

**CONSOLIDATED
FINANCIAL STATEMENTS OF
BALAXI GLOBAL DMCC
DUBAI - U.A.E.
FOR THE YEAR ENDED
31 MARCH 2025**

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INDEPENDENT AUDITORS' REPORT

TO THE SHAREHOLDERS OF
M/s. BALAXI GLOBAL DMCC
DUBAI - (U.A.E.)

Opinion

We have audited the consolidated financial statements ("the financial statements") of **M/s. BALAXI GLOBAL DMCC, Dubai (the "Company") AND ITS SUBSIDIARIES** (as stated in note 1.4) which comprises the consolidated statement of financial position as at **31st March 2025**, and the consolidated profit and loss account, consolidated statement of changes in equity and consolidated cash flow statement for the year then ended, and notes to the Company's consolidated financial statements, including a summary of significant accounting policies set out on Pages 4 to 14.

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

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 section of our report. We are independent of the Company in accordance with the International Ethics Standard Board for Accountants Code of Ethics for Professional Accounts (IESBA Code), and have fulfilled our other ethical responsibilities in accordance with the requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibility for the financial statements

Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with applicable law in United Arab Emirates and International Financial Reporting Standards, and such internal control as the management determines is necessary to enable the presentation of financial statements that are free from materials misstatement, whether due to fraud or error.

In preparing the consolidated 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 intend to liquidate the Company, or to cease operations, or have no realistic alternative but to do so.



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Independent Auditor's Report (Contd...)
M/s. Balaxi Global DMCC, Dubai & its subsidiaries
Year Ended 31 March 2025

Auditors' Responsibilities

Our objectives are to obtain reasonable assurance about whether the consolidated 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 misstatements of the consolidated 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 opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for the 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.
- * Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.



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Independent Auditor's Report (Contd...)
M/s. Balaxi Global DMCC, Dubai & its subsidiaries
Year Ended 31 March 2025

Auditors' Responsibilities (contd.)

- * Obtain sufficient appropriate evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the company's audit. We remain solely responsible for our audit opinion.

We communicate with the management 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.

Report on Other Regulatory Matters

We further confirm that we have obtained all information and explanations necessary for our audit, that proper financial records have been kept by the Company and that these consolidated financial statements are in agreement with the Company's financial records. The inventory has been valued in accordance with proper accounting principles.

**For AL RAMMAHI AUDITING OF ACCOUNTS
CHARTERED ACCOUNTANTS
DUBAI**

Al Rammahi Auditing

MR. MOHAMADALLY ISMAIL LADHA
PARTNER
Registration No.615
Date: 14 May 2025



BALAXI GLOBAL DMCC
DUBAI (U.A.E.)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

	Notes	31.03.2025	(in US Dollars) 31.03.2024
ASSETS EMPLOYED			
Non-Current Assets			
Plant, property & equipments	4	885,383	921,637
Goodwill		3,070,049	3,070,049
Income Tax Assets		409,260	337,044
Total non-current assets		4,364,692	4,328,730
Current Assets			
Inventories		9,949,035	10,780,743
Accounts receivables	5	12,882,118	6,683,275
Cash and bank balances	6	1,242,540	2,186,757
Other current assets	7	1,165,539	836,024
Current Loan	8	451,468	264,752
Total current assets		25,690,700	20,751,551
Total assets		30,055,392	25,080,281
SHAREHOLDERS' FUNDS AND LIABILITIES			
Shareholders' funds			
Share Capital		3,196,612	2,598,001
Retained earnings		12,713,556	10,389,202
Total shareholders' funds		15,910,168	12,987,203
Current liabilities			
Accounts payable and accruals	9	11,244,498	11,417,339
Current loans	10	2,486,214	444,496
Other current liabilities	11	414,512	231,243
Total current liabilities		14,145,224	12,093,078
Total liabilities		14,145,224	12,093,078
Total shareholders' funds and liabilities		30,055,392	25,080,281

The Notes referred to above form an integral part of these financial statements

For BALAXI GLOBAL DMCC

MANAGER

INDEPENDENT AUDITORS' REPORT - PAGE 1 to 3



BALAXI GLOBAL DMCC
DUBAI (U.A.E.)

