Financial Statements

for the financial year
from 1 October 2022
to 30 September 2023

Contents

COMBINED MANAGEMENT REPORT FOR THE FINANCIAL YEAR 2022/2023

The Management Report of SCHOTT Pharma AG & Co. KGaA, Mainz, and the Group Management Report are presented combined, in conformity with section 315 (5) in conjunction with section 298 (2) HGB, and published in the Annual Report of SCHOTT Pharma AG & Co. KGaA.

The Financial Statements and the Management Report of SCHOTT Pharma AG & Co. KGaA (combined with the Group Management Report) for the financial year 2022/2023 are submitted to (and published on) the German Company Register (*Unternehmensregister*), the central platform for making company data publicly available.

Furthermore, the Financial Statements and the Annual Report of SCHOTT Pharma AG & Co. KGaA, Mainz, for the financial year 2022/2023 are available on our website, under https://www.schott-pharma.com/investor-relations/news-publications/reports-and-presentations/.

BALANCE SHEET AS OF 30 SEPTEMBER 2023

Assets

	30 Sep 2023 EUR	30 Sep 2022 EUR
A. Fixed assets		
I. Intangible assets		
Purchased concessions, industrial property rights and similar rights and assets, as well as licences in such rights and assets	381,956.31	676,178.87
	381,956.31	676,178.87
II. Property, plant and equipment		
1. Land, land rights and buildings	6,207,821.19	4,827,985.11
2. Technical equipment and machinery	39,961,901.23	35,736,327.18
3. Other equipment, operating and office equipment	10,827,343.93	9,687,062.49
4. Advance payments made and assets under construction	53,102,568.43	27,781,408.12
	110,099,634.78	78,032,782.90
III. Financial assets		
1. Shares in affiliated companies	479,963,676.27	589,913,676.27
2. Loans to affiliated companies	103,510,024.95	0.00
3. Joint ventures	4,193,466.48	4,193,466.48
	587,667,167.70	594,107,142.75
	698,148,758.79	**672,816,104.52**
B. Current assets		
I. Inventories		
1. Raw materials, consumables, and supplies	6,888,101.20	5,416,273.17
2. Work in progress	786,794.24	1,590,349.52
3. Finished goods and merchandise	8,234,714.19	8,939,102.82
	15,909,609.63	15,945,725.51
II. Receivables and other assets		
1. Trade receivables	12,288,350.04	9,080,633.41
2. Receivables from affiliated companies	57,536,570.06	39,142,466.10
3. Receivables from joint ventures	2,034,747.99	0.00
4. Other assets	2,056,476.08	7,477,457.12
	73,916,144.17	55,700,556.63
	89,825,753.80	**71,646,282.14**
C. Prepaid expenses	**557,981.94**	**401,805.59**
Total assets	**788,532,494.53**	**744,864,192.25**

Equity and liabilities

	30 Sep 2023 EUR	30 Sep 2022 EUR
A. Equity		
I. Subscribed capital[1]	150,614,616.00	25,517,123.00
II. Capital reserve	491,934,852.78	131,300,873.03
III. Contribution made to effect the resolved capital increase	0.00	485,731,472.75
IV. Net retained profit	50,052,476.32	25,390,331.63
	692,601,945.10	**667,939,800.41**
B. Provisions		
1. Provisions for pensions and similar obligations	20,053,114.96	18,092,647.28
2. Provisions for taxes	11,564,251.00	9,110,000.00
3. Other provisions	24,126,434.22	14,133,890.94
	55,743,800.18	**41,336,538.22**
C. Liabilities		
1. Advances received on orders	20,699,225.47	21,180,672.81
2. Trade payables	9,163,881.60	6,260,418.83
3. Liabilities to affiliated companies	9,337,714.99	7,449,119.38
4. Liabilities to joint ventures	7,565.45	243.99
5. Other liabilities	978,361.74	697,398.61
	40,186,749.25	**35,587,853.62**
Total equity and liabilities	**788,532,494.53**	**744,864,192.25**

[1] Conditional capital of EUR 25,000k as of 30 September 2023 (previous year: EUR 0).

INCOME STATEMENT FOR THE FINANCIAL YEAR FROM 1 OCTOBER 2022 TO 30 SEPTEMBER 2023

			2022/2023	2021/2022
			EUR	EUR
1.	Revenues		180,012,886.95	145,922,184.92
2.	Decrease/increase in finished goods and work in progress		-2,161,359.49	4,454,036.79
3.	Other own work capitalised		189,767.76	576,171.39
4.	**Total operating performance**		**178,041,295.22**	**150,952,393.10**
5.	Other operating income		14,718,922.80	2,333,541.72
6.	Cost of materials			
	a)	Cost of raw materials, consumables, supplies, and of purchased merchandise	-28,110,980.59	-24,594,768.94
	b)	Cost of purchased services	-22,156,637.15	-6,493,631.51
			-50,267,617.74	**-31,088,400.45**
7.	Personnel expenses			
	a)	Wages and salaries	-47,607,813.76	-36,228,947.11
	b)	Social security contributions and expenses for retirement benefits	-10,477,171.60	-10,080,394.71
			-58,084,985.36	**-46,309,341.82**
8.	Amortisation, depreciation and impairment of intangible fixed assets and property, plant and equipment		-9,009,106.06	-7,414,751.46
9.	Other operating expenses		-55,527,752.03	-35,448,709.77
10.	Income from investments		146,935,237.71	4,093,975.69
11.	Income from long-term loans		8,036.41	0.00
12.	Other interest and similar income		495,228.36	129.83
13.	Impairment of financial assets		-111,450,000.00	0.00
14.	Interest and similar expenses		-37,723.39	-2,610,305.21
15.	Income taxes		-12,274,571.23	-8,910,000.00
16.	**Result after taxes**		**43,546,964.69**	**25,598,531.63**
17.	Other taxes		-6,821.00	-208,200.00
18.	**Profit for the period**		**43,540,143.69**	**25,390,331.63**
19.	Profit carried forward		6,512,332.63	0.00
20.	**Net retained profit**		**50,052,476.32**	**25,390,331.63**

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2022/2023

GENERAL INFORMATION

The Financial Statements of SCHOTT Pharma AG & Co. KGaA, Mainz ("SCHOTT Pharma KGaA" or the "Company") as of 30 September 2023 have been prepared in accordance with the provisions of German commercial law for large corporations (sections 242 et seqq. and 264 et seqq. HGB) and the supplementary provisions of the AktG.

SCHOTT Pharma KGaA is a listed partnership limited by shares under German law (*Kommanditgesellschaft auf Aktien*, "KGaA"). The shares of SCHOTT Pharma KGaA were admitted to trading on the Regulated Market of the Frankfurt Stock Exchange on 28 September 2023 and simultaneously admitted to the sub-segment of the Frankfurt Stock Exchange's Regulated Market with additional post-admission listing obligations (Prime Standard). The shares are traded under the ticker symbol 1SXP and ISIN DE000A3ENQ51.

The financial year of SCHOTT Pharma KGaA commences on 1 October and ends on 30 September of the following year.

SCHOTT Pharma KGaA was established through a memorandum and articles of association dated 22 March 2022. By operation of a spin-off and acquisition agreement dated 24 May 2022, the Pharma division of SCHOTT AG, Mainz, including all the rights and obligations associated with this division, was spun off by way of a successive hive-down (*Kettenausgliederung*) for the purposes of absorption under section 123 (3) no. 1 of the German Transformation Act (*Umwandlungsgesetz* – "UmwG") first to SCHOTT Glaswerke Beteiligungs- und Export GmbH, Mainz ("SGBE"), and immediately thereafter to SCHOTT Pharma KGaA while SCHOTT AG continues as a going concern.

