

VEIRA LIFE FZE

Jebel Ali Free Zone

Dubai, UAE

FINANCIAL STATEMENTS

Period ended 31 March 2025

VEIRA LIFE FZE

I N D E X

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INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDER OF VEIRA LIFE FZE

Opinion

We have audited the financial statements of **VEIRA LIFE FZE** (“the Company”), which comprise the statement of financial position as at 31 March 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the period then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 March 2025, and its financial performance and its cash flows for the period then ended in accordance with International Financial Reporting Standards (IFRSs).

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 Company in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants (IESBA Code)* together with the ethical requirements that are relevant to our audit of the financial statements in UAE, 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 which indicates that the Company's accumulated loss of AED 102,109 at 31 March 2025 due to which the equity has been eroded. Our opinion is not modified in respect of this matter on the footing that there will be continued financial support from the shareholder.

Previous Period's Figures

As stated in Note 1.5 and Note 18, this being the first accounting period, there are no comparative figures for the previous period.

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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 IFRSs, and in compliance with the applicable provisions of *The Jebel Ali Free Zone Companies Implementing Regulations 2016*, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company'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 judgment 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 Company's internal control.

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- 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 Company'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 Company 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.

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

Report on Other Legal and Regulatory Requirements

We also confirm that proper books of accounts have been kept by the Company and these financial statements are consistent with the books of accounts and records of the Company. We have obtained all the information and explanations we required for the purpose of our audit. The Company's financial statements have been prepared and comply, in all material respects, with the applicable provisions of *The Jebel Ali Free Zone Companies Implementing Regulations 2016*.

For MAHENDRA ASHER & CO. L.L.C
Ratnakar N Shetty
UAE MOE Auditor Registration No. 77
Dubai
Dated : 30 May 2025



VEIRA LIFE FZE

STATEMENT OF FINANCIAL POSITION - AT 31 MARCH 2025

(All figures in AED)

	<u>Notes</u>	<u>31.03.2025</u>
ASSETS		
Current assets		
Trade and other receivables	9	77,770
Bank balance	10	119,210
Total current assets		----- 196,980
TOTAL ASSETS		----- 196,980
EQUITY AND LIABILITIES		
Equity		
Capital		200,000
Accumulated (loss)		(111,559)
Total equity		----- 88,441
Liabilities		
Current liabilities		
Trade and other payables	11	108,539
Total current liabilities		----- 108,539
Total liabilities		----- 108,539
TOTAL EQUITY AND LIABILITIES		----- 196,980

The attached Notes 1 to 18 form part of these financial statements.

Directors have approved these financial statements and confirm that they are responsible for them including the selection of accounting policies and making judgements underlying them. Directors also confirm that they have made available all accounting records and information for preparing these financial statements.

Directors have authorised the issue of these financial statements on 30 May 2025.

For Independent Auditors' Report, see pages 2 – 4

For VEIRA LIFE FZE



DIRECTOR / MANAGER

VEIRA LIFE FZE

**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME –
PERIOD ENDED 31 MARCH 2025**

(All figures in AED)

	<u>Notes</u>	<u>25.03.2024</u> <u>to</u> <u>31.03.2025</u>
Revenue		-
Cost of sales		-

Gross profit		-
Other operating expenses	12	(111,559)

(Loss) before tax		(111,559)
Income tax expense	13	-

(Loss) for the period		(111,559)
Other comprehensive income		-

Total comprehensive (loss) for the period		(111,559)

The attached Notes 1 to 18 form part of these financial statements.

For Independent Auditors' Report, see pages 2 – 4

VEIRA LIFE FZE

STATEMENT OF CHANGES IN EQUITY - PERIOD ENDED 31 MARCH 2025

(All figures in AED)

	<u>Capital</u>	<u>Accumulated (loss)</u>	<u>Total</u>
(Loss) for the period	-	(111,559)	(111,559)
Other comprehensive income	-	-	-
<i>Total comprehensive (loss) for the period</i>	<i>-</i>	<i>(111,559)</i>	<i>(111,559)</i>
Capital introduced	200,000	-	200,000
<i>Total transactions with owner</i>	<i>200,000</i>	<i>-</i>	<i>200,000</i>
Balance at 31 March 2025	200,000	(111,559)	88,441

Capital consists of 2 shares of AED 100,000 each fully paid.

The attached Notes 1 to 18 form part of these financial statements.

