit growth and a cornerstone of our strategy.

We are investing in this business, expanding our portfolio to meet the evolving needs of patients and healthcare providers. Our base portfolio of more complex products such as nasal sprays and inhalers has been performing well, and at the same time, we are adding more complexity through targeted R&D initiatives, particularly for complex nasal spray and inhalation products.

Looking ahead, carrying out contract manufacturing (CMO) services will be increasingly important for this business as we leverage our expertise and infrastructure to drive revenue growth and deliver efficiency and innovation across the segment. The fact that we are guiding this year to core operating margin of close to 20% is testament to the improving quality of this business, which is absolutely core to Hikma's growth plans.

Group synergies and R&D

Hikma's three businesses are each distinct in their own way, but with many shared attributes. Ultimately, each business is developing, manufacturing and commercialising life-saving medicines. As we strive to optimise our business performance, we are looking to capture synergies across our global operations.

In 2025, we centralised the R&D function under a global structure, led by our President of Hikma Rx, Hafrun Fridriksdottir. Hafrun has a strong background in managing global R&D teams and has a proven record of product approvals worldwide. Under the new structure, we now have three main areas of focus: Injectables; Respiratory, nasals, semi-solids and liquids (RNSSL); and Solid Orals, all supported by R&D Operations and Regulatory Affairs teams. Working collaboratively together, this new global R&D team will prioritise accelerating the delivery of more high-value and increasingly complex products across our global businesses.

We are also working to integrate AI into our operations and have an AI Advisory Board which oversees AI learning, digital applications and governance.

Every stakeholder counts

From patients and healthcare professionals to colleagues, shareholders, and the communities we serve, we recognise that our success depends on creating value for each of them. We listen carefully and consider all these stakeholders, and you can find out more on our approach to these relationships in the stakeholder section of this report on pages 22 to 27.

We have also refreshed our 'Acting Responsibly' framework during 2025. Access to medicine is the guiding principle of the framework, supported by environment, quality and people.

At Hikma we are proud to be an incredibly diverse company, with people from all backgrounds contributing to our success. We also continue to closely monitor and focus on ensuring we have strong representation of women throughout the Group – you can see the detail behind this in the corporate governance section of this report, on page 94.

Governance updates

Our Board provides the strategic oversight, diverse expertise, and independent judgement needed to help guide the Group and support our management team. By fostering robust governance and constructive challenge, the Board ensures that our decisions align with our purpose and create sustainable value for all stakeholders.

This year, the Board has had the chance to see more of the operations of the Group, including a strategy meeting at our Portugal facility – an exciting opportunity for Board members to engage with the wider business.

The Board also approved the Group Capital Allocation Framework, which ensures we have a disciplined strategy for deploying, managing and returning capital in a manner that supports long-term growth, financial resilience and shareholder value creation.

During 2025, John Castellani and Nina Henderson retired from the Board, having each served for nine years. The experience, thought and dedication they have brought to the Board and its committees has been of great value both to me as Chairman and to Hikma. I thank them for their service to the Group. Riad Mishlawi also stepped down from the Board and as CEO at the end of 2025.

I took over the CEO role in December and, at the same time, we appointed Khalid Nabilsi, CFO, to the Board of Directors. Khalid brings over 20 years of experience at Hikma and will be taking on broader responsibilities, detailed below.

I intend to remain in the CEO role for around the next two years, as we look to rebuild confidence and execute our growth plans.

To ensure I am fully focused on the CEO role, I am stepping down as Executive Chairman. Victoria Hull will become Non-Executive Chair and Douglas Hurt will become Senior Independent Director.

Leadership changes

We are making several adjustments to Hikma's leadership, both to help me in the day-to-day management of the business and to ensure that we start moving faster and more effectively.

We have created two new Deputy CEO positions. Mazen Darwazah, currently Executive Vice Chairman and President of MENA, has been appointed Deputy CEO, MENA, with responsibility now for all of our activities in MENA, including MENA Injectables.

Khalid Nabilsi, currently CFO, will take on the role of Deputy CEO, North America and Europe and will oversee all Hikma's activities in North America and Europe. He will step down as CFO.

The Board has initiated a search for a new CFO. While the search is ongoing, Areb Kurdi, currently VP, Group Financial Controller, will become Acting CFO.

Hafrun Fridriksdottir, currently Global Head of R&D and President, Hikma Rx, will add management of our Injectables commercial activities in North America to her responsibilities and will become President, North America in addition to her R&D role.

For further information on these leadership changes, please refer to the Nomination and Governance Committee report on page 107.

A strategy for growth

Our ambition is clear: to build on our long history of success and ensure that Hikma continues to deliver sustainable growth and long-term value. We will achieve this by investing in innovation, expanding our capabilities, and deepening our presence across our key markets.

2026 will be a year where we focus on investing to deliver that growth, in particular in our Injectables business.

We have an exceptional team at Hikma and our people are critical to our ongoing success. I'd like to thank all my colleagues for their sustained efforts to ensure that Hikma continues to grow and keeps putting better health within reach, every day.

Said Darwazah
Executive Chairman and CEO

2. Based on internal analysis using data from the following source: IQVIA MIDAS® Monthly Value Sales data for Algeria, Egypt, Jordan, Kuwait, Lebanon, Morocco, Saudi Arabia, Tunisia and UAE, for the period: MAT November 2025, reflecting estimates of real-world activity. Copyright IQVIA. All rights reserved

Our strategy

We aim to deliver consistent and profitable growth by building a leading generics and specialty pharmaceutical company, putting better health within reach, every day.

Find out more about our KPIs on page 16
Find out more about our risks on page 82
Find out more about our strategic progress on page 28

Our strategic pillars

Our approach

Enhance	operational efficiencies and embrace new technologies, maintaining our high quality levels	**KPIs** – Core revenue – Core operating profit – Return on average invested capital
Leverage	our broad portfolio and strong commercial capabilities	
Develop	a more differentiated pipeline	**KPIs** – Percentage of revenue from new business over three years
Expand	into adjacent businesses and geographies	
Empower	our people and cultivate a unified culture	**KPIs** – Employee engagement and enablement – Reduction in Scope 1 and 2 emissions
Act	responsibly across our local markets and communities	

Our new unified R&D organisation optimises our resources, strengthens our capabilities, standardises the product selection process across our technical platforms, accelerates time-to-market and supports our strategic growth priorities."

Hafrun Fridriksdottir
President, Hikma Rx and Head of Global R&D

Our purpose in action

Investing in R&D to drive high-value pipeline delivery

Hikma is committed to building a differentiated pipeline of complex products.

Under a newly unified global R&D organisation, we have consolidated research capabilities into a single Group structure with three hubs in Ohio, US, Jordan and Croatia, specialising in Respiratory, nasals, semi-solids and liquids (RNSSL); Solid Orals and Injectables. This reorganisation optimises resources, strengthens capabilities, standardises product selection across technical platforms, and accelerates time-to-market, supporting strategic growth priorities for our Injectables, Branded and Hikma Rx businesses.

Complex products creating significant market opportunities
Our pipeline focuses on both simple and technically complex, differentiated products addressing unmet medical needs, for example:

We are developing a single-dose epinephrine nasal spray for emergency anaphylaxis treatment. With the US epinephrine auto-injector market forecast to be valued at approximately $1.2 billion by 2032[1], this innovative nasal alternative offers substantial benefit through improved ease of administration and patient compliance.

Tyzavan® our reformulated vancomycin ready-to-use injectable medicine is another example of how we are adding complexity to our product portfolio. This patent-protected, ready-to-use, room temperature stable bag addresses critical hospital needs for treating serious infections including septicaemia.

99 approvals

84 launches

1. www.pharmiweb.com/press-release/2024-06-17/epinephrine-auto-injectors-market-set-for-lifesaving-growth-at-49-cagr-reaching-us-32-billion-by

Our business model

Our diversified business model allows us to respond to the opportunities and threats we face, while delivering for our stakeholders.

Better health within reach every day

Our business segments

Our resources

Financial
Investment in R&D, manufacturing facilities, partnerships and M&A collectively enable us to expand our product portfolio, technical capabilities and operations.

People
We have a highly skilled, diverse and effective workforce. Through continuous investment in the development of our people and by hiring new talent, we secure our future.

Values
Our culture of progress and belonging is backed by our values – innovative, collaborative and caring.

Relationships
Strong relationships with regulators, customers and health authorities across all our markets, and successful collaborations with industry partners, enable us to deliver on our purpose.

Capabilities
We have extensive commercial, R&D, manufacturing and distribution capabilities across our markets, focused on quality and efficiency.

What we do

Offer a broad product portfolio
We offer a broad and differentiated portfolio of more than 825 products. It includes high-quality generic and branded generic medicines, and a growing number of in-licensed, innovative, specialty and compounded products.

Develop and innovate
We are developing a more differentiated pipeline to meet the evolving needs of patients and healthcare professionals through investments in R&D, partnerships and strategic acquisitions.

Manufacture and maintain quality
Our extensive and high-quality manufacturing capabilities are at the heart of what we do. We have 29 plants across the Group that supply our global markets with a broad range of injectable, oral, respiratory and other generic and specialty products, including 13 US FDA-inspected plants and 12 EMA-inspected plants.

Market across geographies
We distribute our products through experienced sales and marketing teams. In the MENA region, where we have a focus on branded products, around 2,000 representatives and support staff market our brands to doctors and pharmacists, while our sales teams in North America and Europe sell to wholesalers, pharmacy chains, governments and hospital purchasing organisations.

The value we create

Patient benefits
We provide patients across our markets with high-quality medicines.

825+ Products

Empowering our people
By focusing on the development of our people, we provide long and rewarding careers for our talented and diverse workforce.

73% Employee engagement score (2024)

69% Employee enablement score (2024)

Return on average invested capital
We have a strong track record of generating high returns on our investments.

16%[1] Return on average invested capital

1. See reconciliation on page 37

Sustainable business
We act responsibly, advancing health and wellbeing, empowering our people, protecting the environment and building trust through quality in everything we do.

16% Reduction in Scope 1 and 2 emissions since base year 2020

Find out more about our KPIs on page 16

Investment case

A strong business model with significant opportunities to further enhance our portfolio, drive growth and deliver value for shareholders.

A solid platform with a unique business model

Our presence and positioning

Leading market positions
- 7th largest generic pharma company in the US[1]
- Largest pharma company in MENA[2]

Expanding manufacturing footprint
29 plants across our markets, with additional facilities being established

Global player with **local expertise**

Trust, quality and agility

We are a **trusted partner** known for our commitment to quality and reliability of supply

We work closely with governments and regulators to ensure highest quality **standards**

Agile supply chain, flexible manufacturing and **leading technical capabilities**

Increasingly diverse portfolio and pipeline

Broad portfolio and growing investment in R&D

- **A broad portfolio** that is tailored to local market needs
- **Aspiration to spend to c.5% to 6% of Group revenue on R&D** to ensure the consistent development of new products
- **Growing presence in specialty, complex and higher-value products**, which offer less competition and higher margins
- **Strong momentum in new product launches** across our markets

Innovation through partnerships and acquisitions

- Enhancing our pipeline by adding innovative products through **value-creating partnerships**
- Adding to the strength of our base business through **strategic acquisitions**

84
launches in 2025

300+
products in our pipeline

A clear strategy for growth

Strategic execution driven by our three pillars

Our strategic approach

- **Enhance** operational efficiencies and embrace new technologies, maintaining our high quality levels
- **Leverage** our broad portfolio and strong commercial capabilities
- **Develop** a more differentiated pipeline
- **Expand** into adjacent businesses and geographies
- **Empower** our people and cultivate a unified culture
- **Act** responsibly across our local markets and communities

Proven track record and strong financial position

Delivering growth and high returns

+7%
Five-year revenue compound annual growth rate (CAGR)

+6%
Five-year core[3] EBIT CAGR

25.5%
Core EBITDA[3,4] margin

16.0%
Return on average invested capital[5]

Our balance sheet strength

- **Strong cash generation** with $436 million operating cash flow in 2025
- **A strong balance sheet that provides financial flexibility to support future growth.**

1.6x
net debt/core EBITDA[4]

1. IQVIA MAT November 2025, includes all generic injectable and generic non-injectable products, by sales
2. Based on internal analysis using data from the following source: IQVIA MIDAS® Monthly Value Sales data for Algeria, Egypt, Jordan, Kuwait, Lebanon, Morocco, Saudi Arabia, Tunisia and UAE, for the period: MAT November 2025, reflecting estimates of real-world activity. Copyright IQVIA. All rights reserved
3. Core results are presented to show the underlying performance of the Group, excluding the exceptional items and other adjustments set out in Note 6 of the Group consolidated financial statements. Core results are a non-IFRS measure. See page 37 for a reconciliation to reported IFRS results
4. Core EBITDA is core operating profit before depreciation and software amortisation
5. See reconciliation on page 37

Our purpose in action

Investing in manufacturing excellence at Hikma

Manufacturing excellence sits at the heart of Hikma's operations. With 29 manufacturing plants across the US, Europe and the MENA region, our global production network represents a critical core strength that underpins our competitive advantage. As a global leader with local reach, we tailor production to meet the specific needs of local markets while maintaining world-class standards.

Ongoing capital investment
We have always committed significant resources to expand manufacturing facilities globally, while ensuring we maintain the highest levels of quality. By investing in our manufacturing network, we are better able to serve hundreds of millions of patients worldwide.

Throughout 2025, we made substantial capital investments in manufacturing infrastructure to enhance capabilities and capacity.

Selected highlights
Columbus, Ohio, US – Expanded our Hikma Rx site to support our contract manufacturing (CMO) business, an increasingly important contributor to segment growth over the medium to long term.

Algeria – Successfully upgraded our existing facility to a fully-contained oral oncology manufacturing plant, strengthening and expanding our oncology business in Algeria.

Tunisia – Launched an updated manufacturing plant to produce general formulation medicines, expanding our capacity to serve North African patients.

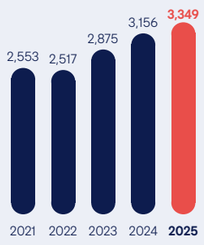
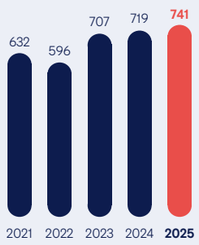
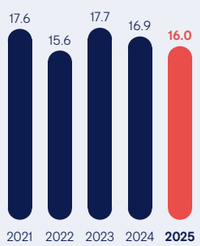
Looking ahead
We remain committed to expanding our manufacturing footprint and advancing technology across our global network. In 2026, strategic investments in our injectables facilities in the US and Portugal will enhance capacity and strengthen our ability to meet growing demand in these key markets.

Manufacturing excellence is the foundation of everything we do at Hikma. Investing into facilities worldwide enable us to combine cutting-edge technology with local expertise, delivering the high-quality medicines patients need while driving sustainable growth for our business."

Khalid Nabilsi
Chief Financial Officer

Our progress

We are delivering on our strategy and measuring our performance with key performance indicators (KPIs).

Strategic priority	Strive for excellence				Diversify and differentiate	People and Responsibility	
KPI	**Core[1] revenue** ($m) **$3,349m**	**Core[1] operating profit** ($m) **$741m**	**Return on average invested capital** (%) **16.0%**		**New business** (%) **19%** 1 January 2023 to 31 December 2025	**Employee engagement (2024)** (%) **73%** **Employee enablement (2024)** (%) **69%**	**Scope 1 and 2 (market-based) emissions reduction** (%) **16%** Reduction in Scope 1 and 2 since base year 2020
						Hikma aims to run a global people survey every two years. The last full people survey was run in 2024, with the 2026 survey underway. As such, we are reporting the enablement and engagement percentages from 2024. To find out more about our engagement and enablement activities for our people, refer to the stakeholder engagement on page 22 and empowering our people on page 52.	We have committed to reducing Scope 1 and 2 GHG emissions (market-based) by 25% by 2030, using a 2020 baseline year
Description	Total annual core revenue generated across all businesses	Core operating profit	Core operating profit after tax divided by average invested capital (calculated as the average of the opening and closing total equity plus net debt[2])		Percentage of core revenue from new business measured over the period. New business includes products launched, new contracts and new geographies	Global employee engagement and enablement scores	Change in Scope 1 and 2 (market-based) greenhouse gas (GHG) emissions using a 2020 baseline
Why is it a KPI?	This measures our ability to maximise value from our current product portfolio across our global markets and generate revenue from new launches	This measures our ability to grow revenue and maintain quality while delivering efficiencies and ensuring cost control	This measures our efficiency in allocating capital to businesses and projects		This metric measures our ability to extract value from our global product pipeline and new business opportunities	Engagement measures people's pride in working for Hikma, their willingness to recommend Hikma as an employer and their desire to stay long term. Enablement measures whether people find their work fulfilling and rewarding and whether they feel supported to achieve their full potential	We strive to minimise our environmental impacts and are committed to making our operations more energy efficient
2025 performance	Group core revenue grew 6%, reflecting good growth for Injectables and Branded and a solid performance from Hikma Rx	Group core operating profit grew 3% as good performances from Branded and Hikma Rx were partially offset by headwinds faced in Injectables	Continue to generate high levels of return		19% of revenue from new business was a strong performance, exceeding the threshold and max targets		We continue to make efforts to achieve our target reduction in Scope 1 and Scope 2 GHG emissions
Link to remuneration	R	R			R		

	2020[3]	2025[4]
Total emissions (tCO_2e)	155,142	**130,743**
% reduction from 2020	–	**16%**

1. Core results are presented to show the underlying performance of the Group, excluding the exceptional items and other adjustments set out in Note 5 in the Notes to the consolidated financial statements
2. Net debt includes long and short-term financial debts and lease liabilities, net of cash and cash equivalents. Net debt excludes acquired contingent liability and contingent consideration liability
3. The base year 2020 emissions and energy footprint was adjusted in 2025 to account for the Xellia acquisition of sites in the US and Croatia. More details can be found on page 60
4. For reporting in this Annual Report, we have used data from January to September of 2025 and conducted an uplifting exercise to estimate quantities for October to December 2025 More information on this methodology can be found on our website

Our markets

The global pharmaceutical market is expected to reach $2.4 trillion in 2029, growing at between 5% and 8% per annum.[1] Demographic trends and changing lifestyles are leading to evolving healthcare needs, driving demand for more affordable healthcare globally.

Key trends shaping the global pharmaceutical market:

2.1 billion
increase in world population by the mid-2080s[2]

The world's population is projected to reach 10.3 billion in the mid-2080s, and with this growth will come increased demand for medicine.

x2
people aged 60 or above expected to double by 2050[3]

Scientific advances, an increasingly health-conscious society, and improved access to healthcare are contributing to a rise in life expectancy. The proportion of the population aged over 60 is expected to almost double from 12% in 2015 to 22% by 2050.[3]

31 million
annual cases of cancer expected by 2050[4]

An ageing population and changing lifestyles are contributing to an increase in the prevalence of cardiovascular disease, diabetes, respiratory illnesses and cancer. The incidence of cancer, particularly in lower-income countries, is expected to increase rapidly, with an estimated increase of 61% to 30.5 million cases by 2050.[4]

+35%
projected increase in global healthcare spending by 2029[1]

The expected increases in demand for healthcare will result in rising healthcare costs, increasing demand for more affordable healthcare solutions.

$220 billion
estimated impact of loss of exclusivity by 2029[5]

This will create more opportunities for generics and biosimilars to enter the market.[1]

1. IQVIA: The Global Use of Medicines 2025: Outlook to 2029. (www.iqvia.com/-/media/iqvia/pdfs/events/presentation_global-meds-webinar_public.pdf)
2. United Nations (population.un.org/wpp/assets/Files/WPP2024_Key-Messages.pdf)
3. WHO: Ageing and health (www.who.int/news-room/fact-sheets/detail/ageing-and-health)
4. IHME (www.healthdata.org/news-events/newsroom/news-releases/lancet-cancer-deaths-expected-rise-over-18-million-2050-increase)
5. www.iqvia.com/insights/the-iqvia-institute/reports-and-publications/reports/the-global-use-of-medicines-outlook-through-2029

The US generics market remains the largest in the world

The US generics market is the largest in the world, valued at approximately $153 billion in 2024[6]. Spending on medicines in the US is projected to grow between 5% to 8% annually over the next four years to 2029.[7] According to the FDA, nine out of ten prescriptions filled in the US are for generic drugs[8] yet generics only account for 13% of prescription drug spending[9].

Losses of exclusivity are expected to accelerate, paving the way for more generic and biosimilar entrants. The US market has seen significant growth in therapies based on glucagon-like peptides (i.e. GLP-1) primarily through wider usage for obesity and diabetes. Diabetes spending is estimated to grow at 1% to 4% compound annual growth rate (CAGR) over the next five years.[1] The US generics market remains competitive. There has been a higher number of competitors and an acceleration in the FDA's generic drug approval process over the last decade, and the US government is focused on lowering drug prices through policy changes.[1]

59.0%
North America share of Group 2025 core revenue

Strategic response

The US is our largest market, and we remain well-placed to capture growth opportunities. We are the seventh largest generic company by sales (injectable and non-injectable)[10] and have four operational US manufacturing plants supporting our broad portfolio of products. This extensive US domestic manufacturing base is a key differentiator for us relative to many of our generic peers.

We have been increasing our capacity and capabilities and have committed to $1 billion of investment into manufacturing and R&D in the US by 2030. Our strong product pipeline will ensure we consistently launch new generic, complex generic and specialty products.

Demand for generics in European markets continues to grow steadily

Pharmaceutical spending in Europe is projected to grow by $85 billion to $327 billion by 2029.[1] This increased demand for medicine is driven by increasing healthcare demand, ageing populations, and increasing uptake of generic medicines. Governments are supporting the growth in demand for generics partly due to efforts to maintain more sustainable healthcare budgets.

Over the five years to 2029, Europe will see over $25 billion in losses of exclusivity, mostly driven by small molecules. With shortages increasingly prevalent in Europe, the EU is focusing on supply security and investment policy initiatives, such as the Critical Medicines Act.[1]

8.5%
Europe and ROW share of Group 2025 core revenue

Strategic response

We are expanding our presence in Europe. We are well-placed to capture opportunities with our short supply chain and strong local footprint, with manufacturing facilities in Portugal, Italy and Germany. We entered the French market in 2022 and the UK and Spanish markets in 2024. Growth in recently entered markets is strong, with France more than doubling revenue in 2025.

We have increased our lyophilisation capacity in Italy and have ongoing expansion projects in Portugal. We are also leveraging our new R&D centre in Zagreb, which will be adding important ready to use injectable products to our global portfolio. The breadth of portfolio and having our own European facilities is allowing us to respond to shortages of critical medicines in Europe.[11]

MENA's healthcare trends provide clear potential for growth

The MENA pharmaceutical market is expected to grow around 7.2% annually over the ten years to 2035.[12] This is underpinned by an ageing population, with low and middle-income countries experiencing the greatest change in population distribution towards older ages.[3] This in turn is driving increased prevalence of chronic diseases across the region, such as cardiovascular diseases, diabetes and respiratory diseases.[13]

In Saudi Arabia, Hikma's largest MENA market, the pharmaceutical market is forecast to grow at a CAGR of 10.8% between 2024 and 2029.[14] The country's strategy is focused on localising pharmaceutical infrastructure and easing the market entry of drugs targeting unmet needs.

32.5%
MENA share of Group 2025 core revenue

Strategic response

We have a strong and leading business in the MENA region that continues to expand and address new opportunities. Hikma's structure gives us the unique ability to leverage our global market expertise to address each MENA market as a local player. Our local presence in the region for over 46 years provides us with a deep understanding of the complex regulatory environment and allows us to benefit from government prioritisation of local manufacturers.

We are now the largest pharmaceutical company in the region by sales.[15] We are investing in enhancing our pipeline and portfolio and launching more complex and first-to-market products that are tailored to local needs. We continue to capture market share in growing therapeutic areas such as diabetes and oncology. Our partnerships expand our MENA offering and demonstrate our ability to bring advanced healthcare solutions to the region.

6. Market Data Forecast: www.marketdataforecast.com/market-reports/us-generics-market
7. IQVIA: Understanding the Use of Medicines in the U.S. 2025 (www.iqvia.com/insights/the-iqvia-institute/reports-and-publications/reports/understanding-the-use-of-medicines-in-the-us-2025)
8. FDA (www.fda.gov/drugs/buying-using-medicine-safely/generic-drugs#:~:text=In%20the%20United%20States%2C%209,to%20healthcare%20for%20more%20patients)
9. Association for American medicines (accessiblemeds.org/wp-content/uploads/2025/01/AAM-2024-Generic-Biosimilar-Medicines-Savings-Report.pdf)
10. IQVIA MAT November 2025. Includes all generic injectables and generic non-injectable products
11. Medicines for Europe (www.medicinesforeurope.com/generic-medicines/)
12. Pharma Solutions (www.pharmasolutions-int.com/market-entry-strategies-for-international-pharma-companies-in-mena/)
13. www.pharmasolutions-int.com/compliance-and-quality-assurance-in-menas-pharmaceutical-market-a-comprehensive-guide/#:~:text=Market%20Size%2C%20Growth%2C%20and%20Future,Saudi%20Arabia%20and%20the%20UAE
14. IQVIA Market Prognosis 2025-2029, Saudi Arabia
15. Based on internal analysis using data from the following source: IQVIA MIDAS® Monthly Value Sales data for Algeria, Egypt, Jordan, Kuwait, Lebanon, Morocco, Saudi Arabia, Tunisia and UAE, for the period: MAT November 2025, reflecting estimates of real-world activity. Copyright IQVIA. All rights reserved

Find out more about our approach to **identify, analyse and evaluate strategic and emerging risks** on page 82

Our purpose in action

Investing in MENA to expand access and drive growth

In the MENA region, where we leverage our global expertise locally, Hikma is the largest pharmaceutical company by sales. Today, we have a broad portfolio of 430 products and an extensive pipeline that is supported by internal R&D and partnerships. In 2025, we launched 40 new products improving access to world-class medicines in the region. We also introduced non-invasive blood-based liquid biopsy technology for colorectal cancer screening. Across our markets, we are focused on building leading positions in key therapy areas such as oncology, cardiovascular, diabetes and multiple sclerosis, while also introducing broader healthcare solutions.

Capabilities driving success
Our success is built on trusted relationships with healthcare professionals, pharmacists, hospitals, and regulators combined with deep local knowledge. With 5,700+ colleagues and 20 manufacturing plants, we ensure reliable supply of medicines across the region.

Our proven track record makes us the partner of choice for global companies that operate without a footprint in the region. Today, we manage over 110 products with around 60 partners who entrust us with manufacturing, registering, and commercialisation, reflecting confidence in Hikma as a trusted healthcare leader in MENA. Our R&D hub in Jordan, with two specialised centres dedicated to innovative product development, further strengthens our ability to deliver tailored solutions for long-term growth.

Expanding access through partnerships
In 2025, we diversified our partnerships to enhance patient access:

- **Celltrion:** Expanded biosimilar access across MENA
- **pharma&:** Exclusive oncology licensing agreement
- **M42:** Strategic MoU to advance diagnostics and digital tools in the UAE
- **DGI Group:** Licensing agreement to commercialise Claritag®, an OTC skin tag removal device

Engaging healthcare professionals
We hosted and sponsored several platforms reaching 6,000+ healthcare professionals to deepen medical knowledge, while engaging patient advocacy groups in areas such as multiple sclerosis, cardiovascular disease, and diabetes. Through our direct-to-consumer platform Hiyat Hilweh, we continue to raise awareness of prevalent conditions, helping patients make better health choices. All our events and sponsorships are carefully overseen by the compliance function.

> Hikma is the trusted partner of choice in MENA. By combining global expertise with local capabilities, we deliver innovative medicines and technologies that improve lives and address the region's health challenges."

Mazen Darwazah
Executive Vice Chairman,
President of MENA

1. Based on internal analysis by Hikma Pharmaceuticals PLC using data from the following source: IQVIA MIDAS® Monthly Value Sales data for the countries* listed below for the period: MAT November 2025, reflecting estimates of real-world activity. Copyright IQVIA. All rights reserved. Countries included in MENA Region – Algeria, Egypt, Jordan, Kuwait, Lebanon, Morocco, Saudi Arabia, Tunisia and UAE

Selected 2025 events: advancing knowledge and raising awareness on healthcare trends and disease management across MENA

Event	Therapeutic Area(s)	Attendees	Purpose/Engagement Focus
7th Annual MENA Cancer Forum	Oncology; Haematology	200+	Advance scientific exchange; strengthen regional cancer network
4th Biotech Forum	Gastroenterology; Rheumatology; Dermatology; Oncology	330+ from over 10 countries in MENA	Foster cross-specialty collaboration; strengthen immunology and oncology leadership
PharmaNet 25	Community Healthcare; Pharmacy Practice	170+	Empower pharmacists; strengthen pharmacy engagement
Anti-Infectives Summit	Infectious Diseases; Transplant; Haematology/Oncology; ICU; Pulmonology	100+	Advance infection-management knowledge; raise AMR awareness
Bleeding Management Summit 2025	Haematology; Cardiology; Anaesthesiology; ICU	100+	Improve bleeding-management practices; share best practices
4th Annual GIT Universe	Gastroenterology; Internal Medicine	110+	Provide GI and IM updates; enhance scientific writing skills
MS Forum Workshop	Multiple Sclerosis	60+	Enhance collaboration between patient society representatives, pharmacists and HCPs
CVRM Gate	Cardiology; Diabetes	200+	Elevate scientific exchange among HCPs to strengthen cardiology and diabetes leadership
MENA Iron Academy 2025	Iron Deficiency; Haematology; OB/GYN; ICU; Internal Medicine	180+	Improve iron-management practices; promote PBM adoption
Algeria Iron Network	Iron Deficiency; Patient Blood Management (PBM)	500+	Advance iron-deficiency diagnosis and treatment; strengthen PBM
MENA Neurology Expert Summit	Neurology (MS; Epilepsy; Migraine)	20+	Advance neurology care; align on awareness initiatives
TRIGER Program	Health Policy; Health Technology Assessment (HTA); Public Health	35	Strengthen regional health policy; improve access and efficiency

Stakeholder engagement

Our vision is of a healthier world that enriches all of our communities. For more than 45 years, we have been dedicated to transforming people's lives by providing the medicine and support that they need every day.

Our purpose of putting better health within reach, every day, guides everything we do now and into the future. Our teams work diligently to stay connected to all of our stakeholders, considering their interests and communicating with them on a regular basis. This helps drive the long-term sustainable growth of our business. It also helps us better understand their needs and informs our day-to-day commercial and operational decisions, our long-term investments in our business and our people, as well as our sustainability framework.

Stakeholders and the Board

The Directors consider their duties to stakeholders at each Board meeting, and in their capacity as members of the respective Board Committees, and are committed to promoting the success of the Group for the benefit of all its stakeholders. Over the next few pages, we set out how we engage with our key stakeholders and build issues that are important to them into our decision making, in accordance with section 172 of the Companies Act 2006.

Read more about how we are addressing the needs of our stakeholders by:

- Investing in R&D to drive high-value pipeline delivery, page 9
- Investing in manufacturing excellence, page 14
- Investing in MENA to expand access and drive growth, page 20
- Investing in strategic partnerships in the US and MENA, page 38
- Investing in the development of our people, page 56

Our stakeholders

Patients and healthcare professionals

Employees

refer to Sustainability at Hikma page 52

Customers

Communities and environment

refer to Sustainability at Hikma page 50

Governments and regulators

Suppliers

Investors

refer to Investment case page 12

Healthcare professionals and patients

Our purpose is to put better health within reach, every day for healthcare professionals (HCPs) and their patients. We engage with doctors, clinicians and pharmacists to better understand their needs, helping them treat the patients they serve.

Why is it important to engage with this group and what do they expect from us?

HCPs and patients need us to:

- consistently provide a broad portfolio of products
- improve access to high-quality, affordable medicines

It is essential that we align our commercial activities, operations and R&D efforts to the changing needs of patients and HCPs.

How we engage across the Group

- Our commercial teams meet regularly with healthcare professionals to better understand their needs and keep them informed about our products
- In MENA, we run regular forums bringing together key opinion leaders, HCPs and global research institutes to share knowledge and raise awareness of healthcare trends and disease management
- We meet with patient advocacy groups for diseases such as multiple sclerosis, oncology and diabetes

How we engage at Board level

- The Compliance, Responsibility and Ethics Committee (CREC) is responsible for direct oversight of the Group's approach to ethical issues associated with HCPs and ensure the compliance function is operating effectively
- Our management teams present to the Board at least once per year, providing updates on how we are addressing the needs of patients and healthcare providers across our markets

Outcomes and actions

- Continued to partner with global innovative companies to bring treatments and wider healthcare solutions to MENA, including Celltrion for an expanded range of biosimilar treatments for the region
- Through the consumer-focused platform, Hiyat Hilweh, we raise awareness for patients on conditions and diseases most prevalent in MENA, including hypertension and breast cancer
- Increased manufacturing capacity for injectables in Europe by expanding our lyophilisation capacity in Italy
- Through our partnership with Bio-Thera in the US, we launched Starjemza™ a biosimilar referencing Stelara® (ustekinumab) Injection, bringing a more affordable option for HCPs and patients
- Launched Tyzavan® (vancomycin injection, USP) in the US, a critical antibiotic used to treat sepsis in hospitals. This room-temperature stable, pre-filled, ready to use bag will help hospitals, pharmacists, doctors, and nurses treat patients faster, more easily, and with reduced risk

Customers

Our customers are our business partners and we are committed to providing them with a consistent and reliable supply of high-quality medicines. We work closely with Group Purchasing Organisations (GPOs), hospitals, retailers, wholesalers and other customers to build strong relationships and enhance service levels.

Why is it important to engage with this group and what do they expect from us?

Customers need us to:

- offer a broad product portfolio
- have a consistent and reliable supply of medicines
- maintain service levels

Our commercial teams work closely with our different customers to understand their needs, reduce drug shortages and ensure we invest in the products, manufacturing capacity and capabilities needed to meet their requirements.

How we engage across the Group

- We have commercial, sales and marketing teams dedicated to our varied customer groups in North America, MENA, and Europe
- Our customer discussions inform our pipeline decisions, in an effort to bring them the products most in need

How we engage at Board level

- Commercial leads present to the Board at least once a year providing updates on our customer relationships and how we are meeting customer needs
- As part of its strategic review process, the Board reviews information on the generic pharmaceutical customer landscape
- The Board periodically receives industry updates from leading external professional groups

Outcomes and actions

- Continued to build our portfolio to address specific growing healthcare needs and therapeutic areas. In 2025 we had 84 new launches across our markets
- Worked with our customers to understand their needs and how we can work to improve service levels where required
- Prepared our Columbus, Ohio facility in readiness for our previously announced significant long-term contract manufacturing agreement with a global pharmaceutical company
- Continued to invest in domestic US capacity through our refurbishment and upgrades to our recently acquired Bedford, Ohio facility which will house specialised capabilities such as aseptic bag filling and lyophilisation

Stakeholder engagement
continued

Employees

Our people have always been at the heart of everything we do. As the driving force behind Hikma's growth and success, our people are our most valuable asset.

Why is it important to engage with this group and what do they expect from us?

Our people need us to:

- support them and provide development and growth opportunities
- protect their health and safety
- foster a diverse and inclusive culture

The passion and commitment of our people to our values is key to delivering our purpose and supports our growth plans. One of our key strategic priorities is to build a culture that inspires and enables our people, one in which they are empowered to drive innovation and are committed to caring for customers, patients and communities around the world.

How we engage across the Group

- We are committed to empowering our people by offering ongoing training and diverse learning experiences that are accessible and engaging. Our goal is to support career growth and lifelong learning for all our people
- Our Group-wide principles for ensuring employee health and safety are outlined in our Group Environmental, Health and Safety Policy Statement, which is available on our website **www.hikma.com**. We also have local policies and procedures in place
- We conduct people surveys and use this feedback to improve our performance and culture
- We have an active internal communications programme to keep colleagues engaged and informed on Group strategy, progress, culture, values and sustainability

How we engage at Board level

- Laura Balan has Board-level responsibility for employee engagement. She undertakes an active programme of engagement each year and reports formally to the Board on her findings
- The Board receives regular reports on engagement activities with employees, including people surveys and events or feedback directly given by the EC
- Board members gave direct input to the content of questions in the 2026 workforce engagement survey, with an increased focus on culture

Outcomes and actions

- Maintained open channels of communication through regular all-employee updates from leaders, manager-led discussions, and ongoing dialogue around organisational changes
- Introduced a range of wellbeing activities across our sites, including exercise and fitness events, sports tournaments, and family connection activities such as 'Open Family Day' and 'bring your kids to work' events
- Supported career growth, we introduced a more transparent grading structure, developed clearer career pathways, expanded leadership development opportunities, and formalised a mentoring programme
- Recognition activities and our Great Place to Work® certifications in Egypt and KSA further reinforced pride and belonging across our teams
- Fairness around opportunity shaped our work on updating the Group Inclusion Policy. We refreshed the Talent Acquisition Policy and strengthened how we embed inclusion into hiring, progression, communication, and development

Communities and environment

Our vision is to create a healthier world that enriches all our communities by developing high-quality medicines and making them accessible to those who need them. We are a responsible and sustainable company and have a duty of care towards our communities and the environment.

Why is it important to engage with this group and what do they expect from us?

Our communities value our efforts to:

- improve healthcare quality and access to medicines
- strengthen educational infrastructures
- support local communities and people in need
- minimise our impact on the environment

Since its inception, Hikma has been dedicated to transforming people's lives by providing the medicines they need and supporting the communities where we live and work. Making positive contributions to the communities where we operate, and providing assistance to those in need, supports long-term sustainable growth, while positively impacting society.

We also strive to minimise our environmental impacts and are committed to making our operations more energy efficient.

How we engage across the Group

- We have developed collaborative partnerships and programmes to promote positive change and address the needs of our communities. These initiatives include increasing access to medicine, supporting education and assisting refugees and low-income groups
- We work internally to progress our understanding of climate-related risks and opportunities and are working to achieve our GHG emissions reduction target

How we engage at Board level

- The Board, through the CREC, oversees our sustainability strategy and monitors our progress against our ESG-related targets
- Our Executive Vice Chairman sits on our Access to Medicine Committee, which is co-chaired by our Executive Vice President of Corporate Development and M&A
- Our Executive Vice President of Strategic Planning and Global Affairs, who reports directly to the CEO, oversees our sustainability team, with our VP of Sustainability responsible for implementation of the Group sustainability strategy. More information on our sustainability efforts can be found on pages 40 to 64 and on our governance and management of environment, social and governance (ESG) issues on page 63

Outcomes and actions

- Refreshed our Acting Responsibly framework, with input from the CREC
- Delivered $2.6 million in medicine donations in 2025 (value based on cost of goods)
- Achieved a 16% reduction in Scope 1 and 2 GHG emissions since 2020
- Prioritised water management in water-stressed locations
- Donated over 200,000 meals to support food security initiatives

Hikma is committed to operating and acting in the best interests of all of our stakeholders."

Stakeholder engagement
continued

Government and regulators

Our industry is highly regulated and we must operate in accordance with a wide range of industry and government policies and regulations, including those of the US FDA, the European Medicines Agency (EMA), MENA health authorities and other regulatory agencies across our markets.

Why is it important to engage with this group and what do they expect from us?

Our regulators expect us to:

- adhere to regulatory requirements
- maintain high-quality manufacturing facilities
- provide safe and effective medicines

Quality is in everything we do and has been since our inception. We need to ensure that our quality systems operate in full compliance with the requirements of international agencies as well as domestic regulatory bodies.

How we engage across the Group

- We have strong internal pharmacovigilance, regulatory and quality teams who ensure our quality systems operate in full compliance with the regulatory requirements of the FDA, the EMA, MENA health authorities and other regulatory agencies across our markets
- We work closely with local governments and regulatory bodies to ensure current and proposed regulations and policies support patients' needs and our operations

How we engage at Board level

- The Board receives regular reports on relations with regulators, particularly from a manufacturing quality and product approval perspective, and receives an update on legal matters at each meeting
- The Board oversees the Group's risk programme and receives reports on relevant issues, which include specific principal risks covering product quality and safety and legal, regulatory and intellectual property

Outcomes and actions

- Continued to engage in shaping US generic pharmaceutical policies and legislation as a member of the Association of Accessible Medicines (AAM) trade association
- Engaged with US elected officials and policymakers to help educate key members of Congress and their staff about Hikma's position as one of the largest US generic medicine providers, our strong and growing US manufacturing capabilities, our broad portfolio of essential medicines and our ability to help solve domestic drug shortages. Our goal is to develop and maintain supportive relationships with those who are developing and enacting legislation that strengthens the US supply of high-quality generic medicines, including those we produce
- In June 2025 we hosted key US government representatives at our Columbus, Ohio site for a groundbreaking event to highlight the investment being made by Hikma in domestic manufacturing
- Regularly meet with governing bodies and industry regulators in MENA to understand the unmet healthcare needs in key markets and ensure our product portfolio addresses them

Suppliers

We have an extensive global network of suppliers who provide us with the goods and services needed for us to deliver our medicines. We actively engage with our suppliers to ensure the social, ethical and environmental standards we require are upheld.

Why is it important to engage with this group and what do we expect from them?

We want our suppliers to:

- uphold high ethical standards
- operate in a responsible and sustainable manner
- work collaboratively to build strong relationships

Our suppliers are critical to our business, and their products and expertise support us in the delivery of high-quality medicines to patients around the world. Working together and building strong relationships not only enables us to deliver on our purpose but it also ensures we have a sustainable and resilient supply chain.

Operating responsibly and ethically is vital to our long-term success, and we work with our suppliers to ensure the social and ethical standards we require are upheld.

How we engage across the Group

- We conduct quality audits, in line with our Group audit policy and regulatory requirements, prior to on-boarding new API suppliers and on a regular basis for our current supplier base
- We reinforce our local sourcing and procurement presence in our key supplier markets to secure preferred access to capacity, innovation and pricing
- We share our Supplier Code of Conduct (CoC) through our supplier onboarding process, which sets out the standards we expect from all our suppliers, including fundamental principles on human rights, modern slavery and our sustainability expectations
- We conduct initial and ongoing due diligence to assess third-party risks and run sustainability assessments through IQ+Vitals and our Hikma sustainability questionnaire, and regularly work with our suppliers to improve their sustainability maturity levels
- We engage with our suppliers to understand their commitments and efforts to reduce GHG emissions as well as the future impact on our Scope 3 emissions

How we engage at Board level

- The Board receives updates on supplier issues as part of its review of operational matters
- The Board oversees the Group's risk programme and receives reports on relevant issues, which include specific principal risks covering API and third-party risk management, and ethics and compliance
- The CREC is responsible for direct oversight of the Group's approach to ethical issues associated with suppliers

Outcomes and actions

- Introduced IQ+Vitals, a tool to enhance our ability to assess a large volume of suppliers efficiently, enabling us to assess suppliers who cover nearly 75% of our annual procurement spend
- Continued to refine the quality of our emissions measurements and engage with our suppliers to better understand their commitments to emission reductions
- Maintained a dedicated process to identify suppliers at risk of modern slavery, following the creation of a specialised task force
- Embraced automation in the Supplier CoC acknowledgment process, ensuring that our expectations are clearly communicated and understood before commencing collaboration

Investors

We maintain regular contact with investors to ensure they have a thorough understanding of our business. Our investors are largely global institutions and include both equity and debt holders.

Why is it important to engage with this group and what do they expect from us?

Our investors want us to:

- deliver sustainable long-term value
- effectively communicate our long-term strategy, financial and operational performance and growth drivers
- meet industry and global standards for good ESG practices

We ensure our investors have an in-depth understanding of our operations, financial performance, growth drivers and ESG efforts. The Board receives regular updates and feedback on these activities. This helps ensure that the views of our investors are considered in the Board's decision-making.

How we engage across the Group

- We maintain regular contact with our shareholders through a comprehensive investor relations (IR) programme of conferences, roadshows, meetings and site visits
- We maintain regular dialogue with our debt holders and rating agencies
- We communicate our strategy and financial performance through regular financial reporting and investor events, such as the Annual General Meeting (AGM)
- A targeted external communications programme ensures we are informing key audiences on our strategic progress and impact on our communities

How we engage at Board level

- The Board receives regular updates on the IR programme, including investor feedback from the AGM, IR meetings and investor perception studies
- The Executive Directors are informed of and participate in investor engagement activities on a regular basis
- The Non-Executive Directors make themselves available to meet with investors as required in the conduct of their responsibilities (eg as Chair of a committee) and are available to shareholders at the AGM to answer related questions

Outcomes and actions

- Maintained regular contact with our analysts and investors to give business updates. We met with over 190 investors in over 250 meetings in 2025
- Hosted a site visit for sell-side analysts and investors at our manufacturing facility in Columbus Ohio, US, providing a deep dive into our Hikma Rx and Injectables businesses and the opportunity to meet with the US leadership team
- Provided EC and Board members with third-party perception studies to gauge investor sentiment
- Successfully refinanced our $500m Eurobond, with an improved credit rating of BBB from BBB- under Fitch Ratings and S&P Global Ratings, providing confidence to investors in Hikma's financial health
- Engaged in multiple investor conferences and a series of fireside chats with senior management and analysts to increase visibility and transparency

"Operating responsibly and ethically is vital to our long-term success, and we work with our suppliers to ensure the social and ethical standards we require are upheld."

Business and financial review

A year of continued progress, with growth across all three geographies.

Khalid Nabilsi
Chief Financial Officer

Our teams worked hard throughout the year, launching products, signing partnerships and leveraging our base business to deliver growth."

Reported results (statutory)

	2025 $ million	2024 $ million	Change	Constant currency[1] change
Revenue	**3,349**	3,127	7%	6%
Operating profit	**542**	612	(11)%	(12)%
Profit attributable to shareholders	**402**	359	12%	13%
Cashflow from operating activities	**436**	564	(23)%	
Basic earnings per share (cents)	**182**	162	12%	13%
Total dividend per share (cents)	**84**	80	5%	

Core results[2] (underlying)

	2025 $ million	2024 $ million	Change	Constant currency[1] change
Core revenue	**3,349**	3,156	6%	5%
Core operating profit	**741**	719	3%	3%
Core EBITDA[3]	**853**	824	4%	3%
Core profit attributable to shareholders	**503**	495	2%	2%
Core basic earnings per share (cents)	**228**	224	2%	2%

Financial performance

Group core revenue growth of 6% to $3,349 million

- Group core revenue up 6%. Reported Group revenue up 7%
- Injectables core revenue up 7% (reported revenue up 9%), Branded core revenue up 10% (reported revenue up 10%) and Hikma Rx core revenue flat (reported revenue up 1%)
- Growth in all three geographies – North America, MENA and Europe

Group core operating profit growth of 3% to $741 million at a margin of 22.1% (2024: 22.8%)

- Group reported operating profit down 11%, primarily reflecting the impact of a legal settlement
- Injectables core operating profit down 6% with margin of 31.0% (2024: 35.3%)
- Branded core operating profit up 19% with margin of 26.4% (2024: 24.6%)
- Hikma Rx core operating profit up 5% with margin of 17.3% (2024: 16.4%)

Cashflow from operating activities of $436 million (2024: $564 million)

- Excluding $186 million[4] in connection with one-off legal settlements, cashflow from operating activities increased by 10%

Robust balance sheet and high returns

- Leverage at 1.6x net debt[5] to core EBITDA (31 December 2024: 1.4x)
- Return on average invested capital of 16.0%[6]
- Total dividend of 84 cents per share, up 5%
- Upgraded to BBB by S&P and Fitch and successfully refinanced our $500 million Eurobond

Strategic progress

- Launched 84 products across our markets
- Launched Tyzavan® in the US – an IP protected, room temperature stable, ready-to-use vancomycin bag – used for critical sepsis treatment in hospitals
- Received approval for and launched our first biosimilar product in the US – ustekinumab
- Double-digit growth for Europe Injectables, driven by both established and new markets
- Continued successful roll out of palbociclib tablets and dapagliflozin tablets in MENA, enhancing our strength in oncology and diabetes treatments, respectively
- Signed 14 deals in MENA during 2025, with 43 deals signed with 29 partners since 2023
- Announced expanded partnership with Celltrion in MENA for an additional six biosimilars

2026 Group outlook

- Group revenue growth in the range of 2% to 4%
- Group core operating profit in the range of $720 million to $770 million

2025 financial performance

Group

Group core revenue was up 6% reflecting good growth in Injectables and Branded, while Hikma Rx delivered revenue in line with 2024, as expected. Group reported revenue was up 7%.

Group core gross profit grew 1% and core gross margin was 43.5% as strong margin performance in Hikma Rx and Branded was offset by the reduced Injectables margin.

Group core operating expenses were $716 million (2024: $729 million). Group reported operating expenses were $899 million (2024: $803 million).

Group core selling, general and administrative (SG&A) expenses were flat at $566 million (2024: $568 million), reflecting growth in the business, offset by a reduction in Hikma Rx sales and marketing spend. Reported SG&A expenses were $743 million (2024: $671 million).

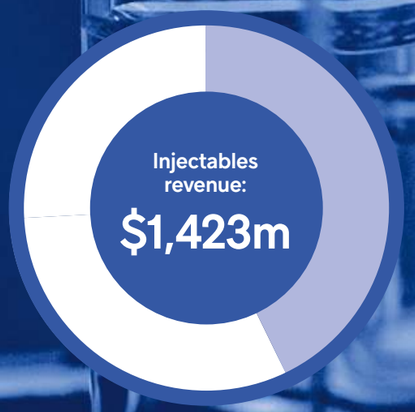
Reported research and development (R&D) expenses were $151 million (2024: $141 million), representing 4.5% of Group core revenue (2024: 4.5%). Growth was lower than originally planned due to delays in project starts, particularly in Injectables. The Group has a strong focus on R&D and aspires to spend around 5% to 6% of revenue on R&D going forward.

Core other net operating income was $2 million (2024: $18 million expense). Reported other net operating expense was $4 million (2024: $11 million income). The change is in part due to reduced foreign exchange losses.

Group core operating profit increased by 3%. Group reported operating profit was down 11%, primarily reflecting the impact of the legal settlement related to sodium oxybate.

1. Constant currency changes are derived after reported 2025 numbers are translated using 2024 exchange rates, excluding price increases in the business resulting from the devaluation of currencies
2. Core results throughout the document are presented to show the underlying performance of the Group, excluding exceptional items and other adjustments set out in Note 5 of the Group consolidated financial statements. Core results are a non-IFRS measure. See page 37 for a reconciliation to reported IFRS results
3. Core EBITDA is core operating profit before depreciation and software amortisation
4. Of the $186 million, $111 million was placed into restricted cash at 31 December 2025 and paid in January 2026 (refer to Notes 8 and 13)
5. Group net debt is calculated as Group total debt less Group total cash. Group net debt is a non-IFRS measure that includes short- and long-term financial debts (Notes 9 and 11), lease liabilities, net of cash and cash equivalents. See page 37 for a reconciliation of Group net debt
6. Refer to page 37 for reconciliation

Injectables



Injectables	2025 $ million	2024 $ million	Change	Constant currency change
Revenue	**1,423**	1,306	9%	8%
Core revenue	**1,423**	1,324	7%	7%
Gross profit	**649**	668	(3)%	(4)%
Gross margin	***45.6%***	*51.1%*	*(5.5)pp*	*(5.5)pp*
Core gross profit	**665**	690	(4)%	(4)%
Core gross margin	***46.7%***	*52.1%*	*(5.4)pp*	*(5.3)pp*
Operating profit	**367**	371	(1)%	0%
Operating margin	***25.8%***	*28.4%*	*(2.6)pp*	*(2.1)pp*
Core operating profit	**441**	468	(6)%	(5)%
Core operating margin	***31.0%***	*35.3%*	*(4.3)pp*	*(3.8)pp*

We supply hospitals across our markets with generic and specialty injectable products, supported by our manufacturing facilities in the US, Europe and MENA.

Injectables core revenue grew 7% in 2025, benefiting from our broad portfolio across the three geographies, contribution from the Xellia acquisition and recent launches. Injectables reported revenue grew 9%.

North America sales were up 5%. While we saw competition on certain larger products, this was more than offset by the contribution from the products acquired in the Xellia acquisition[1], as well as new launches.

In Europe and Rest of World (ROW) sales grew 23%. We delivered good growth across all our established and recently entered markets. Our own products grew 30%, driven by our expanding portfolio and ability to address market shortages.

In MENA, sales grew 9%, supported by the breadth of the portfolio and a strong performance from certain products in our biosimilar portfolio.

Injectables core gross profit was down 4% and core gross margin contracted to 46.7% due to product and geographic mix and increased inventory provisions. Injectables reported gross profit declined 3% with a gross margin of 45.6%. A decline in sales of certain high-value products in the US was offset by lower-margin sales of third-party manufactured products and good progress in MENA, where margins are lower.

Injectables core operating profit was down 6% and core operating margin was 31.0%. This reflects the change in gross profit and higher foreign exchange related costs due to the strength of the Euro versus the US dollar. Injectables reported operating profit was flat, with an operating margin of 25.8%. While Injectables has a global supply chain, including products imported from China to the US which are subject to tariffs, this only had a minor impact on profit in 2025 of c.$3 million.

Outlook for 2026

In 2026 we expect Injectables revenue to grow in the low single digits. We expect core operating margin to be in the range of 27% to 28%.

Core revenue

Core operating margin

"Good revenue growth while profitability was impacted by product and geographic mix."

1. Products acquired through the Xellia acquisition, which closed on 10 September 2024, contributed $86 million of revenue to Injectables

Branded

Branded	2025 $ million	2024 $ million	Change	Constant currency change
Revenue	**849**	769	10%	9%
Core revenue	**849**	769	10%	9%
Gross profit	**445**	402	11%	8%
Gross margin	***52.4%***	*52.3%*	*0.1pp*	*(0.1)pp*
Core gross profit	**445**	402	11%	8%
Core gross margin	***52.4%***	*52.3%*	*0.1pp*	*(0.1)pp*
Operating profit	**227**	182	25%	21%
Operating margin	***26.7%***	*23.7%*	*3.0pp*	*2.8pp*
Core operating profit	**224**	189	19%	15%
Core operating margin	***26.4%***	*24.6%*	*1.8pp*	*1.5pp*

We supply branded generics and in-licensed patented products from our local manufacturing facilities to retail and hospital customers across the MENA region.

Branded revenue was up 10%, as we continue to benefit from our leading market position and a growing and diversified portfolio of oncology products and medicines used to treat chronic illnesses.

Branded core and reported gross profit grew 11%, with core and reported gross margins of 52.4%. This reflects our high-quality product mix driven by our shift towards higher value medicines.

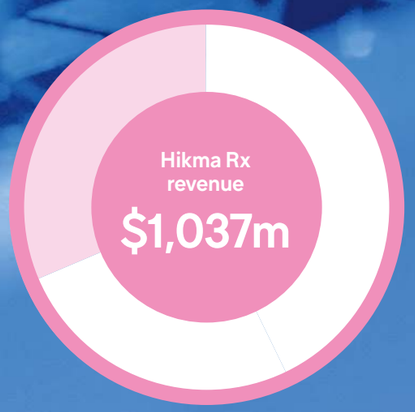
Branded core operating profit increased 19% and reported operating profit increased 25%, reflecting the strong revenue performance and a reduction in foreign exchange related costs when compared to 2024.

Outlook for 2026

In 2026 we expect Branded revenue to grow in the range of 6% to 8%. We expect core operating margin to be around 25%.

Strong profitability driven by diversified product mix."

Hikma Rx



Hikma Rx	2025 $ million	2024 $ million	Change
Revenue	**1,037**	1,026	1%
Core revenue	**1,037**	1,037	0%
Gross profit	**343**	346	(1)%
Gross margin	***33.1%***	*33.7%*	*(0.6)pp*
Core gross profit	**343**	357	(4)%
Core gross margin	***33.1%***	*34.4%*	*(1.3)pp*
Operating profit	**124**	167	(26)%
Operating margin	***12.0%***	*16.3%*	*(4.3)pp*
Core operating profit	**179**	170	5%
Core operating margin	***17.3%***	*16.4%*	*0.9pp*

We supply oral, respiratory and other generic and specialty products to the North American retail market, leveraging our state-of-the-art manufacturing facility in Columbus, Ohio.

Hikma Rx core revenue was flat in 2025, reflecting expected price erosion across the base portfolio, offset by a strong performance on key in-market products. Hikma Rx reported revenue grew 1%.

Hikma Rx core gross profit reduced 4%, reflecting an increase in inventory provisions. Hikma Rx reported gross profit reduced 1%.

Hikma Rx core operating profit increased 5%, with lower sales and marketing costs more than offsetting the reduction in gross profit. The decline in sales and marketing spend was driven by a reduction in direct spend on specialty products. Hikma Rx reported operating profit declined 26% following the impairment reversal in 2024 related to our complex respiratory portfolio.

Outlook for 2026

In 2026 we expect Hikma Rx revenue to be broadly flat. We expect core operating margin to be close to 20%.

Profitability is improving as we focus on higher-value business."

Business and financial review
continued

Other businesses

Other businesses, which includes our 503B compounding business, our MENA diagnostics business, as well as Arab Medical Containers (AMC), a manufacturer of plastic specialised medicinal sterile containers, and International Pharmaceuticals Research Centre (IPRC), which conducts bio-equivalency studies, contributed revenue of $40 million in 2025 (2024: $26 million) with an operating loss of $6 million (2024: $9 million loss).

Research and development

Our investment in R&D of $151 million and our business development activities enable us to continue expanding the Group's product portfolio. We spent $9 million more in R&D than in 2024, however this was an underspend versus our original ambitions, primarily driven by moving R&D activity from the US to Croatia and delays to project starts in our Injectables business. We will increase this spend and expect to reach 5% to 6% of revenue in 2026.

During 2025, we had 84 new launches and received 99 approvals. To ensure the continuous development of our product pipeline, we submitted 139 regulatory filings.

	2025 submissions[1]	2025 approvals[1]	2025 launches[1]
Injectables	48	47	50
North America	10	19	26
MENA	32	10	10
Europe and ROW	6	18	14
Branded	82	45	30
Hikma Rx	9	7	4
Total	**139**	**99**	**84**

Net finance expense

	2025 $ million	2024 $ million	Change	Constant currency change
Finance income	83	8	938%	938%
Finance expense	107	167	(36)%	(38)%
Net finance expense	**24**	**159**	(85)%	(87)%
Core finance income	11	8	38%	38%
Core finance expense	106	93	14%	11%
Core net finance expense	**95**	**85**	12%	8%

Reported net finance expense was $24 million, compared with $159 million in 2024. Reported finance income includes $72 million finance income which primarily resulted from the adjustment of royalty payment arrangements with certain of the Group's business partners, as well as the revaluation of liabilities associated with future contingent consideration payments.

Core net finance expense increased to $95 million (2024: $85 million), primarily reflecting an increase in average borrowing and the impact of the refinancing of the previous $500 million Eurobond.

We expect core net finance expense to be around $99 million to $103 million in 2026[2].

1. Pipeline projects submitted, approved and launched by country in 2025. MENA numbers include only the five major markets (Algeria, KSA,Egypt, Morocco and Jordan)
2. Based on the composition of the Group's net debt portfolio as at 31 December 2025, a one percentage point increase/decrease in interest rates would result in a $8 million increase/decrease in net finance cost per year (2024: $6 million increase/decrease)

Tax

The Group incurred a reported tax expense of $112 million (2024: $93 million) representing a reported effective tax rate of 21.6% (2024: 20.4%). Excluding the tax impact of exceptional items and other adjustments, Group core tax expense was $139 million (2024: $138 million). The core effective tax rate was 21.5% (2024: 21.7%).

We expect the Group core effective tax rate to be around 23% in 2026.

Profit attributable to shareholders and earnings per share

Core profit attributable to shareholders was $503 million (2024: $495 million). Reported profit attributable to shareholders was $402 million (2024: $359 million).

Core basic earnings per share was 228 cents (2024: 224 cents).

Reported basic earnings per share was 182 cents (2024: 162 cents).

Dividend

The Board is recommending a final dividend of 48 cents per share (2024: 48 cents per share) bringing the total dividend for the full year to 84 cents per share (2024: 80 cents per share). The proposed dividend will be paid on 30 April 2026 to eligible shareholders on the register at the close of business on 20 March 2026, subject to approval at the Annual General Meeting on 23 April 2026.

Net cash flow, working capital and net debt

The Group generated operating cash flow of $436 million (2024: $564 million). This change primarily reflects $186 million in connection with one-off legal settlements. Of the $186 million, $111 million was placed into restricted cash at 31 December 2025 and paid in January 2026.

Group working capital days were 245 at 31 December 2025 (31 December 2024: 240 days).

Capital expenditure was $197 million (2024: $165 million). In North America, $81 million was spent on capacity expansion and upgrades across our Cherry Hill, Columbus and Beford sites. In MENA, $82 million was spent strengthening and expanding our local manufacturing capabilities, including for our new general formulation plant in Tunisia and upgrading our oral oncology plant in Algeria, as well as adding new lines in Saudi Arabia and Jordan. In Europe, we spent $34 million adding bag capacity in Portugal and upgrading infrastructure in Germany and Italy.

We expect Group capital expenditure for 2026 to be in the range of $190 million to $210 million.

The Group's total debt was $1,604 million at 31 December 2025 (31 December 2024: $1,306 million).

The Group's cash balance at 31 December 2025 was $217 million (31 December 2024: $188 million).

The Group's net debt was $1,387 million at 31 December 2025 (31 December 2024: $1,118 million). We continue to have a healthy balance sheet, with a net debt to core EBITDA ratio of 1.6x (31 December 2024: 1.4x).

During July 2025, the Group issued a new $500 million five-year Eurobond with a 5.125% coupon rate to refinance the previously issued $500 million five-year Eurobond, which had a 3.25% coupon rate and matured on 9 July 2025.

During July 2025, the Group also signed a $250 million six-year loan agreement with International Finance Corporation (IFC), with proceeds used for general corporate purposes.

During November 2025, the Group signed a $400 million three-year syndicated loan arrangement, with proceeds used for general corporate purposes.

Net assets

Net assets at 31 December 2025 were $2,606 million (31 December 2024: $2,321 million). Net current assets were $1,190 million (31 December 2024: $285 million). The primary reason for the increase in net current assets is due to the previous $500 million Eurobond having been classified as a current liability in 2024.

Definitions

We use a number of non-IFRS measures to report and monitor the performance of our business. Management uses these adjusted numbers internally to measure our progress and for setting performance targets. We also present these numbers, alongside our reported results, to external audiences to help them understand the underlying performance of our business. Our core numbers may be calculated differently to other companies.

Adjusted measures are not substitutable for IFRS results and should not be considered superior to results presented in accordance with IFRS.

Core results
Reported results represent the Group's overall performance. However, these results can include one-off or non-cash items which are excluded when assessing the underlying performance of the Group. To provide a more complete picture of the Group's performance to external audiences, we provide, alongside our reported results, core results, which are a non-IFRS measure. Our core results exclude the exceptional items and other adjustments set out in Note 6 to the Group consolidated financial statements.

Constant currency
As the majority of our business is conducted in the US, we present our results in US dollars. For both our Branded and Injectables businesses, a proportion of their sales are denominated in a currency other than the US dollar. In order to illustrate the underlying performance of these businesses, we include information on our results in constant currency.

Constant currency changes are derived after reported 2025 numbers are translated using 2024 exchange rates, excluding price increases in the business resulting from the devaluation of currencies.

Core EBITDA
Core EBITDA is core operating profit before depreciation and software amortisation.

	2025 $ million	2024 $ million
Reported operating profit	**542**	**612**
Legal settlements	72	–
Pre-operational costs	16	4
Insurance compensation in relation to the Group's losses in Sudan	(14)	–
Gain on extinguishment of financial liability	(6)	–
Reorganisation costs	5	11
Intangible assets amortisation other than software	100	92
Impairment charges on intangible assets, PPE and right-of-use assets	26	31
Impairment reversals on intangible assets and property, plant and equipment	–	(60)
Provision for rebates adjustment	–	29
Core operating profit	**741**	**719**
Depreciation of property, plant and equipment	94	87
Depreciation of right-of-use assets	10	10
Software amortisation	8	8
Core EBITDA	**853**	**824**

Working capital days
We believe Group working capital days provides a useful measure of the Group's working capital management and liquidity. Group working capital days are calculated as Group net receivable days plus Group net inventory days, less Group payable days. Group receivable days are calculated as Group net trade receivables x 365, divided by 12 months Group reported revenue. Group inventory days are calculated as Group net inventory x 365, divided by 12 months Group reported cost of sales. Group payable days are calculated as Group trade payables x 365, divided by 12 months Group cost of sales.

Group net debt
We believe Group net debt is a useful measure of the strength of the Group financial position. Group net debt includes short and long-term financial debts (Notes 22 and 26), lease liabilities, net of cash and cash equivalents.

Group net debt	31 Dec 2025 $ million	31 Dec 2024 $ million
Short-term financial debts	(106)	(642)
Short-term leases liabilities	(8)	(11)
Long-term financial debts	(1,445)	(607)
Long-term leases liabilities	(45)	(46)
Total debt	**(1,604)**	**(1,306)**
Cash and cash equivalents	217	188
Net debt	**(1,387)**	**(1,118)**

ROIC
ROIC is calculated as core operating profit after tax divided by the average invested capital (calculated as the average of the opening and closing total equity plus net debt). This measures our efficiency in allocating capital to profitable investments.

ROIC	2025 $ million	2024 $ million
Core operating profit	741	719
Tax on core operating profit	(145)	(158)
Core operating profit after tax	**596**	**561**
Net debt	1,387	1,118
Equity	2,606	2,321
Invested capital (at 31 December)	**3,993**	**3,439**
Invested capital (at 1 January)	3,439	3,185
Average invested capital	**3,716**	**3,312**
ROIC	**16.0%**	**16.9%**

Our purpose in action

Investing in strategic partnerships driving growth in the US and MENA

In 2025, we accelerated growth through targeted partnerships, leveraging the complementary strengths of Hikma and our partners to achieve faster regulatory approvals, expanded market access, and portfolio expansion.

Key highlights:

Bio-Thera Solutions: capturing US autoimmune market share
FDA approval and launch of Starjemza™ (ustekinumab-hmny biosimilar) opens access to the biologic autoimmune treatment market. This collaboration with Bio-Thera Solutions demonstrates our model's efficiency: our partner developed the product while we provide US market access, generating returns from our commercial infrastructure with minimal capital outlay.

Novugen: strategic oncology addition for our US specialty portfolio
Acquiring Novugen's FDA-approved trametinib ANDA adds an important oncology asset to our US specialty portfolio, strengthening our competitive position in high-value therapeutic areas.

Celltrion: scaling MENA biosimilar access
Our strengthened alliance with global biosimilar leader Celltrion leverages our regional infrastructure to rapidly expand biosimilar availability across MENA. This partnership enhances our existing distribution network and market relationships while meeting growing regional demand for affordable biologics – creating new growth from established assets.

Value creation

For Hikma: Portfolio growth, market expansion, and revenue generation with optimised capital deployment and shared risk.

For partners: Access to established markets and commercial infrastructure they could not efficiently build independently.

For healthcare systems: Affordable treatment options that improve budget sustainability while maintaining high quality.

For patients: Earlier access to critical and affordable medicines.

These 2025 partnerships validate our collaborative growth model. By identifying partners whose capabilities complement our market access strengths in the US and MENA, we are driving sustainable, capital-efficient growth while ensuring access to affordable and high-quality medicines."

Bassam Kanaan
Executive Vice President, Corporate Development and M&A

Sustainability

Sustainability at Hikma	42
Sustainability reporting readiness	45
Advancing health and wellbeing	46
Empowering our people	52
Protecting the environment	58
Operating transparently and ethically	63

Sustainability at Hikma

Operating responsibly and sustainably is integral to our approach. We strive to put better health within reach, every day and to make a difference to people's lives.

A strong sustainability strategy helps us achieve our goals, fulfil our purpose, and ensures we remain responsive to the needs and priorities of our key stakeholders. This section outlines how we address our most material sustainability issues and highlights some of the major activities, milestones, and achievements we have made throughout the year.

Through the double materiality assessment (DMA) that we completed in early 2025, we updated our sustainability framework which organises our Hikma Sustainability Topics (HSTs) into four pillars.

Our primary sustainability pillar is Advancing health and wellbeing, within which fall the HSTs that were determined to be most material – Access to medicines and Product quality and patient safety, and Social responsibility, through which we engage with our communities to address prevalent health, education and economic issues where we operate.

Our sustainability framework

Updating our sustainability framework

In early 2025, we conducted a DMA following the European sustainability reporting standards (ESRS) issued by the European Commission, as well as EFRAG IG 1: Materiality assessment implementation guidance and EFRAG IG 2: Value chain implementation guidance. The DMA was performed at the Group level. The DMA is the process required by the ESRS to determine the sustainability matters on which Hikma must report to comply with the EU Corporate Sustainability Reporting Directive (CSRD). The sustainability matters identified as material were subsequently used to inform updates to our sustainability framework. More information on our sustainability reporting readiness is available on page 45.

The process to determine the sustainability matters that are material for Hikma consisted of an initial value chain mapping and analysis exercise as well as a stakeholder identification and engagement process.

An initial list of Impacts, Risks and Opportunities (IROs) was then developed based on a preliminary set of IROs for the pharmaceutical sector, created by pharmaceutical sector experts. This list was tailored specifically for Hikma by incorporating insights from Hikma's cross-functional management team, Annual Report, Sustainability Report and other publicly available sources. The IROs were assessed through a scoring process for impact and financial materiality consistent with the criteria set out in ESRS 1.