The spin-off took effect as of 1 October 2021, 00:00 hours (the "effective spin-off date"). By determining the effective spin-off date, SCHOTT AG, SCHOTT Glaswerke Beteiligungs- und Export GmbH and SCHOTT Pharma KGaA placed themselves, under the law of obligations, as though all assets and liabilities of SCHOTT AG had first been transferred on that date to SCHOTT Glaswerke Beteiligungs- und Export GmbH, and immediately thereafter to SCHOTT Pharma KGaA (retrospective legal effect). Accordingly, SCHOTT Pharma KGaA recognised the assets and liabilities transferred based on the conditions prevailing on the effective spin-off date and presented any changes in these assets and liabilities after the effective spin-off date as its own transactions.

The previous financial year was an abridged financial year, covering the period from 22 March to 30 September 2022. In accordance with the retrospective legal effect, income and expenses associated with the spun-off assets and liabilities were taken into account for the period from 1 October 2021 to 30 September 2022. Hence, in economic terms, the Income Statement covers a twelve-month period.

The Financial Statements are prepared in euros. Amounts for the reporting period are stated in thousands of euros (EUR k) in the Notes to the Financial Statements (the "Notes"). To improve transparency, all required disclosures, including "thereof" items, are included in the Notes.

The present Financial Statements of SCHOTT Pharma KGaA comprise the Balance Sheet, the Income Statement, and the Notes. Pursuant to section 315e HGB, as the parent entity SCHOTT Pharma KGaA prepares Consolidated Financial Statements in accordance with International Financial Reporting Standards (IFRS). The Management Report of SCHOTT Pharma KGaA and the Group Management Report of SCHOTT Pharma Group as of 30 September 2023 are presented combined, in conformity with section 315 (5) in conjunction with section 298 (2) HGB.

The Income Statement is classified using the nature of expense method according to section 275 (2) HGB.

A list of shareholdings of SCHOTT Pharma KGaA is attached as an exhibit to these Notes.

The Financial Statements were prepared on a going concern basis.

REGISTRATION INFORMATION

The Company has its registered office in Mainz, Germany, and is entered under the name of SCHOTT Pharma AG & Co. KGaA in the commercial register of the local court in Mainz under HRB 51230.

ACCOUNTING POLICIES

The following material accounting policies, which were unchanged compared to the previous year, apply for the preparation of the Financial Statements.

Intangible assets acquired for consideration are recognised at cost less accumulated amortisation calculated on a straight-line basis – usually over an expected useful life of three years. Internally-generated intangible assets are not capitalised, exercising the option pursuant to section 248 (2) sentence 1 HGB.

If impairment is expected to be permanent and exceeds the usual wear and tear, impairment losses are recognised. Any other amortisation of additions to intangible assets is charged *pro rata temporis*.

Property, plant and equipment is recognised at cost, less depreciation due to wear and tear if they have a limited life. The straight-line method of depreciation is used as a matter of principle. The following expected useful lives are applied for the depreciation of the various groups of property, plant and equipment:

Useful lives of property, plant and equipment	
Land rights and buildings	10 to 14 years
Technical equipment and machinery	7 to 15 years
Other equipment, operating and office equipment	3 to 15 years

Independently usable movable fixed assets with limited useful lives are fully expensed in the year of acquisition if their individual acquisition or production cost does not exceed EUR 250.00. For convenience, such assets with a cost of more than EUR 250.00 but not exceeding EUR 1,000.00 are also recognised in an annual collective item for tax purposes in the statutory balance sheet and depreciated over a period of five years. After full depreciation, the collective item is presented as a disposal in the Statement of Changes in Fixed Assets.

If impairment is expected to be permanent and exceeds the usual wear and tear, impairment losses are recognised. Any other depreciation of additions to property and equipment is charged *pro rata temporis*.

The cost of self-constructed property, plant and equipment includes direct costs as well as appropriate portions of the necessary material and production overheads including depreciation, to the extent that this relates to production. Advance payments made on property, plant and equipment are recognised at their nominal value.

Investment grants provided by public-sector authorities to support the acquisition or production of property, plant and equipment are deducted from cost, leading to a corresponding decrease in future depreciation.

Within financial assets, shares in affiliated companies and joint ventures are recognised at cost or at the lower net realisable values if impairment is expected to be permanent. Impairment losses are reversed to a maximum of cost if impairment was charged in previous years, and all or some of the reasons for impairment cease to apply in subsequent periods. Loans to affiliated companies are recognised at their nominal value.

Within inventories, raw materials, consumables and supplies are valued at the lower of average cost calculated as weighted average prices or net realisable value as of the reporting date; inventory range allowances are used in particular due to the turnover rate of inventories.

Finished goods and work in progress are recognised at production cost in accordance with section 255 (2) HGB. Production cost includes direct costs and appropriate portions of material and production overheads as well as the share of fixed asset depreciation caused by production. Allowances are recognised to provide for risks resulting from slow-moving goods and reduced usability; the principle of valuation at net realisable value is observed.

Borrowing costs and general administrative expenses are not included in production cost.

Apart from customary retentions of title, inventories are free from third-party rights.

Receivables and other assets are stated at their nominal value; receivables bearing no interest or interest at a below-market rate that are due in more than one year are recognised at their present value. Discounting is performed using an interest rate for the respective term published by Deutsche Bundesbank. Specific bad debt allowances are recognised to account for identifiable default risks. For general credit risk, a country-specific allowance calculated on a flat-rate basis is recognised and deducted from receivables carried on the Balance Sheet.

Prepaid expenses are recognised in the amounts paid in the current financial year that relate to expenses for a certain period following the reporting date.

Subscribed capital is carried at its nominal value.

Provisions for pensions and similar obligations are recognised for three major pension commitments:

The “P 82 old” and “P 82 new” Pension Charters are salary-based pension schemes. Under these schemes, the pension benefit increases by a percentage of pensionable remuneration for each year of eligible service; salary components in excess of the income threshold are given a higher weighting.

The pension scheme “VO 2015” as well as the previously applicable pension scheme “VO 2000”, which was replaced on 1 October 2015, are defined contribution plans with a dynamic benefit contribution. These are building block schemes within the scope of which a benefit contribution is determined each year which is then converted into a pension building block using actuarial methods. This pension building block is credited to the employee’s individual benefit account. The pension contribution depends on pensionable remuneration and also on SCHOTT Group’s pre-tax profits.

The currently valid “VO 2015 NEW” pension scheme, which has been applicable for new entrants since 1 November 2015, is a defined contribution plan with a dynamic benefit contribution. The calculation of the benefit contribution is similar to that of the “VO 2015”. This is awarded to the employee as a minimum capital payment and credited to an individualised securities account within the framework of a CTA (Contractual Trust Arrangement).

From 1 October 2025, the “VO 2015 NEW” pension scheme, including transitional arrangements, will also apply for employees who were employed by SCHOTT AG on 1 November 2015 (and hence prior to the transfer of operations as part of the carve-out), the date on which “VO 2015 NEW” came into effect.

Pension commitments are determined on the basis of actuarial calculations using the projected unit credit method and biometric calculation bases in accordance with the Heubeck 2018 G mortality tables. Expected future salary and pension increases are taken into account in calculating the commitments. An annual adjustment of 3.0% (previous year: 3.0%) for salaries and 1.0% (previous year: 1.0%) for pension commitments subject to a guaranteed adjustment as well as 2.25% (previous year: 2.25%) for all other pension commitments is currently assumed, based on internal data from previous years and the expected future assessment basis for the development of inflation. The determination of pension commitments also factors in an annual increase in the income threshold of 1.5% (previous year: 1.5%) and an employee turnover rate of 2.0% p.a. (previous year: 2.0%). The ten-year average interest rate to be used as a basis for the valuation of pension commitments in accordance with section 253 (2) HGB was 1.81% as of 30 September 2023 (previous year: 1.77%); this is the interest rate for a remaining term of 15 years as determined by Deutsche Bundesbank. The seven-year average interest rate was 1.66% as of 30 September 2023 (previous year: 1.40%).

The plan assets managed in the form of a CTA are offset against the underlying commitments in accordance with section 246 (2) sentence 2 HGB. In order to fulfil the Company's pension obligations to employees, funds are invested in separate securities investment funds that are protected against claims by other creditors and are carried at fair value. The resulting net obligation is recognised under provisions.