For Independent Auditors' Report, see pages 2 – 4

VEIRA LIFE FZE

STATEMENT OF CASH FLOWS - PERIOD ENDED 31 MARCH 2025

(All figures in AED)

	<u>Notes</u>	<u>25.03.2024</u> <u>to</u> <u>31.03.2025</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
(Loss) for the period before tax		(111,559)

Operating (loss) before working capital changes		(111,559)
(Increase) in trade and other receivables		(77,770)
Increase in trade and other payables		108,539

Net cash (used in) operating activities		(80,790)

CASH FLOWS FROM INVESTING ACTIVITIES		

Net cash (used in) investing activities		-

CASH FLOWS FROM FINANCING ACTIVITIES		
Capital introduced		200,000

Net cash from financing activities		200,000

Net increase in cash and cash equivalents		119,210
Cash and cash equivalents – beginning of the period		-

Cash and cash equivalents – end of the period	10	119,210

The attached Notes 1 to 18 form part of these financial statements.

For Independent Auditors' Report, see pages 2 – 4

VEIRA LIFE FZE

NOTES FORMING PART OF THE FINANCIAL STATEMENTS PERIOD ENDED MARCH 2025

(All figures in AED)

1 REPORTING ENTITY

1.1 **VEIRA LIFE FZE** (“the Company”) is a Free Zone Establishment established under Dubai Law No. 9 of 1992.

Sole shareholder of the Company is Gufic Biosciences Limited, India, as per Memorandum of Association dated 25 March 2024.

1.2 Financial statements incorporate the activities carried through Trading License No. 88037234.

1.3 Registered office address of the Company is Office No. B34BS330108, Jebel Ali, Dubai, UAE.

1.4 The financial statements are presented in UAE Dirham (AED) which is the functional currency of the Company.

1.5 The financial statements are prepared for the first accounting period commencing from 25 March 2024 to 31 March 2025.

2 ACTIVITY

The Company has a license to do the business of trading in medicines, para pharmaceutical products, medical, surgical articles and requisites trading.

3 GOING CONCERN

At 31 March 2025, the Company has accumulated loss of AED 111,559. These factors, amongst others, indicate that the Company will require continuing financial support to meet its financial obligations as they fall due and continue in operation for the foreseeable future.

The management believes that it is appropriate to prepare the financial statements on a going concern basis due to the following :

- The shareholder has confirmed intention to provide continuing financial support to the Company for as long as required and accordingly, management considers that it is appropriate to prepare the financial statements on a going concern basis.

Therefore, management believes in the Company’s ability to operate as a going concern and is confident in the Company’s ability to settle its debts as and when they fall due.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025**4 APPLICATION OF NEW AND AMENDED IFRSs MANDATORILY EFFECTIVE FOR THE CURRENT YEAR**

The following amendments to IFRSs are mandatorily effective for the current year;

- * **Amendments to IAS 1-Presentation of Financial Statements - Re: Classification of Liabilities as Current or Non-Current (effective from 1 January 2024)**
- * **Amendments to IAS 1-Presentation of Financial Statements - Re: Non-current Liabilities with Covenants (effective from 1 January 2024)**
- * **Amendments to IFRS 16-Leases - Re: Lease Liability in a Sale and Leaseback (effective from 1 January 2024)**
- * **Amendments to IAS 7-Statement of Cash Flows and IFRS 7-Financial Instruments - Re: Supplier Finance Arrangement (effective from 1 January 2024)**

Changes introduced above are summarised as under:

Amendments to IAS 1-Presentation of Financial Statements - Re: Classification of Liabilities as Current or Non-Current

Above amendment clarifies a criterion for classifying a liability as non-current: the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period.

Amendments to IAS 1-Presentation of Financial Statements - Re: Non-current Liabilities with Covenants

The amendment clarifies that only covenants with which an entity is required to comply on or before reporting date would affect the classification of a liability.

Amendments to IFRS 16-Leases - Re: Lease Liability in a Sale and Leaseback

The amendment clarifies how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale.

Amendments to IAS 7-Statement of Cash Flows and IFRS 7-Financial Instruments - Re: Supplier Finance Arrangements

The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows. In addition, IFRS 7 was amended to add supplier finance arrangements as an example within the requirements to disclose information about an entity's exposure to concentration of liquidity risk. The term 'supplier finance arrangement' is not defined but amendments describe the characteristics of an arrangement for which the entity would be required to provide the information.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025

Adoption of the above amendments to IFRSs have no material impact, on the financial statements of the Company.