To determine which sustainability matters are material, a materiality threshold was set. Based on this threshold, only IROs assessed as 'Critical' and 'Significant' were deemed material for reporting purposes, in alignment with Hikma's Enterprise Risk Management (ERM) framework.

The results of the DMA were validated through stakeholder engagement and internal validation sessions. The objective was to test and refine the results and ensure they represent the views and interests of all relevant stakeholder groups (internally and externally) and reflect the most material matters for Hikma. We expect to refresh the DMA within the next three years to ensure it remains relevant and accounts for the ongoing growth, expansion and changes taking place at Hikma.

Double materiality assessment

Our DMA, completed in 2025, was led by our sustainability team with significant input from leaders and teams across all functions and geographies, and was overseen by the Board through the CREC.

The assessment considered our business model, company purpose, upstream and downstream value chain, and key stakeholder insights. The DMA also considered regional and sector-specific factors, the key sustainability priorities of our peers, as well as current and anticipated regulatory requirements. The methodology used for conducting this DMA is aligned with the ESRS standards for the application of the EU CSRD. Topics that are identified as material through the DMA process are defined internally as Hikma Sustainability Topics (HSTs).

Through the DMA, we assessed the Impacts, Risks and Opportunities (IROs) related to each sustainability topic and determined which IROs fall within our materiality threshold, from either a financial or an impact materiality perspective. We also took into account our unique Company purpose and its longstanding commitment to society and philanthropy, and so included Social responsibility activities as part of our framework under the Advancing health and wellbeing pillar.

The materiality matrix below illustrates the HSTs that were determined to be most material to the organisation, linking each of them to their corresponding CSRD topics.

Hikma Sustainability Topics materiality matrix

Sustainability at Hikma
continued

Sustainability metrics: how we measure our progress

We developed a Key Performance Indicator (KPI) framework that enables us to track and communicate our progress in relation to the sustainability topics that are most material to our organisation. The diagram below outlines the KPIs linked with our sustainability framework, distributed across our four pillars. Each pillar includes one pinnacle metric in bold, with multiple supporting metrics. While the pinnacle metric represents the most prioritised metric within each pillar, the suite of metrics collectively provide an integrated and holistic perspective on our progress towards sustainability-related Company ambitions.

Advancing health and wellbeing

Number of patients treated
- Number of new product launches
- Impact of launched medicines on patients treated
- $ amount invested to increase production capacity
- Social responsibility: Beneficiaries from community activities
- $ value of charitable donations

Pinnacle metric

Patients treated in 2024[1]

262 million

Advancing health and wellbeing

Empowering our people

- **People voice survey (engagement and enablement)**
- Promotion rate
- Average hours of training per colleague
- Lost time incidence rate

Pinnacle metric

People voice survey

Engagement **73%** (2024)

Enablement **69%** (2024)

Protecting the environment

- **Scope 1 and 2 CO_2 emissions reduction**
- Financial resources allocated to mitigate climate change
- Total water recycled or reused
- Water intensity metric

Pinnacle metric

Scope 1 and 2 CO_2 emissions reduction since 2020[2]

16% (2025)

Operating transparently and ethically

- **Code of Conduct (CoC) completion rate**
- Supplier CoC Compliance Survey
- Suppliers monitored for ethical issues, including modern slavery (percentage of annual spend)
- Suppliers screened for environmental criteria (percentage of annual spend)

Pinnacle metric

Percentage of employees that received CoC training

99% (2025)

1. Based on internal analysis by Hikma Pharmaceuticals PLC using data from the following source: IQVIA Analytics Link Q4 2024 for the calendar year 2024, reflecting estimates of real-world activity. Copyright IQVIA. All rights reserved. Methodology: Drug-treated patient values are derived by converting disease-specific volume sales for each drug to estimated treated patient numbers, adjusted for dosing, duration and compliance, but not concomitance. The 2025 figure has not yet been calculated and will be included in our Sustainability Report upon publication
2. We restated our emissions baseline to account for site acquisitions. More details are available on page 60

Sustainability reporting readiness

We continuously assess regulatory reporting requirements that are relevant for our business and take proactive steps to ensure compliance. Maintaining a high level of transparency around ESG issues remains a core priority for Hikma.

Corporate Sustainability Reporting Directive (CSRD)
The CSRD introduced a harmonised sustainability reporting regime for companies operating in the European Union. In 2025, revisions to the European Sustainability Reporting Standards (ESRS) were considered which amended disclosure requirements, guidance and timelines for adoption. Hikma is actively monitoring these revisions and assessing changes in order to ensure alignment with all current and future reporting requirements. We expect reporting in alignment with CSRD to become mandatory for Hikma Group in 2028, given the revised Omnibus directive that altered timelines and requirements for companies reporting on the framework.

UK Sustainability Reporting Standards (SRS) and IFRS Sustainability Disclosure Standards
The UK SRS framework is currently under consultation to incorporate revisions that will shape future sustainability disclosures. In parallel, the UK Financial Conduct Authority (FCA) has launched a consultation (CP26/5) proposing a shift from the current TCFD-aligned regime toward mandatory sustainability reporting based on the UK Sustainability Reporting Standards (UK SRS), which are themselves aligned with the IFRS Sustainability Disclosure Standards. We are closely monitoring these developments, including the FCA's proposed transition to UK SRS S1 and S2, and its move to enhance comparability and reduce duplication. The UK SRS builds on the IFRS Sustainability Disclosure Standards, drawing on TCFD principles and structure which remain integral to our ESG reporting approach.

Global Frameworks and Stakeholder Expectations
We align our disclosures with globally recognised standards such as GRI, SASB, and the GHG Protocol and monitor for updates and changes to best practice reporting standards. Internally, we prioritise the measuring of our performance related to health and safety, carbon emissions and the management of water and waste. We are continuously strengthening data integrity and assurance processes to ensure these metrics are measured consistently and accurately.

In the United Arab Emirates, listed companies are required to publish annual sustainability reports, and new regulations under Federal Decree-Law No. 11 will mandate greenhouse gas measurement and reporting starting in 2025. The UAE Sustainable Finance Working Group has also introduced principles for sustainability-related disclosures to promote alignment with international standards. This is relevant as Hikma has Global Depositary Receipts listed on NASDAQ Dubai, the Dubai international financial exchange. We are also monitoring developments in California related to the Climate Corporate Data Accountability Act and the Climate-Related Financial Risk Act to ensure we are aligned with related requirements.

In 2025, we increased our solar energy generation in Hikma Salt, Jordan, which generates more than 4,700 MWh of electricity annually

"We actively monitor all relevant sustainability reporting standards and adjust our approach to ensure alignment with current and expected requirements."

Advancing health and wellbeing

Ensuring access to high-quality medicines

CSRD alignment: IROs associated with this pillar

IRO description	CSRD classification	IRO type	Value chain classification
Through the manufacture of high-quality, affordable medicines, Hikma is providing patients with access to essential treatments, particularly when addressing unmet medical needs or underserved markets. By focusing on patients' needs across Hikma's markets, Hikma maintains a strong market position and growth potential.	ESRS: S4 Consumers and end-user Sub-topic: Social inclusion of consumers and end-users Sub-sub-topic: Access to products and services	Impact (positive, actual) Financial Opportunity	Own operations and downstream (enterprise-wide and across downstream value chain)
Hikma leverages the strength of its manufacturing operations to ensure the continuous supply of medicines, while adhering to strict product quality and patient safety standards, supporting positive patient outcomes and positioning Hikma as a leading supplier across its global markets.	ESRS: S4 Consumers and end-user Sub-topic: Personal safety of consumers and/or end-users Sub-sub-topic: Health and safety	Impact (positive, actual) Financial Risk	Own operations and downstream (enterprise-wide and across downstream value chain)

Pinnacle metric: Number of patients treated (2024) 262 million

Access to medicines

Our purpose as a company is to produce high-quality medicines and ensure they are accessible to those who need them. We achieve this by leveraging our strong manufacturing capabilities and collaborating with stakeholders across the healthcare ecosystem, including healthcare professionals (HCPs), patients, industry partners, payers, and governments.

We recognise the importance of generic medicines in improving access and affordability, as well as the role of human health in driving socio-economic progress. Therefore, we utilise our R&D expertise, manufacturing strength, and solid partnerships to expand the breadth of our product offering and the availability of our products. We engage with industry partners, HCPs, patients, payers, governments, and others to make sure our medicines reach where they are needed.

Oversight for all material sustainability topics is held at the Board level, and this includes access to medicine. Responsibility for the Company sustainability strategy is embedded within the CREC and is executed through various functions including Commercial, Sustainability, Quality, Research and Development (R&D), and Pharmacovigilance.

"Our purpose is to produce high-quality medicines and ensure they are accessible to those who need them."

Committing to expanding access in the US

In June 2025, we announced a $1 billion investment through 2030 to expand our US manufacturing and R&D capabilities for essential generic medicines. This initiative, 'America Leans on Hikma: Quality Medicines Manufactured in the USA,' builds on more than $4 billion we have invested over the past 15 years. Through our investments in our facilities in Ohio and New Jersey, we are increasing production capacity, improving supply reliability, and addressing critical drug shortages. These actions demonstrate our purpose: to make high-quality medicines accessible to those who need them.

This investment also reflects our long-term commitment to patients and the healthcare system at a time when supply chain resilience and affordability are national priorities.

Generic medicines account for the majority of prescriptions in the US, yet shortages and import dependencies continue to threaten care. By onshoring production and reinforcing our R&D capabilities, we are reducing these risks and ensuring essential medicines remain available and affordable. This is how we turn our purpose into action — working with healthcare professionals, payers, and policymakers to deliver reliable access to medicines that improve lives.

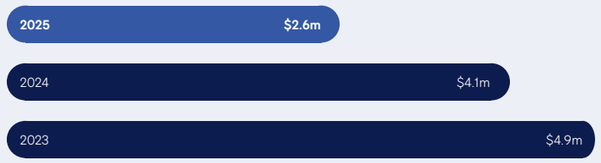
"This investment reflects our long-term commitment to patients at a time when supply chain resilience and affordability are national priorities."

Sustainability at Hikma
continued

Our medicine donation programme

We donate medicines and provide aid and relief to patients affected by natural disasters, conflicts, and other emergencies, directing medicines to address the critical needs of vulnerable populations such as low-income groups, displaced persons, and those lacking sufficient medical coverage. We are committed to responding to global events and leveraging our resources to assist marginalised groups. In 2025, we donated $2.6 million of medicines globally. Donations are made on a needs basis and therefore fluctuate annually based on the amount of donation requests received in our markets.

Medicine donations
(COGS) $m



Working with the IFC to improve medicine access in MENA

In 2025, we strengthened our 40-year partnership with the International Finance Corporation (IFC) by signing a $250 million six-year financing agreement to expand access to medicines across MENA. This financing will enable us to increase local production capacity, ensuring that patients in the region have reliable access to high-quality, affordable medicines, even amid ongoing socio-economic challenges.

This agreement builds on IFC's anchor role in our $500 million bond issuance and on decades of tailored support, including financing during the COVID-19 pandemic to maintain uninterrupted supply.

Together, we are focused on reinforcing operational resilience, good governance and sustainability, aligning on shared values that prioritise governance and patient needs. This latest commitment is a clear example of how we are working with global partners to strengthen health systems and address high unmet healthcare needs across MENA.

"We are working with global partners to address unmet healthcare needs across MENA."

Product quality and patient safety

We uphold a strict pharmacovigilance framework to safeguard against patient harm and to guarantee the safe, effective use of our products. Pharmacovigilance is monitored at the highest levels of our business and is included in our ERM process, which is overseen by the EC and the Board on a regular basis.

All findings from pharmacovigilance audits and inspections and the status of implementing corrective and preventative actions are discussed in quarterly pharmacovigilance quality meetings.

To ensure the applicability, adequacy, and effectiveness of our oversight of product quality, we regularly monitor our worldwide quality compliance metrics. These metrics are monitored and addressed centrally at a global level.

Hikma employees receive mandatory and regular training and guidance on their role in ensuring patient safety and reporting any adverse events or safety concerns to the pharmacovigilance team. Training modules are updated regularly and available across six languages for all colleagues.

We have globally aligned processes to identify, assess, and communicate any changes in the benefit-risk balance of our products and to implement timely corrective and preventative actions.

Our marketed products (either manufactured by Hikma or outsourced through partners) comply with Current Good Manufacturing Practices (cGMPs). We implement quality oversight on our suppliers, partners and sub-licensors to ensure that these stakeholders are in full compliance with regulatory standards and Hikma requirements. Quality agreements are in place to focus on compliance to cGMPs and define each party's responsibilities. Risk-based cGMP audits are also conducted on suppliers by our global quality team and other reputable third-party consultants.

An emphasis on R&D to align with evolving patient needs

In 2025, we transformed our R&D operations into a single, unified global organisation, integrating previously separate teams across our Injectables, Hikma Rx, and Branded divisions. This new structure is built around our three core technology platforms: Respiratory, Nasals, Semi-solids and Liquids (RNSSL); Injectables; and Solid Orals. The structure is supported by global R&D operations and regulatory affairs in order to optimise resources, accelerate time-to-market, and strengthen our ability to deliver high-quality medicines efficiently.

With experienced leaders appointed to each platform and centralised functions providing shared services and advanced tracking systems, we now have greater visibility and agility across our entire pipeline.

Our strategic focus combines strong internal R&D capabilities with selective partnerships to expand and enhance our portfolio. This approach ensures we remain responsive to evolving disease prevalence and changing patient needs, while continuing to innovate and scale. By leveraging our expertise and collaborating where it adds value, we can develop complex medicines faster and more efficiently, reinforcing our product portfolio and pipeline to drive our growth and purpose: improving access to essential medicines for patients worldwide.

Sustainability at Hikma
continued

Social responsibility

Hikma's Social Responsibility efforts are guided by three core pillars: Providing better health, supporting education, and helping people in need.

Through these pillars, we deliver targeted initiatives that address key community needs while empowering our people to contribute their time and expertise.

Our work in this area continues to strengthen community wellbeing, enhance access to opportunities, and reinforce a shared culture of responsibility across our global operations.

Social responsibility highlights

566,780
beneficiaries from community activities

8,060
Number of employee volunteering hours

3,480
Number of employee volunteers

132
total community engagement activities

$2.6m
worth of medicines donated to patients across the globe

$3.3m
charitable donations

Providing better health

Supporting students with intellectual disabilities in Egypt

In 2025, Hikma partnered with Misr El Kheir Foundation to improve the Minya School for Intellectual Education in Egypt, creating an inclusive learning environment for students with intellectual disabilities.

The project introduced a modern computer lab with 10 desktop computers, internet connectivity, and essential equipment, alongside a fully equipped sensory integration room to support cognitive and emotional development. Teachers received specialised training on inclusive practices and effective use of the sensory room, ensuring sustainability.

Additional support included distributing school bags and stationery to 221 students and organising awareness campaigns to promote inclusion, with volunteers actively engaging in community activities. As a result, more than 1,100 students now benefit from improved resources, teachers are empowered with new skills, and the initiative has strengthened inclusive education within the community.

Supporting education

Expanding refugee access to higher education and emergency support – UNHCR partnership

Since 2021, Hikma has partnered with the United Nations High Commissioner for Refugees (UNHCR) through the Albert Einstein German Academic Refugee Initiative (DAFI) to support refugee education and empowerment.

In 2025, Hikma continued its four-year commitment to the DAFI programme, supporting 80 refugee students in Jordan, Algeria, and Egypt. Scholars complemented their academic studies with life skills workshops, language courses, and social inclusion activities, building resilience and leadership skills to positively impact their communities.

Hikma also contributed to UNHCR's Lebanon Emergency Appeal, funding critical humanitarian activities such as safe shelter, healthcare, psychosocial support, and education for refugees and vulnerable Lebanese communities. This support ensured access to protection, legal assistance, and voluntary and safe returns for those affected by ongoing crises.

80
refugee students in Jordan, Algeria, and Egypt supported by the DAFI programme

Photo credit: © UNHCR

Helping people in need

Supporting food security across our communities in the US

In 2025, Hikma strengthened its long-standing commitment to addressing food insecurity by expanding partnerships, deepening community engagement, and increasing direct support to food banks across the US.

As part of this commitment, Hikma proudly reaffirmed its role as the Fresh Food Sponsor for The Emergency Assistance Center (TEAC). Through this sponsorship, Hikma helped ensure that TEAC could provide families with access to fresh, nutritious foods—an essential component for building healthier, more resilient communities. The renewed partnership enabled TEAC to expand the availability of produce, dairy, and other perishable items that many families struggle to afford.

Recognising the growing need for accessible food and healthcare, Hikma also added the Cherry Hill Free Clinic to its network of food bank and pantry partners in 2025. This new collaboration supports the clinic's integrated approach to health and wellness, allowing patients and community members to receive not only medical care but also reliable access to healthy foods. By supporting organisations that combine nutrition and healthcare, Hikma amplified its social impact beyond the traditional boundaries of food assistance.

Across all partnerships, Hikma contributed more than 200,000 meals to food banks nationwide in 2025. These donations helped alleviate food insecurity in some of the most vulnerable regions and supported local organisations in meeting the increased demands created by economic pressures and rising living costs.

Through sustained partnerships, expanded outreach, and significant meal contributions, Hikma continues to live its values – supporting health, dignity, and stability for the communities it serves.

Empowering our people

Shaping a culture of progress and belonging

CSRD alignment: IROs associated with this pillar

IRO description	CSRD classification	IRO type	Value chain classification
Hikma's working environment helps provide the conditions for the Group to attract and retain skilled talent. It includes access to high-quality benefits, development programmes and a workplace with a strong corporate culture, which in turn affect employee engagement levels and promote stability.	ESRS: S1 Own workforce Sub-topic: Working conditions Sub-sub-topic: Secure employment	Impact (positive, actual)	Own operations (enterprise-wide)
Hikma's Health and Safety Policy Statement ensures appropriate governance of health and safety initiatives and the accuracy of information to understand and safeguard wellbeing and safety across Hikma's operations.	ESRS: S1 Own workforce Sub-topic: Working conditions Sub-sub-topic: Health and safety	Impact (positive, actual)	Own operations (enterprise-wide)
Hikma promotes equitable treatment across its global workforce. Every Hikma employee, across all functions and grades, has access to career growth and development opportunities through training and skills development programmes and initiatives.	ESRS: S1 Own workforce Sub-topic: Equal treatment and opportunities for all Sub-sub-topic: Training and development	Impact (positive, actual)	Own operations (enterprise-wide)

Pinnacle metric: People voice survey (engagement and enablement) 73%, 69%

Wellbeing and development

We prioritise the wellbeing and development of our people as core pillars of our corporate culture. In 2025, we focused on and expanded programmes aimed at supporting the mental, physical and emotional health of our colleagues while fostering their personal growth. We developed a more structured and integrated approach to promoting wellbeing while remaining flexible to the local preferences of our people as determined by regular engagement and feedback channels.

Launching our Career Management framework

The Career Management framework is a strategic initiative launched this year that is designed to empower people in taking ownership of their professional growth. The framework offers a transparent, structured approach to career development across key job families, including R&D, Manufacturing, Engineering, Supply Chain, Procurement, Logistics, Quality, Sales, and Marketing. It defines and outlines the progression pathways, core competencies and specialised skills for our colleagues to fulfil their career aspirations while supporting organisational needs.

Programme objectives

- Enhance Engagement: provide clarity on career paths and growth opportunities for employees
- Support Talent Development: define behavioural and technical competencies for each role
- Enable Mobility: facilitate internal movement within the organisation

The launch marks a major step toward fostering a culture of growth and accountability. In 2026, the framework will expand to additional job families, reinforcing Hikma's commitment to continuous development.

"We prioritise the wellbeing and development of our people as they constitute core pillars of our corporate culture."

Sustainability at Hikma
continued

Inclusivity

At Hikma we are proud to have a workforce consisting of people from all backgrounds contributing to our success. You can find more information on this in the corporate governance section of this report, on page 96.

Guided by the DMA findings, we prioritise equitable and inclusive access to growth and development for all of our colleagues, regardless of ethnicity, gender or other non-merit-based characteristics. We also emphasise the economic empowerment of our people and have established several employee resource groups (ERGs) such as the Women's Empowerment ERG and Black Employees ERG that support our colleagues in achieving their full potential.

In 2025, we updated our Global Inclusion Policy to ensure fairness and equity across all stages of the employee experience including hiring, promotions, succession planning, and career development. This update reinforces our commitment to creating a workplace where decisions are transparent and merit-based, supported by efforts to apply inclusive practices consistently.

Multipliers and Blanchard programmes

The Multipliers and Blanchard programmes were established to develop our people's leadership potential and empower people to grow within our organisation. These programmes, established in 2023, cultivate our homegrown talent and support our culture of belonging.

Multipliers programme: This programme empowers leaders in fostering the intelligence and creativity of their respective teams. Through dynamic sessions, certified content, and practical activities, participants learn to cultivate an environment that unlocks each team member's full potential. The programme includes comprehensive assessments, assignments, projects, coaching, and tailored development plans.

Blanchard programme: This programme helps leaders to tailor their leadership approaches to be more flexible and align with the growth stages and specific needs of their team members. By focusing on situational leadership, participants learn valuable strategies for communication, motivation, and mentorship.

Operational health and safety

Our aim is to maintain or exceed industry standards in safeguarding the health and safety of our people. Our global health and safety policy offers a standardised approach to ensuring effective protocols are in place and our people are well-informed about health and safety guidelines. We continue to focus on promoting the physical, mental and emotional health of our people. We organised mental health and mindfulness webinars for employees, enhanced workspaces for pregnant colleagues and wellness days focused on nutritional and physical awareness.

We continue to collect and refine metrics that reflect our performance related to the health and safety of our people. These metrics are disclosed in our Sustainability Report and undergo regular internal audit exercises to ensure consistency and accuracy in data collection and validation.

Hikma wins the United Nations 'Governance & Women on Boards Award'

In 2025, Hikma was recognised at the United Nations Women's Empowerment Principles (UN WEPs) End of Year Ceremony, hosted under the theme 'Building WEP's Momentum – Surging Women's Employment in Jordan through the Private Sector.' We have remained signatories to the UN WEPs since 2023 and are committed to supporting the principles within our organisation.

The event was held in Amman, Jordan and brought together the country's leading private sector organisations in an engaging forum. The award recognised Hikma as a company that has demonstrated a strong commitment and tangible progress towards increasing the representation of women in senior governance roles and on the Board.

Supporting employees whose children have disabilities

In recent years, we established programmes to address the challenges faced by colleagues that have children with disabilities. Our financial assistance programme supports 37 people, through which financial aid is directed towards providing therapy, specialised education and essential equipment. We continue to focus on directing assistance to those colleagues living in areas with limited government support channels.

37 people

supported by our financial assistance programme

Our purpose in action

Investing in the development of our people for long-term growth

Our success is driven by the talent and commitment of our people. In 2025, we invested in programmes to strengthen our global talent pipeline and empower colleagues across all operations. These efforts build a future-ready workforce equipped to adapt to new technologies, advance careers, and deliver better healthcare outcomes.

With 9,400 employees worldwide, we focus not only on enhancing technical and leadership skills but also on creating an environment where colleagues feel valued, engaged, and supported in their wellbeing.

Creating clarity through career pathways
We updated our Career Management framework, bringing greater clarity and consistency to roles across the organisation. This enables colleagues to understand growth opportunities with clearly defined skills and experience required for advancement.

Strengthening leadership capability
Building strong leaders at every level remains central to Hikma's strategy. During the year, we continued delivering our core leadership programmes – Blanchard and Multipliers. A total of 149 people managers globally participated in these programs to strengthen their leadership and people management capabilities.

Accelerating careers through mentorship
To support early career growth, we launched a mentorship programme connecting 98 colleagues with senior leaders. This initiative strengthens collaboration, accelerates knowledge transfer, and helps our colleagues shape long-term careers at Hikma.

Developing future capabilities
Guided by our AI Advisory Board, we launched the Hikma Digital Academy, which complements other training programmes already active, to build digital fluency and analytical skills. In its first year, more than 570 people completed 3,350+ courses, gaining practical capabilities that improve data use, decision-making, and efficiency.

Colleagues also completed around 75K hours of training in other areas, an almost 15% increase versus 2024, reflecting both our investment in continuous learning and employees' appetite to upskill. We further supported 20 colleagues through higher education programmes, for advanced degrees and specialised qualifications that enrich teams with new expertise.

Our success is tied to the growth and achievements of our people. By investing in skills, opportunity and collaboration, we are building a stronger, more connected team, ready to shape healthier futures."

Hussein Arkhagha
Chief People Officer

Protecting the environment

Supporting a healthier planet

CSRD alignment: IROs associated with this pillar

IRO description	CSRD classification	IRO type	Value chain classification
Hikma's raw materials sourcing, manufacturing processes, distribution activities and disposal of medicines lead to GHG emissions which impact climate.	ESRS: E1 Climate change Sub-topic: Climate change mitigation	Impact (negative, actual)	Upstream, own operations and downstream (across the value chain)
The availability of fresh water supply is critical to Hikma's manufacturing processes and must be managed responsibly to ensure local communities and ecosystems have access, particularly in water-stressed areas such as the Middle East.	ESRS: E3 Water and marine resources Sub-topic: Water Sub-sub-topic: Water consumption	Impact (negative, actual) Financial Risk	Own operations (primarily MENA)

Pinnacle metric: Scope 1 and 2 CO_2 emissions reduction since 2020 (16)%

Environmental sustainability targets

Target	2025 Progress	Status	Our aim for 2026
By 2030, reduce our Scope 1 and 2 emissions by 25% (baseline: 2020) L	We invest in energy efficiency and renewable energy generation, which enables us to minimise our emissions while continuing to grow as an organisation	On track	Continue to pursue renewable energy and energy efficiency solutions and explore long-term green energy procurement opportunities where we operate
By 2026, introduce long-term carbon reduction targets and implement key renewable energy projects S	Identified and implemented opportunities to improve energy efficiency and reduce carbon emissions and identified key renewable energy projects	On track	Continue efforts to drive efficiency and emissions reductions, begin implementation of key renewable energy projects and introduce 2030+ carbon reduction targets
By 2028, deliver key aspects of the ISO 46001 water efficiency management system in the MENA region L	Conducted site-level assessments to identify opportunities to improve water management	On track	Begin implementation of water stewardship standards at relevant sites

Timeframe: L Long term S Short term
Status: Achieved On track Partially achieved

GHG emissions

Our emissions reduction target

In 2021, we put in place a target to reduce our Scope 1 and 2 GHG emissions by 25% by 2030, using a 2020 baseline. The target was developed using the absolute contraction approach and is in line with the Paris Climate Agreement's well-below 2°C scenario.

Our emissions profile and performance

We use 2020 as our baseline year for our carbon footprint and emissions recalculation policy. To accurately track progress toward our carbon reduction targets, we adjust our base year emissions inventory and the most recent reporting year to account for significant structural changes. A significant change is defined as an increase or decrease in base year emissions (tCO_2e) of more than 5% from any source.

In Q4 2024, we acquired two sites through the Xellia Pharmaceuticals acquisition, one in Bedford, US and the other in Croatia. At that time, activity data was not available, and neither site was fully operational. We included an estimate of both sites' full-year emissions in our 2024 carbon footprint based on the sites' floor area (~3,547 tCO_2e based on three months of available data), as otherwise these emissions would not have been reported anywhere else. We did not adjust the base year because the estimate of the new sites' emissions was less than 5% of the base year total.

In 2025, after ramping up activity at the sites, we calculated these sites' emissions and used the same activity data to estimate both sites' emissions in 2020 as if they were operating at the same level of activity. This allows us to compare our 2025 emissions with our base year emissions on a like-for-like basis. The estimated 2020 emissions exceed 5% of the base year emissions on this like-for-like basis and therefore justify a restatement of our baseline emissions.

As this scenario was not previously anticipated in our reporting criteria, we have updated these to further clarify conditions for any base year restatement. We have determined that the emissions footprint of an acquisition or the change of ownership of an asset or assets shall be incorporated into our emissions inventory within one reporting year following the transaction's completion. This more clearly defines when and how to add estimated emissions totals to the base year and most recent years (ie when a full year of data is available).

Measures to mitigate our impact on climate change

We pursue long-term, feasible opportunities to reduce our emissions footprint. In our European facilities, we source our electricity from green sources. In Jordan, we have established onsite renewable energy generation that constitutes 15% of our electricity consumption in the country. In addition, we have onsite renewable energy generation in Morocco, Portugal and Saudi Arabia; with our onsite renewable energy capacity increasing 354% between 2021 and 2025. We intend to expand onsite capacity in future years, in line with achieving our 2030 emissions reduction target.

"We continuously pursue opportunities to reduce our emissions footprint."

As a result of adding the new sites to the base year, our 2020 emissions will increase by approximately 10,243 tCO_2e. In 2025, the same sites' emissions are estimated to be 9,193 tCO_2e (with the difference due primarily to evolving emissions factors).

In 2025, our Scope 1 and 2 emissions (market-based) measured 130,742 tonnes of carbon dioxide equivalent (tCO_2e). Compared to our base year of 2020, we have reduced our emissions by 16%.

Going forward, we will pursue opportunities to increase energy efficiency through new machinery and improved operational processes.

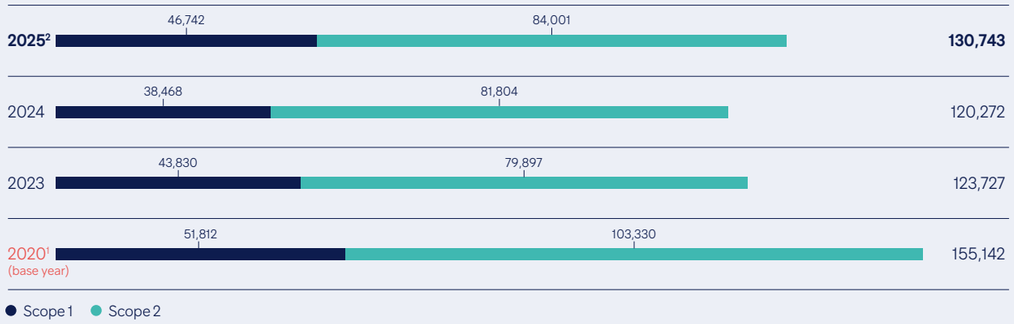
We also aim to continue the development of renewable energy generation at our sites and the purchase of electricity from green sources where feasible, viable options exist.

Sustainability at Hikma
continued

GHG emissions (tCO_2e)

	2020[1] (base year)	2025[2]	2024	2023
Scope 1 – Combustion of fuel and operation of facilities	51,812	**46,742**	38,468	43,830
Scope 2 (market-based) – Electricity	103,330	**84,001**	81,804	79,897
Total Scope 1 and 2 emissions (market-based)	155,142	**130,743**	120,272	123,727
Year-on-year change in Scope 1 and 2 emissions (market-based)	N/A	**9%**	(2)%	3%
Change in Scope 1 and 2 emissions (market based) since base year 2020	N/A	**(16)%**	(29)%	(25)%
Scope 2 (location-based) – Electricity	100,752	**92,575**	87,237	83,536

GHG emissions
(tCO_2e)



1. The base year 2020 emissions and energy footprint was adjusted in 2025 to account for the Xellia acquisition of sites in the US and Croatia. Emissions restatements that are conducted to account for site acquisitions are applied when the acquired emissions makes up more than 5% of the total emissions footprint. This is in line with our reporting criteria and the GHG Protocol. The amount of 10,243 tCO_2e and 21,737 MWh was therefore added to the 2020 baseline year. No restatements were made for other comparative years (2023 and 2024)
2. Our 2025 reported figures for energy and emissions are based on actual consumption for Q1–Q3 and a Q4 estimation, as per the methodology in our reporting criteria. Full year emissions are published in Q2 2026 in our Sustainability Report 2025

Energy consumption (MWh)

	2020 (base year)			2025			2024			2023		
	UK	ROW	Total	**UK**	**ROW**	**Total**	UK	ROW	Total	UK	ROW	Total
Electricity	129	222,619	222,748	**168**	**250,802**	**250,970**	168	229,038	229,206	168	217,876	218,044
Fuels[3]	871	240,396	241,267	**69**	**232,118**	**232,187**	712	191,667	192,378	21	213,367	213,388

3. In 2025, we used actual data to determine energy consumption from fuels while in previous years, based on availability of invoices, we used estimations of varying methodology

Emissions intensity by revenue[4] (tCO_2e/$m revenue)

	2025	2024	2023
Scope 1 and 2 emissions (market-based)/revenue	**39.0**	38.1	43.1
Scope 1 and 2 emissions (location-based)/revenue	**41.6**	39.8	49.5

4. Emissions intensity is calculated using Group-wide core revenue ($m)
   – Revenue 2023: 2,875
   – Revenue 2024: 3,156
   – Revenue 2025: 3,349

Hikma AMC facility in Jordan wins Green Factory Award

Our AMC facility in Jordan was awarded the Green Factory Award in 2025. The award was established by the Jordan Chamber of Industry (JCI) in cooperation with the German Agency for International Cooperation (GIZ) to encourage environmentally responsible business practices and lay the groundwork for the country's transition to a green economy. AMC's progress in adopting energy-saving production methods, waste reduction and increased use of eco-friendly materials all contributed to receiving the 2025 award.

"The Hikma AMC facility adopted energy-saving measures and increased the use of eco-friendly materials."

Improving water efficiency at our Morocco facility

Water management is one of our main environmental focus areas due to its importance to our manufacturing process and the water scarcity issues prevalent in many of our operating locations. In 2025, we completed several projects in Morocco that improve how we use and manage water at our facility. We implemented a water reuse initiative whereby rejected purified water is treated and reused for irrigation and maintenance. This initiative saves more than 7,500 cubic metres annually.

We also significantly increased our water storage capacity, improving water security, mitigating supply risks and reinforcing our business resilience. Increasing our water reserve capacity from 60 cubic metres to 750 cubic metres at our site strengthens the reliability of water access at our production facility.

7,500
cubic metres saved annually

UK emissions

The Group operates one location within the UK, where we are listed, which is an office building that is managed by a third party.

During the year, the UK site consumed 237 MWh of energy, which is equivalent to 84 tCO_2e. The energy consumption is measured by meter readings provided by the managing agent and relates to electricity and gas used for heating, cooling and general office power.

Reported fuel use between 2020 and 2025 for the UK was an estimate that was developed based on employee headcount. The Group does not provide transport within the UK other than via private hire vehicles for which consumption data is not available.

UK emissions (as a percentage of Group Scope 1 and 2 emissions)	**0.06%**

Sustainability at Hikma
continued

Scope 3 emissions

We began measuring our indirect, Scope 3 emissions in 2021, prioritising the oversight of emissions most relevant to our business. We continue to refine the quality of our emissions measurements and engage with our suppliers to better understand their commitments to emission reductions.

We continue to improve oversight of emissions generated through our value chain and are taking measures to include emissions categories that are relevant but not yet calculated. We expect to determine all categories' relevance by the end of 2026.

Water and waste management

The management of our water consumption and waste generation are core components of our sustainability strategy. Water use is essential to the manufacturing process for pharmaceuticals, particularly injectable products. Moreover, many of the locations where we operate, primarily those in MENA, have water scarcity issues. These considerations were reflected in our DMA and in water screening exercises conducted in previous years. In order to manage these risks and dependencies, we are prioritising water management and efficiency, particularly in locations where water scarcity and water security issues are highest.

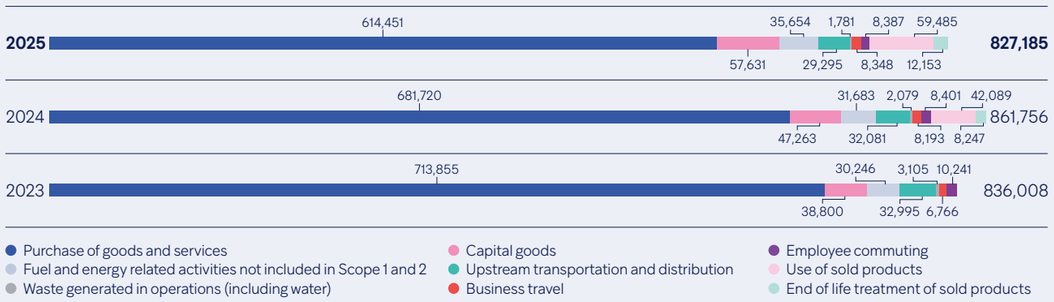
We have in place formal ambitions to identify gaps and opportunities for efficient water use in the region, and an ambition to set water-related targets for sites in MENA that impact water consumption, reuse, and alignment with best practices.

We are continuously improving data quality around waste management and exploring opportunities to reduce environmental impacts related to waste incineration and other treatment methods.

GHG emissions, Scope 3 (tCO_2e)

Scope 3 category	Category description	Notes	2025	2024	2023
1	Purchase of goods and services		**614,451**	681,720	713,855
2	Capital goods		**57,631**	47,263	38,800
3	Fuel and energy related activities not included in Scope 1 or Scope 2		**35,654**	31,683	30,246
4	Upstream transportation and distribution		**29,295**	32,081	32,995
5	Waste generated in operations (including water)		**1,781**	2,079	3,105
6	Business travel		**8,348**	8,193	6,766
7	Employee commuting		**8,387**	8,401	10,241
8	Upstream leased assets	not relevant	**–**	–	–
9	Downstream transportation and distribution	relevant, not yet calculated	**–**	–	–
10	Processing of sold products	not relevant	**–**	–	–
11	Use of sold products		**59,485**	42,089	–
12	End of life treatment of sold products		**12,153**	8,247	–
13	Downstream leased assets	not relevant	**–**	–	–
14	Franchises	not relevant	**–**	–	–
15	Investments	not relevant	**–**	–	–
	Total		**827,185**	861,756	836,008

GHG emissions, Scope 3
(tCO_2e)



Operating transparently and ethically

Upholding ethical standards and acting with integrity

CSRD alignment: IROs associated with this pillar

IRO description	CSRD classification	IRO type	Value chain classification
Hikma's corporate culture focuses on the values of caring, collaboration and innovation, which are integrated into all aspects of the Group's operations, affecting financial performance.	ESRS: G1 Business conduct Sub-topic: Corporate culture	Impact (positive, actual) Financial Opportunity	Upstream, own operations and downstream (across the value chain)
Ethical conduct to ensure vigilance against corruption or bribery is essential for Hikma, as a pharmaceutical company, to uphold its reputation and protect itself from financial losses.	ESRS: G1 Business conduct Sub-topic: Corruption and bribery Sub-sub-topic: Incidents	Financial Risk	Upstream, own operations and downstream (across the value chain)

Pinnacle metric: CoC training completion rate 99%

Ethical business conduct

Conducting business with ethics and integrity is a shared responsibility for everyone at Hikma and is fundamental to our corporate culture and how we do business. We are committed to upholding the highest ethical standards in all facets of our business and across our value chain.

Our CoC provides an overview of the legal, regulatory and ethical requirements and expectations for our people, partners and those that we do business with. Our CoC is available in seven languages and shared with all colleagues. Our colleagues, officers and directors are trained on the CoC as part of their induction and are provided refresher training periodically. The completion rate for our CoC training in 2025 was 99%.

Corporate governance

The CREC promotes and oversees our commitments to business integrity, compliance, communities, ethical conduct, and key aspects of Hikma's sustainability strategy.

Governance of sustainability

Sustainability at Hikma
continued

Responsible value chain

We are fully committed to working closely with our suppliers and downstream stakeholders to ensure that our sustainability strategy is deeply integrated across every part of our value chain.

Our approach involves actively engaging with suppliers to enhance their social and environmental sustainability practices, fostering greater awareness and action on key issues throughout the supply chain.

Our Supplier CoC continues to be the cornerstone of our supplier onboarding process, ensuring that all suppliers comply with relevant laws, maintain high-quality standards, and operate with integrity. This commitment is key to fostering trust and transparency throughout our supply chain.

The Code outlines critical areas including regulatory compliance, labour rights (with a focus on preventing modern slavery), product quality assurance, and environmental sustainability. By adhering to these principles, we actively manage risks related to fraud, contamination, and non-compliance, safeguarding the integrity of our operations. The Supplier CoC is publicly available on our website for full transparency.

To ensure that all our suppliers – both new and existing – meet these standards, we utilise a comprehensive assessment process via our third-party platform, Moody's. This platform evaluates suppliers based on a set of risk criteria, categorising them according to their risk level.

Suppliers identified as high-risk undergo more rigorous due diligence to ensure they meet our ethical standards. We continuously monitor these suppliers to stay proactive against reputational, compliance, and other risks, including sanctions, negative media attention, and potential political affiliations. This real-time monitoring is integrated seamlessly into our broader risk management framework, combining our supplier portal, Moody's risk data, and EcoVadis's sustainability rating tool. This integrated system enables us to maintain transparency and uphold our due diligence processes across our entire supply chain.

In 2025, we significantly advanced our supplier screening capabilities with the introduction of IQ+Vitals, a tool that enhances our ability to assess a larger volume of suppliers efficiently. We were able to extend our due diligence coverage to nearly 75% of our total spend. With IQ+Vitals, we could identify and flag high-risk suppliers more quickly, enabling us to take swift action. For those flagged as high-risk, we issued tailored questionnaires and engaged directly with the suppliers to address and mitigate any identified risks. This proactive engagement ensures that we are not only identifying potential vulnerabilities

but also working collaboratively with our suppliers to resolve them, further strengthening the integrity of our supply chain.

Our Modern Slavery Task Force, which includes experts from procurement, legal, and compliance, leads a proactive, risk-based approach to assess and reduce the risk of any form of modern slavery across our supply chain.

During 2025, we expanded the range of supplier categories assessed as having potential exposure to modern slavery risks. This enhanced scope was supported by additional, targeted modern slavery questionnaires, complemented by insights from EcoVadis evaluations and the IQ+Vitals screening tool. These combined mechanisms enabled deeper visibility into supplier practices and risk profiles.

Where potential risks were identified, we engaged constructively with suppliers – and through this collaborative approach, we addressed areas of concern, reinforced expectations, and confirmed that any identified risks were mitigated. This ongoing engagement reflects our commitment to continuous improvement and to upholding the highest standards of ethical conduct across our supply chain.

In 2025, we engaged our top 200 suppliers through a compliance survey. The survey measured suppliers' perceptions of Hikma's ethical business practices and their alignment with our Supplier CoC, strengthening oversight and engagement with our key suppliers.

Looking forward, we will continue to refine and implement our approach, ensuring it evolves in line with emerging best practices and legal requirements.

"We are fully committed to working closely with our suppliers and downstream stakeholders to ensure a responsible value chain."

TCFD disclosure

This section includes disclosures that are consistent with the requirements outlined within the Task Force on Climate-related Financial Disclosures (TCFD) as well as the mandatory reporting requirements set out in the Companies Act relating to Climate-related Financial Disclosures (CFD).

As a UK-listed company, and in accordance with UK Listing Rule (UKLR) 6.6.6(8), this section summarises our progress as of 31 December 2025 against the four TCFD pillars and 11 TCFD recommendations. Our approach follows the TCFD's All Sector Guidance. Data and records that support these disclosures are retained in accordance with the UK Financial Conduct Authority requirements for listed entities. Our disclosures are fully consistent with nine of the TCFD recommendations and partially consistent with two recommendations, as set out on pages 66 to 68, recognising that we will continue to improve and refine our implementation of the recommendations. Our TCFD and CFD disclosures have supported the awareness and integration of climate-related issues into our broader business strategy.

Compliance statement and index table

Consistency: ● Consistent ● Work in progress

Disclosure	Consistency	Status	Reference
Governance			
a) Describe the board's oversight of climate-related risks and opportunities	●	– The Board has ultimate responsibility for Hikma's Sustainability strategy and monitors the impact of climate change on the Group and the Group's impact on the environment. Climate-related risks are considered by the Board and are included in the ERM programme. The Board also reviews progress in relation to the metrics and targets defined for climate-related risks and opportunities – The Board, through the Compliance, Responsibility and Ethics Committee (CREC) receives ESG-related updates from the EVP Strategic Planning and Global Affairs – a member of the EC – and the VP of Sustainability, including climate-related risks and opportunities, progress against environment-related targets, and any changes in risk status	Page 70
b) Describe management's role in assessing and managing climate-related risks and opportunities	●	– Hikma's VP Sustainability leads the Group's assessment of climate-related risks and opportunities and manages these through the cross-functional TCFD Working Group, which includes relevant internal stakeholders – The VP of Sustainability also oversees the implementation of the Group sustainability strategy – The Environmental Sustainability Committee, chaired by two EC members including our Chief Executive Officer, oversees our climate-related action plans	Page 70
Strategy			
a) Describe the climate-related risks and opportunities the organisation has identified over the short, medium, and long term	●	Through climate scenario analyses (CSA), Hikma has identified and assessed climate-related risks associated with carbon pricing, energy pricing, water stress, and physical impacts on our facilities, such as floods and storms. Hikma has also evaluated climate-related opportunities, including conducting a CSA that assessed the financial opportunity of increasing onsite renewable energy capacity within our facilities.	Page 73
b) Describe the impact of climate-related risks and opportunities on the business, strategy, and financial planning	●	– The financial impact of climate-related risks has been considered over three separate time horizons to 2050 – Until 2030, which we consider to be short term for the purpose of climate-related risk analyses, the financial impact is not material under all risk and scenarios analysed – Beyond 2030 and 2040, the upper bound of financial impacts from carbon pricing and extreme weather may be material under specific long-term scenarios. However, once the velocity and likelihood of these risks are considered within our risk management process, the risks do not meet our financial materiality threshold as per the definition on page 158 – We incorporate climate-related risks and opportunities into our business strategy and financial planning by budgeting for energy and water-use efficiency, increasing renewable energy capacity, and working with third-party advisers and consultants	Pages 71, 74–78
c) Describe the resilience of the organisation's strategy, considering different climate-related scenarios, including a 2°C or lower scenario	●	The results of our CSA show that climate change is not expected to have a material impact on the Group's financial viability on a short-term time horizon to 2030 under all climate scenarios analysed. Our CSA, longer-term viability statement and impairment tests are aligned through common scenario inputs. Given the limited expectations for climate-related financial impacts, and when velocity and likelihood of risk have been considered, the Group believes that its strategy is robust and will be resilient to climate change in the short-, medium- and long-term time horizons.	Pages 74–78
Risk Management			
a) Describe processes for identifying and assessing climate-related risks	●	– We regularly review and update our climate-related risk and opportunities register including input from business stakeholder workshops, peer review benchmarking, our risk management programme, and other sources – The TCFD Working Group assessed risks and opportunities from the updated risks register in terms of likelihood, velocity, and impact at Group level – Relevant climate-related risks and opportunities are assessed through climate scenario analysis. Physical risks are assessed across all sites, this will include the new locations from our Xellia acquisition when the CSA is next updated	Pages 71–73
b) Describe processes for managing climate-related risks	●	Climate-related risks are identified, assessed, and managed by teams across the organisation, steered by our Sustainability function. The risk score and our risk appetite determine the level of escalation and monitoring within Hikma's risk management framework, with significant risks being escalated into our ERM process.	Pages 71–73
c) Describe how processes for identifying, assessing and managing climate-related risk are integrated into overall risk management	●	We regularly assess climate-related risks and review TCFD alignment as part of our ERM process, where climate change is characterised as an Emerging Risk.	Pages 71–73

TCFD disclosure
continued

Disclosure	Consistency	Status	Reference
Metrics and targets			
a) Disclose metrics used to assess climate-related risks and opportunities in line with strategy and risk management process	●	Metrics used to assess our climate-related risks and opportunities include Scope 1, 2 and 3 emissions, electricity consumption, emissions intensity, water consumption and waste generation among others.	Page 60
b) Disclose Scope 1, Scope 2 and Scope 3 GHG emissions and related risk	●	We disclose details of our Scope 1 and 2 and nine relevant categories in Scope 3 GHG emissions. Five Scope 3 categories have been determined to be not relevant. One category (Cat 9) is determined to be relevant but not yet calculated and we are working to introduce disclosures for these categories in our 2026 carbon footprint.	Pages 60, 62
c) Describe targets used to manage climate-related risks and opportunities and performance against targets	●	Increasing energy costs and carbon pricing presents potential risks to our business. We manage our climate-related risks, opportunities and performance against the following Scope 1 and 2 and water-related targets: – Reduce our Scope 1 and 2 GHG emissions by 25% by 2030, using a 2020 baseline – By 2026, introduce further carbon reduction targets and implement key renewable energy projects – By 2027, deliver key aspects of the ISO 46001 Water Efficiency Management System in the MENA region We currently do not have Scope 3 targets in place but proactively engage with our key suppliers to raise awareness about sustainability. We are working to improve our understanding of emissions in our value chain and have an ambition to introduce Scope 3 targets in the medium term. We will consider this disclosure as consistent once a Scope 3 target has been set and established. In addition, we are actively engaging with our value chain partners to partially mitigate the impact of carbon cost pass-through in the future.	Page 58

Key improvements in 2025
- Introduced calculations for two relevant Scope 3 categories (Category 11: Use of Sold Products and Category 12: End of Life Treatment of Sold Products) to our 2025 carbon footprint reporting which were not previously calculated

Key improvements planned for the next two years
- We will continue to assess the remaining Scope 3 categories that are considered to be relevant. Calculations are ongoing for Category 9 and are planned to be included in our 2026 carbon footprint
- We plan to refresh our Climate Scenario Analysis (CSA) in 2027. This is in line with best practice to update the analysis every three years to ensure it remains relevant in light of evolving climate science, policy changes, and business context
- As part of the updated CSA we will include physical risks analysis for the new locations from the Xellia acquisition – these new sites did not trigger an immediate update from our previous CSA since the locations closely align with current operations already covered within the analysis

Trigger points
In line with good risk management practice, the TCFD Technical Guidance recommends that a CSA programme should be re-assessed when the context of the organisation changes.

The following 'trigger points' have been adapted from TCFD Technical Guidance. These trigger points were assessed by Hikma as part of the CSA Programme in 2024 and have been reviewed again in 2025.

Trigger point	Assessment
1. Key location changes in a company's portfolio. If companies expand into new regions, they are likely to encounter novel physical and transition risks.	In September 2024, Hikma acquired Xellia's US-based finished dosage form business and related assets, including a manufacturing site in Bedford (OH), an R&D centre in Zagreb (Croatia) and a commercial office in Chicago (IL). These facilities will be included in future CSA assessments, however an immediate assessment of physical risks for these locations was not deemed necessary as they largely align with site locations already included within our assessments.
2. Release of updated climate scenarios and models which may impact the projections of risks and opportunities.	N/A
3. Developments in climate-related policies previously unforeseen during the original climate scenario analysis process.	N/A
4. Changes to company's strategies or operations leading to changes in the materiality of climate risks and opportunities to the business.	There have not been any significant changes to the Group's strategy or operations that change the exposure to climate-related risks in 2025. This includes the acquisition of Xellia already mentioned.

TCFD disclosure
continued

Governance

Board level oversight
Our Board of Directors, led by the Chairman of the Board, oversees our environmental sustainability strategy and considers climate-related matters throughout the year. Our EVP Strategic Planning and Global Affairs and VP of Sustainability provide ESG-related updates to the Board, including climate-related risks and opportunities, progress against environment-related targets, and any changes in risk status. This occurs in scheduled bi-annual presentations and in more regular updates to the Board's Compliance, Ethics and Responsibility Committee (CREC). ESG-related initiatives have been included in our five-year capital expenditure business plan, overseen by the Board. The Board has ultimate responsibility for the Group's approach to risk management and internal control and climate related risks are included in our ERM process. The Audit Committee (the Committee) oversees risk management and internal control activities with delegated authority from the Board (see Risk Management section, page 80).

The TCFD Working Group presented the findings from the TCFD work this year to the Committee. A general progress report is sent to the Chairman of the Board three times a year. The report includes a section on TCFD-related projects progress and environmental impact reporting.

The Remuneration Committee linked environment-related targets to the three-year Long-term Incentive Plan (LTIP) and the annual bonus award for the Executive Chairman, the Executive Vice Chairman of the Board and the CEO. The targets were related to emissions reduction and approach to water stewardship. More information on metrics linked to executive remuneration can be found at pages 138 and 139.

Management level leadership
Our EVP Strategic Planning and Global Affairs, who reports directly into our CEO, heads up the TCFD Working Group that started in 2021 and consists of senior representatives from Group Risk Management, Procurement, Finance, Sustainability and Investor Relations. This group leads our internal cross-functional efforts to integrate the TCFD recommendations into our business and meets on a regular basis.

Our VP of Sustainability, who reports to our EVP of Strategic Planning and Global Affairs, sets the sustainability strategy and the alignment of TCFD findings and recommendations with the broader corporate strategy.

Our crisis and continuity teams work closely with members of the TCFD Working Group and provide insight into the potential impact of climate-related risks on our operations. In addition, external consultants help progress our understanding of Hikma's climate-related risks and opportunities. The Environmental Sustainability Committee, chaired by two EC members, meets more than annually to review metrics, progress against TCFD recommendations and our targets and oversees the development of action plans. We continue to focus on strengthening our ESG governance, including climate change, at all levels of the organisation.

Sustainability, risks and opportunities, and TCFD governance

Board
Oversight of Group sustainability strategy, risk and opportunity management, and TCFD consistency

Executive Committee
Leadership in implementing sustainability strategy, risk and opportunity management, and TCFD consistency

Sustainability management team
Led by the VP of Sustainability, oversees sustainability matters and the identification of climate related risks and opportunities

TCFD Working Group
Cross functional working group that includes senior leaders in Finance, Risk, Sustainability, Procurement, Legal and Investor Relations teams

Finance team

Risk management team

Investor relations team

Procurement team

Site management and operational teams

Crisis and continuity management

Risk management

Process for identifying and assessing climate-related risks
We conduct risk identification and assessment exercises as part of the ERM process with all risk owners across the business (see page 83 for details on our risk processes). The outcomes of these reviews feed into the TCFD Working Group's assessment of the most relevant climate-related risks for Hikma. The TCFD Working Group monitors relevant current and emerging regulation, market risks, reputational risks, technology risks and acute and chronic physical risks.

The Board has overall responsibility for Climate-Related Risks and Opportunities (CRROs), while the EC provides leadership in managing them. The Sustainability management team, led by the VP of Sustainability, oversees sustainability matters and the identification of climate related risks and opportunities. The TCFD Working Group is a cross-functional group that includes senior leaders in Finance, Risk, Sustainability, Procurement, Legal and Investor Relations teams.

The VP of Sustainability oversees the identification, assessment and management of CRROs, and works with other functions including the Risk Management team to integrate them into the Group's overall risk management process. Updates to CRROs are considered on an annual basis.

CSA methodology
To regularly assess Hikma's climate-related risks and opportunities over the short, medium and long term, we conduct Climate Scenario Analysis (CSA) including financial impact assessment with support from third-party experts. These exercises assess a range of potential climate-related risks and opportunities across multiple different climate scenarios and time horizons drawing on public reference projections for changes to the climate system, socio-economic pathways, energy market dynamics, technological progress and financial risks. Since initiating CSA in 2021, we have continuously refined our approach, including the refinement of our climate scenario narratives in 2023 as informed by climate projections, per the figure below.

Our CSA methodology undergoes annual review to ensure robustness and relevance. In recent years, we have expanded the geographic boundary to assess the water stress risk of some of our larger facilities including in Columbus (OH, US), Morocco, Portugal and Tunisia. We also assessed and quantified the opportunity of developing onsite renewable energy solutions at our facilities. In 2024, an independent review of our CSA work and our efforts to align with the TCFD recommendations concluded that we have a well-developed TCFD response with year-on-year improvement and clear management processes to assess climate-related risk. The outcomes of this review are provided in the below table, showing for each step of the CSA as per TCFD guidance[1], the consistency of approach with TCFD guidelines, and how we plan to improve this in future where relevant. These efforts remain integral to our climate risk strategy in 2025, as we build on previous work to deepen understanding of our climate-related risks and opportunities to support decision-making across the business.

Climate scenario narratives

Low Carbon world (~1.5°C) Orderly

This is a 'Net Zero by 2050' aligned scenario where global temperature rise is **limited to 1.5°C warming. The transition is smooth and immediate**.

Transition risks are likely to be experienced associated with the transition to a green economy however, physical risks will be reduced.

Low Carbon world (~1.5–2°C) Disorderly

This is a 'Net Zero by 2050' aligned scenario where global temperature rise is limited to **1.5°C but the transition is divergent and/or delayed**.

Significant transition risks are likely to be experienced associated with the transition; however, physical risks will be reduced.

High Carbon world (~3–4°C)

This is a 'business-as-usual' scenario where global **temperatures rise to 3–4°C** above pre-industrial levels.

Climate policies are not sufficient to achieve official commitments and **physical risks considerably increase** resulting in catastrophic impacts.

The Low Carbon world – Disorderly transition is considered the most relevant scenario to Hikma and those scenario assumptions have been used in financial statement preparations for alignment.

Time horizons used for CSA

Term	Years	Financial alignment
Short term	2023–2030	Include five-year Business Plan and three-year Long-term Viability Statement (LTVS)
Medium term	2031–2040	Next 8–16 years, asset life of equipment
Long term	2041–2050	Next 17–26 years, asset lifetime of properties and facilities

1. For more information on CSA guidance, refer to Task Force on Climate-related Financial Disclosures Guidance on Scenario Analysis for Non-Financial Companies (2020), https://assets.bbhub.io/company/sites/60/2020/09/2020-TCFD_Guidance-Scenario-Analysis-Guidance.pdf

TCFD disclosure
continued

Step in TCFD CSA guidance	Consistency	Key improvements and next steps
Engaging stakeholders	Consistent	We will continue to engage and inform key stakeholders about any current and future developments in our CSA approach, and to ensure that our stakeholders understand the purpose of the CSA process, the key steps conducted, and the outcomes.
Problem definition	Consistent	We conducted qualitative workshops to ensure our focal question was relevant to our business strategy and priorities, and linked to our CSA work.
Assessing context and identifying driving forces and uncertainties	Consistent	We conducted a workshop engaging key stakeholders to identify our key business drivers and review the list of identified climate-related risks and opportunities. We conducted a quantitative analysis of energy pricing risk after it was flagged through the workshop as a potential missing risk.
Understanding and describing scenario outcomes/pathways and writing qualitative scenario narratives	Consistent	We produced robust scenario narratives for three separate future climate scenarios: Orderly Transition, Disorderly Transition and High Carbon Scenario. We will continue to utilise these narratives to effectively inform stakeholders across the business about identified climate risks and opportunities.
Quantification of risks, opportunities and financial impacts	Consistent	We work with third-party experts to review applied models and identify/implement improvements, as well as to review the materiality of risks and opportunities and update accordingly.
Checking quality and avoiding pitfalls	Consistent	We work with third-party experts to conduct annual health checks of our CSA work and integrate recommendations and findings accordingly. We periodically update our CSA work and refine the scenarios and models used and integrate the findings into our overall strategy.
Strategic management using scenarios	Consistent	We assess the strategic relevance of risks that have not currently undergone quantitative modelling and ensure continuous monitoring and assessment of external environment and resilience strategies.
Disclosure	Consistent	We include the following in our annual disclosures: – Explanation of how identified risks and opportunities were prioritised – Clearly defined conditions for risk and opportunity assessment, including clear time horizons, likelihood and magnitude – Disclosure of financial impacts of risks from the quantitative modelling – Details of the climate scenarios used – Disclosure of all time frames considered – Explanation of how CSA results are integrated into our strategy and how our strategy may change to accommodate risks and opportunities identified

Integrating risk management processes
Climate-related risks are identified, assessed, and managed by teams across the organisation. Our risk management framework (see page 82) provides a structure for significant risks to be escalated and integrated into our ERM process.

Examples of how climate-related risks are managed and integrated into existing risk management activities include:

- Longer-term viability assessment: environment and climate change related risks are included in the assessment (see page 90)
- Crisis and continuity management programme: site assessments of physical risks and controls are undertaken (see page 88)
- TCFD alignment is considered as part of the 'Reputation' principal risk
- Climate change occurrence is monitored as an emerging risk

Strategy

Risks and opportunities identified
Through our risk management framework as set out in the Risk Management section of this report, the below climate-related risks (four risks) and opportunities (one opportunity), were selected from our climate-related risk register of 16 risks and opportunities as the most relevant for further analysis based on materiality assessed through qualitative assessment and stakeholder engagement.

Physical risks
- Impact of extreme weather events, specifically the impact of severe floods and storms
- Impact of chronic changes to the natural environment, specifically the impact of increased water stress

Transition risks
- Impact of carbon pricing, including carbon pricing mechanisms, carbon pass-through costs in the supply chain and the increased cost of raw materials
- Impact of energy pricing

Climate-related opportunities
- Impact of pursuing renewable energy solutions globally, including through generation, power purchasing agreements, and an active energy supply management strategy

Basis for determining materiality of climate-risks and opportunities
To assess the relevant climate-related risks and opportunities, the financial impact assessment of the Climate Scenario Analysis, as per the methodology outlined in the Risk Management section, are integrated into our Enterprise Risk Management system. We then apply a risk scoring matrix that considers likelihood, velocity of risks (the timescale for the risk impact to be felt), financial impact, and a wide variety of possible impacts including, but not limited to, delivery of strategic objectives, patient safety, product quality, reputation, continuity of supply, management time and effort to remediate. Once these factors are applied, the resulting risk scores and financial impacts are considered against our determined financial materiality benchmark used in reporting, set at 5% of core profit before tax. In the most recent assessment based on 2024 financial data, this threshold was $31 million. In the context of this climate risk assessment approach, the CSA results do not exceed our climate-related financial materiality threshold under all risks and scenarios analysed. While the upper bound of financial impact from carbon pricing and extreme weather events do exceed the threshold in the long-term under specific scenarios, after applying the scoring for their likelihood and velocity, their assessed materiality is significantly reduced and falls below the threshold. We will continue to monitor all relevant climate risks, and update materiality assessments to account for changes to impact, likelihood or velocity, ensuring mitigation measures are appropriate to ensure our long term resilience to climate-related risks.

The climate projections, scenarios and time frames used to assess each of the relevant climate-related risks and opportunities are outlined in the following table.

		Associated climate scenario narrative				
Risks	Climate Projections[1]	Low carbon world Orderly	Low carbon world Disorderly	High carbon world	Timeline	Last assessed
Physical risks						
Impact of storms	– NOAA and Bank of England 1.5°C, 2°C, 4°C, based off various NGFS Scenarios	–	Y	Y	2030, 2040, 2050	2021
Impact of floods	– IPCC RCP4.5 (~2.4°C), IPCC RCP8.5 (4°C)	–	Y	Y	2030, 2040, 2050	2023
Impact of water stress	– IPCC RCP 1.9, IPCC RCP 2.6, IPCC RCP 7.0, IPCC RCP 8.5 – Aqueduct Water Risk Atlas 4.0	Y	Y	Y	2030, 2040, 2050	2024
Transition risks and opportunities						
Impact of carbon pricing	– IEA APS, IEA NZE, IEA STEPS	Y	Y	Y	2030, 2040, 2050	2023
Impact of energy pricing	– EnerData EnerFuture database (EnerBase, EnerBlue, EnerGreen)[2]	Y	Y	Y	2030, 2040, 2050	2023
Impact of pursuing Renewable Energy (RE) opportunities		Y	Y	Y	2030, 2040, 2050	2024

1. CBES = Climate Biennial Exploratory Scenario, IEA = International Energy Agency, IPCC = Intergovernmental Panel on Climate Change, NGFS = Network for Greening the Financial System, NOAA = National Oceanic and Atmospheric Administration, RCP= Representative Concentration Pathways, NZ= Net-zero, NZE=Net-zero emissions, APS=Announced Pledges Scenario, STEPS= Stated Policies Scenario
2. EnerData provides climate scenario specific energy pricing projections

TCFD disclosure
continued

CSA results for relevant climate-related risks and opportunities
The CSA results for each of the climate-related risks and opportunities that are most relevant to Hikma, are summarised below. This includes the financial impacts (costs shown reflect prices at the time of analysis without adjustment for inflation), timeframes, calculation basis and Hikma's level of resilience for each risk and opportunity. These findings are the results of the latest CSA exercise undertaken for each risk and opportunity, more details of which can be found in the Risk Management section of this report.

	Financial impact – range across scenarios			
	2030: Short term	2040: Medium term	2050: Long term	Climate scenario narratives used
1. Transition risks				
Impact of carbon pricing Reflected as potential increase in procurement costs in assessed categories due to carbon fee, if unmitigated (not cumulative, annual)	$3m – $10m	$7m – $40m	$8m – $76m	Low Carbon world – Orderly transition Low Carbon world – Disorderly transition High Carbon world

How did we calculate the potential financial impact of carbon pricing?
We used SE Advisory Services' Carbon and Energy Pricing Tool, which is informed by academic research, CDP data, and publicly available carbon price projections from the International Energy Agency. Cost exposure is calculated based on projected carbon and energy prices, combined with Hikma's projected consumption of relevant goods and services.

How would this risk affect operations and financial planning?
Direct emissions from Hikma's purchased goods and services will be regulated by (future) carbon pricing mechanisms, climate regulation and carbon tax. Carbon pass-through costs from third parties in our supply chain, who are subject to carbon pricing (such as transport, distribution suppliers) will have an indirect impact on our cost base. Raw materials and packaging costs may increase due to climate-related constraints on plastics, labour and energy. We incorporated the following categories in our analysis: finished and semi-finished goods, upstream transport, energy, API, packaging, excipients, and intermediates.

Our diverse global presence (North America, Europe, MENA) sees varying degrees of sustainability advancement in our manufacturing countries, which necessitates constant monitoring and agile adaptation to evolving market conditions. It is anticipated that European operations face a higher risk from carbon pricing due to the expansion of the EU Emissions Trading System framework, however other regions such as China and MENA may also become exposed.

In the short term, increasing carbon prices do not exceed Hikma's materiality threshold in the context of climate-related risk under all scenarios analysed. In the medium and long-term, while the potential financial impact from carbon pricing does exceed the threshold under the Low Carbon world – Orderly transition scenario, after the consideration of velocity and likelihood is applied through our Enterprise Risk Management process, this risk is not considered material. This assessment reflects both the likelihood of the Low Carbon Orderly transition scenario, which is deemed to be low, as well as the medium to longer-term horizon which allows Hikma significant time to implement measures to address the risk should it materialise.

How are we managing this risk?
We routinely look at ways to manage our procurement costs and offset price increases. Our sustainable procurement programme aims to better understand the carbon impact of purchased goods and services. As a key mitigation strategy, we engage with key material suppliers to understand their carbon reduction objectives and the activities they are undertaking to move to renewable energy and increase energy efficiency in their operations. Through supplier engagement, we expect to be able to partially mitigate the impact of carbon cost pass-through in the future. In addition, our expansion of renewable electricity opportunities across our facilities globally also supports the mitigate of carbon pricing risk longer term by reducing emissions associated with electricity consumption. In our CSA, we calculated different potential mitigation scenarios, where the impact of carbon pricing would be constrained. While current exposure is low, it is expected that carbon costs will increase over the coming decade as more countries establish carbon prices. We continue to monitor developments.

What is our level of resilience to this risk?
We consider our level of resilience to the risk of carbon pricing over the short, medium and long term to be high. This is based on robust governance structure that includes Executive-level leadership in environmental sustainability and Board-level responsibility of the issue. Moreover, we have in place Group-wide targets and teams at the site level to identify and capitalise on relevant opportunities that emerge.

	Financial impact – range across scenarios			
	2030: Short term	2040: Medium term	2050: Long term	Climate scenario narratives used
2. Transition risks				
Impact of energy pricing Reflected as potential increase in procurement costs in assessed categories due to carbon fee, if unmitigated (not cumulative, annual)	$3m – $12m	$7m – $19m	$14m – $25m	Low Carbon world – Orderly transition Low Carbon world – Disorderly transition High Carbon world

How did we calculate the potential financial impact of energy pricing?
We used SE Advisory Services' Carbon and Energy Pricing Tool, which is informed by price projections from the EnerData EnerFuture database. Cost exposure is calculated based on projected energy prices, combined with Hikma's projected consumption of electricity and natural gas.

How would this risk affect operations and financial planning?
It is not certain that Hikma will face increasing energy costs over time, as governments have not pledged to implement policies directly intended to increase the cost of electricity and natural gas. However, limiting factors such as increasing energy demand because of population growth, technology and renewable energy investment, in combination with interrupted supply because of natural disasters, conflicts and limited metals may increase energy pricing in our value chain. The financial impact relates to the potential change in Hikma's energy cost from a 2022 baseline, reflecting an increase in energy cost for electricity and natural gas at our manufacturing sites and offices.

In both Low Carbon world scenarios, electricity prices rise through 2030 but tend to fall sharply afterwards, counterbalancing the impact of increased consumption. To further improve the modelling, transition to lower carbon energies should be included, as well as increased on-site generation capacity, which would reduce consumption and cost exposure.

How are we managing this risk?
Hikma is continuously evaluating opportunities to transition to renewable energy in each of our three regions (North America, Europe, MENA). To date, we have onsite solar capacity in Jordan, Kingdom of Saudi Arabia (KSA), Morocco and Portugal; and are considering further solar installations in Jordan and Cherry Hill, US. Opportunities differ in potential, depending on the maturity of the markets that we operate in and the required financial investments. Where price increases might occur, Hikma may choose to accelerate site and country-specific adjustments to substitute natural gas for electricity and vice-versa, based on the relative price of available energy sources. Future modelling should account for this possibility.

What is our level of resilience to this risk?
We consider our level of resilience to the risk of energy pricing over the short, medium and long term to be high. This is based on our robust governance structure that includes Executive-level leadership in environmental sustainability and Board-level responsibility of the issue. Moreover, we have in place Group-wide targets and teams at the site level to identify and capitalise on relevant opportunities that emerge.