The pension provisions for employee-financed deferred compensation commitments are also based on the ten-year average interest rate of 1.81% as of 30 September 2023 (previous year: 1.77%), a pension increase of 1.0% (previous year: 1.0%) and an employee turnover rate of 2.0% (previous year: 2.0%). Employer's pension liability insurance policies taken out for these provisions are pledged to creditors. Accordingly, the obligations and the cash surrender value of the employer's pension liability insurance policies (fair value) are netted pursuant to section 246 (2) sentence 2 HGB.

Tax provisions and other provisions account for all identifiable risks, uncertain obligations and potential losses from pending transactions. They are recognised at the settlement value deemed necessary according to prudent business judgment to fulfil future payment obligations. Future price and cost increases are taken into consideration if there is sufficient objective evidence that such increases will occur. Provisions with a remaining term of more than one year are discounted using the average market interest rate of the past seven financial years for their respective remaining term.

Provisions for anniversary and phased retirement obligations shown under other provisions are valued at the seven-year average interest rate of 1.66% (previous year: 1.40%) calculated by Deutsche Bundesbank. Pursuant to section 246 (2) sentence 2 HGB, provisions for phased retirement obligations are offset against the related plan assets.

Liabilities are recognised at their respective settlement amounts.

To determine deferred taxes arising due to temporary or quasi-permanent differences between the carrying amounts of assets, liabilities, prepaid expenses and deferred income in the statutory accounts and their tax bases or due to tax loss carryforwards, these differences are valued using the company-specific tax rates at the time they reverse; the amounts of any resulting tax charge or benefit are not discounted. Deferred tax assets and liabilities are offset. The option to recognise net deferred tax assets in excess of deferred tax liabilities was not exercised.

Foreign currency receivables and payables are valued in euros using the mid-market spot rate on the transaction date. They are translated at the mid-market spot rate on the reporting date. Losses from exchange rate fluctuations are accounted for, while gains are only recognised if they relate to receivables or payables with a remaining term of up to one year. Both realised and unrealised gains and losses from the translation of foreign currency transactions into local currency are recognised in the Income Statement under “Other operating income” or “Other operating expenses”, as well as in the associated “thereof” items in the Notes.

Revenue from the sale of goods is recognised as soon as the material risks and rewards of ownership have passed to the buyer and the amount of revenue to be recognised can be reliably measured. Revenue from services is recognised as soon as the service has been rendered.

The fair value of derivative financial instruments is determined on the reporting date based on current market data, strictly at the lower of cost or market. Provisions for potential losses are recognised for unrealised losses, while unrealised gains are not accounted for.

NOTES TO THE BALANCE SHEET

Fixed assets

The following overview outlines the development of individual fixed asset items for the financial year from 1 October 2022 to 30 September 2023, including depreciation, amortisation and impairment losses for the financial year.

In the reporting year, there were additions to shares in affiliated companies amounting to EUR 1,500k, reflecting a capital increase at subsidiary SCHOTT Pharma France SAS, Colombes, France, which led to an increase in the carrying amount of shares in affiliated companies.

Impairment of shares in affiliated companies in the amount of EUR 111,450k reflected the value adjustment of shares in SCHOTT Pharma USA, Inc., Lebanon, USA, to their lower fair value of EUR 254,830k as of the reporting date.

In the reporting year, there were additions to loans to affiliated companies amounting to EUR 103,510k, reflecting a loan granted to our subsidiary SCHOTT Pharma Schweiz AG, St. Gallen, Switzerland, reported within fixed assets due to its three-year term.

Additions to advance payments made and assets under construction were almost entirely attributable to our manufacturing location in Müllheim; they are predominantly related to capacity expansion projects for the production of polymer syringes.

Statement of Changes in Fixed Assets for the financial year from 1 October 2022 to 30 September 2023

	Cost					Accumulated amortisation, depreciation and impairment				Carrying amounts	
	Balance as of 1 Oct 2022 EUR	Additions EUR	Transfers EUR	Disposals EUR	Balance as of 30 Sep 2023 EUR	Balance as of 1 Oct 2022 EUR	Additions EUR	Disposals EUR	Balance as of 30 Sep 2023 EUR	30 Sep 2023 EUR	30 Sep 2022 EUR
I. Intangible assets											
1. Purchased concessions, industrial property rights and similar rights and assets, as well as licences in such rights and assets	1,752,051.85	7,953.50	10,043.89	-121,841.33	1,648,207.91	-1,075,872.98	-312,219.95	121,841.33	-1,266,251.60	381,956.31	676,178.87
	1,752,051.85	**7,953.50**	**10,043.89**	**-121,841.33**	**1,648,207.91**	**-1,075,872.98**	**-312,219.95**	**121,841.33**	**-1,266,251.60**	**381,956.31**	**676,178.87**
II. Property, plant and equipment											
1. Land, land rights and buildings	5,732,410.37	612.00	2,004,494.21	0.00	7,737,516.58	-904,425.26	-625,270.13	0.00	-1,529,695.39	6,207,821.19	4,827,985.11
2. Technical equipment and machinery	75,311,021.70	8,127,499.98	1,974,513.21	-740,194.58	84,672,840.31	-39,574,694.52	-5,853,098.93	716,854.37	-44,710,939.08	39,961,901.23	35,736,327.18
3. Other equipment, operating and office equipment	18,389,116.71	2,144,934.23	1,238,806.90	-387,982.63	21,384,875.21	-8,702,054.22	-2,218,517.05	363,039.99	-10,557,531.28	10,827,343.93	9,687,062.49
4. Advance payments made and assets under construction	27,781,408.12	34,261,612.53	-5,227,858.21	-3,712,594.01	53,102,568.43	0.00	0.00	0.00	0.00	53,102,568.43	27,781,408.12
	127,213,956.90	**44,534,658.74**	**-10,043.89**	**-4,840,771.22**	**166,897,800.53**	**-49,181,174.00**	**-8,696,886.11**	**1,079,894.36**	**-56,798,165.75**	**110,099,634.78**	**78,032,782.90**
III. Financial assets											
1. Shares in affiliated companies	589,913,676.27	1,500,000.00	0.00	0.00	591,413,676.27	0.00	-111,450,000.00	0.00	-111,450,000.00	479,963,676.27	589,913,676.27
2. Loans to affiliated companies	0.00	103,510,024.95	0.00	0.00	103,510,024.95	0.00	0.00	0.00	0.00	103,510,024.95	0.00
3. Joint ventures	4,193,466.48	0.00	0.00	0.00	4,193,466.48	0.00	0.00	0.00	0.00	4,193,466.48	4,193,466.48
	594,107,142.75	**105,010,024.95**	**0.00**	**0.00**	**699,117,167.70**	**0.00**	**-111,450,000.00**	**0.00**	**-111,450,000.00**	**587,667,167.70**	**594,107,142.75**
	723,073,151.50	**149,552,637.19**	**0.00**	**-4,962,612.55**	**867,663,176.14**	**-50,257,046.98**	**-120,459,106.06**	**1,201,735.69**	**-169,514,417.35**	**698,148,758.79**	**672,816,104.52**

Receivables and other assets

Receivables and other assets are broken down as follows:

	30 Sep 2023 (in EUR thousands)	30 Sep 2022 (in EUR thousands)
Trade receivables	12,288	9,081
(thereof due in more than one year)	0	0
Receivables from affiliated companies	57,537	39,143
(thereof due in more than one year)	0	0
Receivables from joint ventures	2,035	0
(thereof due in more than one year)	0	0
Other assets	2,056	7,477
(thereof due in more than one year)	0	0
	73,916	**55,701**

Receivables from affiliated companies as of 30 September 2023 comprised trade receivables of EUR 34,824k (previous year: EUR 20,245k), outstanding dividend receivables of EUR 21,790k (previous year: EUR 0) and the cash pool receivable from SCHOTT AG (EUR 923k; previous year: EUR 18,898k).

Receivables from joint ventures include dividend receivables of EUR 2,000k (previous year: EUR 0).