5 **APPLICATION OF NEW AND AMENDED IFRSs ISSUED BUT NOT EFFECTIVE FOR THE CURRENT YEAR**

The following New IFRS and amendments to IFRSs were issued but not mandatorily effective for the current year :

- * *Amendments to IAS 21 Re-Lack of Exchangeability (effective from 1 January 2025)*
- * *Amendments to IFRS 9 and IFRS 7- Re Amendments to the classification of Measurement of Financial Instruments (effective from 1 January 2026)*
- * **Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Re: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture** (effective date deferred indefinitely)
- * *Annual Improvements to IFRS Volume 11 (effective from 1 January 2026)*
- * *IFRS 18-Presentation and Disclosure in Financial Statements* (effective from 1 January 2027)
- * *IFRS 19- Subsidiaries without Public Accountability: Disclosures* (effective from 1 January 2027)

Changes introduced above are summarised as under:

Amendments to IAS 21 Re-Lack of Exchangeability

The amendments contain guidance to specify when a currency is exchangeable and how to determine exchange rate when it is not.

Amendments to IFRS 9 and IFRS 7- Re Amendments to the classification of Measurement of Financial Instruments

The amendments cover following topics

- derecognition of a financial liability settled through electronic transfer
- classification of financial assets based on contractual terms that are consistent with basic lending arrangement
- classification of financial assets with non-recourse features
- classification of financial assets with contractually linked instruments
- disclosures re investments in equity instruments designated at FVTOCI
- disclosures re contractual terms that could change the timing or amount of contractual cash flows on the occurrence or non-occurrence of a contingent event

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025

Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investment in Associates and Joint Ventures - Re: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

Above amendments deal with accounting effects and treatment in situations where there is sale or contribution of assets between an investor and its associate or joint venture. Presently application of this amendment is indefinitely postponed.

Annual Improvements to IFRS Volume 11

The pronouncement comprises the following amendments

IFRS 1:	Hedge accounting by a first-time adopter
IFRS 7:	Gain or loss on derecognition
IFRS 7:	Disclosure of deferred difference between fair value and transaction price
IFRS 7:	Introduction and credit risk disclosures
IFRS 9:	Lessee derecognition of lease liabilities
IFRS 9:	Transaction price
IFRS 10:	Determination of a 'de facto' agent
IAS 7:	Cost method

IFRS 18 Presentation and Disclosure in the Financial Statements

This new Standard replaces IAS 1 Presentation of Financial Statements while carrying forward many of the requirements of IAS 1

The Standard introduces new requirements to:

- present specified categories and defined subtotals in the statement of profit or loss
- provide disclosures on management defined performance measures (MPMs) in the notes to the financial statements
- improve aggregation and disaggregation

IFRS 19 Subsidiaries without Public Accountability: Disclosures

This New Standard permits eligible subsidiaries to apply reduced disclosure requirements while applying the recognition, measurement and presentation requirements in IFRS. A subsidiary is eligible for the reduced disclosures if it does not have public accountability and ultimate or any of its intermediate parent produces consolidated financial statements available for public use that comply with IFRS. The New IFRS 19 is optional for subsidiaries that are eligible and such subsidiaries can apply IFRS 19 in their consolidated, separate or individual financial statements.

Management anticipates that above amendments will be adopted in the Company's financial statements as and when they are applicable and adoption of above amendments may have no material impact, on the financial statements of the Company in the period of initial application.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025**6 CORPORATE TAX IN UAE**

On 9 December 2022, the UAE Ministry of Finance released Federal Decree Law No. 47 of 2022 on the Taxation of Corporations and Businesses (“CT Law”). The CT Law became effective for taxable entities from the financial period beginning on or after 1 June 2023.

Since the Company’s financial period ends on 31 March, Company will be subject to CT Law regime for the first financial period from 25 March 2024 to 31 March 2025, and first return will need to be filed on or before 31 December 2025. As per CT Law, 9% corporate tax will need to be paid on taxable profit exceeding AED 375,000, subject to CT exemption for Qualifying Free Zone persons.

See Note 13 for details on income tax expense, current income taxes payable and deferred tax liabilities / assets.

