NeoBiocon FZ - LLC
Dubai Development Authority
Dubai - United Arab Emirates

Auditor's Report and Financial Statements
For the year ended March 31, 2025

For identification purpose only
UHY
James

NeoBiocon FZ - LLC
Dubai Development Authority
Dubai - United Arab Emirates

Table of Contents

For identification purpose only
UHY
James

NeoBiocon FZ - LLC

Dubai Development Authority

Dubai - United Arab Emirates

Directors' Report

The Directors have the pleasure in presenting their report and the audited financial statements of **M/s. NeoBiocon FZ - LLC**, Dubai Development Authority, Dubai - United Arab Emirates (the "Entity") for the year ended March 31, 2025.

Principal activities of the Entity:

The Entity is licensed to engage in marketing and sales promotion, import and re-export and storage of pharmaceuticals including providing support services.

Financial review:

The table below summarises the results denoted in Arab Emirates Dirham (AED).

	2025	2024
Revenue	-	2,084,102
Gross profit	-	725,587
Gross profit margin	-	34.82%
(Loss) for the year	**(6,633,562)**	(6,935,178)

Role of the Directors:

The Directors are the Entity's principal decision-making forum. The Directors have the overall responsibility for leading and supervising the Entity for delivering sustainable shareholder value through their guidance and supervision of the Entity's business. The Directors set the strategies and policies of the Entity. They monitor performance of the Entity's business, guide and supervise its management.

Material uncertainty related to going concern:

The Entity has incurred a loss of AED 6,633,562 (2024: AED 6,935,178) during the year. However, the management has no intention of discontinuing the operations of the Entity. The shareholders have agreed to provide necessary financial support to enable the Entity to continue its operations and settle its obligations as and when they fall due. Hence, these financial statements have been prepared on a going concern basis.

Subsequent events after reporting period:

In the opinion of the Directors, no transaction or event of a material and unusual nature, favourable or unfavourable has arisen in the interval between the end of the financial year and the date of this report, that is likely to affect, substantially the result of the operations or the financial position of the Entity.

Auditor:

M/s. UHY James Chartered Accountants LLC, Dubai - United Arab Emirates is willing to continue in office and a resolution to re-appoint them will be proposed in the Annual General Meeting.

Statement of Management and Directors' responsibilities:

The applicable requirements, require the management to prepare the financial statements for each financial year which presents fairly in all material respects, the financial position of the Entity and its financial performance for the year then ended.

For identification purpose only
UHY
James

Statement of Management and Directors' responsibilities:

The audited financial statements for the year under review, have been prepared in conformity and in compliance with the relevant statutory requirements and other governing laws. The Directors confirm that sufficient care has been taken for the maintenance of proper and adequate accounting records that disclose with reasonable accuracy at any time, the financial position of the Entity and enables them to ensure that the financial statements comply with the requirements of applicable statute. So far as the Directors are aware, there is no relevant audit information of which the auditor is unaware, and the Directors have taken all the steps in order to make themselves aware of any relevant audit information and to establish that the auditor is aware of that information. The Directors also confirm that appropriate accounting policies have been selected and applied consistently in order that the financial statements reflect fairly the form and substance of the transactions carried out during the year under review and reasonably present the Entity's financial conditions and results of its operations.

These financial statements were approved by the Board of Directors and signed on its behalf by the authorised representatives of the Entity.

Sd/-

Authorised signatory
May 01, 2025

Sd/-

Authorised signatory

For identification purpose only
UHY
James

UHY James Chartered Accountants LLC
Level 6, Clover Bay Tower,
Business Bay, Dubai, UAE

T +971 42 77 0606
E info@uhy-ae.com
uhy-ae.com

Ref: JM/AR/2025/25403

Independent Auditor's Report

To,

The Shareholders
M/s. NeoBiocon FZ - LLC
Dubai Development Authority
Dubai - United Arab Emirates

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **M/s. NeoBiocon FZ - LLC** (the "Entity") comprise the statement of financial position as at March 31, 2025 and statements of profit or loss and other comprehensive income, changes in equity, cash flows for the year then ended and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2025 and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Entity in accordance with the requirements of International Code of Ethics for Professional Accountants (including International Independence Standards), issued by International Ethics Standards Board for Accountants (IESBA Code) together with ethical requirements that are relevant to our audit of the financial statements in the United Arab Emirates, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Material Uncertainty Related to Going Concern

We draw attention to note 3 to these financial statements which explains that the Entity has incurred a loss of AED 6,633,562 (2024: AED 6,935,178) during the year. These conditions indicate the existence of a material uncertainty about Entity's ability to continue as a going concern. Therefore, the Entity may be unable to realise its assets and discharge its liabilities in the normal course of business. Our opinion is not modified in respect of this matter.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and their preparation in compliance with the applicable provisions of the Dubai Creative Clusters Private Companies Regulations 2016 applicable for entities registered with Dubai Development Authority and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

UHY James Chartered Accountants LLC
Level 6, Clover Bay Tower,
Business Bay, Dubai, UAE

T +971 42 77 0606
E info@uhy-ae.com
uhy-ae.com

Independent Auditor's Report to the Shareholders of NeoBiocon FZ - LLC (continued)

Responsibilities of Management and Those Charged with Governance for the Financial Statements (continued)

In preparing the financial statements, management is responsible for assessing the Entity'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 management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those Charged with Governance are responsible for overseeing the Entity's financial reporting process.