CONSOLIDATED STATEMENT OF PROFIT AND LOSS
For the year ended 31 March 2025

	<u>Notes</u>	<u>(in US Dollars)</u>	
		For the year ended 31.03.2025	31.03.2024
Sales		34,466,377	29,141,526
Less: cost of sales		20,910,500	17,740,902
Gross Profit		13,555,877	11,400,624
<u>Operating Expenses</u>			
Salaries & benefits		3,530,601	2,773,319
Administration and selling	12	7,189,766	9,350,372
Finance cost		103,656	16,408
Taxes		226,129	298,246
Depreciation		170,055	191,758
		<u>11,220,207</u>	<u>12,630,103</u>
<u>Other comprehensive income</u>			
A (i) Items that will not be reclassified to profit or loss in subsequent period			
Exchange differences on translation of foreign operations		(11,316)	(796,045)
NET (LOSS)/PROFIT FOR THE YEAR		<u>2,324,354</u>	<u>(2,025,524)</u>

The Notes referred to above form an integral part of these financial statements

For BALAXI GLOBAL DMCC


MANAGER



BALAXI GLOBAL DMCC
DUBAI (U.A.E.)

CONSOLIDATED CASH FLOW STATEMENT

For the year ended 31 March 2025

	<u>Notes</u>	<u>31.03.2025</u>	<u>(in US Dollars)</u> <u>31.03.2024</u>
<u>CASH FLOWS FROM OPERATING ACTIVITIES</u>			
Net profit/(loss) for the year		2,324,354	(2,025,524)
Depreciation		170,055	191,758
Operating profit/(loss) before working capital		2,494,409	(1,833,766)
<u>Changes in working capital</u>			
(Increase) in accounts receivable		(6,198,843)	(323,890)
Decrease in inventories		831,708	3,406,830
(Increase) in other current assets		(329,515)	(203,386)
(Decrease) in current loan		(186,716)	(90,749)
(Decrease) in income tax assets		(72,216)	(157,418)
(Decrease) in accounts payable		(172,841)	(207,813)
Increase in current loans		2,041,718	338,638
Increase in other current liabilities		183,269	104,254
Net Cash (used in)/received from operating activities (A)		(1,409,027)	1,032,700
<u>CASH FLOWS FROM INVESTING ACTIVITIES</u>			
Purchase of fixed assets & brands		(133,801)	(104,445)
Net Cash (used in) investing activities (B)		(133,801)	(104,445)
<u>CASH FLOWS FROM FINANCING ACTIVITIES</u>			
Share capital introduced		598,611	-
Net Cash received from financing activities (C)		598,611	-
Net (decrease)/increase in Cash and cash equivalents (A+B+C)		(944,217)	928,255
Cash and cash equivalents - beginning of the year		2,186,757	1,258,502
Cash and cash equivalents - end of the year	13	1,242,540	2,186,757

The Notes referred to above form an integral part of these financial statements

For BALAXI GLOBAL DMCC

MANAGER



INDEPENDENT AUDITORS' REPORT - PAGE 1 to 3



BALAXI GLOBAL DMCC
DUBAI (U.A.E.)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the year ended 31 March 2025

(in US Dollars)

	Share Capital	Retained Earnings	Total
Balance as on 1 April 2023	2,598,001	12,414,726	15,012,727
Net (loss) for the year	-	(2,025,524)	(2,025,524)
Balance as on 31 March 2024	2,598,001	10,389,202	12,987,203
Introduced during the year	598,611	-	598,611
Net profit for the year	-	2,324,354	2,324,354
Balance as on 31 March 2025	3,196,612	12,713,556	15,910,168

For BALAXI GLOBAL DMCC

MANAGER



INDEPENDENT AUDITORS' REPORT - PAGE 1 to 3

BALAXI GLOBAL DMCC DUBAI (U.A.E.)

SCHEDULE OF NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 March 2025

(in US Dollars)

1. LEGAL STATUS

- 1.1 M/s. **BALAXI GLOBAL DMCC** is incorporated and registered as a free zone company with limited liability with Dubai Multi Commodities Centre Authority in the emirates of Dubai (U.A.E) under license no DMCC - 739729 and having registration no. DMCC 178924.

<u>Name of the shareholder</u>	<u>Nationality</u>	<u>Share in Capital/Profit & Losses</u>
M/s. Balaxi Pharmaceuticals Limited	Indian	100%
	Total	100%

- 1.2 The principal activity of the company is trading in pharmaceutical products outside U.A.E.; building hardware & tools; bread & bakery products; foodstuff & beverages and snack food.
- 1.3 The principal place of business of the company is located in Unit No. 1302-C, Reef Towers, Plot No.: JLT-PH2-01A, Jumeirah Lakes Towers, Dubai, U.A.E.
- 1.4 These consolidated financial statements of **M/s. BALAXI GLOBAL DMCC AND ITS SUBSIDIARIES** have been prepared on the basis of audited financials of Balaxi Global DMCC and limited review reports of the subsidiaries which includes the following:

<u>Name of the Companies</u>	<u>Country of Incorporation</u>	<u>Percentage of Ownership</u>
Balaxi Global DMCC Parent Company	U.A.E	-
Balaxi Healthcare Guatemala, S.A.	Republic of Guatemala	99%
Balaxi Healthcare Dominicana S.R.L.	Dominican Republic	99%
Balaxi Healthcare Centrafrique SARL	South Africa	100%
Balaxi Healthcare El Salvador SA DE	Central America	99%
Balaxi Healthcare Honduras	Central America	99%
Balaxi Healthcare Angola LDA .	Angola	99%

2. BASIS OF PREPARATION

2.1 Statement of Compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board and interpretations issued by the Standards Interpretations Committee of the IASB.