7 BASIS OF PREPARATION AND MATERIAL ACCOUNTING POLICY INFORMATION

The financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”) issued by the International Accounting Standards Board (“IASB”) and applicable requirements of UAE laws. Significant accounting policies, adopted and applied consistently in dealing with items that are considered material in relation to these financial statements, are set out below.

(a) Accounting convention

The financial statements have been prepared under the historical cost convention.

(b) Right-of-use assets

The Company assesses whether a contract is, or contains, a lease at inception of the contract. The Company recognises right-of-use asset and lease liability with respect to all lease arrangements in which it is the lessee [except for short term leases of 12 months or less, and leases of low value assets, such as tablets, personal computers and small items of office furniture and equipment- these are recognised as expense on a straight line basis over the term of the lease].

The right-of-use asset is stated at cost less any accumulated depreciation and impairment losses, and adjusted for any re-measurement of lease liabilities. Cost is depreciated using the straight line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives are determined on the same basis as those of tangible fixed assets.

As the Company has short term leases there are no right-of-use assets and lease liabilities recognised.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025(c) Employees' terminal benefits

Provision is made for end of service benefits (gratuity) payable to employees in accordance with Jebel Ali Free Zone regulations and is based on current remuneration and cumulative period of service at the end of the reporting period, subject to completion of a minimum service year.

There are no employees on the Company visa, hence no provision is made.

(d) Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

(e) Financial instruments**Recognition and derecognition**

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

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards thereto are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expired.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position only when the Company has a legal right to offset the amounts and intends to settle either on a net basis, or realise the asset and settle the liability simultaneously.

Classification and initial measurement of financial assets

Except for trade receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value plus transaction costs, where applicable.

Financial assets are classified into the following categories:

- amortised cost
- fair value through other comprehensive income (FVTOCI)
- fair value through profit or loss (FVTPL)

The Company decides the classification on initial recognition based on the cash flow characteristics of the financial instruments (viz. solely comprising of payments of interest and principal) and the business model for managing them (viz. collecting contractual cash flows, or selling them, or both).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025

Subsequent measurement of financial assets

(A) *Financial assets at amortised cost*

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

-they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows

-the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is not material.

The Company's bank balance, receivables and refundable deposits fall into this category of financial assets.

(B) *Financial assets at fair value through other comprehensive income (FVTOCI)*

The Company accounts for financial assets at FVTOCI if the assets meet the following conditions :

-they are held under a business model whose objective is "hold to collect" the associated cash flows *and sell*, and

-the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Any gains or losses recognised in other comprehensive income (OCI) will be recycled to profit or loss, upon derecognition of this financial asset.

The Company has the option of irrevocably classifying equity securities not held for trading, upon initial recognition at FVTOCI. However, in the case of derecognition of such equity securities, the profit or loss is not recycled to statement of profit or loss. Dividends can be recognised in profit or loss.

The Company has no financial asset held at FVTOCI.

(C) *Financial assets at fair value through profit or loss (FVTPL)*

Financial assets that are held with a business model other than '*hold to collect*' or '*hold to collect and sell*' are categorised at fair value through profit or loss. These cover financial assets held for trading, or designated at FVTPL upon initial recognition or mandatorily required to be accounted at FVTPL such as derivatives (other than effective hedging instruments), and financial assets whose contractual cash flows are not solely payments of principal and interest.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025

Assets in this category are measured at fair value with gains or losses recognised in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

The Company has no financial asset held at FVTPL

(D) *Impairment of financial assets*

(i) *General impairment principles*

The Company considers a range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, future conditions that affect the expected collectability of the future cash flows of the instrument.

The Company recognises loss allowance for expected credit loss on financial assets that are measured at amortised cost, debt instruments at FVTOCI, lease receivables, trade receivables, contract assets, loan commitment and financial guarantee contracts.

In applying this forward-looking approach, a distinction is made between:

-financial instruments that have not deteriorated significantly in credit quality since initial recognition or that have low credit risk ('Stage 1') and

-financial instruments that have deteriorated significantly in credit quality since initial recognition and whose credit risk is not low ('Stage 2').

'Stage 3' would cover financial assets that have objective evidence of impairment at the reporting date.

'12-month expected credit losses' are recognised for Stage 1 category while 'lifetime expected credit losses' are recognised for the Stage 2 and Stage 3 categories.

Measurement of the expected credit losses is determined by a probability-weighted estimate of credit losses over the expected life of the financial instrument.