TCFD disclosure
continued

3. Physical risks	Financial impact – range across scenarios: 2030: Short term	2050: Long term	Climate scenario narratives used
Increased frequency of extreme weather events, in particular the impact of severe floods and storms Reflected as potential event cost, including inventory loss & operational disruption caused by extreme weather event (not cumulative, one-off events or annual)	No impact anticipated	$9 – 65m – one-off (storms) $1 – 3.4m – annual (storms) $14m – one-off (floods)	Low Carbon world – Disorderly transition High Carbon world

How did we calculate the potential financial impact of storms?
To calculate the potential financial impact of severe storms, we used data from the ThinkHazard database, the National Hurricane Centre and the National Oceanic and Atmospheric Administration portal to determine climate-related risk exposure baselines at Hikma's key operational sites (identified either by sales or climate risk exposure). A financial impact matrix was developed with degrees of asset and inventory loss or damage, and the length of operational shutdown was assumed based on the qualitative and quantitative narrative for each storm category in the Saffir-Simpson Hurricane Wind Scale. The one-off financial impact figures for storms represents the aggregate impact of potential storm events across all key operational site assessed, where the upper limit represents the total combined impact of the worst possible storm event occurring at each of Hikma's key operational sites. The financial impact of storms was also calculated on an annual basis through to 2050, which provides a much lower impact value when compared to the one-off event analysis.

How did we calculate the potential financial impact of floods?
Hikma sites and key supplier sites were screened for both pluvial and coastal flood risk using the Aqueduct Flood Hazard Maps. In addition, a 15 km radius around Hikma sites was screened for indirect pluvial flooding risk. Financial modelling was conducted using operational disruption and loss from inundation at the facility. The potential financial impact refers to a one-off event with the most material impacts describing a 1/1000 flood event at Hikma's vulnerable sites. The impacts of such an event are largely consistent across all climate scenarios analysed and fall below Hikma's materiality threshold.

How would this risk affect operations and financial planning?
Extreme weather events impacting our facilities might cause interrupted manufacturing or supply of key resources. They may impact national infrastructure and could lead to power outages, restrictions on access for the supply chain and workforce leading to downtime, lost sales, fines and ultimately reputational damage. Extreme weather events may also impact critical suppliers leading to downtime, lost sales, fines, and reputational damage. While no sites were identified with direct exposure to inundation risk, more research is needed to assess the indirect inundation risk.

We conducted an analysis of the financial impact of an extreme storm impacting a site in the US. Through this analysis, we concluded that the potential financial implications of physical risks under the worst-case scenario High Carbon world (for extreme weather events) are anticipated to remain minimal through at least 2030. In the longer term, out to 2050, there is increased risk from extreme weather events particularly in a High Carbon scenario. The potential financial impacts for such one-off events do exceed the materiality threshold for Hikma when potential impact at all vulnerable sites is combined. However, after velocity (timescale) and likelihood of such events are considered through our Enterprise Risk Management process, this risk does not meet our materiality threshold. Nonetheless we will continue to monitor these risks and actively introduce mitigation measure as required to minimise potential financial impacts due to extreme weather as much as possible.

How are we managing this risk?
With the insights from our modelling and understanding that these risks are not significant to our sites at this stage, we will continue to engage with our operational facilities teams in the highest risk regions to ensure our business continuity and recovery processes are fit for purpose.

What is our level of resilience to this risk?
The findings of our long-term viability analysis for extreme weather indicates that our broad geographical footprint provides us with a robust level of resilience for extreme weather events in one location.

4. Physical risks	Financial impact – range across scenarios: 2030: Short term	2050: Long term	Climate scenario narratives used
Impact of water stress Reflecting both potential change to total water cost and loss from production downtime (not cumulative, annual)	$1.2m – $1.3m	$3.6m – $5.5m	Low Carbon world – Disorderly transition Low Carbon world – Orderly transition High Carbon world

How did we calculate the potential financial impact of water stress?
Water stress is the ratio of total water withdrawals against available renewable surface and groundwater supplies. Increased water stress is a risk when reduced water availability impacts Hikma's operational requirements. This risk was quantified by modelling the potential future cost of water and potential EBIT loss due to production downtime because of water rationing. Total future water costs in our CSA consist of municipal water supply costs and water tanker costs (including fuel price projections). We assumed that the cost of municipal and tanker water change proportionally to water stress and a production site's water consumption will increase proportionally to the growth rate. At the same time, the number of days with a lack of access to water supply increases proportionally to the degree of water stress and the site's water storage mitigation. All total costs are based off future water consumption projected using the Hikma production growth rate.

How would this risk affect operations and financial planning?
Given that water is used for cleaning in our manufacturing processes, we consider water stress a risk. Water stress is likely to increase in the future due to increases in demands for water from growing populations and industry and from a decrease in fresh water supply due to climate change. Shortage and potential rationing of water could lead to disrupted operations and financially impact Hikma both through increased cost of water supply and from loss of EBIT from production downtime. Only direct and tangible financial impacts have been assessed in the 2023 and 2024 CSAs. Other consequences such as impacts on the workforce, increased political unrest or conflict, and impacts to third parties have not been assessed, but Hikma acknowledges them. Our CSA initially focused on four countries (Jordan, Saudi Arabia, Algeria and Egypt) in 2023, and expanded its focus to include Columbus (OH, USA), Morocco, Portugal and Tunisia. This ensured that all countries that we determined as water stressed are included in our analysis (Algeria, Egypt, Jordan, Morocco, Saudi Arabia and Tunisia). The analyses show that Hikma faces potential water stress in both baseline and future projection scenarios, resulting in increased water costs and potential loss of EBIT due to production downtime. At this stage, impact figures are not currently material and are partially mitigated by storage capacity.

How are we managing this risk?
To mitigate the risk of water shortage, we hold onsite storage capacity and have multiple water supply options at many sites. Other mitigation actions include implementing water reduction and saving initiatives on site. Our executive remuneration and both short-term and long-term incentive goals support good water management at all Hikma's sites in MENA (where water stress is most apparent) by establishing water management systems, processes and targets, and implementing opportunities for efficient water use. More information on metrics linked to Executive Remuneration can be found at .

What is our level of resilience to this risk?
We consider our organisation to have a high level of resilience on this issue due to our robust governance of environmental sustainability, our management of water-related issues at the global, regional and site levels and our focus on water-related goals and targets to drive more efficient consumption in water-scarce regions.

TCFD disclosure
continued

	Financial impact – range across scenarios			
	2030: Short term	2040: Medium term	2050: Long term	Climate scenario narratives used
5. Climate-related opportunity				
Impact of pursuing renewable energy (RE) solutions Reflected as the potential financial benefit for Hikma to generate its electricity through onsite RE generation and RE-based Power Purchasing Agreements (PPAs), (cumulative 2030–2050, not annual)	$85m – $109m	$176m – $213m	$244m – $267m	Low Carbon world – Disorderly transition Low Carbon world – Orderly transition High Carbon world

How did we calculate the potential financial impact of pursuing RE solutions?
The analysis focused on answering the question: 'What would be the financial benefit for Hikma to pursue RE solutions through onsite electricity generation, as opposed to continuing to purchase electricity from the grid?' To answer this question, we compared the cost of onsite RE generation with the projected cost of electricity under different scenarios. We conducted a comparative analysis using scenario-specific energy consumption and cost data from previous carbon and energy pricing analyses for 24 sites, including only sites with over one GWh of annual consumption. These figures were compared with a technology-specific Levelised Cost of Electricity (LCOE)[1] for developing solar and wind (onshore and offshore) capacity across the countries of the 24 prioritised sites. The difference indicates the potential cost savings in three scenarios across short-, medium- and long-term. The figures represent estimates based on desktop research that utilised various assumptions to generate estimated savings over the relevant time horizons.

How would this opportunity affect operations and financial planning?
As most of our energy consumption is sourced from electricity, our previous analyses on carbon and energy pricing shows that the development of onsite RE capacity is an opportunity. Of this capacity, onsite solar generation has the largest savings potential. To date, we have onsite solar capacity in Jordan, KSA and Portugal; and are considering further solar installations in Jordan and Cherry Hill, US.

How are we managing this opportunity?
In 2024, we expanded solar generation in our Salt facility which also provides our MENA Head Office in Amman with green electricity through wheeling[2]. We also installed solar generation in the Kingdom of Saudi Arabia (KSA) and Morocco. For more details on the actions we have taken and are taking to increase renewable energy consumption and generation, please see the 'Protecting the Environment' section on page 58.

Resilience of our strategy
The results of our CSA show that climate change is not expected to have a material impact on the Group's strategy or financial viability for the time horizon to 2030. Beyond 2030, the upper bound of financial impact from carbon pricing and extreme weather events do exceed the threshold for financial materiality in the long-term under specific scenarios. However, once the timescale over which these risks could materialise (their velocity), as well as their likelihood (for example a 1 in 1000-year flood across all vulnerable sites) is considered, their assessed materiality is significantly reduced and falls below our threshold. Nonetheless, we continue to implement measures which support the mitigation of these risks including supplier engagement to reduce carbon cost pass-through of carbon pricing, as well as ensuring our business continuity and recovery processes are fit for purpose in regions exposed to extreme weather events. As such, we consider our current level of resilience to all climate-related risks analysed to be high over the short, medium and long term. We will continue to monitor all relevant climate risks, and update materiality assessments to account for changes to impact, likelihood or velocity, ensuring mitigation measures are appropriate to ensure our long-term resilience to climate-related risks.

The outcomes from our Double Materiality Assessment (DMA) that was completed in 2025 (see page 42) evaluated shorter time horizons compared to the CSA that looked at longer time horizons. As such, our assessment of the impact of climate change from our CSA work aligns with the DMA in the short-term, as climate change was found not to be financially materiality for the Company through to 2030. However, water management was determined to be impact and financially material under the DMA, whereas the financial impact of water stress was not found to be material through the CSA. This is due to the DMA also considering the value chain and reputational considerations of water stress in local communities, while the CSA focused solely on a specific consideration of incremental water costs in MENA due to water rationing resulting from water stress. The results of both analyses support Hikma's ongoing assessment of risks and therefore are key to ensuring the long-term resilience of our strategy.

Our CSA, longer-term viability statement and impairment tests are aligned through common scenario inputs. We will continue to strengthen our monitoring metrics and understand where we need to improve our mitigation controls. Our model inputs in the CSA do not include mitigating actions on the part of Hikma, our suppliers, governments, or others, and cover time horizons well beyond our current business planning. We recognise that climate-related risks and opportunities will continue to develop over a significantly longer period and believe that we will be able to adapt our strategy and respond appropriately to emerging climate-related risks and opportunities that could have a material impact on the Group. We recognise that even with measures in place for mitigation and adaption, climate-related risks cannot be fully mitigated, and some residual risk will remain. However, we will continue to identify and mitigate our material risks as far as possible and will build clear action plans and ownership to address any gaps and ensure our long-term resilience.

1. The LCOE is the discounted lifetime cost of building and operating a generation asset, expressed as a cost per unit of electricity generated (£/MWh). It covers all relevant costs faced by the generator, including predevelopment, capital, operating, fuel, and financing costs. This is sometimes called a life-cycle cost, which emphasises the 'cradle to grave' aspect of the definition – Source: UK Government Department for Energy Security and Net Zero; https://assets.publishing.service.gov.uk/media/6556027d046ed400148b99fe/electricity-generation-costs-2023.pdf
2. Wheeling refers to the transportation of energy from a generation site to a user through the existing municipal grid

Metrics and targets

As we continue to grow, we remain dedicated to minimising our environmental footprint. We are actively measuring and managing our energy and water consumption and are regularly reviewing opportunities to improve efficiency. We acknowledge the environmental impact of manufacturing and delivering medicines and are committed to the efficient and responsible management of energy, water, and waste within our organisation and throughout our value chain. To sustain our success, it is crucial that we manage resources responsibly and consider the long-term environmental impacts in the places where we do business.

Metrics to assess climate-related risks and opportunities
We monitor our Scope 1, Scope 2 and relevant Scope 3 emissions, as well as metrics related to the consumption of energy. This data is included in the Sustainability section (pages 60 and 62). We will continue to develop our methodology for calculating our Scope 3 emissions categories that are relevant but not yet calculated. The development of onsite RE capacity presents an opportunity for our business and we monitor the percentage of RE-sourced energy, both onsite and purchased. In addition, as part of the 'Reputation' principal risk (see page 86), we monitor our performance against external ESG ratings.

Executive Remuneration
We have adopted carbon and water-related targets as part of management's yearly bonus and Long-Term Incentive Plan (LTIP). More details can be found in the Annual report remuneration section on page 118.

The table below indicates the metrics we have in place that are linked to our climate-related risks and improve our understanding of the impacts of these risks. More details on the progress against our targets is available in the Sustainability section.

Transition risks	Targets	Relevant metrics
Impact of carbon pricing	Reduce Scope 1 and 2 GHG emissions by 25% by 2030, using a 2020 baseline See page 60 for more information on our 2030 target and progress achieved to date – Our ambition by 2026, is to introduce further carbon reduction targets and initiate key renewable energy projects	– Absolute emissions Scope 1, 2 (Location-based and market-based) – Emissions intensity (revenue and headcount) Scope 1, 2 (Location-based and market-based) – Absolute emissions Scope 3 in category 1 (purchased goods and services) and category 4 (upstream transportation
Impact of energy pricing	No target set	– Absolute energy consumption – Energy consumption mix – Percentage renewable energy generated/purchased
Physical risks	**Targets**	**Relevant metrics**
Increased frequency of extreme weather events	No target set	– Proportion of facilities in an area subject to flooding or storms – Number of sites with business continuity plans that cover impact of severe weather events
Impact of water stress	Achieve good water management at Hikma's MENA sites. Our 2027 target is to deliver key aspects of the ISO 46001 Water Efficiency Management System in the MENA region See page 138 and 139 for more information on our target and progress achieved to date	– Change in m^3 water withdrawal – Change in m^3 water consumption in countries with high water stress – Change in m^3 water discharge – Change in m^3 water treatment – Progress of water efficiency measures – Water consumption intensity Water consumption metrics will be provided in our upcoming Sustainability Report 2025.
Opportunities	**Targets**	**Relevant metrics**
Energy cost opportunity	No target set	– Cost of standard electricity and fuels – Cost of renewable solutions

We are committed to continuously evaluating our environmental impacts and to implementing mitigations and capitalising on opportunities. In 2026, we will continue to enhance and refine the metrics we use to monitor risks and opportunities and expand the robustness of our analyses.

Risk management

Risk management framework	82
Risk management activities	83
Case study: Strategic opportunity	84
Principal risks and uncertainties	84
Going concern and longer-term viability	89

Risk management

In 2025, we aligned risk assessments more closely with business objectives to better manage threats and take advantage of opportunities.

Risk management framework

Risk context
Our purpose is to put better health within reach, every day for healthcare professionals and their patients. We bring patients across North America, MENA and Europe a broad range of generic, specialty and branded pharmaceutical products.

The future is uncertain and carries risks for our business. These risks may be threats or opportunities related to our strategy and delivery of our goals, our activities and processes, the expectations of our stakeholders, or our key relationships and dependencies.

Find out more about the internal and external context for risk management for the Group in the 'Our strategy' (pages 6–7), 'Our business model' (pages 10–11), 'Our markets' (pages 18–19) and 'Our stakeholders' (pages 22–27) sections of this report.

Risk strategy
Effective management of risk is fundamental for the long-term success of the Group. We operate an Enterprise Risk Management (ERM) framework to ensure that we are comprehensive and structured in our approach. The framework enables a thorough view of our risk exposure to be developed, which informs our decision-making and improves our strategic, tactical, operational and compliance processes. The approach enables us to fulfil our obligations and provides assurance that our activities are appropriately controlled.

Risk appetite
The Board determines the nature and extent of the principal risks it is willing to take and communicates this through the Group risk appetite.

The risk appetite sets out how management is expected to manage risk, including clear limits and tolerances on risk exposure for each of the principal risks. It forms the foundation of the ERM framework and guides management decision-making across the Group. The risk appetite is reviewed twice a year at Board level and is monitored by management on an ongoing basis.

Risk governance
The Board has ultimate responsibility for the Group's approach to risk management and internal control. The Audit Committee oversees risk management and internal control activities with delegated authority from the Board.

The Audit Committee reviews the principal and material risks facing the Group, considering different sources of assurance, including executive management, internal audit, and external audit. The Chair of the Audit Committee is a standing member of the Compliance, Responsibility and Ethics Committee (CREC) to ensure connection between the Board Committees with primary risk oversight responsibilities.[1]

Internal audit provides independent assurance of the Group's internal control environment. For more details on our internal audit approach see page 115.

The Group Risk Management function enables and drives effective risk management practices, guides global risk owners in assessing and reporting their risks, coordinates emerging risk assessments, and establishes connections and partnerships across the organisation to promote and develop a responsible risk culture.

Compliance and Internal Control and Assurance functions with professional expertise in managing risk and internal control in specialist areas are in place across the organisation.

The CEO and Executive Committee have direct ownership of risk management for the Group. Risk management accountability is fully embedded within their executive responsibilities.

As part of the risk governance framework, Executive Committee and Leadership Council members, and other senior executives are assigned responsibility for specific principal risks. Together, they coordinate risk management activities across the organisation to manage risk exposure in line with the risk appetite.

1. Full committee terms of reference are available on **www.hikma.com**

Risk management and internal control across the organisation

Complementary management units perform and provide assurance over risk management and internal control through standards, accountability and oversight. Independent and external assessments are additional sources of information for management.

Front-line management	Compliance and internal control	Executive accountability	Independent assurance	Board oversight
Operational activity	Corporate Compliance	Executive Committee	Internal audit	Board of Directors
	Quality Compliance			
Management reviews	Group Risk Office	Global risk owners	External assessments	Audit Committee
	Internal controls and assurance			
	Other compliance teams	External advisers	External audit	Compliance, Responsibility and Ethics Committee

Risk management activities

Risk management activities occur at all levels of the organisation. The ERM framework provides structure for these activities to ensure consistency of approach, consolidation, alignment to the risk appetite and monitoring of our risk exposure across the Group.

The Group Risk Management function coordinates regular risk assessments to review management of risks we already know about, and to identify, analyse and evaluate new and emerging risks. These assessments are consolidated through the Group Risk Management function and reported to the Executive Committee by the global risk owners.

Compliance and internal control functions, and internal audit, also conduct regular formalised risk assessments in relation to their mandates.

Summarised reports and key outcomes of risk assessments are reviewed by management teams, the Audit Committee and Board.

In addition to these core reporting processes, various other risk management activities occurred during the year.

Risk management in practice
Our ability to effectively manage risk enables delivery of our objectives. To ensure we are action-oriented in managing threats and opportunities we categorise our risks considering significance of exposure and the opportunity for management action.

An example of risk management in practice is seen in the case study on the next page.

Strategic risks
Group-level strategic risk assessments are conducted by the Executive Committee and Board of Directors. A formal review is conducted on an annual basis to consider threats and opportunities related to our strategy from internal and external perspectives and over various time horizons.

Emerging risks
Emerging risks are those that are newly identified and have the potential to become significant risks for the Group, those that may already be well known but are rapidly changing, or those that are developing over a longer term that may have significant impact on our ability to achieve our objectives.

Often driven by forces outside our control, emerging risks may be mitigated by existing control frameworks but are assessed to determine if any aspects fall outside current processes or if the controls in place may become inadequate as the risk develops.

Our approach involves establishing cross-functional teams to assess the threats and opportunities, recognising these may develop over an extended timeframe. The risk assessment methods deployed vary and may involve engaging with external experts, scenario modelling, engagement with existing risk mitigation programmes, and development of new risk mitigation and control strategies that will be sustainable over the longer term.

We scan for emerging risks in a wide array of domains, including economics and geopolitics, social and demographic, technology, legal and regulatory, environment and sustainability, global and local workforce, and business and competitive environment. We focus our emerging risk assessments and monitoring according to likelihood, impact and velocity.

Examples of emerging risks that are most closely monitored include geopolitical instability, development of artificial intelligence, uncertainty related to global trade policies, evolving regulatory requirements, and physical and transitional climate change-related risks and opportunities, see TCFD section on pages 66–79 for more details.

Internal control activities
In 2025, we revised our internal control framework in preparation for the implementation of the UK Corporate Governance Code (the Code) Provision 29 requirements for a declaration of effectiveness of the material controls at 31 December 2026.

Overseen by the Audit Committee the Internal Controls and Assurance function advanced the Group's programme of controls to manage its material risks. Control frameworks, standard operating procedures and related policies were formalised and embedded across the organisation.

The Internal Control and Assurance team reinforced the rigour of documentation standards expected when operating these controls.

Other compliance and internal control functions across the Group develop and manage internal control systems, frameworks and processes for their areas of focus as part of risk mitigation strategies, to meet internal and external expectations, and to ensure compliance with regulatory requirements.

Priorities for 2026
In 2026 we will continue to develop connections and partnerships between compliance and internal control functions, and external parties to provide greater assurance for the Group.

In line with Provision 29 of the Code, a risk-based testing programme is being launched in 2026 to provide rolling assurance over the effectiveness of material controls. This programme will consolidate assurance outcomes and will support the Board's annual review and declaration on the effectiveness of Hikma's risk management and internal control framework.

We will continue to develop sustainability and climate-related risk assessments, drive integration with business planning processes, and ensure alignment for existing and upcoming regulations, see the 'Sustainability reporting readiness' section on page 45 for more details.

Risk management
continued

Managing strategic risk with investment in operational infrastructure

Strategic opportunity

Targeted investment across the manufacturing and supply network represents a strategic opportunity to strengthen access to key markets with localisation requirements, expand capacity for both our own drug manufacturing and CMO partnerships, improve access to medicines, and increase supply-chain resilience.

The strength of our balance sheet enables us to deploy capital in these infrastructure investments, aligned to our capital allocation framework, supporting long-term growth and competitiveness. Over the period 2021–2025 the Group invested more than $800m through capital expenditure.

The Group's overall efficiency in converting capital into returns is reflected in a 5-year core ROIC of 16.5%.

Strategic assessment

Strategic operational infrastructure investment opportunities are assessed through an iterative process involving the Board, Executive Committee, and cross-functional teams. This includes collaboration across global engineering, operations, CMO partnerships, and commercial to ensure alignment between strategic objectives, operational feasibility, and market needs.

Progress

Progress has been delivered over multiple planning and investment cycles, resulting in a phased portfolio of operational investments. Initiatives are progressing at different stages of maturity across MENA (Tunisia, Algeria, KSA), Europe (Portugal, Italy), and the United States (Bedford, Columbus), supporting both near-term capacity needs and longer-term network resilience.

Vision

Through this strategy and its execution, we are building a manufacturing network that is more resilient to disruption and provides us with opportunities. Balancing local production with scalable capacity enables us to adapt to changing demand, support supply continuity during shortages, and be agile to take advantage of commercial opportunities. Ongoing investment and optimisation strengthen resilience, meet market access requirements, and support sustained access to medicines across regions.

Principal risks and uncertainties

The Group faces risks from a range of sources that could have a material impact on our financial commitments and ability to trade in the future.

The Board performs robust assessments of strategic, operating and emerging risks for the Group, considering our risk context, and input from executive management.

In 2025, we mitigated risks related to internal changes with CEO and senior leadership transitions, and restructuring of the R&D function.

We managed external macroeconomic and geopolitical volatility by diversifying our direct materials sourcing, and managing our inventory levels to mitigate cost and lead time pressures.

The Board determined that the principal risks facing the Group have not materially changed over the year and that there are no new principal risks to be added.

During the year, the Group refined certain principal risk names and descriptions to enhance clarity and alignment with underlying risk drivers. These refinements do not represent changes to the Group's risk profile. The principal risk 'Market dynamics and commercial environment' was formerly described as 'Industry dynamics', and the principal risk 'Crisis and business disruption' was formerly described as 'Crisis and continuity management'.

The set of principal risks should not be considered as an exhaustive list of all the risks the Group faces. Certain risk factors are outside the control of management.

The Board recognises that the principal risks are dynamic and that management of these risks must be continuous as the risk environment changes.

The Board defines qualitative and quantitative conditions related to each principal risk which establishes the risk appetite, and alignment to these conditions are monitored throughout the year.

Through this process the Board is satisfied that the principal risks are being managed appropriately and consistently within the Group's target risk appetite.

Effective management of these risks is directly linked to the performance of our strategic KPIs (see pages 16–17) and the delivery of the strategic priorities outlined on pages 6–7.

The principal risks are set out below with examples of management actions that help to control the risk; the actions described do not include all actions taken by management.

Market dynamics and commercial environment

Risk description	Management actions
Changes in competitive dynamics, pricing and reimbursement environments, regulatory and policy interventions, macroeconomic and geopolitical conditions, societal expectations, and shifts within the pharmaceutical value chain may adversely affect the commercial viability of the Group's markets and business models. The Group's ability to execute and adapt its commercial strategy in response to these changes may also impact performance.	– Rebranded Generics segment to Hikma Rx to reflect its focus on providing differentiated and complex (Rx) medicines – Continued to prepare for significant new long-term contract manufacturing agreement in Hikma Rx business – Developed and launched key differentiated injectable product (Tyzavan®) – Continued to develop partnerships and secure contract manufacturing business, see pages 14 and 20 – Accelerated growth in Europe in new and established markets by addressing shortage situations to increase diversification of segment – Progressed validation phases of new manufacturing plants in Morocco, Algeria and Tunisia to enhance production capacity – Initiated construction phase of new facility in KSA – Diversifying Branded product offering to address demand related to chronic diseases

Product pipeline

Risk description	Management actions
The selection, development, registration, and successful commercialisation of new products aligned with market needs, regulatory requirements, and the Group's strategy are subject to scientific, regulatory, commercial, and execution uncertainties that may affect future growth and competitive performance.	– Transformed R&D into a global function based on technology platform, see page 49 for further details – Globalised and standardised product selection process to improve allocation of capital – Embedded centralised processes for nitrosamines, extractables and leachables testing and remediation – Focus in Injectables on growth areas of specialty (e.g. Ready-to-use / ready-to-administer), peptides/polypeptides and oligonucleotides, and 2-phase systems (e.g. suspensions, emulsions, long-acting injectables) – Developed capabilities internally and through partnerships to advance respiratory , nasal, semi-solid and liquids pipeline execution – Continued to develop pipeline portfolio serving MENA market by introducing more diabetes, oncology, GI and CNS products

People

Risk description	Management actions
The ability to attract, develop, retain, and effectively deploy talent, leadership, organisational structures, and governance processes is critical to business performance, strategic execution, and the long-term success of the Group.	– Managed transition of senior leaders and executed succession plans across the different regions and functions – Supported in the reorganisation of R&D to become a global function, enhancing collaboration and achieving synergies across the Group – Developed a Career Management framework for core functions that provides clear pathways for professional growth, outlining required qualifications to empower colleagues to own their development – Launched and expanded a mentoring programme to enable continuous and proactive efforts to foster a growing mentoring culture within Hikma, and facilitate knowledge exchange between mentors and mentees, see page 56 – Optimised US and Europe operating models to strengthen efficiency and accountability between central functions and local sites

Risk management
continued

Reputation

Risk description	Management actions
The reputation of the Group depends on building and maintaining trusted relationships with our stakeholders. Adverse events, changing expectations, or misalignment between stakeholder perceptions and business activities may affect relationships, regulatory confidence, and long-term value.	– Communicated on a regular basis with investors and analysts with over 250 engagements, through investor relations calls, meet with management events, including site visit to manufacturing facility in Columbus, Ohio, and at conferences – Continued to communicate our progress against our business strategy and acting responsibility framework, leveraging our digital communication channels to engage external and internal stakeholders – Improved our MSCI ESG rating and maintained our scores across other indices – Continued to develop sustainability reporting capabilities to meet upcoming regulatory requirements – Hosted key US government representatives at our Columbus, Ohio site to highlight the investment being made by Hikma in domestic manufacturing – Provided Executive Committee and Board members with third-party perception studies to gauge investor sentiment

Ethics and compliance

Risk description	Management actions
Maintaining a culture underpinned by ethical decision-making, with appropriate internal controls to ensure that staff and third parties comply with our Code of Conduct, associated policies and procedures, as well as all applicable legislation, is fundamental to the Group.	– Rolled out updated conflict of interest process – Implemented enhanced compliance programme for engagement with healthcare professionals (HCPs) and healthcare institutions (HCIs) – Further enhanced third-party due diligence systems and processes – Continued to develop modern slavery and human rights controls in partnership with Procurement, Legal and HR functions – Strengthened the speak up line, grievance mechanisms, and investigation policies and procedures in line with evolving regulatory requirements and whistleblowing acts

Information and cyber security, technology and infrastructure

Risk description	Management actions
Ensuring the integrity, confidentiality, availability and resilience of data, securing information stored and/or processed internally or externally from cyber and non-cyber threats, while maintaining and developing technology systems that enable business processes and infrastructure that supports the organisation effectively is critical to the secure and effective operation of the Group.	– Continued to monitor opportunities and threats related to artificial intelligence (AI) and machine learning (ML) systems through AI Advisory Board – Developed additional cyber resilience measures for alternative communications in the event of system disruption – Completed external assessment of information security maturity aligned to the industry-standard National Institute of Standards and Technology (NIST) cyber security framework and the Capability Maturity Model Integration (CMMI) maturity model, improving maturity score by 18% from prior assessment – Continued to enhance cyber security detection and response capabilities – Further strengthened protection of operating technology environments – Ran externally facilitated cyber exercise with the Leadership Council and senior management – Continued progress with IT Continuity assessments and disaster recovery preparedness

Legal, regulatory and intellectual property

Risk description	Management actions
The requirements of, and changes in, laws, regulations, enforcement priorities, litigation exposures, sanctions regimes, contractual obligations, and intellectual property frameworks may affect the Group's operational flexibility, financial performance, strategic initiatives, shareholder value, business integrity, and reputation.	– Concluded settlement of the vast majority of opioid-related lawsuits and continued to defend remaining lawsuits in North America, see page 191 – Finalised settlements that resolved all outstanding claims and lawsuits related to an alleged anticompetitive agreement with Jazz Pharmaceuticals related to Hikma's authorized generic sodium oxybate product – Monitored and managed litigations, disputes, and investigations related to our global operations, including those that are material to the Group, see page 207 – Continuous monitoring and assessment of developments in global legal and regulatory landscape and potential impacts on the Group – Continued to secure, maintain, and enforce patents and other intellectual property where appropriate to protect the Group's proprietary assets – Strengthened corporate governance practices to ensure transparency, accountability, and ethical conduct within the organisation – Provided legal support and oversight for successful product acquisitions and other strategic transactions, ensuring they are completed smoothly and in compliance with all legal requirements – Launched and delivered regular colleague training on legal and compliance topics, including economic trade sanctions and modern slavery and human trafficking, to raise awareness, ensure regulatory compliance, and promote ethical and responsible conduct across the organization

Inorganic growth

Risk description	Management actions
The identification, valuation, and execution of acquisitions, divestments, licensing, or other business development activities are subject to strategic, financial, operational, and integration uncertainties that may affect long-term value creation.	– Closed the acquisition of the rights to a portfolio of Takeda brands for the MENA region and began implementing the integration plan – Identified a range of business development and investment opportunities to achieve Hikma growth strategy – Extensive due diligence of each opportunity with external support for risk assessment, valuation, and execution of transactions – Extensive Board engagement to review opportunities proposed by the Executive Committee to ensure strategic alignment – Post-acquisition performance (financial and non-financial) monitored closely to ensure integration and delivery on business plan – Post-transaction reviews highlighted opportunities to improve effectiveness of processes – Continue to grow our pipeline through business development (BD) and enhance the effectiveness of BD teams by adding additional resources – Global product selection integrates in-house and external development for pipeline opportunities – Announced expanded partnership with Celltrion in MENA for a further six biosimilars

Active pharmaceutical ingredient (API) and third-party risk management

Risk description	Management actions
Maintaining the availability of supply, quality and competitiveness of API purchases and ensuring effective understanding and control of third-party risks are fundamental to the Group.	– Reviewed our supply chains and sourcing options based on geopolitical constraints and renegotiated with our suppliers in response to US tariffs to minimise impact on patients – Increased % of API covered by alternate sources – Improved our business intelligence to identify opportunities for cost reductions – Continued to increase our numbers of suppliers under strategic partnership – Continued to enhance third-party management system with automation of Supplier Code of Conduct acknowledgement, ongoing third-party risk monitoring, and introduction of IQ+Vitals, a tool to enhance our ability to perform sustainability assessments with nearly 75% of our annual procurement spend now covered

Risk management
continued

Crisis and business disruption

Risk description	Management actions
The Group may be affected by sudden disruptions and gradual change, including natural catastrophe, economic turmoil, cyber event, operational issue, conflict, security, health and safety, pandemic, political crisis, and regulatory intervention. Effectively developing, maintaining and adapting capabilities and processes to anticipate, prepare for, respond and adapt to such events, is vital to ensure resilience of the organisation.	– Managed external macroeconomic and geopolitical volatility by diversifying our direct materials sourcing, and inventory levels to mitigate cost and lead time pressures. – Tested response plans in light of events (e.g. Middle East tensions impacting logistics, Iberia power outage, operational events) and training scenarios – Updated Group and local crisis management plans and guides for specific scenarios – Reviewed and refreshed business impact analyses and business continuity plans for all operational facilities, incorporating assessments of climate change-related threats – Engaged with insurance providers to align business continuity planning with underwriter risk analysis – Strengthened integration with IT Continuity and Disaster Recovery programme to increase business resilience to technology-related disruption, including development of alternate operating procedures programme – Reviewed and upgraded site emergency response arrangements and capabilities across our facilities

Product quality and safety

Risk description	Management actions
Maintaining compliance with current Good Practices for Manufacturing (cGMP), Laboratory (cGLP), Clinical (cGCP), Compounding (cGCP), Distribution (cGDP) and Pharmacovigilance (cGVP) by staff, and all relevant third parties involved in these processes is fundamental for the Group.	– Hikma Quality Council provides oversight and shares best practice across the Group including regulatory intelligence – Drove a strong quality and safety culture across the organisation through global initiatives, reinforced by regular communications from senior executives – Ensured continuous monitoring and assessment of quality and safety risks and quality critical incidents via the Group wide Notification to Management process – Ongoing oversight of cGMP compliance of Hikma facilities as well as third parties supplying finished goods, APIs, raw materials, packaging components and other GMP services – Maintained robust governance and quality oversight of Pharmacovigilance (PV) through cross functional Drug Safety and PV Quality Committees including adapting to newly introduced and enhanced regulatory requirements while sustaining a strong track record of successful routine regulator PV inspections – Strategically in sourced key PV activities to build internal capability, reduce external dependency, and ensure continuous global product safety surveillance, enabling early detection of emerging risks or changes to the overall risk-benefit balance – Enhanced the global PV quality management system through expanded use of validated systems, supported by structured, automated training curricula for PV team members, improving standardisation, efficiency, and regulatory compliance

Financial control and reporting

Risk description	Management actions
Effectively managing income, expenditure, assets and liabilities, liquidity, exchange rates, tax uncertainty, debtor and related activities, and reporting accurately, in a timely manner, and in compliance with statutory requirements and accounting standards is fundamental to the Group.	– Launched the Hikma group controls programme to mitigate material risks and established internal systems for reporting on minimum standard set of controls for finance and related processes to enable disclosure against Provision 29 of the Code, see page 111 – Further formalised the Fraud detection and prevention programme – Expanded shared service centre for core finance processes – Refinanced through debt market and loan agreements to maintain balance sheet strength, see page 193 – Successfully refinanced our $500m Eurobond, with an improved credit rating of BBB from BBB- under Fitch Ratings and S&P Global Ratings, providing confidence to investors in Hikma's financial health – Approved the Group Capital Allocation Framework to provide a transparent framework for shareholder returns and align capital decisions with long-term strategic goals

Going concern and longer-term viability

In accordance with the UK Corporate Governance Code Provisions 30–31 and other regulatory disclosure requirements, going concern and longer-term viability assessments are provided.

Assessment of position and prospects
The Group's current and forecast financial positions are used to assess the going concern position and longer-term viability.

The position and prospects of the Group are assessed at Executive Committee meetings and at the end of the financial year. The assessments consider strategic and operational updates, principal and emerging risks, financial reporting and forecasting from the Chief Financial Officer, and the business plan. The business plan and forecasts are developed to reflect our current position, specific risks and uncertainties facing the business, and known changes to our organisation and business model.

The Executive Committee assesses the future strategic positioning of Hikma as a company in the context of the changing business environment. Aspects of this analysis are shown in 'Our markets' (see pages 18–19).

These various assessments are presented to the Audit Committee and Board of Directors for independent scrutiny of management's assumptions and modelling approach. The Board also receives regular updates on operational, strategic and financial matters from executives.

Financial position
The financial position of the Group as at 31 December 2025 was:

- net cash flow from operating activities in the year was $436 million
- overall net debt was $1,387 million (1.6 times core EBITDA)
- available borrowing capacity was $1,050 million of committed undrawn long-term facilities (see Note 30 of the Group consolidated financial statements on page 195). These facilities are well-diversified across the subsidiaries of the Group and are with a number of financial institutions

> **"Severe but plausible downside risk scenarios are used to test the viability of the Group."**

Covenants on major financial debt arrangements are suspended while the Group retains its investment grade status from two rating agencies. As of 31 December 2025 the Group's investment grade rating was affirmed by S&P and Fitch, with an upgraded rating compared to prior years.

Future prospects
The Group's base case forecasts take into account reasonably possible changes in trading performance, including those that may arise related to various inflationary effects, currency volatility, facility renewal sensitivities, and maturities of long-term debt.

Assumptions
Financial modelling for the business plan and the going concern and viability assessments is subject to assumptions related to:

- launch and commercialisation of new products
- market share and product demand rates
- maintenance of certain product prices
- political and social stability
- ability to increase operational efficiency and reduce central costs
- effective tax rate being within the current guidance range
- ability to refinance existing debt upon maturity (for longer-term viability)

Going concern

For the purposes of assessing the going concern position, the base case and a forecast including severe but plausible downside risks were analysed over a period longer than 12 months from the date of signing the financial statements.

The analysis shows that Hikma is well-placed to manage its business and financial risks successfully despite current uncertainties and confirms that the going concern basis should be used in preparing the financial statements.

The Directors reviewed and challenged management's forecasts, downside assumptions and mitigation strategies, and believe that the Group is adequately placed to manage its business and financing risks successfully.

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for a period longer than 12 months from the date of signing the financial statements and therefore continue to adopt the going concern basis in preparing the financial statements, with no material uncertainties.

Longer-term viability

Viability period
The longer-term viability of the Group is assessed for a period longer than for the going concern analysis.

The Directors determined that a three-year period, ending on 31 December 2028, constitutes an appropriate period over which to provide its viability statement.

This is the timeframe for acquisitions and business development opportunities to become integrated into the business, and for pipeline products to contribute as marketed products. Forecasts are more accurate in the near term than in the long term and this limitation also applies to our viability assessments.

Stress testing, modelling and sensitivity analysis
The Group's strategic objectives, principal risks (PR), assessments of longer-term emerging risks (ER), management input, real-world examples and the financial modelling assumptions set out above were used to develop severe but plausible risk scenarios that could adversely impact the business.

Certain risk scenarios were not considered financially material for the purposes of this assessment. This included a scenario involving climate-change-related risks of disruption from extreme weather events affecting certain Group facilities, resulting in property damage and business interruption (see also our disclosures related to climate change on pages 66–79).

The following scenarios were assessed as severe but plausible, with additional realistic but extremely severe adjustments applied for sensitivity analysis.

Longer-term viability scenarios
- **Scenario 1:** Market dynamics and commercial environment (PR): Potential significant levels of price erosion over and above business plan assumptions
- **Scenario 2:** Market dynamics and commercial environment (PR): Potential significant adverse performance of strategic products due to competitive threats
- **Scenario 3:** Product pipeline (PR): Potential extensive delays to product launches
- **Scenario 4:** Ethics and compliance (PR): The implications of a systemic failure of the corporate compliance programme leading to a regulator investigation were explored, including reputational impact, fines and legal fees, loss of sales, remediation expenses, and additional compliance costs
- **Scenario 5:** Product quality and safety (PR): A prolonged regulator-imposed restriction of a major US FDA-inspected manufacturing site was modelled, factoring in loss of sales and remediation expenses, as well as a reduction to operating costs
- **Scenario 6:** Crisis and business disruption (PR): Escalation and development of situations of political and social instability in MENA markets were assessed with loss of sales recognised
- **Scenario 7:** API and third-party risk management (PR): Significant disruptions to our raw and packaging materials supply chain were modelled
- **Scenario 8:** Information and cyber security, technology and infrastructure (PR): Impacts of a ransomware attack affecting endpoints and ERP systems were modelled with potential loss of sales, general business interruption, and response and remediation costs
- **Scenario 9**: Legal, regulatory and intellectual property (PR): Potential for financial loss as a result of ongoing legal proceedings, see page 207

Longer-term viability analysis
The consequences of each of these severe but plausible risk scenarios were modelled over the forecast period and the impacts on EBITDA, ability to meet our debt obligations, and cash flow were determined.

A combined scenario of additional price erosion (Scenario 1), significant adverse performance of key products (Scenario 2) and extensive launch delays (Scenario 3), in line with the going concern assessment assumptions, was also Combinations of these scenarios occurring were also assessed for this exercise.

The analysis shows that although the scenarios are severe, they do not threaten the viability of Hikma. Headroom was comfortably maintained throughout the viability period for each of the risk scenarios and scenario combinations.

The analysis did not rely on management actions that could be taken in the circumstances to reduce the impact and consequences of the risk events. Such actions, the ongoing implementation of the Enterprise Risk Management (ERM) programme and other risk mitigation initiatives, and investment in infrastructure and change initiatives are anticipated to continue to enhance organisational resilience and support longer-term viability.

The outcome of these various quantitative and qualitative assessments leads management to believe that Hikma is resilient to downside risk scenarios over the three-year period. This is largely as a result of our financial position (in particular our strong balance sheet and low levels of debt) and is supported by the fact that our business is well-diversified through geographic spread, product diversity, and large customer and supplier bases. Further details are provided in the 'Our strategy' (pages 6–7), 'Our business model' (pages 10–11), and 'Our markets' (pages 18–19) sections of this report.

The Directors reviewed and challenged management's longer-term viability analysis and confirm that they have a reasonable expectation that Hikma will be able to continue in operation and meet its liabilities as they fall due and over the viability period.

"Our assessments show that Hikma is resilient to downside risk scenarios."

Non-financial and sustainability information statement

The table below summarises our position on matters relevant to the Non-Financial Reporting Directive, in line with the requirements of sections 414CA and 414CB of the Companies Act 2006. All references made are to publicly accessible information.

	Summary	Further information and policies
Our business model	– Our diversified business model allows us to respond to the many opportunities and risks we face, while delivering value for our stakeholders	– Our business model, pages 10–11
Principal risks	– Our risk management framework is designed to ensure we take a comprehensive view of risk. This includes financial and non-financial risks that may impact our business and stakeholders	– Risk management, pages 82–83
Environmental matters	– We are committed to making our operations more energy efficient and environmentally responsible – We continue to improve the way we monitor our impacts, pursuing projects that reduce our environmental footprint – We have put in place a target to reduce our Scope 1 and 2 GHG emissions by 25% by 2030, using a 2020 baseline – We are aligning our internal processes and our public disclosures to be consistent with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations – We are aligned with the disclosure requirements of Climate Related Financial Disclosures (CFD) as articulated in the Companies Act – Board-level oversight of environmental sustainability – Environmental matters are incorporated in our risk management framework – We promote environmental sustainability in our supply chain	– Protecting the environment, pages 58–62 – TCFD, pages 66–79 – Supplier Code of Conduct[1]
Employees	– Our employees have always been at the heart of everything we do. As the driving force behind Hikma's growth and success, our people are our most valuable asset – We are committed to investing in the development of our workforce and in protecting their health and safety – We have 9,400 employees across North America, MENA, Europe and ROW	– Stakeholder engagement: employees, pages 22–27 – Empowering our people, pages 52–56 – Code of Conduct[1] – Upholding ethical standards and acting with integrity, pages 63–64 – Group Environmental, Health and Safety Policy Statement[1] – Principal risk: People, page 85

Social matters	– In all of our markets, we work to meet social needs locally and improve lives. We have developed programmes in key areas to address social challenges:
	  – providing better health
	  – supporting education
	  – helping people in need
	– Where our activities relate to other social matters, we seek to understand the perspective of all stakeholders, determine our role and make clear our position based on our values and purpose
		– Stakeholder engagement, pages 22–27
		– Advancing health and wellbeing, pages 46–51
		– Product quality and safety, page 49
		– Addressing drug shortages in the US[1]
		– Animal testing position[1]
		– Principal risk: Reputation, page 86
		– Access to medicines, pages 46–48
		– Tax strategy statement[1]

Respect for human rights	– We respect and uphold the principles of the Universal Declaration of Human Rights both within Hikma and across our value chain – We object in the strongest possible terms to the use of any of our products for the purpose of capital punishment	– Upholding ethical standards and acting with integrity, pages 63–64 – Code of Conduct[1] – Supplier Code of Conduct[1] – Modern Slavery Act Policy Statement[1] – Use of products in capital punishment[1] – Principal risk: Reputation, page 86
Anti-bribery and corruption	– Our Compliance, Responsibility and Ethics Committee (CREC) leads our efforts to strengthen anti-bribery and corruption policies and manage associated risks – As a publicly-listed company on the London Stock Exchange, we abide by the regulations of the UK Listing Authority. We operate in compliance with the UK Bribery Act 2010, the Foreign Corrupt Practices Act as well as local laws and regulations	– Upholding ethical standards and acting with integrity, pages 63–64 – Code of Conduct[1] – Supplier Code of Conduct[1] – Speak up channels[1] – Principal risk: Ethics and compliance, page 86 – CREC report, pages 116–117
Non-financial KPIs	– We monitor the position, performance and impact of Hikma across a wide range of financial and non-financial KPIs. Non-financial KPIs are used to measure progress towards our strategic priorities (pages 16–17), our exposure to risks (pages 84–88), and are in place in other areas throughout the organisation as part of Hikma's long-term sustainable growth strategy and our commitment to helping people and improving the communities in which we operate	– GHG emissions reduction target, page 58 – Protecting the environment, pages 58–62 – Employee engagement and enablement, page 17 – Audit Committee report, pages 111–115 – CREC report, pages 116–117 – Diversity disclosures, page 99

1. Our public policies, codes and statements are available on **www.hikma.com**

The Strategic report was approved by the Board of Directors and signed on its behalf by:

Said Darwazah
Executive Chairman and CEO

25 February 2026

Corporate governance

Executive Chairman's overview	96
Corporate governance at a glance	98
Leadership	100
Corporate governance	103
Nomination and Governance Committee report	107
Audit Committee report	111
Compliance, Responsibility and Ethics Committee report	116
Remuneration Committee report	118
Directors' Remuneration Policy	122
Annual report on remuneration	132
Other statutory disclosures	150

Executive Chairman's overview

We are committed to transparency in corporate governance reporting and work hard as a Board to provide strong and stable leadership, supported by our corporate governance framework.

This year the Board celebrated the twentieth anniversary of the Company's listing on the London Stock Exchange, an important milestone for Hikma and an opportunity to recognise the growth and impact we have delivered."

Dear Shareholders

The Board has focused on providing strong and stable leadership in 2025, navigating changes to the Board and Executive Committee, while not losing slight of our strategic objectives to ensure Hikma delivers a solid financial performance. Looking to the future, the Board has a renewed focus on succession planning, actions for continuous improvement and preparations for future reporting requirements in relation to internal controls and the evolving landscape for sustainability reporting.

Board and leadership changes

On 15 December 2025, we announced that Riad Mishlawi had stepped down as CEO and from Hikma's Board of Directors by mutual agreement. In order to ensure continuity in the delivery of Hikma's strategy, the Board agreed that I, as Executive Chairman and former CEO, would step in and assume all CEO responsibilities. In addition, Khalid Nabilsi, Hikma's CFO of 15 years, joined Hikma's Board of Directors to further strengthen the Group's focus on delivering its strategic plans and to take on additional operational management responsibilities.

As at the date of this report, the Board approved further changes to Hikma's Board and leadership. These changes will take effect from 26 February 2026 and are designed to assist me with the day to day management of the business, and enhance accountability and agility in relation to strategic decision-making.

Further detail can be found on pages 5 and 107.

Succession planning and Board composition

A key priority for the Board in 2025 was to review Board and committee composition, following the departure of two independent Non-Executive Directors in 2025. John Castellani reached nine years of service in March 2025 and retired from the Board at the 2025 AGM on 24 April 2025. Nina Henderson reached nine years of service in October 2025 and retired from the Board on 31 December 2025. I thank John and Nina for their significant contributions to Hikma's Board over the past nine years and wish them all the best for the future.

As disclosed in our 2024 Annual Report, the following appointments took effect from 24 April 2025:

- Deneen Vojta succeeded John Castellani as Chair of the Compliance, Responsibility and Ethics Committee (CREC)
- Cynthia Flowers succeeded Nina Henderson as Chair of the Remuneration Committee
- Laura Balan succeeded Nina Henderson as the designated independent Non-Executive Director for workforce engagement

The Nomination and Governance Committee supported the Board in this endeavour with a detailed review of Board and committee composition, including independence, skills, experience, tenure and external commitments, and approved the following appointments, effective 1 May 2025:

- Cynthia Flowers was appointed as a member of the CREC
- Victoria Hull was appointed as a member of the Remuneration Committee

Further information is included in the Nomination and Governance Committee report on page 108.

Corporate governance

During 2025, we strengthened our governance framework by conducting a detailed review of the matters reserved to the Board and the terms of reference for each Board Committee. The approved changes clarified responsibilities between committees, ensured consistency between committee terms of reference and the matters reserved to the Board, and reflected recent developments to statutory requirements and best practice. The updated documents can be found on our website **www.hikma.com**. In early 2026, the Board also undertook a review of Hikma's Delegation of Authority framework to strengthen our internal controls and ensure that no one individual had unfettered powers of decision-making in light of the changes to our leadership team.

Inclusion and diversity

As a Board, we embrace diversity in all forms and believe that different perspectives and opinions enhance decision-making. Our Board Diversity Policy sets the approach to the diversity of Hikma's Board and its Committees in line with the gender and ethnic diversity objectives set by the UK Listing Rules, the FTSE Women Leaders Review and the Parker Review. We are proud to report that Hikma continues to meet all objectives set for diversity under the Board Diversity Policy. The Board Diversity Policy is available on our website at **www.hikma.com** and information on Board diversity is included on pages 99 and 151.

We are equally committed to supporting inclusion and diversity beyond the boardroom. We are pleased to report an increase in the representation of women in senior leadership roles over the past year and are proud of the high level of ethnic diversity among the senior management population. Information on our senior management and wider workforce diversity is included on page 99 and information on our broader inclusion initiatives is included on page 54. Further information on the Board's oversight of diversity is included in the Nomination and Governance Committee report on page 110.

Workforce engagement

Our people are core to Hikma's growth aspirations and delivery of our strategy. To enhance the Board's understanding of our colleagues' perspectives, Laura Balan is our designated independent Non-Executive Director for workforce engagement, as defined under Provision 5 of the UK Corporate Governance Code.

Laura has undertaken an active programme of engagement this year which has contributed to ensuring that workforce perspectives are considered in Board and committee decision-making, and that the Board, outside of our Executive Directors, is visible among our colleagues. In 2025, the engagement programme was organised in conjunction with the CEO and Laura formally reported to the Board on her observations.

As an aspect of her engagement activities, Laura listens to the workforce's views on career progression, learning and development, technology and reward.

In 2025, Non-Executive Directors visited Hikma sites and engaged with the workforce, including:

- participation in the senior leaders forum in Amman (Jordan)
- visits to manufacturing facilities and offices in Amman (Jordan) and Milan (Italy). During these visits, Non-Executive Directors were able to meet with local management and the wider workforce, and tour manufacturing facilities
- a visit to our site in Sintra, Portugal for the annual Board strategy meeting, during which four of our independent Non-Executive Directors took part in a workshop with key colleagues based in Portugal to gain insights on career progression and development, and their understanding and ownership of strategic priorities. The Board also held a dinner with local management as an opportunity for more informal engagement

Further detail on our workforce engagement activities and outcomes is included in our Section 172 statement on page 22.

Stakeholder engagement

In the lead-up to the 2025 AGM, Hikma undertook a detailed shareholder consultation exercise to gain feedback on the Rule 9 Waivers sought at the 2025 AGM. The aim of the consultation process was to explain the purpose of the Rule 9 Waivers and address any concerns. Following feedback from shareholders, we developed an FAQ document which is available on our website at **www.hikma.com**. I am pleased to report that all resolutions put to shareholders at our 2025 AGM were passed with 90% or more votes in favour.

In addition to the shareholder consultation relating to the Rule 9 Waivers, the Board undertakes significant efforts to understand and, in taking decisions, consider the interests and perspectives of all of our stakeholders, including customers, suppliers, colleagues, regulators, investors and the communities in which we operate. Further details, including examples of the outcomes and actions from our stakeholder engagement activities, are included in our Section 172 statement on pages 22 to 27. Information on our Supplier Code of Conduct is included on page 116.

Looking ahead

On behalf of the Board, we look forward to building on the progress of 2025 to create long-term sustainable growth for the benefit of all stakeholders in 2026 and beyond.

Said Darwazah
Executive Chairman and CEO

Corporate governance at a glance

Governance framework

The Board delegates some of its powers to the CEO and operates with the assistance of five committees.

The Board is responsible for establishing the Group's purpose, values and strategy, and ensuring these are aligned with its culture. The Board maintains a list of matters that can only be approved by the Board. The matters reserved to the Board and terms of reference for each committee can be found on our website at **www.hikma.com**.

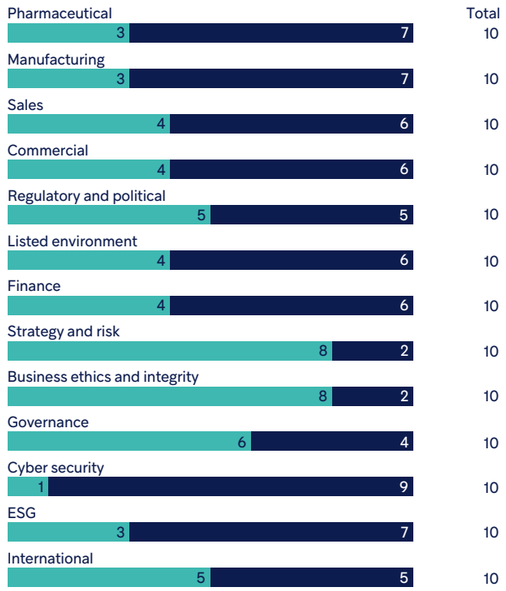
The Board delegates certain matters to its committees to assist it in discharging its responsibilities. Committee reports can be found on pages 107 to 119.

The Board delegates responsibility for running the business and executing the strategy to the CEO, who is supported in this role by the Executive Committee. Biographies for our Executive Committee members can be found on page 102.

Board skills and experience

Number of Directors who have significant and current experience

Number of other Directors with experience



Board composition

	31 December 2025	1 January 2026
Executive Chairman and CEO	10%	11%
Other Executive Directors	20%	22%
Non-Independent Non-Executive Directors	10%	11%
Independent Non-Executive Directors	60%	56%

31 December 2025

1 January 2026

In compliance with Provision 11 of the Code, when excluding the Chairman, the Independent Non-Executive Directors represent 67% of the Board as at 31 December 2025 and 63% of the Board as at 1 January 2026 following the retirement of Nina Henderson.

Independent Director tenure (as at 31 December 2025)

	Number	%
0–3 years	3	50%
4–6 years	2	33%
7–9 years	1	17%

Diversity[1] (as at 31 December 2025)

Ethnicity

Board[2]

Minority ethnic	4 (40%)
White	6 (60%)

Senior management[3]

1. White/Caucasian	23 (30%)
2. Minority ethnic	30 (39%)
3. Prefer not to say	2 (3%)
4. Did not respond	11 (14%)
5. Unknown[4]	11 (14%)

Executive Committee[2]

Minority ethnic	4 (50%)
White	4 (50%)

Gender

Board

Women	5 (50%)
Men	5 (50%)

Senior management[3]

Women	26 (34%)
Men	51 (66%)

Executive Committee

Women	3 (38%)
Men	5 (62%)

Group

Women	3,409 (35%)
Men	6,185 (64%)
Prefer not to say	99 (1%)

UK senior management
As required by the Parker Review, the composition of our senior management team working in the UK is 79% White/Caucasian and 14% Minority ethnic. 7% did not respond to the survey.

Hikma subsidiary company directors
As required by the Companies Act 2006, the composition of our subsidiary company boards is 43 men (77%) and 13 women (23%).

1. Diversity data collection is conducted in compliance with applicable laws and regulations
2. Relates to Board and Executive Committee members who identify with one of the relevant categories under UK Listing Rule 6, Annex 1
3. Senior management refers to senior direct reports to the Executive Chairman and CEO, and the senior leaders who report directly to them (excluding administrative roles)
4. Ethnic diversity data excludes our colleagues in France, Portugal, Germany, Spain, Italy and Croatia due to local GDPR and labour law issues

Attendance

	Board (7 scheduled and 5 adhoc meetings)		Nomination and Governance Committee (3 scheduled meetings)		Audit Committee (5 scheduled meetings)		Compliance, Responsibility and Ethics Committee (4 scheduled meetings)		Remuneration Committee (6 scheduled and 2 adhoc meetings)	
Directors	Meetings attended	Attendance	Meetings attended	Attendance	Meetings attended	Attendance	Meetings attended	Attendance	Meetings attended	Attendance
Said Darwazah[1]	● 11/12	92%	–		–		–		–	
Riad Mishlawi	8/9	89%	–		–		4/4	100%	–	
Mazen Darwazah[1]	11/12	92%	3/3	100%	–		4/4	100%	–	
Victoria Hull[2]	12/12	100%	● 3/3	100%	5/5	100%	–		4/4	100%
Ali Al-Husry	12/12	100%	–		–		–		–	
John Castellani[3]	1/2	50%	–		1/2	50%	1/2	50%	2/4	50%
Nina Henderson[4]	12/12	100%	2/2	100%	2/2	100%	2/2	100%	4/4	100%
Cynthia Flowers[5]	12/12	100%	3/3	100%	5/5	100%	2/2	100%	● 8/8	100%
Douglas Hurt	12/12	100%	3/3	100%	● 5/5	100%	4/4	100%	8/8	100%
Laura Balan	12/12	100%	–		5/5	100%	–		8/8	100%
Dr Deneen Vojta	12/12	100%	3/3	100%	–		● 4/4	100%	–	

● Board Chair ● Committee Chair

1. Said Darwazah and Mazen Darwazah were unable to attend an adhoc meeting of the Board due to an urgent personal matter
2. Victoria Hull joined the Remuneration Committee on 1 May 2025
3. John Castellani retired from the Board and all Committees on 24 April 2025. John was unable to attend the Board and Committee meetings in February due to a personal matter
4. Nina Henderson stepped down as Chair of the Remuneration Committee and as a member of the Nomination and Governance, Audit and Compliance, Responsibility and Ethics Committees on 24 April 2025
5. Cynthia Flowers joined the Compliance, Responsibility and Ethics Committee on 1 May 2025

Where a Director was unable to attend a meeting, comments on the business of the meeting were shared with the Chair in advance of the meeting.

Leadership – Board of Directors[1]

1. Said Darwazah
Executive Chairman and CEO

Appointed: 1 July 2007 (joined Hikma in 1981)

Nationality: Jordanian

Experience: Said has served as Executive Chairman of Hikma Pharmaceuticals PLC since 2014. Said joined Hikma in 1981 and brings over 40 years of leadership experience. He served as CEO of Hikma Pharmaceuticals PLC (2007–2018, 2022–2023, 2025–current) and as Chairman and CEO of Hikma's Group holding company (1994–2003). Said has previously served as Minister of Health for Jordan, Chairman of Jordan University of Science and Technology, and as a board member of Central Bank of Jordan, American University of Beirut, Babson College, and INSEAD.

Qualifications: Industrial Engineering degree from Purdue University, MBA from INSEAD.

Other appointments: Chairman of Royal Jordanian Airlines and the Queen Rania Foundation, Chairman and Founder of the Health Care Accreditation Council Jordan. Vice Chairman of Capital Bank, Jordan. Trustee of the American University of Beirut.

2. Mazen Darwazah
C N
Executive Vice Chairman, President of MENA

Appointed: 8 September 2005 (joined Hikma in 1985)

Nationality: Jordanian

Experience: Mazen is responsible for the strategic and operational direction of the business across the MENA region. During his 40 years of service at Hikma, Mazen has held an extensive range of positions within the Group. He has previously served as the President of the Jordanian Association of Manufacturers of Pharmaceuticals and Medical Appliances.

Qualifications: BA in Business Administration from the Lebanese American University, Advanced Management Plan from INSEAD.

Other appointments: Senator in the Jordanian Senate. Trustee of Birzeit University and King's Academy. Member of HM King Abdullah's Economic Policy Council. Board Director at Rakuten Medical Inc.

3. Khalid Nabilsi
Chief Financial Officer

Appointed: 15 December 2025 (joined Hikma in 2001)

Nationality: Jordanian

Experience: Khalid was appointed as Chief Financial Officer in 2011 and is responsible for Group finance, including reporting and capital management. Recognising Khalid's long service as Chief Financial Officer, he was appointed to the Board of Hikma to strengthen the Group's focus on delivering its strategic plans and to take on additional operational management responsibilities. Khalid has held several leadership positions within Hikma's financial functions during 23 years with Hikma, including VP Finance.

Qualifications: Certified Public Accountant. MBA from the University of Hull.

Other appointments: Non-Executive Director of Capital Bank, Jordan.

4. Victoria Hull
A N R
Senior Independent Director

Appointed: 1 November 2022 as Non-Executive Director (Senior Independent Director from 28 April 2023)

Nationality: British

Experience: Victoria joined the Board as a Non-Executive Director in November 2022 and became Senior Independent Director in April 2023. Victoria has extensive senior executive experience across a broad range of business, legal, commercial and governance matters and strong international experience. In her executive career, Victoria was an Executive Director and General Counsel of Invensys plc and Telewest Communications plc. Victoria is a solicitor and began her career at Clifford Chance LLP. Victoria also served as Senior Independent Director of Ultra Electronics plc, and was previously Non-Executive Director and Chair of the Remuneration Committee at Network International Holdings plc.

Qualifications: Solicitor, LLB (Hons) in Law from the University of Southampton.

Other appointments: Non-Executive Director and Chair of the Remuneration Committee of IQE plc, IMI plc and Serco Group plc.

5. Ali Al-Husry
Non-Executive Director

Appointed: 14 October 2005 (joined Hikma in 1981)

Nationality: Jordanian

Experience: Ali joined Hikma as Director of Hikma Pharma Limited and held various management and leadership roles within the Group before stepping into an advisory role in 1995. Ali brings great financial experience to the Board as well as an in-depth knowledge of the MENA region and Hikma Pharmaceuticals. Ali was a founder of Capital Bank, Jordan, and served as its CEO until 2007.

Qualifications: Mechanical Engineering degree from the University of Southern California, MBA from INSEAD.

Other appointments: Director of Endeavour Jordan, Capital Bank, Jordan, and DASH Ventures Limited.

6. Cynthia Flowers
A C N R
Independent Non-Executive Director

Appointed: 1 June 2019

Nationality: American

Experience: Cynthia brings detailed knowledge of the pharmaceutical and biotechnical sectors and healthcare practitioner experience to the Board. Cynthia was President and CEO of the North American divisions of the global pharmaceutical companies Ipsen and Eisai, and also held general management positions at Amgen and Johnson & Johnson. For nearly a decade, Cynthia served on the Women's Leadership Advisory Board at Harvard University's Kennedy School of Government.

Qualifications: BSN from the University of Delaware and Executive MBA from Wharton School at the University of Pennsylvania.

Other appointments: Non-Executive Director of Lisata Therapeutics Inc. and Relevate Health Inc. Chief Executive Officer of OMEZA Holdings Inc.

7. Douglas Hurt
A C N R
Independent Non-Executive Director

Appointed: 1 May 2020

Nationality: British

Experience: Douglas brings significant financial experience, having served as Finance Director of IMI PLC from 2006 to 2015. Prior to this, he held a number of senior finance and general management positions at GlaxoSmithKline PLC, previously having worked at Price Waterhouse. His career has included several years working in the US as a Chief Financial Officer and significant experience in European businesses as an Operational and Regional Managing Director. Douglas previously served as Senior Independent Director and Chairman of the Audit Committee of Tate & Lyle plc and Vesuvius PLC, Chairman of Countryside Partnerships PLC, and Non-Executive Director and Chair of the Audit Committee of the British Standards Institution.

Qualifications: Chartered Accountant and a Fellow of the ICAEW, MA (Hons) in Economics from Cambridge University.

Other appointments: None.

8. Laura Balan
A R
Independent Non-Executive Director

Appointed: 1 October 2022

Nationality: Romanian and British

Experience: Laura brings a deep understanding of international business, the pharmaceutical industry globally, key sector trends and dynamics. Laura is a retired partner of The Capital Group Companies, the US investment manager, where she was an investment analyst for 17 years, covering the European healthcare and pharmaceutical industries. Prior to this, Laura held associate and analyst roles at The Goldman Sachs Group Inc, where she focused on European healthcare and pharmaceutical investment research.

Qualifications: CFA Charterholder, BA (Hons) in International Business from the Academy of Economic Studies in Bucharest, Romania.

Other appointments: Trustee and Chair of the Finance, Audit & Risk Committee of the Charter Schools Educational Trust.

9. Dr Deneen Vojta
C N
Independent Non-Executive Director

Appointed: 1 November 2022

Nationality: American

Experience: Deneen is a healthcare executive with extensive experience in clinical medicine, scientific research, insurance and care delivery. Deneen is the Executive Vice President (EVP), Healthcare Quality and Affordability for Blue Shield California. Previously she served as EVP, Research and Development for UnitedHealth Group (UHG) and as Founder and CEO of MYnetico, which was acquired by UHG. She also served as Chief Medical Officer of Jefferson Health Northeast and Health Partners of Philadelphia. In 2022, Deneen was named a Modern Healthcare's Top Innovator, in 2014, she was an Emmy® Award winner and in 2013, a CES® Innovation Design & Engineering Innovation Honoree.

Qualifications: MD from the Temple University School of Medicine, BS in Behavioral Neuroscience from the University of Pittsburgh.

Other appointments: EVP for Healthcare Quality and Affordability at Blue Shield of California. Member of the Advisory Board of The Center for Health Incentives & Behavioral Economics at Penn Medicine.

Other Directors who served during 2025

John Castellani
Independent Non-Executive Director

John Castellani retired from the Board on 24 April 2025.

Riad Mishlawi
Chief Executive Officer

Riad Mishlawi stepped down from the Board on 15 December 2025.

Nina Henderson
Independent Non-Executive Director

Nina Henderson retired from the Board on 31 December 2025.

Company Secretary

Helen Middlemist

Appointed: 1 January 2024 (joined Hikma in 2022)

Role: Helen is responsible for advising on relevant law, regulation and best practice in relation to Hikma's listing on the London Stock Exchange.

Key:

- A Audit Committee
- C Compliance, Responsibility and Ethics Committee
- N Nomination and Governance Committee
- R Remuneration Committee
- Committee Chair

1. The biographies on this page reflect the roles and responsibilities of the Board as at the date of this report (25 February 2026). Please refer to our website, **www.hikma.com**, for updated roles and responsibilities which reflect the leadership changes effective 26 February 2026

Leadership – Executive Committee[1]

1. Said Darwazah
Executive Chairman and Chief Executive Officer

For biographical details, see page 100

2. Mazen Darwazah
Executive Vice Chairman, President of MENA

For biographical details, see page 100

3. Khalid Nabilsi
Chief Financial Officer

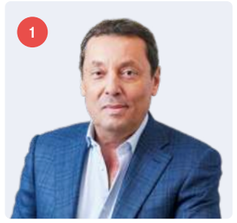
For biographical details, see page 100

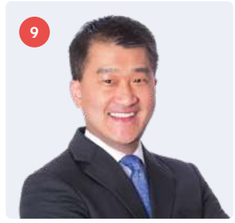
4. Hussein Arkhagha
Chief People Officer

Joined: 2001 **Nationality:** Jordanian

Role: Hussein was appointed as Chief People Officer in September 2023. He is responsible for the Human Resources department and overseeing the Legal and Company Secretarial departments. Hussein has been a standing member of the Executive Committee since 2017. Hussein has held several executive positions during 25 years at Hikma, including Chief Counsel and Company Secretary, General Counsel, Head of Legal/MENA, Head of Shareholders' Department and Head of Tax.

Qualifications: Hussein holds a Master's degree in International Business Law from the University of Manchester, under the UK Chevening Scholarship Programme.





5. Bassam Kanaan
Executive Vice President,
Corporate Development and M&A

Joined: 2001 **Nationality:** Jordanian

Role: Bassam was appointed EVP, Corporate Development and M&A in 2014 and has Group-level responsibility for strategic development, acquisitions, and alliances. He also has oversight of the IT function, Global Procurement and Hikma Ventures. Bassam has held several executive positions during 24 years with Hikma, including Chief Financial Officer in the period from 2001 to 2012, and President & COO for MENA and EU from 2012 to 2014. Bassam played a leading role in preparing for Hikma's IPO in 2005 and in its subsequent M&A activity.