2.2 Basis of measurement

These financial statements have been prepared under the going concern assumption and historical cost convention except in respect of financial instruments, which are presented at fair values and properly disclosed elsewhere in the report.



NOTES TO THE FINANCIAL STATEMENTS

2.3 Basis of accounting

Income and expenditure have been accounted on accrual basis. Under accrual basis, the transactions and events are recognised as and when they occur and are recorded in the financial statements for the period they relate to.

2.4 Functional and Presentation currency

The financial statements are presented in US Dollars (USD) which is also the company's functional currency. All financial information presented in USD has been rounded off to the nearest US Dollar.

2.5 Use of estimates & judgements

The preparation of Financial statements in conformity with IFRS requires management to make estimates, judgements and assumptions that affect the application of policies and reported amounts of assets, liabilities, incomes and expenses.

Actual results may differ from these estimate. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future period affected. During the period, there are no estimates or judgements, or any changes therein, that are material in nature.

3. SIGNIFICANT ACCOUNTING POLICIES

The following accounting policies have been consistently applied in dealing with items considered material to the company's financial statements:

3.1 Plant, property & equipment

Plant, property and equipments are stated at cost less accumulated depreciation. Cost is depreciated on straight line basis as under:

Improvement to leasehold premises	1 year
Computers & Fixtures	3 years
Furniture & Fixtures	5 year
Motor Vehicles	5 years

3.2 Investment in subsidiaries

Investment in subsidiaries is stated at cost.

3.3 Preliminary expenses

Preliminary expenses is being written off over a period of three years from the first full year of commercial operations of the company

3.4 Debtors

Bad Debts are written off as they arise

3.5 Accounts Payable and Accruals

Liabilities are recognized for amounts to be paid in future for goods or services received, whether or not billed to the company

3.6 Foreign Currency Conversion

Balances in foreign currencies have been converted into US Dollars at the rate of exchange prevailing at the balance sheet date. Transactions in foreign currencies are converted at rates ruling when the transaction was entered into. Gains or losses resulting from foreign transactions are taken to profit and loss account.

3.7 Cash and Cash Equivalents

Cash and cash equivalents for the purpose of cash flow statement consists of cash, balances with banks, overdrafts, and deposits with banks with a maturity of three months or less from the date of deposit.



NOTES TO THE FINANCIAL STATEMENTS

3.8 Sales

Sales are stated net of trade discounts and sales return.

3.9 Purchases

Purchases are stated net of discounts and return and include all direct expenses to determine the landed cost.

3.10 Impairment of Assets

Financial Assets

At each balance sheet date, the company assesses if there is any objective evidence indicating impairment of financial assets or non-collectibility of receivables

Non-financial Assets

At each balance sheet date, the company assesses if there is any indication of impairment of non-financial assets. If Any indication exists, the company estimates the recoverable amount of the assets and recognizes an impairment loss in Profit & Loss Account. The company assesses if there is any indication that an impairment loss recognized in prior years no longer exists or has reduced. The resultant impairment loss or reversals are recognized immediately in Profit & Loss Account.

- 3.11 Financial Instruments comprise cash, bank balances, deposits, advances, trade debtors, amounts due from/to related parties, trade creditors, accruals and borrowings. The financial instruments are recognized on the balance sheet when the company becomes a party to the contractual provisions of the instrument.