Credit losses are defined as the difference between all the contractual cash flows that are due to an entity and the cash flows that it actually expects to receive ('cash shortfalls'). This difference is discounted at the original effective interest rate.

IFRS 9 permits a simplified approach of using historical and forward-looking information to recognise loss allowance based on life time expected credit losses in respect of trade receivables and contract receivables which do not have significant financing component and lease receivables.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025

(ii) *Trade receivables*

The Company uses a simplified approach in accounting for trade receivables as well as contract assets and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential for default at any point during the life of the financial instrument. The Company uses its historical experience for past dealings with customer, external indicators and future conditions to calculate the expected credit losses. Analysis is made of individual receivable to determine impairment provision required under ECL method.

(iii) *Advances and refundable deposits*

For advances and refundable deposits, analysis is made of individual balances to determine impairment provision based on lifetime expected credit loss.

(iv) *Refer to Note 15.2 for information on credit risk and impairment analysis.*

(v) *Classification and measurement of financial liabilities*

Financial liabilities are initially measured at fair value plus transaction costs, where applicable.

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

The Company's financial liabilities include trade and other payables.

There were no financial liabilities classified at FVTPL.

(f) Equity

Share capital is classified as equity since it evidences residual interest of the shareholders/partners/owners after deducting liabilities. Dividend/profit distributed is deducted from the equity.

(g) Revenue recognition

The Company recognizes revenue based on the consideration mentioned and/or expected in a contract with the customer, and excludes amounts collected on behalf of third parties. The Company recognises revenue when it transfers control of goods or service to a customer. The Company also assesses if the revenue earned is as principal or agent.

Revenue is recognized in profit or loss to the extent that it is probable that the economic benefits will flow to the Company and the revenue and related costs can be measured reliably. If the consideration promised in a contract includes a variable amount (because of discounts, rebates, refunds, credits, price concession, incentives, performance bonuses, penalties or similar items) the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the promised goods or services to a customer, based either on the most likely amount or probability weighted expected value.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025

The Company recognises revenue from the following major sources, including the nature and timing of satisfying performance obligations in contracts with customers and other significant terms.

Sales of goods

Revenue from sale of goods is recognised at a point in time when control of the asset is transferred to the customer, generally on delivery of goods, and accepted by the customer (*or when delivered from the warehouse to the logistics provider*).

In case of exports, delivery to the shipping agent against bill of lading is the point of time when control of the asset is transferred to the customer.

Return of goods by customers, is not material and hence an estimate of the expected return of goods, and “refund liability” and “right to recover returned goods” are not considered relevant / material.

There is no revenue for the current period.

(h) Foreign currency transactions

Foreign currency transactions are recorded in AED at the approximate rate of exchange prevailing at the time of the transactions. Foreign currency balances of monetary assets and liabilities are translated to AED at the rate of exchange prevailing at the end of the reporting period. Gains or losses on exchange are recognised in profit or loss.

(i) Value added tax

Revenue, expenses and assets are recognised net of value added tax (VAT), except as under:

- If VAT incurred on purchase of assets or services is not recoverable from the Tax Authority, then VAT is recognised as part of the cost of acquisition of asset or as part of the expense item, as applicable
- Receivables and payables, stated in the statement of financial position, are inclusive of VAT.

(j) Taxation

The tax expense for the period comprises of current and deferred tax. Tax is recognized in the statement of income except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and relate to the same taxable entity and the same taxation authority.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025

Deferred tax is recognised on all temporary differences at the reporting date between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, with the following exceptions:

- Where the temporary difference arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination which at the time of the transaction affects neither accounting nor taxable profit or loss;
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- Deferred tax assets are recognised only to the extent that it is probable that a taxable profit will be available against which the deductible temporary differences and carried forward tax credits or tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised.

Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the asset is realised or the liability is settled, based on tax rates and tax laws enacted or substantively enacted at the reporting date. Deferred tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and relate to the same taxable entity and the same taxation authority.

(k) Current/Non-current classification

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

An asset is classified as current when the Company (a) expects to realize the asset, or intends to sell or consume it in its normal operating cycle; (b) holds the asset primarily for the purpose of trading or (c) expects to realize the asset within twelve months after the reporting period, or (d) has the asset as cash or cash equivalent unless the asset is 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 classified as current when the Company (a) expects to settle a liability in its normal operating cycle or (b) holds the liability primarily for the purpose of trading or (c) is due to settle the liability within twelve months after the reporting period, or (d) does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025

8 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY

The preparation of financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the carrying amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and reasonable under the circumstances.