Auditor's 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 auditor's 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

UHY
Connect to possibility

UHY James Chartered Accountants LLC
Level 6, Clover Bay Tower,
Business Bay, Dubai, UAE

T +971 42 77 0606
E info@uhy-ae.com
uhy-ae.com

Independent Auditor's Report to the Shareholders of NeoBiocon FZ - LLC (continued)

Report on Other Legal and Regulatory Requirements

Further, as required by the provisions of Dubai Creative Clusters Private Companies Regulations 2016 applicable for entities registered with Dubai Development Authority, we confirm that:

1 We have obtained all the information and explanations which we consider necessary for our audit.

2 The financial statements have been prepared and comply, in all material respects, with the applicable provisions of the Dubai Creative Clusters Private Companies Regulations 2016 applicable for entities registered with Dubai Development Authority and Articles of Association of the Entity.

3 The financial information included in the Directors' Report is consistent with the books of accounts of the Entity.

4 Based on the information that has been made available to us, nothing has come to our attention which causes us to believe that the Entity has contravened, during the financial year ended March 31, 2025, any of the applicable provisions of the Dubai Creative Clusters Private Companies Regulations 2016 applicable for entities registered with Dubai Development Authority or Articles of Association of the Entity, which would materially affect its activities or its financial position as at March 31, 2025.

For UHY James Chartered Accountants LLC

James Mathew FCA, CPA
Managing Partner
Reg. No. 548

May 01, 2025
Dubai - United Arab Emirates

يو اتش واي جيمس لتدقيق الحسابات ش.ذ.م.م
P.O.Box: 118863
DUBAI - U.A.E.
UHY JAMES CHARTERED ACCOUNTANTS L.L.C

NeoBiocon FZ - LLC
Dubai Development Authority
Dubai - United Arab Emirates

Statement of Financial Position as at March 31, 2025
(In Arab Emirates Dirham)

	Notes	2025	2024
Assets			
Non-current assets			
Property and equipment	7	**589**	27,219
Intangible assets	8	**10**	10
Total non-current assets		**599**	27,229
Current assets			
Trade receivables	9	**1,168,584**	9,922,921
Prepayments, deposits and other receivables	10	**357,322**	350,568
Due from related parties	11	**1,680,417**	2,407,537
Cash and bank balances	12	**29,505**	426,055
Total current assets		**3,235,828**	13,107,081
Total assets		**3,236,427**	13,134,310
Equity and liabilities			
Equity			
Share capital	13	**300,000**	300,000
Retained earnings	14	**1,171,994**	10,367,850
Total equity		**1,471,994**	10,667,850
Non-current liability			
Employees' end of service benefits	15	**543,664**	788,249
Total non-current liability		**543,664**	788,249
Liabilities			
Current liability			
Trade and other payables	16	**1,220,769**	1,678,211
Total current liability		**1,220,769**	1,678,211
Total liabilities		**1,764,433**	2,466,460
Total equity and liabilities		**3,236,427**	13,134,310

The accompanying notes on pages 10 to 27 form an integral part of these financial statements.

The report of the auditor is set out on pages 3 to 5.

The financial statements on pages 6 to 27 were approved on May 01, 2025 and signed on behalf of the Entity, by:

Sd/-
Authorised signatory

Sd/-
Authorised signatory

For identification purpose only
UHY James

NeoBiocon FZ - LLC
Dubai Development Authority
Dubai - United Arab Emirates

Statement of Profit or Loss and Other Comprehensive Income for the year ended March 31, 2025
(In Arab Emirates Dirham)

	Notes	**2025**	2024
Revenue	17	-	2,084,102
Cost of revenue	18	-	(1,358,515)
Gross profit		-	725,587
Selling and distribution expenses	19	-	(142,534)
Administrative expenses	20	**(6,633,562)**	(7,518,231)
(Loss) for the year		**(6,633,562)**	(6,935,178)
Other comprehensive income		-	-
Total comprehensive (loss) for the year		**(6,633,562)**	(6,935,178)

The accompanying notes on pages 10 to 27 form an integral part of these financial statements.

The report of the auditor is set out on pages 3 to 5.

For identification purpose only
UHY James

NeoBiocon FZ - LLC
Dubai Development Authority
Dubai - United Arab Emirates

Statement of Changes in Equity for the year ended March 31, 2025
(In Arab Emirates Dirham)

	Share capital	Retained earnings	Total equity
Balance as at April 01, 2023	300,000	17,303,028	17,603,028
(Loss) for the year	-	(6,935,178)	(6,935,178)
Balance as at March 31, 2024	300,000	10,367,850	10,667,850
(Loss) for the year	-	**(6,633,562)**	**(6,633,562)**
Dividend paid	-	**(2,562,294)**	**(2,562,294)**
Balance as at March 31, 2025	**300,000**	**1,171,994**	**1,471,994**

The accompanying notes on pages 10 to 27 form an integral part of these financial statements.

The report of the auditor is set out on pages 3 to 5.