Qualifications: US Certified Public Accountant, Chartered Financial Analyst, BA from Claremont McKenna. International Executive MBA from Northwestern University.

6. Susan Ringdal
Executive Vice President,
Strategic Planning and Global Affairs

Joined: 2005 **Nationality:** American

Role: Susan has served as EVP, Strategic Planning and Global Affairs since 2012 and is responsible for strategic planning, investor relations, corporate communications, and sustainability. Prior to joining Hikma, Susan worked for Alliance Unichem and Morgan Stanley.

Qualifications: BA in History from Cornell University. MBA from London Business School.

7. Julie Hill
Senior Vice President, Corporate
Quality Compliance/Health and Safety

Joined: 2016 **Nationality:** American

Role: Julie has served as Senior Vice President, Corporate Quality Compliance/Health and Safety since February 2024. Julie joined Hikma through the 2016 acquisition of Roxane Laboratories and most recently served as Vice President, Quality, for Hikma's Generics business. Prior to that, she served in various leadership roles with Hikma and predecessor companies at Hikma's Columbus, Ohio, generics manufacturing facility.

Qualifications: Bachelor of Science degree in Biochemical Engineering from Purdue University.

8. Dr Hafrun Fridriksdottir
Executive Vice President,
Hikma Rx and Global Head of R&D

Joined: 2024 **Nationality:** Icelandic and American

Role: Hafrun joined Hikma in April 2024 as President of Hikma Rx. In 2025, Hafrun took on additional responsibilities leading Hikma's new global R&D organisation. Prior to joining Hikma, Hafrun held senior executive roles at leading global pharmaceutical companies including Alvotech, Teva Pharmaceuticals, Allergan and Actavis, and most recently has served in advisory and board roles for several biotech and mid-sized pharma companies.

Qualifications: MS Degree in Pharmacy and a PhD in Physical Pharmacy from the University of Iceland.

9. Sam Park
Group General Counsel

Joined: 2018 **Nationality:** American

Role: Sam was appointed Group General Counsel in September 2023. He is responsible for the Company's global legal, intellectual property, litigation, and transactional functions, and advises the Board and Executive Committee on legal risk, corporate governance, and strategic matters across Hikma's international operations.

Sam has extensive experience in the pharmaceutical and life sciences sector. Prior to joining Hikma, he was a partner at Winston & Strawn, where he advised multinational pharmaceutical and biotechnology companies on complex litigation and transactions.

Qualifications: Sam holds a BA in Biological Sciences from the University of Chicago and a J.D., *magna cum laude*, from Loyola University School of Law. He is a licensed attorney in the US and admitted as a Solicitor of England and Wales.

1. The biographies on this page reflect the roles and responsibilities of the Executive Committee as at the date of this report (25 February 2026). Please refer to our website, **www.hikma.com**, for updated roles and responsibilities which reflect the leadership changes effective 26 February 2026

Corporate governance

UK Corporate Governance Code compliance

Hikma is committed to high standards of corporate governance and we work hard to apply the Principles of the UK Corporate Governance Code (the Code) and the Markets Law of the Dubai Financial Services Authority (the Markets Law). The Code and associated guidance are available to view on the Financial Reporting Council's website at **www.frc.org.uk**.

The report on pages 94 to 153 describes how the Board has applied the Code and Markets Law throughout the year ended 31 December 2025. Other than Provisions 9 and 19, as referred to in the following sections, Hikma has complied with all Provisions of the Code throughout the year. With effect from the date of the implementation of the Board and leadership changes outlined in this report, Hikma will comply fully with all Provisions of the Code.

The Board acknowledges that Said Darwazah's position as Executive Chairman through 2025, combined role as Executive Chairman and CEO from December 2025 to February 2026, and his overall tenure are departures from Provisions 9 and 19 of the Code. The background to this role, rationale and safeguards to support our governance structure are summarised below.

Joint role of Executive Chairman and CEO
When Riad Mishlawi stepped down as CEO on 15 December 2025, the Board agreed that Said Darwazah, as former CEO, would step in and assume all CEO responsibilities in addition to his Executive Chairman responsibilities.

Recognising the importance of robust governance arrangements during this time, we reviewed our delegation of authority framework to strengthen our internal controls and ensure that no one individual had unfettered powers of decision-making.

Executive Chairman
The Executive Chairman role was created in February 2018, following the appointment of a new CEO. Previously, Said Darwazah was the Executive Chairman and CEO. The Board continues to consider that it is important to retain corporate memory, important relationships and the culture of the organisation, and views the retention of Said's services as valuable in developing Hikma's strategy.

The Board consulted shareholders prior to Said's appointment as Executive Chairman and CEO in May 2014 and following the change to the position of Executive Chairman in February 2018. Our shareholders continue to voice their support for Said as Executive Chairman in individual investor meetings and in voting behaviour at the AGM, with 96.6% of shareholders voting in favour of Said's re-election at the 2025 AGM.

Rationale
The Board is focused on the commercial success of Hikma and believes that the position of Executive Chairman has served Hikma in the following ways:

- **Continuity of strategy:** Said has been a driving force behind the strategic success of the business since 2007 and the Board believes that it is important for the continued success of the Group that he remains in a strategic role. The Executive Chairman's role is to develop the Group's strategy in conjunction with the CEO
- **Profile:** the Executive Chairman position is highly visible inside and outside Hikma, providing leadership to the Board and management of the Group, acting as an ambassador with business partners and advisers to the organisation
- **Shareholder support:** on a rolling five-year basis, shareholder votes have been in favour of the Executive Chairman's re-election at the Annual General Meeting (AGM), with an average vote of 96% in favour
- **Stakeholder engagement:** a significant number of Hikma's key political and commercial relationships across the MENA region, Asia and some continental European countries are built on the long-term trust and respect for the Darwazah family, which have been enhanced by the Executive Chairman role. During 2025 the Executive Chairman undertook an active programme of stakeholder engagement activities. He accompanied the CEO and CFO to the Jefferies Global Healthcare Conference in London, meeting with investors, advisers and partners to discuss Hikma's strategy and hear more from them. He hosted meetings, alongside the Senior Independent Director, with several of Hikma's largest shareholders following the departure of the previous CEO. He spent time in Jordan meeting with key officials, including the US Ambassador to Jordan. The Executive Chairman also attended the London Stock Exchange, alongside colleagues and advisers to celebrate the 20th anniversary of Hikma's listing on the exchange

Safeguards
The Board continued to operate the following enhanced governance controls to support the Executive Chairman role:

- **Governance structure review:** the independent Non-Executive Directors meet after every Board meeting in a private session chaired by the Senior Independent Director. They also undertake an annual review of the appropriateness of the governance structure, the division of responsibilities between the Executive Chairman and the CEO, safeguards and shareholder views. During their 2025 meeting, the independent Non-Executive Directors reviewed the succession plan, stakeholder views and the effectiveness of the governance controls in place to support the Executive Chairman role
- **Senior Independent Director role:** with an Executive Chairman in role, the Senior Independent Director has an enhanced role at Hikma. The Senior Independent Director is the Chair of the Nomination and Governance Committee and takes joint responsibility, with the Executive Chairman, for succession planning, the annual Board performance review, setting the Board agenda, and agreeing action points and the minutes of the meetings
- **Committee Chair roles:** the Chairs of the Board Committees and the Director responsible for workforce engagement undertake a significant amount of work in the discharge of their responsibilities
- **Transparency and engagement:** Hikma has always had the highest regard for shareholders, with several of the original investors from before listing still investing and supporting Hikma today. Over the 20 years since flotation Hikma has maintained the highest standards of shareholder engagement, which reflects the importance placed in maintaining strong investor relations and governance

Should shareholders require any further information relating to these matters, questions may be directed to the Company Secretary.

Corporate governance
continued

Independence

The Board reviews the independence of each of its Non-Executive Directors during the year as part of the annual corporate governance review and succession planning process, which includes consideration of progressive refreshment of the Board. We are committed to ensuring that the Board comprises a majority of independent Non-Executive Directors, who objectively challenge management, balanced against continuity on the Board. This is also important to meet the independence requirements of the Board Committees.

The Board considers Victoria Hull, Cynthia Flowers, Douglas Hurt, Laura Balan and Dr Deneen Vojta to be independent as at the date of this report. These individuals have extensive experience of international pharmaceutical, financial, corporate governance and regulatory matters, bring strong independent oversight, continue to demonstrate independence and were not associated with Hikma prior to joining the Board.

The Board does not view Ali Al-Husry as an independent Director. This is due to the length of his association with Hikma, having held an executive position with Hikma prior to listing, and his involvement with Darhold Limited, Hikma's largest shareholder. However, Ali continues to bring to the Board broad corporate finance experience, in-depth awareness of the Group's history, and a detailed knowledge of the MENA region, which is an important and specialist part of the Group's business.

Culture

Our values
Hikma's culture is embedded across the business through the Company's values, innovative, caring and collaborative. Our values build on our founder's vision of Hikma as a company with high ethical standards, where our people thrive in a supportive environment.

These values were introduced in 2020, following engagement with our workforce and a thorough review of our culture by the Board.

In the boardroom, we are reminded of our values regularly and are guided by them when making decisions and engaging with the Executive Committee and the wider workforce. Read more about our values at **www.hikma.com**.

Further information on the Group's activities as they relate to culture is available on pages 17, 24, 52 to 56 and 63 to 64.

Our values

Indicators of culture reviewed by the Board and its Committees
- reviewing the volume and nature of whistleblowing reports and outcome of any investigations
- internal audit reports and findings, as attitudes to regulators and internal audit can give an early indication of potential culture-related issues
- feedback reports on workforce engagement activities
- monitoring compliance with our Code of Conduct
- reports from the Compliance, Responsibility and Ethics Committee
- results of our biennial workforce engagement surveys
- first-hand experience from engagement with the workforce during site visits

UK Corporate Governance Code
In light of the updated requirement under the 2024 UK Corporate Governance Code in relation to how the Board assesses and monitors how culture has been embedded, the Board has initiated an enhanced programme of monitoring, including:

- Board approval of the 2026 plan of workforce engagement activities by Laura Balan as the designated Non-Executive Director for workforce engagement
- an increased focus on culture in the workforce engagement survey planned for 2026, with direct input from Board members on the content of questions

Key Board activities in 2025

To demonstrate our commitment to transparent corporate governance reporting, we have updated our disclosure on key Board activities to more explicitly link Board activities, decisions and their outcomes to Hikma's strategy and objectives.

Strategic pillars:
Strive for excellence | Diversify and differentiate | People and responsibility

Business and strategy	Link to strategic priorities
Renamed the Generics business to Hikma Rx to reflect its focus on providing differentiated and complex prescription (Rx) medicines	Strive for excellence
Considered opportunities to enhance operational efficiencies and oversaw the consolidation of our R&D organisation into a single, unified global organisation, allowing Hikma to optimise our resources, strengthen our capabilities, accelerate time-to-market, and support our strategic growth priorities	Strive for excellence; People and responsibility
Evaluated the progress of the integration of the strategic acquisition of parts of Xellia Pharmaceuticals to strengthen the Injectables business	Strive for excellence; Diversify and differentiate
Monitored the delivery of a significant new long-term CMO contract with a global pharmaceutical company. Our CMO business is key to our Hikma Rx strategy, supporting stronger revenue growth and profitability, while improving the utilisation of our Columbus, Ohio site	Strive for excellence; Diversify and differentiate
Approved a settlement agreement that resolves all of Hikma's Xyrem® (sodium oxybate) antitrust cases in the US. This settlement is not an admission of wrongdoing or liability	People and responsibility
Held the annual two-day strategy meeting in Portugal, during which the Board visited the Hikma offices and manufacturing facility, and discussed the Group strategy, progress and future plans for growth	Strive for excellence; Diversify and differentiate; People and responsibility
Reviewed and approved the five-year business plan, capital expenditure plan and budget for 2026	Strive for excellence; Diversify and differentiate; People and responsibility
Reviewed business development opportunities throughout the year	Diversify and differentiate

Performance, risk and operations	Link to strategic priorities
Received reports from the CEO and CFO at each meeting which included progress against strategic objectives, financial performance and key areas of focus	Strive for excellence; Diversify and differentiate; People and responsibility
Monitored key legal matters which were summarised by the Group General Counsel in regular legal reports	People and responsibility
Received updates from management on quality compliance, health and safety, pharmacovigilance and regulatory affairs	Strive for excellence; People and responsibility
Reviewed the Group risk report and approved the principal risks and risk appetite, and the emerging risks	Strive for excellence
Received and discussed the annual update on cyber security	Strive for excellence; People and responsibility
Approved the Group Capital Allocation Framework to provide a transparent framework for shareholder returns and align capital decisions with long-term strategic goals	Strive for excellence; People and responsibility
Approved the annual statements on Modern Slavery and Tax Strategy, which are available on our website at **www.hikma.com**	People and responsibility
Approved the issuance of a $500 million five-year Eurobond, refinancing the previously issued $500 million five-year Eurobond, and the arrangement of new loan facilities to secure the Group's ongoing financing requirements	Strive for excellence

Key Board activities in 2025 continued

Strategic pillars: Strive for excellence | Diversify and differentiate | People and responsibility

Stakeholder focus	Link to strategic priorities
Received an update on the results of the Hikma AI Innovation Competition 2024, a competition inviting Hikma colleagues to submit proposals for AI solutions to business challenges, and reviewed submissions received by the competition finalists	Strive for excellence; People and responsibility
Approved a final dividend for the year ended 31 December 2024 of 48 cents per share, which resulted in an increased total dividend of 80 cents per share for the full year 2024 (2023: 72 cents per share). The expected full-year dividend for 2025 is 84 cents per share	People and responsibility
Received and evaluated reports from the designated Non-Executive Director for workforce engagement on feedback from our people during visits to Hikma sites in Italy and Portugal, and reviewed programmes within the People function and planned actions to address the feedback received	People and responsibility
Undertook a well-received engagement programme with investors regarding the Rule 9 Waivers, resulting in a significant improvement in our voting outcome at the 2025 AGM	People and responsibility

More information on stakeholder engagement activities and outcomes is included in our Section 172 statement on pages 22 to 27.

Corporate governance and succession planning	Link to strategic priorities
Approved organisational and leadership changes, as set out on pages 5, 107 and 108	Strive for excellence; People and responsibility
Planned and completed the 2025 Board performance review. More information on the process, insights and outcomes of the Board performance review can be found on page 108	Strive for excellence
Approved updates to the matters reserved to the Board, which is available on our website at **www.hikma.com**	Strive for excellence; People and responsibility
Monitored the orderly handover of responsibilities for the Chairs of the Remuneration and Compliance, Responsibility and Ethics Committees and the designated independent Non-Executive Director for workforce engagement	People and responsibility
Oversaw the interim plans for continuity of leadership for the Injectables business, following the departure of the President of Injectables and the CEO	People and responsibility
Received reports from Committee Chairs on the work of the Board Committees	People and responsibility
Approved the register of Directors' external commitments at each Board meeting	People and responsibility

Nomination and Governance Committee

Victoria Hull
Chair, Nomination and Governance Committee and Senior Independent Director

Letter from the Chair

Activities in 2025
- Recommended the appointment of Said Darwazah as CEO following the departure of Riad Mishlawi
- Recommended the appointment of Khalid Nabilsi as an Executive Director of Hikma
- Reviewed and updated the Board skills matrix to inform future Non-Executive Director recruitment
- Approved updates to key governance policies and recommended changes to the matters reserved to the Board to strengthen Hikma's internal governance framework
- Reviewed, with the Chief People Officer, the progress made on succession and development plans for the Executive Committee and certain senior roles
- Conducted an internally facilitated Board performance review to evaluate the effectiveness of the Board and its Committees

Priorities for 2026
- Complete the recruitment of a Chief Financial Officer to succeed Khalid Nabilsi and strengthen the executive leadership team
- Monitor, embed and support recent Board and executive leadership changes
- Commence the recruitment of additional independent Non-Executive Directors to further enhance Board independence, diversity of thought and governance oversight
- Continue to refine succession planning for the Executive Committee and senior management

Dear Shareholders

The Nomination and Governance Committee (NGC or the Committee) has continued to play a key role in the oversight of the Group's governance arrangements and succession planning.

Succession

The Committee oversees succession for both Executive and Non-Executive Directors and reviews the succession plans for these roles. Below Board level, the Committee is responsible for ensuring that appropriate arrangements are in place for senior positions, including the Executive Committee.

Executive
On 15 December 2025, Riad Mishlawi stood down as CEO and from Hikma's Board of Directors by mutual agreement. In order to ensure continuity in the delivery of Hikma's strategy, the Board agreed that Said Darwazah, Hikma's Executive Chairman and former CEO, would step in and assume all CEO responsibilities. In making this recommendation, the Committee noted that Said had served as CEO on two previous occasions and, in his role as Executive Chairman (since 2014), is well placed to step in and serve as CEO. In addition, Khalid Nabilsi, Hikma's CFO of 15 years, joined Hikma's Board of Directors to further strengthen management presence on the Board.

Additionally the Committee recommended and the Board subsequently approved, effective 26 February 2026, that Said Darwazah step down as Executive Chairman. This will allow Said to focus exclusively on the CEO role for the next two years, providing stability, and enhancing accountability and agility in relation to strategic decision-making. Separating the Chair and CEO roles affirms Hikma's commitment to corporate governance, achieving compliance with provisions of the UK Corporate Governance Code (the Code) in relation to the division of responsibilities between the Chair and the CEO.

To assist Said in the day-to-day leadership of the business, two Deputy CEO roles have been established. Mazen Darwazah will become Deputy CEO, MENA, responsible for all the Group's activities in the MENA region, he will also maintain his role as Executive Vice Chairman. Khalid Nabilsi will become Deputy CEO, North America & Europe and will oversee all Hikma's activities in North America and Europe. Areb Kurdi (currently VP Finance, Group Financial Controller) will become Acting CFO, reporting to the CEO. The Committee has appointed an external search firm to undertake a search for a permanent CFO.

Non-Executive
The Committee recommended and the Board subsequently approved that, during Said's tenure as CEO, I will step in as Non-Executive Chair of Hikma. In making this recommendation the Committee noted my current position as Senior Independent Director, an enhanced role at Hikma (see page 103 for further detail) which has numerous responsibilities in common with a typical Non-Executive Chair. The Committee considered my tenure and experience as a well-established Non-Executive Director of UK listed companies, including IMI plc and Serco Group plc, and previous roles at Network International Holdings plc and Ultra Electronics plc. The Committee also considered the demands of the Non-Executive Chair role alongside my other appointments and my independence. Following my appointment as Non-Executive Chair, I will resign as a member of the Audit Committee, in line with the recommendations of the Code.

In addition to his current role as Chair of the Audit Committee, Douglas Hurt will take up the role of Senior Independent Director. The Committee noted that Douglas is well placed to take on this role, given his experience as a Non-Executive Director of UK listed companies, which includes previous Senior Independent Director roles held at Vesuvius Plc, Tate & Lyle Plc and Countryside Partnerships Plc, his overall tenure as an independent Non-Executive Director of Hikma and current position as Chair of Hikma's Audit Committee.

Nomination and Governance Committee
continued

As a result of the above changes, we will be taking steps to refresh the Board with the recruitment of additional independent Non-Executive Directors in 2026. During this process, the Committee will be mindful of the Board skills matrix, which we reviewed and updated in 2025 and can be found on page 98. The skills matrix was mapped against Hikma's strategic priorities to identify key skills and experience required to support the delivery of the strategy and inform future Non-Executive Director recruitment.

As approved by the Board in February 2024, the following changes took effect from the 2025 Annual General Meeting (AGM) on 24 April 2025:

- Deneen Vojta succeeded John Castellani as Chair of the Compliance, Responsibility and Ethics Committee (CREC)
- Cynthia Flowers succeeded Nina Henderson as Chair of the Remuneration Committee
- Laura Balan succeeded Nina Henderson as the designated independent Non-Executive Director for workforce engagement

Senior management
During 2025 and following a detailed review of succession plans for the Executive Committee and key senior management roles in 2024, the Committee received updates from the Chief People Officer on senior management succession plans below Board level.

Board performance review

In line with the Code we undertake a formal and rigorous annual evaluation of performance of the Board, its committees, the Chairman and individual Directors. We operate a three-year cycle for our Board performance review (BPR) with an external review in year one, followed by internal reviews in years two and three. Our last external evaluation took place in 2024, so in 2025, Hikma undertook an internal BPR.

Process
The 2025 BPR was led by myself, as Senior Independent Director (SID), with the support of the Group Company Secretary. We adopted a hybrid approach comprising:

- individual meetings with the Executive Chairman and each independent Non-Executive Director, providing an opportunity for two-way dialogue focusing on the quality of the conversation in the Board and Committee meetings
- a facilitated discussion with all Board members, led by the Senior Independent Director and supplemented by a briefing paper with suggested topics and questions to aid the discussion. The Board followed up on actions from the 2024 BPR, discussed the performance of the Board and its committees in 2025, and agreed an action plan for 2026 which is set out in the following paragraphs

Insights from 2025
The individual conversations between the Executive Chairman and each independent Non-Executive Director were viewed as a valuable opportunity for informal feedback and a two-way dialogue on the quality of the conversation in the Board and committee meetings. The insights and feedback received have provided an opportunity for reflection and collaboration to continuously improve the collective workings of the Board.

During the facilitated discussion, the Board considered:

- our approach to succession planning, people and development
- enhancements to the Board's processes for assessing and monitoring culture and how the desired culture has been embedded
- the cadence of strategic updates to supplement the annual strategy meeting and test assumptions and track progress on our strategy throughout the year
- insights from the individual meetings with the Executive Chairman
- the importance of the external perspective on Hikma's operations
- the continued strength of boardroom dynamics and engagement with management

Action plan for 2026
The Board noted key findings and agreed the following actions for 2026:

Key finding	Actions
Strategic updates	Building on the work undertaken in 2025, further enhancements to strategic reports and timing of those reports were agreed
Succession planning	The Committee would continue to monitor the progress of succession planning and provide regular updates to the Board
Culture monitoring	Enhance processes to assess and monitor culture and how the desired culture has been embedded

Progress against actions from 2024
In 2024, Hikma undertook an externally facilitated performance review. That review highlighted a constructive atmosphere in the boardroom, positive engagement between Executives and Non-Executives, and a collective willingness to strengthen the Board's impact.

Good progress has been made against the actions identified as part of the 2024 BPR, with all items listed in our 2024 Annual Report now closed.

Executive Chairman performance review
The Executive Chairman and I meet regularly to discuss matters including Board succession planning, the performance of the Board and how his role helps deliver and enhance that performance. This builds on discussions that I hold with the independent Non-Executive Directors as a group and commentary received through the BPR and other stakeholder engagement processes. The Remuneration Committee is an important input to this process as it assesses the Executive Chairman's performance as part of the determination of performance-based compensation.

Director performance reviews
The Executive Chairman, having taken into account the comments from the Board performance review and discussions with the SID, reviewed the performance of each of the Directors during the year and concluded that each Director contributes effectively to the Board, brings particular areas of skill and experience, which ensures the Board as a whole has the right capabilities and devotes sufficient time to their role. The Committee has concluded that the relevant Directors be recommended to shareholders for re-election at the 2026 AGM.

Board composition

During the year, the Committee reviewed the composition of the Board and its committees. This review included consideration of the skills and attributes of each member, the balance between constructive challenge and empowerment of the executive, the results of the 2025 BPR and the current and desired levels of perspectives and experiences in the Boardroom.

In accordance with the Committee's Terms of Reference and its authority delegated by the Board, the Committee approved the following appointments, effective 1 May 2025:

- Cynthia Flowers was appointed as a member of the CREC. As Chair of the Remuneration Committee, the Committee felt that Cynthia should receive updates in relation to Hikma's sustainability programme (which is overseen by the CREC), which often forms part of the target setting process for variable remuneration to Executive Directors
- Victoria Hull was appointed as a member of the Remuneration Committee. As SID, Victoria is a key point of contact for shareholders when discussing executive remuneration

Skills and experience
The Board believes it is important for Directors to demonstrate the highest level of integrity, a challenging and constructive style and have significant international experience at an executive level. The Committee regularly considers whether there may be gaps in fulfilling the specific and in-depth experience that the Board requires as a whole, which focuses on the following areas:

- strategy, finance, culture and leadership
- business environment in the US, Europe and the MENA region
- pharmaceutical manufacturing and distribution
- development of new healthcare capabilities
- listing regulations, investor perceptions and governance

Hikma supports Directors in their continued professional development. As the Directors are highly experienced, their training needs tend to be related to either ensuring awareness of changes in the business, political and regulatory environments, or bespoke training on particular areas for development. Therefore, Hikma provides financial support for specific training requests and ensures that Directors are briefed by internal and external advisers on a regular basis.

During the year, the Board received briefings on matters including the pharmaceutical competitive environment, healthcare business development activity, external stakeholder perspectives, market sentiment, cyber security and crisis management, business intelligence, capital markets, emerging risks and regulatory developments.

Tenure
We anticipate that independent Non-Executive Directors will generally serve for a period of up to nine years or, if required to facilitate an orderly transfer of responsibilities, no later than the next AGM of the Company following the ninth anniversary of their appointment. All appointments are formally reviewed after three years and again at six years.

In 2025, the Committee approved the reappointment of four Non-Executive Directors, each of whom had reached the end of their current three-year term:

- Cynthia Flowers
- Laura Balan
- Victoria Hull
- Deneen Vojta

The Committee determined that each of the above Directors had contributed meaningfully to Board and Committee discussions and demonstrated a strong commitment to their roles. They continue to bring valuable skills and experience to the Board. Furthermore, each Director remains independent in character and judgement, and there are no relationships or circumstances that are likely to affect, or could appear to affect, their independence.

Each Director will stand for re-election at the 2026 AGM. The position of each Director was reviewed during the year as part of the consideration of succession arrangements, independence issues, the annual governance structure review, the BPR and the ongoing dialogue between the Executive Chairman and the SID.

Time commitment
The Committee continues to review the external commitments of each Director with a view to ensuring that the benefits of the additional experience from their external commitments are not outweighed by reductions in their commitment to Hikma. The Directors achieve excellent attendance and spend significant time delivering their responsibilities. Accordingly, the Committee considers that there is currently an appropriate balance. The Committee will continue to monitor the situation.

Hikma's inclusive workplace welcomes different cultures, perspectives and experiences from across the globe."

Nomination and Governance Committee
continued

Inclusion and diversity
The Board Diversity Policy, which applies to the Board and its committees, sets out the Board's ongoing commitment to ensure that the Board and its committees are an inclusive place that welcomes different cultures, perspectives, and experiences from across the globe. In 2025, the Committee approved minor amendments to the Board Diversity Policy, which is available at **www.hikma.com**.

Information on Board, Executive Committee and senior management diversity is summarised on page 99 and included in the prescribed format required under the UK Listing Rules on page 151. Hikma supports the recommendations of the Parker Review and the FTSE Women Leaders Review in relation to Board diversity and has adopted the objectives for Board diversity set by both reviews.

At a Group level, Hikma's objective is to ensure that it has an inclusive workplace that welcomes different cultures, perspectives and experiences from across the globe. Hikma is committed to attracting, retaining and developing talented people, irrespective of their race, colour, religion, age, sex, sexual orientation, gender identity, marital status, national origin, present or past history of mental or physical disability and any other factors either protected from consideration by law or not related to a person's ability to perform the relevant role. This statement is included in our Code of Conduct and communicated to all colleagues.

One of the pillars of the Group's strategy is 'people and responsibility'. The Group's approach to our people's progress, belonging, succession and appointments are a core part of this pillar. The Committee monitors the diversity metrics which are detailed on page 99. Hikma has successful empowerment and talent development programmes to help all of our people make the most of their potential, for more information please see pages 53 to 56. Further detail on workforce diversity is provided on page 99.

The Group's talent acquisition policies for the three most senior staff grades require a balanced list of candidates to support our diversity goals.

Ethnicity
The Board considers that it has demonstrated strong ethnic diversity since the formation of Hikma and has four Directors from ethnic minority backgrounds (when assessed against UK ONS criteria), representing 44% of the Board, including the Executive Chairman and CEO, at the date on which this report is signed (40% as at 31 December 2025). The Board has adopted and meets the objectives set by the Parker Review and UK Listing Rules.

In considering the Parker Review's 2024 voluntary recommendation for FTSE 350 companies to set themselves a target for the percentage of the UK senior management team who self-identify as being from an ethnic minority by 2027, the Committee decided not to set an ethnic diversity target for its UK senior management team for the following reasons:

- Hikma has a diverse geographic footprint and a global workforce with high levels of diversity (39% of our global senior management[1] population self-identify as being from an ethnic minority)
- There is a small UK workforce, accounting for c.18% of the senior management[1] population

In order to demonstrate focus on the issues raised by the Parker Review in relation to senior management ethnic diversity, Hikma reaffirmed its commitment to:

- Monitoring senior management[1] ethnic diversity across our global operations on an annual basis, using a voluntary survey to collect data. The survey contained an expanded list of ethnicities sensitive to Hikma's workforce, and individuals had the option to respond by selecting 'prefer not to say'
- Providing enhanced ethnic diversity disclosures by continuing to report on the ethnic diversity of our global senior management[1] population, in addition to the UK senior management population requested by the Parker Review. The enhanced disclosures can be found on page 99

Gender
Since its founding, Hikma has actively promoted inclusion across its operations. Our Board has good gender diversity with women representing 44% of the Board at the date on which this report is signed (50% as at 31 December 2025). The Board has adopted and meets the objectives set by the FTSE Women Leaders Review and diversity-related disclosures under the UK Listing Rules to have at least 40% of Board members identifying as women and that at least one of the senior Board positions (Chair, CEO, CFO or SID) is held by a woman.

The Board also supports the voluntary target set by the FTSE Women Leaders Review, to increase the diversity of the senior management team[1]. Information on our senior management[1] gender diversity is included on page 99.

Governance review

As in previous years, the Committee undertook the annual review of the Group's governance arrangements in conjunction with the Group Company Secretary. This year the exercise included a review of the structure and composition of the Board and its committees, Board succession planning, and the BPR. The Committee also received a regulatory update in relation to corporate governance and reporting, and reviewed and approved updates to the terms of reference for each Board Committee. Our governance framework can be found on page 98, and further information on Hikma's Board, committees and corporate governance practices is available at **www.hikma.com**.

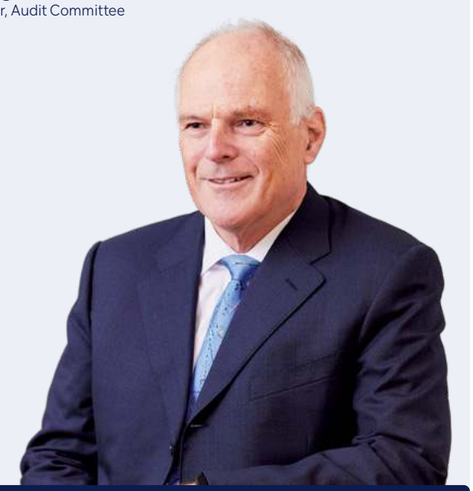
For and on behalf of the Nomination and Governance Committee.

Victoria Hull
Chair, Nomination and Governance Committee
and Senior Independent Director
25 February 2026

1. Senior management refers to senior direct reports to the Executive Chairman and CEO, and the senior leaders who report directly to them (excluding administrative roles)

Audit Committee

Douglas Hurt
Chair, Audit Committee



Letter from the Chair

Activities in 2025
- Launched the Hikma Group Controls Programme to mitigate material risks and prepare for the additional reporting requirements under Provision 29 of the UK Corporate Governance Code (the Code)
- Approved the fraud prevention and detection programme charter in alignment with the new offence of failure to prevent fraud introduced under the Economic Crime and Corporate Transparency Act (ECCTA)
- Conducted an external assessment of the effectiveness of Hikma's internal auditor in line with new Global Internal Audit Standards published by The Chartered Institute of Internal Auditors (IIA)
- Strengthened the governance of internal audit procedures by approving the updated internal audit charter and mandate
- Reviewed the Group's treasury policies, procedures and internal controls
- Reviewed the product pricing model for the US business

Priorities for 2026
- Oversee the process to meet disclosure requirements under the EU Corporate Sustainability Reporting Directive (CSRD)
- Continue to implement enhancements to our internal controls
- Continue to oversee the work underway to implement the IIA's new global standards for Hikma and complete the recommended actions following the external assessment of Hikma's internal auditor

Dear Shareholders

The Audit Committee (the Committee) has spent considerable time in 2026 overseeing enhancements to Hikma's internal controls. In addition to our routine responsibilities for financial reporting integrity and audit oversight, we:

- prepared for reporting against Provision 29 of the Code by launching a Group Controls Programme that maps material risks to control sets and catalogues assurance sources across management, internal controls & assurance (IC&A), internal audit and external assurance
- oversaw the fraud prevention and detection programme in readiness for the new offence of failure to prevent fraud under the ECCTA that came into effect in September 2025, including targeted control testing and leadership engagement
- conducted a review of the treasury function, covering the policy framework (including currency, liquidity, credit and FX policies), technology and controls, intercompany loans and dividends, strengthening our understanding of the control environment and informing areas for continued monitoring in 2026
- reviewed the results of an external quality assessment of our internal audit function and agreed a set of enhancements which are being implemented

Audit Committees and External Audit: Minimum Standard

The Committee confirms that it complies with the obligations set out under the Audit Committees and the External Audit: Minimum Standard (the Minimum Standard), published by the Financial Reporting Council (FRC) in May 2023. Disclosures in line with the reporting obligations are included within this Committee report on pages 111 to 115 and an explanation of the entity's accounting policies can be found on pages 167 to 172.

External audit

The external audit was undertaken by PricewaterhouseCoopers LLP (PwC). We believe the independence and objectivity of the external auditor and the effectiveness of the audit process are safeguarded and strong. The Company has complied with the Statutory Audit Services Order for the financial year under review. The Committee recommends the re-appointment of PwC for 2026.

Effectiveness
During the year, the Committee reviewed the work of PwC and concluded that they provided an effective audit, were appropriately challenging, had constructive relationships with the relevant parties and that the senior statutory auditor provided clear and constructive leadership to the audit team. Management also conducted a formal review of audit quality and effectiveness using a survey where feedback was provided by Committee members and management. The key outcomes were summarised and considered by the Committee in their assessment of the auditor.

As part of this review the Committee examined the following areas:

- **Audit quality and technical capabilities:** the Committee considered that the external auditor both identified the appropriate risks to inform their audit work in respect of the financial statements and associated disclosures for the year ended 31 December 2025 and demonstrated a high level of expertise. The Committee provided feedback on the auditor's performance as part of its regular meetings with them without management present. The Committee also took into account the reports of the FRC, including the Audit Quality Inspection Supervision report, and continues to believe that there is an open and appropriately challenging relationship between the audit leadership team, the Committee and management.

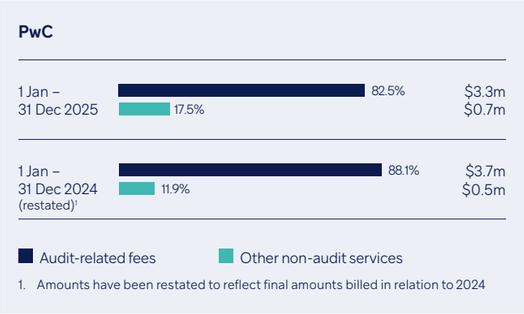
Audit Committee
continued

- **Independence:** the Committee regularly reviews the independence safeguards of the auditor and remains satisfied that auditor independence has not been compromised. During the year, the Committee received reports on the application of its policies on the provision of non-audit services and employment of former employees of the external auditor. The Committee is satisfied that the auditor is independent
- **Challenge and judgement:** the Committee considers that PwC provide appropriate challenge to the management team which results in the Group's accounting and key judgements being fully considered and supported. The Committee believes that PwC have demonstrated well-considered and clear-sighted judgement in the matters on which they have provided opinion and that they have been open to an appropriate level of challenge and debate. Examples of PwC's professional scepticism and challenge, as noted by the Committee, include their in-depth audit and challenge of the classification and treatment of the Group's exceptional items and other adjustments and the assumptions used in the impairment review exercise
- **Non-audit services:** the Committee's policy on non-audit services is available on our website **www.hikma.com**. The Committee has discretion to grant exceptions to this policy where it considers that exceptional circumstances exist and that independence can be maintained, while having due regard to the FRC's ethical standards for auditors, meaning that non-audit fees will be capped at 70% of the average audit fees paid in the previous three consecutive financial years. In 2025, PwC provided assurance services related to the interim review and other non-audit services with a total value of $771,000 (2024: $519,000). These services are within the ordinary course of services provided by the auditor

The Committee confirms that the statutory audit services for the financial year under review were conducted in compliance with the Competition and Markets Authority Order, and competitive audit tender processes were undertaken in 2015 and 2024.

Auditor's fee

$3.3m



1. Amounts have been restated to reflect final amounts billed in relation to 2024

Audit tendering

PwC was originally appointed as external auditor in May 2016 following a competitive tender process in 2015 therefore the current Annual Report is the tenth report that they have audited. In accordance with audit tendering guidelines and as reported in our 2024 Annual Report, the Committee undertook a formal competitive tender during 2024 and PwC was reappointed as external auditor from the conclusion of the 2025 AGM. PwC rotated the senior statutory auditor in 2019 and in 2022, when Mr Nigel Comello was appointed.

Position and prospects

During the year, management undertook an annual review of the Company's strategic direction and an extensive assessment of the Group's short- and medium-term prospects, including the budget for 2026 and the five-year business plan, respectively. Management presented and received the Board's approval and commentary on the full strategy, budget and five-year business plan. Having taken into account how the Group has responded to the changing business and regulatory environment, the business plan, the principal risks and uncertainties facing the Group and other relevant information, the Committee has concluded that the Group continues to have attractive prospects for the future.

Going concern and longer-term viability

The Committee considered the going concern position as detailed on page 89 and the longer-term viability assessment as detailed on page 90. The Committee gave careful consideration to the period of assessment used for the viability statement and concluded the time period of three years remained appropriate.

Having reviewed and challenged the downside assumptions, forecasts and mitigation strategy of management, the Committee believes that the Group is adequately placed to manage its business and financing risks successfully and has a reasonable expectation that the Group has adequate resources to continue in operation and meet its liabilities as they fall due and over the viability period. The Committee was comfortable with recommending to the Directors that they adopt the going concern basis in preparing the financial statements.

"Ensuring the integrity of financial reporting and providing oversight of our systems for internal control and risk management."

Significant matters related to the financial statements

As part of its work reviewing the financial statements of the Group and the report of the auditor, the Committee considered and discussed the following important financial matters:

Matters considered in relation to the financial statements	The Committee's review and actions
Impairment review	Management conducted an impairment review of intangible assets, right-of-use assets, and property, plant, and equipment. This resulted in a recommended impairment charge of $15 million for individual intangible assets, $10 million for property, plant, and equipment and $1 million for right-of-use assets. The Committee reviewed management's approach and recommendations and concluded that the proposals were appropriate. More information can be found in Notes 13, 14 and 15 on pages 183 to 187.
Revenue recognition	The Committee reviewed the Group's revenue recognition policies and their application by management. This included assessing the model used to estimate chargebacks, in-channel inventories, and chargeback rates. The Committee also evaluated deductions for customer rebates, returns and government rebates and approved the disclosures on year-end estimates and their sensitivity to assumption changes. More information on revenue recognition can be found in Notes 2 and 3 on pages 168 and 172.
Exceptional items and other adjustments	Management presents core results to monitor performance, set targets, and assess progress. Core results are a non-IFRS measure which exclude exceptional items and other adjustments. These figures are also presented alongside reported results to external audiences, providing a clearer view of the Group's underlying performance, a more complete picture of its results, and enhanced comparability of consolidated financial statements. Exceptional items and other adjustments for the year are detailed in Note 6 on pages 177 to 178. The Committee assessed management's presentation of non-core items and concluded that the classification and proposed disclosures for non-IFRS items were appropriate and in accordance with Hikma's policy.
Taxation	Hikma's worldwide operations are highly integrated and involve a number of cross-border supply chains, which results in judgement being required to estimate the potential tax liabilities in different jurisdictions. The Committee took advice from professional services firms and management in assessing the reasonableness of the Group's provisions for uncertain tax positions, which amounted to $38 million, and in reviewing the deferred tax assets in key markets, which amounted to $307 million. More information can be found in Note 10 on pages 179 to 181. The Committee reviewed the appropriateness of the disclosures in the Annual Report, and the Board reviewed and approved the Group's tax strategy statement, which is available on our website at **www.hikma.com**.

Fair, balanced and understandable reporting

Hikma is committed to clear and transparent disclosure and seeks to continuously improve the clarity of its reporting. The Company received a no-response letter from the FRC following its review of the Group's 2024 Annual Report. The Committee considered the outcome of this review and, together with the Board, was satisfied that the disclosures in this Annual Report address the matters suggested by the FRC to improve future reporting where applicable.[1]

During the year, the Committee reviewed its terms of reference and formally incorporated the Committee's responsibility to oversee the integrity of non-financial reporting, including ESG data required by CSRD and other reporting standards.

At the request of the Board, the Committee considers whether Hikma's Annual Report is fair, balanced and understandable and that the narrative is consistent with the financial information.

The Committee's assessment is underpinned by a comprehensive review process, supported by a statement from the Reporting Committee and a review by the Executive Committee.

The Reporting Committee is comprised of representatives from Finance, Investor Relations, Risk, Reward, Sustainability and Company Secretariat and is supported by divisional and functional heads, as required.

The Reporting Committee's activities include:

- initiating the review process for the Annual Report significantly before the year-end, considering external developments, issuing guidance to contributors and identifying areas for improvement
- obtaining input from external advisers, including the external and internal auditors, corporate reporting advisers, corporate brokers and public relations advisers
- undertaking several multi-functional reviews of the disclosures as a whole prior to the publication of the Annual Report to ensure consistency and accuracy across the document as a whole
- overseeing an extensive verification process to ensure the accuracy of disclosures

Each member of the Audit Committee is satisfied that the 2025 Annual Report is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, performance, business model and strategy, and has recommended the adoption of the Report and Accounts to the Board.

1. The Committee notes the inherent limitations of the FRC's review, that the review is based solely on the Annual Report and Accounts and does not benefit from detailed knowledge of Hikma or an understanding of the underlying transactions entered into, and that no assurance is provided that the Annual Report and Accounts are correct in all material respects. The Committee acknowledges that the FRC's role is not to verify the information provided to it but to consider compliance with reporting requirements. The letter was written on the basis that the FRC (which includes its officers, employees and agents) accepts no liability for reliance on it by the Company or any third party, including but not limited to investors and shareholders

Audit Committee
continued

Verification

The qualitative disclosures in the Annual Report are subject to adviser review, internal review and external audit processes. Our internal teams have also provided additional verification and support in respect of each material statement of fact, which assisted the Committee in its determination that the report and financial statements taken as a whole are fair, balanced and understandable.

Reporting controls

Hikma's key controls and risk management systems relating to the financial reporting process include the enterprise resource planning system, the processes in the 'Fair, balanced and understandable' and 'Verification' sections described earlier in this letter, the review of the financial statements and disclosures that is undertaken by the Executive Committee, and detailed internal financial control processes necessitating the verification of financial records at a local, regional and Group level.

Risk management and internal control

The Board is ultimately responsible for ensuring that Hikma's systems of internal controls and risk management processes are effective and has delegated responsibility for reviewing their effectiveness to the Committee.

Risk management

The Committee has continued to oversee the operation of the Group's Enterprise Risk Management (ERM) framework. The framework ensures the identification, evaluation and monitoring of the Group's risks, including the principal risks, alignment with the risk appetite, and mitigation of areas of risk exposure. Management escalated certain risks that materialised during the year for Board attention and oversight, for example changing global trade tariffs, pipeline launch timelines, revenue from new business and non-financial reporting requirements. Such instances serve to ensure that there is adequate oversight of the relevant risk mitigation programmes.

The Board continued to exercise oversight of cyber risks during the year, including presentations from management on IT continuity and disaster recovery, enhancements to security systems, new security services, penetration test activities, and increasing cadence of awareness and training activities. An external maturity assessment aligned to the industry-standard National Institute of Standards and Technology (NIST) cyber security framework and the Capability Maturity Model Integration (CMMI) maturity model was conducted in Q2 2025 by NCC Group. The conclusion of the assessment was that our maturity score had increased by 18% from the prior assessment. In addition, an externally facilitated cyber exercise was run with members of the Leadership Council and senior management to raise awareness of threats and existing controls, and to test processes and procedures to respond and recover from potential disruptive events. Further information on Hikma's management of cyber risks, associated assessments and certifications is included on page 86.

As in previous years, management and the Board have undertaken a robust assessment of the Group's emerging risks as well as the annual review of the principal risks. The Committee and the Board have considered the principal risks facing the Group and have decided that only minor refinements were required in the year under review. The Board and management have also reviewed the appetite for those principal risks and have concluded that it remains appropriate. Further information regarding the Group's risk management activities is available in the risk management section on pages 80 to 90.

Internal control

In preparation to report against Provision 29 of the Code from 1 January 2026, Hikma has revised its internal control framework. During 2025, the IC&A team advanced the Group controls programme and provided regular status updates to the Committee, who reviewed and endorsed the material risks and corresponding controls.

To mitigate material risks, control frameworks, standard operating procedures and related policies were formalised and embedded across the organisation. The IC&A team reinforced the requisite documentation standards expected when operating these controls.

Looking ahead, a risk-based testing programme is being launched in 2026 to provide rolling assurance over the effectiveness of material controls. This programme will consolidate assurance outcomes from all lines of defence, and will support the Board's annual review and declaration on the effectiveness of Hikma's risk management and internal control framework.

The Committee will continue to receive regular updates on programme progress, oversee management's mitigation of material risks, and challenge the completeness and robustness of the risk and control framework.

The key elements of our internal control framework are as follows:

- a documented and disseminated reporting structure with clear policies, procedures, authorisation limits, segregation of duties and delegated authorities
- written policies and procedures for functional areas with specific responsibility allocated to individual managers
- a comprehensive system of internal financial reporting that includes regular comparison of results against budget and forecast and a review of KPIs, each informed by management commentary
- an established process for reviewing the financial performance and providing support to Hikma companies and associates together with direct support from Hikma's finance function
- annual budgets, updated forecasts and medium-term business plans for Hikma that identify risks and opportunities and that are reviewed and, where appropriate, approved by the Board
- a defined process for controlling capital expenditure which is detailed in the governance framework

Effectiveness

The Board is satisfied that Hikma's systems for internal control are in accordance with the FRC's guidance, and have been in place throughout the year under review and up to the date of approval of the Annual Report and Accounts. The Board reviews the effectiveness of these systems at least annually as part of the processes for the Annual Report, and throughout the year when reviewing internal controls and assurance testing outcomes as well as risk management and internal audit reports. The Board has not identified any material weaknesses. In making this assessment, the Board takes into account:

- **Internal audit:** the Committee receives regular reports from the internal auditors and other third-party experts who review relevant parts of the Group business operations, assess Hikma's processes, identify areas for improvement, monitor progress, and undertake their own assessment of the risks facing Hikma
- **Internal controls and assurance:** the Committee receives regular reports from the IC&A team, who provide assurance over various parts of the business following a risk-based testing plan. The team assesses Hikma's processes, identifies areas for improvement, and monitors remediation progress
- **Risk management:** the ERM framework provides a structure for risk management activities to occur at all levels of the organisation, including management of principal risks and uncertainties (detailed on pages 84 to 88) and emerging risks. Risk reporting processes ensure the Executive Committee and the Board are engaged in the design and implementation of new control initiatives and provide oversight of existing programmes
- **Financial performance:** Hikma's financial performance and forecasting reports are reviewed by the Board to aid the understanding of the underlying performance of the business, deviations from expectations and management's operational challenges and responses
- **Ethics:** business integrity and ethics procedures and controls that are led by the Compliance, Responsibility and Ethics Committee (CREC). To ensure consistency and awareness between these committees' responsibilities, the Audit Committee Chair is a standing member of the CREC
- **Governance:** our overall approach to corporate governance, including compliance with the Code, is led by the Nomination and Governance Committee
- **External auditor:** the regular and confidential dialogue with the external auditor

During the year, the Committee also received updates from Hikma's IC&A team on:

- the fraud prevention and detection programme, which builds on existing practices and policies and further supports the Group's internal control environment with formalised controls. The programme was launched to ensure compliance with the newly legislated criminal offence of failure to prevent fraud, which came into force on 1 September 2025
- the results of internal assurance of controls

The Committee is responsible for the prevention of the financial crime framework at Hikma, therefore as part of the review of the Committee's terms of reference, the responsibility to approve the Failure to Prevent the Facilitation of Tax Evasion (FTP) Policy was moved to the Committee from the CREC.

The Committee also maintains a programme of in-depth reviews into specific financial and operational areas of the business. These reviews allow the Committee to meet key members of the management team and provide independent challenge. During 2025, the Treasury team presented a deep dive on their organisational structure, mandate, strategy, policies, processes, systems and controls. The Committee deliberated with management and the Treasury team during the presentation, gaining comfort in relation to the general control environment surrounding the Treasury function of the Group, in addition to the various assurance activities undertaken by internal audit and internal controls and assurance.

Internal audit

During the year, the Committee appointed a new Chief Audit Executive overseeing internal audit within Hikma in line with the IIA's Global Internal Audit Standards. Internal audit activities remain outsourced to EY and the function maintains its independence. There is a regular programme of interaction between the Internal Audit function and the Committee.

During the year, and in accordance with the IIA's Global Internal Audit Standards, the Committee commissioned the IIA to perform an external quality assessment of Hikma's Internal Audit function. The IIA presented its report to the Committee and the Internal Audit function has begun implementing the recommended improvements, with progress reported to the Committee on a regular basis.

EY assess each facility and the Group's major processes on a rolling three-year assessment cycle. For major sites, assessments are more frequent. Management is required to respond to findings within an agreed time period and ensure mitigation or remediation of all high-risk findings within six months.

The Committee monitored progress on the internal audit programme for 2025, reviewed findings and monitored management's response to recommended actions, and reviewed and approved the plan for 2026. EY and management work closely together to deliver the internal audit plan, develop action plans for points raised, and ensure that the Committee receives appropriate and timely information. The Committee also received updates on the IIA's new Global Internal Audit Standards which were published in January 2024 and became effective in January 2025, to ensure Hikma's timely compliance.

The Committee also assessed the effectiveness of the Internal Audit function by reviewing its reports, progress against the 2025 plan and meeting with internal audit without management present. The Committee considers that EY bring significant pharmaceutical and MENA market experience which is complemented by the experience of other third-party experts where required and concluded that EY continue to perform an effective internal audit programme and remain independent.

Membership of the Committee

The Committee comprises solely independent Non-Executive Directors, who as a whole, have competence and experience relevant to Hikma's business and the industry in which it operates. I am considered by the Board to have significant recent and relevant financial experience chiefly related to my work with other audit committees, having been a finance director of another listed entity and having held senior financial positions in other entities. Biographical details of the Committee members can be found on pages 100 and 101. The Board is satisfied that the Committee has the resources and expertise to fulfil its responsibilities.

As Chair of the Audit Committee, I remain available to shareholders and stakeholders should they wish to discuss any matters within this report or under the Committee's area of responsibility whether at the AGM or by writing to the Company Secretary.

For and on behalf of the Audit Committee.

Douglas Hurt
Chair, Audit Committee
25 February 2026

Compliance, Responsibility and Ethics Committee

Deneen Vojta
Chair, Compliance, Responsibility and Ethics Committee

Letter from the Chair

Activities in 2025
- Supported the transition of the Committee Chair following the retirement of John Castellani at the end of the 2025 AGM
- Continued to monitor Anti-Bribery and Corruption (ABC) compliance developments, our speak up programme and business integrity, supported by regular reports from independent third parties
- Approved Hikma's refreshed sustainability framework and clarified responsibilities for sustainability oversight and reporting among the Board Committees, including updates to the Committee terms of reference
- Monitored the delivery of our social responsibility programme

Priorities for 2026
- Continue to oversee the development of Hikma's sustainability framework, including the development of targets and key performance indicators
- Continue to monitor and strengthen our compliance framework, policies and procedures, including compliance with updated guidance on modern slavery

Doing the right thing by conducting business with integrity, transparency and in accordance with the law."

Dear Shareholders

I am pleased to be writing to you for the first time as Chair of the Compliance, Responsibility and Ethics Committee (CREC or the Committee). Since my appointment to Hikma's Board in 2022, I have taken a keen interest in Hikma's sustainability programme and its impact on broader stakeholders. I'd like to thank John Castellani for his long-standing contribution before he stepped down from the Board at the 2025 AGM.

During 2025, the Committee continued to promote and oversee our commitments to business integrity, compliance, sustainability, communities and ethical conduct. This report focuses on the matters that the Committee addressed during the year. Further details related to the structure of our compliance, responsibility and ethics programme are available on our website at **www.hikma.com**.

The Chair of the Audit Committee is a standing member of the CREC and I attend discussions at Audit Committee meetings which relate to ESG assurance and reporting. This ensures that any relevant issues are considered by the right people within our governance structure.

Hikma's compliance programme

ABC compliance
Our ABC compliance programme continues to perform in a highly effective manner. The ABC programme has strong support from the Board, the CREC and the Executive Chairman and CEO. The Chief Compliance Officer reports directly to the Committee and the Executive Chairman and CEO.

Commitment to integrity
The Committee and the Board are very proud of Hikma's commitment to high standards of business integrity. It includes the Board's long-standing, zero-tolerance approach to bribery and corruption which has been demonstrated in numerous instances, including being a member of the World Economic Forum's Partnering Against Corruption Initiative.

During the year, the Committee reviewed the Board Conflict of Interest Policy and recommended it to the Nomination and Governance Committee for approval, and reviewed Hikma's procedures for the oversight and approval of related party transactions.

Codes of Conduct
The Committee continues to oversee the development and promotion of Hikma's Code of Conduct, which embodies the important moral and ethical values that are critical to the Group's success. The Code of Conduct guides all the Committee's activities and is the key reference point for all our colleagues.

Our Supplier Code of Conduct reinforces our commitment to integrity and transparency in all our business dealings, as it sets out the highest ethical standards we expect from all our suppliers.

The Codes of Conduct referred to above can be found at **www.hikma.com/who-we-are/codes-and-standards**

Speak up
The Committee receives regular reports on issues identified through our speak up channels, which provide both internal and external stakeholders a resource to raise concerns about suspected misconduct confidentially and anonymously. Our procedures require that all reports received via our speak up channels are investigated by senior and independent employees.

The Committee is satisfied that all speak up reports raised in 2025 were investigated and appropriately addressed, and that our speak up procedures remain effective and compliant with applicable laws. The overall level of speak up reports received is within the normal range for an organisation of our size.

Speak up matters are reported and considered as necessary, as part of my regular reports to the Board.

Training
During the year, we continued to oversee training programmes for the Code of Conduct, ABC, speak up, anti-money laundering, failure to prevent the facilitation of tax evasion, data privacy and protection, antitrust and related matters, both virtually and in person. Hikma has launched expanded training programmes on trade sanctions and modern slavery and human trafficking which have been undertaken by colleagues whose roles require in-depth training on these matters.

Internal auditing and monitoring
The Committee receives regular updates on the monitoring programme conducted by the Hikma Compliance team. In addition, the Committee retains independent third parties to conduct periodic and recurring audits of our governance and transparency and the compliance programme and related activities.

Ethics

Social Responsibility
The Committee oversaw, encouraged and supported the social responsibility programme, which is clearly linked to our founder's desire to improve lives, particularly through health and educational development opportunities for the least privileged. The sustainability section of this Annual Report provides a detailed assessment of our efforts in relation to social responsibility and is available on pages 40 to 79.

Ethical issues
The Committee oversaw Hikma's response to ethical issues arising during the year. There are no matters to report.

Modern slavery
Hikma is committed to taking the required actions to identify, prevent and mitigate modern slavery in the form of forced or compulsory labour and human trafficking in any of its businesses, operations or supply chains across the globe.

To enhance oversight, risk assessment, and due diligence efforts in preventing and addressing modern slavery risks in our supply chain, Hikma's Modern Slavery Task Force (MS Task Force), comprising members from the Legal, Procurement, People (Human Resources) and Compliance teams, collaborates to review and enhance our risk assessment and due diligence process, ensure their effective implementation, and develop clear strategies for addressing potential instances of modern slavery, should they arise.

Key measures undertaken this year in support of this goal include:

- enhancing third-party due diligence processes and procedures to improve identification of modern slavery risks within our supply chain
- continuing our partnership with EcoVadis, a leader in sustainability ratings, to assess our main supplier base for any risk of modern slavery or human rights abuses
- raising awareness of modern slavery risks across our workforce by conducting multiple trainings and workshops
- engaging with supply chain partners and the operational part of our business if and when any risk of modern slavery is identified

Hikma's modern slavery statement is available at **www.hikma.com**.

Sustainability

In 2025, the Committee reviewed the results of an externally facilitated double materiality assessment and approved Hikma's revised sustainability framework. The Committee received regular updates on Hikma's sustainability strategy and related activities, including those related to water management, emissions and driving a sustainable supply chain. A particular focus during the year was the approach to meeting Hikma's 2030 carbon reduction goals and providing input to the various projects and initiatives required. The Committee also monitored developments in reporting and disclosure requirements and received updates on our preparations to report against the Corporate Sustainability Reporting Directive (CSRD). More information on our sustainability activities can be found on pages 40 to 79.

Regulations

The General Counsel attends all Committee meetings and reports to the CREC on relevant matters that arise, including pertinent changes to the regulatory landscape.

Antitrust, anti-money laundering (AML) and trade sanctions
The General Counsel oversees Hikma's compliance with the antitrust, AML and trade sanctions legislation, among other matters. The General Counsel has created procedures for the management of these matters which are reviewed and approved by the CREC.

Criminal Finances Act and the Economic Crime and Corporate Transparency Act (ECCTA)
The General Counsel, in collaboration with other departments, is responsible for ensuring compliance with the Criminal Finances Act and the ECCTA. At the end of 2025, the terms of reference for each Board Committee were reviewed and the responsibility to approve the Failure to Prevent the Facilitation of Tax Evasion (FTP) Policy was moved from the Committee to the Audit Committee, which is responsible for the prevention of the financial crime framework at Hikma. The Audit Committee will coordinate investigations or violations related to FTP with the Committee.

Data protection
The General Counsel is responsible for Hikma's data protection policies which are designed to ensure compliance with all applicable legislation.

Related party transactions
During the year, the Committee reviewed our procedures on related party transactions. All related party transactions are reviewed and approved in accordance with applicable laws.

I remain available to discuss with shareholders any matter within this report or under the Committee's area of responsibility, by writing to the Company Secretary.

For and on behalf of the Compliance, Responsibility and Ethics Committee.

Deneen Vojta
Chair, Compliance, Responsibility and Ethics Committee
25 February 2026

Remuneration Committee

Cynthia Flowers
Chair, Remuneration Committee

Letter from the Chair

Dear Shareholders

On behalf of the Remuneration Committee (the Committee), I am pleased to present the 2025 Directors' Remuneration Report. This is my first letter as Committee Chair, following my appointment and the handover from Nina Henderson, to whom the Board and I extend our thanks for her stewardship. This letter summarises the Committee's key decisions and outcomes during the year, the context for those decisions, and our priorities for the year ahead.

Hikma's Remuneration Policy

The Committee ensures that Hikma's Remuneration Policy (Policy) continues to support the execution of the Group's strategy, drive long-term sustainable performance and align leadership reward with shareholder value. At the 2025 AGM, shareholders strongly supported the implementation of the Policy (99.55% in favour) continuing the trend of high shareholder support (the current Policy was approved with 98.24% in favour at the 2023 AGM).

In line with the triennial cycle, the Committee conducted a full review of the Policy. Having considered strategic priorities and stakeholder feedback, we concluded that the existing framework remains appropriate, with performance awards linked to delivery of the business plan and corporate strategy. No changes are proposed for 2026 and the existing Policy will be submitted for shareholder approval at the 2026 AGM. We will continue to consider our evolving strategic priorities and monitor market developments, regulation and investor guidance, and will consult with shareholders should changes be contemplated in the future.

Committee's activities during the year

Throughout the year, the Committee focused on ensuring that outcomes reflect performance and that executive interests remain aligned with those of shareholders and wider stakeholders. No malus or clawback provisions were exercised during the year. We reviewed incentive outcomes against pre-set financial, strategic and ESG objectives; reassessed the composition and relevance of the benchmarking peer group for Executive Directors; updated our Terms of Reference; and considered wider workforce pay, engagement insights and stakeholder expectations. The Committee also determined the leaving arrangements for the former Chief Executive Officer (CEO), ensuring these were in line with the Policy, and established the Chief Financial Officer's (CFO) remuneration upon appointment to the Board.

Wider employee population
The Committee continued to consider the wider workforce context in its decision-making, engaging directly with employees through site visits across the Group to gain firsthand insight into workplace culture and priorities. These interactions helped ensure our remuneration approach remains transparent, responsive and aligned with our broader reward philosophy. We supported the further development of the Group's career and talent framework to strengthen growth, development and retention, ensuring coherence between executive reward and the broader employee experience.

Executive leadership changes
On 15 December 2025 we announced that Riad Mishlawi stepped down as CEO, with Said Darwazah, Executive Chairman, assuming the role of CEO. To support a structured transition, the Board appointed Khalid Nabilsi, CFO, to the Board as an Executive Director with effect from the same date. The Committee considered the remuneration implications in line with Policy, including any loss-of-office payments and treatment of in-flight incentives for the former CEO and the ongoing package for the CFO. No additional remuneration was given to the Executive Chairman upon appointment as CEO. The Committee updated the CFO's remuneration arrangements to ensure full alignment with the Policy, including the deferral of a portion of any bonus into shares, reinforcing the link between reward and long-term shareholder value. Further details are provided on page 119.

As outlined on page 5, effective 26 February 2025, Said Darwazah will step down from his Executive Chairman role to focus fully on his CEO responsibilities. No remuneration changes will take effect on this date, with any updates already reflected in the 2026 base pay review. Victoria Hull will be appointed Non-Executive Chair and will receive a fee of £370,000. Douglas Hurt will be appointed Senior Independent Director and receive the associated fee. Khalid Nabilsi will become Deputy CEO, North America and Europe, and Mazen Darwazah Deputy CEO, MENA, in addition to his role as Executive Vice Chairman. There will be no remuneration changes for either role as of 26 February 2025, with the 2026 base pay increases and Khalid's Board-appointment changes already disclosed elsewhere.

Executive Directors 2026 salary review
We conducted a comprehensive assessment of Executive Director salaries with a focus on market competitiveness and strategic alignment. The benchmarking peer group was refreshed to ensure it continues to reflect Hikma's scale, geographic footprint and complexity. The peer group looks at both global pharmaceutical peers and FTSE peers of a similar size. Following this review, modest salary increases were approved for Executive Directors, set below the average increases awarded to the wider employee population. This balances market competitiveness with restraint and remains aligned with our remuneration philosophy and shareholder expectations.

Arrangements for the former Chief Executive Officer

As announced in December 2025, after 30 years at Hikma and just over two years as CEO Riad Mishlawi stepped down as CEO and as an Executive Director on 15 December 2025 by mutual agreement. He will remain an employee until 14 December 2026 and will receive the same salary and benefits as he received in 2025 (excluding housing) through to 14 December 2026. A one-off statutory payment of €250k was made as legally required under the Portuguese Labour Code in relation to his termination from Hikma Farmaceutica (Portugal) SA.

Mr Mishlawi was eligible for an annual bonus for 2025 and, after detailed consideration, the Committee applied discretion to adjust the formulaic outcome of the bonus downwards to an award of 10% of maximum, of which 50% will be paid in cash and 50% will be deferred into shares. Deferred bonus awards previously granted to him will continue to vest under their original terms. He will not be eligible for a bonus in respect of 2026.

The Committee also exercised its discretion in relation to his LTIP awards. His 2023 LTIP award will continue to vest subject to original performance conditions and timing. The 2024 LTIP award will be time pro-rated for service during the performance period and will vest subject to performance in the normal manner. His 2025 LTIP award will lapse and he will not receive an LTIP award in 2026 and post-cessation shareholding requirements will apply for two years. The Committee considers these outcomes to be fair and reflective of his contribution to Hikma over recent years.

2025 performance outcomes

Annual bonus
Bonus outcomes for the year reflect performance against financial and strategic objectives. In addition to formulaic results, the Committee applied a holistic assessment to confirm that payments were appropriate and justified. The Committee exercised its discretion to the departing CEO's bonus as described above.

Financial outcomes
During 2025 the Group delivered performance across all three businesses, including Group core revenue of $3,349m (2024: $3,156m) and core operating profit of $741m (2024: $719m). Both results are within the guidance we issued to the market, notwithstanding that we tightened our core operating profit range in 2025 to $730m to $750m (previously $730m to $770m).

Variations in performance between the Group and MENA are appropriately reflected in the bonus outcomes, for the Executive Chairman and Executive Vice Chairman.

Strategic outcomes
Objectives for the Executive Chairman included strengthening leadership and establishing a Strategic Execution function to drive delivery of key priorities. While progress was made in these areas, further development is required to achieve the Board's expectations. Additional objectives for the Executive Vice Chair related to global R&D, portfolio optimisation and returns on major investments in MENA; these were completed in the year. The Executive Directors collectively set the strategic direction for carbon reduction and commenced delivery of supporting programmes demonstrating Hikma's commitment to protecting the environment.

The formulaic outcome results in a bonus outcome of 45.6% of maximum for the Executive Chairman and 73.3% of maximum for the Executive Vice Chairman. Half of these amounts will be deferred into shares in line with the Policy. The Committee considered the formulaic outturn in the context of the external environment and shareholder experience, and considered the outcome to be fair and therefore did not exercise discretion to vary the amounts for the Executive Directors. As mentioned above, the Committee exercised discretion to reduce the vesting of the former CEO's bonus down from 49.9% to 10% of maximum.

2025 bonus outcomes

The total 2025 incentive payments, as a percentage of maximum, for the Executive Directors are summarised in the following table. The Committee exercised its discretion to reduce the former CEO outcome and as a result, the payments correlate well to the Group's performance and shareholder returns. The CFO did not receive a bonus for the period from his appointment to the Board on 15 December to the end of the year for either his CFO or Board role.

	2025	2024
	Cash and deferred shares	**Cash and deferred shares**
Executive Chairman	**45.6%**	73.4%
Former CEO[1]	**10.0%**	74.2%
Executive Vice Chairman	**73.3%**	77.8%

1. Reduced from 49.9% to 10% at the discretion of the Committee

Details of the calculation of these payments are included on pages 135 to 137. These amounts will be delivered as 50% cash and 50% deferred into shares for a period of three years. Malus and clawback provisions apply.

2023 Long term incentive (LTI) vesting

The long-term incentives granted in 2023 had a performance period from 1 January 2023 to 31 December 2025. In 2025, the Committee reviewed the performance measures and replaced the diversity metric with a succession-planning metric. This refinement better supports leadership continuity and reflects the evolving US environment around DEI-linked incentives – an important consideration given our US revenue exposure. The Committee confirmed that, had the previous metric been retained, vesting outcomes would have been broadly similar; the change therefore does not disproportionately benefit Executive Directors and maintains a focus on leadership pipeline and long-term talent readiness.

The awards will vest in 2026 at 62.56% of maximum. Further details are on page 138.

Remuneration Policy 2026 implementation

When setting targets for the annual bonus and LTIP, the Committee applies a structured approach. We start with the annual and multi-year business plans and test these against multiple reference points – previous award trajectories, expectations across global pharmaceutical and FTSE comparators and analyst forecasts – to ensure measures are stretching, balanced and aligned to sustainable long-term value creation.

Operation of 2026 annual bonus
For 2026, the annual bonus will be assessed using a balanced scorecard with 80% based on financial measures and 20% based on strategic priorities. Financial measures will focus on revenue and profit; strategic measures will capture delivery against initiatives that support the Group's strategy. For Executive Directors, 50% of any bonus earned will be paid in cash and 50% deferred into shares for three years. The maximum opportunity remains 200% of base salary for the Executive Chairman and Executive Vice Chairman and 175% for the Deputy CEO, US and Europe. Further detail on measures and targets is provided on page 146.

Long-term Incentive Plan (LTIP) 2026 grants
Performance Share Plan (PSP) awards of a maximum 300% of base salary for the Executive Chairman and Executive Vice Chairman and 250% for the Deputy CEO, US and Europe will be granted and subject to performance conditions measured from 1 January 2026 against: Relative TSR versus the FTSE 50–150 (excluding investment trusts) (20%); business development and portfolio expansion (30%); compound annual core EPS growth (30%); and strategic measures (20%). Further details are on page 147.

Concluding remarks

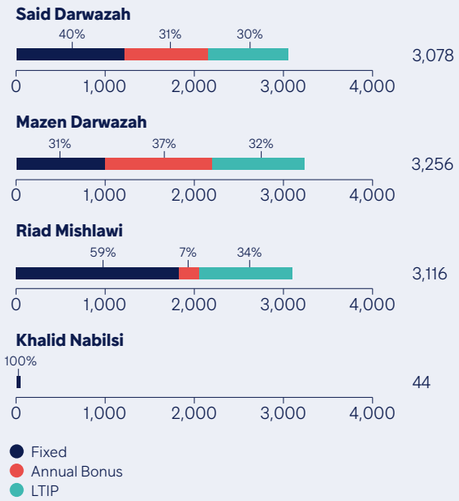
The Committee remains focused on ensuring that Hikma's remuneration framework supports strategy delivery, reflects performance and aligns the interests of leaders, shareholders and the wider workforce. We will continue to prioritise strong governance, clear disclosure and active engagement as we navigate the year ahead. On behalf of the Committee, I would like to thank shareholders for their continued support and constructive dialogue, and I look forward to building on this partnership in 2026.