Estimates and the 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 revision and future periods if the revision affects both current and future periods.

In the process of applying the Company's accounting policies, management is of the opinion that there are no critical judgments involved that have significant effect on the amounts recognised in the financial statements.

	<u>31.03.2025</u>
9 <u>TRADE AND OTHER RECEIVABLES</u>	
Advances	8,716
Refundable deposits	5,860
Prepayments	63,194

	77,770

For credit risk factors and other analysis on trade receivables, see Note 15.2

10 <u>BANK BALANCE</u>	
Cash at bank - current account	119,210

11 <u>TRADE AND OTHER PAYABLES</u>	
Due to shareholder +	99,089
Accrued expenses	9,450

	108,539

+ Represents amount due from Gufic Biosciences Limited, India is interest free, repayable on demand.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025

25.03.2024
to
31.03.2025

12 **OTHER OPERATING EXPENSES**

Rent	59,199
Legal and professional fees	38,100
License and registration	10,041
Bank charges	1,219
Other charges	3,000

	111,559

13 **TAXATION**

Income tax expense recognised in Statement of Profit or Loss

Current income tax expense	-
Deferred tax asset	-

<i>Tax expense for the period</i>	-

Deferred tax asset is not recognised, since not material.

14 **TRANSACTIONS WITH RELATED PARTIES**

Nil

15 **FINANCIAL INSTRUMENTS-RISK MANAGEMENT**

The Company's activities are subject to variety of financial risks: market risk (principally currency risks and interest rate risk), credit risk and liquidity risk. The Company seeks to minimise the potential adverse effects of these risks on the financial performance.

15.1 **Market risk**

Currency risk

Substantial portion of the transactions are designated in AED or in USD/GCC to which AED is fixed, hence, there is no material exchange rate risk.

At the end of the reporting period, since there was no material exposure to currencies other than USD/GCC currencies, loss for the period is not materially sensitive to currency risks.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025

Interest rate risk

Since the Company has no significant variable interest bearing assets or liabilities, the loss for the period is not materially sensitive to changes in interest rates.

15.2 Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from receivables from customers, and other debt instruments such as bank balances and due from related parties and other receivables.

The carrying amount of financial assets and contract assets represent the maximum credit exposure.

Bank balances

Credit risk in respect of bank balances are managed by selecting reputed financial institutions which are well regulated with low credit risk.

Advances and refundable deposits

Advances and refundable deposits are settled in the ordinary course of business and hence no impairment is considered necessary since there is no increase in credit risk from initial recognition.

15.3 Liquidity risks

Liquidity management implies generating adequate cash from operations to meet the Company's liabilities, and availability of funding through committed credit facilities and own sources. The table below analyses the Company's financial liabilities based on the remaining period at the end of the reporting period to the contracted maturity date. The amounts disclosed in the table are contractual undiscounted cash flows.

	<u>< than 6 months</u>	<u>>6 months and <1 year</u>	<u>>1 year and <5 years</u>	<u>>5 years</u>
At 31 Mar 2025				
Trade and other payables	111,559	-	-	-

15.4 Fair values

At the end of the reporting period, the carrying amounts of financial assets and financial liabilities approximated their fair values.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS
PERIOD ENDED MARCH 2025

16 **CAPITAL RISK MANAGEMENT**

The Company's objective is to maintain healthy capital ratios to support its business and provide adequate returns to the owners and other stakeholders.

The Company monitors capital on the basis of gearing ratio. This ratio is calculated as Net debt ÷ Total own funds. Net debt is calculated as total liabilities less bank balances. Total own funds comprise of capital and accumulated (loss). The Company had bank and cash balances in excess of liabilities and hence gearing ratio is not meaningful.

Gearing ratio at the end of the reporting period was as under:

	<u>31.03.2025</u>
Total liabilities	111,559
Less: Bank and cash balances	(119,210)

Net (surplus)	(7,651)

Total equity	88,441

Gearing ratio	Not applicable

17 **CONTINGENCIES AND COMMITMENTS**

Nil

18 **PREVIOUS PERIOD'S FIGURES**

This being the first accounting period of the Company, there are no comparative figures of the previous period.

For Independent Auditors' Report, see pages 2 – 4