For identification purpose only
UHY James

NeoBiocon FZ - LLC
Dubai Development Authority
Dubai - United Arab Emirates

Statement of Cash Flows for the year ended March 31, 2025
(In Arab Emirates Dirham)

	2025	2024
Cash flows from operating activities		
(Loss) for the year	**(6,633,562)**	(6,935,178)
Adjustments for:		
Depreciation on property and equipment	**26,630**	46,045
Provision for employees' end of service benefits	**111,775**	110,115
Bad debts written off (note 11)	**1,854,141**	-
Allowance for expected credit loss	**-**	1,913,148
Operating (loss) before changes in operating assets and liabilities	**(4,641,016)**	(4,865,870)
(Increase)/decrease in current assets		
Inventories	**-**	17,936
Due from related parties	**727,120**	314,250
Trade receivables	**6,900,196**	5,230,160
Prepayments, deposits and other receivables	**(6,754)**	350,640
Increase/(decrease) in current liability		
Trade and other payables	**(457,442)**	(1,366,145)
Cash generated from/(used in) operations	**2,522,104**	(319,029)
Employees' end of services benefits paid	**(356,360)**	(65,408)
Net cash from/(used in) operating activities	**2,165,744**	(384,437)
Cash flows from financing activity		
Dividend paid	**(2,562,294)**	-
Net cash (used in) financing activity	**(2,562,294)**	-
Net (decrease) in cash and cash equivalents	**(396,550)**	(384,437)
Cash and cash equivalents at the beginning of the year	**426,055**	810,492
Cash and cash equivalents at the end of the year (note 12)	**29,505**	426,055

The accompanying notes on pages 10 to 27 form an integral part of these financial statements.

The report of the auditor is set out on pages 3 to 5.

For identification purpose only
UHY James

1 Legal status and business activities

1.1 **M/s. NeoBiocon FZ - LLC,** Dubai Development Authority, Dubai - United Arab Emirates (the "Entity") was incorporated on May 09, 2007 as a Free Zone Limited Liability Company and operates in United Arab Emirates under Commercial license no. 16111 issued by Dubai Development Authority, Government of Dubai, Dubai - United Arab Emirates.

1.2 The Entity is licensed to engage in marketing and sales promotion, import and re-export and storage of pharmaceuticals including providing support services.

1.3 The registered address of the Entity is located at Office no. 708N, Seventh Floor, Dubai Science Park (DSD) Towers - North, Dubai Science Park, Dubai - United Arab Emirates. The address of the Entity for communication is P.O. Box: 505176, Dubai - United Arab Emirates.

1.4 The management and control of the Entity are vested with the Directors, M/s. Neopharma (L.L.C.) is represented by Dr. Bavaguthu Raghuram Shetty and Mrs. Kiran Mazumdar Shaw (both Indian nationals). M/s. Biocon Limited is represented by Mr. Aditya Ganesh Dhamdhere (Indian national) to manage the affairs of the Entity.

2 Material uncertainty related to going concern

The financial statements have been prepared on a going concern basis, which contemplates the realisation of assets and the satisfaction of liabilities in the normal course of business. The Entity has incurred a loss of AED 6,633,562 (2024: AED 6,935,178) during the year. However, the financial statements has been prepared on going concern basis as the management is actively pursuing measures to improve the performance of the Entity that will enable it to generate adequate resources to meet its financial obligations from its own internally generated resources. Accordingly, these financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might be necessary should the Entity be unable to continue as a going concern since the Entity's shareholders have committed to provide such financial support as may be required to enable the Entity to meet its debts and obligations as they fall due. Hence, these financial statements have been prepared on a going concern basis.

3 New standards and amendments

3.1 New standards and amendments applicable as on April 01, 2024

The following standards and amendments apply for the first time to the financial reporting periods commencing on or after April 01, 2024.

- Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants - Amendments to IAS 1
- Lease Liability in a Sale and Leaseback - Amendments to IFRS 16
- Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The management believes that the adoption of the above amendments effective for the current accounting period has not had any material impact on the recognition, measurement, presentation and disclosure of items in the financial statements.

3.2 Changes in the accounting policies and disclosures

New standards, interpretations and amendments adopted by the Entity

a) Adoption of Income Taxes - IAS 12

On December 09, 2022, the United Arab Emirates (U.A.E) Ministry of Finance ("MoF") released Federal Decree-Law No. 47 of 2022 on the Taxation of Corporations and Businesses, Corporate Tax Law ("CT Law") to enact a new CT regime in the U.A.E. The new CT regime has become effective for accounting periods beginning on or after June 01, 2023 having effective rate of 9%. The Entity adopted IAS 12 with the date of initial application of April 01, 2024. There is no impact of IAS 12 application on the opening balances or retained earnings as per the U.A.E. CT Law.

3 New standards and amendments (continued)

3.2 Changes in the accounting policies and disclosures (continued)

New standards, interpretations and amendments adopted by the Entity (continued)

b) Accounting policy related to Income Taxes - IAS 12

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset. The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit or loss and other comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

Current tax liabilities/assets for the current and prior periods are measured at the amount expected to be paid to/recovered from the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities

A deferred tax liability is recognised for all taxable temporary differences, except to the extent that the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). Deferred taxes are recognized using the balance sheet liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and amount used for taxation purposes (tax base of the asset or liability). The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantially enacted by the reporting date.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. A deferred tax asset is not recognised when it arises from the initial recognition of an asset or liability in a transaction at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss). Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Additional income taxes that arise from the distribution of the dividends are recognized at the same time when the liability to pay the related dividend is recognized.