Other assets of EUR 2,056k (previous year: EUR 7,477k) essentially relate to value-added tax refund claims. The previous year's figure included other receivables from investment subsidies which were settled in the financial year under review.

Deferred tax assets

Material deferred tax assets and liabilities arise from different carrying amounts of non-current pension provisions as well as other provisions. Overall, deferred tax assets more than offset deferred tax liabilities. The resulting net deferred tax asset is not recognised, exercising the option provided by section 274 (1) sentence 2 HGB.

Deferred taxes were measured using a tax rate of 28.3% (previous year: 28.4%).

Equity

Subscribed capital totalled EUR 150,615k and the capital reserve EUR 491,935k as of the reporting date.

As of the reporting date, subscribed capital was divided into 150,614,616 no-par value ordinary bearer shares with a proportionate amount of subscribed capital attributable to each no-par value share of EUR 1.00. All shares are fully paid-in.

By operation of the contribution, transfer and post-formation acquisition agreement dated 3 August 2022, SCHOTT Glaswerke Beteiligungs- und Export GmbH contributed shares in various companies in return for the issuance of new limited liability shares to SCHOTT Pharma KGaA. For this purpose, SCHOTT Pharma KGaA increased its share capital by EUR 125,098k, from EUR 25,517k to EUR 150,615k. The value of the contribution in kind that exceeded the amount of the new limited liability shares to be granted stood at EUR 360,633k and was posted in full, as a premium, to SCHOTT Pharma KGaA's capital reserve in accordance with section 272 (2) no. 1 HGB. Given that the capital increase was not entered into the commercial register as of the reporting date of 30 September 2022, the balances were carried under "Contribution made to effect the resolved capital increase". This increase in share capital entered into effect under civil law upon its entry into SCHOTT Pharma KGaA's commercial register at the local court of Mainz on 4 November 2022. Accordingly, the balances were reclassified to "Subscribed capital" and "Capital reserve".

The Annual General Meeting on 20 June 2023 authorised the Management Board, with the approval of the Supervisory Board, to increase the share capital of SCHOTT Pharma KGaA until 19 June 2028 by up to a total of EUR 50,000k through one or more issues of new no-par value bearer shares in exchange for cash or non-cash contributions (Authorised Capital). Shareholders shall generally be granted subscription rights.

The Annual General Meeting on 20 June 2023 also authorised the Management Board, with the approval of the Supervisory Board, to issue bearer and/or registered convertible bonds and/or bonds with warrants (or a combination of such instruments – hereinafter collectively referred to as "bonds") with a total principal amount of up to EUR 750,000k, with or without a limited term, on one or several occasions until 19 June 2028, and to grant holders or creditors of such bonds conversion or option rights, respectively, to acquire new no-par value bearer shares in the Company representing a notional interest in the share capital of up to EUR 25,000k, as stipulated in detail in the terms and conditions of these bonds (Conditional Capital).

In the financial year 2022/2023, the Management Board did not make use of these authorisations.

The Annual General Meeting on 4 April 2023 resolved to appropriate the previous year's net retained profits of EUR 25,390k to distribute dividends of EUR 18,878k and to carry forward the remainder of EUR 6,512k to new account.

The following table summarises the development of net retained profit:

	30 Sep 2023 (in EUR thousands)
Net retained profit as of 1 October 2022	25,390
Dividends for the financial year 2021/2022	-18,878
Profit for the period – financial year 2022/2023	43,540
Net retained profit as of 30 September 2023	**50,052**

Disclosures on non-distributable amounts

The table below summarises the determination of the maximum distributable amount considering sections 253 (6) sentence 2 and 268 (8) HGB:

	(in EUR thousands)
Net retained profit as of 30 September 2023	50,052
= Maximum distributable amount as of 30 September 2023 before consideration of sections 253 (6) sentence 2 and 268 (8) HGB:	**50,052**
– Non-distributable amount due to the difference between the 10-year average interest rate and the 7-year average interest rate	-990
= Maximum distributable amount as of 30 September 2023 considering sections 253 (6) sentence 2 and 268 (8) HGB:	**49,062**

The non-distributable amount of EUR 990k arises from the difference in accordance with section 253 (6) sentence 2 HGB between the amount of pension provisions discounted at the relevant average market interest rate for the last ten financial years and the amount of pension provisions discounted at the average market interest rate for the last seven financial years.

Provisions for pensions and similar commitments

Pension provisions include commitments from current pensions as well as Company- and employee-funded pension entitlements.

Assets which serve exclusively to fulfil the pension commitments and which are protected against claims asserted by all other creditors (plan assets as defined by section 246 (2) sentence 2 HGB) are recognised at fair value and offset against the settlement value of pension commitments.

Amounts offset in the Balance Sheet as of the reporting date:

	30 Sep 2023 (in EUR thousands)	30 Sep 2022 (in EUR thousands)
Settlement value of pensions and similar obligations	30,352	27,522
Fair value of plan assets	10,299	9,429
Provisions for pensions and similar commitments	**20,053**	**18,093**
Cost of plan assets	10,825	10,156

Plan assets in Germany are managed mainly in the form of a contractual trust arrangement (CTA).

Under the CTA, assets are transferred to a trust association, which in turn transfers the funds it receives to another trustee (custodian). This trustee is obliged to manage and invest the funds it receives solely for the Company in accordance with an investment management agreement. The investment takes place via special fund mandates with external asset managers. These mandates are mixed funds that deal with stocks and bonds and are managed by asset managers in accordance with prescribed investment guidelines, including a defined value protection strategy.

Expenses from changes in the discount rate are recognised under interest and similar expenses. Of the interest portion of EUR 234k (previous year: EUR 1,863k) included in additions to pension provisions, EUR 487k (previous year: EUR 436k) relates to the unwinding of discounts and EUR -253k (previous year: EUR 1,427k) from the change in the discount rate. Net income and expenses from plan assets is offset against the interest portion of additions to pension provisions for the corresponding commitment under interest and similar expenses.

The following amounts were offset:

	2022/2023 (in EUR thousands)	2021/2022 (in EUR thousands)
Interest portion of additions to pension provisions	234	1,863
Net income/expenses from plan assets	-202	727
Balance after offsetting	**32**	**2,590**

Provisions for taxes

This item comprises amounts for taxes that have not yet been finally assessed.

Other provisions

Other provisions primarily include amounts for personnel-related commitments as well as provisions for potential losses from derivative financial instruments, provisions for outstanding supplier invoices, provisions for the of auditing the financial statements and provisions for warranties.

In accordance with section 246 (2) sentence 2 HGB, provisions for phased retirement obligations were offset against the related plan assets.

Amounts offset in the Balance Sheet as of the reporting date:

	30 Sep 2023 (in EUR thousands)	30 Sep 2022 (in EUR thousands)
Settlement value of phased retirement obligations	680	449
Fair value of plan assets	-251	-259
Provisions for phased retirement obligations	**429**	**190**
Cost of plan assets	251	259

Liabilities

Liabilities have the following remaining terms:

	30 Sep 2023			30 Sep 2022		
	Thereof with a remaining term of up to one year	Thereof with a remaining term of one to five years	Total	Thereof with a remaining term of up to one year	Thereof with a remaining term of one to five years	Total
	(in EUR thousands)	(in EUR thousands)	(in EUR thousands)	(in EUR thousands)	(in EUR thousands)	(in EUR thousands)
Advances received on orders	20,699	0	20,699	21,181	0	21,181
Trade payables	9,150	14	9,164	6,207	54	6,261
Liabilities to affiliated companies	9,338	0	9,338	7,449	0	7,449
Liabilities to joint ventures	8	0	8	0	0	0
Other liabilities	978	0	978	697	0	697
(thereof for taxes)	(631)	0	(631)	(505)	0	(505)
(thereof for social security)	(5)	0	(5)	(3)	0	(3)
	40,173	**14**	**40,187**	**35,534**	**54**	**35,588**

As in the previous year, there were no receivables with a remaining term of more than five years as of the reporting date.