Cynthia Flowers
Chair, Remuneration Committee
25 February 2026

Remuneration at a glance

2025 single remuneration figure ($m)

The chart below shows the remuneration outcome for the Executive Directors for 2025 illustrating the significant proportion of remuneration delivered as variable pay.



1. Fixed pay includes base pay, bonus and benefits
2. The figures for Khalid represent the amounts received from his date of appointment to the Board on 15 December 2025 to the end of the year

2025 annual bonus outcome

The performance outcome for the annual bonus reflects the business performance and shareholder experience for the year. Maximum achievement is 200% of salary. Delivery of the award is 50% in cash and 50% in shares (subject to a three year holding period). Malus and clawback provisions apply.

Said Darwazah

% Achievement of max	46%
Pay out	$948,072

Mazen Darwazah

% Achievement of max	73%
Pay out	$1,217,045

Riad Mishlawi

% Achievement of max	10%
Pay out	$240,000

- Achieved
- Lapsed

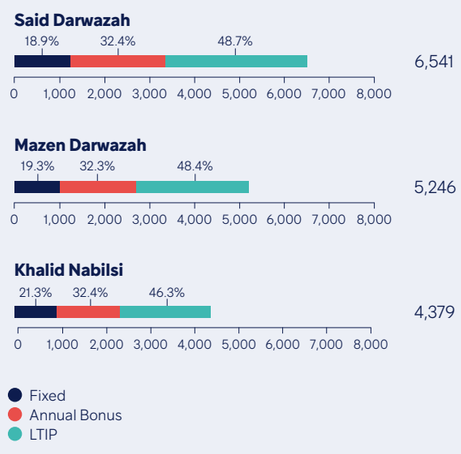
2025 vesting outcomes

During 2025, share awards vested under the prior Remuneration Policy (EIP) under which performance criteria had to be met before an award was granted. Element B is attributed to earnings in 2025; Element C was attributed to earnings in the year of grant (2022). See page 133 for details.

Element		Said Darwazeh	Mazen Darwazeh	Riad Mishlawi
B	Shares granted	31,679	36,171	36,371
	Shares vested	100%	100%	100%
	Value	912,495	1,041,884	1,047,645
C	Shares granted	18,420	14,844	18,691
	Shares vested	100%	100%	100%
	Value	500,523	403,353	507,887
	Total value of shares vested	**1,413,018**	**1,445,237**	**1,555,532**

2026 single remuneration opportunity ($m)

The following charts show the potential projected remuneration available for 2026 at maximum opportunity (excluding the impact of share price appreciation).



1. Fixed pay includes salary for 2026 and a 10% pension contribution. Benefits are based on the 2025 figure

Shareholder experience

Executive Director shareholding

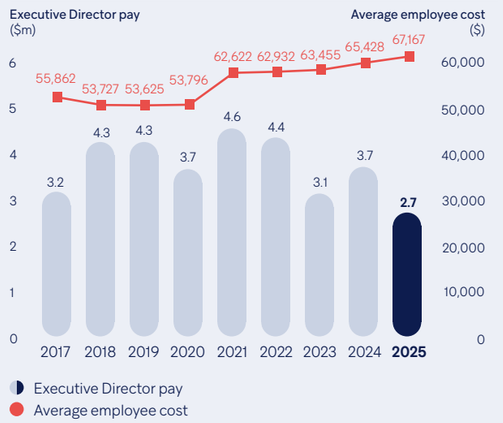
The Executive Directors' shareholdings are significantly above the required minimum, demonstrating their strong commitment to the Group and alignment with shareholder interests. This substantial investment reflects their confidence in the Group's future and reinforces the linkage between executive remuneration and long-term shareholder value.

	Shareholding requirement $000	Number of shares required	Current shareholding	Actual holding as a % of requirement
Said Darwazah	3,120	149,354	17,566,790	11,762%
Mazen Darwazah	2,490	119,196	11,149,025	9,354%
Riad Mishlawi	3,600	172,331	197,525	115%
Khalid Nabilsi	2,383	114,089	462,164	405%

Wider workforce

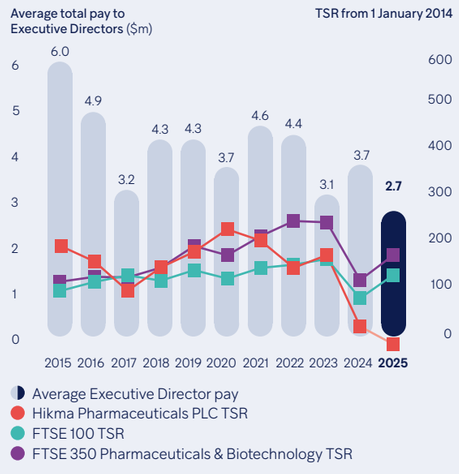
The Committee is committed to maintaining a fair and proportionate approach to Executive Director pay. In line with this, the remuneration of the Executive Directors remains closely aligned with the average employee cost, ensuring that pay is balanced and reflects the broader experience of all employees within the Group.

Employee cost and average executive pay ($m)



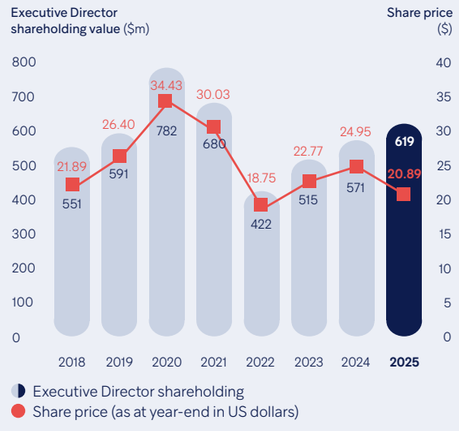
TSR and total Executive pay

The table below shows the alignment of executive pay to TSR performance.



Value of Executive holdings

Hikma's Executive Directors have substantial equity interests, which strongly aligns their long-term interests with shareholders.



Remuneration Policy

Directors' Remuneration Policy

This section of the Report sets out our Directors' Remuneration Policy (the Policy) which was approved with 98.24% in favour at the 2023 AGM. Following a review of the existing framework, the Remuneration Committee concluded that the current policy remains appropriate and aligned with our strategic objectives. We are proposing to roll over our existing policy without change.

Subject to shareholder approval, the Policy will continue to take effect from the conclusion of the 2026 AGM on 23 April 2026 and apply to Directors' remuneration for the 2026 financial year.

Core Principles

The Remuneration Committee (the Committee) aims to ensure that the remuneration for the Executive Directors:

- Aligns rewards with the experience of shareholders
- Has sufficient flexibility to recruit, motivate and retain the high calibre executives needed to drive the business forward in all the markets in which it operates
- Focuses on long-term sustainable performance
- Rewards the successful delivery of Hikma's strategy in line with its core values
- Aligns with the approach to remuneration for the wider employees population

Rationale

The Policy is designed to:

- Incorporate an element of longer-term performance and investor focused metrics, aligning executive remuneration more closely with the shareholder experience and the successful delivery of Hikma's strategy
- Align Hikma's remuneration structure with peers
- Provide more flexibility to recruit US based executives if needed
- Focus on measures that are central to creating long-term shareholder value
- Include ESG specific measures
- Be bolstered with stretching targets and a robust target setting process

The Policy is presented below

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Fixed Remuneration			
Base salary			
Provides a base level of remuneration to support recruitment and retention of Directors with the necessary experience and expertise to deliver the Group's strategy.	Base salaries for Executive Directors are reviewed annually by the Committee and changes, if any, normally take effect from 1 January. Salaries are set with reference to: – pay increases for the general workforce – salaries in peer companies from the global pharmaceutical sector and UK listed companies – company performance and affordability Salaries for individuals who are recruited or promoted to the Board may be (but are not required to be) set below market levels at the time of appointment, with the intention of bringing the base salary levels in line with the market as the individual becomes established in their role.	Whilst there is no maximum salary, any increase will generally be no higher than the average increase for the wider workforce. A higher increase may be made for example where there is a material change in role or responsibilities, promotion, where there needs to be an adjustment to reflect an individuals increased experience in the role, when pay is materially behind market competitive levels, or in exceptional circumstances, with the rationale clearly explained in the next report to shareholders.	Not applicable.
Benefits			
An appropriate package of market competitive benefits to ensure executives are rewarded and focused.	Benefits may include, but are not limited to: – healthcare – school fees – company cars/transport (or cash allowance) – life insurance – relocation: when relocation is required by the Company – tax equalisation: where the director becomes tax resident in a jurisdiction as a result of the role and to the extent that additional taxes are paid and related advisory fees. As the Company operates internationally it may be necessary for the Committee to provide special benefits or allowances, for example (but not limited to) benefits customarily included in the country where the Executive Director resides. These would be disclosed to shareholders in the annual report on remuneration for the year in which the benefit or allowances were paid.	The value of benefit is based on the cost to the Company and there is no predetermined maximum limit. The range and value of the benefits offered are reviewed periodically.	Not applicable.
Pension (or cash allowance)			
An appropriate level of pension contribution to ensure executives are provided with a retirement standard commensurate with their role, whilst being in line with the wider workforce.	The Company operates defined contribution arrangements in its main operational jurisdictions and executives participate in these arrangements. A cash supplement in lieu of pension may be paid provided the total pension payment does not exceed the maximum opportunity.	The maximum pension cash allowance (or pension contribution as appropriate) in line with the predominant pension contribution made for the wider global workforce which is currently 10% of salary.	Not applicable.

Remuneration Policy
continued

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Performance Related Variable Remuneration			
Short – Term Incentives			
To provide alignment between the successful delivery of the short-term annual strategic business priorities and reward.	Executive Directors are eligible to participate in an Annual Bonus Plan under which annual bonus is earned subject to the achievement of performance over the financial year against targets set by the Committee at the start of each financial year. No bonus is payable for performance below threshold level, 25% for threshold and up to 50% of maximum pays out for on-target performance. Half of any bonus will normally be deferred into an award over shares, typically for a period of three years. Dividend equivalents may be accrued on deferred shares based on dividends paid to shareholders during the vesting period. These may accrue either in cash or shares on a reinvestment basis. Malus and clawback provisions apply.	Maximum of 200% of salary	Performance measures and weightings are reviewed annually to ensure they continue to support the achievement of the Company's key strategic priorities. Annual bonus financial targets are set with reference to internal plans and analyst consensus forecasts. The Committee has discretion to adjust formulaic outcomes if they are not considered to be representative of the overall financial performance of the Group. Any adjustments applied will be explained in the relevant annual report on remuneration.
Long-Term Incentive Plan (LTIP)			
To incentivise and reward participants over the long-term for sustained delivery of the business strategy and shareholder value. Provides longer term alignment with the shareholder experience.	Performance share awards may be granted. In usual circumstances awards vest after a three-year period, subject to the achievement of performance targets measured over three financial years. Normally, vested shares are subject to a holding period of two years (shares may be sold at vesting to satisfy any tax-related liabilities). 25% of the award value will vest for threshold performance and 62.5% of the award value will vest for target performance. Dividend equivalents may be accrued on the shares earned from LTIP awards based on dividends paid to shareholders during the vesting period. In line with the LTIP rules, dividend equivalents may also accrue during any applicable post-vesting holding period. These may accrue either in cash or shares on a reinvestment basis. Malus and clawback provisions apply.	The maximum face value of awards relating to a financial year of the Company will be 300% of base salary.	Performance is measured over three financial years. LTIP targets are set with reference to a range of relevant reference points which may include internal plans and analysts' consensus forecasts. The Committee has discretion to adjust formulaic outcomes if they are not considered to be representative of the overall financial performance of the Group. Any adjustments applied will be explained in the relevant annual report on remuneration.

Purpose and link to strategy	Operation	Maximum opportunity	Performance metrics
Shareholding policy			
To provide alignment between the interests of Executive Directors and shareholders over the longer term.	*In-employment shareholding policy* Shareholding guidelines for all Executive Directors will be at least 300% of salary. Executive Directors are expected to build up their shareholding guideline within a 5-year period from their date of appointment to the Board. *Post-cessation shareholding policy* All Executive Directors will be required to hold the lower of (i) their shareholding at the date of termination of employment; or (ii) shares equivalent to the minimum share ownership guideline at that date, for a period of two years post-employment.	Not applicable.	Not applicable.

Notes to the Remuneration Policy table

Malus and clawback

Annual bonus and LTIP awards are subject to malus and clawback provisions that protect the Company and shareholders. Under these provisions (including a deferred element) the Committee can reduce or cancel awards under the annual bonus and LTIP that have not yet vested (malus) and recover the value of an award that has vested or been paid (clawback). Malus can be applied to an alternative unvested award to satisfy the clawback of a vested award.

The Committee may apply malus and/or clawback to annual bonus and LTIP awards in circumstances which include (without limitation):

- a material misstatement in the published results of the Group or one of its members
- an error in assessing any applicable performance condition or target and/or the number of shares subject to an award
- the assessment of any applicable performance condition or target and/or the number of shares subject to an award being based on inaccurate or misleading information
- gross misconduct on the part of the Executive Director concerned
- an unreasonable failure to protect the interests of employees or customers of the Group
- a breach by the Executive Director concerned of any restrictive, confidentiality or non-disparagement covenants or other similar undertakings contained in any agreement between the Company and the Executive Director
- where, as a result of an appropriate review of accountability, the Committee determines that the Executive Director has caused wholly or in part a material loss for the Group as a result of (i) reckless, negligent or wilful actions or omissions; or (ii) inappropriate values or behaviour
- a Group member being censured by a regulatory body or suffers, in the Committee's opinion, a significant detrimental impact on its reputation
- the Company or entities representing a material proportion of the Group becomes insolvent or otherwise suffers a corporate failure
- participant having deliberately misled management, the Board, or the investor community

All of these malus and clawback provisions are applicable to annual bonus and LTIP awards. The following table summarises the normal application of malus and clawback in respect of the incentive plans:

Application to annual bonus	Cash bonus	Clawback available for three years from date of payment
	Deferred share award	Malus/clawback available for five years from date of award
Application to LTIP	Three-year vesting period Two-year holding period	Malus/clawback available for six years from date of award

Hikma's malus and clawback provisions are designed to match the multi year timeframe over which risks typically emerge in the pharmaceuticals sector, including post authorisation regulatory obligations and pharmacovigilance processes that can reveal issues after product launch. These extended periods also reflect the long lifecycle of complex products, where manufacturing changes, safety signals and compliance findings may arise well after initial awards are granted. In line with the 2024 UK Corporate Governance Code, the Committee considers these timelines proportionate to Hikma's global footprint and regulatory environment, ensuring appropriate accountability and shareholder protection

Remuneration Policy
continued

Service contracts

The Committee's policy for service contracts is:

- a maximum 12-month notice period applies. The Committee may in exceptional circumstances arising on recruitment allow a longer notice period, which would in any event reduce to 12 months following the first year of employment
- there are no contractual arrangements that would:
  - constitute liquidated damages clauses
  - guarantee a pension with limited or no abatement on severance or early retirement
  - provide for compensation for loss of office or employment that occurs because of a takeover bid
  - Service contracts can be viewed by shareholders either at the AGM or at the Company's offices. The Company Secretary will make arrangements upon request

Recruitment remuneration

The Committee's normal approach to internal and external recruitment is to pay no more than is necessary to attract candidates of the appropriate calibre and experience needed for the role from the international market in which the Company competes.

The Committee will have regard to guidelines and shareholder sentiment regarding one-off or enhanced short-term or long-term incentive payments made on recruitment and the appropriateness of any performance measures associated with an award.

The table below summarises the adjustments to the Policy with respect to recruitment of Executive Directors. Other than these potential adjustments, other package elements would be in accordance with the main Policy elements.

Component	Policy
Maximum level of variable remuneration	In exceptional circumstances, solely for the year of recruitment, the maximum level of variable remuneration available may be increased by 150% of salary to 650%.
Share buy-outs/ replacement awards	The Committee's policy is to not provide share buy-outs as a matter of course. However, should the Committee determine that the individual circumstances of recruitment justify the provision of a buy-out, any awards will have regard to the terms and value of the arrangements that will be forfeited on cessation of a Director's previous employment and will be calculated taking into account the following: – the proportion of the performance period completed on the date of the Director's cessation of employment – the performance conditions attached to the vesting of these incentives and the likelihood of them being satisfied – any other terms and conditions having a material effect on their value (lapsed value) Any such compensation will be subject to clawback if the Director leaves the Company voluntarily within a fixed time period determined by the Committee. Where possible, the Committee will use existing share-based plans to grant such awards. However, in the event that these are not appropriate, the Committee retains the discretion to use the exception in Listing Rule 9.4.2 for the purpose of making an award to compensate the individual for amounts forfeited upon leaving a previous employer.

Payment for loss of office

When considering termination payments, the Remuneration Committee takes account of the best interests of Hikma and the individual's circumstances, including the reasons for termination, contractual obligations and the rules governing certain items of remuneration (e.g., incentive plan rules). The Remuneration Committee will ensure that there are no unjustifiable payments for failure on termination of employment. On an Executive Director ceasing to hold office, the Company will announce an out-going Executive Director's remuneration arrangements in accordance with applicable legal requirements.

Component	Approach	Application of Remuneration Committee discretion
General	The Committee's policy in relation to leavers can be summarised as follows: – the Committee will honour Executive Directors' contractual entitlements – if a contract is to be terminated, the Committee will determine such mitigation as it considers fair and reasonable in each case – if, in the normal course of events, the Executive Director works their notice period (12 months for existing Executive Directors) they will receive contractual compensation payments and benefits during this time – in the event of the termination of an executive's contract and Hikma requesting the executive to cease working immediately, the Company may make a payment in lieu of notice equivalent to salary, pension entitlements and value of other benefits and, on a discretionary basis and only where it is in Hikma's interest, a pro-rated performance related bonus – in the event of termination for gross misconduct, neither notice nor payment in lieu of notice will be given and the executive will cease to perform services immediately	The Company may make additional payments where such payments are made in good faith in discharge of an existing legal obligation (including statutory payments that are required in any relevant jurisdiction) or by way of damages for breach of such an obligation; by way of settlement or compromise of any claim arising in connection with the termination of an Executive Director's office or employment; for agreeing to non-compete, non-solicitation and confidentiality clauses; for insurance cover for a specified period following the termination date, outplacement services, legal fees or repatriation assistance. Discretion to make payments in lieu of notice.
Annual bonus	Under the rules of the Annual Bonus Plan there is no entitlement to a bonus payment if termination occurs before the normal bonus payment date but the Committee may exercise its discretion to pay a bonus depending on the circumstances of the departure. If any bonus is payable it will be made in such proportions of cash and shares, and subject to such deferral arrangements, as the Committee may determine and will usually be time pro-rated to take account of the proportion of the financial year that has elapsed on the date the Executive Director ceases active service.	The Committee may use its discretion to: – determine an entitlement to a bonus payment – determine that an Executive Director is treated as ceasing employment on the day they give or receive notice – disapply time pro-rating for a good leaver when determining any bonus payment – determine any applicable deferral arrangements. An explanation will be provided to shareholders of the basis of any application of discretion.
Annual bonus (deferred shares)	The treatment of unvested deferred bonus awards on the cessation of employment is governed by the rules of the Deferred Bonus Plan: – Unvested deferred bonus awards held by a 'good leaver'[1] will vest on the normal vesting date unless the Committee exercises its discretion to allow vesting to be accelerated to the date of cessation of employment or another date – If the relevant individual ceases employment by reason of limb b) or c) of the definition of 'good leaver'[1], the Committee may decide that their deferred bonus awards will, instead of vesting, be exchanged for equivalent awards over another company's shares – If an individual is not a 'good leaver', any unvested deferred bonus awards will lapse – Special rules apply in the case of death – Save as summarised above, awards will continue to be subject to their original terms, including malus, clawback and holding periods, but the Committee has discretion to accelerate the release of awards for leavers.	Deferred bonus awards held by a 'good leaver'[1] will normally vest and be released at the usual time, but the Committee may use its discretion to accelerate vesting and release of awards. An explanation will be provided to shareholders of the basis of any application of discretion.

Remuneration Policy
continued

Component	Approach	Application of Remuneration Committee discretion
LTIP	The treatment of LTIP awards on the cessation of employment is governed by the rules of the Long Term Incentive Plan: – Awards held by a 'good leaver'[1] will normally vest, to the extent determined by the Committee under the rules and time pro-rated to take account of the proportion of the performance period that has elapsed, on the normal vesting date, unless the Committee exercises its discretion to allow vesting to be accelerated to the date of cessation of employment or another date and/or to disapply time pro-rating – If the relevant individual ceases employment by reason of limb b) or c) of the definition of 'good leaver'[1], the Committee may decide that their LTIP awards will, instead of vesting, be exchanged for equivalent awards over another company's shares – If an individual is not a 'good leaver', any unvested LTIP awards will lapse – Special rules apply in the case of death. – Save as summarised above awards will continue to be subject to their original terms, including malus, clawback and holding periods, but the Committee has discretion to accelerate the release of awards for leavers.	Where an Executive Director is determined to be a 'good leaver'[1] awards will normally vest and be released at the usual time, subject to the relevant performance targets, and pro-rated for time served during the performance period. However, the Committee may use its discretion to disapply time pro-rating. An explanation will be provided to shareholders on the basis of any application of discretion.

1. An individual will be treated as a 'good leaver' under the rules of the Deferred Bonus Plan and the Long-Term Incentive Plan if the termination of their employment is because of:
   a. ill-health, injury or disability to satisfaction of Committee;
   b. the employing company ceasing to be under the control of the Company;
   c. a transfer of the undertaking, or part of the undertaking, in which the participant works to a person which is neither under the control of the Company nor a Group company; or
   d. any other reason at the discretion of the Committee.

Change in control

Component	Approach	Application of Remuneration Committee discretion
Annual bonus	The treatment of bonus is governed by the rules of the Annual Bonus Plan and the Deferred Bonus Plan. The Committee may determine that bonus awards for the year during which the change of control occurs may either continue to be determined on the basis of the whole year or may be pro-rated to the date of the change of control. Any unvested deferred bonus awards will normally vest early on the relevant corporate event.	The Committee will use its discretion to treat the calculation of bonuses differently if there are good reasons for doing so.
LTIP	The treatment of unvested LTIP awards is governed by the rules of the Long Term Incentive Plan. Any unvested LTIP awards will normally vest early on the relevant corporate event to the extent determined by the Committee in accordance with the rules of the LTIP, having regard to performance assessed on such basis as the Committee considers appropriate in the circumstances and (unless the Committee decides otherwise) time pro-rating. Vested awards subject to a holding period will be released early.	The Committee will use its discretion to treat the calculation of unvested share awards differently if there are good reasons for doing so.

Legacy arrangements

The Committee reserves the right to make any remuneration payments and/or payments for loss of office, including the exercise of any discretions available to it in connection with such payments (notwithstanding that they are not in line with this policy), where the terms of payment were agreed:

- before the date the Company's first Remuneration Policy came into effect
- before this policy was approved and implemented, provided that the terms of the payment were consistent with the Remuneration Policy in force at the time they were agreed
- at a time when the relevant individual was not a Director of the Company and, in the opinion of the Committee, the payment is not in consideration for the individual becoming a Director of the Company

Details of any such payments will be set out in the applicable annual report on remuneration as they arise.

For these purposes 'payments' includes the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are 'agreed' at the time the award is granted.

Remuneration Committee discretion

The Committee retains discretion in the operation and administration of the Remuneration Policy, noting that no material changes will be made to the advantage of the Executive Directors without obtaining shareholder approval. Any use of discretion and how it was exercised will be disclosed, where relevant, in the annual report on remuneration.

This includes (but is not limited to) the following:

- the Executive Directors' participation in the Company's incentive plans
- the timing of awards including grant, vesting and release dates
- the form and size of awards and vesting levels within the limits set out in this policy
- the performance measures and weighting for annual bonus and LTIP awards within the terms set out in this policy
- the adjustment of formulaic outcomes of incentive awards where the outcomes are not reflective of overall Company performance or aligned with shareholder and/or wider stakeholder experience
- the settlement of any share awards in cash in exceptional circumstances where permitted by the relevant share plan rules
- the determination of good leaver status and treatment of unvested awards in line with this policy and incentive plan rules
- the extent to which malus and clawback should apply to any award
- the treatment of awards in the case of a change of control, including the vesting level of LTIP awards or if awards will, instead of vesting early, be exchanged for, or replaced with, equivalent awards over shares in another company
- the treatment of awards in the case of a demerger or certain other corporate events including a rights issue, corporate restructuring or the issue of special dividends, in which circumstances the Committee may, if it considers that the relevant event would materially affect the value of the Company's shares, adjust deferred bonus and LTIP awards or decide that they will vest and be released early
- the amendment or replacement of performance measures and targets where it reasonably considers it appropriate to do so, provided that the amended conditions are not materially less challenging

Differences between the policies for Executive Directors and employees, consideration of shareholder views and consideration of conditions elsewhere in the Group

Employees were not directly consulted on the executive remuneration policy. All employees receive a salary, pension, and medical insurance on a similar basis to the Executive Directors. Additionally, all employees participate in a cash bonus scheme, which is similar to the cash element of the annual bonus. The Committee reviews detailed internal and summary benchmarking data and is satisfied that the level of remuneration is proportionate across the employee grades.

Remuneration Policy table for the Chair and Non-Executive Directors

The Chair and Non-Executive Directors' (NEDs) fees are set by the Board under the direction of the Executive Directors having considered the:

- pay practice in FTSE and sector peers
- extensive travel required to undertake the role
- significant guidance and support required from the NEDs

The Chair and NEDs do not participate in the Group's pension or incentive arrangements. The annual fees payable to newly recruited NEDs will follow the policy for fees payable to existing NEDs, whose fees comprise:

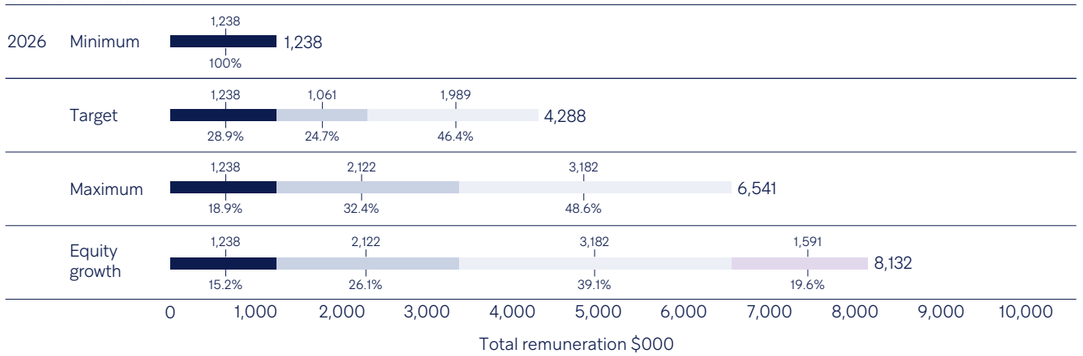
Component	Approach	Application of Remuneration Committee discretion
Basic fee	The Chair receives a fixed fee inclusive of all responsibilities. Other NEDs receive an underlying fee for undertaking the duties of a Director of Hikma, chiefly relating to Board, strategy, and shareholder meetings. Provides a level of fees to support recruitment and retention of the Chair and NEDs with the necessary experience.	Whilst there is no maximum, the practice is to remain within the parameters of FTSE peers.
Committee membership fee	A composite fee for taking additional responsibilities in relation to Committee membership. Usually, NEDs are members of at least three committees.	
Committee Chair/employee engagement fee	The Committee Chairs undertake additional responsibilities in leading a committee and are expected to act as a sounding board for the executive that reports to the relevant committee. The Director responsible for employee engagement receives a similar fee due to the additional requirements of that role. The chairmanship fee is paid in addition to the membership fee.	
Expenses	The Company pays expenses incurred wholly in relation to the position of the Chair and NEDs and ensures that Directors do not incur a tax liability as a result. The Company retains discretion to provide for an allowance structure as an alternative to the latter payment.	

Remuneration Policy
continued

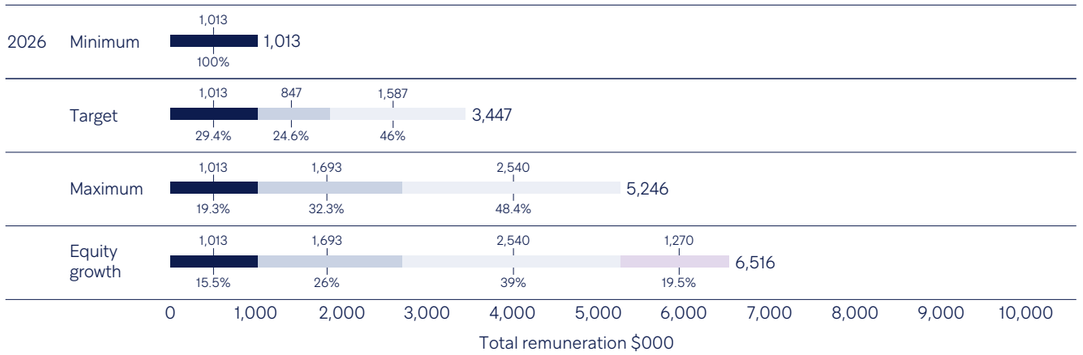
Illustrations of application of Remuneration Policy

The following charts show the potential projected total remuneration available for 2026 at four levels of performance: minimum, target, maximum and maximum with assumed share price appreciation of 50% (in accordance with the Code). The impact of potential share price appreciation is omitted from the other three scenarios:

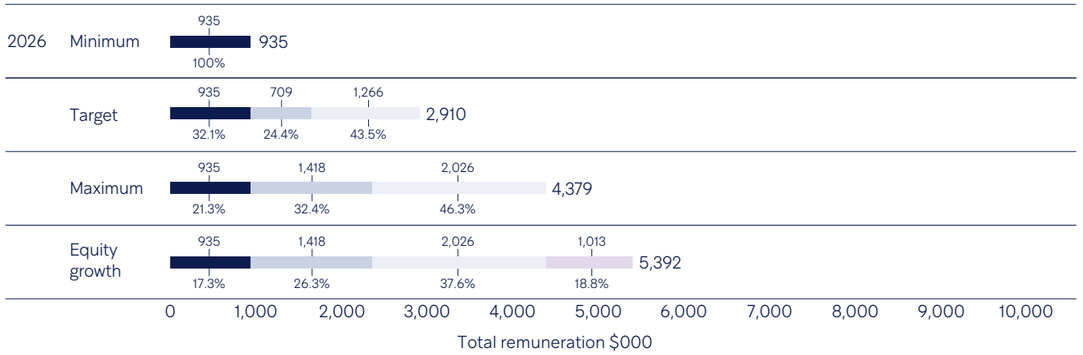
Said Darwazah



Mazen Darwazah



Khalid Nabilsi



● Fixed pay ● Annual Bonus ● LTIP ● LTIP – share price appreciation Commuting

The scenarios in the graphs are as follows:

- fixed pay includes salary, benefits, and pension. The numbers are based on the base salary for 2026, the cost of benefits provided in 2025 and a pension contribution of 10% of base salary
- annual bonus is shown as a percentage of base salary, with minimum, target and maximum shown as 0%, 50% and 100% respectively of maximum opportunity
- LTIP is shown as a percentage of base salary, with minimum, target and maximum performance shown as 0%, 62.5% and 100% of maximum opportunity respectively
- share price appreciation has been calculated as a 50% increase in the value of the LTIP between the date of grant and vesting
- no dividend accrual has been incorporated in the values relating to the LTIP

Assessment of incentive outcomes

A comprehensive evaluation of the Group's and Executive Directors' performance ensuring the annual bonus payout and long-term incentive vesting are appropriate and justified.

The quality of earnings

The Committee will review the results to ensure they accurately reflect underlying performance and take into account any exceptional items.

Executive Director leadership

The Committee carries out a formal evaluation of the CEO

Overall Group performance

This includes factors such as market share, competitor benchmarking, sustainability, people and culture, strategic progress, stakeholder engagement, and analyst feedback.

The impact on shareholder value

The Committee considers absolute and relative shareholder return over the relevant periods including dividend payment(s)

Consider any other internal and external inputs

This includes factors such as reputation or risk-related issues, changes in accounting standards, and input from the CRE Committee, Audit Committee, and management functions. The Committee will also consider the impact of any external factors.

Outcome consistencies

Consider whether bonus and LTIP outcomes are consistent with performance criteria. The Committee does not apply discretion unless there are exceptional circumstances.

Final Annual bonus and LTIP outcomes

Annual report on remuneration

Single total figure (audited)

The following table shows a single figure of remuneration[1] in respect of qualifying services for the 2025 financial year, together with the comparable figures for 2024.

		Fixed pay				Variable pay			
Director	Year	Salary	Benefits	Pension	Total fixed	Bonus and Deferred Shares)	Shares vested (EIP element B)[2,3]	Total variable	Total
Said Darwazah	**2025**	**1,040,000**	**107,917**	**69,138**	**1,217,055**	**948,072**	**912,495**	**1,860,567**	**3,077,622**
	2024	1,018,000	82,678	65,962	1,166,640	1,494,844	876,138	2,370,982	3,537,622
Mazen Darwazah	**2025**	**830,000**	**99,747**	**66,850**	**996,596**	**1,217,045**	**1,041,884**	**2,258,929**	**3,255,526**
	2024	806,787	97,179	64,895	968,861	1,255,936	677,912	1,933,848	2,902,709
Riad Mishlawi[4]	**2025**	**1,147,397**	**576,747**	**114,740**	**1,838,884**	**229,479**	**1,047,645**	**1,277,124**	**3,116,008**
	2024	1,000,000	362,839	100,000	1,462,839	1,485,079	558,749	2,043,828	3,506,667
Khalid Nabilsi[5]	**2025**	**37,741**	**2,221**	**3,579**	**43,541**	**N/A**	**N/A**	**–**	**43,541**
	2024	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

1. All figures are in (USD)
2. Share price at vesting date in 2025 was $28.80 (£21.40) and foreign exchange rate of $1.346 to £1
3. The EIP was applicable for the period 2020–2022 and full details are provided on pages 79 to 84 of the 2019 Annual Report. The current Policy was approved at the AGM held on 28 April 2023 and applied from 28 April 2023
4. Riad Mishlawi stepped down as CEO on the 15 December 2025. The 2025 salary and benefits represent amounts received from the start of the year until 15 December 2025. Details of pay and benefits received after this date can be found in the Payment for loss of office section on page 144
5. Khalid Nabilsi was appointed to the Board on the 15 December 2025. The 2025 salary represents his pro-rated base pay of $810,330 from that date to the end of the year. No bonus was paid for the period from his appointment to the Board to the year end

Salary

Please see Chair's letter (page 118) for commentary on salaries. The application of benefits remains unchanged and pensions are aligned with the wider workforce under the Directors Remuneration Policy.

		Salary		Change
Executive Director	Individual	**2026**	2025	%
Executive Chairman	Said Darwazah	**$1,060,800**	**$1,040,000**	2.0%
Former CEO	Riad Mishlawi	**–**	**$1,200,000**	n/a
Executive Vice Chairman	Mazen Darwazah	**$846,600**	**$830,000**	2.0%
CFO[1]	Khalid Nabilsi	**$810,330**	**$37,741**	2.0%

1. Khalid Nabilsi was appointed to the Board on 15 December 2025 and his base pay increased by 2% to $810,330

Benefits (audited)

Said Darwazah received transportation benefits of $79,774 (2024 $57,040) and medical benefits of $28,143 (2024: $25,638). Mazen Darwazah received transportation benefits of $71,604 (2024: $71,604) and medical benefits of $28,143 (2024: $25,575). Social security payments made in Jordan, that are required to be paid by Jordanian law, are not considered to be a benefit. Riad Mishlawi received a transportation allowance of $73,621 (2024: $60,568) medical benefits of $48,097 (2024: $26,926). In 2023 he was asked to relocate to the US for a period of 2 years and received housing support of $232,029 and tax equalisation support of $211,499. Interest on quasi loans of $7,022 and $4,479 in relation to assets available for private use have been included in the total benefits figure. Khalid Nabilsi received transportation benefits of $1,183 and medical benefits of $1,038. Social security payments made in Jordan, that are required to be paid by Jordanian law, are not considered to be a benefit.

Pension (audited)

Said Darwazah, Mazen Darwazah and Khalid Nabilsi have global roles and are paid in a number of locations. Pension contributions are only made on the proportion of salary received in Jordan, where they participate in the Hikma Pharmaceutical Defined Contribution Retirement Benefit Plan (the Jordan Benefit Plan) on the same basis as other employees. Under the Jordan Benefit Plan, Hikma matches employee contributions made, up to a maximum of 10% of applicable salary. Riad Mishlawi received a cash allowance of 10% of base salary in lieu of pension.

Vested share awards (audited)

During 2025, the share awards in the following tables vested for Executive Directors under the prior Remuneration Policy. Under the EIP, performance criteria had to be met before an award was granted. There were three award types under the EIP which are treated in the following manner in respect of the single remuneration figure on page 132.

- Element A – a cash bonus that is payable immediately and attributed to the earnings for the performance year. 2022 was the last payment of Element A of the EIP
- Element B – an award of shares that vests two years after grant subject to there being no forfeiture events and is attributed to the earnings in respect of the year in which it vests (i.e. two years after being granted)
- Element C – an award of shares that vests three years after grant and, due to their being no further performance requirements, is attributed to the earnings for the performance year in the same manner as Element A

The tables below detail share awards (Elements B and C) vesting during the year ended 31 December 2025.

Said Darwazah – EIP

EIP element	Maximum number of shares capable of vesting	% Shares vesting	Forfeiture	Number of shares vested	Total value of vested shares[2]
Element B[3]	31,679	100%	Nil	31,679	$912,495
Element C	18,420	100%	N/A	18,420	$500,523
Total	50,099			50,099	$1,413,018

Mazen Darwazah – EIP

EIP element	Maximum number of shares capable of vesting	% Shares vesting	Forfeiture	Number of shares vested	Total value of vested shares
Element B[3]	36,171	100%	Nil	36,171	$1,041,884
Element C	14,844	100%	N/A	14,844	$403,353
Total	51,015			51,015	$1,445,237

Riad Mishlawi – EIP[1]

EIP element	Maximum number of shares capable of vesting	% Shares vesting	Forfeiture	Number of shares vested	Total value of vested shares
Element B[3]	36,371	100%	Nil	36,371	$1,047,645
Element C	18,691	100%	N/A	18,691	$507,887
Total	55,062			74,952	$1,555,532

1. The shares that vested for Riad Mishlawi were in respect of grants made before appointment as CEO
2. Share price at vesting date was $ 27.17 (£21.60 and foreign exchange rate of $ 1.258 to £1) for element C, and $28.80 (£ 21.40 and foreign exchange rate of $ 1.346 to £1) for element B
3. Element B shares are attributed to earnings in respect of the year of vest and are included in the single remuneration figure on page 132

Policy deviation

During 2025, the Committee has not deviated from the Remuneration Policy approved by shareholders at the AGM on 28 April 2023.

Annual report on remuneration
continued

2025 annual bonus performance outcome: (audited)

Readers are directed to the commentary on business performance that is included in the Chair's letter on pages 118 to 119.
The section sets out the performance conditions and targets for 2025 and their level of satisfaction for each Executive Director.

Performance conditions – rationale and measurement

The Executive Directors shared a number of common performance conditions as detailed below. Additional individual performance conditions are detailed for each Executive Director in their respective sections along with their weighting.

Financial measures
– Core revenue
Historically, the pricing of generic pharmaceutical products has decreased with time. The Committee is cognisant that this could lead to declining revenue over the longer term, which could ultimately result in a declining business overall. By ensuring that a significant proportion of performance remuneration is based on revenue, the Committee is able to ensure that the Executive Directors are focused on mitigating pricing declines by maximising the potential of the in-market portfolio, launching new products, and developing the pipeline.

Ultimately, the COP is a key measure of value to Hikma's shareholders. Given the highly competitive business environment in which Hikma operates, the Executive Directors must focus continuously on optimising Hikma's cost base.

Strategic measures
– Sustainability
The Board remains mindful of Hikma's environmental impact and therefore the Executive Directors were collectively tasked with driving cost effective near-term renewable energy projects, researching Hikma's medium term renewable capacity, and setting the long-term strategic direction for carbon reduction for Hikma.

Executive Chairman (audited)

In addition to the common performance conditions set out on the previous page the Executive Chairman was set the following:

– Enhancing strategic execution
The Executive Chairman was required to:

- strengthen leadership through appointments into key roles
- improve strategic execution by putting in place resource and processes to drive delivery of strategic projects.
- identify and maximise synergies across R&D

Performance conditions – satisfaction

Executive Chairman

	Weight	Threshold 50% of salary awarded	Target 100% of salary awarded	Maximum 200% of salary awarded	Results	Achievement	% of salary
Financial							
Core revenue	30%	Target -10% $2,991m	Target $3,323m	Target +10% $3,656m	3,349m	Target to maximum	32.3%
Core operating profit (COP)	50%	Target -10% $682m	Target $758m	Target +10% $834m	741m	Threshold to target	38.8%
Strategic							
Enhancing Strategic Execution	10%	Strategy executed	Threshold plus governance improved and leadership strengthened	Target plus R&D capability maximised		Threshold	5.0%
Sustainability	10%	Advanced Hikma's decarbonisation agenda by completing the Qastal 1MWp solar installation ahead of schedule, securing continued renewable energy procurement, and finalising its long-term carbon-reduction strategy. A feasibility study for a large-scale PV project in Jordan was also completed, strengthening the pipeline of future emissions-reduction initiatives.				Target to maximum	15.0%
Total	**100%**	**Acceptable**	**Good**	**Excellent**			**91.2%**

Performance outcome

The above performance results in performance remuneration under the new Policy as follows (audited):

Participant		Calculation			Receive	
Executive	EIP Element	Salary	Maximum potential (% of salary)	Application % of salary	Value of bonus/ shares	Receive
Executive Chairman	**Cash bonus**	1,040,000	100%	45.6%	$474,036	Cash now (March 2026)
	Deferred shares		100%	45.6%	$474,036	Shares deferred for a period 3 years
Total			**200%**	**91.2%**	**$948,072**	

Note. All shares vesting are subject to continued employment and a holding period after vesting. These shares may not be sold until 5 years after grant.

Annual report on remuneration
continued

Executive Vice Chairman (audited)

In addition to the common performance conditions set out on page 134, the Executive Vice Chairman was set the following performance conditions:

Financial measures
– MENA revenue and COP
The Executive Vice Chairman is responsible for this region. The Committee considered financial metrics to be the best method of ensuring delivery of the strategy that could be measured in an objective manner that is readily understandable by investors. Measured by audited MENA revenue compared to target MENA revenue for the year ended 31 December 2025 and by audited MENA COP compared to target MENA COP for the year ended 31 December 2025.

Strategic measures
– Globalisation of R&D
To maximise synergies across R&D, the Executive Vice Chairman was required to deliver centralised R&D capability across the Group. Measured by the capability to provide centralised extractable and leachable testing services for the Group.

– Synergies across business segments
The Executive Vice Chairman was asked to complete the transfer of at least two technologies from the USA to Jordan to optimise utilisation of production capacity and capability. Measured by the number of technologies transferred

– ROI of MENA Expansions
To support value creation in the region, the Executive Vice Chairman was set the objective of assessing the ROI of all projects above an investment value of $5m and to track progress against these. Measured by the proportion of assessments carried out and the achievement of key milestones.

Performance conditions – satisfaction

Executive Vice Chairman

	Weight	Threshold 50% of salary awarded	Target 100 % of salary awarded	Maximum 200% of salary awarded	Results	Achievement	% of salary
Financial							
Core revenue	12%	Target -10% $2,991m	Target $3,323m	Target +10% $3,656m	$3,349m	Target to maximum	12.9%
Core operating profit (COP)	18%	Target -10% $682m	Target $758m	Target +10% $834m	$741m	Threshold to target	14.0%
MENA revenue	20%	Target -10% $939m	Target $1,043m	Target +10% $1,148m	$1,088m	Target to maximum	28.5%
MENA COP	30%	Target -10% $213m	Target $236m	Target +10% $260m	$259m	Target to maximum	58.7%
Strategic							
Globalisation of R&D	5%	No plan to centralise labs	Detailed project plan to centralise labs in place	Plan executed		Maximum	10.0%
Synergies across business segments	5%	Transfer of one technology from the US to MENA	Transfer of two technologies from the US to MENA	Complete the method and process transfer of at least two technologies from US to MENA		Maximum	10.0%
ROI of MENA expansions	5%	ROI assessments for 70% of expansion projects in MENA over $5 million	ROI assessments for 100% of expansion projects in MENA over $5 million	ROI assessments for 100% of expansion projects in MENA over $5 million with clear progress on actions		Target	5.0%
Sustainability	5%	Advanced Hikma's decarbonisation agenda by completing the Qastal 1MWp solar installation ahead of schedule, securing continued renewable energy procurement, and finalising its long-term carbon-reduction strategy. A feasibility study for a large-scale PV project in Jordan was also completed, strengthening the pipeline of future emissions-reduction initiatives.				Target to maximum	7.5%
Total	**100%**	**Acceptable**	**Good**	**Excellent**			**146.6%**

Performance outcome

The above performance results in performance remuneration under the new Policy as follows (audited):

Participant		Calculation			Receive	
Executive	EIP Element	Salary	Maximum potential (% of salary)	Application % of salary	Value of bonus/ shares	Receive
Executive Vice Chairman	**Cash bonus**	830,000	100%	73.3%	$608,522	Cash now (March 2026)
	Deferred shares		100%	73.3%	$608,522	Shares deferred for a period 3 years
Total			**200%**	**146.6%**	**$1,217,045**	

Note. All shares vesting are subject to continued employment and a holding period after vesting. These shares may not be sold until 5 years after grant.

Former CEO (audited)

In addition to the common performance conditions set out on page 134, the former CEO was set the following performance conditions:

Strategic Measures
– Execution of the approved Group strategy
To support this, the former CEO was tasked with:

- enhancing strategy execution by putting in place resource and processes to drive delivery of strategic projects. Measured by the establishment of capability and processes.
- maximising operational efficiencies by transferring at least two technologies from the USA to Jordan
- implementing the compounding business plan measured by the delivery of over 40% revenue growth in 2025.

– Globalisation of R&D
To maximise synergies across R&D, the CEO was required to deliver centralised R&D capability across the Group. Measured by the capability to provide centralised extractable and leachable testing services for the Group.

After detailed consideration, the Committee applied discretion to adjust the formulaic outcome of the bonus downwards from 99.7% to 20% of target resulting in an award that it considered more appropriately reflected the Executive's contribution over the period.

Performance conditions – satisfaction

Former CEO

	Weight	Threshold 50% of salary awarded	Target 100% of salary awarded	Maximum 200% of salary awarded	Results	Achievement	% of salary
Financial							
Core revenue	30%	Target -10% $2,991m	Target $3,323m	Target +10% $3,656m	$3,349	Target to maximum	32.3%
Core operating profit (COP)	50%	Target -10% $682m	Target $758m	Target +10% $834m	$741m	Threshold to Target	38.8%
Strategic							
Enhancing Strategic Execution	8%	Strategy executed	Threshold plus governance improved and leadership strengthened	Target plus R&D capability maximised		Threshold	8.0%
	1%	Transfer of one technology from the US to MENA	Transfer of two technologies from the US to MENA	Complete the method and process transfer of at least two technologies from US to MENA		Maximum	2.0%
	1%	Compounding business plan in place and 2025 revenue growth <10%	Compounding business plan in place and 2025 target revenue growth achieved of 20%	Compounding business plan in place and maximum 2025 revenue growth achieved of 40%		Target	1.0%
Globalisation of R&D	2.5%	No plan to centralise labs	Detailed project plan to centralise labs in place	Plan executed		Maximum	5.0%
	2.5%	R&D operations continue to function separately	Project plan in place to centralise selected R&D functions	Project plan executed		Maximum	5.0%
Sustainability	5%	Advanced Hikma's decarbonisation agenda by completing the Qastal 1MWp solar installation ahead of schedule, securing continued renewable energy procurement, and finalising its long-term carbon-reduction strategy. A feasibility study for a large-scale PV project in Jordan was also completed, strengthening the pipeline of future emissions-reduction initiatives.				Target to maximum	7.5%
Total	**100%**	**Acceptable**	**Good**	**Excellent**			**99.7%**

Performance outcome

The Remuneration Committee exercised its discretion to adjust the formulaic outcome above downwards to an award of 20% of target (audited):

Participant		Calculation			Receive	
Executive	Policy element	Salary	Maximum potential (% of salary)	Application % of salary	Value of bonus/shares	Receive
CEO	**Cash bonus**	$1,200,000	100%	10%	$120,000	Cash now (March 2026)
	Deferred shares		100%	10%	$120,000	Shares deferred for a period of 3 years
Total			**200%**	**20%**	**$240,000**	

Note. All shares vesting are subject to continued employment and a holding period after vesting. These shares may not be sold until 5 years after grant.

Annual report on remuneration
continued

2023 Long-term incentive award vesting in respect of performance period 2023 to 2025 (audited)

The performance measures applying to awards granted in 2023 are set out below.

The Committee reviewed the LTIP performance measures in 2025 and replaced the original diversity metric with a succession-planning metric as highlighted in the Chair's letter on page 119. The Committee is satisfied that, had the previous metric been retained, vesting outcomes would have been broadly similar; the change therefore did not disproportionately benefit Executive Directors.

Measure	Rationale	Weighting	Threshold	Target	Maximum	Results	Achievement	Achievement percentage %
Core compound EPS growth for 1 January 2023 to 31 December 2025	Alignment with shareholders return	30%	5%	8%	11%	8%	Target	18.75%
Percentage of revenue from new business over 3 years	Developing revenue from new business is a key element of Hikma's business plan	30%	13%	16%	19%	19%	Maximum	30.00%
Relative TSR performance compared to FTSE 50–150 (excluding investment trusts)	Alignment with shareholders return	20%	Median	–	Upper Quartile	Below Median	Below Threshold	0.00%
Succession planning[1]	Ensure long-term leadership continuity and strengthen future organisational capability	10%	40%	65%	80%	67%	Target to Maximum	7.56%
Achieve good water management at all Hikma's sites in MENA	Hikma has significant operations in water stressed countries in MENA.	10%					Target	6.25%
Total achievement								62.56%

Value of 2023 LTIP awards to vest in 2026

Director	Ordinary Shares granted	Performance outcome	Shares vesting	Shares lapsing
Said Darwazah	132,783	62.56%	83,069	49,714
Mazen Darwazah	105,233	62.56%	65,834	39,399
Riad Mishlawi	87,602	62.56%	54,804	32,798
Khalid Nabilsi	74,699	62.56%	46,732	27,967

Long-term incentive awards made during the year ended 31 December 2025 (audited)

On 9 April 2025, Said Darwazah and Mazen Darwazah and Riad Mishlawi received awards of performance shares under the Hikma Pharmaceuticals plc Long-Term Incentive Plan 2023 as a percentage of salary as outlined below. The three-year period over which performance will be measured is 1 January 2025 to 31 December 2027.

The performance measures for these awards are outlined below:

Measure	Rationale	Weighting	Threshold	Target	Maximum
Core compound EPS growth for 1 January 2025 to 31 December 2027	Alignment with shareholders' return	35%	5%	8%	11%
Percentage of revenue from new business over 3 years	Developing revenue from new business is a key element of Hikma's business plan	35%	13%	16%	20%
Relative TSR performance compared to FTSE 50–150 (excluding investment trusts)	Alignment with shareholders' return	20%	Median	–	Upper Quartile
Sustainability Good water stewardship measured by attainment of key aspects of the ISO 46001 Water Efficiency Management System in all manufacturing locations verified by an independent third party	Recognition of Hikma's environmental impact, particularly in regions facing water stress	10%	Foundational requirements delivered at all sites	Threshold plus all MENA sites deliver targets and measurements and data	Target extended to all sites

Details of the value of these awards[1] are shown in the table below:

Executive Director	Date of grant	Award made	Grant price[2]	Face value	Face value as % salary
Said Darwazah	9 April 2025	128,501	$24.28	$3,120,004	300%
Mazen Darwazah	9 April 2025	148,270	$24.28	$2,490,011	300%
Riad Mishlawi	9 April 2025	102,554	$24.28	$3,599,996	300%
Khalid Nabilsi[3]	9 April 2025	73,620	$24.28	$1,787,494	225%

1. No award vests for performance below threshold, 25% at threshold and 62.5% at target
2. The share price was determined by the average closing price in the five business days preceding the grant date
3. This award was made prior to Khalid Nabilsi's appointment to the Boar

The proportion of the awards outlined above that will vest will depend on the achievement against the performance objectives and their continued employment. The final value that vests may be zero if the threshold performance for each of the objectives is not achieved. The vesting outcome of the awards will be disclosed in the 2027 Annual Report.

Annual report on remuneration
continued

Outstanding share awards (audited)

Hikma continued to operate the EIP with the final award being made in May 2023. The first award under the new LTIP was made on 30 May 2023. The outstanding share awards in respect of each of the Executive Directors are:

Participant	Share scheme				Quantum		
Director	Scheme description[1,3]	Type of interest	Date of award	Date of vesting	% Salary	Shares (max)	Face value
Said Darwazah	EIP Element C	Conditional award	30-May-23	30-May-26	35%	19,761	$364,393
	LTIP 2023[2]	Conditional award	30-May-23	30-May-26	235%	132,783	$2,448,519
	LTIP 2024[4]	Conditional award	09-Apr-24	09-Apr-27	294%	129,792	$3,054,006
	Deferred Shares 2024[4,6]	Conditional award	09-Apr-24	09-Apr-27	79%	34,884	$820,821
	LTIP 2025[5]	Conditional award	09-Apr-25	09-Apr-28	300%	128,501	$3,120,004
	Deferred Shares 2025[5,7]	Conditional award	09-Apr-25	09-Apr-28	72%	30,783	$747,411
Total						**476,504** 2024: 367,319	**$10,555,154** $7,816,211
Riad Mishlawi	EIP Element C	Conditional award	30-May-23	30-May-26	47%	30,749	$567,012
	LTIP 2023[2]	Conditional award	30-May-23	30-May-26	116%	75,339	$1,389,251
	LTIP 2023[2,8]	Conditional award	31-Aug-23	31-Aug-26	19%	12,263	$226,130
	LTIP 2024[4 9]	Conditional award	09-Apr-24	09-Apr-27	250%	71,543	$3,000,004
	Deferred Shares 2024[4,6]	Conditional award	09-Apr-24	09-Apr-27	23%	11,777	$277,113
	LTIP 2025[5]	Conditional award	09-Apr-25	09-Apr-28	300%	Lapsed	$3,599,996
	Deferred Shares 2025[5,7]	Conditional award	09-Apr-25	09-Apr-28	62%	30,582	$742,531
Total						**232,253** 2024: 312,687	**$9,802,037** $6,682,519
Mazen Darwazah	EIP Element C	Conditional award	30-May-23	30-May-26	46%	20,650	$380,786
	LTIP 2023[2]	Conditional award	30-May-23	30-May-26	234%	105,233	$1,940,497
	LTIP 2024[4]	Conditional award	09-Apr-24	09-Apr-27	292%	102,863	$2,420,366
	Deferred Shares 2024[4,6]	Conditional award	09-Apr-24	09-Apr-27	82%	28,926	$680,629
	LTIP 2025[5]	Conditional award	09-Apr-25	09-Apr-28	300%	102,554	$2,490,011
	Deferred Shares 2025[5,7]	Conditional award	09-Apr-25	09-Apr-28	76%	25,864	$627,978
Total						**386,090** 2024: 308,687	**8,540,267** $6,527,911
Khalid Nabilsi[10]	EIP Element C	Conditional award	30-May-23	30-May-26	52%	22,209	$409,534
	LTIP 2023[2]	Conditional award	30-May-23	30-May-26	173%	74,699	$1,377,450
	LTIP 2024[4]	Conditional award	09-Apr-24	09-Apr-27	221%	74,477	$1,752,444
	LTIP 2025[5]	Conditional award	09-Apr-25	09-Apr-28	225%	73,620	$1,787,494
Total						**$245,005** 2024: N/A	**$5,326,922** 2024: $N/A

1. The performance criteria for Element C of the EIP are assessed before a grant is considered
2. The face value is calculated as the monetary value of the award at the point of grant converted to the number of shares using the 30-day average share price to the 31 December of the performance year. The 30 day average share price used for awards granted in 2023 was $18.44(£15.15). The actual value received by Executive Directors under the share incentive arrangements is dependent upon the share price of Hikma at the time of vesting and the satisfaction of performance criteria
3. The minimum value of the awards at vesting will be the share price on the day of vesting multiplied by the number of shares vesting. If the Executive Director leaves employment during the vesting period, the normal position is that zero shares vest
4. The face value was determined by the average closing price in the five business days preceding the grant date, $23.53(£18.64)
5. The face value was determined by the average closing price in the five business days preceding the grant date, $24.28(£18.81)
6. The deferred shares granted in 2024 relate to the 50% of the 2023 annual bonus deferred into shares
7. The deferred shares granted in 2025 relate to the 50% of the 2024 annual bonus deferred into shares. Khalid Nabilsi did not have deferred shares prior to his appointment to the Board.
8. The LTIP award granted to Riad Mishlawi on 31 August 2023 represented an exceptional award on his appointment to the position of CEO
9. The original grant to Riad of 124,497 shares has been prorated to 15 December 2025 when he stepped down as CEO. 55,954 shares lapsed
10. The LTIP awards granted to Khalid Nabilsi were prior to his appointment to the Board

The applicable share prices for Hikma during the period under review were:

Date	Market price (Closing price)
1 January 2025	2,014p
31 December 2025	1,550p
2025 Range (low to high)	1,503p to 2,340p
25 February 2026	1,652p

Dilution

In accordance with the guidelines set out by the Investment Association applicable in 2025, Hikma can issue a maximum of 10% of its issued share capital in a rolling ten-year period to employees under all its share plans and a maximum of 50% of this (representing 5% of issued share capital) for discretionary share plans. The following table summarises the current level of dilution resulting from Hikma's share plans since 2016:

Type of plan	Granted in a rolling ten-year period	Granted during the year
Discretionary Share Plans (5% Limit)	2.87%	0.68%

Director share interests (audited)

Said Darwazah, Mazen Darwazah and Ali Al-Husry are Directors and shareholders of Darhold Limited. Darhold holds 60,000,000 Ordinary Shares in Hikma. The table below breaks down their shareholdings in Hikma by shares effectively owned through Darhold and shares held personally or by connected people as at 31 December 2025. The cancellation and issuance of shares in Darhold and Hikma, as well as changes in the number of Hikma shares held by Darhold, can lead to a degree of variation in the 'Effective Hikma shares'.

	Darhold		Personal	
Director	Interest in Darhold	Effective Hikma shares	Shares (incl. connected people)	Total shareholding
Said Darwazah[1]	26.76%	16,059,224	1,507,566	17,566,790
Mazen Darwazah[2]	15.50%	9,301,788	1,847,237	11,149,025
Ali Al-Husry[3]	8.32%	4,993,601	1,215,875	6,209,476

1. Said Darwazah holds his shares in Darhold Limited through a family trust
2. Mazen Darwazeh holds his shares in Darhold Limited through a family trust
3. Ali Al-Husry holds his shares in Hikma and Darhold Limited through a family trust

The share price used to calculate whether the shareholding requirements have been met is the price on 31 December 2025 of £15.50 and foreign exchange rate of $1.3477 to £1 on the same date.

The following table sets out details of the Directors' shareholdings in Hikma as at 31 December 2025 and, where there are shareholding requirements, whether these have been met:

	Ownership requirements			Total	Scheme Interests		Total
Director	Percentage of salary	Number of shares	Requirement fulfilled?	Shares owned[2]	Awards subject to performance conditions[3]	Awards not subject to performance conditions[6]	Share interests
Said Darwazah[1]	**300%**	149,354	Yes	17,566,790	391,076	85,428	18,043,294
Riad Mishlawi[8]	**300%**	172,331	Yes	197,525	159,145	73,108	429,778
Mazen Darwazah[2]	**300%**	119,196	Yes	11,149,025	310,650	75,440	11,535,115
Khalid Nabilsi	**300%**	114,089	Yes	462,164	222,796	22,209	707,169
Ali Al-Husry[4]	N/A	N/A	N/A	6,209,476	N/A	N/A	6,209,476
John Castellani[5]	N/A	N/A	N/A	3,500	N/A	N/A	3,500
Nina Henderson[7]	N/A	N/A	N/A	7,100	N/A	N/A	7,100
Cynthia Flowers	N/A	N/A	N/A	1,100	N/A	N/A	1,100
Douglas Hurt	N/A	N/A	N/A	4,500	N/A	N/A	4,500
Deneen Vojta	N/A	N/A	N/A	1,000	N/A	N/A	1,000
Laura Balan	N/A	N/A	N/A	3,500	N/A	N/A	3,500
Victoria Hull	N/A	N/A	N/A	5,991	N/A	N/A	5,991

1. Said Darwazah holds his shares in Darhold Limited through a family trust, in which he has a beneficial interest
2. Mazen Darwazah holds his shares in Darhold Limited through a family trust, in which he has a beneficial interest
3. This includes the LTIPs under the 2023 Remuneration Policy
4. Ali Al-Husry holds his shares in Hikma and Darhold Limited through a family trust, in which he has a beneficial interest
5. John Castellani stepped down from the Board on 24 April 2025
6. This includes element C awards made under the EIP (see page 133) and deferred shares under the annual bonus plan of the current remuneration policy
7. Nina Henderson stepped down from the Board on 31 December 2025
8. Riad Mishlawi stepped down as CEO on 15 December 2025

There have been no changes in the interests of the Directors in the shares of Hikma between 31 December 2025 and the date of this report.

Annual report on remuneration
continued

Director share interests (audited) continued

The following table sets out the changes in the share interests of Directors during the year under review and up to the date of this report. Other than as detailed in the table, the Directors' share interests in Hikma did not change during the period.

Director	Date	Event	Number of shares
Said Darwazah	25/02/2025	Vesting of 2022 EIP Element C. Retained all Shares	18,420
Said Darwazah	30/05/2025	Vesting of 2023 EIP Element B. Retained all Shares	31,679
Said Darwazah	11/06/2025	Market Purchase of shares	400,000
Said Darwazah	11/07/2025	Market Purchase of shares	130,000
Said Darwazah	06/11/2025	Hikma holding through a family trust	50,000
Said Darwazah	19/12/2025	Hikma holding through a family trust	25,000
Riad Mishlawi	25/02/2025	Vesting of 2022 EIP Element C. Retained all Shares	18,691
Riad Mishlawi	28/02/2025	Vesting of 2016 EIP Element B. Retained all Shares	19,890
Riad Mishlawi	06/05/2025	Dividend reinvestment	1,454
Riad Mishlawi	30/05/2025	Vesting of 2023 EIP Element B. Retained all Shares	36,371
Riad Mishlawi	22/09/2025	Dividend reinvestment	1,680
Mazen Darwazah	25/02/2025	Vesting of 2022 EIP Element C. Retained all Shares	14,844
Mazen Darwazah	30/05/2025	Vesting of 2023 EIP Element B. Retained all Shares	36,171
Mazen Darwazah	11/06/2025	Market Purchase of shares	115,000
Mazen Darwazah	08/08/2025	Market Purchase of shares	200,000
Mazen Darwazah	17/09/2025	Market Purchase of shares	14,000
Mazen Darwazah	06/11/2025	Hikma holding through a family trust	50,000
Mazen Darwazah	19/12/2025	Hikma holding through a family trust	25,000
Khalid Nabilsi	25/02/2025	Vesting of 2022 EIP Element C.	17,003
Khalid Nabilsi	30/05/2025	Vesting of 2023 EIP Element B.	28,833
Laura Balan	22/08/2025	Market Purchase of shares	3,500
Victoria Hull	08/04/2025	Market Purchase of shares	2,777
Victoria Hull	07/11/2025	Market Purchase of shares	3,214

Scheme interests (audited)

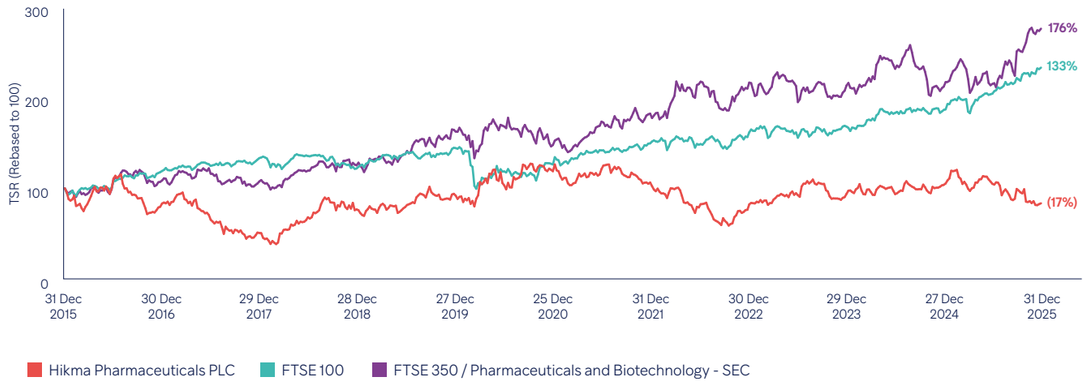
The following table sets out details of the 'scheme interests' of the Directors. Element C of the EIP has been included because they have service conditions in excess of one year.

	Type of interest		Share interests with performance measures	
Director	Shares	Share options	Yes	No
Said Darwazah	476,504	–	391,076	85,428
Riad Mishlawi[1]	232,253	–	159,145	73,108
Mazen Darwazah	386,090	–	310,650	75,440
Khalid Nabilsi[2]	245,005	–	222,796	22,209
All other directors	–	–	–	–

1. Riad Mishlawi stepped down as CEO on 15 December 2025
2. Khalid Nabilsi was appointed Executive Director with effect from 15 December 2025

Total shareholder return

Over the 10-year period to 31 December 2025, Hikma's TSR trailed the FTSE comparator and the sector peer groups. The Committee has reflected this in its assessment of 2025 incentive outcomes and in the calibration of forward-looking performance measures.



Remuneration table

The following table sets out the total remuneration, including amounts vesting under short-term and long-term incentive plans, for each financial period in respect of the Directors holding the positions of Executive Chairman and CEO. The total figures for the financial years 2017 and 2016 are higher than would otherwise be the case due to a change of incentive plan. In accordance with the Regulations, the 2017 and 2016 totals include LTIPs vesting during the relevant period (which were granted three years before) and Element C of the EIP which was granted in respect of the relevant period. The Regulations require Element C to be treated in a similar way to the annual bonus, although it is an award of shares that will vest three years after grant.

	Said Darwazah – Executive Chairman			Riad Mishlawi– Chief Executive Officer		
Year	Total	Bonus as % max[1]	Deferred share awards as % max[2]	Total	Bonus as % max[1]	Deferred share awards as % max[2]
2025	**$3,077,622**	**46%**	**46%**	**$3,116,008**	**10%**	**10%**
2024	$3,537,622	73%	73%	$3,506,667	74%	74%
2023	$3,573,139	81%	81%	$1,552,833	83%	83%
2022	$3,402,078	37%	38%	N/A	N/A	N/A
2021	$4,586,119	62%	67%	N/A	N/A	N/A
2020	$4,059,653	73%	77%	N/A	N/A	N/A
2019	$4,448,934	74%	78%	N/A	N/A	N/A
2018	$4,501,217	88%	90%	N/A	N/A	N/A
2017	$3,538,646	0%	0%	N/A	N/A	N/A
2016	$6,308,238	71%	68%	N/A	N/A	N/A

1. For the years 2016–2022 the 'Bonus as % max' column comprises cash under Element A of the EIP paid immediately and shares under Element C of the EIP that are released three years after grant. For the years 2023–2025 the figure comprises the cash element of the annual bonus
2. For the years 2014–2022 the 'deferred share award as % max' column includes Element B of the EIP, shares that vest in two years from the date of grant provided that the Executive remains in employment and forfeiture events have not occurred. For the years 2023–2025 the figure comprises the shares element of the annual bonus deferred for 3 years

Annual report on remuneration
continued

Non-Executive Directors (audited)

In December 2022, the Executive Directors reviewed the fees paid to Non-Executive Directors and made a number of changes that came into effect from 1 January 2023, the full details of which can be found on page 121 of the Annual Report 2022. In January 2026, the Executive Directors reviewed the fees paid to non-Executive Directors. The conclusion of the review was that the base fee should remain unchanged at £90,500 but the annual fees for the Senior Independent Director increased to £25,000 (£15,000 2025), Audit Committee Chair increased to £25,500 (£20,000 2025), the Remuneration Committee Chair increased to £25,000 (£20,000 2025), Nomination and Governance Chair to £18,000 (£15,000 2025), the Compliance, Responsibility and Ethics Committee Chair to £25,000 (£15,000 2025) and the Workforce Engagement Lead increased to £15,000 (£10,000 2025). These fee increases followed a benchmarking exercise to ensure Non-Executive Director remuneration was in line with market practice and took effect from 1 January 2026.

On 26 February 2026, Victoria Hull was appointed to the position of Non-Executive Chair. After an external benchmarking review of FTSE 100 revenue aligned peers, the Committee agreed to set her total fee inclusive of all committee responsibilities at £370,000.