A deferred tax asset is recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Tax expenses

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred taxes are recognised as income or an expense and included in profit or loss for the period, except to the extent that the tax arises from:

- a transaction or event which is recognise in the same or a different period, to other comprehensive income, or
- a business combination.

Current tax and deferred taxes are charged or credited to other comprehensive income if the tax relates to items that are credited or charged, in the same or a different period, to other comprehensive income.

Current tax and deferred taxes are charged or credited directly to equity if the tax relates to items that are credited or charged, in the same or a different period, directly in equity.

3 New standards and amendments (continued)

3.3 New standards and amendments issued but not effective for the current annual period

The following standards and interpretations had been issued but not yet mandatory for annual reporting periods ending March 31, 2025.

- Amendments to IAS 21 - Lack of Exchangeability
- IFRS 18 Presentation and Disclosures in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures

Management anticipates that these new standards, interpretations and amendments will be adopted in the financial statements as and when they are applicable and adoption of these new standards, interpretations and amendments, may have no material impact on the financial statements in the period of initial application.

4 Statement of compliance

The financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards) and the applicable U.A.E. laws. These financial statements are presented in Arab Emirates Dirham (AED) which is the Entity's functional and presentation

5 Basis of preparation

The financial statements have been prepared on the historical cost basis except for financial instruments that are measured at fair values, as explained in the accounting policies as follows.

Historical cost is generally based on the fair value of the consideration given in exchange for assets or goods or services.

The principal accounting policies applied in these financial statements are set out as follows.

6 Material accounting policies

6.1 Current/Non-current classification

The Entity presents assets and liabilities in statement of financial position based on current/non-current classification.

An asset is current when it is expected to be realised or intended to be sold or consumed in normal operating cycle or held primarily for the purpose of trading or expected to be realised within twelve months after the reporting period, or cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when it is expected to be settled in normal operating cycle or it is held primarily for the purpose of trading or it is due to be settled within twelve months after the reporting period, or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Entity classifies all other liabilities as non-current.

6.2 Foreign currency

The transactions in currencies other than the Entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. The non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in the statement of profit or loss and other comprehensive income in the period in which they arise.

For identification purpose only
UHY
James

6 Material accounting policies (continued)

6.3 Property and equipment

Property and equipment is stated at cost less accumulated depreciation and identified impairment loss, if any. The cost comprise of purchase price, together with any incidental expense of acquisition.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Entity and the cost of the item can be measured reliably. All other repairs and maintenance expenses are charged to the statement of profit or loss and other comprehensive income during the financial period in which they are incurred.

Depreciation is spread over its useful lives so as to write off the cost of property and equipment using the straight-line method over its useful lives as follows:

	Years
Leasehold improvements	3
Furniture, fixtures and office equipment	3
Motor vehicles	3

When parts of an item of property and equipment have different useful lives, they are accounted for separately.

The leasehold improvements are being depreciated over the period from when it became available for use up to the end of the lease term.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

The gain or loss arising on the disposal or retirement of an item of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the statement of profit or loss and other comprehensive income.

6.4 Leases

The Entity assesses at the inception of a contract, whether the contract is or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Entity assesses whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the Entity.
- the Entity has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract.
- the Entity has the right to direct the use of the identified asset throughout the period of use. The Entity assesses whether it has the right to direct how and for what purpose the asset is used throughout the period of use.

6.4.1 Entity as lessee

The Entity applies a single recognition and measurement approach for all leases whereby right-of-use assets and lease liabilities are recognized except for the short-term leases and leases of low-value assets.

Short-term leases and leases of low-value assets

The Entity elects not to recognize right-of-use assets and lease liability for short term lease contracts (i.e. lease period less than or equal to 12 months from the date of commencement) and for low value assets. The Entity recognises payments associated with these leases as an expense on a straight-line basis over the lease term.

6 Significant accounting policies (continued)

6.4 Leases (continued)

6.4.2 Entity as lessor

Amounts due from lessees under finance leases are recognised as receivables at the amount of the Entity's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the Entity's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease when all the risks and rewards incidental to the ownership of the underlying asset are not transferred to the lessee. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on a straight-line basis over the lease term.

6.5 Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

Marketing rights

The Entity owns exclusive marketing rights for certain products which are recognized as intangible assets. These marketing rights are valued at cost less accumulated amortization, and are being amortized on a straight-line basis over their estimated useful economic life of five years, whichever is lower.

6.6 Impairment of tangible and intangible assets

At the end of each reporting period, the Entity reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

Where it is not possible to estimate the recoverable amount of an individual asset, the Entity estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount. The reversal of impairment loss is limited so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss and other comprehensive income.

6 Significant accounting policies (continued)

6.7 Financial instruments

Financial assets and financial liabilities are recognised when the Entity becomes a party to the contractual provisions of the instrument.

Financial assets

Classification

The Entity classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI "FVTOCI", or through profit or loss "FVTPL"), and

- those to be measured at amortised cost.