31.03.2025

4. PLANT, PROPERTY AND EQUIPMENT

This item consists of the following :

	Land	Vehicles	Improvement to Premises	Furniture, Computers & Equipment	Trade Marks	Total
Cost						
As on 1 April 2024	-	1,077,929	18,223	105,738	142,500	1,344,390
Additions	82,539	60,557	-	6,338	23,423	172,857
Adjustments	(910)	(38,813)	-	(762)	1,429	(39,056)
As at 31 March 2025	81,629	1,099,673	18,223	111,314	167,352	1,478,191
Less: Depreciation						
Upto 31 March 2024	-	349,194	17,528	47,623	8,408	422,753
For the year	-	102,378	695	36,699	30,283	170,055
Adjustments	-	-	-	-	-	-
Upto 31 March 2025	-	451,572	18,223	84,322	38,691	592,808
Net Book Value						
As at 31 March 2025	81,629	648,101	-	26,992	128,661	885,383
As on 31 March 2024	-	728,735	695	58,115	134,092	921,637



31.03.2025

31.03.2024

5. ACCOUNTS RECEIVABLES & PREPAYMENTS

This item consists of the following :

a) This item consists of the following :

Trade Debtors - Note 5(b)

12,882,118

6,683,275

Total

12,882,1186,683,275b) Trade DebtorsAgeing of Trade Debtors :

Due for less than 90 days

9,272,975

4,238,529

Due for more than 90 days

3,609,143

2,444,746

Total - Note 5 (a)

12,882,1186,683,275**6. CASH & BANK BALANCES**

This item consists of the following :

Cash on hand

80,240

213,757

Cash at a bank - Current account

1,162,300

1,973,000

Total

1,242,5402,186,757**7. OTHER CURRENT ASSETS**

This item consists of the following :

Prepayments

259,042

236,122

Deposits

152,557

33,740

Staff advance

2,527

7,655

Tax refund receivables

189,548

111,022

Other advances

561,865

447,485

Total

1,165,539836,024**8. CURRENT LOAN**

This item consists of the following :

Due from related parties

66,510

-

Due from others

384,958

264,752

Total

451,468264,752

9. ACCOUNTS PAYABLE & ACCRUALS

This item consists of the following :

Trade creditors
Accrued expenses

Total

31.03.202531.03.2024

11,172,419

72,079

11,244,498

11,146,953

270,386

11,417,339**10. CURRENT LOANS**

This item consists of the following :

Loan from related party
Loan from others

Total

-
2,486,2142,486,2141,769
442,727444,496**11. OTHER CURRENT LIABILITIES**

This item consists of the following :

Accrued expenses
Taxes payable

Total

209,318
205,194414,51261,691
169,552231,243

	For the year	
	31.03.2025	31.03.2024
12. ADMINISTRATION AND SELLING EXPENSES		
This item consists of the following :		
Rent	981,842	952,412
Legal & professional fees	378,200	411,059
Bank charges	106,325	117,294
Visa expenses	32,610	32,365
Travelling & accommodation expenses	241,709	231,065
Vehicle expenses	170,089	190,201
Telephone & electricity charges	41,422	46,528
Insurance Charges	40,963	35,960
Security expenses	118,401	108,782
Business promotion expenses	65,517	62,982
Printing & Stationery	84,862	75,978
Transportation and courier expenses	516,175	519,195
Foreign exchange losses	-	5,234,176
Loss on sale of investment	10,904	-
Miscellaneous expenses	4,400,747	1,332,375
Total	<u>7,189,766</u>	<u>9,350,372</u>

	31.03.2025	31.03.2024
13. CASH AND CASH EQUIVALENTS		
Cash and cash equivalents included in the Statement of Cash Flows comprises of the following balance		
Cash & bank Balances	1,242,540	2,186,757
Total	<u>1,242,540</u>	<u>2,186,757</u>

14. TRANSACTIONS WITH RELATED PARTIES

Material transactions between the company and related parties defined as Shareholders/Manager and enterprises in which the Shareholders/Manager have control or significant influence, are stated below:

Salary to the manager	<u>238,910</u>	<u>238,910</u>
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31.03.2025

31.03.2024

15. FINANCIAL INSTRUMENTSDerivative & exchange rate risks

The company does not use derivative financial instruments for speculative purposes.

The company does not have any policy of entering into foreign exchange contracts or options to manage its exposure to fluctuations in foreign currency exchange rates since substantial portion of the transactions are designated in USD and in AED to which USD is fixed. Significant foreign currency assets/liabilities as at 31 March 2025 were as follows:

Financial assets in foreign currencies

Cash & bank balance

76,644

108,584

Credit risks

Financial assets which potentially subject the company to concentration of credit risk consists principally of cash and bank balances and advance to suppliers. Bank balances and deposits are with regulated financial institutions.

Interest rate risks

No interest is paid/received on shareholders' equity and related party advances.

Fair value

At the balance sheet date, the carrying amount of cash and bank balances, and other advances and payables approximated their fair values.

16. COMMITMENTS

There were no significant commitments, of capital nature or otherwise as on the date of these financial statements.

17. COMPARATIVE FIGURES

Comparatives figures have been regrouped/reclassified wherever necessary to confirm to current years figures.

For BALAXI GLOBAL DMCC

MANAGER