Of the liabilities to affiliated companies as of 30 September 2023, EUR 9,338k (previous year: EUR 6,092k) relate to trade payables. In the previous year, other liabilities accounted for EUR 1,357k.

As of the reporting date, liabilities to the General Partner SCHOTT Pharma Management AG, Mainz, amounted to EUR 79k (previous year: EUR 543k), mainly resulting from the settlement of claims for reimbursement of expenses.

Other liabilities of EUR 978k (previous year: EUR 697k) essentially relate to liabilities from income tax on wages and salaries and church tax.

No liabilities were secured as of the reporting date.

NOTES TO THE INCOME STATEMENT

Revenues

Revenues are primarily generated from the sale of pharmaceutical packaging; they are broken down by area of activity as follows:

	2022/2023	2021/2022
	(in EUR thousands)	(in EUR thousands)
Sale of products	116,048	109,345
Contract manufacturing	24,967	14,570
Other	38,998	22,007
	180,013	**145,922**

Revenues from contract manufacturing are fully attributable to contract manufacturing services provided to SCHOTT Pharma Schweiz AG, St. Gallen, Switzerland.

Revenues recognised under “Other” mainly arose from rendering services, charging brand licence fees and passing on overhead costs to affiliated companies. In the previous year, these also included prior-period revenues of EUR 9,837k relating to the financial years 2018/2019 to 2020/2021.

Revenues are broken down by geographical markets as follows:

	2022/2023 (in EUR thousands)	2021/2022 (in EUR thousands)
Germany	23,777	25,532
EMEA (excluding Germany)	107,965	81,602
Asia and South Pacific	17,862	16,273
North America	27,046	21,789
South America	3,363	726
	180,013	**145,922**

Other operating income

Other operating income of EUR 14,719k (previous year: EUR 2,334k) mainly includes currency and exchange rate gains of EUR 9,381k (previous year: EUR 58k) as well as income from passing on costs of EUR 4,442k (previous year: EUR 0k) incurred in connection with the IPO, which were reimbursed by SCHOTT AG based on a cost assumption agreement entered into in the financial year under review. Extraordinary income from passing on costs was offset by extraordinary expenses of EUR 3,946k (previous year: EUR 0) in the financial year under review. The remainder of EUR 496k is related to expenses incurred in the previous year and thus represents prior-period income.

Additional prior-period income of EUR 542k (previous year: EUR 747k) comprises EUR 352k (previous year: EUR 527k) related to the reversal of provisions and EUR 190k (previous year: EUR 220k) related to the reversal of loss allowance on receivables. Income from the reversal of provisions relates to various smaller individual items.

Personnel expenses

EUR 2,867k (previous year: EUR 4,001k) relate to expenses for retirement benefits. The interest portion of additions to pension provisions is not recognised as personnel expenses; this is presented under interest and similar expenses.

Amortisation, depreciation and impairment of intangible fixed assets and property, plant and equipment

Amortisation of intangible fixed assets and depreciation of property, plant and equipment do not include any impairment losses (previous year: EUR 459k).

Other operating expenses

Other operating expenses include EUR 29,125k (previous year: EUR 16,117k) in selling, administrative and maintenance expenses, EUR 14,347k (previous year: EUR 6,114k) in expenses for services and EUR 4,876k (previous year: EUR 2,475k) in lease expenses.

Other operating expenses also include EUR 95k (previous year: EUR 952k) in additions to other provisions, EUR 1,103k (previous year: EUR 218k) in loss allowance on receivables and EUR 48k (previous year: EUR 12k) in prior-period unrealised losses on the disposal of property, plant and equipment.

In addition, currency and exchange rate losses of EUR 5,933k (previous year: EUR 123k) were reported as other operating expenses.

In the previous year, other operating expenses included a significant individual item: EUR 9,438k in expenses from settlement claims against SCHOTT AG. In the abridged financial year from 22 March to 30 September 2022, various service agreements were concluded between SCHOTT Pharma AG & Co. KGaA and SCHOTT AG. The agreements were concluded with retrospective economic effect as of 1 October 2021 but could only be fulfilled in economic terms once the spin-off took effect under civil law as of 1 August 2022. For the period from 1 October 2021 to 31 July 2022, the service agreements gave rise to a settlement claim related to services provided between the two entities. Due to the nature of this settlement claim as a compensation, it was recognised under other operating expenses.

Income from investments

Income from investments of EUR 142,935k (previous year: EUR 4,094k) resulted from dividend income received from affiliated companies in Switzerland, Brazil, Indonesia and Colombia; EUR 4,000k (previous year: EUR 0) related to dividend income received from our joint venture in Italy. The marked year-on-year increase in income from investments allowed to offset impairment of financial assets described below.

Impairment of financial assets

Impairment of financial assets in the amount of EUR 111,450k (previous year: EUR 0) reflected the value adjustment of shares in SCHOTT Pharma USA, Inc., Lebanon, USA, to their lower fair value, especially due to higher capital costs in a rising interest rate environment.

Interest result

	2022/2023 (in EUR thousands)	2021/2022 (in EUR thousands)
Other interest and similar income	495	0
(thereof from affiliated companies)	485	0
Interest and similar expenses	-38	-2,610
(thereof to affiliated companies)	0	-2
(thereof expenses from discounting)	-234	-1,878
(thereof income/expenses from plan assets)	202	-727

Net income and expenses from plan assets is offset against the interest portion of additions to pension provisions for the corresponding commitment in the interest result.

Income taxes

Income taxes amounting to EUR 12,275 thousand (previous year: EUR 8,910k) mainly relate to trade and corporation tax as well as foreign withholding taxes for the financial year 2022/2023.

Income taxes do not include any income or expenses from deferred taxes.

OTHER INFORMATION

Derivative financial instruments

The Company held the following derivative financial instruments as of the reporting date:

	30 Sep 2023 Nominal amount (in EUR thousands)	30 Sep 2023 Carrying amount (in EUR thousands)	30 Sep 2023 Fair value (in EUR thousands)
Forward foreign exchange contracts	401,578	-4,754	-1,038

Nominal amounts reflect the unnetted total of all derivative financial contracts bought and sold. The carrying amount is the lower of cost or fair value. Negative carrying amounts of forward contracts are included in the balance sheet item “Other provisions.” The fair value of the forward foreign exchange contracts is determined using current spot rates and corresponding forward premiums or discounts (spreads). The relevant market data observed on the reporting date are used as input parameters for the models. Forward transactions were concluded in US dollars (USD), Swiss francs (CHF), Chinese renminbi (CNY), Hungarian forint (HUF) and Mexican pesos (MXN).

Contingencies

The following contingent liabilities existed as of the reporting date:

	(in EUR thousands)
Guarantees	39,344
(thereof in favour of affiliated companies)	37,985

The risk of drawdowns on contingent liabilities was deemed to be low.

Together with SCHOTT Group Treasury, SCHOTT Pharma KGaA's Finance department continuously monitors and assesses contingent liabilities entered into. As of 30 September 2023, and up to the date of preparation of the annual financial statements, the Management Board assumes that the respective principal debtors will honour their obligations. This assessment is based on the expected positive business development or the sufficient capitalisation of the entities concerned.

Other financial obligations

Expenses from rental and lease agreements for land, buildings, technical equipment and machinery, office equipment as well as from significant service agreements totalled EUR 5,682k (previous year: EUR 3,538k) in the financial year, of which EUR 3,875k (previous year: EUR 1,747k) was attributable to affiliated companies. The expected future minimum payments from existing rental and lease agreements and significant service agreements totalled EUR 39,393k as of the reporting date (thereof EUR 5,381k for the following twelve months); this includes EUR 37,867k (thereof EUR 3,968k for the following twelve months) to affiliated companies.

As of the reporting date, obligations from purchase commitments for investment projects amounted to EUR 41,771k (previous year: EUR 32,075k), of which EUR 605k (previous year: EUR 4,987k) were to affiliated companies.