The classification depends on the Entity's business model for managing the financial assets and the contractual terms of the cash flows.

Measurement

At initial recognition, the Entity measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in the statement of profit or loss and other comprehensive income.

Financial assets comprise of cash and cash equivalents, trade receivables, due from related parties and other receivables.

Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and current account with bank.

Trade receivables

Trade receivables balances that are held to collect are subsequently measured at the lower of amortized cost or the present value of estimated future cash flows. The present value of estimated future cash flows is determined through the use of value adjustments for uncollectible amounts. The Entity assesses on a forward-looking basis the expected credit losses associated with its trade receivables and adjusts the value to the expected collectible amounts.

Trade receivables are written off when they are deemed uncollectible because of bankruptcy or other forms of receivership of the debtors. The assessment of expected credit losses on trade receivables takes into account credit-risk concentration, collective debt risk based on average historical losses, specific circumstances such as serious adverse economic conditions in a specific country or region and other forward-looking information.

Due from related parties

Amounts due from related parties are measured at amortised cost.

Impairment of financial assets

For trade receivables and due from related parties, the Entity applies the simplified approach permitted by IFRS 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

6 Significant accounting policies (continued)

6.7 Financial instruments (continued)

Financial assets (continued)

Derecognition of financial assets

The Entity derecognises a financial asset only when the contractual rights to the cash flows from the asset expire; or it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Entity neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Entity recognises its retained interest in the asset and an associated liability for the amounts, it may have to pay. If the Entity retains substantially all the risks and rewards of ownership of a transferred financial asset, the Entity continues to recognise the financial asset.

Financial liabilities

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. All financial liabilities are recognised initially at fair value and, in the case of loans, borrowings and payables, net of directly attributable transaction costs. The Entity's financial liabilities include trade and other payables.

Trade and other payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade and other payables are recognised initially at fair value and subsequently are measured at amortised cost using effective interest method.

Derecognition of financial liabilities

The Entity derecognises financial liabilities when, and only when, the Entity's obligations are discharged, cancelled or they expire. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss and other comprehensive income.

6.8 Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

6.9 Provisions

Provisions are recognised when the Entity has a present obligation (legal or constructive) as a result of a past event, it is probable that the Entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

6 Significant accounting policies (continued)

6.10 Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Entity expects to be entitled in exchange for those goods or services.

Sale of goods

Revenue from the sale of goods in normal course of business is recognised at a point in time when the performance obligation is satisfied and is based on the amount of the transaction price that is allocated to the performance obligation. The transaction price is the amount of consideration to which the Entity expects to be entitled in exchange for transferring promised goods to the customer.

The consideration expected by the Entity may include fixed or variable amounts which can be impacted by sales returns, trade discounts and volume rebates. Revenue for the sale of goods is recognized when control of the asset is transferred to the buyer and only when it is highly probable that a significant reversal of revenue will not occur when uncertainties related to a variable consideration are resolved.

Transfer of control varies depending on the individual terms of the contract of sale. Revenue from transactions that have distinct goods or services are accounted for separately based on their stand-alone selling prices. Revenue is recorded net of Value Added Tax (VAT). A variable consideration is recognised to the extent it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved.

For products for which a right of return exists during a defined period, revenue recognition is determined based on the historical pattern of actual returns, or in cases where such information is not available, revenue recognition is postponed until the return period has lapsed.

Rendering of services

Revenue from the rendering of services in the normal course of business is recognised over time when the performance obligation is satisfied and is based on the amount of the transaction price that is allocated to the performance obligation. Revenue from the rendering of services is recognised at a point in time if none of the following criteria has been met:

i) the customer simultaneously receives and consumes the benefits provided by the Entity's performance as the Entity performs.

ii) the Entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced.

iii) the Entity's performance does not create an asset with an alternative use to the Entity and the Entity has an enforceable right to payment for performance completed to date.

6.10.1 Performance obligation

Information about the Entity's performance obligation is summarised as follows.

Sale of pharmaceutical products

The performance obligation is satisfied on delivery of pharmaceutical products and on shipping/delivery depending upon the contractual terms agreed with the customers.

For identification purpose only UHY James

6 Significant accounting policies (continued)

6.11 Critical accounting judgements and key sources of estimation uncertainty

In the application of the Entity's accounting policies, which are described in policy notes, the management are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions 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 significant judgements and estimates made by management, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are described as follows.

Critical judgements in applying accounting policies

In the process of applying the Entity's accounting policies, which are described above, and due to the nature of operations, management makes the following judgement that has the most significant effect on the amounts recognised in the financial statements.

Determining the timing of satisfaction of performance obligations - revenue recognition

In making their judgement, the Entity considers the detailed criteria for the recognition of revenue set out in IFRS 15, and in particular, whether the Entity has transferred control of the goods/rendered services to the customer. The management is satisfied that control has been transferred and that recognition of revenue in the current year is appropriate.

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed as follows.

Useful lives of property and equipment and intangible assets

Property and equipment and intangible assets are depreciated/amortized over their estimated useful lives, which are based on expected usage of the asset and expected physical wear and tear which depends on operational factors. The management has not considered any residual value as it is deemed immaterial.