		Fee (all elements) $		Taxable benefits[1] $		Total $	
Name	Board position	**2025**	2024	**2025**	2024	**2025**	2024
Ali Al-Husry	Non-Executive Director	**119,349**	115,632	**1,435**	1,329	**120,784**	116,961
John Castellani[2]	Independent Director	**48,625**	147,574	**10,541**	17,573	**59,166**	165,147
Nina Henderson[3]	Independent Director	**136,341**	166,740	**13,616**	10,930	**149,957**	177,670
Cynthia Flowers[4]	Independent Director and Remuneration Committee Chair	**150,696**	128,409	**9,266**	2,816	**159,962**	131,225
Douglas Hurt	Independent Director and Audit Committee Chair	**158,912**	153,963	**–**	–	**158,912**	153,963
Laura Balan[5]	Independent Director and designated Director for workforce engagement	**141,701**	128,409	**–**	–	**141,701**	128,409
Victoria Hull	Senior Independent Director and Nomination and Governance Committee Chair	**172,099**	166,740	**–**	420	**172,099**	167,160
Deneen Vojta	Independent Director and CREC Chair	**146,198**	128,409	**10,406**	15,776	**156,604**	144,185

1. 'Taxable benefits' includes certain accommodation expenses for Non-Executive Directors that are wholly related to their attendance at Board meetings and are in accordance with normal Hikma expense policy
2. John Castellani was an Independent Director and CREC Committee Chair until his retirement on 24 April 2025
3. Nina Henderson was Remuneration Committee Chair and Workforce Engagement Lead until 24 April 2025, and was Independent Director until she stepped down on 31 December 2025
4. Cynthia Flowers became Remuneration Committee Chair effective 25 April 2025
5. Laura Balan became the designated Director for Workforce Engagement effective 25 April 2025
6. Deneen Vojta became CREC Chair on 25 April 2025

Payments to past Directors (audited)

There were no payments made to past Directors during 2025.

Payments for loss of office (audited)

During the year, Riad Mishlawi stepped down as CEO and as an Executive Director by mutual agreement with effect from 15 December 2025 with employment ending on 14 December 2026. During this notice period, he will remain on garden leave. He will receive his normal contractual remuneration and normal benefits and allowances during this period with the exception of housing which was paid until the end of December 2025. In determining the payments made in connection with his loss of office the Committee considered the terms of his service agreement and the circumstances of his departure. All payments were limited strictly to statutory and contractual entitlements and to awards treated in line with the rules of the Company's incentive plans.

Details of the remuneration arrangements for the former CEO following cessation of employment, which were approved by the Remuneration Committee and are in accordance with the Directors' Remuneration Policy, are set out below.

Salary and benefits
The following payments were made for the period from 15 December 2025 to the end of the year: Salary $52,603, Bonus $10,520, assignment expenses $9,600, transportation allowance $3,375, medical benefits $2,205, housing $10,637 relocation support $6,410 and tax equalisation $9,696. Riad will continue to receive salary and benefits, excluding housing, as normal for the remainder of his contractual notice period to 14 December 2026 on the same terms and conditions that are currently in effect. This includes base pay, private medical cover, life assurance, car allowance, relocation and tax return support until 14 December 2026.

Pension contributions
Pension contributions for the period from 15 December 2025 to the end of the year totalled £5,260. Pension contributions will continue to paid up to the cessation date of 14 December 2026.

Statutory payments
A payment of € 250,280 in relation to the termination of his employment and directorship of Hikma Farmacéutica (Portugal) S.A in accordance with the Portuguese Labor Code.

Annual Bonus
For the 2025 financial year, the Committee exercised discretion to adjust the formulaic outcome downwards to an award 20% of the target bonus, amounting to $240,000. 50% of this amount is payable in cash at the normal payment date, with the remaining 50% deferred into the Deferred Bonus Plan (DBP). The Executive is not eligible for a bonus in respect of the 2026 financial year or any future periods.

Long Term Incentive Arrangements
The Committee exercised its discretion to treat outstanding awards as follows:

2023 LTIP Award
Vesting will occur at the normal time, subject to achieving the relevant performance conditions, assessed at the time of vesting. Dividend equivalents will be paid at vesting.

2024 LTIP Award
Vesting will occur at the normal time, subject to achieving the relevant performance conditions assessed at time of vesting, and subject to time pro-rating to reflect the period employed during the performance period. Dividend equivalents will be paid at vesting.

The Company's malus and clawback Policy will continue to apply.

2025 LTIP Award
Lapsed in full and will not vest.

Deferred Bonus Plan (DBP)
The 2024 and 2025 DBP awards will continue in accordance with the DBP rules and vest at their original vesting dates, subject to malus and clawback.

Executive Incentive Plan (EIP)
The 2023 EIP award will continue and will vest in the ordinary course on 30 May 2026, subject to plan rules. Dividend equivalents apply.

Shareholding Requirements and Holding Periods
All vested awards remain subject to applicable post vesting holding periods and to malus and clawback provisions.

The Executive is required to comply with the Company's two year post employment shareholding requirement, retaining shares equal to 300% of salary as permitted by the Policy The Executive will receive a contribution of up to £20,500 plus VAT for legal fees incurred in connection with agreeing his departure terms.

The Remuneration Committee is satisfied that the payments made were fair, proportionate and fully aligned with the approved Policy, and that no payments were made which would reward under-performance or failure.

Terms of appointment and service

Service contracts
The details of the service contracts of the Executive Directors of Hikma in force at the end of the year under review are available for inspection at Hikma's registered office at 1 New Burlington Place, London W1S 2HR, were:

Executive Director	Notice period	Contract date	Unexpired term of contract	Potential termination payment
Said Darwazah	12 months	1 July 2007	Rolling contract	12 months' salary and benefits
Riad Mishlawi	12 months	11 April 2023	Rolling contract	12 months' salary and benefits
Mazen Darwazah	12 months	25 May 2006	Rolling contract	12 months' salary and benefits
Khalid Nabilsi[1]	12 months	15 December 2025	Rolling contract	12 months' salary and benefits

1. The contract for Khalid Nabilsi for his appointment to Executive Director will be effective 15 December 2025 and is under negotiation

The Executive Directors are not appointed for a specified term and, therefore, do not have an outstanding term that requires disclosure.

Letters of appointment
The Non-Executive Directors have letters of appointment with Hikma, not service contracts, which are available for inspection at Hikma's registered office at 1 New Burlington Place, London W1S 2HR. Appointments are made for a period of 36 months and then reviewed.

Non-Executive Director	Date of appointment	Notice period
Ali Al-Husry	14 October 2005	1 month
John Castellani[1]	1 March 2016	1 month
Nina Henderson[2]	1 October 2016	1 month
Cynthia Flowers	1 June 2019	1 month
Douglas Hurt	1 May 2020	1 month
Laura Balan	1 October 2022	1 month
Victoria Hull	1 November 2022	1 month
Deneen Vojta	1 November 2022	1 month

1. John Castellani was an Independent Director and CREC Committee Chair until his retirement on 24 April 2025
2. Nina Henderson was Remuneration Committee Chair and Workforce Engagement Lead until 24 April 2025, and was Independent Director until she stepped down on 31 December 2025

Hikma complies with the Code requirement that all Directors be subject to election or annual re-election by shareholders.

Annual report on remuneration
continued

External appointments

Hikma recognises that Executive Directors may be invited to take up non-executive directorships or public sector and not-for-profit appointments, and that these can broaden the experience, network and knowledge of the Director, from which Hikma can benefit. Executive Directors may accept external appointments as long as they do not lead to a conflict of interest and are allowed to retain any fees. During the year under review, Said Darwazah received fees of $NIL (2024: $4,100) and Khalid Nabilsi received fees of $63,200 (2024: $N/A). There were no other fees paid to Executive Directors relating to external appointments. External appointments are detailed in their Director profiles on page 100.

Implementation of Policy

In February 2026, the Remuneration Committee reviewed the base salaries for Executive Directors and agreed an increase of 2% for the Executive Chairman and 2% for the Executive Vice Chairman.

On appointment of the CFO to the Board on 15 December 2025, the Committee considered the responsibilities of the CFO role, internal relativities and relevant market benchmarks in determining the package. The CFO's base salary was increased by 2% to $810,330 and his maximum bonus opportunity increased to 175% of salary and his maximum LTIP opportunity to 250%. These arrangements are consistent with the Policy. Pension and benefits are aligned to those available to the wider workforce in his home market, and the CFO is subject to the Company's Executive Director shareholding and post-cessation guidelines. His service contract will contain standard terms, including a 12-month notice period.

Annual bonus design for year ending 31 December 2026

The measures and targets for the annual bonus plan will be reviewed annually by the Committee and those agreed for 2026 are:

			Weighting		
Area	Description	Rationale	Executive Chairman	Executive Vice Chairman and Deputy CEO, MENA	Deputy CEO, North America and Europe
Financial	Group/Division Revenue	Historically, the pricing of generic pharmaceutical products has decreased with time. The Committee recognises that this could lead to declining revenue over the longer term, which could ultimately result in a declining business overall. By ensuring that a significant proportion of performance remuneration is based on revenue, the Committee is able to ensure that the Executive Directors are focused on mitigating pricing declines by maximising the potential of the in-market portfolio, launching new products, and developing the pipeline.	30%	30%	30%
	Group Core/ Divisional EBIT	Ultimately, core operating profit is a key measure of value to Hikma's shareholders. Given the highly competitive business environment in which Hikma operates, the Executive Directors must focus continuously on optimising Hikma's cost base.	50%	50%	50%
Strategic	Pipeline development	To continue Hikma's growth the Executive Directors have been set a number of targets regarding pipeline development. These will be disclosed in the 2026 Annual Report	8%	8%	8%
	Compliance and governance	Strengthen accountability for governance, compliance, financial controls, risk management, and the development of a positive speak-up culture	6%	6%	6%
	Engagement and culture	Enhance our organisational culture by improving employee confidence in ethical conduct, wellbeing support, and senior leadership	6%	6%	6%

1. The financial weightings for the Executive Vice Chairman are 12% Group Revenue,18% Group Core EBIT, 20% MENA Revenue and 30% MENA Core EBIT
2. The financial weightings for the Deputy CEO, North America and Europe are 12% Group Revenue, 18% Group Core EBIT, 20% North America and Europe revenue and 30% North America and Europe Core EBIT

The Committee has discretion to adjust the pay out to reflect the underlying business performance and any other relevant factors. Details of the financial and strategic targets for the year ended 31 December 2026 will be disclosed retrospectively in next year's Annual Report on remuneration, by which time the Board will no longer deem them commercially sensitive.

Long term incentive awards to be made in year ending 31 December 2026

The Committee intends to issue a Performance Share Plan (PSP) award to the Executive Directors. Under the Policy long-term incentive measures will be reviewed annually by the Committee and will be designed to drive Hikma business strategy and align with the delivery of value to shareholders. It is proposed that the following targets will be set for the 2025 award and measure over the period 1 January 2025 to 31 December 2027:

Measure	Rationale	Weighting	Threshold	Target	Maximum
Core compound EPS growth for 1 January 2025 to 31 December 2027[1]	Alignment with shareholders' return	30%	3%	6%	8%
Percentage of revenue from new business over 3 years	Developing revenue from new business is a key element of Hikma's business plan	30%	15%	19%	21%
Relative TSR performance compared to FTSE 50–150 (excluding investment trusts)	Alignment with shareholder's return	20%	Median	–	Upper quartile
Sustainability	To continue focus on Scope 1 and 2 CO_2 emissions, delivering a reduction from 2020 baseline	20%	Progress against CO_2 emissions targets		

It is proposed that a PSP share award of 300% is made to the Executive Chairman and Executive Vice Chairman and Deputy CEO, MENA and that a PSP share award of 250% to the Deputy CEO, North America and Europe subject to the measures in the above table.

Shareholder approval

Annual report on remuneration (24 April 2025 AGM)

Votes available	167,248,483
Votes cast	166,060,266
For	99.55%
Against	0.45%
Withheld	1,188,217

Annual report on remuneration (25 April 2024 AGM)

Votes available	183,621,063
Votes cast	183,617,785
For	91.44%
Against	8.56%
Withheld	3,278

Remuneration Policy (28 April 2023 AGM)

Votes available	174,909,661
Votes cast	174,905,422
For	98.24%
Against	1.76%
Withheld	4,239

Annual report on remuneration
continued

Director and average employee compensation change

The table below shows the percentage change in the Executive Directors and Non-Executive Directors , benefits and bonus for the five years between 2021 and 2025 compared with the percentage change in the average of each of those components of pay for employees (excluding the Executive Directors).

Director and average employee compensation change – salary[1]	Salary					Benefits					Bonus				
	Average percentage change					Average percentage change					Average percentage change				
	2020–2021	2021–2022	2022–2023	2023–2024	**2024–2025**	2020–2021	2021–2022	2022–2023	2023–2024	**2024–2025**	2020–2021	2021–2022	2022–2023	2023–2024	**2024–2025**
Said Darwazah	0%	0%	0%	0%	**2%**	(21)%	(3)%	40%	10%	**31%**	(17)%	(40)%	73%	(9)%	**(37)%**
Riad Mishlawi[2]	N/A	N/A	N/A	200%	**20%**	N/A	N/A	N/A	99%	**40%**	N/A	N/A	N/A	168%	**(85)%**
Mazen Darwazah	5%	4%	3%	0%	**3%**	(30)%	(52)%	113%	45%	**3%**	(6)%	(15)%	30%	(8)%	**(2)%**
Khalid Nabilsi	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A	**N/A**	N/A	N/A	N/A	N/A	**N/A**
Ali Al-Husry[3]	5%	(8)%	3%	3%	**3%**	(64)%	(100)%	0%	(69)%	**10%**	N/A	N/A	N/A	N/A	**N/A**
John Castellani[3,5]	5%	(8)%	7%	3%	**(67)%**	(30)%	135%	(11)%	5%	**(39)%**	N/A	N/A	N/A	N/A	**N/A**
Nina Henderson[3,6]	5%	(3)%	13%	3%	**(18)%**	(30)%	(41)%	96%	(26)%	**27%**	N/A	N/A	N/A	N/A	**N/A**
Cynthia Flowers[3]	5%	(8)%	3%	3%	**17%**	(29)%	(24)%	45%	(72)%	**236%**	N/A	N/A	N/A	N/A	**N/A**
Douglas Hurt[3]	86%	(8)%	3%	3%	**3%**	0%	0%	0%	0%	**0%**	N/A	N/A	N/A	N/A	**N/A**
Laura Balan[3,4]	0%	0%	76%	3%	**10%**	0%	0%	0%	0%	**0%**	N/A	N/A	N/A	N/A	**N/A**
Victoria Hull[3,4]	0%	0%	86%	12%	**3%**	0%	0%	0%	422%	**(100)%**	N/A	N/A	N/A	N/A	**N/A**
Deneen Vojta[3,4]	0%	0%	84%	3%	**14%**	0%	0%	(16)%	629%	**(33%)**	N/A	N/A	N/A	N/A	**N/A**
Employees ($m)	4%	3%	1%	9%	**6%**	7%	3%	1%	11%	**10%**	9%	(10)%	20%	(13)%	**10%**
Growth in number of Employees	0%	1%	2%	4%	**3%**	0%	1%	2%	4%	**3%**	0%	1%	2%	4%	**3%**
Average per Employee	4%	2%	(1)%	5%	**3%**	0%	8%	(1)%	7%	**7%**	0%	(3)%	18%	(16)%	**6%**
Average per the listed parent Company Employee	16%	11%	(29)%	36%	**7%**	(54)%	(39)%	6%	58%	**5%**	18%	(16)%	(18)%	49%	**23%**

1. The current Remuneration Policy was introduced on 28 April 2023. NED fees are paid in GBP and reported in USD so an element of changes will be as a result of exchange rate differences
2. Riad Mishlawi was appointed as CEO with effect from 1 September 2023 and therefore comparative figures are not provided
3. Non Executive Directors do not participate in the bonus plan
4. These NEDs were appointed during 2022
5. John Castellani stepped down on 24 April 2025
6. Nina Henderson stepped down on 31 December 2025

Hikma's pay review, which took effect from 1 January 2025, awarded average percentage increases in wages and salaries of 4.7% (2024: 4.5%) for existing employees (with certain exceptions for jurisdictions experiencing very high inflation). The nature and level of benefits to employees in the year ended 31 December 2025 were broadly similar to those in the previous year (2024: unchanged).

UK gender and CEO pay ratios

Hikma has 28 employees employed in the UK and, as a result, is exempt from gender pay and average employee: CEO pay disclosure requirements. The small number of employees and significant diversity of roles and seniority in the UK makes meaningful gender pay comparisons in the UK difficult. The ratio of total CEO pay to the average Group employee is 15:1 using a simple average methodology. Hikma is committed to paying fairly and not discriminating on gender or other grounds.

Relative importance of spend on pay

The following table sets out the total amount spent in 2024 and 2025 on remuneration of Hikma's employees and major distributions to shareholders.

Distribution expense	2024	2025	**% change from 2024 to 2025**
Employee	$654 million	$692 million	**5.8%**
Distributions to shareholders[1]	$175 million	$185 million	**5.9%**

1. The Group purchased 12,833,233 shares during 2020 at a cost of $292 million, which is excluded from the distributions to shareholders in accordance with the regulations. Those shares are held in treasury and do not receive dividends

Committee membership and attendance

Members and attendance

Member	Meetings	Attendance
Nina Henderson	4	4
John Castellani	4	2
Cynthia Flowers (Chair)	8	8
Douglas Hurt	8	8
Laura Balan	8	8
Victoria Hull	4	4

Where a Director was unable to attend a meeting, their comments on the business of the meeting were shared with the Chair in advance of the meeting.

Advice and support

The Committee is supported by senior management (the CEO, CPO, VP Total Reward and the Company Secretary) on matters relating to policy, performance and remuneration, while ensuring that no Director is involved in decisions regarding their own remuneration. During the year, the Committee continued to receive independent advice from Willis Towers Watson (WTW) in relation to market practice, UK corporate governance requirements, incentive design and target setting. Fees paid to WTW for the year totalled $52,619 (2024: $112,769). The Committee is satisfied that the WTW team providing remuneration advice do not have connections with Hikma that may impair their independence.

As part of good governance and in line with best practice, the Committee conducted a request-for-proposal process during the year to review its remuneration adviser arrangements. Following this process, Farient Advisors Ltd was appointed as the Committee's new independent adviser, reflecting their strong credentials in executive remuneration, FTSE pay governance, and shareholder-aligned incentive design. Fees paid to Farient Advisors Ltd for the period totalled $101,776. The Committee is satisfied that the Farient team has no connections with Hikma that could impair their independence.

Closing statement

We have continued to develop our approach to remuneration reporting this year and the Committee hopes that this has aided your understanding of our Remuneration Policy and practices. Please do not hesitate to contact me if you have any questions or observations.

For and on behalf of the Remuneration Committee.

Cynthia Flowers
Chair of the Remuneration Committee
25 February 2026

Other statutory disclosures

Directors' report and Strategic report

The Directors' report and Strategic report for the year ended 31 December 2025 comprise pages 94 to 153 and pages 1 to 93. This report forms the management report for the purposes of the Disclosure and Transparency Rules. Readers are asked to cross refer to the other sections of the Annual Report to the extent necessary to meet Hikma's reporting obligations as follows (statements that are not applicable have been excluded):

- Likely future developments of Hikma: Strategic report and the Business and financial review, pages 1 to 38
- Related party transactions: Note 37 to the Group financial statements, page 208
- Going concern statement: Risk management report, page 89
- Longer-term viability statement: Risk management report, page 90
- Greenhouse gas emissions: Sustainability report, pages 59 to 62
- Financial instruments and risk: Notes 2 and 30 to the Group financial statements, pages 172 and pages 195 to 198
- Stakeholder and S.172 Statement, pages 22 to 27

For the purposes of UK Listing Rule 6.6.1, shareholders are directed in accordance with the following table to notes in the consolidated financial statements:

Item	Reference
Interest capitalised and associated tax relief	See Notes 10 and 14 on pages 186 and 179 to 181
Publication of unaudited financial information	None
Details of long-term incentive schemes	See Note 34 on pages 201 to 205
Waiver of emoluments by Directors	None
Allotment of securities for cash, including by major subsidiaries	None
Controlling entities/parent undertakings of Hikma	None
Contracts of significance with a material interest of a Director or controlling shareholders	None
Services provided to Hikma by controlling shareholders	None
Arrangements by which shareholders have agreed to waive current or future dividends	See Note 29 on page 194
Controlling shareholder agreements and associated obligations	Hikma does not have any controlling shareholders within the meaning of the UK Listing Rules

Principal activity

The principal activities of Hikma are the development, manufacture and marketing of a broad range of generic, branded and in-licensed pharmaceutical products. Hikma's pharmaceutical operations are conducted through three business segments: Injectables, Branded and Rx. The majority of Hikma's operations are in the MENA region, North America and Europe. The Company does not have overseas branches within the meaning of the Companies Act 2006 (the Act).

Hikma's net sales, gross profit and segmental results are shown by business segment in Note 5 to the Group financial statements on pages 175 and 176.

Results

The reported profit attributable to shareholders of Hikma Pharmaceuticals PLC for the year in 2025 was $402 million (2024: $359 million).

Dividend

The Board is recommending a final dividend of 48 cents per share (2024: 48 cents per share) bringing the total dividend for the full year to 84 cents per share (2024: 80 cents per share). The proposed dividend will be paid on 30 April 2026 to eligible shareholders on the register at the close of business on 20 March 2026, subject to approval at the Annual General Meeting on 23 April 2026.

Post-balance sheet events

On 25 February 2026, the Board authorised management to undertake a share buyback with a value up to $250 million.

Creditor payment policy

Hikma's policy, which is also applied by all subsidiaries and will continue in respect of the 2026 financial year, is to settle terms of payment with all suppliers when agreeing the terms of each transaction and to ensure that we abide by those terms of payment. Trade creditors of Hikma at 31 December 2025 were equivalent to 77 days' purchases (2024: 76 days), based on Group trade payables multiplied by 365, divided by trailing 12 months' Group cost of goods sold.

Political donations

Hikma's policy prohibits the payment of political donations and expenditure within the meaning of the Act. No payments were made in 2025.

Research and development

Hikma's investment in research and development (R&D) during 2025 represented 4.5% of Group revenue (2024: 4.5%). Further details on Hikma's R&D activities can be found on pages 9, 36 and 49.

Significant contracts

Due to the nature of Hikma's business, members of Hikma are party to agreements that could alter or be terminated upon a change of control of Hikma following a takeover. However, none of these agreements is individually deemed to be significant in terms of its potential impact on the business of Hikma taken as a whole. The Directors are not aware of any agreements between Hikma and its Directors or employees that provide for compensation for loss of office or employment that occurs because of a takeover bid. There are no persons with whom Hikma has contractual or other arrangements, who are deemed to be essential to the business of Hikma.

Directors

The Company's Articles of Association (Articles) regulate the appointment and removal of directors, as does the Companies Act 2006 and related legislation. Directors may be appointed by an ordinary resolution passed by shareholders or by a resolution of the Board.

It is the Board's policy that all Directors should seek election or re-election on an annual basis. Accordingly, Said Darwazah, Mazen Darwazah, Victoria Hull, Ali Al-Husry, Cynthia Flowers, Douglas Hurt, Laura Balan and Deneen Vojta will seek re-election at the 2026 AGM and Khalid Nabilsi will seek election at the 2026 AGM.

Powers of the Directors

The powers of the Directors are determined by the Articles, the Code and other relevant UK legislation. The Articles give the Directors the power to appoint and remove Directors. The power to buy back, issue and allot shares contained in the Articles is subject to shareholder approval at each AGM. The Articles, which are available on the website, may only be amended by special resolution of the shareholders.

Indemnities and insurance

Hikma maintains an appropriate level of Directors' and Officers' insurance. The Directors benefit from qualifying third-party indemnities made by Hikma that were in force during the year and as at the date of signing this report. These indemnities are uncapped in amount in relation to losses and liabilities that Directors may incur to third parties in the course of the performance of their duties.

Workforce engagement

Laura Balan is the designated Non-Executive Director to engage with the workforce under the UK Corporate Governance Code (the Code) and has undertaken various workforce engagement activities, as described on pages 24, 97 and 104. Hikma continued to operate its existing workforce engagement mechanisms which include intra-Group communications, social networking, an open door policy for legitimate union representatives and the operation of share incentive arrangements. Hikma does not discriminate against a potential employee on grounds of disability and will make reasonable adjustments to employ and develop disabled people.

Stakeholder engagement

Further information on the Board's engagement with stakeholders is detailed in our Section 172 Statement on pages 22 to 27.

Diversity disclosures pursuant to UK Listing Rule 6.6.6R

The UK Listing Rules require listed companies to state whether they have met certain targets on board diversity and disclose in a prescribed format information on the diversity of their board and executive committee. The information in the table below is at 31 December 2025, which is the date selected as the reference date within Hikma's accounting period. The targets set out in the UK Listing Rules are that:

- at least 40% of the individuals on its board of directors are women
- at least one of the following senior positions on its board of directors is held by a woman (the Chair, SID, CEO or CFO)
- at least one individual on its board of directors is from a minority ethnic background

As at the reference date, the Board of Hikma meets all three targets above.

Gender diversity	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)[1]	Number in Executive Management	Percentage of Executive Management
Men	5	50%	2	5	62%
Women	5	50%	1	3	38%
Not specified/ prefer not to say	–	–	–	–	–

Ethnic background diversity	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)[1]	Number in Executive Management	Percentage of Executive Management
White British or other White (including minority-white groups)	6	60%	1	4	50%
Mixed/Multiple ethnic groups	–	–	–	–	–
Asian/Asian British	–	–	–	–	–
Black/African/ Caribbean/ Black British	–	–	–	–	–
Other ethnic group	4	40%	2	4	50%
Not specified/ prefer not to say	–	–	–	–	–

1. The roles of CEO and Chair are currently held by one individual

Between 31 December 2025 and 25 February 2026, being the date at which this report was signed, Nina Henderson stepped down from the Board and Sam Park was appointed to the Executive Committee. These changes do not affect Hikma's ability to meet any of the targets detailed above. Each member of the Board or Executive Management has confirmed their gender and ethnic background to the Company Secretary and the above data has been collated from those records.

Other statutory disclosures
continued

Equity

Capital structure

Details of the issued share capital, together with movements in the issued share capital during the year, can be found in Note 29 to the Group financial statements on page 194. Hikma has one class of Ordinary Shares of 10 pence each (Shares) which carries no right to fixed income. Each share carries the right to one vote at general meetings of Hikma.

As at 31 December 2025:

Type	Nominal value	In issue	Issued during the year	Cancelled during the year
Shares	10 pence	234,719,686	–	–

No shares were issued by the Company during the year.

There are no specific restrictions on the size of a holding or on the transfer of shares, which are both governed by the general provision in Hikma's Articles of Association (the Articles) and prevailing legislation.

The Directors are not aware of any agreements between holders of Hikma's shares that may have resulted in restrictions on the transfer of securities or on voting rights. No person has any special rights with regard to the control of Hikma's share capital and all issued shares are fully paid.

Share buyback

At the Annual General Meeting (AGM) on 24 April 2025, shareholders gave the Directors authority to purchase shares from the market up to a limit of 22,188,645 Ordinary Shares, being 10% of the Company's issued Ordinary Share capital (excluding treasury shares) as at 4 March 2025. This authority expires at the earlier of 24 July 2026 or the 2026 AGM, which is scheduled for 23 April 2026. During 2025, no Ordinary Shares were purchased by the Company.

Below is a summary of share buyback activity undertaken by the Company prior to 2025.

During 2022, the Company purchased and cancelled 12,499,670 Ordinary Shares.

During 2020, the Company purchased 12,833,233 Ordinary Shares from Boehringer Ingelheim (the 'Treasury Shares'). The Treasury Shares are held in treasury and, accordingly, do not receive dividends and do not exercise voting rights.

Share issuance

At the AGM on 24 April 2025, the Directors were authorised to issue relevant securities up to an aggregate nominal amount of £7,396,215 and to be empowered to allot equity securities for cash on a non-pre-emptive basis up to an aggregate nominal amount of £4,437,730 at any time up to the earlier of the date of the 2026 AGM or 24 July 2026. The Directors propose to renew these authorities at the 2026 AGM for a further year. In the year ahead, other than in respect of Hikma's obligations to satisfy rights granted to employees under its various share-based incentive arrangements, the Directors have no present intention of issuing any additional share capital of Hikma.

Details of the employee share schemes are set out in Note 34 to the Group financial statements on pages 201 to 205. As at 31 December 2025, the Hikma Pharmaceuticals Employee Benefit Trust (EBT) held 1,779,538 shares. The EBT has waived its entitlement to a dividend. Other than the EBT and the Treasury Shares, no other shareholder has waived the right to a dividend.

Pre-emptive issue of shares

During the year under review, and in the period since the date of Hikma's Initial Public Offering on 1 November 2005, Hikma did not issue any shares pursuant to an authority given by shareholders at an AGM to issue shares for cash on a non-pre-emptive basis, other than in respect of the placing undertaken on 17 January 2008.

Substantial shareholdings

As at 31 December 2025, Hikma had been notified pursuant to sections 89A to 89L of the Financial Services and Markets Act 2000 and Rule 5 of the Disclosure and Transparency Rules of the UKLA of the following interests in the voting rights attaching to the share capital of Hikma:

Name of shareholder	Number of Shares	Percentage held[1]
Darhold Limited[2]	60,000,000	27.04%
Boston Partners FKA Robeco Investment Management, Inc.	13,666,938	6.16%
Wellington Management Group LLP	11,556,882	5.21%
BlackRock Group	10,003,617	4.51%

1. The percentages detailed relate to voting rights in the Company. Therefore, the Treasury Shares have been excluded from the denominator for this calculation
2. Said Darwazah, Mazen Darwazah and Ali Al-Husry, each being a Director and shareholder of Hikma, are shareholders and Non-Executive Directors of Darhold Limited. See page 141 for details of their interests in Darhold Limited

Between 31 December 2025 and 25 February 2026, being the date at which this report is signed, no changes in substantial shareholdings were notified to Hikma.

Annual General Meeting

The AGM of Hikma will be held at Sofitel St James, 6 Waterloo Place, London SW1Y 4AN on Thursday 23 April 2026, starting at 11.00 am. The Notice convening the meeting is given in a separate document accompanying this document, and includes a commentary on the business of the AGM, explains how shareholders can take part and includes notes to help shareholders exercise their rights at the meeting.

Hikma provides for the vote on each resolution to be by poll rather than by show of hands. This provides for greater transparency and allows the votes of all shareholders to be counted, including those cast by proxy. The level of proxies lodged for each resolution is projected onto a screen as each resolution is put to the meeting. A 'vote withheld' explanation is included in the Notice.

Electronic communications

Hikma's preference is to communicate through Hikma's website, rather than in paper form. Shareholders are encouraged to visit the website to access Hikma's Annual Reports and half-year and final results presentations. Shareholders who wish to receive paper communications can elect to do so using MUFG's Investor Centre (**www.hikmashares.com**) or through Hikma's Registrar, MUFG Corporate Markets.

Statement of directors' responsibilities in respect of the financial statements

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulation.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards and the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 101 'Reduced Disclosure Framework', and applicable law). In preparing the Group financial statements, the Directors have also elected to comply with International Financial Reporting Standards issued by the International Accounting Standards Board (IFRSs as issued by IASB).

Under company law, directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Group and Company and of the profit or loss of the Group for that period. In preparing the financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently
- state whether applicable UK-adopted international accounting standards and IFRSs issued by IASB have been followed for the Group financial statements and United Kingdom Accounting Standards, comprising FRS 101, have been followed for the Company financial statements, subject to any material departures disclosed and explained in the financial statements
- make judgements and accounting estimates that are reasonable and prudent
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and Company will continue in business

The Directors are responsible for safeguarding the assets of the Group and Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are also responsible for keeping adequate accounting records that are sufficient to show and explain the Group's and Company's transactions and disclose with reasonable accuracy at any time the financial position of the Group and Company and enable them to ensure that the financial statements and the Directors' Remuneration Report comply with the Companies Act 2006.

The Directors are responsible for the maintenance and integrity of the Company's website. Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

Directors' confirmations

The Directors consider that the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and Company's position and performance, business model and strategy.

Each of the Directors, whose names and functions are listed in the Directors' Report confirm that, to the best of their knowledge:

- the Group financial statements, which have been prepared in accordance with UK-adopted international accounting standards and IFRSs issued by IASB, give a true and fair view of the assets, liabilities, financial position and profit of the Group
- the Company financial statements, which have been prepared in accordance with United Kingdom Accounting Standards, comprising FRS 101, give a true and fair view of the assets, liabilities and financial position of the Company
- the Annual Report includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that it faces

In the case of each Director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and Company's auditors are aware of that information

The Directors' report was approved by the Board of Directors and signed on its behalf by:

Said Darwazah
Executive Chairman and CEO
25 February 2026

Khalid Nabilsi
Chief Financial Officer
25 February 2026

Financial statements

Independent auditors' report to the members of Hikma Pharmaceuticals PLC	156
Consolidated income statement	162
Consolidated statement of comprehensive income	163
Consolidated balance sheet	164
Consolidated statement of changes in equity	165
Consolidated cash flow statement	166
Notes to the consolidated financial statements	167
Company balance sheet	212
Company statement of changes in equity	213
Notes to the Company financial statements	214

Independent auditors' report to the members of Hikma Pharmaceuticals PLC

Report on the audit of the financial statements

Opinion

In our opinion:

- Hikma Pharmaceuticals PLC's Group financial statements and Company financial statements (the "financial statements") give a true and fair view of the state of the Group's and of the Company's affairs as at 31 December 2025 and of the Group's profit and the Group's cash flows for the year then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards as applied in accordance with the provisions of the Companies Act 2006;
- the Company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, including FRS 101 "Reduced Disclosure Framework", and applicable law); and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements, included within the Annual Report, which comprise:

- the Consolidated and Company balance sheets as at 31 December 2025;
- the Consolidated income statement for the year then ended;
- the Consolidated statement of comprehensive income for the year then ended;
- the Consolidated and Company statements of changes in equity for the year then ended;
- the Consolidated cash flow statement for the year then ended; and
- the notes to the financial statements, comprising material accounting policy information and other explanatory information.

Our opinion is consistent with our reporting to the Audit Committee.

Separate opinion in relation to IFRSs as issued by the IASB

As explained in note 2 to the financial statements, the Group, in addition to applying UK-adopted international accounting standards, has also applied international financial reporting standards (IFRSs) as issued by the International Accounting Standards Board (IASB).

In our opinion, the Group financial statements have been properly prepared in accordance with IFRSs as issued by the IASB.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities under ISAs (UK) 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 Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, which includes the FRC's Ethical Standard, as applicable to listed public interest entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

To the best of our knowledge and belief, we declare that non-audit services prohibited by the FRC's Ethical Standard were not provided.

Other than those disclosed in Note 32, we have provided no non-audit services to the Company or its controlled undertakings in the period under audit.

Our audit approach

Overview

Audit scope

- Our audit included full scope audits of four components, an audit of specific financial statement line items of one additional component and audit procedures performed centrally over certain specific material balances at locations around the Group and over central consolidation and adjustment entities. Full scope components account for 79% of revenue and 76% of core profit before tax.

Key Audit Matters

- Valuation and accuracy of gross to net rebates and returns adjustments in the US (Group)
- Recoverability of the carrying amounts in respect of investments in subsidiaries (Company)

Materiality

- Overall Group materiality: $32 million (2024: $31 million) based on 5% of core profit before tax.
- Overall Company materiality: $37 million (2024: $38 million) based on 1% of total assets.
- Performance materiality: $24 million (2024: $23 million) (Group) and $27.5 million (2024: $28.5 million) (Company).

The scope of our audit

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements.

Key audit matters

Key audit matters are those matters that, in the auditors' professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by the auditors, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters, and any comments we make on the results of our procedures thereon, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

This is not a complete list of all risks identified by our audit.

The valuation of acquired intangible assets as part of the Xellia business combination (Group) is no longer a key audit matter as this related to a one-off transaction that occurred in 2024. The determination of the recoverable amount of the Complex Respiratory and Hikma Rx Cash Generating Units (CGUs) (Group) is no longer a key audit matter as there are no impairment or impairment reversal triggers for the Complex Respiratory CGU, and the level of headroom for the Hikma Rx CGU is not sensitive to reasonably possible changes in key assumptions in the current year. Otherwise, the key audit matters below are consistent with last year.

Key audit matters	How our audit addressed the key audit matters
Valuation and accuracy of gross to net rebates and returns adjustments in the US (Group)	
Management is required to make estimates in respect of revenue recognition, specifically the level of returns and rebates to be realised against the Group's revenue. The Group recorded significant revenue deductions for the year ended 31 December 2025 and determined provisions for indirect rebates and other allowances of $188 million, refund liability of $152 million and chargebacks and other allowances of $320 million. We have identified our significant risk to be focused on the indirect rebates and other allowances, refund liabilities and other allowances within Trade and other receivables specific to the US business. In aggregate, these estimates are complex, material to the financial statements and require significant estimation by the directors to establish an appropriate provision and accordingly this was determined to be a key audit matter. Refer to the Audit Committee review of significant matters related to the financial statements, accounting policies (note 2), critical accounting judgements and key sources of estimation uncertainty (note 3), trade and other receivables (note 19) and other current liabilities (note 25) in the Group financial statements.	We considered the Group's processes for making estimates in this area and performed the following procedures: – we assessed the revenue recognition policy and design and implementation of applicable controls in place around the rebates and returns process; – we tested refunds, rebate payments and credit memos throughout the year by agreeing selected transactions back to the underlying source documentation including customer claims and settlement information; – we confirmed channel inventory with major wholesalers or performed alternative procedures where confirmations were not received; – we tested management's process and assessed the reasonableness of the refund liability by utilising historical sales, return rates, new product launches, entrance of new competitors, changes to contract terms and specific information related to credit memos in process of being issued which has been applied to the products which could be returned to the company six months prior to expiry or up to 12 months subsequent to expiry; and – we considered the historical accuracy of the Group's estimates in previous years and the effect of any adjustments to prior years' provision in the current year's results. Based on the procedures performed, we did not identify any material differences between our independent expectations and the balances recorded. We also evaluated the disclosures in note 2, note 3, note 19 and note 25 which we consider to be appropriate.
Recoverability of the carrying amounts in respect of investments in subsidiaries (Company)	
The investments in subsidiaries of $3,298 million (2024: $3,291 million) are held at cost less accumulated impairment in the Company balance sheet at 31 December 2025. An impairment charge of $4 million was recognised this year. Investments are tested for impairment if impairment indicators exist. If such indicators exist, the recoverable amounts of investments in subsidiaries are estimated in order to determine the extent of the impairment loss, if any. Any such impairment loss is recognised in the income statement. The impairment assessment was identified as a key audit matter due to the size of the underlying investment carrying values at 31 December 2025. Impairment indicators were identified in connection with certain investments in subsidiaries due to the carrying value of investments exceeding the net assets of the underlying subsidiaries. As a result, the recoverable amount of the investments was determined, being the higher of fair value less cost of disposal or the value in use, in order to determine the headroom over carrying values, if any. The determination of the recoverable amount requires the application of management judgement and involves estimation, particularly in determining the key assumptions to be applied in preparing cash flow projections. Refer to accounting policies (note 2) and Investment in subsidiaries (note 3) in the Company financial statements.	We performed the following audit procedures in relation to the carrying amounts of investments in subsidiaries: – we evaluated management's assessment of whether any indicators of impairment existed by comparing the carrying values of investments in subsidiaries with the net assets of the underlying subsidiaries at 31 December 2025; – for investments where the net assets were lower than the carrying values, we assessed the recoverable amounts by reference to the value in use of the investments compared to carrying values at 31 December 2025; – where applicable, we verified that the recoverable amounts of investments utilised the relevant recoverable amounts of the related CGUs tested for goodwill impairment purposes, leveraging the work undertaken as part of the Group audit; and – we separately evaluated the difference between the carrying value of the Company's investments in subsidiaries and the Group's market capitalisation. Based on the procedures performed, we noted no material issues arising from our work. We also evaluated the disclosures in note 2 and note 3 and consider these to be appropriate.

Report on the audit of the financial statements
continued

How we tailored the audit scope
We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole, taking into account the structure of the Group and the Company, the accounting processes and controls, and the industry in which they operate.

As at 31 December 2025, Hikma Pharmaceuticals PLC had 58 subsidiaries and one joint venture as part of the Group. These entities most commonly operate solely in one segment but in some certain instances operate across two. Each component submits a Group reporting package to Hikma's central accounting team including its income statement and balance sheet prepared under Group accounting policies which are in accordance with the accounting standards.

In selecting the components that are in scope this year and establishing the overall approach to the Group audit, we determined the type of work that needed to be performed by us, as the Group engagement team, or component auditors in other PwC network firms operating under our instruction, to ensure that we had sufficient coverage from our audit work over each relevant line of the Group financial statements and in accordance with ISA (UK) 600 Revised. Where the work was performed by our component auditors, we determined the level of involvement we needed to have in their audit work in order to be able to conclude whether sufficient appropriate audit evidence had been obtained as a basis for our opinion on the Group financial statements as a whole. We instructed component teams in the US, Jordan, Saudi Arabia and Algeria to audit reporting packages of certain entities in these territories and report to us the results of their work. Certain individual balances for the US were audited by our component team based in Jordan. We also engaged our component team in Portugal to perform an audit over specific balances. In addition to instructing and reviewing the reporting from our component audit teams, we conducted file reviews and participated in key meetings with local management both remotely and in person. We had regular dialogue with component teams throughout the year and performed site visits to the US and Jordan. In addition to the work performed by our component teams, central audit procedures were performed by the Group engagement team in relation to specific material balances not covered by component auditors. The Group consolidation and related central consolidation and other adjustments, financial statement disclosures and corporate functions were also audited by the Group engagement team. This included our work over central taxation adjustments and valuation of goodwill and intangible assets. Taken together, audit work over the full scope components and central procedures performed covered approximately 79% of the Group's revenue and 76% of the Group's core profit before tax. In addition to the audit procedures noted above, we also performed disaggregated analytical review procedures over certain of the Group's smaller and lower risk components that were not directly included in our Group audit scope. This provided the evidence we needed for our opinion on the consolidated financial statements, taken as a whole. We also performed a full scope audit of the Company to a separate Company standalone materiality.

The impact of climate risk on our audit
As explained in the Sustainability section within the Strategic report, the Group is mindful of its impact on the environment and is focused on ways to reduce climate related impacts. In planning and executing our audit we have considered the Group's risk assessment process to identify and model the potential impact of climate change on the financial statements and further engaged with our own sustainability experts. Based on this, we understand that the most relevant climate-related risks to the Group could be a potential impact of increases in input costs for energy intensive supplies such as active pharmaceutical ingredients and packaging materials due to carbon pricing and the impact of potential storm events. This would impact the financial statement line items and estimates associated with future cash flows since the impact of climate change is expected to become more notable in the medium to long term. The key areas impacted include recoverability of goodwill, intangible assets and deferred tax assets. We note that management's assessment is that the impact on Hikma is currently not financially material in the short-term, nevertheless, we have continued to assess managements forecasts to ensure it reflects the impact of climate change and any climate change related commitments in the cash flows particularly in the context of the Group's target to reduce Scope 1 and 2 GHG emissions by 25% by 2030. Our work did not identify any material impact on our audit for the year ended 31 December 2025.

Materiality
The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

	Financial statements – Group	Financial statements – Company
Overall materiality	$32 million (2024: $31 million).	$37 million (2024: $38 million).
How we determined it	Based on 5% of core profit before tax	Based on 1% of total assets
Rationale for benchmark applied	The Group's principal measure of earnings is core results. Management believes that it reflects the underlying performance of the Group and is a meaningful measure of the Group's performance to stakeholders.	The Company's principal activity is to hold the Group's investments and perform treasury functions on behalf of the Group.

For each component in the scope of our Group audit, we allocated a materiality that is less than our overall Group materiality. The range of materiality allocated across components was between $12 million and $28.5 million. Certain components were audited to a local statutory audit materiality that was also less than our overall Group materiality.

We use performance materiality to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements exceeds overall materiality. Specifically, we use performance materiality in determining the scope of our audit and the nature and extent of our testing of account balances, classes of transactions and disclosures, for example in determining sample sizes. Our performance materiality was 75% (2024: 75%) of overall materiality, amounting to $24 million (2024: $23 million) for the Group financial statements and $27.5 million (2024: $28.5 million) for the Company financial statements.

In determining the performance materiality, we considered a number of factors – the history of misstatements, risk assessment and aggregation risk and the effectiveness of controls – and concluded that an amount at the upper end of our normal range was appropriate.

We agreed with the Audit Committee that we would report to them misstatements identified during our audit above $1.5 million (Group audit) (2024: $1.5 million) and $1.9 million (Company audit) (2024: $1.9 million) as well as misstatements below those amounts that, in our view, warranted reporting for qualitative reasons.

Conclusions relating to going concern

Our evaluation of the directors' assessment of the Group's and the Company's ability to continue to adopt the going concern basis of accounting included:

- agreeing the underlying cash flow projections to board approved forecasts, assessing how these forecasts are compiled, and assessing the accuracy of management's forecasts;
- evaluating the key assumptions within management's forecasts;
- considering liquidity and available financial resources;
- verifying the suspension of loan covenants due to maintaining an investment-grade rating where relevant by reviewing the relevant agreements and validating the credit rating with external ratings agencies; and
- assessing whether the severe but plausible downside scenario prepared by management appropriately considered the principal risks facing the business.

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 Group's and the Company's ability to continue as a going concern for a period of at least twelve months from when 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 Group's and the Company's ability to continue as a going concern.

In relation to the directors' reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

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 Annual Report 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 Strategic report and Directors' report, we also considered whether the disclosures required by the UK Companies Act 2006 have been included.

Based on our work undertaken in the course of the audit, the Companies Act 2006 requires us also to report certain opinions and matters as described below.

Strategic report and Directors' report
In our opinion, based on the work undertaken in the course of the audit, the information given in the Strategic report and Directors' report for the year ended 31 December 2025 is consistent with the financial statements and has been prepared in accordance with applicable legal requirements.

In light of the knowledge and understanding of the Group and Company and their environment obtained in the course of the audit, we did not identify any material misstatements in the Strategic report and Directors' report.

Directors' Remuneration
In our opinion, the part of the Annual report on remuneration to be audited has been properly prepared in accordance with the Companies Act 2006.

Report on the audit of the financial statements
continued

Corporate governance statement

The Listing Rules require us to review the directors' statements in relation to going concern, longer-term viability and that part of the corporate governance statement relating to the Company's compliance with the provisions of the UK Corporate Governance Code specified for our review. Our additional responsibilities with respect to the corporate governance statement as other information are described in the Reporting on other information section of this report.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit, and we have nothing material to add or draw attention to in relation to:

- The directors' confirmation that they have carried out a robust assessment of the emerging and principal risks;
- The disclosures in the Annual Report that describe those principal risks, what procedures are in place to identify emerging risks and an explanation of how these are being managed or mitigated;
- The directors' statement in the financial statements about whether they considered it appropriate to adopt the going concern basis of accounting in preparing them, and their identification of any material uncertainties to the Group's and Company's ability to continue to do so over a period of at least twelve months from the date of approval of the financial statements;
- The directors' explanation as to their assessment of the Group's and Company's prospects, the period this assessment covers and why the period is appropriate; and
- The directors' statement as to whether they have a reasonable expectation that the Company will be able to continue in operation and meet its liabilities as they fall due over the period of its assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

Our review of the directors' statement regarding the longer-term viability of the Group and Company was substantially less in scope than an audit and only consisted of making inquiries and considering the directors' process supporting their statement; checking that the statement is in alignment with the relevant provisions of the UK Corporate Governance Code; and considering whether the statement is consistent with the financial statements and our knowledge and understanding of the Group and Company and their environment obtained in the course of the audit.

In addition, based on the work undertaken as part of our audit, we have concluded that each of the following elements of the corporate governance statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- The directors' statement that they consider the Annual Report, taken as a whole, is fair, balanced and understandable, and provides the information necessary for the members to assess the Group's and Company's position, performance, business model and strategy;
- The section of the Annual Report that describes the review of effectiveness of risk management and internal control systems; and
- The section of the Annual Report describing the work of the Audit Committee.

We have nothing to report in respect of our responsibility to report when the directors' statement relating to the Company's compliance with the Code does not properly disclose a departure from a relevant provision of the Code specified under the Listing Rules for review by the auditors.

Responsibilities for the financial statements and the audit

Responsibilities of the directors for the financial statements
As explained more fully in the Statement of Directors' responsibilities in respect of the financial statements, 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 Group's and 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 Group or 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 (UK) 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.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

Based on our understanding of the Group and industry, we identified that the principal risks of non-compliance with laws and regulations related to patent protection, product safety (including but not limited to the United States Food and Drug Administration regulations), competition and antitrust laws, pricing practices and legislation, and anti-bribery and corruption legislation (including but not limited to the Foreign Corrupt Practices Act), and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the financial statements such as applicable tax legislation, the Companies Act 2006 and Listing Rules of the Financial Conduct Authority (FCA). We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to manipulate financial results and management bias in accounting estimates. The Group engagement team shared this risk assessment with the component auditors so that they could include appropriate audit procedures in response to such risks in their work. Audit procedures performed by the Group engagement team and/or component auditors included:

- making enquiries of management and the Group's legal counsel, including consideration of known or suspected instances of non-compliance with laws and regulations and fraud;
- assessing matters reported on the Group's whistleblowing hotline and results of management's investigation of such matters;
- challenging assumptions and judgements made by management in its significant accounting estimates or judgements as a whole and assessing whether there has been any management bias in aggregate; and
- identifying and testing journal entries, in particular any journal entries posted with unusual account combinations.

There are inherent limitations in the audit procedures described above. We are less likely to become aware of instances of non-compliance with laws and regulations that are not closely related to events and transactions reflected in the financial statements. Also, the risk of not detecting a material misstatement due to fraud is higher than the risk of not detecting one resulting from error, as fraud may involve deliberate concealment by, for example, forgery or intentional misrepresentations, or through collusion.

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 FRC's website at: www.frc.org.uk/auditorsresponsibilities. 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 Chapter 3 of Part 16 of the Companies Act 2006 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 2006 exception reporting

Under the Companies Act 2006 we are required to report to you if, in our opinion:

- we have not obtained all the information and explanations we require for our audit; or
- adequate accounting records have not been kept by the Company, or returns adequate for our audit have not been received from branches not visited by us; or
- certain disclosures of directors' remuneration specified by law are not made; or
- the Company financial statements and the part of the Annual report on remuneration to be audited are not in agreement with the accounting records and returns.

We have no exceptions to report arising from this responsibility.

Appointment

We were first appointed by the Company for the financial year ended 31 December 2016. Our uninterrupted engagement covers 10 financial years.

Other matter

The Company is required by the Financial Conduct Authority Disclosure Guidance and Transparency Rules to include these financial statements in an annual financial report prepared under the structured digital format required by DTR 4.1.15R – 4.1.18R and filed on the National Storage Mechanism of the Financial Conduct Authority. This auditors' report provides no assurance over whether the structured digital format annual financial report has been prepared in accordance with those requirements.

Nigel Comello (Senior Statutory Auditor)
for and on behalf of PricewaterhouseCoopers LLP
Chartered Accountants and Statutory Auditors
London

25 February 2026

Consolidated income statement

For the year ended 31 December 2025

	Note	2025 Core results $m	2025 Exceptional items and other adjustments (Note 6) $m	2025 Reported results $m	2024 Core results $m	2024 Exceptional items and other adjustments (Note 6) $m	2024 Reported results $m
Revenue	4	**3,349**	**–**	**3,349**	3,156	(29)	3,127
Cost of sales		**(1,892)**	**(16)**	**(1,908)**	(1,708)	(4)	(1,712)
Gross profit/(loss)		**1,457**	**(16)**	**1,441**	1,448	(33)	1,415
Selling, general and administrative expenses		**(566)**	**(177)**	**(743)**	(568)	(103)	(671)
Impairment loss on financial assets, net		**(1)**	**–**	**(1)**	(2)	–	(2)
Research and development expenses		**(151)**	**–**	**(151)**	(141)	–	(141)
Other operating expenses	7	**(9)**	**(26)**	**(35)**	(21)	(31)	(52)
Other operating income	7	**11**	**20**	**31**	3	60	63
Total operating expenses		**(716)**	**(183)**	**(899)**	(729)	(74)	(803)
Operating profit/(loss)	5	**741**	**(199)**	**542**	719	(107)	612
Finance income	8	**11**	**72**	**83**	8	–	8
Finance expense	9	**(106)**	**(1)**	**(107)**	(93)	(74)	(167)
Gain from investment at fair value through profit or loss (FVTPL)		**1**	**–**	**1**	1	–	1
Group's share of profit of joint venture	16	**–**	**–**	**–**	1	–	1
Profit/(loss) before tax		**647**	**(128)**	**519**	636	(181)	455
Tax	10	**(139)**	**27**	**(112)**	(138)	45	(93)
Profit/(loss) for the year		**508**	**(101)**	**407**	498	(136)	362
Attributable to:							
Non-controlling interests		**5**	**–**	**5**	3	–	3
Equity holders of the parent		**503**	**(101)**	**402**	495	(136)	359
Earnings per share (cents)							
Basic	11	**228**		**182**	224		162
Diluted	11	**226**		**181**	221		161

Consolidated statement of comprehensive income

For the year ended 31 December 2025

	Note	2025 $m	2024 $m
Profit for the year		**407**	362
Other comprehensive income/(expense)			
Items that may subsequently be reclassified to the consolidated income statement:			
Currency translation movement		**94**	(55)
Items that will not subsequently be reclassified to the consolidated income statement:			
Change in investments at fair value through other comprehensive income (FVTOCI)	17	**(13)**	(6)
Remeasurement of post-employment benefit obligations	24	**(2)**	(1)
Total other comprehensive income/(expense) for the year		**79**	(62)
Total comprehensive income for the year		**486**	300
Attributable to:			
Non-controlling interests		**5**	3
Equity holders of the parent		**481**	297
		486	300

Consolidated balance sheet

At 31 December 2025

	Note	2025 $m	2024 $m
Non-current assets			
Goodwill	13	**393**	382
Other intangible assets	13	**777**	774
Property, plant and equipment	14	**1,404**	1,278
Right-of-use assets	15	**44**	48
Investment in joint venture	16	**11**	11
Deferred tax assets	10	**307**	293
Other non-current assets	17	**92**	84
		3,028	2,870
Current assets			
Inventories	18	**1,106**	986
Income tax recoverable		**18**	24
Trade and other receivables	19	**1,061**	949
Cash and cash equivalents	20	**217**	188
Other current assets	21	**241**	116
		2,643	2,263
Total assets		**5,671**	5,133
Current liabilities			
Short-term financial debts	22	**106**	642
Lease liabilities	15	**8**	11
Trade and other payables	23	**715**	650
Income tax payable		**74**	78
Provisions	24	**119**	122
Other current liabilities	25	**431**	475
		1,453	1,978
Net current assets		**1,190**	285
Non-current liabilities			
Long-term financial debts	26	**1,445**	607
Lease liabilities	15	**45**	46
Deferred tax liabilities	10	**16**	18
Provisions	24	**40**	36
Other non-current liabilities	28	**66**	127
		1,612	834
Total liabilities		**3,065**	2,812
Net assets		**2,606**	2,321
Equity			
Share capital	29	**40**	40
Share premium		**282**	282
Other reserves		**(285)**	(374)
Retained earnings		**2,556**	2,362
Equity attributable to equity holders of the parent		**2,593**	2,310
Non-controlling interests		**13**	11
Total equity		**2,606**	2,321

The consolidated financial statements of Hikma Pharmaceuticals PLC, registered number 5557934, on pages 162 to 211 were approved by the Board of Directors on 25 February 2026 and signed on its behalf by:

Said Darwazah
Executive Chairman and CEO
25 February 2026

Khalid Nabilsi
Chief Financial Officer

Consolidated statement of changes in equity

For the year ended 31 December 2025

	Notes	Share capital (Note 29) $m	Share premium $m	Other reserves: Merger and revaluation reserves $m	Other reserves: Translation reserve $m	Other reserves: Capital redemption reserve $m	Other reserves: Employee benefit trust (EBT) reserve (Note 29) $m	Other reserves: Total other reserves $m	Retained earnings $m	Equity attributable to equity holders of the parent $m	Non-controlling interests $m	Total equity $m
Balance at 1 January 2024		40	282	35	(319)	2	–	(282)	2,158	2,198	11	2,209
Profit for the year		–	–	–	–	–	–	–	359	359	3	362
Change in investments at fair value through other comprehensive income (FVTOCI)	17	–	–	–	–	–	–	–	(6)	(6)	–	(6)
Remeasurement of post-employment benefit obligations	24	–	–	–	–	–	–	–	(1)	(1)	–	(1)
Currency translation movement		–	–	–	(55)	–	–	(55)	–	(55)	–	(55)
Total comprehensive income for the year		–	–	–	(55)	–	–	(55)	352	297	3	300
Cost of equity-settled employee share scheme	33, 34	–	–	–	–	–	–	–	27	27	–	27
Deferred tax on equity-settled employee share scheme		–	–	–	–	–	–	–	1	1	–	1
Purchase of shares held in employee benefit trust (EBT)		–	–	–	–	–	(38)	(38)	–	(38)	–	(38)
Exercise of equity-settled employee share scheme		–	–	–	–	–	1	1	(1)	–	–	–
Dividends paid	12	–	–	–	–	–	–	–	(175)	(175)	(3)	(178)
Balance at 31 December 2024 and 1 January 2025		40	282	35	(374)	2	(37)	(374)	2,362	2,310	11	2,321
Profit for the year		–	–	–	–	–	–	**–**	402	**402**	5	**407**
Change in investments at fair value through other comprehensive income (FVTOCI)	17	–	–	–	–	–	–	**–**	(13)	**(13)**	–	**(13)**
Remeasurement of post-employment benefit obligations	24	–	–	–	–	–	–	**–**	(2)	**(2)**	–	**(2)**
Currency translation movement		–	–	–	94	–	–	**94**	–	**94**	–	**94**
Total comprehensive income for the year		–	–	–	94	–	–	**94**	387	**481**	**5**	**486**
Cost of equity-settled employee share scheme	33, 34	–	–	–	–	–	–	**–**	23	**23**	–	**23**
Purchase of shares held in employee benefit trust (EBT)		–	–	–	–	–	(36)	**(36)**	–	**(36)**	–	**(36)**
Exercise of equity-settled employee share scheme		–	–	–	–	–	31	**31**	(31)	**–**	–	**–**
Dividends paid	12	–	–	–	–	–	–	**–**	(185)	**(185)**	(3)	**(188)**
Balance at 31 December 2025		**40**	**282**	35	(280)	2	(42)	**(285)**	2,556	**2,593**	**13**	**2,606**

Consolidated cash flow statement

For the year ended 31 December 2025

	Notes	2025 $m	2024 $m
Cash flow from operating activities			
Profit before tax		**519**	455
Depreciation, amortisation and impairment	13, 14, 15	**238**	168
Finance income and expense	8, 9	**24**	159
Cost of equity-settled employee share scheme	33, 34	**23**	27
Gain from investment at fair value through profit or loss (FVTPL)		**(1)**	(1)
Loss on disposal of property, plant and equipment		**1**	–
Foreign exchange loss, net		**7**	16
Group's share of profit of joint venture	16	**–**	(1)
Loss on sale of assets held for sale		**–**	1
Change in other non-current assets		**(21)**	–
Change in inventories		**(86)**	(112)
Change in trade and other receivables		**(97)**	(144)
Change in other current assets		**(122)**	4
Change in trade and other payables		**38**	78
Change in provisions		**(3)**	(1)
Change in other current liabilities		**39**	36
Change in other non-current liabilities		**1**	4
Cash generated from operations		**560**	689
Income taxes paid		**(126)**	(125)
Income taxes received		**2**	–
Net cash inflow from operating activities		**436**	564
Cash flow from investing activities			
Purchase of property, plant and equipment		**(197)**	(165)
Purchase of intangible assets		**(120)**	(70)
Additions to investments at FVTOCI	31	**(3)**	(2)
Payments of contingent consideration liabilities		**(75)**	(12)
Interest income received		**6**	8
Dividends from joint venture	16	**1**	–
Acquisition of business, net of cash acquired		**–**	(150)
Cash receipt related to assets held for sale		**–**	10
Net cash outflow from investing activities		**(388)**	(381)
Cash flow from financing activities			
Proceeds from issue of long-term financial debts	27	**2,402**	684
Repayment of long-term financial debts	27	**(2,093)**	(536)
Proceeds from short-term financial debts	27	**349**	387
Repayment of short-term financial debts	27	**(357)**	(411)
Repayment of lease liabilities	15	**(11)**	(21)
Dividends paid	12	**(185)**	(175)
Distributions to non-controlling interests		**(3)**	(3)
Interest and bank charges paid		**(83)**	(84)
Purchase of shares held in employee benefit trust (EBT)		**(36)**	(38)
Upfront fees and Eurobond transaction costs	27	**(8)**	–
Decrease in restricted cash		**–**	10
Payments of co-development and earnout payment agreement		**–**	(1)
Net cash outflow from financing activities		**(25)**	(188)
Net increase/(decrease) in cash and cash equivalents		**23**	(5)
Cash and cash equivalents at beginning of year	20	**188**	205
Foreign exchange translation movements		**6**	(12)
Cash and cash equivalents at end of year	20	**217**	188

Notes to the consolidated financial statements

1. Adoption of new and revised standards

The following amendment to accounting standard has been issued and is effective for annual periods beginning on 1 January 2025.

IAS 21 (Amendments)	Lack of Exchangeability

This amendment had no significant impact on the consolidated financial statements but may impact the accounting for future transactions and arrangements.

The following new accounting standards and amendments to accounting standards that had been issued but were not mandatory for annual reporting periods ending on 31 December 2025 were not early adopted.

IFRS 9 and IFRS 7 (Amendments) Effective 1 January 2026	Classification and Measurement of Financial Instruments
IFRS 9 and IFRS 7 (Amendments) Effective 1 January 2026	Contracts referencing Nature-dependent Electricity
IAS 21 (Amendments) Effective 1 January 2027	Translation to a Hyperinflationary Presentation Currency
IFRS 19 (Standard) Effective 1 January 2027	Subsidiaries without Public Accountability: Disclosures
IFRS 18 (Standard) Effective 1 January 2027	Presentation and Disclosure in Financial Statements
Annual Improvements to IFRS Accounting Standards—Volume 11 Effective 1 January 2026	– IFRS 1 First-time Adoption of International Financial Reporting Standards – IFRS 7 Financial Instruments: Disclosures – Guidance on implementing IFRS 7 Financial Instruments: Disclosures – IFRS 9 Financial Instruments – IFRS 10 Consolidated Financial Statements – IAS 7 Statement of Cash Flows

The Group is currently assessing the implications of applying the new standards and amendments on the Group's consolidated financial statements.

2. Accounting policies

General information

Hikma Pharmaceuticals PLC is a public limited liability company incorporated and domiciled in England and Wales under the Companies Act 2006. The address of the registered office is stated on page 220.

The Group's principal activities are the development, manufacture and commercialisation of a broad range of generic, specialty and branded pharmaceutical products across a range of dosage forms.

Basis of preparation

Hikma Pharmaceuticals PLC's consolidated financial statements have been prepared in accordance with:

i. UK-adopted International Accounting Standards and with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

ii. International Financial Reporting Standards as issued by the International Accounting Standards Board ('IFRS Accounting Standards').

The consolidated financial statements have been prepared under the historical cost convention, except for the revaluation to fair value of certain financial assets and liabilities.

The accounting policies included in this note have been applied consistently other than where new policies have been adopted.

The presentational currency of the Group's consolidated financial statements is the US dollar, as the majority of the Group's business is conducted in US dollars.

Going concern

The Directors believe that the Group is well diversified due to its geographic spread, product diversity and large customer and supplier base. Taking into account the Group's current position and its principal risks for a period longer than 12 months from the date of signing the consolidated financial statements, a going concern analysis has been prepared using realistic scenarios, applying a severe but plausible downside which demonstrates that the Group would maintain sufficient liquidity headroom. Therefore, the Directors believe that the Group and its subsidiaries are adequately placed to manage their business and financing risks successfully, despite the current uncertain economic outlook. Having assessed the principal risks, the Directors considered it appropriate to adopt the going concern basis of accounting in preparing the consolidated financial statements. (see page 89).

Where relevant, covenants on major financial debt arrangements are suspended while the Group retains its investment grade status from two rating agencies. During the year ended 31 December 2025, the Group's investment grade rating was upgraded by S&P and Fitch to BBB.

Basis of consolidation

The consolidated financial statements incorporate the results of Hikma Pharmaceuticals PLC (the Company) and entities controlled by the Company (together, the Group).

All subsidiaries and the Company's financial statements are consolidated up to 31 December each year.

Business combinations

The acquisition of subsidiaries is accounted for using the acquisition method. All identifiable assets, liabilities and contingent liabilities acquired are measured at fair value on the acquisition date. All acquisition-related costs are recognised in the consolidated income statement as incurred.

The consideration is measured at the aggregate fair values of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree, at the acquisition date. Where applicable, this consideration may include the fair value of assets or liabilities resulting from a contingent consideration arrangement.

Contingent consideration classified as an asset or liability is a financial instrument and, within the scope of IFRS 9 'Financial Instruments', is measured at fair value, with changes in fair value recognised in the consolidated income statement in line with IFRS 9.

Notes to the consolidated financial statements
continued

2. Accounting policies continued

Subsequent changes to those fair values can only affect the measurement of goodwill, where they occur during the 'measurement period' and are as a result of additional information becoming available about facts and circumstances that existed at the acquisition date. All other changes are dealt with in accordance with relevant IFRS Accounting Standards. This will usually mean that changes in the fair value of consideration are recognised in the consolidated income statement.

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the aggregate of consideration, non-controlling interest and any fair value of previously held equity interest over the fair values of the identifiable net assets acquired. If, after reassessment, the Group's interest in the net fair value of the acquiree's identifiable assets, liabilities and acquired contingent liabilities exceeds the cost of the consideration, the gain is recognised immediately in the consolidated income statement.

The non-controlling interest in the acquiree is initially measured at the non-controlling interest's proportion of the net fair value of the assets, liabilities and acquired contingent liabilities recognised.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed as of the acquisition date that, if known, would have affected the amounts recognised as of that date.

The measurement period is the period from the date of acquisition to the date the Group obtains complete information about facts and circumstances that existed as of the acquisition date and is subject to a maximum of one year.

Revenue recognition

Revenue is recognised in the consolidated income statement when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The point at which control passes is determined by each customer arrangement, but generally occurs on delivery to the customer.

The Group has generally concluded that it acts as principal in its revenue arrangements because it typically controls the goods before the transfer to the customer.

The Group manufactures certain medicines on behalf of customers. In most cases, control is transferred to the customer over time, as these medicines have no alternative use, and the Group has an enforceable right to payment for performance completed to date. For the majority of these arrangements, progress towards satisfying the Group's performance obligations is measured based on the units of product approved by the quality control department.

Revenue represents the amounts receivable after the deduction of discounts, value added tax, other sales taxes, allowances given, provisions for chargebacks, accruals for estimated future rebates, returns and price adjustments. The methodology and assumptions used to estimate rebates and returns are monitored and adjusted regularly in light of contractual and historical information.

The Group applies the practical expedient and does not adjust the transaction price for the effects of a significant financing component when, at contract inception, the period between the transfer of the promised goods or services to the customer and payment by the customer is expected to be one year or less. As the Group does not expect to have contracts where this period exceeds one year, transaction prices are not adjusted for the time value of money.

Variable consideration

Revenue includes variable consideration arising from chargebacks, returns, rebates, and other gross to net adjustments, which are estimated at the time of sale based on contractual terms, historical experience and current market conditions. Given the inherent uncertainty in the final settlement of these arrangements, the Group applies a constraint to the estimation of variable consideration to ensure that revenue is recognised only to the extent that it is highly probable that a significant reversal will not occur when the uncertainty is resolved. This is achieved through the use of appropriately prudent assumptions in estimating the expected deductions.

Chargebacks

In the US, the Group sells its products directly to wholesale distributors, generic distributors, retail pharmacy chains and mail-order pharmacies. The Group also sells its products indirectly to independent pharmacies, managed care organisations, hospitals, and group purchasing organisations, collectively referred to as 'indirect customers'. The Group enters into agreements with its indirect customers to establish pricing for certain products. The indirect customers then independently select a wholesaler from which they purchase the products at agreed-upon prices. The Group will provide credit to the wholesaler for the difference between the agreed-upon price with the indirect customer and the wholesaler's invoice price. This credit is called a chargeback. The provision for chargebacks is based on historical sell-through levels by the Group's wholesale customers to the indirect customers, and anticipated future sales trends. As sales are made to large wholesale customers, the Group continually monitors the provision for chargebacks and makes adjustments when it believes that actual chargebacks may differ from estimated reserves (see Note 19 for chargebacks sensitivity analysis).

Returns

The Group has a product return policy that allows customers to return the product within a specified period prior to and subsequent to the expiration date. Provisions for returns are recognised as a reduction of revenue in the period in which the underlying sales are recognised. The Group estimates its provision for returns based on historical experience, representing management's best estimate. While such experience has enabled reasonable estimations in the past, history may not always be an accurate indicator of future returns. The Group continually monitors the provisions for returns and makes adjustments when it believes that actual product returns may differ from established reserves (see Note 25 for return sensitivity analysis).