Other financial obligations thus totalled EUR 81,164k (previous year: EUR 75,314k), of which EUR 38,472k (previous year: EUR 46,729k) related to affiliated companies.

Off-balance sheet transactions

For information on off-balance sheet transactions, please refer to our explanations on other financial obligations.

Rental and lease agreements gave rise to payment obligations of EUR 39,393k (previous year: EUR 43,239k) as of the reporting date. The terms of these agreements expire between the financial years 2023/2024 and 2031/2032. These rental and lease agreements generally serve to improve liquidity and reduce total assets. Rental and lease agreements concluded at customary conditions do not give rise to any specific risks.

Average number of employees

The average number of people employed by SCHOTT Pharma KGaA in the financial year was as follows:

	2022/2023	2021/2022
Wage earners	387	371
Salaried employees	251	218
	638	**589**

External auditors' fees

The total fees charged for the financial year by external auditors Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft, Eschborn / Frankfurt/Main, Germany ("EY"), can be broken down as follows:

	2022/2023 (in EUR thousands)	**2021/2022 (in EUR thousands)**
Auditing fees	2,384	588
Other assurance services	575	8
Other services	0	0
Total	**2959**	**596**

Fees for the audit of the Combined Financial Statements for the financial years 2019/2020, 2020/2021 and 2021/2022 in connection with the IPO are reported as part of auditing fees, whilst fees incurred for the issue of the comfort letter are shown under other assurance services. Both fees were refunded by SCHOTT AG, based on a cost assumption agreement. The income generated from the refund is recognised within other operating income.

Remuneration of the Management Board and the Supervisory Board

Remuneration of the members of the Management Board totalled EUR 1,248k in the financial year 2022/2023 (previous year: EUR 1,064k).

The remuneration of the members of the Supervisory Board comprises a basic remuneration as well as an additional remuneration for work in committees and amounted to EUR 132k in the financial year 2022/2023 (previous year: EUR 0).

The basic principles of the remuneration system and individual remuneration amounts for members of the Management Board and the Supervisory Board are summarised in the Remuneration Report.

No loans or advances were granted, or subsidies paid, to members of the Management Board and the Supervisory Board. Furthermore, the Company has not entered into any contingent liabilities in favour of members of the Management Board or the Supervisory Board.

Related party transactions

No significant transactions with related parties were entered into on terms other than arm's length.

General Partner

SCHOTT Pharma Management AG, having its registered office in Mainz and a subscribed capital of EUR 50k, is the General Partner of SCHOTT Pharma AG & Co. KGaA.

Consolidated financial statements

As the parent company, SCHOTT AG, Mainz, prepares consolidated financial statements as of 30 September 2023 for the largest group of consolidated companies in which SCHOTT Pharma KGaA is included. The consolidated financial statements are published in the German Company Register (Unternehmensregister).

Pursuant to section 315e (1) HGB, as the parent company, SCHOTT Pharma KGaA prepares consolidated financial statements for the smallest group of consolidated companies based on International Financial Reporting Standards (IFRS) as adopted by the European Union. The Financial Statements, the Management Report of SCHOTT Pharma KGaA (which is combined with the Group Management Report) as well as the Consolidated Financial Statements of SCHOTT Pharma KGaA are published in the electronic Company Register; in addition, they are available on our website, at https://www.schott-pharma.com/investor-relations/news-publications/reports-and-presentations/

Declaration of Compliance pursuant to section 161 AktG

The Management Board and the Supervisory Board issued the Declaration of Compliance pursuant to section 161 AktG in December 2023 and subsequently made it permanently available to the public on the website of SCHOTT Pharma KGaA, at https://www.schott-pharma.com/investor-relations/corporate-governance/compliance-statement/

Notifications of shareholdings in SCHOTT Pharma AG & Co. KGaA

As of 30 September 2023, SCHOTT Pharma KGaA had received notifications regarding shareholdings subject to disclosure requirements pursuant to section 160 (1) no. 8 AktG as shown in the following table. Where multiple voting rights thresholds were reached, the most recent notification which led to a threshold being reached is shown. All voting rights notifications can be viewed on our website at https://www.schott-pharma.com/investor-relations/share/voting-rights-notifications/. Please note that the disclosures on shareholdings and voting rights may have become outdated in the meantime.

Shareholder structure

Entity subject to the reporting obligation	Registered office	Date of notification	Date of threshold being reached	Threshold (in %)	Share of voting rights %	Share of voting rights in absolute terms	Voting rights attributable pursuant to the German Securities Trading Act (WpHG)
SCHOTT Glaswerke Beteiligungs- und Export GmbH	Mainz, Germany	29 September 2023	27 September 2023	75.0%	77.0 %	115,973,254	Sections 33 and 34 WpHG

Appropriation of profits

Net retained profit (*Bilanzgewinn*) for the financial year 2022/2023 totalled EUR 50,052k. The Management Board proposes to distribute a dividend of EUR 0.15 per no-par value share (total dividend payment of EUR 22,592k) and to carry forward the remaining net retained profit to new account.

Report on material events after the reporting date

The following events occurred between the reporting date of 30 September 2023 and the date of preparing the consolidated financial statements (18 December 2023) which are required to be disclosed:

A capital increase of our subsidiary SCHOTT Pharma Brasil Ltda, São Paulo, Brazil, in the amount of BRL 85,000k (equivalent to EUR 15,594k) was adopted by virtue of a shareholder resolution dated 9 October 2023; the corresponding capital contribution was effected on 23 October 2023.

EXECUTIVE BODIES OF THE COMPANY

Management Board of SCHOTT Pharma Management AG, General Partner of SCHOTT Pharma AG & Co. KGaA

Andreas Reisse

Chairman of the Management Board of SCHOTT Pharma Management AG (since 15 July 2022)

Offices held

- SCHOTT Glass Technologies Co. Ltd., Suzhou, China (Member of the Board of Directors)
- SCHOTT Pharmaceutical Packaging Co. Ltd., Zhejiang, China (Chairman and Legal Representative of the Board of Directors)
- SCHOTT Poonawalla Pvt. Ltd., Mumbai, India (Chairman of the Board of Directors)

Dr Almuth Steinkühler

Member of the Management Board (CFO) of SCHOTT Pharma Management AG (since 15 July 2022)

Offices held

- SCHOTT Poonawalla Pvt. Ltd., Mumbai, India (Member of the Board of Directors)

Supervisory Board of SCHOTT Pharma AG & Co. KGaA

Peter Goldschmidt (since 4 April 2023)

Sociologist

Frankfurt/Main, Germany

Chairman of the Supervisory Board of
SCHOTT Pharma AG & Co. KGaA
(since 27 April 2023)

Offices held:

- STADA Arzneimittel AG, Bad Vilbel
  (Chief Executive Officer)

Dr Wolfgang Wienand (since 4 April 2023)

Chemist

Lörrach, Germany

Deputy Chairman of the Supervisory Board of
SCHOTT Pharma AG & Co. KGaA
(since 27 April 2023)

Offices held:

- Siegfried Holding AG, Zofingen, Switzerland
  (Chairman of the Board of Directors)

Ann-Kristin Erkens (since 4 April 2023)

Graduate in Industrial Engineering

Cologne, Germany

Member of the Supervisory Board of
SCHOTT Pharma AG & Co. KGaA

Offices held:

- SIG Group AG, Neuhausen, Switzerland
  (Chief Financial Officer)

Eva Kienle (since 4 April 2023)

Graduate in Business Administration

Göttingen, Germany

Member of the Supervisory Board of
SCHOTT Pharma AG & Co. KGaA

Offices held:

- KWS Saat SE & Co. KGaA, Einbeck, Germany
  (Member of the Management Board)
- Zumtobel Group AG, Dornbirn, Austria
  (Member of the Supervisory Board)

Christine Wening (since 19 April 2023)

Ginsheim, Germany

Employee representative

Member of the Supervisory Board of
SCHOTT Pharma AG & Co. KGaA

Mario Just (since 19 April 2023)