Useful lives of intangible assets

Intangible assets are amortized over its estimated useful life, which is based on expected usage of the asset and expected physical wear and tear which depends on operational factors. The management has not considered any residual value as it is deemed immaterial

Impairment of financial assets

The loss allowances for financial assets are based on assumptions about risk of default and expected loss rates. The Entity uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Entity's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. Details of the key assumptions and inputs used are disclosed in the relevant notes to the financial statements.

7 Property and equipment

	Leasehold improvements	Furniture, fixtures and office equipment	Motor vehicles	Total
Cost				
As at April 01, 2023	1,090,740	974,952	175,030	2,240,722
As at March 31, 2024	1,090,740	974,952	175,030	2,240,722
As at March 31, 2025	**1,090,740**	**974,952**	**175,030**	**2,240,722**
Accumulated depreciation				
As at April 01, 2023	1,090,660	901,778	175,020	2,167,458
Charge for the year (note 20)	-	46,045	-	46,045
As at March 31, 2024	1,090,660	947,823	175,020	2,213,503
Charge for the year (note 20)	**-**	**26,630**	**-**	**26,630**
As at March 31, 2025	**1,090,660**	**974,453**	**175,020**	**2,240,133**
Carrying value as at March 31, 2025	**80**	**499**	**10**	**589**
Carrying value as at March 31, 2024	80	27,129	10	27,219

Note:

- Leasehold improvements represent cost of civil works, electrical works, plumbing and interior decoration in office and warehouse located at Dubai - United Arab Emirates.

8	**Intangible assets**	**Marketing rights**
	Cost	
	As at April 01, 2023	918,500
	As at March 31, 2024	918,500
	As at March 31, 2025	**918,500**
	Accumulated amortisation	
	As at April 01, 2023	918,490
	As at March 31, 2024	918,490
	As at March 31, 2025	**918,490**
	Carrying value as at March 31, 2025	**10**
	Carrying value as at March 31, 2024	10

9	**Trade receivables**	**2025**	2024
	Trade receivables - due from related parties:		
	M/s. Biocon FZ - LLC, Dubai - U.A.E.	**1,168,584**	12,247,628
	Less: Allowance for expected credit loss	-	(2,324,707)
		1,168,584	9,922,921

Of the trade receivables as at March 31, 2025, there is 1 customer (2024: 1 customer) which represents 100% (2024: 100%) of the total receivables.

Ageing of trade receivables:	**2025**	2024
1 - 180 days	-	1,611,785
181 - 365 days	-	10,635,843
365 days and above	**1,168,583**	-
	1,168,583	12,247,628

Impairment of trade receivables:

The Entity applies the IFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. In determining the impairment loss on trade receivables, the Entity does not consider any changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The management has established a provision matrix that is based on its historic credit loss experience, adjusted for forward-looking information specific to the debtor and the overall economic environment. The management has concluded that the Expected Credit Loss (ECL) for trade receivables to be immaterial as at the reporting date.

Geographical analysis:	**2025**	2024
The geographical analysis of trade receivables are as follows:		
Within U.A.E.	**1,168,583**	12,247,628

10	**Prepayments, deposits and other receivables**	**2025**	2024
	Prepayments	**126,440**	150,157
	Guarantee deposits	**164,500**	164,500
	Other receivables	**66,382**	35,911
		357,322	350,568

11 Related party balances and transactions

The Entity enters into transactions with other entities that fall within the definition of a related party as contained in IAS 24, Related Party Disclosures. Such balances and transactions are in the normal course of business and at terms that correspond to those on normal arms-length transactions with third parties. Related parties comprise entities under common ownership and/or common management and control; their partners and key management personnel.

a) Balances with related parties	**2025**	2024
- Due from related parties		
Entity under common management and control		
M/s. Biocon FZ - LLC, Dubai - U.A.E.	**183,951**	992,552
Shareholder		
M/s. Neopharma LLC, Abu Dhabi - U.A.E. *	**1,496,466**	1,414,985
	1,680,417	2,407,537

* The advance provided to M/s. Neopharma LLC, Abu Dhabi - U.A.E. for AED 5,000,000 have been adjusted against the payable balance of AED 3,503,534 and the balance due from a related party have been disclosed on net settlement basis.

b) Transactions with related parties

The nature of significant related party transactions and the amounts involved were as follows:

	For the year ended March 31,	
Entities under common management and control	**2025**	2024
Sales:		
M/s. Biocon FZ - LLC, Dubai - U.A.E.	-	2,084,102
Expenses:		
M/s. Biocon FZ - LLC, Dubai - U.A.E.	**783,889**	847,780
M/s. Neo Biocon Pharmaceuticals L.L.C., Abu Dhabi - U.A.E.	**226,777**	243,561
Shareholders		
Purchases:		
M/s. Neopharma (L.L.C.), Abu Dhabi - U.A.E.	-	679,031
Expenses:		
M/s. Biocon Limited - India	-	45,067

11 Related party balances and transactions (continued)

b) Transactions with related parties (continued)

	For the year ended March 31,	
Recharge of expenses:	**2025**	2024
M/s. Biocon FZ - LLC, Dubai - U.A.E.	**23,094**	173,154
M/s. Neopharma (L.L.C.), Abu Dhabi - U.A.E.	**77,602**	-
Bad debts written off (note 20)	**1,854,141**	-

12 Cash and bank balances

	2025	2024
Cash on hand	**6,713**	3,844
Cash at bank	**22,792**	422,211
	29,505	426,055

Management has concluded that the Expected Credit Loss (ECL) for all bank balances is immaterial as these balances are held with banks/financial institutions whose credit risk rating by international rating agencies has been assessed as low.