Rebates

In the US, rebates are granted to wholesaler distributors and direct customers. Rebates are also granted to healthcare authorities and certain indirect customers under contractual arrangements. Products sold in the US are covered by various programmes (such as Medicaid) under which products are sold at a discount. The Group estimates its provision for rebates based on current contractual terms and conditions as well as historical experience, changes to business practices and credit terms. While such experience has enabled reasonable estimations in the past, history may not always be an accurate indicator of future rebate liabilities. The Group continually monitors the provisions for rebates and makes adjustments when it believes that actual rebates may differ from established reserves. (see Notes 19 and 25 for rebates sensitivity analysis).

2. Accounting policies continued

Performance obligation

Free goods

Free goods are issued to certain customers as an alternative to discounts. These free goods give rise to a separate performance obligation, which requires management to allocate the transaction price to the original goods and the related free goods. Revenue for free goods is recognised when they are transferred to the customer and a contract liability is recognised when the free goods are due but not yet transferred to the customer.

Contract manufacturing services

Contract manufacturing services that include commitments by the Group to make facility space and equipment available may be deemed to include lease components which are evaluated under IFRS 16 'Leases'. For arrangements that contain both lease and non-lease components, consideration in the contract is allocated on a relative standalone selling-price basis of each performance obligation. Revenue for these performance obligations are recognised when they are satisfied, and a contract liability is recognised for the due unsatisfied performance obligations.

Share-based payments (Note 34)

At the Company's discretion and subject to the achievement of Group and personal performance criteria in the prior year, employees (including Executive Directors) of the Group receive restricted share-based awards, whereby employees render their services in exchange for shares or rights over shares (equity-settled transactions).

Additionally, a share-based award was introduced to Executive Directors under the 2023 Remuneration Policy, which represents a performance share plan with performance measured over certain non-market and market conditions in future years.

The cost of share-based payment transactions with employees for restricted awards is measured based on the fair value at the grant date. Fair value is determined using the share price at the grant date, discounted for dividends, except for awards granted to Executive Directors, where no adjustment is made since participants receive dividends during the vesting period in the form of additional shares. The cost of these share-based payments is recognised on a straight-line basis over the performance year and the vesting period, with a corresponding increase in equity.

The cost of share-based payments' transactions with Executive Directors for the performance awards is measured by reference to the fair value at the date at which the share-based payments are granted. Fair value is determined based on the Monte Carlo methodology for the market condition portion. For non-market conditions, fair value is determined based on the share price at the date of the grant, no discounting for dividend yield is applied as participants will receive the benefit of dividends paid during the vesting period in the form of additional shares. The cost is recognised, together with a corresponding increase in equity, on a straight-line basis over the vesting period after the grant date.

The Group revises its estimate of the number of equity instruments expected to vest, and the impact of the revision on the original estimates (except for the portion related to a market vesting condition). The impact, if any, is recognised in the consolidated income statement, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to equity reserves.

The dilutive effect of outstanding share-based payments is reflected in the computation of diluted earnings per share.

The Group provides funding to the employee benefit trust (EBT) to acquire Company shares, fulfilling its obligation to deliver shares when awards vest. Shares held by the EBT are deducted from other reserves, with a corresponding transfer to retained earnings upon their delivery to satisfy exercise of share awards.

Taxes (Note 10)

The Group provides for income tax according to the laws and regulations prevailing in the countries where the Group operates. Furthermore, the Group computes and records deferred tax assets and liabilities according to IAS 12 'Income Taxes'.

The tax expense represents the sum of the current tax in the current period and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities within one year.

The current tax incurred in the period is based on taxable profit for the year and prior year movement accounted for in the current year. Taxable profit differs from net profit as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group's tax incurred is calculated using tax rates that have been enacted or substantively enacted by the consolidated balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the consolidated balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences will reverse. To the extent the temporary difference arises from goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and at the time of the transaction does not give rise to equal taxable and deductible temporary differences, no deferred tax is provided.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries, and interests in joint ventures, except where the Group is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is realised. Deferred tax is charged or credited in the consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt within equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

The carrying amount of deferred tax assets is reviewed at each consolidated balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Notes to the consolidated financial statements
continued

2. Accounting policies continued

Mandatory temporary exception
The Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

Uncertain tax position
In line with IFRIC 23, if it is considered probable that a tax authority will accept an uncertain tax treatment, the tax charge should be calculated on that basis. If it is not considered probable, the effect of the uncertainty should be estimated and reflected in the tax charge. In assessing the uncertainty, it is assumed that the tax authority will have full knowledge of all information related to the matter.

Exceptional items and other adjustments (Note 6)
We use a number of non-IFRS measures to report and monitor the performance of our business. Management uses these adjusted numbers internally to measure our progress and for setting performance targets. We also present these numbers, alongside our reported results, to external audiences to help them understand the underlying performance of our business. Our adjusted numbers may be calculated differently to other companies.

Adjusted measures are not substitutable for IFRS numbers and should not be considered superior to results presented in accordance with IFRS Accounting Standards.

Core results
Reported results represent the Group's overall performance. However, these results can include one-off or non-cash items that mask the underlying performance of the Group. To provide a more complete picture of the Group's performance and to improve comparability of our consolidated financial statements to external audiences, alongside our reported results, we provide core results, which are a non-IFRS measure. We represent and discuss our Group and segmental financials reconciled between reported and core results. This presentation allows for full visibility and transparency of our financials so that shareholders are able to clearly assess the performance factors of the Group.

Core results mainly exclude:

- Amortisation of intangible assets other than software
- Impairment charge/reversal of intangible assets, property, plant and equipment and right-of-use assets
- Finance income and expense resulting from remeasurement and unwinding of contingent consideration and co-development earnout payment agreement financial liabilities
- Items which management believes to be exceptional in nature by virtue of their size or incidence, or have a distortive effect on current year earnings, including but not limited to costs associated with business combinations, one-off gains and losses on disposal of businesses, legal expenses, reorganisation costs and any exceptional items related to tax such as significant tax benefit/expense associated with previously unrecognised deferred tax assets/liabilities

Our core results exclude the exceptional items and other adjustments set out in Note 6.

Intangible assets (Note 13)
Intangible assets are measured at cost, less any accumulated amortisation and impairment losses.

Intangible assets, other than goodwill, are amortised on a straight-line basis and the expense is recognised in the selling, general and administrative expenses.

Judgement is used to assess the degree of certainty attached to the flow of future economic benefits that are attributable to the use of the asset on the basis of the evidence available at the time of initial recognition, giving greater weight to external evidence.

Expenditures on research and development activities, including activities provided by third-party Contract Research Organisations (CROs) on the Group's behalf, are charged to the consolidated income statement, except only when the criteria for recognising an internally generated intangible asset are met, which is usually when approval from the relevant regulatory authority is considered probable.

The Group also enters into in-licensing arrangements with third parties for new research and development projects, which may include upfront, milestone, and royalty payments. The nature of these payments is assessed to determine whether they represent pass-through reimbursements of research and development costs or consideration for the transfer of intellectual property. Payments that represent consideration for research and development activities and do not meet the recognition criteria for intangible assets are expensed as incurred. Upfront and other payments that relate to achievement of verifiable regulatory outcomes and transfer of intellectual property are capitalised as intangible assets.

Principal intangible assets are:

(a) **Goodwill**

(b) **Product-related intangibles:**

(i) Product files and in-licensed products recognised through acquisitions and partnerships are amortised over their useful economic lives once the asset is ready for use

(ii) In-process product files recognised on acquisition are amortised over the useful economic life once the asset is ready for use

(c) **Purchased software:** is amortised over the useful economic life when the asset is ready for use

Other identified intangibles are:

(d) **Customer relationships:** represent the value attributed to the long-term relationships held with existing customers that the Group acquired on business combinations. Customer relationships are amortised over their useful economic lives

(e) **Trade names:** are amortised over their useful lives from the date of acquisition

(f) **Marketing rights:** are amortised over their useful lives commencing in the year in which the rights first generate sales

Details of the intangible assets' useful lives are included in Note 13.

2. Accounting policies continued

Property, plant and equipment (Note 14)
Property, plant and equipment are stated at cost on acquisition and are depreciated on a straight-line basis except for land.

The normal expected useful lives of the major categories of Property, plant and equipment are:

Buildings	20 to 50 years
Machinery and equipment	3 to 20 years
Vehicles, fixtures and equipment	3 to 13 years

A unit of production method of depreciation for machinery and equipment is applied during the start-up phase of operations, as this reflects the expected pattern of consumption of the future economic benefits embodied in the assets. When these assets reach normal capacity utilisation under normal circumstances, a straight-line method of depreciation is applied.

Projects under construction are carried at cost, less any recognised impairment loss. Depreciation of these assets, on the same basis as other property, plant and equipment assets, commences when the assets are ready for their intended use.

Any additional costs that extend the useful life of property, plant and equipment are capitalised.

Impairment of intangible assets and property, plant and equipment
At the same time each year, the Group carries out an impairment review for goodwill and intangible assets that are not yet ready for use as follows:

(a) Goodwill is allocated to cash-generating units (CGUs). These CGUs are tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. An impairment loss recognised for goodwill is not reversed in subsequent periods

(b) Intangible assets that are not yet ready for use are not subject to amortisation and are tested annually for impairment or more frequently if events or changes in circumstances indicate that they might be impaired

Where applicable, the Group carries forward and uses the most recent detailed calculation of a cash-generating unit's recoverable amount made in a preceding period, provided all of the following criteria are met:

- The assets and liabilities making up the unit have not changed significantly since the last recoverable amount calculation
- The prior calculation indicated that the recoverable amount exceeded the carrying amount of the unit by a substantial margin, reflecting significant headroom
- An analysis of events and changes in circumstances since the last calculation indicates that the likelihood of the current recoverable amount being lower than the carrying amount is remote

The Group also reviews the carrying amounts of property, plant and equipment and intangible assets that are subject to depreciation and amortisation to determine whether there is any indication that those assets are impaired. If such indication exists, the recoverable amount of the asset is estimated to determine the extent of the impairment loss (if any).

If the recoverable amount of an asset (or CGU) is lower than its carrying amount, the asset (or CGU) is written down to its recoverable amount. The resulting impairment loss is recognised immediately in the consolidated income statement.

A previously recognised impairment loss is reversed only where there has been a sustained and discrete change in the assumptions and indicators associated with previous impairment losses. In such cases, the carrying amount of the asset is increased to its revised recoverable amount. The reversal is limited so that the carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised in prior years. Any reversal of impairment is recognised immediately in the consolidated income statement.

The recoverable amount of an asset or a cash-generating unit is the higher of its fair value less costs of disposal and its value in use.

Leases (Note 15)
In accordance with IFRS 16, the Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets:

- Right-of-use assets: The Group recognises right-of-use assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain of obtaining ownership of a leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term
- Lease liabilities: at the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments, less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option, payments for optional extension periods and payments of penalties for terminating a lease when these options are reasonably certain to be exercised by the Group. The discount rate used to calculate the lease liabilities is the incremental borrowing rate (IBR). The Group estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates (such as the subsidiary's stand-alone credit profile)
- Short-term leases and leases of low-value assets: the Group applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value (below $5,000). Lease payments on short-term leases and leases of low-value assets are recognised as an expense on a straight-line basis over the lease term

Notes to the consolidated financial statements
continued

2. Accounting policies continued

Inventories (Note 18)
Inventories are stated at the lower of cost and net realisable value. Purchased products are stated at acquisition costs including all additional attributable costs incurred in bringing each product to its present location and condition. The costs of own-manufactured products comprise direct materials and, where applicable, direct labour costs and any overheads that have been incurred in bringing the inventories to their present location and condition. In the consolidated balance sheet, inventory is primarily valued at historical cost determined on a moving average basis, and this value is used to determine the cost of sales in the consolidated income statement.

Inventory write-downs are recognised in cost of sales for launched or approved products and in research and development expenses for products in development.

Provisions (Note 24)
Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligations and a reliable estimate can be made of the amount of the obligation.

Financial instruments
Financial assets and financial liabilities are recognised on the Group's consolidated balance sheet when the Group becomes a party to the contractual provisions of the instrument.

Financial assets
The Group classifies its financial assets in the following measurement categories:

(i) Financial asset at fair value through profit or loss (FVTPL) (Note 21)
Include debt instruments and investment portfolios held by the Group that are traded in an active market and are designated as being measured at fair value through profit or loss. Gains and losses arising from changes in fair value are recognised in the consolidated income statement

(ii) Financial assets at fair value through other comprehensive income (FVTOCI) (Note 17)
The Group irrevocably chooses to designate certain investments in equity instruments as financial assets at FVTOCI as they are mainly venture capital investments and are not held for trading. Unrealised gains and losses are recognised in other comprehensive income. Upon disposal of an equity investment, the cumulative gains or losses previously recognised in other comprehensive income are transferred directly to retained earnings. Investments in unlisted shares are measured using a level 3 fair value which is based on cost and adjusted as necessary for impairment and revaluations with reference to relevant available information and recent financing rounds. For investments in listed shares, fair value is readily determinable under level 1 valuation. (see Note 31)

(iii) Financial assets at amortised cost
Trade receivables, loans, and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as 'financial assets at amortised cost'.

For trade receivables and contract assets, the Group applies a simplified approach in calculating expected credit loss. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

Financial liabilities
Financial liabilities are classified as either financial liabilities at FVTPL or financial debts at amortised cost, representing loans and borrowings. The classification depends on the nature and purpose of the financial liabilities and is determined at the time of initial recognition.

(i) Financial liabilities at FVTPL (Notes 25 and 28)
Financial liabilities at FVTPL comprise contingent consideration arising from business combinations in the form of contractual liabilities to make milestone payments that are dependent on the achievement of certain regulatory approvals; and payments based on future sales of certain products.

These financial liabilities are recorded under other current liabilities and other non-current liabilities in the consolidated balance sheet.

(ii) Financial debts
Financial debts are initially measured at fair value, net of transaction costs and subsequently measured at amortised cost using the effective interest method.

Cash dividend
The Company recognises a liability to pay a dividend when the distribution is authorised and no longer at the discretion of the Company. In accordance with the laws of the United Kingdom, a final dividend is recognised when it is approved by the majority of shareholders and an interim dividend is recognised when it is paid.

3. Critical accounting judgements and key sources of estimation uncertainty

In the application of the Group's accounting policies, which are described in Note 2, the Directors are required to make judgements and estimates about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

The Group's Directors believe that the following accounting policies that involve Directors' judgements and estimates are the most critical and might result in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Revenue recognition estimate (Notes 4 and 5)
The Group's revenue recognition policies require Directors to estimate the net selling prices, including variable consideration from chargebacks, product returns, rebates, and other adjustments. These estimates vary by product arrangement and buying group and are based on historical experience and current market conditions.

Given the inherent uncertainty in the underlying assumptions, these estimates are considered critical, and collectively, might result in a material adjustment, as the ultimate settlement of these arrangements may differ from the initial estimates. In determining this, the Group applies a constraint to the variable consideration and recognises revenue only to the extent that it is highly probable that a significant reversal will not occur, using appropriately prudent assumptions. Accordingly, the risk of a material downward adjustment to revenue is considered low. Refer to Notes 19 and 25 for sensitivity analysis.

3. Critical accounting judgements and key sources of estimation uncertainty continued

Chargebacks
Critical estimates
The key inputs and assumptions used in estimating this provision include estimates of chargeback rates, as informed by historical chargeback activity, expected chargeback rates for new products, and anticipated future sales trends.

Returns
Critical estimates
The key inputs and assumptions used in estimating this provision include the estimated portion of revenue subject to returns, as informed by historical return patterns and specific factors such as product dating and expiration, new product launches, competitive activity, and changes in contractual terms.

Rebates
Critical estimates
The key inputs and assumptions used in estimating this provision include estimates of rebates rates, as informed by historical relationships between rebates and revenue, past payment experience, changes in regulations, and anticipated future sales trends.

Intangible assets – impairment testing (Note 13)
Critical judgements
- Determining whether an impairment indication has occurred for individual intangible assets or group of assets. In such case, the Group performs an assessment to determine if the recoverable value of the intangible asset or group of assets is less than its carrying amount
- Determining expected launch dates for pipeline products
- For previously impaired assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. if such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only where there has been a sustained and discrete change in the assumptions and indicators associated with previous impairment losses

Critical estimates
- Estimating revenue and cash flow forecasts (including market size, estimated market share, number of competitors, net selling prices and profit margins for marketed and pipeline products)
- Estimating a discount rate and specific risk premiums
- Estimating an appropriate growth rate beyond the forecast period

As a result of the annual impairment trigger assessment and impairment testing for intangible assets, an impairment charge of $15 million has been identified in relation to intangible assets (Notes 6 and 13).

Taxation (Note 10)
Tax and transfer pricing audit risk
Critical judgement
In common with most international organisations, the Group is subject to tax and transfer pricing audits from tax authorities from time to time. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made, management provides for its best estimate of the liability in line with IFRIC 23 principles. These estimates take into account the specific circumstances of each dispute and relevant external advice, and are inherently judgemental in nature and could change substantially over time as new facts emerge and each dispute progresses. The Group regularly takes professional advice to ensure the risks are appropriately analysed and managed with any ultimate potential liability being adequately provided, and continues to invest in its financial systems to improve the quality of the Group's financial data which reduces the risk of an adverse tax authority audit.

As at 31 December 2025, the Group's uncertain tax positions, excluding advanced payments amounted to $38 million (2024: $54 million) (Note 10). While it is not practical to provide a sensitivity analysis due to the number of uncertain tax positions held and the number of jurisdictions to which these relate, the Group reviews material uncertain tax positions on an individual basis and believes that it has accounted for an adequate provision for the liabilities likely to arise from open assessments and audits and continues to re-evaluate existing uncertain positions to determine if a change in facts and circumstances has occurred that would make it necessary to adjust.

Contingent liabilities
Critical judgement
The Group is often involved in a number of legal and administrative proceedings, as well as investigations, in the ordinary course of its business, including disputes and investigations relating to employment matters, product liability, commercial disputes, pricing, sales and marketing practices, infringement of IP rights, the validity of certain patents and competition laws which may result in a possible obligation depending on whether some uncertain future event occurs.

Assessments as to whether to recognise provisions, and of the amounts concerned, usually involve a series of complex judgements about future events and can rely heavily on estimates and assumptions. Often these issues are subject to substantial uncertainties and, therefore, the probability of a loss, if any, being sustained and/or an estimate of the amount of any loss is impracticable to ascertain. It is the Group's policy to provide for amounts related to these legal matters if it is probable that a liability has been incurred and an amount is reasonably estimable.

A contingent liability is not provided for but is disclosed in Note 36 if:

- payment is not probable, but more than remote, where the Group denies having engaged in conduct that would give rise to liability with respect to these lawsuits and is vigorously pursuing defence of legal proceedings, or
- it is a present obligation but the amount cannot be measured reliably

Notes to the consolidated financial statements
continued

4. Revenue

Business and geographical markets

The following tables provide an analysis of the Group's reported revenue by segment and geographical market, irrespective of the origin of the goods/services:

Year ended 31 December 2025	Injectables $m	Hikma Rx $m	Branded $m	Others $m	Total $m
North America	924	1,037	–	15	1,976
Middle East and North Africa	234	–	839	16	1,089
Europe and rest of the world	251	–	10	9	270
United Kingdom	14	–	–	–	14
	1,423	1,037	849	40	3,349

Year ended 31 December 2024	Injectables $m	Hikma Rx $m	Branded $m	Others $m	Total $m
North America	877	1,026	–	8	1,911
Middle East and North Africa	214	–	759	12	985
Europe and rest of the world	202	–	10	6	218
United Kingdom	13	–	–	–	13
	1,306	1,026	769	26	3,127

The top selling markets are shown below:

	2025 $m	2024 $m
United States	1,950	1,887
Saudi Arabia	331	301
Algeria	229	213
	2,510	2,401

In 2025, included in revenue arising from the Hikma Rx and Injectables segments are sales the Group made to three wholesalers in the US, each accounting for equal to or greater than 10% of the Group's revenue, contributing to $402 million (12%), $391 million (12%) and $354 million (11%). In 2024, they contributed to $424 million (14%), $364 million (12%) and $307 million (10%), respectively.

The following table provides contract balances related to revenue:

	2025 $m	2024 $m
Net trade receivables (Note 19)	997	896
Deferred income (Notes 25 and 28)	113	58
Refund liability (Note 25)	152	151
Indirect rebates and other allowances (Note 25)	188	173

Refer to note 30 for the credit terms ranges.

5. Business segments

For management reporting purposes, the Group is organised into three principal operating divisions – Injectables, Branded and Hikma Rx. These divisions are the basis on which the Group reports its segmental information. (See business and financial review section on page 28 for more details on the business segments performance).

Core operating profit/(loss), defined as 'segment profit/(loss)', is the principal measure used in the decision-making and resource allocation process of the chief operating decision maker, who is the Group's Chief Executive Officer. Information regarding the Group's operating segments is reported below:

Injectables	2025 Core results $m	2025 Exceptional items and other adjustments (Note 6) $m	2025 Reported results $m	2024 Core results $m	2024 Exceptional items and other adjustments (Note 6) $m	2024 Reported results $m
Revenue	1,423	–	1,423	1,324	(18)	1,306
Cost of sales	(758)	(16)	(774)	(634)	(4)	(638)
Gross profit/(loss)	665	(16)	649	690	(22)	668
Operating expenses	(224)	(58)	(282)	(222)	(75)	(297)
Segment profit	441	(74)	367	468	(97)	371
Add back: depreciation and amortisation	*35*	*52*	*87*	*34*	*51*	*85*
Add back: impairment charges	*–*	*9*	*9*	*–*	*17*	*17*
Segment profit before depreciation, amortisation and impairment	*476*	*(13)*	*463*	*502*	*(29)*	*473*

Branded	2025 Core results $m	2025 Exceptional items and other adjustments (Note 6) $m	2025 Reported results $m	2024 Core results $m	2024 Exceptional items and other adjustments (Note 6) $m	2024 Reported results $m
Revenue	849	–	849	769	–	769
Cost of sales	(404)	–	(404)	(367)	–	(367)
Gross profit	445	–	445	402	–	402
Operating expenses	(221)	3	(218)	(213)	(7)	(220)
Segment profit	224	3	227	189	(7)	182
Add back: depreciation and amortisation	*34*	*10*	*44*	*30*	*6*	*36*
Add back: impairment charges	*–*	*1*	*1*	*–*	*1*	*1*
Segment profit before depreciation, amortisation and impairment	*258*	*14*	*272*	*219*	*–*	*219*

Hikma Rx	2025 Core results $m	2025 Exceptional items and other adjustments (Note 6) $m	2025 Reported results $m	2024 Core results $m	2024 Exceptional items and other adjustments (Note 6) $m	2024 Reported results $m
Revenue	1,037	–	1,037	1,037	(11)	1,026
Cost of sales	(694)	–	(694)	(680)	–	(680)
Gross profit/(loss)	343	–	343	357	(11)	346
Operating expenses	(164)	(55)	(219)	(187)	8	(179)
Segment profit	179	(55)	124	170	(3)	167
Add back: depreciation and amortisation	*31*	*38*	*69*	*29*	*35*	*64*
Add back: impairment charges/(reversal)	*–*	*15*	*15*	*–*	*(47)*	*(47)*
Segment profit before depreciation, amortisation and impairment	*210*	*(2)*	*208*	*199*	*(15)*	*184*

Others[1]	2025 Core results $m	2025 Exceptional items and other adjustments (Note 6) $m	2025 Reported results $m	2024 Core results $m	2024 Exceptional items and other adjustments (Note 6) $m	2024 Reported results $m
Revenue	40	–	40	26	–	26
Cost of sales	(36)	–	(36)	(27)	–	(27)
Gross profit/(loss)	4	–	4	(1)	–	(1)
Operating expenses	(10)	–	(10)	(8)	–	(8)
Segment loss	(6)	–	(6)	(9)	–	(9)
Add back: depreciation and amortisation	*5*	*–*	*5*	*4*	*–*	*4*
Segment loss before depreciation, amortisation and impairment	*(1)*	*–*	*(1)*	*(5)*	*–*	*(5)*

1. Includes the 503B compounding business, the MENA diagnostics business, as well as Arab Medical Containers (AMC), a manufacturer of plastic specialised medicinal sterile containers, and International Pharmaceuticals Research Centre (IPRC), which conducts bio-equivalency studies.

Notes to the consolidated financial statements
continued

5. Business segments continued

Group	2025 Core results $m	2025 Exceptional items and other adjustments (Note 6) $m	2025 Reported results $m	2024 Core results $m	2024 Exceptional items and other adjustments (Note 6) $m	2024 Reported results $m
Segments' profit/(loss)	**838**	**(126)**	**712**	818	(107)	711
Add back: segments' depreciation, amortisation and impairment	**105**	**125**	**230**	97	63	160
Segments' profit/(loss) before depreciation, amortisation and impairment	**943**	**(1)**	**942**	915	(44)	871
Unallocated expenses (excluding depreciation, amortisation and impairment)[1]	**(90)**	**(72)**	**(162)**	(91)	–	(91)
Operating profit/(loss) before depreciation, amortisation and impairment	**853**	**(73)**	**780**	824	(44)	780
Segments' depreciation, amortisation and impairment	**(105)**	**(125)**	**(230)**	(97)	(63)	(160)
Unallocated depreciation and amortisation	**(7)**	**–**	**(7)**	(8)	–	(8)
Unallocated impairment charges	**–**	**(1)**	**(1)**	–	–	–
Operating profit/(loss)	**741**	**(199)**	**542**	719	(107)	612
Finance income	**11**	**72**	**83**	8	–	8
Finance expense	**(106)**	**(1)**	**(107)**	(93)	(74)	(167)
Gain from investment at fair value through profit or loss (FVTPL)	**1**	**–**	**1**	1	–	1
Group's share of profit of joint venture	**–**	**–**	**–**	1	–	1
Profit/(loss) before tax	**647**	**(128)**	**519**	636	(181)	455
Tax	**(139)**	**27**	**(112)**	(138)	45	(93)
Profit/(loss) for the year	**508**	**(101)**	**407**	498	(136)	362
Attributable to:						
Non-controlling interests	**5**	**–**	**5**	3	–	3
Equity holders of the parent	**503**	**(101)**	**402**	495	(136)	359

1. Unallocated expenses (excluding depreciation, amortisation and impairment) primarily comprise employee costs, legal settlements (Note 6), professional fees and IT expenses. The increase compared to the prior year is mainly attributable to legal settlements (Note 6)

The following table provides an analysis of the Group's non-current assets[2] by geographic area:

	2025 $m	2024 $m
North America		
US	**1,470**	1,518
Canada	**29**	30
	1,499	1,548
Middle East and North Africa		
Jordan	**336**	344
Algeria	**148**	125
Morocco	**103**	92
United Arab Emirates	**99**	21
Saudi Arabia	**87**	75
Others	**85**	72
	858	729
Europe and rest of the world		
Portugal	**180**	147
Germany	**48**	40
Italy	**33**	24
Others	**35**	17
	296	228
United Kingdom	**3**	7
	2,656	2,512

2. Non-current assets exclude deferred tax assets (Note 10), investments at FVTOCI and other financial assets (Note 17)

6. Exceptional items and other adjustments

Exceptional items and other adjustments are disclosed separately in the consolidated income statement to assist in the understanding of the Group's core performance. Exceptional items and other adjustments have been recognised in accordance with our accounting policy outlined in Note 2; the details are presented below:

2025		Injectables $m	Branded $m	Hikma Rx $m	Unallocated $m	Total $m	Tax effect $m	Impact on profit for the year $m
Legal settlements	SG&A	**–**	**–**	**–**	**(72)**	**(72)**	**17**	**(55)**
Pre-operational costs	Cost of sales	**(16)**	**–**	**–**	**–**	**(16)**	**4**	**(12)**
Insurance compensation in relation to the Group's losses in Sudan	Other operating income	**–**	**14**	**–**	**–**	**14**	**(3)**	**11**
Gain on extinguishment of financial liability	Other operating income	**6**	**–**	**–**	**–**	**6**	**(1)**	**5**
Reorganisation costs	SG&A	**(3)**	**–**	**(2)**	**–**	**(5)**	**1**	**(4)**
Intangible assets amortisation other than software	SG&A	**(52)**	**(10)**	**(38)**	**–**	**(100)**	**20**	**(80)**
Impairment charges on intangible assets, property, plant and equipment and right-of-use assets	Other operating expenses	**(9)**	**(1)**	**(15)**	**(1)**	**(26)**	**6**	**(20)**
Remeasurement of contingent consideration liabilities	Finance income	**–**	**–**	**–**	**72**	**72**	**(17)**	**55**
Unwinding of contingent consideration liability	Finance expense	**–**	**–**	**–**	**(1)**	**(1)**	**–**	**(1)**
Exceptional items and other adjustments		**(74)**	**3**	**(55)**	**(2)**	**(128)**	**27**	**(101)**

- Legal settlements: The Group reached an agreement to resolve all antitrust lawsuits brought against Hikma Pharmaceuticals USA Inc. by third-parties in the US who have purchased or been billed for Xyrem® (Sodium Oxybate). The agreed-upon settlement is not an admission of wrongdoing or legal liability. The Group settled a total of approximately $72 million to cover for all related cases in July 2025. These matters have been previously disclosed as contingent liabilities
- Pre-operational costs: $16 million related to the manufacturing plant acquired through the Xellia business combination in September 2024. These costs are incurred during the pre-operational phase and primarily relate to operational readiness, routine maintenance, and the recruitment and training of personnel. These activities are projected to conclude at the end of 2027, at which point the facility is expected to be fully operational. The estimated cost for 2026 is approximately $18 million. Commissioning and refurbishment activities are ongoing, and costs that are directly attributable to bringing the plant to the condition necessary for its intended use are capitalised in accordance with IAS 16.
- Insurance compensation in relation to the Group's losses in Sudan of $14 million (Note 7)
- Gain on extinguishment of financial liability: $6 million resulting from a settlement agreement that reduced a financial liability related to the acquisition of a product-related intangible asset that was previously impaired
- Reorganisation costs: $5 million of reorganisation costs related to a global restructuring program that started in 2024. This program delivers efficiencies across various Group functions, including R&D, benefitting from the integration of the Xellia business
- Intangible assets amortisation other than software of $100 million (Note 13)
- Impairment charges: $26 million of which $15 million are related to intangible assets which mainly comprised $13 million of product-related intangible assets following the discontinuation of pipeline products, $10 million related to property, plant and equipment associated with discontinued projects and $1 million related to right-of-use assets (Notes 7, 13, 14 and 15)
- Remeasurement of contingent considerations liabilities: $72 million represents finance income which primarily resulted from the adjustment of royalty payment arrangements with certain of the Group's business partners, as well as the revaluation of liabilities associated with future contingent consideration payments recognised through business combinations (Notes 8, 25, 28 and 31)
- Unwinding of contingent consideration liability: $1 million represents the finance expense resulting from the unwinding of contingent consideration liability recognised through business combinations (Notes 9, 25, 28 and 31)

Tax effect

- This represents the tax effect on pre-tax exceptional items and other adjustments which is calculated based on the applicable tax rate in each applicable jurisdiction

Notes to the consolidated financial statements
continued

6. Exceptional items and other adjustments continued

In the previous year, exceptional items and other adjustments were related to the following:

2024		Injectables $m	Branded $m	Hikma Rx $m	Unallocated $m	Total $m	Tax effect $m	Impact on profit for the year $m
Provision for rebates adjustment	Revenue	(18)	–	(11)	–	(29)	7	(22)
Pre-operational costs	Cost of sales	(4)	–	–	–	(4)	1	(3)
Reorganisation costs	SG&A	(7)	–	(4)	–	(11)	2	(9)
Intangible assets amortisation other than software	SG&A	(51)	(6)	(35)	–	(92)	25	(67)
Impairment reversals on intangible assets and property, plant and equipment	Other operating income	–	–	60	–	60	(14)	46
Impairment charges on intangible assets and property, plant and equipment	Other operating expenses	(17)	(1)	(13)	–	(31)	7	(24)
Remeasurement of contingent consideration and other financial liability	Finance expense	–	–	–	(71)	(71)	16	(55)
Unwinding of contingent consideration and other financial liability	Finance expense	–	–	–	(3)	(3)	1	(2)
Exceptional items and other adjustments		(97)	(7)	(3)	(74)	(181)	45	(136)

- Provision for rebates adjustment: $29 million represents a change in historical estimates in relation to prior years rebates
- Pre-operational costs: $4 million of costs incurred during the pre-operational phase of the manufacturing plant acquired through the Xellia business combination.
- Reorganisation costs: $11 million of reorganisation costs related to a global restructuring program. This program will improve efficiencies across various Group functions, including R&D activities benefitting from the integration of the Xellia business
- Intangible assets amortisation other than software of $92 million (Note 13)
- Impairment reversals: $60 million related to complex respiratory CGU, primarily driven by improved performance and sustained forecasted profitability. Of this amount, $44 million was allocated to intangible assets and $16 million to property, plant and equipment (Notes 7, 13 and 14)
- Impairment charges: $22 million impairment on intangible assets mainly comprises $14 million related to marketing rights following the termination of business development contracts and $8 million related to a product-related intangible asset due to the discontinuation of a pipeline product (Notes 7 and 13). Additionally, there were impairment charges on property, plant and equipment of $9 million mainly related to machinery and equipment associated with discontinued projects (Notes 7 and 14)
- Remeasurement of contingent consideration and other financial liability: $71 million represents the finance expense resulting from the valuation of the liabilities associated with the future contingent payments in respect of contingent consideration recognised through business combinations (Notes 9, 25, 28 and 31)
- Unwinding of contingent consideration and other financial liability: $3 million represents the finance expense resulting from the unwinding of contingent consideration recognised through business combinations (Notes 9, 25, 28 and 31)

7. Other operating expenses/income

Other operating expenses	2025 Core results $m	2025 Exceptional items and other adjustments (Note 6) $m	2025 Reported results $m	2024 Core results $m	2024 Exceptional items and other adjustments (Note 6) $m	2024 Reported results $m
Impairment charges (Notes 6, 13, 14 and 15)	–	26	26	–	31	31
Foreign exchange loss, net	7	–	7	16	–	16
Others	2	–	2	5	–	5
	9	26	35	21	31	52

Other operating income	2025 Core results $m	2025 Exceptional items and other adjustments (Note 6) $m	2025 Reported results $m	2024 Core results $m	2024 Exceptional items and other adjustments (Note 6) $m	2024 Reported results $m
Insurance compensation in relation to the Group's losses in Sudan (Note 6)	–	14	14	–	–	–
Gain on extinguishment of financial liability (Note 6)	–	6	6	–	–	–
Impairment reversals (Notes 6, 13 and 14)	–	–	–	–	60	60
Others	11	–	11	3	–	3
	11	20	31	3	60	63

8. Finance income

	2025 Core results $m	2025 Exceptional items and other adjustments (Note 6) $m	2025 Reported results $m	2024 Core results $m	2024 Exceptional items and other adjustments (Note 6) $m	2024 Reported results $m
Remeasurement of contingent consideration liabilities (Notes 6, 25, 28 and 31)	–	72	72	–	–	–
Interest income	6	–	6	8	–	8
Others	5	–	5	–	–	–
	11	72	83	8	–	8

9. Finance expense

	2025 Core results $m	2025 Exceptional items and other adjustments (Note 6) $m	2025 Reported results $m	2024 Core results $m	2024 Exceptional items and other adjustments (Note 6) $m	2024 Reported results $m
Interest on borrowings	82	–	82	72	–	72
Bank commissions and charges	14	–	14	13	–	13
Net foreign exchange loss	4	–	4	5	–	5
Lease accretion of interest (Note 15)	3	–	3	3	–	3
Unwinding and remeasurement of contingent consideration and other financial liabilities (Notes 6, 25, 28 and 31)	–	1	1	–	74	74
Others	3	–	3	–	–	–
	106	1	107	93	74	167

10. Tax

	2025 Core results $m	2025 Exceptional items and other adjustments (Note 6) $m	2025 Reported results $m	2024 Core results $m	2024 Exceptional items and other adjustments (Note 6) $m	2024 Reported results $m
Current tax						
Current year	140	(19)	121	142	(2)	140
Adjustment to prior years	4	–	4	18	–	18
Deferred tax						
Current year	(5)	(8)	(13)	1	(43)	(42)
Adjustment to prior year	–	–	–	(23)	–	(23)
	139	(27)	112	138	(45)	93

The Group incurred a tax expense of $112 million (2024: $93 million); the reported and core effective tax rates are 21.6% and 21.5% respectively (2024: 20.4% and 21.7% respectively). The reported effective tax rate is lower than the standard rate primarily due to the earnings mix.

Notes to the consolidated financial statements
continued

10. Tax continued

The charge for the year can be reconciled to profit before tax per the consolidated income statement as follows:

	2025 $m	2024 $m
Profit before tax	**519**	455
Tax at the UK corporation tax rate of 25% (2024: 25%)	**130**	114
Effect of rates different than the UK rate	**(28)**	(32)
Change in uncertain tax positions	**(8)**	(2)
Permanent differences	**4**	6
Other local taxes and reliefs	**9**	5
Pillar 2 Top up Tax	**3**	7
Prior year adjustments	**4**	(5)
Movement in recognition of deferred taxes	**(2)**	(1)
Unremitted earnings	**–**	1
Tax expense for the year	**112**	93

The change in the uncertain tax positions relates to the balance the Group holds in the event a revenue authority successfully takes an adverse view of the positions adopted by the Group in 2025 and prior years. As at 31 December 2025, the Group's uncertain tax positions, excluding advanced payments, amounted to $38 million (2024: $54 million). In 2025, the total movement on the uncertain tax positions was $16 million. Of this amount, $8 million was released to the consolidated income statement due to resolution of tax audits, and $8 million relates to agreed-upon settlement. If all identifiable areas of uncertainty were audited and all areas resulted in an adverse outcome, management does not believe any material additional tax would be payable beyond what is provided.

Global minimum tax – Pillar Two
Pillar Two legislation has been enacted, or substantively enacted, in certain jurisdictions where the Group operates. The legislation became effective for the Group's financial year beginning 1 January 2024. The Group is in scope of the enacted or substantively enacted legislation and has performed an assessment of the Group's potential exposure to Pillar Two income taxes for the year ended on 31 December 2025.

The assessment of the potential exposure to Pillar Two income taxes is based on the most recent information available regarding the financial performance of the constituent entities in the Group. The potential exposure comes from the constituent entities (mainly operating subsidiaries) in these jurisdictions where the expected Pillar Two effective tax rate is below 15%. The top up tax has been calculated in accordance with the OECD guidance and has been included in the tax amounts disclosed above. We estimate that the total Pillar Two top up tax to be $3 million (2024: $7 million). The Group is continuing to assess the impact of the Pillar Two income taxes legislation and related updates on its future financial performance.

Deferred tax

Recognition of deferred tax assets
The recognition of deferred tax assets is based on the current forecast of taxable profits arising in the jurisdiction in which the deferred tax asset arises, including taxable amounts expected to arise from the reversal of deferred tax liabilities. This exercise is reviewed each year and, to the extent forecasts change, an adjustment to the recognised deferred tax asset may be made.

Recognition of deferred tax assets is driven by the Group's ability to utilise the deferred tax asset which is reliant on forecast taxable profits arising in the jurisdiction in which losses are incurred.

Deferred tax assets and liabilities have been offset only where it is appropriate to do so. The following is the analysis of the deferred tax balances (after offset) for financial reporting purposes:

	As at 31 December	
	2025 $m	2024 $m
Deferred tax assets	**307**	293
Deferred tax liabilities	**(16)**	(18)
	291	275

10. Tax continued

The table below represents the deferred tax movement in 2025 and 2024:

	Returns and inventory-related provision $m	Intangible assets[1] $m	Other provisions and accruals $m	Unremitted earnings $m	Research and Development $m	Others $m	Total $m
Balance at 1 January 2024	90	54	59	(3)	–	1	201
Credit/(charge) to income	16	20	(1)	(1)	13	18	65
Equity adjustment	–	–	–	–	–	1	1
Currency translation impact	(1)	1	(1)	–	–	9	8
Reclassification	–	–	–	–	29	(29)	–
Balance at 31 December 2024 and 1 January 2025	**105**	**75**	**57**	**(4)**	**42**	**–**	**275**
Credit/(charge) to income	**4**	**(10)**	**(2)**	**–**	**6**	**15**	**13**
Currency translation impact	**–**	**–**	**1**	**–**	**–**	**2**	**3**
Balance at 31 December 2025	**109**	**65**	**56**	**(4)**	**48**	**17**	**291**

1. Intangibles category includes items related to contingent liabilities

The Group has a potential deferred tax asset of $480 million (2024: $457 million) of which $307 million (2024: $293 million) has been recognised. The unrecognised deferred tax asset comprises of tax losses, short term timing differences and non-refundable tax credits.

No deferred tax asset has been recognised on gross temporary differences totalling $287 million (2024: $273 million), with a tax effect of $60 million mainly due to the unpredictability of the related future profit streams. Of these gross temporary differences, $230 million (2024: $205 million) relate to losses, of which $192 million are UK losses that don't expire. No deferred tax is recognised against the losses due to significant uncertainty regarding future taxable income forecasts in the relevant jurisdictions. None of the non-UK losses are expected to expire in 2026. The remaining $57 million represent other short-term temporary differences that relate to multiple jurisdictions.

In addition, there has been no change to the position of the Cantonal tax credits in Switzerland of $114 million (CHF90 million) granted in 2024. These Swiss non-refundable tax credits can be utilised over a 10-year period from the fiscal year 2024 until they expire in 2033. We continue not to recognise a deferred tax asset on this item.

During the year, there has been no movement on the deferred tax liability recognised on temporary differences relating to the unremitted earnings of overseas subsidiaries (2024: $1 million increase). No deferred tax liability has been recognised on the remaining unremitted earnings of $578 million (2024: $499 million), as the Group is able to control the timing of the reversal of these temporary differences and it is probable that they will not reverse in the foreseeable future.

Mandatory temporary exception
The Group has applied the temporary exception issued by the IASB in May 2023 from the accounting requirements for deferred taxes in IAS 12. Accordingly, the Group neither recognises nor discloses information about deferred tax assets and liabilities related to Pillar Two income taxes.

Notes to the consolidated financial statements
continued

11. Earnings per share (EPS)

Basic EPS is calculated by dividing the profit attributable to equity holders of the parent by the weighted average number of Ordinary Shares in free issue during the year after deducting Treasury shares and shares held in the employee benefit trust (EBT) (Note 29). Treasury shares have no right to receive dividends, and the employee benefit trust (EBT) has waived its entitlement to dividends. However, while the voting rights attached to treasury shares are not exercisable, shares in the EBT retain their voting rights.

Diluted EPS is calculated after adjusting the weighted average number of Ordinary Shares used in the basic EPS calculation for the conversion of all potentially dilutive Ordinary Shares.

Core basic and diluted EPS are intended to highlight the core results of the Group before exceptional items and other adjustments.

	2025 Core results $m	**2025 Exceptional items and other adjustments (Note 6) $m**	**2025 Reported results $m**	2024 Core results $m	2024 Exceptional items and other adjustments (Note 6) $m	2024 Reported results $m
Profit attributable to equity holders of the parent	**503**	**(101)**	**402**	495	(136)	359

The weighted average number of ordinary shares in free issue used in calculating basic and diluted EPS is shown below:

	2025 Number	2024 Number
Basic EPS	**220,587,683**	221,333,249
Effect of potentially dilutive Ordinary Shares from share-based awards	**2,096,488**	2,160,072
Diluted EPS	**222,684,171**	223,493,321

The basic and diluted EPS are as follows:

	2025 Core Cents	**2025 Reported Cents**	2024 Core Cents	2024 Reported Cents
Basic EPS	**228**	**182**	224	162
Diluted EPS	**226**	**181**	221	161

12. Dividends

The amounts recognised as distributions to equity holders in the year were as follows:

	Paid in 2025 $m	Paid in 2024 $m
Final dividend for the year ended 31 December 2024 of 48 cents (31 December 2023: 47 cents) per share	**106**	104
Interim dividend during the year ended 31 December 2025 of 36 cents (31 December 2024: 32 cents) per share	**79**	71
	185	175

The proposed final dividend for the year ended 31 December 2025 is 48 cents (2024: 48 cents).

The proposed final dividend is subject to approval by shareholders at the Annual General Meeting on 23 April 2026 and has not been included as a liability in these consolidated financial statements. Based on the number of shares in free issue at 31 December 2025 (220,106,915), the final dividend would be $106 million.

13. Goodwill and other intangible assets

The changes in the carrying value of goodwill and other intangible assets for the years ended 31 December 2025 and 31 December 2024 are as follows:

	Goodwill	**Other intangible assets**			
		Product-related intangibles	**Software**	**Other identified intangibles**	
	$m	**$m**	**$m**	**$m**	**Total $m**
Cost					
Balance at 1 January 2024	796	1,422	138	317	2,673
Additions	–	24	–	49	73
Translation adjustments	(8)	(7)	(1)	(2)	(18)
Business combination	2	73	–	–	75
Balance at 31 December 2024 and 1 January 2025	**790**	**1,512**	**137**	**364**	**2,803**
Additions	–	104	2	17	123
Disposals	–	–	(1)	–	(1)
Translation adjustments	11	2	–	6	19
Balance at 31 December 2025	**801**	**1,618**	**138**	**387**	**2,944**
Accumulated amortisation and impairment					
Balance at 1 January 2024	(408)	(878)	(107)	(180)	(1,573)
Charge for the year	–	(72)	(8)	(20)	(100)
Impairment reversal	–	44	–	–	44
Impairment charge	–	(8)	–	(14)	(22)
Translation adjustments	–	2	–	2	4
Balance at 31 December 2024 and 1 January 2025	**(408)**	**(912)**	**(115)**	**(212)**	**(1,647)**
Charge for the year	–	(80)	(8)	(20)	(108)
Disposals	–	–	1	–	1
Impairment charge	–	(13)	–	(2)	(15)
Translation adjustments	–	(1)	–	(4)	(5)
Balance at 31 December 2025	**(408)**	**(1,006)**	**(122)**	**(238)**	**(1,774)**
Carrying amount					
At 31 December 2025	**393**	**612**	**16**	**149**	**1,170**
At 31 December 2024	382	600	22	152	1,156

Of the total intangible assets other than goodwill, $137 million (2024: $157 million) are not yet available for use.

Goodwill

Goodwill is allocated from the acquisition date to the CGUs that are expected to benefit from the synergies of the business combination. The carrying amount of goodwill has been allocated as follows:

	As at 31 December	
	2025 $m	2024 $m
Injectables	**231**	227
Branded	**162**	155
Total	**393**	382

In accordance with the Group policy, goodwill is tested annually for impairment during the fourth quarter or more frequently if there are indicators that goodwill may be impaired. The impairment test was performed by calculating the recoverable amount of the CGUs to which the goodwill is allocated, based on discounted cash flows by applying an appropriate discount rate that reflects the risk factors associated with the cash flows under which these CGUs sit. These values are then compared to the carrying value of the CGUs to determine whether an impairment is required.

Notes to the consolidated financial statements
continued

13. Goodwill and other intangible assets continued

CGUs impairment testing

Details related to the discounted cash flow models used in the impairment tests of the CGUs are as follows:

Valuation basis, terminal growth rate and discount rate			Terminal growth rate (perpetuity)		Discount rate		
		Valuation basis	**2025**	2024	**2025**	2024	
	Injectables	VIU	**2.5%**	2.5%	**12.6%**	12.6%	Pre-tax
	Branded	VIU	**2.4%**	2.4%	**14.3%**	14.3%	Pre-tax
	Hikma Rx	VIU	**1.0%**	1.0%	**12.8%**	10.7%	Pre-tax
	Complex respiratory	n/a	**–**	–[1]	**n/a**	8.1%	Post-tax
Key assumptions	– Revenue and cash flow forecasts (including market size, estimated market share, number of competitors, net selling prices and profit margins for marketed and pipeline products) – Expected launch dates for pipeline products – Terminal growth rates – Discount rates						
Determination of assumptions	– Growth rates are internal forecasts based on both internal and external market information, informed by historical experience and management's best estimates of the future – Margins reflect past experience, adjusted for expected changes in the future – Establishing the launch date and probability of a successful product approval for pipeline products – Terminal growth rates are based on the Group's experience in its markets – Discount rates for each CGU are derived from specific regions/countries						
Period of specific projected cash flows	5 years						

1. In 2024, the majority of projected cash flows for the Complex respiratory CGU extended over a seven-year period

Complex respiratory CGU

The Group carried out an impairment trigger assessment for the Complex Respiratory CGU. Based on this assessment, no indicators of impairment or reversal of previous impairments were identified for the CGU during the period.

In 2024, the Group evaluated the recoverable amount of the CGU using a fair value less costs of disposal (FVLCD) model, being the higher value compared to value in use (VIU). The evaluation yielded a recoverable amount of $127 million, which resulted in an impairment reversal of $60 million, with $44 million allocated to intangible assets and $16 million to property, plant and equipment on a pro rata basis.

Injectables and Branded CGUs

In accordance with IAS 36, the Group conducted its annual impairment test for the Injectables and Branded CGUs by carrying forward the most recent detailed calculations of their recoverable amounts from 2023 and 2024, respectively. This approach was considered appropriate as the assets and liabilities of the CGUs have not changed significantly since the most recent recoverable amount calculations, and the previous calculations indicated that the recoverable amount significantly exceeded the carrying amount for both CGUs. Additionally, an analysis of events and changes in circumstances since the prior assessments indicated that the likelihood of the current recoverable amount being lower than the carrying amount for both CGUs is remote.

Hikma Rx CGU

The Group conducted its annual impairment test for the Hikma Rx CGU, as it includes material intangible assets not yet available for use. The valuation did not result in any impairment for the CGU and indicated that sufficient headroom exists even under reasonable changes in key assumptions.

In 2024, the Group conducted an impairment test for the Hikma Rx CGU, and the valuation did not result in any impairment for the CGU.

The Group monitors the development of climate-related risks and assessed the qualitative and quantitative impact which is not expected to have a material impact on the consolidated financial statements nor the recoverable amount of the CGUs (See pages 66 to 79).

13. Goodwill and other intangible assets continued

Product-related intangible assets

Product rights not yet available for use

Product rights not yet available for use amounts to $94 million (2024: $84 million); no amortisation has been charged against them. The Group performs an impairment review of these assets annually. The result of this test was an impairment charge of $7 million in the Injectables segment and $6m in the Hikma Rx segment due to the discontinuation of pipeline products (2024: $8 million in the Injectables segment).

Product rights

Product rights consist of marketed products of $518 million (2024: $516 million) which include two products in the injectables CGU valued at $107 million (2024: $118 million) and $48 million (2024: $52 million) with a remaining useful life of ten years and fourteen years, respectively. Product rights also include a product in the Complex respiratory CGU valued at $104 million (2024: $120 million) with a remaining useful life of six years.

The product rights have an average estimated useful life of twelve years.

Software

Software intangibles mainly represent the Enterprise Resource Planning solutions that are implemented in different operations across the Group in addition to other software applications, of which $1 million is not yet available for use (2024: $1 million). The software has an average estimated useful life that varies from three to ten years.

As at 31 December 2025, no impairment charge was identified (2024: $nil).

Other identified intangibles

Other identified intangibles comprise marketing rights, customer relationships and trade names of $149 million (2024: $152 million) of which $42 million represent assets not yet available for use (2024: $72 million). The Group performs an impairment review of other identified intangible assets that are not yet available for use annually, and performs impairment trigger assessment for assets in use. The result of this test was an impairment charge of $2 million in the Injectables segment due to the discontinuation of a marketing rights contract (2024: $14 million).

Marketing rights

Marketing rights are amortised over their useful lives commencing in the year in which the rights are ready for use with estimated useful lives varying from two to ten years.

Customer relationships

Customer relationships represent the value attributed to existing direct customers that the Group acquired on business combinations. The customer relationships have an average estimated useful life of fifteen years.

Trade names

Trade names were mainly recognised on the acquisition of Hikma Germany GmbH (Germany) with estimated useful lives of ten years.

Notes to the consolidated financial statements
continued

14. Property, plant and equipment

	Land and buildings $m	Machinery and equipment $m	Vehicles, fixtures and equipment $m	Projects under construction $m	Total $m
Cost					
Balance at 1 January 2024	797	894	148	272	2,111
Additions	6	21	10	133	170
Disposals	(1)	(16)	(5)	–	(22)
Transfers	12	31	10	(53)	–
Business combination	52	1	–	62	115
Translation adjustment	(15)	(21)	(6)	(5)	(47)
Balance at 31 December 2024 and 1 January 2025	**851**	**910**	**157**	**409**	**2,327**
Additions	7	25	11	153	196
Disposals	–	(7)	(6)	–	(13)
Transfers	52	41	12	(105)	–
Translation adjustment	23	26	4	11	64
Reclassification	–	(7)	–	9	2
Balance at 31 December 2025	**933**	**988**	**178**	**477**	**2,576**
Accumulated depreciation and impairment					
Balance at 1 January 2024	(278)	(546)	(124)	(67)	(1,015)
Charge for the year	(24)	(48)	(15)	–	(87)
Disposals	1	16	5	–	22
Impairment reversal	1	15	–	–	16
Impairment charges	(1)	(3)	–	(5)	(9)
Translation adjustment	7	13	4	–	24
Balance at 31 December 2024 and 1 January 2025	**(294)**	**(553)**	**(130)**	**(72)**	**(1,049)**
Charge for the year	(27)	(52)	(15)	–	(94)
Disposals	–	6	5	–	11
Impairment charges	–	(2)	–	(8)	(10)
Translation adjustment	(8)	(17)	(3)	–	(28)
Reclassification	–	(7)	14	(9)	(2)
Balance at 31 December 2025	**(329)**	**(625)**	**(129)**	**(89)**	**(1,172)**
Carrying amount					
At 31 December 2025	**604**	**363**	**49**	**388**	**1,404**
At 31 December 2024	557	357	27	337	1,278

Land is not subject to depreciation.

None of the Group's property, plant and equipment are pledged as collateral for long-term loans as at 31 December 2025 (2024: $nil).

As at 31 December 2025, the Group had entered into contractual commitments for the acquisition of property, plant and equipment amounting to $96 million (2024: $79 million).

During the year ended 31 December 2025, $5 million of borrowing costs have been capitalised (2024: $3 million).

In 2025, the Group recognised an impairment charge of $10 million in relation to machinery and equipment associated with discontinued projects mainly within the Hikma Rx CGU (Notes 6 and 7). In 2024, the Group recognised an impairment charge of $9 million mainly in relation to machinery and equipment associated with discontinued projects and impairment reversal of $16 million mainly related to machinery and equipment within the Complex respiratory CGU (Notes 6 and 7).

15. Right-of-use assets and lease liabilities

The carrying amounts of right-of-use assets recognised and the movements during the year were as follows:

	Buildings $m	Vehicles $m	Total $m
At 1 January 2024	40	5	45
Additions	3	8	11
Business combination	2	–	2
Depreciation expense	(6)	(4)	(10)
Balance at 31 December 2024 and 1 January 2025	39	9	48
Additions	**6**	**2**	**8**
Retirements	**(1)**	**–**	**(1)**
Depreciation expense	**(7)**	**(3)**	**(10)**
Impairment charge	**(1)**	**–**	**(1)**
Balance at 31 December 2025	**36**	**8**	**44**

The carrying amounts of lease liabilities and the movements during the year were as follows:

	2025 $m	2024 $m
At 1 January	**57**	66
Additions	**8**	11
Business combination	**–**	2
Accretion of interest (Note 9)	**3**	3
Retirements	**(1)**	(1)
Repayments	**(14)**	(24)
Balance at 31 December	**53**	57
Current	**8**	11
Non-current	**45**	46

The following is the maturity analysis of lease liabilities:

	2025 $m	2024 $m
Breakdown by maturity:		
Within one year	**8**	11
In the second year	**6**	7
In the third year	**5**	5
In the fourth year	**4**	4
In the fifth year	**3**	3
In the sixth year	**2**	2
Thereafter	**25**	25
	53	57

At 31 December 2025, lease liabilities included optional extension periods amounting to $20 million on a discounted basis (2024: $19 million).

The following are the amounts recognised in the consolidated income statement:

	2025 $m	2024 $m
Depreciation expense of right-of-use assets	**(10)**	(10)
Impairment of right-of-use assets	**(1)**	–
Interest expense on lease liabilities	**(3)**	(3)
Expense relating to short-term leases	**(6)**	(4)
Total amount recognised in the consolidated income statement	**(20)**	(17)

Notes to the consolidated financial statements
continued

16. Investment in joint venture

The Group's share in Hubei Haosun Pharmaceutical Co., Ltd. was 49% at 31 December 2025 (2024: 49%) with an investment balance of $11 million at 31 December 2025 (2024: $11 million). The Group's share of the profit for the year ended 31 December 2025 was $0.3 million (2024: $1.2 million) and dividends received were $1 million (2024: $nil).

Summarised financial information in respect of the Group's interests in Hubei Haosun Pharmaceutical Co., Ltd. is set out below:

	As at 31 December	
	2025 $m	2024 $m
Total assets	**24**	25
Total liabilities	**(5)**	(5)
Net assets	**19**	20
Group's share of net assets of joint venture	**9**	10

	For the year ended 31 December 2025 $m	For the year ended 31 December 2024 $m
Total revenue	**6**	8
Net profit	**1**	2
Group's share of profit of joint venture	**–**	1

17. Other non-current assets

	As at 31 December	
	2025 $m	2024 $m
Investments at FVTOCI	**40**	51
Advance payment related to non-financial assets	**19**	19
Long-term prepayments	**8**	–
Other financial assets	**25**	14
	92	84

Investments at FVTOCI include investments which are not held for trading and which the Group irrevocably designated as measured at fair value through other comprehensive income.

During the year, the Group increased its investment in four existing ventures by $3 million.

The total portfolio as at 31 December 2025 includes investments in unlisted shares without readily determinable fair values that fall under level 3 valuation (Note 31). The fair value is estimated by management based on the cost of investment and adjusted as necessary for impairment and revaluations with reference to relevant available information and recent financing rounds.

During the year, the total change in fair value was a net loss of $13 million (2024: $6 million net loss) recognised as other comprehensive expense.

Advance payment related to non-financial assets represents cash paid in advance that will be mainly utilised against the future acquisition of product licences, materials or finished products.

Other financial assets mainly represent long-term receivables and upfront fees on a syndicated revolving credit facility.

18. Inventories

	As at 31 December	
	2025 $m	2024 $m
Finished goods	**510**	409
Work-in-progress	**137**	113
Raw and packing materials	**466**	490
Goods in transit	**66**	36
Spare parts	**59**	52
Provisions against inventory	**(132)**	(114)
	1,106	986

The movements in the provisions against inventory are as follows:

	As at 1 January $m	Additions $m	Utilisation $m	Translation adjustments $m	**As at 31 December $m**
Provisions against inventory in 2025	**114**	**96**	**(79)**	**1**	**132**
Provisions against inventory in 2024	111	51	(41)	(7)	114

The cost of inventory recognised as an expense within cost of sales in the consolidated income statement was $1,869 million (2024: $1,671 million), including the cost of inventory-related provision of $96 million (2024: $51 million).

19. Trade and other receivables

	As at 31 December	
	2025 $m	2024 $m
Gross trade receivables	**1,393**	1,362
Chargebacks and other allowances	**(320)**	(391)
Expected credit loss allowance	**(76)**	(75)
Net trade receivables	**997**	896
VAT and sales tax recoverable	**55**	44
Other receivables	**9**	9
Net trade and other receivables	**1,061**	949

The fair value of receivables is estimated to be not significantly different from the respective carrying amounts.

The movement in chargebacks and other allowances and expected credit loss allowance is as follows:

	As at 31 December 2024 and 1 January 2025 $m	Additions, net $m	Utilisation $m	Translation adjustments $m	**As at 31 December 2025 $m**
Chargebacks and other allowances	**391**	**2,596**	**(2,667)**	**–**	**320**
Expected credit loss allowance	**75**	**1**	**–**	**–**	**76**
	466	**2,597**	**(2,667)**	**–**	**396**

	As at 31 December 2023 and 1 January 2024 $m	Additions, net $m	Utilisation $m	Translation adjustments $m	As at 31 December 2024 $m
Chargebacks and other allowances	352	2,758	(2,719)	–	391
Expected credit loss allowance	81	2	–	(8)	75
	433	2,760	(2,719)	(8)	466

More details on the Group's policy for credit and concentration risk are provided in Note 30.

Notes to the consolidated financial statements
continued

19. Trade and other receivables continued

At 31 December 2025, the provision balance relating to chargebacks amounted to $212 million (2024: $273 million). Based on the conditions existing at the balance sheet date, a decrease by one hundred basis-points in the overall chargeback rate of 58% (2024: 57%) would reduce the provision by approximately $4 million (2024: approximately $5 million).

At 31 December 2025, the provision balance relating to customer rebates amounted to $38 million (2024: $45 million). Based on the conditions existing at the balance sheet date, a decrease by fifty basis-points in the rebates rate of 3.8% (2024: 4.4%) would reduce the provision by approximately $5 million (2024: approximately $5 million).

20. Cash and cash equivalents

	As at 31 December	
	2025 $m	2024 $m
Cash at banks and on hand[1]	**157**	127
Time deposits	**43**	59
Money market deposits	**17**	2
	217	188

1. In 2025, cash at banks included $76 million placed in interest-bearing accounts (2024: $24 million)

Money market deposits comprise investment in funds at FVTPL that are subject to insignificant risk of changes in fair value and can be readily converted into cash that fall under level 1 valuation (Note 31).

21. Other current assets

	As at 31 December	
	2025 $m	2024 $m
Restricted cash	**111**	–
Prepayments	**87**	73
Investment at FVTPL	**26**	25
Others	**17**	18
	241	116

Restricted cash represents cash held in restricted accounts for legal settlements, with a corresponding provision at 31 December 2025 (Note 24). Of this amount, a total of $110 million was subsequently paid in January 2026.

Investment at FVTPL comprise a portfolio of debt instruments that are managed by an asset manager and which the Group designated as measured at fair value through profit or loss. These assets are classified as level 1 as they are based on quoted prices in active markets (Note 31).

Others mainly represent compensation due from suppliers in relation to inventory price adjustments.

22. Short-term financial debts

	As at 31 December	
	2025 $m	2024 $m
Short-term borrowings	**14**	21
Current portion of long-term borrowings (Note 26)	**92**	621
	106	642

In 2025, the weighted average interest rate incurred for short-term borrowings was 11.1% (2024: 9.1%).

In 2024, the current portion of long-term borrowings comprised the previous Eurobond, which matured and was repaid in July 2025. Subsequently, a new Eurobond was issued in July 2025 with a maturity date of July 2030. This new Eurobond is presented under long-term borrowings as at 31 December 2025 (Note 26).

23. Trade and other payables

	As at 31 December	
	2025 $m	2024 $m
Trade payables	**400**	358
Accrued expenses	**292**	266
Other payables	**23**	26
	715	650

The fair value of payables is estimated to be not significantly different from the respective carrying amounts.

24. Provisions

	Provision for end of service indemnity $m	**Provision for legal settlements $m**	**Total $m**
Balance at 1 January 2024	30	129	159
Additions	3	–	3
Remeasurement of post-employment benefit obligations[1]	1	–	1
Settlements	(5)	–	(5)
Balance at 31 December 2024 and 1 January 2025	**29**	**129**	**158**
Additions	5	72	77
Unwinding of post-employment benefit obligations	1	–	1
Remeasurement of post-employment benefit obligations[1]	2	–	2
Settlements	(4)	(75)	(79)
Balance at 31 December 2025	**33**	**126**	**159**

1. The remeasurement is due to actuarial valuations and changes in actuarial assumptions, and is recognised in other comprehensive expense

	2025 $m	2024 $m
Due within one year	**119**	122
Due after more than one year	**40**	36
	159	158

Provisions are often subject to uncertainty regarding the timing and settlement amounts. When a settlement is reached and the uncertainty is resolved, these amounts are not classified to trade and other payables and remain classified within provisions. This is to provide more transparent disclosure of subsequent movements. The remaining balance at 31 December 2025 includes $111 million that was placed into restricted cash, of which a total of $110 million was agreed for settlement and subsequently paid in January 2026 (Note 21).

The addition of $72 million in the provision for legal settlements is related to an agreement reached to settle all antitrust lawsuits brought against Hikma Pharmaceuticals USA Inc. by third-parties in the US who have purchased or been billed for Xyrem® (Sodium Oxybate). The agreed-upon settlement is not an admission of wrongdoing or legal liability the Sodium Oxybate settlement. This provision was settled during the year (Note 6).

Provision for end of service indemnity relates to employees of certain Group subsidiaries and includes immaterial amounts for defined benefit plans. This provision is calculated based on relevant laws in the countries where each Group company operates, in addition to their own policies.

Notes to the consolidated financial statements
continued

25. Other current liabilities

	As at 31 December 2025 $m	2024 $m
Indirect rebates and other allowances	**188**	173
Refund liability	**152**	151
Deferred income (Note 28)	**55**	28
Acquired contingent liability (Note 28)	**24**	20
Contingent consideration liabilities (Notes 6, 28 and 31)	**–**	85
Others	**12**	18
	431	475

Indirect rebates and other allowances: mainly represent rebates granted to healthcare authorities and certain indirect customers under contractual arrangements. At 31 December 2025, the provision balance relating to the indirect rebates amounted to $110 million (2024: $100 million). Based on the conditions existing at the balance sheet date, a decrease by fifty basis-points in the rebates rate of 5.4% (2024: 4.9%) would reduce the provision by approximately $10 million (2024: approximately $10 million).

Refund liability reflects provisions for product returns, where the Group allows customers to return products within a specified period prior to and subsequent to the expiration date. Based on the conditions existing at the balance sheet date, a decrease by fifteen basis-points in the returns and allowanced rate of 1.3% (2024: 1.4%) would reduce the provision by approximately $17 million (2024: approximately $16 million).

Deferred income mainly includes contract liabilities related to the Group's obligations for contract manufacturing services, for which payment has been received or is receivable. It also includes contract liabilities for free goods owed to certain customers as an alternative to discounts and deferred lease income arising from the lease component within contract manufacturing services.

As at 31 December 2025, total deferred income amounted to $113 million (2024: $58 million). Of this, the current portion was $55 million (2024: $28 million), which comprised $47 million in contract liabilities (2024: $28 million) and $8 million in deferred lease income (2024: $nil). The non-current portion amounted to $58 million (2024: $30 million), which comprised $24 million in contract liabilities (2024: $13 million) and $34 million in deferred lease income (2024: $17 million).

During the year, revenue of $27 million (2024: $21 million) was recognised as performance obligations were satisfied.

The movement for indirect rebates and other allowances, refund liability and deferred income for the years ended 31 December 2025 and 2024 was as follows:

	Indirect rebates and other allowances $m	Refund liability $m	Deferred income $m	Total $m
Balance at 1 January 2024	145	158	21	324
Additions	334	55	58	447
Utilisations	(306)	(61)	(21)	(388)
Translation adjustment	–	(1)	–	(1)
Balance at 31 December 2024 and 1 January 2025	**173**	**151**	**58**	**382**
Additions	350	42	82	474
Utilisations	(336)	(42)	(27)	(405)
Translation adjustment	1	1	–	2
Balance at 31 December 2025	**188**	**152**	**113**	**453**

	2025 $m	2024 $m
Current	**395**	352
Non-current (Note 28)	**58**	30
	453	382

26. Long-term financial debts

	As at 31 December 2025 $m	2024 $m
Long-term borrowings	**1,537**	1,228
Less: current portion (Note 22)	**(92)**	(621)
	1,445	607
Breakdown by maturity:		
Within one year	**92**	621
In the second year	**125**	118
In the third year	**561**	129
In the fourth year	**157**	117
In the fifth year	**554**	242
In the sixth year	**48**	1
	1,537	1,228
Breakdown by currency:		
US dollar	**1,440**	1,156
Algerian dinar	**45**	31
Jordanian dinar	**24**	7
Moroccan dirham	**21**	23
Tunisian dinar	**6**	2
Euro	**1**	9
	1,537	1,228

In 2025, the weighted average interest rate incurred for long-term borrowings was 5.1% (2024: 5.1%).

The financial debts are held at amortised cost. Major financial debt arrangements include:

a) A $1,150 million syndicated revolving credit facility that matures on 4 January 2029. At 31 December 2025, the facility had a carrying value of $100 million (2024: $240 million) and a fair value of $100 million (2024: $240 million) and an unutilised amount of $1,050 million (2024: $910 million). The facility can be used for general corporate purposes

b) A new $500 million 5.125%, five-year Eurobond with a rating of BBB (S&P & Fitch) that matures on 8 July 2030. At 31 December 2025, the facility had a carrying value of $495 million and a fair value of $505 million. This bond was issued to refinance the previous $500 million, 3.25% Eurobond that matured in July 2025

c A new $400 million three-year syndicated loan facility that matures on 6 November 2028. At 31 December 2025, the facility had a carrying value of $398 million and a fair value of $398 million. The proceeds were partially used to settle the previous $400 million five-year syndicated loan facility, which had an outstanding balance of $162 million at 31 December 2024, the remaining proceeds were used for general corporate purposes

d) A new $250 million six-year loan facility from the International Finance Corporation that matures on 15 July 2031. At 31 December 2025, the facility had a carrying value of $247 million and a fair value of $247 million. The proceeds were used for general corporate purposes

e) A $200 million eight-year loan facility from the International Finance Corporation and Managed Co-lending Portfolio program that matures on 15 September 2028. At 31 December 2025, the facility had a carrying value of $153 million (2024: $185 million) and a fair value of $153 million (2024: $185 million). The proceeds were used for general corporate purposes

f) A $150 million ten-year loan facility from the International Finance Corporation that matures on 15 December 2027. At 31 December 2025, the facility had a carrying value of $43 million (2024: $63 million) and a fair value of $41 million (2024: $61 million). The proceeds were used for general corporate purposes

Where relevant, covenants on major financial debt arrangements are suspended while the Group retains its investment-grade status. As of 31 December 2025, the carrying value of long-term debt subject to covenants was immaterial, and the Group was in full compliance with those respective covenants. Covenants that must be complied with after the reporting date do not affect the classification of the related borrowings as current or non-current. Accordingly, all such borrowings remain classified as non-current liabilities.