Heitersheim, Germany

Employee representative

Member of the Supervisory Board of
SCHOTT Pharma AG & Co. KGaA

Dr Jörg Flatten (until 4 April 2023)

Head of Compliance and Legal, SCHOTT AG, Mainz

Wiesbaden, Germany

Chairman of the Supervisory Board (until 4 April 2023) of SCHOTT Pharma AG & Co. KGaA

Thomas Schöning (until 4 April 2023)

Head of Finance, SCHOTT AG, Mainz

Mainz, Germany

Deputy Chairman (until 4 April 2023) of SCHOTT Pharma AG & Co. KGaA

Oliver Spika (until 4 April 2023)

Head of Purchasing, SCHOTT AG, Mainz

Wiesbaden, Germany

Member of the Supervisory Board of SCHOTT Pharma AG & Co. KGaA

Kai Olbricht (until 4 April 2023)

Head of BU Home Tech, SCHOTT AG, Mainz

Mainz, Germany

Member of the Supervisory Board of SCHOTT Pharma AG & Co. KGaA

Audit Committee

- Eva Kienle, Chairwoman (since 16 July 2023)
- Ann-Kristin Erkens (since 16 July 2023)
- Christine Wening (since 16 July 2023)

Mainz, 18 December 2023

SCHOTT Pharma AG & Co. KGaA
represented by the Management Board of SCHOTT Pharma Management AG

Andreas Reisse

Dr Almuth Steinkühler

LIST OF DIRECT AND INDIRECT SHAREHOLDINGS OF SCHOTT PHARMA AG & CO. KGAA AS OF 30 SEPTEMBER 2023 IN ACCORDANCE WITH SECTION 285 (1) NO. 11 HGB

Name and registered office of the company	**Shareholding (section 285 no. 11 HGB)**	**Local currency**	**Equity**		**Profit/loss for the period**	
			Local currency	**EUR *)**	**Local currency**	**EUR **)**
	%	**(Local currency)**	**(in thousands)**	**(in thousands)**	**(in thousands)**	**(in thousands)**
Affiliated companies						
Germany						
SCHOTT Pharma Mexico GmbH, Mainz	100.0	EUR	98,371	98,371	7	7
International						
SCHOTT Envases Argentina S.A., Buenos Aires, Argentina	100.0	ARS	1,917,349	5,174	675,174	1,822
SCHOTT Pharma Brasil Ltda. (formerly SCHOTT Brasil Ltda.), São Paulo, Brazil	100.0	BRL	76,329	14,398	40,435	7,453[1]
SCHOTT Pharmaceutical Packaging (Zhejiang) Co., Ltd., Huzhen Town, China	100.0	CNY	416,718	54,344	5,891	944[1]
SCHOTT France Pharma Systems SAS, Pont-sur-Yonne, France	100.0	EUR	-1,169	-1,169	-1,551	-1,551
SCHOTT Pharma France SAS, Colombes, France	100.0	EUR	1,253	1,253	-262	-262
PT. SCHOTT Igar Glass, Bekasi, Indonesia	100.0	IDR	335,337,708	20,430	156,102,913	9,787
SCHOTT Envases Farmaceuticos SAS, Bogotá, Colombia	72.7	COP	27,361,539	6,398	1,650,665	337[1]
SCHOTT de México, S.A. de C.V., Amatlan de los Reyes, Mexico	100.0	MXN	1,165,972	63,381	113,379	5,699[1]
SCHOTT Pharmaceutical Packaging OOO, Zavalzhye, Russia	100.0	RUB	695,005	6,735	248,217	2,854[1]
SCHOTT forma vitrum holding ag, St Gallen, Switzerland	100.0	CHF	95,731	81,522	76	77
SCHOTT Pharma Schweiz AG, St Gallen, Switzerland	100.0	CHF	248,741	122,269	64,539	65,379
SCHOTT Hungary Kft., Lukácsháza, Hungary	100.0	HUF	13,745,770	35,327	2,989,531	7,457
SCHOTT Pharma USA, Inc., Lebanon, USA	100.0	USD	60,779	57,404	7,822	7,221
SCHOTT PHARMA D.O.O. BEOGRAD, Belgrade, Serbia	100.0	RSD	-23,012	-196	-24,184	-206
Joint ventures						
International						
SCHOTT Poonawalla Pvt. Ltd., Mumbai, India	50.0	INR	8,410,030	95,401	1,739,910	20,007[2]
Empha S.p.A., Turin, Italy	50.0	EUR	15,581	15,581	4,034	4,034[1]
Smart Skin Technologies Inc., Fredericton, Canada	20	CAD	10,675	7,380	-4,125	-3,022[1]

[1] Financial year from 1 January to 31 December

[2] Financial year from 1 April to 31 March

*) For companies whose accounts are in foreign currency, equity is converted using the prevailing exchange rate on the respective reporting date.

**) For companies whose accounts are in foreign currency, profit/loss for the period is converted using the average exchange rate for the period ending on the respective reporting date.

RESPONSIBILITY STATEMENT

To the best of our knowledge, and in accordance with the applicable accounting principles, the annual financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of SCHOTT Pharma AG & Co. KGaA, and the Company's Management Report, which is combined with the Group Management Report, includes a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of SCHOTT Pharma AG & Co. KGaA.

Mainz, 18 December 2023

SCHOTT Pharma AG & Co. KGaA
represented by the Management Board of SCHOTT Pharma Management AG

Andreas Reisse

Dr Almuth Steinkühler

INDEPENDENT AUDITORS' REPORT

To SCHOTT Pharma AG & Co. KGaA

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

OPINIONS

We have audited the annual financial statements of SCHOTT Pharma AG & Co. KGaA, Mainz, which comprise the balance sheet as at September 30, 2023, and the income statement for the fiscal year from October 1, 2022 to September 30, 2023, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the management report of SCHOTT Pharma AG & Co. KGaA, which is combined with the group management report of SCHOTT Pharma AG & Co. KGaA ("combined management report") for the fiscal year from October 1, 2022 to September 30, 2023. In accordance with the German legal requirements, we have not audited the content of the non-financial statement included in the combined management report or the statement on corporate governance, which is published on the website stated in the combined management report and is part of the combined management report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at September 30, 2023 and of its financial performance for the fiscal year from October 1, 2022 to September 30, 2023 in compliance with German legally required accounting principles, and
- the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. We do not express an opinion on the content of the non-financial statement referred to above or the content of the statement on corporate governance referred to above.

Pursuant to Sec. 322 (3) Sentence 1 HGB ["Handelsgesetzbuch": German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

Basis for the opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with Sec. 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements and of the combined management report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Art. 10 (2) f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the combined management report.

Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the fiscal year from October 1, 2022 to September 30, 2023. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matters:

1. Revenue recognition, in particular with regard to correct revenue recognition as of the reporting date

Reasons why the matter was determined to be a key audit matter
In the annual financial statements of SCHOTT Pharma KGaA, revenue from the sale of products is recognized when control of the products has been transferred. This is usually the case when risks have been transferred in accordance with the agreed Incoterms.

Due to the large number of customers, the different types of products and the resulting large number of different contractual arrangements, including those governing the transfer of risk, particular care is required when accounting for transactions, especially with regard to the correct application of the accrual basis of accounting. Against this background, revenue recognition, in particular with regard to correct revenue recognition as of the reporting date, was a key audit matter.

Auditor's response
During our audit, we considered, based on the requirements of German commercial law, the recognition and measurement requirements applied in the annual financial statements of SCHOTT Pharma KGaA for the recognition of revenue. Furthermore, we obtained an understanding of the design of the underlying business processes and tested the design and operating effectiveness of selected controls of the accounting-related internal control system, in particular with regard to changes in Incoterms and the correct application of the accrual basis of accounting for revenue. We analyzed the recognition of revenue based on the contractual arrangements on a sample basis in view of the requirements of German commercial law. To substantiate the existence of revenue, we examined whether it led to trade receivables and, in turn, whether payments were received to settle these receivables. In addition, applying analytical and substantive audit procedures, we analyzed whether the revenue for fiscal year 2022/2023 was recognized on an accrual basis, e.g., by obtaining external balance confirmations for trade receivables and reviewing credit notes issued after the reporting date.