13 Share capital

Authorised, issued and paid up share capital of the Entity is AED 300,000 divided into 300 shares of AED 1,000 each fully paid.

The details of the shareholding as at the reporting date is as follows:

Name of the shareholders	Domicile	Percentage	No. of shares	2025	2024
M/s. Neopharma LLC *(Represented by Dr. Bavaguthu Raghuram Shetty)*	U.A.E.	51	153	**153,000**	153,000
M/s. Biocon Limited *(Represented by Mr. Aditya Ganesh Dhamdhere)*	India	49	147	**147,000**	147,000
		100	300	**300,000**	300,000

14 Retained earnings

	2025	2024
Balance at the beginning of the year	**10,367,850**	17,303,028
(Loss) for the year	**(6,633,562)**	(6,935,178)
Dividend paid	**(2,562,294)**	-
Balance at the end of the year	**1,171,994**	10,367,850

15	**Employees' end of service benefits**	**2025**	2024
	Balance at the beginning of the year	**788,249**	743,542
	Add: Charge for the year	**111,775**	110,115
	Less: Paid during the year	**(356,360)**	(65,408)
	Balance at the end of the year	**543,664**	788,249

Amounts required to cover end of service indemnity at the statement of financial position date are computed pursuant to the applicable Labour Law based on the employees' accumulated period of service and current basic remuneration at the end of the reporting period.

16	**Trade and other payables**	**2025**	2024
	Trade payables - due to others	**10,015**	111
	VAT payables	**23,962**	21,514
	Provisions and accruals	**1,186,792**	1,656,586
		1,220,769	1,678,211

		For the year ended March 31,	
17	**Revenue**	**2025**	2024
	Revenue from contracts with customer	**-**	2,084,102

17.1 Disaggregated revenue information

Set out below is the disaggregation of the Entity's revenue from contracts with customer.

<u>Segment</u>		
Sale of pharmaceutical products	**-**	2,084,102
Geographical market		
Within U.A.E.	**-**	2,084,102
Timing of revenue recognition		
Goods and services transferred at a point in time	**-**	2,084,102

		For the year ended March 31,	
18	**Cost of revenue**	**2025**	2024
	Inventories at the beginning of the year	**-**	17,936
	Purchases (including direct expenses)	**-**	1,340,579
		-	1,358,515

		For the year ended March 31,	
19	**Selling and distribution expenses**	**2025**	2024
	Business promotion	**-**	142,534

For identification purpose only
UHY James

	For the year ended March 31,	
20 Administrative expenses	**2025**	2024
Salaries and related benefits	**4,241,511**	4,637,320
Allowance for expected credit loss	**-**	1,913,148
Bad debts written off (note 11)	**1,854,141**	-
Rent	**321,278**	337,620
Telephone and communication	**98,357**	108,975
Legal, visa, professional and related expenses	**59,563**	403,049
Depreciation on property and equipment (note 7)	**26,630**	46,045
Travelling and conveyance	**9,213**	42,785
Repairs and maintenance	**7,276**	5,111
Insurance	**6,726**	13,173
Printing and stationery	**1,015**	777
Others	**7,852**	10,228
	6,633,562	7,518,231

21 Corporate Tax

As at the reporting date, the Entity has accumulated tax losses available for carry forward. However, in accordance with IAS 12, Income Taxes, a deferred tax asset has not been recognised in respect of these losses. Management has assessed that the recognition criteria under IAS 12, specifically, the requirement for it to be probable that sufficient future taxable profits will be available to utilise the losses, have not been met. While profitability is projected in future years based on the Entity's business plan, the realisation of these forecasts is subject to significant uncertainty, including the successful execution of a revised operating strategy, restoration of regulatory permissions, and continued shareholder support. In view of these factors, the management considers that recognition of a deferred tax asset at this stage would not be appropriate.

22 Financial instruments

a) *Material accounting policies*

Details of the material accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset and financial liability are disclosed in note 6 to the financial statements.

b) *Financial assets and financial liability*

Below are the principal financial instruments used by the Entity and their categories, from which financial instrument risk arises:

	Amortised cost	
Financial assets	**2025**	2024
Trade receivables	**1,168,584**	9,922,921
Deposits and other receivables	**230,882**	200,411
Due from related parties	**1,680,417**	2,407,537
Cash and bank balances	**29,505**	426,055
	3,109,388	12,956,924
Financial liability		
Trade and other payables	**1,196,807**	1,656,697
	1,196,807	1,656,697

22 Financial instruments (continued)

c) *Fair value of financial assets and financial liabilities that are not measured at fair value on recurring basis.*

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between knowledgeable and willing parties.

Financial instruments not measured at fair value includes cash and bank balances, trade receivables, due from related parties, deposits and other receivables and trade and other payables.