Notes to the consolidated financial statements
continued

27. Reconciliation of movement in net debt

	2025 $m	2024 $m
Interest-bearing loans and borrowings (Notes 22 and 26)		
Balance at 1 January	**1,249**	1,125
Proceeds from issue of long-term financial debts	**2,402**	684
Proceeds from issue of short-term financial debts	**349**	387
Repayment of long-term financial debts	**(2,093)**	(536)
Repayment of short-term financial debts	**(357)**	(411)
Upfront fees and Eurobond transaction costs	**(8)**	–
Amortisation of upfront fees	**3**	3
Foreign exchange translation movements	**6**	(3)
Balance at 31 December	**1,551**	1,249
Lease liabilities (Note 15)		
Balance at 1 January	**57**	66
Additions	**8**	11
Business combination	**–**	2
Accretion of interest	**3**	3
Retirements	**(1)**	(1)
Repayment of lease liabilities	**(14)**	(24)
Balance at 31 December	**53**	57
Total Debt	**1,604**	1,306
Less: cash and cash equivalents (Note 20)	**(217)**	(188)
Net debt[1]	**1,387**	1,118

1. Net debt includes long and short-term financial debts and lease liabilities, net of cash and cash equivalents. Net debt excludes acquired contingent liability and contingent consideration liability (Notes 25 and 28)

28. Other non-current liabilities

	As at 31 December	
	2025 $m	2024 $m
Deferred income (Note 25)	**58**	30
Contingent consideration liability (Notes 6, 25 and 31)	**7**	68
Acquired contingent liability (Note 25)	**1**	29
	66	127

29. Share capital

Issued and fully paid – included in shareholders' equity:

	2025	2024
Number of shares at 1 January	**234,719,686**	233,914,604
Shares issued for employees share scheme	**–**	805,082
Number of shares at 31 December	**234,719,686**	234,719,686
Balance at 31 December (in $m)	**40**	40

As at 31 December 2025, 12,833,233 of the issued share capital were held as treasury shares (2024: 12,833,233), and 1,779,538 shares were held in the employee benefit trust (EBT) (2024: 1,455,190). Treasury shares have no right to receive dividends, and the EBT has waived its entitlement to dividends. While the voting rights attached to treasury shares are not exercisable, shares held in the EBT retain their voting rights. A total of 220,106,915 shares were in free issue (2024: 220,431,263).

In 2025, there was no newly issued share capital as the EBT purchased shares to satisfy the vested share awards under the share-based compensation schemes (2024: 805,082).

Shares held in the EBT were acquired using funds provided by the Group to fulfil its obligation to deliver shares when employees exercise their awards. These shares are deducted from other reserves, with a corresponding transfer to retained earnings when utilised for the exercise of share awards. During the year, the Group acquired 1,500,000 shares for a total consideration of $36 million, and 1,175,652 shares were utilised for the exercise of awards.

30. Financial policies for risk management and their objectives

Capital management and liquidity risk

The Group manages its capital and monitors its liquidity to have reasonable assurance that the Group will be able to continue as a going concern and deliver its growth strategy objectives, while reducing its cost of capital and maximising the return to shareholders through the optimisation of the debt and equity mix. The Group regularly reviews the capital structure by considering the level of available capital and the short to medium-term strategic plans concerning future capital spend, as well as the need to meet dividends, capital allocation priorities, and borrowing ratios.

The Group defines capital as equity plus net debt which includes long and short-term financial debts (Notes 22 and 26), lease liabilities (Note 15), net of cash and cash equivalents (Note 20). Group net debt excludes acquired contingent liability and contingent consideration liability (Notes 25 and 28).

During the year, the Group continued its strategy of obtaining debt financing at both the Group level and at the operating entities level. This enables the Group to borrow at competitive rates and to build relationships with local, regional and international banks and is therefore deemed to be the most effective means of raising finance, while maintaining the balance between borrowing cost, asset and liability management, and consolidated balance sheet currency risk management.

In order to monitor the available net funds, management reviews financial capital reports on a monthly basis, in addition to the continuous review by the Group treasury function.

At 31 December 2025, the Group's gearing ratio (total debt/equity) was 62% (2024: 56%).

Cash management

The Group manages the deployment of cash balances to predefined limits approved by the Board of Directors under the cash/risk management policy. Per the policy, the Group's excess cash should be held with highly rated global and regional financial institutions. The aim of the policy is to mitigate the risk of holding cash in certain currencies, countries and financial institutions, through specific thresholds. The Group reviews the policy periodically to meet its risk appetite.

The maturity analysis of the future contractual cash flows in relation to the Group's financial liabilities is as follows:

2025	Less than one year $m	One to five years $m	More than five years $m	Total $m
Interest-bearing long-term borrowings (Note 26)	**149**	**1,539**	**49**	**1,737**
Interest-bearing short-term borrowings (Note 22)	**15**	**–**	**–**	**15**
Interest-bearing lease liabilities (Note 15)	**10**	**21**	**36**	**67**
Trade and other payables (Note 23)	**715**	**–**	**–**	**715**
Contingent consideration (Note 28)	**–**	**–**	**10**	**10**
	889	**1,560**	**95**	**2,544**

2024	Less than one year $m	One to five years $m	More than five years $m	Total $m
Interest-bearing long-term borrowings (Note 26)	677	683	2	1,362
Interest-bearing short-term borrowings (Note 22)	22	–	–	22
Interest-bearing lease liabilities (Note 15)	14	26	38	78
Trade and other payables (Note 23)	650	–	–	650
Contingent consideration (Notes 25 and 28)	86	82	8	176
	1,449	791	48	2,288

The Group regularly monitors all cash, cash equivalents and debt to maintain liquidity needs. This is done by analysing debt headroom and expected cash flows. The Group seeks to be proactive in its liquidity management to avoid any adverse liquidity effect.

At 31 December 2025, the Group had undrawn facilities of $1,415 million (2024: $1,297 million). Of these facilities, $1,050 million (2024: $924 million) were committed long-term facilities.

Notes to the consolidated financial statements
continued

30. Financial policies for risk management and their objectives continued

Credit and concentration of risk

The Group's principal financial assets are cash and cash equivalents, trade and other receivables and investments.

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the consolidated balance sheet are net of allowances for expected credit loss, chargebacks, and other allowances. A provision for impairment is made based on expected credit loss which is estimated based on previous experience, current events and forecasts of future conditions. A loan or receivable is considered impaired when there is no reasonable expectation of recovery, or when a debtor fails to make a contractual payment for a specific period which varies based on the type of debtor and the market in which they operate.

During the year ended 31 December 2025, the Group's largest two customers in the MENA region represented 6.5% of Group revenue (2024: 6.5%), 5.0% from one customer in Saudi Arabia (2024: 5.0%), and 1.5% from one customer in Algeria (2024: 1.5%). At 31 December 2025, the net receivables due from all customers based in Saudi Arabia and Algeria were $97 million and $88 million respectively (2024: $79 million and $63 million respectively).

During the year ended 31 December 2025, three key US wholesalers represented 34% of Group revenue (2024: 35%). At 31 December 2025, the amount of net receivables due from all US customers was $532 million (2024: $522 million).

Trade receivable exposures are monitored consistently as they arise. Credit limits are set as deemed appropriate for the customer, based on a number of qualitative and quantitative factors related to the creditworthiness of a particular customer. The Group is exposed to a variety of customers ranging from government-backed agencies and large private wholesalers to privately owned pharmacies, and the underlying local economic risks vary across the Group. In line with local market practice, customers in the MENA region are offered relatively long payment terms compared to customers in Europe and North America. Typical credit terms in North America range from 30 to 90 days, in Europe 30 to 120 days, and in MENA 180 to 360 days.

The Group manages this risk through the implementation of stringent credit policies, procedures, the use of trade finance instruments and certain credit insurance agreements.

The following table provides a summary of the age of trade receivables (Note 19):

		Past due				
At 31 December 2025	**Not past due on the reporting date $m**	**Less than 90 days $m**	**Between 91 and 180 days $m**	**Between 181 and 360 days $m**	**Over one year $m**	**Total $m**
Expected credit loss rate	**0.1%**	**0.2%**	**19.5%**	**18.6%**	**65.3%**	**5.4%**
Gross trade receivables as at 31 December 2025	**1,184**	**62**	**21**	**26**	**100**	**1,393**
Expected credit loss allowance	**(1)**	**–**	**(4)**	**(5)**	**(66)**	**(76)**
Chargebacks and other allowances	**(320)**	**–**	**–**	**–**	**–**	**(320)**
Net trade receivables	**863**	**62**	**17**	**21**	**34**	**997**

		Past due				
At 31 December 2024	Not past due on the reporting date $m	Less than 90 days $m	Between 91 and 180 days $m	Between 181 and 360 days $m	Over one year $m	Total $m
Expected credit loss rate	0.1%	0.6%	18.5%	14.8%	77.0%	5.5%
Gross trade receivables as at 31 December 2024	1,157	62	26	34	83	1,362
Expected credit loss allowance	(1)	–	(5)	(5)	(64)	(75)
Chargebacks and other allowances	(391)	–	–	–	–	(391)
Net trade receivables	765	62	21	29	19	896

30. Financial policies for risk management and their objectives continued

Market risk

The Group is exposed to foreign exchange and interest rate risks. The Group's objective is to reduce, where it is appropriate to do so, fluctuations in earnings and cash flow associated with changes in interest rates and foreign currency rates. Management actively monitors these exposures to manage the volatility relating to these exposures by entering into a variety of derivative financial instruments, if needed.

Interest rate risk

The interest rate profile of the Group's interest-bearing financial assets and liabilities is set out below:

	As at 31 December 2025			As at 31 December 2024		
	Fixed rate $m	**Floating rate $m**	**Total $m**	Fixed rate $m	Floating rate $m	Total $m
Financial liabilities						
Interest-bearing loans and borrowings (Notes 22 and 26)	**582**	**969**	**1,551**	597	652	1,249
Lease liabilities (Note 15)	**53**	**–**	**53**	57	–	57
Financial assets						
Interest-bearing cash and cash equivalents (Note 20)	**–**	**136**	**136**	–	85	85

An interest rate sensitivity analysis assumes an instantaneous one percentage point change in interest rates in all currencies from their levels at 31 December 2025 with all other variables held constant. Based on the composition of the Group's net debt portfolio as at 31 December 2025, a one percentage point increase/decrease in interest rates would result in a $8 million increase/decrease in net finance cost per year (2024: $6 million increase/decrease).

Foreign exchange risk and currency risk

The Group uses the US dollar as its reporting currency and is therefore exposed to foreign exchange movements primarily in the Euro, Algerian dinar, Egyptian pound, Tunisian dinar and Moroccan dirham. Consequently, where appropriate, the Group may enter into various contracts, which change in value as foreign exchange rates change, to hedge against the risk of movement in foreign-denominated assets and liabilities. Due to the lack of open currency markets, the Algerian dinar, the Tunisian dinar, the Moroccan dirham and the Egyptian pound cannot be hedged at reasonable cost. Where possible, the Group uses financing facilities denominated in local currencies to mitigate the risks. Movements in the Jordanian dinar and the Saudi riyal had no impact on the consolidated income statement as these currencies are pegged against the US dollar.

Currency risks, as defined by IFRS 7, arise on account of financial instruments being denominated in a currency that is other than the functional currency of an entity and being of a monetary nature.

The currencies that have a significant impact on the Group's consolidated financial statements and the exchange rates used are as follows:

	Year-end rates		Average rates	
	2025	2024	**2025**	2024
US dollar /Euro	**0.851**	0.965	**0.884**	0.924
US dollar /Algerian dinar	**129.560**	135.743	**131.555**	134.037
US dollar /Saudi riyal	**3.750**	3.750	**3.750**	3.750
US dollar /Pound sterling	**0.742**	0.799	**0.758**	0.783
US dollar /Jordanian dinar	**0.709**	0.709	**0.709**	0.709
US dollar /Egyptian pound	**47.604**	50.771	**49.142**	45.309
US dollar /Moroccan dirham	**9.128**	10.111	**9.351**	9.940
US dollar /Tunisian dinar	**2.901**	3.185	**3.001**	3.117

Notes to the consolidated financial statements
continued

30. Financial policies for risk management and their objectives continued

The net foreign currency exposures for the years ended 31 December 2025 and 2024 were as follows:

	Financial assets/(liabilities)		
2025	**US dollar $m**	**Euro $m**	**Others[1] $m**
Functional currency of entity:			
– Jordanian dinar	**190**	**(4)**	**(8)**
– Euro	**61**	**–**	**2**
– Algerian dinar	**(14)**	**–**	**–**
– Saudi riyal	**(32)**	**(19)**	**–**
– Egyptian pound	**(47)**	**(2)**	**–**
– Tunisian dinar	**1**	**2**	**–**
– Moroccan dirham	**(20)**	**(7)**	**–**
– US Dollar	**–**	**(4)**	**7**
	139	**(34)**	**1**

	Financial assets/(liabilities)		
2024	US dollar $m	Euro $m	Others[1] $m
Functional currency of entity:			
– Jordanian dinar	141	7	3
– Euro	24	–	–
– Algerian dinar	(15)	–	–
– Saudi riyal	15	(9)	–
– Egyptian pound	(32)	(8)	–
– Tunisian dinar	–	2	–
– Moroccan dirham	(15)	(6)	–
– US Dollar	–	1	13
	118	(13)	16

1. Others include Saudi Riyal, Jordanian Dinar, Egyptian Pound, Japanese Yen, Pound Sterling, Swiss Franc and UAE Dirham

A sensitivity analysis based on a 10% movement in foreign exchange rates would result in a $11 million (2024: $12 million) movement in foreign exchange loss/gain on the Group results.

The Group sets certain limits on liquid funds per currency (other than the US dollar) and per country.

31. Fair value of financial assets and liabilities

The fair value of financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The carrying values of the following financial assets/liabilities are not significantly different from their fair values, as explained below:

- Cash and cash equivalents – due to the short-term maturities of these financial instruments and given that generally they have negligible credit risk, management considers the carrying amounts not to be significantly different from their fair values
- Restricted cash (Note 21) – the fair value of restricted cash is not considered to be significantly different from the carrying value
- Other financial assets (Note 17) – mainly represent long-term receivables and up-front fees carried at amortised cost, of which the fair value is estimated not to be significantly different from the respective carrying amounts
- Receivables and payables – the fair values of receivables and payables are estimated not to be significantly different from the respective carrying amounts
- Short-term loans and overdrafts approximate to their fair value because of the short maturity of these instruments
- Long-term loans – loans with variable rates are re-priced in response to any changes in market rates and so management considers their carrying values not to be significantly different from their fair values
- Provisions – where settlement has been agreed but not yet paid, such balances remain within provisions, rather than reclassified to trade and other payables, to provide transparent disclosure of movements. The remaining balance at 31 December 2025 includes $110 million that was agreed for settlement and subsequently paid in January 2026 (Note 24). The fair value of this agreed settlement amount is not estimated to be different from its carrying amount

Loans with fixed rates relate mainly to:

- $500 million 5.125%, five-year Eurobond with a carrying value of $495 million at 31 December 2025 and fair value of $505 million, accounted for at amortised cost. The fair value is determined with reference to a quoted price in an active market as at the balance sheet date (a level 1 fair value) (Note 26)
- A ten-year $150 million loan from the International Finance Corporation with a carrying value of $42 million at 31 December 2025 and a fair value of $41 million. Fair value is estimated by discounting future cash flows using the current rates at which similar loans would be made to borrowers with similar credit ratings and for the same remaining maturities of such loans (a level 2 fair value)

Management classifies items that are recognised at fair value based on the level of the inputs used in their fair value determination as described below:

- **Level 1:** Quoted prices in active markets for identical assets or liabilities
- **Level 2:** Inputs that are observable for the asset or liability
- **Level 3:** Inputs that are not based on observable market data

The following financial assets/liabilities are presented at their fair value:

At 31 December 2025	**Level 1 $m**	**Level 2 $m**	**Level 3 $m**	**Total $m**
Financial assets				
Investment at FVTPL (Note 21)	**26**	**–**	**–**	**26**
Money market deposit (Note 20)	**17**	**–**	**–**	**17**
Investments in unlisted shares at FVTOCI (Note 17)	**–**	**–**	**40**	**40**
Total financial assets	**43**	**–**	**40**	**83**
Financial liabilities				
Contingent consideration liability (Note 28)	**–**	**–**	**7**	**7**
Total financial liabilities	**–**	**–**	**7**	**7**

At 31 December 2024	Level 1 $m	Level 2 $m	Level 3 $m	Total $m
Financial assets				
Investment at FVTPL (Note 21)	25	–	–	25
Money market deposit (Note 20)	2	–	–	2
Investments in listed shares at FVTOCI (Note 17)	1	–	–	1
Investments in unlisted shares at FVTOCI (Note 17)	–	–	50	50
Total financial assets	**28**	**–**	**50**	**78**
Financial liabilities				
Contingent consideration liabilities (Notes 25 and 28)	–	–	153	153
Total financial liabilities	**–**	**–**	**153**	**153**

Investments in unlisted shares at FVTOCI represent investments in start-ups, measured at cost and adjusted for impairment and revaluations based on relevant available information and recent financing rounds.

Notes to the consolidated financial statements
continued

31. Fair value of financial assets and liabilities continued

The following table presents the changes in Level 3 items for the years ended 31 December 2025 and 2024:

	Financial assets $m	Financial liabilities $m
At 1 January 2024	53	42
Settled	–	(13)
Remeasurement of contingent consideration and other financial liability recognised in finance expense	–	71
Unwinding of contingent consideration and other financial liability recognised in finance expense	–	3
Contingent consideration related to business combination in the period	–	50
Change in fair value of investments at FVTOCI	(5)	–
Additions of investments at FVTOCI	2	–
Balance at 31 December 2024 and 1 January 2025	**50**	**153**
Settled	**–**	**(75)**
Remeasurement of contingent consideration liabilities recognised in finance income	**–**	**(72)**
Unwinding of contingent consideration liability recognised in finance expense	**–**	**1**
Change in fair value of investments at FVTOCI	**(13)**	**–**
Additions of investments at FVTOCI	**3**	**–**
Balance at 31 December 2025	**40**	**7**

32. Audit remuneration

The Group auditor's remuneration on a worldwide basis is as follows:

	2025 $m	2024 (restated)[1] $m
Fees to the company's auditor and its associates for the audit of the parent company and consolidated financial statements	**2.6**	3.0
Fees to the company's auditor and its associates for the audit of the financial statements of the Group's subsidiaries	**0.7**	0.7
Total audit fees	**3.3**	3.7
Audit-related assurance services	**0.3**	0.3
Other non-audit fees	**0.4**	0.2
Total audit and non-audit fees	**4.0**	4.2

1. Amounts have been restated to reflect final amounts billed in relation to 2024

Audit-related assurance services relate to review procedures in respect of the interim financial information. In 2025, other non-audit fees represented other assurance services in connection with the Eurobond offering, the Group's sustainability report and new regulatory requirement in Morocco. Additionally, nominal non-audit fees were charged in both years related to subscriptions to a technical accounting portal.

A description of the work of the Audit Committee is set out in the Audit Committee report on pages 111 to 115 and includes an explanation of how auditor objectivity and independence is safeguarded when non-audit services are provided by the auditor.

33. Staff costs

The average monthly number of employees (including Executive Directors) was:

	2025 Number	2024 Number
Production	**5,696**	5,545
Sales, general and administration	**3,353**	3,224
Research and development	**554**	539
	9,603	9,308

33. Staff costs continued

The aggregate remuneration comprised the following:

	2025 $m	2024 $m
Wages, salaries and bonuses	**485**	452
Health insurance	**48**	47
Social security costs	**47**	45
Car and housing allowances	**28**	24
Share-based payments (Note 34)	**23**	27
Post-employment benefits	**17**	16
End of service indemnity	**15**	18
Other costs and employee benefits	**29**	25
	692	654

34. Share-based payments

Long-term incentive plan (LTIP)

The 2023 Long-Term Incentive Plan (LTIP) was introduced under the 2023 Remuneration Policy and was approved by shareholders at the 2023 Annual General Meeting. Under the LTIP, the Company grants performance awards and restricted deferred bonus awards to Executive Directors of the Group, along with restricted awards for management.

Three-year LTIP performance awards

The three-year LTIP performance awards are conditional grants to the Executive Directors of the Group that are dependent on certain non-market and market conditions with a vesting period of three years from the grant date and are then subject to a two-year holding period.

The fair value per share is the face value of shares on the date of grant for non-market conditions. For market conditions, valuation is based on the Monte Carlo methodology. No discounting for dividend yield is applied as participants will receive the benefit of dividends paid during the vesting period in the form of additional shares.

The cost is recognised, together with a corresponding increase in equity, on a straight-line basis over the vesting period after the grant date. The cost for the year was $7 million (2024: $7 million) and has been recorded in the consolidated income statement as part of selling, general and administrative expenses.

Details of the outstanding grants under this plan are shown below:

	2025 grants 9 April	2024 grants 9 April	2023 grants 31 Aug	2023 grants 30 May	Total Number
Year 2025					
Beginning balance	–	745,548	28,717	588,711	1,362,976
Granted during the year	752,000	–	–	–	752,000
Dividends equivalent during the year	12,124	25,639	989	20,245	58,997
Forfeited during the year	(204,003)	(113,709)	(16,616)	–	(334,328)
Outstanding at 31 December	**560,121**	**657,478**	**13,090**	**608,956**	**1,839,645**
Exercisable at 31 December	–	–	–	–	–
Weighted average remaining contractual life (years)	2.27	1.27	0.67	0.41	1.29
Year 2024					
Beginning balance		–	27,829	608,514	636,343
Granted during the year		788,967	–	–	788,967
Dividends equivalent during the year		8,661	888	18,220	27,769
Forfeited during the year		(52,080)	–	(38,023)	(90,103)
Outstanding at 31 December		**745,548**	**28,717**	**588,711**	**1,362,976**
Exercisable at 31 December		–	–	–	–
Weighted average remaining contractual life (years)		2.27	1.67	1.41	1.89
Fair value of each share at grant date $	21.00	20.62	27.06	21.13	
The share price at grant date $	22.66	22.96	27.74	22.32	

Notes to the consolidated financial statements
continued

34. Share-based payments continued

LTIP deferred bonus awards
Under this scheme, 50% of the annual bonus is deferred into an award to the Executive Directors of the Group over shares for a vesting period of three years. Awards are subject to the achievement of Group and individual KPIs in the prior year.

The cost of share-based payments for these share awards is measured by reference to the fair value at the date at which the awards are granted. Fair value is determined based on the share price as at the date of grant. No discounting for dividend yield is applied as participants will receive the benefit of dividends paid during the vesting period in the form of additional shares. The cost is recognised, together with a corresponding increase in equity, on a straight-line basis over the year of performance and the vesting period after the grant date.

The cost of the deferred bonus awards of $2 million (2024: $1 million) has been recorded in the consolidated income statement as part of selling, general and administrative expenses.

Details of the outstanding grants under this plan are shown below:

	2025 grants 9 April	2024 grants 9 April	Total Number
Year 2025			
Beginning Balance	–	76,550	76,550
Granted during the year	87,229	–	87,229
Dividends equivalent during the year	1,406	2,633	4,039
Outstanding at 31 December	**88,635**	**79,183**	**167,818**
Exercisable at 31 December	–	–	–
Weighted average remaining contractual life (years)	2.27	1.27	1.80
Year 2024			
Beginning Balance		–	–
Granted during the year		75,587	75,587
Dividends equivalent during the year		963	963
Outstanding at 31 December		**76,550**	**76,550**
Exercisable at 31 December		–	–
Weighted average remaining contractual life (years)		2.27	2.27
Fair value of each share at grant date $	22.66	22.96	
The share price at grant date $	22.66	22.96	

34. Share-based payments continued

Two-year LTIP restricted awards
Under this award, the Group makes grants of conditional awards to management across the Group for a period of two years. Awards are dependent on the achievement of individual and Group KPIs one year prior to the grant.

The cost of share-based payments for these share awards is measured by reference to the fair value at the date at which the awards are granted. Fair value is determined based on the share price as at the date of grant discounted by dividend yield. This cost is recognised, together with a corresponding increase in equity, on a straight-line basis over the year of performance and the vesting period after the grant date.

The cost of the two-year LTIP awards of $12 million (2024: $11 million) has been recorded in the consolidated income statement as part of selling, general and administrative expenses.

Details of the outstanding grants under this plan are shown below:

	2025 grants 9 April	2024 grants 9 April	Total Number
Year 2025			
Beginning Balance	–	853,849	853,849
Granted during the year	796,672	–	796,672
Forfeited during the year	(46,027)	(75,259)	(121,286)
Outstanding at 31 December	**750,645**	**778,590**	**1,529,235**
Exercisable at 31 December	–	–	–
Weighted average remaining contractual life (years)	1.27	0.27	0.76
Year 2024			
Beginning Balance		–	–
Granted during the year		922,023	922,023
Exercised during the year		(1,633)	(1,633)
Forfeited during the year		(66,541)	(66,541)
Outstanding at 31 December		**853,849**	**853,849**
Exercisable at 31 December		–	–
Weighted average remaining contractual life (years)		1.27	1.27
Fair value of each share at grant date $	21.44	21.75	
The share price at grant date $	22.66	22.96	
Expected dividend yield %	2.80%	2.74%	

Notes to the consolidated financial statements
continued

34. Share-based payments continued

Executive incentive plan

The 2014 Executive Incentive Plan (EIP) was approved by shareholders at the 2014 Annual General Meeting. The EIP is a combined cash bonus (element A), deferred shares (element B) and restricted shares (element C) scheme. In 2023, this plan was replaced by the 2023 Long-Term Incentive Plan (LTIP).

Under the EIP, the Company made grants of conditional awards under element B and element C to senior management and Executive Directors of the Group. Awards were dependent on the achievement of individual and Group KPIs over one year prior to grant. Element B share awards had a two-year vesting period, and were then subject to a two-year holding period during which they were subject to forfeiture conditions. Element C share awards have a three-year vesting period but are not subject to a forfeiture condition.

The cost of the EIP of $2 million (2024: $6 million) has been recorded in the consolidated income statement as part of selling, general and administrative expenses and research and development expenses.

The fair value per share is the face value of share on the date of grant less the present value of dividends expected to be paid during the vesting period.

The weighted average exercise share price for 2025 is $28.14.

Details of the outstanding grants under this plan are shown below:

	2023 grants 30 May	2023 grants 30 May	2022 grants 25 Feb	2022 grants 25 Feb	2021 grants 25 Feb	2018 grants 16 May	2017 grants 13 Apr	2016 grants 17 March	Total Number
Year 2025									
Beginning balance	145,545	555,439	102,956	–	–	14,257	27,508	38,350	884,055
Exercised during the year	–	(542,831)	(102,956)	–	–	(14,257)	(27,508)	(38,350)	(725,902)
Forfeited during the year	–	(12,608)	–	–	–	–	–	–	(12,608)
Outstanding at 31 December	**145,545**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**145,545**
Exercisable at 31 December	–	–	–	–	–	–	–	–	–
Weighted average remaining contractual life (years)	0.41	–	–	–	–	–	–	–	0.41
Year 2024									
Beginning balance	153,847	583,295	115,361	399,252	100,442	14,257	27,508	38,350	1,432,312
Exercised during the year	(2,558)	(15,218)	(9,013)	(391,377)	(100,442)	–	–	–	(518,608)
Forfeited during the year	(5,744)	(12,638)	(3,392)	(7,875)	–	–	–	–	(29,649)
Outstanding at 31 December	**145,545**	**555,439**	**102,956**	**–**	**–**	**14,257**	**27,508**	**38,350**	**884,055**
Exercisable at 31 December	–	–	–	–	–	14,257	27,508	38,350	80,115
Weighted average remaining contractual life (years)	1.41	0.41	0.15	–	–	3.38	2.36	1.21	0.69
Fair value of each share at grant date $	21.30	21.30	25.00	25.38	31.71	18.45	23.52	26.21	
The share price at grant date $	22.32	22.32	26.14	26.14	33.09	19.09	23.98	26.98	
Expected dividend yield %	2.36%	2.36%	1.50%	1.50%	1.43%	1.71%	0.97%	0.71%	

34. Share-based payments continued

Management incentive plan

The 2009 Management Incentive Plan (MIP) was approved by shareholders at the 2010 Annual General Meeting and the 2018 MIP was approved by shareholders at the 2018 Annual General Meeting. Under the MIP, the Company made grants of conditional awards to management across the Group below senior management level. Awards were dependent on the achievement of individual and Group KPIs one year prior to grant and a two-year vesting period. This plan was replaced by the 2023 Long-Term Incentive Plan (LTIP).

In 2025, no cost has been recorded in the consolidated income statement against the MIP incentive plan (2024: $3 million)

The fair value per share is the face value of shares on the date of grant less the present value of dividends expected to be paid during the vesting period.

The weighted average exercise share price for 2025 is $28.76.

Details of the outstanding grants under this plan are shown below:

	2023 grants 30 May	2022 grants 25 Feb	2018 grants 16 May	Total Number
Year 2025				
Beginning balance	470,394	1,928	707	473,029
Exercised during the year	(447,115)	(1,928)	(707)	(449,750)
Forfeited during the year	(23,279)	–	–	(23,279)
Outstanding at 31 December	**–**	**–**	**–**	**–**
Year 2024				
Beginning balance	545,683	327,434	707	873,824
Exercised during the year	(16,550)	(313,101)	–	(329,651)
Forfeited during the year	(58,739)	(12,405)	–	(71,144)
Outstanding at 31 December	**470,394**	**1,928**	**707**	**473,029**
Exercisable at 31 December	1,958	1,928	707	4,593
Weighted average remaining contractual life (years)	0.41	0.08	3.38	0.41
Fair value of each share at grant date $	21.3	25.38	18.45	
The share price at grant date $	22.32	26.14	19.09	
Expected dividend yield %	2.36%	1.50%	1.71%	

Notes to the consolidated financial statements
continued

35. Defined contribution retirement benefit plan

The Group has defined contribution retirement plans in four of its subsidiaries: Hikma Pharmaceuticals PLC – United Kingdom, Hikma Pharmaceuticals LLC, Arab Pharmaceutical Manufacturing PSC and Hikma Pharmaceuticals USA Inc. The details of each contribution plan are as follows:

Hikma Pharmaceuticals PLC
Hikma Pharmaceuticals PLC has a defined contribution pension plan available for staff working in the United Kingdom whereby Hikma Pharmaceuticals PLC contributes 10% of basic salary. Employees are immediately entitled to 100% of the contributions, accessible only upon retirement. Hikma Pharmaceuticals PLC contributions for the year ended 31 December 2025 were $0.4 million (2024: $0.3 million).

Hikma Pharmaceuticals LLC
Hikma Pharmaceuticals LLC has an employee savings plan whereby Hikma Pharmaceuticals LLC fully matches employees' contributions, which are fixed at 10% of basic salary. Employees are entitled to 100% of Hikma Pharmaceuticals LLC contributions after three years of employment with the Company. Hikma Pharmaceuticals LLC contributions for the year ended 31 December 2025 were $3.8 million (2024: $3.7 million).

Arab Pharmaceutical Manufacturing PSC
Arab Pharmaceuticals Manufacturing PSC has an employee savings plan whereby Arab Pharmaceuticals Manufacturing PSC fully matches employees' contributions, which are fixed at 10% of basic salary. Employees are entitled to 100% of Arab Pharmaceuticals Manufacturing PSC contributions after three years of employment with the Company. Arab Pharmaceuticals Manufacturing PSC contributions for the year ended 31 December 2025 were $0.6 million (2024: $0.6 million).

Hikma Pharmaceuticals USA Inc.:
401(k) Retirement Plan
Hikma Pharmaceuticals USA Inc. has a 401(k)-defined contribution plan, which allows all eligible employees to defer a portion of their income through contributions to the plan. Eligible employees can begin contributing to the plan after being employed for 90 days. Employees can defer up to 95% of their eligible income into the plan, not to exceed $23,500 (2024: $23,000), not including catch-up contributions available to eligible employees as outlined by the Internal Revenue Service. The company matches the employees' eligible contribution dollar-for-dollar on the first 6% of eligible pay contributed to the plan. Employer contributions vest 50% after two years of service and 100% after three years of service. Employees are considered to have completed one year of service for the purposes of vesting upon the completion of 1,000 hours of service at any time during a plan year. Employer contributions to the plan for the year ended 31 December 2025 were $9 million (2024: $8 million). The assets of this plan are held separately from those of the Group. The only obligation of the Group with respect to this plan is to make specified contributions.

Deferred Compensation Plan
Hikma Pharmaceuticals USA Inc. has a defined contribution pension plan available for senior management personnel working in the United States whereby Hikma Pharmaceuticals USA Inc. contributes 10% of basic salary and eligible employees can defer up to 50% of their base salary and 100% of their variable compensation. Eligible employees are entitled to 100% of the contributions after completing 5 years of service after they become eligible for the plan. Hikma Pharmaceuticals USA Inc. contributions for the year ended 31 December 2025 were $0.7 million (2024: $0.7 million).

36. Contingent liabilities

Standby letters of credit and letters of guarantees
A contingent liability existed at the balance sheet date in respect of standby letters of credit and letters of guarantees totalling $42 million (2024: $49 million) arising in the normal course of business. No provision for these liabilities has been made in these consolidated financial statements.

A contingent liability existed at the balance sheet date for standby letters of credit totalling $10 million (2024: $14 million) for potential stamp duty obligations that may arise from the repayment of loans by intercompany guarantors. It's not probable that any repayment will be made by the intercompany guarantors.

Legal proceedings
The Group is often involved in a number of legal proceedings in the ordinary course of its business, including litigation relating to employment matters, product liability, commercial disputes, pricing, sales and marketing practices, infringement of IP rights, the validity of certain patents and competition laws.

Most of the claims involve highly complex issues. Often these issues are subject to substantial uncertainties and, therefore, the probability of a loss being sustained and/or an estimate of the amount of any loss is impracticable to ascertain. It is the Group's policy to provide for amounts related to these legal matters if it is probable that a liability has been incurred and an amount is reasonably estimable.

In the proceedings noted herein, the Group currently believes it has meritorious defences and intends to vigorously defend itself. From time to time, however, the Group may settle or otherwise resolve these matters on terms and conditions that it believes to be in its best interest. Litigation outcomes and contingencies are unpredictable and excessive verdicts can occur. Any legal proceeding, regardless of the merits, might result in substantial costs to defend or settle or otherwise negatively affect our business.

- In Re Generic Pharmaceuticals Pricing Antitrust Litigation. Starting in 2016, more than 30 complaints have been filed against Group entities in the United States on behalf of putative classes of direct and indirect purchasers of generic drug products, as well as several individual direct action retailer and third-party payor plaintiffs. These complaints allege that more than forty generic pharmaceutical defendants, including the Group entities, engaged in conspiracies to fix, increase, maintain and/or stabilise the prices and market shares of certain generic drug products during the periods of approximately 2010 to 2016. The plaintiffs seek unspecified treble monetary damages, which can be imposed jointly and severally with other defendants and can be significantly higher than the profits Hikma made on the alleged drug products, and equitable injunctive relief under federal and state antitrust and consumer protection laws. The lawsuits have been consolidated in a multidistrict litigation (MDL) in the United States District Court for the Eastern District of Pennsylvania (In re Generic Pharmaceuticals Pricing Antitrust Litigation, No. 2724, (E.D. Pa.)). Hikma is one of nineteen defendants in a bellwether trial scheduled for September 2026. At this point in the proceedings, the Group does not believe sufficient evidence exists and is impracticable to make a reasonable estimate of any potential liability.
- Amarin Pharma Inc. v. Hikma Pharmaceuticals PLC. In November 2020, Amarin Pharmaceuticals filed a patent infringement lawsuit against certain Group entities in the United States District Court for the District of Delaware (No. 20-cv-1630) alleging that Hikma's sales, distribution and marketing of its generic icosapent ethyl product infringe three Amarin patents that describe certain methods of using icosapent ethyl. Amarin sought an injunction barring Hikma from selling its generic product as well as unspecified damages. Hikma's product is not approved for the alleged patented methods but rather is approved only for a different indication not covered by any valid patents. In January 2022 the district court dismissed the lawsuit, and Amarin appealed the court's ruling to the United States Court of Appeals for the Federal Circuit. On 25 June 2024, the Federal Circuit reversed the district court's decision, held that Amarin has plausibly pleaded a potential claim for induced infringement, and remanded the case for further proceedings at the district court. A trial in the district court was scheduled to begin on 8 September 2026, but on 16 January 2026, the United States Supreme Court accepted Hikma's petition to consider whether the case should have been dismissed. Accordingly, further proceedings in the trial court have been stayed pending the outcome of the Supreme Court case. At this point, the Group does not believe sufficient evidence exists and is impracticable to make a reasonable estimate of any potential liability.

Notes to the consolidated financial statements
continued

37. Related parties

Transactions between the Company and its subsidiaries have been eliminated on consolidation and are not disclosed in this Note. Transactions between the Group and its joint venture and other related parties are disclosed below.

Trading transactions
During the year ended 31 December 2025, the Group entered into the following transactions with related parties:

Darhold Limited (Darhold): is a related party of Hikma because three Directors of Hikma jointly constitute the majority of directors and shareholders (with immediate family members) in Darhold and because Darhold owns 25.56% (2024: 25.56%) of the share capital and 27.04% (2024: 27.04%) of the voting capital of Hikma. Other than dividends (as paid to all shareholders), there were no transactions between the Group and Darhold Limited during the year.

Hubei Haosun Pharmaceutical Co., Ltd.: is a related party of Hikma because the Group holds an interest of 49% in the joint venture (JV) with Haosun (2024: 49%). During the year, total direct purchases from Haosun were $0.3 million (2024: $3.2 million). In addition, in certain countries the Group purchases from Haosun indirectly. During the year total indirect purchases from Haosun were $0.7 million (2024: $0.7 million).

Labatec Pharma (Labatec): is a related party of the Group because Labatec is owned by the family of two Directors of Hikma. During the year, total Group sales to Labatec amounted to $2.3 million (2024: $2.9 million), and total Group purchases amounted to $2.8 million (2024: $1.7 million). At 31 December 2025, the net amount owed by Labatec to the Group was $0.7 million (2024: $0.8 million).

Transactions with the former CEO
For the period from December 2022 to December 2025, one of the Group's subsidiaries entered into an arrangement with a family member of the former CEO for the use of a vacant building located on company-owned land. No consideration was charged under this arrangement. The former CEO also had short term quasi-loan arrangements during 2024 and 2025, under which gross withdrawals of $62,000 and $358,000 were made in each year, respectively. The outstanding balance at each year-end was $nil.

Remuneration of key management personnel
The remuneration of the key management personnel (comprising the Executive Directors, Non-Executive Directors and the senior management as set out in the corporate governance report) of the Group is set out below in aggregate for each of the categories specified in IAS 24 'Related Party Disclosures'. Further information about the remuneration of the individual Directors is provided in the audited part of the Remuneration Committee report on pages 118 to 149.

	2025 $m	2024 $m
Short-term employee benefits	**14.8**	15.2
Share-based payments	**9.5**	10.7
Other benefits	**1.5**	1.7
	25.8	27.6

38. Subsidiaries and joint venture

The subsidiaries and joint venture of Hikma Pharmaceuticals PLC are as follows:

			Owned by the Group	
Company's name	**Incorporated in**	**Address of the registered office**	**Ownership % Ordinary Shares At 31 December 2025**	Ownership% Ordinary Shares At 31 December 2024
Al Jazeera Pharmaceutical Industry S.A.R.L	Algeria	Zone d'Activité, Propriété N° 379 Section N° 04 Staoueli, Algeria	99%	99%
Algerie Industrie Mediterraneene Du Medicament S.A.R.L.	Algeria	Zone d'Activité 16/15 Staoueli, Algeria	91%	91%
Hikma Pharma Algeria S.A.R.L.	Algeria	Zone d'Activité 16/15 Staoueli, Algeria	100%	100%
SPA Al Dar Al Arabia pour la Fabrication de Médicaments	Algeria	Zone d'Activité El Boustane N° 78, Sidi Abdellah, Al Rahmania, Algeria	100%	100%
Hikma Canada Limited	Canada	5995 Avebury Rd, Suite 804, Mississauga, ON L5R 3P9, Canada	100%	100%
Hubei Haosun Pharmaceutical Co., Ltd.[1]	China	No 20 Juxian Road, Gedian Economic and Technology Development Area, Hubei, China	49%	49%
Hikma d.o.o.	Croatia	Slavonska avenija 24/6 Zagreb (Grad Zagreb), Croatia	100%	100%
Hikma Pharma S.A.E	Egypt	6th of October City, 2nd Industrial Zone, Plot No.(1), Giza – Egypt	100%	100%
Hikma Pharmaceuticals Industries S.A.E	Egypt	6th of October City, 2nd Industrial Zone, Plot No.(1), Giza – Egypt	100%	100%
Hikma Specialised Pharmaceuticals (S.A.E)	Egypt	6th of October City, 2nd Industrial Zone, Plot No.(1), Giza – Egypt	98%	98%
Hikma for Importation Co. LLC	Egypt	6th of October City, 2nd Industrial Zone, Plot No.(1), Giza – Egypt	100%	100%
Hikma France	France	105 Rue Marcel Dassault, 92100 – Boulogne Billancourt – France	100%	100%
Hikma Pharma GmbH	Germany	Lochhamer Strasse 13, 82152, Martinsried, Germany	100%	100%
Thymoorgan Pharmazie GmbH	Germany	Schiffgraben 23, DE-38690, Goslar, OT Vienenburg, Germany	100%	100%
Hikma Services India Private Limited	India	207, B Wing, Gala Quest Building, Paranjape B Scheme Road No. 1, Subhash Road, Vile Parle East Mumbai, Maharashtra, 400057, India	100%	100%
Hikma Italia S.p.A	Italy	Viale Certosa 10, 27100, Pavia, Italy	100%	100%
Hikma Pharma Limited*[2]	Jersey	47 Esplanade, St Helier, JE1 0BD, Jersey	100%	100%
Arab Medical Containers LLC	Jordan	P.O. Box 80, Sahab Industrial Estate, 11512, Jordan	100%	100%
Arab Pharmaceutical Manufacturing PSC	Jordan	Al Buhaira – Salt, P.O. Box 42, Jordan	100%	100%
Hikma International Pharmaceuticals LLC (Exempt)	Jordan	Business Park Development Zone Building No. (5), 4th Floor, Amman , Jordan	100%	100%
Hikma International Ventures and Development LLC (Exempt)	Jordan	Bayader Wadi Al-Seer, Industrial Area, Saleem Bin Al-Hareth Street, Building 21, P.O. Box 182400, Amman, 11118, Jordan	100%	100%
Hikma Investment LLC*	Jordan	Bayader Wadi Al-Seer, Industrial Area, Saleem Bin Al-Hareth Street, Building 21, P.O. Box 182400, Amman, 11118, Jordan	100%	100%
Hikma Pharmaceuticals LLC	Jordan	Bayader Wadi Al-Seer, Industrial Area, Saleem Bin Al-Hareth Street, Building 21, P.O. Box 182400, Amman, 11118, Jordan	100%	100%
Hikma Pharmaceuticals LLC (Jordan) (FREE ZONE)	Jordan	Al-Mushatta – Al Qastal Free Zone P.O. Box 182400 11118 Amman, Jordan	100%	100%
International Pharmaceutical Research Centre LLC	Jordan	P.O. Box 963166, 1 Queen Rania Street, Sport City Circle, Amman, 11196, Jordan	51%	51%
Sofia Travel and Tourism	Jordan	Bayader Wadi Al-Seer, Industrial Area, Saleem Bin Al-Hareth Street, Building 21, P.O. Box 182400, Amman, 11118, Jordan	100%	100%
Al Jazeera Pharmaceutical Industries Ltd[2]	KSA	Riyadh Gallery, Olaya Street, P.O. Box 106229, Riyadh, 11666, Saudi Arabia	100%	100%
The Regional Headquarters Company for Hikma Pharmaceuticals for the Headquarters of Foreign Companies[2]	KSA	3005, Imam Saud bin Abdulaziz bin Mohammed Road, 7815 Riyadh 12262, Saudi Arabia	100%	100%
Hikma Pharma Industry	KSA	7709, Al Munisf, 3637, Riyadh, Saudi Arabia	100%	100%

Notes to the consolidated financial statements
continued

38. Subsidiaries and joint venture continued

Company's name	Incorporated in	Address of the registered office	Ownership % Ordinary Shares At 31 December 2025	Owned by the Group Ownership % Ordinary Shares At 31 December 2024
Société de Promotion Pharmaceutique du Maghreb (Promopharm S.A.)	Morocco	Zone Industrielle du Sahel, Rue N. 7, Had Soualem, Province de Settat, Morocco	94%	94%
Hikma Pharma Benelux B.V	Netherlands	Atoomweg 12, 1627 LE Hoorn, Netherlands	100%	100%
Hikma Farmaceutica, (Portugal) S.A	Portugal	Estrada Rio Da Mo no.8, 8ª, 8B-Fervenca, 2705-906, Terrugem SNT, Portugal	100%	100%
Lifotec Farmaceutica S.G.P.S S.A*	Portugal	Estrada Nacional 9, Fervença, São João das Lampas e Terrugem, Sintra, Portugal	100%	100%
Hikma Care for Medicines and Medical Supplies Company	Palestine	Mahatma Ghandi Street, Betunia Ramallah, Palestine	51%	51%
Hikma Pharmaceuticals	Palestine	West Bank Al Birah, Ramallah	100%	100%
Hikma Espana S.L	Spain	Calle Anabel Segura no.11, Edificio A, planta 1a, oficina 2, 28108 – Alcobendas, Madrid, Spain	100%	100%
Pharma Ixir Co. Ltd	Sudan	Khartoum State, Buri Al Lamab Area, Block (9), Building No. (98), Sudan	51%	51%
Savannah Pharmaceutical Industries Co. Ltd	Sudan	Port Sudan, Red Sea State, South Transit District, Building No. (57), Block No. (1/Z), Sudan	100%	100%
Eurohealth International S.A.R.L.[2]	Switzerland	Rue des Battoirs 7, 1205 Genève, Switzerland	100%	100%
APM Tunisie S.A.R.L.	Tunisia	14 Rue 8609 – Zone Industrielle Charguia I – Tunis Carthage 2035	100%	100%
STE D'Industrie Pharmaceutique Ibn Al Baytar*	Tunisia	11 Rue 8610 Charguia 1-2035 Tunis-Carthage, Tunisia	100%	100%
STE Medicef	Tunisia	Avenue Habib Bourguiba, Sidi Thabet, 2020 Ariana, Tunisia	100%	100%
Hikma Emerging Markets and Asia Pacific FZ-LLC[2]	United Arab Emirates	Premises 202-204, Floor 2, Building 26, Dubai Health Care City, United Arab Emirates	100%	100%
Hikma International Trading Limited[2]	United Arab Emirates	Office No. FZJOB1020, Jebel Ali Free Zone, Dubai, United Arab Emirates	100%	100%
Hikma MENA FZE*[2]	United Arab Emirates	Office No. FZJOB1020 Jebel Ali Free Zone, Dubai United Arab Emirates	100%	100%
Hikma Healthcare FZ-LLC[2]	United Arab Emirates	Premises No. DSP-HQSOU-VD-F13-284, Thirteenth Floor, Dubai Science Park – South Tower, Dubai, United Arab Emirates	100%	–
Hikma UK Limited*[2]	United Kingdom	1 New Burlington Place, London, W1S 2HR, United Kingdom	100%	100%
Hikma Ventures Limited[2]	United Kingdom	1 New Burlington Place, London, W1S 2HR, United Kingdom	100%	100%
West-Ward Holdings Limited*	United Kingdom	1 New Burlington Place, London, W1S 2HR, United Kingdom	100%	100%
Hikma Pharmaceuticals International Limited*	United Kingdom	1 New Burlington Place, London, W1S 2HR, United Kingdom	100%	100%
Eurohealth (U.S.A.) Inc	United States	200 Connell Drive, Berkeley Heights, NJ 07922	100%	100%
Hikma Speciality USA, Inc.	United States	1900 Arlingate Lane, Columbus, Ohio 43228	100%	100%
Hikma Labs Inc.	United States	1809 Wilson Road, Columbus, Ohio 43228	100%	100%
West-Ward Columbus Inc.	United States	1809 Wilson Road, Columbus, Ohio 43228	100%	100%
Hikma Injectables USA, Inc.	United States	36 Stults Road, Dayton, New Jersey 08810	100%	100%
Hikma Pharmaceuticals USA Inc.	United States	200 Connell Drive, Berkeley Heights, NJ 07922	100%	100%
Hikma Finance USA LLC	United States	200 Connell Drive, Berkeley Heights, NJ 07922	100%	100%
TACCA, LLC	United States	200 Connell Drive, Berkeley Heights, NJ 07922	90%	90%
Pytrione LLC	United States	200 Connell Drive, Berkeley Heights, NJ 07922	84%	84%

1. The investment in joint venture is accounted for using the equity method (Note 16)
2. Owned by Hikma Pharmaceuticals PLC ('the Company')

The investments in subsidiaries are all stated at cost in Hikma Pharmaceuticals PLC and are consolidated in line with IFRS 10.

The Group's subsidiaries principally operate in trading pharmaceuticals products and associated goods and services, except for Sofia Travel and Tourism subsidiary which coordinates employees' travel arrangements.

Companies marked (*) were incorporated as holding companies.

39. Subsequent event

Share buyback

On 26 February 2026, Hikma announced a share buyback programme of up to $250 million to be executed during 2026. The buyback has been sized to maintain balance sheet efficiency whilst leaving significant headroom for continued investment opportunities.

Company balance sheet

At 31 December 2025

	Note	2025 $m	2024 $m
Non-current assets			
Investments in subsidiaries	3	**3,298**	3,291
Due from subsidiaries	4	**45**	39
Intangible assets		**3**	4
Other non-current assets		**1**	2
Right-of-use asset		**–**	2
Property, plant and equipment		**–**	1
		3,347	3,339
Current assets			
Trade and other receivables	5	**230**	346
Due from subsidiaries	4	**68**	69
Cash and cash equivalents	6	**24**	40
Other current assets	7	**33**	31
		355	486
Total assets		**3,702**	3,825
Current liabilities			
Short-term financial debts	8	**51**	84
Due to subsidiaries	9	**29**	28
Income tax provision		**9**	2
Lease liability		**1**	2
Other current liabilities		**22**	22
		112	138
Net current assets		**243**	348
Non-current liabilities			
Long-term financial debts	8	**344**	288
Due to subsidiaries	9	**71**	75
Lease liability		**–**	1
		415	364
Total liabilities		**527**	502
Net assets		**3,175**	3,323
Equity			
Share capital	11	**40**	40
Share premium		**282**	282
Other reserves		**(40)**	(35)
Profit for the year	12	**50**	164
Retained earnings		**2,843**	2,872
Total equity		**3,175**	3,323

The financial statements of Hikma Pharmaceuticals PLC, registered number 5557934, on pages 212 to 218 were approved by the Board of Directors on 25 February 2026 and signed on its behalf by:

Said Darwazah
Executive Chairman and CEO
25 February 2026

Khalid Nabilsi
Chief Financial Officer

Company statement of changes in equity

	Note	Share capital $m	Share premium $m	Other reserves: Capital redemption reserve $m	Other reserves: Employee benefit trust (EBT) reserve (Note 11) $m	Other reserves: Total other reserves $m	Retained earnings $m	Total $m
Balance at 1 January 2024		40	282	2	–	2	3,021	3,345
Profit for the year	12	–	–	–	–	–	164	164
Total comprehensive income for the year		–	–	–	–	–	164	164
Cost of equity-settled employee share scheme		–	–	–	–	–	27	27
Purchase of shares held in employee benefit trust (EBT)		–	–	–	(38)	(38)	–	(38)
Exercise of equity-settled employee share scheme		–	–	–	1	1	(1)	–
Dividends paid		–	–	–	–	–	(175)	(175)
Balance at 31 December 2024 and 1 January 2025		40	282	2	(37)	**(35)**	3,036	**3,323**
Profit for the year	12	–	–	–	–	**–**	50	**50**
Total comprehensive income for the year		–	–	–	–	**–**	50	**50**
Cost of equity settled employee share scheme		–	–	–	–	**–**	23	**23**
Purchase of shares held in employee benefit trust (EBT)		–	–	–	(36)	**(36)**	–	**(36)**
Exercise of equity-settled employee share scheme		–	–	–	31	**31**	(31)	**–**
Dividends paid		–	–	–	–	**–**	(185)	**(185)**
Balance at 31 December 2025		**40**	**282**	2	(42)	**(40)**	**2,893**	**3,175**

At 31 December 2025, the Company had retained earnings available for distribution of $1,846 million, which is determined with reference to the Companies Act 2006 and to the guidance issued by the Institute of Chartered Accountants in England and Wales in 2017.

For the proposed final dividend for the year ended 31 December 2025, see Note 12 to the Group consolidated financial statements.

Notes to the Company financial statements

1. Adoption of new and revised standards

The impact of the new and revised standards on the Company is consistent with that on the Group. Details are given in Note 1 to the Group consolidated financial statements.

2. Significant accounting policies

Basis of accounting

The Company financial statements have been prepared in accordance with FRS 101.

As permitted by FRS 101, the Company has taken advantage of the following exemptions from the requirements of IFRS Accounting Standards as below:

- Paragraph 10(d) of IAS 1 'Presentation of Financial Statements' (statement of cash flows)
- Paragraph 16 of IAS 1 'Presentation of Financial Statements' (statement of compliance with all IFRS Accounting Standards)
- Paragraph 38A of IAS 1 'Presentation of Financial Statements' (requirements for minimal of two primary statements, including cash flow statements)
- Paragraph 45(b) and 46 to 52 of IFRS 2 'Share-based Payment'
- Paragraph 111 of IAS 1 'Presentation of Financial Statements' (cash flow statement information)
- Paragraphs 134 to 136 of IAS 1 'Presentation of Financial Statements' (capital disclosures)
- IFRS 7 'Financial Instruments: Disclosure'
- Paragraph 17 of IAS 24 'Related Parties Disclosures'
- Paragraph 30 and 31 of IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors'
- IAS 7 'Statement of Cash Flow'
- Paragraphs 91 to 99 of IFRS 13 'Fair Value Measurement'

No individual profit and loss account is prepared as provided by section 408 of the Companies Act 2006.

The Company financial statements have been prepared under the historical cost basis, except for the revaluation to fair value of certain financial assets and liabilities. The principal accounting policies adopted are the same as those set out in Note 2 to the Group consolidated financial statements with the addition of the policies noted below.

Investments in subsidiaries

Investments in subsidiaries are stated at cost less, where appropriate, provision for impairment. The carrying value of investments is reviewed for impairment when there is an indication that the investment might be impaired. Any provision resulting from an impairment review is charged to the Company profit and loss. Testing for impairment requires making estimates for the valuation of the investments.

Financial assets at amortised cost

Trade receivables acquired from subsidiaries through an intercompany factoring arrangement and intercompany receivables are classified as financial assets at amortised cost and are measured at amortised cost using the effective interest method less any expected credit loss. The Company applies a general approach in calculating expected credit loss for the intercompany receivables. At the reporting date, all outstanding balances were considered to have low credit risk; therefore, the general approach using a 12-month probability of default was applied when assessing expected credit loss on a 12-month period basis. The Company applies a simplified approach for the intercompany factoring arrangement.

Share-based payments

Equity-settled employee share schemes are accounted for in accordance with IFRS 2 'Share based payment'. The current charge relating to the subsidiaries' employees is recharged to the respective subsidiary.

The Company provides funding to the employee benefit trust (EBT) to acquire Company shares, fulfilling its obligation to deliver shares when employees, including those within the Company's subsidiaries, exercise their awards. Shares held by the EBT are deducted from other reserves, with a corresponding transfer to retained earnings upon their delivery to satisfy exercise of share awards.

There are no critical judgements and estimates involved in applying the above accounting policies, that may have a significant risk of resulting in a material adjustment to the carrying amount of assets and liabilities within the next financial year.

The presentational and functional currency of Hikma Pharmaceuticals PLC is the US dollar as the majority of the Company's transactions are conducted in US dollars.

3. Investments in subsidiaries

The details of investment in subsidiaries are stated in Note 38 to the Group's consolidated financial statements.

The following table provides the movement of the investments in subsidiaries:

	2025 $m	2024 $m
Beginning balance	**3,291**	3,303
Additions	**11**	–
Impairment charges	**(4)**	(12)
Ending balance	**3,298**	3,291

The additions for the year reflects capital injections to Hikma Ventures Limited, The Regional Headquarters Company for Hikma Pharmaceuticals for the Headquarters of Foreign Companies, and Hikma Healthcare FZ-LLC. The impairment charges are related to the investment in Hikma Ventures Limited, driven by a decline in its net asset value.

4. Due from subsidiaries

	As at 31 December	
Non-current	**2025 $m**	2024 $m
Hikma UK Limited	**22**	19
Hikma Pharma Industry	**20**	20
Hikma Emerging Markets and Asia Pacific FZ-LLC	**4**	4
Al Jazeera Pharmaceuticals Industries Ltd	**3**	–
Less: provision for expected credit loss	**(4)**	(4)
	45	39

	As at 31 December	
Current	**2025 $m**	2024 $m
Hikma Pharmaceuticals USA Inc.	**27**	49
Hikma MENA FZE	**11**	–
Hikma Emerging Markets and Asia Pacific FZ-LLC	**8**	7
Al Jazeera Pharmaceuticals Industries Ltd	**7**	2
Arab Pharmaceutical Manufacturing PSC	**6**	4
Hikma Pharma S.A.E	**2**	2
Others	**15**	12
Less: provision for expected credit loss	**(8)**	(7)
	68	69

5. Trade and other receivables

	As at 31 December	
	2025 $m	2024 $m
Trade and other receivables	**230**	346

Trade and other receivables primarily comprise trade receivables acquired from subsidiaries under an intercompany non-recourse factoring arrangement. The credit risk associated with these factored receivables is similar to that of the Group's US receivables since it relates to the same credit portfolio and customers.

Notes to the Company financial statements
continued

6. Cash and cash equivalents

	As at 31 December	
	2025 $m	2024 $m
Cash at banks and on hand[1]	**7**	8
Money market time deposits	**17**	–
Time deposits	**–**	32
	24	40

1. In 2025, cash at banks included $4 million placed in interest-bearing accounts (2024: $nil)

Money market deposits comprise investment in funds at FVTPL that are subject to insignificant risk of changes in fair value and can be readily converted into cash that fall under level 1 valuation (see Note 31 to the Group consolidated financial statements).

7. Other current assets

	As at 31 December	
	2025 $m	2024 $m
Investment at FVTPL	**26**	25
Prepayments	**6**	5
Others	**1**	1
	33	31

Investment at FVTPL comprises a portfolio of debt instruments that are managed by an asset manager and which the Company has designated as measured at fair value through profit or loss. These assets are classified as level 1 as they are based on quoted prices in active markets (see Note 31 to the Group consolidated financial statements).

8. Financial debts

	As at 31 December	
	2025 $m	2024 $m
Long-term borrowings	**395**	372
Less: current portion of long-term borrowings	**(51)**	(84)
	344	288

Financial debt arrangements were as follows:

a) $1,150 million syndicated revolving credit facility that matures on 4 January 2029. At 31 December 2025, the facility had a carrying value of $100 million (2024: $240 million) and a fair value of $100 million (2024: $240 million) and an unutilised amount of $1,050 million (2024: $910 million). This facility is available in two tranches: one tranche of $760 million for Hikma Pharmaceuticals PLC, of which $nil million was utilised (2024: $55 million), and a second tranche of $390 million for Hikma Finance USA LLC, of which $100 million was utilised (2024: $185 million). This facility can be used for general corporate purposes.

b) A new $400 million three-year syndicated loan facility that matures on 6 November 2028. At 31 December 2025, the facility had a carrying value of $398 million and a fair value of $398 million. This facility was granted in two tranches: one tranche of $200 million for Hikma Pharmaceuticals PLC, of which the carrying value at 31 December 2025 was $199 million, and a second tranche of $200 million for Hikma Finance USA LLC with a carrying value of $199 million. The proceeds were partially used to settle the previous $400 million five-year syndicated loan facility that was outstanding at 31 December 2024, the remaining proceeds were used for general corporate purposes

c) A $200 million eight-year loan facility from the International Finance Corporation and Managed Co-lending Portfolio program that matures on 15 September 2028. At 31 December 2025 the facility had a carrying value of $153 million (2024: $185 million) and a fair value of $153 million (2024: $185 million). The proceeds were used for general corporate purposes

d) A $150 million ten-year loan facility from the International Finance Corporation that matures on 15 December 2027. At 31 December 2025, the facility had a carrying value of $43 million (2024: $63 million) and a fair value of $41 million (2024: $61 million). The proceeds were used for general corporate purposes

The weighted average interest rates incurred by the Group are disclosed in Notes 22 and 26 to the Group's consolidated financial statements.

9. Due to subsidiaries

	As at 31 December	
Non-current	**2025 $m**	2024 $m
Al Jazeera Pharmaceuticals Industries Ltd	**33**	45
Hikma Pharmaceuticals LLC	**30**	30
Hikma Investments LLC	**8**	–
	71	75

The balances above relate to intercompany revolving credit facilities executed for cash management purposes.

	As at 31 December	
Current	**2025 $m**	2024 $m
Hikma Pharmaceuticals LLC	**24**	20
Hikma Farmaceutica, (Portugal) S.A	**3**	4
Others	**2**	4
	29	28

10. Staff costs

Hikma Pharmaceuticals PLC has an average of 28 employees (2024: 30 employees) (excluding Executive Directors); with a total compensation expense of $9 million (2024: $8 million), of which salaries and bonuses were $6 million (2024: $6 million), the remaining $3 million (2024: $2 million) mainly represents national insurance contributions and other employee benefits. Further information about the remuneration of the individual Directors is provided in the audited part of the Remuneration Committee report on pages 118 to 149.

11. Share capital

Issued and fully paid – included in shareholders' equity:

	2025	2024
Number of shares at 1 January	**234,719,686**	233,914,604
Shares issued for employees share scheme	**–**	805,082
Number of shares at 31 December	**234,719,686**	234,719,686
Balance at 31 December (in $m)	**40**	40

As at 31 December 2025, 12,833,233 of the issued share capital were held as treasury shares (2024: 12,833,233), and 1,779,538 shares were held in the employee benefit trust (EBT) (2024: 1,455,190). Treasury shares have no right to receive dividends, and the employee benefit trust (EBT) has waived its entitlement to dividends. While the voting rights attached to treasury shares are not exercisable, shares held in the EBT retain their voting rights. A total of 220,106,915 were in free issue (2024: 220,431,263).

In 2025, there was no issued share capital as the EBT purchased shares to satisfy the vested share awards under the share-based compensation schemes (2024: 805,082).

Shares held in the EBT were acquired using funds provided by the Company to fulfil its obligation to deliver shares when employees, including those within the Company's subsidiaries, exercise their awards. These shares are deducted from other reserves, with a corresponding transfer to retained earnings when utilised for the exercise of share awards. During the year, the Company acquired 1,500,000 shares for a total consideration of $36 million, and 1,175,652 shares were utilised for the exercise of awards.

12. Profit for the year

The net profit in the Company for the year is $50 million (2024: $164 million). This mainly includes dividend income of $74 million (2024: $198 million) in addition to factoring income from a subsidiary, general and administrative expenses and net financing expenses. Audit fees for the Company are included within fees to the Company's auditor and its associates for the audit of the parent company and consolidated financial statements as disclosed in Note 32 to the Group's consolidated financial statements.

13. Contingent liabilities and financial guarantees

A contingent liability existed at the balance sheet date for standby letters of credit totalling $10 million (2024: $14 million) for potential stamp duty obligations that may arise from the repayment of loans by intercompany guarantors. It is not probable that any repayment will be made by the intercompany guarantors.

In addition, the Company guaranteed Hikma Finance USA LLC $500 million, 5.125%, five-year Eurobond issued in July 2025 (Note 26 to the Group consolidated financial statements). The Company has also guaranteed Hikma Pharmaceuticals USA Inc. contingent consideration related to a business combination with a carrying value as of 31 December 2025 of $7 million (2024: $103 million) (Note 25 and 28 to the Group consolidated financial statements). Financial guarantees issued by the Company on behalf of subsidiaries are accounted for at fair value in accordance with IFRS 9. The fair value of these liabilities is immaterial given the low probability of default for any of the related subsidiaries.

Shareholder information

2026 financial calendar

19 March	2025 final dividend ex-dividend date
20 March	2025 final dividend record date
23 April	Annual General Meeting
30 April	2025 final dividend paid to shareholders
6 August*	2026 interim results and interim dividend announced
13 August*	2026 interim dividend ex-dividend date
14 August*	2026 interim dividend record date
17 September*	2026 interim dividend paid to shareholders

* Provisional dates

Shareholding enquiries

Enquiries or information concerning existing shareholdings should be directed to Hikma's Registrar, MUFG Corporate Markets, either:

- in writing to Shareholder Services, MUFG Corporate Markets, Central Square, 29 Wellington Street, Leeds LS1 4DL
- by telephone on 0371 664 0300. Lines are open 09:00 – 17:30, Monday to Friday excluding public holidays in England and Wales. Calls to 0371 are charged at the standard geographic rate and will vary by provider. Calls outside the United Kingdom are charged at the applicable international rate
- by email to **shareholderenquiries@cm.mpms.mufg.com**
- online at **www.hikmashares.com**

Dividend payments – currency

Hikma declares dividends in US dollars. Unless you have elected otherwise, you will receive your dividend in US dollars. Shareholders can opt to receive the dividend in pound sterling or Jordanian dinar. The Registrar retains records of the dividend currency for each shareholder and only changes them at the shareholder's request. If you wish to change the currency in which you receive your dividend please contact the Registrar.

Dividend payments – bank transfer

From 2026 onwards, dividend payments will only be made by electronic means. Shareholders who have previously received their dividend by cheque will need to register a mandate to enable payments of dividends direct to their bank. Bank account details can be registered using one of the following methods:

- On MUFG's Investor Centre at **www.hikmashares.com**. This is also where you will be able to obtain future dividend confirmations
- By calling the Registrar using the details above to request a dividend mandate form

Shareholders outside the UK should contact the Registrar to discuss the payment options available.

Dividend payments – international payment system

If you are an overseas shareholder, the Registrar is able to pay dividends in several foreign currencies for an administrative charge of £5.00, which is deducted from the payment. Contact the Registrar for further information.

Website

Press releases, the share price and other information on the Group are available on Hikma's website **www.hikma.com**.

Share listings

London Stock Exchange
Hikma's Ordinary Shares of 10 pence each (Shares) are admitted to the Official List of the London Stock Exchange. They are listed under EPIC: HIK, SEDOL: B0LCW08 GB and ISIN: GB00B0LCW083.

Further information on this market, its trading systems and current trading in Hikma's shares can be found on the London Stock Exchange website **www.londonstockexchange.com**.

Global Depository Receipts (GDRs)
Hikma also has listed GDRs on Nasdaq Dubai for which Citibank acts as Depositary. They are listed under EPIC – HIK and ISIN – US4312882081. Further information on Nasdaq Dubai, its trading systems and current trading in Hikma's GDRs can be found on the website **www.nasdaqdubai.com**.

American Depository Receipts (ADRs)
Hikma has an ADR programme for which Bank of New York Mellon acts as Depository. One ADR equates to two Hikma ordinary shares. ADRs are traded as a Level 1 (OTC) programme under the symbol HKMPY. Enquiries should be made to:

The Bank of New York Mellon
Shareholder Correspondence
PO Box 43078
Providence RI 02940-3078

By Overnight Courier or Registered Insured Mail:
The Bank of New York Mellon
Shareholder Correspondence
150 Royall St., Suite 101
Canton, MA 02021

Tel: +201-680-6825 (for calls outside the USA)
Tel: +1-888-269-2377 (for toll-free calls within the USA)
E-mail: **shrrelations@cpushareownerservices.com**
Website: www.mybnymdr.com

Shareholder fraud
The Financial Conduct Authority has issued a number of warnings to shareholders regarding boiler room scams. Shareholders may have received unsolicited phone calls or correspondence concerning investment matters. These are typically from overseas based 'brokers' who target UK shareholders, offering to sell them what often turn out to be worthless or high-risk shares in US or UK investments. These operations are commonly known as boiler rooms. These brokers can be very persistent and extremely persuasive. Shareholders are advised to be very cautious of unsolicited advice, offers to buy shares at a discount or offers of free company reports. If you receive any unsolicited investment advice:

- obtain the correct name of the person and organisations
- check they are authorised by the FCA by looking the firm up on **www.fca.org.uk/register**
- report the matter to the FCA either by calling 0800 111 6768 or visit **www.fca.org.uk/consumers**
- if the caller persists, hang up

Details of the share dealing facilities sponsored by Hikma are included in Hikma's mailings and are on Hikma's website.

Hikma's website is **www.hikma.com** and the registered office is 1 New Burlington Place, London W1S 2HR.
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