Overall, our procedures on the recognition of revenue from the sale of products, in particular with regard to correct revenue recognition as of the reporting date, did not lead to any reservations.

Reference to related disclosures
With regard to the recognition and measurement policies applied for the recognition of revenue from the sale of products, refer to the disclosures on revenue in note "3 Accounting policies" and note "5 Notes to the Income Statement" of the notes to the financial statements.

2. Impairment of shares in affiliated companies, in particular in the USA and Mexico

Reasons why the matter was determined to be a key audit matter
SCHOTT Pharma KGaA holds shares in affiliated companies that make up a significant portion of its total assets.

In accordance with Sec. 253 (3) Sentence 5 HGB, write-downs must be recognized on shares in affiliated companies if their impairment is likely to be permanent. The Company tests each year on the basis of the affiliated companies' budgets and forecasts whether there are any indications that a recognized share in an affiliated company could be permanently impaired. The result of this test is highly dependent on how the executive directors of SCHOTT Pharma KGaA expect the business of the respective affiliated company to develop in the future. Furthermore, the shares in affiliated companies in the USA and Mexico were transferred at fair value as part of the legal restructuring of SCHOTT Pharma Group, as a result of which the risk of impairment due to changes in the underlying budgets and forecasts and valuation inputs, in particular the applicable cost of capital rates, is especially high. In light of the materiality of the shares in affiliated companies in relation to total assets, the complexity of their valuation and the judgment exercised during valuation, the impairment test of the recognized shares in affiliated companies was a key audit matter.

Auditor's response
During our audit, we first considered the measurement requirements applied in the annual financial statements in terms of their compliance with German commercial law. Furthermore, we obtained an understanding of the design

of the underlying business processes and identified selected controls of the accounting-related internal control system, and assessed the valuation model used by SCHOTT Pharma KGaA with regard to its fundamental suitability, including in comparison to prior years and in terms of its mathematical accuracy.

We discussed with the executive directors of SCHOTT Pharma KGaA the significant assumptions relating to the general and industry-specific market development and compared them with the results realized in the past and with external data. In addition, we analyzed the inputs used to determine the cost of capital rates applied and reperformed the calculation in view of the relevant requirements of German commercial law. We also performed sensitivity analyses in order to estimate any potential impairment risk associated with a reasonably possible change in one of the significant assumptions used in the valuation. Our procedures on the impairment of shares in affiliated companies were performed with the involvement of internal valuation specialists.

Our procedures did not lead to any reservations relating to the impairment of shares in affiliated companies.

Reference to related disclosures

With regard to the recognition and measurement policies applied for shares in affiliates, refer to the Company's disclosures on financial assets in note "3 Accounting policies," on "Fixed assets" in note "4 Notes to the Balance Sheet" and on "Impairment of financial assets" in note "5 Notes to the Income Statement" of the notes to the financial statements.

OTHER INFORMATION

The Supervisory Board is responsible for the Report of the Supervisory Board pursuant to Sec. 171 (2) AktG ["Aktiengesetz": German Stock Corporation Act]. The executive directors and the Supervisory Board are responsible for the declaration pursuant to Sec. 161 AktG on the German Corporate Governance Code, which is part of the statement on corporate governance. In all other respects, the executive directors are responsible for the other information. The other information comprises the non-financial statement referred to above and the statement on corporate governance referred to above, which is part of the combined management report. The other information also comprises additional parts to be included in the annual report, of which we obtained a copy prior to issuing this auditor's report, in particular:

- Report of the Supervisory Board
- Responsibility statement

but not the annual financial statements, not the disclosures in the combined management report whose content is audited and not our auditor's report thereon.

Our opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- is materially inconsistent with the annual financial statements, with the combined management report or our knowledge obtained in the audit, or
- otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF THE EXECUTIVE DIRECTORS AND THE SUPERVISORY BOARD FOR THE ANNUAL FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. 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 annual financial statements and this combined management report.
We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.
- Evaluate the consistency of the combined management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- Perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the assurance on the electronic rendering of the annual financial statements and the management report prepared for publication purposes in accordance with Sec. 317 (3a) HGB

Opinion

We have performed assurance work in accordance with Sec. 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the management report (hereinafter the "ESEF documents") contained in 14-12-2023-16-01_xbrl_file.zip and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and the combined management report contained in the file identified above and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinions on the accompanying annual financial statements and the accompanying management report for the fiscal year from October 1, 2022 to September 30, 2023 contained in the "Report on the audit of the annual financial statements and of the management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the opinion

We conducted our assurance work on the rendering of the annual financial statements and the combined management report contained in the file identified above in accordance with Sec. 317 (3a) HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Sec. 317 (3a) HGB (IDW AsS 410 (06.2022)). Our responsibility in accordance therewith is further described in the "Auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the executive directors and the Supervisory Board for the ESEF documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the annual financial statements and the management report in accordance with Sec. 328 (1) Sentence 4 No. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited annual financial statements and to the audited management report.

FURTHER INFORMATION PURSUANT TO ART. 10 OF THE EU AUDIT REGULATION

We were elected as auditor by the annual general meeting on April 4, 2023. We were engaged by the Supervisory Board on July 27, 2023. We have been the auditor of SCHOTT Pharma AG & Co. KGaA without interruption since the abbreviated fiscal year from March 22, 2022.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

In addition to the statutory audit of the annual financial statements and the consolidated financial statements of SCHOTT Pharma KGaA, we also performed the audit of the combined financial statements for fiscal years 2019/2020, 2020/2021 and 2021/2022. Audit-related services mainly comprise assurance services relating to the issue of the comfort letter and in relation to the non-financial statement, the remuneration report under German stock corporation law and the EMIR assurance engagement in accordance with Sec. 20 WpHG ["Wertpapierhandelsgesetz": German Securities Trading Act].

OTHER MATTER – USE OF THE AUDITOR'S REPORT

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as the assured ESEF documents. The annual financial statements and the combined management report converted to the ESEF format – including the versions to be published in the *Unternehmensregister* [German Company Register] – are merely electronic renderings of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

GERMAN PUBLIC AUDITOR RESPONSIBLE FOR THE ENGAGEMENT

The German Public Auditor responsible for the engagement is Christian Baur.

Eschborn/Frankfurt am Main, December 18, 2023

Ernst & Young GmbH
Wirtschaftsprüfungsgesellschaft

Baur	Behr
Wirtschaftsprüfer	Wirtschaftsprüferin
[German Public Auditor]	[German Public Auditor]

IMPRINT

DISCLAIMER/FORWARD-LOOKING STATEMENTS

These Financial Statements of SCHOTT Pharma AG & Co. KGaA contain numerous forward-looking statements which are based on the Company's assumptions, expectations and intentions. Such statements are indicated by words like "expect", "assume", "intend" or similar wording. These statements are based on the information currently available to management, and on the prevailing framework conditions. These may change at any time. The Company accepts no liability that the expectations and assumptions expressed in this report will in fact turn out to be correct in the future. The Company also undertakes no obligation to update any of its forward-looking statements, to adjust them to developments after publication of these Financial Statements.

PUBLICATION

These Financial Statements were published on 26 January 2024. The document is also available in German. In the event of any discrepancies, the German version shall be authoritative and prevail over the English translation.

The Company's annual and interim reports as well as the financial statements are not available in printed form, for reasons of sustainability. We provide all annual and interim reports online, as well as for download in PDF format.

ROUNDING, LANGUAGE AND FORMATTING

Due to rounding, individual figures in this document and in other documents may not correspond exactly to the totals stated and percentages shown may not exactly reflect the absolute values to which they relate.

For technical reasons, there may be differences in formatting between the financial reporting documents contained in this document and those published in accordance with legal requirements.

Where the masculine form is used in this document, the information nevertheless refers to all persons (male, female, diverse).

INFORMATION

Website: www.schott-pharma.com
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