As at the reporting date, financial assets and financial liabilities approximate their carrying values, due to their short term nature.

d) *Valuation premise for financial instruments that are not measured at fair value on recurring basis.*

The following methods and assumptions were used to estimate the fair values:

Receivables are evaluated by the Entity based on parameters such as interest rates, individual creditworthiness of the customer. Based on this evaluation, allowances are taken into account for the expected losses of these receivables. As at reporting date, the carrying amounts of such receivables, net of allowances, were not materially different from their calculated fair values.

The fair value of financial liabilities, as well as other non-current financial liabilities is estimated by discounting future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.

23 Financial risk management objectives

The Entity management set out the Entity's overall business strategies and its risk management philosophy. The Entity's overall financial risk management program seeks to minimize potential adverse effects on the financial performance of the Entity. The Entity policies include financial risk management policies covering specific areas, such as market risk (including foreign exchange risk, interest rate risk), liquidity risk and credit risk. Periodic reviews are undertaken to ensure that the Entity's policy guidelines are complied with.

There has been no change to the Entity's exposure to these financial risks or the manner in which it manages and measures the risk.

The Entity is exposed to the following risks related to financial instruments. The Entity has not framed formal risk management policies, however, the risks are monitored by management on a continuous basis. The Entity does not enter into or trade in financial instruments, investment in securities, including derivative financial instruments, for speculative or risk management purposes.

a) *Foreign currency risk management*

The Entity undertakes certain transactions denominated in foreign currencies. Hence, exposures to exchange rate fluctuations arise.

There are no significant exchange rate risk as substantially all financial assets and financial liabilities are denominated in Arab Emirates Dirham, other GCC currencies or US Dollar to which the Arab Emirates Dirham is fixed.

b) *Interest rate risk management*

As at the reporting date, there is no significant interest rate risk as there are no borrowings at year end.

For identification purpose only
UHY
James

23 Financial risk management objectives (continued)

c) *Liquidity risk management*

Ultimate responsibility for liquidity risk management rests with the management which has built an appropriate liquidity risk management framework for the management of the Entity's short, medium and long-term funding and liquidity management requirements. The Entity manages liquidity risk by maintaining adequate reserves, continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

Liquidity and interest risk table:

The table below summarises the maturity profile of the Entity's financial assets and financial liabilities. The contractual maturities of the financial assets and financial liabilities have been determined on the basis of the remaining period at the statement of financial position date to the contractual maturity date. The maturity profile of the assets and liabilities at the statement of financial position date based on contractual repayment arrangements are shown as follows:

	Interest bearing			Non Interest bearing			
Particulars	**On demand or less than 3 months**	**Within 1 year**	**More than 1 year**	**On demand or less than 3 months**	**Within 1 year**	**More than 1 year**	**Total**
				As at March 31, 2025			
Financial assets							
Trade receivables	-	-	-	-	**1,168,584**	-	**1,168,584**
Deposits and other receivables	-	-	-	-	**230,882**	-	**230,882**
Due from related parties	-	-	-	-	**1,680,417**	-	**1,680,417**
Cash and bank balances	-	-	-	**29,505**	-	-	**29,505**
	-	-	-	**29,505**	**3,079,883**	-	**3,109,388**
Financial liability							
Trade and other payables	-	-	-	-	**1,196,807**	-	**1,196,807**
	-	-	-	-	**1,196,807**	-	**1,196,807**
				As at March 31, 2024			
Financial assets							
Trade receivables	-	-	-	-	9,922,921	-	9,922,921
Deposits and other receivables	-	-	-	-	200,411	-	200,411
Due from related parties	-	-	-	-	2,407,537	-	2,407,537
Cash and bank balances	-	-	-	426,055	-	-	426,055
	-	-	-	426,055	12,530,869	-	12,956,924
Financial liability							
Trade and other payables	-	-	-	-	1,656,697	-	1,656,697
	-	-	-	-	1,656,697	-	1,656,697

d) *Credit risk management*

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in financial loss to the Entity. The Entity has adopted a policy of only dealing with creditworthy counterparties. The Entity's exposure are continuously monitored and their credit exposure is reviewed by the management regularly.

For identification purpose only
UHY James

23 Financial risk management objectives (continued)

d) *Credit risk management (continued)*

Trade receivables consist of only one customer. Ongoing credit evaluation is performed on the financial condition of trade receivables. Further details of credit risks on trade and other receivables are discussed in notes 9 and 10 to the financial statements.

The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

The carrying amounts of the financial assets recorded in the financial statements, which is net of impairment losses, represents the Entity's maximum exposure to credit risks.

24 Capital risk management

The Entity manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to stakeholders through the optimization of the equity balance. The Entity's overall strategy remains unchanged from prior year. The Entity is not subject to any externally imposed capital requirements.

The capital structure of the Entity consists of equity comprising issued capital and retained earnings as disclosed in the financial statements.

25 Contingent liabilities

Except ongoing business obligations which are under normal course of business, there has been no other known contingent liability on the Entity's financial statements as at the reporting date.

26 Commitments

Except for the ongoing business obligations which are under normal course of business, there has been no other known commitment on the Entity's financial statements as at the reporting date.

27 Comparative figures

There were no reclassifications or regroupings made in the previously reported financial result or equity.

For identification purpose only
UHY
James